



Board of Trustees

Finance, Audit, Compliance,
Facilities and Operations
Committee

February 10, 2022

BOARD OF TRUSTEES OF NORTHERN ILLINOIS UNIVERSITY
Finance, Audit, Compliance, Facilities and Operations Committee
11:45 a.m. – Thursday – February 10, 2022

This meeting is being conducted in person and through videoconferencing communications pursuant to Public Act 101-0640, enacted June 12, 2020, and section 7(e) of the Illinois Open Meetings Act, allowing for virtual board meetings during a disaster declaration relating to public health concerns. As Chair of the Committee, I have determined that an in-person meeting is not practical or prudent because of the disaster. As such, trustees may attend today’s meeting by audio and visual conferencing and not by physical presence.

AGENDA

- 1. Call to Order and Roll Call
- 2. Verification of Quorum and Appropriate Notification of Public Meeting
- 3. Meeting Agenda Approval..... *Action*..... i
- 4. Review and Approval of Minutes of November 18, 2021 *Action*..... 1
- 5. Chair's Comments/Announcements
- 6. Public Comment*
- 7. Financial Update
 - a. Quarterly Financial Summary Fiscal Year 2022 Second Quarter as of December 31, 2021 *Information*.....6
 - b. Periodic Report on Investments for Period Ending December 31, 2021..... *Information*.....9
- 8. University Recommendations
 - a. Fiscal Year 2023 Undergraduate Tuition Pricing Recommendation *Action*.....12
 - b. Fiscal Year 2023 Graduate and Law Tuition Pricing Recommendation *Action*.....14
 - c. Fiscal Year 2023 Undergraduate, Graduate, and Law Student Fee Pricing Recommendation *Action*.....18
 - d. Fiscal Year 2023 Room and Board Fee Recommendation *Action*.....21
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| l. Fiscal Year 2023 Facility Master Contract Renewals..... | Action..... | 30 |
| m. Fiscal Year 2023 Division of Information Technology Microsoft Enrollment Contract Renewal..... | Action..... | 32 |
| 9. University Reports | | |
| a. Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period October 1, 2021 to December 31, 2021 | Information..... | 33 |
| b. Fiscal Year 2021 Report on Facilities and Infrastructure Capital Investment Activities | Information..... | 36 |
| 10. Other Matters | | |
| 11. Next Meeting Date | | |
| 12. Adjournment | | |

*Individuals wishing to make an appearance before the Board should consult the [*Bylaws of the Board of Trustees of Northern Illinois University*](#), Article II, Section 4 – *Appearances before the Board*. Appearance request forms can be completed [online](#) in advance of the meeting or will be available in the Board Room the day of the meeting. For more information contact Crystal Doyle, ccoppel@niu.edu, Recording Secretary to the Board of Trustees, Altgeld Hall 300, DeKalb, IL 60115, 815-753-1273.

Anyone needing special accommodations to participate in the NIU Board of Trustees meetings should contact Crystal Doyle, ccoppel@niu.edu or (815) 753-1273, as soon as possible.

Minutes of the
Board of Trustees of Northern Illinois University
Finance, Audit, Compliance, Facilities and Operations
Committee Meeting
November 18, 2021

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 12:00 p.m. by Committee Chair Dennis Barsema in the Board of Trustees Room, 315 Altgeld Hall.

Recording Secretary Christina Doe conducted a roll call of the Trustees.

Trustee Rita Athas: Present

Trustee John Butler: Present

Trustee Montel Gayles: Present

Trustee Veronica Herrero: Present

Committee Vice Chair Bob Pritchard: Present

Trustee Jacob Sommer: Present

Committee Chair Dennis Barsema: Present

Board Chair Eric Wasowicz: Present

Also present: 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; Vice President for Enrollment Management, Marketing and Communications Sol Jensen; and University Advisory Council (UAC) Representatives Felicia Bohanon.

VERIFICATION OF QUORUM AND APPROPRIATE NOTICE OF PUBLIC MEETING

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

MEETING AGENDA APPROVAL

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

REVIEW AND APPROVAL OF MINUTES OF AUGUST 26, 2021

Committee Chair Barsema asked for a motion to approve the minutes of August 26, 2021. Committee Vice Chair Pritchard so moved, and Trustee Herrero seconded. The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Committee Chair Barsema welcomed everyone and recognized the University Advisory Committee. He asked if anyone had any comments but with no response he moved forward. Those members present were Felicia Bohanon.

Committee Chair Barsema stated he is excited to be serving as Chair for FACFO in the year ahead and working closely with Vice Chair Pritchard, Dr. Freeman, and VPCFO Chinniah and her team in the year ahead. He stated his appreciation to Vice Chair Pritchard for chairing the meeting in August and then introduced and welcomed Chris Doe as Recording Secretary for FACFO and thanked her for her years of service at NIU.

Committee Chair Barsema stated the agenda incorporates important financial updates and a number of recommendations which include financial commitments for FY23.

Many of the items put forward built on discussions from committee meetings earlier in the day. Committee Chair Barsema commented he appreciates the efforts of university leadership to connect the discussions and establish a thorough understanding of the items moving forward.

PUBLIC COMMENT

Committee Chair Barsema introduced the public comment portion of the meeting. General Counsel Perry stated there were no requests for public comment.

FINANCIAL UPDATE

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

VPCFO Chinniah presented Agenda Item 7.a. Annual Financial Summary as of June 30, 2021

During her presentation, VPCFO Chinniah expressed appreciation on behalf of senior leadership for the sacrifices made by the NIU community in the past year. VPCFO Chinniah acknowledged on-campus activities are resuming, and the current low level of spending is not sustainable to support a vibrant university.

Committee Chair Barsema recognized that preparing to withstand a \$30M loss is daunting and thanked the faculty and staff who made decisions and altered plans to protect NIU's financial position.

Trustee Herrero asked if the additional \$1M, which Dr. Quider mentioned earlier in the day, was different funding than what was received and if it was reflected in the report. VPCFO Chinniah stated it was not reflected as it was received in FY22, and we have not yet drawn in those funds.

Additional conversation ensued as Trustee Athas and Board Chair Wasowicz expressed appreciation to the NIU community and upheld the call to be mindful of spending going forward.

VPCFO Chinniah presented Agenda Item 7.b. Quarterly Financial Summary Fiscal Year 2022 First Quarter as of September 30, 2021

VPCFO Chinniah invited Andrew Rogers, Assistant Vice President for Budget and Financial Planning to give the overview of item 7.b.

Committee Chair Barsema expressed appreciation for these quarterly updates and continued the conversation around temporary funds and NIU's need to capitalize on this opportunity. While this funding is available, NIU needs to intentionally and aggressively pursue sustainable solutions to offset the university's anticipated financial losses. Committee Chair Barsema would like to see the university make progress this year and end FY22 better than the \$10M anticipated loss. There will be decisions made and actions taken that not everyone agrees with; that is the reality of change and evolution in organizations, including NIU. The Board of Trustees expressed confidence in President Freeman, Vice President Chinniah, Provost Ingram and the leadership team to make the needed decisions.

VPCFO Chinniah presented Agenda Item 7.c. Periodic Report on Investments for Period Ending September 30, 2021

VPCFO Chinniah stated that on page 13 of the materials, in the narrative, investment earnings were reported as \$21.8M rather than \$21.8K. Same for interest earned in FY21 of \$90.8K; it is reported as \$90.8M. She apologized for the error and stated corrected materials will be posted to the website after the meeting.

A question followed regarding future COVID relief fund expectations from Trustee Gayles, and VPCFO Chinniah affirmed NIU has not yet exhausted the full amount and anticipates access through at least the end of this fiscal year. Additional conversation continued expressing gratitude

from Committee Chair Barsema and Trustee Herrero for VPCFO Chinniah and her team for the quarterly reporting, and for leadership and the campus community for fiscal management and tough decisions throughout the pandemic. Appreciation for transparency was emphasized as it shows a clear picture of the university's financial position. VPCFO Chinniah and President Freeman concluded comments thanking their teams and affirming NIU's commitment to transparency, and thanking the Board for their continued confidence in leadership.

UNIVERSITY RECOMMENDATIONS

Committee Chair Barsema asked VPCFO Chinniah to present the University Recommendations.

VPCFO Chinniah presented Agenda Item 8.a. Fiscal Year 2023 Budget Request

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

Conversation followed about the figure, and it was confirmed the request signifies the true need of NIU and no longer reflects prior years' changes to state funding.

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.b. Fiscal Year 2023 IBHE Capital Budget Request

VPCFO Chinniah invited John Heckmann, Associate Vice President for Facilities Management and Campus Services (AVP) to the podium to summarize the request before opening discussion.

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

AVP Heckmann provided the summary. Trustee Gayles opened up conversation with a review of Business Enterprise Program (BEP) commitments. AVP Heckmann provided some preliminary data and affirmed every contract action that this is executed follows the BEP guidelines and there is every effort to execute to that goal with each opportunity for projects and professional services.

Additional conversation ensued around the Northern Illinois Center for Community Sustainability (NICCS) building, as it is not on the list, and how its funding will be administered. There was also minimal discussion around comparison of NIU's critical projects with other state institutions.

More conversation followed as Trustee Butler asked about release of Capital Development Board (CDB) funds and the overall project's progression, to which AVP Heckmann provided a status update.

Discussion concluded with additional comments around the CDB's process for BEP participation. AVP Heckmann and Trustee Gayles discussed how NIU and the CDB have different procurement responsibilities, though both have BEP requirements.

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.c. EAB Undergraduate Recruitment Services

Committee Chair Barsema asked for a motion to approve item 8.c. Committee Vice Chair Pritchard so moved, and Trustee Butler seconded. The motion was approved.

VPCFO Chinniah presented Agenda Item 8.d. On- and Off-Campus Unarmed Security Patrol

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

Conversation followed regarding responsibility for training the unarmed patrol officers, with

responses lead by Chief Darren Mitchell. Committee Vice Chair Pritchard and Chief Mitchell also discussed the justification for additional security and the quantity of new help.

Additional conversation followed regarding responsibilities for the security officers, patrolling methods, and the City of DeKalb's level of involvement or awareness. Trustees and Chief Mitchell also discussed communication procedures between the different agencies, liability assumption, and operating hours.

Trustee Herrero opened conversation around racial bias training. Chief Mitchell responded to the training request, and President Freeman provided additional information around bias reporting.

Discussion concluded with uniform guidelines and working conditions for the security staff. Trustee Gayles commended President Freeman on the great work on this.

The motion was approved.

VPCFO Chinniah presented Agenda Item 8.e. Bowl Game Participation Expense

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

Minimal conversation occurred around NIU serving as a pass-through for funds and how funds are recovered. Deputy Athletic Director John Cheney also provided information around funding for the Mid-American Conference (MAC) Championship game.

The motion was approved.

UNIVERSITY REPORTS

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

VPCFO Chinniah stated there are three informational items:

Information Item 9.a. – Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period July 1, 2021 to September 30, 2021

Information Item 9.b. – Fiscal Year 2021 Clery Report Update

Information Item 9.c. – Fiscal Year 2021 Annual Report of Transactions Involving Real Property

NIU Board regulations stipulate that the university presents regular summaries of designated activities including financial and property transaction, as well as confirmation that state and federal requirements are met. The three reports provided today include comprehensive written updates and are submitted in accordance with board regulations. No specific presentations are planned. VPCFO Chinniah stated she was happy to answer any questions.

Trustee Gayles asked if NIU could also provide the amount of money that has been allocated to BEP participation and if NIU could identify the vendor, though timing is a recognized issue. VPCFO Chinniah noted that the request has been heard in the past, but the timing challenges remain the inhibitor to being immediately responsive to those requests.

OTHER MATTERS

There were no other matters.

NEXT MEETING DATE

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be February 10, 2022.

ADJOURNMENT

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

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

Trustee Rita Athas: Yes

Trustee John Butler: Yes

Trustee Montel Gayles: Yes

Trustee Veronica Herrero: Yes

Committee Vice Chair Bob Pritchard: Yes

Trustee Jacob Sommer: Yes

Committee Chair Dennis Barsema: Yes

Board Chair Eric Wasowicz: Yes

The motion was approved.

The meeting adjourned at 1:05 p.m.

Respectfully submitted,

Christina Doe
Recording Secretary

In compliance with Illinois Open Meetings Act 5 ILCS 120/1, et seq, a verbatim record of all Northern Illinois University Board of Trustees meetings is maintained by the Board Recording Secretary and is available for review upon request. The minutes contained herein represent a true and accurate summary of the Board proceedings.

QUARTERLY FINANCIAL SUMMARY FISCAL YEAR 2022 SECOND QUARTER AS OF DECEMBER 31, 2021

Background: With the December 31 conclusion of the second quarter of the 2021-2022 fiscal year (FY22), the University is now able to update the Board of Trustees on NIU's financial performance relative to the current year budget and prior year actuals.

Through the second quarter of FY22, the University received \$135.9M more revenue (\$343.8M) than it spent (\$207.9M). This net revenue total is 12% (\$14.5M) more than the prior year, FY21. Tuition and Student Fee revenue decreased 2.3%, or \$3.7M through the second quarter compared to one year ago. Propelled by a rebound in auxiliary income and federal COVID-19 relief funding, overall revenue exceeded the second quarter of FY21 by \$39.9M (13.1%). Sales and Rental and Room Income combined to outperform the second quarter of FY21 by \$19.1M (62.7%). Overall revenues for the quarter are well ahead of the pro-rated budget (\$18.2M or 5.6% ahead of budget), demonstrating draws against federal relief funding that took place over the first six months of the fiscal year.

On the expense side, overall spending relative to FY21 increased by \$25.4M, or 13.9% driven by Scholarships spend related to COVID-19 relief funding. Non-scholarship expenses increased \$7.3M, or 4.9% from one year ago. Personnel Services spending is trending above prior year (\$2.1M, 2%), reflecting non-represented increments and bargained-for wage increases. Contractual Services spending is ahead of FY21 (\$2.1M, 6.6%) when it finished at its lowest level since at least FY16. Variations in Debt Service through the first half of the fiscal year are timing related as the University is scheduled to realize significant savings resulting from 2020 and 2021 bond refinancing's. For all non-Scholarship expenditures, the first quarter finished 4.4% (\$7.2M) below budget.

Second quarter performance suggests that the University is on target to at least meet FY22 budget expectations of a \$10M deficit. Tuition and Student Fees are trending slightly below budget (-2.1%, \$3.4M). While auxiliary revenues have rebounded from FY21, they trail budget (-7.9%, \$4.2M) in Sales and Rental and Room Income categories. Personnel Services expenses (-6.0%, \$6.9M) and Contractual Services (-9.5%, \$3.5M) are trending below budget, more than offsetting lagging tuition and auxiliary revenues. The ongoing availability of federal pandemic relief funding will continue to drive Gifts, Grants, and Contracts revenues and fuel Scholarship spending for the remainder of the year. Because this continues to be a dynamic environment, the University will continue to present quarterly budget updates to the Finance, Audit, Compliance, Facilities and Operations Committee of the Board of Trustees, noting quarterly budget performance, summarizing variances, and providing year-to-date forecasts.

Revenues

- 1. Tuition and Student Fees:** All tuition, including differential tuition, course and materials fees, athletics fees, bus fees, and health service fees.
- 2. Gifts, Grants, and Contracts:** Includes on-campus scholarships, research grants and associated indirect cost pools, Pell Grants, and sub-contract fees for research.
- 3. Other Fees and Fines:** Includes parking fees, residential living-learning community fees, parking fines, and transcript and commencement fees.
- 4. Sales:** Includes board plan and retail food sales, concessions sales, advertising/sponsorship, sales of services to off-campus entities (including, but not limited to catering, childcare, and conference services).

5. **Rental and Room Income:** Includes room fees for residential students, rental of on-campus and off-campus meeting and conference space, hotel revenues, and Northern View apartment revenues.
6. **Gate Receipts and Commissions:** Includes athletic ticket sales, performing arts ticket sales, commissions, and concert/event revenues from the Convocation Center.
7. **Miscellaneous and Investment Income:** Includes athletics' game guarantees, NIU share of conference tournament revenues, rental of facilities, and interest income from investments, gains and losses on disposals of fixed assets, and year-end transfers to mandated reserves in the auxiliary facilities system.
8. **State of Illinois:** Represents the annual state appropriation to public universities.

Expenses

1. **Cost of Sales:** Includes the cost of all items purchased for resale on campus such as food for dining units, parts and supplies to be charged out through the campus work order system, as well as paper for pay-to-print copiers and printers.
2. **Personnel Services:** Includes all salaries paid to faculty, supportive professional staff, civil service, graduate assistants, extra help, and student employees. Also includes required payments for Medicare and employee health insurance.
3. **Contractual Services:** Includes annual software support, subscriptions, conference registrations, non-employee travel reimbursements, service contracts, repairs and maintenance, grounds, building service work charges, speaking fees, and other arrangements with outside contractors to perform services for the University.
4. **Commodities:** Includes purchased items of a low cost that typically are consumed in a single year. Examples include paper for printing, lab supplies, napkins, and cleaning supplies.
5. **Travel:** Includes airfare, hotel rooms, mileage, meals (all up to limits set by the state and the University), and ancillary expenses for employees to travel to-and-from campus on official University business.
6. **Automotive:** Includes the cost to rent cars, vans, and busses from the University transportation department.
7. **Scholarships:** Includes scholarships awarded, including Pell Grant funds disbursed (which, when netted against Pell Grant funds received, results in zero effect on the University's cash position).
8. **Telecommunications:** Includes the cost of providing phone, internet, and other digital services to the University.
9. **Equipment and Library Books:** Includes the cost of all items over \$100 with an estimated useful life of two years or more, as well as library books, journal subscriptions, manuscripts, films, music, and video materials.
10. **Capital Repairs:** Includes the cost of centralized capital repair activities.
11. **Debt Service:** Includes debt service payment on bonds, certificates of participation, and performance contracts.
12. **Miscellaneous Expense:** Includes refunds issued for on-campus external programming, deposit refunds, and other expenses not classified elsewhere.

Following is a financial summary of the University's operations as of the end of the second quarter of FY22 compared to the previous fiscal year and the FY22 budget.

Northern Illinois University
as of December 31, 2021

(\$ in thousands)

| | Current Year FY22 | | | Prior Year FY21 | | Current Year FY22 | | |
|-----------------------------------|-------------------|-------------------|------------------|-------------------|------------------|--------------------|--------------------|-------------|
| | Second Quarter | | | Second Quarter | | YTD Forecast | Annual | |
| | YTD Actuals | YTD Budget | Variance | YTD Actuals | Variance | | Budget | Variance |
| Revenue | | | | | | | | |
| Tuition & Student Fees | \$ 157,397 | \$ 160,787 | \$ (3,390) | \$ 161,093 | \$ (3,696) | \$ 168,228 | \$ 168,228 | \$ - |
| Gifts, Grants, & Contracts | 50,785 | 26,572 | 24,213 | 29,580 | 21,205 | 74,538 | 74,538 | - |
| Other Fees and Fines | 2,767 | 2,202 | 566 | 1,822 | 945 | 3,999 | 3,999 | - |
| Sales | 18,145 | 20,019 | (1,874) | 11,685 | 6,460 | 29,863 | 29,863 | - |
| Rental & Room Income | 31,416 | 33,789 | (2,373) | 18,782 | 12,634 | 33,018 | 33,018 | - |
| Gate Receipts & Commissions | 574 | 2,245 | (1,671) | 130 | 444 | 3,535 | 3,535 | - |
| Miscellaneous & Investment Income | 4,614 | 1,278 | 3,336 | 2,036 | 2,578 | 7,463 | 7,463 | - |
| State of Illinois | 78,081 | 78,712 | (632) | 78,730 | (649) | 87,804 | 87,804 | - |
| Total Revenue | \$ 343,779 | \$ 325,605 | \$ 18,174 | \$ 303,859 | \$ 39,920 | \$ 408,449 | \$ 408,449 | \$ - |
| Expenses | | | | | | | | |
| Cost of Sales | \$ 1,731 | \$ 1,910 | \$ (180) | \$ 1,174 | \$ 556 | \$ 4,028 | \$ 4,028 | \$ - |
| Personnel Services | 108,605 | 115,529 | (6,924) | 106,468 | 2,137 | 232,479 | 232,479 | - |
| Contractual Services | 33,399 | 36,909 | (3,509) | 31,326 | 2,073 | 82,513 | 82,513 | - |
| Commodities | 2,569 | 2,509 | 60 | 1,709 | 859 | 5,836 | 5,836 | - |
| Travel | 1,330 | 570 | 759 | 171 | 1,158 | 3,225 | 3,225 | - |
| Automotive | 567 | 500 | 67 | 318 | 249 | 1,037 | 1,037 | - |
| Scholarships | 50,230 | 30,680 | 19,550 | 32,184 | 18,046 | 62,395 | 62,395 | - |
| Telecommunications | 194 | 247 | (53) | 233 | (39) | 543 | 543 | - |
| Equipment & Library Materials | 3,911 | 3,777 | 134 | 3,783 | 128 | 7,948 | 7,948 | - |
| Capital Repairs | 350 | 510 | (161) | 293 | 56 | 1,238 | 1,238 | - |
| Debt Service | 4,938 | 2,309 | 2,630 | 3,355 | 1,583 | 16,829 | 16,829 | - |
| Miscellaneous Expense | 56 | 95 | (38) | 1,469 | (1,413) | 378 | 378 | - |
| Total Expenses | \$ 207,878 | \$ 195,544 | \$ 12,334 | \$ 182,485 | \$ 25,393 | \$ 418,449 | \$ 418,449 | \$ - |
| Net Revenue | \$ 135,901 | \$ 130,061 | \$ 5,840 | \$ 121,374 | \$ 14,527 | \$ (10,000) | \$ (10,000) | \$ - |

PERIODIC REPORT ON INVESTMENTS FOR PERIOD ENDING DECEMBER 31, 2021

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

- Cash and Investment Holdings Summary as of December 31, 2021
- Investment Earnings for the quarter ended December 31, 2021

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

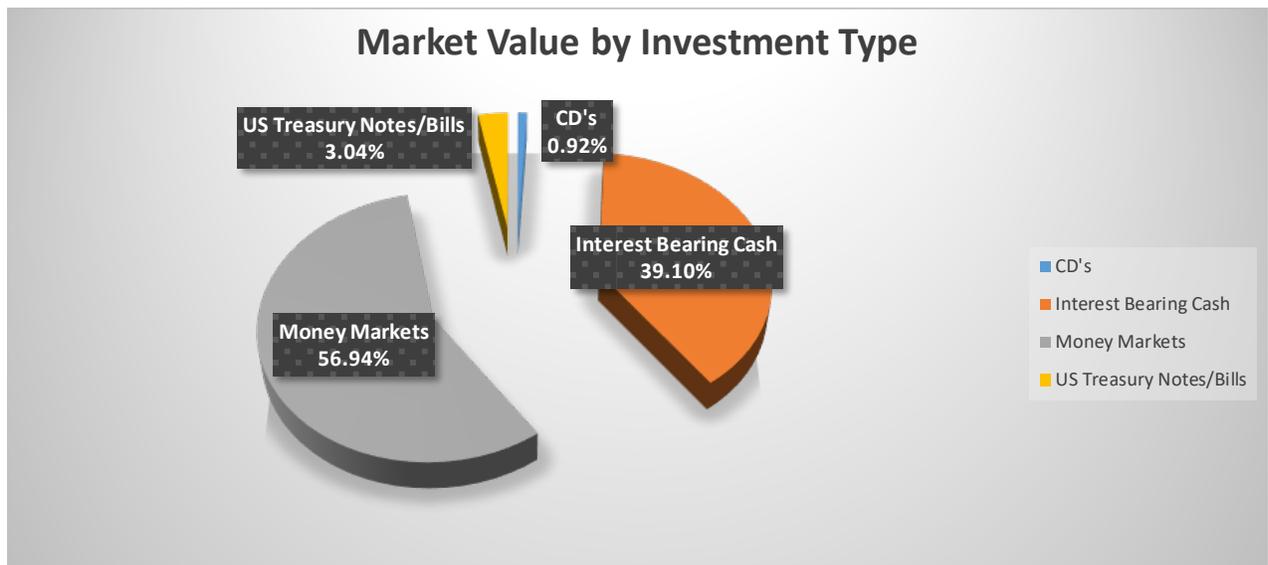
The *Cash and Investment Holdings Summary* at December 31, 2021 shows NIU's total holdings at just over \$165M. Of the total holdings balance, approximately \$113M is available for daily operations providing for more than 90 days cash on hand. The remaining balance is restricted per collateralization requirements and contractual obligations. The total holdings balance is up \$35M from the balance at December 31, 2020. This increase is a result of timely receipt of state appropriations and continued receipt of additional pandemic-related Federal relief funding.

The *Investment Earnings* report shows income of \$30K and an overall annualized rate of return of 0.08% for the second quarter. This represents a decrease in interest earned of approximately \$37K when compared to the same quarter of FY21. The decrease in interest earned is primarily due to declining market investment yields. Most operating funds were invested in money markets and investment in savings accounts because cash and cash equivalents were earning higher yields than long term investment instruments during the second quarter of FY22.

The coronavirus pandemic continues to be a headline in economic forecasts after a recent uptick in COVID-19 cases as a result of the omicron variant. However, indicators of economic activity and employment continue to strengthen, and the sectors most adversely impacted by the global pandemic continue to show improvement in recent months. Inflation levels remain elevated, exceeding the 2% goal established by the Federal Open Market Committee. The Federal Open Market Committee decided to maintain the federal funds interest rate in the target range of 0 to 1/4 percent but economists do anticipate three to four rate hikes in 2022. Management is continuously monitoring market changes that will affect the university's cash management and investment goals. Management is committed to the fiscal sustainability of NIU and is reviewing all available options for strengthening the university's cash position.

NORTHERN ILLINOIS UNIVERSITY
CASH and INVESTMENT HOLDINGS SUMMARY
 December 31, 2021
 For Fiscal Year 2022

| Investment Type | Purch Price/ Ending Bal * | Book Value ** | Market Value *** |
|---|------------------------------|-----------------------|-----------------------|
| CD's: | | | |
| Local Funds | \$ 1,515,230 | \$ 1,515,230 | \$ 1,515,230 |
| Federal Agency Notes: | | | |
| Local Funds | \$ - | \$ - | \$ - |
| Interest Bearing Cash Accounts: | | | |
| Local Funds | \$ 64,480,323 | \$ 64,480,323 | \$ 64,480,323 |
| Money Markets: | | | |
| Contributory Trust | \$ 9,839,000 | \$ 9,839,000 | \$ 9,839,000 |
| Local Funds | 83,878,363 | 83,878,363 | 83,878,363 |
| Project Funds | 189,087 | 189,087 | 189,087 |
| | \$ 93,906,450 | \$ 93,906,450 | \$ 93,906,450 |
| US Treasury Notes/Bills: | | | |
| Local Funds | \$ 5,044,354 | \$ 5,006,165 | \$ 5,006,650 |
| TOTAL INVESTMENT HOLDINGS | \$ 164,946,357 | \$ 164,908,168 | \$ 164,908,653 |
| Non-interest Bearing Cash | \$ 285,165 | \$ 285,165 | \$ 285,165 |
| TOTAL CASH & INVESTMENT HOLDINGS | \$ 165,231,522 | \$ 165,193,333 | \$ 165,193,818 |
| TOTAL REPORTED FOR 12/31/2020 | \$ 130,246,206 | \$ 130,200,060 | \$ 130,202,363 |



* Amounts per Bank and Investment Statements

** Purchase price, net of accumulated amortization of premiums and discounts

*** Estimated price for which an investment would sell in the marketplace

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

**NORTHERN ILLINOIS UNIVERSITY
INVESTMENT EARNINGS
For Fiscal Year 2022
October 1, 2021 - December 31, 2021**

| | December 31 Ending Balance | Qtr 2 Average Daily Balance | Percent of Portfolio | Qtr 2 Income Earned | Annualized Rates of Return | | | | |
|--|----------------------------------|-----------------------------------|----------------------------|---------------------------|-------------------------------|---------------|---------------|---------------|--|
| | | | | | FY2022 | | FY 2021 | | |
| | | | | | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | |
| Short-Term Investment Accounts | | | | | | | | | |
| Illinois Funds | \$ 83,878,363 | \$ 64,586,993 | 41.82% | \$ 6,192 | 0.038% | 0.020% | 0.034% | 0.073% | |
| Investment Accounts - Financial Institutions | \$ 64,480,323 | \$ 64,347,617 | 41.67% | \$ 21,372 | 0.132% | 0.119% | 0.129% | 0.167% | |
| Contributory Trust | \$ 9,839,000 | \$ 9,838,808 | 6.37% | \$ 647 | 0.026% | 0.026% | 0.029% | 0.031% | |
| Investment Accounts - Project Funds | \$ 189,087 | \$ 261,313 | 0.17% | \$ 4 | 0.006% | 0.006% | 0.006% | 0.006% | |
| CD's | \$ 1,515,230 | \$ 1,515,203 | 0.98% | \$ 38 | 0.010% | 0.041% | 0.050% | 0.075% | |
| ST Investment Accounts Total | \$ 159,902,003 | \$ 140,549,934 | 91.01% | \$ 28,253 | 0.080% | 0.072% | 0.077% | 0.116% | |
| Fixed Income Securities | | | | | | | | | |
| Local Funds | \$ 5,044,354 | \$ 13,888,390 | 8.99% | \$ 1,400 | 0.040% | 0.048% | 0.053% | 0.297% | |
| Fixed Income Securities Total | \$ 5,044,354 | \$ 13,888,390 | 8.99% | \$ 1,400 | 0.040% | 0.048% | 0.053% | 0.297% | |
| Non-interest Bearing Cash | \$ 285,165 | - | - | - | | | | - | |
| COMBINED TOTAL | \$ 165,231,522 | \$ 154,438,324 | 100.00% | \$ 29,653 | 0.08% | 0.07% | 0.08% | 0.12% | |

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

FISCAL YEAR 2023 UNDERGRADUATE TUITION PRICING RECOMMENDATION

Summary: The following item presents the pricing recommendation that addresses Northern Illinois University's tuition rates for FY23. These recommendations were developed with the goals of addressing affordability concerns and maintaining fiscal responsibility by keeping the total cost of attendance for full-time students as low as possible. From FY16 to FY21 NIU held the base tuition flat. In FY22, tuition increased by 1.5%. This recommendation for FY23 is requesting a 1.9% increase in base tuition, and no change in undergraduate differential tuition rates.

Background: NIU has developed a refined set of tuition rates to reflect the multiple student populations. To bring clarity to this array of rates, first described is the rate structure and then the rates for FY22 and the rates proposed for FY23.

NIU sets tuition on a per-credit-hour basis. However, undergraduate students who enroll in 12 or more semester credit hours are charged at a flat tuition rate. Rates are set subject to the following considerations:

- Illinois "Truth-in-Tuition" law for undergraduates
- Differential tuition for select programs
- Residency considerations (e.g., out-of-state and international students)

Truth in Tuition

Tuition rates for Illinois residents seeking an undergraduate degree are subject to Illinois' Truth-in-Tuition law. Under the law, entering degree-seeking undergraduate students are guaranteed the same base tuition rate for four continuous years. NIU policy adds one additional semester to this four-year guarantee. After nine continuous semesters of enrollment, the guaranteed undergraduate tuition rate adjusts to the tuition rate paid by students who entered the university one fiscal year after the date of original entry for an additional three semesters.

In the event of a decrease in undergraduate tuition, it is anticipated that all continuing students will be charged the new rate if that rate is more favorable to them than the rate guaranteed to them by Truth-in-Tuition.

Hence, when NIU sets undergraduate tuition rates for FY23, those rates apply only to:

- incoming or re-entering students;
- non-degree-seeking students, including visiting students and post-baccalaureate students; and
- students whose continuous enrollment has exceeded the period outlined above.

Out-of-State and International Rates

NIU currently sets tuition for domestic, out-of-state students at the same rate as Illinois residents. The rate for international students is set at twice the in-state rate. The university may enter into agreements with international partners for cohort or pipeline programs. For such programs, the university may agree to lower tuition to no less than 1.5 times the FY23 in-state rate.

Tuition Recommendation

The recommended 1.9% base tuition increase represents a \$6.73 increase in the per credit hour rate and a \$91.27 increase in the full-time rate per semester. This modest increase is necessitated by NIU's commitment to support the academic success of its students. Research and analysis have

shown a need to enhance the structured experiences we offer to students to support their sense of belonging and their ability to create and build meaningful relationships with other students, faculty and staff. Doing so is imperative to respond to the on-going effect of the pandemic on students. The sum represented by this increase will be directed to an expansion of those services.

Fiscal Year 2022 Tuition

| | | |
|-----------------------|----------------------|-------------------------|
| Base Domestic Tuition | Per Credit Hour Rate | Capped Tuition at |
| | 1 – 11 | 12 or more Credit Hours |
| Undergraduate Tuition | \$354.07 | \$4,803.79 |

Fiscal Year 2023 Tuition Recommendations

| | | |
|-----------------------|----------------------|-------------------------|
| Base Domestic Tuition | Per Credit Hour Rate | Capped Tuition at |
| | 1 – 11 | 12 or more Credit Hours |
| Undergraduate Tuition | \$360.80 | \$4,895.06 |

Differential Tuition

For select programs, NIU charges a differential tuition. These differentials reflect the added value and added costs associated with those programs. The differential rate is added to the base and becomes the tuition rate charged for that program, subject to the policies previously listed. Differential rates are stated on a per-credit-hour basis. The maximum differential rate is capped at twelve times the per-credit-hour rate. Differential rates are re-validated annually.

Undergraduate Differential Tuition per Credit Hour Rates

| Program | FY22 Differential | FY23 Differential |
|---|----------------------|----------------------|
| | | |
| College of Engineering & Engineering Technology | | |
| All programs | \$50 | \$50 |
| | | |
| College of Health & Human Sciences | | |
| Nursing (pre-licensure, not including pre-majors nor RN to BSN) | \$15 | \$15 |
| | | |
| College of Liberal Arts & Sciences | | |
| Computer Science (including pre-majors) | \$40 | \$40 |

The Rationale for Differential Tuition

Differential tuition rates are reviewed annually to ensure that the rates are competitive and are not adversely impacting enrollments. This year, College of Engineering & Engineering Technology, Nursing, and Computer Science are maintaining their existing rates.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

FISCAL YEAR 2023 GRADUATE AND LAW TUITION PRICING RECOMMENDATION

Summary: The following item presents the pricing recommendation that addresses Northern Illinois University's tuition rates for FY23. These recommendations were developed with the goals of addressing affordability concerns and maintaining fiscal responsibility by keeping the total cost of attendance for full-time students as low as possible. From FY16 to FY21 NIU held the base tuition flat. In FY22, tuition increased by 1.5% for graduate students and 0.79% for law students. This recommendation for FY23 is requesting a 1.9% increase in base tuition (\$6.88 per credit hour) for graduate students and a 1% increase in the base tuition (\$6.88 per credit hour) for law students. Also included are adjustments in three differential tuition rates.

Background: NIU has developed a refined set of tuition rates to reflect the multiple student populations. To bring clarity to this array of rates, first described is the rate structure and then the rates for FY22 and the rates proposed for FY23.

NIU sets tuition on a per-credit-hour basis. For the Juris Doctorate program and most graduate programs, students who enroll in 12 or more semester credit hours are billed at a maximum rate that is 12 times the per-credit-hour rate. The FY23 rates indicated below apply to both new and returning graduate students and law students. Rates are set separately for graduate students and law students, subject to the following considerations:

- Bundling tuition and fees for graduate and law students presented as a single charge on their bill that includes an instructional charge (tuition), and institutional charge (student fees and charges)
- Differential tuition for select programs
- Residency considerations (e.g., out-of-state and international students)

Out-of-State and International Rates

NIU currently sets tuition for domestic, out-of-state students at the same rate as Illinois residents. The rate for international students is set at twice the in-state rate, subject to the following considerations:

- Within the integrated charge for graduate and law students, the instructional charge is doubled for international students, but the institutional charge is not.
- International students appointed as graduate assistants or fellows are billed at the domestic law or graduate student rate.
- The university may enter into agreements with international partners for cohort or pipeline programs. For such programs, the university may agree to lower tuition (for undergraduates) or the instructional component (for graduate students) to no less than 1.5 times the FY22 in-state rate.

Differential Tuition

For select programs, NIU charges a differential tuition. These differentials reflect the added value and added costs associated with those programs. The differential rate is added to the base and becomes the tuition rate charged for that program, subject to the policies previously listed. Differential rates are stated on a per-credit-hour basis. The maximum differential rate is capped at 12 times the per-credit-hour rate. Differential rates are re-validated annually.

Tuition Recommendation

The recommended 1.9% base tuition increase for graduate students represents a \$6.88 increase in

the per credit hour rate and a \$82.56 increase in the 12 or more credit hour rate per semester. The recommended base tuition increase for law students represents a \$6.88 increase in the per credit hour rate and a \$82.56 increase in the maximum rate per semester. Overall, this represents an approximate 1% base tuition increase. This modest increase is necessitated by NIU's commitment to support the academic success of its students. Experience over the past year has demonstrated a need to provide additional services to students, including enhanced academic advising and financial counseling, to enable them to be retained and graduate. The sum represented by this increase will be directed to an expansion of those services.

Fiscal Year 2023 Tuition Recommendations

| Graduate Domestic Tuition per Semester | FY22 | | FY23 | |
|--|----------------------|-------------------------|----------------------|-------------------------|
| | Per Credit Hour 1-11 | 12 or more Credit Hours | Per Credit Hour 1-11 | 12 or more Credit Hours |
| Instructional Charge (Base) | \$362.36 | \$4,348.32 | \$369.24 | \$4,430.88 |

| College of Law Domestic Tuition per Semester | FY22 | | FY23 | |
|--|----------------------|-------------------------|----------------------|-------------------------|
| | Per Credit Hour 1-11 | 12 or more Credit Hours | Per Credit Hour 1-11 | 12 or more Credit Hours |
| Instructional Charge (Base) | \$682.65 | \$8,191.80 | \$689.53 | \$8,274.36 |

Graduate Differential Tuition

The per credit hour rates for FY22 and the proposed rates for FY23 are detailed below:

| Program | FY22 Differential | FY23 Differential | Increase or (Decrease) |
|--|-------------------|-------------------|------------------------|
| College of Business | | | |
| Graduate Certificate in Accountancy | \$325 | \$325 | \$0 |
| Master of Accountancy | \$325 | \$325 | \$0 |
| Master of Accounting Science | \$325 | \$325 | \$0 |
| Master of Science in Taxation | \$325 | \$325 | \$0 |
| Graduate Study in Enterprise Management Using SAP Analytics | \$200 | \$200 | \$0 |
| Graduate Certificate in Data Analytics | \$200 | \$200 | \$0 |
| Master of Science in Finance | \$400 | \$400 | \$0 |
| Evening MBA | \$400 | \$400 | \$0 |
| Global MBA | \$400 | \$400 | \$0 |
| Graduate Certificate in Management Information Systems | \$200 | \$200 | \$0 |
| Master of Management Information Systems | \$200 | \$200 | \$0 |
| Master of Science in Digital Marketing | \$400 | \$400 | \$0 |
| Foundations of Accountancy Certificate | \$325 | \$325 | \$0 |
| Certificate of Graduate Study – Advanced Study in Accounting Analytics | \$325 | \$325 | \$0 |
| Certificate of Graduate Study – Advanced Study in Accountancy | \$325 | \$325 | \$0 |
| Master of Science in Data Analytics | \$400 | \$400 | \$0 |
| Graduate Study in Data Science for Business | \$400 | \$400 | \$0 |
| College of Education | | | |
| EdD in Curriculum & Instruction | \$65 | \$65 | \$0 |
| EdD in Education Administration | \$65 | \$65 | \$0 |
| PhD/EdD in Instructional Technology (face-to-face) | \$40 | \$40 | \$0 |
| PhD/EdD in Instructional Technology (online) | \$40 | \$40 | \$0 |
| MSED in Instructional Technology (face-to-face) | \$20 | \$20 | \$0 |
| MSED in Instructional Technology (online) | \$25 | \$25 | \$0 |
| EdD in Community College Leadership | \$70 | \$80 | \$10 |

| | | | |
|--|-------|-------|------|
| EdS in Educational Administration, Superintendent Preparation (online) | \$0 | \$25 | \$25 |
| MSED in Kinesiology & Physical Education | \$35 | \$35 | \$0 |
| Master of Science in Athletic Training ¹ | \$35 | \$35 | \$0 |
| Master of Science in Sports Management | \$35 | \$35 | \$0 |
| Executive EdD in Adult & Higher Ed Weekend Cohort (online) | \$70 | \$80 | \$10 |
| College of Engineering & Engineering Technology | | | |
| All programs | \$50 | \$50 | \$0 |
| College of Health & Human Sciences | | | |
| Master of Speech-Language Pathology | \$160 | \$160 | \$0 |
| Doctor of Audiology | \$185 | \$185 | \$0 |
| Doctor of Physical Therapy | \$225 | \$225 | \$0 |
| Doctor of Health Sciences (online) | \$553 | \$553 | \$0 |
| Graduate Certificate in Eating Disorders (online) | \$180 | \$180 | \$0 |
| Doctor of Nursing Practice | \$240 | \$240 | \$0 |
| Master of Public Health (online) | \$200 | \$200 | \$0 |
| Master of Family Nurse Practitioner (online) | \$240 | \$240 | \$0 |
| College of Liberal Arts & Sciences | | | |
| Master of Science in Computer Science | \$60 | \$60 | \$0 |
| Master of Public Administration (online) | \$90 | \$90 | \$0 |
| Graduate Certificate in Public Management | \$90 | \$90 | \$0 |

Rationale for Differential Tuition Rate Changes

Differential tuition rates are reviewed annually to ensure that the rates are competitive and are not adversely affecting enrollments. This year, most programs are maintaining their existing rates. A few adjustments are being made, and a new program is introducing a differential:

- In the *College of Education*, the differential for the online Executive EdD in Adult & Higher Ed Weekend Cohort and for the EdD in Community College Leadership are increasing by \$10 from \$70 to \$80. This fee covers additional administrative costs for the program, recruitment efforts, and competitive compensation for highly qualified instructors with significant expertise. The additional funding will fund dissertation support and coaching during summer session to keep students on track to complete their degrees in three years, as well as additional technology support, training, and equipment for the online course delivery components.
- In the *College of Education*, the EdS in Educational Administrative, Superintendent Preparation (online) is requesting a new differential fee of \$25 per credit hour. The Superintendent Preparation program at NIU is one of the leading and most popular programs in Illinois, with twenty percent of superintendents in the state being a NIU graduate. Fees generated by the differential tuition charge will be used for the purchase of specialized instructional supplies and services, information technology equipment for faculty, and other services that are important to maintaining the academic experience for our students. Fees will also be utilized to offer faculty development, compensation and training for the necessary time and expertise to create high-quality online modules and synchronous sessions. In addition to supporting online development and maintenance, faculty will also need professional development opportunities to acquire the expertise to transition current assessment protocols to the online environment.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of

¹ New program in Summer 2020.

the President's Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

FISCAL YEAR 2023 UNDERGRADUATE, GRADUATE, AND LAW STUDENT FEE PRICING RECOMMENDATION

Summary: The following item presents a pricing recommendation that addresses Northern Illinois University's undergraduate, graduate, and law fees for FY23. These recommendations were developed with the goals of addressing affordability concerns and maintaining fiscal responsibility by keeping the total cost of attendance for full-time students as low as possible.

Background: The university has numerous student activities, programs, services, and operations that are supported to various degrees by the assessment of dedicated-use student charges. These charges are aggregated into a more manageable number of fees. This item describes the purpose of each charge, then provides a summary of the fee rates for FY22 and recommendations for FY23.

Undergraduate, Graduate, and Law Fee Categories

Student Support Services Fee is comprised of the following charges:

Student Activities and Services Charge supports the student government, student programming, campus wide programming initiatives (Welcome Days, Homecoming, Open Houses, etc.) and the activities of student recognized organizations. These charges are also allocated to departments to maintain and improve student services.

Undergrad – Fee remains constant at FY22 level (\$5.10)

Grad – Fee remains constant at FY22 level (\$2.60)

Law – Fee remains constant at FY22 level (\$3.65)

Holmes Student Center Charge supports the operational costs of Holmes Student Center and student programs provided in the facility.

Fee remains constant at FY22 level (\$11.80)

Health and Wellness Charge allows students to use Health Services with little to no direct cost to students and helps fund programming that promotes wellness and healthy lifestyle choices and related state and federally mandated education and awareness campaigns.

Fee remains constant at FY22 level (\$7.90)

Grants-in-Aid Charge supports an institutional merit-based scholarship program, as well as supporting a needs-based Financial Aid fund for students, by which state institutions are eligible for matching funds from the State of Illinois per statutory requirements.

Fee remains constant at FY22 level (\$1.40)

Campus Recreation Charge is used for financing, constructing, maintaining, and improving new and existing recreational sports facilities and programs, including the sport club operations.

Fee remains constant at FY22 level (\$8.00)

Northern Star is the student-run newspaper and provides free access to the campus community.

Fee remains constant at FY22 level (\$0.27)

Arts and Culture Fee enhances the University's arts culture and provides students with a means to enjoy the School of Music and School of Theater and Dance productions without direct cost to the student.

Fee remains constant at FY22 level (\$0.80)

Cultural Diversity Programming Fee is used to develop and support cultural programming resources for students by NIU's diversity resource centers. Programming addresses the intersecting identities of students, including race, ethnicity, gender identity, class, nationality, sexual orientation, social justice, and others and may include high-impact speakers, films, lecture series, exhibits, Heritage Month Celebrations, and more.

Fee remains constant at FY22 level (\$0.80)

University Advancement Fee is comprised of the following charges:

Capital Improvement Charge provides funding for educational and support facilities for students, faculty, and staff in a manner that maximizes the effectiveness of the capital investments, maximizes the use of existing facilities, and promotes orderly, planned campus development. Support for debt service of previously approved projects including west campus improvements, and the living and learning initiatives are also included in this charge.

Fee remains constant at FY22 level (\$14.90)

Transportation Access Charge funds the Huskie Bus System, the Huskie Line, parking lot lights, security and maintenance, and the creation of additional parking and transportation services. This charge also supports the University's Huskie Line bus and Freedom Mobile paratransit services. All fee-paying students are eligible to utilize Huskie buses without being charged fares. A decrease in costs allows for a decrease in the fee.

Fee remains constant at FY22 level (\$7.00)

Athletic Fee is comprised of the following charges:

Athletic Program Charge supplements the University's diverse athletic programs and provides students with a means to enjoy the athletic events without direct cost to the student.

Fee remains constant at FY22 level (\$22.29)

Convocation Center Charge helps fund the operational costs of the Convocation Center and supports student events held in the athletic space utilized by students.

Fee remains constant at FY22 level (\$8.20)

Huskie Stadium Charge helps fund the operational costs of Huskie Stadium and provides support for student activities and programs that are held in the stadium.

Fee remains constant at FY22 level (\$2.40)

Graduate Program Support contains the following charges:

Graduate Colloquium Charge supports the Graduate Colloquium program, which brings scholars, artists, professionals, and public figures to lecture or perform at NIU.

Fee remains constant at FY22 level (\$2.00)

Career/Professional Development Charge supports career/professional development workshops, seminars, and coursework for graduate students.

Fee remains constant at FY22 level (\$4.00)

Graduate Outreach Charge is assessed to support infrastructure provided by the Division of Outreach, Engagement & Regional Development that is needed to deliver regional courses (e.g., operations of NIU regional centers, rental of non-NIU facilities).

Fee remains constant at FY22 level (\$18.00)

Law Program Support contains the following charges:

Law Student Bar Charge supports the Student Bar Association and student organization activities at the College of Law.

Fee remains constant at FY22 level (\$2.35)

Law Excellence Charge provides enhancements to College of Law course offerings and experiential learning opportunities such as clinics, mock trials, and moot court.

Fee remains constant at FY22 level (\$120.00)

Academic Program Enhancement and Instructional Surcharge is assessed in order to meet the ever-emerging demands for cutting edge academic programs and services for NIU students. Critical areas for funding include technology upgrades as well as support for identified academic strategic planning initiatives designed to strengthen, direct, and further improve academic programs, research, and the academic experience of students.

Fee remains constant at FY22 level (\$22.00 per credit hour)

Regional Delivery Fee is assessed to undergraduates to support the delivery of off-campus courses by the Division of Academic Affairs.

Fee remains constant at FY22 level (\$50.00 non-School of Nursing courses)

Fee remains constant at FY22 level (\$100.00 School of Nursing courses)

Outreach Fee is assessed to support infrastructure provided by the Division of Outreach, Engagement & Regional Development that is needed to deliver regional courses (e.g., operations of NIU regional centers, rental of non-NIU facilities).

Fee remains constant at FY22 level (\$56.00)

FY21 Rates and Recommendations for FY22 Rates - Summary

| Undergraduate, Graduate, and College of Law Fees | Per Credit Hour Rate (12 Hours Max. Rate) | | | | | | | | |
|--|---|-----------------|-------------|------------------|------------------|-------------|------------------|------------------|-------------|
| | Undergraduate | | | Graduate | | | Law | | |
| | FY22 | FY23 | Difference | FY22 | FY23 | Difference | FY22 | FY23 | Difference |
| Athletic | \$ 32.89 | \$ 32.89 | \$ - | \$ 32.89 | \$ 32.89 | \$ - | \$ 32.89 | \$ 32.89 | \$ - |
| Student Support Services | 36.07 | 36.07 | - | 33.57 | 33.57 | - | 34.62 | 34.62 | - |
| University Advancement | 21.90 | 21.90 | - | 21.90 | 21.90 | - | 21.90 | 21.90 | - |
| Graduate Program Support | - | - | - | 24.00 | 24.00 | - | - | - | - |
| Law Program Support | - | - | - | - | - | - | 122.35 | 122.35 | - |
| Grad/Law Technology Surcharge | - | - | - | 22.00 | 22.00 | - | 22.00 | 22.00 | - |
| TOTAL | \$ 90.86 | \$ 90.86 | \$ - | \$ 134.36 | \$ 134.36 | \$ - | \$ 233.76 | \$ 233.76 | \$ - |
| Academic Program Enhancement Support* | 250.00 | 250.00 | - | | | | | | |
| Regional Delivery** | 50.00 | 50.00 | - | | | | | | |
| Outreach*** | 56.00 | 56.00 | - | | | | | | |

*Charged as a flat fee of \$125 per semester for students enrolled for six or fewer credit hours; and a flat fee of \$250 for students enrolled for seven or more credit hours.

**Assessed to undergraduates for off campus courses. Regional delivery fee for courses in the School of Nursing is \$100.

***Assessed to support infrastructure provided by the Division of Outreach, Engagement, & Regional Development.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

FISCAL YEAR 2023 ROOM AND BOARD FEE RECOMMENDATION

Summary: The university is presenting a pricing recommendation to establish Northern Illinois University's room and board fees for FY23. The collection of room and board fees from students living in university residence halls and Northern View Community apartments supports Housing and Residential Services, Campus Dining Services, and related Revenue Bond obligations. These recommendations were developed to address the goal of student affordability and keeping costs for students as low as possible, while also acknowledging increasing costs of operations.

The university is recommending that room and board rates increase no more than 3% for FY23 for Neptune Hall, Gilbert Hall, Grant Towers, and Stevenson Towers, at an average of approximately \$170/semester. The university is recommending that room and board rates do not increase for New Hall and Northern View Apartments (room only).

The university is recommending that the residential meal plan upgrades are reduced from \$175 to \$100 and \$275 to \$200 for the Block 15 and Block 19 meal plan upgrades, respectively.

Background: Room rate recommendations typically address service contract costs, software support, indirect costs, contractual services, general operating expenses, and debt service payments related to renovations to the residence halls and dining locations. This year, the fee increase will address increases in food costs, minimum wage, and utility costs. This item describes the proposed room and board rates, and provides a summary of the original fee rates for FY22 and recommendations for FY23.

| FY22 | | FY23 | | |
|-------------------------|----------|-------------------------|----------|----------|
| LOCATION | RATE | LOCATION | RATE | VARIANCE |
| NEPTUNE HALL | | NEPTUNE HALL | | |
| Double-Occupancy | \$ 5,053 | Double-Occupancy | \$ 5,204 | 3.0% |
| GILBERT HALL | | GILBERT HALL | | |
| Single-Occupancy | \$ 6,449 | Single-Occupancy | \$ 6,640 | 3.0% |
| Double-Occupancy | \$ 5,549 | Double-Occupancy | \$ 5,710 | 2.9% |
| GRANT TOWERS | | GRANT TOWERS | | |
| Single-Occupancy | \$ 6,449 | Single-Occupancy | \$ 6,640 | 3.0% |
| Double-Occupancy | \$ 5,549 | Double-Occupancy | \$ 5,710 | 2.9% |
| STEVENSON TOWERS | | STEVENSON TOWERS | | |
| Single-Occupancy | \$ 6,404 | Single-Occupancy | \$ 6,586 | 2.8% |
| Double-Occupancy | \$ 5,512 | Double-Occupancy | \$ 5,674 | 2.9% |
| Suite, with bathroom | \$ 5,549 | Suite, with bathroom | \$ 5,710 | 2.9% |
| NEW HALL | | NEW HALL | | |
| Single-Occupancy | \$ 7,108 | Single-Occupancy | \$ 7,108 | 0.0% |
| NORTHERN VIEW | | NORTHERN VIEW | | |
| 2 Bedroom unit | \$ 3,937 | 2 Bedroom unit | \$ 3,937 | 0.0% |
| 3 Bedroom unit | \$ 3,798 | 3 Bedroom unit | \$ 3,798 | 0.0% |
| Single unit | \$ 4,590 | Single unit | \$ 4,590 | 0.0% |
| 2 Bedroom buyout | \$ 7,936 | 2 Bedroom buyout | \$ 7,936 | 0.0% |

Other Mandatory Residential Fees

| | |
|------------------------------|------------------|
| ResNet Access/Support Charge | \$92/semester |
| Residence Hall Surcharge | \$50/Semester |
| Living-Learning Communities | \$50/semester |
| Double Room Buyout Charge | \$1,100/Semester |

All prices are in addition to the students applicable base Room and Board Fee

| Proposed Residential Meal Plan Upgrades (Dining Dollars) | Rate |
|---|------------------------------|
| Block 12 per week with \$100 dining dollars per term | Included with room and board |
| Block 15 per week with \$100 dining dollars per term | \$100 |
| Block 19 per week with \$100 dining dollars per term | \$200 |

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

FISCAL YEAR 2023 STUDENT HEALTH INSURANCE

Summary: The university offers group health insurance to students, funded solely by student health insurance fees. For participating students, their fees are collected and submitted to the broker or insurer as a “pass through” expense by the university. Students may waive their participation in this plan if they have proof of other, comparable health insurance. As a participating institution of the Illinois Public Higher Education Cooperative (IPHEC), the university used the selected insurance broker to source and secure a student health insurance plan and program for FY23.

Background: Total premiums collected by NIU on behalf of students is on target to increase from FY21 to FY22 for the first time in several fiscal years. Premiums previously decreased over time due to fewer student participants and continuous overall management of the program; however, FY22 is experiencing an increase in program enrollment most likely due to COVID-19 factors. Underwriting for insurance providers is very difficult in the current COVID-19 environment, and the market continues to present challenges both in terms of premium cost and program offerings. Final plan and premium negotiations are ongoing, and any additional savings that are identified in the Spring will be passed along to students in Fall 2022. The FY23 plan and program coverages, terms, and conditions will remain comparable with FY22.

| | Health Insurance Provider | Original Purchase Order Requested Amount | Actual Amount Paid to Insurance Provider | Number of Students Enrolled in Student Health Insurance Fall Semester* | Semester Premium |
|------|----------------------------------|---|---|---|-------------------------|
| FY23 | Aetna | \$ 8,500,000 | | | \$ 1,329.50 |
| FY22 | Aetna | \$ 6,500,000 | \$ 4,452,305** | 3,638 | \$ 1,224 |
| FY21 | Aetna | \$ 7,250,000 | \$ 5,070,098 | 1,629 | \$ 1,114 |
| FY20 | Aetna | \$ 7,750,000 | \$ 5,114,001 | 2,894 | \$ 1,179 |
| FY19 | Aetna | \$ 8,000,000 | \$ 6,012,792 | 3,334 | \$ 1,179 |

* Students are charged separately for Fall and Spring terms.

** Number is reflective of Fall 2021 only. Other FY numbers are full FY.

Funding: Agency Funds

Marsh and McLennan Companies – New York, NY.....\$8,500,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

RELOCATION OF HUMAN RESOURCE SERVICES

Summary: To address some synergistic university goals, this project proposes to relocate the Human Resource Services (HRS) operation from its current location to Neptune North. By leveraging an underutilized facility, this relocation will allow HRS to be more centrally located and accessible to a larger population of campus faculty and staff. Subsequently, the current HRS building will be used to foster support for and development of research and innovation partnerships which will also spur more interest and development of the western campus.

The scope of work for this project will include renovations, limited demolition, accessibility improvements, and air conditioning enhancements to accommodate the various HRS functions in Neptune North. Renovation work is planned for summer of 2022 to support a fall transition for HRS operations, with an estimated project total of \$750,000.

Background: Prior to the onset of the pandemic, an assessment reviewing HRS processes was conducted which resulted in recommendations including an identified need to address the physical isolation of the department from central campus and its customers. As a critical unit to supporting NIU's mission, vision, and values, a more connected HRS location will offer greater opportunity for collaboration and partnership with both academic and administrative units.

While other relocation options were evaluated, the cost effectiveness for Neptune North to provide a contiguous space for the HRS operation was a key determinant for this location. Except for occasional pandemic-related residential student isolation cases, the north building is largely unused for residential purposes since renovating the east and west wings of the complex.

Additionally, HRS vacating its current space will aid in the comprehensive build out of West Campus, allowing the opportunity to enhance and strengthen NIU's partnerships with industry and serve as a catalyst for the Northern Illinois Center for Community Sustainability (NICCS) development. The space and location provide the needed flexibility to permit colocation of industry partners and perform critical research and lab work, which will further promote, concentrate, and accelerate innovation activities. Renovation costs for the current HR facilities are envisaged to be minimal and are anticipated to be funded by partners.

Funding: Institutional Funds – \$750,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

PAYMENT CARD PROCESSING

Summary: Treasury Operations requests permission to enter into a contract with First Data Merchant Services LLC to provide payment card processing services to the University. The approval amount listed below is estimated to cover a five-year period. The actual costs will depend on transaction volume processed by the payment processor.

Background: The University accepts credit and debit card payments online and in-person across campus for various goods and services offered by the University. The University originally contracted with Bank of America Merchant Services, a joint venture between Bank of America and First Data, to act as its primary payment processor. However, the joint venture was dissolved as of June 30, 2020 and the contract was assumed by First Data and honored as originally negotiated. The intent is to award this contract as a sole source and will be posted to the *Illinois Procurement Bulletin*. The university has approximately 50 merchants across campus, which utilize various payment terminal equipment and that are integrated with other systems on campus. A transition to a new payment processor would likely require substantive personnel engagement and additional financial resources.

Funding: Institutional Funds – \$2,500,000 (Approximately \$500,000 per annum)

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its special meeting on February 10, 2022.

THIRD SECTOR INTELLIGENCE CONTRACT

Summary: Education Systems Center (EdSystems) at NIU is seeking approval of a three-year Purchase Order to vendor Third Sector Intelligence, Inc. (3Si) for technological support of an intergovernmental data warehouse. EdSystems will receive compensation from various governmental, state, and philanthropic agencies for its part in managing the data warehouse, out of which payment to 3Si will be made. Total payment to 3Si is not to exceed \$2.12M for calendar years 2022-2024.

Background: In 2018, the Robert R. McCormick Foundation, in collaboration with the City of Chicago (City), selected 3Si through a national competitive process to implement a new early childhood data warehouse for the City's Department of Family and Support Services (DFSS).

In 2021, the City of Chicago Mayor's Office endorsed the relocation of the data warehouse 3Si initially deployed for DFSS to NIU as part of a broader Chicago Early Childhood Integrated Data System (CECIDS). NIU has been selected by the City to serve as the technical administrator and lead for governance of the CECIDS project, which will incorporate data from DFSS, Chicago Public Schools, and five other Head Start grantees to provide a comprehensive view of early childhood delivery in the City of Chicago. NIU was chosen to serve on this project based on work EdSystems and other Outreach programs already conducted on early childhood data systems. The CECIDS project is a critical expansion of NIU's longstanding experience and expertise developing public sector data services, and is aligned with the broader Illinois Longitudinal Data System for which NIU is a key technical and governance partner. EdSystems will receive compensation from the State of Illinois, the City of Chicago, the McCormick Foundation, and/or additional grants in support of this ongoing project.

The DFSS data warehouse solution, dashboards for Head Start programs, and customized system knowledge 3Si has obtained are all foundational elements of the CECIDS project. EdSystems is seeking this approval so 3Si may serve as a subcontractor to NIU on the implementation of the CECIDS project, offering use of its existing warehouse platform. NIU will rely heavily upon 3Si in the initial three years of the CECIDS development but will assume increasing management of the technical administration of CECIDS during this period to minimize the need for external support in future years.

3Si costs for 2022 are estimated at \$530K; 2023 and 2024 are estimated not to exceed \$795K each, with costs fluctuating based on lower need for technological support, increased philanthropic support from other agencies, and expanding services beyond Chicago.

Funding: Institutional Funds – \$2,120,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on March 24, 2022.

DEKALB CAMPUS SUMMER 2022 ROOF REPAIRS CAPITAL PROJECT APPROVAL

Summary: Recent roofing assessments have revealed critical roof repair requirements for Faraday Hall, Chick Evans Field House and the Convocation Center which should be addressed in summer 2022 to prevent further water infiltration and deterioration. Packaging of these common roof repairs across multiple buildings into one project and contract effort will create efficiencies for improved contract pricing, not to exceed \$1.6M.

Background: Roof assessments are conducted through regular monitoring of leak reports and augmented with thermography scanning to identify, assess, and prioritize repair deficiencies.

The scope of work at Faraday Hall will include replacement of the perimeter roof which is original to the building from the 1960's and the upper central penthouse roof section. The scope of work at Chick Evans Field House will involve replacement of the flat roof sections of this building. Repairs to the barrel vault roof are planned in future years. The Convocation Center scope will include restoration of the low-level flat roofs located at the entrances and on either side of the main arena. Subsequent phases of roof repairs and replacements in this building are also required and will be scheduled for future years.

Funding: Institutional Funds – \$1,600,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on March 24, 2022.

STEVENSON AND GRANT TOWERS BUILDING ENVELOPE REPAIRS CAPITAL PROJECT APPROVAL

Summary: Stevenson and Grant residential towers have experienced regular water infiltration through the exterior concrete panels due to deterioration of the caulk joints. A detailed exterior assessment was completed in fall 2021 to determine the extent and priority for necessary repairs. This project will conduct required repairs for the eight towers of these two residential complexes during summer 2022.

Background: The scope of work will include precast panel repairs, mortar joint repairs, and replacement of caulk joints at all window and door openings. These repair tasks along with other related miscellaneous repairs will restore the exterior envelope of the building to a weather tight condition, protecting the interior building environment.

Funding: Institutional Funds – \$650,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its meeting on March 24, 2022.

FISCAL YEAR 2023 CONSUMABLE COMMODITIES

Summary: Commodity purchases for consumable items are required to support the operations of various university departments for FY23. These commonly include materials for cleaning, office supplies, postage, and fuel. The following open order renewals or new agreements will be processed in accordance with applicable Illinois procurement regulations and advertised, as required, on the *Illinois Procurement Bulletin*.

Background: The amounts listed are not-to-exceed (NTE) limits established for FY23. These amounts do not reflect obligations but serve as an upper limit for the cost of materials that may be procured under these agreements. Materials will be ordered on an as-needed basis to maintain in-house stocks or respond to individual requests throughout the FY23 period. Any individual orders under these agreements at or above \$250K will be preceded with a specific approval request to the Board. Vendors noted with an asterisk are part of the Illinois Public Higher Education Cooperative where these state-wide contracts leverage the collective buying of the universities.

Funding: Institutional Funds

| | |
|--|--------------------|
| *Home Depot Pro – Rockford, IL | \$400,000 |
| *Office Depot Max, Inc. – Itasca, IL | \$300,000 |
| U.S. Postal Service/Postmaster – DeKalb, IL..... | \$750,000 |
| Vendor(s) for fuel to be determined..... | \$325,000 |
| <i>Total</i> | <i>\$1,775,000</i> |

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its meeting on March 24, 2022.

Amount approved for FY22: \$2,270,000

FISCAL YEAR 2023 FACILITY MASTER CONTRACT RENEWALS

Summary: Master contracts for labor and materials supporting facility repairs/improvements are required to be established or renewed for FY23. These agreements provide an important streamlined contractual mechanism to engage companies effectively and efficiently while still maintaining price competitiveness. The following renewals or new awards will be processed in accordance with applicable Illinois procurement regulations and advertised, as required, in the *Illinois Procurement Bulletin*.

Background: As the level of deferred maintenance and repair demands continue to increase, the ability and agility to respond quickly when failures occur becomes critical. Navigating the requirements of the state procurement process can be challenging. These master contracts allow interested companies to be pre-screened and validated for their willingness to operate under state procurement rules (e.g., Business Enterprise Program qualifications/subcontract participation plans, adherence to standard state legal certifications, and financial/conflict of interest disclosures).

As facility requirements are identified and approved for execution (e.g., projects at or above \$250K to be separately approved by the Board), quotes will be solicited from various companies to ensure adequate price competition. The procurement process is streamlined when companies with the lowest quotes already have an established relationship with NIU under these contracts.

The amounts listed on the next page are not-to-exceed (NTE) limits established for FY23. These amounts do not reflect a commitment or obligation but are an upper limit for the amount of work that may be requested under these agreements should companies successfully respond with the lowest quote for solicited work. The continual addition of new companies to this listing provides for increased ordering flexibility and price competitiveness.

Funding: Institutional Funds

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on March 24, 2022.

New awards – depending on criteria met, may be awarded to more than one qualified responder:

New miscellaneous services agreements (each)\$600,000

Renewals:

Advanced Boiler Control Services – Crown Point, IL.....\$450,000
AGAE Contractors, Inc. – Chicago, IL.....\$600,000
*Anderson Lock Ltd. – Des Plaines, IL.....\$600,000 **
*Campos Construction, Inc. – Rockford, IL.....\$600,000 **
Cooling Land Concepts, LLC – Cherry Valley, IL.....\$700,000
Curran Contracting Co. – DeKalb, IL.....\$425,000
EDE Corp. – Chicago, IL.....\$700,000
Elliott & Wood, Inc. – DeKalb, IL.....\$750,000
Freeport Industrial Roofing, Inc. – Freeport, IL.....\$400,000
G.D. Barri & Assoc., Inc. – Peoria, AZ.....\$325,000
*Hygieneering, Inc. – Willowbrook, IL.....\$600,000 **
Independent Mechanical Ind., Inc. – Chicago, IL.....\$400,000
Kelso Burnett Co. – Rockford, IL.....\$800,000
Lake & Pond Solutions Co. – Greenville, WI.....\$300,000
Otto Baum Co., Inc. – Morton, IL.....\$600,000
Ringland Johnson, Inc. – Cherry Valley, IL.....\$550,000
Rush Power Systems, LLC – Kirkland, IL.....\$475,000
*Schoening Painting & Decorating, Inc. – Rockford, IL.....\$550,000 **
Sprinkmann Sons Corp. – Milwaukee, WI.....\$700,000
Sterling Commercial Roofing, Inc. – Sterling, IL.....\$500,000
Stone Group, Inc. – Chicago, IL.....\$600,000
*Swedberg Electric, Inc. – Sycamore, IL.....\$800,000 **
*Tecnica Environmental Services, Inc. – Lemont, IL.....\$775,000 **
True North Consultants, Inc. – Naperville, IL.....\$600,000
*Veya, Inc. – Champaign, IL.....\$600,000 **
Virgil Cook & Son, Inc. – DeKalb, IL.....\$800,000
Weaver Construction, Inc. – Sycamore, IL.....\$600,000

*BEP vendors currently meeting CMS qualifications. Other vendors are required to demonstrate BEP participation with subcontracting plans.

**FISCAL YEAR 2023 DIVISION OF INFORMATION TECHNOLOGY
MICROSOFT ENROLLMENT CONTRACT RENEWAL**

Summary: The Division of Information Technology requests permission to issue an order for the FY23 Renewal of Microsoft Enrollment for Education Solutions software for resale during the license period July 1, 2022 – June 30, 2023. This is the ninth of nine, one-year renewal options based on RFP #KMC138285, which was originally awarded on June 6, 2013. The renewal award will be advertised in the *Illinois Procurement Bulletin*.

Background: The licensing under this contract allows NIU to run Microsoft Windows Desktop OS and Microsoft Office products, including their updates, for all university owned computers and provides five copies of Office for all students, faculty, and staff to run on their personal devices while they are enrolled or employed by the university. This contract also covers Windows Server licensing costs in NIU’s virtual environment and license costs for several features such as Multi-Factor Authentication and Self-Service Password Reset. This year’s request includes an increase to \$625K in order to support the university’s Teams Voice and information security strategies via an uplift to a higher level of Microsoft 365 licensing.

Funding: Institutional Funds

ScholarBuys – Carpentersville, IL \$625,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and asks that the President forward it by means of the President’s Report to the Board of Trustees for approval at its meeting on March 24, 2022.

Amount Approved for FY22: \$400,000

**QUARTERLY SUMMARY REPORT OF TRANSACTIONS IN EXCESS OF
\$100,000 FOR THE PERIOD OCTOBER 1, 2021 TO DECEMBER 31, 2021**

In accordance with Board of Trustees Regulations (Section V, Subsection B.5), this report of all obligations of financial resources greater than \$100,000 but less than \$250,000 is submitted at the end of each calendar quarter to the Board of Trustees. Transactions included in this quarterly report reflect the maximum approved amount that orders may not exceed and does not include commercial card obligations. Following is a summary of the number of transactions, fund source, and total dollar amount, and transaction details for obligations incurred during the quarter ended December 31, 2021.

| Purchase Amount | No. of Transactions | Appropriated* | Non-Appropriated | Total |
|------------------------|----------------------------|----------------------|-------------------------|--------------|
| Over \$100,000 | 13 | \$920,896 | \$1,904,741 | \$2,825,007 |

TRANSACTIONS DETAIL:

Purchases:

1. The Center for Governmental Studies requested permission to enter in to a three-year lease for office space located 105 West Madison Street in Chicago for the period November 1, 2021 through October 31, 2024. (Madison RE LLC, Chicago, IL) 213,130
2. The P-20 Center requested permission to enter into a communications and events partnership for the CTE Improvement Project for the period November 1, 2022 through June 30, 2025. This partnership will provide technical assistance, professional learning: Microcredentials branding and support, development of materials, conference, marketing, and communication strategies, evaluation report products, and other materials. (Collaborative Communications Group Inc., Washington, D.C.) 680,000
3. Athletics requested permission to issue a purchase order for Mid-American Conference football officials for six home games. (Mid-American Conference, Cleveland, OH) 140,205
4. The Division of Information Technology requested permission to replace the UPS (universal power supply) system. This system modernizes and reduces the footprint of the data center in Swen Parson. (Industrial Electric Supply, Burr Ridge, IL) 100,556
5. Athletics requested permission to purchase the annual MAC bowl assessment for FY22. (Mid-American Conference, Cleveland, OH) 130,000*

6. The Department of Chemistry and Biochemistry requested permission to purchase a Nuclear Magnetic Resonance (NMR) Spectrometer suitable for advanced research. NMR Spectroscopy is utilized to observe the molecular structure of materials. This instrument was an upgrade to the department's current NMR capabilities, and will allow for height throughput, better resolution, and more economical operations. This purchase was funded partly by a Grant and partly by NIU funds. The intent to award the NIU portion as a sole source was advertised on the *Illinois Public Higher Education Procurement Bulletin*. The remaining amount, grant funded, is exempt from the Illinois Procurement Code according to 30 ILCS 500/1-13(b)(8). 146,426*

Capital Improvement Projects:

1. The existing west stands of the stadium have been showing signs of deteriorations and a scope of critical repairs had been determined and prioritized by a condition assessment completed in FY21. To better facilitate annual affordability, the full extent of repairs identified will be spread over a five-year period, with the more critical repairs planned in earlier phases. The scope of this initial project addressed the highest priority items involving structural integrity and water tightness. This includes tasks such as masonry tuckpointing and crack repairs, expansion joint repairs, and spalling concrete repairs. Work is to be completed by outside contractors and in-house workforce, under the coordination of a NIU project manager. 238,250
2. This repair project scope includes removal and replacement of eight chilled water coils in the building supply air handlers along with new isolation valves and supports to improve serviceability in the future. The coils are original to the building, are at the end of their useful life, and several are leaking and have been capped off until replacement can be made. This work needs to be completed during the winter heating season to ensure reliable cooling capacity is available for the next cooling season. There is a total of 32 chilled water coils between the building air handlers, eight coils were already replaced in FY21. The remaining original coils are planned to be replaced in subsequent years. 128,500*
- Work will be completed by in-house workforce under the coordination of a NIU project manager.
3. Based on general overview of standalone boilers conducted in 2017, a more detailed assessment will be performed to guide long-term capital investment planning for existing heating systems located at Monat, Wellness & Literacy, Broadcast Center, Convocation Center, and Rockford campus. The scope for this project is to develop detailed design and cost estimates for each of the standalone boiler locations per the assessment recommendations to allow for project planning in upcoming fiscal years. Following completion of this project, separate approvals will be submitted for the necessary improvements at the various locations. Work will be completed by an outside consultant and in-house workforce under the coordination of a NIU project manager. Split-funded. 117,120*
78,800

- | | |
|--|---------------------|
| 4. The scope of this project is to enhance the university's energy management capability by installing submetering equipment for consumption utility systems (chilled water, domestic water, steam condensate, electrical, and natural gas) on a representative selection of campus buildings (DuSable Hall, Founder's Memorial Library, Gilbert Residence Hall, and New Residence Hall). | 120,800* 125,950 |
| <p>This energy management and data analysis capability will support a more precise understanding for utility consumption at the building level and allow for meaningful evaluation of energy conservation measures to be piloted for the campus. With approximately \$12M spent annually on utilities, it is advantageous to assess energy conservation improvements on a limited scale before applying ideas more broadly to the rest of the campus. Work will be completed by an outside consultant, outside contractors, and in-house workforce under the coordination of an NIU project manager. Split-funded.</p> | |
| 5. The chillers and associated other equipment in the West Plant and at the Convocation Center require annual maintenance and repairs to ensure that west campus will have chilled water for the next cooling season. The repairs will include annual routine maintenance work and eddy current testing, hot box replacements, pump and valve repairs and other miscellaneous items. These upgrades will inherently contribute towards improving the efficiency of the equipment. The maintenance and repairs must be completed during the winter of the Plant. Work will be completed by in-house workforces under the coordination of a NIU project manager. Split-funded. | 100,650* 143,150 |
| 6. The chillers and associated other equipment in the Chilled Water Plant, which serves east campus, and additionally at the Engineering Building and LaTourette Hall, which are standalones, require annual maintenance and repairs to ensure that east campus will have chilled water for the next cooling season. The repairs will include annual routine maintenance work and eddy current testing, cooling tower media replacement, leak repairs and other miscellaneous items. These upgrades will inherently contribute towards improving the efficiency of the equipment. The maintenance and repairs must be completed during the winter of the Plant. Work will be completed by in-house workforces under the coordination of a NIU project manager. Split-funded. | 177,400* 50,700 |

*Appropriated/Income Funds

FISCAL YEAR 2021 REPORT ON FACILITIES AND INFRASTRUCTURE CAPITAL INVESTMENT ACTIVITIES

Overview

This fiscal year bore the full impact of the pandemic as most classes were executed via online instruction, residential students were housed individually in rooms, and most faculty/staff worked remotely. While this experience demonstrated the university's ability to adjust and perform in a virtual environment, it also demonstrated the value of traditional face-to-face instruction and the criticality of student interaction. The importance of the built environment for creating experiential learning was renewed as many longed for a return to the campus and the interactions it facilitates. This experience has clearly demonstrated the importance of sustaining the physical campus to support this critical aspect of the university mission.

This report reviews and summarizes a holistic capital investment perspective based on the layered investment strategy of maintenance, major repairs, and mission enhancement capital improvement projects. A historical view is presented from information collected from FY00 through FY21. This view is also categorized by the two major classifications of campus buildings as noted below. This differentiation is critical to understanding the source of funds required to support each type of building and the supported University operation.

- General Revenue: Consists predominantly of academic and administrative operations, associated buildings and proportional supporting infrastructure. This conservatively represents about \$1.2B of Plant Replacement Value (PRV) which serves as a common denominator for comparing buildings.
- Auxiliary Revenue: Consists predominantly of athletics, housing/dining, recreation, and Holmes Student Center operations, associated buildings, and proportional supporting infrastructure. This also conservatively represents about \$1.2B of PRV.

The format of this report is consistent with previous capital investment reports with the intent to (1) provide a strategic view of all investments made in facility assets, (2) present an indication of the level of investment required, and (3) continue to illustrate the overall health of the campus physical plant. A more specific description of capital projects executed is provided in appendix A showing highlights of significant actions approved between FY12 and FY21. Appendix B is the semi-annual accounting of all current active projects >\$100,000. These appendices do not provide strategic perspective with the information provided but help illustrate examples for the types of work supported by the various investment categories.

Information presented represents a best effort at collecting and interpreting historical financial data into a meaningful format and developing an investment strategy/model to guide future focus. The facility sustainment investment model, initially described in the FY17 report, continues to be utilized as a method of comparison to industry standards and a required investment level. The basis of this model is built on the premise that about 2% of PRV is the required maintenance and repair investment to keep up with the expected rate of deterioration. Industry facility management experts have concluded that investment levels of between 2% and 4% are generally required depending on the type of facility, level of use, and current state of deferred deficiencies. If investments levels are too low, the backlog of deferred requirements continues to build as deficiencies accumulate, and overall repairs become more costly to restore to acceptable conditions as deficiencies worsen. Like with any valuation criteria, this PRV calculation will vary by time. For the sake of simplicity when illustrating this budget model, an average of \$2B total PRV was used for this report and is considered a reasonable representation of average value for this 21-year time span.

This sustainment investment model continues to hold some recognition and influence for the financial modeling being done by the Illinois Board of Higher Education (IBHE) and helped some state politicians improve their overall understanding for the capital investment issue beyond the overly simplistic metric of a deferred maintenance backlog. Recognizing that a minimum annual investment level is required just to stop a deferred maintenance backlog from growing is a significant step towards understanding this complicated capital investment issue.

Key updates in this report:

- **Rebuild Illinois Capital Plan:** In FY20, the State authorized a six-year investment plan for public infrastructure requirements. Funds from this authorization have begun to be released in FY21 allowing the Capital Development Board (CBD) to proceed with some projects NIU had prioritized for addressing critical deferred deficiencies. Collectively, with authorizations prior to FY20, there are \$30M worth of NIU capital renewal projects and \$7.7M released for the new Health IT Center all in various planning/design stages with CDB.
- **Comparison of Preventive Maintenance (PM) and Corrective Repair (CR) efforts:** Efforts to formalize a PM program have been substantially completed and the focus on accomplishing the required PM actions continued. Although deliberate expense reductions have occurred across all capital investments, efforts were made to continue critical PM actions to help ensure building functionality and safety.
- **Building Inventory summary:** As the pandemic drives uncertainty with revenue flows supporting facility sustainment, buildings and infrastructure continue to age with 58% of building spaces being greater than 50 years.

Maintenance Investments

Maintenance is fundamental investment required to keep facilities operational and functional. The actions represented in this investment category include (1) preventive maintenance (PM) which helps ensure building systems function for the intended life, and (2) corrective repairs which allow for smaller critical (and sometimes interim) repair actions to keep the building functioning daily. To help maintain a focus on preventive maintenance, the university has been systematically developing a formal PM program. This effort began in FY17 and was substantially completed in FY21 with documented PM requirements for about 8,500 individual items across 126 different types of equipment. The magnitude of this multi-year effort to document preventive maintenance requirements is illustrated in Figure 1 below.

To be clear, the chart represents preventive maintenance that should be accomplished to best maintain building systems; how much PM work can be accomplished depends on the available sustainment funding and on the amount of corrective repairs which may be necessary to keep building systems functioning. The magnitude of corrective repairs required to be addressed is a direct reflection from the lack of major repair investments in the past. As major repairs continue to be deferred, corrective repair demands increase and become more significant. Consequently, PM efforts often must be deferred/not performed to accommodate unavoidable corrective repairs.

Preventive Maint. Implementation Planning

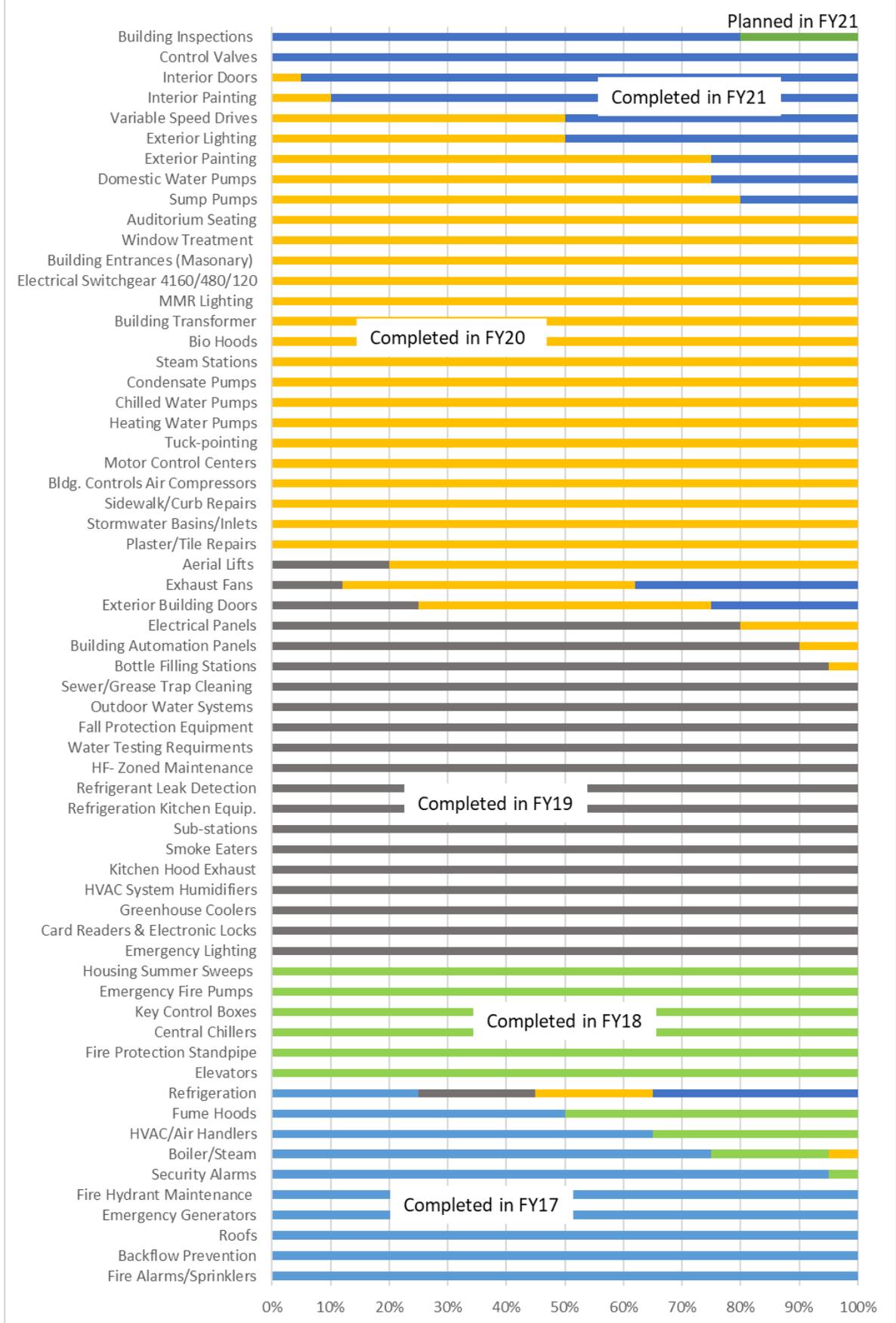


Figure 1

Figure 2 reflects the amount of preventive maintenance and corrective repairs performed over the past few years. In well maintained systems, the ratio between PMs and corrective repairs should be about 80/20 where more preventive maintenance efforts are expended and suppressing the need for unplanned corrective repairs. Unfortunately, NIU’s balance is reversed due to decades of under investment in facility sustainment. It will take many years of steady major repair investing (i.e., execution of the current Rebuild Illinois capital investments authorization) to shift this balance to a point where more time might be expended on PM actions. While there has been a slight increase in the proportion of effort spent on PMs in FY21, there has also been an overall decrease of in-house capacity due to budget constraints. Nonetheless, the attention for executing PMs is being maintained.

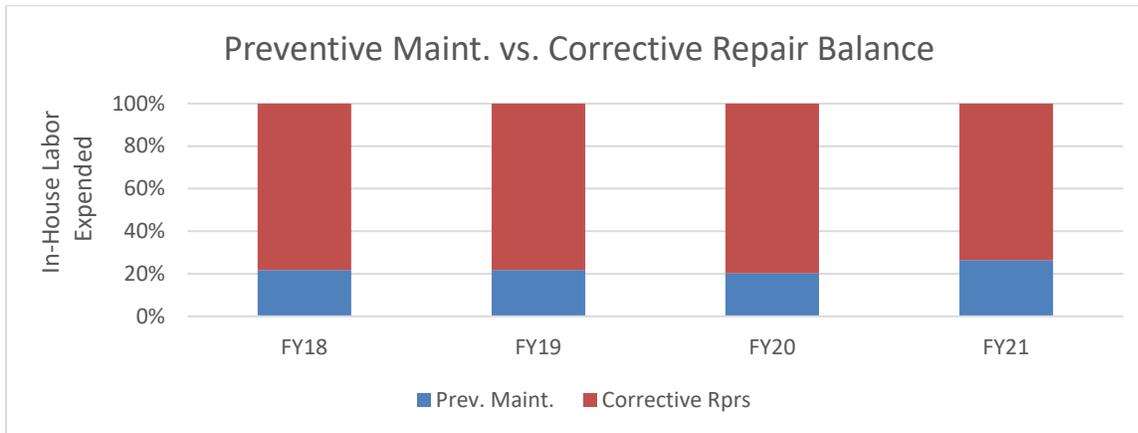


Figure 2

How much should be invested in maintenance depends on the necessary PM actions and historic levels required to address smaller corrective repairs. Presented in Figure 3 below is a historical view of maintenance investment made on general revenue facilities/infrastructure between FY00 through FY21. While 2% of PRV is the overall investment target for both maintenance and repair, 0.5% is reasonable target for maintenance only. This investment level is particularly important as larger repair investments continue to be deferred.

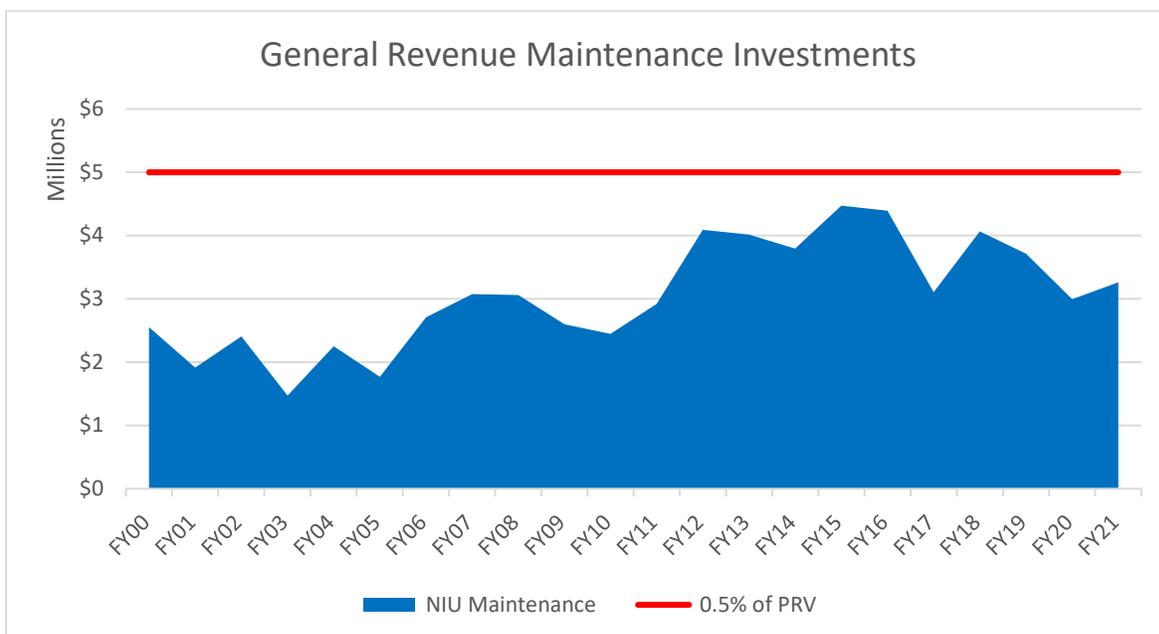


Figure 3

In general, the University has succeeded in increasing General Revenue maintenance investments over the past 21 years. From a low point in FY03 of under \$2M, this investment has more than

doubled to create a better investment level for this fundamental layer of facility sustainment. In FY17, this funding level dipped to \$3M due to the need to weather the uncertainty of state funding between FY16 and continuing into FY17. Unfortunately, the maintenance investment declined again to \$3M in FY20 particularly due to the onset of the pandemic and the need to preserve cash for the uncertainties in this period. FY21 began to climb slightly higher but was still suppressed due to the pandemic uncertainties.

In a similar manner, the facility maintenance investment supporting Auxiliary Operations was plotted in Figure 4. This shows an overall improved level of investment between FY00 and FY15 which may be due to less volatility in funding support as the typical bond-based financing terms require more attention to protecting these facility assets. However, a significant decline has been seen in this investment profile since FY15 due to overall budgetary pressures caused by enrollment decline. In FY20 and FY21, this suppressed investment level continued due to pandemic uncertainties.

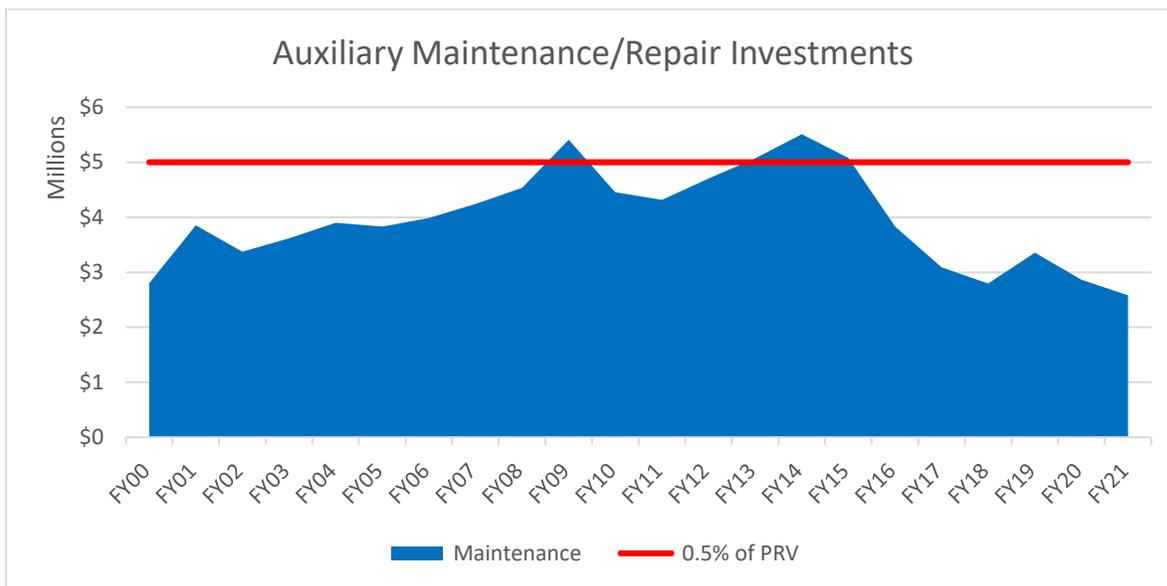


Figure 4

Major Repair Investments

Major repairs are the next critical investment priority after maintenance. Major repairs commonly include significant restoration/replacement of building components to return the system to near original operating capability. The combined investment of both maintenance and repair is key to maximizing a facility’s service life.

Viewing the campus under the General Revenue and Auxiliary portions as shown previously, each portion of the campus represents about \$1B of PRV for a total of \$2B over this ~22-year span. A 2% investment in maintenance and repair would amount to a total of \$40M, or \$20M for each portion. In Figure 5, the maintenance and repair General Revenue investment history is presented since FY00, and, on average, the investment level has been only 0.5% despite the inclusion of sporadic support of State repair funding. The void between the investment levels made over these years and the 2% of PRV target represents over \$330M in under-investment in this 22-year period alone.

Since deferred maintenance is a very imprecise measurement and has no comparison standard to indicate acceptable levels, the investment level trending shown by this PRV sustainment model is a better indication of the overall campus condition. In this case, NIU's average investment level only reaches 25% of the model recommendation. This clearly indicates that the campus is not keeping pace with deterioration and is at higher risk of unplanned system failures which could affect the university mission.

Currently, there are \$30M worth of Capital Renewal funded repair projects at early stages of execution with the Capital Development Board.

Framing the University's facility investment requirements in this clear manner has helped to bring recognition to the plight faced by Illinois' public universities and started to generate additional funding support. In FY19, approximately \$11.8M of state funds were identified to support critical boiler replacements and steam line distribution repairs. Entering FY20, NIU had been authorized \$52.9M for miscellaneous capital renewal improvements under the Rebuild Illinois capital plan. While the availability of these funds was known to be dependent on new tax revenue generation and had subsequent additional uncertainty due to the pandemic, approximately \$9M had been released to support critical capital renewal priorities. Currently, there are \$30M worth of capital renewal funded repair projects at early stages of execution with the Capital Development Board. This provides more assurance that NIU will begin to see these state funded repair investments materialize in the coming fiscal years as projected in Figure 5. The investment spike in FY23 is a bow wave based on actual projects in early planning/design stages which are likely to be executed around this period.

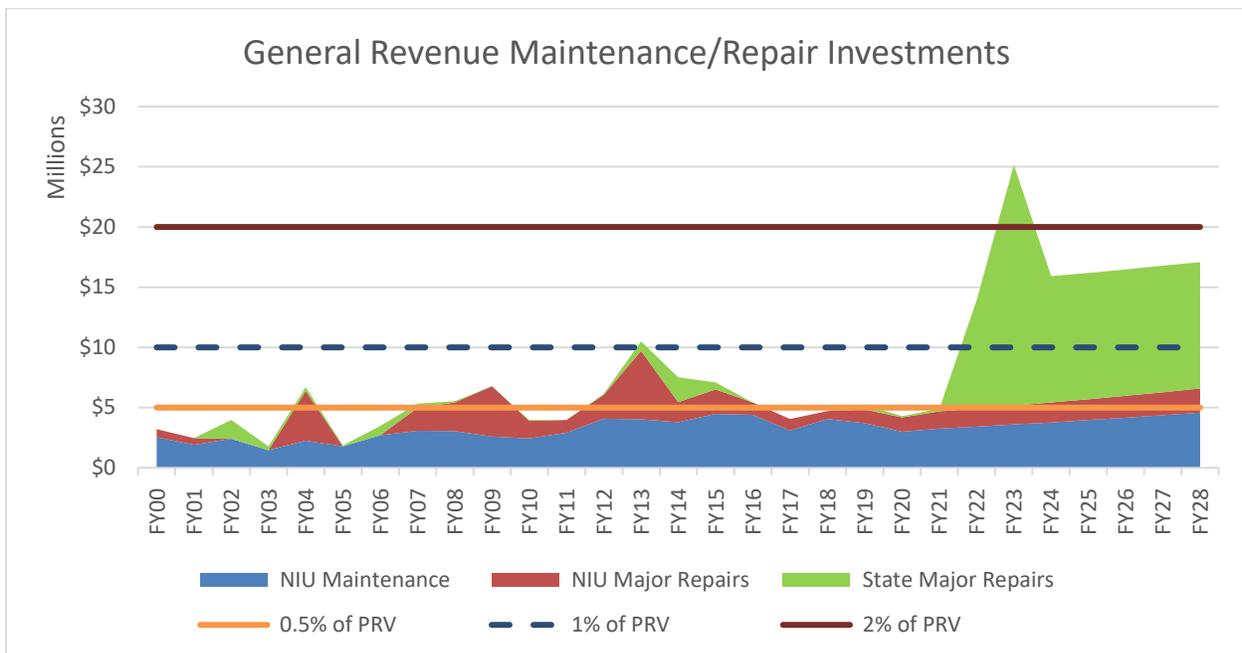


Figure 5

While the level of historic and current investments has not been sufficient to keep up with the constant accumulation of facility deficiencies, the anticipated improved investment level for FY22 through FY27 might reach higher than 1.5% of PRV (or 75% of the model) which is a respectable investment level compared to the past. Sustaining this investment level combined with periodic capital/mission enhancement investments (as noted later in this report) and the demolition/sale of

surplus structures, may stop the backlog of deferred deficiencies from growing and possibly start to reduce the backlog.

In a similar manner, the total facility maintenance/repair investment supporting Auxiliary buildings was plotted in Figure 6. On average, particularly with an investment spike in FY13 through FY14 supported by Build America Bond financing, this investment level comes to 0.6% which is slightly above the average General Revenue investment level of 0.5%. As previously addressed under the construct of the 2% of PRV investment model, FY20 Auxiliary investments fell short of the 2% industry standard by \$16M. When considered cumulatively over this 22-year period, the under-investment from the 2% of PRV objective represents over \$305M. As discussed previously, this cumulative deferred maintenance amount is not as informative as understanding the long-term trend of investing, on average, only 25% of the recommended level for maintenance and repair needs. As noted for the General Revenue portion, the Auxiliary portfolio of buildings is also not keeping pace with deterioration rates and will be under increased risk of unplanned building failures.

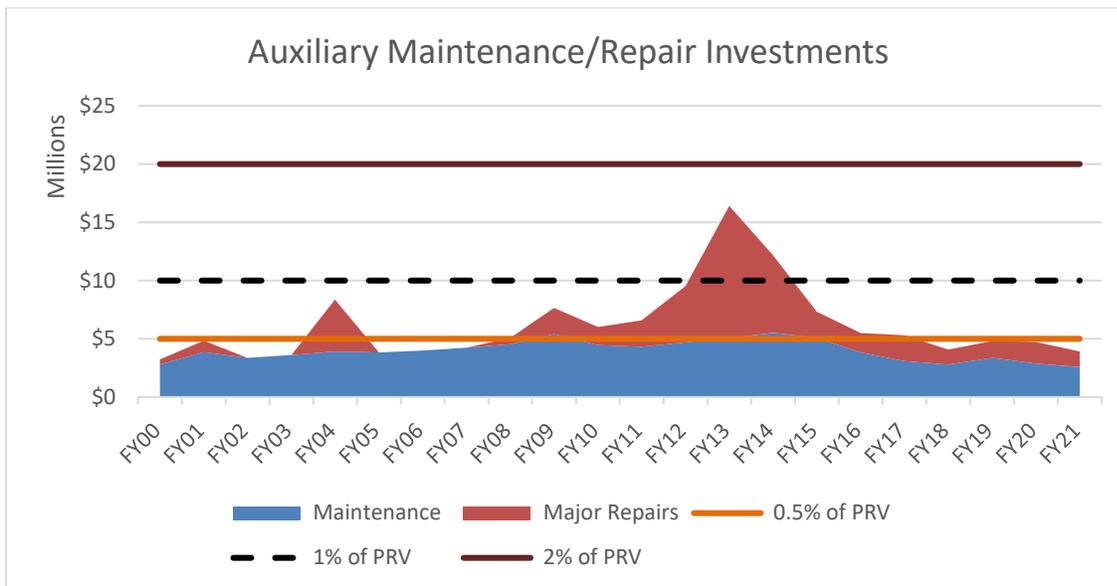


Figure 6

Mission Enhancement Investments

Mission enhancement investments in facilities are defined as improvements that are new or add to an existing capability. As such, these investments may or may not have a direct impact on sustaining a building for its intended life span. This could include modernization updates to a building’s appearance, reconfiguring spaces to better accommodate the supported mission, or adding other capabilities not previously present in the structure. While still important investments for enhancing a building’s appeal and general functionality, this category is differentiated from the maintenance/repair investments which are meant to sustain facilities.

Mission enhancement investments in General Revenue buildings are plotted in Figure 7 below. The 2% of PRV investment model is shown as a reference for the magnitude for this investment. However, the entirety of the mission enhancement investment should not be construed as contributing towards achieving this sustainment investment target. Major renovation projects may address facility deficiencies in a portion of the project scope. Similarly, new construction would not address existing facility deficiencies unless accompanied by demolition.

Assuming for a moment that the entirety of mission enhancement investments did contribute towards a building’s sustainment, the combination of maintenance, repairs, and mission enhancement investments over this 22-year period averages to only about 1% of the PRV (50% of target level). This cumulative gap of over \$230M from reaching the 2% investment target further

illustrates the magnitude of under-investment for the General Revenue facilities and infrastructure. Mission enhancement investments for FY21 consisted mostly of smaller NIU-funded projects which totaled about \$400K.

The Figure 7 chart also forecasts the authorizations from the Rebuild Illinois Capital Plan, specifically pertaining to the construction of the Health Informatics & Technology Center project. Since \$7.7M of funds had been released to CDB for planning/design efforts, the actual construction investment will likely not be realized until FY23, at best.

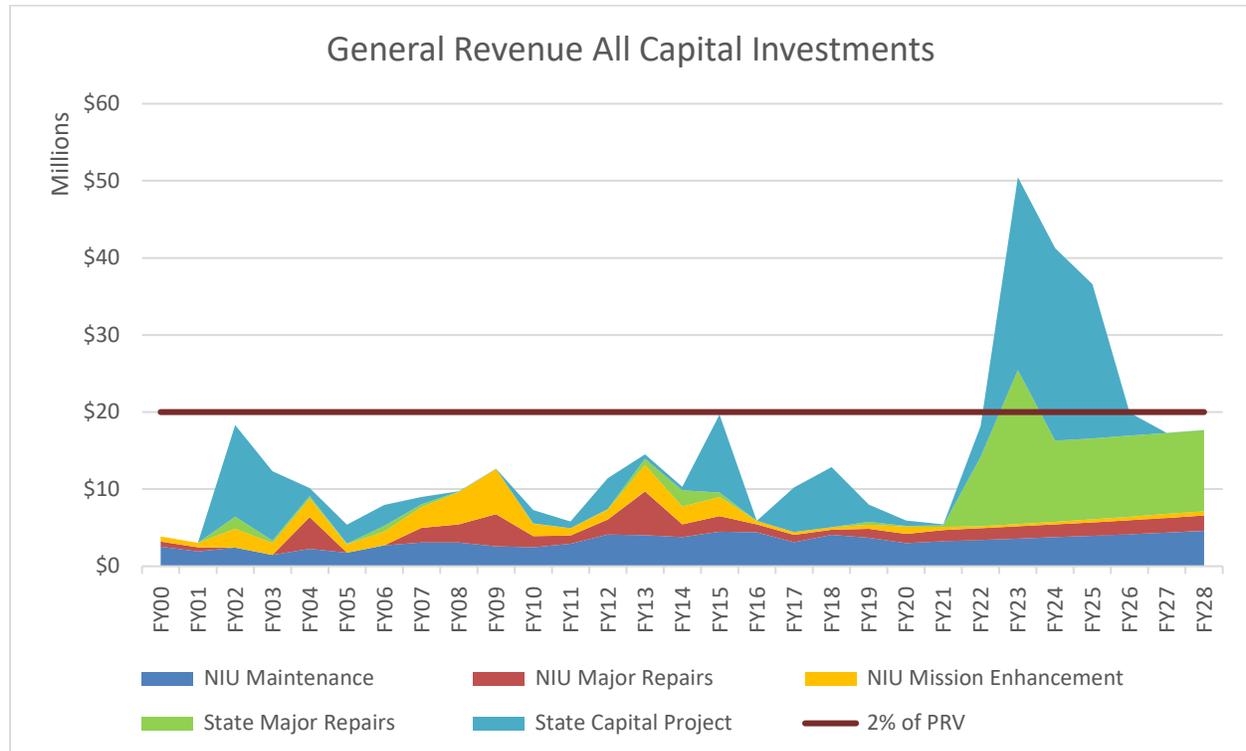


Figure 7

Mission enhancement investments in Auxiliary/Bond Revenue buildings are plotted in Figure 8 below¹. Again, the percent of PRV investment model is shown as a reference only to illustrate the magnitude for this investment. Assuming for a moment that the entirety of maintenance, repair, and mission enhancement investments would contribute towards sustaining a building/infrastructure, the total investments over this 22-year period would average to 1.2% of PRV. While slightly better than the General Revenue side, this cumulative gap of over \$177M from reaching the 2% investment target also further illustrates the magnitude of under-investment in Auxiliary buildings/infrastructure.

The largest period of investment in the Auxiliary portion of the campus occurred during the FY11 through FY16 period and was spurred by the financing from the Build America Bonds. This supported projects such as the Gilbert Hall renovation, Grant North towers renovation, Outdoor Recreation Center construction, fire sprinkler installation for Stevenson Hall, and the Lucinda Ave extension following the Douglas Hall demolition. The remaining Build America Bond funding was expended mostly in FY19 and FY20 for the Holmes Student Center ground floor renovation.

¹ The financed construction investment of the New Residential Hall was not able to be incorporated into this historical assessment at this time and will be evaluated in future assessment reports as more information is gathered.

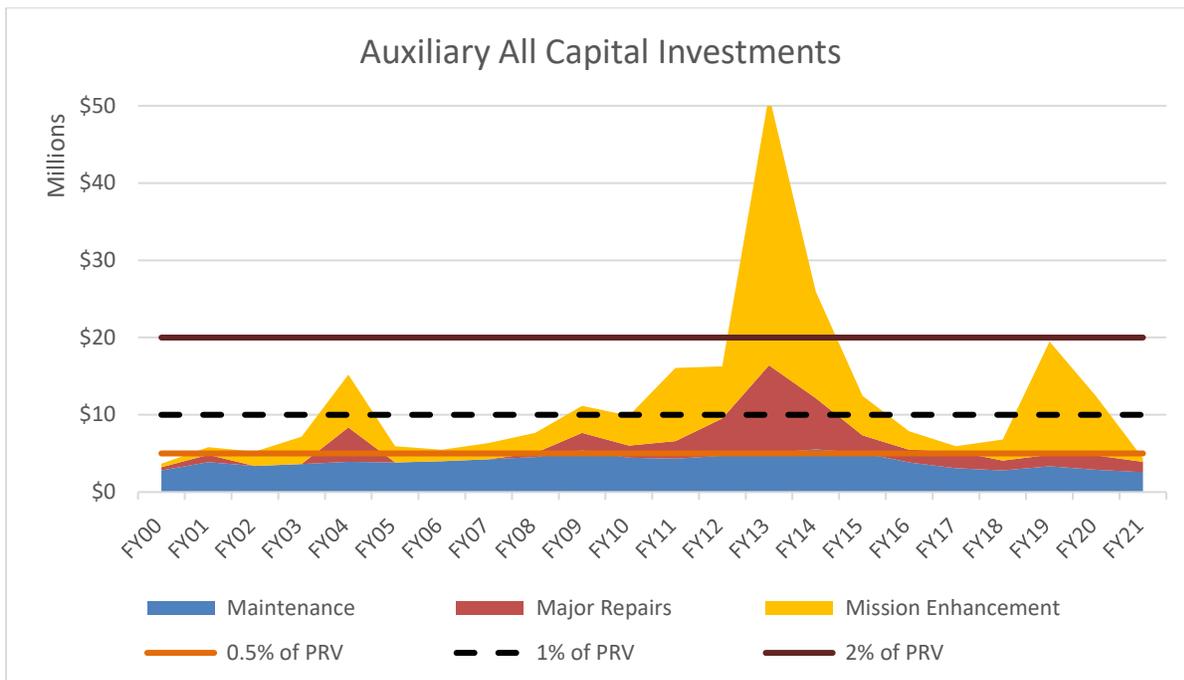


Figure 8

Building Inventory

The university campus is comprised of approximately 85 major buildings with an average age of 50 years. Sixty-four buildings are considered General Revenue support and 21 buildings are considered Auxiliary support.

While the number of buildings differs between the two financial systems, the space contained is roughly equal with the General Revenue buildings holding about 3.95 million square feet and the Auxiliary buildings holding about 3.85 million square feet. Of the entire approximately 7.8 million square feet of university buildings, 58% (49 buildings) is greater than 50 years of age and at a higher rate of deterioration. This represents a 2% increase from FY20.

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The combination of aging infrastructure and continuing under investment for facility sustainment requirements, as addressed earlier in this report, is creating a growing financial liability. This liability can only be addressed by increasing investments, reducing the facility inventory, or a combination of both actions. Reducing the inventory could be accomplished through consolidation and disposing of excess structures. Disposal actions may be through demolition or sale of buildings and property determined to be surplus to the university needs.

In FY20, the former President House had been sold under the relatively new authority provided by the State Property Control Act (30 ILCS 605). The intention of the revised Act was to further address deferred maintenance liabilities by requiring sale proceeds to be used only for this purpose. In FY21, the Hoffman Estates campus was determined as surplus to the university’s needs and is being marketed for sale in FY22. Other properties such as the Art Annex in DeKalb and land in Sycamore are pending sale in FY22.

Structures not appropriate for sale and best situated for demolition would include the Lincoln Hall residential complex and Adams Hall. Both buildings are vacant and awaiting demolition possibly in combination with the new construction associated with the Health Informatics & Technology Center project authorized under the Rebuild Illinois capital program. Further opportunities to consolidate and right-size functions will be evaluated to identify additional structures which may be disposed. In the long term, this action will allow the university to place more resources towards remaining structures and other operations enhancing the university mission.

Conclusion

This report continues to illustrate how assessing capital investments is more than just taking a pulse on the amount of deferred maintenance. Since the topic is complex and multi-dimensional, it is best viewed by the types of investments being made, the long-term trends with these investments, and the investment levels required to keep pace with deterioration. The extended period of past systematic underinvestment has created a dire need for repair and modernization investments. Figure 9 illustrates how more investments have been made on maintenance/repair requirements as compared to mission enhancement improvements. While both are important investments, efforts to reduce expenditures due to pandemic uncertainties have affected mission enhancement improvements more than repairs which tend to be more critical for keeping facilities functional.

Fortunately, there are clear and positive indications of increased state investments which will significantly help address critical deficiencies in the coming years. It will be important to continue to increase capital investment efforts to not only address deferred deficiencies, but also address the deterioration yet to come. The current Rebuild Illinois initiative cannot be viewed as a one-time fix and must be viewed as an investment which needs to be sustained. Buildings and infrastructure have been stressed literally to the breaking point and repeated cycles of underinvestment in the future will likely lead to more failures impacting the university mission to a greater degree than experienced in the past.

In the meantime, the University will need to continue to systematically prioritize facility investments and look for opportunities to reduce the sustainment liability through thoughtful use of space.

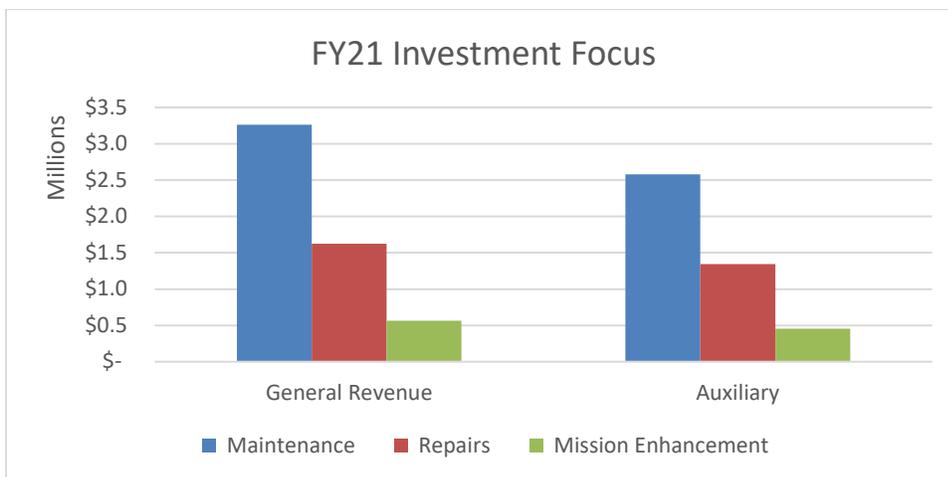


Figure 9

Appendix A Historical Highlights of Approved Projects

In FY21, with campus efforts continuing to be focused around managing the ongoing pandemic, cautious optimism continued with minimal enrollment decreases. Some NIU funded projects of note completed during this year include critical roofing repairs on Chick Evans Fieldhouse, Telephone Security and Wirtz Hall, and Stevenson Towers \$1.4M roof replacement was finally able to get under way with the first of four towers completed in June, the remaining three tower to follow in early and late FY22. Five campus parking lots had repairs made and security camera improvements to the Neptune Residential Complex were completed. Additionally, continued flow of state funding for long awaited capital renewal projects was welcomed, in the first half of FY21, NIU received welcome news from the Capital Development Board (CDB) that funding had been released to begin planning and design efforts for the Health Informatics and Technology Center which was a long-awaited Capital Project. Additionally, funds for exterior repair projects at Swen Parson and the Visual Arts Building were released in April and in May \$500K was released to address emergency repairs on a roof replacement project for the Music Building. Previous FY19 approved capital renewal funded projects Campus Boiler Replacements and Steam Tunnel Repairs got back on track with the Campus Boiler Replacement prepared for rebid due to a failed initial effort and the Steam Tunnel Repairs project readying for bidding by the end of the calendar year. In the first half of the year, the Board approved a \$350K largely IDOT grant funded Central Campus Roadway Improvements project. Nearing the end of the year, the Board also approved two more projects, a \$316K Lighting Upgrades project for the Convocation Center arena and gym spaces to increase lighting reliability, and the \$500K Music Building Partial Roof Replacement which as noted above will be state funded.

In FY20, the year began with the optimism for significantly increased state funding for both capital and capital renewal investments stemming from the Rebuild Illinois capital investment initiative. However, the timing for anticipated tax revenues which were further impacted by the pandemic hitting mid fiscal year delayed this expected investment boost. The previously FY19-approved and in-process capital renewal-funded projects for Campus Boiler Replacements and Steam Tunnel repairs were both delayed a few months but continued progressing with the CDB. In the first half of the year, the Board approved two NIU-funded projects. The first was the \$1.1M Recreation Center changing room remodeling. This project proceeded through the design phase but was put on hold due to budget uncertainties resulting from the pandemic. The second was \$1.5M for the Holmes Student Center tower elevator upgrades. This project was also put on hold due to the same budget uncertainties. In the second half of the FY, the Board approved two projects: a \$350K renovation for a Burma Art Collection storage area in the Founders Memorial Library and a \$400K renovation for the College of Business Creativity and Empathy Lab in Barsema Hall. These projects were mostly grant/donation funded and were not impacted financially by the pandemic.

In FY19, increased attention for state capital renewal funding began to produce additional investments for the University. The first phase of the boiler replacement project had been authorized with about \$6.2M of state funding which was augmented with about \$9.8M of funds from the University Auxiliary Reserves. Additionally, about \$5.5M of state funding authorization was provided for steam line repairs. To compensate for higher-than-expected construction bids responding to the Holmes Student Center renovation project, the Board approved an increase of the budget from \$20M to \$20.9M. The Board also approved moving forward with design of the Northern Illinois Center for Community Sustainability (NICCS) a \$22.9M partially State/grant funded project of which \$7.9M is to be provided by NIU. There were no other projects approved over \$1M approved by the board. There were four projects approved over \$250K: Convocation Center Nelson Suite remodel for \$300K; steam isolation valve and expansion joint replacement project for \$501K of which \$476K is funded through CDB; Yordon Performance Center remodel

for \$275K; and Stevenson Dining Area remodel for \$450K. There were twelve projects between \$100K and \$250K, totaling \$2.1M. There were eleven projects approved between \$50K and \$100K totaling \$734K. In addition, there were 101 other smaller projects approved totaling \$1.2M.

In FY18, continuing enrollment and budget uncertainties played a role in the number and dollar value of capital projects approved in FY18. The Board reconfirmed approval of the budget and use of Build America Bond funds for Holmes Student Center renovation at \$20M. The Board approved only one additional project over \$1M: \$1.27M to replace the video boards and scoreboards at the Convocation Center. There were only two projects approved over \$250K: \$468K for the renovation of Founders Café and \$275K for the renovation of the Nelson Suite at the Convocation Center. There were eight projects between \$100K and \$250K that totaled \$1.26M and six projects between \$50K and \$100K that totaled \$449K. In addition, there were approximately 75 other projects totaling \$1.7M. There was one major emergency repair to the steam tunnel on Normal Road at LaTourette Hall.

In FY17, the State Budget impasse and the University's budget constraints played a major role in the number and dollar value of capital projects approved in FY17. The Board approved only one project over \$1M: the reallocation of \$5.4M in Build America Bonds to begin remodeling, maintenance, repairs, and updates to Neptune Residential Complex. There were three projects over \$250K: \$750K for Grant South Steam Vault replacement; \$625K for Stevenson Towers (B & C) Roof Replacement; and \$500K to facilitate and complete the move-in to Stevens Building. The anticipated completion of Stevens by the State of Illinois Capital Development Board is spring 2018. There were six projects between \$100K and \$250K that totaled \$1.1M and six projects between \$50K and \$100K that totaled \$424K. There were 52 projects less than \$50K totaling \$850K. Total investment in FY17 was 67 projects totaling \$9M in approvals. There were nine boiler, heating plant, steam tunnel, steam piping, and valve related repairs. Five other projects also related to mechanical systems and equipment on campus were completed. There was one major emergency repair to the water main at Neptune Residential Complex.

In FY16, the Board approved three projects in excess of \$1M: the reallocation of \$20M in Build America Bonds for the renovation of Holmes Student Center; \$1.9M for renovation of New Hall Dining and Residence; and \$1.25M for a phased roof replacement of Gabel Hall. There were five projects over \$400K: \$750K for Grant Steam Vault; \$700K for the Boiler Assessment and Phase I Design; \$625K for Stevenson Towers (A & D) Roof Replacement; \$440K for Lucinda Avenue Realignment; and \$400K for DuSable Steam Vault Repairs. There were four projects between \$200K and \$400K. Most notable was the repair of the heating system for the Child Development Lab for \$246K. There were 23 project approvals between \$25K and \$200K that totaled \$1.5M, and there were 28 projects under \$25K approved. There were twelve projects approved for General Revenue buildings. Most of these projects were major repairs to critical building systems such as heating, ventilating, air conditioning, leaking roofs, and deteriorated walls.

In FY15, the Board approved one project in excess of \$1M: \$1.5M for planning the renovation of Holmes Student Center and Neptune Residential Complex. There were two projects over \$500K: Grant Central roof replacement at \$812K and renovation of the Animal Research Facilities located in Psychology/Computer Science and Montgomery Hall at \$850K. Maintenance project approvals totaled \$3.03M for general campus improvements with an additional \$373K approved for two emergency repairs. There were five projects between \$250K and \$500K, most notably two projects at Huskie Stadium: \$460K for a new turf field and \$300K for additional LED advertising ribbon boards. There were 21 project approvals between \$100K and \$250K that totaled \$4.76M and there were 49 project approvals under \$100K, 30 were under \$25K. There were 17 repair and remodeling projects approved for academics, research, smart classrooms, and support spaces. Notable projects include the renovation of the Animal Research Facilities for Psychology and Biology, nine smart classrooms and classroom upgrades, additional compact storage for the Anthropology Museum,

the first electric car charging station on campus, and this year one new facility was added, a new salt shed for Grounds Department to help manage purchasing and storing of winter de-icing salt.

In FY14, the Board approved two projects in excess of \$1M: \$2.25M for a new Public Safety radio system and \$1.38M for electrical infrastructure. In addition, campus maintenance projects totaled \$1.59M for general campus improvements. There was one project between \$250K and \$500K: \$450K for new “beta version” small bus transit system for central campus. There were ten project approvals between \$100K and \$250K that totaled \$1.7M, and there were 50 projects under \$100K approved, 30 of which were under \$25K. There were 20 repair and remodeling projects approved for research, learning, smart classroom, and support spaces. Notable projects include three smart classrooms, the new walk-in cooler for Geology research in Davis Hall, and a new computerized video message board system for the College of Education.

In FY13, the Board approved two projects in excess of \$1M: \$2.58M for electrical infrastructure and \$1.25M for campus alert systems. In addition, campus maintenance projects totaled \$1.65M for general campus improvements. There was one item between \$500K and \$1M approved by the Board: \$650K for new electronic advertising fascia boards at Huskie Stadium. There was one project between \$250K and \$500K: \$271K for emergency repairs of the entry plaza/mechanical room deck at Montgomery Hall. There were 15 project approvals between \$100K and \$250K that totaled \$2.4M, and there were 23 projects under \$100K approved, nine of which were under \$25K. There were ten repair and remodeling projects approved for research, learning, smart classroom, and support spaces. Notable projects include the new entry door system for Founders Library, four smart classrooms, and a renovated temporary Anthropology lab space for use during the renovation of Stevens Building.

In FY12, the Board approved two projects in excess of \$1M: \$3.3M for Huskie Stadium scoreboard and \$1.8M for campus 100% wireless coverage. In addition, the Capital Development Board (CDB) approved a budget increase of \$2.9M for Stevens Building Renovation. There was one project between \$500K and \$1M: the CDB approved a budget increase of \$572K for roof replacements on seven campus buildings. There was one project approval between \$250K and \$500K: \$385K for campus alert phase III. There were ten project approvals between \$100K and \$250K that totaled \$1.8M, there were 27 projects under \$100K approved, 14 of which were under \$25K. There were eight repair and remodeling projects approved for research, learning, classroom, and support spaces. Notable projects include the new DOD supercomputer for Computer Science, 100% wireless coverage for campus, three smart classrooms, and a new laboratory for Computer Science.

Appendix B
Semi-Annual Progress Report of Active Capital Projects
with a Budget over \$100,000

All projects listed herein have received the needed approvals and are currently in process. The Authorization Date is identified for all NIU-funded projects; the fiscal year is identified for all Capital Development Board (CDB)-funded projects. Status reports are provided on any project, regardless of initiation date, until all work has been completed.

A. CAPITAL DEVELOPMENT BOARD PROJECTS

I. Projects in the Planning Phase

1. Northern Illinois Center for Community Sustainability

Total Project Budget: \$20,000,000

Funding Sources: Grant Funding & Institutional Local Funds

Authorization Date: December 2018

Expected Date of Completion: ~3 years from release of planning funding/delay due to planning funding not being released

Project Milestone: Awaiting release of state funding

Status: Funds have not yet been released. Following release, NIU will be working with CDB to define the scope of work, develop a tentative schedule, and solicit proposals for design firms to work on this project.

2. Music Building & Gabel Hall Roof Repairs

Total Project Budget: \$3,360,400

Funding Sources: Capital Renewal State Appropriation

Authorization Date: Pending

Expected Date of Completion: 18-24 months after release of funding

Project Milestone: Awaiting release of state funding

Status: This project is the first priority of deferred maintenance projects in line for the University's allocated capital renewal state funding from the annual IBHE submission. It is anticipated that funding may be released in spring of 2022.

3. Anderson Hall Structural Repairs & Still Hall/Still Gym Masonry Repairs

Total Project Budget: \$6,164,600

Funding Sources: Capital Renewal State Appropriation

Authorization Date: Pending

Expected Date of Completion: 18-24 months after release of funding

Project Milestone: Awaiting release of state funding

Status: This project is the second priority of deferred maintenance projects in line for the University's allocated capital renewal state funding from the annual IBHE submission. It is anticipated that funding may be released in spring of 2022.

II. Projects in the Design Phase

1. Art Building Structural Repairs & Exterior Building Improvements

Total Project Budget: \$3,753,600

Funding Sources: FY21 Capital Renewal State Appropriation

Authorization Date: April 2021

Expected Date of Completion: Construction work anticipated to begin early 2023 with an approximate duration of 6-12 months.

Project Milestone: Construction bid documents to be released by September 2022

Status: The design contract was completed in October and efforts are in progress.

2. Swen Parson Roof Replacement & Masonry Repairs

Total Project Budget: \$5,138,200
Funding Sources: FY21 Capital Renewal State Appropriation
Authorization Date: April 2021
Expected Date of Completion: Construction work anticipated to begin in early 2023 with an approximate duration of 6-12 months.
Project Milestone: Design phase to begin in January
Status: The design contract was completed in December and efforts are in progress.

3. New Construction Health Informatics & Technology Center Building

Total Project Budget: \$77,000,000
Funding Sources: FY20 State Appropriation
Authorization Date: January 2020 (for \$7.7M)
Expected Date of Completion: 3-5 years following beginning of Design Phase
Project Milestone: Design phase anticipated to begin early 2022
Status: In spring/summer of 2020 an internal planning committee worked together to provide recommendations for a theme and key building features to enhance academic operations. Project programming and schematic design efforts are anticipated to begin in early 2022.

III. Projects in the Construction Phase

1. Stevens Building Addition & Renovation

Total Project Budget: \$37,300,135
Funding Source: FY10 - CDB Amended FY17 & FY17 - NIU Appropriated Funds
Authorization Date: March 2017
Expected Completion: Summer 2022
Project milestone: Awaiting schedule confirmation for art installation
Status: Construction work was completed and building reoccupied in May 2018. Building HVAC refinements were completed in 2020. The remaining open item is a State of Illinois commissioned artwork required by state law. CDB is in the process of finalizing schedule for this installation with the artist and hoped to be completed sometime in 2022.

2. Music Building Partial Roof Replacement

Total Project Budget: \$500,000
Funding Sources: FY22 Capital Renewal State Appropriation
Authorization Date: May 2021
Expected Date of Completion: November 2021
Project Milestones: Final billing in process
Status: Repairs completed. Working reimbursement of NIU funds expended from state capital renewal authorization.

3. DeKalb Campus Repair Steam Tunnel Distribution

Total Project Budget: \$5,024,000
Funding Sources: FY19 State Appropriated
Authorization Date: September 2018
Expected Date of Completion: December 2022
Project Milestone: Award of construction contract anticipated early 2022
Status: Project is currently out for bidding with bids due in December 2021.

4. DeKalb Campus West Heating Plant & Boiler Replacement Phase I

Total Project Budget: \$18,400,000
Funding Sources: Institutional – Auxiliary Reserves & FY19 State Appropriated
Authorization Date: August 2017/CDB Board October 2021
Expected Date of Completion: Summer/Fall 2023

Project Milestones: Design-Build contract award anticipated by January 2022
Status: Design-Build contract awarded. Detailed design and construction activities to follow in 2022 through spring/summer 2023.

B. NORTHERN ILLINOIS UNIVERSITY PROJECTS

I. Projects in the Planning Phase

- 1. West Campus 2021/2022 Winter Repairs: Chillers**
Total Project Budget: \$228,100
Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds
Authorization Date: December 2021
Expected Date of Completion: Prior to Summer 2022
Project Milestones: Prepare for approval before end of calendar year
Status: Repair work to begin January 2022.
- 2. East Campus 2021/2022 Winter Repairs: Chillers**
Total Project Budget: \$243,800
Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds
Authorization Date: December 2021
Expected Date of Completion: Prior to Summer 2022
Project Milestones: Prepare for approval before end of calendar year
Status: Repair work to begin January 2022.
- 3. Standalone Boilers Assessment & Design**
Total Project Budget: \$195,200
Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds
Authorization Date: December 2021
Expected Date of Completion: Early summer 2022
Project Milestones: Approvals in process
Status: Procurement award efforts to begin January 2022.
- 4. Neptune North First Floor Human Resources Services relocation**
Total Project Budget: \$750,000
Funding Source: Institutional - Local Funds
Authorization Date: Pending BOT approval March 2022
Expected Date of Completion: Fall 2022
Project Milestones: Finalizing scope requirements
Status: Planning complete. Design and construction pending BOT approval.
- 5. DeKalb Campus FY22 Roofing Repairs**
Total Project Budget: \$1,200,000
Funding Source: Institutional - Local Funds
Authorization Date: Pending BOT approval March 2022
Expected Date of Completion: Summer 2022
Project Milestones: Project approval
Status: Following roof scanning and assessments completed late summer 2021, select roof repairs were prioritized for FY22 execution (Chick Evans Fieldhouse, Convocation Center, Faraday and Montgomery) and targeted for summer 2022 construction season.

II. Projects in the Design Phase

- 1. DeKalb Campus Chilled Water System Assessment**
Total Project Budget: \$169,000
Funding Source: Institutional - Local Funds
Authorization Date: December 2021

Expected Date of Completion: June 2022

Project Milestones: Anticipate work to begin in January following contract execution

Status: Contract execution in process.

2. Recreation Center Changing Room remodel – PROJECT PAUSED

Total Project Budget: \$1,100,000

Funding Source: Institutional - Auxiliary Reserves

Authorization Date: September 2019

Expected Date of Completion: Currently on hold. Potential FY23 execution

Project Milestones: Scope review in process

Status: Design development was completed March of 2020. Project was put on hold at the beginning of the pandemic. Reduced scope options are currently being evaluated.

3. Stevenson & Grant Residence Halls Building Envelope Repairs

Total Project Budget: \$525,000

Funding Source: Institutional - Auxiliary Reserves

Authorization Date: December 2016

Expected Date of Completion: FY23/FY24 as funding allows

Project Milestones: Scope development in process

Status: Previously limited progress due to pandemic budget uncertainties. Design firm is currently finalizing an assessment to determine scope of work and associated cost estimate. Following assessment, scope will be finalized and prepared for construction bidding.

4. Holmes Student Center Hotel Tower Building Envelope Repairs

Total Project Budget: \$250,000

Funding Source: Institutional - Auxiliary Reserves

Authorization Date: December 2016

Expected Date of Completion: Potentially FY23/FY24 as funding allows

Project Milestones: Scope development in process

Status: Previously limited progress due to pandemic budget uncertainties. Design firm is currently finalizing an assessment to determine scope of work and associated cost estimate. Following assessment, scope will be finalized and prepared for construction bidding.

III. Projects in the Construction Phase

1. Founders Memorial Library Chilled Water Coil Replacements

Total Project Budget: \$128,500

Funding Source: Appropriated/Income Funds

Authorization Date: December 2021

Expected Date of Completion: May 2022

Project Milestones: Work to begin follow material deliveries

Status: Material orders being placed. Work to beginning in early 2022.

2. DeKalb Campus Building Access Control Upgrades

Total Project Budget: \$1,400,000

Funding Source: Grant Funding

Authorization Date: September 2021

Expected Date of Completion: June 2021

Project Milestones: Material receipt due to supply chain delays

Status: Originally planned for completion prior to the beginning of the spring semester. Installation is delayed due to slow supply channels. Projecting material receipt by March.

3. Huskie Stadium Summer 2022 West Stands Exterior Maintenance Repairs

Total Project Budget: \$240,000

Funding Source: Institutional - Auxiliary Reserves

Authorization Date: October 2021
Expected Date of Completion: Summer/Fall 2022
Project Milestones: Contract bidding
Status: Contract bidding to occur this spring with construction planned over summer.

- 4. Dorland Building Freezer Condenser/Evaporator Replacement Phase II**
Total Project Budget: \$164,500
Funding Sources: Institutional - Auxiliary Reserve Funds
Authorization Date: August 2021
Expected Date of Completion: Spring 2022
Project Milestones: Material receipt
Status: Work to be completed following delivery of equipment, with intent to complete by spring of 2022.
- 5. New Hall Complex FY22 Rotation Painting**
Total Project Budget: \$169,000
Funding Sources: Institutional – Auxiliary Operations Funds
Authorization Date: August 2021
Expected Date of Completion: June 2022
Project Milestones: Incremental painting task through FY22
Status: Work progressing as coordinated with Housing operations staff.
- 6. Naperville 2021 Parking Lot Repairs**
Total Project Budget: \$105,000
Funding Sources: Institutional – Local Funds
Authorization Date: August 2021
Expected Date of Completion: August 2021
Project Milestones: Final payments completed
Status: Work has been completed and final contractor payments have been made. This is the first and final report on this project.
- 7. Convocation Center Arena & Auxiliary Gym LED Lighting Upgrades**
Total Project Budget: \$316,000
Funding Sources: Institutional Auxiliary Reserves
Authorization Date: June 2021
Expected Date of Completion: Spring 2022
Project Milestones: Materials receipt and coordination around events
Status: Execution schedule adjusting due to material delays and need to work around planned events.
- 8. Stevenson Complex Domestic Cold Water Booster Pumps Replacement**
Total Project Budget: \$124,000
Funding Sources: Institutional - Auxiliary Reserve Funds
Authorization Date: April 2021
Expected Date of Completion: Spring 2022
Project Milestones: Final payment
Status: Work is in progress and is approximately 95% complete.
- 9. Parking Garage FY21 Repairs & Preventative Maintenance**
Total Project Budget: \$106,000
Funding Sources: Institutional – Local Funds
Authorization Date: April 2021
Expected Date of Completion: August 2021
Project Milestones: Final payment processing

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

10. DeKalb Campus FY21 Parking Lot Repairs

Total Project Budget: \$240,000

Funding Sources: Institutional Local Funds

Authorization Date: April 2021

Expected Date of Completion: August 2021

Project Milestones: None

Status: Repairs were performed over the summer on Lot E Anderson Hall, Lot S38 Gabel/Campus Childcare, Lot 44 Barsema Hall, Lot 15E Campus Recreation and Lot P Stevenson. This will be the final report on this project.

11. Art Building South Entrance Exterior Stair Repairs

Total Project Budget: \$100,000

Funding Sources: Appropriated Income Funds

Authorization Date: April 2021

Expected Date of Completion: September 2021

Project Milestones: None

Status: Completed. This will be the final report for this project.

12. Monat Building Roof Repairs

Total Project Budget: \$246,800

Funding Source: Appropriated/Income Funds

Authorization: March 2021

Expected Date of Completion: May 2022

Project Milestones: Spring installation of AC unit

Status: Roof restoration work was completed in October and November, with final payments in process. Remaining work for replacement AC unit on roof must wait for warmer weather.

13. DeKalb Campus FY21 Roof Repairs

Total Project Budget: \$168,000

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: March 2021

Expected Date of Completion: Summer 2021

Project Milestones: None

Status: Work was completed on the roofs of Chick Evans Fieldhouse and Telephone/Security Building. This will be the final report for this project.

14. Parking Garage Passenger Elevator Controls Upgrade

Total Project Budget: \$230,000

Funding Source: Bond Series 2010 Project

Authorization: March 2020

Expected Date of Completion: April 2022

Project Milestones: Repair completion

Status: Delays in equipment deliveries have delayed progress and original schedule. All materials now on hand. Work is 50% complete.

15. West Campus 2021 Steam Outage Repairs

Total Project Budget: \$173,300

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: March 2021

Expected Date of Completion: June 2021

Project Milestones: None

Status: Work was scheduled around the planned steam shutdown in June and has been completed. This is the final report on this project.

16. East Campus 2021 Steam Outage Repairs

Total Project Budget: \$153,550

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: March 2021

Expected Date of Completion: May 2021

Project Milestones: None

Status: Work was scheduled around the planned steam shutdown in May and has been completed. This is the final report on this project.

17. DeKalb Campus Central Campus Roadway Improvements

Total Project Budget: \$357,600

Funding Source: Institutional Local Funds & Federal Grant Funds

Authorization: January 2021

Expected Date of Completion: Fall 2022

Project Milestones: IDOT contract signed December 2021

Status: The project was initially bid in the July/August and rebid in November due to high prices. Construction work is planned for summer of 2022.

18. DeKalb Campus Fire Escape Repairs

Total Project Budget: \$129,050

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: January 2021

Expected Date of Completion: May 2022

Project Milestones: Completion

Status: Work is 75% complete.

19. General Revenue Buildings COVID-19 HVAC Updates & Repairs

Total Project Budget: \$238,150

Funding Source: Appropriated Income Funds

Authorization: January 2021

Expected Date of Completion: June 2022

Project Milestones: Material receipt

Status: Work is 75% complete and slowed by material availability and staffing limits.

20. Wirtz Hall Roof Drain & Insulation Replacement

Total Project Budget: \$194,350

Funding Source: Appropriated Income Funds

Authorization: November 2020

Expected Date of Completion: August 2021

Project Milestones: None

Status: Work was started late fall 2020, but was halted due to cold weather, restarted in late spring and was completed over the summer. This is the last report on this project.

21. West Plant 2020/2021 Winter Repairs: Chillers

Total Project Budget: \$184,350

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: November 2020

Expected Date of Completion: March 2021

Project Milestones: None

Status: Work is complete. This is the last report on this project.

22. West Plant 2020/2021 Winter Repairs: Boilers

Total Project Budget: \$165,050

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: November 2020

Expected Date of Completion: April 2021

Project Milestones: None

Status: Work is complete. This is the last report on this project.

23. Chilled Water Plant 2020/2021 Winter Repairs

Total Project Budget: \$132,050

Funding Source: Institutional Auxiliary Reserve Funds & Appropriated Income Funds

Authorization: November 2020

Expected Date of Completion: March 2021

Project Milestones: None

Status: Work is complete. This is the last report on this project.

24. Stevenson Towers A, B, C & D Roof Replacement

Total Project Budget: \$1,400,000

Funding Source: Institutional Auxiliary Reserve Funds

Authorization Dates: March 2020

Expected Date of Completion: September 2022

Project Milestones: 50% of construction completed

Status: Previously placed on hold due to pandemic budget uncertainties, construction work began over the summer of 2021 and two towers have been completed. The remaining two towers are planned to be completed spring/summer of 2022.

25. Holmes Student Center Tower Elevator Controls Upgrade

Total Project Budget: \$1,500,000

Funding Source: Institutional Auxiliary Reserve Funds

Authorization Date: December 2019

Expected Date of Completion: August 2022

Project Milestones: Material receipt

Status: Project originally put on hold due to pandemic budget uncertainties. Work is resuming and awaiting material delivery confirmation prior to scheduling elevator outages.