Minutes of the

Board of Trustees of Northern Illinois University

Finance, Audit, Compliance, Facilities and Operations

Committee Meeting

February 20, 2025

# Call to order and roll call

The meeting was called to order at 11:28 a.m. by Committee Chair Dennis Barsema in the Board of Trustees Room, 315 Altgeld Hall.

Recording Secretary Crystal Doyle conducted a roll call of the Trustees.

Trustee Rita Athas: Present Trustee Veronica Herrero: Absent *(joined the meeting at 11:30 a.m.)*

Trustee Aidan O’Brien: Absent Trustee Eric Wasowicz: Present

Trustee John Butler: Present Board Chair Montel Gayles: Present

Committee Vice Chair Leland Strom: Present Committee Chair Dennis Barsema: Present

Also present: President Lisa Freeman; Committee Liaison and Vice President for Administration and Finance and Chief Financial Officer George Middlemist; Vice President and General Counsel and Board Parliamentarian Bryan Perry; Executive Vice President and Provost Laurie Elish-Piper; Chief Strategy Officer and Liaison to the Board of Trustees Matthew Streb; Vice President for Enrollment Management, Marketing and Communication Sol Jensen; Vice President for Diversity, Equity and Inclusion and Chief Diversity Officer Carol Sumner; Vice President for Student Affairs Clint-Michael Reneau; Vice President for Research and Innovative Partnerships Richard Mocarski; Senior Vice President for Human Resources and Chief Human Resource Officer John Acardo; University Advisory Council (UAC) Representatives Felicia Bohanon and Natasha Johnson.

# Verification of quorum and appropriate notice of public meeting

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

# Meeting agenda approval

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

# Review and approval of minutes of November 7, 2024

Committee Chair Barsema asked for a motion to approve the minutes of November 7, 2024. Board Chair Gayles so moved, and Trustee Athas seconded. The motion was approved.

*Trustee Herrero joined the meeting at 11:30 a.m.*

# Chair’s comments/announcements

Committee Chair Barsema recognized the University Advisory Committee and asked if anyone had any comments and there were no comments.

Committee Chair Barsema started the comments noting that there were important financial updates and several recommendations which included student pricing recommendations for FY26 and all recommendations were going to the special meeting due to their time sensitivity.

# 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 Vice President and Chief Financial Officer (VPCFO) George Middlemist to present the University Financial Update.

**VPCFO Middlemist presented Agenda Item 7.a. Quarterly Financial Summary Fiscal Year 2025 Second Quarter as of December 31, 2024**

Committee Chair Barsema noted that the Board understands that things are incredibly difficult, but the Board is encouraged by a few items which were illustrated in the report. NIU is trending $950,000 to the good for this year’s budget, and the Finance team has shared they expect the results will be on target or better than budgeted by the end of the fiscal year. In a few of the larger expense categories, results of the community’s active efforts to reduce spending are being seen. Personnel and commodities spending alone is down nearly $3 million dollars year-over-year due to ongoing cost containment efforts. The Board recognizes this is not enough to close the existing gap. The report shows that revenues are mostly down, with the exception of one category which was primarily fueled by the one-time sale of iFiber. Trending towards a targeted or better-than-budgeted performance is wonderful to hear, but it must be recognized that performing on budget means a roughly $15 million loss for the year, further jeopardizing what little cash reserves remain. The Board is encouraged by the actions the university community is taking to curb spending, especially as revenues remain in flux, but more progress needs to be made. The Board stands with university leadership and is ready to help navigate the difficult choices ahead necessary to sustain and rebuild the university’s financial health.

**VPCFO Middlemist presented Agenda Item 7.b. Periodic Report of Cash and Investments for Period Ending December 31, 2024**

The Board recognized that this report is where they see how the deficit performances affect the university’s overall financial health; not only do the efforts focus on reduced spending and revenue generation, but at some point, the conversation must also include rebuilding the university’s cash position. NIU has faced many financial challenges throughout recent years, and inadequate cash reserves means NIU may not be able to weather another state budget impasse, global pandemic, FAFSA delay, or federal legislation that impacts grant funding. University leadership has consistently committed to a balanced budget for FY26, and the Board has full confidence in their ability to deliver. This critical step is the first in stabilizing the university’s financial position, and from there, the Board can turn their attention to building cash reserves once again.

# University Recommendations

Committee Chair Barsema asked VPCFO George Middlemist to present the University Recommendations.

**VPCFO Middlemist presented Agenda Item 8.a. Fiscal Year 2026 Room and Board Fee Recommendation**

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

VPCFO Middlemist mentioned during the recommendation that rates at the other state institutions had been reviewed when looking at this recommendation. Appreciation for all the work that has been done was recognized. During the review, the team kept at the forefront the affordability for students while recognizing that costs have risen in regard to housing and dining.

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.b. Fiscal Year 2026 Undergraduate Tuition Pricing Recommendation**

Committee Chair Barsema asked for a motion to approve item 8.b. Trustee Wasowicz so moved, and Committee Vice Chair Strom seconded.

It was recognized that approximately 50 percent of NIU’s students do not pay tuition due to grants, scholarships, etc. and that NIU is competitive in terms of tuition and fees in comparison to the other comparable state institutions. When rates are being set, it is important to keep in mind that affordability and accessibility for students in the future is kept in mind.

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.c. Fiscal Year 2026 Graduate Tuition Pricing Recommendation**

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

**VPCFO Middlemist presented Agenda Item 8.d. Fiscal Year 2026 Law Tuition Pricing Recommendation**

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

Committee Chair Barsema mentioned that Board Chair Gayles would need to abstain from voting and asked Ms. Doyle to conduct a roll call vote.

Trustee Rita Athas: Yes Trustee Veronica Herrero: Yes

Trustee Aidan O’Brien: Absent Trustee Eric Wasowicz: Yes

Trustee John Butler: Yes Board Chair Montel Gayles: Abstain

Committee Vice Chair Leland Strom: Yes Committee Chair Dennis Barsema: Yes

The motion was approved.

**VPCFO Middlemist presented Agenda Item 8.e. Fiscal Year 2026 Undergraduate, Graduate, and Law Student Fee Pricing Recommendation**

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

Student representation on the University Fee Advisory Committee is part of the process when the fee recommendations are reviewed. Appreciation was stated by the Board as to the ability to have a diverse group which includes students in this important process.

Committee Chair Barsema mentioned that Board Chair Gayles would need to abstain from voting and asked Ms. Doyle to conduct a roll call vote.

Trustee Rita Athas: Yes Trustee Veronica Herrero: Yes

Trustee Aidan O’Brien: Absent Trustee Eric Wasowicz: Yes

Trustee John Butler: Yes Board Chair Montel Gayles: Abstain

Committee Vice Chair Leland Strom: Yes Committee Chair Dennis Barsema: Yes

The motion was approved.

*Trustee Herrero stepped out of the meeting at 12:04 p.m.*

*Trustee Herrero returned to the meeting at 12:07 p.m.*

**VPCFO Middlemist presented Agenda Item 8.f. Fiscal Year 2026 Student Health Insurance**

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

Committee Chair Barsema mentioned that Board Chair Gayles would need to abstain from voting and asked Ms. Doyle to conduct a roll call vote.

Trustee Rita Athas: Yes Trustee Veronica Herrero: Yes

Trustee Aidan O’Brien: Absent Trustee Eric Wasowicz: Yes

Trustee John Butler: Yes Board Chair Montel Gayles: Abstain

Committee Vice Chair Leland Strom: Yes Committee Chair Dennis Barsema: Yes

The motion was approved.

# University reports

Committee Chair Barsema asked VPCFO George Middlemist to present the University Reports.

VPCFO Middlemist stated there was one presentation and two updates and NIU Board regulations stipulate that the university presents regular summaries of designated activities including financial and property transactions, as well as confirmation that state and federal requirements are met. The reports were submitted in accordance with board regulations.

**Information Item 9.a. – Presentation on Facilities and Infrastructure Capital Investment**

Discussion took place regarding legislation in regard to taking over control of construction from the state and making it local to the campus. AVP Heckmann stated NIU doesn’t have the capacity to replace what the Capital Development Board (CDB) does, so this is looking at how entities can work together to augment what is already being done. This also will assist in the facilitation of continuing to request the CDB to increase the pace of execution on their end. It also was stated that campus does not have control over the timeline of when projects begin once approved by the CDB as NIU has seen in the past that projects are approved and then it may take many years before they are started, which affects the funds available for projects.

**Information Item 9.b. – Fiscal Year 2024 Report on Facilities and Infrastructure Capital Investment Activities**

**Information Item 9.c. – Quarterly Summary Report of Transactions in Excess of $250,000 for the Period October 1, 2024 to December 31, 2024**

# Other matters

There were no other matters.

# Next meeting date

The next meeting of the Finance, Audit, Compliance, Facilities and Operations Committee will be May 8, 2025.

# Adjournment

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

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

Trustee Rita Athas: Yes Trustee Veronica Herrero: Yes

Trustee Aidan O’Brien: Absent Trustee Eric Wasowicz: Yes

Trustee John Butler: Yes Board Chair Montel Gayles: Yes

Committee Vice Chair Leland Strom: Yes Committee Chair Dennis Barsema: Yes

The motion was approved.

The meeting adjourned at 12:35 p.m.

Respectfully submitted,

Crystal Doyle

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.*