

PUBLIC NOTICE AND AGENDA

**Faculty Senate-University Council Resources, Space and Budget Committee
Friday, December 7, 2018, 10 a.m.
Altgeld Hall 125
Northern Illinois University
DeKalb, Illinois**

I. CALL TO ORDER

II. VERIFICATION OF QUORUM

III. ADOPTION OF THE AGENDA

IV. APPROVAL OF THE NOVEMBER 2, 2018 MEETING MINUTES – Pages 2-6

V. PUBLIC COMMENT

VI. NEW BUSINESS

- A. President Lisa Freeman
- B. Review of NIU's contract with Northwestern Medicine and discussion of RSB's role as a vehicle for dissemination among the NIU community regarding other large contracts
Chief Financial Officer Sarah McGill

VII. UNFINISHED BUSINESS

- A. Follow-up to questions discussed at the November 2, 2018 meeting
See RSB November 2, 2018 minutes – Pages 2-6
- B. Campus Security and Environmental Quality Committee update –
Michael Haji-Sheikh
 - 1. RSB designee to the Campus Security and Environmental Quality Committee for spring 2019. The CSEQ Committee meets monthly on Wednesdays, 10:30 a.m.
- C. Student Fee Advisory Committee update – Jay Monteiro

VIII. ADJOURNMENT

Future RSB meeting dates: Jan 11, Feb 1, Mar 1, Apr 5.

President Lisa Freeman is tentatively scheduled to meet with the RSB on Feb 1, Apr 5.

MINUTES

**Faculty Senate-University Council Resources, Space and Budget Committee
Friday, November 2, 2018, 10 a.m.
Altgeld Hall 125
Northern Illinois University
DeKalb, Illinois**

VOTING MEMBERS PRESENT: Boughton, Creed (for Johnson), Grund, Haji-Sheikh, Millhorn, Monteiro, Nelson, Riley, Slotsve, Tahernezehadi (for Peterson), Thu, Watson (for Doederlein), Wilson

VOTING MEMBERS ABSENT: Duffin, Johnson, Martin, Njue, Peterson, Pietrowski

OTHERS PRESENT: Freeman, McCord, McGill, Naples

I. CALL TO ORDER

RSB Committee Chair, **J. Wilson** called the meeting to order at 10 a.m.

II. VERIFICATION OF QUORUM

A quorum was established.

III. ADOPTION OF THE AGENDA

G. Slotsve moved to adopt the agenda, seconded by **D. Boughton**. Motion passed.

IV. APPROVAL OF THE [OCTOBER 5, 2018](#) MEETING MINUTES – Pages 2-5

G. Slotsve moved to approve the minutes, seconded by **K. Thu**. Motion passed.

V. PUBLIC COMMENT

V. Naples expressed disappointment over the use of NIU Foundation funds to buy back football tickets, and asked that funding for this practice be redirected to academics.

M. Haji-Sheikh expressed concern regarding the extension of NIU Football Coach Rod Carey's contract absent Board of Trustee public approval.

VI. NEW BUSINESS

- A. Responses to questions from faculty and staff – Page 6
President Lisa Freeman
Acting Provost Chris McCord
Chief Financial Officer Sarah McGill

1. Decentralizing budgeting and hiring process to the extent possible. Allow colleges and departments to be responsible.

C. McCord noted that protections put in place to manage the loss of reliable state funding helped NIU get through exceedingly difficult years, but many of those protections are now being revisited. This is especially evident for non-personnel expenditures, where all purchases under \$25,000 can now be approved at the local level, representing 80-85 percent of the university's total purchasing activity.

Controls previously put in place for position management are also being revisited, and a strategy is being developed. The intention is to establish a policy that allows for nimbleness at the local level, while also calling for conversation and prioritization as the university's needs evolve.

A Human Resource Services task force has been convened to map the hiring process. This group plans to distribute a survey intended to solicit input on this topic, while also providing context.

2. Flexibility in the use of 02 funds (this came from two unit heads). Support student events, including food for recruitment and retention.

This policy has been discontinued, and authority to make these decisions now exists at the local level.

3. Any adjustment that occurs outside the college e.g. promotional increments, base salary changes, retention adjustments, should be funded simultaneously, not after the fact. This creates budget failure and inefficiencies based on, among other things, the need to make multiple contacts and fix things down the road.

Technical

Human Resource Services and the Division of Administration and Finance use two different software systems, causing technical challenges resulting in funds being swept, but then not returned as smoothly. This is a technical glitch and not an administrative conspiracy. **T. Stevens** noted that several helpful changes to the system have been implemented recently and are appreciated.

Conceptual

Conceptual considerations regarding position control also must be addressed.

4. Separate cost center for base funded positions from operating budget activity. Personnel should be completely separate from 02 budgets.

S. McGill noted that staffing budgets can create havoc within the overall cost center budget. To address this, a forecasting column is being added and a reconciling component will be introduced so some of the money that's moving can be captured. However, **T. Stevens** also noted that she realizes that separating these two functions, as is being requested in this submitted question, would create double work for local business managers.

5. One person asked to get their take on Program Prioritization.

C. McCord noted that budget decisions over the last several years strongly relied on Program Prioritization findings, and that spirit remains. Specific Program Prioritization recommendations still inform much of NIU's strategic thinking, though a lot has happened since Program Prioritization. How can we take the criteria, goals, and mindset of Program Prioritization and incorporate that into something that's ongoing and consistent?

L. Freeman noted there are a couple Program Prioritization recommendations not yet addressed, and question number 8 is one example.

6. Not all collected lab fees are returned to the departments. There seems to be a backlog of several years. (CFO Sarah McGill noted that she has a budget analyst researching this issue.)

S. McGill noted that control of the lab fees was a temporary measure to protect cash flow. As NIU moves forward, administration is reviewing how to best re-introduce this back in.

They are also looking at 41 accounts and reviewing how this can be addressed in the future. **K. Thu** noted that faculty want to use their 41 money, and it's difficult to explain to them why they can't. **C. McCord** noted that any organization should have about three months' worth of cash on hand. During the budget stalemate, NIU had periods where it had perhaps two weeks' worth at some times. Now it's more realistic to think about returning to normal operations, but the caution is to avoid swinging the pendulum too far and end up back where we were. This process must be accomplished in a thoughtful way. **S. McGill** understands that

employees need the ability to plan at the local level, but is cautious to develop a strategy where this can be attained without putting NIU at financial risk.

7. In light of the significant windfall of reduced tuition for out-of-state athletes, will NIU be able to reallocate some of the athletics fees to other groups?

For FY19, the athletics fee was reduced to \$.30/credit hour in order to take advantage of this opportunity. This action reduced fee-revenue to Athletics by \$450,000, which was actually greater than the out-of-state tuition reduction windfall of approximately \$300,000-\$370,000.

Regarding NIU Football Coach Rod Carey's contract extension, the contract structure for Athletics is unique from the rest of campus. Administration plans to distribute a campus-wide statement to clarify the source of funding for coach compensation.

8. Graduate student stipends issue: Can they be, or will they be, increased to make NIU more competitive?

L. Freeman noted that graduate student stipends is an issue that was identified through Program Prioritization. It's a question for the university being able to retain its research competitiveness; it's also a moral question. The reasonable living wage threshold for the DeKalb area has been set at \$1500/month. Looking at all programs across colleges, to bring everyone up to that point would cost \$4.3 million. In order to move in that direction – and it will take one to three years – some actions can be taken centrally, and some will need to be accomplished at the local level as well.

First, NIU must attract more money. Resource reallocation can happen, both centrally and locally. Locally NIU needs to look at how it allocates the number of student lines and the tuition waivers that go with them and see if these need to change. A lot of good work has been done by a task force of the Graduate Council, and Dean Bond and VP Blazey are being asked to convene a committee that includes the associate deans from each college, as well as Director of Budget and Financial Planning Andrew Rogers. This group will work individually with the graduate directors to move NIU forward with this project.

B. Items for December 7 RSB meeting

J. Wilson reported that the second half of the RSB orientation will take place at the January meeting.

1. Budgeting process preparation

S. McGill reported that the FY 20 budget process will launch in early January. This will be a topic for discussion at the December RSB meeting.

2. Additional or follow-up questions to VI.A.

J. Wilson noted that President Freeman will tentatively visit RSB again at its December 7 meeting. He invited members to submit follow-up or new questions to him or **P. Erickson**.

VII. UNFINISHED BUSINESS

- A. Campus Security and Environmental Quality Committee update – Michael Haji-Sheikh

A request for proposals has been made for new student safety software, such as a virtual escort for students.

A second request for proposals had been made for an improved and more consistent camera system on campus.

The CSEQC is very pleased overall with the Safe Streets Initiative. It was noted that it took eight weeks before a required campus safety notification had to be published, which is the longest time frame in quite a while.

Attention also was called to the Safe Purchase Area – where students who want to sell something on Craig’s List, for example, can conduct their transactions at the police station.

- B. University Fee Review Committee update – Jay Monteiro

About 20 fee presentations were made to the committee, including one new fee proposal. The committee discussed each of the presentations and each fee’s potential impact, before submitting its recommendation.

The UFRC is advisory to the chief financial officer and the provost, who in turn advise the president, who ultimately makes recommendation to the BOT.

VIII. ADJOURNMENT

G. Slotsve moved to adjourn, seconded by **K. Thu**.
Meeting adjourned at 11:10 .m.

Future RSB meeting dates: Dec 7, Jan 11, Feb 1, Mar 1, Apr 5.
President Lisa Freeman is tentatively scheduled to meet with the RSB on Dec 7, Feb 1, Apr 5.