



Board of Trustees

Finance, Audit, Compliance,
Facilities and Operations
Committee

May 9, 2024

BOARD OF TRUSTEES OF NORTHERN ILLINOIS UNIVERSITY
Finance, Audit, Compliance, Facilities and Operations Committee
11:15 a.m. – Thursday – May 9, 2024
Altgeld 315

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 February 15, 2024 *Action*.....1
5. Chair's Comments/Announcements
6. Public Comment*
7. Financial Update
 - a. Quarterly Financial Summary Fiscal Year 2024 Third Quarter as of March 31, 2024 *Information*.....6
 - b. Periodic Report of Cash and Investments for Period Ending March 31, 2024..... *Information*.....12
 - c. Fiscal Year 2025 University Budget Preliminary Summary *Information*.....15
8. University Recommendations
 - a. Fiscal Year 2025 NIU Foundation Professional Services Contract..... *Action*.....18
 - b. Intercollegiate Athletics Air Charter Services for Football and Men's and Women's Basketball Teams *Action*.....19
 - c. Media Buying Services *Action*.....20
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 - e. NIU Rockford Boiler Replacements *Action*.....23
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 - h. US Geological Survey Research Partnership Renovation Project Budget Increase..... *Action*.....26
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 - a. Campus Energy Improvements Phase I Implementation..... *Information*.....27
 - b. Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period January 1, 2024 to March 31, 2024..... *Information*.....28
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
February 15, 2024

CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:41 a.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 Veronica Herrero: Present

Trustee Tim Moore: Present

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; Interim 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 Research and Innovative Partnerships Yvonne Harris; Vice President for Outreach, Engagement and Regional Development and Chief Engagement Officer Rena Cotsones; Senior Associate Vice President and Chief Human Resource Officer John Acardo; Associate Vice President of Institutional Communications and Chief Communications Strategist Lisa Miner; University Advisory Council (UAC) Representatives Benjamin Creed, Natasha Johnson, and Karen Whedbee.

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. Board Chair Gayles so moved, and Trustee Athas seconded.

The motion was approved.

REVIEW AND APPROVAL OF MINUTES OF NOVEMBER 9, 2023

Committee Chair Barsema asked for a motion to approve the minutes of November 9, 2023. Trustee Wasowicz so moved, and Committee Vice Chair Strom seconded.

The motion was approved.

CHAIR'S COMMENTS/ANNOUNCEMENTS

Committee Chair Barsema welcomed everyone and recognized the University Advisory Committee. Committee Chair Barsema asked if anyone had any comments and there were none.

The February committee meeting contained a set of important financial updates and several recommendations that include student pricing recommendations for Fiscal Year 2025. There are

12 items being recommended for approval with six of those being presented at the special meeting due to their time sensitivity, five of which are related to student costs for Fiscal Year 2025.

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 2024 Second Quarter as of December 31, 2023

Conversation commenced around the university's current financial health, with emphases on shared leadership, fiscal responsibility, eliminating the deficit, and ultimately developing a balanced multi-year budget.

VPCFO Middlemist presented Agenda Item 7.b. Periodic Report of Cash and Investments for Period Ending December 31, 2023

Comments reflected the importance of getting to a balanced budget and the deficit's direct impact on the university's cash reserves. Once again, additional conversation ensued around the need to address the university's financial health as a collective community.

UNIVERSITY RECOMMENDATIONS

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

VPCFO Middlemist presented Agenda Item 8.a. Fiscal Year 2025 Room and Board Pricing Recommendation

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

Recognition was given to the staff that, knowing there needed to be some increase made, the increase which was considered was held as low as possible in order to maintain the operations of the university.

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.b. Fiscal Year 2025 Undergraduate Tuition Pricing Recommendation

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

Comments were made in support of NIU's ability to remain competitive while also maintaining affordability.

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.c. Fiscal Year 2025 Graduate and Law Tuition Pricing Recommendation

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

It was noted that Board Chair Gayles would need to abstain. Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes (abstained then changed)

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.d. Fiscal Year 2025 Undergraduate, Graduate, and Law Student Fee Pricing Recommendation

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

It was noted that Board Chair Gayles would need to abstain. Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes

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. College of Law Graduation Fee

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

It was noted that Board Chair Gayles would need to abstain. Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes

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.f. Fiscal Year 2025 Student Health Insurance

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

It was noted that Board Chair Gayles would need to abstain. Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes

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.g. Fiscal Year 2025 Campus Services Consumable Commodities and Charter Bus Services

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

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.h. Fiscal Year 2025 Master Agreement Facility Contract Renewals

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

It was noted that Trustee Butler would need to abstain. Committee Chair Barsema asked Ms. Doe to conduct a roll call vote.

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes

Trustee Eric Wasowicz: Yes

Trustee John Butler: Abstain

Board Chair Montel Gayles: Yes

Committee Vice Chair Leland Strom: Yes

Committee Chair Dennis Barsema: Yes

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.i. Out-Lease with Illinois Association of School Business Officials (NIU as Lessor)

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

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.j. Division of Information Technology Renewal of OnBase Software Maintenance

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

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.k. Lease for Resident Hall Appliance Units

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

The motion was approved.

VPCFO Middlemist presented Agenda Item 8.l. Center for Early Learning Funding Equity

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

The motion was approved.

UNIVERSITY REPORTS

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

VPCFO Middlemist stated there were two updates, with one having a presentation that flows into the written update, 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 two reports provide comprehensive written updates and are submitted in accordance with board regulations.

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

The conversation highlighted several topics and variables critical to Facilities and project management: the impact of inflation on project resources like time, money, and State contributions; project prioritization and the criticality of campus input; and capitalizing on philanthropic opportunities from individual donors and branching out to potential corporate donors and partners.

Information Item 9.b. – Fiscal Year 2023 Report of Facilities and Infrastructure Capital Investment Activities

Information Item 9.c. – Quarterly Summary Report of Transactions in Excess of \$100,000 for the Period October 1, 2023 to December 31, 2023

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 9, 2024.

ADJOURNMENT

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

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

Trustee Rita Athas: Yes

Trustee Veronica Herrero: Yes

Trustee Tim Moore: Yes

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 1:02 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 2024 THIRD QUARTER AS OF MARCH 31, 2024

Background: With the March 31 conclusion of the third quarter of FY24, 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.

All Funds Financial Summary

For the third quarter, the All Funds Financial Summary shows revenues mostly in line with budget and expenditures in excess of budget, resulting in net revenue of \$33M. FY24 net revenue for the third quarter was \$23.5M less than FY23 despite improved revenues of \$13.9M. Similar to the second quarter, increases in spending on personnel, debt service and contractual services in FY24 drove the variance to the prior year. Current trends suggest a full year of activity will produce an improved deficit (\$32.2M) compared to budget (\$33.6M). This better-than-budget projected net revenue results from higher investment income driven by continued favorable interest rate trends.

Recurring Financial Summary

Through the third quarter of the fiscal year, recurring performance is projected to exceed budget in total revenues (\$6.3M improvement) and expenses (\$2.3M overspend), netting to a projected reduction of the expected deficit of \$4M. Primary drivers of this outlook include:

- Miscellaneous & Investment Income is projected to exceed budget because of the current elevated interest rates. NIU's cash holdings resulted in interest and investment earnings that already meet budget expectations (\$1.5M) and are projected to exceed budget by \$4M over the full fiscal year.
- Personnel Services is trending within 1% of budget.

Non-Recurring Financial Summary

The Non-Recurring Financial Summary reports net revenue consistent with budget. Full-year projections suggest revenues may fall below expectations (\$2.6M) while expenses should be mostly in line with budget.

In addition to presenting multiple views of FY24 financial performance, this financial summary also provides an update on the FY24 budget itself, which changed very slightly (\$67K) over the third fiscal quarter.

The final quarterly financial summary for FY24, the full-year financial summary, is planned for November FACFO, consistent with past practice.

In addition to the financial summary tables that follow, this document concludes with a description of each revenue and expense category used in the tables and an explanation of the intent and nature of each included financial table.

Northern Illinois University
as of March 31, 2024
All Funds Financial Summary
(\$ in thousands)

	Current Year FY24			Prior Year FY23		Current Year FY24		
	YTD Actuals	YTD Budget	Variance	YTD Actuals	Variance	YTD Forecast	Annual Budget	Variance
Revenue								
Tuition & Student Fees	\$ 161,486	\$ 161,592	\$ (107)	\$ 159,923	\$ 1,563	\$ 165,162	\$ 164,323	\$ 839
Gifts, Grants, & Contracts - Financial Aid	29,254	26,512	2,742	29,254	-	28,850	28,850	-
Gifts, Grants, & Contracts - Other	5,585	6,657	(1,072)	5,266	319	6,883	7,243	(360)
Other Fees and Fines	5,119	4,530	589	4,833	287	6,738	5,544	1,194
Sales	29,821	32,356	(2,535)	27,158	2,664	38,151	39,958	(1,807)
Rental & Room Income	35,099	36,051	(952)	33,816	1,283	36,375	37,360	(985)
Gate Receipts & Commissions	3,081	3,934	(853)	3,466	(385)	3,624	4,636	(1,012)
Miscellaneous & Investment Income	10,376	9,030	1,346	12,191	(1,814)	20,346	14,891	5,455
State of Illinois	98,641	98,648	(7)	88,641	10,000	98,648	98,648	-
Total Revenue	\$ 378,462	\$ 379,310	\$ (848)	\$ 364,547	\$ 13,916	\$ 404,778	\$ 401,453	\$ 3,325
Expenses								
Cost of Sales	\$ 4,357	\$ 4,948	\$ (591)	\$ 4,004	\$ 354	\$ 5,886	\$ 6,800	\$ (913)
Personnel Services	179,988	173,758	6,229	159,794	20,194	235,758	233,567	2,191
Contractual Services	58,559	56,911	1,648	55,663	2,896	82,127	80,986	1,142
Commodities	4,381	4,745	(364)	3,792	588	6,412	7,167	(755)
Travel	4,357	3,482	875	2,914	1,442	5,455	4,789	666
Automotive	510	716	(206)	554	(44)	629	842	(213)
Scholarships - Financial Aid	30,624	28,507	2,117	30,624	-	28,850	28,850	-
Scholarships - Other	36,346	37,384	(1,038)	34,963	1,383	36,821	37,833	(1,013)
Telecommunications	249	363	(115)	270	(21)	363	590	(227)
Equipment & Library Materials	5,685	4,536	1,149	5,192	493	8,626	8,939	(313)
Capital Repairs	1,736	1,045	691	1,294	442	3,533	2,621	911
Debt Service	18,240	18,240	-	8,586	9,654	22,058	22,058	-
Miscellaneous Expense	428	4	424	428	0	450	4	446
Total Expenses	\$ 345,459	\$ 334,639	\$ 10,820	\$ 308,078	\$ 37,381	\$ 436,966	\$ 435,045	\$ 1,921
Net Revenue	\$ 33,003	\$ 44,671	\$ (11,668)	\$ 56,468	\$ (23,465)	\$ (32,188)	\$ (33,592)	\$ 1,403

Northern Illinois University
as of March 31, 2024
Recurring Financial Summary
(\$ in thousands)

	Current Year FY24			Full Year FY24		
	YTD Actuals	YTD Budget	Variance	YTD Forecast	Annual Budget	Variance
Revenue						
Tuition & Student Fees	\$ 161,486	\$ 161,592	\$ (107)	\$ 165,162	\$ 164,323	\$ 839
Gifts, Grants, & Contracts - Financial Aid	29,254	26,512	2,742	28,850	28,850	-
Gifts, Grants, & Contracts - Other	4,658	5,393	(735)	6,846	5,868	977
Other Fees and Fines	5,014	4,456	558	6,622	5,454	1,168
Sales	23,026	26,847	(3,822)	30,937	33,156	(2,218)
Rental & Room Income	35,099	36,051	(952)	36,375	37,360	(985)
Gate Receipts & Commissions	2,893	3,755	(862)	3,423	4,426	(1,003)
Miscellaneous & Investment Income	10,318	7,699	2,619	20,251	12,696	7,556
State of Illinois	98,641	98,648	(7)	98,648	98,648	-
Total Revenue	\$ 370,389	\$ 370,954	\$ (565)	\$ 397,114	\$ 390,779	\$ 6,335
Expenses						
Cost of Sales	\$ 4,297	\$ 4,948	\$ (652)	\$ 5,886	\$ 6,800	\$ (913)
Personnel Services	176,228	171,567	4,661	232,914	230,622	2,292
Contractual Services	56,989	55,597	1,392	80,449	79,117	1,332
Commodities	4,206	4,613	(407)	6,224	6,968	(743)
Travel	4,357	3,316	1,041	5,184	4,561	623
Automotive	506	716	(210)	629	842	(213)
Scholarships - Financial Aid	30,624	28,507	2,117	28,850	28,850	-
Scholarships - Other	36,346	37,384	(1,038)	36,821	37,833	(1,012)
Telecommunications	212	361	(150)	362	586	(224)
Equipment & Library Materials	5,685	3,772	1,913	7,222	7,432	(210)
Capital Repairs	1,736	1,045	691	3,533	2,621	911
Debt Service	18,240	18,240	-	22,058	22,058	-
Miscellaneous Expense	428	4	424	450	4	446
Total Expenses	\$ 339,854	\$ 330,070	\$ 9,784	\$ 430,582	\$ 428,294	\$ 2,288
Net Revenue	\$ 30,535	\$ 40,884	\$ (10,349)	\$ (33,468)	\$ (37,514)	\$ 4,046

Northern Illinois University
as of March 31, 2024
Non-Recurring Financial Summary
(\$ in thousands)

	Current Year FY24			Full Year FY24		
	YTD Actuals	YTD Budget	Variance	YTD Forecast	Annual Budget	Variance
Revenue						
Tuition & Student Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gifts, Grants, & Contracts - Financial Aid	-	-	-	-	-	-
Gifts, Grants, & Contracts - Other	927	1,264	(337)	37	1,375	(1,338)
Other Fees and Fines	105	74	31	116	90	26
Sales	6,796	5,508	1,287	7,214	6,803	411
Rental & Room Income	-	-	-	-	-	-
Gate Receipts & Commissions	188	179	9	202	211	(9)
Miscellaneous & Investment Income	58	1,331	(1,273)	95	2,195	(2,101)
State of Illinois	-	-	-	-	-	-
Total Revenue	\$ 8,073	\$ 8,356	\$ (282)	\$ 7,664	\$ 10,674	\$ (3,010)
Expenses						
Cost of Sales	\$ 61	\$ -	\$ 61	\$ -	\$ -	\$ -
Personnel Services	3,759	2,191	1,568	2,844	2,945	(102)
Contractual Services	1,570	1,313	257	1,679	1,869	(190)
Commodities	175	132	43	187	199	(11)
Travel	-	166	(166)	271	228	43
Automotive	4	-	4	-	-	-
Scholarships - Financial Aid	-	-	-	-	-	-
Scholarships - Other	-	0	(0)	-	0	(0)
Telecommunications	37	2	35	0	3	(3)
Equipment & Library Materials	-	765	(765)	1,403	1,506	(103)
Capital Repairs	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous Expense	-	-	-	-	-	-
Total Expenses	\$ 5,606	\$ 4,569	\$ 1,037	\$ 6,384	\$ 6,751	\$ (367)
Net Revenue	\$ 2,468	\$ 3,787	\$ (1,319)	\$ 1,280	\$ 3,923	\$ (2,643)

For reference, definitions and data associated with each table presented above are described in detail below.

Revenues categories

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 grant revenue to support financial aid programs, like Pell Grants and AIM High awards.
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 categories

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 buses 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 net revenue).
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.

All Funds Financial Summary: This table is similar to the primary table presented in past quarterly financial summary reports. It is a “roll-up” of the “recurring” and “non-recurring” budgets and activities. Activity not reported in this table or any of its component tables includes sponsored research revenue and expenses, agency funds that are not formally revenue or expenses of the University, and internal service-type operations. The table includes a summary of FY24 activity through March 31 compared to a year-to-date budget (pro-rated based on recent-year history), a summary of third quarter activity from the prior fiscal year adjusted to a similar All Funds basis, and a comparison to the FY24 budget, including a full-year projection of performance based on the pace of revenues and spending throughout the third quarter of FY24.

Recurring Financial Summary: This table focuses on regular, ongoing revenues and expenses of the University. The Recurring Financial Summary includes grant-supported financial aid programs, like Pell grants. It identifies ongoing and normal revenues and expenses of the University. To identify these revenues and expenses, the Office of the Budget and Financial Planning structured a multi-step process to leverage the expertise of more than one dozen NIU senior business managers possessing detailed knowledge of unit-level revenues and spending. The multi-week analysis resulted in data reflecting each budgeted fund of the University and each revenue and expense category that is presented in the above tables. In total, 97.6% of non-grants budgeted revenues in FY24 and 98.2% of non-grants budgeted expenses were identified as recurring. Examples of recurring revenues include Tuition & Fees, Rental & Room Income, and the State of Illinois appropriation to support NIU operations. Examples of recurring expenses include 98.8% of Personnel Services spend, Scholarships expense, and Debt Service.

The intent of the Recurring Financial Summary is to create a budget framework capable of anchoring multi-year planning and budgeting. Through this focus on recurring revenues and expenses, a forward-looking understanding of resources and commitments may be leveraged for multi-year planning purposes.

Non-Recurring Financial Summary: The Non-Recurring Financial Summary identifies unpredictable or temporary revenues and expenses of the University. This non-recurring view of the budget was compiled using a similar approach and data to the recurring budget information. In total, 2.4% of non-grants budgeted revenues in FY24 and 1.8% of non-grants budgeted expenses are designated as non-recurring. Examples of non-recurring revenues include 33% of Gifts, Grants, & Contracts revenue and 23.5% of Sales income. Examples of non-recurring expenses include 25.1% of Equipment & Library Materials and 5.8% of Travel. The intent of the Non-Recurring Financial Summary is to identify temporary resources that may be available for strategic investment and to identify short-term expenses that may create strain on recurring or non-recurring resources.

PERIODIC REPORT OF CASH AND INVESTMENTS FOR PERIOD ENDING MARCH 31, 2024

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 March 31, 2024
- Investment Earnings for the quarter ended March 31, 2024

The Investment Advisory Group 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.

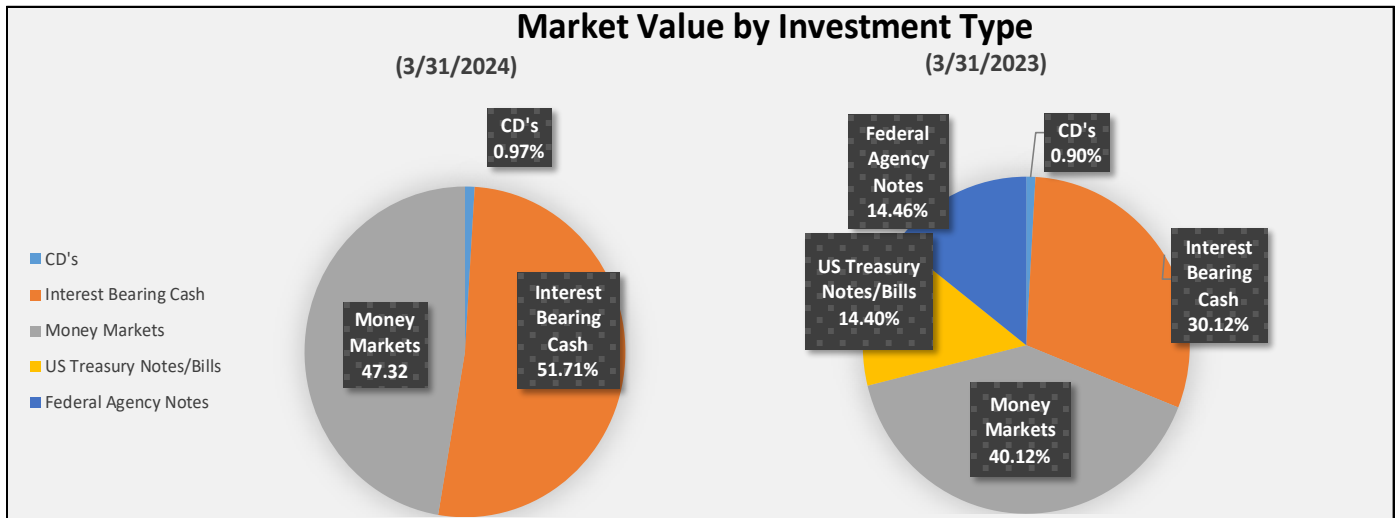
At March 31, 2024, the *Cash and Investment Holdings Summary* shows NIU's total holdings stand at \$105M, with \$44M available for daily operations, providing approximately 37 days cash on hand. This operating cash balance is sufficient to meet the University's current obligations for approximately one month based on the current burn rate of \$1.2M per day. The remaining balance is restricted per collateralization requirements, contractual obligations, and funds held for investment. The total holdings balance is down \$66M from March 31, 2023. This decrease is primarily due to a delay in the receipt of state appropriations, compared to last year. Other factors contributing to this decrease include exhaustion of pandemic relief funds, increased cash disbursements related to payroll, supplier payments, and debt service, while other cash receipts have held relatively flat. Despite anticipated receipts of payment from state appropriations in the fourth quarter, historical cash receipt and disbursement trends suggest a further reduction in total holdings. With proactive planning to address the declining cashflow trend and decisive action on a deficit mitigation plan, the university will overcome these financial challenges and secure its long-term success.

The *Investment Earnings* report shows income of \$1.5M and an overall annualized rate of return of 5.39% for the third quarter. This represents a decrease in interest earned of approximately \$171K when compared to the same quarter of FY23. The decrease in interest earned is primarily due to a decrease in the total cash and investments holding balances, despite improved market yields from the same period last year. Operating funds are primarily invested in interest-bearing savings accounts and money markets to balance liquidity needs with investment earnings. Due to the decrease in funds held for investments and total holdings balance funds are currently not being invested in fixed income investments to ensure liquidity to support operations.

Recent economic indicators point to solid expansion, with strong job gains and low unemployment rates. Although inflation has eased over the past year, it remains elevated. The Federal Open Market Committee has decided to maintain the target range for the fed funds rate at 5.25% to 5.5%. The Committee is scheduled to meet again on April 30 and May 1, 2024, and economists currently anticipate no change in rates. Management actively monitors market changes impacting the university's cash management and investment goals and deploys all available options within the limitations of the *Illinois Public Funds Investment Act*. Progress in responding to the campus call to action to stabilize operations will be critical to maintain sufficient operational liquidity and strengthen the university's cash position.

NORTHERN ILLINOIS UNIVERSITY
CASH and INVESTMENT HOLDINGS SUMMARY
March 31, 2024
For Fiscal Year 2024

Investment Type	Purch Price/ Ending Bal *	Book Value **	Market Value ***
CD's:			
Local Funds	\$ 1,012,563	\$ 1,012,563	\$ 1,012,563
Federal Agency Notes:			
Local Funds	\$ -	\$ -	\$ -
Interest Bearing Cash Accounts:			
Local Funds	\$ 54,112,653	\$ 54,112,653	\$ 54,112,653
Money Markets:			
Contributory Trust	\$ 9,839,000	\$ 9,839,000	\$ 9,839,000
Local Funds	39,676,395	39,676,395	39,676,395
	<u>\$ 49,515,395</u>	<u>\$ 49,515,395</u>	<u>\$ 49,515,395</u>
US Treasury Notes/Bills:			
Local Funds	\$ -	\$ -	\$ -
TOTAL INVESTMENT HOLDINGS	\$ 104,640,611	\$ 104,640,611	\$ 104,640,611
Non-interest Bearing Cash	\$ 456,028	\$ 456,028	\$ 456,028
TOTAL CASH & INVESTMENT HOLDINGS FOR 3/31/2024	\$ 105,096,639	\$ 105,096,639	\$ 105,096,639
TOTAL CASH & INVESTMENT HOLDINGS FOR 3/31/2023	\$ 171,309,566	\$ 171,847,210	\$ 171,828,458
INCREASE/(DECREASE) IN TOTAL CASH & INVESTMENT HOLDINGS	\$ (66,212,927)	\$ (66,750,571)	\$ (66,731,819)



* 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 2024
January 1, 2024 - March 31, 2024

	March 31 Ending Balance	Qtr 3 Average Daily Balance	Percent of Portfolio	Qtr 3 Income Earned	Annualized Rates of Return				
					FY2024			FY2023	
					3rd Qtr	2nd Qtr	1st Qtr	4th Qtr	
Short-Term Investment Accounts									
Illinois Funds	\$ 39,676,395	\$ 34,456,253	30.94%	\$ 463,650	5.397%	5.508%	5.419%	5.040%	
Investment Accounts - Financial Institutions	\$ 54,112,653	\$ 57,483,174	51.62%	\$ 778,193	5.430%	5.570%	5.433%	5.023%	
Contributory Trust	\$ 9,839,000	\$ 9,838,829	8.84%	\$ 127,780	5.209%	5.246%	5.163%	4.906%	
Escrow Account	\$ -	\$ -	0.00%	\$ -	0.000%	0.000%	4.922%	4.674%	
CD's	\$ 1,012,563	\$ 1,012,563	0.91%	\$ 12,799	5.070%	5.070%	4.725%	4.172%	
ST Investment Accounts Total	\$ 104,640,611	\$ 102,790,819	92.31%	\$ 1,382,422	5.394%	5.506%	5.385%	5.005%	
Fixed Income Securities									
Local Funds	\$ -	\$ 8,566,415	7.69%	\$ 115,147	5.391%	5.420%	5.131%	4.819%	
Fixed Income Securities Total	\$ -	\$ 8,566,415	7.69%	\$ 115,147	5.391%	5.420%	5.131%	4.819%	
Non-interest Bearing Cash	\$ 456,028	-	-	-					
COMBINED TOTAL	\$ 105,096,639	\$ 111,357,234	100.00%	\$ 1,497,569	5.39%	5.49%	5.34%	4.96%	

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 2025 UNIVERSITY BUDGET PRELIMINARY SUMMARY

In preparation for June Board of Trustees consideration of the FY25 Internal Budget, University leadership continues to consult campus partners and the Office of Budget and Financial Planning to advance an all-funds fiscal year budget proposal. While some inputs into this budget proposal remain under development, several known and accepted parameters exist. This preliminary budget summary document reviews major assumptions and parameters and associated activities and initiatives that will shape both the FY25 budget and future multi-year budget planning efforts.

FY25 Revenue Budget Drivers

Four major revenue categories for the FY25 budget and relevant assumptions are outlined below:

State of Illinois Appropriation: Consistent with the 2% increase in appropriations proposed by Governor Pritzker in February, the FY25 budget plan anticipates \$100.6M in operating appropriations, a nearly \$2M increase over the current fiscal year. The FY25 State of Illinois budget, including this proposed level of appropriation, is not yet final and may not be adopted until June. For reference, State appropriations represent 24.2% of projected FY24 all-funds NIU revenues.

Tuition and Student Fees: A revenue projection model for tuition and student fees informs the FY25 revenue budget based on anticipated levels of enrollment at both the undergraduate and graduate levels. Enrollment projection updates are expected over the next several weeks as additional data on applications, acceptances, and confirmations is evaluated against the trends of recent admissions cycles, retention and reenrollment success, and the impact of lagging FAFSA completion rates and related challenges with financial aid award notifications. Tuition and fee rate information for the 2024-25 academic year were set by the Board of Trustees in February and any approved changes are reflected within the revenue projection model. Actual enrollments will be known in September as the 10-day census is finalized. A positive or negative 1% change in enrollment from this assumption is associated with a \$1.27M change in anticipated tuition and fee revenues. For reference, tuition and Student Fees represent 40.8% of projected FY24 revenues. Accordingly, the success of actions taken to increase FAFSA completion and notify students regarding financial aid will have significant revenue implications.

Auxiliary/Local Revenues: Beginning in March, units across campus began projecting and recording expected non-tuition and fee FY25 revenues using budget development worksheets. These revenues, derived from services like student housing and dining and entrepreneurial activities of colleges and units like Outreach, Engagement and Regional Development, comprise a significant portion of total university revenues - approximately 33% of projected FY24 revenues. Some of the auxiliary units base their revenue expectations on enrollment projections and will be affected by challenges with FAFSA rollout and timely student financial aid notification.

Gifts, Grants, & Contracts: Primarily representing State and Federal financial aid programs like the Pell Grant, this restricted-use revenue category is expected to fully support associated expenses over the entirety of a fiscal year. Estimates for these activities remain under development. For reference, approximately half of NIU undergraduate students receive Pell Grants. Gifts, Grants, & Contracts represent 8.9% of projected FY24 revenues.

FY25 Expense Budget Drivers

University leadership continues to work through budget priorities to identify strategies that will align with the University goals, including our commitment under Goal 6A to implementing an all-funds, multiyear budget and reducing the deficit through university-wide efforts to generate revenue and reduce expenses. The following three broad categories are of special note to the still-developing FY25 expense budget:

Education and General Operations Support: Revenue received from State Appropriations and most tuition and student fee revenues are available to support the Education and General operating activities of the University. The distribution of these revenues between and across university divisions is currently under consideration by senior university leadership. Personnel Services and Contractual Services are expected to be the largest Education and General categories in FY25.

- For Personnel Services, recently ratified collective bargaining agreements and FY25 non-represented employee increments planned for consideration by the Board will put pressure on personnel budgets. Additionally, three existing union contracts are scheduled to expire at the conclusion of FY24. Personnel Services typically account for 54% of all expenses.
- Contractual Services spending includes software licenses, conference registration fees, building and grounds repairs and maintenance and other services procured from external contractors. Many of these expenses have increased with inflation since the COVID-19 pandemic. Contractual Services spending is projected at 19% of all FY24 expenditures.

Scholarship Support: University revenues combine with State and Federal revenues to support annual scholarship program budgets. NIU provides institutional aid to students to promote affordability and, in some cases, to earn state matching funds that may also be available, including State funds through the AIM High program. The institutional aid and scholarships budget for FY25 continues to be developed. Notably, in FY25, more strategic deployment of scholarship and institutional aid will have a positive impact on the university expense budget. Specifically, improved leveraging of NIU Foundation resources is expected to have a positive impact of \$2.5 million, and expanded application of the State's AIM HIGH Huskie Pledge funds will result in \$1.6 million in savings.

Debt Service: Based on schedules set during two recent bond refinancings, debt service obligations for the university are known for FY25. Overall, debt service expenditures will decrease slightly in FY25 to \$22M from \$22.1M in FY24.

Deficit Mitigation:

Based on the factors cited above and the information currently under development, the proposed FY25 budget planned for presentation at the June Board of Trustees meeting should result in a reduced deficit, although there is significant uncertainty regarding the impact of the federal FAFSA missteps. The University has taken several steps to closing the budget deficit, including:

- Increasing tuition and fee revenues through retention, reenrollment, and pricing strategies to grow revenues.
- Expanding housing capacity to capture additional significant revenues.
- Leading an institution wide effort to reduce inefficiencies in technology spending.
- Launching initiatives designed to increase academic efficiency and decrease curricular complexity.
- Increasing revenue through miscellaneous licensing, sales, and services initiatives.

Additional work, beyond these specific efforts, is being performed across campus to develop and implement immediate and multi-year strategies to reduce the deficit by either reducing expenses or growing revenues.

Consistent with established practice, the Board of Trustees will receive regular reports on progress toward FY25 budget plans and the development of a multi-year budget approach. The tentative plan outlined below includes FY25 budget-related progress reports to the Board of Trustees and its Finance, Audit, Compliance, Facilities and Operations (FACFO) Committee:

- June (Board of Trustees): Proposed FY25 Budget Framework
- November (FACFO): First Quarter Financial Summary
- February (FACFO): Second Quarter Financial Summary
- May (FACFO): Third Quarter Financial Summary
- November (FACFO): Fourth Quarter (Full Year) Financial Summary

FISCAL YEAR 2025 NIU FOUNDATION PROFESSIONAL SERVICES CONTRACT

Summary: The Northern Illinois University Foundation (Foundation), an independent organization, operates to support the mission of Northern Illinois University through fundraising, asset management, and related support activities. Among such activities, the Foundation coordinates and manages cultivation, solicitation, acknowledgment, and receipting of all gifts; administers, invests, and disburses funds; maintains all constituent records; manages and coordinates communications with constituents; and performs alumni relations activities. The FY25 contract amount is \$743K, which covers salaries and other expenses for designated employees as well as a portion of programmatic services in accordance with contract obligations.

Background: The university and the Foundation annually enter into a contract which serves to outline the fundraising services and activities to be provided by the Foundation on behalf of the university each year. This contractual agreement is in accordance with the Legislative Audit Commission Guidelines. The amount represents no change over FY24.

Funding: Institutional Funds

Northern Illinois University Foundation – DeKalb, IL..... \$743,600

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 June 20, 2024.

Amounts Approved:

FY24: \$743,600

FY23: \$743,600

FY22: \$743,600

INTERCOLLEGIATE ATHLETICS AIR CHARTER SERVICES FOR FOOTBALL AND MEN’S AND WOMEN’S BASKETBALL TEAMS

Summary: Intercollegiate Athletics requests permission to purchase air travel services for the NIU Football and Men’s and Women’s Basketball Teams.

A Request for Proposal was developed and will be advertised in the *Illinois Procurement Bulletin* for the Fiscal Years 2025 through 2029 for air charter services for the football and men’s and women’s basketball teams. Intercollegiate Athletics will initiate the process of approval of bid with the successful vendor(s) upon completion of evaluation of the bids. The total is not-to-exceed \$6M (\$500K for football each year; \$700K for both basketball programs each year).

Background: Intercollegiate Athletics annually requests these services for the football team. This is a new request to include men’s and women’s basketball teams. Whenever practical we utilize ground bus transportation; however, due to the large number of travelers, as well as the distance to these away games, an air charter service for these games is necessary. Flights to the two MAC conference games for football will be dependent on if the games ultimately are scheduled for MACtion weeknight games involving football and charter flights are also used to minimize impact to academics and missed course and less travel time for the basketball programs during conference competitions.

Funding: Institutional Funds

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President’s Report to the Board of Trustees for approval at its meeting on June 20, 2024.

MEDIA BUYING SERVICES

Summary: The Division of Enrollment Management, Marketing & Communications (EMMC) is requesting approval of expenditure authority for a new contract with a vendor for media buying services. EMMC is responsible for developing and deploying strategies to attract a diverse mix of students to attend NIU. The division's marketing and communications activities ensure that institutional and brand-building work is aligned with recruitment of new students. The staff develops strategic, highly targeted advertising campaigns to have the greatest impact on prospective students, meeting goals within the Strategic Enrollment Management (SEM) 2.0 Plan and the 2024 University Goals (Goal 2A).

Primarily, media vendors serve as an intermediary for most media purchases, decreasing transactional costs to NIU, providing greater institutional buying power and data analytics that allows NIU to respond rapidly. The contract with our current partner for media buying services is concluding on June 30, 2025, and NIU needs to conduct a Request for Proposal (RFP) for a new contract, to be advertised on the *Illinois Procurement Bulletin* later this summer, and to begin on July 1, 2025.

The initial term of 2 years (FY26, FY27) will not exceed \$7M, and each renewal year (FY28, FY29, FY30) will not exceed \$3.5M.

Background: In the [June 18, 2020, Board of Trustees meeting \(Agenda Item 8.c.3\)](#), the Board approved expenditure authority for media buying services for FY21 through FY25, not to exceed \$3M annually.

Contracting with a single vendor for media purchases has enabled the University to achieve cost savings through a lower purchase price on a cohesive media-purchasing plan, as well as benefiting from the cost savings achieved through the vendor's larger-scale purchasing ability. Additionally, the use of a single vendor for media buying amplifies cost savings through a significant reduction in administrative time and effort and bonus exposure through negotiations with its vendors, as well as enables the department to respond more rapidly to changing requirements.

The greater Chicago area continues to be one of the most competitive recruitment landscapes and expensive media markets in the country, so it is important to invest in additional marketing and advertising during this time of declining numbers of high school students, and large percentage of students leaving the State of Illinois or not enrolling in college at all. Currently, NIU focuses its annual advertising spend on three primary undergraduate campaigns: generating student interest based on specific demographics, encouraging students and families to visit campus (or virtual recruitment events) and an overarching thematic/brand awareness campaign. While this will continue in future years, NIU will also add a focus on strategic advertising with additional populations: strengthening our outreach to urban and suburban Latinx students and families as we transition to HSI status, graduate students (including the programs previously handled by Wiley Educational Services) and adult learners (including individuals who have some college credit but no degree). As NIU embarks on a new RFP process during the next academic year, we are recommending expenditure authority for a new contract with a vendor for media buying services.

This level of continued investment will allow NIU to accomplish goals within the SEM 2.0 Plan and the 2024 University Goals (Goal 2A) by being in the market consistently throughout the year, in addition to raising awareness of NIU's excellent academic programs to new populations.

About Current Vendor: NIU's current partner utilizes powerful media targeting tools and data sets that reach highly refined audiences through paid media tactics, including the use of a proprietary approach to elevating brand in higher education through multi-channel advertising. They combine NIU's existing research with their own in-house analytics tools and audience datasets to create customized, targetable personas based on the individualized attributes, interests, and advertising touchpoints, both digital and out-of-home, of each segment.

This partnership includes two subcontractors who both qualify under the state's Business Enterprise Program (BEP). Also, all three organizations have locations in Chicago, Illinois.

Funding: Appropriated 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 June 20, 2024.

DIVISION OF HUMAN RESOURCE SERVICES PURCHASE OF TIME KEEPING AND ABSENCE MANAGEMENT SOLUTION

Summary: The Division of Human Resource Services (HRS) requests permission to engage UKG (formerly Kronos) to procure a multi-year contract for timekeeping and absence management processes. This will not only automate and produce efficiencies in the production and maintenance of timesheets and the recordation of absences for all employees but also significantly reduce the administrative burden for those who manage the processes. The amount requested is not to exceed \$1.1M over the period of May 1, 2024, through April 1, 2029, inclusive of a one-time implementation fee and system access.

Background: In 2021, the university engaged the campus in an administrative efficiency study to determine where the university could realize efficiencies to allow employees to focus on more strategic and transformational services. As a result of this study, timekeeping, and absence management were identified as the priorities for transitioning to a more efficient process.

Currently, our timekeeping and absence management processes are paper-based, which poses significant challenges. In addition to two employees who manage the payroll process in HRS, more than 150 administrative support professionals spend 15 hours a week managing, capturing, reminding employees, and reporting those data points to HRS.

UKG offers the university a cloud-based, modern experience to replace the current processes, allowing for automation and centralized control of the capturing of time and absence management data from employees.

Funding: Institutional Funds

UKG via CDW\$1,100,000

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its special meeting on May 9, 2024.

NIU ROCKFORD BOILER REPLACEMENTS

Summary: NIU Rockford has two gas-fired boilers that provide heat for this satellite campus. These boilers are original to the building from 1994 and have been showing increasing signs of deterioration for which replacement rather than repair is required. This project plans to replace the boilers, flue stack, vents, controls and associated piping with a new more efficient system to bring it in line with current industry standards, construction codes, and regulations. The installation schedule will be dependent on final design completion and equipment lead times. Replacement is most likely planned during the 2025 summer months/cooling season at a cost of \$465K.

Background: In 2017 a campus wide boiler assessment identified several standalone boilers needing to be prioritized for replacement. In 2022 further review identified the boiler system at Rockford as the first priority out of standalone boilers for replacement. Alternatives to gas fired boilers were considered including electric and geothermal, however for this particular case it was determined that gas fired is the most cost-effective solution for this particular situation at this time.

Funding: Institutional Funds

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 20, 2024.

STEVENSON RESIDENTIAL COMPLEX DELIVERY DOCK AREA REPAIRS

Summary: The university is requesting approval to proceed with design and construction for major repairs to the primary delivery point area for the Stevenson residential complex. Spot or minor repairs are no longer an economical option, and the condition is adversely affecting vehicles using this area. The intent is for design work to proceed beginning this summer/fall with work to be completed summer 2025 to minimize impact during the academic year.

Background: This concrete paved parking lot is original to the building from the 1960's and is in a severe state of disrepair. An original below grade electrical snow melt system that is no longer functioning has been corroding and accelerating the degradation of the lot. This work has been needed for several years but due to budget constraints has been postponed previously.

The scope of work for the project will involve a complete replacement of the sloped concrete lot including modifications as needed for safety at the delivery dock perimeter. The work will be completed by contracted support with assistance and project management from internal personnel with an estimated cost of \$475K.

Funding: Institutional Funds

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 20, 2024.

YORDON CENTER BUILDING ADDITION

Summary: As a continuing commitment to providing enhanced nutritional services for NIU student-athletes, a 7,000 square foot addition is proposed for the east entrance of the Yordon Center. Intended to expand on the Northwestern Medicine Sports Performance Center and the Phi Sigma Kappa Alumni Association Nutrition Center which opened in June 2019, the additional space, named the 1899 Club in reference to the initial year NIU competed in intercollegiate athletics, will provide training table meals for the NIU football, volleyball and basketball teams and will expand to additional programs. When not in use for team meals, the space will allow NIU's Student-Athlete Academic Support Services to support additional tutoring and small group meetings.

Background: Following an assessment and review of options, a concept plan has been developed for the proposed building addition to the Yordon Center. Conclusions from the planning effort facilitated donor funding solicitation and donations are now in hand to proceed with further project development. Following project approval, design efforts are estimated to take six to eight months with procurement efforts following. Construction may be feasible for summer/fall of 2025. Total donor funding amount is expected at \$4M.

Funding: Donor Funding

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 20, 2024.

US GEOLOGICAL SURVEY RESEARCH PARTNERSHIP RENOVATION PROJECT BUDGET INCREASE

Summary: This project was originally approved at the December 8, 2022, meeting for \$500K and supported the renovation of available NIU space to host the local U.S. Geological Survey (USGS) office for enhanced research collaboration. Due to some additional exterior site improvements desired and funding provided by the USGS, this revised project approval is to increase the budget from \$500K to \$600K.

Below is the original project summary for reference.

The University is requesting to establish a long-term partnership arrangement with the U.S. Geological Survey's (USGS) Central Midwest Water Science Center involving collaborative research objectives and shared space on the university campus. To facilitate interaction with university researchers, the DeKalb field office is proposed to be relocated to space previously supporting the former NIU print shop operations on the western side of campus.

Renovation costs to reconfigure the space for USGS requirements is estimated at \$500K and will be funded by USGS via grant reimbursement orchestrated through NIU's Sponsored Program Administration office. The ten-year cooperative agreement is estimated to generate approximately \$130K of grant funding annually and may be adjusted for inflation in future years.

Background: Since the original approval, a cooperative agreement was finalized with USGS and provided the funding for the on-going space renovation. USGS transitioned out of their previous leased location in January 2024 with staff working remotely and supported with some shared campus lab space until the renovation is completed, which is expected to be by August 2024.

The scope of additional exterior site improvements involves the construction of a vehicle and equipment storage yard adjacent to the building spaces being renovated.

Funding: Institutional Funds supported with USGS grant funding

Resulting cooperative agreement for USGS partnership to be revenue-generating and anticipated to be approximately \$1.3M over the potential ten-year term.

Recommendation: The University recommends that the Finance, Audit, Compliance, Facilities and Operations Committee endorse this request and ask that the President forward it by means of the President's Report to the Board of Trustees for approval at its meeting on June 20, 2024.

CAMPUS ENERGY IMPROVMENTS PHASE I IMPLEMENTATION

To advance the university's Sustainability and Climate Action Plan and long-term goal to achieve net zero greenhouse gas emissions by 2050, an assessment is underway to determine energy reduction and generation opportunities which are eligible for Infrastructure Reduction Act (IRA) incentives and/or will generate sufficient energy savings to finance identified improvements. This assessment is targeted to conclude by June/July and, given tight timelines to meet IRA requirements by the end of 2024, approval will be sought to proceed with implementing anticipated energy improvements recommendations at either the June or August board meetings. The estimated magnitude for these financed improvements may be \$20M to \$30M and will be structured around conservatively projected energy savings generated annually over the 20-year term.

Acknowledging the significance of the investment, considerable scrutiny will be applied to the recommended improvements and proposed financial projections to ensure the university's ability to manage the anticipated debt burdens within the resulting energy savings forecasted. Updates will be regularly provided at future meetings as details are developed for the scope and financial projections for this project.

NIU contracted with Trane, Inc. to complete an engineering assessment and preliminary design to define the scope of work for this project. This anticipated scope may include various energy consuming building/infrastructure systems on the campus, and potential energy generation opportunities, as noted in the list below.

Trane will identify and audit target solutions for existing conditions, and energy/carbon impacts through investigation, interviews, and analysis. The project will focus on systems and sites with a potential for rapid financial returns as well as benefit from IRA incentives which may be sunseting at the end of 2024. In parallel to focusing on the technical and environmental impact, Trane will collaborate with NIU to identify and document the financial and social impacts of programs proposed which may include workforce development opportunities, community engagement, and related academic benefits.

Programs & Systems

Campus & Building Energy Efficiency
Campus Heating System Conversion
Campus Cooling System Upgrades
Solar PV Systems
Career-Tech Education Development
Building Automation System Upgrades
Lighting Upgrades
HVAC System Upgrades
Building Envelope Improvements

QUARTERLY SUMMARY REPORT OF TRANSACTIONS IN EXCESS OF \$100,000 FOR THE PERIOD JANUARY 1, 2024 TO MARCH 31, 2024

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 do 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 March 31, 2024.

Purchase Amount	No. of Transactions	Appropriated*	Non-Appropriated	Total
Over \$100,000	20	\$359,580	\$3,170,815	\$3,530,395

TRANSACTIONS DETAIL:

Purchases:

1. The College of Business requested an amendment to increase the purchase order for the continuation of marketing services to deliver quality leads for enrollment in One-Year Schaumburg MBA, One-Year Chicago MBA, and Executive MBA formats for the period February 1, 2024, through January 31, 2025. This item had been originally approved in the June 29, 2023 President's Report in the amount of \$36,500. (Gilmore Marketing Concepts Inc., Elgin, IL) 232,500
2. The School of Allied Health and Communicative Disorders requested to increase the open order for the purchase and repair of hearing aids for resale for the period through June 30, 2024. This item had been originally approved in the June 8, 2023 President's Report in the amount of \$48,000. (Phonak, Warrenville, IL) 103,000
3. The Division of Information Technology requested permission to purchase equipment for data network services to expand and enhance Wi-Fi coverage in the Holmes Student Center for students, faculty, and staff. (Presidio Networked Solutions Group, Chicago, IL) 242,973
4. The Division of Enrollment Management, Marketing and Communications requested an amendment to increase the membership renewal period for an online platform as part of a targeted recruitment and enrollment plan developed by EAB for the period December 26, 2024 through December 25, 2027. This item had been originally approved in the November 3, 2023 President's Report in the amount of \$31,400. (Encoura LLC, Kansas City, MO) 128,000*

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| 5. The Division of Administration and Finance requested permission to renew the University's cyber liability insurance for the period December 1, 2023 through December 1, 2024. (Marsh USA Inc., Chicago, IL) | 133,390 |
| 6. Intercollegiate Athletics requested permission to increase their open order for basketball officials for the period through June 30, 2024. This item had been originally approved in the December 15, 2023 President's Report in the amount of \$89,450. (Mid-American Conference, Cleveland, OH). | 172,700 |
| 7. The Division of Information Technology requested permission to purchase a Cisco UCSX system to refresh some of the hardware on the virtual infrastructure, which provides critical services for Blackboard, Transact, Identity Management, security cameras, and many more services across the university. (Presidio Networked Solutions Group, Chicago, IL) | 247,847 |
| 8. Intercollegiate Athletics requested permission to issue a purchase order for lodging and catering for the NIU Football team's December 23rd Camellia Bowl game in Montgomery, Alabama, for the period December 19, 2023, through December 23, 2023. (Montgomery Embassy Suites, Montgomery, AL) | 107,505 |
| 9. The Department of Biological Sciences requested permission to enter into an agreement aimed at producing a documentary film titled "Prairies Unearthed - BIOS" throughout December 2024. (Ariel Waldman, San Francisco, CA) | 125,000 |
| 10. Integrated Media Technologies requested an amendment to increase the open order for utilization and maintenance services for the remaining fleet of Canon printers, which are still in operation and not included in the Ricoh USA contract, until June 30, 2024. This item had been originally approved in the September 8, 2023 President's Report in the amount of \$99,000. (Gordon Flesch, Chicago, IL) | 239,000 |
| 11. Transportation requested permission to procure three sedans to replace vehicles currently being used by Admissions for student recruiting endeavors. These vehicles, ranging between 15 and 20 years, exhibit safety concerns or are approaching the end of their operational lifespan. (Vendors to be determined) | 114,000 |
| 12. Transportation requested permission to acquire three cargo vans for Building Maintenance operations. The current vehicles have been taken out of service due to structural safety issues that were deemed beyond economical repair. The new vehicles will serve the purpose of transporting personnel, tools, and materials required for various building infrastructure maintenance and repairs across campus. (Vendors to be determined) | 195,000 |
| 13. Human Resource Services sought authorization to procure software and equipment intended for establishing a service-based workforce management platform for the Time and Labor project, spanning from March 29, 2024 to March 17, 2025. (Kronos SAAHR Inc., Lowell, MA) | 231,580* |

Capital Improvement Projects:

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| 1. Psychology Computer Science Building room renovation: Upgrades were made to transform a space suitable for both virtual and in-person teaching, presentations, and meetings for up to twenty people. The upgrades included painting, flooring and ceiling tile replacement, LED lighting installation, additional power outlets and data jacks, as well as the installation of new wall-mounted TV monitors, cameras, microphones, and speakers. | 105,000 |
| 2. Sandburg Auditorium lighting control upgrade: Replacement of the lighting control system was required due to unreliability and end of life. A temporary solution was in place until a full replacement could be scheduled in May 2024 to avoid disruptions to events. | 165,000 |
| 3. Swen Parson electrical feed repair: An unexpected failure caused the urgent need for repairs to the 460-volt electrical feed between the north and south distribution gear to restore power. | 102,550 |
| 4. Extreme temperature damage repairs: Extended cold temps in early January 2024 caused heating and ventilation failures, water leaks, pipe breaks, and other issues across campus buildings. Immediate responses were initiated to address and clean up affected areas. This project aims to gather all associated costs related to these weather-related damages for potential insurance reimbursement. | 200,000 |
| 5. Patterson Hall fire sprinkler repairs: A fire protection sprinkler pipe failed in February 2024 requiring repair and restoration of damages to affected spaces. Immediate response efforts were initiated to address the pipe breakage, conduct initial cleanup, and de-water and dry out the affected areas. An insurance claim will be filed to recover costs above deductible levels. | 200,000 |
| 6. Davis Hall masonry repairs: This project addressed the prioritized masonry repairs needed for the deteriorating east stair tower, which has been experiencing significant water damage. The scope included masonry tuckpointing, stone resetting, coping cap installation, and interior plaster repairs. Roofing and flashing will also be reworked, along with some investigative work around the observatory tower. | 240,350 |
| 7. Energy sustainability improvement assessment: A phased program is being developed to improve energy efficiency and explore solar generation opportunities across campus facilities and infrastructure. Improvement recommendations will be shaped around available grants and long-term financing supported by energy savings. | 245,000 |

*Appropriated/Income Funds