

V. Administrative Affairs

A. Budget and Appropriations Process

1. Budget Requests

The President, shall establish guidelines and procedures for preparation of operating and capital budget requests for the university. The President shall review and make recommendations concerning the requests and submit them to the Board of Trustees for approval. The President, after review of available data and after consultation with the vice-presidents, shall present recommendations concerning employee salaries as part of the operating budget request. The President shall submit budget requests approved by the Board of Trustees to the Board of Higher Education. The President shall introduce appropriations requests approved by the Board of Trustees in the appropriate house of the General Assembly and shall take actions on the Board's behalf as are necessary and appropriate during the appropriations process.

2. Financial Plans and Reports

- a. The President, shall establish guidelines and procedures for the preparation of an annual financial plan for appropriated as well as non-appropriated funds and make recommendations concerning the financial plans and submit them to the Board of Trustees for approval.
- b. The President shall present an annual report on employee salaries to the Board of Trustees.

B. Purchases

Purchases consist of contracts, purchase orders, or other agreements (collectively referred to in this Subsection B. as "contracts") for the receipt of services or the acquisition of real or personal property which obligate financial resources of Northeastern Illinois University. The financial resources of the University include all funds received by or belonging to the University, including income received and retained in accordance with Section 30 ILCS §§ 105/62-1f and 62-2. All purchasing transactions shall be conducted in accordance with applicable state and federal statutes and regulations and applicable University policies.

1. Approval

Approval of purchases shall be obtained, prior to the obligation of financial resources of the University as follows:

- a. All transactions involving the acquisition of real property and purchases of \$100,000 or more (except as specified in paragraph d. below) shall require approval by the Board of Trustees.
- b. Authority for approval of purchases other than those referred to in paragraph a. above is delegated to the President who may further delegate such authority as deemed appropriate.
- c. The President may grant an exception to the requirement of Board of Trustees approval of a purchase if, in the opinion of the President, 1) immediate action is required, 2) a reasonable effort has been made by the President to consult individually with members of the Board or the Executive Committee, and 3) there is insufficient time to obtain approval by the Board or the Executive Committee before action must be taken. The President shall present a report on exceptions granted under this provision at the next regular meeting of the Board.
- d. Approval by the Board under paragraph a. above is not required for the following purchases: natural gas, utility services, fire protection, library books and periodicals, textbooks, food products, entertainment services paid for with student fees and/or ticket sales receipts, resale items,

postal charges, and approved items bid through the Illinois Public Higher Education Consortium (IPHEC).

2. Reports

At each regular meeting of the Board, the President shall present a report on purchases of at least \$50,000 but less than \$100,000 (other than purchases listed in paragraph 1. d. above) made since the preceding regular Board meeting.

3. Contract Preparation and Signature

- a. The Board of Trustees, constituted a body corporate and politic, is the contracting entity for all contracts involving the University. All such contracts shall bear the name of the Board and the name of the university.
- b. All contracts which an authorized employee believes may raise legal issues shall be submitted to the President for review with legal counsel before they are signed.
- c. The President is authorized to sign all contracts for the University.

4. Letters of Intent

A letter of intent (or similar document) may be signed by the President when in his/her judgment a letter of intent is necessary to insure receipt of an advantageous price or delivery date for goods or services and approval of the purchase by the President or the Board as required by paragraph 1 above cannot be obtained on a timely basis. Such letters of intent shall provide that the purchase may be terminated without any cost, liability, or obligation if approval of the President or the Board as required by paragraph 1 above is not obtained by a specified date and shall contain such other conditions as may be considered appropriate by the person signing the letter of intent.

5. Internal Management Guidelines

The President, shall develop internal management guidelines concerning purchases, which shall include the following provisions and such others as are necessary and appropriate.

- a. Provisions intended to ensure the fair and equitable treatment of all persons who provide goods or services to the Board.
- b. Provisions intended to foster competitive bidding and economical procurement to the greatest extent possible.
- c. Provisions intended to encourage the economical utilization and replacement of vehicles.

The guidelines and any changes shall become effective when approved by the Board.

6. Change Orders

- a. The President or designee is authorized to approve and sign change orders.
- b. A change order or series of change orders which authorizes or necessitates an increase or decrease in either the cost of a contract by a total of \$10,000 or more or the time of completion by a total of 30 days or more shall not be approved unless it is first determined in writing by the President that the circumstances necessitating the change were not reasonably foreseeable at the time the contract was signed, the change is germane to the original contract as signed, or the change order or series of change orders is in the best interest of the university and is authorized by law. Such written determination and the written change order resulting from that determination shall be preserved in the contract's permanent file which shall be open to the public for inspection.
- c. In accordance with Section I.E. of these Regulations, the President shall further delegate the authority granted to her/him in the preceding paragraphs so that the same individual does not both approve a change

order under paragraph a. and make a determination in writing that the change order is justified under paragraph b. and process payment for such change order.

- d. Prior Board approval shall be required for each change order which (1) increases a contract to \$100,000 or more, 2) exceeds a contingency previously approved by the Board, or 3) increases a contract previously approved by the Board without a contingency.

C. Grants and Contracts

Grants and contracts include, without limitation, grants or contracts with public or private agencies for instruction, research, or service, as well as concession contracts and contracts for the conveyance, lease, license, encumbrance, or other disposition of real or personal property of the Board of Trustees.

1. Approval

- a. All contracts for the conveyance, lease, or encumbrance of real property shall require Board of Trustees approval.
- b. Authority for approval of grants and contracts, other than those requiring Board of Trustees approval in accordance with paragraph a. above, is delegated to the President of the University.

2. Reports

A quarterly report to the Board of Trustees shall be presented by the President of the University on grants and contracts of \$10,000 or more.

3. Contract Preparation and Signature

- a. All grants and contracts shall contain the name of the Board of Trustees and the university as specified in Subsection B.3. above. All grants and contracts which an authorized employee believes may raise legal issues, shall be submitted to the President for review by legal counsel before approval. Such approval shall not be required for grants and contracts, or extensions or renewals thereof, the form of which has been previously so approved.
- b. All instruments relating to the conveyance, lease, or encumbrance of real property shall be signed by the Chair and Secretary of the Board of Trustees or, where appropriate, by University officials authorized to sign such instruments in the names of the Board Chair and Secretary.
- c. Except as provided in paragraph b. above, the President of the University is authorized to sign grants and contracts for the university.

D. Travel

Travel regulations issued by the Travel Regulation Council, as may be amended from time to time, shall provide principal guidance on the reimbursement of travel expenses of employees and members of the Board of Trustees from all fund sources except appropriately restricted funds donated to university foundation.

E. Business Expenses

The university shall develop policies covering the reimbursement from any funds of expenses incurred in connection with the conduct of official business for individuals, organizations, or situations not guided by regulations of the Travel Regulation Council. The policy shall be consistent with regulations issued by the Travel Regulation Council to the extent possible and shall, except as otherwise provided herein, take effect when approved by the President. The policies shall include the following provisions and such other provisions as are necessary and appropriate.

1. Provisions concerning the reimbursement of expenses for transportation, meals, and living expenses.
2. Provisions concerning the reimbursement of expenses for institutional advancement and development efforts.
3. Provisions concerning the reimbursement of expenses for candidates for positions.
4. Provisions concerning the source of funds for reimbursement of business expenses.

Provisions concerning the reimbursement of expenses for institutional advancement and development efforts shall, to the extent permitted by state law, rules, or regulations, take effect upon approval by the Board.

F. Moving and Relocation Expenses

1. The term "employee," as used herein, includes all full-time faculty and selected administrative and civil service employees recruited outside the commuting area of the post of duty of the assignment. The President shall define the administrative and civil service positions in each university that are eligible for reimbursement for moving and relocation expenses. This list shall remain in effect until amended.
2. Moving or relocation expenses associated with the appointment of the President shall be limited to reasonable and actual expenses and shall be subject to approval by the Board. Moving or relocation expenses associated with the appointment of other significant administrative employees as provided for in 1. above shall be limited to reasonable and actual expenses.
3. Unless otherwise approved by the President as specified in paragraph 2. above, the maximum allowable reimbursement for moving and relocation expenses for full-time faculty and approved administrative and civil service positions defined pursuant to paragraph 1. above, shall be one hundred percent of allowable moving expenses up to \$2,000 and eighty percent of actual expenses over \$2,000 to a total limit of \$4,000.
4. If two or more individuals occupying the same household who qualify for reimbursement for moving and relocation expenses are hired with commencement dates not more than 30 calendar days apart, they shall be eligible for a single reimbursement for that household to be divided equally between or among such individuals.

G. Non-Appropriated Funds

Section 6a of the State Finance Act (30 ILCS§105/62), provides that certain non-appropriated funds may be retained by the University for use in the manner and for the purposes set forth therein. This regulation is issued to establish uniform procedures relating to the use and handling of such funds as receipts from revenue bond operations, auxiliary enterprise operations, and other self-supporting activities; governmental and private gifts, grants, and contracts; a working cash fund; unrestricted institutional funds; tuition; student fees; and such other funds as may from time to time be approved by the Board of Trustees.

1. Depositories

Non-appropriated funds may only be deposited in depositories approved by the Board. The only financial institutions eligible for consideration as depositories are: a) banks located in Illinois and insured by FDIC or b) savings and loan associations located in Illinois and insured by FSLIC. To assure maximum competitiveness, the President shall, in consultation with the Board and with the advice of the Board Treasurer, review its relationships with its depositories.

2. Collateral

As a general rule, all deposits at a depository in excess of the amount insured by FDIC or FSLIC shall be secured by the pledge of: a) United States government securities, b) securities guaranteed by the full faith and credit of the United States government, or c) any other security permitted by law and approved by the Board. Such collateral shall be secured to the extent of at least 100% of the deposits on average over a three month period.

3. Investment of Funds

Non-appropriated funds which are not secured in accordance with paragraph 2. above shall, unless otherwise provided by terms of a bond resolution or unless needed for operational expenses, be invested through approved depositories or through other means authorized by the Board in a) United States government securities, b) securities guaranteed by the full

faith and credit of the United States government, or c) any other investment permitted by law. Several funds of the same general category or classification may be combined in a single account; however the books and records of the university shall reflect the amount in and the charges against each fund.

4. Reports

The President shall submit an annual report to the Board on the deposit and investment of non-appropriated funds during the preceding year.

5. Records and Audits

The university shall maintain detailed financial records of operations and prepare formal financial reports in accordance with generally accepted principles and standards of accounting as are necessary for sound financial management and adequate disclosure.

6. Bond Resolutions

In the event of a conflict between the provisions of these Regulations and the requirements of specific bond resolutions adopted by the Board, the latter shall govern.

7. Reserves

Board approval shall be required to establish or change non-instructional facilities reserves or other reserves authorized by the University Guidelines 1982 (as amended or updated from time to time) issued by the Legislative Audit Commission. Such approvals shall be requested in advance of the end of each fiscal year.

H. University-Related Organizations

1. General

University-related organizations include foundations, alumni associations, athletic associations, and other not-for-profit organizations established for the purpose of assisting the Board of Trustees and the university in the accomplishment of their educational objectives.

2. Audit Commission Guidelines

The relationship between university-related organizations and the university shall be governed by the University Guidelines 1982 (as amended from time to time) issued by the Legislative Audit Commission. The university shall develop a written contract describing this relationship with each of its university-related organizations. The contract shall be submitted to the President for review and shall be subject to approval by the Board of Trustees.

3. Establishment of University-Related Organizations

Proposals to create a new university-related organization shall be submitted by the President of the University to the Board of Trustees for review.

4. Reports

The President shall provide the Board of Trustees with copies of the annual audits of each university-related organization and such other information concerning the financial affairs of the organizations as may be requested by the Board of Trustees.

I. Contributions

1. General

The Board of Trustees is charged by statute to succeed to and administer all trusts, trust property, and gifts belonging or pertaining to the Board of Trustees or the university. Contributions may be accepted by the Board of Trustees or on behalf of the Board of Trustees by authorized Board of Trustees or university officials.

2. Definition

For the purpose of this regulation, contributions are defined to include gifts, endowments, trusts, bequests, devises, and other donations made to the Board of Trustees or the university.

3. Authority to Accept

The President is authorized to accept contributions to the Board of Trustees or to the university. Board of Trustees approval shall be required prior to acceptance in the case of contributions which involve a significant commitment of resources for the operation, maintenance, or administration of the contribution.

4. Reports

An annual report to the Board of Trustees shall be presented by the President of the University on contributions of \$10,000 or more received during the preceding year by the Board of Trustees and the university.

J. Tuition and Fees

1. Definition

Tuition and mandatory fees are defined as those fees established by the Board which all students are assessed as a prerequisite for registration unless a waiver or other exemption has been authorized by the Board, by statute or by institutional general waiver program.

2. Tuition

The Board shall, from time to time, review and establish tuition rates.

3. Mandatory Fees

Board approval shall be required to establish or change the amount of any mandatory fee and include the following:

- a. Activity Fee
- b. Student Union Fee
- c. Health Service Fee
- d. Health Insurance Fee
- e. Computer Resources Fee
- f. Recreation/Intramural Fee
- g. Performing Arts Fee
- h. Any other fee which is a prerequisite for registration.

4. Waivers

Board approval is required to waive mandatory fees, except when a waiver is required by statute or authorized by Board regulation.

5. Advance Deposit

Subject to Board approval, a university may require an advance deposit from a student who has been accepted for admission or who preregisters for a subsequent term. This deposit will be applied to the registration fees for that term.

6. Collections

All registration fees must be collected prior to or during the academic term to which they apply. Unless an exception is granted by the President, all persons must meet all financial obligations to the university to maintain their status as enrolled students. Subsequent term registrations, grades and transcripts may be withheld if fees are not paid in full at the end of each term.

7. Refunds

Board approval shall be required for any refund of mandatory fees other than in accordance with the following provisions. The term "refund" as used in this regulation may mean the cancellation of an unpaid obligation as well as an actual refund of amounts previously paid.

- a. A student who does not register for the period of enrollment for which the student was charged, or who withdraws, drops out, takes an approved leave of absence, is expelled from the university or otherwise fails to complete the program on or after his or her first day of class of the period of enrollment for which he or she was charged shall receive a refund in compliance with the applicable provisions of federal law.
- b. Other factors which may influence a decision to refund fees include, but are not limited to death of a student, disability of a student, extreme hardship, institutional error, or when otherwise in the best interest of the university. Requests for refunds shall be reviewed and adjudicated by the Student Billing Committee. If the decision is not acceptable to the student, the Controller will review the case and render a decision, which shall be final.
- c. In compliance with the requirements of the Illinois Servicemen's Employment Tenure Act, as amended by P.A. 88-518, any person in military service with the state of Illinois pursuant to the orders of the Governor shall receive a full monetary credit or refund of funds paid to any Illinois public university if the person is placed into a period of military service with the state of Illinois pursuant to the orders of the Governor and is unable to attend the university for a period of seven (7) or more days. Withdrawals from a course shall not impact upon the final

grade average of the person under these circumstances. In addition, if any person who has been enrolled in any Illinois public university is unable to process his or her enrollment for the upcoming term, he or she shall have any and all late penalties or charges set aside, including any and all late processing fees for books, lab fees, and all items that were not in place because the person was engaged in military service and was unable to enroll in courses at the appropriate time.

8. Students Studying Abroad

Students who are permitted to retain enrolled status at the university while attending a Pre-approved Study Abroad Program.

9. Mandatory Fees

Mandatory fees, upon collection by the university, become State funds and are subject to statutes, regulations, and university policies and procedures applicable to State funds generally.

a. Student Activity Fee

This fee will be collected at regular intervals. Allocations will be made by a body which includes representation of appropriate student organizations and of students generally.

b. Other Mandatory Fees

The administrators of the various student mandatory fees, which are not allocated by a representative body of students, shall cooperate with the Student Government Association by providing such information as may be necessary to Student Government to ensure informed advisory input into the allocation of these fees.

K. Special Fees and Charges

1. Special Fees

Special fees are defined as all fees other than mandatory fees and include the following:

- a. Program change fee
- b. Graduation fee
- c. Late registration and/or late payment fee
- d. Service fee for installment payments
- e. Transcript fee
- f. Any other fee which is required for graduation.

Board approval shall be required to establish or change the amount of any special fee.

2. Charges

Approval of the President is required to establish or change the amount of the following charges:

- a. Laboratory, material, or other course-related charge
- b. Locker and towel charge
- c. Late examination charge
- d. Duplicate schedule charge
- e. Library fine charge
- f. Lost identification or activity card charge
- g. Test charge
- h. Traffic fine charge
- i. Yearbook charge
- j. Parking charge
- k. Other non-mandatory charges.

3. Waivers and Refunds

Special fees may be waived or refunded in accordance with Board waived or refunded in accordance with university policy or by specific approval of the President.

L. Internal and State Offset Procedures

The University intends to invoke payroll deductions as well as State Comptroller Offset processes to assure collection of outstanding fees provided those processes comply with applicable State law and regulations. Specific procedures for such offsets shall be provided for in the Fiscal Agent Handbook.