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I. A. ACTION ITEM: FISCAL YEAR 2015 UNIVERSITY OPERATING BUDGET

Each year, the Board of Trustees is asked to adopt the University’s operating budget for the coming fiscal year. In June, the Board was presented with and approved a tentative operating budget that fulfilled the reporting requirements of the Illinois Board of Higher Education (IBHE). As noted in the June report, the budget was completed prior to final action on the fiscal year 2015 appropriation by the Illinois General Assembly, which is now approved and included in this report.

The development of the University’s operating budget is based on the best estimate of available financial resources and the allocation of those resources to support the highest priorities of the University. Therefore, the budget is one of the primary tools for supporting the University’s strategic plan and furthering the goals and action steps in that plan.

Before actual budget decisions are made, it is appropriate for the University administration, in consultation with the University Planning and Budget Council (UPBC), to determine the overall priorities for budget development. The allocation of expenditures in this budget follows those established priorities.

In a larger sense, however, these priorities and the external environment facing the University raise broader considerations. These broad parameters serve as general guideposts in budget development and are discussed in the next section.

Approval is requested for FY2015 Operating Budget as presented in Table 2, page 6.

Parameters for Budget Development

In 2007, the Higher Learning Commission communicated to the University that it lacked a comprehensive and cohesive strategic plan to guide planning and budget decisions. In the following years, the University community participated in developing such a plan. Annually, the University, through shared governance, develops budget priorities which communicate our plans and guide our decision processes. When our strategic plan, budget priorities, and decision guidelines are considered in terms of the overall budget climate in the state of Illinois and at the University, certain parameters emerge that help guide overall budget development.

The first parameter for budget development is to assure that our decisions Support the Strategic Plan. Decisions included in this budget were made to further the Strategic Plan and the specific action steps included in the plan that were developed by the University community and endorsed by the Board of Trustees. Significant importance in this budget is placed on enhancing student academic success, strengthening academic programs, supporting need-based student aid for our students with financial need, improving the quality and availability of services to students, and improving operational efficiencies.

In the strategic plan, the third strategic goal calls for the University to invest in faculty and staff to make Northeastern a world-class metropolitan university and an employer of
A significant concern of faculty and staff is to know that their work at the University is worthwhile and supported and that the opportunity to continue their career at Northeastern is not jeopardized by budget considerations.

The second parameter adopted in budget development, therefore, is to **Support Faculty and Staff, Enhance Professional Development, and Avoid Employee Furloughs**. One of the major decisions included in this budget is to allocate sufficient resources to provide anticipated compensation increases to our negotiated and non-negotiated employees. At the same time, given the current climate with state appropriations, the budget is developed to further Northeastern's goal to be an employer of choice by enhancing professional development and avoiding employee furloughs due to resource considerations.

One of the two main sources of operating revenue is student tuition, which is dependent on student enrollments. Northeastern, like most of its peers, has experienced enrollment challenges over the last four years. These result from the current national and state economic climate, Federal reductions in need-based student aid, and increased competition for a shrinking pool of high school graduates, as well as other factors. Fiscal year 2014 marked the third year of year-over-year enrollment declines, a challenge that is not unique to Northeastern. This budget reflects the possibility of continued enrollment challenges. The tuition revenue included in the fiscal year 2015 budget reflects a decrease in fall 2014 and spring 2015 enrollments from the previous fall and spring terms. The third parameter in fiscal year 2015 budget development is to **Assure That Enrollment Levels are Sustainable before Adding the Related Revenues into the Recurring Budget**.

In addition to student tuition revenues, in fiscal year 2015, the State support of Northeastern's general operating expenses is expected to support 41 percent of the unrestricted budget, compared to the 69 percent share in fiscal year 2002.

The fourth parameter for fiscal year 2015 budget development is to **Recognize that State Funding is Continuing to Decrease and that State Reimbursements Lag Actual Expenditures**. Direct State support of the University's unrestricted budget has decreased from $45.4 million in 2002 to $37.7 million in fiscal year 2015, a decline of $7.6 million or 16.8 percent. In addition to the reduced levels of direct financial support, the State has also delayed payments to the University.

In fiscal years prior to 2010, the University typically received its last state appropriation payment in a January to March time frame, and rarely later than June. In fiscal year 2013, the University had received 68 percent of its annual appropriation by the end of the fiscal year. The most current year, fiscal year 2014, saw some improvement, with 78 percent received at the end of the fiscal year. Currently, two months after the end of the fiscal year, $2.4 million remains in outstanding state reimbursements. The following chart highlights the University's actual receipts from state appropriation for fiscal year 2013, and fiscal year 2014 to date.
CASH RECEIPTS FROM STATE APPROPRIATIONS
FISCAL YEARS 2013 and FY2014 (as of August 25, 2014)
(dollars in thousands)

<table>
<thead>
<tr>
<th>FY2013 Cash Receipts From State Appropriations</th>
<th>FY2014 Cash Receipts From State Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>Receipts</td>
</tr>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td>-</td>
</tr>
<tr>
<td>August</td>
<td>-</td>
</tr>
<tr>
<td>September</td>
<td>-</td>
</tr>
<tr>
<td>October</td>
<td>-</td>
</tr>
<tr>
<td>November</td>
<td>-</td>
</tr>
<tr>
<td>December</td>
<td>3,854.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2013 Cash Receipts From State Appropriations</th>
<th>FY2014 Cash Receipts From State Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>Receipts</td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>2,229.4</td>
</tr>
<tr>
<td>February</td>
<td>929.1</td>
</tr>
<tr>
<td>March</td>
<td>2,118.7</td>
</tr>
<tr>
<td>April</td>
<td>5,597.0</td>
</tr>
<tr>
<td>May</td>
<td>7,697.1</td>
</tr>
<tr>
<td>June</td>
<td>3,366.9</td>
</tr>
<tr>
<td>July</td>
<td>4,988.0</td>
</tr>
<tr>
<td>August</td>
<td>2,394.2</td>
</tr>
<tr>
<td>September</td>
<td>4,632.3</td>
</tr>
<tr>
<td>October</td>
<td>-</td>
</tr>
<tr>
<td>November</td>
<td>-</td>
</tr>
<tr>
<td>December</td>
<td>-</td>
</tr>
</tbody>
</table>

Unpaid appropriation 0.0 Unpaid appropriation 2,439.1

Fiscal Year 2015 Budget Overview

This budget presented to the Board considers the parameters outlined above and is based on the fiscal year 2015 state appropriation, tuition and fees, grants and contracts, other local funds held by the University, and strategic priorities determined by the University community and endorsed by the Board.

As background, the Board adopted the University’s initial fiscal year 2015 operating budget request in September 2013. The University’s initial request included funding for cost and salary increases and for the implementation of strategic initiatives identified by the UPBC and the University community.
The request was forwarded to the IBHE and considered in their higher education budget recommendations adopted February 4, 2014. The Governor presented his fiscal year 2015 budget recommendations to the Illinois General Assembly on March 26, 2014. On May 30, 2014, the Illinois General Assembly approved Appropriations House Bill 6094, House Amendment 01 which included the state fiscal year 2015 operating budget for all Illinois public universities, including Northeastern Illinois University. On June 30, 2014, Governor Quinn approved House Bill 6094 as Public Act 98-0678. For Northeastern, the approved appropriation totals $37,748,100, a slight decrease from fiscal year 2014.

The total University budget is comprised of two main sections – unrestricted and restricted sources – based on definitions provided to all Illinois public universities by the IBHE and the Governor’s Office of Management and Budget. The unrestricted operating budget includes revenues and expenditures from sources that are not explicitly restricted by statute, contract, or other requirement. The restricted operating budget includes revenues and expenditures from sources that are restricted by an external requirement, typically by the entity providing the funds or by a legal requirement.
Table 1 summarizes the fiscal year 2015 operating budget revenues by source. The University also presents in Table 1 the general operating budget including only State appropriation and the University Income Fund. This budget includes the primary operating budgets for the majority of University departments and is discussed in the following sections.

### Table 1
NORTHEASTERN ILLINOIS UNIVERSITY
Fiscal Year 2015 Operating Budget
(with comparable data provided for Fiscal Year 2014)

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Change</th>
<th>Dollar</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Operating Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State General Funds Appropriations</td>
<td>$37,847,400</td>
<td>$37,748,100</td>
<td>$(99,300)</td>
<td>(0.3)</td>
<td>%</td>
</tr>
<tr>
<td>University Income Fund</td>
<td>55,715,000</td>
<td>54,375,900</td>
<td>(1,339,100)</td>
<td>(2.4)</td>
<td>%</td>
</tr>
<tr>
<td><strong>Unrestricted Operating Budget</strong></td>
<td>$93,562,400</td>
<td>$92,124,000</td>
<td>$(1,438,400)</td>
<td>(1.5)</td>
<td>%</td>
</tr>
<tr>
<td><strong>Restricted Operating Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Fee Programs</td>
<td>$9,241,600</td>
<td>$8,987,200</td>
<td>$(254,400)</td>
<td>(2.8)</td>
<td>%</td>
</tr>
<tr>
<td>Sales &amp; Services</td>
<td>6,843,000</td>
<td>6,825,400</td>
<td>(17,600)</td>
<td>(0.3)</td>
<td>%</td>
</tr>
<tr>
<td>Auxiliary Services</td>
<td>4,941,800</td>
<td>4,700,000</td>
<td>(241,800)</td>
<td>(4.9)</td>
<td>%</td>
</tr>
<tr>
<td>Grants &amp; Contracts-Education</td>
<td>288,000</td>
<td>288,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Indirect Costs Recovery</td>
<td>1,805,000</td>
<td>1,552,600</td>
<td>(252,400)</td>
<td>(14.0)</td>
<td>%</td>
</tr>
<tr>
<td>Local Grants &amp; Contracts</td>
<td>150,000</td>
<td>150,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>State Grants &amp; Contracts</td>
<td>2,050,000</td>
<td>2,050,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Federal Grants &amp; Contracts</td>
<td>33,000,000</td>
<td>33,000,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Private Grants &amp; Contracts</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Restricted Operating Budget</strong></td>
<td>$59,319,400</td>
<td>$58,553,200</td>
<td>$(766,200)</td>
<td>(1.3)</td>
<td>%</td>
</tr>
<tr>
<td><strong>Total Operating Budget</strong></td>
<td>$152,881,800</td>
<td>$150,677,200</td>
<td>$(2,204,600)</td>
<td>(1.4)</td>
<td>%</td>
</tr>
</tbody>
</table>

Notes:

FY2014 has been updated with final budget numbers.
Table 2 summarizes the fiscal year 2015 operating budget expenditures by functional category (e.g., instruction, research) and by object category (e.g., personal services, travel). Located at the end of this report, Table 3 further details the fiscal year 2015 unrestricted operating budget from the State appropriation and University Income Fund, and Table 4 further details the restricted operating budget from student fees, contracts, grants, auxiliaries, and other restricted funds.

Table 2
NORTHEASTERN ILLINOIS UNIVERSITY
Fiscal Year 2015 Operating Budget
by Function and Line Item

<table>
<thead>
<tr>
<th>Functional Categories</th>
<th>Unrestricted Operating Budget</th>
<th>Restricted Operating Budget</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$49,305,960</td>
<td>$7,605,281</td>
<td>$56,911,241</td>
</tr>
<tr>
<td>Organized Research</td>
<td>259,167</td>
<td>829,941</td>
<td>1,089,108</td>
</tr>
<tr>
<td>Public Service</td>
<td>1,037,485</td>
<td>14,578,068</td>
<td>15,615,553</td>
</tr>
<tr>
<td>Academic Support</td>
<td>8,124,994</td>
<td>1,949,408</td>
<td>10,074,402</td>
</tr>
<tr>
<td>Student Services</td>
<td>4,701,323</td>
<td>23,378,707</td>
<td>28,080,030</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>12,819,605</td>
<td>1,452,343</td>
<td>14,271,948</td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>13,433,066</td>
<td>2,684,152</td>
<td>16,117,218</td>
</tr>
<tr>
<td>Independent Operations</td>
<td>-</td>
<td>6,075,300</td>
<td>6,075,300</td>
</tr>
<tr>
<td>Benefits/Social Security/Medicare</td>
<td>1,369,800</td>
<td>-</td>
<td>1,369,800</td>
</tr>
<tr>
<td>Health Insurance Reserve Fund</td>
<td>1,072,600</td>
<td>-</td>
<td>1,072,600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$92,124,000</strong></td>
<td><strong>$58,553,200</strong></td>
<td><strong>$150,677,200</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line Item Categories</th>
<th>Unrestricted Operating Budget</th>
<th>Restricted Operating Budget</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>$72,710,773</td>
<td>$13,007,331</td>
<td>$85,718,104</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>9,964,495</td>
<td>16,885,459</td>
<td>26,849,954</td>
</tr>
<tr>
<td>Travel</td>
<td>299,231</td>
<td>191,680</td>
<td>490,911</td>
</tr>
<tr>
<td>Commodities</td>
<td>897,049</td>
<td>1,406,439</td>
<td>2,303,488</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,497,794</td>
<td>707,031</td>
<td>2,204,825</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>489,228</td>
<td>173,742</td>
<td>662,970</td>
</tr>
<tr>
<td>Awards/Grants/Tuition Waivers</td>
<td>1,609,030</td>
<td>18,399,874</td>
<td>20,008,904</td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>200,000</td>
<td>966,708</td>
<td>1,166,708</td>
</tr>
<tr>
<td>Benefits/Social Security/Medicare</td>
<td>1,369,800</td>
<td>3,072,308</td>
<td>4,442,108</td>
</tr>
<tr>
<td>Health Insurance Reserve Fund</td>
<td>1,072,600</td>
<td>-</td>
<td>1,072,600</td>
</tr>
<tr>
<td>Indirect Costs</td>
<td>-</td>
<td>1,552,628</td>
<td>1,552,628</td>
</tr>
<tr>
<td>Other/Transfer Out</td>
<td>2,014,000</td>
<td>2,190,000</td>
<td>4,204,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$92,124,000</strong></td>
<td><strong>$58,553,200</strong></td>
<td><strong>$150,677,200</strong></td>
</tr>
</tbody>
</table>
Revenue

As shown in Table 1, the University’s general operating budget financed from the state appropriation and tuition revenue will decrease by $1.4 million, or 1.5 percent from the fiscal year 2014 budget. This is a result of declines in both state support and student enrollments. The University’s total operating budget, reflecting both the unrestricted and restricted budgets, will decline by $2.2 million as reduced enrollment projections adversely impact student fee programs.

The preliminary budget presented to the Board in June reflected the Governor’s recommendation of $37,893,400, a slight increase from the fiscal year 2014 level. The final state appropriation passed by the General Assembly and signed by the Governor, is $37,748,400. This is a reduction of $145,300 from the Governor’s recommended budget, and a $99,300 or 0.3 percent, decline from the fiscal year 2014 appropriation.

Final enrollment projections for the fiscal year 2015 budget are based upon past enrollment levels, the work of the Enrollment Planning Council, and registration data through the time this report was finalized. Using 20th day census data, fiscal year 2014 (Fall 2013, Spring 2014 and Summer 2014) credit hour enrollment were, in total, 6.2 percent below that of the previous year. Projecting forward to fiscal year 2015, the budget estimates reflect total annual enrollment to further decline by 3.1 percent from fiscal year 2014 levels. This represents a slight difference from the June preliminary budget as the University now has actual data on Summer 2014, and updated registration activity for Fall 2014. This change in the enrollment projection offsets the slight decreased state appropriation from June.

In total, the proposed general operating budget of $92,124,000 reflects a decrease of $1.4 million, or 1.5 percent, from the fiscal year 2014 budget.

At the time of preparing this report, official fall enrollments were not available. Preliminary data suggests that enrollments and therefore revenues may fall short of projections in the order of 3 – 4 percent. There are also uncertainties with the expiration of the temporary income tax increase. Therefore, the budget presented here should be considered the highest operational budget. Approval is requested for the FY2015 operational budget as displayed in Table 2. If significant adjustments are necessary, that information will be presented to the Board.

Restricted budgets reflect fee rates as approved by the Board and similar enrollment projections. Student fee program budgets are based on the same projected enrollments as the unrestricted operating budget, and the level fee rates as approved by the Board of Trustees. Estimates for auxiliary and grants are based on fiscal year 2014 revenues.

Expenditures

The unrestricted general operating budget funded by the State appropriation and tuition revenues is the primary source of funds for most University operations. As noted on Table 1, the unrestricted operating budget will decrease over last year. This reduction was anticipated with the preliminary budget presented to the Board in June and reflects
the work of the President and Vice Presidents to prioritize the University’s greatest needs with projected resources.

Over 80 percent of the University’s unrestricted general operating budget supports personnel costs. And over half of the University’s workforce is covered by collective bargaining agreements with five bargaining units. Each of these collective bargaining agreements expired at the end of the last fiscal year and negotiations are underway for the current and upcoming contract years. At the time this board report was prepared, it is not known what, if any, increase is required for the employees covered under bargaining agreements. As with the preliminary budget presented in June, an allowance is included for potential increased salary requirements for negotiated employees and a comparable increase for non-negotiated employees. This assumption requires an increase of $1.5 million from current salary costs.

In addition, the University will continue to set aside funds of $385,000 for the anticipated transfer of employer share retirement contributions from the state to the University. While there have been proposals for shifting pension costs from the state to the public universities, there has been no final action in that direction. This budget reflects the anticipated requirement that the University will be required to start funding the employer share at one-half of one percent of the normal cost phased in annually until the entire normal cost is absorbed by the University. If this requirement is not enacted in fiscal year 2015, these funds will be reallocated to other high priority one-time items, retaining the pension budget for future fiscal years.

The recommended budget continues to reflect a total of $235,000 to support projects recommended by the UPBC, including establishing a Student Advocate position, enhancing transfer enrollment support and advising, and further implementation of Banner functionality.

In preparation for the fall semester opening of the new El Centro campus, $1,200,000 in new operational costs is necessary beginning in fiscal year 2015. This funding will support new positions supporting academic programs as well as facility costs. In addition, built into the recommended operating budget is funding for advertising the programs at the new facility.

Offsetting these increases to the base requirements are savings associated with recent retirements. While the legislation and subsequent court actions created much uncertainty during the final budget planning, over 40 positions became vacant due to retirements. The salary costs tied to these positions total $2.6 million. This recommended budget assumes savings of $1.5 million by a combination of eliminating some vacant positions and delaying the filling of others.

In addition to this retirement savings, the President and each Vice President prepared budgets to reflect a reduction of $3.7 million, or 4.7 percent, from the previous year.

Following approval of the operating budget by the Board of Trustees, the University is required to submit a copy of the budget to the Illinois Board of Higher Education (IBHE) and to the Governor’s Office of Management and Budget. This is in response to an IBHE policy that is intended to “expand and enhance public university annual budget
review, approval and oversight.” In addition, the NEIU Office of University Budgets will prepare a detailed University budget for all departments and offices and provide a copy of that budget document to each trustee and administrative office. Lastly, three copies will be placed in the University Library for review and use by the entire University community. Regular reports will continue to be made to the Board of Trustees regarding State funding levels and any events at the state level or other actions that affect the University budget.

It is requested that the Board of Trustees approve the fiscal year 2015 budget as presented in Tables 1 through 4, and discussed above.
<table>
<thead>
<tr>
<th></th>
<th>Personal Services</th>
<th>Contractual Services</th>
<th>Travel</th>
<th>Commodities</th>
<th>Equipment</th>
<th>Telecomm-unications</th>
<th>Award Grants and Matching Grants</th>
<th>Permanent Improvements</th>
<th>Debt Service</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td><strong>46,259,922</strong></td>
<td><strong>1,933,278</strong></td>
<td><strong>127,031</strong></td>
<td><strong>394,176</strong></td>
<td><strong>302,932</strong></td>
<td><strong>189,591</strong></td>
<td><strong>99,030</strong></td>
<td></td>
<td></td>
<td><strong>49,305,960</strong></td>
</tr>
<tr>
<td></td>
<td>Admissions Registration and Records</td>
<td>2,138,624</td>
<td>13,000</td>
<td>-</td>
<td>10,237</td>
<td>-</td>
<td>12,099</td>
<td>-</td>
<td>-</td>
<td>2,173,960</td>
</tr>
<tr>
<td></td>
<td>Gen Academic Instruct Degree-Related</td>
<td>39,138,003</td>
<td>990,893</td>
<td>73,456</td>
<td>208,603</td>
<td>278,752</td>
<td>146,558</td>
<td>-</td>
<td>99,030</td>
<td>3,652,014</td>
</tr>
<tr>
<td></td>
<td>Requisite Prep Remedial Instruct ND</td>
<td>3,195,744</td>
<td>270,996</td>
<td>21,375</td>
<td>40,416</td>
<td>11,180</td>
<td>17,284</td>
<td>-</td>
<td>-</td>
<td>2,645,521</td>
</tr>
<tr>
<td></td>
<td>Support for Instructional Programs</td>
<td>1,793,551</td>
<td>658,400</td>
<td>32,200</td>
<td>134,720</td>
<td>13,000</td>
<td>13,650</td>
<td>-</td>
<td>-</td>
<td>116,167</td>
</tr>
<tr>
<td>Organized Research</td>
<td>215,067</td>
<td>42,300</td>
<td>-</td>
<td>1,000</td>
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<td>300</td>
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<td>-</td>
<td>-</td>
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<td>1,855</td>
<td>25,348</td>
<td>1,000</td>
<td>27,616</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>952,069</td>
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<td>25,348</td>
<td>1,000</td>
<td>27,616</td>
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<td>Financial Management and Operations</td>
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<td>-</td>
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<td>-</td>
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<td>Rental of Space</td>
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<td>-</td>
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<td>-</td>
<td>1,894,045</td>
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<td>2,000</td>
<td>10,167</td>
<td>850</td>
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<td>-</td>
<td>-</td>
<td>365,582</td>
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<tr>
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<td>Utility Production</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>493,000</td>
<td>3,387,000</td>
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<td>Utility Support</td>
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<td>50,600</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,179,532</td>
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<td>Benefits</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,442,400</td>
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<td>Health Insurance Reserve Fund</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>985,000</td>
</tr>
<tr>
<td></td>
<td>Benefits/Social Security/Medicare</td>
<td>1,072,600</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,072,600</td>
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<tr>
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<td>Pension Payments</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>384,800</td>
</tr>
<tr>
<td>Grand Total</td>
<td><strong>75,153,173</strong></td>
<td><strong>9,964,495</strong></td>
<td><strong>299,231</strong></td>
<td><strong>897,049</strong></td>
<td><strong>1,497,794</strong></td>
<td><strong>489,228</strong></td>
<td><strong>1,609,030</strong></td>
<td><strong>200,000</strong></td>
<td><strong>2,014,000</strong></td>
<td><strong>92,124,000</strong></td>
</tr>
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</table>
### Table 4
**NORTHEASTERN ILLINOIS UNIVERSITY**
**SUMMARY OF FISCAL YEAR 2015 RESTRICTED OPERATING BUDGET**
**JULY 1, 2014 TO JUNE 30, 2015**

<table>
<thead>
<tr>
<th>Instruction</th>
<th>Personal Services</th>
<th>Fringe Benefits</th>
<th>Contractual Services</th>
<th>Travel</th>
<th>Commodities</th>
<th>Equipment</th>
<th>Telecommunications</th>
<th>Award Grants and Matching Grants</th>
<th>Permanent Improvements</th>
<th>Debt Service</th>
<th>Indirect Cost and Sharing</th>
<th>Grand Total</th>
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<tr>
<td>Admissions Registration and Records</td>
<td>$70,000</td>
<td>$7,000</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$250,000</td>
</tr>
<tr>
<td>Gen Academic Instct Degree-Related</td>
<td>$243,000</td>
<td>$27,000</td>
<td>$429,000</td>
<td>$213,000</td>
<td>$32,000</td>
<td>$64,000</td>
<td>$1,000</td>
<td>$122,000</td>
<td>$3,000</td>
<td>$50,000</td>
<td>$600,000</td>
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</tr>
<tr>
<td>Requisite Prep Remedial Instct ND</td>
<td>$63,000</td>
<td>$6,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$10,000</td>
<td>$12,000</td>
<td>$2,000</td>
<td>$49,000</td>
<td>$1,000</td>
<td>$50,000</td>
<td>$1,250,000</td>
<td></td>
</tr>
<tr>
<td>Support for Instructional Programs</td>
<td>$1,107,000</td>
<td>$117,000</td>
<td>$1,994,000</td>
<td>$1,665,000</td>
<td>$16,000</td>
<td>$268,000</td>
<td>$55,000</td>
<td>$1,000,000</td>
<td>$500,000</td>
<td>$184,000</td>
<td>$5,000,000</td>
<td></td>
</tr>
</tbody>
</table>

| Organized Research | - | - | $73,000 | $4,000 | $1,000 | $2,000 | - | $28,000 | - | - | $829,000 |
| Indirect Cost and Sharing | - | - | $64,000 | $8,000 | $2,000 | $5,000 | - | $1,000 | - | - | $5,000 |

| Public Services | $1,011,000 | $100,000 | $1,420,000 | $140,000 | $16,000 | $2,000 | - | $49,000 | - | - | $1,494,000 |

| Student Services | $952,000 | $95,000 | $1,811,000 | $214,000 | $2,000 | $1,000 | - | $24,000 | - | - | $1,991,000 |

| Institutional Support | $652,000 | $60,000 | $1,260,000 | $180,000 | $2,000 | $1,000 | - | $23,000 | - | - | $1,564,000 |

| Independent Operations | $1,307,000 | $130,000 | $2,407,000 | $300,000 | $50,000 | $50,000 | - | $142,000 | $100,000 | $200,000 | $5,000,000 |

| Grand Total | $13,007,000 | $1,072,000 | $16,885,000 | $1,916,000 | $140,000 | $231,000 | $966,000 | $2,190,000 | $1,552,000 | $5,553,000 |

**Notes:**
- Figures are in dollars.
- All amounts are rounded to the nearest thousand.
- The table includes all major categories of expenses and revenues for the fiscal year 2015.
I. B. ACTION ITEM: FISCAL YEAR 2016 OPERATING AND CAPITAL BUDGET REQUESTS

Introduction

Each year, the Board of Trustees of Northeastern Illinois University is required to adopt an operating and capital budget request and submit that request to the Illinois Board of Higher Education (IBHE). This preliminary request was presented to the Board of Trustees in June as an information item for review and discussion. The final request is submitted to the Board at the September meeting for approval. After Board approval, the request will be submitted to the IBHE before its deadline of October 15.

The fiscal year 2016 operating budget request presented to the Board of Trustees acknowledges the current financial constraints in the State of Illinois. At the same time, the budget is intended to advance the strategic goals developed by the University community and endorsed by the Board. At its September 18, 2008 meeting, the Board adopted a revised University Mission Statement and endorsed a University Vision Statement, Statement of Values, and Strategic Goals and Action Steps. At the September, 2013 meeting, the Board was presented with a set of specific tasks that the University planned to complete in fiscal year 2014 to achieve the goals outlined in the Strategic Plan. Since that time, University faculty and staff have been actively engaged in working towards completing those tasks. This budget request includes funding for new and continuing initiatives that address the strategic goals identified by the University community and support our strategic action plan.

Over the past several years, the University has been working to better incorporate strategic planning and shared governance into budget development. The University Planning and Budget Council (UPBC) is the Board-recognized governance body to provide input and counsel to the University administration in the planning, development, and implementation of the University budget. The UPBC has two elected representatives from each of the academic colleges, one faculty member from the Library, the current NEIU faculty representative on the IBHE Faculty Advisory Council, two representatives from the Administrative and Professional Council, two from the Civil Service Council, two students appointed by the Student Government Association, and one dean chosen by the Provost’s Deans Council. In addition, a continuing chair, who has a three-year appointment, is selected for the UPBC. The current chair is Marcelo O. Sztainberg, Ph.D.; Associate Professor, Computer Science. Also, the University President, the Vice President for Finance and Administration, and the Director of University Budgets are ex-officio members.

The budget request presented to the Board includes recommendations and priorities identified by the UPBC. The vice presidents met with the UPBC to outline the strategic initiatives for their areas and to outline their proposed work plan for meeting those priorities. The UPBC then reviewed, discussed, and adopted selected priorities based on the recommendations of its representatives. Funds to support final recommendations are included in this fiscal year 2016 budget request.
The Board will also receive a strategic planning update at this meeting that will assess progress in achieving the action steps and tasks that were planned for fiscal year 2014. In addition, the Board will receive a summary of the tasks that the University plans to undertake in fiscal year 2015. This request presents the strategic planning priorities the University would like to undertake in fiscal year 2016.

Overview of Operating and Capital Budget Requests

The budget requests brought before the Northeastern Illinois University Board of Trustees and summarized in this report are fiscal year 2016 requests, for the year beginning July 1, 2015 and ending June 30, 2016.

The fiscal year 2016 operating budget reflects the fiscal year 2015 base operating budget for the University and the University’s budget requests for new funding for fiscal year 2016. Included in the operating budget are state-appropriated funds and the University Income Fund, which is established by state statute to account for student tuition and certain fee revenue. The total of state appropriations and University Income Fund revenues represents the University’s unrestricted operating budget. Developing the operating budget request requires a balance between the new and ongoing financial needs of the University and a reasonable expectation of support from the State of Illinois and our students.

The University’s fiscal year 2015 state appropriation was passed by the Illinois General Assembly and approved by the Governor. The fiscal year 2015 base operating budget included in this request includes the fiscal year 2015 state appropriation of $37,748,100, a decrease of $99,300, or 0.3 percent, from the previous year. From the University’s highest state funding level in fiscal year 2002 to the most recent fiscal year 2015 appropriation, Northeastern has seen available funding from the State’s General Fund decrease by $7.6 million, or 16.8 percent. In 2002, the State appropriation comprised 69 percent of the total general unrestricted operating budget, while tuition comprised 31 percent. In the 2015 budget, the State appropriation will comprise only 41 percent, while tuition will comprise 59 percent. Since fiscal year 2002, the state appropriation has decreased, on average, 1.4 percent per year. In addition, inflationary expense increases based upon CPI averaged 2.3 percent per year from 2002 to 2013. Together these comprise a loss of spending power of 3.8 percent per year.

The budget request includes only moderate funding requests for salary and cost increases based on the Consumer Price Index (CPI) and the strategic planning initiatives recommended by the University Planning and Budget Council. These are the University’s highest priorities. The total of state appropriations and University Income Fund revenues represents the fiscal year general operating budget that will require Board of Trustees approval and will be sent, following approval, to the Illinois Board of Higher Education for consideration.

The following summarizes the budget information provided in this report.

Fiscal Year 2016 Budget Development Schedule. Table 1 provides a schedule of the budget development process from October 2013, when the Vice Presidents and the UPBC began discussing the initial fiscal year 2015 budget
priorities, through September 2015, at which time the Board of Trustees will take action on the University’s fiscal year 2016 internal budget.

**Strategic Goals.** Strategic Goals were developed by the University community and endorsed by the Board of Trustees in September 2008. These goals provide the framework for identifying University action steps, tasks, and specific strategic planning initiatives.

**Operations.** The University’s operating budget request for fiscal year 2016 is summarized in Table 2 and additional information supporting the request is provided in this report. Table 3 summarizes the requests for salary and cost increases. Table 4 summarizes the requested strategic planning initiatives for fiscal year 2016. Because these represent the highest University priorities, the University will implement some of these programs through the redirection of staff effort and University resources.

**Capital Improvements.** Table 5 summarizes the fiscal year 2016 requests for capital improvements. Capital requests are discussed in the two broad categories used by the Illinois Board of Higher Education to classify state-funded projects – Regular Capital projects and Capital Renewal projects. Regular Capital projects include requests for new construction or significant remodeling or renovation. These projects typically provide new space or provide a significantly different use for remodeled space. Capital Renewal projects are of a lesser scope than Regular Capital projects. They include the remodeling or renovation of space, infrastructure renewal, and improvement projects that address deferred maintenance.

The capital requests were developed using the fiscal year 2016 cost factors provided by the Illinois Capital Development Board. The Illinois Board of Higher Education and the Capital Development Board recognize the differences in construction costs among the various locales in Illinois, most notably Chicago. The two boards approved higher construction cost standards for certain areas of the state where labor and material costs are significantly greater than other areas of the state. As a result, for Northeastern, higher and more accurate cost figures are used to develop the capital requests.
Table 1

FISCAL YEAR 2016 BUDGET DEVELOPMENT SCHEDULE  
(Approximate dates – subject to change)

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2013</td>
<td>Discussion of preliminary FY2016 strategic priorities with University Planning and Budget Council</td>
</tr>
<tr>
<td>April 2014</td>
<td>Recommendations from the University Planning and Budget Council to address FY2016 strategic priorities</td>
</tr>
<tr>
<td>June 2014</td>
<td>Submission of initial FY2016 operating and capital budget requests to the NEIU Board of Trustees for review and discussion</td>
</tr>
<tr>
<td>September 2014</td>
<td>Discussion and approval of the FY2016 operating and capital budget requests by NEIU Board of Trustees</td>
</tr>
<tr>
<td></td>
<td>Preliminary report to the Board of Trustees – Strategic Planning Update: Fiscal Year 2014 Action Plan Results and Fiscal Year 2015 Action Plans</td>
</tr>
<tr>
<td></td>
<td>Preliminary report to the NEIU Board of Trustees on proposed FY2016 tuition and fee rates</td>
</tr>
<tr>
<td>November 2014</td>
<td>NEIU Board action on FY2016 tuition and fee rates</td>
</tr>
<tr>
<td>January 2015</td>
<td>Illinois Board of Higher Education action on FY2016 higher education operations, grants, and capital improvements recommendations</td>
</tr>
<tr>
<td>February 2015</td>
<td>Governor’s FY2016 Budget Address</td>
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<tr>
<td>May 2015</td>
<td>General Assembly’s action on FY2016 appropriations</td>
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<tr>
<td>June 2015</td>
<td>Governor’s action on FY2016 appropriations</td>
</tr>
<tr>
<td></td>
<td>NEIU Board of Trustees’ action on preliminary FY2016 University operating budget</td>
</tr>
<tr>
<td>September 2015</td>
<td>NEIU Board of Trustees’ action on final detailed FY2016 University operating budget</td>
</tr>
</tbody>
</table>

University Strategic Goals

The University has identified six strategic goals to be pursued during the planning period of fiscal year 2009 to fiscal year 2017.

**Strategic Goal One – Student Success.** Ensure student success from recruitment through graduation by creating a culture in which all members of the University community are engaged in attracting, educating and graduating students who achieve the objectives for baccalaureate and graduate degrees.

**Strategic Goal Two – Academic Excellence and Innovation.** Develop an environment that supports curricular and pedagogical innovation aligned with the mission of the institution, the standards of the disciplines, student needs, and career and civic opportunities in a global society.

**Strategic Goal Three – Urban Leadership.** Work collaboratively with educational, social service, governmental, and business institutions in Chicago and the region to build upon NEIU’s tradition of community involvement.

**Strategic Goal Four – Exemplary Faculty and Staff.** Invest in faculty and staff to make NEIU a world-class metropolitan university and an employer of choice.

**Strategic Goal Five – Enhanced University Operations.** Provide a supportive learning, teaching and working environment by improving operating productivity, physical infrastructure and environmental sustainability.

**Strategic Goal Six – Fiscal Strength.** Enhance the University’s financial position by reducing reliance on state general funds and student tuition, diversifying revenue sources and strengthening institutional relationships with federal, state and local governments, and private sponsors.

Fiscal Year 2016 Operating Request

Developing the fiscal year 2016 operating budget request requires that the University reach a balance between the new and ongoing financial needs of the University and a reasonable expectation of support from the State of Illinois and our students. This budget includes modest funding requests for salary increases and selected strategic initiatives recommended by the University Planning and Budget Council. These are the University’s highest priorities.

Given the loss of state appropriations, inflationary impacts, and reduced enrollment revenue over the past few years, nearly all University departments have had their available spending reduced or held level to support unavoidable cost increases, including faculty and staff salaries.

The University operating budget request for fiscal year 2016 totals $95,851,400, an increase of $3,727,400, or 4 percent, above the fiscal year 2015 base. The fiscal year 2016 operating budget request includes salary and cost increases totaling $1.9 million,
and requests of $1.8 million for strategic planning initiatives. Table 2 summarizes the operating budget request.

Table 2

<table>
<thead>
<tr>
<th>FY2016 OPERATING BUDGET REQUEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE APPROPRIATIONS AND UNIVERSITY INCOME FUNDS</td>
</tr>
</tbody>
</table>

(in thousands of dollars)

<table>
<thead>
<tr>
<th>Base (FY2015 Budget)</th>
<th>$ 92,124.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Salary and Cost Increases</td>
<td>1,916.4</td>
</tr>
<tr>
<td>Strategic Program Initiatives</td>
<td>1,811.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2016 Operating Budget Request</th>
<th>$ 95,851.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollar Change From Previous Year</td>
<td>3,727.4</td>
</tr>
<tr>
<td>Percent Change From Previous Year</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Salary and Cost Increases

The request includes salary increases so that employee salaries remain competitive with market rates. The requests are summarized in Table 3 and include an estimated general salary increase of $1.5 million, or 2.0 percent. Because each of the University's five collective bargaining agreements expires at the end of fiscal year 2014, the exact salary increase requirement is unknown. The estimate of 2.0 percent increase is based on historical levels. Each 1.0 percent salary increase costs approximately $740,000.

Non-salary cost increases reflect a 2.4 percent increase in funding for utilities, library books and materials, and all other operating costs, an estimate based on the Consumer Price Index.
Table 3
FY2016 OPERATING BUDGET REQUEST
SALARY AND COST INCREASES

<table>
<thead>
<tr>
<th>(in thousands of dollars)</th>
<th>FY2015 Base</th>
<th>FY2016 Increase</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation Increases</td>
<td>$ 72,675.8</td>
<td>$ 1,453.5</td>
<td>2.0%</td>
<td></td>
</tr>
<tr>
<td>Social Security/Medicare</td>
<td>985.0</td>
<td>19.7</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>2,250.1</td>
<td>54.0</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Natural Gas/Propane</td>
<td>409.9</td>
<td>9.8</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Water/Sewer</td>
<td>144.0</td>
<td>3.5</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,804.0</td>
<td>67.3</td>
<td>2.4%</td>
<td></td>
</tr>
<tr>
<td>Library Books and Materials</td>
<td>1,082.1</td>
<td>26.0</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>All Other Operating Costs</td>
<td>14,577.2</td>
<td>349.9</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 92,124.0</td>
<td>$ 1,916.4</td>
<td>2.1%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Other operating costs include such items as maintenance and service contracts, equipment for instructional and support programs, and general supplies.

Strategic Planning Initiatives – Integrating Strategic Planning Into Budget Development

The budget recommendations presented to the Board include the recommendations and priorities identified by the UPBC. Over the past several months, the vice presidents have been meeting with the UPBC to outline the strategic priorities for their areas and to outline their proposed work plan for meeting those priorities. The UPBC then reviewed, discussed, and adopted selected priorities based on the recommendations of its representatives. Funds to support some of those recommendations are included in this fiscal year 2016 budget request.

These requests represent the most important University initiatives and total $1.8 million. Below is an overview of the strategic planning initiatives included in the fiscal year 2016 request.
Tuition and Fees

The timing of the formal request for the approval of tuition and fee rates is a compromise between early adoption, that allows students and their parents to better plan for college costs, and later adoption, that allows the University to consider available state funding in determining tuition rates.

In February 2014, the Northeastern Board of Trustees adopted tuition and fee rates for fiscal year 2015, the academic year beginning in the fall of 2014. At this September 2014 meeting, the Board will receive a preliminary report on tuition and fee rates for fiscal year 2016 that will facilitate a discussion with student government and the University community. A set of tuition and fee recommendations for fiscal year 2016 will be brought to the Board for action at the November 2014 meeting.

Capital Improvements

Table 5 summarizes capital improvement requests for fiscal year 2016. Requested capital projects total $179.1 million. These include $166.3 million in Regular Capital projects and $12.8 million in Capital Renewal projects. The requests also include a priority number for each project, as requested by the Illinois Board of Higher Education.

Table 4
FISCAL YEAR 2016
STRATEGIC PLANNING INITIATIVES ENDORSED BY THE UPBC

<table>
<thead>
<tr>
<th>Category</th>
<th>Request</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ensuring Student Success</strong></td>
<td>$36,000</td>
</tr>
<tr>
<td>Hire a full-time admissions recruiter to grow undergraduate enrollment</td>
<td>36,000</td>
</tr>
<tr>
<td><strong>Exemplary Faculty and Staff</strong></td>
<td>$275,000</td>
</tr>
<tr>
<td>Add five new tenure-track faculty lines per year for next five years</td>
<td>275,000</td>
</tr>
<tr>
<td><strong>Enhance University Operations</strong></td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Initiate remodeling of the Ronald William library based on the highest priorities</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Restore maintenance of facilities to adequate levels</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>TOTAL PROGRAM REQUESTS</strong></td>
<td>$1,811,000</td>
</tr>
</tbody>
</table>

Tuition and Fees

The timing of the formal request for the approval of tuition and fee rates is a compromise between early adoption, that allows students and their parents to better plan for college costs, and later adoption, that allows the University to consider available state funding in determining tuition rates.
Table 5
FISCAL YEAR 2016 REQUEST CAPITAL APPROPRIATIONS

(in thousands of dollars) Priority Cost

REGULAR CAPITAL PROJECTS
Carruthers Center for Inner City Studies Renovation 1 $18,206.5
Education Building, Equipment 2 8,972.2
Science Building, Planning 3 7,694.1
Science Building, Construction 4 96,448.2
Building F Performing Arts Remodel and Expansion 5 22,436.3
Lech Walesa Hall, Remodeling 6 12,543.7

CAPITAL RENEWAL PROJECTS
Electric Cable Replacements 1 1,718.4
Roof Replacements 2 4,034.8
Exterior Entrances and Walkways 3 4,731.5
Building D and E exterior Window Wall Replacement 4 2,352.3

TOTAL CAPITAL REQUESTS $179,138.0

Note: All projects reflect FY2016 Capital Development Board cost guidelines.

Requests for new construction projects are based on the fiscal year 2016 cost guidelines issued by the State of Illinois Capital Development Board (CDB). The Illinois Board of Higher Education and the Capital Development Board recognize the differences in construction costs among the various locales in Illinois, most notably Chicago. The two boards approved higher construction cost standards for certain areas of the state where labor and material costs are significantly greater than other areas of the state. As a result, Northeastern now has higher, but more accurate, cost figures for capital requests.

A brief description of each project follows.

A. REGULAR CAPITAL

2016–1 Carruthers Center for Inner City Studies Renovation $18,206,500
The Jacob C. Carruthers Center for Inner City Studies (CCICS) was established by Northeastern Illinois University in 1966 to improve the lives of inner city residents by offering undergraduate and graduate degree programs, as well as community service seminars and cultural events. As the area surrounding CCICS is undergoing a remarkable revitalization, so is the mission of the Center. Increasingly, the Center will become a focus for cooperative efforts between the University and Chicago inner city schools, expanding offerings in teacher preparation and development, administrator training and in-service programs, and student enrichment programs.
The University is requesting funds to remodel and upgrade interior spaces in response to programmatic changes that have occurred at the Center since the previous remodeling in 1972. In addition, there are building infrastructure upgrades included in this request to improve the efficiency and reliability of the building’s mechanical systems. There are also funds requested to address exterior roof and flashing repairs.

Teaching and office spaces on floors 3, 4, and 5 will be modernized with the latest classroom technology, and new finishes and furniture will be installed. The public events areas on the lower level and first floor will be refurbished and modernized to meet specific program criteria. The public events areas include a student lounge and large meeting room on the lower level, the lobby, meeting rooms, and miscellaneous spaces on the first floor. In addition, these spaces will be provided with state-of-the-art audiovisual presentation equipment and lighting, as dictated by program requirements.

The ceiling tiles in the corridors on all floors will be replaced and floor tiles will be replaced on the lower level and floors 4 and 5 (floor tile was replaced on all of the other floors in conjunction with previous floor repair work). Throughout the public corridors and washrooms on all floors, existing painted drywall surfaces will be replaced with more durable finishes and protective corners. Also, washroom fixtures, partitions, and toilets will be replaced.

The two 1972 boilers will be replaced (the original chillers and elevators were recently replaced), the main fan units will be replaced, new temperature controls will be provided, and a Building Automation System will be installed to more effectively monitor and operate the building heating, cooling, and lighting systems. The camera system will be replaced with a new central monitoring station.

Finally, on the exterior, work will consist of replacing the 9,000-square-foot roof and related flashings.

2016–2 Education Building, Equipment $8,972,200
This request is for funds to provide moveable equipment in the new Education Building. Equipment includes classroom and office furniture, computer laboratory equipment and furniture, and general equipment for the academic departments and support services.

2016–3 Science Building Planning $7,694,100
2016–4 Science Building Construction $96,448,200
This request is for planning funds through the preparation of bid documents and construction funds for a new Science Building. Construction of a new Science Building is necessary to address the continuing growth, success, and pressing needs of the University. This project will permit Northeastern Illinois University to meet the current and future needs for teaching laboratories, student and faculty research laboratories, classrooms, meeting and conference facilities, and office space.

The current Science Building was constructed in 1972. It is a three-story concrete frame building with a masonry veneer. The major laboratories and other teaching
spaces are located in the center of the building, with the offices located around the perimeter. Most of the offices are constructed in a unique double-decker fashion with a group of offices located a half story up and down from the main circulation corridor. These offices do not meet ADA accessibility requirements, and cannot be modified to do so. Since the building was constructed, science teaching technology has changed dramatically, and laboratory health and safety procedures and building code regulations have changed. The building has undergone only minor updating or renovation since it was constructed in 1972.

In 2004, the University initiated a planning effort to modernize the existing Science Building. The planning took approximately 15 months and was a collaborative effort between University administrators, science faculty, students, facilities management, and two architectural consultants, LCM and Burt, Hill. This process resulted in a plan to modernize the occupied Science Building in five phases over seven years.

Following completion of the report, the University reviewed and discussed the Science Building Modernization plan and determined that there were several factors that warranted a planning change; specifically, requesting a new science building rather than renovating the current building for science education.

First, the extensive phasing necessary to keep as many laboratories available as possible during all phases would be extraordinarily disruptive to the programs resident in the Science Building. Up to half of the labs in a given discipline would be undergoing modernization during each phase, so the phasing would require a reduction in scheduled classes and their associated labs. In order to continue to have sufficient general classrooms available to support a minimal science teaching program, portable temporary buildings would also have to be rented to house the classrooms and offices that would be displaced during each phase.

Second, this multi-phased modernization of the building and associated costs was estimated at the time to cost $42.2 million. The resulting modernized Science Building would not have any significant expansion, the labs would be half the size of the current recognized lab standard size, and the offices would still be inaccessible to persons with disabilities.

In addition, the University discussed as an alternative the construction of a new Laboratory Building near the current Science Building. This approach would provide new and larger laboratories, a somewhat shorter construction period, increased classroom space as the current labs in the Science Building would be converted to classrooms, and much less disruption of ongoing University programs. However, a new laboratory-only building would be separated from the faculty offices and classrooms, and the faculty offices in the current Science Building would still be handicapped inaccessible. A new laboratory building location would need to be constructed on limited land close to the present Science Building. Construction in this area would disrupt other campus long range plans and may not be the best use of limited real estate. At the time, it was estimated that a new laboratory building would cost $39.8 million.
After looking closely at remodeling the existing Science Building, and the alternative of a separate Laboratory Building, a completely new building with classrooms, teaching labs, research labs and offices was decided to be the most cost and time efficient way to provide a state-of-the-art science facility. This building would support not only current program requirements but would be flexible in meeting future programs in an environment much more conducive to learning. Planning for a new science building would cost an estimated $7.7 million and construction would cost an estimated $96.4 million.

The new Science Building, together with the new Education Building, will place Northeastern at the forefront of providing a first-class educational environment to support our students and faculty. Northeastern is requesting funding for a new Science Building to enhance its ability to educate new scientists, and also to contribute to the State of Illinois in the training of new teachers and in providing professional development opportunities to current teachers.

The proposed Science Building will be more than 200,000 GSF and will include general and specialized classrooms, as well as teaching and research laboratories for undergraduate and graduate students and faculty. The building will be LEEDS certified.

2016–5 Building F Performing Arts Renovation and Expansion $22,436,300
The Building F houses the University’s theatre program and the Stage Center Theatre. The building was constructed in 1961 and has not undergone any significant remodeling since that time. This project would renovate and expand the current space to provide the teaching and performance space needed to support the current and future needs of the Department of Communications, Media, and Theatre (CMT). In addition, the expansion aspect of the project would also provide space for the Ensemble Español Spanish Dance program in residence at the University.

The project includes a new 140 seat thrust stage theater, rehearsal and support space, CMT department offices, technical classrooms, scene and costume shops, storage, and a flexible black box theater capable of serving as a rehearsal space, TV studio, and performance space. The project also includes two rehearsal spaces for Ensemble Español, sound and video systems, costume and equipment storage, and dressing rooms.

2016–6 Lech Walesa Hall Remodeling (formerly Classroom Building) $12,543,700
This project is closely linked with the construction of the Education Building and will renew existing finishes, modernize HVAC and utility systems, replace fixed equipment, and remodel interior areas in response to programmatic changes in the Lech Walesa Hall since it was constructed in 1973. The project includes realigning administrative space throughout the building by consolidating various department offices. It also reconfigures the second-floor open computer laboratories, consolidates the University’s computer center and support offices, and adds student meeting and group spaces in support of a student-centered environment for our commuting students. The project also provides for replacing the perimeter heating and cooling units; modifying lighting, electrical, and data distribution systems to support remodeling; and renewing interior finishes and fixed equipment in classrooms, corridors, stairwells, and washrooms.
B. CAPITAL RENEWAL PROJECTS

2016–1CR Electric Cable Replacement, Phase 1 $1,718,371
This project replaces aluminum cable and outdated tap boxes throughout the campus, all installed in 1961. Phase 1 will complete preliminary design, develop an implementation plan and physically replace the highest priority systems.

The aluminum cable carrying 4160-volt current between all of eight main campus buildings will be replaced, and tap boxes between the buildings will also be replaced to meet current electrical code requirements. To completely replace the 4160-volt substations and cable, a portion of the work will require that the electrical system be shut down, necessitating execution during closed hours.

2016–2CR Campus Roof Replacements $4,034,844
This project renews the building envelope and roof integrity, and protects interior spaces for four University buildings. The PE Complex was built in 1988, and underwent a partial roof replacement in 2008. The south portion of the PE Complex roof is scheduled to be done during the summer of 2014; this request is for the remainder of the roof. Building E (built in 1987), Lech Walesa Hall (1989), and Bernard Brommel Hall (1990), would all have roof replacement and associated work such as flashing and coping. The PE Complex and Brommel Hall also require masonry repairs to prevent moisture penetration.

All buildings are experiencing an increase in roof leaks and moisture penetration through exterior walls. They are also exhibiting severe signs of distress. The university is proposing extensive repairs and renovations to address these concerns.

2016–3CR Entrances and Walkway Repairs $4,731,500
This request is to fund the renewal and address the deferred maintenance of entrances and walkways throughout the campus. The project will repair concrete walks by eliminating tripping hazards; repairing cracked, broken and deteriorated concrete sections and surfaces; and replacing waterproofing membranes. In addition, ADA improvements will be addressed and the entrance to Building E and to the Sachs Administration Buildings will be rebuilt. Work entails removal and replacement of existing concrete walkways, masonry walls, curbs, and steps.

2016–4CR Buildings D and E Exterior Window Wall Replacement $2,352,300
This project replaces 1,800 linear feet of the original window wall in Buildings D and E and adjacent enclosed cross corridors. These buildings are two of the original campus buildings constructed in 1961. The existing window wall is floor-to-ceiling single-glazed clear glass with sliding glass windows between mullions. Replacement of the window wall will significantly reduce energy costs.

The existing floor-to-ceiling window wall will be removed and replaced with a new window wall with a thermal break frame with operable windows, and a combination of low - E reflective glass and insulated panels. This work includes a total of 16,200 square feet of window wall around Buildings D and E and adjacent cross corridors to Buildings CBM, B, and F.
I. C. ACTION ITEM: MEDIA AGGREGATOR SERVICES

Introduction
Recognizing that the competitive landscape for higher education is becoming more sophisticated and that differentiation is critical, the University is seeking to elicit the professional services of a media aggregator. A media aggregator’s primary functions are as follows:

- to provide media buying services for multiple media campaigns
- to consult and recommend marketing strategies
- to capture data and metrics related to return on investment
- to allow the University to gain additional advertising through bulk purchasing

Recently, the University issued an RFP for the acquisition of a media aggregator. Significant effort was taken to ensure the representation of minority and women owned businesses. The proposals were reviewed by a committee composed of the Provost, Dr. Richard Helldobler, the Vice President for Institutional Advancement, Melba Rodriguez, the Director of Marketing, Mark LaCien, and the Creative Director, Matt Byerly. Through a collaborative process, the Committee determined that the company that will best serve the needs of the University is Carnegie Communications.

In order to engage the services of the media aggregator, we must indicate an estimate of the funds that we will provide for the purchase of advertising. It is understood that the estimate is a range and not a commitment of a specific amount. The contract with the media aggregator is for one-year with the opportunity for renewals up to five years.

Approval is requested for the following resolution: Be it resolved that the Board of Trustees of Northeastern Illinois University delegates to the University President the authority to approve the selection of Carnegie Communications, who will manage the purchasing of advertising for the University in an amount not to exceed $1,000,000 per fiscal year. The University will report to the Board the actual amounts spent on advertising by campaign with the aggregator within a fiscal year.
I. D. ACTION ITEM: EXPENDITURE RECOMMENDATIONS FOR PURCHASES OF $100,000 OR MORE — ROOFING PROJECTS BEING MANAGED BY THE ILLINOIS CAPITAL DEVELOPMENT BOARD

The University requested appropriations in 2010 from the State of Illinois Capital Development Board (CDB) for multiple roofing projects. A total of $1,726,500 was approved by the CDB in 2012. The Library, Building H, and Physical Education Complex are the buildings with the most urgent needs selected for this major maintenance. Not all the original request was approved, and the request could not account for price inflation and further deterioration of roofing and related masonry since.

ITEM DESCRIPTION:

These projects are under the direction of the CDB, which therefore controls the majority funding of $1,726,500, selects the contractor(s), and sets the construction schedule.

The Library Roof Project is proceeding with construction work, expected to be completed by November. The Library was built in 1977 and its original roof was replaced in 1994. This project will replace the twenty-year-old roof and repair masonry in the roof area.

The Physical Education Complex project is for the south section only, will likely begin in September with completion in November. This Complex and the current roof system were constructed in 1988. This project replaces the original roof and repairs related masonry.

The Building H Roof and Façade Project construction work will likely begin in September and be completed in spring of 2015. Building H houses the Central Plant and Facilities Management staff. It was partially built in 1961 and completed in 1972. The current roof system was installed as part of a complete roof replacement in 1988. This project will replace the twenty-six-year-old roof and provide repairs for contiguous masonry.

PROJECT COST:

Board approval is requested for spending authority to supplement CDB funding for the general contractor(s) for these projects, in order that the work may begin (and possibly finish) prior to the November Board meeting.

$120,000 (Library roofing project, University portion)
$80,000 (Physical Education roofing project, University portion)
Estimated $300,000-$400,000 (Building H roofing project, University portion)

SOURCE OF FUNDS:
General University, Contractual Services

VENDOR(S):
Determined by, and contracted by the Capital Development Board
I. E. ACTION ITEM: USE OF SEARCH FIRM TO FILL VACANT TECHNOLOGY SERVICES POSITIONS

The Hiring of External Search Firm(s) policy adopted by the Board of Trustees of Northeastern Illinois University requires that the hiring of an external search firm be brought before the Board for approval, when the nature and scope of hiring requires a level of professional search experience exceeding that available internally within the University. This report provides background for the Board of Trustees and requests that the Board approve the hiring of an external search firm to assist in employing qualified individuals for two specific positions that need to be filled.

Background

The Office of Enterprise Resource Planning (ERP) Integrated Applications, within Northeastern's Office of University Technology Services (UTS) is responsible for implementing and maintaining the Ellucian Banner ERP suite of applications which support student, finance, human resources, financial aid, and enterprise portal functions of the University. In addition, that office supports a diverse environment of applications and database technologies.

The office currently has two vacant positions. The first position is Senior Data Base Administrator (DBA). The Senior DBA acts as the Oracle database administrator for the Ellucian Banner ERP suite of applications, and all related integrated components. This position is responsible for:

a) Leading the development and implementation teams for the Banner database, operational data store, and enterprise data warehouse databases;

b) Providing high-level expertise and advice on all database management systems for the University;

c) Developing and implementing processes/procedures necessary to maintain the databases and the schemas used by UTS staff;

d) Providing leadership to lower-level staff and mentoring to increase their skill set. Coordinates database-related tasks for complex projects;

e) Managing the configuration and performance tuning of Oracle Database Management System (DBMS); and

f) Oracle database and Oracle Fusion Middleware (OFM) updates, performance, and backups.

The second position is a Programmer/Analyst. The Programmer/Analyst works as a team member, supporting the University's Ellucian Banner ERP suite of applications through implementation, enhancement, integration, and reporting activities. In addition, this position would participate in, and/or lead other application/development projects.

The Director of ERP Integrated Applications and the Office of Human Resources have been unable to fill these two positions through the traditional methods of both internal and external searches for over a year. The number of candidates secured for interviews through traditional search methods was minimal; the Programmer/Analyst search process produced only a single, internal candidate, who rejected our offer. If an outside agency, or recruiter, is unable to be used, these positions will likely remain vacant for many more months, though we continue our active search.
Without qualified individuals in these positions, the University is at risk of a catastrophic Banner (ERP) failure, which could result in an expensive and long process to remedy and severely reduce our capacity to implement new functionality. Recently the University experienced problems with our reporting system, Cognos that took nearly two weeks to resolve. This delay was attributable, in part, to UTS not being fully staffed.

In addition, the University has many critical projects that need internal support, rather than extensive and costly reliance on outside consultants. These projects include:

- Constituent Relationship Management (CRM) software implementation
- Disaster Recovery
- Banner XE upgrade
- Patches / upgrades
- Day-to-day and ongoing support

The recruiters that we are considering specialize in placing candidates with a background in Higher Education and with experience in the Ellucian Banner suite of applications. As such, those recruiters have the ability to prescreen a larger pool of candidates, and narrow the prospects to those who match the University’s qualifications and salary requirements.

**ITEM DESCRIPTION:**

Approval is requested to utilize an outside firm to assist Northeastern in filling these two critical UTS positions.
I. F. ACTION ITEM: EXPENDITURE RECOMMENDATIONS FOR PURCHASES OF $100,000 OR MORE – CONTRACT WITH JANITORIAL SERVICE STATE USE VENDOR

ITEM DESCRIPTION:

Background
Northeastern Illinois University (“University”) has constructed a new El Centro Campus located at 3390 North Avondale (new three-story building) and is renovating an existing one-story building located at 3410 North Avondale in Chicago, Illinois. Both buildings will require janitorial services. The janitorial service provider’s primary functions include, but are not limited to supervision, labor, tools, equipment, cleaning products and incidentals to keep designated areas in a clean and sanitary condition at all times.

In an effort to support the State of Illinois’ Business Enterprise Program for Minorities, Females and Persons with Disabilities (“BEP Program”), the University negotiated a janitorial services procurement opportunity with a State Use vendor in lieu of issuing an Invitation for Bid. The Illinois Procurement Code and administrative rules permit State Universities to purchase from qualified State Use vendors without advertising or calling for bids.

State Use Program
The State of Illinois Central Management Services is responsible for managing the State Use Program and employs regional coordinators who carefully match State agencies and universities requirements with Sheltered Workshop facility capabilities.

Sheltered workshops provide employment opportunities to persons with severe disabilities working in qualified not-for-profit Community Rehabilitation Facilities. These sheltered workshops are commonly referred to as State Use vendors. Workers learn valuable job skills and earn a pay check while providing the University with high quality goods and services at fair market prices.

The University contacted the regional coordinator of the Illinois State Use Program and reviewed the janitorial scope of service. Upon reviewing the scope of service and the capabilities of various State Use vendors, the regional coordinator matched the University with Ada S. McKinley Community Services (“Ada S. McKinley”). Ada S. McKinley is currently providing janitorial services at the Dirksen U.S. Federal Building and Courthouse, and the Great Lakes Naval Base, among other facilities.

The University issued a Request For Quote from Ada S. McKinley, conducted a walkthrough of the two buildings and negotiated pricing. This contract will provide employment and training for five individuals with disabilities. Three will be full-time and two will be part-time staff on a regular basis. The estimated start date is September 20, 2014.
Board approval is requested for expenditures related to the El Centro janitorial services contractor.

**CONTRACT COST:**
- Base cost for FY15 (10 months of service): $101,693.20
- Additional Funds, if needed: $10,000.00
- TOTAL COST: $111,693.20

1\textsuperscript{st} year renewal for FY16 (12 months of service): $130,612.36
2\textsuperscript{nd} year renewal for FY17 (12 months of service): $130,612.36
3\textsuperscript{rd} year renewal for FY18 (12 months of service): $127,597.05

**SOURCE OF FUNDS:**
General University Contractual Services

**RECOMMENDED VENDOR:**
Ada S. McKinley Community Services
1359 West Washington Boulevard
Chicago, Illinois 60607
I. G. ACTION ITEM: EXPENDITURE RECOMMENDATIONS FOR PURCHASES OF $100,000 OR MORE – SNOW REMOVAL SERVICE

ITEM DESCRIPTION:
Northeastern Illinois University contracts with a firm to provide snow removal services for parking and drive areas during major snow accumulations. Last winter, our snow removal expense approached $200,000 for the first time, while in the previous few years it had not exceeded $100,000. This year, we will have the additional snow removal expense at the new El Centro campus.

Anticipating that the contract could approach $200,000 due to a possible heavy snow season and the addition of the new El Centro site, approval is being requested to that level. Itemization of any further expenditure will be brought as a subsequent board item.

PROJECT COST:
$200,000

SOURCE OF FUNDS:
Parking Fee

RECOMMENDED VENDOR:
Snow Systems, Inc.
600 N. Wolf Rd.
Wheeling, IL 360090-3030

SUMMARY OF SUBMITTAL PROPOSALS:
Snow Systems, Inc.
600 N. Wolf Rd.
Wheeling, IL 360090-3030
II. A. INFORMATION ITEM: NEW FACULTY INFORMATION

Elyse A. Bolterstein, Assistant Professor, Biology
Dr. Bolterstein earned her Ph.D. from the University of Wisconsin-Madison, where she studied toxicology and stem cell biology. She then completed a postdoc at Tufts University, where she investigated genes important in DNA repair and aging using Drosophila as a model system. Her primary research interest focuses on the effect of DNA damage on the stem cell niche in Drosophila. In her free time, she enjoys hiking, biking and other outdoor activities.

Andrew W. Brake, Assistant Professor, Social Work
Dr. Brake’s research broadly examines social and academic supports in urban, public high schools, with a particular interest on the role of trust and relationship-building in teaching and social work practice. He earned his M.S.W. and Ph.D. in social work from the University of Chicago. Brake’s doctoral dissertation examined the development of ninth-grade teacher-student relationships in one neighborhood public high school in Chicago. Brake has more than 12 years of experience working for some of Chicago’s leading youth development and leadership organizations, including the Posse Foundation and Youth Guidance.

Nadja Insel, Assistant Professor, Earth Science
Dr. Insel’s research investigates the interactions between tectonics, climate and Earth surface processes. She is particularly interested in understanding the mechanisms that link mountain surface uplift and regional climate, and the role of climate variability in shaping landscapes. Insel grew up in Germany and moved to the United States in 2005 to pursue a Ph.D. in geology from the University of Michigan. In 2011, she moved to Chicago to begin a postdoc at the University of Chicago.

Jimin Kahng, Assistant Professor, Teaching English as a Second/Foreign Language
Dr. Kahng earned her Ph.D. in second language studies from Michigan State University, where she investigated the production and perception of English language learners’ fluency by examining relationships between cognitive, utterance and perceived fluency. Her teaching and research interests include second language acquisition and education, fluency development and speech perception and production.

Richard Kilpatrick, Assistant Professor, Accounting, Business Law and Finance
Mr. Kilpatrick’s research focuses on maritime, intermodal transportation and international trade law. He earned his J.D. from Tulane University and is a licensed attorney in Illinois. He previously practiced law at a Chicago firm where he represented corporate clients in a variety of commercial litigation matters. Originally from LaGrange, Ga., Kilpatrick enjoys traveling, fly-fishing, and watching, playing and coaching soccer.

Eun Hye Kwon, Assistant Professor, Health, Physical Education, Recreation and Athletics
Ms. Kwon earned her bachelor’s and master’s degrees in physical education pedagogy and dance at South Korea’s Seoul National University and studied adapted physical education at the University of Virginia. Most of her teaching experiences are related to
physical education and adapted physical education in kindergarten through 12th grade. Kwon’s research interests include online education, remote supervising and teacher education. She enjoys volunteering with the Special Olympics.

**Ting Liu, Assistant Professor, Geography**

Ms. Liu’s teaching interests are centered on the methods and applications of geographic information systems and remote sensing. Her long-term research goals are with the development of theories and technologies to support geographic inquiries into urban and environmental domains. Liu earned her Ph.D. in geography from Florida State University. Her research focused on urban land change analysis and modeling through integrating various geographic information technologies.

**Dilek Yunlu, Assistant Professor, Management and Marketing**

Dr. Yunlu’s research focuses on expatriates and individual creativity within organizations. She earned her Ph.D. in organizational behavior and strategic management from the University of Wisconsin-Milwaukee. She holds an M.B.A. in international business from DePaul University and a B.S. in marketing from DePaul University. Prior to her academic career, Yunlu was a consultant for PricewaterhouseCoopers and later IBM, working with Fortune 500 companies in locations such as China, Malaysia and Germany.

**Kaija L. Zusevics, Assistant Professor, Health, Physical Education, Recreation and Athletics**

Dr. Zusevics’ research interests include ascertaining the education needs and capacities of various populations, including public health professionals and underserved communities, about genomics and its relationship to community. She earned her Ph.D. in public and community health at the Medical College of Wisconsin with a focus on education as a social determinant of health. Specifically, her doctoral research examined levels of hope and student engagement among urban students of color.
II. B. INFORMATION ITEM: PRELIMINARY FY2016 TUITION AND FEE RECOMMENDATIONS

Annually, the Board of Trustees of Northeastern Illinois University sets tuition and fee rates for the next academic year. At its February 2014 meeting, the Board adopted tuition and fee rates for fiscal year 2015 that reflected a 5.9 percent increase for new students, 7.0 percent increase for graduate students, and 9.2 percent increase for post 6-year students. All fees remained at the FY2014 levels.

As part of the tuition and fee setting process, the Board begins the discussion of tuition and fee rates for the next academic year (FY2016), traditionally at the November meeting. This year, in an effort to give potential students true costs for their education and to plan better and commit to Northeastern sooner, the discussion surrounding tuition and fee setting begins with this information item. At the November 2014 meeting, the Board will be asked to adopt tuition and fee rates for fiscal year 2016.

One of the major challenges in setting tuition rates is identifying the University’s spending requirements and finding the appropriate balance between available State funding, expected tuition revenue, and the spending levels needed to balance the budget. This report provides an early indication of expected FY2016 spending requirements and various assumptions for possible State funding, student enrollments, and tuition rates. The scenarios are presented to assist in the Board’s discussion for setting FY2016 tuition rates.

Budget Needs and Priorities

The University’s general operating budget includes two sources of revenue – state general funds appropriations and tuition revenue. In FY2015, the student tuition revenues total 59 percent of the budget and the state appropriation supports the remaining 41 percent. As state funding has decreased and student contributions have increased, these percentages are reversed from a decade ago.

State Appropriation

Because the state appropriation is one of the two major revenue sources supporting the operating budget, it is one of the primary considerations in setting tuition rates. As shown in the following chart, state funding for the University over the past 10 years has been trending downward.
For the past three fiscal years (FY2013 – FY2015), the state appropriation to Northeastern has held relatively flat at $37.8 million. This follows a 6.0 percent decrease from the FY2012 appropriation of $40.2 million. Each year, the University faces much uncertainty relative to the level of State support in the upcoming fiscal year, and the actual appropriation is made final only when the Governor signs the legislation, usually in June, the month preceding the start of the fiscal year. Early indications for FY2016 are that the State budgetary pressures temporarily addressed in FY2015 will continue, including balancing state operations against resources impacted by the expiration of the increased income tax rates, and addressing the underfunded pension system.

The University will continue to work closely with the Illinois Board of Higher Education (IBHE) to monitor the State’s outlook. However, a cut to higher education funding, and/or a shift of employer pension costs, is possible and is considered in this outlook.
Tuition Revenues

As stated above, in FY2015, tuition revenues accounted for 59 percent of the total general operating unrestricted budget, with the share increasing each year as state support declines and the University becomes more dependent on student support. Tuition revenue is driven both by enrollment levels and price per credit hour. In the past three fiscal years, the University has realized a decline in credit hour enrollment. The FY2015 budget anticipates that enrollments will again decline by 3.1 percent overall.

The University continues to proactively address these enrollment declines by concentrating efforts on student recruitment, retention and enrollment management initiatives. Previous efforts that continue to be implemented include the Customer Relationship Management (CRM) system which allows University recruiters to personalize recruitment efforts in a systematic approach; two additional Transfer Enrollment Specialists, as recommended by the University Planning and Budget Council, to enhance the University’s recruitment of and services provided to transfer students; and additional marketing funds earmarked to awareness and course registration at the new El Centro facility.

In addition to these efforts, which are reflected in the FY2015 budget, the Provost, through fiscal year-end 2014 savings, funded a summer marketing effort that was specifically aimed at increasing brand awareness and enrollment. Additionally, two temporary recruiters were hired, additional contact purchases were made from ACT to increase the prospect pool, direct mail campaigns were launched to students who stopped out with the goal of re-enrolling, and an external calling service was contracted to increase the number of complete applications. Finally, there has been enhanced coordination between Academic Affairs and Student Affairs in communication flow to new students, which increased the attendance rates at summer orientation.

The other driver of tuition revenues – revenue per credit hour – varies among the cohorts of students. Increases in tuition revenue are only realized from students who are not covered by the mandated tuition guarantee program. Of the $54.4 million in anticipated FY2015 tuition revenues, $30.1 million, or 55 percent, will come from students included in the tuition guarantee program. Their tuition rates are set and are not subject to any increase. The remaining $24.3 million, or 45 percent of tuition revenue, is tuition revenue generated by new, graduate, and post 6-year students. This is the base to which any tuition rate increases can be applied.
In terms of estimated credit hours, for FY2016, the tuition rates for over 56 percent of the anticipated credit hours are set through the tuition guarantee program and will not change.
FY2016 Budget Requirements

As outlined in the FY2016 initial budget request report, budget requests for salary increases in FY2016 total $1.5 million. Another $0.4 million is requested for non-personal services cost increases based on the Consumer Price Index. Finally, the request includes an allowance for the University Planning and Budget Council (UPBC) identified $1.8 million in strategic programming initiatives. In total, the incremental resources requested in FY2016 are $3.7 million. These requests will be made to the Illinois Board of Higher Education for its consideration and recommendation to the Governor and General Assembly. Over the course of the next few months, the University will continue to refine projected budget requirements for FY2016.

The projected FY2016 spending requirements are as follows:

- Base Expenses (from FY2015) $92,124.0
- 2.0% Projected Compensation Increases $1,473.2
- 2.4% Utility increases 67.3
- 2.4% Library Books and Materials 26.0
- 2.4% All other Operating Costs 349.9
- 2.4% Strategic Program initiatives 1,811.0

**FY2016 Incremental requirements** 3,727.4

Initial FY2016 Budget Requirements $95,851.4

FY2016 Projected Incremental Resources

Using varying projections for tuition revenues and state support, available incremental resources anticipated for FY2016 range from a high of $1.9 million in *increased* revenue (based on a 3 percent enrollment increase and level state funding) to a low of $3.3 million *decrease* in available revenue (based on a 3 percent enrollment decrease and a 5 percent decrease in state funding). The University’s latest known enrollment trend, fall 2014, is 6-7 percent below the previous year. The following chart lists the estimated FY2016 incremental resources based on varying enrollment and state support levels. These estimates do not include any increase in tuition rates.
Table 1
FY2016 Projected Incremental Resources
(Based on Current Tuition Rates for FY2015)
($ in thousands)

<table>
<thead>
<tr>
<th>Enrollment Level Changes</th>
<th>-3% / ($1,394)</th>
<th>Level / $247</th>
<th>3% / $1,882</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level ($0)</td>
<td>($1,394)</td>
<td>$247</td>
<td>$1,882</td>
</tr>
<tr>
<td>-5% ($1,887)</td>
<td>($3,281)</td>
<td>($1,640)</td>
<td>($5)</td>
</tr>
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</table>

Preliminary Budget Shortfall for FY2016 (prior to any tuition increase)

Considering the estimated FY2016 spending requirements of $3.7 million identified and the incremental revenue projections provided in Table 1 (prior to any tuition increase) the estimated revenue shortfalls are identified below in Table 2. For example, given the incremental spending requirements of $3.7 million and a decrease in incremental revenue based on level state funding and a 3 percent enrollment decrease (-$1.394 million per Table 1), the projected corresponding shortfall would be $5.121 million.

Given the estimated budget requirements and the six incremental revenue assumptions from Table 1, the estimated revenue shortfalls for FY2016 are shown below. The revenue shortfalls range from $1.8 million to $7.0 million – before considering any tuition increase.

Table 2
FY2016 Estimated Revenue Shortfalls
Based on $3.7 million in new spending, state funding and enrollment assumptions, and no tuition increase
($ in thousands)

<table>
<thead>
<tr>
<th>Enrollments</th>
<th>-3.0%</th>
<th>Level</th>
<th>3.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Level</td>
<td>($5,121.3)</td>
<td>($3,480.3)</td>
<td>($1,845.3)</td>
</tr>
<tr>
<td>-5.0%</td>
<td>($7,008.4)</td>
<td>($5,367.4)</td>
<td>($3,732.4)</td>
</tr>
</tbody>
</table>
Discussion of Tuition Rates in Budget Planning

The following Table 3 presents several scenarios with various state funding and tuition/enrollment assumptions. In each scenario, the spending requirements and needed incremental revenues stay the same – funding $1.5 million for salary increases, $0.4 million for non-personal services increase and $1.8 million for UPBC recommended strategic initiatives. For example, the first line indicates that to fund the needed $3.7 million in budget requirements, and given level state funding and a 3 percent enrollment increase generating $1.9 million in new revenue, a tuition increase of 7.7 percent would be needed to balance the budget without spending cuts. The second line indicates that, with level state funding and enrollments, a 14.5 percent tuition increase would be needed in order to balance the budget.

Table 3
Required Tuition Increase to Meet Budget Shortfall
Assuming New Spending Requirements of $3.7 million
($’s in thousands)

With Level State Funding

<table>
<thead>
<tr>
<th>Levels</th>
<th>Enrollments Incremental Revenues</th>
<th>Shortfall (New Requirements less Incremental Revenues)</th>
<th>Required Tuition Increase to Fund Shortfall</th>
<th>New Student Tuition Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td>$1,882.1</td>
<td>($1,845.3)</td>
<td>7.7%</td>
<td>$327.43</td>
</tr>
<tr>
<td>Level</td>
<td>$247.1</td>
<td>($3,480.3)</td>
<td>14.5%</td>
<td>$348.19</td>
</tr>
<tr>
<td>-3%</td>
<td>($1,393.9)</td>
<td>($5,121.3)</td>
<td>21.4%</td>
<td>$369.03</td>
</tr>
</tbody>
</table>

With a 5% Decrease in State Funding ($1.9 million)

<table>
<thead>
<tr>
<th>Levels</th>
<th>Enrollments Incremental Revenues</th>
<th>Shortfall (New Requirements less Incremental Revenues)</th>
<th>Required Tuition Increase to Fund Shortfall</th>
<th>New Student Tuition Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td>($5.0)</td>
<td>($3,732.4)</td>
<td>15.6%</td>
<td>$351.40</td>
</tr>
<tr>
<td>Level</td>
<td>($1,640.0)</td>
<td>($5,367.4)</td>
<td>22.4%</td>
<td>$372.16</td>
</tr>
<tr>
<td>-3%</td>
<td>($3,281.0)</td>
<td>($7,008.4)</td>
<td>29.3%</td>
<td>$393.00</td>
</tr>
</tbody>
</table>
Discussion

The data provided above are intended to provide a framework for the Board’s discussion of tuition rate increases. There are many variables that must be considered, one of the most significant being the continuing decline in state funding and related budget uncertainties. In the current year, the University implemented budget reductions of 4.7 percent to balance the budget. Any further operating budget reductions will require more adjustments to staffing levels, programs, and support services. In addition, given the magnitude of most of the conservative and likely scenarios, that include state funding cuts and enrollment declines, many of the planned recruitment and retention activities would be jeopardized.

Student Fees

Student fees are as listed in the table below. Last year, there were no increases in student fees. For FY2016, there may be nominal increases in two or three of the student fees. Any such proposal will be presented at the October Finance Committee meeting. Additionally, the parking fee may be decreased by about one dollar, and that decrease offset by a new campus improvement fee of an equal amount. The latter fee, already used by five of the Illinois public universities, will be used to support long-term investment in capital facilities and technology infrastructure.

Table 4
FY2015 Schedule of Student Fees

<table>
<thead>
<tr>
<th>Fee amount</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Credit Hour</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>$ 5.00</td>
</tr>
<tr>
<td>Campus Recreation</td>
<td>3.60</td>
</tr>
<tr>
<td>Student Health Services</td>
<td>1.70</td>
</tr>
<tr>
<td>Academic Enhancement</td>
<td>7.50</td>
</tr>
<tr>
<td>Student Union</td>
<td>6.75</td>
</tr>
<tr>
<td>Computer/Technology</td>
<td>16.75</td>
</tr>
<tr>
<td>Performing Arts</td>
<td>0.80</td>
</tr>
<tr>
<td>Parking (waivable)</td>
<td>12.50</td>
</tr>
<tr>
<td></td>
<td>$ 54.60</td>
</tr>
<tr>
<td>Per Semester</td>
<td></td>
</tr>
<tr>
<td>Green Fee</td>
<td>$ 3.00</td>
</tr>
<tr>
<td>UPASS</td>
<td>128.00</td>
</tr>
<tr>
<td>Student Health Ins / per semester (waivable)</td>
<td>794.50</td>
</tr>
<tr>
<td></td>
<td>$ 925.50</td>
</tr>
</tbody>
</table>
Additional Considerations

The Enrollment Planning Council has recommended that beginning in fall semester 2015, all new students from neighboring states be assessed in-state tuition rates. Students will qualify if they reside in Indiana, Wisconsin, Michigan, Iowa, Kentucky or Missouri.

Further, students who are actively serving in the United States Armed Forces or have been honorably discharged from the United States Armed Forces, regardless of residency status, will qualify for in-state tuition rates.

Following Board discussion of tuition and fees at the September meeting, University staff will discuss tuition and fee issues and proposals with the Student Government Association, and prepare additional materials for the Finance Committee meeting on October 20, 2014. Recommendations for approval will be brought to the Board at its November meeting.
II. C. INFORMATION ITEM: STRATEGIC PLANNING:

FY2014 WORKPLAN RESULTS AND FY2015 WORKPLAN

Northeastern Illinois University’s Strategic Plan includes Six Strategic Goals with broad Action Steps for each. As we implement the Plan, we annually select specific activities under each Goal for our University-wide focus. We have provided the results for the activities for FY2014 and have chosen the activities for FY2015. In addition to these items, other activities have been implemented across all units of our campuses. Activities are numbered to correspond to Action Steps within the Strategic Goals.
II. D. INFORMATION ITEM: DOCTORAL PROGRAM IN SPECIAL EDUCATION
(Ed.D.)

Introduction
The Dean of the College of Education, the Dean of the College of Graduate Studies and Research, and the faculty of the Department of Special Education (SPED) hereby submit this overview of a potential Ed.D. in Special Education (SPED Ed.D.) for the Board of Trustees of Northeastern Illinois University (NEIU) to consider for the development of the first doctoral-level degree program at NEIU.

The choice of a SPED Ed.D. and the proposed specific curricular offerings for that program emerged from a series of concerted efforts to explore current strengths at NEIU that could be developed into a robust first doctoral offering at NEIU. After an analysis of departments in the College of Education that could provide a firm base for the academic credentials and research breadth and currency required to educate and mentor at the doctoral level, an outside consultant was hired to evaluate the potential for a doctoral program in the Department of Special Education. Dr. Lyndal Bullock, Regents Professor of Special Education at the University of North Texas, Denton, was hired to perform this analysis. Dr. Bullock, who has over 30 years of experience mentoring SPED doctoral candidates, concluded that SPED could develop an exemplary doctoral program with a moderate investment of additional resources and faculty lines. SPED faculty discussions and a “needs and demands analysis” performed by the SPED Department Chair advanced this process by defining the potential market for a SPED doctoral program and providing research supporting its viability. Finally, a committee comprised of 3 SPED faculty members designed a thoughtful curriculum based on the analysis of comparable programs offered by other Illinois institutions of higher education and NEIU’s unique mission. The result of this process is this overview of a potential Ed.D. in Special Education.

Degree Program Title and Overview
The SPED Ed.D. is a 60 credit hour program of advanced study in special and/or gifted education. The program is designed for applicants with a master’s degree in special education (or in a related field with at least 15 hours of special education coursework) and who have at least three years’ full-time professional experience as special education teachers, school counselors, speech/language pathologists, school psychologists, or school social workers. Applicants must have a competitive GRE score and will be required to interview with program faculty, in addition to meeting the standard requirements for admission to graduate status at NEIU. Graduates will be prepared for either an academic career in higher education or non-academic careers, such as special education school administrators, public and private agency/organization directors, special education policy specialists or program developers, or special education consultants and advocates. This cohort-based program can be completed in four calendar years on a part-time basis, with opportunities for accelerated completion. Graduates of the program will demonstrate: (1) the ability to conduct original research; (2) the ability to express in-depth knowledge of special education; and (3) specialized skills and knowledge in an individualized concentration area via a 5-course elective series.
Enrollment and Degree Projections
The program is projected to enroll 8 part-time students per year drawn primarily from the local workforce. Therefore, we anticipate an equilibrium enrollment of 28-30 students with roughly 5-6 degrees conferred each year beginning by Year 4 (completion of Cohort 1).

Background
SPED has consistently offered graduate-level teacher preparation for individuals seeking initial teaching licensure in special education. The Master of Arts (MA) Learning Behavior Specialist I (LBS I) Program has graduated candidates with both state teaching credentials and a Master’s degree in special education in accordance with the Illinois State Board of Education (ISBE) regulations for LBS I since Fall 2002 (505 degrees conferred from 2002-2013). Based on the success of the MA program, the Department expanded its offerings over the last decade to include a second advanced master’s degree program (Master of Science, Learning Behavior Specialist II) and an endorsement-only program available to general classroom teachers with valid state teaching licensure (i.e., LBS I Focus). Recently, the Department has continued to expand its current offerings into new markets by reconfiguring the LBS I Focus program as an exclusively online program with requisite teaching practicum, and moved its Master of Science program into a hybrid delivery format. Its Master of Arts in Gifted Education (MAGE) is being restructured also to enable its graduates to obtain the Illinois State Board of Education’s new Gifted Endorsement. Offering the SPED Ed.D. would further support the department’s mission “to transform the lives of individuals with exceptionalities” by offering Northeastern alumni the opportunity for advanced study and attracting students statewide, nationally and internationally who have not previously attended the University. The Department has faculty that have strong records of publications that are focused on the quality of programming for children and youth with exceptionalities in both high-profile scholarly journals and peer-reviewed textbooks. The research depth of the special education faculty ensures that SPED Ed.D. students will be provided the high quality scholarly mentorship that is essential for doctoral programs.

Contribution to University Mission and Strategic Plan
A SPED Ed.D. will directly support several specific goals of the University’s Strategic Plan:
- Goal 2.5: Support and create interdisciplinary courses and programs based on best practices and institutional strengths. **Program Contribution:** the SPED Ed.D. will enable its students to select electives within and outside the department and college to align with their career intentions.
- Goal 2.7: Utilize diversity as a curricular/pedagogical dimension integrated with global and cultural studies and throughout the curriculum. **Program Contribution:** the Diversity Core is designed to help students develop an understanding of culture as a key educational framework for effective special education.
- Goal 2.9: Focus on academic programs linked to regional economic development and workforce demands for the global society. **Program Contribution:** the SPED Ed.D. will prepare students to assume special/gifted education leadership positions within schools, institutions of higher education, and public and private agencies and organizations.
Goal 3.3: Encourage and support research projects that focus on such contemporary urban issues as education reform, immigration, economic development, and the environment. **Program Contribution:** students will engage in scholarly and applied research of direct relevance to improving the lives of individuals with exceptionality, including the creation and dissemination of research on special education policy and reform.

**Opportunities for Graduates and Comparable Programs in Illinois**

According to large-scale nationwide data sources, the demand for qualified special education higher education faculty far exceeds the supply of candidates able to assume these positions. The demand is exacerbated by the fact that within the next five years, institutions of higher education will lose one-third to one-half of their SPED faculty to retirement. Given the consistent special education teacher shortage (McCaw & Mummer, 2009) and the steady increase in numbers of students with disabilities in Illinois schools (Scull & Winker, 2011), there will continue to be a need for SPED leadership personnel to serve in administrative and supervisory capacities within Illinois and across the region.

According to the Illinois Board of Higher Education (IBHE), only two institutions (University of Illinois at Urbana/Champaign; UICU and Illinois State University; ISU) offer a doctorate (Ph.D. or Ed.D.) in special education that meets the criteria for “active” status for the past five years. Additionally, the University of Illinois-Chicago (UIC) has been active for the past three years. UIC and UICU offer research-intensive programs designed to appeal exclusively to candidates on an academic (higher education) career path. A SPED Ed.D. program at NEIU would likely be competitive due to its compact curriculum being offered at the right price, in the right location, and preparing students for the right potential jobs.

**Program Description and Requirements**

The proposed SPED Ed.D. program includes curricular modules on research methodology (12 CH), exceptionality (9 CH), diversity training (9 CH), electives that allow an area of individualized concentration (15 CH), and dissertation (15 CH). Students are required to demonstrate professional experience related to their target area of interest within the doctoral program (higher education, special education (K-12) leadership, or public policy and legislation). Candidates may meet this experience requirement either through submission of an acceptable portfolio or by performing an appropriate internship approved by the candidates’ doctoral committee.

**Budget Narrative**

Quality doctoral programs are expensive, as they require a significant number of specialized courses for a small number of students with significant individualized mentorship by research-active scholars. The proposed SPED Ed.D. is projected to require a recurring investment of approximately $140,000 per year at equilibrium capacity. Hiring senior faculty with an established track record for securing national grants (e.g., U.S. Office of Education/Office of Specialized Programs) could offset some of this cost and generate additional revenue. Included in the budget is the hiring of two open-rank senior faculty with requisite skills of: (a) established and significant publication and research record; (b) experience in procuring external funding with state and federal sources; and (c) experience in mentoring candidates in other doctoral
programs with specific attention to one or more of the projected areas described in this proposal (i.e., research methodology, advocacy and policy, field leadership). These faculty additions are essential to establishing the academic credentials and research breadth and currency required to educate and mentor at the doctoral level.
## SPED Ed.D. (60 CH)

<table>
<thead>
<tr>
<th></th>
<th>Year 1 2016-2017</th>
<th>Year 2 2017-2018</th>
<th>Year 3 2018-2019</th>
<th>Year 4 2019-2020</th>
<th>Year 5 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STUDENTS Total Credits</td>
<td>STUDENTS Total Credits</td>
<td>STUDENTS Total Credits</td>
<td>STUDENTS Total Credits</td>
<td>STUDENTS Total Credits</td>
</tr>
<tr>
<td>Full Time Students</td>
<td>0 0 0 0 0 0</td>
<td>0 0 0 0 0 0</td>
<td>0 0 0 0 0 0</td>
<td>0 0 0 0 0 0</td>
<td>0 0 0 0 0 0</td>
</tr>
<tr>
<td>Part Time Students</td>
<td>8 144 15 270 22 375</td>
<td>8 144 15 270 22 375</td>
<td>8 144 15 270 22 375</td>
<td>8 144 15 270 22 375</td>
<td>8 144 15 270 22 375</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8 144 15 270 22 375</strong></td>
<td><strong>8 144 15 270 22 375</strong></td>
<td><strong>8 144 15 270 22 375</strong></td>
<td><strong>8 144 15 270 22 375</strong></td>
<td><strong>8 144 15 270 22 375</strong></td>
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</table>

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>Year 1 2016-2017</th>
<th>Year 2 2017-2018</th>
<th>Year 3 2018-2019</th>
<th>Year 4 2019-2020</th>
<th>Year 5 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$46,944</strong></td>
<td><strong>$88,020</strong></td>
<td><strong>$122,250</strong></td>
<td><strong>$139,854</strong></td>
<td><strong>$139,854</strong></td>
</tr>
</tbody>
</table>

### Personnel Cost

<table>
<thead>
<tr>
<th></th>
<th>Year 1 2016-2017</th>
<th>Year 2 2017-2018</th>
<th>Year 3 2018-2019</th>
<th>Year 4 2019-2020</th>
<th>Year 5 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty (F/Sp)</td>
<td>$48,333 $96,667 $96,667 $96,667 $96,667</td>
<td>$12,917 $20,833 $20,833 $20,833 $20,833</td>
<td>$18,000 $18,000 $18,000 $18,000 $18,000</td>
<td>$18,000 $18,000 $18,000 $18,000 $18,000</td>
<td>$18,000 $18,000 $18,000 $18,000 $18,000</td>
</tr>
<tr>
<td>Half-time assistant</td>
<td>-</td>
<td>-</td>
<td>$7,600 $50,200</td>
<td>$50,200 $50,200</td>
<td>$50,200 $50,200</td>
</tr>
<tr>
<td>Grd Research Asstships (2)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$30,312 $30,312</td>
<td>$30,312 $30,312</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$79,250</strong></td>
<td><strong>$135,500</strong></td>
<td><strong>$143,100</strong></td>
<td><strong>$216,012</strong></td>
<td><strong>$216,012</strong></td>
</tr>
</tbody>
</table>

### Other Costs

<table>
<thead>
<tr>
<th></th>
<th>Year 1 2016-2017</th>
<th>Year 2 2017-2018</th>
<th>Year 3 2018-2019</th>
<th>Year 4 2019-2020</th>
<th>Year 5 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies/Equipment/Services</td>
<td>$28,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
<td>$22,000</td>
</tr>
<tr>
<td>Facility Costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$7,000</td>
<td>$7,000</td>
<td>$7,000</td>
</tr>
<tr>
<td>Professional Development</td>
<td>$2,400</td>
<td>$2,400</td>
<td>$2,400</td>
<td>$2,400</td>
<td>$2,400</td>
</tr>
<tr>
<td>Marketing</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Library</td>
<td>$27,000</td>
<td>$27,000</td>
<td>$27,000</td>
<td>$27,000</td>
<td>$27,000</td>
</tr>
<tr>
<td>Other: HECSE membership</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$64,900</strong></td>
<td><strong>$58,900</strong></td>
<td><strong>$60,900</strong></td>
<td><strong>$60,900</strong></td>
<td><strong>$60,900</strong></td>
</tr>
</tbody>
</table>

### NET

<table>
<thead>
<tr>
<th></th>
<th>Year 1 2016-2017</th>
<th>Year 2 2017-2018</th>
<th>Year 3 2018-2019</th>
<th>Year 4 2019-2020</th>
<th>Year 5 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET</strong></td>
<td>$(97,206)</td>
<td>$(106,380)</td>
<td>$(81,750)</td>
<td>$(137,058)</td>
<td>$(137,058)</td>
</tr>
</tbody>
</table>
II. E. INFORMATION ITEM: SIGNIFICANT CHANGE IN ACCOUNTING POLICY REGARDING FACULTY SALARY ENCUMBRANCES

History

Some time ago, the University began offering faculty the option of being paid their regular 9-month salary over the course of 12 months, instead of being paid only nine months for the academic year. This provides faculty with the option of having payroll income during the summer months, even when not receiving an overload payment for teaching summer session. Enrollment in this option has gradually grown to be about 93% of faculty.

Payroll Schedule

Faculty employment extends annually from the beginning of the academic year in late August, to the end in late May. Faculty paid over the course of nine months receive semi-monthly payroll beginning September 15 and continuing until May 31. Faculty paid over the course of 12 months receive semi-monthly payroll beginning September 15 and continuing until August 31.

Accounting practice prior to FY2014

Faculty paid over the course of 12 months received four of the 24 semi-monthly payroll payments in the fiscal year following their annual employment (July 15 and 31, and August 15 and 31). The University’s accounting practice has been to post these salary payments in the following fiscal year, thus posting 1/6 of such salaries in the following fiscal year.

We have no way of knowing why the decision was made long ago to post these salary payments in the following fiscal year. We can surmise that when this 12-month payroll option was first offered to faculty, the number of participants was small, so the posting to the following fiscal year was small.

However, with 93% of faculty now choosing the 12-month payroll option, the posting to the following fiscal year has gradually grown to almost $3.1 million per year.

The total faculty salary paid can vary substantially from one year to the next. The year-to-year variance is largest during times of enrollment growth or decline, and at those times when a large number of faculty retirements occur. If 1/6 of the salaries for the 93% of faculty choosing the 12-month payroll option is encumbered in the following fiscal year, at times there is a substantive impact upon the financial statements for both the leading and trailing financial years.

The FY2014 amount that was scheduled to be paid in FY2015 totals almost $3.1 million, and of course this amount would continue to grow as salaries increase and as the percentage enrolled increases. As such, the decision was made to make this accounting change.
Reason for change in accounting policy

We are in the process of implementing additional budgetary features in Banner, our Enterprise Resource Planning (ERP) software. One feature implemented for FY2015 is salary encumbrances, allowing financial managers across the University to see salary commitments already made, thus ensuring they have an accurate and complete picture of funds spent and committed, and therefore the funds remaining. If salaries are not encumbered, those salary dollars appear to be available for spending, which can lead to errors and overspending.

The accounting practice prior to FY2014 for these faculty salary payments was not a finding in any recent audit, and there is nothing to indicate it was ever an audit finding in the past. However, there is some indication this accounting change may cause a restatement of the currently posted FY2013 statement financials. It will be noted appropriately in the FY2014 statement financials.

The decision to implement this accounting change was made after consultation with our Engagement Manager from the Illinois Office of the Auditor General, and with our lead external auditor for FY2014. Both concurred with the correctness of this accounting change, and encouraged us to make the change.

Accounting policy in FY2014 and ongoing

Faculty paid over the course of 12 months continued to receive payroll payments on July 15 and 31, and August 15 and 31. However, the University’s accounting policy and practice now recognizes those latter payments (constituting 1/6 of the salaries for faculty choosing the 12-month payment option) as a salary liability in the fiscal year of their employment. This will ensure that the payments are recognized in the fiscal year for which they were budgeted, and will ensure that the salary encumbrances in a given fiscal year accurately reflect only the salary commitments for that fiscal year.

Financial impact for FY2014

FY2014 salary expense unfortunately included 1/6 of the FY2013 salary expense for the faculty who chose the 12-month payroll option for employment in FY2013. And, it also included 1/6 of the FY2014 salary expense for the faculty who chose the 12-month payroll option for employment in FY2014, totaling almost $3.1 million. Our FY2014 faculty salary expense was therefore overstated by just over $3 million, and this will be reflected in our FY2014 financial statements. Upon completion of the audited financial statements for FY2014, we will know whether the salary overstatement was covered using funds that would have otherwise lapsed to reserves, or reserve funding itself.

Final notes

Please note that we are not making any change in processing summer session payroll for faculty, which coincides with but is independent from academic year (fall and spring semester) summer payroll payments.
Also note that this change in accounting policy and practice does not change the processing of payroll for faculty who choose to be paid only during the 9-month academic year.
II. F. INFORMATION ITEM: CONSTRUCTION UPDATE

College of Education Building Update
- The Capital Development Board contract with Smithgroup/JJR Architectural has been finalized. An internal verification of the 2008 Building Space Allocation Study has been completed and shared with Smithgroup JJR. On August 26th a kickoff meeting occurred and the design process is underway.

Infrastructure Expansion Update
- The Phase 2 definitive A/E design work has begun. MWRD, ComED, and People’s Gas meetings have been taking place in order to discuss utilities routing. Design Development drawings were issued to NEIU on August 26th. Construction documents have begun and are scheduled to be done at the end of November.

Roofing and Exterior Facade
- The Library Roof and Wall Repairs began the week of August 11 with mobilization. Protection canopies at the entrance doors have been installed. Roof and Wall repairs began the week of August 18th and will continue until the end of the calendar year.
- The PE Building Complex Roof and Wall Repairs will begin on 9/2 with the interior protection over the pool. The project should be done by the end of the calendar year.
- Building H documents were approved by CDB Roofing Division on Aug. 10th. The documents are now under review by CDB Contracts and the CPO's Office for approval to bid the project. Pending final approval by these offices, preliminary dates for bid release is August 29th, 2014 and Bid Submittal of September 10, 2014.

Microbiology Lab
- As approved by the Board in the April 10, 2014 meeting, the Microbiology Lab Renovation will greatly enhance the experimental options of the microbiology laboratory curriculum, as well as expand both the quantity and range of pathogens available to students for study. Construction began at the end of May with demolition. Mechanical, electrical, and plumbing work has begun. Casework is due in September and that is when the bulk of the MEP work will occur. The lab is expected to be completed at the end of October, and occupied for the spring semester.
II. G. INFORMATION ITEM: FOURTH QUARTER BUDGET TO ACTUAL REPORT

At its September meeting, the Northeastern Illinois University Board of Trustees approved its Fiscal Year 2014 budget that totals $154.6 million. Of that total, $93.6 million is the University’s unrestricted general operating budget supported by the state appropriation and student tuition. In addition, $61.0 million is the University’s restricted funds budget supported by student fee programs, auxiliary services, grants and contracts. Upon the Board request, quarterly reports are being provided focusing on the unrestricted operating budget, which supports most University departments and ongoing operations.

This report provides an update on the 4th quarter spending in the unrestricted budget and is summarized in Table 1 at the end of this report.

Revenues

In FY2014, the state support for the University’s unrestricted general operating budget is $37.8 million, or 40 percent of that budget. The entire state appropriation supports salary costs for positions funded through the unrestricted general operating budget. At the end of each pay period, the University vouchers the State of Illinois for payroll reimbursement until the state appropriation is entirely committed. Consistent with previous years, the state continues to lag in its reimbursements to the University. The entire $37.8 million was vouchered to the State and is reflected as revenues in the attached tables, and $29.5 million of this has been received. These outstanding payments are recorded as revenue receivables due to the University rather than cash available for expenditure.

University Income Funds are comprised primarily of tuition revenues which are dependent on student enrollments. Through the fourth quarter, 97.7 percent of estimated tuition and income fund revenue was recorded. This amount represents a portion of summer 2013, fall 2013, spring 2014 and a portion of summer 2014. Because the summer term bridges two fiscal years, accruals are made to portion the tuition revenues and operating expenses between fiscal years.

It is important to note that for both the state appropriation and tuition income, revenues are recorded and reflected in this report as they are billed. Final revenues will be available after the University does all accounting adjustments during the year-end reconciliation period. These adjustments are required to adjust for activity such as class drop refunds, statutory waivers, estimated bad debt allowances, and fees associated with outstanding accounts.

The University is currently calculating and performing all final accounting reconciliation and applying any needed adjustments. Final revenues will be available with the annual audit.
Expenses

For the general operating unrestricted budget, the University spent through the fourth quarter, in total, 96.1 percent of the total $93.6 million budget. These expenses reflect activity through the fourth quarter, and do not reflect all necessary year-end adjustments and accruals. Final expenditure amounts will be available with the annual audit.

The following bar graph below and Table 1 outline the actual University revenues and expenses compared to budget through the 4th quarter.
### General Operating Budget

<table>
<thead>
<tr>
<th></th>
<th>Adopted Budget</th>
<th>Current Adjusted Budget</th>
<th>Actual</th>
<th>% of Current Adjusted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University Income Fund (Net Tuition)</td>
<td>$55,715,000</td>
<td>$55,715,000</td>
<td>$54,447,539</td>
<td>97.7%</td>
</tr>
<tr>
<td>State Appropriations</td>
<td>37,847,400</td>
<td>37,847,400</td>
<td>37,847,055</td>
<td>100.0</td>
</tr>
<tr>
<td>All other sources</td>
<td>-</td>
<td>-</td>
<td>627,982</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>93,562,400</td>
<td>93,562,400</td>
<td>92,922,576</td>
<td>99.3%</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>75,988,538</td>
<td>74,508,198</td>
<td>73,078,358</td>
<td>98.1%</td>
</tr>
<tr>
<td>Contractual Services</td>
<td>10,486,986</td>
<td>10,893,703</td>
<td>9,850,360</td>
<td>90.4</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,600,714</td>
<td>2,213,633</td>
<td>1,900,318</td>
<td>85.8</td>
</tr>
<tr>
<td>Commodities</td>
<td>927,660</td>
<td>1,357,425</td>
<td>1,101,343</td>
<td>81.1</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>497,992</td>
<td>545,859</td>
<td>370,300</td>
<td>67.8</td>
</tr>
<tr>
<td>Travel</td>
<td>343,565</td>
<td>382,962</td>
<td>296,015</td>
<td>77.3</td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>200,000</td>
<td>103,635</td>
<td>84,749</td>
<td>81.8</td>
</tr>
<tr>
<td>Operation of Auto Equip</td>
<td>19,515</td>
<td>43,550</td>
<td>38,306</td>
<td>88.0</td>
</tr>
<tr>
<td>Tuition Scholarships</td>
<td>1,621,430</td>
<td>1,637,436</td>
<td>1,327,529</td>
<td>81.1</td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,876,000</td>
<td>1,876,000</td>
<td>1,875,453</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$93,562,400</td>
<td>$93,562,400</td>
<td>$89,922,732</td>
<td>96.1%</td>
</tr>
</tbody>
</table>

**Notes:**
1. Budget column reflects the original budget approved by the Board of Trustees in September, 2013
2. Year-to-date activity does not include encumbrances
3. The $37.8 million from State Appropriations represents amount billed to the State of Illinois, while only $29.5 million was received through the 4th quarter
4. The Current Adjusted Budget reflects budget transfers processed between organizations and accounts.
II. H. INFORMATION ITEM: GRANT CONSULTING SERVICES

At its June 12, 2014, meeting, the Board of Trustees of Northeastern Illinois University, in order to facilitate the timely hiring of a grant consulting firm, delegated to the University President the authority to approve such expenditure and contract directly related to the hiring of a grant consulting firm without prior Board approval and that the President will report to the Board on all such approved expenditures and contracts normally requiring Board approval at the next regularly scheduled meeting of the Board of Trustees.

The University issued an RFP in order to contract with a grant consulting firm to assist in the development of a strategic matrix for grant funding and to increase the number and preparation of competitive grants for external funding. Four firms responded to the RFP and the review team recommended the selection of McAllister and Quinn as the best qualified to provide the required services.

McAllister & Quinn has a proven track record of delivering millions of dollars in external funding to their higher education clients through competitive grants and other sources. They have strong relationships with federal granting agencies as well as with large national private foundations. In addition, they provide grant-writing seminars specifically for their clients. They have a strong track record and over 10 years of experience in the field. The contracted service provider was selected through a competitive bidding process advertised on the Illinois Public Higher Education Procurement Bulletin.

CONTRACTOR COST:

Base Bid: $194,400

SOURCE OF FUNDS:

IC Academic Instruction

RECOMMENDED VENDOR

McAllister & Quinn
1030 15th Street NW, Suite 590 West
Washington D.C. 20005

<table>
<thead>
<tr>
<th>SUMMARY OF BIDS</th>
<th>LOCATION</th>
<th>BASE BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maberry Consulting</td>
<td>Swansea, IL</td>
<td>$162,360</td>
</tr>
<tr>
<td>S&amp;F Software</td>
<td>Lake Zurich, IL</td>
<td>$254,400</td>
</tr>
<tr>
<td>Ellucian</td>
<td>Malvern, PA</td>
<td>$300,000</td>
</tr>
</tbody>
</table>
II. I. INFORMATION ITEM: RENOVATION OF EL CENTRO ANNEX BUILDING

ITEM DESCRIPTION:
At its February 9, 2012 meeting, the Board of Trustees delegated authority to the University President to approve such expenditures and contracts directly related to the El Centro relocation project without prior Board approval and that the President will report to the Board on all such approved expenditures and contracts normally requiring Board approval at the next regularly scheduled meeting of the Board of Trustees.

PROJECT SCOPE
The El Centro Annex Building is a 2,100 square foot brick building on the El Centro campus property adjacent to Avondale Avenue and the main campus entrance. This building is going to be used as a welcome center. It will house office space for Academic Affairs and Student Affairs staff, and provide work space for University Technology Services, Facilities Management, and Police Services. Work is scheduled to be completed in December of 2014.

EXP is the architect chosen through the Qualifications Based Selection (QBS) process, and is being paid $39,870 to provide the architectural and engineering services for design, bid document preparation, bidding assistance, and construction administration on the project. As needed for unforeseen circumstances, there is a 10% contingency, $3,987, established in case it is required.

Stuckey Construction is the general contractor chosen through the Request For Bid (RFB) process to conduct the renovation, and is being paid a price not to exceed $326,685 for that work, with a 10% contingency of $32,669.

PROJECT COST:
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost Not To Exceed:</td>
<td>$366,555</td>
</tr>
<tr>
<td>Additional funds if needed:</td>
<td>$36,656</td>
</tr>
<tr>
<td><strong>TOTAL COST:</strong></td>
<td><strong>$403,211</strong></td>
</tr>
</tbody>
</table>

SOURCE OF FUNDS:
El Centro Campus
RECOMMENDED VENDOR:
Stuckey Construction, Inc.
2020 North Lewis Avenue
Waukegan, IL 60087

SUMMARY OF BIDS:
Stuckey Construction, Inc.     $326,685
Path Construction Company    $359,000
Paul Borg Construction Company $393,788
AGAE Contractors, Inc.        $409,601
BUWA                       $497,396
Cornerstone Contracting, Inc. $538,000
Tyler Lane Construction, Inc. $538,283
II. J. INFORMATION ITEM: NOTIFICATION TO THE BOARD OF CERTAIN EXPENDITURES

PURCHASES BETWEEN $50,000 AND $100,000

Board of Trustees’ Regulations require that the President report to the Board purchases of at least $50,000 but less than $100,000 other than those exempt from Board approval (e.g. utilities). The following lists those purchases since the last Board meeting.

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>DESCRIPTION</th>
<th>PURCHASE ORDER AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>D5 Design &amp; Metal Fabrication</td>
<td>Furnish and Install Exterior Signage Panels at El Centro</td>
<td>$56,970</td>
</tr>
<tr>
<td>Dunn Law Firm, LLP</td>
<td>General Litigation Services for FY14</td>
<td>$58,984</td>
</tr>
<tr>
<td>Fletcher, O’Brien, Kasper &amp; Nottage, PC</td>
<td>Legislative Liaison</td>
<td>$85,000</td>
</tr>
<tr>
<td>Leepfrog Technologies, Inc.</td>
<td>Online Academic Catalog</td>
<td>$78,980</td>
</tr>
<tr>
<td>Software House International</td>
<td>Microsoft License</td>
<td>$91,178</td>
</tr>
<tr>
<td>Western Waterproofing Co.</td>
<td>Parking Facility Evaluation and Repairs for FY14</td>
<td>$54,475</td>
</tr>
</tbody>
</table>
II. K. INFORMATION ITEM: AMERICAN CAMPUS COMMUNITIES
SELECTED TO DEVELOP STUDENT HOUSING

The University was pleased to announce on August 14, 2014, that American Campus Communities was selected as the team member responsible for the planning, development and operations of the University’s inaugural student residences. Following this announcement, Northeastern has received calls, messages, and letters of support for the project. Included in this information item are three such support letters.

Various updates and letters of support will be posted at www.neiu.edu/housing.
Ethiopian Community Association of Chicago, Inc.
1750 W. Greenleaf Ave • Chicago, IL 60626 • (773) 508-3263 • Fax (773) 508-0309 www.ECAChiicago.org

August 26, 2014

To Whom It May Concern:

The Ethiopian Community Association of Chicago is a not-for-profit, non-political, tax-exempt organization committed to serving the educational, cultural, psychological, and socio-economic needs of Ethiopians and other similarly situated groups in Chicago and the surrounding areas. Our mission is both charitable and educational. We believe in the importance of education as a way of changing lives.

Because of our mission, we deepened our relationship with Northeastern Illinois University. Because NIU values diversity and recognizes the importance of education, I support the University’s efforts to build residential housing. In addition to providing our community with excellent learning opportunities, the residential housing project will give our members new ways to experience higher education.

Part of our work is to help our community find ways to experience all of the opportunities presented to them in this country. The residential housing project is another one of those opportunities. Residential housing is an important next step for the University.

I believe that it will create new ways for students to learn and will help the neighborhood with new and expanding business opportunities.

I support the University’s efforts to create residential housing opportunities for its students.

Yours sincerely,

[Signature]

Eruk Yimer, Ph.D.
Executive Director
Cambodian Association of Illinois
Cambodian American Heritage Museum & Killing Fields Memorial

August 23, 2014

To Whom It May Concern:

Over the years, the Cambodian Association of Illinois has focused on the needs of the Cambodian Community, while telling the story of the Killing Fields. And, we have found Northeastern Illinois University to be a good partner to our organization and our community.

As the Executive Director of the CAI, I have observed the University’s efforts to enhance the learning experience of its students. Through a recent affiliation with Northeastern, I became aware of their strategic plan. One of the most important aspects of that plan emphasizes the recruitment and retention of students. As such, the movement towards residential housing is critical to the Plan’s success.

The proposed residential housing project is a logical next step for the University. I believe that it will benefit the students and the community. Because of the missed use nature of the project, it can act as a boons to the development around North Park University.

I support the University’s efforts to create residential housing opportunities for its students.

Yours sincerely,

Komlak Seth
Interim Executive Director
August 25, 2014

To Whom it May Concern:

For more than 25 years, St. Augustine College and Northeastern Illinois University have been partners in the educational process for thousands of students. Together, we have increased the number of Latinos and other minorities with undergraduate and graduate degrees. Our goals are similar as is our commitment to our students.

As the leader of a Hispanic Serving Institution of Higher Education, I am well aware of the challenges facing this community of learners. I believe that Northeastern Illinois University's decision to create residential housing for its students is the next logical step for it. And, the fact that it will create business opportunities as well ensures that this project's impact will be far greater than the number of students who will benefit from residential living.

Many of St. Augustine's students transfer to the NEIU. Residential Housing will give our students another tool that will help them achieve their goals. I am in support of Northeastern Illinois University's decision to create residential housing opportunities for its students.

Yours,

Dr. Andrew Bund
President
L. NEWS AND EVENTS

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L. NEWS AND EVENTS

1. First Year, Transfer, and Family Orientations – May 17 – August 19
   The Office of New Student and Family Programs hosted fourteen first-year, seven family, and four transfer orientations from May through August. The orientations served over 1,000 new students and family members. All first-year students were able to attend a one-hour financial aid session, view their financial aid status and ask questions. The program offered a Spanish version for our Spanish speaking families. Orientations were coordinated with the support of the University community, including the Division of Student Affairs, Financial Aid, and faculty and administrators from the Colleges of Arts and Sciences, Business and Management, and Education.

2. NEIU Alumni and Family Day at Six Flags Great America – June 14
   On June 14, nearly 200 faculty, staff, students and alumni participated in the third annual NEIU Alumni and Family Day at Six Flags Great America in Gurnee, IL. Guests received a lunch buffet, access to Hurricane Harbor and a 2014 Thrill Pass. This year’s participation was the highest level since Northeastern established this event three years ago.

3. HAVEN Module- June 19 - Sept 12
   In partnership with the Office of Equal Opportunity, Affirmative Action and Ethics Compliance, the Women’s Resource Center launched HAVEN, a comprehensive resource and training tool that educates all of our incoming students in the area of interpersonal violence. The content features engaging videos, tools and scenarios to define and promote healthy relationships and skill building. The Women’s Resource Center has promoted HAVEN to all incoming and transfer students, as well as faculty and staff in an effort to inform the entire University about the program.

   Northeastern’s Career Development Center, along with Alumni Relations, co-sponsored, marketed, and participated in the 3rd annual Recruit Chicago Alumni-Only Job Fair on June 26. The job fair included other area schools, such as the University of Illinois, Loyola University, Illinois Institute of Technology, and other institutions from around the nation. The event was held at the University of Illinois at Chicago (UIC) with 90 employers and over 1,000 job seekers in attendance.

5. EMERGE Summer Program – June 30 – August 7
   This summer the College of Arts and Sciences with funding from the Provost started a summer bridge program called EMERGE (English and Math Enrichment, Readiness and Growth Experience). This program brings students who placed into developmental Math and English classes to campus for three weeks for intensive study and concludes by retesting them to see if the instruction would place them in college level courses. Thirty students took the English module; 65% of students placed into college level courses. This success rate is quite impressive because past studies show that this kind of writing improvement does not often happen in such a short time. Eighty students took part in the EMERGE Math module; fifty-eight moved up at least one level for an overall success rate of 73%. Thanks to all program coordinators, instructional staff, and peer leaders for this successful program.
6. Summer Transition Program – June 30 - August 8
From June 30 through August 8, nearly 100 students participated in the 2014 Summer Transition Program (STP). STP was offered at the Carruthers Center for Inner City Studies (CCICS), El Centro, and Bryn Mawr campuses. During the six week program, each student attended a 3-credit course and participated in Math, Reading, and Writing workshops designed to better align their skills with college level work. Students also participated in civic engagement, reflection activities and attended student development workshops that addressed identifying a major, the impact of diversity, leadership development, health and wellness, and the transition to college.

7. Supervisor Training – October 15-16, 22-28
In pursuit of Northeastern’s “Strategic Goal 4: Exemplary Faculty & Staff” and in response to a recommendation in the Employee Ombuds FY 2013 Report, the Office of Human Resources will be offering supervisory training to all supervisors within the University. The training will cover: Leadership Communication, Motivation, Goals and Expectations, Delegation, Giving Feedback, Problem Solving, Difficult Conversations, and NEIU Processes, Policies, and Support. Four training sessions of approximately 25 participants each will be held this year with plans for ongoing training so that all current supervisors and then all new supervisors are trained.

8. New Website Launch – July 1
Northeastern launched its new website on July 1. This new site is a critical part of Northeastern’s external presence, which will position the University as a competitive and attractive option for prospective students. With support from the Office of Marketing and Web Communication, areas across campus have been empowered to continually maintain and improve content on the site.

9. GOLD Alumni Movie Night at Millennium Park – July 8
As part of its GOLD Alumni Program, the Office of Alumni Relations welcomed 15 alumni and guests for a group outing to enjoy Chicago’s Millennium Park Summer Film Series. The group, which included graduates of the last decade (GOLD), watched “20 Feet From Stardom” on the Great Lawn of Millennium Park on July 8.

10. NEIU Foundation Networking Event – July 10
The NEIU Foundation hosted “An Evening of Jazz” on July 10 at the Metropolitan Club in downtown Chicago. In addition to networking, the 60 guests in attendance learned about the work Northeastern is doing as well as ways to be involved with the University. A presentation was delivered by alumna Jean Matelski-Boulware (B.A. ’13), who recently won the best documentary short film category at the American Psychology Association Conference for her documentary film about the “Ten Thousand Ripples” art installation project.

11. Diploma Presentation to U.S. Congressman Gutierrez – July 14
On July 14, Northeastern presented U.S. Congressman Luis Gutierrez (B.A. ’76, English) with a framed copy of the diploma he earned from Northeastern in 1976. His original diploma was lost in a house fire in 1984.
12. Chick Kane – July 17
The Office of Alumni Relations and alumna Linda Dewald hosted a ladies-only networking event at Dewald’s business, Nil Tap sports bar, in Chicago on July 17. Invitees included all women who had registered for the Chuck Kane Scholarship Golf Event. The group of 10 participants enjoyed cocktails, a jewelry show and drawing prizes.

Northeastern participated in a Denver alumni business networking event that was held in conjunction with the Alumni Career Services Network conference in Denver. The event was cosponsored by eight additional universities: University of Miami, University of Kentucky, University of Connecticut, Emory University, LaSalle University, Penn State University, Syracuse University and George Washington University.

14. Appreciation Reception for the Administrative Team – July 30
President Hahs and her husband hosted a reception at their home on July 30 to thank the members of the team for their hard work and contributions over the past year.

15. Student Conduct Hearing Panel Selection and Training – August 1
The Office of Student Rights and Responsibilities has instituted a Student Conduct Hearing Panel, where nine students were selected and invited to participate as peer hearing panel members. Students who serve are trained in all aspects of Northeastern’s Code of Conduct and student misconduct process.

16. El Centro Media Relations – August 2 and 8
Northeastern continues to capitalize on the opportunities for media coverage presented by the new El Centro facility. University President Sharon Hahs and El Centro Director Maria Luna-Duarte were interviewed for a segment that aired on WGN-TV on August 2 and an article that was published in the Extra newspaper on August 8.

17. The Illinois Public University Presidents and Chancellors – August 5
The Illinois Public University Presidents and Chancellors meet together regularly in conjunction with the meetings of the Illinois Board of Higher Education. For FY 2015, President Hahs is serving as convener of the group. She first served in this role for the August 5 meeting.

18. NEIU Alumni Visits in California – August 11-13
On August 11 - 13, President Hahs made alumni and donor visits in San Diego and San Francisco. She was accompanied on the visits by her husband and a member of the development staff. This was a cultivation trip, an opportunity to engage alumni with the potential of providing significant resources to the University in terms of financial contributions and professional talents. Identifying, intentional cultivation and development of alumni donors outside of the Chicago-area is critical to the University’s long-term fundraising success.

19. NEIU Backpack Drive – August 13
Thanks to the generous support of faculty, staff, students and alumni, more than 120 students from Cornerstone Community Outreach received a new backpack to begin the
school year. Staff members from the Office of Alumni Relations and Student Leadership Development distributed the backpacks at the shelter’s back-to-school rally on August 13.

20. **Freshmen Navigators Program – August 18**
The Office of Student Leadership Development selected 14 incoming freshmen to serve as Freshmen Navigators. These students were selected based on their leadership experience and were given a two-day intensive training on all things Northeastern. The Navigators will spend the next year assisting other students they encounter who may be lost or in need of direction.

21. **Legislative Briefing – August 18**
University President Sharon Hahs served as moderator of the ninth annual Legislative Briefing held at North Park University on August 18. Local community and business leaders attended this event, which included updates from Clarisol Duque, chief of staff to U.S. Senator Dick Durbin; Joseph Bushong, legislative director to U.S. Representative Mike Quigley; State Representative Jaime Andrade; State Representative John D’Amico; Cook County Commissioner Bridget Gainer; and Alderman Margaret Laurino.

22. **Chuck Kane Scholarship Golf Event – August 18**
The 42nd Annual Chuck Kane Scholarship Golf Event took place at Chevy Chase Country Club in Wheeling, IL on August 18. The event attracted 135 golfers (the most in five years) and featured three alumni speakers, Brian James (M.A. ’92), Victoria Otto (B.A. ’97) and Robert Stassen (B.A. ’09), who each recently received recognition for their work in physical education. The event raised approximately $35,000 to benefit the Chuck Kane Memorial Scholarship endowment fund, which has benefitted 125 NEIU students to date.

23. **Alumni Career Connections Workshop – August 20**
On August 20, the Office of Alumni Relations and the Career Development Center cohosted “Second Act Careers and the Multigenerational Workforce,” a workshop targeted to alumni aged 45+. Presentations addressed working after retirement, navigating a multigenerational workforce and networking through social media.

24. **“Start Talking” Staff Training – August 20**
On August 20, the Women’s Resource Center implemented its “Start Talking” training seminar where fifteen members of NEIU’s faculty and staff examined relationship violence and explored models for healthy relationships. The “Start Talking” curriculum meets National Health Education Standards as well as individual health and life skills standards for Illinois.

25. **Governor’s Town Hall Meeting at NEIU – August 20**
Northeastern hosted a Governor’s Medical Marijuana Town Hall Meeting on Wednesday, August 20. The panel was composed of State Government Officials in charge of implementing the new Medical Marijuana Law. The event was an opportunity for the public to ask questions about this implementation. Topics were raised from application and licensing to potential patient qualification criteria and timelines for receiving prescriptions. Approximately 500 people attended the event.
26. Great Service Matters, "Northeastern has the Magic" – August 22
The Great Service Matters Northeastern 2014-2015 Academic Year Kick-Off Celebration was held on Friday, August 22, at 4:00 p.m. in the Student Union Cafeteria. The celebration recognizes the daily contributions by all faculty and staff on behalf of our students as we start the beginning of a new academic year. Over 200 members of the University community attended the festive event with magic wands and other party favors. The evening began with greetings from President Hahs who gave sentiments of praise to staff and faculty and excitement for the new year. Everyone enjoyed delicious food and beverages, an amazing live magician performance and costume and karaoke contests.

27. New Student Welcome – August 23
The New Student Welcome program was held on Saturday, August 23 in the Student Union. Students and their families were able to meet faculty, staff, and other new students. Many academic departments and university resources were available to answer any questions students had before starting classes. This event was filled with fun, food, games, and giveaways. This program was sponsored by Student Transition Services.

28. Express Lane Advising – August 25-27
Express Lane Advising was held August 25-27 in Village Square. The purpose of this event was to provide quick and accessible general advising information to students during their first week of classes. Advisors were visible, accessible, and ready to assist students with their questions.

29. ASK ME! Campaign – August 25-29
The Northeastern ASK ME! Campaign was held this fall from August 26-30. The campaign encourages new and returning students to ask questions of staff, faculty, and student leaders wearing an Ask Me! button and to stop by offices displaying the Ask Me! logo. Campaign information tables were located in Village Square, the Ronald Williams Library, Bernard Brommel Hall, and CCICS campus. Campaign goals are to: 1) lessen student anxiety felt during the first few weeks on campus; 2) improve coordination between service areas and resources; 3) encourage greater participation and engagement in campus life; and 4) foster an enriching campus environment leading to greater student retention and success.

30. COBM Alumni Leadership Social – August 26
The College of Business and Management and the Office of Alumni Relations hosted a leadership social event on August 26 at Public House in downtown Chicago. Former leaders of student organizations, International Business Conference coordinators and Outstanding Student/Alumni Award recipients networked with faculty and staff at this event.

31. Faculty and Staff Donor Appreciation Event – August 27
On August 27, President Hahs and the NEIU Foundation hosted the third annual afternoon barbecue in appreciation for faculty and staff who made philanthropic contributions to the NEIU Foundation in fiscal year 2014. The event was held at the
home of Sharon and Billy Hahs and was catered by Hecky’s Barbecue, owned by NEIU alumnus Hecky Powell (B.A. ’78).

32. NEIU Alumni Association Appreciation Event – August 28
Alumni Association members at the Blue and Gold level and higher were invited to the second annual appreciation barbecue held on August 28 at the home of NEIU President Sharon Hahs and her husband, Billy Hahs. Student recipients of the Alumni Association’s internship scholarships thanked members for their engagement with Northeastern and shared testimonials about how the Alumni Association funds programs, services, benefits and scholarships for students seeking experiential learning opportunities while enrolled at NEIU.

33. Mind-Body Wellness Series at Pedroso Center – September 2014
Throughout the month of September the Office of Counseling Services and the Latino/a Resource Center sponsored a wellness series at the Angelina Pedroso Center during activity hour. The group focused on reducing stress and increasing coping skills through breathing techniques and relaxation exercises. Students also received information about stress and common reactions to stress.

34. Student Organization Fair September 2-3
The Office of Student Leadership Development organized and invited over 50 student organizations and departments to participate in the annual Student Organization and Campus Resource Fair outdoors in the University Commons. Students were able to sign up for student organizations and learn about programs and services offered by departments across the University.

35. National Day of Service and Remembrance – September 11
On Thursday, September 11, Northeastern participated in the National Day of Service and Remembrance on campus. Student Leadership Development partnered with three student organizations (Gamma Phi Omega, Gamma Theta Chi and the Veterans Club) to run a supply drive for soldiers stationed overseas. Items were collected throughout the day, and participants were able to write personal letters of appreciation to soldiers currently serving. All supplies were then given to Operation Gratitude, a non-profit organization that specializes in coordinating packages to soldiers.

36. Campus Recreation Day – September 12
Campus Recreation Day was held on Friday, September 12 in the P.E. Complex. This event was an opportunity to learn more about Campus Recreation’s many programs and services. Activities included a barbeque, Fun Run, and Zumba party.

37. Hispanic Heritage Month Kickoff Celebration – September 15
The Latino/a Resource Center hosted a kickoff celebration to mark the beginning of the 2014 Hispanic Heritage Month programming. The program was held outdoors in the University Commons and featured music and an array of beverages native to several Latin American countries.

38. Latino/a Faculty Spotlight Reception – September 17
The Latino/a Resource Center, in collaboration with Proyecto Pa’lante and the Ronald Williams Library, hosted a reception honoring current Latino/a identified NEIU faculty. This celebratory program aims to highlight the many accomplishments of these
individuals and also serve as the official opening for a month-long installation featuring ten faculty members.

39. Constitution Day and Voter Registration Drive – September 17
On Wednesday, September 17, Student Leadership Development (SLD) participated in a combined Constitution Day and Voter Registration Drive. SLD registered voters, gave away copies of the Constitution, and engaged students with quizzes and prizes.

40. Jewel Box Series – September 19
On Friday, September 19, the Jewel Box Series will open its 15th Anniversary Season with the Lincoln Trio, a renowned piano trio that FANFARE Magazine hailed as "one of the hottest young trios in the business."

41. New Scholarships Established
Jacqueline Krump and Mary Jane Krump Cascino have each established scholarships to benefit students pursuing degrees in early childhood education in the College of Education. The Mary Jane Krump Cascino Scholarship and the Sue, Mary Jane and Jacqueline Krump Scholarship are fully endowed and will be available to students in fiscal year 2016. These scholarships commemorate the three sisters born to the late Rev. John M. Krump and Mrs. Eva Krump. Jacqueline, Mary Jane, and the late Sue Krump all graduated from Chicago Teachers’ College, which later became Northeastern Illinois University, and all three became teachers in the Chicagoland area. Jacqueline Krump is professor emerita, English, and a member of the Northeastern Illinois University Foundation Board.