The meeting of the Board of Trustees of Northeastern Illinois University was convened on Thursday, November 13, 2014, at 2:05 p.m., in the Golden Eagles room at Northeastern Illinois University, 5500 N. St. Louis Ave. Dr. Carlos Azcoitia, Chair of the Board, called the meeting to order.

Roll was called and the following trustees answered present:

Carlos Azcoitia, Chair; Bob Biggins, Omar Duque, Secretary; Barbara Fumo, Jin Lee, Vice Chair; Darlene Ruscitti, Jonathan Stein, and Amanda Slefo

The following trustees were absent: Marvin Garcia

Also present were the following:

Sharon Hahs, President; Tom Arkell, Legal Counsel; Amy Rempas, Assistant Secretary; Vice Presidents, and Staff

Approval of Minutes
The minutes from the September 18, 2014 meeting were submitted to each Trustee prior to this meeting and the minutes from the special Finance Committee meeting on October 20, 2014 were given to the Trustees at this meeting. If there are no further additions or corrections the minutes stand as written.

Chair’s Announcements

- Chair Azcoitia mentioned that he was unable to attend the ribbon cutting ceremony at the new El Centro because he was out of town tending to family matters. He was able to visit last week and found it to be an impressive site. Its community based education will increase enrollment and provide the community with full degree programs. Chair Azcoitia congratulated the administration, faculty, students and every involved in building this great asset to the University.

- Chair Azcoitia, a neighborhood resident, attends many events here on the main campus. He attended the Four Clarinets concert and enjoyed it very much. He noted that the fine arts programming is an asset to the University.

- Chair Azcoitia mentioned that every year he has a meeting with the auditors of the University and the Vice President for Finance and Administration regarding all of the financial reports that are provided to the Trustees. He has this meeting to be sure the Trustees receive the information necessary to fulfill their fiduciary responsibility. All Trustees are welcome to attend this meeting and ask any questions they may have. The auditors have confirmed that the Trustees are receiving all of the information needed to fulfill their fiduciary responsibilities.
President’s Announcements
- President Hahs introduced Amy Rempas who has been reassigned to the position of Business Administrative Associate in the Office of the President and she will also serve as Assistant Secretary to the Board of Trustees. Amy joined Northeastern in the Office of the Vice President for Finance and Administration in 2012. In her professional life before Northeastern, she facilitated board of directors meetings for a professional association and she managed a law office. In the Office of the Vice President for Finance and Administration she’s undertaken challenges creatively and enthusiastically and her work reached beyond that particular office. She has demonstrated exemplary organization skills and she will bring innovation to her new role in the Office of the President where in addition to supporting the Board of Trustees she will assist the Chief Communications Officer, General Counsel, and the Director of Equal Opportunity. Amy holds a bachelor’s degree in Fine Art and Illustration from the American Academy of Art.

- President Hahs introduced Michael Dizon, the new Chief Communications Officer. Mike has nearly 20 years of experience in strategic communications, marketing and news reporting across both educational and corporate sectors. Mike comes to us from Dominican University where he served as Assistant Vice President of Communications and Marketing. Before that, he was Senior Director of Communications and Marketing at Northwestern University’s Medill School of Journalism, Media, Integrated Marketing Communications. He was also Director of Corporate Communications at Topco Associates for two years and at the Chicago Tribune for 10 years in corporate communications and marketing and as a political analyst. Michael is well versed to be at the University with all of us. He holds several degrees. They are all from the University of Illinois including an MBA and MS in Journalism and an MA in Public Affairs Reporting as well as a BS in Marketing Business Administration and a BS in Accountancy. He also earned a certificate of Integrated Marketing from the University of Chicago.

- In the early morning hours of Sunday, November 9th, there was a major fire in a large apartment complex on Kimball Avenue near the University. There were 11 people harmed, of whom 2 are still in critical condition and a 10 year old boy who died in the fire. The 10 year old boy was a student at Northeastern’s neighborhood school, Peterson Elementary. The University is undertaking a fundraiser to help with the call for support for the families that were either hurt or homeless as a result of the fire. Details about the fundraiser led by Student Affairs will be provided next week. The Foundation has also put forth a challenge to match the first $2,500 of donations received.

Chair Azcoitia, on behalf of the Board of Trustess, welcomed Amy and Mike to the University. He also thanked the University community for putting the fundraiser together to support the fire victims.

President’s Report
The entire President’s Report is incorporated herein by reference.
Action Item I. A. TUITION AND FEE RECOMMENDATIONS

Annually, the Board of Trustees of Northeastern Illinois University sets tuition and fee rates for the next academic year. Consistent with last year, preliminary information was brought to the Board at its September meeting demonstrating the serious fiscal considerations that needed to be addressed. This was followed by a special meeting of the Finance Committee. On October 20, 2014, the Finance Committee met and examined the issues surrounding tuition and fee rates.

While discussing approaches to annual tuition rate setting, the Committee reached consensus that rates for new students should reflect the cost of educating students; post six-year student rates should equal those of new students; and graduate student rates should be 2 percent higher than undergraduates.

Using the above parameters, the consensus reached in the Finance Committee meeting is reflected in the recommendations for the fiscal year 2016 tuition and fees presented below:

a) A tuition rate change for incoming Fall 2015 undergraduate students that is 5.9 percent higher than the rate for incoming Fall 2014 undergraduate students. (Note that the original consensus from the Finance Committee is 6 percent, based on rounding percentages. The amounts listed here are based on rounding to the nearest whole dollar.)

b) A tuition rate change of 6.8 percent for graduate students; and

c) A tuition rate change of 12.6 percent for undergraduate students who will have been at the University for more than six academic years.

d) A decrease in the Parking fee and implementation of a new Campus Improvement fee.

e) A change in the Campus Recreation and Student Health Services fees.

Mr. Duque, seconded by Mr. Stein, moved to approve the TUITION AND FEE RECOMMENDATIONS.

Roll was called and the vote was as follows:

Azcoitia  Yes  Duque  Yes  Ruscitti  Yes  Slefo  Yes
Biggins  Yes  Fumo  Yes  Lee  Yes  Stein  Yes

The motion carried.

Additional Considerations

These items were presented in the September Board matter on tuition and fee rates. They were not discussed at the Finance Committee meeting in October. Both of these changes are recommendations from the Enrollment Planning Council. Each would enhance the University’s overall enrollment.

a) Tuition rates for students from neighboring states

Beginning in fall semester 2015, all new students from neighboring states will be assessed in-state tuition rates. Students will qualify if they reside in Indiana, Wisconsin, Michigan, Iowa, Kentucky or Missouri.
Review of thirty public universities in states contiguous to Illinois reveals, for fiscal year 2015, that eleven have current rates higher than Northeastern, two are the same, and seventeen are lower by $500-$2,000 annually. Given that the number of high school graduates in Illinois is predicted to remain fairly level, and the numbers in the contiguous states are predicted to increase (in various states over the next decade), the rate change provides potential to increase enrollments. Currently, Illinois remains the 3rd largest exporter of high school students to other states (National Center for Education Statistics). This change will also position the University to recruit students who will live in student housing. Some Illinois public universities already have these same arrangements for one or two contiguous states.

Approval is requested to use the in-state rates for students from the six states adjacent to Illinois.

Mr. Biggins, seconded by Mr. Duque, moved to approve the additional considerations of the
TUITION AND FEE RECOMMENDATIONS - a) Tuition rates for students from neighboring states.

Trustee Stein asked if the University has a specific marketing plan in place to inform the public of this new opportunity for residents of neighboring states. The Provost replied with details of a four part plan that includes marketing campaigns in the new regions, acquiring student data related to ACT and SAT scores, sending recruiters out high schools in the neighboring states and plans to hire a permanent recruiter to maintain the recruiting effort in the future.

Roll was called and the vote was as follows:

Azcoitia  Yes       Duque  Yes       Ruscitti Yes       Slefo  Yes
Biggins  Yes       Fumo  Yes       Lee    Yes       Stein  Yes

The motion carried.

b) Military and veteran family rate

A student who is an active member of the United States Armed Forces or an honorably discharged veteran, regardless of state residency, currently qualifies for in-state tuition. Beginning in fall semester 2015, this policy will also apply to spouses and dependent children of active duty military and veterans.

This change opens up opportunities on all campuses, but especially for the University Center of Lake County programs, since the Great Lakes Naval Base is nearby. This rate would provide a benefit beyond state and federal benefits.

Approval is requested to extend the in-state rates to spouses and dependent children of active duty military and honorably discharged veterans.

Mr. Duque, seconded by Ms. Ruscitti, moved to approve the additional considerations of the
TUITION AND FEE RECOMMENDATIONS - b) Military and veteran family rate.
Roll was called and the vote was as follows:

Azcoitia  Yes  Duque  Yes  Ruscitti  Yes  Slefo  Yes
Biggins  Yes  Fumo  Yes  Lee  Yes  Stein  Yes

The motion carried.

**Action Item I. B. EXPENDITURE RECOMMENDATIONS FOR AMOUNTS OF 100,000.00 OR MORE; APPROVAL OF LEGAL EXPENDITURE**

The University has retained the services of Drinker, Biddle and Reath, LLP to represent Northeastern in developing its public private partnership student housing project. The University selected Drinker Biddle because of its unique expertise in these projects, which it acquired when it represented, among other entities, Illinois State University and Northern Illinois University. Because of the complexity of the project, which is in its initial stages, it is not possible to estimate the total legal expenses. It is anticipated that legal fees for the residential life project will exceed $100,000.

Board of Trustees approval is requested for the expenditure for legal services with Drinker, Biddle and Reath, LLP related to the development of a public private partnership to provide student housing.

Ms. Ruscitti, seconded by Ms. Slefo, moved to approve the EXPENDITURE RECOMMENDATIONS FOR AMOUNTS OF 100,000.00 OR MORE; APPROVAL OF LEGAL EXPENDITURE

Roll was called and the vote was as follows:

Azcoitia  Yes  Duque  Yes  Ruscitti  Yes  Slefo  Yes
Biggins  Yes  Fumo  Yes  Lee  Yes  Stein  Yes

The motion carried.

**Action Item I. C. UNIVERSITY FACILITIES SYSTEM REVENUE BONDS, SERIES 2014**

It is requested that the Board authorize the issuance of its University Facilities System Revenue Bonds, Series 2014 in one or more series (the “Series 2014 Bonds”), in order to provide funds to refund all or a portion of its outstanding University Facilities System Revenue Bonds, Series 2004 (the “Series 2004 Bonds”), to fund a deposit to the Bond Reserve Account (if required) and to pay the necessary issuance costs.

The Series 2014 Bonds will be fully registered and will be special, limited obligations of the Board and will only be payable from and secured by the net revenues of the University Facilities System, student tuition and fees (subject to prior payment of operating and maintenance expenses of the System, but only to the extent necessary) and the Bond Reserve Account.

All legal matters incidental to the authorization and issuance of the Series 2014 Bonds, the forms of the Preliminary and Final Official Statements, the Official Notices of Sale, the Official Bid Forms, the Third Supplemental System Revenue Bond Resolution and the Continuing Disclosure Agreement have been approved by Chapman and Cutler LLP, Bond Counsel,
The President requests:

1. Approval of the competitive public sale of the Series 2014 Bonds, subject to the following conditions: (i) the Series 2014 Bonds to be issued will not exceed an aggregate principal amount of $17,500,000; (ii) the Series 2014 Bonds will have a final maturity of no later than 22 years from their date of issuance; (iii) the price at which the Series 2014 Bonds will be sold will not be less than 97% of the par amount thereof and (iv) the true interest cost of the Series 2014 Bonds will not exceed 4.5%. The final terms of the Series 2014 Bonds will be approved by the Board Treasurer or his designee, at his discretion and within such parameters.

2. Approval of the preparation and distribution of the Preliminary Official Statement, the Official Notices of Sale and Official Bid Forms in connection with the sale of the Series 2014 Bonds and approval of the Final Official Statement with the addition of the final terms of the Series 2014 Bonds. Copies of such documents are on file with the Secretary of the Board for recording. The Board Treasurer or his designee is hereby authorized and directed to execute the final Official Statement and the Official Bid Forms in the name of and on behalf of the Board in substantially the forms presented to this meeting, or with such changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board’s approval of all changes from the forms thereof presented to this meeting.

3. Approval of the form of the Third Supplemental System Revenue Bond Resolution, including Appendix A thereto, which by its terms will amend and restate the existing Bond Resolution on the date on which no Series 2004 Bonds are outstanding. A copy of the Third Supplemental System Revenue Bond Resolution, including Appendix A thereto, is on file with the Secretary of the Board for recording. The Board Treasurer or his designee and the Board Secretary or his designee are hereby authorized and directed to execute the Third Supplemental System Revenue Bond Resolution in the name of and on behalf of the Board in substantially the form presented to this meeting, or with such changes as may be approved by the officers of the Board executing the same, their execution thereof to constitute conclusive evidence of the Board’s approval of all changes from the form thereof presented to this meeting.

4. If required by the successful bidders for the Series 2014 Bonds, approval of the terms and provisions of bond insurance for all or a portion of the Series 2014 Bonds, if such terms and provisions are approved by the Board Treasurer or his designee.

5. Approval of the form of the Continuing Disclosure Agreement by the Board with respect to the Series 2014 Bonds. A copy of the Continuing Disclosure Agreement is on file with the Secretary of the Board for recording. The Board Treasurer or his designee is hereby authorized and directed to execute the Continuing Disclosure Agreement in the name of and on behalf of the Board in substantially the form presented to this meeting, or with such changes as may be approved by the officer of the Board executing the same, his/her execution thereof to constitute conclusive evidence of the Board’s approval of all changes from the form thereof presented to this meeting.
6. Adoption of the Bond Compliance and Management Policy relating to continuing compliance by the Board with financial, tax and securities law covenants.

7. Ratification and confirmation of all actions taken or to be taken by the officers and members of the Board in connection with the sale and delivery of the Series 2014 Bonds to the purchasers.

8. The Chair and Officers of the Board, the President of the University, the Vice President of Finance and Administration of the University, the Board Treasurer and the Board Secretary are hereby authorized and empowered to do and perform such other acts and things; and to make, execute, and deliver all such other instruments and documents on behalf of the Board as may be by them deemed necessary or appropriate in connection with the provisions of the Official Statement, the Official Notices of Sale, the Official Bid Forms, the Third Supplemental System Revenue Bond Resolution, the Continuing Disclosure Agreement, the Bond Compliance and Management Policy, and all acts and things whether heretofore or hereafter done or performed by and of the officers of the Board which are in conformity with the intents and purposes of these resolutions shall be and the same are hereby in all respects, ratified, confirmed, and approved.

Therefore, board approval is requested for the issuance of University Facilities System Revenue Bonds, Series 2014.

Mr. Biggins, seconded by Mr. Lee, moved to approve the UNIVERSITY FACILITIES SYSTEM REVENUE BONDS, SERIES 2014 as requested in items 1-8 above.

Trustee Lee asked if the timing of this refinancing is in the University’s favor and will secure the best possible interest rate. President Hahs confirmed that the timing of this refinance is favorable and will save the University money.

Roll was called and the vote was as follows:

Azcoitia  Yes  Duque  Yes  Ruscitti  Yes  Slefo  Yes
Biggins  Yes  Fumo  Yes  Lee  Yes  Stein  Yes

The motion carried.

Board Committee Reports

Executive – Chair Azcoitia represented the executive committee and explained that there is no report at this time.

Academic and Student Affairs – Trustee Fumo represented the academic and student affair committee and explained that all items have been discussed during committee.

Buildings and Grounds – Trustee Duque represented the building and grounds committee and explained that all items have been discussed during committee.

Finance – Trustee Duque represented the committee and explained that all issues have been discussed during committee.
Legal Counsel Report
Mr. Arkell explained to the Board that the Legal Counsel Report was distributed and he would answer any questions in executive session.

Old Business - no report at this time.

New Business/Announcements

Commencement is Sunday, December 14 at 2:00 p.m. at the UIC Pavilion. Trustee Stein and Trustee Lee have agreed to attend and Trustee Stein will deliver greetings on behalf of the Board of Trustees.

Academic Honors is Thursday, December 4 at 5:00 to 6:00 p.m. in the auditorium. Chair Azcoitia asked if a trustee is still needed to deliver greeting on behalf of the board. Ms. Rempas was unsure but will communicate with the board in the coming days to confirm. Chair Azcoitia volunteered to attend.

Upcoming Events
Chair Azcoitia announced the following upcoming events:

1. **Next Board Meeting** - Thursday, February 5th at the main campus in the Golden Eagles room.

Opportunity for Public Comment in Accordance with Public Act 91-0715
Chair Azcoitia announced, we now come to the Opportunity for Public Comment section of the Agenda. The purpose of Public Comment is for the Board to hear from the public regarding matters of interest or concern. We will not enter into general discussion or open debate on issues that might be raised. So, while the Board welcomes Public Comments, we will not respond to them at the present time.

Today we have 11 individuals scheduled to speak; the requests were placed in advance. Time is limited to 2 minutes. To assist us, our Board Secretary, Amy Rempas, will announce when 30 seconds remain and when time is up and the Chair will alert the speaker to please conclude.

Please begin…

**Public Comment Speaker(s):**

1. **Brenda Bedolla**, President, Student Government Association
   Topic of Discussion – Support for student housing

2. **Mr. Garrick Beil** – son of the owners of the property at 5600 N. Kimball (TCF location)
   Topic of Discussion – The eminent domain lawsuit, accountability for the project, and inaccuracies in NEIU's communication.

3. **Ms. Kim Moseid** – North Park resident
   Topic of Discussion – Student housing and decision to invoke eminent domain.
4. **Bruce Van Inwegen** – community member  
   Topic of Discussion – The difficulties that the 2-minute rule imposes on the common public

5. **Joseph Laiacona** – community member  
   Topic of Discussion – The student housing dorms planned for the 3400 block of West Bryn Mawr.

6. **Gary Goldblatt** – Former Student Body President and community member  
   Topic of Discussion – Sources of funds for condemnation and potential liabilities.

7. **Dr. Brett Stockdill** – chair and professor of Sociology  
   Topic of Discussion – NEIU’s use of eminent domain to seize the properties of our neighbors

8. **Bryant Jackson-Green** – researcher and policy analyst with the Liberty Justice Center  
   Topic of Discussion – Student housing on Bryn Mawr.

9. **Bill Tong**, NEIU Alumnus, former NEIU Civil Service Employee and area business owner  
   Topic of Discussion – NEIU’s Decade of Dreams Plan and eminent domain.

10. **Dr. Christina Gomez** – professor of Sociology  
    Topic of Discussion – Vision of a University - how we can work together for the benefit of our students.

Chair Azcoitia thanked the public for their comments and for sharing their matters of interest with the Board. These matters will be reviewed.

**Convene in Executive Session**
At 2:58 p.m., Mr. Lee, seconded by Mr. Duque, moved to convene in executive session to consider: employment, appointment, compensation and performance of employees as permitted by Section 2. (c) (1) of the Open Meetings Act, collective negotiating matters, as permitted by Section 2. (c) (2) of the Open Meetings Act; pending, probable or imminent litigation, as permitted by Section 2. (c) (11) of the Open Meetings Act; and the purchase or lease of real property as permitted by Section 2. (c) (5) of the Open Meetings Act.

Roll was called and the vote was as follows:

Azcoitia  Yes  Duque  Yes  Ruscitti  Yes  Slefo  Yes  
Biggins  Yes  Fumo  Yes  Lee  Yes  Stein  Yes

The motion carried.

**Reconvene in Open Session**
At 4:15 p.m., Mr. Lee, seconded by Mr. Duque, moved to reconvene in open session.
Roll was called and the vote was as follows:

Azcoitia  Yes   Duque  Yes   Slefo  Yes
Biggins  Yes   Fumo   Yes   Lee    Yes

The motion carried.

Mr. Biggins, seconded by Mr. Duque, moved that the confidential written minutes of the executive session dated November 14, 2013 no longer require confidential treatment and are available for public inspection.

Roll was called and the vote was as follows:

Azcoitia  Yes   Duque  Yes   Slefo  Yes
Biggins  Yes   Fumo   Yes   Lee    Yes

The motion carried.

Dr. Biggins, seconded by Mr. Duque, moved to approve the destruction of verbatim records for the meeting held on April 11, 2013 as follows:
Whereas, 5 ILCS 120/2.06(a) requires public bodies to keep verbatim records of all closed meetings in the form of a video or audio recording; and
Whereas, 5 ILCS 120/2.06(c) provides that these verbatim records may be destroyed after eighteen (18) months but only after: 1) the public body approves destruction of a particular recording; and 2) the public body approves Minutes of the closed meeting that meet the written requirements applicable to open meetings; and
Whereas, the Board of Trustees has reviewed written Minutes of the closed meetings held on April 11, 2013 and those written Minutes meet the written minutes requirements; and
Whereas, the Board of Trustees believes that the destruction of the verbatim records is appropriate:
Therefore, be it resolved that the Board of Trustees of Northeastern Illinois University approves 1) the written Minutes of the closed meetings held on April 11, 2013, 2) the destruction of the verbatim records of the closed meetings held on April 11, 2013 and, 3) directs the Assistant Secretary of the Board of Trustees to destroy said verbatim records.

Roll was called and the vote was as follows:

Azcoitia  Yes   Duque  Yes   Slefo  Yes
Biggins  Yes   Fumo   Yes   Lee    Yes

The motion carried.

Adjourn
At 4:30 p.m., the Board unanimously agreed to adjourn.

Carlos Azcoitia, Chair
Amy Rempas, Assistant Secretary