A committee meeting of the Board of Trustees of Northeastern Illinois University met as follows on September 17, 2015 in the Golden Eagles room at 5500 N. St. Louis Avenue, Chicago, IL. Mr. Jin Lee, Vice Chair of the Board, called the meeting to order at 1:04 p.m. Dr. Carlos Azcoitia, Board Chair was unable to attend today’s meeting.

Announcements

Vice Chair Lee welcomed the new Student Trustee, Pedro Nungaray. A formal introduction will be made at the full board meeting. Trustee Nungaray will serve on the Academic and Student Affairs Committee.

Approval of Minutes

The minutes from the June 18, 2015 committee meeting were submitted to each Trustee prior to this meeting. No further additions or corrections were needed so, the minutes stand as written.

Executive Committee

Committee Members present: Jin Lee, Omar Duque, and Jonathan Stein
Committee Member absent: Carlos Azcoitia, Chair
Other Trustees Present: Bob Biggins, Barbara Fumo, and Pedro Nungaray

Review of President’s Report Items:

- Information Item II. F. Strategic Plan FY2015 Work Plan Results and FY2016 Work Plan

President Hahs noted that the FY2015 Work Plan Results were provided to the Trustees at their places. The FY2016 Work Plan is included in the President’s Report. The major focus of the FY2016 Work Plan is on recruitment, retention, core curriculum, shared governance, and the purchasing card program implementation. Trustee Nungaray asked if Student Government was part of the shared governance item and President Hahs replied that the President and Vice President of the Student Government Association participated in a few of the series of informal discussions.

Academic and Student Affairs Committee

Committee Members present: Barbara Fumo, Jin Lee, and Pedro Nungaray
Committee Member absent: Marvin Garcia, Chair (arrived later in meeting)
Other Trustees Present: Bob Biggins and Jonathan Stein
University Liaison: Richard Helldobler

Review of President’s Report Items:

- Information Item II. A. Biographies for New Faculty – Fall 2015

Trustee Fumo mentioned that new faculty were hired for fall semester of 2015. President Hahs referred everyone to the biographies in the President’s Report and said that a full introduction of new faculty members able to attend today’s meeting will be introduced at that time.

Trustee Fumo asked, and Provost Helldobler presented, an update on recruitment, enrollment, and retention for summer and fall 2015 as well as grant. Provost Helldobler also noted the new promotional and marketing materials created by the Office of Marketing.

Trustee Lee shared college matriculation data from north-suburban high schools in relation to Northeastern’s marketing budgets from the last two years. In 2014, with a total marketing budget of $962,000, only 8 out of 426 students from Niles North and 19 out of 542 students from Niles West came to Northeastern. In comparison to the number of students choosing other area community colleges, public and private universities, these numbers are very low. Trustee Lee questioned the effectiveness of Northeastern’s recruitment efforts in these high schools. In 2015, with a total marketing budget of $776K, only 2 of 635 students from Maine Township South chose Northeastern,
compared to higher numbers at schools like Oakton Community College, University of Illinois at Champaign, and Illinois State University. Trustee Lee urged the marketing team to look at their recruitment strategy and use the marketing fund to target these north-suburban high schools. Trustee Lee asked if a marketing flyer could be created for outreach to other markets like Hispanic and Asian students in addition to the flyer that was created for recruiting African American students. Provost Helldobler replied that recruiters do go to the schools mentioned; however, the reasons for why parents and students choose other schools are complex and varied and not simply because efforts are not being made to recruit at these schools. President Hahs added that the current tough economic times might be reflected in the high number of students going to community colleges who may choose a community college first because it is more affordable than a University. She noted Northeastern does have a great transfer rate of students coming from Oakton Community College.

Trustee Stein asked how our enrollment statistics compare with the general population of schools. Provost Helldobler replied that the other Illinois public schools are experiencing the same drop in numbers. Illinois schools seem to be challenged by what is going on in Springfield compared to schools in neighboring states.

Buildings and Grounds Committee

Committee Members present: Omar Duque, Chair, and Barbara Fumo
Other Trustees present: Bob Biggins, Jin Lee, Jonathan Stein, and Pedro Nungaray
University Liaisons: Michael Pierick and Nancy Medina

Review of President’s Report Item:

- Information Item II. G. Construction Update

Trustee Duque reviewed the Construction Update.

In regard to campus safety, Trustee Lee noted a list of crimes from August of 2015 consisting of graffiti and stolen or damaged property. He recommends creating a safety budget to purchase cameras and other equipment to prevent such crimes in the future. Trustee Duque requested a safety brief for the trustees to see what is currently being done to prevent crime.

Finance Committee

Committee Members present: Omar Duque, Chair, Bob Biggins, and Jonathan Stein
Committee Member absent: Darlene Ruscitti
Other Trustees present: Barbara Fumo, and Jin Lee
University Liaisons: Michael Pierick and Robert Filipp

Review of President’s Report Items:

- Action Item I. A. Fiscal Year 2017 (FY2017) Operating and Capital Request Budgets

Trustee Duque asked President Hahs to review each action item for the Finance Committee. President Hahs started with comments on Action Item I. A. She began with an explanation of the budgeting process, which happens every year. A request budget for Northeastern is approved by the trustees and is given to the Illinois Board of Higher Education (IBHE) who then combines it with other university budgets and sends it to the Governor’s office for consideration by the legislature where lobbyists lobby for our appropriation throughout the spring. President Hahs noted that it will always be her philosophy to ask for an increase in the request budget but at the end of the day in the last five to seven years in Illinois, there is little meaning to request budgets. This year, the request budget has been built on a house of cards because Northeastern has not received an appropriation from the state. The assumption used in cutting this year’s budget has come from the legislature’s recommendation. She respectfully asked the trustees’ to approve this action item knowing that its impact is far more limited than what its name says. This proposed budget includes everything that is normally included and she welcomed the trustees to question items as necessary.
President Hahs noted requests from the University Planning and Budget Committee (UPBC), capital spending, and increases to employee salaries, which the University is bound to provide under the various labor contracts.

Trustee Duque noted the lack of progress in Springfield toward approving a state budget. There is also no sense of urgency with the state to get our appropriations set. It is now mid-September and there is no hope of an approved budget in sight so how will Northeastern move forward? President Hahs replied that there have been communications with the Governor’s office, which begin with educating the Governor on what can and cannot be done with appropriations and money the state universities already have. While the spring semester will begin, there is concern as to whether the spring semester could finish without employees having to take furlough days. Spending cuts have already been made through eliminating vacant positions, and non-instructional position layoffs.

President Hahs went on to mention that she participates in a conference call every week with the other Illinois public presidents and chancellors where news about the state budget can be shared, but there is continually no news. The group has decided to front the Monetary Award Program (MAP) costs, the student financial aid in Illinois, to their students for the fall semester. MAP funds have also not been appropriated this year. For Northeastern, that is about 5 million dollars. It is a risk, but it would be a terrible philosophical decision not to honor the students because the budget problems in Illinois are not their fault.

Trustee Duque asked if President Hahs has heard any indication of “when” the budget might pass saying that he has heard dates of January and May. President Hahs replied that those two dates could mean two very different things for the University. She added that Northeastern is in as good a place as it can be at this time. The presidents and chancellors have requested to meet personally with the Governor.

Trustee Duque asked if the State of Illinois is legally mandated to provide an appropriation. Attorney Reardon Henry replied that her network of university attorneys has found this situation to be unprecedented and no consent decree exists.

President Hahs asked the trustees if they wished to approve a request budget knowing that its impact right now is meaningless. She noted that it is also possible to revisit this item in November if they choose. Trustee Duque said that he is comfortable taking a vote on this today knowing that it is likely there will be no news from Springfield before the special meeting of the Finance Committee in October. Trustee Stein agreed. Trustee Duque noted that it is important to move forward with the current information and adjust as needed. Provost Helldobler noted that through his network of provosts, there is no indication from the Illinois Board of Higher Education (IBHE) that an extension on the October deadline to submit budgets will be given to the universities.

Trustee Lee asked how accurate the estimates included in the capital requests are. President Hahs replied that they are similar to the estimates in the past, which have been very good. The Capital Development Board (CDB) has a formulaic process for adjusting estimates from year to year. Once the projects are ready to implement, the CDB has a whole other process for bidding. It is not likely that these projects will happen in the near future.
• Action Item I. B. Expenditure Recommendation for Purchases of $100,000 or More – South Campus Utility Infrastructure General Contractor

President Hahs reminded the trustees that this project has several parts that ultimately support the Education building. Most of the contractors for this project were approved in April. In June, there were procurement issues preventing the finalization of the general and electrical contractor bids however, approval authority was given to President Hahs for final bid amounts not to exceed 5.2 million for an electrical contractor, and 5.9 million for a general contractor. The electrical contractor’s second bid came in $368,000 lower, so that was approved, but the general contractor’s second bid came in $12,000 higher. Trustee Nungaray asked what the difference was and President Hahs replied that some of the materials in the bid went up and some down, but overall a $12,000 difference on a 5.9 million bid is not much.

• Action Item I. C. Expenditure Recommendation for Purchases of $100,000 or More – Co-Generation Plant Catalytic Converters

• Action Item I. D. Expenditure Recommendation for Purchases of $100,000 or More – Detention Basin Expansion

Trustee Lee asked if this has to be done this year. President Hahs replied that the residence hall is already being built and this work has to be done before that building is complete.

Trustee Duque expressed his concern about the state’s financial situation. While he understands that the University needs to plan and money needs to be spent, what happens if 3, 5, or 8 months from now we have to go to Springfield and say we cannot continue to operate without our appropriation? He is not advocating for not doing any of this work, but he feels the question needs to be asked. President Hahs replied that she thinks his comments are very much the same as those expressed at the Vice Presidents Council meeting every week in her office, including how does Northeastern go forward, can Northeastern go forward, what should be done, how can Northeastern sustain momentum in an unknown time. Trustee Lee noted that the trustees depend on the professional judgment of the administration to get through as well as possible.

Trustee Duque proposed that the trustees develop a resolution stating their concern over the lack of an approved budget from Springfield. A statement will be discussed in the full Board meeting.

• Action Item I. E. Expenditure Recommendation for Purchases of $100,000 or More – Snow Removal Service

• Action Item I. F. Strategic Planning Development Fund

Trustee Garcia asked if any money could be added to scholarships from this fund. President Hahs replied no because that would be considered an operational expense. This fund would provide money for one-time expenses (non-operational, non-recurring) such as University Planning and Budget Committee (UPBC) initiatives.

• Action Item I. G. Annual Adjustments to the Reserve Limits for Non-Indentured Entities

• Information Item II. B. Deferring Approval of Final Fiscal Year 2016 University Operating Budget

• Information Item II. C. Preliminary FY17 Tuition and Fee Recommendations

Trustee Stein asked for tuition and fee comparisons to other universities in the Chicagoland area. President Hahs replied that it would be made available.
Adjourn
At 2:18 p.m., the Board unanimously agreed to adjourn.

Jin Lee, Vice Chair
Amy Rempas, Assistant Board Secretary

Approved November 19, 2015