

Board of Trustees of Northeastern Illinois University

Finance, Buildings and Grounds Committee Meeting Minutes

August 15, 2022

A meeting of the Finance, Buildings and Grounds Committee of the Board of Trustees of Northeastern Illinois University was convened on Monday, August 15, 2022 in the Golden Eagles Room located at 5500 N. St. Louis Avenue, Chicago, IL. Trustee Sherry Eagle, Chair of the Committee, called the meeting to order at 9:03 a.m.

Roll was called and the following Trustee Committee members were present: Carlos Azcoitia; and Sherry Eagle

Other Trustees present: Jonathan Stein

Also present: Gloria Gibson, President; G. A. Finch, University Counsel; Mary Pat Burns, Board Counsel (via video); Josie Gough, Partner, Burke, Burns & Pinelli, Ltd. (via video); Karl Voigt, Assistant Secretary to the Board; vice presidents; staff; and University community members

Opportunity for Public Comment in Accordance with P.A. 91-0715

Trustee Eagle announced the opportunity for public comment. There were no requests to speak.

Chair's and President's Remarks

Trustee Eagle welcomed the committee back from summer, announced the upcoming student orientations this week, and thanked the faculty and staff for everything they do to ensure student success.

President Gibson thanked everyone for their work in preparing for today's meeting, including Trustee Eagle's assistance, noted the faculty institute that will take place this week, and how wonderful it is to see students on campus for the new academic year.

ITEMS FOR CONSIDERATION AND POSSIBLE FUTURE ACTION

Purchases \$100,000 or Greater: UIC Facilities Use Contract

Vice President for Finance and Administration, Manish Kumar, reported that Northeastern has held its commencement ceremonies at the Credit Union 1 Arena located on the University of Illinois at Chicago (UIC) campus, since December 2011 as NEIU does not have the space to hold an indoor commencement on its main campus. This arena was originally chosen because of its reasonable rental rate, location in the city and ease of access, and seating capacity that allows NEIU graduates to have at least six guests attend the ceremony.

The contract for use of the Credit Union 1 Arena includes space rental fee, as well as costs for arena labor and equipment, parking, utilities, security, and various other charges. Over the past eight years, Northeastern has been able to identify cost saving opportunities by splitting the costs of several contracted production elements such as sound, lighting, web streaming, and video production with UIC since both institutions use these services for their December and May ceremonies. The University's longstanding history and positive relationship with UIC and the Credit Union 1 Arena has allowed for the successful planning and execution of NEIU's commencement ceremonies.

Board approval is requested to enter into a three (3) year contractual agreement for use of the Credit Union 1 Arena for the next six (6) commencement ceremonies. The contract will begin with the December 2022 commencement and will end with the May 2025 ceremony at a cost of \$395,415.00.

Trustee Azcoitia, seconded by Trustee Eagle moved to recommend approval of a three-year contract between NEIU and UIC Credit Union 1 arena for rental of facilities

Discussion: the University is pleased about its relationship with UIC Credit Union 1 Arena and it meets the University's needs.

Roll was called and the vote was as follows:

Azcoitia: Yes Eagle: Yes Serrano:

The matter is recommended.

Purchases \$100,000 or Greater: El Centro Janitorial Services

Manish Kumar reported that Northeastern Illinois University contracts with a firm to provide janitorial services at the El Centro location. The current contract expires on September 30, 2022 with no renewal options available. An Invitation for Bid solicitation was advertised on April 20, 2022. The scope of services includes janitorial services for the El Centro campus. Nine bids were received on May 10, 2022. ATALIAN US Midwest was the lowest responsible and responsive bidder. The vendor will provide labor, supervision, tools, equipment, cleaning products and incidentals to keep designated areas in a clean and sanitary condition at all times.

Estimated cost is \$500,000 for a five (5) year contract term. ATALIAN US Midwest has met the 30% BEP goal by subcontracting with Chicago-based Dust 'Em Clean Maintenance Company. The University is seeking Board approval to enter into a five (5) year contract with ATALIAN US Midwest. There are no renewal options available on this contract.

Trustee Azcoitia, seconded by Trustee Eagle moved to recommend approval of a five-year, non-renewable contract between the University and ATALIAN US Midwest as the principal vendor with Dust 'Em Clean as the local sub-contractor in an amount not to exceed \$500,000.00.

Discussion: the Committee asked why an out-of-state vendor was selected. The Illinois vendors who submitted bids were much higher than the selected vendor. Trustees discussed the thirty-day cancellation clause, how the BEP sub-contractor relationship works, and other contract minutiae.

Roll was called and the vote was as follows:

Azcoitia: Yes Eagle: Yes Serrano:

The matter is recommended.

Trustee Serrano joined the meeting at 9:26 a.m.

Approval of Ratified Contract Between NEIU and Teamsters Local 700 / Building Service Workers

Manish Kumar reported on July 26, 2022, Teamsters Local 700 voted to ratify their labor agreement. The agreement will be for four years expiring on June 30, 2026. On July 1 of each year of the contract, the BSW's would receive a 2.0% hourly wage increase.

Other terms include the parties agreed to increase from one tardy grace period to two grace periods a month; the addition of the Juneteenth holiday; establishment of a pre-disciplinary process in case of proposed discipline of employees; the creation of a voluntary employee list to manage critical overtime situations that arise with less than 24 hours' notice.

The first-year cost of a 2% increase is \$24,999 overall, with \$21,460 paid from State funds and the remainder paid with auxiliaries/locals. The four-year cost with compounding totals \$103,036 with \$88,454 paid from State funds.

Trustee Azcoitia, seconded by Trustee Eagle moved to recommend approval of the agreement between NEIU and Teamsters Local 700 / Building Service Workers as ratified on July 26, 2022 by its membership.

Discussion: there was no discussion.

Roll was called and the vote was as follows:

Azcoitia: Yes Eagle: Yes Serrano: Yes

The matter is recommended.

FY22 4th Quarter Budget to Actual – Information Item intentionally presented out of agenda order

Mike Wenz reported that pending final revisions, and subject to the annual audit, the University experienced revenues and expenditures below budgeted amounts through the fourth quarter of FY2022. Tuition revenues are less than budgeted due to credit hour declines in excess of forecasts. Enrollment for FY2022 fell approximately 14% below FY2021, leading to a \$5.2 million decline in tuition revenue. FY2021 credit hour enrollment totaled approximately 148,000 credit hours, and FY2022 credit hour enrollment will be at approximately 128,000 credit hours.

Persistent hiring vacancies has led to personnel spending below budget, but spending in other categories was similar to their levels from FY2021 and also less than budgeted totals in aggregate. A mid-year increase in the appropriation from the state of Illinois partially offset the enrollment shortfall. In addition, the University budget included an expectation of lost revenue recovery from COVID-19 relief funding. Since expenditures were less than budgeted and since the deadline for claiming grant funding expenditures has been extended, these funds will not be claimed in FY2022 and a portion will be deferred to FY2023.

The FY2022 budget included State support of \$35,566,900 for the University's unrestricted general operating budget, or 39.4 percent of that budget. University Income Funds are comprised primarily of tuition revenues. The FY2022 budget includes estimated tuition revenue of \$51,472,200, or 57.1 percent of the general operating unrestricted budget. Other income sources make up \$3,188,700, or 3.5 percent, and this includes an anticipated \$2,788,700 in federal COVID-19 relief funding.

In April, the Governor signed into law a budget that included an additional \$1,778,400 in current-year appropriation fund. This funding has been applied toward personal service expenses in the current year. Through the fourth quarter, the University has vouchered a total of \$37,345,300 against the appropriation, all of which has been received. Through the fourth quarter, 95.3 percent of FY2022 planned tuition and income fund revenue was recorded, after adjusting for anticipated waivers and bad debt. 98.3 percent of budgeted revenue not related to COVID-19 lost revenue relief funding was recorded.

The FY2022 budget includes \$2,788,700 in anticipated COVID-19 relief funding. In light of the mid-year increase in support from the state which will offset some revenue loss, along with the favorable expenditure variance, The University has not claimed this funding. In addition, the deadline for claiming expenditures under federal grant guidelines has been extended through FY2023. The University anticipates deferring a portion of this to FY2023.

Through the fourth quarter, the University spent \$81,188,895 or 90.0 percent of the total \$90,227,800 general operating unrestricted preliminary budget. During the previous fiscal year, FY2021, the University

operated primarily remotely, and federal Covid-19 relief funding was leveraged to support operational changes related to the virtual environment. While the University has returned primarily to in-person work, expenditures continue to mirror those of the work-from-home period. Labor market conditions in the broader economy have created planned and unplanned vacancies that have delayed the University's return to full staffing levels and allowed for expenditure adjustments to meet declining enrollments. This has kept expenses below projected levels and will allow the university to maintain expenses in line with revenues in the current fiscal year. As mentioned above, the University continues to monitor the need to claim lost revenue and anticipates that available COVID-19 relief funding will be exhausted within the terms of the federal grant guidelines.

Table 1
NORTHEASTERN ILLINOIS UNIVERSITY
FISCAL YEAR 2022 BUDGET TO ACTUAL COMPARISONS
FOR THE PERIOD ENDING June 30, 2022
UNAUDITED FIGURES

	General Operating Budget				
	FY2021	FY2022			
	Actual Prior Year to Date	Actual Year to Date	Adopted Budget	Current Budget	% of Current Budget
Revenue					
State Appropriations	\$ 35,566,900	\$ 37,345,300	\$ 35,566,900	\$ 35,566,900	105.0%
Net Tuition Revenue	52,250,016	47,071,132	50,780,200	50,780,200	92.7
Net Differential Tuition Revenue	589,318	823,452	692,000	692,000	119.0
All other sources	366,829	766,454	3,188,700	3,188,700	24.0
Total Revenue	88,773,063	\$ 86,006,338	\$ 90,227,800	\$ 90,227,800	95.3%
	-				
Expenditures					
Personal Services	\$ 65,955,768	\$ 66,160,271	\$ 71,378,700	\$ 71,040,206	93.1%
Contractual Services	9,869,252	10,440,540	13,113,300	13,365,794	78.1
Equipment	378,013	384,783	844,996	885,729	43.4
Commodities	351,714	491,498	840,300	842,361	58.3
Telecommunications	235,189	157,996	236,300	237,575	66.5
Travel	198	70,667	188,300	203,030	34.8
Permanent Improvements	-	-	49,600	3,825	-
Operation of Auto Equip	37,210	29,781	21,304	33,543	88.8
Tuition Scholarships	1,388,872	1,220,634	1,322,000	1,382,737	88.3
Debt Service	2,199,881	2,232,727	2,233,000	2,233,000	100.0
Total Expenditures	\$ 80,416,097	\$ 81,188,895	\$ 90,227,800	\$ 90,227,800	90.0%

Notes:

1. Adopted Budget column reflects the FY2022 budget approved by the Board of Trustees in September, 2021.
2. Year-to-date expense activity does not include encumbrances.
3. The Current Budget reflects budget transfers processed between organizations and accounts.
4. Anticipated remaining expenditures include encumbered purchase orders, payroll, and sick/vacation accrual reconciliation. The anticipated total for these adjustments is \$3.23 million.

President Gibson concluded this report informing Trustees that a University financial sustainability report will be presented by Vice President Kumar at an upcoming meeting.

Approval of Final FY23 Operating Budget

Mike Wenz, Executive Director of University Budgets reported the University is requesting an operating budget of \$87,329,700 for Fiscal Year 2023. This represents a decrease of 3.2% from FY2022, primarily due to the expiration of Federal COVID-19 relief funding. The FY2023 budget is based on a 6% decline in projected tuition revenue and a 5% increase in the State appropriation. The requested operating budget is balanced between revenues and expenditures, in part by relying on \$1.2 million in Federal COVID-19 relief funding that has been deferred from FY2022. These funds will not be available in FY2024, and sustainability planning is necessary to address the gap.

In FY2022, the University received an appropriation of \$35,566,900. In April 2022, the Governor signed into law a budget that called for a 5% increase of \$1,788,400, to a total of \$37,345,300 for FY2022. The preliminary budget presented here includes this level of appropriation.

The unrestricted operating budget reflects the tuition and fee rates adopted by the Board in November 2021 for FY2023, and enrollment projections developed internally by the University. These tuition rates include no increase in undergraduate tuition, currently 420.44 per credit hour for Illinois residents and a two percent increase for new graduate students from 441.46 to 450.29 per credit hour for Illinois residents.

The forecast for FY2023 tuition revenues is based on an examination of the flow of new and continuing graduate and undergraduate students. For continuing students, declining enrollment in recent years leads to persistent future declines as well, as incoming classes are not sufficient to replace the flow of students who are graduating. For this reason, this budget anticipates a decline in continuing credit hours for FY2023 as well, with retained student credit hours anticipated to fall approximately 9% below FY2022 budgeted levels and approximately 6% below the current FY2022 projections.

For new student credit hours, this budget considers the likely impact of the NEIU for YOU program approved by the Board of Trustees during FY2022. This program is designed to reverse the declining trend in new student enrollment and has established targets of 400 new first-time full-time freshmen, 900 new transfer students, and 538 new graduate students for Fall 2022. The FY2023 budget is built around these targets. This would represent a total increase of 220 new students relative to the previous year, a substantial improvement but not enough to offset the headwinds associated with the declines of the recent past. Total credit hours are projected at 128,300 for FY2023. In total, the FY2023 budget anticipates a 6 percent decline in budgeted tuition revenue, from \$50,780,200 to \$47,412,000.

In addition to the appropriation and tuition revenue, the University generates a small amount of other income from interest on cash balances and miscellaneous sales. This amount is budgeted at \$400,000 for FY2023. In the coming weeks, as fall enrollments materialize, the final budget will consider any known changes to state funding and tuition revenues and high priority spending needs.

Expenditures for FY2023 will be balanced to anticipated operating revenues. At this time, the University is finalizing spending plans based on the anticipated revenues of \$87,329,700 as outlined above. The FY2023 request budget was approved at a level of \$95,685,500, and the FY 2022 final operating budget was set at a level of \$90,227,800. While the expenditure budget reflects a significant decline from the FY2022 budget and the FY2023 request budget approved by the Board in September 2021, reorganization and improved efficiencies have seen expenditures for the current and past (FY2021) budget years come in substantially below budget. While a significant cause of lower than anticipated spending has been personnel turnover and vacant positions, it is not the only change. The pandemic affected workflow and work processes, often making them more efficient, and as the University adjusts to the new normal, personnel and non-personnel budgets are being adjusted to reflect this changed environment.

In addition to the unrestricted operating budget, this preliminary plan includes forecasts for the restricted operating budget, which includes student fee programs, auxiliary services, indirect costs and grant sources. The restricted operating budget includes expenditures from revenue sources that are restricted either by an external requirement or by internal accounting policy. Preliminary student fee program budgets reflect the fee rates as approved by the Board of Trustees in November 2021. These restricted operating funds are projected to total \$59,279,300 in FY2022. This represents a decline of \$5,676,000 from FY2023, primarily due to the decline in federal COVID-19 support and a decline in student fee-supported activities due to anticipated declines in credit hour enrollment. Resources available for operating purposes in FY2023 are estimated at \$146,609,000, a decrease of \$8,574,200 or 5.5 percent, from the FY2021 budget. Approximately \$4,588,000 of this decline represents a reduction of federal COVID-19 relief funding.

Trustee Azcoitia, seconded by Trustee Serrano moved to recommend approval of the FY23 operating budget.

Discussion: Trustees asked general questions and engaged in clarifying discussion.

Roll was called and the vote was as follows:

Azcoitia: Yes Eagle: Yes Serrano: Yes

The matter is recommended.

FY24 Operating and Capital Budgets Request

Mike Wenz reported that the FY2024 Unrestricted Operating Budget request presented to the Board of Trustees acknowledges the current financial constraints in the State of Illinois, as well as recent enrollment trends and actions taken to impact student recruitment. This budget request includes funding for new and continuing items that address the strategic initiatives identified by the University community and support our Strategic Goals and Action Steps.

The FY2024 Unrestricted Operating Budget request is based upon the FY2023 Unrestricted Operating Budget for the University and the University’s budget requests for new funding for FY2023. In the prior year (FY2022) budget, the State appropriation comprised only 39 percent of projected revenues, while tuition and other local revenues comprised 57 percent and one-time federal funding related to the COVID-19 pandemic made up the remaining four percent. However, due to a favorable budget variance in expenditures, \$2,788,000 in federal funding related to COVID-19 relief funds were not used. A portion of that amount, \$1.2 million, has been deferred into the FY2023 budget.

The University Unrestricted Operating Budget request for FY2024 totals \$90,289,500 an increase of \$2,959,500, or 3.4 percent, above the FY2023 Unrestricted Operating Budget base. The FY2024 Unrestricted Operating Budget request includes salary and cost increases totaling \$2,115,100, and requests of \$815,000 for priority strategic planning initiatives.

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 \$1,674,400 or 2.5 percent. The estimated increase is based on the University’s current collective bargaining agreements with a similar increase for non-negotiated staff and any outstanding labor contracts.

Table 2
FY2024 OPERATING BUDGET REQUEST
STATE APPROPRIATIONS AND UNIVERSITY INCOME FUNDS

(in thousands of dollars)

Base (FY2023 Budget)	\$	87,329.7
Projected Salary and Cost Increases		2,144.5
Strategic Program Initiatives		815.0
FY2024 Operating Budget Request	\$	90,289.2
Dollar Change From Previous Year		2,959.5
Percent Change From Previous Year		3.4%

Non-salary cost increases reflect a 2.3 percent increase based on the 2021 Higher Education Price Index Preliminary forecast (HEPI). This is the most recent data available.

Table 3
FY2024 OPERATING BUDGET REQUEST
SALARY AND COST INCREASES

(in thousands of dollars)	FY2023 Base	FY2024 Increase	
		Amount	Percent
Salary Increases	\$ 66,974.3	\$ 1,674.4	2.5%
Social Security/Medicare	1,005.0	25.1	2.5
Utilities			
Electricity	2,289.0	52.6	2.3
Natural Gas/Propane	415.0	9.5	2.3
Water/Sewer	44.0	1.0	2.3
Subtotal	2,748.0	63.1	
Library Books and Materials	465.0	10.7	2.3
All Other Operating Costs	16,137.4	371.2	2.3
Total	\$ 87,329.7	\$ 2,144.5	2.5%

Notes:

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

Compensation increases are required by collective bargaining agreements and provided to non-negotiated employees.

Cost increases except for compensation are based upon the Higher Education Price Index (HEPI), most recent available data for existing inflation.

The budget recommendations presented to the Board again include the recommendations and priorities identified by the UPBC. The vice presidents submitted to the UPBC projects for their areas and outlined their proposed work plans for meeting those priorities. The UPBC then reviewed and discussed the project requests.

To support those recommendations, \$815,000 is included in this FY2024 operating budget request. This includes strategic planning initiatives totaling \$300,000 that were endorsed by the UPBC during the current year planning process, along with \$515,000 in unfunded initiatives from prior years. Last year, requests totaling \$2,927,500 were included in the requested operating budget, and items totaling \$2,412,500 have been completed or have funding identified through HEERF COVID Relief funding, Strategic Planning Development Fund, NEIU for YOU, or the base operating budget. Table 4 presents an overview of the strategic planning initiatives included in the FY2024 request budget request.

Table 4
FISCAL YEAR 2024
STRATEGIC PLANNING INITIATIVES

<u>Student Success</u>	<u>\$ 350,000</u>
NEIU Sports exploratory committee ¹	200,000
Online Center to support online certificates and programs ²	150,000
<u>Urban Leadership</u>	<u>\$ 50,000</u>
Recruitment of public-sector cohorts ¹	50,000
<u>Student Success and Academic Excellence and Innovation</u>	<u>\$ 75,000</u>
Open Educational Resources ²	75,000
<u>Exemplary Faculty and Staff</u>	<u>\$ 50,000</u>
Faculty Speakers Bureau ¹	50,000
<u>Fiscal Strength</u>	<u>\$ 290,000</u>
Capital Campaign Support Personnel (2)	240,000
Alumni Relations Coordinator ²	50,000
<u>Total</u>	<u>\$ 815,000</u>

Note: UPBC concludes its FY2022 meeting calendar on May 9, 2022 and the list of

1. Endorsed by UPBC during the current fiscal year planning process.
2. Prior year initiatives not yet funded or completed.

Timing the formal request for the approval of tuition and fee rates involves compromising, between early adoption, allowing students and their parents to better plan for college costs, and later adoption, allowing the University to consider available state funding in determining tuition rates.

In November 2020, the Northeastern Board of Trustees adopted tuition and fee rates for FY2023, the academic year beginning in the fall of 2022. A set of tuition and fee recommendations for FY2024 will be brought to the Board Finance Committee for discussion in October 2022, and to the Board for action at the November 2022 meeting.

Table 5 summarizes capital improvement requests for FY2024. Requested capital projects total \$338,245,700, with \$281,897,600 in Regular Capital projects and \$56,318,100 in Capital Renewal projects. The requests also include a priority number for each project, as requested by the Illinois Board of Higher Education. Priority order also reflects consultation with the NEIU Board of Trustees.

Table 5
FISCAL YEAR 2024 REQUEST
CAPITAL APPROPRIATIONS

(in thousands of dollars)	<u>Priority</u>	<u>Estimated Project Cost</u>
REGULAR CAPITAL PROJECTS		\$ 281,927.6
Education Building, equipment	1	11,546.0
Science Building, planning	2	10,072.2
Science Building, construction	3	128,649.0
Science Building, equipment	4	21,280.0
Mixed use facility	5	48,783.7
Lech Walesa Hall, remodeling	6	17,173.7
Ronald Williams Library renovation	7	44,423.0
CAPITAL RENEWAL PROJECTS		\$ 56,318.1
Renovate E and F - One Stop Shop	1	10,803.3
Campus Roof Replacement	2	8,960.0
Lower Level Egress and Fire Separation	3	8,212.7
ADA Restrooms	4	3,285.1
Asbestos Abatement	5	3,285.1
Fume hoods	6	1,153.1
Building D and E exterior window wall, replacement	7	3,354.5
Masonry and Building Envelope, replacements	8	9,855.8
Five science lab renovations	9	5,343.9
Parking lot D replacement	10	2,064.6
TOTAL CAPITAL REQUESTS		\$ 338,245.7

Note: Projects reflect FY2023 Capital Development Board cost guidelines and will be updated as new guidelines are established.

Trustee Azcoitia, seconded by Trustee Serrano moved to recommend that the Board accept the FY24 preliminary unrestricted operating and capital budgets as presented.

Discussion: Trustees asked general questions and engaged in clarifying discussion.

Roll was called and the vote was as follows:

Azcoitia: Yes Eagle: Yes Serrano: Yes

The matter is recommended.

ITEMS FOR INFORMATION

New Employee Introductions

Manish Kumar introduced the following new Finance and Administration employees:

Cindy Guerra joined Northeastern in February and was promoted to Interim Chief of Police on August 8th of this year. Previously Cindy worked for the Chicago Police Department for 27 years, 14 of those in a supervisory capacity.

Richard Pauner joined Northeastern in April as the Director of Facilities Planning & Construction. Previously Richard worked for Northwestern University as the Senior Manager of Campus Facilities Design and Construction.

Ann Carter joined Northeastern in July as the Director of Student Payment Services. Previously Ann worked at Concordia University and Roosevelt University.

Al Penner joined Northeastern in July as the Interim Associate Director of Outreach & Engagement. Previously, Al worked for Devry University as the IT Manager.

Enrollment Update

Dr. Kimberley Buster-Williams, Vice President for Enrollment Management, reported on the enrollment progress for Fall 2022. As of August 2, 2022, first-time, full-time freshman headcount is up, transfers and graduate headcounts are slightly down compared to same time last year. These figures will continue to change until the fall semester census is complete. The University continues to work diligently in contacting stop-out students and prospective students to get them registered for the upcoming Fall semester. Northeastern's enrollment challenges are mirroring trends being realized across the higher education spectrum. The University has a stable of regional recruiters working throughout the multi-state area. NEIU is already registered for upcoming recruitment fairs across the Midwest in advance of the Fall 2023 recruitment cycle. Manish Kumar added that The Nest is generating \$2.1M in revenue in addition to the University's contribution of \$2.6M.

Tuition and Fees FY2024

Mike Wenz reported that beginning with the Fall 2023 semester, the university is recommending an increase in the undergraduate tuition rate of 2.5 percent, an increase in the graduate tuition rate of 5 percent, and a consolidation of all mandatory fees, which total \$83.50 in FY2023, into one general fee totaling \$85.00 in FY2024. These changes are presented in Table 1.

In FY2023, the University did not raise tuition for undergraduate students and increased tuition for graduate students by 2.0 percent. Under the tuition guarantee program in Illinois, students are guaranteed the tuition rate they receive upon entering the university for four years, which means that the impact of tuition setting persists for several years. Cost increases related to general inflation, collective bargaining agreements, and non-negotiated personnel costs, as well as a narrow graduate tuition premium relative to our peers, justify a modest increase in tuition for FY2023.

Additionally, the University seeks to consolidate its mandatory student fees into one general fee. This will simplify and clarify the billing process for students. In addition, the general fee will address inequities in funding for fee-funded auxiliary and student operations that have arisen due to changes in the mix of online, remote learning and face-to-face instruction. The general fee is recommended to be set at \$85, an increase of \$1.50 from the FY2023 mandatory fees, and will cover the Green Fee, but move Student Parking from a mandatory fee (with opt-out) to an optional fee. The overall increase is approximately 1.75 percent, which will only partially offset anticipated cost inflation.

PRESIDENT'S REPORT TO THE
BOARD OF TRUSTEES OF NORTHEASTERN ILLINOIS UNIVERSITY

Table 1
NORTHEASTERN ILLINOIS UNIVERSITY
Schedule of Proposed Tuition and Fees

	FY2022	FY2023	FY2024	Change FY23 to FY24	
				Dollar	Percent
TUITION (per credit hour)					
Undergraduate - post 6-year (enrolled prior to Fall 2018)*	\$ 420.44	\$ 420.44	\$ 430.95	\$ 10.51	2.5 %
Undergraduate - newly enrolled Fall 2018 ¹	396.19	404.11	404.11	-	-
Undergraduate - newly enrolled Fall 2019 ¹	404.11	404.11	412.20	8.09	2.0
Undergraduate - newly enrolled Fall 2020 ¹	412.20	412.20	412.20	-	-
Undergraduate - newly enrolled Fall 2021 ¹	420.44	420.44	420.44	-	-
Undergraduate - newly enrolled Fall 2022 ¹	-	420.44	420.44	-	-
Undergraduate - newly enrolled Fall 2023			430.95	n/a	n/a
CBT Undergraduate Differential	10% of Base Undergraduate Rate				
Graduate	432.80	441.46	463.53	22.07	5.0
CBT Graduate Differential	10% of Base Graduate Rate				
Non-resident Undergraduate - post 6-year *	840.88	840.88	861.90	21.02	2.5
Non-resident Undergraduate - newly enrolled Fall 2018 ¹	792.38	808.22	808.22	-	-
Non-resident Undergraduate - newly enrolled Fall 2019 ¹	808.22	808.22	824.40	16.18	2.0
Non-resident Undergraduate - newly enrolled Fall 2020 ¹	824.40	824.40	824.40	-	-
Non-resident Undergraduate - newly enrolled Fall 2021 ¹	840.88	840.88	840.88	-	-
Non-resident Undergraduate - newly enrolled Fall 2022 ¹	-	840.88	840.88	-	-
Non-resident Undergraduate - newly enrolled Fall 2023 ¹			861.90	n/a	n/a
Non-resident Graduate	865.60	882.91	927.06	44.15	5.0
MANDATORY FEES					
	\$ 81.95	\$ 83.50	\$ 85.00	1.50	1.80 %
General Student Fee			85.00		
Activity Fee	7.00	7.10			
Student Union Fee	9.25	9.80			
Campus Recreation Fee	5.70	5.80			
Performing Arts Fee	2.00	2.05			
Student Health and Wellness Fee	5.50	5.60			
Computer Resources Fee	22.25	22.80			
Academic Enhancement Fee	9.25	9.25			
Campus Improvement Fee	6.00	6.00			
Parking Fee (waivable)	10.00	10.00			
Library Fee	5.00	5.10			
Green Fee - rate per semester	3.00	3.00			
U-Pass (Full-time Students only)	155.00	155.00	155.00	-	-
TUITION AND FEES (based on 15 credit hours)					
Undergraduate - continuing *	7,693.85	7,717.10	7,894.25	177.15	2.3
Undergraduate - newly enrolled Fall 2018 ¹	7,330.10	7,472.15	7,491.65	19.50	0.3
Undergraduate - newly enrolled Fall 2019 ¹	7,448.90	7,472.15	7,613.00	140.85	1.9
Undergraduate - newly enrolled Fall 2020 ¹	7,570.25	7,593.50	7,613.00	19.50	0.3
Undergraduate - newly enrolled Fall 2021 ¹	7,693.85	7,717.10	7,736.60	19.50	0.3
Undergraduate - newly enrolled Fall 2022 ¹		7,717.10	7,736.60	19.50	0.3
Undergraduate - newly enrolled Fall 2023 ¹			7,894.27	n/a	n/a
Graduate	7,879.25	8,032.34	8,382.93	350.59	4.4
Non-resident Undergraduate - continuing *	14,000.45	14,023.70	14,358.50	334.80	2.4
Non-resident Undergraduate - newly enrolled Fall 2018 ¹	13,272.95	13,533.80	13,553.30	19.50	0.1
Non-resident Undergraduate - newly enrolled Fall 2019 ¹	13,510.55	13,533.80	13,796.00	262.20	1.9
Non-resident Undergraduate - newly enrolled Fall 2020 ¹	13,753.25	13,776.50	13,796.00	19.50	0.1
Non-resident Undergraduate - newly enrolled Fall 2021 ¹	14,000.45	14,023.70	14,043.20	19.50	0.1
Non-resident Undergraduate - newly enrolled Fall 2022 ¹		14,023.70	14,043.20	19.50	0.1
Non-resident Undergraduate - newly enrolled Fall 2023 ¹			14,358.53	n/a	n/a
Non-resident Graduate	14,371.25	14,654.18	15,335.86	681.68	4.7

* Post 6-year students in FY2024 are those enrolled prior to Fall 2018.

¹ Per Public Act 93-0028 starting Fall 2004, Illinois undergraduate students newly enrolled will have their tuition held constant for a period of four continuous academic years. This policy was extended at NEIU to non-resident undergraduate students. Public Act 96-1293 effective Fall 2010, extended the tuition guarantee for two additional years at the rate of the following class.

Note: Other than the Green Fee and Upass Fee, tuition and fees are charged on a credit hour basis for each credit hour enrolled per semester up to 16 credit hours. There will be no tuition and fee charges for credit hours enrolled above 16 hours per semester. Beginning with Fall 2023, the Green Fee will be consolidated in the general student fee.

EI Centro Request for Proposal Update

Manish Kumar reviewed the timeline of the current RFP for the EI Centro parcels adjacent to the EI Centro building. A vendor recommendation will be ready on September 23, 2022 and presented to the Finance, Buildings and Grounds Committee at its October meeting. Trustees asked if a special meeting to approve the recommended vendor would be warranted. A decision will be forthcoming about a special meeting.

Purchases of at Least \$50,000 but Less Than \$100,000

Manish Kumar reported on the University's expenses within this range since the last committee meeting.

CBRE Update

Mike Nardini, First Vice President at CBRE Group, reported on the timeline currently underway for the Bryn Mawr properties redevelopment. While still in the early stages, CBRE has already met with Alderperson Nugent and is developing marketing materials for the properties. Notice of a public meeting to be held at the University's main campus is slated to take place in late September. Trustees asked general questions of Mr. Nardini.

Construction and El Centro and Main Campus Signage Updates

John Murray, Executive Director of Facilities Management, and Richard Pauner, Director of Facilities Planning and Construction reviewed some of the 120 active construction, risk mitigation, signage, and Board-requested projects underway, and answered Trustees' questions.

Old Business / New Business

Trustee Eagle asked if there was any old or new business to address. Seeing none, there was no further business.

Motion to Adjourn

At 11:26 a.m. Trustee Azcoitia, seconded by Trustee Eagle moved to adjourn. The meeting was adjourned by acclamation.

Respectfully submitted,

Sherry Eagle, Chair of the Committee
Karl Voigt, Assistant Board Secretary
Approved September 22, 2022