

Executive Committee of the Board of Trustees of Northeastern Illinois University
Special Meeting Minutes

May 31, 2023

A Special Meeting of the Executive Committee of the Board of Trustees of Northeastern Illinois University was convened on Wednesday, May 31, 2023 in the Golden Eagles Room located at 5500 N. St. Louis Avenue, Chicago, IL. Board Chair, José Rico, called the meeting to order at 8:41 a.m.

Roll was called and the following Trustee Committee members were present: Marvin Garcia; J. Todd Phillips; and José Rico

Other Trustees present via video conference: Jorge Leon; Michelle Morales; and Paula Wolff

Also present: Gloria Gibson, President; G. A. Finch, University Counsel; 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

Chair Rico announced the opportunity for public comment. There were three registrations placed in advance and one presentation made.

1. **Lesa Davis**, as NEIU faculty member

Topic: lack of support for Workday, and the budget for the proposed Nursing Program

ITEMS FOR CONSIDERATION AND POSSIBLE ACTION

Consideration and Possible Action on the U-Pass Contract

Terry Mena, Vice President for Student Affairs and Dean of Students stated that the current contract between Northeastern Illinois University and the Chicago Transit Authority (CTA) related to the U-Pass program expires in August 2023. The new contract with updated terms and conditions will extend through August 2028. The CTA U-Pass program provides students unlimited rides on the CTA during their full-time enrollment in a participating institution.

The University is leaning toward implementing a non-mandatory U-Pass program (students may opt-out) with participating students being charged at \$1.25/day for 112 active days per semester per eligible participating student. Regular transit fare is \$2.25/ride. The new contract also allows part-time students to participate in the program representing an equitable change that no longer “penalizes” non full-time students.

Total costs for the U-Pass program vary with the number of participating students. In FY23, the University collected roughly \$895,000 in U-Pass fees and paid the CTA approximately \$890,000. The U-Pass program acts as a pass-through account with any extra funding collected being used for program administration, primarily by student staff. The University is recommending a per semester, per student U-Pass fee of \$155.00 that would apply equally to full and part time students opting in to the program.

Trustee Garcia, seconded by Trustee Phillips, moved to approve the renewal of the CTA U-Pass contract through 2028, with a per student U-Pass fee of \$155.00 per semester to cover student transportation costs and administration of the U-Pass program.

Discussion: Trustees requested to know the total number of participants and number of those who opt out each term.

(U-Pass contract con't.)

Roll was called and the vote was as follows:

Garcia: Yes Phillips: Yes Rico: Yes

The motion carried.

Consideration and Possible Action on the Preliminary FY2024 Operating Budget

Manish Kumar, Vice President for Finance and Administration and Justin Krieg, Interim Executive Director of University Budgets made a presentation on the preliminary FY24 operating budget. The current revenue projection for FY2024 is \$84,518,547, a slight increase over the Final FY2023 Operating Budget. This change is largely due to an anticipated increase of 7% or \$2.6 million in state appropriations, and anticipated credit hour enrollment of 110,500. Since the University is required to balance revenues and expenditures, planned expenses cannot exceed projected revenues. The current projection of FY2024 expenses is \$89,942,779, which includes an estimated impact of agreements with UPI, MAP, AFSCME, and IUOE Local 399, as well as increases for non-negotiated employees. These projections also include funding for start-up expenses for the nursing program (\$425,000) and funding for the Afghan Transition Program (\$250,000 for FY24). The current gap between FY2024 revenue and FY2024 expenses is \$5,424,233. If the Board of Trustees does not elect to use reserves then Vice Presidents will be assigned spending targets that would collectively result in a reduction of projected spending by \$5,424,233. If the Board of Trustees elects to use reserves to increase allowable spending then the required reductions would be reduced dollar for dollar.

Trustee Phillips, seconded by Trustee Garcia, moved to approve the preliminary FY2024 operating budget directing the University to make reductions of \$2.9M from the \$89,942,779 in anticipated expenses and approved the use of \$2,524,233 of reserves to cover the variance between anticipated revenue and revised anticipated expenses.

Discussion: Trustees engaged in a lengthy discussion and debated the merits of several different spending reduction scenarios and were provided with an overview of the University's reserves. Trustees are particularly concerned about possible staffing reductions that extreme cutting measures would impose on affected programs and students. Depletion of the reserves risks the University's credit rating and raises borrowing costs.

Roll was called and the vote was as follows:

Garcia: Yes Phillips: Yes Rico: Yes

The motion carried.

Trustee Morales left the meeting at 9:45 a.m. Trustee Wolff left the meeting at 10:28 a.m.

ITEMS FOR INFORMATION

Purchases of at least \$50,000 but less than \$100,000

Manish Kumar reviewed the list of purchases within the stated threshold made by the University since the last report of such at the April 13, 2023 Regular Board Meeting and answered questions.

Motion to Convene in Closed Session

At 11:37 a.m. Trustee Phillips, seconded by Trustee Garcia, moved to convene in Closed Session.

Discussion: there was no discussion

Roll was called and the vote was as follows:

Garcia: Yes Phillips: Yes Rico: Yes

The motion carried. The audience was asked to leave the room.

Motion to Reconvene in Open Session

At 1:03 p.m. Trustee Phillips, seconded by Trustee Garcia, moved to reconvene in Open Session. The motion carried by acclamation. The audience was admitted to the meeting room.

Trustee Leon left the meeting at 12:09 p.m.

ADDITIONAL ITEMS FOR CONSIDERATION AND POSSIBLE ACTION

Consideration and Possible Action on the Contract Between the University and the International Union of Operating Engineers Local 399

On May 25, 2023 the International Union of Operating Engineers, Local 399 reported to the University that their membership had ratified an agreement of the following terms:

Wages and Length of Agreement:

- The agreement would be a six-year agreement, expiring on June 30, 2029.
- On July 1 of each year of the contract, beginning on July 1, 2023 the fourteen (14) operating engineers at NEIU would receive 90% of prevailing wage.
- Each year following, the unit would be compensated at the following rates:
 - 7/1/24 92% of then current Prevailing Wage
 - 7/1/25 94% of then current Prevailing Wage
 - 7/1/26 96% of then current Prevailing Wage
 - 7/1/27 98% of then current Prevailing Wage
 - 7/1/28 100% of then current Prevailing Wage

State institutions have been paying prevailing wage and the Union is agreeable to accomplishing this at Northeastern over time. The University is recommending six years for two reasons:

1. The prevailing wage is unknown from year-to-year. A diligent search for a history of Prevailing Wage for Stationary Engineers in Illinois as a comparison on the amount of increase year to year was not found. An increase of 2.0% per year was subsequently negotiated;

and
2. The agreement would be for a six-year period running through June 30, 2029.

The terms of the agreement between Local 399 and Chicago State are similar. The Prevailing Wage referenced is the Prevailing Wage determined for State of Illinois Institutions by the Illinois Department of Labor (IDOL).

The current prevailing wage reported by Local 399 is \$47.58 per hour. The current hourly wage for NEIU Operating Engineers is \$46.23. The \$1.35 per hour difference equates to an approximate 2.9% increase in FY24. It is not possible to calculate several years out because of the moveable Prevailing Wage, so the climb to prevailing wage at 2.0% annually is about as close as can be predicted.

Highlights of other agreed language:

- Added the Juneteenth holiday.
- Agreed to rates for Local 399 trainees. There are currently no Local 399 trainees at NEIU and to our knowledge, no plans to hire any.
- Agreed to follow the new Bereavement Leave law passed in Illinois.

Trustee Garcia, seconded by Trustee Phillips, moved pursuant to the President’s recommendation of the foregoing terms to approve the contract between the University and the International Union of Operating Engineers, Local 399.

Discussion: Trustees thanked all of those involved in the negotiations and congratulated everyone on the successful agreement.

Roll was called and the vote was as follows:

Garcia: Yes Phillips: Yes Rico: Yes

The motion carried.

Chair Rico stated that because the Executive Committee has taken action on this matter and other matters presented today on behalf of the full board, in accordance with the section 6 of the Board’s Bylaws, and appendix section 4 of the Executive Committee’s charter, the Board will receive written notification of these actions within 24 hours and at the next regular meeting. These actions will also be recorded in the Committee’s meeting minutes.

Old / New Business

Chair Rico asked if there was any old or new business to present. Hearing none, there was no further business.

Motion to Adjourn

At 1:09 p.m. Trustee Garcia, seconded by Trustee Phillips, moved to adjourn. The meeting was adjourned by acclamation.

Respectfully submitted,

José Rico, Board Chair
Karl Voigt, Assistant Board Secretary
Approved September 21, 2023