

Board of Trustees of Northeastern Illinois University
Regular Board Meeting Minutes
February 13, 2025

A regular meeting of the Board of Trustees of Northeastern Illinois University was convened on Thursday, February 13, 2025 in the Student Union – Alumni Hall North located at 5500 N. St. Louis Avenue, Chicago, IL 60625. Trustee J. Todd Phillips, Chair of the Board, called the meeting to order at 1:15 p.m.

Roll was called and the following Trustees were present: Betty Fleurimond; Ann Kalayil; Itzel Linares; Jorge Leon; Anna Meresidis; Michelle Morales; and J. Todd Phillips

Also present: Katrina Bell-Jordan, President; Nicki Bazer, Interim General Counsel; Karl Voigt, Assistant Secretary to the Board; vice presidents, staff, students, and community members both in person and viewing online.

Motion to Permit Remote Participation by Trustees

Trustee Fleurimond, seconded by Trustee Morales, moved to permit Trustees Paula Wolff and Carlos Garcia to participate in today’s meeting pursuant to Section 7(a) of the IL Open Meetings Act and Section 2. A. (2) of the Board’s Bylaws.

Discussion: both Trustees contacted the Assistant Secretary in advance of the meeting.

Roll was called and the vote was as follows:

Fleurimond: Yes Linares: Yes Meresidis: Yes Phillips: Yes

Kalayil: Yes Leon: Yes Morales: Yes

The motion carried.

Administration of Past Meeting Minutes and Records

Trustee Kalayil, seconded by Trustee Linares, moved to approve the following written open and closed past meeting minutes, and to keep the closed minutes closed:

- Open and Closed minutes from the November 21, 2024 Regular Board meeting
- Open and Closed minutes from the January 16, 2025 Academic/Student Affairs, Enrollment, and Technology Committee meeting

The motion carried by unanimous acclamation.

Trustee Fleurimond, seconded by Trustee Kalayil, moved pursuant to Section 2.06(3)(d) of the IL Open Meetings Act, that the confidential written minutes of the closed session portion of the February 15, 2024 Regular Board meeting require confidential treatment and will remain confidential.

Discussion: there was no discussion. The motion carried by unanimous acclamation.

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

Chair Phillips announced the opportunity for public comment. There were 9 registrations placed in advance and 8 presentations made.

1. **Francesca Morgan**, representing University Professionals of IL

Topic: the urgency of UPI organizing for equitable funding all around, UPI’s need for accurate membership information from H.R., and members’ difficulties reconciling payment errors with H.R.

2. **Heather Carper**, representing herself
Topic: the impact of low wages and delayed negotiations on operations
3. **Shane McClure**, representing himself
Topic: speaking to changes for academic advising, remote work, and ADA accommodations
4. **Mary Serio**, representing AFSCME
Topic: updates from AFSCME
5. **Rebekah Fitchett**, representing AFSCME
Topic: concerns about bargaining
6. **Joe Hibdon, Jr.**, representing Land Acknowledgement and Action Committee
Topic: to present to the Board about offering in-state tuition for registered Native Americans
7. **Lee Daluge**, representing Bachelor of Social Work students
Topic: tuition increases that disincentivizes enrollment
8. **Jennifer Heneghan**, representing NEIU Police Department at El Centro
Topic: El Centro new Interim Director

Chair's and President's Remarks

Dr. Bell-Jordan congratulated Trustee Ann Kalayil on her reappointment to the Board. Blanca Jara was introduced as the Interim Executive for Government Relations. She began her duties on December 9. The University has kicked off Black History Month with a number of events including a rescheduled MLK Day event entitled "Reimagining Education." The event featured Chicago Board of Education members Jitu Brown and Ebony DeBerry. On February 6 and 7, NEIU hosted, on behalf of Lieutenant Governor Juliana Stratton and the Illinois Criminal Justice Information Authority, the Higher Education in Prisons conference. NEIU delivers a degree completion program for incarcerated individuals through its University Without Walls program. The University's Spring 2025 enrollment is up 1.7% over same time last year, and credit hours are up 1.9% over same time last year. Fall to Spring retention for first-time full-time freshman is 81%, a 3% increase over same time last year. On February 19, the Governor Pritzker will deliver his State of the State and annual budget address. The University has completed the first phase of its strategic planning initiative, SWOT analysis. Next phase is the data summit and analysis, and stakeholder meetings.

Chair Phillips congratulated Trustee Kalayil on her reappointment. Congratulations to everyone at the University for their work in getting positive enrollment outcomes this Spring. Thank you to the students for coming to NEIU. Thank you to the University's leadership, students and staff for showing up and taking care of each other during this stormy time. Continue to show up and stand up and weather the storm.

COMMITTEE REPORTS

Academic/Student Affairs, Enrollment, and Technology Committee

The Academic/Student Affairs, Enrollment, and Technology Committee met Thursday, January 16, 2025 on the main campus. The Committee has no recommendations to present today. The committee received informational briefings which included:

- a report on the status of the Master of Science in Nursing program. IBHE will be meeting with the University soon
- an update and overview of the academic program reviews ongoing at the University by the IBHE and various program accrediting bodies
- an overview report on the Quality Initiative for Accreditation process and timeline
- a report on the Higher Learning Commission's planned site visit as a final step in the Ed.D. program accreditation
- enrollment and retention updates, including the University's MAP Gap funding response

- updates about the MHEAC and ESHI awards, as well as a report on Student Union renovation projects

Audit Committee

The Audit Committee presented one action item in response to new auditing standards from the Institute of Internal Auditors Global Internal Auditing Standards that became effective January 1, 2025. The changes in these standards made it necessary for the University to amend its 2025 Internal Auditing Charter to include revised language, as well as amending its 2025-26 Detailed Auditing Plan, which was modified to reflect the actual number of hours required of the internal auditor in external audit coordination. Because the Board had unanimously approved these records at its September 19, 2024 meeting, the committee is requesting approval of the amended documents.

Action Item I. A. Board Action on Committee Recommendation Regarding the Revised Internal Audit Charter and the 2025-26 Detailed Auditing Plan

Trustee Morales, seconded by Trustee Fleurimond, moved to approve the amended documents as presented.

Discussion: there was no discussion. The motion carried by unanimous acclamation.

Finance, Buildings and Grounds Committee

The Finance, Buildings and Grounds Committee met earlier today and has two action items to present today. Chair Phillips urged Trustees to review the images in the facilities presentation, particularly the images of the Bryn Mawr properties. Additionally, the committee received a briefing on the University's FY25 Second Quarter Budget to Actual report.

Action Item I. B. Board Action on Committee Recommendation Regarding the FY2026 Tuition and Fees

Trustee Leon, seconded by Trustee Fleurimond, moved to adopt the Finance, Buildings and Grounds Committee's recommendation to adopt the FY2026 Tuition and Fees including receipt of a report from the University leadership on how the differential money has been spent.

Discussion: Trustees asked about tuition assistance for graduate students. Differential tuition helps fund graduate assistantships and faculty resources at the college and department level, providing valuable academic enhancements. Trustees reviewed data on the impact to students' finances and discussed the federal government's indication of what their future strategy may be. Overall, tuition increases demand higher enrollment.

Roll was called and the vote was as follows:

Fleurimond: Yes Kalayil: Yes Linares: Yes Morales: Yes Wolff: Yes

Garcia: Leon: Yes Meresidis: Yes Phillips: Yes

The motion carried. Trustee Wolff left the meeting at 2:00 p.m.

Action Item I. C. Board Action on Committee Recommendation Regarding the Resolution Delegating Authority to Adopt and Execute Declarations of Official Intent to the University's Chief Financial Officer

Trustee Fleurimond, seconded by Trustee Leon, moved to adopt the Finance, Buildings and Grounds Committee's recommendation regarding the Resolution to Delegate Authority to the University's Chief Financial Officer as presented.

Discussion: Trustees asked general questions about the procedural nature of the delegation.

Roll was called and the vote was as follows:

Fleurimond: Yes Kalayil: Yes Linares: Yes Morales: Yes Wolff:
 Garcia: Yes Leon: Yes Meresidis: Yes Phillips: Yes

INFORMATION ITEMS

Information Item II. A. FY25 Second Quarter Budget to Actual Report

Table 1
 NORTHEASTERN ILLINOIS UNIVERSITY
 FISCAL YEAR 2025 BUDGET TO ACTUAL COMPARISONS
 FOR THE PERIOD ENDED DECEMBER 31, 2024
 UNAUDITED FIGURES

	FY2023 Q2			FY2024 Q2			FY2025 Q2				
	Adopted Budget	FY23 Actual YTD	% of Budget	Adopted Budget	FY24 Actual YTD	% of Budget	Adopted Budget	Adjusted Budget	Actual Year to Date	% of Current Budget	FY25 vs FY24 ACTUALS
Revenue											
State Appropriations	\$ 37,345,300	\$ 29,428,376	78.8%	\$ 39,960,000	\$ 27,478,656	68.8%	\$ 40,758,700	\$ 40,758,700	\$ 30,007,897	73.6%	\$ 2,529,241 (A)
Net Tuition Revenue	42,172,200	37,506,753	88.9	41,874,400	37,872,272	90.4%	45,134,178	45,134,178	38,682,614	85.7%	810,342 (B)
Net Differential Tuition Revenue	972,400	654,266	67.3	689,000	684,179	99.3%	820,122	820,122	759,412	92.6%	75,233 (B)
Investment Income	1,000,000	1,065,345	106.5	2,276,600	2,206,396	96.9%	3,700,000	3,700,000	2,057,297	55.6%	(149,099) (C)
All Other Sources	2,450,100	93,003	3.8	500,000	363,314	72.7%	500,000	500,000	290,338	58.1%	(72,976)
Total Revenue	\$ 83,940,000	\$ 68,747,743	81.9%	\$ 85,300,000	\$ 68,604,817	80.4%	\$ 90,913,000	\$ 90,913,000	\$ 71,797,558	79.0%	\$ 3,192,741
Expenditures											
Personnel Services	\$ 67,142,441	\$ 29,326,735	43.7%	\$ 67,901,380	\$ 30,951,015	45.6%	\$ 70,829,802	\$ 71,043,134	\$ 30,485,923	42.9%	\$ (465,092) (D)
Contractual Services	11,208,876	3,659,769	32.7	14,631,783	4,443,108	30.4%	14,821,712	15,587,340	4,297,463	27.6	(145,645) (E)
Equipment	846,410	120,946	14.3	431,986	101,140	23.4%	383,986	398,773	129,275	32.4	28,135
Commodities	775,075	151,665	19.6	807,401	234,893	29.1%	818,150	886,275	236,423	26.7	1,530
Telecommunications	176,422	49,785	28.2	176,700	31,279	17.7%	176,700	306,116	147,452	48.2	116,173 (F)
Travel	168,841	40,263	23.8	197,750	57,380	29.0%	193,650	282,862	64,493	22.8	7,113
Permanent Improvements	25,000	-	-	25,000	-	0.0%	25,000	25,000	-	-	-
Operation of Auto Equip	20,935	14,009	66.9	21,000	14,009	66.7%	24,000	42,500	20,244	47.6	6,235
Scholarships, Awards and Grants	1,299,000	657,502	50.6	1,299,000	639,821	49.3%	1,299,000	-	-	-	(639,821) (G)
Other/Transfer Out/Debt Service	2,277,000	1,131,903	49.7	2,308,000	1,150,208	49.8%	2,341,000	2,341,000	1,166,027	49.8	15,820
Total Expenditures	83,940,000	35,152,577	41.9%	87,800,000	37,622,853	42.9%	90,913,000	90,913,000	36,547,301	40.2%	(1,075,552)
<i>ELCT Reserve Allocation</i>	-	-	-	(2,500,000)	-	-	-	-	-	-	-
Net Expenditures	\$ 83,940,000	\$ 35,152,577	41.9%	\$ 85,300,000	\$ 37,622,853	44.1%	\$ 90,913,000	\$ 90,913,000	\$ 36,547,301	40.2%	\$ (1,075,552)

- Notes:**
1. Adopted Budget column reflects the FY2025 budget approved by the Board of Trustees on September 19, 2024.
 2. The Current Budget reflects budget transfers processed between organizations and accounts.
 3. "Actual Year to Date" or "Actual YTD" is current year expenses recorded or booked through January 6, 2025 and does not include encumbrances.
 4. All Other Sources includes space rental and other miscellaneous fees/income (lab, transcript, NSF, late fees, etc.)

{A} Change from PY (totaling \$2.5 million) relates to timing of requesting reimbursements from the State. Full State appropriation amount is expected to be exhausted by Q3.

{B} The increase in Net Tuition Revenue and Net Differential Revenue (\$886K) was mainly due to the impact of lower budgeted percentage of allowance for bad debts and tuition waivers compared to last year - from 12% in FY24 to 10% in FY25.

{C} Investment income is mostly attributable to income earned from the Illinois Funds. Note that reimbursements from the State are deposited to the Illinois Funds. The following table presents the investment income earned per month:

	Investment Income Earned		
	<u>As of December 2024</u>	<u>As of December 2023</u>	<u>Difference</u>
July	\$ 374,486	\$ 333,400	\$ 41,086
August	344,166	333,891	10,276
September	332,241	345,689	(13,448)
October	336,073	400,740	(64,667)
November	347,750	390,764	(43,014)
December	322,581	401,913	(79,332)
	<u>\$ 2,057,297</u>	<u>\$ 2,206,396</u>	<u>\$ (149,099)</u>

The \$149K decrease in investment income can be attributed to a combination of factors, including the Federal Reserve's decision to reduce rates starting September 2024 and fluctuations in the investment balance.

{D} The decrease in Personnel Services of \$465K is mainly due to following:

1. Timing of vouchering to the State of Group Insurance expenses. In FY24, the State strongly encouraged vouchering for early spending by September 11, 2023, thereby the University charged the full annual cost at \$1,072,600 in the first quarter of FY24. In FY25, the University reverted back to quarterly vouchering to the State.

	<u>Q2 FY25</u>	<u>Q2 FY24</u>	<u>Difference</u>
CMS Group Health Insurance	\$ 536,300	\$ 1,072,600	\$ (536,300)

2. Salary increases of union and non-union employees estimated to be approx. \$827K.
3. Estimated salary savings totaling (\$756K).

{E} The increase in Contractual Services is primarily due to the timing of incurring or recording expenses.

{F} The \$116K increase in Telecommunications expenses is primarily attributed to costs that were previously covered by pandemic funding, such as \$81.5K of Zoom conference calling fees, which we now need to continue covering.

{G} The decrease in Scholarships, Awards and Grants can be attributed to the reclassification of FY2025 expenses from the State fund to the IBHE Pell55 grant. In the previous year, the reclassification of expenses was done at a later time due to timing of receipt of the grant. Note that the University strategically reallocated the released funds towards various one-time initiatives in Academic Affairs, Enrollment Management, and Student Affairs. These initiatives are specifically designed to enhance the overall student and faculty experience at the University.

Table 2
 NORTHEASTERN ILLINOIS UNIVERSITY
 FISCAL YEAR 2025 BUDGET TO FORECAST COMPARISONS
 FOR THE PERIOD ENDED DECEMBER 31, 2024
 UNAUDITED FIGURES

	Adopted Budget	Budget Adjustment	Adjusted Budget	Actual Year to Date as of 12/31/2024	Forecasted Revenue/Expenses Thru 06/30/25	Annual Forecast	Adjusted Budget Vs Annual Forecast
Revenue							
State Appropriations	\$ 40,758,700	-	\$ 40,758,700	\$ 30,007,897	\$ 10,750,803	\$ 40,758,700	\$ -
Net Tuition Revenue	45,134,178	-	45,134,178	38,682,614	6,474,292	45,156,906	22,728 ***
Net Differential Tuition Revenue	820,122	-	820,122	759,412	70,587	829,999	9,877 ***
Investment Income	3,700,000	-	3,700,000	2,057,297	1,804,107	3,861,404	161,404 {AA}
All Other Sources	500,000	-	500,000	290,338	209,662	500,000	-
Total Revenue	90,913,000	-	90,913,000	71,797,558	19,309,451	91,107,009	194,009
Expenditures							
Personnel Services	70,829,802	213,332	71,043,134	30,485,923	39,817,782	70,303,704	739,430 {BB}
Contractual Services	14,821,712	765,628	15,587,340	4,297,463	11,233,429	15,530,891	56,449
Equipment	383,986	14,787	398,773	129,275	166,673	295,948	102,825
Commodities	818,150	68,125	886,275	236,423	497,657	734,080	152,195
Telecommunications	176,700	129,416	306,116	147,452	138,368	285,820	20,296
Travel	193,650	89,212	282,862	64,493	150,085	214,579	68,283
Permanent Improvements	25,000	-	25,000	-	-	-	25,000
Operation of Auto Equip	24,000	18,500	42,500	20,244	20,780	41,025	1,475
Scholarships, Awards and Grants	1,299,000	(1,299,000)	-	-	394,428	394,428	(394,428) {BB}
Other/Transfer Out/Debt Service	2,341,000	-	2,341,000	1,166,027	1,175,240	2,341,267	(267)
Total Expenditures	90,913,000	(0)	90,913,000	36,547,301	53,594,442	90,141,742	771,258
Excess Revenue Over Expenditures	\$ -	\$ 0.00	\$ -	\$ 35,250,257	\$ (34,284,990)	\$ 965,267	\$ 965,267

Notes:

1. Adopted Budget column reflects the FY2025 budget approved by the Board of Trustees on September 19, 2024.
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3. "Actual Year to Date" or "Actual YTD" is current year expenses recorded or booked through January 6, 2025 and does not include encumbrances.
4. All Other Sources includes space rental and other miscellaneous fees/income (lab, transcript, NSF, late fees, etc.)
5. "Forecasted Revenue/Expenses Thru 06/30/25" is based on historical trends, adjusted for knowledge of new initiatives/projects or spendings.
6. "Budget Adjustment" reflects net budget transfers processed between organizations and accounts.

*** Tuition Revenue Forecast will be updated after Spring 2025 Census on February 3, 2025.

FY2025 Budget to Forecast Comparison Explanation for Variance

{AA} The \$161K favorable variance in investment income can be attributed to the updated projections made by the Federal Reserve in December 2024 regarding the anticipated number of interest rate cuts in 2025.

{BB} The favorable variance in personnel services is due to salary salvage. These savings can stem from factors such as personnel reductions, delays in filling vacant positions, leave without pay actions, recruitment delays for new roles, and part-time employment arrangements. In December 2024, the Illinois Student Assistance Commission (ISAC) announced an 8% reduction in MAP awards for the Spring 2025 semester, creating a funding shortfall of \$607,427 that will affect approximately 2,500 students at the University. Acknowledging the significant impact this will have on students, the University has decided to cover part of this shortfall from the salary savings and part from an increase in NEIU for YOU scholarships (for eligible students).

NEIU for You (for eligible students)	\$	212,999
Operations (from lapsed funds from vacant positions)		394,428
Total	\$	607,427

MOTION TO CONVENE IN CLOSED SESSION

At 3:29 p.m. Trustee Fleurimond, seconded by Trustee Morales, moved to convene in Closed Session pursuant to Sections 2(c)1, 2(c)2, 2(c)8, and 2(c)11 of the Illinois Open Meetings Act to discuss, personnel, collective bargaining, campus security, and litigation matters.

Discussion: there was no discussion. Roll was called and the vote was as follows:

Fleurimond: Yes Kalayil: Yes Linares: Yes Morales: Yes Wolff:
Garcia: Yes Leon: Yes Meresidis: Yes Phillips: Yes

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

MOTION TO RECONVENE IN OPEN SESSION

At 5:12 p.m. Trustee Linares, seconded by Trustee Leon, moved to reconvene in Open Session. The motion carried by unanimous acclamation. Trustee Kalayil left the meeting at 3:00 p.m.

LEGAL REPORT

Chair Phillips announced that Trustees received a copy of the legal report in advance of today's meeting and had an opportunity to ask questions about it in Closed Session.

OLD / NEW BUSINESS

Chair Phillips asked if there was any old or new business to discuss.

New Business:

- Next Board Committee meetings: Thursday, March 13 at the main campus
 - Finance, Buildings and Grounds Committee meeting at 9:30 a.m.
 - Academic/Student Affairs, Enrollment, and Technology Committee meeting at 1:00 p.m.
- Next Regular Board Meeting: April 17, 2025 at the El Centro location
- May Commencement Exercises: Friday, May 16, 2025 at 2:00 p.m.

MOTION TO ADJOURN

At 5:13 p.m. Trustee Morales, seconded by Trustee Fleurimond, moved to adjourn. The meeting was adjourned by unanimous acclamation.

Respectfully submitted,

J. Todd Phillips, Chair of the Board
Karl Voigt, Assistant Secretary to the Board
Approved April 17, 2025