

President's Report to the Finance, Buildings and Grounds Committee of the Board of Trustees
of Northeastern Illinois University
January 27, 2020

American Federation of State, County and Municipal Employees (AFSCME), Local 1989

The University and the American Federation of State, County and Municipal Employees (AFSCME) Local 1989 reached a tentative contract agreement on December 9, 2019. The University was notified that union members ratified the tentative agreement on January 24, 2020.

AFSCME Local 1989 represents approximately 200 employees across the University. The ratified tentative agreement covers both language and wages with a term of five years, from July 1, 2018, to June 30, 2023.

The ratified tentative wage agreement provides for increases in each of the five contract years. All titles in the bargaining unit brought up to \$15.00/hour if they were below on July 1, 2018. Additionally, the parties negotiated increases for each fiscal year:

- Fiscal Year 2019, 2.5% pay increase effective July 1, 2018
- Fiscal Year 2020, 2.5% pay increase effective July 1, 2019
- Fiscal Year 2021, 4.5% (2.0% pay increase and 2.5 % equity adjustment) effective July 1, 2020
- Fiscal Year 2022, 4.5% (2.0% pay increase and 2.5 % equity adjustment) effective July 1, 2021
- Fiscal Year 2023, 4.5% (2.0% pay increase and 2.5 % equity adjustment) effective July 1, 2022

Local 1989 shall allocate the equity adjustments negotiated in years 3-5 of the collective bargaining agreement as it determines appropriate to resolve discovered inequities.

The ratified tentative agreement also includes some language changes.

Board approval of the ratified tentative agreement between the University and AFSCME is requested.

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of Northeastern Illinois University
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Item: Approval of Ex-Officio Board Treasurer

Board approval is requested to appoint Manish Kumar, Vice President for Finance and Administration, to the *ex-officio* role of Board Treasurer in accordance with (110 ILCS 680/25-30) and the Board's bylaws.

INFORMATION ITEM: CONSTRUCTION UPDATE

Electric Cable Replacement Project Phase 1

Construction documents are at 95% and have been submitted to the Capital Development Board (CDB) for review.

Campus Roof Replacements

Construction documents are at 90% and have been submitted to CDB for review.

Campus Entrance and Walkway Repairs

Primera Engineering has been selected as the A/E consultant. A preliminary kick off meeting has occurred.

Detention Basin Expansion

Expansion of the detention basin is complete. Final planting will occur in the spring.

University Signage

A monument sign for El Centro on Henderson and a main campus digital sign on Foster are under investigation.

As of this writing, the following project is on hold pending release of State funding for the Education Building by the Capital Development Board:

- Completion of Education Building construction documents, bid process and then construction.

Information Item: Second Quarter Budget to Actual Report

The Northeastern Illinois University Board of Trustees at its June meeting approved the University preliminary operating budget, which represented preliminary spending plans for fiscal year 2020 (FY2020). The Board of Trustees approved the final FY2020 operating budget in September 2019.

The operating budget for FY2020 totals \$150,390,900. Of that total, \$88,846,700 is the University's unrestricted general operating budget supported by State appropriation and student tuition. In addition, the University's restricted funds budget amount of \$61,544,200 is supported by student fee programs, auxiliary services, grants and contracts.

At the Board's request, quarterly reports are provided for the unrestricted operating budget, which supports most University departments and ongoing operations. This report provides an update on second quarter spending in the unrestricted budget and is summarized in Table 1 at the end of this report.

Revenues

The FY2020 budget includes State support of \$35,566,900 for the University's unrestricted general operating budget, or 40 percent of that budget. University Income Funds are comprised primarily of tuition revenues. The FY2020 budget includes estimated income funds of \$53,279,800, or 60 percent of the general operating unrestricted budget.

Through the second quarter, the University has vouchered a total of \$33,048,700. Of this amount, through the second quarter, \$14,877,600 was received.

Through the second quarter, 93.0 percent of estimated tuition and income fund revenue was recorded, after adjusting for anticipated waivers and bad debt. These amounts represent the second half of summer 2019 and fall 2019 and partial spring 2020 enrollments. Because the summer term bridges two fiscal years, accruals are made to apportion the tuition revenues and operating expenses between those fiscal years.

Enrollment projections and the resultant revenue projections for the FY2020 budget are based upon historical enrollment trends, the analysis of Enrollment Management Services, and available current registration data. This altogether resulted in total annual credit hour enrollment projected to decline by 6.3 percent from FY2019 levels. Fall 2019 credit hour enrollments fell slightly short of the budget targets, with final census date hours below the preceding fall by 7.3 percent. Spring 2020 credit hours are slightly ahead of forecast, reflecting a decline of 5.7 percent from spring 2019.

It is important to note that for both the State appropriation and tuition income, revenues are recorded and reflected in this report as they are billed. Final revenue numbers will

be available after the University makes all accounting adjustments during the year-end reconciliation period following June 30, 2020. These adjustments are required to account for activity such as class drop refunds, statutory waivers, bad debt allowances, and fees associated with outstanding account balances.

Expenses

Through the second quarter, the University spent 45.3 percent of the total \$88,444,200 general operating unrestricted preliminary budget.

Expenditures in the first quarter of FY2020 include a payment of \$965,438 to American Campus Community based on occupancy shortfalls in the NEST. The FY2020 budget allowed for this payment and a second payment of an amount to be determined when actual occupancies in the NEST for the fall and spring semesters are realized.

Table 1 provides an outline the actual University revenues and expenses compared to budget through the first quarter of FY2020.

President's Report to the Board of Trustees of Northeastern Illinois University
February 13, 2020

NORTHEASTERN ILLINOIS UNIVERSITY
FISCAL YEAR 2020 BUDGET TO ACTUAL COMPARISONS
FOR THE PERIOD ENDING December 31, 2019
UNAUDITED FIGURES

General Operating Budget

	FY 2019	FY2020			
	Actual Prior Year to Date	Actual Year to Date	Adopted Budget	Current Budget	% of Current Budget
Revenue					
State Appropriations	\$ 32,443,008	\$ 33,084,688	\$ 35,566,900	\$ 35,566,900	93.0%
Net Tuition Revenue	47,333,343	48,530,393	51,934,800	51,934,800	93.4
Net Differential Tuition Revenue	305,592	474,287	480,000	480,000	98.8
All other sources	<u>786,745</u>	<u>868,569</u>	<u>865,000</u>	<u>865,000</u>	<u>100.4</u>
Total Revenue	\$ 80,868,688	\$ 82,957,937	\$ 88,846,700	\$ 88,846,700	93.4%
Expenditures					
Personal Services	\$ 32,710,666	\$ 33,366,036	\$ 70,276,255	\$ 70,664,402	47.2%
Contractual Services	5,045,020	4,731,186	12,485,415	12,261,188	38.6
Equipment	32,176	204,234	923,580	893,390	22.9
Commodities	164,725	174,873	836,968	832,376	21.0
Telecommunications	94,544	11,513	582,463	425,188	2.7
Travel	35,054	54,930	187,950	201,117	27.3
Permanent Improvements	-	-	49,585	29,280	-
Operation of Auto Equip	16,902	16,660	18,469	49,244	33.8
Tuition Scholarships	548,949	613,936	1,322,015	1,326,515	46.3
Debt Service	<u>1,065,816</u>	<u>1,081,522</u>	<u>2,164,000</u>	<u>2,164,000</u>	<u>50.0</u>
Total Expenditures	\$ 39,713,851	\$ 40,254,890	\$ 88,846,700	\$ 88,846,700	45.3%

Notes:

1. Adopted Budget column reflects the FY2020 budget approved by the Board of Trustees in September, 2019.
2. Year-to-date expense activity does not include encumbrances.
3. The Current Budget reflects budget transfers processed between organizations and accounts.

**President's Report to the Finance, Buildings and Grounds Committee
of the Board of Trustees of Northeastern Illinois University**

January 27, 2020

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

Board of Trustees' Regulations require that the President report to the Board purchases of at least \$50,000 but less than \$100,000 other than those exempt from Board approval (e.g. utilities). The following lists those purchases since the last Board meeting.

VENDOR	DESCRIPTION	PURCHASE ORDER AMOUNT
Snow Systems, Inc.	Snow Removal Services, as needed	\$94,000.00
Advanced Disposal Solid Waste Services Midwest, LLC	Waste Disposal Services	\$70,452.18
M. Cannon Roofing, LLC.	Roofing Maintenance & Repair Services, as needed	\$80,000.00
Crowe, LLP.	Auditing Services	\$64,000.00
ITS Partners, LLC.	Symantec SYMED & Asset Management Software & Support	\$68,558.00

Site Name	Physical street address	Status	Annual Lease Expense	Annual Lease Income	City/Town	County	State	Zip	Contemplated future use
3426 W Bryn Mawr Property (Currently Pete's Auto)	3424 W Bryn Mawr Ave.	Owned		\$12,000.00	Chicago	COOK	IL	60659	Other
Bryn Mawr Properties (Formerly Bryn Mawr Breakfast Club)	3401 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Day & Night Foods)	3403 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly JS Hair Salon)	3405 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Dentist Office)	3407 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Hunan Wok)	3411 W Bryn Mawr	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly J. Caren Real Estate, Inc.)	3412 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Ugly Hookah)	3415-3417 W Bryn Mawr	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Latino Union of Chicago)	3416 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Formerly Babylon Travel and Tour Service)	3418 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Currently Testing and Training Center)	3420 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Other
Bryn Mawr Properties	3425 W Bryn Mawr Ave.	Owned			Chicago	COOK	IL	60653	Education
Bryn Mawr Properties (Currently TCF Bank)	5600 N Kimball	Owned		\$74,036.40	Chicago	Cook	IL	60659	Other
Bryn Mawr Properties (Currently 7 Eleven)	5610 N Kimball	Owned		\$12,000.00	Chicago	Cook	IL	60659	Other
BOB Building (Currently NEIU Human Resources)	5555 N Bernard	Owned			Chicago	Cook	IL	60659	Other
El Centro Land	3345 N Drake Ave.	Owned			Chicago	COOK	IL	60659	Other
El Centro Land	3398 N Avondale Ave.	Owned			Chicago	COOK	IL	60659	Other
El Centro Land	3434 W Henderson St.	Owned			Chicago	COOK	IL	60659	Other
EL Centro Land	3507 W Roscoe St.	Owned			Chicago	COOK	IL	60618	Education
EL Centro Land	3410 N Avondale Ave.	Owned			Chicago	COOK	IL	60618	Education
EL Centro Land	3365 N Drake Ave.	Owned			Chicago	COOK	IL	60618	Education
EL Centro Land	3388 N Avondale Ave.	Owned			Chicago	COOK	IL	60618	Education
El Centro Tract 10 (Possible Student Center)	3372 N. Avondale Ave.	Owned			Chicago	Cook	IL	60618	Education
El Centro Tract 8 and 9	3414 W Henderson St	Owned			Chicago	Cook	IL	60618	Education
NEIU Center for College Access and Success (CCAS)	770 N. Halsted St #420	Leased	\$305,593.00		Chicago	Cook	IL	60642	Education
NEIU College of Lake County	19351 W Washington	Owned			Grayslake	Cook	IL	60030	Education
Northeastern Illinois University (NEIU)	3423 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60618	Education
Northeastern Illinois University (NEIU)	3419 W Bryn Mawr Ave.	Owned			Chicago	Cook	IL	60659	Office
Northeastern Illinois University(NEIU)	5420 N Saint Louis Ave.	Owned			Chicago	COOK	IL	60659	Office
Northeastern Illinois University(NEIU)	5500 N Saint Louis Ave	Owned			Chicago	COOK	IL	60659	Office
NEIU Ball Field	3600 W. Foster	Owned			Chicago	COOK	IL	60659	Office
NEIU Ball Field	3500 W. Foster	Owned			Chicago	COOK	IL	60625	Education
Carruthers Center for Inner City Studies (CCICS)	710 E. Pershing Rd.	Owned			Chicago	COOK	IL	60625-4699	Education
Carruthers Center for Inner City Studies (CCICS)	714 E Pershing Rd.	Owned			Chicago	COOK	IL	60625-5516	Education
Carruthers Center for Inner City Studies (CCICS)	718 E Pershing Rd.	Owned			Chicago	COOK	IL	60625	Education
Carruthers Center for Inner City Studies (CCICS)	722 E. Pershing Rd.	Owned			Chicago	COOK	IL	60653	Education
Carruthers Center for Inner City Studies (CCICS)	3925 S Langley Ave.	Owned			Chicago	COOK	IL	60653	Education
Carruthers Center for Inner City Studies (CCICS)	3931 S. Langley Ave.	Owned			Chicago	COOK	IL	60653	Education
Carruthers Center for Inner City Studies (CCICS)	700 E. Oakwood Blvd.	Owned			Chicago	COOK	IL	60653	Education
Carruthers Center for Inner City Studies (CCICS)	700 E. Oakwood Blvd.	Owned			Chicago	COOK	IL	60653	Education
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky.	Owned			Markham	COOK	IL	60653	Education
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60653	Education
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60659	Office
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15525 Kedzie Pky	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15500 Troy Ave.	Owned			Markham	COOK	IL	60428	Natural Area

[illegible]

[illegible]

[illegible]

Site Name	Physical street address	Status	Annual Lease Expense	Annual Lease Income	City/Town	County	State	Zip	Contemplated future use
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15600 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15600 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15600 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15600 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	2735 W 155th St	Owned			Harvey	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15534 Washtenaw Ave	Owned			Harvey	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15501 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15500 Washtenaw Ave	Owned			Harvey	COOK	IL	60426	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15515 California Ave	Owned			Markham	COOK	IL	60426	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60426	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15601 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15605 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15635 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15643 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15616 Washtenaw Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15620 Washtenaw Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15625 California Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15604 Washtenaw Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15636 Washtenaw Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	I-294 Tollway	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15345 Calitonia Ave	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15335 Grange Dr	Owned			Markham	COOK	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15455 Albany Ave.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15453 Lincoln Dr.	Owned			Markham	Cook	IL	60402	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15453 Lincoln Dr.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15460 Afton Ave.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15400 Parkside Dr.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15709 Washtenaw Ave.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15717 Washtenaw Ave.	Owned			Markham	Cook	IL	60428	Natural Area
Gensburg Markham Prairie (NEIU and The Nature Conservancy)	15725 Washtenaw Ave.	Owned			Markham	Cook	IL	60428	Natural Area