

Chicago State University
Board of Trustees
Finance and Audit Committee Meeting Minutes
Academic Library – Auditorium, Room 415
May 11, 2012
10:10 a.m. – 11:20 a.m.

Board Members Present

Trustee Zaldwaynaka “Z” Scott, Chairman
Trustee Gary Rozier
Trustee Anthony L. Young

Board Members Not Present

Trustee Lisa Morrison Butler
Trustee James T. Joyce
Trustee David Anderson, Student Representative

Others Present

Mr. Wayne Watson, Ph.D., President
Mr. Patrick Cage, Esq., General Counsel for Labor and Legal Affairs
Mr. Kenneth Clow, Chief Internal Auditor
Ms. Sonja Clayton-Pedersen, Esq., Interim Director of Intercollegiate Athletics
Ms. Carla Davis, Compliance Officer
Mr. Fernando Diaz, Director, Latino Resource Center
Mr. Matthew Harris, Director, Admissions
Dr. Yvonne Harris, Associate VP for the Office of Grants and Research Administration
Mr. Edward “Ted” Lannon, Associate Vice President of Administration and Finance/Controller
Mr. Glenn Meeks, Vice President of Administration and Finance
Ms. Bonnie Phillip, Assistant to the Director
Dr. Erma Brooks Williams, Associate to the President for the Board of Trustees and Governmental Affairs

1. Call to Order

Trustee Scott called the meeting to order.

2. Roll Call

A quorum was verified and roll call was taken.

3. Verification of Meeting Notice

The meeting notice was posted as mandated by the Illinois Open Meetings Act.

4. Action Items

a. **Approval of Previous Meeting Minutes**

Trustee Rozier moved to approve the previous meeting minutes. Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

Mr. Fernando Diaz, Director, Latino Resource Center introduced the following students from the Latino Resource Center and reported on their trip to Washington D.C. He noted that they attended the Hispanic Association of Colleges and Universities. Mr. Jason Ferguson, Director, Student Activities and Student Leadership reported on the documentation of the road trip to Washington D.C. and to interview Student

Trustees David Anderson. Ms. Angela Henderson noted that these students also went to lobby on behalf of the Pell grants.

Ms. Judy Casillas, English Major
Ms. Alex Alcantar, Business Management Major
Mr. Abayomi M. Adekahunsi CMAT Major

5. Information Items
 - a. Administration and Financial Affairs Update

Mr. Glenn Meeks reported the long term and short term cash projections. He noted that overall the University is current financial situation is stable. Mr. Meeks noted the Illinois House of Representatives Appropriation Committee has decided on a 6.4% reduction in appropriations. This amounts to \$ 2.5 million reduction in funds from the state. Mr. reported that the CSU is being proactive and has place a hiring freeze on all permanent positions.

Trustee Scott asked how the hiring freeze will affect areas that have a critical need to hire and if there had been a conversation with the internal auditor?

Mr. Meeks stated that of the 76 pending hires, some did go forward. He has not had a conversation with Mr. Ken Clow. Dr. Watson noted that counsel was gotten from the Provost.

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1. Action Items

a. Appointment of Ex-Officio Treasurer

Mr. Meeks presented the Appointment of Ex-Officio Treasurer resolution.

Trustee Rozier moved to approve the Appointment of Ex-Officio Treasurer resolution.

Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

b. FY2013 Tuition and Fees Budgets

Mr. Meeks presented the Tuition and Fee Waiver Budgets resolution.

Trustee Rozier moved to approve the FY2013 Tuition and Fees Budgets resolution.

Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

c. In-State Tuition Expansion

Mr. Meeks presented the In-State Tuition Expansion Resolution. The expansion would affect Iowa, Indiana, Ohio, Michigan, Wisconsin, Illinois, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota, these are the states in the Midwest. Mr. Meeks noted we want to adopt the destination of states in the Midwest as defined by the U.S. Census Bureau. This is consistent with expansions that are taking place in other colleges. This would be effective for fall 2012 term.

Trustee Young wanted to know the benefit in expanding to Nebraska, North Dakota, and South Dakota. Trustee Rozier asked if there is any successful history of expansion at other universities?

Ms. Sonja Clayton-Pedersen stated that this expansion will help to get more competitive athlete and students. She noted that North Dakota is a part of the Great West Conference where we are competitive. Mr. Matthew Harris stated that this would allow for recruitment to expand to large

urban areas such as St. Louis and Milwaukee. Mr. Harris reported on the University's strategy for the expansion noting that two reasons that universities expand are branding and reputation. He noted that NIU and SIU out of state student population have increased.

Trustee Rozier moved to approve the In-State Tuition Expansion resolution. Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3
Nays: 0

b. **Audit Update**

Mr. Kenneth Clow reported that there were three final audit reports issued and that there is a draft report for three internal audits. He also reported that the internal audit software contract is finalized, and now moving into the implementation stage and expects to be fully operation by July 1, 2012. The next step will be the compliance piece. Mr. Clow noted that the Board asked him to supply risk ratings for particular areas, which he reported to the Board and is in the process of finalizing the IT Risk Assessment. He stated that he has issued the memorandum to start the process for the overall CSU risk assessment, which will be done by mid-June.

Trustee Rozier asked if Mr. Clow prioritize the items. Yes, Mr. Clow stated for example we use past audit. Trustee Rozier asked that the Internal Audit Plan Table be updated for each meeting.

c. Ms. Carla Davis reported that she met with Chief of Staff, Dr. Napoleon Moses and various members of staff concerning corrective action plans, state mandates, and internal policies to make sure we are in compliance. Ms. Davis will attend a four-day seminar on Compliance for Higher Education. Ms. Davis will provide the Board with a list of University personnel from each department responsible for compliance per Trustee Scott's request.

d. Ms. Clayton-Pedersen gave an update on the Athletics Department and reported on two compliance matters. The Academic Performance Plan Data Review and the movement away from Restricted Status with the NCAA. She reported that all data for the review has been submitted to the NCAA and expects a response from the NCAA by the summer of 2012. The other compliance matter, meeting the minimum sport sponsorship requirement; we have meet all sport sponsorship requirements for 2011 and 2012 and will be moving out of restricted status with the NCAA. Ms. Clayton-Pederson stated that the finalist has been determined and an offer has been made by President Watson.

e. **Office of Grants and Research Administration**

Dr. Yvonne Harris gave an overview of the Corrective Action Plan and reported that there were three new employees hired with experience in their respective fields.

1. Action Items

a. Prevention Program for African American Males

Dr. Harris presented the Prevention Program for African American Males Resolution.

Trustee Rozier moved to approve the Prevention Program for African American Males Resolution. Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3
Nays: 0

b. Upward Bound

Dr. Harris presented the Upward Bound Resolution.

Trustee Rozier moved to approve the Upward Bound Resolution. Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3
Nays: 0

Other Matters

a. Public and Employee Comments

No public or employee comments.

6. Adjournment

Trustee Rozier moved to adjourn the meeting. Trustee Young seconded the motion. The motion passed as follows:

Ayes: 3
Nays: 0

The meeting adjourned at 11:20a.m.