

Chicago State University
Board of Trustees
Finance, Facilities and Audit Committee Meeting Minutes
Academic Library, 4th Floor Auditorium, Room 415
September 9, 2009
9:54 a.m. – 11:50 a.m.

Board Members Present

Trustee Rev. Leon Finney, Ph.D., Chairman
Trustee Betsy Hill, Secretary
Trustee Levon James, Student Representative

Others Present

Ms. Diane S. Conatser, CIO and Associate to the President for Technology and Communications
Mr. James C. Crowley, Esq., Assistant Vice President of Auxiliary Operations
Mr. John Frizzell, Director of Accounting and Financial Reporting
Dr. Kenneth Koroma, Associate Vice President for Sponsored Programs
Dr. Lawrence McCrank, Dean of Library and Information Services
Mr. John Meehan, Internal Auditor
Mr. Michael Orr, Interim Director for Physical Facilities-Planning and Management
Mrs. Arrie Patawaran, Acting Director for Budget, Resource Planning and Risk Management
Attorney Nancy Hall-Walker, General Counsel and Executive Director for Labor and Legal Affairs
Dr. Sandra Westbrooks, Provost and Senior Vice President for Academic Affairs
Ms. Altricia Wheeler, Administrative Assistant
Dr. Erma Brooks Williams, Associate to the President for the Board of Trustees & Governmental Relations
Ms. Louise Williams, Interim Vice President for Administration and Finance

1. Call to Order
2. Roll Call
3. Verification of Meeting Notice
A quorum was verified. The meeting notice was posted as mandated by the Illinois Open Meetings Act.

4. Action Items

a. Approval of Previous Minutes

Previous meeting minutes approved.

b. Appointment of University Treasurer

Dr. Westbrooks stated that previously, Dr. Dean Justmann served as Interim Vice President for Administration and Finance. Ms. Louise Williams now serves in that capacity. In addition, Dr. Dean Justmann served also as the Treasurer. It is being requested that that responsibility be delegated to the current interim.

Trustee Hill moved that Ms. Louise Williams be appointed University Treasurer. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

c. Approval of Contracts over \$25,000

1. Community Mental Health

Chicago State University (CSU) received a grant from the Illinois Department of Children and Family Services to provide training in Evidence-Based Trauma Practice: Trauma Training and Support Services in the amount of \$3,360,708 which includes \$761,130 allocated to the Community Mental Health Council as a subcontractor for the propose of conducting state-wide trauma training.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

2. ILSAMP-University of Illinois

CSU received a grant from the National Science Foundation to support the Illinois Louis Stokes Alliance for Minority Participation (ILSAMP) program in the amount of \$400,000, which includes \$28,000 allocated to the University of Illinois at Chicago as a subcontractor to support student progression through undergraduate study.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

3. ILSAMP-Southern Illinois University

CSU received a grant from the National Science Foundation to support the Illinois Louis Stokes Alliance for Minority participation (ILSAMP) program in the amount of \$500,000, which includes \$28,000 allocated to the Southern Illinois University at Carbondale as a subcontractor to support student progression through undergraduate study.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

4. USTEP-Kennedy King College

CSU received a grant from the National Science Foundation to support the Urban Science, Technology, Engineering and Mathematics Talent Expansion Program (USTEP) in the amount of \$240,000, which includes \$62,500 allocated to Kennedy-King College (KKC) as a subcontractors to increase the number of first and second year CSU and KKC college students.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

5. USTEP-Olive-Harvey College

CSU received a grant from National Science Foundation to support the Urban Science, Technology, Engineering and Mathematics Talent Expansion Program (USTEP) in the amount of \$240,000, which included \$62,500 allocated to Olive-Harvey College as a subcontractor to increase the number of first and second year CSU and Olive-Harvey College students.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

6. HP Database Software

CSU received a contract for the renewal of the software license and maintenance support agreement in the amount of \$32,280.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

7. Sungard Banner System

CSU received a contract for the renewal of the software maintenance support agreement for the Banner System applications in the amount of \$267,908.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

8. Sungard Maintenance

CSU received a contract for the renewal of the software maintenance support agreement for the Luminis Portal, Operational Data Store and Enterprise Data Warehouse applications in the amount of \$28,677.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

9. VISTA

CSU received a contract from the Department of Defense in the amount of \$714,959.94 for the purpose of developing fuel cells for mobile robotic systems and an educational training program.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

10. Science Van Program

CSU received a grant from the Illinois Board of Higher Education in the amount of \$262,111 for the purpose of institutionalizing the Chicago Science Van Programs.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

11. HK Systems

CSU's Library & Instruction Services (LIS) received a contract for the continuation of HK services for FY 2010 for the cost of \$26,380 (\$13,280 preventive maintenance plus \$13,100 for software support).

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

12. Blackwell Approval Plans

CSU's Library & Instruction Services awarded its contract to Blackwell Ltd. and annual expenditures once crested \$250,000 per annum for the continuation of Blackwell services in FY 2010 for the 2009 calendar year and the phase-out in early 2010.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

**Ayes: 3
Nays: 0**

13. Murphy & Miller, Inc.

CSU awarded its contract to Murphy & Miller, Inc. for \$35,187 for the installation of the new heater exchanger in the Cordell Reed Student Union building.

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

14. AT&T Network Equipment

CSU received a contract for the annual renewal of the Cisco SmartNet maintenance support agreement in the amount of \$79,758.55

Trustee Hill moved that the contract be approved. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

15. CSU as Sub Awardee to the UIUC for the NASA Grant

Grant was deferred by the Chairman because the contract was inadvertently left out of the board book.

Trustee Hill moved to table the CSU as Sub Awardee to the UIUC for the NASA Grant to the next meeting. Trust James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

d. Gwendolyn Brooks Collection

Attorney Nancy Hall-Walker presented the Gwendolyn Brooks Collection (“The Collection”) contract, which there is an annual schedule of \$1,000,000. Attorney Hall-Walker stated we will be paying \$200,000 per years of annual installments.

Trustee Finney suggested tabling the request with the intention of the staff, both deans, the provost along with counsel, to come up with a plan.

Trustee Hill moved to table the Gwendolyn Brooks Collection resolution. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

e. Approval of FY 2010 Operating Budget

Mrs. Arrie Patawaran requested that the Board approve the FY 2010 Operating Budget of \$115,173,700.

Trustee Hill: Have there been any significant changes in how the funds have been allocated?

Ms. Williams stated that the allocation was the same as FY 2009.

Trustee Hill moved that the FY 2010 Operating Budget be approved as presented. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

f. Approval of FY 2011 Operating and Capital Budget Request

Mrs. Arrie Patawaran requested that the Board approve the FY 2011 Operating Budget Request of an increase of \$8.6 million and a Capital Budget Request of \$72.1 million.

Trustee Hill moved that the budget be approved as proposed. Trustee James seconded. The motion passed as follows:

Ayes: 3

Nays: 0

5. Information Items

a. Audit Update

John Meehan informed the Board of a statutory requirement due date under the Fiscal Control & Internal Audit Act. September 30 is the due date for a report by the internal audit to management. Mr. Meehan referred the Board to a seven page summary of the internal audit results for FY 2009 which identified opportunities for internal control enhancements. John Meehan also made brief comments on the external audit costs – auditor general for FY 2009 as well as Athletic Funding & Internal Audit Plan FY 2010 status.

b. Preliminary Financial Report

Ms. Louise Williams summarized the preliminary financial report. Mr. Frizzell highlighted the preliminary combined balance sheet (page three) of the report as of June 30, 2009. In addition, Mr. Frizzell summarized the preliminary combined statement of revenues and expenditures. Mr. Frizzell recommended that the preliminary financial report be approved as stated.

Trustee Hill moved that the Preliminary Financial Report be approved. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

c. Financial Report

Ms. Louise Williams presented the financial report for the 12 month period ending June 30, 2009. Ms. Williams commented that the external audit is on schedule with few issues to report. Ms. Williams reported that for the first time in history, accounts payable has tendered 100% of all vouchers required for testing.

d. Information Technology Update

Ms. Diane Conatser explained that the student technology fee contributed significantly to the efforts to enhance the equipment and services available to students. Ms. Conatser also reported that there was a serious problem with the internet service provided by Illinois Century Network. Ms. Conatser will review the services they provide and evaluate other service providers.

e. Grants and Research Administration

Dr. Ken Koroma reported the number of grants received by agencies totaled 13.4 million, 51% came from federal agencies, and \$6 million came from state agencies.

f. Physical Facilities, Planning and Management Update

Mr. Michael Orr stated the main focus of facilities was to improve the appearance of the campus. Specifically, the campus grounds as well as enhancing CSU's curbside appeal. In addition, the dormitory has undergone a complete cleaning and rehabilitation of individual rooms and common areas.

Trustee James commented on the improvement of the work orders and customer service.

6. Recess into Executive Session

Trustee Hill moved to recess into Executive Session to discuss, collective bargaining agreement, employee matters and legal matters. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

Meeting recessed into executive session at 11:19 a.m.

7. Meeting reconvened into open session at 11:41 a.m.

a. Metropolitan Alliance of Police Collective Bargaining Agreement

Trustee Hill moved to approve the collective bargaining agreement. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

b. 457 (F) Plan

Trustee Hill moved to approve the 457 (F) plan as presented. Trustee James seconded the motion.

The motion passed as follows:

Ayes: 3

Nays: 0

8. Other Matters

a. Public and Employee Comments

Mr. Ballentine, student, commented on how did the U-Pass in the spring of 2009 got approved when 50% of the student body was not present.

Trustee James: It was not that the U-Pass was just taken away. We had to meet a certain deadline.

Mr. Ballentine: We should have received some notification about the changes which occurred.

Trustee James: There are a lot of issues with the U-Pass in general. For example, the U-Pass does not cover PACE riders. We want to survey the students and get the data together.

Mr. Ballentine: Why not just give us a bus card at a discounted amount.

Trustee Finney suggested that Dr. Westbrook, Trustee James and Mr. Ballentine set up a meeting to discuss the U-Pass issue.

9. Adjournment

Trustee Hill moved to adjourn the meeting. Trustee James seconded the motion. The motion passed as follows:

Ayes: 3

Nays: 0

The meeting adjourned at 11:50 a.m.