

Chicago State University  
Board of Trustees  
Finance and Audit Committee Meeting Minutes  
Academic Library – Auditorium, Room 415  
March 8, 2010  
9:50 a.m. – 1:20 p.m.

Board Members Present

Trustee Zaldwaynaka “Z” Scott, Chairman  
Trustee Rev. Leon Finney, Ph.D.  
Trustee Rev. Richard Tolliver, Ph.D.  
Trustee Betsy Hill  
Trustee Levon James, Student Representative

Others Present

Mr. Wayne Watson, Ph.D., President  
Mr. Patrick Cage, Esq., General Counsel for Labor and Legal Affairs  
Mr. Mark Cipich, Assistant Director of Athletics  
Dr. Richard Darga, Acting Dean of Library and Information Services  
Mr. Sudie Davis, Director of Athletics  
Mr. Glenn Meeks, Vice President of Administration and Finance  
Dr. Kenneth Koroma, Associate Vice President for the Office of Grants & Research Administration  
Mr. Edward “Ted” Lannon, Associate Vice President of Administration and Finance/Controller  
Mr. John Meehan, Internal Auditor  
Ms. Dianna Mosley, Associate Director of University Relations  
Ms. Creola Rigsby, Director of ITD Banner  
Mr. Nathan Tindall, Director of Purchasing  
Ms. Altricia Wheeler, Administrative Assistant  
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 Item**

**a. Approval of Previous Meeting Minutes**

**Trustee Tolliver moved to approve the previous meeting minutes. Trustee James seconded the motion.**

**The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

**5. Information Items**

**a. Financial Update**

Mr. Glenn Meeks, Vice President of Administration and Finance, discussed the current cash position. Mr. Meeks stated that CSU has not been reimbursed by the State for about 6 to 7 payrolls and we are currently behind. Mr. Meeks explained that current payroll will be paid as well as our vendors. Mr. Meeks further explained without receipt of the reimbursements by the end of March our cash position will be at a \$400,000.00 deficit. Mr. Meeks reported that the university received a partial reimbursement payment for one of the payrolls and was also in the process of receiving federal stimulus funding of \$3.5 million. *Trustee Tolliver inquired if the stimulus funding were restricted funds.* Mr. Meeks replied that funds were restricted just for payroll related expenses and other requirements were being developed. *Trustee Scott stated that a special meeting is needed to be called to develop a plan that addresses where do we go from here. Trustee Scott suggested March 23 at 9:00 a.m.*

**Action Items**

**1. FY 2011 Tuition Increase**

Mr. Meeks explained the resolution proposed an 8% increase for students not covered by the Tuition Guarantee Plan which will generate \$1.9 million. Mr. Meeks stated this was not an increase in fees. *Trustee Tolliver commented that tuition increase really gets passed onto the financial aid package.*

**Trustee Tolliver moved to accept the FY 2011 tuition increase. Trustee Hill seconded the motion.**

**The motion passed as follows:**

**Ayes: 4**

**Nays: 1**

**2. FY 2010 Anti-Fraud Policy**

Mr. Meeks highlighted the major changes made to the anti-fraud policy.

**Trustee Finney moved to accept the anti-fraud policy. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

**3. Amended U-Pass**

Mr. Meeks summarized the amended Chicago Transit Authority U-Pass as the cost passed from the University to the student body by adding a mandatory fee of \$113.00 for full time students per semester. The result for the full-time students is a fee for unlimited, 24-hour-a-day access to public transportation throughout the semester. Full-time students who are assessed a U-Pass fee and have parking assignments will be issued a credit to be applied toward the parking fee.

**Trustee Finney moved that the resolution be adopted with the provision of students who have parking assignments (that whole section to be removed) and only to be reestablished in the event counsel advises that something is material in the contract with CTA that makes the provision necessary. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

Mr. Ted Lannon provided highlights of the six month financial report ending December 31, 2009. Mr. Lannon reported the assets, liabilities, variances, revenue and expenditures.

**b. Internal Auditor Report**

Mr. John Meehan presented a comprehensive audit report on the following:

- FCIAA-Fiscal Control & Internal Auditing Act
- Internal Audit Plan FY 2010 Status
- Legislative Audit Commission Hearing
- FY 2009 External Audit Findings
- Employee Theft of \$4,700 – Fraud Incident
- Review of Employee Tuition Waivers

**Action Item**

**1. Auditor's Charter**

Mr. Meehan described the internal audit charter as a formal document that defines the internal audit activity's purpose, authority, and responsibility. Final approval of the charter resides with the governing board.

**Trustee Hill moved to approve the auditor's charter. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 5  
Nays: 0**

c. Office of Grants and Research Administration

Dr. Kenneth Koroma informed the Trustees that total grants received by the university faculty and staff for the period July 1, 2009 to February 9, 2010 was \$45 million. Dr. Koroma reported this amount represents a 50 % increase of grants received for the same period last year.

**Action Items**

**a. MRI-R<sup>2</sup>: Acquisition of a 400 MHz NMR Spectrometer at CSU**

Dr. Koroma explained this grant award in the amount of \$279,990.00 is to support research activities as the preparation of chiral transition metal catalysts for olefin metathesis reactions.

**Trustee James moved to approve the MRI-R<sup>2</sup> grant. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5  
Nays: 0**

**b. Minority Biomedical Research Support – SCORE Program**

Dr. Koroma reported that this grant from the National Institute of Health in the amount of \$640,721.00 is to increase the number of junior faculty members engaged in biomedical research as well as biomedical research publications from CSU teaching faculty.

**Trustee James moved to approve the SCORE Program grant. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5  
Nays: 0**

**c. Minority Biomedical Research Support – RISE Program**

Dr. Koroma stated this grant from the National Institute of Health in the amount of \$273,556.00 is to increase the number of students in the field of biomedical graduate studies.

**Trustee James moved to approve the RISE Program grant. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5  
Nays: 0**

d. Library Services

**Action Item**

**1. Contracts over \$250,000**

**a. Yankee Book Peddler Library Service**

Dr. Richard Darga described this service as a five year contract for \$150,000 for purchase of books.

**Trustee Finney moved to approve Yankee Book Peddler library service. Trustee James seconded the motion. The motion passed as follows:**

**Ayes: 5  
Nays: 0**

e. Technology Information Update

Ms. Creola Rigsby presented an overview of information technology, which included applications services such as banner, portal, web site, and future projects. Ms. Rigsby also summarized network services, telephone services, digital signage and desktop services.

**Action Item**

**1. Contracts over \$250,000**

**a. Data Storage**

Ms. Rigsby stated this purchase was for the power center and data storage software in the amount of \$399,000 plus \$79,800 for one year maintenance with an installment plan over a period of three years.

**Trustee Hill moved to approve the data storage purchase. Trustee Finney seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

**f. Enrollment and Retention**

**Action Item**

**1. Professional Service Contract over \$100,000**

**a. Marketing and Communication and Public Relations Plan**

Ms. Dianna Mosley presented these services as a marketing consulting firm which will provide marketing and PR services in the amount of \$256,000 to CSU.

**Trustee Finney moved to approve the marketing and communication and public relations plan. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

**g. Athletics Business Plan**

Mr. Studie Davis presented a comprehensive athletics business plan. *Trustee Hill inquired about Division I being a part of the mission.* Mr. Davis stated that student athletes need a solid program to move them to another program. *Dr. Watson stated the mission needs to be unique to CSU and the plan needs to be more specific by building accountability within the plan.*

*Trustee Finney looking at the financial projections, was concerned about the expected outcomes.* Mr. Mark Cipich explained the financial projections.

**6. Other Matters**

**a. Public and Employee Comments**

Ms. Robin Robinson expressed her concerns regarding the athletic department and questioned how we keep athletes in the program. *Trustee Scott stated that the report did include that information.* Ms. Robinson also wanted clarity as to why CSU advertisements were located so close together. *Dr. Watson replied because if you want individuals to buy your product, you saturate that area.* In addition, Ms. Robinson inquired if the IT Department upgraded websites. *Ms. Rigsby responded that most departments upgrade their own websites.* In reference to the library resolution, Ms. Robinson wondered why CSU was switching to another vendor. *Dr. Watson suggested she meet with Mr. Derrick Collins, Dean of the College of Business and Dr. Richard Darga, Acting Dean of Library and Information Services, to discuss merger acquisitions.* Ms. Robinson asked if grants and research were improving the classrooms. *Dr. Watson commented that CSU has a plan to improve labs as well as classrooms.*

**7. Adjournment**

**Trustee Finney moved to adjourn the meeting. Trustee Hill seconded the motion. The adjournment passed as follows:**

**Ayes: 5**

**Nays: 0**

Meeting adjourned at 1:20 p.m.