

Chicago State University  
Board of Trustees  
Finance and Audit Committee Meeting Minutes  
Academic Library – Auditorium, Room 415  
June 27, 2011  
9:50 a.m. – 11:38 a.m.

Board Members Present

Trustee Gary Rozier  
Trustee Betsy Hill  
Trustee Rev. Richard Tolliver, Ph.D.  
Trustee Julie Samuels

Board Members Not Present

Trustee Zaldwaynaka “Z” Scott  
Trustee Lisa Morrison Butler  
Trustee Rev. Leon Finney, Ph.D.  
Trustee Neffer Kerr, Student Representative

Others Present

Mr. Wayne Watson, Ph.D., President  
Mr. Patrick Cage, Esq., General Counsel for Labor and Legal Affairs  
Dr. Carol Carson-Warner, Executive Director for Textbook and Learning Material Program  
Ms. Carla Davis, Compliance Specialist and External Audit Liaison  
Ms. Ce Cole Dillon, Director of Information Technology  
Dr. Yvonne Harris, Interim Director for the Office of Grants and Research Administration  
Ms. Monique Horton, Assistant Director of Physical Facilities  
Dr. Debrah Jefferson, Associate Vice President for Academic Affairs  
Mr. Jerald Knox, Financial Manager for Textbook and Learning Material Program  
Mr. Edward “Ted” Lannon, Associate Vice President of Administration and Finance/Controller  
Mr. Glenn Meeks, Vice President of Administration and Finance  
Ms. Deborah Muhammad, Assistant Chief Internal Auditor  
Ms. Arrileen Patawaran, Interim Director for the Budget Department  
Dr. Mikal Rasheed, Chair for Social Work  
Ms. Charito Viacrusis, Chief Accountant for Financial Reporting  
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 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 Hill moved to approve the previous meeting minutes. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

5. Information Items

a. Administration and Financial Affairs Update

Mr. Glenn Meeks reported that the State has continued to fund the University periodically with reimbursements. He mentioned that the State owes the University approximately \$18 million for the current fiscal year. Mr. Meeks stated that the University needs to continue to monitor its cash and control its spending.

1. **Action Items**

a. **FY2012 Tuition & Fee Waiver Budgets**

Mr. Meeks reported that previous resolutions only recorded the tuition waiver amount, but this year the resolution reported the tuition and fee waiver amounts, which total approximately \$1.7 million. He pointed out that these amounts are reported to the Illinois Board of Higher Education (IBHE).

**Trustee Hill moved to approve the FY2012 tuition & fee waiver budgets. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

b. **Tuition Waiver Limitation Increase**

Dr. Debrah Jefferson presented the Tuition Waiver Limitation Increase Resolution. It grants permission for the university to seek state legislative and IBHE permission to increase the three (3) percent limitation on discretionary tuition waivers, which changes the potential budget from \$383,600 to \$639,334 for an increase of \$255,734.

**Trustee Hill moved to approve the Tuition Waiver Limitation Increase. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

c. **FY2012 Preliminary Budget Approval**

Mr. Meeks presented the FY2012 preliminary budget, which approves the FY 2012 estimated spending plan/preliminary annual operating budget, which totals \$103,700,400.

**Trustee Hill moved to approve the FY2012 preliminary budget. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

d. **FY2013 Budget Request**

Mr. Meeks presented the FY2013 budget request. He stated that the University is requesting the State to fund the operating budget for students' needs in the amount of \$5.4 million, capital projects, capital renewal projects and deferred maintenance projects, which is a total of \$344.1 million.

**Trustee Tolliver moved to approve the FY2013 budget request. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

**e. Food Service Agreement**

Mr. Meeks presented the food service agreement. Thompson Hospitality has been selected the vendor. He reviewed the changes/upgrades in the agreement. *Trustee Tolliver pointed out that gender orientation needs to be included in Section 2.C of the agreement. He also stated that in Section 3.A it should state local calls only.* Mr. Meeks requested that the Board approve the three-year agreement with a two year option to renew for a total of five years.

**Trustee Tolliver moved to approve the Food Service Agreement with revisions. Trustee Samuels seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

**f. Nomination of CSU Municipal Clerk**

Mr. Meeks presented the nomination of CSU Municipal Clerk Resolution. He reported that according to the Municipal Clerk Training Act, the University is required to nominate an ex officio representative to the Municipal Clerk Training Institute Committee. Mr. Meeks nominated Edward Lannon.

**Trustee Hill moved to approve the nomination of Edward Lannon as CSU's Municipal Clerk. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

**g. Renovation of Douglas Hall**

Ms. Monique Horton presented the renovation of Douglas Hall resolution. She requested the Board to receive and administer the grant to enter into construction and consulting service contracts for the Douglas Hall renovation project of approximately \$15.5 million.

**Trustee Tolliver moved to approve the renovation of Douglas Hall. Trustee Hill seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

**h. Renovation of William Science Center Rooms 106 & 108 (Revised)**

Ms. Horton presented the renovation of William Science Center rooms 106 & 108 resolution. The resolution revises the amount from \$1.073 million to \$1.6 million. She requested the Board to enter into construction and consulting service contracts for the performance of renovation of William Science Center rooms 106 & 108 not to exceed \$1.6 million.

**Trustee Hill moved to approve the renovation of Williams Science Center rooms 106 & 108. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 4  
Nays: 0**

**i. Renovation of 9601 South Cottage Grove for Aquaponics**

Ms. Horton presented the renovation of 9601 South Cottage Grove for Aquaponics resolution. She requested that the Board approves to enter into construction and consulting service contracts for the renovation of 9601 South Cottage Grove property not to exceed \$1.05 million.

**Trustee Tolliver moved to approve the renovation of 9601 South Cottage Grove for Aquaponics. Trustee Samuels seconded the motion. The motion passed as follows:**

**Ayes: 4**  
**Nays: 0**

**2. Report on Budget to Actual**

Mr. Meeks reviewed the FY2012 budget to actual report. He pointed out that the total budget expenditures are \$95.6 million and the actual expenditures are \$76 million. Mr. Meeks stated that the University still has almost \$11 million of commitments and obligations. He reported that the budget is for \$95.6 million and the projected expenditures are \$86 million, the University is looking at a \$9 million variance. However, the State still owes the University \$18 million.

**3. Report of Purchases \$50,000 - \$100,000**

Mr. Meeks stated that this report was self explanatory and referred the Board to the handout.

**4. Revenue Generating Contracts over \$10,000**

Mr. Meeks highlighted revenue generating contracts as follows: Thompson Hospitality (\$64,000); Follett's Bookstore (\$318,892); Office of Management and Events (\$193,000); and Athletics (\$698,000).

**b. Audit and Compliance Update**

Ms. Deborah Muhammad presented an audit update. She discussed the audit progression status. Ms. Muhammad reported that the quality assurance review was completed and went very well. She also reported that it was determined that the University must go out to bid for the audit software and anticipated the installation sometime in September.

Ms. Carla Davis reported the compliance program update. She stated that the staff is very cooperative and information is flowing to the external auditors in a timely and efficient manner. Ms. Davis informed the Board that she is monitoring the process, reviewing e-mails, trouble shooting where necessary and frequently communicating with the auditors.

**c. Office of Grants and Research Administration Update**

Dr. Yvonne Harris stated that she had no activity to report.

**1. Action Items**

**a. Community Mental Health Grant**

Dr. Mikal Rasheed explained that he has not received a contract for the Community Mental Health grant, but has received a letter of intent. Dr. Rasheed stated that the grant is awaiting the State's approval process. Without the contract, a resolution cannot be prepared.

**b. Upward Bound II Program**

Dr. Harris presented the Upward Bound II Program resolution. She stated that the program has received a grant from the U.S. Department of Education in the amount of \$293,163. Dr. Harris requested that the Board approve to activate and administer the grant.

**Trustee Hill moved to approve the Upward Bound II Program grant. Trustee Samuels seconded the motion. The motion passed as follows:**

**Ayes: 4**  
**Nays: 0**

d. Textbook and Learning Material Project (TLMP) Assessment

Dr. Carol Carson-Warner reported that a USAID representative stated that the TLMP would receive \$500,000 for fiscal year 2011-2012. These funds are earmarked to close out the TLMP. Dr. Carson-Warner explained that there is a notion that the TLMP will receive additional funding beyond this grant. Dr. Carson-Warner presented the audit corrective actions.

e. Information Technology (IT) Update

Ms. Ce Cole Dillon reported that Banner 8 is expected to be implemented on July 1, which will present a number of new capabilities to the campus. Ms. Dillon stated that the Point N Click system has been implemented to monitor the Wellness Center. She also pointed out that the off-site disaster recovery trial was completed. During the trial, it was learned that it takes a significant amount of time to bring banner up from a dead start.

6. Other Matters

a. Public and Employee Comments

There were no public and employee comments.

7. Adjournment

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

**Ayes: 4**  
**Nays: 0**

The meeting adjourned at 11:38 a.m.