

Chicago State University  
Board of Trustees  
Finance and Audit Committee Meeting Minutes  
Academic Library – Auditorium, Room 415  
September 23, 2011  
10:13 a.m. – 11:40 a.m.

Board Members Present

Trustee Zaldwaynaka “Z” Scott, Chairman  
Trustee Gary Rozier  
Trustee Rev. Richard Tolliver, Ph.D.  
Trustee Betsy Hill  
Trustee Julie Samuels  
Trustee David Anderson, Student Representative  
Trustee Rev. Leon Finney, Ph.D.

Board Members Not Present

Trustee Lisa Morrison Butler

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. Carla Davis, Compliance Officer  
Mrs. Ce Cole Dillon, CIO for Information Technology  
Dr. Yvonne Harris, Interim Director for the Office of Grants and Research Administration  
Ms. Monique Horton, Assistant Director of Physical Facilities  
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  
Mr. Ed Mlakar, Assistant Chief Engineer  
Attorney Sonja Clayton-Pedersen, Interim Director of Intercollegiate Athletics  
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 Rozier moved to approve the previous meeting minutes. Trustee Tolliver seconded the motion. The motion passed as follows:**

**Ayes: 6**

**Nays: 0**

5. Information Items

a. Administration and Financial Affairs Update

Mr. Glenn Meeks expressed concern over the slow rate of reimbursement from the state.

Mr. Ted Lannon presented an overview of the preliminary financials. Mr. Lannon reported a decrease in cash of \$2.3 million and an increase in other and state receivables. The state receivable increase is primarily due to slow payments from the state. Overall, Mr. Lannon stated there is just a slight decrease but the numbers are preliminary at this point.

Mr. Meeks presented the cash position, indicating that the State owes the University approximately \$16 million from FY2011, \$4 million in ISAC and MAP funds for FY2012 totaling \$19.6 million. Total cash in all banks is \$16.7 million; net available is \$12 million. If the State continues to fund the University at the current rate, the cash position will be \$4 million; however, if the State *does not* continue to fund the University, the deficit will be \$2 million.

FY2012 Miscellaneous Fees

Mr. Meeks presented the resolution for FY2012 non-mandatory miscellaneous fees, which are not a prerequisite to registration. These fees were vetted with the Tuition and Fee Committee. Input was received from Students, Deans, and the Student Leadership.

b. Audit Update and Compliance Update

Mr. Kenneth Clow presented the FY2012 Internal Audit Plan. Statutory Mandate Audits will begin, as well as CSU Policy and Procedure Audits. The Audit agenda for the current year includes, Compliance Audit 45% to 46% and 8% to 9% for operational type audits. Also, Satisfactory Academic Performance Policy Audit, Athletic Financial Processes Audit and others will be conducted this year. Mr. Clow also reported the FY2011 Internal Audit and the Quality Assurance Review results to the Board. A synopsis of all the Audits and results given to the University was presented by Mr. Clow.

Ms. Carla Davis presented a compliance program update. She informed the Board that she is in the process of establishing a Compliance Steering Committee.

c. Energy Savings Update

Ms. Monique Horton provided an overview of the detailed report provided to the General Assembly concerning Energy Savings. She noted that there has been savings to the University base on conservation measures and consumption.

Dr. Erma Brooks Williams informed the Trustees that it is now a state mandate that Universities provide a report to the General Assembly on energy savings annually.

d. Athletics Update

Attorney Sonja Clayton-Pedersen informed the Trustees that the University was granted recertification by the Division 1 Committee on Athletics on August 18, 2011. She also reported on the Academic Support and Monitoring steps provided to student athletes, including requiring students to have a 17 ACT or 2.5 GPA in order to receive a scholarship. Attorney Clayton-Pedersen reported on staff appointments.

e. Office of Grants and Research Administration

Dr. Yvonne Harris reported on grant fund activity from July 1 through September 9, 2011. She stated that total grants received were \$121 million, of which \$68 million were student loans and \$25 million Pell Grants. She noted that \$112 million was actual financial aid to students. \$8.75 million came from federal and state grants. Dr. Harris provided an overview of the administration of grants.

**1. Action Items**

**a. Youth Empowerment Grant**

Dr. Harris presented the resolution on the \$300,000 award which focuses on preparing and mentoring at-risk youth for the college environment.

**Trustee Tolliver moved to approve the Youth Empowerment Grant. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 6  
Nays: 0**

**b. Student Support Services –TriO Program**

Dr. Harris presented the resolution on the \$292,729 TriO program. It is designed to retain and support first generation low income students.

**Trustee Tolliver moved to approve the \$292,729 Student Support Services – TriO Program resolution. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 6  
Nays: 0**

**c. Project SUCCESS Educational Opportunity Center**

Dr. Harris presented the resolution reporting that the program has been awarded a \$1.7 million five year grant. This program focuses on adults (mentoring and advisement) helping to place them in institutions of higher education. The goal is to service 1200 adults annually.

**Trustee Tolliver moved to approve the Project SUCCESS Educational Opportunity Center resolution. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 6  
Nays: 0**

**d. Head Start/Early Head Start/Collaboration Budget**

Dr. Harris presented the resolution asking the Board to approve an amendment and revision to grant contract from the City of Chicago Department of Child Support Services. The budget for Head Start is \$585,000 and \$110,000 for Early Head Start.

**Trustee Tolliver moved to approve the Head Start/Early Head Start/Collaboration Budget resolution. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 6  
Nays: 0**

**f. Textbook and Learning Materials Project Assessment**

Mr. Jerald Knox highlighted the program:

For the last fiscal year \$700,000 will be received.

The printing and distribution of 4.1 million KG1 and KG2 textbooks for the students of Ghana in November, is one year ahead of schedule.

The Primary 1 thru 3 Workbook Project is nearly finished with the field work. The University will host a conference with all the other minority serving institutions under the grant as well as the grantor USAID.

g. Information Technology Update

Ms. Ce Cole Dillon reported that the primary effort on the application side is to focus on improving the way the Banner system runs. She also noted that Phase I of the Wireless Network Implementation is complete. Phase II has begun and will be completed by the end of the semester. Phase III will be completed by the end of the Academic year. The telephone bid has been completed.

*Trustee Rozier noted that he was concern about the low number of bidders.*

Ms. Cole Dillon will provide information on the assessment of the iPad program at the next Board meeting. She also noted that Chicago State University was provided with \$300,000 in software from Microsoft and thanked President Watson and Student Trustee Anderson for presenting the opportunity to her. She also informed the Trustees that she will be presenting on the structural improvements that have been made in the data center at the Data Dynamics Conference.

**1. Action Items**

**a. iPad Purchase**

**Ms Cole Dillon presented the resolution on \$260,000 for the purchase of 540 iPads for full time freshmen.**

**Trustee Tolliver moved to approve the iPad Purchase. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 7**

**Nays: 0**

**b. Telephone System**

**Ms. Ce Cole Dillon presented the resolution on awarding a Telephone System contract of \$524,372.40 over a period of for five years.**

**Trustee Tolliver moved to approve the \$524,372.40 Telephone System contract. Trustee Rozier seconded the motion. The motion passed as follows:**

**Ayes: 7**

**Nays: 0**

6. Other Matters

a. Public and Employee Comments

No public or employee comments.

7. Adjournment

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

**Ayes: 7**

**Nays: 0**

The meeting adjourned at 11:40 a.m.