

Chicago State University  
Board of Trustees  
Finance and Audit Committee Meeting Minutes  
Academic Library – Auditorium, Room 415  
March 9, 2012  
9:47 a.m. – 11:33 a.m.

Board Members Present

Trustee Zaldwaynaka “Z” Scott, Chairman  
Trustee James T. Joyce  
Trustee Lisa Morrison Butler  
Trustee Gary Rozier  
Trustee Anthony L. Young

Board Members Not Present

Trustee Adam L. Stanley  
Trustee David Anderson, 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  
Mr. Kenneth Clow, Chief Internal Auditor  
Ms. Sonja Clayton-Pedersen, Esq., Interim Director of Intercollegiate Athletics  
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  
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. Bonnie Phillip, Administrative Assistant  
Dr. Leslie Roundtree, Chair, Occupational Therapy  
Dr. Erma Brooks Williams, Associate to the President for the Board of Trustees and Governmental Affairs

1. Call to Order

Trustee Rozier 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 Scott noted that the previous minutes would be tabled.**

5. Information Items

a. Administration and Financial Affairs Update

Mr. Glenn Meeks reported the long term and short term cash projections. He noted that all state universities have had a decrease in state appropriations. Mr. Meeks and Dr. Watson expressed concern about how pensions would be funded in the future and stated that universities would want some type of a blended plan.

*Trustee Young asked if there is a new pension structure and what plan does CSU have in place to meet this change?*

*Mr. Meeks stated that CSU is developing a plan that includes looking at all revenue streams and he will give a presentation to the Board on the modification to the budget at the May 11, 2012 meeting.*

Mr. Meeks reported on the 2% revenue stream allocated to CSU from the riverboats. He noted that he is working to find the mechanism needed to access those dollars.

*Dr. Erma Brooks Williams reported that CSU has secured a state lobbyist to help secure those dollars .*

Mr. Ted Lannon presented an overview of the preliminary financials. Mr. Lannon reported that cash equivalents are up significantly and that CSU is in a good cash position because of state receivables. Mr. Lannon also noted that account payables are down; this is related to the Textbook and Learning Program grant. He reported that grants and contracts, as well as student tuition and fees, have decreased.

**1. Action Items**

**a. Tuition & Fees Increase**

Mr. Meeks presented the Tuition & Fees Increase resolution. The resolution was tabled until the Full Board Meeting where Mr. Meeks will present an analysis of an increase of 1 to 3% for each category listed on the resolution.

**b. Audit Update and Compliance Update**

Mr. Kenneth Clow reported that there are ten audits in various stages of completion. He also noted that the internship program is going exceedingly well with placements at KPMG and Ernst and Young. Mr. Clow will present a risk assessment, which includes financial aid, for the 4<sup>th</sup> quarter at the May 11, 2012 Board meeting.

**1. Action Items**

**a. Internal Audit Charter**

**The Internal Audit Charter was tabled until the Full Board Meeting.**

**c. Ms. Carla Davis reported that corrective action plans have been submitted and a whistle-blower hotline is in the planning stage.**

**d. Textbook and Learning Material Project Assessment**

Dr. Carol Carson Warner reported that the program is currently wrapping up. She also noted that there were no audit findings for FY2012.

**e. Athletics Update**

Ms. Sonja Clayton-Pedersen gave an update on activities associated with the Athletics Department. She reported that CSU hosted the Great West Basketball Conference and that CSU earned medals in twoTrack and Field events. She is currently working with Dean Collins to bring the “Business of Golf” to the College of Business. Ms. Clayton-Pederson stated that ACA progress figures are expected to be good. She informed the Board that the search for an Athletic Director is still in progress.

*Trustee Scott asked about the status of recruitment.*

*Ms. Clayton-Pedersen reported on the status of recruitment and noted that 50% of recruits have GPAs of 3.0.*

- f. Information Technology  
Mrs. Ce Cole Dillon reported that the \$243,000 Thurgood Marshall Grant has been received from Microsoft. Iwire is being secured by IT, which will bring additional broadband to CSU. She noted that there is \$1.5 million to update switchgear within a four year period. Mrs. Dillon noted that Banner is being underutilized and she is working with the Finance department to resolve this issue.

**1. Action Items**

**a. Disaster Recovery**

Mrs. Dillon presented the Disaster Recovery resolution.

**Trustee Young moved to approve the Disaster Recovery resolution. Trustee Joyce seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

- g. Office of Grants and Research Administration  
Dr. Yvonne Harris gave an overview of the tier system, operation structure and personnel hires. She will include the Financial Aid Report in the May 11, 2012 Board of Trustees Report package.

5. Other Matters

- a. Public and Employee Comments

No public or employee comments.

6. Adjournment

**Trustee Young moved to adjourn the meeting. Trustee Morrison Butler seconded the motion. The motion passed as follows:**

**Ayes: 5**

**Nays: 0**

The meeting adjourned at 11:33a.m.