

**GOVERNORS STATE UNIVERSITY
BOARD OF TRUSTEES**

Minutes of the February 22, 2018 Budget and Finance Committee

Lorraine Tyson, Chair

CALL TO ORDER AND ROLL CALL

The Governors State University Board of Trustees Budget and Finance Committee meeting for Thursday, February 22, 2018 was called to order by Committee Chair Lorraine Tyson at 9:05 am. Roll call was taken and Committee members Cornelius Griggs, Carney Barr, and Linda Coleman were present, in addition to Trustee Bruce Friefeld. Tyson introduced Faculty Senate representatives in attendance, Lara Stache and Jelena Radovic-Fanta.

Also in attendance: Elaine P. Maimon, President; Elizabeth Cada, Interim Provost and Vice President for Academic Affairs; W. Paul Bylaska, Interim Vice President for Administration and Finance; David Golland, Faculty Senate President; Sondra Estep, UPI 4100 Chapter President; Sarah Luke, General Counsel; Will Davis, Vice President for Institutional Advancement and CEO of the GSU Foundation; Aurelio Valente, Vice President for Student Affairs and Enrollment Management; Maureen Kelly, Director of Governmental and Community Relations; Keisha Cowen, Associate Vice President for Marketing and Communications; Penny Perdue, Chief of Administrative Operations and Liaison to the Board; Andrae Marak, Dean, College of Arts and Sciences; Lydia Morrow-Ruetten, Dean, University Library; Shannon Dermer, Interim Dean, College of Education; Jun Zhao, Dean, College of Business; Villalyn Baluga, Associate Vice President for Finance; Sandra Zurawski, Director of Budget and Financial Planning; James McGee, Director of Public Safety; Jim Zumerchik, Interim Associate Vice President for Facilities Development Management; Tracy Sullivan, Assistant Vice President of Procurement; Randi Schneider, Associate Vice President of Enrollment Management; Zion Banks, Communications Specialist; Lori Montalbano, Division Chair, CAS; Staff Members Judy Healy and Lannie Brown-Simon; and Kristoffer Evangelista, Chief Internal Auditor.

EXECUTIVE SESSION

Tyson requested a motion to go into Executive Session at 9:06 am. Coleman made a motion to go into Executive Session pursuant to Illinois Open Meetings Act Section 2(c)7 to discuss the sale or purchase of securities, investments, or investment contracts. Friefeld seconded. Roll call was taken and Trustees Tyson, Griggs, Barr, Coleman, and Friefeld were present. President Maimon, Interim Provost Cada, Interim Vice President Bylaska, General Counsel Luke, and Budget Director Zurawski remained in Executive Session. Adjournment of the Executive Session was at 10:40 am by a motion from Coleman and a second from Barr. Tyson reported that the Board of Trustees met in Executive Session to discuss the sale or purchase of securities, investments, or investment contracts. No final action was taken.

Open Session resumed at: 10:46 am.

DISCUSSION ITEMS

Financing of Critical Deferred Maintenance Projects

Bylaska reported the debt financing of \$13.9M was discussed in Executive Session, with bond closing proposed for July 2018. He stated the Board supports this plan to address numerous deferred maintenance projects.

Tuition Rates for AY2018-2019

Bylaska reported it is the recommendation of the Administration that tuition rates remain flat for Academic Year 2018-2019.

Mandatory Student Fee Rates for AY2018-2019

Bylaska reported that various scenarios to fund the debt financing were discussed in Executive Session.

Tyson explained these items will be discussed further at the Full Board meeting next week at which time they will be voted on. There were no questions.

ACTION ITEMS

Resolution 18—20: Approval of Purchase of Shuttle Buses

Tyson called on Bylaska to report, who stated the Administration is recommending the replacement of the University's two shuttle buses which are beyond repair. The proposal is to replace the units with two almost identical models, each with a 12-passenger capacity and wheelchair accessibility. He added that the University is also looking at ways the shuttle buses can be utilized to assist in student activities. Bylaska added that leasing was also looked at, but that purchasing was found to be more economical. Barr asked if they are gas operated, which Sullivan confirmed. Barr stated that in Rich Township there is a fleet of 12 shuttle buses. Only two are gas operated while the rest are diesel, and the diesel buses last 200,000 miles. He questioned why diesel buses were not considered. McGee stated the current buses, which are ten years old, have approximately 60,000 miles on them, which is equivalent to 200,000 miles in hours. He added that diesel buses are more expensive and therefore when taking the difference in price compared to life, it is about equal. Coleman asked if the University has a diesel fuel line on campus, and McGee confirmed that both regular gas and diesel lines are available. Barr requested that the purchase of shuttle buses be explored further before voting on the matter. Tyson agreed to table *Resolution 18—20* and revisit it at the Full Board Meeting next week.

Resolution 18—21: Authorization for a Software Renewal Contract

Bylaska reported the Administration is asking for authorization to renew a software contract for the student assessment and e-portfolio system in an amount not to exceed \$90,000 over three years. Barr stated the GSU Foundation has been talking about software and asked whether they could benefit from this. Cada responded that it is used for assessment of students to capture significant outcomes, as well as faculty portfolio evaluation, and therefore probably would not

benefit the Foundation. Maimon explained the University is moving toward e-portfolios for students to aid in assessment and to use as a career tool, and for faculty as a state-of-the-art evaluation tool. She stated it is very beneficial to both students and faculty. Tyson entertained a motion to approve *Resolution 18—21*. Barr made a motion to approve *Resolution 18—21* and place it on the Consent Agenda. Coleman seconded. The motion was approved by unanimous voice vote.

Resolution 18—22: Approval of Prairie Place Housing Rates for AY2018-2019

Bylaska reported housing rates have been increased each year by 3% since the construction of *Prairie Place* based on a pro forma budget developed by Brailsford & Dunleavey. This allows for 100% funding of the debt service and an additional \$20,000 for repairs annually. Bylaska explained that this item was not previously brought before the Board each year, but in the interest of transparency it will on an annual basis. There were no questions. Tyson entertained a motion to place *Resolution 18—22* on the Consent Agenda. Coleman made a motion. Barr seconded. The motion was approved by unanimous voice vote.

INFORMATION ITEMS

Report on Purchases \$50,000-\$99,999 for the period November 27, 2017 through February 12, 2018

The report is in the Board Book. There were no questions.

Budget to Actual Report as of January 31, 2018

Bylaska reported the University is keeping in line with its projected spending at this point in the year, which is similar to last year. There were no questions.

Progress Report on Audit Findings

Bylaska did not present a report.

PUBLIC COMMENT

There were no requests for Public Comment.

Tyson requested a motion to adjourn the meeting of the Budget and Finance Committee. Barr made a motion. Coleman seconded. The motion was approved by unanimous voice vote and the meeting adjourned at 11:04 am.

Respectfully submitted,

Joan Johns Maloney