



SOUTHERN ILLINOIS UNIVERSITY

SENIOR VICE PRESIDENT FOR FINANCIAL & ADMINISTRATIVE AFFAIRS AND BOARD TREASURER
STONE CENTER - MAIL CODE 6801 / 1400 DOUGLAS DRIVE / CARBONDALE, ILLINOIS 62901

August 31, 2018

Members of the Board Finance Committee

Marsha Ryan, Chair
Amy Sholar
Molly Smith
Randal Thomas

Dear Members of the Finance Committee:

The Finance Committee will meet on Thursday, September 13, 2018, immediately following the Academic Matters Committee in the Meridian Ballroom on the 1st floor of the Morris University Center, Southern Illinois University Edwardsville, Edwardsville, Illinois. The agenda is enclosed.

Yours truly,

Duane Stucky
Senior Vice President for Financial and Administrative Affairs
and Board Treasurer

DS/sjp

Enclosures

cc: Tom Britton
J. Phil Gilbert
Brione Lockett
Shirley Portwood
Joel Sambursky
J. Kevin Dorsey
Carlo Montemagno
Randall Pembrook
Jerry Kruse
Other Interested Parties

REVISED

AGENDA

MEETING OF THE SOUTHERN ILLINOIS UNIVERSITY BOARD OF TRUSTEES FINANCE COMMITTEE

Thursday, September 13, 2018
Immediately following the Academic Matters Committee

Meridian Ballroom, 1st Floor
Morris University Center
Southern Illinois University Edwardsville

1. Approval of Minutes of the April 12, 2018 and August 14, 2018 Meetings (attached).
2. Executive Summary: Resource Allocation and Management Program (RAMP) Planning, Operations, and Capital Budget Request, Fiscal Year 2020 (Board Agenda Item N) (joint discussion with Architecture & Design and Academic Matters Committees).
3. Salary Increase Plan for Fiscal Year 2019, SIU (Board Agenda Item O).
4. Approval of Fiscal Year 2019 Operating Budgets (Board Agenda Item P).
5. Approval of Purchase: Identity Management System, Carbondale Campus, SIUC (Board Agenda Item Q).
6. Approval of Purchase: HVAC Maintenance Services, School of Medicine Campus, SIUC (Board Agenda Item T).
7. Approval of Salary and Appointment: Dean of the School of Business, SIUE (Board Agenda Item V).
8. Approval of Salary and Appointment: Chief Information Officer and Associate Vice Chancellor for Information Technology Services, SIUE (Board Agenda Item W).
9. Approval of Purchase: Legal Services for Intellectual Property, Carbondale Campus, Edwardsville Campus, School of Medicine Campus (Board Agenda Item Z).
10. Approval of Salary: Executive Secretary of the Board (Board Agenda Item L).
11. Information Item: Upcoming Policy Revision Related to Budget Document.

**BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY**

Minutes of the Finance Committee Meeting

April 12, 2018

The Finance Committee met in Ballroom B of the Student Center, Southern Illinois University Carbondale, Carbondale, Illinois. Present were: Marsha Ryan (Chair), Sam Beard, Amy Sholar, and Randal Thomas. Other Board members present were: Tom Britton, J. Phil Gilbert, Luke Jansen, Shirley Portwood, and Joel Sambursky. Executive Officers present were: President Randy J. Dunn; Chancellor Carlo Montemagno, SIUC; Chancellor Randall Pembroke, SIUE; Dean and Provost Jerry Kruse, School of Medicine; General Counsel Lucas Crater; Vice President for Student and Academic Affairs Brad Colwell; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

Minutes

Trustee Thomas recommended approval of the minutes of the February 8, 2018, meeting as submitted. The motion was seconded by Trustee Sholar and passed by the Committee.

Approval of Purchase: Maintenance Program for Carrier Refrigeration Plants, Carbondale Campus, SIUC (Board Agenda Item L).

Executive Director Administration and Finance Judy Marshall reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Maintenance, Service and Repair of Elevators and Escalators, Carbondale Campus, SIUC (Board Agenda Item M).

Executive Director Administration and Finance Judy Marshall reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Plumbing Supplies, Carbondale Campus, SIUC (Board Agenda Item N).

Executive Director Administration and Finance Judy Marshall reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Salary and Appointment: Interim Provost and Vice Chancellor for Academic Affairs, SIUC (Board Agenda Item P).

Chancellor Montemagno reviewed the proposed appointment and requested Finance Committee approval of the salary of:

Dr. Meera Komarraju as Interim Provost and Vice Chancellor for Academic Affairs, SIUC, with an annual salary of \$240,300, effective April 13, 2018.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Proposed Student Health Insurance Fee, SIUC [Amendment to 4 Policies of the Board Appendix A] (Board Agenda Item Q).

Vice Chancellor for Student Affairs Stettler reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Practice Management System, School of Medicine Campus, SIUC (Board Agenda Item R).

Dean and Provost Kruse reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval to Purchase: Science East Furniture, SIUE (Board Agenda Item Y).

Vice Chancellor for Administration Walker reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval to Purchase: Digital Media Buying Services, SIUE (Board Agenda Item Z).

Chancellor Pembroke reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval to Purchase: Traditional Media Buying Services, SIUE (Board Agenda Item AA).

Chancellor Pembroke reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval to Purchase: Dental Implant Parts and Supplies, School of Dental Medicine, SIUE (Board Agenda Item BB).

Vice Chancellor for Administration Walker reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval to Purchase: Dental Lab Services, School of Dental Medicine, SIUE (Board Agenda Item CC).

Vice Chancellor for Administration Walker reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Targeted Recruitment and Outreach for On-Line MBA Students, SIUE (Board Agenda Item DD).

Chancellor Pembroke reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Television Master Control Service Agreement SIU Broadcasting Service (Board Agenda Item EE).

Executive Director of Broadcasting Service reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Packaging and Transportation of Laboratory Equipment and Related Research Materials, Carbondale Campus, SIUC (Board Agenda Item FF).

Vice Chancellor Garvey reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Authorization for Phase I Reallocation of Appropriation Budget, SIUC and SIUE (Board Agenda Item GG).

President Dunn reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee via voice vote, with Trustees Sholar and Thomas voting aye and Trustee Ryan voting nay.

Other Business

There being no further business, the meeting was adjourned.

**BOARD OF TRUSTEES
SOUTHERN ILLINOIS UNIVERSITY**

Minutes of the Finance Committee Meeting

August 14, 2018

The Finance Committee met in Ballroom B of the Student Center, Southern Illinois University Carbondale, Carbondale, Illinois. Present were: Marsha Ryan (Chair), Brione Lockett, Amy Sholar, Molly Smith and Randal Thomas. Other Board members present were: Tom Britton, J. Phil Gilbert, Shirley Portwood, and Joel Sambursky. Executive Officers present were: Interim President J. Kevin Dorsey; Chancellor Carlo Montemagno, SIUC; Dean and Provost Jerry Kruse, School of Medicine; General Counsel Lucas Crater; Vice President for Student and Academic Affairs Brad Colwell; and Senior Vice President for Financial and Administrative Affairs and Board Treasurer Duane Stucky.

Approval of Salary and Appointment: Interim Dean of the College of Liberal Arts, SIUC (Board Agenda Item C).

Chancellor Montemagno reviewed the proposed appointment and requested Finance Committee approval of the salary of:

Dr. Andrew Balkansky as Interim Dean of the College of Liberal Arts, SIUC, with an annual salary of \$171,900, effective August 15, 2018.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Salary and Appointment: Interim Dean of the School of Law, SIUC (Board Agenda Item D).

Chancellor Montemagno reviewed the proposed appointment and requested Finance Committee approval of the salary of:

Cindy Buys as Interim Dean of the School of Law, SIUC, with an annual salary of \$222,000, effective August 15, 2018.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Approval of Purchase: Digital Color Press and Associated Items, SIUC (Board Agenda Item E).

Executive Director Administration and Finance Judy Marshall reviewed the proposed matter.

Trustee Thomas recommended approval of the matter and that it be placed on the Board's agenda. The motion was duly seconded by Trustee Sholar and was passed by the Committee.

Other Business

There being no further business, the meeting was adjourned.

Information Item: Board Matter for Consideration at the December Board Meeting

Southern Illinois University
Board of Trustees
December 13, 2018

APPROVAL OF CHANGE TO 5 POLICIES OF THE BOARD A, BUDGETS AND ARTICLE III, SECTION 3 OF BOARD BYLAWS

Summary

This matter seeks approval by the SIU Board of Trustees to amend 5 Policies of the Board A concerning the annual preparation of the University budget and the submittal of a budget request to the Illinois Board of Higher Education (IBHE). In addition, this matter seeks approval by the SIU Board of Trustees to amend Article III, Section 3 of Board Bylaws concerning the Finance Committee annual operating budget review and recommendation process.

Rationale for Adoption

The University processes for preparing a budget and the processes for submittal of a budget request to IBHE have remained unchanged for fifteen years. These processes were designed in an era of expected annually increased State appropriations, including specific increases to fund new and improved programs, operation and maintenance cost of buildings and grounds, salary increases, and inflationary cost increases on equipment and library expenses. Instead of increasing, State support for higher education has consistently decreased over the last fifteen years as State obligations exceeded the level of support available.

In response, a comprehensive review was undertaken in FY 17 to redesign the budget processes to better serve in a stark State budget environment. Proposed revisions included emphasizing the General Operating budget, comprised of State Appropriations and Tuition, which consumes most of the decision-making attention during budget development, and streamlining the budget report.

Redesigned processes were implemented in the development of the FY18 University budget and budget request submittal to IBHE. The enclosed amendment to Board policy and Board Bylaws will update and memorialize the changes as current practice.

Considerations Against Adoption

Changes in the budget processes will eliminate presentation of some historical data, but data deemed highly important was retained.

Information Item: Board Matter for Consideration at the December Board Meeting

Resolution

(1) BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That: 5 Policies of the Board A shall be hereby amended to read as per the attached.

(2) BE IT RESOLVED, By the Board of Trustees of Southern Illinois University in regular meeting assembled, That: Article III, Section 3 of Board Bylaws be amended to read as per the attached.

(3) The Interim President of Southern Illinois University be and is hereby authorized to take whatever action may be required in the execution of this resolution in accordance with established policies and procedures.

Section 5: Financial and Administrative Affairs

A. Budgets

1. General Comment. The Board of Trustees shall establish basic financial policies and be involved in strategies as they relate to financial support of operations, programmatic directions, and capital maintenance and development of Southern Illinois University. (3/13/03)
2. Annual Budget Requests to the Illinois Board of Higher Education. ~~Following consideration and approval by the Board of Trustees, annual budget requests shall be submitted to the Illinois Board of Higher Education in the form of Resource Allocation and Management Program (RAMP) materials.~~ The President, working with the Chancellors, and the Dean and Provost of the School of Medicine, shall develop guidelines for these materials which will include but not necessarily be limited to such matters as salary increases and plans, inflation increments, operation and maintenance of the physical plant, tuition rate, tuition waiver levels, enrollment levels, programmatic and capital priorities, and other special items. ~~These guidelines will be used by the Chancellors and the Dean and Provost of the School of Medicine in developing specific budget requests for SIUC, and SIUE, and SIU School of Medicine and by the president for the Office of the President for approval by the Board of Trustees and for submittal to the Illinois Board of Higher Education. These guidelines and the RAMP materials following from them shall be submitted to the Board for consideration and approval according to a schedule determined by University requirements and Illinois Board of Higher Education submission requirements.~~ (3/13/03), (3/24/16)
3. Annual Budget for Operations ~~and Capital Expenditures~~. The annual budget for operations ~~and capital expenditures~~ will be developed by the Chancellors for SIUC and SIUE and for the SIU School of Medicine by the Dean and Provost under the direction of the President and shall be submitted to the Board for approval. in conformance with the Guidelines approved by the Board. Budget development will take into consideration state appropriations and other revenue expectations; University priorities, including spending priorities and salary increase plans which will be approved by the Board; contingency plans; and maintenance of University assets. ~~The budgets shall be submitted to the Board for approval. Subsequent to Board approval of the annual operating budget, adjustments are authorized in accordance with decision rules promulgated by the President in University Guidelines.~~ (3/13/03), (3/24/16)

Article III. Committees of the Board

Section 3. Finance Committee

Purpose: The committee shall be concerned with investments; financial reports submitted to and issued by the Board; external financing; and the planning and development of major policies related to operating budgets.

Authority: The Committee shall:

1. Approve general philosophies and strategies for investment practices;
2. Review investment reports;
3. Suggest improvements in financial reporting to the Board;
4. Represent the Board in preliminary discussions of and planning for issuance of revenue bonds and other external financing;
5. Review and recommend to the Board ~~guidelines for~~ the annual operating budgets, guidelines for salary administration, tuition increases, general student fees increases, and other policies related to major financial decisions; and
6. Review and approve the initial salary and compensation and any subsequent salary and compensation changes for all Professional Staff receiving an annual salary of \$150,000 or more, all Board-appointed officers, all Administrative and Professional Staff Employees in the Office of the President, the Vice Chancellors at SIUC and SIUE, the Dean and Provost of the SIU School of Medicine, the Dean of the SIU School of Dental Medicine, the Dean of the SIU School of Law, and the Dean of the SIU School of Pharmacy.

Composition: The Finance Committee shall consist of not less than three members of the Board appointed by the Board Chair, who shall also designate one member as the Committee Chair. Members shall be appointed annually at the meeting when Board officers are elected, with vacancies to be filled by appointment by the Board Chair as they occur. The Committee shall be staffed through the Office of the President. The Chair of the Committee will call meetings as appropriate, with the Executive Secretary handling the scheduling and appropriate notices.

(11/08/07, 03/22/12, 3/24/16)