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Lawsuits likely as COD fires two top administrators

Lynn Sapyta

Robert Sanchez

The two top financial administrators at the College of DuPage, who had been on paid leave since June, were fired Wednesday in the wake of an internal probe into the school's spending practices, policies and procedures.

Thomas J. Glaser, the college's senior vice president of administration and treasurer, and Lynn Sapyta, assistant vice president of financial affairs and controller, both received termination letters from Acting Interim President Joseph Collins. Their firings are effective immediately.

"The College of DuPage will soon embark on a comprehensive search for highly qualified and capable replacements," COD board of trustees Chairwoman Kathy Hamilton said in a statement. "This is part of the new era at COD."

Reached by phone on Wednesday, Hamilton said she couldn't comment further because of privacy considerations.

Attorneys for both Glaser and Sapyta said they intend to sue the Glen Ellyn-based community college. Both administrators have contracts that were scheduled to run through June 2017 and both received contract extensions in February.

Before they can sue the college, however, both Glaser and Sapyta would first have to appeal their firings. That appeal would be conducted before a hearing officer chosen by the college, according to school officials.

"The termination is unjustified," Shelly B. Kulwin, Glaser's attorney, said. "It's unsupported by the facts and it is obvious -- even from the nature of some of the allegations -- that it's strictly politically motivated and a clear breach of his contract."

Peter S. Lubin, Sapyta's attorney, said the reasons listed for his client's termination are an attempt to blame her for questions about the school's investments, past problems at the COD radio station and the failed Waterleaf restaurant.

"This is a political firing," Lubin said. "Dr. Collins is making my client into a scapegoat for the failings in his own departments -- the restaurant and radio station."

A school spokesman declined to comment.

Glaser and Sapyta were among three high-ranking COD administrators -- President Robert Breuder is the other -- put on leave after trustees Deanne Mazzochi, Frank Napolitano and Charles Bernstein were elected in April and Hamilton became chairwoman of the board.

Breuder was put on leave in April; Sapyta and Glaser followed in June after an audit revealed the college lost $2.2 million in what was described as a risky investment fund.

The board majority has voted to begin termination proceedings against Breuder as part of what it says are sweeping reforms in the midst of federal and state investigations into the administrative and financial practices at the state's largest community college.

The internal audit that led to the leaves for Sapyta and Glaser wasn't released by administrators until the new board majority came to power. It found that COD's financial staff increased the school's investments in the Illinois Metropolitan Investment Fund from about $10 million in April 2014 to more than $80 million five months later.

The college's investment in the fund in April 2014 was 4 percent of its portfolio, but it had increased to 29 percent by September 2014 -- even though policy established by the board limited investments in local government investment pools to 5 percent.

According to the internal audit, Glaser placed the funds with IMET because of anticipated higher yields, but the fund defaulted on certain loans last October, and COD lost more than $2.2 million -- the greatest such loss of all municipal investors statewide, college officials have said.

One month after being placed on leave, Sapyta received a letter from Collins that lists nine actions in which

"COD believes that your performance has not been satisfactory, and that you have not faithfully discharged your duties. Any one of these actions listed below would be sufficient to establish unsatisfactory performance and/or failure to faithfully discharge your duties, and would constitute grounds for termination of your employment."

The complaints include:

• Failing to implement and maintain sufficient internal controls to protect the financial integrity of the college regarding COD's radio station.

• Failing to implement and maintain sufficient internal controls at the Waterleaf restaurant.

• Failing to coordinate the distribution of financial information about the Waterleaf.

• Failing to implement accounting practices at the Waterleaf sufficient to forecast the college's revenues and expenditures.

• Failing to coordinate investment of surplus funds in conformance with board-approved policy.

• Failing to implement and maintain sufficient internal controls to protect the financial integrity of the college with respect to the board-approved investment policy.

• Failing to respond in a timely fashion and to cooperate with Internal Auditor James Martner's audit of investments, which began in November 2014.

• Violating the college's ethics policy by using the school's email system on Feb. 24 to solicit votes on behalf of candidates for the April election.

• "Additional violations referenced" in the internal audit of the investments.

Lubin has called the allegations "vague and overbroad." He also says COD failed to provide an explanation of its evidence.

On Wednesday, Sapyta released a statement in which she insists she's done nothing wrong. She said she has faithfully discharged the duties of her office and received "an outstanding rating" on her annual evaluations.

"I'm being made into a scapegoat for the criticism that the media has leveled at Dr. Breuder and his administration, including Executive Vice President Collins, for lavish spending at the college's restaurant and other issues over which I had no control," said Sapyta, adding that the board approved expense accounts at the now-closed Waterleaf.

Like Sapyta, Glaser received a letter in July referring to multiple charges against him. While Kulwin didn't discuss the specific allegations, he called them "an alphabet soup" of claims.

Kulwin said the charges against Glaser went beyond the IMET situation because college officials know it's an insufficient reason to fire his client.

According to Kulwin, board members were aware of how much was being invested because they received monthly reports about COD's investments, which clearly reflected the percentage of funds earmarked for IMET.

"Anything to do with how the money was invested," Kulwin said, "the board, including the current chairman of the board, had monthly knowledge of it -- and was encouraging that conduct."

Since July, Glaser and Sapyta each met separately with Collins and other COD representatives to respond to the claims against them.

But Kulwin said there's no acknowledgment in Wednesday's termination letter about the defense he presented on Glaser's behalf.

"It was almost like they had reached a foregone conclusion they were going to terminate him," Kulwin said.

He said he believes school officials "manufactured a basis" to fire Glaser.

Glaser, who started at COD in May 2009, was paid $232,112 a year. A five-year COD administrator, Sapyta was paid $163,828 a year.