



**BOARD OF TRUSTEES
THE CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

BOARD OF TRUSTEES MEETING

DATE: Thursday, June 20, 2019, 7:30 a.m.
PLACE: Student Center, Room 313/315
2121 Euclid Avenue

PRESENT: Chair David H. Gunning II, Trustees Timothy J. Cosgrove, Stephen F. Kirk, Len Komoroski, Dan T. Moore, and David M. Reynolds; Community Board Members Robyn Gordon and Heather Lennox; Faculty Representatives Dr. William M. Bowen and Dr. Stephen F. Duffy; Secretary to the Board of Trustees Dr. William J. Napier and President Harlan M. Sands.

Chair Gunning called the meeting to order at 7:30 a.m. and confirmed the presence of a quorum. He asked if there were any corrections, additions or deletions to the minutes of the May 16, 2019 Board meeting. Hearing none, he called for a motion to approve the minutes. Moved by Trustee Moore, and seconded by Trustee Reynolds, the minutes were approved by voice vote.

REPORT OF THE CHAIR

Chair Gunning announced that there are two gubernatorial trustee appointments pending. He will wait for the positions to be filled before making committee assignments. He reported that the Chancellor and Governor have discussed new ways of orienting new trustees, and will make it a regular statewide process. This is in addition to the university's own new member orientation.

Chair Gunning provided an update on a few recent student trustees. He reported that Erykah Betterson is serving as an intern to Congresswoman Marcia Fudge in Washington, D.C.; Allie Dumski is Press Secretary for State Auditor Keith Favor; and Paul All has a career in real estate.

Reappointment of Heather Lennox, Community Board Member

Chair Gunning proposed the reappointment of Heather Lennox to a two-year term as a Community Board Member. Trustee Kirk moved, and Trustee Moore seconded, the motion to reappoint Heather Lennox. The following resolution was passed by voice vote.

RESOLUTION 2019-45

**REAPPOINTMENT OF COMMUNITY BOARD MEMBER
HEATHER LENNOX**

WHEREAS, the Bylaws of the Board of Trustees were amended on January 20, 2006 to expand the Board's membership and expertise with other faculty and community members to serve as non-voting members; and

WHEREAS, the Board of Trustees wishes to gain the expertise, knowledge, and perspective of additional community members on matters coming before the Board; and

WHEREAS, pursuant to 3344-1-01 (N) of the Bylaws of the Board of Trustees, community members may be appointed, at the discretion of the Board Chair, to two-year terms as a non-voting advisors; and

WHEREAS, Heather Lennox was recommended by then Board Chair Bernie Moreno to a two-year term ending June 30, 2019; and

WHEREAS, Heather Lennox has served on the Board of Trustees with dedication, and has provided valuable knowledge and expertise since her initial appointment as a Community Board Member on June 20, 2017;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees approves the reappointment of Heather Lennox as a Community Member of the Cleveland State University Board of Trustees for a second two-year term ending June 30, 2021.

Recognition of Faculty Representative Stephen F. Duffy

Chair Gunning noted that this is the last meeting for Dr. Duffy as a member of the Board, who has served previously and whose current term is coming to an end. He recognized Dr. Duffy for his valuable service as a faculty member and faculty ambassador.

Trustee Kirk moved, and Trustee Moore enthusiastically seconded, the following motion approved by applause.

RESOLUTION 2019-46

**RECOGNITION OF DR. STEPHEN F. DUFFY AS A
FACULTY REPRESENTATIVE ON THE BOARD OF TRUSTEES**

WHEREAS, Dr. Stephen F. Duffy was elected by the Faculty Senate to serve as a Faculty Representative to the Cleveland State University Board of Trustees for a one-year term commencing July 1, 2018; and

WHEREAS, Professor Duffy has served previously as a Faculty Representative to the Board of Trustees for three consecutive terms, from 2011 to 2014; and

WHEREAS, Professor Duffy's current term on the Board of Trustees expires June 30, 2019; and

WHEREAS, Professor Duffy, most recently, has served as a member of the Financial Affairs and Athletics Committees of the Board of Trustees; and

WHEREAS, during his term of service, Professor Duffy has shared his knowledge and expertise as a practicing civil engineer and as the Director of the University Transportation Center, has represented the views of the faculty to the Administration and the Board of Trustees, and has contributed to enhanced academic programs and student support services at Cleveland State University;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees expresses its sincere appreciation to Professor Stephen F. Duffy for his contributions and support of Cleveland State University during four terms of service on the Board of Trustees and wishes him every success as he continues to focus on educating future generations of exceptional civil engineers.

Dr. Duffy expressed his appreciation. He stated that he has served with various Boards several times throughout his career. He thanked the Board of Trustees for its commitment to the University, and for its time and support.

REPORT OF THE PRESIDENT

President Sands reported that the University is making progress, and the right investments in student success. According to the NYT/Center on /Education Data & Policy, which measured expected graduation rates based on race, gender, age and test scores (**Attachment A**), Cleveland State University outperformed the expected graduation rate by 7%, and outperformed most of its Ohio peer institutions.

President Sands reported starting a debt forgiveness program he labelled "Project Restart." He stated that 78 students who dropped out because they could not pay and owed less than \$5,000, were contacted. Eighteen of those students met with advisors and are enrolled for Fall semester, subject to payment of the tuition bill first.

President Sands reported that, two weeks ago, he and all the other Inter-University Council (IUC) presidents met with Governor DeWine, who has a strong interest in higher education, wraparound services and workforce development. He noted that the Ohio Senate was close to voting on the biennial budget, which includes a 1% increase in the State Share of Instruction (SSI);

an additional \$290,000 in support of students aging out of foster care, which will support 10 additional Sullivan-Deckard Scholarships; and \$500,000 directed to the College of Urban Affairs. Chair Gunning added that the Senate has added \$40 million for the film tax credit. He encouraged the Board members to “keep the pressure on” for support and for CSU’s School of Film and Media Arts.

President Sands announced the appointment of Dr. Shannon Greybar-Milliken as Vice Provost and Dean of Students. He noted that she has served in an interim role for a year. He also introduced Heather Link, his new Chief of Staff, who starts officially on July 1.

On June 19, President Sands reported that a \$1 million gift from Char & Chuck Fowler was publicly announced to a standing room-only crowd in the Glasscock Family Foundation Ballroom of the Student Center. He noted that the generous gift from the Char and Chuck Fowler Family Foundation will support CSU’s Lift Up Vikes! Program, providing necessary food and additional support services, with the establishment of a centrally-located student resource center and creation of an emergency grant fund to help eligible students in need remain enrolled.

Tom Hopkins was welcomed as the newly-elected Chair of the CSU Foundation Board of Directors. He is a graduate and long-time supporter of Cleveland State University, and a retired executive of The Sherwin-Williams Company. President Sands noted that Sherwin-Williams has the largest corporate CSU alumni group. Mr. Hopkins spoke of the tremendous scholarship fundraising momentum with *Radiance*, which topped \$2 million this year, and noted the extensive opportunity for enrollment growth and seeing the students through to graduation. He committed the Foundation’s support in meeting those expectations.

Assistant Vice President Rob Spademan reviewed enrollment data for freshmen, transfer and graduate students, compared to this time last year (**Attachment B**). He reported that freshman applications are up 6%. The significant indicator is the number of admissions registered for Orientation, which is up 13%. Mr. Spademan noted that none of our peers are reporting double-digit increases.

Vice President Spademan reported that transfer students applications are down 9%. He noted that transfer students typically apply late, and are not required to go to Orientations, although there is an on-line orientation.

Graduate student admissions are down nationally by 25-30%. Cleveland State is above domestic graduate admissions, compared to last year, but down in international graduate admissions. The partnership with Shorelight Education is expected to boost international graduate enrollment. President Sands noted that university presidents nationally are struggling with the rhetoric that visas may not be renewed, which is hurting the academic community. He requested the advice and counsel of Board members.

Presentation by the College of Liberal Arts and Social Sciences

President Sands introduced Dr. Gregory M. Sadlek, Dean of the College of Liberal Arts and Social Sciences, who provided an overview of the College (**Attachment C**). He noted that the basic mission of the College of Liberal Arts and Social Sciences (CLASS), and the subjects taught by the CLASS faculty, are at “the heart of a well-rounded education.”

Dean Sadlek reported that the College is comprised of the divisions of Arts, Humanities, Social Sciences, and Interdisciplinary Programs. He noted that the College has experienced steady growth since 2005. The tremendous growth in the Arts, he noted, was due to the Film School. Although CLASS is heavily oriented toward undergraduate programs, Social Work has close to 300 majors, which comprise a significant graduate program enrollment.

The CLASS faculty, Dean Sadlek reported, are committed to teaching and research, and are especially oriented to student success. He reported a 50% increase in full-time, primarily teaching, faculty. An average of 150 part-time faculty are hired each year on a per course basis and teach general education courses. It was noted that success in the first year Co-remedial English composition course is a good predictor of retention and graduation, and is much more effective than developmental coursework.

Dean Sadlek reported that 668 students are currently enrolled in CLASS internships. A primary goal is to increase internships and engaged learning in all disciplines. The importance of having paid internships was noted, because most students do not have time to do internships due to work and class schedules. In the interest of time, Chair Gunning suggested having the topic of internships discussed further in an Academic Affairs and Student Success Committee meeting.

Dean Sadlek quickly reviewed the major centers housed within the College of Liberal Arts and Social Sciences (Research Centers: Center for Public History and Digital Humanities, Criminology Research Center, and Center for Behavioral Social Sciences; Cultural Centers: Center for Arts and Innovation, Center for Slovenian Studies, Black Studies Program and African-American Cultural Center, CSU Poetry Center, and the Galleries @ CSU. He noted, in particular, the high profile of the Arts at CSU, with the partnerships formed with Playhouse Square, The Cleveland Play House, GroundWorks Dance Company, and ideastream and WCLV.

In reviewing the SWOT Analysis (Strengths, Weaknesses, Threats, and Opportunities), Dean Sadlek noted offering the Master of Social Work on-line would enable the University to compete better regionally. The rising cost of software, however, is becoming more of an issue. Offering a Bachelor’s and Master’s in Music Therapy, a Master of Fine Arts in Film & Media Arts, new 4+1 programs, a Certificate Program in Chemical Dependency Counseling, and the Center for Behavioral Social Sciences were presented as opportunities.

Dean Sadlek introduced the following two faculty and two students, who spoke of their background and experience in the College of Liberal Arts and Social Sciences:

Dr. Stephen C. Cory, Professor in the Department of History and Department of Philosophy and Comparative Religion, received three Fulbright Scholar awards. He taught graduate students

at the University of Jordan. His area of specialization is history and religion of Islamic Middle East and North Africa. He uses the “map walk”, which he has been doing since 2008, as a method of teaching about the Middle East and Non-Western World. He observed that it is a challenge for students to study abroad due to finances.

Jennifer S. Visocky is a full professor in the Department of Art & Design, who specializes in graphic design, and is a long-time faculty advisor and promoter of internships. She is a designer by trade and ran a small business, and has transitioned to writing about design.

Ashley Banks is an Honors students and McNair Scholar, who is majoring in Spanish and Psychology and pre-med, with a 3.91 GPA. She has been homeschooled; self-studied for the GED and ACT, and graduated with a 4.0 GPA from Cuyahoga Community College. She volunteers as a Spanish tutor. Six months were spent in Venezuela, teaching English and music. She plans to graduate in May 2021 and work as a primary care physician in both English and Spanish-speaking communities.

Gwendolyn Kochur was an Honors College student, who graduated summa cum laude from the School of Communication in three years, with a degree in journalism this past May. While attending CSU, she reviewed community theatre as part of a CSU Civic Engagement grant, worked as a theater critic and arts journalist for the Cleveland Scene, and as an intern in the CSU Marketing Department her last semester at CSU. She completed an international internship in Edinburgh, Scotland, which holds the largest performing arts conference, and assisted in bringing the Society of Professional Journalists regional conference to CSU. In addition to being recognized as the CSU School of Communication Student of the Year in Journalism, the Society of Professional Journalists honored Ms. Kochur with its Mark of Excellence Award.

Recognition of Dr. Gregory M. Sadlek as Dean Emeritus

President Sands presented a resolution in recognition of Dr. Gregory M. Sadlek, as he retires from Cleveland State University at the end of the month. Chair Gunning moved, and Trustee Kirk seconded, the motion to approve the resolution, recognizing Dr. Sadlek as the founding dean of the College of Liberal Arts and Social Sciences in 2005, setting and practicing high standards of professionalism and placing student success at the forefront. The following resolution was approved unanimously with applause.

RESOLUTION 2019-47

RECOGNITION OF DR. GREGORY M. SADLEK AS DEAN EMERITUS

WHEREAS, Gregory M. Sadlek, Ph.D. was recruited as the founding Dean of the newly formed College of Liberal Arts and Social Sciences after an extensive national search in 2005; and

WHEREAS, Gregory M. Sadlek has consistently set a high standard of professionalism and fostered the idea of inclusiveness to ensure that student success is at the forefront of the College’s faculty and administration priorities; and

WHEREAS, Dr. Sadlek has provided astute and thoughtful leadership to the College's nearly 150 full-time faculty members, many part-time faculty members, and 50 dedicated staff members; and

WHEREAS, Dr. Sadlek has championed the mission, value, and vital importance of the College of Liberal Arts and Social Sciences to the University, its student majors, and thousands of alumni; and has nurtured a culture of strong alumni relations, volunteerism, and philanthropy in support of current and future students; and

WHEREAS, Dean Sadlek has advocated for the concept of engaged learning both inside and outside the classroom, both locally and internationally, and has initiated study abroad programs and partnerships with institutions in India, Korea, China, France, Poland, Turkey, Hungary, Slovenia, and Nigeria; and

WHEREAS, Gregory Sadlek has provided astute and thoughtful advice to Cleveland State's Presidents, members of the Board of Trustees, and University senior staff; and where his tenure as Dean and Professor was marked by numerous milestones including lending valuable oversight to the newly created Arts Campus at Playhouse Square including the opening of the new School of Film & Media Arts; and stewarding enrollment and success in the College through the CLASS Advising Center which assists students in developing a plan for academic success, fostering academic achievement, leadership development, strong faculty-student relationships, co-curricular engagement and decision making abilities.

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees awards the designation of "Dean Emeritus" upon Dr. Gregory M. Sadlek for his outstanding dedication and service as Dean and Professor, and wishes him all the best in the fulfillment of his future endeavors.

REPORT OF THE CSU FOUNDATION

Trustee Tim Cosgrove gave his final report as Chair of the CSU Foundation. He announced that, at the Foundation's annual meeting, Tom Hopkins was elected as Chair of the CSU Foundation Board of Directors, and by virtue of the position, will serve as a non-voting member of the Board of Trustees for the duration of his term of office. He announced that Nancy McCann and Sarah Flannery will serve as co-chairs of *Radiance*, with a \$2.1 million scholarship fundraising goal this year.

Mr. Cosgrove presented the fundraising reports through May 31, 2019 (**Attachment D**). He noted that the \$10 million fundraising goal for the fiscal year has been exceeded at \$10.9 million, with a few more major gifts expected. The overall return on investments totaling \$92.5 million, he reported, was up 4.1% for the fiscal year; and up 11.6% for the calendar year.

Mr. Cosgrove thanked Berinthia LeVine, Vice President for University Advancement and Executive Director of the CSU Foundation, for committing to continue to serve in that capacity until the search is completed for her replacement.

REPORT OF THE ATHLETICS COMMITTEE

Committee Chair Komoroski reported that the Athletics Committee held a meeting on June 18, 2019. He reported that General Counsel Sonali Wilson addressed the role and fiduciary duties of the Athletics Committee (**Attachment E**). A statement, published by the Association of Governing Boards, with three operating principles, titled “Governing Boards’ Responsibilities for Intercollegiate Athletics” (**Attachment F**) was distributed. It was noted that compliance issues, such as team rules, student athlete code of conduct, and the drug testing policy are being reviewed and updated, and will be brought to the Board for approval as appropriate.

Committee Chair Komorowki reported that Athletic Director Scott Garrett provided the Committee with a briefing on the path forward for CSU athletics. He noted that Mr. Garrett briefed the Committee on the various assessments he is conducting of the athletics program, coaching hires, condition of facilities, strategic initiatives and timeline, academic performance of student athletes, as well as revenue generation, opportunities and goals. Mr. Garrett, he noted, is building a platform for growth across the board.

Chair Gunning requested that the slide, showing the 2018-2019 team performances and grade point average (GPA) (**Attachment G**), be distributed to the full Board.

REPORT OF THE FINANCIAL AFFAIRS COMMITTEE

Committee Chair Kirk reported that a Board budget workshop was held on June 4, focusing on the FY20 and FY21 budgets. He spoke on June 10 with the Plante Moran external auditors regarding the standard communications and scope of the FY18 audit (**Attachment H**). There were no areas of fraud, non-compliance, or areas of concern to be addressed. Trustee Kirk noted that this will be the last audit conducted by Plante Moran for CSU due to the State Auditor’s mandate to rotate external auditors on a regular basis.

University Budget for FY 2020-2021

Information on the proposed University budgets for FY 2020 and FY 2021 (**Attachment I**) was presented by Associate Vice President Tim Long and Shandy Husmann from Huron Consulting. It was noted that the tuition portion of the budget would be voted on separately after the presentation and discussion of the University budget.

Mr. Husmann presented the context and background for the proposed budgets. He reported a strong financial position for the University, with a fund balance of \$160 million (\$80+ million in unrestricted reserves and \$30+million in operating reserves), debt reduction and expense controls. He noted that this is the first time that the University is presenting budgets for the Board’s approval for two years (FY 20 and FY21) to align with the State’s two-year budget cycle. The University’s Planning and Budget Advisory Committee (PBAC) has been involved in the development of the budgets and was asked to identify opportunities for investment and cost effectiveness. He noted that the new budget approach – using the prior year’s actuals activity – will be used as a baseline for budget planning beginning with FY20.

The main components of the University's budget (Operating, General Fee, and Auxiliary Enterprises) for FY20 (\$297 million) and FY21 (\$300.7 million) were reviewed. A shortfall of \$8-9 million was identified for FY20 and FY 21 due to a 3-year labor agreement salary increase of 2.5%, a projected modest enrollment decline in FY20, followed by a slight enrollment increase in FY 21; additional faculty hires, strategic investments, and targeted expense reductions. The shortfall is to be addressed by implementing a 2% tuition increases in both fiscal years, (pending passage of the state FY20-FY21 budget), implementation of 2-3% campus-wide expense reductions, and the use of a modest amount of operating reserves. It was noted that the proposed budgets do not include a potential increase in state funding, which is also dependent upon the passage of the state budget.

The proposed operating budget does include \$1 million of expenses for strategic initiatives. Not built into the budget is a possible use of \$5 million/year for two years to come from reserves for one-time strategic initiatives. The Administration will consult with the Board before the funding is committed for these one-time initiatives.

Chair Gunning moved, and Trustee Kirk seconded, the motion to approve the University FY 20 and FY 21 Budget. The following Resolution was approved by voice vote.

RESOLUTION 2019-48

APPROVAL OF THE UNIVERSITY FY20 & FY21 BUDGET

WHEREAS, the University presents its budget plan to the Board of Trustees for approval before the beginning of the fiscal year (July 1); and

WHEREAS, the beginning of Cleveland State University's and the state of Ohio's fiscal year biennium (FY20 and FY21) is July 1, 2019 and continues through June 30, 2021; and

WHEREAS, the level of the State Share of Instruction (SSI) provided to the University as a result of the adoption of the FY20-21 budget appropriations act (Amended Substitute House Bill No. 166) by the Ohio General Assembly and the Governor is vital to operations; and

WHEREAS, the approved House Bill No. 166 is expected to include language permitting increases for in-state undergraduate student tuition; and

WHEREAS, House Bill 166 is not expected to be signed into law by the time the Cleveland State Board of Trustees has convened to approve the University budget and changes to student tuition rates for FY20 on June 20, 2019;

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the passage of the University's recommended FY20 and FY21 Budget, as follows:

CLEVELAND STATE UNIVERSITY
PROPOSED FY20 AND FY21 UNIVERSITY UNRESTRICTED BUDGET
(\$ in Thousands)

	FY20 Proposed Budget	FY21 Proposed Budget
OPERATING BUDGET		
Revenue	\$ 248,172	\$ 252,977
Expenditures & Transfers	253,978	257,377
Expenditure Reductions and Operating Reserves	<u>5,806</u>	<u>4,400</u>
Balance	\$ -	\$ -
GENERAL FEE BUDGET		
Revenue	\$ 22,660	\$ 22,758
Expenditures & Transfers	22,861	22,959
Expenditure Reductions and Operating Reserves	<u>201</u>	<u>201</u>
Balance	\$ -	\$ -
AUXILIARY ENTERPRISES BUDGET		
Revenue	\$ 20,252	\$ 20,466
Expenditures & Transfers	<u>20,170</u>	<u>20,379</u>
Balance	\$ 82	\$ 87
TOTAL UNIVERSITY UNRESTRICTED BUDGET		
Revenue	\$ 291,084	\$ 296,201
Expenditures	297,009	300,715
Expenditure Reductions and Operating Reserves	<u>6,007</u>	<u>4,601</u>
Balance	\$ 82	\$ 87

BE IT FURTHER RESOLVED that should House Bill 166 contain provisions that change the University's recommended FY20 and FY21 budget, the University administration will submit a revised recommended FY20 and FY21 Budget for consideration and approval by the Board of Trustees at a duly noticed meeting to be held no later than September 30, 2019.

Tuition Rates for FY 2020

Mr. Long explained that, pending the passage of the state budget, the Board of Trustees is delegating authority to the President to increase the tuition to the maximum permitted by law, and that is consistent with the University's budget planning process.

Chair Gunning moved, and Trustee Komoroski seconded, the motion to delegate authority to the President to approve tuition for FY20, within the parameters established by legislation and the University's budget planning process. The following resolution was approved by voice vote.

RESOLUTION 2019-49

APPROVAL OF FY20 TUITION

WHEREAS, the State of Ohio's FY20-FY21 budget and tuition authority legislation (Amended Substitute House Bill 166) is not yet signed into law; and

WHEREAS, increases in graduate (masters and doctoral) and law programs of study may be increased at the directive of the President as delegated by the Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED that the President is authorized to increase tuition up to the maximum amount permitted by law and consistent with the Cleveland State University FY20-FY21 budget planning process.

Miscellaneous Fees for FY 2020

Trustee Kirk reported that the Miscellaneous fees report for FY 2020 (**Attachment J**) is provided to the Board for information only. No action is required.

Mr. Long explained that the miscellaneous fees are non-tuition fees charged to students. He noted that the FY 20 Miscellaneous Fees are kept the same as last year.

CONSENT AGENDA

Chairman Gunning explained that routine matters, or those discussed previously, are considered on the Consent Agenda. Chairman Gunning asked if there were items that Board members wished to discuss individually; there were none.

Trustee Moore moved, and Trustee Cosgrove seconded, the motion to approve the following consent agenda items: Lease Renewal with AVC Parking for 2178 Cedar Avenue – Lot 43 (**Attachment K**), Lease Renewal with T.O.T. Industries for 2020 Carnegie Avenue – Lot 44 (**Attachment L**), PNC Financing for Middough Building (**Attachment M**), University FY20 Advertising Media Purchases (**Attachment N**), Joint Use Agreement between Cleveland Institute of Art and Cleveland State University (**Attachment O**), Recognition of Trustee June E. Taylor (**Attachment P**), and Recognition of Trustee Terrence P. Fergus (**Attachment Q**). The following resolutions were approved by voice vote.

RESOLUTION 2019-50

AUTHORITY TO LEASE PROPERTY LOCATED AT 2178 CEDAR AVENUE

WHEREAS, the Department of Parking and Transportation Services is charged with providing parking services for students, faculty, staff, visitors and special events on campus; and

WHEREAS, an increase in enrollment and the loss of parking space inventory has resulted in a shortage of parking spaces for commuter students, faculty, staff and visitors;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the recommendation by the University Administration to lease parking spaces from AVC Parking for the period of August 16, 2019 to May 15, 2020 at 2178 Cedar Avenue for total cost not to exceed \$26,000, and authorizes and empowers the Administration, in carrying out this Resolution, to make any necessary changes to the subject lease as may be required to ensure compliance with the

applicable and effective provisions of federal and state laws, or as otherwise deemed appropriate, subject to the review of the University General Counsel.

RESOLUTION 2019-51

AUTHORITY TO LEASE PROPERTY LOCATED AT 2020 CARNEGIE AVENUE

WHEREAS, the Department of Parking and Transportation Services is charged with providing parking services for students, faculty, staff, visitors and special events on campus; and

WHEREAS, an increase in enrollment and the loss of parking space inventory has resulted in a shortage of parking spaces for commuter students, faculty, staff and visitors;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the recommendation by the University Administration to lease parking spaces from TOT Parking for the period of August 16, 2019 to May 15, 2020 Carnegie for total cost not to exceed \$10,000 and authorizes and empowers the Administration, in carrying out this Resolution, to make any necessary changes to the subject lease as may be required to ensure compliance with the applicable and effective provisions of federal and state laws, or as otherwise deemed appropriate subject to review by University General Counsel.

RESOLUTION 2019-52

**Authorizing the issuance of Limited Available Receipts Bonds
of the University in a principal amount not to exceed \$28,000,000
to pay certain Lease Obligations and paying costs of issuance in connection therewith**

WHEREAS, the Board of Trustees of Cleveland State University, a state university of the State of Ohio (the "University") is authorized by Sections 3345.11 and 3345.12 of the Revised Code, enacted by the General Assembly under authority of Section 2i of Article VIII of the Constitution of Ohio, to issue Limited Available Receipts Bonds to reimburse the University for the payment of certain lease obligations arising under that certain Lease Agreement made and entered into as of December 29, 2010 by and between 1901 East 13th LLC ("1901") and the University relating to the Lease of the Middough Building located at 1901 E. 13th Street, Cleveland, Ohio (the "Lease"); and

WHEREAS, by Resolution No. 2019-01, the Executive Committee of the this Board approved the terms of the Term Sheet and pursuant thereto has determined to authorize the issuance and sale to PNC Bank, National Association of not to exceed \$28,000,000 principal amount of Limited Available Receipts Bonds to provide funds to reimburse the University for the rent payment made under the Lease on March 15, 2019 in accordance with this Resolution.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF CLEVELAND STATE UNIVERSITY as follows:

Definitions and Interpretations. Where used in this Resolution and the Certificate of Award, and in addition to words and terms defined in the Series 2019 Bonds, the following terms shall have the following meanings:

“2019 Project” means the payment of costs associated with the University’s leasing of the educational facility which is the subject of the Lease, and including the Lease Payment, incurred to secure and extend the term of the Lease to provide the University with continued operation of educational facilities, and refinancing costs of rehabilitation, renovation, equipping, furnishing and operating such property so leased pursuant to the Lease.

“Act” means Section 3345.11 and 3345.12 of the Revised Code, as the same may be amended from time to time, together with the provisions of Sections 9.96 and 9.98 to 9.983 of the Revised Code and any act or resolution of the General Assembly authorizing or limiting the issuance of bonds of the University.

“Authorized Officer” refers to each of the President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board.

“Certificate of Award” means the Certificate of Award authorized in Section 6(a) to be provided by the Fiscal Officer to determine and approve the final terms of the Series 2019 Bonds, consistent with the Term Sheet and the parameters of this Resolution.

“Code” means the Internal Revenue Code of 1986, the regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of or successor provisions to the foregoing, and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes that section and those applicable regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

“Covenants Agreement” means the “Bond Purchase and Continuing Covenants Agreement” or similar document, as described in the Term Sheet, containing terms and provisions relating to the Bonds as required by the Original Purchaser and acceptable to the University, as evidenced by execution of the same.

“Fiscal Officer” means the Vice President for Business Affairs and Finance and also means, as an alternate, the Associate Vice President for Business Affairs and Finance and Controller of the University.

“Interest Payment Dates” means the first day of each June and December, beginning December 1, 2019 or such other dates provided in the applicable Certificate of Award for the Series 2019 Bonds.

“Lease” means that certain Lease Agreement made and entered into as of December 29, 2010 by and between 1901 East 13th LLC (“1901”) and the University relating to the Lease of the Middough Building located at 1901 E. 13th Street, Cleveland, Ohio, and which houses the University’s Theater and Dance departments.

“Lease Payment” refers to the rent payment due under the Lease on March 15, 2019.

“Limited Available Receipts” means “available receipts” as defined in Ohio Revised Code 3345.12(A)(11) but excluding receipts from student fees and charges.

“Original Purchaser” means PNC Bank, National Association, or such other person or persons who purchased the Series 2019 Bonds upon their initial issuance and delivery.

“Outstanding Obligations” means all bonds, notes and other instruments evidencing obligations of the University issued pursuant to the Trust Agreement dated as of May 1, 1993 between the University and U.S. Bank National Association, as Trustee, as supplemented from time to time, including without limitation by the Ninth Supplemental Trust Agreement dated as of September 1, 2011 and the Eleventh Supplemental Trust Agreement dated as of February 1, 2016, together with all other obligations of the University secured by a pledge of and lien on General Receipts, as such term is defined in the foregoing Trust Agreement as supplemented.

“Paying Agent” means the Fiscal Officer.

“Register” means all books and records necessary for the registration, exchange, and transfer of the Series 2019 Bonds.

“Registrar” means the Fiscal Officer.

“Series 2019 Bonds” means the notes or bonds of the University designated as “Limited Available Receipts” notes or bonds authorized by this Resolution, payment of which is pledged to be made from Limited Available Receipts.

“Tax-Exempt Bonds” means any Series 2019 Bonds originally issued as obligations the interest on which is excluded from gross income under the Code and is not an item of tax preference for purposes of the alternative minimum tax imposed under the Code.

“This Resolution” or “Series 2019 Resolution” means this Resolution and the related Certificate of Award for the Series 2019 Bonds.

“Term Sheet” refers to the Preliminary Summary of Terms and Conditions for Direct Purchase of Tax-Exempt Fixed Rate Bonds/Notes, submitted by PNC Bank, National Association, dated February 7, 2019, as revised February 15, 2019, as further revised February 20, 2019, as further revised February 22, 2019 as further revised February 25, 2019, and as further revised May 24, 2019.

Unless the context otherwise indicates, words importing the singular number shall include the plural number, and vice versa. References to sections, unless otherwise stated, are to sections of this Resolution.

Authority. This Resolution is adopted pursuant to the Act.

Authorization to Issue Series 2019 Bonds. It is declared to be necessary to, and the University shall, issue, sell and deliver the Series 2019 Bonds, in one or more series, as provided and authorized in this Resolution, in the maximum principal amount not to exceed \$28,000,000 for the purpose of paying costs of the 2019 Project and the costs of issuance of the Series 2019 Bonds. The actual principal amount of the Series 2019 Bonds issued under this Resolution shall be as set forth in the Certificate of Award, determined on the basis of the Fiscal Officer's certification of the amount from Bond proceeds required to pay the costs of the 2019 Project.

The Series 2019 Bonds shall be dated on the day of issuance and shall be issued in one or more series, each bearing a distinctive designation, provided that Series 2019 Bonds or each series shall satisfy the requirements of this Resolution.

The Series 2019 Bonds shall bear the signatures of at least two of the Authorized Officers.

The appropriate officers of the University and the Board are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Resolution.

Terms and Provisions Applicable to the Series 2019 Bonds.

Form. The Series 2019 Bonds shall be issued only as one or more fully registered instruments, numbered from R-1 upward, and substantially in the form attached to the Covenants Agreement, and shall bear interest at the fixed rate or rates stated therein (not to exceed 6% per annum).

Principal and Interest. All of the principal of the Series 2019 Bonds shall be due and payable on the date of optional redemption or the final maturity date, as applicable. The Series 2019 Bonds shall bear interest from the date of issuance payable on the Interest Payment Dates and on the date of optional redemption or the final maturity date, as applicable, at the per annum rate or rates of interest, computed on the basis of a 360-day year consisting of twelve 30 day months, or such other interest rate calculation method, as set forth in the Certificate of Award. Upon any event of default, such interest rate shall increase to the Default Rate as set forth in the Covenants Agreement, which is the Base Rate of the Original Purchaser plus 3%.

Maturity. The Series 2019 Bonds shall mature on the maturity date, anticipated to be the third anniversary of the issuance of the Series 2019 Bonds, but no later than June 21, 2022.

Prior Redemption.

Mandatory Redemption. The Bonds shall not be subject to any mandatory sinking fund requirements or mandatory redemption.

Optional Redemption. Series 2019 Bonds shall be subject to redemption at the option of the University prior to stated maturity, in whole, from Limited Available Receipts or other moneys then available to the University, on any day on which the Original Purchaser is open

for business on or after June 21, 2020, at par, with at least fifteen (15) days prior written notice to the Original Purchase.

Places and Manner of Payment. The Series 2019 Bonds shall be payable to the Original Purchaser by wire transfer or other agreed method pursuant to instructions of the Original Purchaser. Payment of principal shall require presentation of the Series 2019 Bond to the Fiscal Officer. The Fiscal Officer shall act as the paying agent for all payments on the Series 2019 Bonds.

Registrar of Series 2019 Bonds; Transfer. The Fiscal Officer shall act as Registrar and shall keep the Register for the Series 2019 Bonds. The Series 2019 Bonds shall be transferable in accordance with the Covenants Agreement.

Execution and Authentication. The Series 2019 Bonds shall be executed by two Authorized Officers and authenticated by the Secretary or any Assistant Secretary of this Board.

Pledge of Limited Available Receipts. Pursuant to and in accordance with Ohio Revised Code Section 3345.12(C), the University does hereby grant to the Original Purchase a pledge of and lien on Limited Available Receipts to secure payment of the Series 2019 Bonds. Such pledge and lien is subordinate to the pledge on General Receipts (as defined or described in the Outstanding Obligation) provided by the University to secure the Outstanding Obligations, and no payments shall be made on the Series 2019 Bonds from General Receipts during any period in which all amounts then required to be paid or funded in respect of the Outstanding Obligations have not been paid or funded; provided, the failure to make such payments on the Series 2019 Bonds when due shall be a default under the Series 2019 Bonds.

Sale of Series 2019 Bonds.

General. The Series 2019 Bonds shall be privately placed directly with the Original Purchaser and delivered to the Original Purchaser not later than June 30, 2019 in accordance with this Resolution, and on such further terms authorized by or not inconsistent with this Resolution and the Term Sheet. The Fiscal Officer shall execute the Certificate of Award and the Certificate of Award shall confirm the final interest rate for the Series 2019 Bonds, the Interest Payment Dates, the final maturity date, and the allocation of the Series 2019 Bonds as those that are Tax-Exempt Bonds, together with such other determinations permitted herein within the parameters contained in this Resolution. The Authorized Officers of the University shall enter into a Covenants Agreement with the Original Purchaser and shall execute such other documents as may be required by the Original Purchaser or legal counsel for the Series 2019 Bonds in order to further provide for the terms of sale to the Original Purchaser of the Series 2019 Bonds. The terms of the Covenants Agreement shall not be inconsistent with this Resolution and the Term Sheet, and shall not be materially adverse to the University as approved by the Authorized Officer, his or her signing to constitute conclusive approval on behalf of the University.

Closing Documents. The University shall furnish to the Original Purchaser a true certified transcript of all proceedings had with reference to the authorization, sale and issuance of the Series 2019 Bonds along with other information as is necessary or proper with respect to those Series 2019 Bonds, certified by an Authorized Officer.

Allocation of Proceeds of Series 2019 Bonds.

The entire proceeds from the sale of the Series 2019 Bonds shall be deposited with the Fiscal Officer for reimbursement of amounts expended by the University for the Lease Payment.

Other documents. The President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board, or any two or more of them, are authorized and directed to furnish, sign and deliver the Covenants Agreement and such other documents, IRS forms, tax agreements, certificates and instruments as may be necessary or appropriate to issue the Series 2019 Bonds and to consummate the transactions contemplated in this Resolution, the Term Sheet and the Covenants Agreement. The Secretary to the Board or other appropriate officials of the University shall furnish the Original Purchaser a true transcript of proceedings certified by such officers of the University as may be appropriate of all proceedings had with reference to the issuance of the Series 2019 Bonds. All actions previously taken by officers and employees of the University in connection with or related to the Series 2019 Bonds as described herein, including without limitation, the execution of agreement(s) to lock-in interest rates for the Series 2019 Bonds, are hereby approved ratified and confirmed.

Tax Covenants. With respect to Series 2019 Bonds that are Tax-Exempt Bonds, the Board, for itself and the University, hereby covenants that:

It will use, and will restrict the use and investment of, the proceeds of the Series 2019 Bonds in such manner and to such extent as may be necessary so that (A) those Bonds will not constitute private activity bonds or arbitrage bonds under Section 141 or 148 of the Code, or be treated other than as bonds to which Section 103 of the Code applies, and (B) the interest on those Bonds will not be treated as a preference item under Section 57 of the Code.

It (i) will take or cause to be taken such actions that may be required of it for the interest on the Series 2019 Bonds to be and remain excluded from gross income for federal income tax purposes, and (ii) will not take or authorize to be taken any actions that would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (1) apply the proceeds of the Series 2019 Bonds to the governmental purpose of the borrowing, (2) restrict the yield on investment property, (3) make timely and adequate payments to the federal government, (4) maintain books and records and make calculations and reports, and (5) refrain from certain uses of those proceeds and of property financed with those proceeds, all in such manner and to the extent necessary to assure that exclusion of that interest under the Code.

The Fiscal Officer and other appropriate officers are authorized (i) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the University with respect to the Series 2019 Bonds as the University is permitted to make or give under the federal income tax laws, including, without limitation, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Series 2019 Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which

action shall be in writing and signed by the officer, (ii) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the University, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Series 2019 Bonds, and (iii) to give one or more appropriate certificates, for inclusion in the transcript of proceedings for those Bonds, setting forth the reasonable expectations of the University regarding the amount and use of all the proceeds of those Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Series 2019 Bonds.

Open Meeting. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were taken in meetings open to the public, in full compliance with applicable legal requirements including Section 121.22 of the Revised Code.

RESOLUTION 2019-53

REQUESTING APPROVAL OF \$950,000 FOR FISCAL YEAR 2020 FOR ADVERTISING MEDIA, PRODUCTION AND RELATED SERVICES

WHEREAS, the University is involved in paid advertising campaigns to promote student recruitment, retention and institutional image; and

WHEREAS, the request is for Fiscal Year 2020 funding of \$950,000 for the purchase of media and related expenses for recruitment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees authorizes purchase orders totaling \$950,000 for advertising purchases for FY 2020.

RESOLUTION 2019-54

JOINT USE AGREEMENT BETWEEN CLEVELAND STATE UNIVERSITY AND THE CLEVELAND INSTITUTE OF ART

WHEREAS, pursuant to Amended Senate Bill 310 and House Bill 529, the University received a capital appropriation in the total amount of \$550,000 for capital improvements related to the Cleveland Institute of Art building; and

WHEREAS, the release of this appropriation for its intended recipient, the Cleveland Institute of Art (CIA), is contingent upon the execution of a joint use agreement between the University and CIA; and

WHEREAS, the University has concluded that the value of the use of the Cleveland Institute of Art building and the advanced animation course to be provided to University film majors under the proposed joint use agreement, is reasonably related to the amount of the appropriation, and the terms of the agreement are more favorable to the University than to others;

NOW, THEREFORE, BE IT RESOLVED that Cleveland State University Board of Trustees hereby approves the proposed Joint Use Agreement between the University and the Cleveland Institute of Art in substantially the form attached hereto, subject to changes deemed necessary by the University General Counsel and/or required by the Chancellor of the Board of Regents; and further, that the Administration is hereby authorized to take all steps necessary to execute said Agreement once approved by the Chancellor.

RESOLUTION 2019-55

RECOGNIZING JUNE E. TAYLOR FOR HER DISTINGUISHED SERVICE ON THE CLEVELAND STATE UNIVERSITY BOARD OF TRUSTEES

WHEREAS, June E. Taylor was first appointed to the Cleveland State University Board of Trustees by Governor John R. Kasich on January 9, 2012 to complete a term ending May 1, 2015, and was subsequently re-appointed to serve a full term ending May 1, 2024; and

WHEREAS, since her initial appointment, Ms. Taylor had been intricately involved with the University through her service as Chair of the Student Affairs and Recognition Committees, and as an engaged member of the Audit, Academic Affairs, and Student Affairs Committees; and

WHEREAS, Ms. Taylor was elected to the position of Vice Chair in 2018-2019 and served as Chair of the newly-formed Governance Committee, providing leadership for the formation of policy and procedures governing the operation of the Board and conferral of honorary degrees and special honors; and

WHEREAS, during her tenure, Ms. Taylor had actively participated in the Association of Governing Board's annual national conferences on trusteeship to gain knowledge of key issues facing higher education and to share best practices; and

WHEREAS, the Board of Trustees and Cleveland State University have benefitted from Ms. Taylor's expertise in the areas of finance, marketing, economic and business development, and from her unique perspectives and working relationships with officials in Ohio state government; and

WHEREAS, Ms. Taylor had effectively advanced the University's mission, diversity and access to higher education, while promoting partnerships throughout the community in support of

engaged learning and providing students with valuable internship and cooperative education opportunities;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees acknowledges with sincere appreciation the dedication and contributions of Ms. June E. Taylor to the State of Ohio, Cleveland State University, and the greater Cleveland community, and wishes her all the best in the pursuit of future endeavors.

RESOLUTION 2019-56

RECOGNITION OF TERRENCE P. FERGUS FOR HIS SERVICE ON THE CLEVELAND STATE UNIVERSITY BOARD OF TRUSTEES

WHEREAS, Terrence P. Fergus was appointed by Governor John R. Kasich on April 27, 2018 to the Cleveland State University Board of Trustees; and

WHEREAS, prior to his gubernatorial appointment, Mr. Fergus had effectively served, since September 2017, as a Community Member of the Board of Trustees; and

WHEREAS, Mr. Fergus was elected to serve as Treasurer and an officer of the Board of Trustees in 2018; and served as Chair of the Financial Affairs Committee in his capacity as Board Treasurer; and

WHEREAS, Mr. Fergus has been integrally involved with Cleveland State University as an alumnus, and has generously given of his time, expertise and resources by establishing The Fergus Family Endowed Chair in Accounting at CSU's Ahuja College of Business to support engaged learning and research;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees acknowledges with sincere appreciation the dedication and contributions of Mr. Terrence P. Fergus, to the State of Ohio and Cleveland State University, and encourages his continued involvement with the University in the years to come.

EXECUTIVE SESSION

Trustee Moore moved, and Trustee Kirk seconded, the motion to adjourn into Executive Session for the purpose of discussing matters involving real estate, personnel matters involving the performance of a public employee, and matters involving imminent and pending litigation with General Counsel.

A roll call vote was taken by the Secretary of the Board; voting in the affirmative were Mr. Cosgrove, Mr. Kirk, Mr. Komoroski, Mr. Moore, Mr. Reynolds, and Chairman Gunning.

Chair Gunning excused everyone except the voting and community trustees present, President Sands, Provost Zhu, Board Secretary Napier, General Counsel Wilson, Assistant Board Secretary Laurie Day, and Controller and Associate Vice President Kathleen Murphy. The executive session began at 10:20 a.m.

Chair Gunning announced at 12:00 noon that the Board had finished its business in Executive Session and was returning to its regular meeting. He noted two items to be acted upon as a result of the executive session.

Trustee Kirk moved, and Trustee Komoroski seconded, the motion to approve the President's performance bonus and annual salary as proposed and amended. The following resolution was passed by voice vote.

RESOLUTION 2019-57

PRESIDENT'S CONTRACT PERFORMANCE BONUS

WHEREAS, the Executive Committee of the Board of Trustees, pursuant to Section 3344-1-02(J) of the Board's Bylaws and Sections 3.2 and 4.5 of the President's Employment Agreement, has performed its annual evaluation of President Harlan M. Sands and has concluded that he has provided excellent, inspired leadership that is allowing Cleveland State to achieve successes never before attained at the University. He has met and exceeded the goals and objectives that were previously agreed upon by the President and the Board of Trustees; and

WHEREAS, the Executive Committee has recommended to the full Board, that, in light of President Sands' accomplishments in meeting his goals and objectives as required, he receive a performance bonus in an amount that is Twenty percent [20 %] of his annual base salary as in effect on the last day of the fiscal year, June 30, 2019, to which his goals and objectives have been measured;

WHEREAS, the Executive Committee has recommended to the full Board, that, in light of President Sands' accomplishments in meeting his goals and objectives as required, he receive an increase in his annual salary in the amount of Two percent (2%).

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves a performance bonus for President Sands in an amount representing 20% of his annual base salary on June 30, 2019, and directs the Administration to pay said bonus no later than seventy-five (75) days after that date; and that President Sands' annual salary shall be increased beginning at the next payroll by the amount of 2%.

Trustee Moore moved, and Trustee Kirk seconded, the motion to approve the amendment to the sublease agreement between Cleveland State University and The Cleveland Play House at the Middough Building. The following resolution was approved by voice vote.

RESOLUTION 2019-58

**APPROVAL OF AMENDMENT TO SUBLEASE AGREEMENT WITH THE
CLEVELAND PLAYHOUSE**

WHEREAS, Cleveland State University entered into a master lease for the building located at 1901 East 13th Street with 1901 East 13th LLC dated December 29, 2010; and

WHEREAS, Cleveland State University entered into a joint use agreement with The Cleveland Playhouse that spelled out the cooperative programs between Cleveland State University and the Cleveland Playhouse; and

WHEREAS, Cleveland State University, in furtherance of that cooperative agreement, has subleased a portion of the building to The Cleveland Playhouse for their offices and theater operations within the Cleveland State space; and

WHEREAS, the sublease was approved by the University Board of Trustees, fully executed in 2011 and ends on December 14, 2019; and

WHEREAS, both parties agree to extend the current lease term for an additional six month period beginning December 15, 2019 at the same monthly rent all other terms remaining the same;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the attached First Amendment to the sublease agreement between Cleveland State University and The Cleveland Playhouse, in substantially the form attached hereto, subject to any modifications deemed necessary by University General Counsel; and

BE IT FURTHER RESOLVED that the appropriate officer(s) of the University Administration is/are hereby authorized to execute said amendment to sublease and to take all actions necessary to implement the terms thereof.

Chair Gunning noted that the next meeting of the Board of Trustees will be September 19. There being no further business, the meeting was adjourned at 12:05 p.m.

Respectfully submitted,

APPROVED SEPTEMBER 19, 2019

William J. Napier

Secretary to the Board of Trustees

APPROVED SEPTEMBER 19, 2019

David H. Gunning II

Chair, Board of Trustees