

WHEREAS the level of the State Share of Instruction (SSI) provided to the University as a result of the adoption of the FY16-FY17 budget appropriations act (Amended Substitute House Bill No.64) by the Ohio General Assembly and the Governor is vital to operations; and

WHEREAS the eventual budget appropriations act's passage will include language concerning the allowable increases for in-state undergraduate student tuition; and

WHEREAS the state of Ohio's budget appropriation act for FY16- FY17 is 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 FY16 on July 10, 2015;

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the University administration to expend funds from its current unrestricted Operating Budget, General Fee Budget and Auxiliary Business Units budget for the period beginning July 1, 2015 and ending July 10, 2015 at levels consistent with those established by the Board for FY 15; and

BE IT FURTHER RESOLVED that the University's Administration will submit its recommended FY16 Operating Budget, General Fee Budget, and Auxiliary Business Units budgets and academic year 2015-2016 recommended student tuition schedules for consideration and approval by the Board of Trustees at a duly noticed meeting to be held on July 10, 2015.

Chairman Rawson also reported that an executive session was held pertaining to the employment agreement of a public employee.

Chairman Rawson suggested separate meeting days for Board committee and Board meetings, based on comment

research, and established links between Cleveland State University and the Cleveland Clinic's Lerner Research Institute that have notably enhanced the University's research efforts. The following resolution was approved with applause:

community member of the Board of Trustees. Mr

REPORT OF THE PRESIDENT

President Berkman announced the appointment of Dr. Cindy Skaruppa, as the new vice president for enrollment services, beginning on August 10. He reported that she served previously as associate vice president at Portland State University, an urban institution of 24,000 students with a similar mission. He noted that she has a full range of experience and skills, including those of registrar and financial aid.

President Berkman reported that the state budget had been approved. He thanked the Trustees, Tim Long, Stephanie McHenry and Bill Napier for their respective roles in helping to retain most of CSU's SSI funding. He also acknowledged the support of the other state university presidents who supported modifications in funding proposals to help at-risk students. President Berkman applauded Senate President Keith Faber for his leadership in passing a biennial budget favorable to Ohio's state universities.

The President reported that a \$5.5 million grant from The Cleveland Foundation, to support the NEOMED-CSU partnership for urban health, was announced on June 25 at a community event held at the new Center for Innovation in Medical Professions. He thanked Trustees Rawson, Adler, Moreno and Taylor and others who were in attendance.

The President also reported that CSU was the recent host site for a meeting of the Association of Public and Land-Grant Universities, with 30 urban universities represented. He reported that Fred Geis, a member of the Maxine Goodman Levin College of Urban Affairs Visiting Committee, publicly acknowledged CSU and several CSU

President Berkman announced that the recent \$2.5 million gift of Barbara and Frank Sullivan and Jennifer and Daryl Deckard provides the opportunity for highly-motivated youth, aging out of foster care, to pursue an undergraduate degree. He noted that there are at least 800 young people in Cuyahoga County who are aging out of foster care. President Berkman stated that he had the pleasure of meeting the first ten students to be awarded the Sullivan-Deckard Scholars Opportunity Program scholarship this fall semester; he suggested that these students be introduced to the trustees at a future meeting. Trustee Adler commented that it would be great to have them also represented at _____ President Berkman also acknowledged Dr. Charleyse S. Pratt, Assistant Vice President in CSU's Office of Inclusion and Multicultural Engagement, for her work in identifying and coaching the student scholars.

“Path to 2020” Project

President Berkman announced the initiation of the “Path to 2020” project (**Attachment A**), headed by co-directors Jim Bennett, Tim Long and Deirdre Mageean, taking a comprehensive look at the University and its operations. Mr. Bennett presented an overview of the project, noting that it will examine every aspect of the University's operations to determine ways in which to improve its efficiency, help students succeed, energize faculty and staff, and thrive in a challenging environment.

Mr. Long, in addition to his budgetary functions as Associate Vice President of Finance, will head the newly created Office of Performance Management in support of the “Path to 2020” project. He described the financial scope of the project, which will look at revenue generating sources and examine cost structures. In addition to the Strategic Enrollment Task Force report, the “Path to 2020” project will encompass the faculty's work on program prioritization and studies conducted by supplementary reporting and advisory bodies, such as the Planning and

Budgeting Advisory Committee, and those in response to the Governor's Task Force on Affordability and Efficiency.

Chairman Rawson requested that the Board receive updates on the "Path to 2020" project at each meeting of the Board.

REPORT OF THE CSU FOUNDATION CHAIR

Vice President Berinthia LeVine announced that Nancy McCann was elected Chair of the CSU Foundation Board of Directors at its June annual meeting. She referenced the fundraising activity reports as of May 31 (**Attachment B**) and noted a record-breaking fundraising year for FY15 with a little over \$23 million raised, exceeding the goal of \$20 million. She also reported an increase in the total number of donors and 400 new alumni donors over the previous year. The recent \$5 million grant from The Cleveland Foundation, she noted, places the fundraising in a good position to move forward in FY16.

Vice President LeVine reported that approximately \$75 million has been raised toward the \$100 million "ENGAGE: The Campaign for Cleveland State University" goal in support of student success.

In closing, Vice President LeVine announced that, as a part of the Homecoming festivities this year, the CSU Alumni Association will host the Distinguished Alumni Awards dinner on Friday, September 25. She reported that Tim Cosgrove, former CSU trustee and chair and member of the CSU Foundation Board of Directors, will receive the George B. Davis Award for service to the University at the alumni awards dinner on September 25. She encouraged Board members to save the date and attend.

Investment Policy recommended for approval. Chairman Levin stated that the Plante Moran auditors were present to explain and answer questions pertaining to the implementation of new accounting standards and the FY15 audit process.

FY2015 External Audit Disclosure

Ms. Sadie Mayle, Manager of Plante Moran, presented the audit planning agenda and required communications relative to conducting the FY2015 audit (**Attachment C**). The disclosure, required by law, outlined the scope of the audit, responsibilities, reports provided to management, overall audit approach with additional data on high risk areas, use of internal audit for some testing, timeline, and preferred government accounting standards. The FY15 Audit is to be presented to the Board in November 2015.

New Accounting Standards (GASB 68)

Mr. Robb Rose, Partner, of Plante Moran, reviewed the GASB 68 new accounting standards (**Attachment D**) and its impact on financial statements and the audit. Overall, he noted that the new standards impact accounting, and not funding. There is no change in the employer funding obligation or retirement plan contribution rate. He also indicated that systems are working with employers and Ohio's Auditor of State to implement the new requirements. The adjusted pension reporting, he stated, should not change financial ratings. The argument was made that the liability is earned at the institution, although liability resides with the State retirement plans.

Mr. Rose noted that the change in accounting standards require more audit testing, footnote disclosures on financial statements, as well as new schedules at the end of financial statements. The audit opinion will include an "Emphasis of Matter" paragraph on the adoption of the new standard.

CONSENT AGENDA

Chairman Rawson stated that routine matters, or those discussed previously, are considered on the consent agenda. He asked if there were any consent agenda items that Board members wished to remove and discuss individually. There were no items to be considered separately. Chairman Rawson noted for the record that Trustee Adler was recusing himself from the discussion and voting on the joint use agreements with University Hospitals and the Playhouse Square Foundation.

Trustee Bowen moved, and Tr

RESOLUTION 2015-39

DOCTORAL PROGRAM IN URBAN

RESOLUTION 2015-41

REVISED PROFESSIONAL LE

WHEREAS the Board of Trustees Executive Officers approved a resolution approving the University's FY16 continuation budget on June 24, 2015 granting authority to expend funds from its current unrestricted Operating Budget, General Fee Budget and Auxiliary Business Units budget for the period beginning July 1, 2015 to July 10, 2015 at levels consistent with those established by the Board for FY15; and

WHEREAS the University's proposed FY16 "all-funds" budget comprised of the Operating Budget, General Fee Budget, and Auxiliary Enterprises Budget totals \$289,109,442 in expenditures; and

WHEREAS the University's Operating Budget estimates FY16 expenditures to exceed estimated revenue by \$3,143,727; and

WHEREAS the University is obligated to present the Board of Trustees with a balanced fiscal year financial plan; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval.

WHEREAS in order to balance the FY16 Operating Budget the University requests authority to employ funds from University Reserves up to \$3,143,727, if necessary, to balance Operating Budget revenue and expenditures by the conclusion of the FY16 fiscal year, June 30, 2016;

NOW THEREFORE BE IT RESOLVED that the proposed University Budget for FY16 (July 1, 2015 – June 30, 2016) be adopted, as follows:

Operating Budget	\$243,806,547
General Fee Budget	<u>22,399,202</u>
Total Educational & General	\$266,205,749
Auxiliary Enterprises Budget	\$ 22,903,693
Total University Budget	\$289,109,442

RESOLUTION 2015-46

APPROVAL OF FY16 TUITION SCHEDULE

WHEREAS, the University is mandated by state law (Amended Substitute House Bill No. 64) to maintain its undergraduate tuition rate for in-state residents for each of the fiscal years in the FY16 and FY17 budget biennium at the FY15 level ; and

WHEREAS, Cleveland State University is a member of the Master of Public Health (MPH) consortium along with the University of Akron, Youngstown State University, and Ohio University; and

WHEREAS, the governing board of the Masters of Public Health (MPH) program consortium authorized an increase in its tuition for FY16 of 1.96% over the FY15 rate; and

WHEREAS, the University elects to maintain its non-resident undergraduate tuition rate, resident and non-resident graduate tuition rate, except for the MPH consortium program, and resident and non-resident law tuition rate for FY16 at the FY15 level; and

WHEREAS, the University implemented a dominant three credit hour curriculum model for undergraduate courses beginning in the Fall 2014 semester due to its 4-3 credit hour conversion initiative; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval.

WHEREAS, the University has determined that an undergraduate tuition credit hour band of 12-18 credit hours per semester is better aligned for this new curriculum model and this band is incorporated into the proposed undergraduate tuition schedule effective for the Fall 2015 semester;

NOW, THEREFORE, BE IT RESOLVED that the Financial Affairs Committee of the Cleveland State University Board of Trustees hereby recommends that the Board of Trustees approve the attached proposed tuition schedule for FY 16 (Academic Year FY15-16).

RESOLUTION 2015-47

**REQUESTING APPROVAL OF \$1,520,000 FOR FISCAL YEAR 2016
FOR ADVERTISING MEDIA, PRO**

RESOLUTION 2015-48

AMENDED INVESTMENT POLICY

WHEREAS, in 2005 the Board of Trustees approved an investment policy for the University; and,

WHEREAS, in 2011 the Board of Trustees approved a revision to the investment policy for the University; and,

WHEREAS, the University's investment advisor has recommended certain changes to that policy to enable the University to reach its investment objectives better under the current economic conditions; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees, based upon the recommendation of the University Financial Affairs Committee, hereby approves the Investment Policy as amended to increase the objective for total annual return on plan assets from 6% to 7%.

RESOLUTION 2015-49

AUTHORIZATION TO ENTER INTO A CONTRACT WITH MEDICAL MUTUAL OF OHIO TO ACT AS THE UNIVERSITY'S THIRD PARTY MEDICAL CLAIMS ADMINISTRATOR AND TO PROVIDE STOP LOSS INSURANCE ABOVE \$250,000 PER CLAIM

WHEREAS, it has been the practice of the University to provide faculty and staff with a competitive health benefits package; and

WHEREAS, Cleveland State University is a self-insured entity for the payment of medical claims up to \$250,000 for faculty and staff enrolled in the Preferred Provider Organization or the Health Maintenance Organization offered through MetroHealth Select and for prescription drug coverage; and

WHEREAS, Cleveland State University has employed a third party administrator to administer such medical claims and to provide insurance (Stop Loss) for claims above \$250,000; and

WHEREAS, the selection of a third party administrator and Stop Loss insurer was made through a competitive bidding process; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees authorizes the University Administration to enter into a contract with Medical Mutual of Ohio to act as the University's third party medical administrator and Stop Loss insurer for FY16 at a cost not to exceed \$1,200,000 for FY16, and to execute a contract therefor.

RESOLUTION 2015-50

APPROVAL OF SALARY AND WAGE INCREASES FOR ELIGIBLE NON-BARGAINING FULL-TIME FACULTY, ADMINISTRATIVE FACULTY, NON-

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees authorizes the University Administration to enter into a contract with Delta Dental of Ohio, Inc. to provide dental insurance services at a cost not to exceed \$1,100,000 for FY16, and to execute a contract therefor.

RESOLUTION 2015-52

PROPOSED AUTHORIZATION TO INCREASE CONSTRUCTION COST & PROJECT BUDGET FOR THE TENNIS PAVILION

WHEREAS, the University advertised and received bids for the Tennis Pavilion scope of work on May 19, 2015: and

WHEREAS, the University only received 3 bids on May 19, 2015, which were over the advertised and estimated amount; and

WHEREAS, after a review of the scope of work and market conditions, the project budget is required to be increased to enter into a construction contract; and

WHEREAS, the University received 9 bidders on a rebid on June 30, 2015 and

WHEREAS, the new overall project budget is estimated at \$3,064,150; and

WHEREAS, as part of this project budget, \$2,838,000 is for construction plus contingency cost; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the source of funding for the additional costs will be University reserves, or other appropriate capital funds; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board of Trustees hereby authorizes the Administration is authorized to select lowest bidder and enter into a contract in an amount not to exceed \$2,838,000, inclusive of construction costs and contingencies so that construction can commence immediately.

RESOLUTION 2015-53

**AUTHORIZATION TO INCREASE CONTRACT FOR ARCHITECTURAL/
ENGINEERING SERVICES FOR THE NEW ENGINEERING BUILDING (FMR. FENN
HALL MASTER PLAN AND RENOVATION) PROJECT**

WHEREAS, the University has previously solicited qualifications for Architect / Engineer services to design the Fenn Hall Master Plan and Renovation Project; and

WHEREAS, nineteen (19) timely qualification responses were received and reviewed by a select review panel comprised of Faculty and Staff; and

WHEREAS, four (4) firms were shortlisted and invited to participate in interviews held on February 25, 2014, consisting of a 60-minute presentation of qualifications, followed by 15-minute questions/answers led by the committee; and

WHEREAS, on February 25, 2014, the selection committee reviewed the firms' qualifications, interview performance and documented their rankings; and

WHEREAS, after determining the top two teams and requesting additional information consisting of additional project examples, past higher education experience, specific team members and sub-consultant roles on the project as well as contacting references the team of CBLH/ HED was determined to be the recommended team; and

WHEREAS, University Administration entered into a contract with CBLH/ HED on July 30, 2014; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby authorizes the University Administration to enter into additional contract negotiations with CBLH to increase their architectural and engineering services for the New Engineering Building (fmr. Fenn Hall

Officer, and William J. Napier as Secretary to the Board of Trustees. Trustee Taylor seconded the motion. The motion was passed by voice vote.

EXECUTIVE SESSION

Trustee Bowen moved, and Trustee Levin seconded, the motion to adjourn into Executive Session for the purpose of discussing real property matters, personnel matters regarding the employment contracts of public employees, and to discuss with General Counsel imminent and pending litigation. A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Bowen, Mr. Gunning, Mr. Levin, Mr. Moore, Ms. Taylor, and Chairman Rawson.

Chairman Rawson stated that there were four executive session segments. He excused everyone except the voting and community trustees present to meet first with President Berkman, Chief of Staff Jim Bennett, Interim Provost Zhu, Board Secretary Napier, Vice President McHenry, General Counsel Wilson, and Athletic Director John Parry for the first segment of Executive Session, which began at 12:10 p.m.

Chairman Rawson announced at 1:40 p.m. that the Board had finished its business in Executive Session and was returning to its regular meeting.

NEW BUSINESS

Trustee Levin moved, and Trustee Moore seconded, the motion to approve the appointment of Dylan Sheridan as the Men's Head Lacrosse Coach for the four-year term, commencing July 1, 2015. The following resolution was passed.

RESOLUTION 2015-55

We are in the initial stages of forming an Office of Performance Management, which would collaboratively develop a plan to meet the changing environment in higher education and significantly increase accountability, cost control, savings and opportunities for increasing revenue. Tim Long and Jim Bennett will co-direct this new office that will bring together all the budgetary, planning and institutional research functions.

3. Leadership

Two Deanships will be vacant – Urban and Business. The College of Business will be preparing for a reaccreditation visit, which is a challenge for all Business Schools. The first phase of the accreditation process, which requires a self-study that typically is in the range of 500-750 pages, has begun.

4. Legislature

We will need a high level of support in Columbus to help achieve a number of vital initiatives that are in motion. The most significant are putting in place the last funding elements needed to build a new College of Engineering.

5. Administration

As we recruit and welcome new team members, I will need to devote significant time and energy to their assimilation and to monitoring their progress, as well as performance of the whole team, toward achieving desired outcomes for the University.

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees accepts President Berkman's goals for 2015-2016.

Trustee Adler moved, and Trustee Moore seconded, the motion to approve a performance bonus of 25% of the President's annual base salary as of June 30, 2015, in accordance with his

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PRESIDENT'S CONTRACT PERFORMANCE BONUS

WHEREAS, the Executive Committee of the Board of Trustees, pursuant to Sections 3.2 and 4.5 of the President's Employment Agreement, has performed its annual evaluation of President Ronald M. Berkman and has concluded that he has again provided continued 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, President Berkman has completed the University's master planning process, allowing the University to move forward into the future with a Board of Trustees-approved Master Plan; has accomplished an outstanding celebration of the 50th Anniversary of the founding of Cleveland State University, including panel discussions on current topics that brought national and international leaders to campus; has achieved successes in University advancement by producing major gifts to Cleveland State, in numbers and at levels not previously seen; has provided leadership to the Student Success Initiative, positioning the University for its first major fund-raising campaign in the University's history; has successfully negotiated collective bargaining agreements with campus units for CSU employees; has successfully produced a complete reorganization of CSU student and academic services; has assumed a position of leadership among Ohio's state university presidents, both in Columbus and in Washington, DC; has completed the new Center for Innovation and Medical Services building—on time and under budget; has developed partnerships with higher education institutions in Israel that will benefit scholars and students at Cleveland State for years to come; has provided leadership at the Statehouse that produced a new state funding formula that benefits “at risk” students at all of Ohio public institutions; and presided over the establishment of the Jack, Joseph and Morton Mandel Honors College at the University; and

WHEREAS, the Executive Committee has recommended to the Board of Trustees, that, in light of President Berkman's accomplishments in meeting his goals and objectives as required, he is to receive a performance bonus in an amount that is twenty-five percent (25%) of his annual base salary as in effect on the last day of the fiscal year, June 30, 2015, to which his goals and objectives have been measured;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves a performance bonus for President Berkman in an amount representing 25% of his annual base salary on July 30, 2015, and directs the Administration to pay said bonus no later than seventy-five (75) days after that date.

Chairman Rawson restated the motion to approve the second extension of the President's contract as follows:

RESOLUTION 2015-58

SECOND EXTENSION TO PRESIDENT'S EMPLOYMENT AGREEMENT

BE IT RESOLVED that the Board of Trustees hereby approves the second extension of the President's term through June 30, 2019; and

BE IT FURTHER RESOLVED that the Board Chairman, President Berkman and University General Counsel Wilson will work together to finalize the terms of the Second Extension of the President's Employment Agreement as approved by the Board this day.

The motion, as restated, was moved by Trustee Adler, and seconded by Trustee Taylor. The motion was passed with applause. President Berkman acknowledged the Board's vote of confidence in his leadership and noted the positive direction of the University.

There being no further business, the meeting was adjourned at 1:45 p.m. A comprehensive report (**Attachment U**) on Cleveland State Athletics was presented during lunch to members of the Board of Trustees by Director of Intercollegiate Athletics John Parry and members of the Athletics staff following the Board meeting.

Respectfully submitted,

APPROVED ON SEPTEMBER 24, 2015

William J. Napier
Secretary to the Board of Trustees

APPROVED ON SEPTEMBER 24, 2015

Robert H. Rawson, Jr.
Chairman, Board of Trustees