



**BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

SPECIAL BOARD OF TRUSTEES MEETING

DATE: Tuesday, July 18, 2017, 8:00 a.m.
PLACE: The Wolstein Center, Gerald H. Gordon Conference Pavilion
Weinberg Board Room

PRESENT: Chairman Bernie Moreno, Trustees Thomas W. Adler, David H. Gunning II, Stephen F. Kirk, Dan T. Moore III, David M. Reynolds, June E. Taylor, Deborah A. Vesny; Community Board Members Timothy J. Cosgrove, Robyn N. Gordon, Len Komoroski, and Linda McHugh; Faculty Representatives Dr. Mark A. Holtzblatt and Dr. Nigamanth Sridhar; President Ronald M. Berkman and Secretary to the Board of Trustees William J. Napier. Others in attendance: Dr. Jianping Zhu, Provost and Senior Vice President for Academic Affairs; Stephanie McHenry, Senior Vice President of Business Affairs and Finance; Timothy J. Long, Associate Vice President for Finance & Budget; Dr. E. Boyd Yarbrough, Vice President for Student Affairs; and Sonali B. Wilson, University General Counsel.

Chairman Moreno called the meeting to order at 8:00 a.m. and confirmed the presence of a quorum. He called for a motion to approve the minutes of the June 20, 2017 Board meeting; moved by Trustee Moore and seconded by Trustee Taylor, the minutes were approved by voice vote.

Chairman Moreno noted that the University budget and presidential search were the two major items for consideration today.

UNIVERSITY FY18 BUDGET

President Berkman provided the context for the development of the proposed University budget for Fiscal Year 2018 (**Attachment A**). He noted a level of uncertainty during the state budget process regarding tuition flexibility and student fee increases. One of the greatest variables, he noted, was the Guaranteed Tuition Plan, which after the Governor's line item veto, allows up to 6% tuition increases for each entering student cohort.

President Berkman reported that universities received authority in the budget bill to adopt a Career Services fee to better support a system of career services. He indicated that Cleveland State is proposing to the Board the implementation of a fee of \$4.00 per credit hour, up to 12 credit

hours, projected to generate \$810,000 in revenue, to support career awareness and to assist students in selecting majors and making earlier and better career choices.

President Berkman noted that other components contributing to a balanced budget, avoiding the use of reserves, include a \$1 million carryover in unexpended funds from last fiscal year; favorable enrollment trends, projecting \$700,000 in tuition revenue; and additional campus-wide cuts (2% for administrative units and 1.75% for academic units). He indicated that revenue from at least an additional 65 full-time students in the RN to BSN program, not built into the budget, will support the required student:faculty ratio for clinicals, and help offset other needs.

Vice President McHenry reviewed the differences in the Fiscal Year 2018 Budget from the June 2017 version and the current proposed version (**Attachment B**) being presented to the Board. She noted that the enrollment is trending better than this time last year for undergraduates and graduate students. In response to Trustee Taylor's inquiry, Vice President Skaruppa reported that the areas of sciences and health professions and engineering so far show the largest undergraduate enrollment increases for fall 2017. She reported the largest graduate student enrollment increases so far are in nursing (71%), urban studies (17%) and business (12%). Trustee Moore requested copies for the Board of the fall 2017 enrollment statistics (**Attachment C**) reported by Dr. Skaruppa; they were distributed later in the meeting.

Associate Vice President Long clarified that the carryover funds are temporary funds, not built into the budget, that help support some of the \$5.3 million reoccurring items over time. He cautioned that the \$74 million in State Share of Instruction (SSI) might be subjected to another reduction due to the state economic conditions. Vice President McHenry stated that the University will continue to monitor the state budget situation and will come back to the Board of Trustees with a new budget forecast by February 1.

Trustee Adler moved, and Trustee Gunning seconded, the motion to approve the University FY18 budget, including a mid-year update of the state and University budgets no later than February 1, 2018. The following resolution was passed by voice vote:

RESOLUTION 2017-62

APPROVAL OF THE UNIVERSITY FY18 BUDGET

WHEREAS, the University traditionally presents its annual budget for approval in advance of the beginning of the fiscal year on July 1; and

WHEREAS, the timing of the state's passage of its FY18 & FY19 biennial budget prohibited this traditional presentation; and

WHEREAS, the Board of Trustees approved a re

WHEREAS, the University’s proposed FY18 “all-funds” budget is comprised of the Operating Budget, General Fee Budget, and Auxiliary Enterprises Budget and totals \$289,244,836 in expenditures; and

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

WHEREAS, the University’s budgeted revenue equals its level of budgeted expenditures for FY18 without reliance on funding from its unrestricted reserves; and

WHEREAS, given the uncertainty of the fiscal environment facing the state of Ohio and the potential for adjustments to its recently enacted FY18-FY19 budget legislation (Amended Substitute House Bill No. 49),

NOW, THEREFORE, BE IT RESOLVED that the University commits to provide the Board of Trustees with a mid-year FY18 update concerning the state’s budget as well as the University’s FY18 budget no later than February 1, 2018, and propose adjustments that may be necessary to maintain the balance of FY18 budgeted revenue and expenditures;

NOW, THEREFORE, BE IT FURTHER RESOLVED that the proposed University Budget for FY18 (July 1, 2017 – June 30, 2018) be adopted, as follows:

<u>Budget Fund</u>	<u>Budget Expenditure</u>
Operating Budget (Fund 0010)	\$242,492,337

EXECUTIVE SESSION

Trustee Kirk moved, and Trustee Moore seconded, the motion to adjourn into Executive Session for the purpose of discussing matters involving the employment of a public employee.

A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Gunning, Mr. Kirk, Mr. Moore, Mr. Reynolds, Ms. Taylor, Ms. Vesey, and Chairman Moreno.

Chairman Moreno excused everyone except members of the Board, President Berkman, Board Secretary Napier, Senior Vice President McHenry, General Counsel Wilson, Executive Assistant to the Board Laurie Day, Associate Vice President Rob Spademan, Dennis Lafferty, and Wheelers Partners representative Lisa Marks. The executive session began at 8:50 a.m. At 10:10 a.m., all were excused except the voting and community members of the Board, and Dennis Lafferty. The Executive Session continued until 2:15 p.m.

There being no further business, the meeting was adjourned at 2:15 p.m.

Respectfully submitted,

APPROVED SEPTEMBER 29, 2017

William J. Napier
Secretary to the Board of Trustees

APPROVED SEPTEMBER 29, 2017

Bernie Moreno
Chair, Board of Trustees