



**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. Vesy; 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 resolution approving the University's FY17 continuation budget on June 20, 2017 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, 2017 to September 30, 2017 at levels consistent with those established by the Board for FY17; and

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
General Fee Budget (Funds 0011 & 0111)	<u>23,199,244</u>
Total Educational & General Budget	\$265,691,581
Auxiliary Enterprises Budget (Fund 0110)	<u>\$ 23,553,255</u>
Total University All-funds Budget	\$289,244,836

AVC PARKING and T.O.T. INDUSTRIES PARKING LEASES

The University Administration sought authority to lease the property at 2178 Cedar Avenue, owned by AVC Parking, to provide additional parking available to students, faculty, staff, and visitors (**Attachment D**). Vice President Yarbrough reported that the leasing of the 120 parking spaces at a cost of \$22,500, are projected to generate \$40,000 in revenue. He noted that the one-day parking passes, providing a third tier of parking, is the most popular among the students.

Dr. Yarbrough reported that the University Administration is also seeking approval to lease the property at 2020 Carnegie Avenue, owned by T.O.T. Industries, to provide 40 additional overflow parking spaces at a cost of \$9,000 (**Attachment E**). Trustee Vesy asked why this lease costs more than the projected revenue of \$5,000. Dr. Yarbrough responded that it was less desirable space, primarily used for overflow parking, with only 40 spaces that would not generate very much income.

Trustee Gunning moved, and Trustee Kirk seconded, the motion to authorize the University Administration to lease the parking spaces at 2178 Cedar Avenue and 2020 Carnegie Avenue as proposed. The following resolutions were passed by voice vote:

RESOLUTION 2017-63

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 August 15, 2017 to May 15, 2018 at 2178 Cedar Avenue for total cost not to exceed \$30,000, 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 2017-64

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 August 15, 2017 to May 15, 2018 at 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.

PRESIDENTIAL SEARCH FIRM

Chairman Moreno reported that the University distributed the Request for Proposal (RFP) to qualified firms to provide complete executive search firm services for the impending presidential search. He thanked June Taylor, Sonali Wilson, and Stephanie McHenry for their time and energy involved in developing the RFP and reviewing the nine qualified responders.

Chairman Moreno stated that he and Trustees Taylor, Moore, and Adler, as the Search Firm Selection Committee, interviewed and ranked the top four executive search firms based on the selection criteria. Wheless Partners emerged as the top ranked firm. In addition, he stated that the Selection Committee was impressed by Wheless Partners' process and approach to the search, as well as its commitment to CSU and understanding of its mission.

Trustee Adler moved, and Trustee Reynolds seconded, the motion to authorize the University Administration to enter into a contract with Wheless Partners for executive search firm services. The following resolution was passed by voice vote:

RESOLUTION 2017-65

**AUTHORIZATION TO ENTER INTO CONTRACT WITH WHELESS PARTNERS
FOR EXECUTIVE SEARCH FIRM SERVICES**

WHEREAS, on or about June 20, 2017, the Cleveland State University administration distributed RFP #4782LW, seeking competitive proposals from qualified firms to provide complete executive search firm services for the impending presidential search; and

WHEREAS, on July 5, 2017, nine (9) responsive proposals to RFP#4782LW were received from qualified responders that were reviewed and rated by a group appointed by the University's Board Chairman, who then forwarded the top four (4) proposals to the Board Chairman and the Search Firm Selection Committee appointed to review and rate the top proposals and make a recommendation to the full Board of Trustees; and

WHEREAS, on July 13, 2017, the Search Firm Selection Committee interviewed representatives of the top four executive search firms and ranked those firms based on selection criteria set forth in RFP#4782LW; and

WHEREAS, Wheless Partners ranked first among the top four firms interviewed, and is the firm recommended by the Search Firm Selection Committee to receive the contract award for complete executive search firm services for the impending presidential search;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby authorizes the University administration to enter into a contract with Wheless Partners consistent with the terms of RP#4782LW and its response thereto, both of which shall be attached and incorporated by reference into the contract for complete executive search firm services, subject to review and approval by the University's General Counsel.

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. Vesy, 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 Wheless 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