


BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY

MINUTES OF THE MEETING

BOARD OF TRUSTEES MEETING

DATE: Monday, January 29, 2018, 8:15 a.m.
PLACE: The Wolstein Center, Gerald Gordon Conference Pavilion
Weinberg Board Room

PRESENT: Chairman Bernie Moreno, Trustees Thomas W. Adler, David H. Gunning II, Stephen F. Kirk, Leonard Komoroski, Dan T. Moore, David M. Reynolds, June E. Taylor and Deborah A. Vesey; Student Trustees Sierra G. Davidson and John A. DeMarco; Community Board Members Timothy J. Cosgrove, Terrence P. Fergus, Robyn N. Gordon, Heather Lennox, Linda McHugh, and Joseph D. Roman; Faculty Representatives Dr. William M. Bowen and Dr. Mark A. Holtzblatt; 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; Sonali B. Wilson, University General Counsel; Stephanie McHenry, Senior Vice President Business Affairs and Finance; and Timothy J. Long, Associate Vice President for Finance and Budget.

Chairman Moreno called the meeting to order at 8:15 a.m. and confirmed the presence of a quorum. He called for a motion to approve the minutes of the November 29, 2017 Board meeting; moved by Trustee Moore and seconded by Trustee Gunning, the minutes were approved by voice vote.

REPORT OF THE CHAIRMAN

Chairman Moreno congratulated Trustee Davidson on his birthday, occurring two days prior.

Chairman Moreno announced that Trustee Adler will chair the Nominating Committee for 2018-19 Board Officers, and that Trustees Taylor and Vesey are also appointed to the Committee. The Chairman asked that the slate of officers presented, and voted on, at the March 23 meeting.

Chairman Moreno thanked Vice President Spademan for staffing the presidential search process.

REPORT OF THE PRESIDENT

President Berkman reported the state of the University strong, but not without its challenges; more will be reported in the Financial Affairs Committee presentation on CSU's mid-year budget review.

President Berkman read an excerpt of a thank you letter from Rachel Lash to CSU Police Chief Gary Lewis. Ms. Lash, a recent graduate and former student in the CSU auxiliary police program, expressed her appreciation and highlighted the experience gained from the program that was directly linked to her new position as a police officer for the City of Elyria, Ohio.

Dr. Berkman reported on recent philanthropy to the University. Dr. Berkman thanked Chairman Moreno for his generous \$1 million gift, establishing the Bernie Moreno Center for Sales Excellence, which will serve as a hub for innovative research and education in sales management and training. He noted that this already attracted significant support from the corporate community, including KeyBank, Oswald Companies, PNC, and Swagelok Company.

President Berkman reported a \$500,000 gift received from Thomas and Marsha Hopkins, establishing the Mathilde Jane Guenther Endowed Fund, named to honor Marsha Hopkins' mother, a foster child who became a social worker. The endowed fund, he noted, will enhance the academic support and services provided by the Center to students who have been a part of the foster care system.

President Berkman also highlighted other philanthropic gifts, including a \$1 million gift, establishing the Weston Ideation Lab in support of innovation and interdisciplinary entrepreneurship curriculum and internship opportunities with business startups and incubators. The receipt of a four-year, \$2.1 million grant from the National Institute of Health was also announced, in support of pioneering cancer treatment research for faculty through the University's Center for Gene Regulation in Health and Disease.

The University's Marketing Office was congratulated for earning the Cleveland Rocks Gold Award for Best Event Marketing for the AHA Fest (inaugural Arts and Humanities Alive! event), Silver Award for Crisis Communications response to the hunt for the "Facebook Killer", and Best of Show award, covering all categories, at the 15

majoring in engineering. He also indicated that Long would provide details in his mid-year operating budget review later in the meeting regarding the University budget, balanced over the years with carryover funds that support some items that should become a part of the permanent budget.

As the University engages the second phase Path to 2020 plan, President Berkman announced the appointment of a fourteen member structural change workgroup, supported by the Office of Performance Management, to develop and assess structural short- and long-term solutions, to instill a strong financial base and to maintain the University's financial stability. The workgroup will be co-chaired by Provost Zhu and Vice President McHenry. He added that the workgroup's recommendations would be presented to

WHEREAS, the Cleveland State University Administration and the American Association of University Professors (AAUP) – CSU Chapter have reviewed and updated the current university tenure and promotion policy to further strengthen a commercialization pathway for tenure; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the updated university tenure and promotion policy.

Higher Learning Commission Requirements for Accreditation

President Berkman reported that the University is accredited by the Higher Learning Commission (HLC) and is required to go through a reaccreditation process every ten years. This involves a self-study built on five specific criteria (Attachment C). He noted that the last accreditation visit was in 2010-2011, and the University is already preparing for the 2020-2021 site visit.

Provost Zhu reported that regional accreditation is a form of endorsement that the programs offered by a university are recognized by the U.S. Department of Education, and that the university is eligible to receive federal funds. He noted that the accreditation process involves a self-study built on core criteria consisting of mission, integrity, teaching and learning, and resources, planning, and institutional effectiveness. The self-study process has already started with the establishment of a Steering Committee and writing committees being guided by the core criteria in their reporting and data collection.

President Berkman noted that the University mission is the first tier of the accreditation criteria; the University community went through a mission review process as part of the Pathway to 2020 Plan development. He further noted that the Board intends to take a closer look at the 2020 mission statement with the involvement of the next president. However, the accreditation self-study process is underway and it would be late if we wait to consider a revised mission statement at the March 23 Board meeting.

Trustee Vesey voiced concern that the incoming President and Trustees have not yet had an opportunity to thoroughly discuss the University's mission and vision statement.

After thorough discussion, it was determined that the draft mission and vision statement as stated in the Pathway to 2020 document would be provisionally accepted (Attachment D). It was further determined that the Board, through the Academic Affairs Committee, would continue to develop a mission and vision statement with the active involvement of the next president, that the Board would ultimately review and adopt.

Chairman Moreno affirmed the need to move forward with the accreditation process.

Faculty Emeriti Nominations

Provost Zhu noted that four retiring faculty members have requested emeritus status in accordance with the terms of the applicable University policy; their one-page vitae and resolution to award them emeritus status are included in Board materials to be approved as part of the Consent Agenda.

FINANCIAL AFFAIRS COMMITTEE

FY18 Mid-Year Budget Review and FY19 Budget Preliminary Discussion

Committee Chair Gunning encouraged the Board members to read the August 2017 article, "A Lost Decade in Higher Education Funding", to learn what has occurred over the last decade. Board Secretary Napier agreed to send the article to the Board members.

Associate Vice President Timothy Long presented a FY18 Mid-Year Budget Review and a preliminary FY19 Budget forecast (Attachment E). He reported that the FY18 \$242.5 million operating budget approved by the Board was loaded with expenditure reductions of \$10.3 million and the Board directive to perform a yearly budget review by February 1, 2018 and, if necessary, propose adjustments to maintain a balanced budget.

Mr. Long reported that the state funding allocation for CSU will exceed the FY18 budget by \$1 million due to the University's improved performance under the State's funding model; however, the prospect for increased appropriations in the immediate future is not promising. He further reported that the University will fall short of its FY18 tuition revenue goal by 1.2% due to variances occurring in law and graduate enrollment, with undergraduate enrollment carrying the load. On the expense side, he reported that salary and fringe benefit expenditures are projected to be \$1.4 million less than budgeted due to vacancy savings from unfilled budgeted positions.

It was proposed that the projected FY18 budget deficit of \$888,830 be covered by savings accumulated over the remaining five months of FY18, use carryover funds to cover the operating deficit. Concern was expressed for the practice of using annual carryover funds to cover the cost of expenditures outside the base budget (i.e. graduate financial aid), which should be built into the permanent budget. Mr. Long noted that the cumulative balance of operating carryover is declining; however, he felt the University can handle responsibly and easily a \$4-4.5 million carryover to help fund operations.

Mr. Long presented an early forecast for the University's FY19 budget. He projected little to no increase in state funding, flat credit hour enrollment, 2% salary increases for union and non-union employees, and \$7.6 million in expenditures funded by carryover funds due to increased undergraduate financial aid, producing a \$4.6 million projected FY19 budget deficit.

Mr. Long noted that the University is currently in a strong budget position to address structural deficit and carryover budget issues. Committee Chair Gunning emphasized the need to explore revenue enhancement opportunities, and must depend on expense-cutting measures.

Washkewicz Hall Construction Contracts

Senior Vice President McHenry reported that there are two action items on the consent agenda relative to the new engineering building construction budgets. The first action item requests authorization to move unspent owner contingency funds to the construction management contingency for value added changes and unforeseen site improvements; the second action item seeks authorization to guarantee a maximum price construction manager at risk services for Phase 2 of the engineering building addition. It was noted that there is no cost increase to the original approved project amounts.

Recreation Center Management Contract Renewal

Senior Vice President McHenry reported that the CSU Recreation Center, since its opening in August 2006, has been managed under contract with Centers LLC, selected after a competitive bid process. The Administration is proposing a second and final one-year renewal of the current agreement for the period July 1, 2018 to June 30, 2021. Ms. McHenry noted that the action item is on the Consent Agenda for consideration.

Associate of the University Nomination

Senior Vice President McHenry reported that Associate of the University status is being requested for the retiring Director of the Center for Educational Technology, who has served at Cleveland State University for 26 years. She noted the request to approve Associate of the

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RESOLUTION 2018-2

EMERITA STATUS FOR JANET H. BESSAS

WHEREAS, the faculty member named below has ~~achieved~~ the rank of Clinical Associate Professor and has served Cleveland State University for 13 years; and

WHEREAS, this individual has requested Emerita ~~status~~ in accordance with the terms of the applicable University policy;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby awards the designation Emerita ~~to~~ the following faculty member in recognition of her service to Cleveland State University.

Janet H. Bessas
Clinical Associate Professor Emerita

RESOLUTION 2018-3

EMERITA STATUS FOR PATRICIA A. KAN

WHEREAS, the faculty member named below has ~~achieved~~ the rank of Associate College Lecturer and has served Cleveland State University for 10 years; and

WHEREAS, this individual has requested Emerita ~~status~~ in accordance with the terms of the applicable University policy;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby awards the designation Emerita ~~to~~ the following faculty member in recognition of her service to Cleveland State University.

Patricia A. Kan
Associate College Lecturer Emerita

RESOLUTION 2018-4

EMERITA STATUS FOR ANTOINETTE MARQUARD

WHEREAS, the faculty member named below has ~~achieved~~ the rank of Associate College Lecturer and has served Cleveland State University for 10 years; and

WHEREAS, this individual has requested Emerita ~~status~~ in accordance with the terms of the applicable University policy;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby awards the designation Emerita to the following faculty member in recognition of her service to Cleveland State University.

Antoinette Marquard
Associate College Lecturer Emerita

RESOLUTION 2018-5

EMERITUS STATUS FOR ERIC ZIOLEK

WHEREAS, the faculty member named below has achieved the rank of Professor and has served Cleveland State University for 28 years; and

WHEREAS,

WHEREAS, the Board of Trustees had previously authorized the University Administration to negotiate a contract with the Gilbane Building Company for a total Guaranteed Maximum Price not to exceed \$38,144,900; and

WHEREAS, the \$1,000,000 comes from existing ownership contingencies within the total project budget, but not associated with the CM's work;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby authorizes the University Administration to enter into additional contract negotiations with Gilbane Building Company to increase their contract for Construction Stage services by no more than \$1,000,000 to cover additional costs associated with timely enabling infrastructure work to facilitate the second phase of construction build out, value added changes related to A/V equipment and other teaching enhancements, unforeseen site improvements that were discovered to be needed during initial site work, and for future construction contingencies related to enabling activities for the second phase of construction build out.

WHEREAS, the University's Agreement for campus recreation management services with Centers LLC expires on June 30, 2018; and

WHEREAS, the Agreement with Centers LLC provides a 24-month review of the renewal options for campus recreation services; and

WHEREAS, upon comprehensive review of the services provided by Centers LLC, the University finds their performance to be successful;

NOW, THEREFORE, IT BE RESOLVED that the Board of Trustees hereby approves the recommendation of the University and Finance Affairs Committee for the Third Amendment to the Recreation Services Management Agreement with Centers LLC, renewing the Agreement for campus recreation services with Centers LLC for three (3) year term commencing on July 1, 2018 through June 30, 2021, in substantially the form attached hereto, subject to any revisions deemed necessary by the University General Counsel.

RESOLUTION 2018-9

ASSOCIATE OF THE UNIVERSITY STATUS FOR ABUBAKAR NASARA

WHEREAS, the Cleveland State University Professional Staff Personnel Policies provide for the granting of Associate status Professional Staff members upon retirement with a showing of distinguished service to the University; and

WHEREAS, Abubakar Nasara has performed exemplary service to the University community in various capacities, the most recent as Director for Educational Technology in the Center for Educational Technology; and

WHEREAS, Abubakar Nasara retired from the University, effective September 1, 2017.

NOW, THEREFORE, BE IT RESOLVED that in appreciation and recognition of dedicated professional service to the University, the Board of Trustees of Cleveland State University grants Associate of the University status and its privileges to Abubakar Nasara, effective January 29, 2018.

RESOLUTION 2018-10

ACCEPTANCE OF GIFTS AND PLEDGE PAYMENTS FY 2018 2nd QUARTER – OCTOBER 1, 2017 TO DECEMBER 31, 2017

RESOLVED, that the gifts and pledge payments totaling \$3,807,986 received by the Cleveland State University Foundation during the period October 1, 2017 to December 31, 2017 are hereby accepted with thanks, and

BE IT FURTHER RESOLVED, that the President is hereby directed to use these gifts subject to their terms and conditions.

EXECUTIVE SESSION

Trustee Reynolds moved, and Trustee Morse seconded, the motion to adjourn into Executive Session for the purpose of discussing collective bargaining, an employment contract of a public employee, real estate matters, and to discuss with General Counsel matters involving imminent and pending litigation.

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

WHEREAS, the University and the American Association of University Professors (AAUP), CSU Chapter have reached a final tentative agreement for a three year successor collective bargaining agreement for faculty members covered under said agreement extending from August 16, 2017 through August 15, 2020; and

WHEREAS, the bargaining unit members of the AAUP/CSU Chapter have ratified the tentative agreement on December 12, 2017; and

WHEREAS, it is the practice of the University to extend the salary increase terms of the AAUP agreement to fulltime non-AAUP faculty members not covered under said agreement ((a) administrative faculty and (b) college lecturers professors of practice who have not yet become members of the AAUP);

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby directs the Administration to execute and implement the successor collective bargaining agreement between Cleveland State University and the AAUP, CSU Chapter, covering the three year period from August 16, 2017 through August 15, 2020, and extend the agreement's salary increase provisions to fulltime non-AAUP faculty members.

Election of New President of Cleveland State University

Chairman Moreno reported that this was a special time for Cleveland State University and Northeast Ohio. As Chair of the Board of Trustees and of the Presidential Search Committee, Mr. Moreno moved to elect Harlan M. Sands as the President of Cleveland State University. A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Gunning, Mr. Kirk, Mr. Komoroski, Mr. Moore, Mr. Reynolds, Ms. Taylor, Ms. Vesy, and Chairman Moreno. The following resolution was unanimously approved with applause:

RESOLUTION 2018-12

ELECTING HARLAN M. SANDS, J.D., M.B.A. AS THE NEXT PRESIDENT OF CLEVELAND STATE UNIVERSITY

WHEREAS, the University has done due diligence in conducting a national public search for the best qualified candidate to replace President R

