



**BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

BOARD OF TRUSTEES MEETING

DATE: Monday, November 8, 2010, 9:00 a.m.
PLACE: The Wolstein Center, Gerald H. Gordon Conference Pavilion
4th Floor, Board Room

PRESENT: Board Chairman Ronald E. Weinberg; Board Vice Chairman Robert H. Rawson, Jr.; Board Treasurer Stephanie McHenry; Trustees Thomas W. Adler, Richard L. Bowen, Sally Florkiewicz; Morton Q. Levin, Rev. Dr. Marvin A. McMickle, Dan T. Moore, III, Community Trustee Richard A. Barone; Faculty Representatives Dr. Stephen F. Duffy and Dr. Mark Tebeau; Student Representative Ms. Janet M. Pitchford; President Ronald M. Berkman; and General Counsel and Board Secretary Sonali B. Wilson.

The Chairman called the meeting to order at 9:03 a.m. Trustee Levin moved and Trustee Bowen seconded the motion to approve the minutes from the September 20, 2010 meeting. The motion passed unanimously.

REPORT OF THE CHAIRMAN

Chairman Weinberg reported that the Board Officers met on October 4, 2010 (**Attachment A**) to approve the North Campus Project Development Agreement and Ground Lease with the Polaris group. The following resolution passed unanimously.

BOARD OFFICERS RESOLUTION 2010-08

**APPROVAL OF NORTH CAMPUS NEIGHBORHOOD PROJECT
DEVELOPMENT AGREEMENT AND GROUND LEASE WITH POLARIS
SEVEN ELEVEN, LLC**

WHEREAS, on April 8, 2010, the Cleveland State University Board of Trustees, by Amended Resolution 2010-24, delegated approval of the North Campus Neighborhood Ground Lease with the Polaris team to the Board Officers; and

WHEREAS, the University administration, with the assistance of the University General Counsel and appointed special counsel, has negotiated the terms of a Development Agreement and Ground Lease with Polaris, both as embodied in one document that has been submitted for the review and approval of the Board Officers;

NOW, THEREFORE, BE IT RESOLVED that the Board Officers hereby approve the North Campus Project Development Agreement and Ground Lease in principle with Polaris Seven Eleven, LLC, subject to further negotiation and agreement of the parties with respect to certain outstanding issues that have not been resolved, including addenda to the Development Agreement and Ground Lease.

The Chairman noted that some of the Trustees received the Memorandum of Understanding (MOU) between the University's Board of Trustees and the CSU Foundation Board of Trustees and they really have not had the time to consider the provisions of the MOU. The MOU is designed to codify the relationships and working processes between the two boards. All parties agree with the higher degree of collaboration specified in the MOU and how the relationships are going to work. He noted that there are new and active members on the Foundation Board which will make a difference in the relationships and outcome. The MOU needs editing and input from all of the trustees and should be brought back to the Board at its next meeting. The Chairman opened the floor to discussion.

Community Member and Foundation Chairman Barone stated that the MOU was in the midst of back and forth review between the parties and approval will be postponed pending the receipt of further comments. He asked that Trustees send their comments to the Board Secretary who will forward them to the Foundation. He concluded by commenting that the idea of the MOU is to codify the relationship so that the extent to which the Foundation Board can act is clear. Trustee Florkiewicz commented that she has been a trustee for several years and this is the first time that a formal document regarding the relationship between the parties has ever been prepared

for execution. In response to Trustee Moore's question regarding why the Board of Trustees is a signatory, Trustee Rawson stated that the Board acts through the Trustees and the President acts by delegation of the Board of Trustees.

REPORT OF THE PRESIDENT

The President explained the origin of the two student posters outside of the Board room, which represent the students' research. The work is funded by the Provost's office and directed by Vice Provost Sutton. The projects represent over fifty collaborations between students and faculty over the summer months. The students are paid to assist with the research. The poster sessions explain the research. Two biology majors, Jerome McGinty and Katie Lemmeyer, explained their research using plants to remove arsenic from soil and groundwater. The proteins in the plants are being studied to determine the reason for their effectiveness. After the arsenic is removed from the soil, the plant can be recycled. This has proven to be a cheaper and safer way to remove arsenic as other methods cause more pollutants. This method has been used at a Washington munitions plant and in Bangladesh where the concentration of arsenic in the groundwater is very high and large segments of the population have sores and cancers on their bodies.

The second poster explains the Summer Stages program, which is the largest professional summer stock program in Cleveland. The students work with the professors after the summer in workshops doing playwriting, scene work, monologuing, and some technical work. The work is performed in the Factory Theatre, and the students receive points towards their equity cards. The program hires the largest number of equity actors in Cleveland. Graduates of the program are constantly working.

The President turned to his report and commented that it is filled with good news. He thanked all involved for the successful accreditation process, starting Sunday evening with the Board of Trustees dinner, which set the tone that prevailed throughout the week. The team seemed very impressed with the knowledge of the trustees. He also thanked those who participated in the lunch with the team the following day. The self-study document was lauded by the team; some wanted to use it as a model at their universities. The University received almost a perfect review from the team. They will send the University the review document for correction of any factual errors. The Commission will then meet to consider a full ten-year accreditation. The issues placed on the table were expected and the University administration had a plan to address each issue. For example, with respect to graduation rates, Interim Vice President Webb's work convinced them that the University knew and understood the problem and is taking remedial action. The draft will be sent to the President and he will check to determine if there is any prohibition on sharing it with the Trustees or administration. The key is the team's recommendation to the Commission of a full ten-year accreditation.

President Berkman thanked Interim Vice President Webb and Associate Vice President Spademan for a successful recruitment event Saturday past – Fall Visit Day. Last year, 250-300 persons attended the event. This year, approximately 1,000 spirited persons visited campus. The featured student panel was a great idea. President Berkman also shared good news on the research and teaching front. Two associate professors received a \$1.75 million NIH grant to continue inflammation research. Professor Sun received a \$1.25 million NIH grant for anti-coagulant research. When we have associate professors getting large NIH grants, it really evidences the beginning of a research trajectory.

Cleveland State University is ranked second in the nation with six Fulbright professors this year. The University is tied for second place with George Washington University, University of Florida, UCCH, and Washington University in St. Louis. Harvard and Stanford are in third place. Princeton is in first place with seven Fulbright professors. Trustee Moore stated that this accomplishment should be publicized more perhaps with a dinner program or colloquium – make it a widely publicized, self-funded event, similar to the innovation summit held by Cleveland Clinic. President Berkman agreed and noted that inviting Fulbright professors from other schools would attract more attention. Dr. Duffy added that former CSU Fulbright professors should also be invited.

President Berkman also noted that the Julka Hall dedication was a very nice event. The program featured taped messages from Monte Ahuja and Mayor Jackson and Armond Buddish spoke.

This fall's enrollment numbers have held up well. Of the fifteen percent overall increases, thirteen percent are new degree-seeking undergraduates and nineteen percent are new degree-seeking graduate students. President Berkman commented that he is not sure that every year will be robust. The major challenge will be the strategy as we get close to faculty capacity.

President Berkman gave an update on the five searches that are underway. The search committees have received their charges, and four of the committees are working with the national search firm Bill Funke and Associates. January and February are anticipated to be very busy in terms of bringing finalists to campus. All successful candidates are expected to begin in the summer 2011 and to be in place by the first semester. In response to Trustee McMickle's question regarding the diversity of the search pools, the President responded that each search committee and the search firm were apprised of his directive that diversity in terms of minorities and women

is especially important as the University management currently is not very diverse. The University has mechanisms to attract minority faculty, but there has been an increase in the number of minority students. Many minority candidates are interested in working with minority students.

The President deferred to Provost Mearns to address the charge to and activities of the Continuing Education and Budget Task Forces. Continuing Education is currently a centralized unit for non-credit training. Currently, revenues fall short of the program costs. The College of Business Dean chairs the task force and met with the Provost and the eight members of the task force who concluded that the University could either continue the current structure with improvements, or decentralize to allow colleges to run continuing education programs in their respective areas. Provost Mearns met with Dean Hanniford and will forward her response to President Berkman for Senior Staff review. He noted that with decentralization, the same level of service may not be possible. Savings from decentralization savings equal \$250,000 to \$500,000 per year. The Chairman expressed the goals for Continuing Education at CSU: a) to help the adult returning to get enhancement or job-training and b) the executive or corporate training can be profitable. Companies are dying to train people and it is a market CSU should tap. The problem is consumer marketing - must get it out to the public.

The Provost and Budget Director Tim Long co-chair the Budget Task Force. Its diverse membership has met weekly since September 2010. The Task force has developed a wide variety of scenarios that drive the financial health of the University. The major variable is enrollment. Vivian Sanchez, the former Finance Chief at Florida International University, will provide guidance on the process of making recommendations and decisions. The University must choose the most plausible by developing the likely scenario. The academic units must be engaged to come up with specific plans based on the most plausible scenario. The next step is to arrive at a specific

time line. The President noted that the Governor-elect has until March to present his budget to the legislature so we may not see the budget until mid-April.

Trustee McMickle asked what the President sensed would be the commitment to education based on the change in governors. President Berkman responded that the state of Ohio can expect a deficit between \$7-8 billion. The Governor-elect held a meeting and stated that he intends to stay true to his pledge --- no new taxes and no new fees. He further stated that he did not intend to suspend the next phase of tax decreases, which will add another \$1 million to the deficit. The gap cannot be closed with no new taxes and an \$8 billion deficit from a \$28 billion budget. The largest three areas hit by the gap are: k-12, higher education and medi-care. It is hard to see that the University will not experience the 15% decrease that we are modeling.

In response to Trustee Moore's inquiry regarding providing more guidance to the Finance Committee, President Berkman explained that it would be a futile exercise because we need to play with budget cuts in the range of 15% to 25%. He further stated that he plans to bring various budget scenarios to the Board in February or March.

The University is at a critical stage that must be managed. The IUC Presidents will meet tomorrow in Columbus. The IUC has been effective in messaging. Also, there could be a change in governance structure involving the Chancellor.

Trustee McMickle pointed to the different side of the discussion. He does not doubt that corporate downsizing is good for the corporations, but he hopes that we do not discount those whom we may lose and who may be victims of downsizing. He does not want it to be a cold-blooded discussion. Chairman Weinberg agreed. Planning and downsizing must be done with compassion. It is never easy. Vice Chairman Rawson added that the pace and the tone of the

conversations must be managed. This is a public, not a private institution and we must be deliberate in what we are doing.

President Berkman asked the Trustees to mark their calendars for Sunday, December 5, 2010 as CSU will appear on “Extreme Makeover”; the show’s producers are renovating Andre and Jasmine Anderson’s house in Maple Heights, Ohio. Andre is a magna cum laude graduate with twenty hours towards his master’s degree in social work. Jasmine is almost blind and both husband and wife suffer from a renal disorder. The University has provided a scholarship for Andre to finish his graduate degree and two scholarships for each of their sons to attend CSU as undergraduate students. This information will be released at the “big reveal” of the renovated home.

President Berkman concluded his report and asked the Board to consider the resolution approving the establishment of a School of Nursing Visiting Committee. Trustee Florikiewicz moved and Trustee Moore seconded the motion creating a School of Nursing Visiting Committee. The following resolution passed unanimously.

RESOLUTION 2010-68

APPROVING CREATING OF SCHOOL OF NURSING VISITING COMMITTEE

WHEREAS, the Visiting Committees serve important roles as counsel to the Board of Trustees and President on matters pertaining to the University’s education mission and as advocates of the University to the general public and business community; and

WHEREAS, each College, the Division of Continuing Education and the Department of Intercollegiate Athletics has a Visiting Committee to help bolster the missions and community relations of those Colleges, the Division and Department; and

WHEREAS, at its special meeting on June 14, 2010, this Board approved a free-standing School of Nursing to align the School’s organizational and reporting structure with the more common practice both in Ohio and the nation, and to highlight the University’s Signature Theme of Health and the Center of Excellence in 21st Century Health Professions;

NOW, THEREFORE, BE IT RESOLVED that this Board hereby creates a School of Nursing Visiting Committee with instructions to the Provost and Director of the School of Nursing to present a proposed charge to the Committee for Board approval at its next meeting and to begin the process of selecting a Committee Chair and Committee members as set forth in the Visiting Committee Bylaws.

ACADEMIC AFFAIRS

The Vice Chairman of the Board and Chairman of the Academic Affairs Committee, Trustee Rawson, reported on the Academic Affairs Committee meeting held on October 6, 2010 (**Attachment B**). The two foci of the meeting were the dean's searches, which have already been addressed, and graduation rates. There is a nationwide movement on outputs instead of inputs. Graduation rates are the easiest to use as a measure. First time, full time freshmen are lagging in terms of enrollment at 26%. 2003 entries were 29% and 2004 entries were 30%. New admissions standards have some bearing on these numbers. Last spring, Interim Vice President Webb was charged with focusing on retention and graduation rates. Under the leadership of Professor William Beasley, the faculty responded positively and formed a seven-member committee. The goal is to rise above the national average in terms of graduate rates for first-time full-time students and transfers. The student trustee, Janet Pitchford pointed out that peer-to-peer activities were introduced that have been very helpful with retention.

Trustee Moore opined that one criterion should be jobs and comparing job attainment upon graduation at CSU compared to other schools. We should be looking at other ways to measure success. Provost Mearns noted that employment rates are good for CSU students with 80% employed in the state of Ohio.

Vice President for Research and Graduate Studies George Walker announced that \$3 million in new awards had been received. The first three months of the fiscal year are significantly

different from last year. The University is in transition. It has historically relied on state or local funds, which will now be significantly less. We will have to focus very carefully in areas where we can be competitive--find niche areas and areas that benefit students. He would like to come back to the Board in a few months to see the progress made. Trustee Levin moved and Trustee Florkiewicz seconded the motion to accept Sponsored Programs Funds received during the period July 1, 2010 to September 30, 2010 (**Attachment C**). The following resolution passed unanimously.

RESOLUTION 2010-69

APPROVAL OF SPONSORED PROGRAMS FUNDS

RESOLVED, that the Sponsored Programs funds totaling \$3,863,244 received by the Cleveland State University during the period July 1, 2010 to September 30, 2010, are hereby accepted with thanks, and

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

FINANCIAL AFFAIRS

Committee Chair and Treasurer McHenry briefly summarized the Report of the Financial Affairs Committee Meeting held on October 29, 2010 (**Attachment D**). The Committee received a presentation of the Budget Task Force similar to that given this morning. In reviewing the NCAA audit report, we are focused on what is being earned and spent in the Athletics Department. There will be a new report on the Athletics Budget in the near future. Trustee McHenry was happy to report that the University received a clean audit from the external auditors, which includes two good letters from the management with only a few recommendations that we can get our arms around. There were no material dollars involved in conjunction with the recommendations. With respect to the Financial Reports, capital assets

increased approximately \$80 million. Capital leases are also up \$13 million. There was a positive \$14 million swing in investments. She turned the meeting over to Vice President Boyle to introduce the auditors present. Mr. Boyle introduced Ms. Judy R. Richards, the University's Internal Auditor; Rob Rose, a Partner with Plante & Moran (the University's external auditors); and Scott Moore, a Manager with Plante & Moran. This is the firm's third year serving as the external auditors and a good relationship has developed with the University.

Mr. Rose reiterated that the firm's clean opinion was unequivocal. The A133 Report of Federal Expenditures is combined with the Financial Report. With respect to the two letters issued: One is the SAS114, which is an update of how the audit went, and the second is the Management letter giving an unqualified opinion. There were four findings: 1) addressing the banking reconciliation process; 2) two Ohio Revised Code findings that were repeated from the last audit; and 3) the R&D area. Mr. Rose's final comment was that the staff was organized and prepared to work with the external auditors, which made their job easier.

Trustee McHenry moved and Trustee Rawson seconded the motion to accept the FY 2010 external audit (**Attachment E**). The following resolution passed unanimously.

RESOLUTION 2010-70

APPROVAL AND ACCEPTANCE OF FY 2010 EXTERNAL AUDIT PERFORMED BY PLANTE & MORAN

WHEREAS, the Vice President for Business Affairs & Finance, the Associate Vice President for Finance, and the Director of the Department of Audits received the FY 2010 external audit reports from the University's external auditors Plante & Moran, as well as the NCAA Agreed Upon Procedures, Management Letter, Financial Statement Audit, and Single Audit Report; and

WHEREAS, the external auditors discussed the audit reports with the Academic Affairs Committee at its October 29, 2010 meeting and the Committee passed a resolution recommending acceptance of the audit reports by the full Board of Trustees at its November 8, 2010 meeting; and

WHEREAS, the external auditors discussed the audit reports with the University Administration and the Board of Trustees at its November 8, 2010 meeting;

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and accepts the audit reports mentioned above and dated October 15, 2010.

Trustee Florkiewicz moved and Trustee Moore seconded the motion to adjourn to executive session for the purpose of discussing the audit. After a roll call vote, all those present left the room except the voting trustees, the community Board members, and the external auditors. The executive session commenced at 10:35 a.m. At 11:00 a.m., the Chairman announced that the Board had finished its business in executive session and was returning to the regular meeting.

COMPENSATION DECISION ITEMS

The Board, having reviewed the background materials on the compensation matters presented, took the following action. Trustee McMickle moved and Trustee Bowen seconded the motion to approve the collective bargaining extension agreement with the American Association of University Professors – CSU Chapter (**Attachment F**). The following resolution passed unanimously.

RESOLUTION 2010 -71

APPROVING THE COLLECTIVE BARGAINING EXTENSION AGREEMENT WITH THE AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS – CSU CHAPTER

WHEREAS, the University and the American Association of University Professors – CSU Chapter have reached a final tentative agreement for a one year successor collective bargaining agreement extending from August 16, 2010 through August 15, 2011; and

WHEREAS, the American Association of University Professors – CSU Chapter bargaining unit members have ratified the tentative agreement;

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 American Association of University Professors – CSU Chapter covering the one year period from August 16, 2010 through August 15, 2011.

Trustee Adler moved and Trustee McMickle seconded the motion to approve the collective bargaining extension agreement with the Communications Workers of America, Local 4309 (**Attachment G**). The following resolution passed unanimously.

RESOLUTION 2010-72

APPROVING THE COLLECTIVE BARGAINING EXTENSION AGREEMENT WITH THE COMMUNICATIONS WORKERS OF AMERICA, LOCAL 4309

WHEREAS, the University and the Communications Workers of America, Local 4309 have reached a tentative agreement for a one year successor collective bargaining agreement for the period extending from November 1, 2010 through and including October 31, 2011; and

WHEREAS, the Communications Workers of America, Local 4309 bargaining unit members have ratified the tentative agreement;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees directs the Administration to execute and implement the one (1) year successor collective bargaining agreement between Cleveland State University and the Communications Workers of America, Local 4309 for the period from extending from November 1, 2010 through and including October 31, 2011.

Trustee McHenry moved and Trustee Levin seconded the motion to approve the collective bargaining extension agreement with the Service Employees International Union, District 1199 (**Attachment H**). The following resolution passed unanimously.

RESOLUTION 2010-73

APPROVING THE COLLECTIVE BARGAINING EXTENSION AGREEMENT WITH THE SERVICE EMPLOYEES INTERNATIONAL UNION, DISTRICT 1199

WHEREAS, Cleveland State University and the Service Employees International Union, District 1199 have reached a final tentative agreement for a one year successor collective bargaining agreement for the period extending from October 1, 2010 through and including September 30, 2011; and

WHEREAS, the Service Employees International Union, District 1199 bargaining unit members have ratified the tentative agreement;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees directs the Administration to execute and implement the one year successor collective bargaining agreement between Cleveland State University and the Service Employees International Union, District 1199 for the period from extending from October 1, 2010 through and including September 30, 2011.

Trustee Florkiewicz moved and Trustee Bowen seconded the motion to approve the proposed wage increases and benefit enhancements for eligible law and administrative faculty, non-bargaining professional staff and non-bargaining classified staff. The following resolution passed unanimously.

RESOLUTION 2010-74

APPROVAL OF WAGE INCREASES AND BENEFIT ENHANCEMENTS FOR ELIGIBLE LAW AND ADMINISTRATIVE FACULTY, NON-BARGAINING PROFESSIONAL STAFF AND NON-BARGAINING CLASSIFIED STAFF

WHEREAS, the University is committed to compensating non-bargaining unit professional staff consistent with its financial wherewithal as a publicly-assisted state university; and

WHEREAS, it has been the practice of the University to provide eligible non-bargaining unit staff with compensation and benefit programs that reflect the economic packages provided to bargaining unit faculty and staff;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby directs the Administration to implement wage increases and benefit enhancements for eligible law and administrative faculty, non-bargaining unit professional staff, and non-bargaining classified staff as follows:

- for employees below the level of Vice President and Provost, a pool of up to 3% to be distributed according to a plan to be approved by the President retroactive to the pay period including July 1, 2010
- maintenance of current plan design and the percentage amounts charged to employees as premium contributions for the University's various health insurance plans for the plan year July 1, 2011 through June 30, 2012 and

- special one-time designation of the period between the 2010 Christmas and New Year's Eve holidays {December 27, 2010 through and including December 30, 2010} as additional paid University holidays.

There being no unfinished business, the Chairman turned to new business on the agenda. Because the Gift Report for FY2011, 1st Quarter was received late and not all Trustees had the benefit to review the Report, it will be presented at the next Board meeting. Trustee Adler urged the Trustees to give to the University when making end-of-the-year gifts. He would like to see one hundred percent participation from CSU Trustees. The Chairman agreed.

There being no further business, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

APPROVED ON JANUARY 31, 2011

Sonali B. Wilson

Secretary to the Board of Trustees

APPROVED ON JANUARY 31, 2011

Ronald E. Weinberg

Chairman, Board of Trustees