



**BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

BOARD OF TRUSTEES MEETING

DATE: Monday, June 25, 2012, 8:30 a.m.
PLACE: The Wolstein Center, Gerald H. Gordon Conference Pavilion,
Weinberg Board Room

PRESENT: Chairman Robert H. Rawson, Jr., Treasurer Morton Q. Levin, Advancement Committee Chairman and Trustee Thomas W. Adler; Trustees Richard L. Bowen, Sally Florkiewicz, Bernardo “Bernie” F. Moreno, and Ronald E. Weinberg; Student Trustee Alexander S. Butler; Community Board Members Anand “Bill” Julka, and Steven A. Minter; Faculty Representatives Dr. Stephen F. Duffy and Dr. Joanne E. Goodell; President Ronald M. Berkman, and Secretary to the Board of Trustees William J. Napier.

Also in attendance were Katie Kleinfelder, Director, and Jon Moellenberg, Managing Director, RBC Capital Markets; Bethany Pugh, Managing Director, PFM; Bond Counsel Barbara Hawley, Partner, Squire Sanders; Underwriter’s Counsel Renee Richard, Partner, Roetzel & Andress; External auditors Robb Rose, Partner, and Jenny Kujawski, Audit Manager, Plante & Moran, PLLC.

Chairman Robert H. Rawson called the meeting to order at 8:30 a.m. A quorum was confirmed. Chairman Rawson called for a motion to approve the minutes of the April 11, 2012 Board meeting. Trustee Levin moved, and Trustee Florkiewicz seconded, the motion to approve the minutes. The minutes were approved by voice vote.

REPORT OF THE CHAIRMAN

Chairman Rawson reported that a meeting of the Executive Committee was held on April 24, 2012 (**Attachment A**). He noted that the Committee approved a ten-year agreement with Huntington Bank as the University’s banking services provider, a tiered rate parking structure

and fees for FY 2013, and an owner's representative and contract for structural repairs to the Central Garage. The following resolutions, passed by the Executive Committee, are entered into the record:

EXECUTIVE COMMITTEE RESOLUTION 2012-02

**APPROVAL OF CONTRACT WITH HUNTINGTON NATIONAL BANK
FOR FINANCIAL SERVICES TO THE UNIVERSITY**

WHEREAS, on November 29, 2011, the Cleveland State University Board of Trustees approved a resolution selecting Huntington National Bank as the University's provider of banking services; and,

WHEREAS, the Board delegated responsibility for approving the final contract between Huntington and CSU to its Executive Committee; and,

WHEREAS, Huntington's proposal presented the highest positive cash flow for the University over a ten year period, based on committed sponsorships and contributions, net of bank fees projected at current usage rates; and,

WHEREAS, the negotiated agreement includes Huntington's financial commitments to the University in excess of One Million Nine Hundred Thousand Dollars (\$1,900,000.00), including sponsorship, rental fees, and revenue sharing; and,

WHEREAS, Huntington has further committed to provide at least three paid internships per year for Cleveland State University students; and,

WHEREAS, the University will therefore realize significant benefits in addition to the necessary financial services provided;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Cleveland State University Board of Trustees hereby approves a contract with HUNTINGTON NATIONAL BANK for financial services to Cleveland State University, and authorizes the University administration to execute a contract, in form substantially similar to the attached draft, for said services.

EXECUTIVE COMMITTEE RESOLUTION 2012-03

TIERED RATE PARKING STRUCTURE FOR FY 13

WHEREAS, the University operates its own parking department as an auxiliary enterprise in order to retain decision making authority and, therefore, be most responsive to the needs of its commuter student population, as well as the faculty and staff; and,

WHEREAS, the University uses technology employed by private companies to complete transactions, track usage and manage facilities; and,

WHEREAS, although the conversion of parking lots into buildings was always contemplated by the University’s Master Plan, and replacement parking has been constructed in accordance with that plan, students, faculty and staff currently perceive on-campus parking to be scarce; and,

WHEREAS, the University engaged in a parking master planning process with the assistance of Graelic & Associates in June 2011, in order to enhance customer service and ensure the continued financial viability of the University’s parking program; and,

WHEREAS, as a result of the master planning process, the University administration has determined the need for specific changes to the existing program, including revisions to the parking assignment process, and a tiered rate structure based upon proximity of the parking location to core campus buildings;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Cleveland State University Board of Trustees authorizes the University administration to revise the current parking rate structure to incorporate a tiered rate structure based upon relative proximity to core campus buildings. It is understood the price for parking in proximity to the core campus buildings (PREMIUM LOCATIONS) will be more expensive than the price for parking in areas located further away from said core (STANDARD LOCATIONS). It is further understood that the public/visitor parking rate will be the most expensive price.

BE IT FURTHER RESOLVED that the University is authorized to implement the following rates for FY13. It is understood that the rates for summer session parking, Recreation Center garage and meters operated by CSU will be established as a function of the rates below.

	FY 12	FY 13
Option A Locations [a]		
Student – Semester	\$205.25	\$190.88
Faculty Staff – Annual	\$816.00	\$816.00
Faculty Staff – Semester	\$312.00	\$312.00
Scratch Off – Pre Paid Daily	\$6.00	\$6.00
Option B Locations [b]		
Student – Semester	\$205.25	\$225.78
Faculty Staff – Annual	\$816.00	\$856.80
Faculty Staff – Semester	\$312.00	\$343.20
Scratch Off – Pre Paid Daily	\$6.00	\$8.00
Student Surcharge for Overnight/Semester	\$51.00	\$25.00

F/S Surcharge for Overnight/Semester	\$0.00	\$25.00
F/S Surcharge for Limited Access Facility/Semester [c]	\$0.00	\$25.00
F/S Surcharge for Reserved Space/Semester [d]	\$0.00	\$100.00
Visitor – Cash Only	\$6.00	\$10.00
[a] Option A Locations: non-core		
[b] Option B Locations: core locations		
[c] Current facilities: Prospect Garage and Student Center		
[d] Limited availability. Eligibility has not yet been fully		
NOTE: Summer and meter rates are established as a function of the semester rates.		

EXECUTIVE COMMITTEE RESOLUTION 2012-04

**APPROVAL OF BID AWARD TO HARRY S. PETERSON COMPANY
FOR CENTRAL GARAGE STRUCTURAL REPAIRS**

WHEREAS, the Central Garage, built in 1980, is the oldest and largest parking structure on the Cleveland State University campus; and,

WHEREAS, as a result of normal wear and tear accelerated by corrosive road salts, the Central Garage is badly in need of repair; and,

WHEREAS, the proposed contract will repair all of the driving surfaces, replace the protective membrane, and repair failures in concrete beams and post tensioning cables; and,

WHEREAS, the University received bids from seven contractors in response to the Invitation to Bid, and the bid submitted by Harry S. Peterson was the lowest responsive and responsible bid;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Cleveland State University Board of Trustees hereby approves the bid award to HARRY S. PETERSON COMPANY for general trades work in connection with the Central Garage Structural Repairs Project, and authorizes the University administration to execute the attached contract for said work in the total amount of Eight Hundred Thirty-six Thousand Six Hundred Dollars and 00/100 (\$836,600.00) subject to receipt by the administration of independent testing results and the engagement of an owner’s representative. If, after these steps are taken, the subject project prices out more than ten (10) percent of the original cost, the administration must bring the

revised contract to the Executive Committee for review and approval. The contract is subject to Ohio Attorney General approval.

Dr. Stephen Duffy corrected the minutes of the April 24, 2012 Executive Committee meeting, stating that he is not “Chairperson” of Civil and Environmental Engineering as noted on page 5 of the minutes.

EXECUTIVE SESSION

Trustee Florkiewicz moved that the Board adjourn into Executive Session for the purpose of discussing personnel matters, and Trustee Bowen seconded. A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Bowen, Ms. Florkiewicz, Mr. Levin, Mr. Moreno, Mr. Weinberg, and Chairman Rawson.

Chairman Rawson excused everyone except the voting and community trustees present and President Berkman. Executive Session began at 8:35 a.m.

Chairman Rawson announced at 9:15 a.m. that the Board had finished its business in Executive Session, and was resuming its regular meeting. He noted that the President’s contract calls for an annual performance bonus, in the range of 15-25% of his annual base salary in effect on June 30, 2012, on which his goals and objectives have been measured. Trustee Weinberg moved, and Trustee Adler seconded, the motion to approve a 25% performance bonus. The following resolution was approved by voice vote:

RESOLUTION 2012-21

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 found that he has done an excellent job in executing his duties in his third year as President of the University. He has substantially met the goals and objectives, as agreed upon by the President and Board Executive Committee; and

WHEREAS, President Berkman led the effort to recruit an entering class in the fall of 2011 that had a class size of 1,250 first-time-in-college students, an historic high for Cleveland State, and also is the best academically-prepared class in the University's history, their average ACT score being higher than the national average; completed a new collective bargaining agreement with the faculty that has been approved overwhelmingly by the CSU faculty; had major successes in University advancement, nurturing three gifts of more than \$1,000,000 and recruited 20 new community leaders to serve on the University Foundation Board; jointly led the effort to raise more than \$500,000 for student scholarships at the 2012 Radiance event, successfully hired a new dean for the College of Engineering; continued development of, and outside funding for, the Center for Innovation in Engineering, including the refinement and expansion of co-op education opportunities for CSU students; put in place plans to clear the Viking Hall site to make way for a creative public-private partnership for reuse of the footprint; led development of a strategic plan for e-learning; led the opening of the Arts Campus and the Allen Theatre; achieved the CSU-Northeast Ohio Medical University partnership (including the recruitment of 13 students in the 2012 student cohort); conducted an extensive visit to India and China to develop relationships with universities in these nations that will encourage and expedite student recruitment; advanced the North Campus Development Project toward a fall, 2012 opening; provided leadership to the Horizon League by serving as Chair of the League's President's Council; and provided leadership to the State of Ohio by serving on the Board of Regents Chancellor's Task Force on Completion; and

WHEREAS, the Executive Committee has recommended to the full Board, that, in light of President Berkman's accomplishments in meeting his goals and objectives as required, he 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, 2012, 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 June 30, 2012, and directs the Administration to pay said bonus no later than seventy-five (75) days after that date.

Chairman Rawson stated that the 2012-2013 goals submitted by President Berkman and discussed by the Executive Committee (**Attachment B**) were amended to include goals pertaining to student success and retention and eLearning. Trustee Levin moved, and Trustee Bowen seconded, the motion to accept President Berkman's goals for 2012-2013, as submitted and amended. The following amended resolution was passed by voice vote:

RESOLUTION 2012-22

ACCEPTING THE PRESIDENT'S 2012-2013 GOALS

WHEREAS, President Berkman's performance is evaluated annually, pursuant to Sections 3.2 and 4.5 of his employment agreement, based upon the execution of his duties and attainment of goals and objectives as agreed upon by the President and Board Executive Committee; and

WHEREAS, the Executive Committee has reviewed and commented upon the 2012-2013 goals submitted by President Berkman, and has recommended to the full Board the acceptance of the President's goals as stated and amended;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees accepts President Berkman's goals for 2012-2013 as amended.

On behalf of the Board of Trustees, Chairman Rawson applauded President Berkman for the goals he has achieved, noting the progress made and the plans moving forward on many fronts. He remarked that the President's performance bonus was well earned.

Chairman Rawson recognized Trustee Sally Florkiewicz as a long-serving member of the Board of Trustees and observed that this was her last meeting. He mentioned that a special luncheon in her honor was being held following the Board meeting. Chairman Rawson read and moved the following resolution in recognition of Trustee Florkiewicz. The resolution was passed unanimously, with applause.

RESOLUTION 2012-23

IN RECOGNITION OF SALLY D. FLORKIEWICZ FOR HER DISTINGUISHED SERVICE ON THE CLEVELAND STATE UNIVERSITY BOARD OF TRUSTEES

WHEREAS, Sally Florkiewicz was first appointed by Governor George V. Voinovich to the Cleveland State University Board of Trustees on June 26, 1998, and was reappointed in July 2003 by Governor Bob Taft to a full term, ending May 1, 2012; and

WHEREAS, Ms. Florkiewicz is the second longest serving trustee in the history of Cleveland State University, having served on the Board of Trustees for nearly 14 years; and

WHEREAS, during her tenure on the CSU Board of Trustees, Ms. Florkiewicz was elected to serve as Vice Chair of the Board, and has chaired various committees, most notably committees

on academic, student and minority affairs, athletics, honorary degrees and recognition, and the Board Committee on Visiting Committees; and

WHEREAS, Ms. Florkiewicz has always placed the safety and success of Cleveland State University students first and foremost while considering University policies and issues; and

WHEREAS, Ms. Florkiewicz has also regarded the hiring of university presidents as one of the most important responsibilities as a member of the Board of Trustees, and has actively participated on the search committees, resulting in the hiring of the current and immediate past presidents of the university; and

WHEREAS, being a strong advocate of Cleveland State University and an avid Viking supporter, Ms. Florkiewicz initiated the Women's Athletics Fund in 1999 and has co-chaired its annual fundraising events, has chaired the Board's Athletics Committee, and has actively represented the Board of Trustees on the NCAA Recertification Steering Committee in 2004; and

WHEREAS, as a means of beautifying the urban campus and making it more user and visitor-friendly, Ms. Florkiewicz co-chaired the new Landscape Enhancement Committee of the University and initiated the campus bench program to enhance the campus and raise funds in recognition of and as a memorial to individuals; and

WHEREAS, Ms. Florkiewicz has always been truly "engaged" as a trustee of Cleveland State University at all levels, she has actively participated in convocations, commencements, campus events, led and served on committees, taken classes as a student, and represented the Board of Trustees as a member of the Ohio Board of Regents committee to improve communications among the trustees of the higher education system of Ohio and the Regents; and

WHEREAS, Ms. Florkiewicz is an educator, proprietor, philanthropist, civic activist, consummate volunteer and community leader, serving on and fulfilling the missions of many boards throughout Greater Cleveland with dedication and compassion;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby acknowledges with sincere appreciation the dedication and significant contributions of Ms. Sally D. Florkiewicz to the State of Ohio, The Cleveland State University and the broader community, and notes that she will be truly missed as one of the Board's most dedicated members.

Trustee Florkiewicz expressed her appreciation to her fellow Board members and to President Berkman. She stated that it was a privilege to serve CSU on the Board of Trustees, and that she is honored to be able to continue to serve the University as a member of the Cleveland

State University Foundation Board of Directors. She exclaimed that she is proud to be a Viking fan.

Chairman Rawson thanked Community Board Members Dr. Paul DiCorleto and Bill Julka for their service and willingness to be reappointed (**Attachment C**). Trustee Adler moved, and Trustee Bowen seconded, the reappointment of Paul E. DiCorleto, Ph.D. and Bill Julka as Community Members of the Cleveland State University Board of Trustees, for terms ending June 30, 2014 and June 30, 2013 respectively. The following resolution was passed by voice vote:

RESOLUTION 2012-24

**REAPPOINTMENT OF COMMUNITY BOARD MEMBERS
PAUL E. DICORLETO, PH.D. AND ANAND "BILL" JULKA**

WHEREAS, the Bylaws of the Board of Trustees were amended on January 20, 2006 to expand the Board's membership and expertise with other faculty and community members to serve as non-voting members; and

WHEREAS, the Board of Trustees wishes to gain the expertise, knowledge, and perspective of additional community members on matters coming before the Board; and

WHEREAS, pursuant to Section 1.14 of the Bylaws of the Board of Trustees, the Chairman may appoint community members as non-voting advisors to serve a term as approved by the Board; and

WHEREAS, Paul E. DiCorleto, Ph.D. and Anand "Bill" Julka, as Community Board Members, have served on the Board of Trustees with dedication, and have provided valuable knowledge and expertise;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees approves the reappointments of Paul E. DiCorleto, Ph.D. and Anand "Bill" Julka as Community Members of the Cleveland State University Board of Trustees for terms ending June 30, 2014 and June 30, 2013 respectively.

REPORT OF THE PRESIDENT

President Berkman commented on several of the agenda items. He expressed his appreciation to the Board for its continued support and confidence, noting that the progress being

made is a team effort, including the Board of Trustees. He has not experienced a more committed and passionate Board than here at Cleveland State.

President Berkman noted that the major sponsors of the Radiance scholarship event are acknowledged in a full-page ad in today's *Plain Dealer*. The \$500,000 goal was exceeded, and progress is well underway towards meeting next year's goal of \$750,000. He also acknowledged the outstanding efforts of Steven A. Minter, Chair of the Cleveland State University Foundation Board of Directors, and Berinthia R. LeVine, Vice President for University Advancement and Executive Director of the Cleveland State University Foundation, for their outstanding efforts in revitalizing the Foundation Board.

Since the opening of the Campus International School in August 2010, President Berkman reported that it has been a huge success. Last year, four new kindergartens classes were added at the encouragement of the Cleveland Municipal School District, doubling the number of students. Original plans projected that the space leased from the First United Methodist Church at East 30th and Euclid Avenue would accommodate the growth of the school through fourth grade. Due to the added sections of kindergarten, a new location for the school will be required earlier than originally projected. The President noted that later on the agenda, the Board will be asked to consider a lease of the Cole Center for the relocation of the Campus International School, which would allow for expansion through the sixth, and possibly the seventh grade.

President Berkman announced the appointment of Dr. Antonie J. van den Bogert to fill the position of Parker Hannifin Endowed Chair in Human Motion and Control. He added that Dr. Bogert is highly qualified and is internationally recognized as a leader in the field, is well-published and holds three active patents. As part of the Consent Agenda, the Board is being

asked to approve the award of tenure at the rank of Professor in the Department of Mechanical Engineering to Dr. van den Bogert.

President Berkman also announced the appointment of Dr. Anette M. Karlsson as Dean of the Fenn College of Engineering, remarking on her incredible record of scholarship and research. He noted that she is among the few female college of engineering deans in the country; the Board is also being asked to approve the award of tenure at the rank of Professor in the Department of Mechanical Engineering to Dr. Karlsson.

In closing, President Berkman called the Board's attention to the 26% increase in the growth of research expenditures over the last year. He noted a more competitive research environment and the alignment of the research agenda with the strategic academic priorities of the University, a wonderful testament to the leadership team, deans and faculty.

REPORT OF THE CSU FOUNDATION CHAIR

Mr. Steven A. Minter, Chair of the CSU Foundation Board of Directors, reported that 15 new members were elected to the Foundation Board at its annual meeting on June 4, expanding the Board's size and diversity. The following members were awarded honorary or emeritus Foundation Board status:

- Charles Emrick as Honorary Director
- Judge Annette G. Butler as Emeritus Director
- President Emeritus Michael Schwartz as Director for Life

He also reported that Stephen Kirk was elected as the Board Vice Chair, replacing Steve Percy, who resigned to serve as Interim Dean of the Monte Ahuja College of Business; Bill Julka as Treasurer and Chair of the Finance Committee, and Richard Fleischman as Secretary.

Mr. Minter presented a report of gifts and pledges to the CSU Foundation for the period of April 1 through May 31, 2012 (**Attachment D**). In addition, he was pleased to report that

\$503,000 net was raised for student scholarships as a result of the *Radiance* scholarship event held May 11, exceeding the \$377,000 raised last year.

CONSENT AGENDA

Chairman Rawson noted that a sheet was distributed, providing the final prices for electric generation supply service as of June 22, 2012, as part of the University Electric Generation Supply Service RFP Update on the Consent Agenda, with the recommendation to select First Energy Solutions for two-year fixed electric generation supply service, saving the University \$750,000 over two years. Trustee Weinberg moved, and Trustee Levin seconded, the motion to approve the consent agenda items: Faculty Tenure Recommendation for Dr. van den Bogert (**Attachment E**), Faculty Tenure Recommendation for Dr. Anette Karlsson (**Attachment F**), Agreement with BarBri, Inc. (**Attachment G**), University Advertising Purchases for FY 2013 (**Attachment H**), Purchase of Confocal Microscope (**Attachment I**), University Policy on Policies (**Attachment J**), Report of Sponsored Programs through FY 2012, Third Quarter (**Attachment K**), University Electric Generation Supply Service RFP (**Attachment L**), Cowell-Hubbard Lease Ratification – Art Gallery (**Attachment M**), and Acquisition of CSU Wireless Network Equipment (**Attachment N**) were considered as part of the Consent Agenda. The following resolutions were passed by voice vote:

RESOLUTION 2012-25

AWARD OF TENURE TO DR. van den BOGERT

WHEREAS, an external search was conducted to fill the position of Parker Hannifin Endowed Chair in Human Motion and Control; and

WHEREAS, the search attracted a substantial pool of well-qualified candidates, including Dr. Antoine J. van den Bogert, President, Orchard Kinetics LLC, Cleveland, Ohio; and

WHEREAS, the credentials of Dr. van den Bogert have been reviewed by the appropriate faculty peer review committee, the Interim Chair, the Interim Dean, the Provost and the President; and

WHEREAS, Dr. van den Bogert has fulfilled the requirements for tenure at the rank of Professor as set forth in Article 12.9 of the Faculty Collective Bargaining Agreement;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves the award of tenure at the rank of Professor to Dr. Antonie J. van den Bogert in the Department of Mechanical Engineering, effective the first day of full-time employment at Cleveland State University.

RESOLUTION 2012-26

AWARD OF TENURE TO DR. ANETTE M. KARLSSON

WHEREAS, an external search was conducted to fill the position of Dean, Fenn College of Engineering; and

WHEREAS, the search attracted a substantial pool of well-qualified candidates, including Dr. Anette M. Karlsson, Professor and Chair, Department of Mechanical Engineering, University of Delaware, Newark, Delaware; and

WHEREAS, the credentials of Dr. Karlsson have been reviewed by the appropriate faculty peer review committee, the Interim Chair, the Interim Dean, the Provost and the President; and

WHEREAS, Dr. Karlsson has fulfilled the requirements for tenure at the rank of Professor as set forth in Article 12.9 of the Faculty Collective Bargaining Agreement;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves the award of tenure at the rank of Professor to Dr. Anette M. Karlsson in the Department of Mechanical Engineering, effective the first day of full-time employment at Cleveland State University.

RESOLUTION 2012-27

Agreement with BARBRI to provide full service Ohio bar review course for all graduating Cleveland-Marshall College of Law students

WHEREAS, a critical part of the educational mission of C|M|LAW is preparing students to take and pass the Ohio bar examination; and,

WHEREAS, data supports that participation in a commercial bar preparation course can improve our students' chances of passing the bar exam; and

WHEREAS, students oftentimes find it difficult to save money to pay for a commercial bar review course or choose not to take a course because of the cost; and

WHEREAS, the University has negotiated a reduced-price 3-year contract with BARBRI to provide bar preparation for all law school students as well as diagnostic information to assess the effectiveness of the program;

NOW, THEREFORE, BE IT RESOLVED that the University Administration is hereby authorized to execute said contract with BARBRI.

RESOLUTION 2012-28

REQUESTING APPROVAL OF \$1,720,000 FOR FISCAL YEAR 2013 FOR ADVERTISING PURCHASES

WHEREAS, the University is involved in paid advertising campaigns to promote student recruitment, retention and institutional image; and

WHEREAS, the request for Fiscal Year 2013 funding of \$1,720,000 for the purchase of media and related expenses includes the addition of \$500,000 to fund a new brand campaign in addition to annual recruitment advertising;

NOW, THEREFORE, BE IT RESOLVED that the Boards of Trustees authorizes the purchase order in the amount of \$1,720,000 for advertising purchases for FY 2013.

RESOLUTION 2012-29

RECOMMENDING APPROVAL OF PURCHASE OF A CONFOCAL MICROSCOPE

WHEREAS, there is no confocal microscope on the Cleveland State University campus; and

WHEREAS, confocal microscopy is a very important experimental tool for high resolution studies of cells, now essential for cell and molecular biology research; and

WHEREAS, major users of the requested equipment are NIH-funded faculty members and their graduate and undergraduate students, from three departments of the College of Sciences and Health Professions (COSHP), and belonging to the Center for Gene Regulation in Health and Disease ("GRHD"); and

WHEREAS, these faculty represent a highly active group of researchers, acclaimed as rising leaders in their respective fields; and

WHEREAS, the cost of this instrument will be covered by an Instrumentation grant received by Dr Sainen Barik, Director of GRHD, from the National Institutes of Health, with cost of extended service contract and technical support, covered by funds provided by the Office of the Vice Provost for Research;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the request to purchase the confocal microscope, for use by NIH-funded, research active faculty and students working in their lab.

RESOLUTION 2012-30

APPROVAL OF UNIVERSITY POLICY ON POLICIES

WHEREAS, the University administration desires to standardize administrative policymaking and provide a uniform format and system of review, approval and access to policies; and

WHEREAS, the Office of General Counsel staff has developed a “Policy on Policies” that provides a clear definition of a policy, clarifies which documents are subject to its purview, identifies which bodies or persons can create and approve a policy, provides a system of review of policies, as well as a uniform format and numbering system for all administrative policies, including Board approved policies that are filed with the Ohio Legislative Service Commission; and

WHEREAS, such Policy is an important part and integral to ensuring compliance with University rules, regulations and policies, as well as applicable local, state and federal laws; and

WHEREAS, the President and senior cabinet have reviewed and recommend the Policy on Policies for approval and adoption;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the attached Policy on Policies in the form attached hereto and directs the administration take all steps necessary to file the Policy with the Ohio Legislative Service Commission and render the Policy effective as of its filing date.

RESOLUTION 2012-31

REPORT OF SPONSORED PROGRAMS, FY 2012, THIRD QUARTER

RESOLVED, that the Sponsored Programs funds totaling \$2,768,765 received by the Cleveland State University during the period January 1, 2012 to March 31, 2012, 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.

RESOLUTION 2012-32

**APPROVAL OF CAMPUS-WIDE POWER REQUIREMENTS
PURCHASE AGREEMENT**

WHEREAS, Cleveland State University issued an RFP seeking a campus wide electricity requirements provider for the next several years, pursuant to which RFP several wholesale electricity providers responded with competitive bids to service Cleveland State's electrical load; and

WHEREAS, Cleveland State University has examined each of the qualifying competitive bids and has determined that First Energy Solutions Corporation responded with the best overall proposal, including the lowest electricity price over the period of time set forth in the RFP; and

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves the execution of the Power Requirements Purchase Agreement with First Energy Solutions Corporation, in substantially the form attached hereto, and further, that the Administration is hereby authorized to take all steps necessary to complete negotiation for and execution of said Agreement.

RESOLUTION 2012-33

**RATIFICATION OF LEASE AGREEMENT FOR ART GALLERY SPACE IN
COWELL HUBBARD BUILDING AT 1309 EUCLID AVE.**

WHEREAS, Cleveland State University intends to establish an Art Gallery for its Art Program in the Cowell Hubbard Building at 1309 Euclid Avenue in Cleveland, Ohio; and

WHEREAS, the University has negotiated a lease with Playhouse Square, the owners and landlord of the Cowell Hubbard building; and

WHEREAS, the Board of Trustees Financial Affairs Committee has authorized the Administration to negotiate and execute the Lease with Playhouse Square in substantially the same form as presented, subject to any modifications deemed necessary or appropriate in the discretion of the Administration and the Office of General Counsel, and further subject to ratification of the full Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby ratifies the attached executed Lease Agreement between Cleveland State University and Playhouse Square for Art Gallery space in the Cowell Hubbard Building at 1309 Euclid Ave.

RESOLUTION 2012-34

ACQUISITION OF CSU WIRELESS NETWORK EQUIPMENT

WHEREAS, the University's wireless network is essential to students, faculty and staff who have come to rely on wireless for access to the web, submitting assignments, accessing campus tools, e-learning, research and communications; and,

WHEREAS, a large portion of the existing wireless network was installed in 2002 and 2003 and is in need of a technology upgrade to accommodate an ever expanding number of wireless network devices; and,

WHEREAS, the University has received a quote for the required wireless infrastructure upgrade costing in the aggregate not more than \$726,710;

NOW, THEREFORE, BE IT RESOLVED that the Vice President for Business Affairs and Finance is hereby authorized to purchase the required wireless equipment for an aggregate cost not to exceed \$726,710.

ACADEMIC AFFAIRS

Chairman Rawson reported on the Academic Affairs Committee meeting held on April 24, 2012 (**Attachment O**). He noted that there were no decision items; however, several informative reports were presented. An enrollment report indicated a 13% increase in student headcount and a 15% increase in credit hours, and a median GPA of 3.2. Graduate and law enrollment were reported to remain relatively stable.

As examples of engaged faculty scholarship, Chairman Rawson reported that presentations were given by recognized international law expert, Professor Milena Sterio, regarding piracy off the coast of Somalia; and the creation of a mobile application for teaching history by Dr. Mark Tebeau. The Provost presented the web-based platform that increases the online visibility and global impact of the faculty's research and intellectual knowledge, noting that nearly all of the FY13 budget for library materials will be spent on electronic resources.

ATHLETICS

A summary of the Athletics Committee meeting held on June 11, 2012 (**Attachment P**) was presented by Chair Sally Florkiewicz. The overall success of the student athletes, both

scholastically and athletically, were noted with a second place finish in the Horizon League and a 2.976 grade point average for all teams in spring 2012, and a cumulative GPA of 3.096.

Suggestions were offered to increase athletic fund raising beyond the \$261,195 raised from 462 donors. Chair Florkiewicz reported that the last portion of the meeting was dedicated to a discussion of the potential for intercollegiate lacrosse at CSU. A “Sports Sponsorship” Committee would be formed to review and consider all sports.

In closing her report, Chair Florkiewicz, announced the “Night at the Races” to be held on Saturday, August 11, 2012, to benefit CSU Women’s Athletics. She noted that registration for the Viking Derby would be opening soon.

FINANCIAL AFFAIRS

Chairman Levin reported that the Financial Affairs Committee met on April 26, 2012 (**Attachment Q**) regarding the University wireless network upgrade and electricity power purchase, both of which were acted upon as part of today’s Consent Agenda. He also reported that tuition and the University budget for FY 2013, as well as a lengthy discussion pertaining to the bond issuance and funding of the Capital Plan were presented at the June 6 Financial Affairs Committee meeting (**Attachment R**). Chairman Levin noted that these items are on today’s agenda for Board action.

FY 2012 External Audit Disclosure

Vice President McHenry introduced the Plante & Moran auditors to present the required communications (**Attachment S**). Audit Partner Robb Rose stated that Plante & Moran had completed its fourth year of a five year contract. He highlighted the reporting and responsibilities, audit approach and timing of the FY 2012 Audit. He explained that a risk-based approach would be used to perform the audit, which would include an audit of the University’s

federal expenditures, and provide an opinion along with the financial statements to be submitted to the State by October 15, and presented to the Board at its November 2012 meeting.

Integrated Capital and Investment Plan: Bond Issuance

The background and financial analysis for an integrated capital plan to support critical facility deferred maintenance and master plan projects were presented for discussion (**Attachment T**). Vice President McHenry introduced the team of financial and legal professionals providing bond counsel, debt capacity and financial analysis, and underwriting services. Bethany Pugh, Managing Director of Public Financial Management (PFM) presented an overview of the strategic planning model and key assumptions used to evaluate the University's integrated capital plan relative to debt affordability, appropriate levels of debt capacity, impact on the University's credit ratings, and regulatory ratios of the State of Ohio (Senate Bill 6) and the Higher Learning Commission accreditation.

A market update was presented by Katie Kleinfelder, Director of RBC Capital Markets. She indicated that this was a better time for fixed rate debt issuance of 3.17 for three years on triple A bonds. The market is deluged with refinancing, rather than new money. An analysis was also presented of General Receipt Bond refunding and restructuring. There would not be any cost to restructure the \$5 million debt service over the life of the issue, and it would provide \$8.7 million in net savings and cash flow relief to the University.

The financing schedule entails a submission to the Ohio Board of Regents the end of June, following approval by the CSU Board of Trustees; receipt of ratings by July 20, following application and meetings in early July with rating agencies; bond pricing on August 7/8, and closing on August 21.

Bond counsel Barbara Hawley, Partner with Squire Sanders, reviewed the proposed Series 2012 Bond Resolution, authorizing the Administration to take the necessary steps within parameters to issue bonds for the first three years of the integrated five-year capital plan. The bonds will fund the costs of the new Center for Innovation in Health Professions and the rehabilitation of existing campus facilities to meet code, security and safety requirements. In addition to new money financing, bonds may be issued to refund outstanding debt.

Board members questioned and commented on the key assumptions, the amount of bond issuance, and debt refunding and restructuring. Following discussion, Trustee Levin moved to amend the proposed Series 2012 Resolution to authorize the issuance of General Receipts Bonds in an aggregate principal amount not to exceed \$90,000,000 with an interest rate of 4.75% per year to pay costs of University facilities and to refinance outstanding General Receipts Bonds. Trustee Bowen seconded the motion. The following amended resolution was passed by voice vote:

**RESOLUTION 2012-35
AMENDED SERIES 2012 RESOLUTION**

Authorizing the issuance of General Receipts Bonds of the University to pay costs of University facilities and to refinance outstanding General Receipts Bonds

WHEREAS, the Board of Trustees of Cleveland State University, a state university of the State of Ohio (the "University"), is authorized by Sections 3345.11 and 3345.12 of the Revised Code, enacted by the General Assembly under authority of Section 2i of Article VIII of the Constitution of Ohio, to issue obligations to pay costs of University facilities and to refund obligations previously issued to pay costs of University facilities; and

WHEREAS, the Trust Agreement dated as of May 1, 1993 between the University and U.S. Bank National Association, as Trustee, provides for the issuance, from time to time, of General Receipts Bonds of the University, with each issue to be authorized by a Series Resolution adopted by this Board; and

WHEREAS, this Board has determined to finance the costs of the "Series 2012 Bonds Projects" (as defined in Section 1 of this Resolution) by the issuance of General Receipts Bonds in one or more Series in an aggregate principal amount not to exceed \$90,000,000, including costs of

constructing, furnishing and equipping a new building on the University's campus for curricula in the life sciences and costs of rehabilitating and improving existing buildings on the University's campus; and

WHEREAS, the new life sciences building will provide facilities for joint programs of the University and the Northeast Ohio Medical University, a state university of the state of Ohio, which has committed to contribute up to \$10,000,000 to the costs of the facilities; and

WHEREAS, this Board has further determined to authorize the issuance and sale of one or more series of General Receipts Bonds to refund one or more series of outstanding General Receipts Bonds, in whole or in part, as may be determined, from time to time, by the University's Fiscal Officer in accordance with this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF CLEVELAND STATE UNIVERSITY, as follows:

Section 1. Definitions and Interpretations. Where used in this Resolution, the Supplemental Trust Agreement for the applicable Series of Series 2012 Bonds and the related Certificate of Award, and in addition to words and terms defined elsewhere in this Resolution, the Trust Agreement and the applicable Supplemental Trust Agreement, the following terms shall have the following meanings:

"Act" means Sections 3345.11 and 3345.12 of the Revised Code, including the provisions of Sections 9.96 and 9.98 to 9.983 of the Revised Code incorporated therein.

"Bond Purchase Agreement" means any Bond Purchase Agreement between the Original Purchaser and the University relating to the sale and purchase of Series 2012 Bonds.

"Certificate of Award" means collectively the Certificates of Award authorized pursuant to Section 5.

"Code" means the Internal Revenue Code of 1986, the regulations (whether proposed, temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of or successor provisions to the foregoing, and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes that section and those applicable regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

"Credit Support Instrument" means an insurance policy, surety bond, letter of credit or other credit enhancement, support or liquidity device used to enhance or provide for the security or liquidity of Series 2012 Bonds of any Series.

"Fiscal Officer" means the Vice President for Business Affairs and Finance of the University (being the "Fiscal Officer" as defined in the General Bond Resolution), and also means, as an alternate

as authorized by the General Bond Resolution, the Associate Vice President for Finance and Technology of the University.

“General Bond Resolution” means the resolution adopted by the Board on March 16, 1993, providing for the issuance from time to time of General Receipts Bonds of the University and constituting part of the Trust Agreement.

“Interest Payment Dates” means June 1 and December 1 of each year or, with respect to Series 2012 Bonds of any Series, such other dates provided in the Certificate of Award for that Series of Series 2012 Bonds.

“Original Purchaser” means RBC Capital Markets, LLC, Barclays Capital Inc., PNC Capital Markets LLC and Rice Financial Products Company or such other financial institutions as may be identified in the Certificate of Award as the purchasers of the Series 2012 Bonds.

“Outstanding Bonds” means any General Receipts Bonds issued and Outstanding under the Trust Agreement. As of the date of adoption of this Resolution, the following are General Receipts Bonds Outstanding under the Trust Agreement: General Receipts Bonds, Series 2003A currently outstanding in the principal amount of \$25,495,000; General Receipts Bonds, Series 2004 currently outstanding in the principal amount of \$52,340,000; General Receipts Bonds, Series 2007A, currently outstanding in the principal amount of \$39,650,000; General Receipts Bonds, Series 2008, currently outstanding in the principal amount of \$19,495,000; and General Receipts Bonds, Series 2011, currently outstanding in the principal amount of \$5,775,000.

“Rating Service” means any nationally recognized rating service.

“Refunded Bonds” means one or more Series of the Outstanding Bonds or portions thereof to be refunded by a Series of Series 2012 Bonds as determined and identified in a Certificate of Award.

“Registered Owner” means the person in whose name a Bond is registered on the Register.

“Securities Depository” means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership and effect transfers of book entry interests in bonds, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Series 2012 Bonds” means the General Receipts Bonds authorized by this Resolution which may be issued in one or more Series at the same time or at different times.

“Series 2012 Bonds Projects” means the acquisition, construction, reconstruction, rehabilitation, furnishing and equipping of “facilities” as defined in Revised Code Section 3345.12(A)(6) and including in each case, all related costs constituting “costs of facilities” as defined in Revised Code Section 3345.12(A)(10), consisting of the following: a new building of approximately 100,000 square feet and furnishings and equipment to provide classrooms, laboratories, lecture halls, auditorium and office space for curricula in the life sciences, including joint programs with the Northeast Ohio Medical University; rehabilitation of academic and

auxiliary buildings to address life safety and other building code requirements, improve structural integrity and reliability, upgrade electrical and mechanical systems and improve security; acquisition and installation of electrical substations serving the campus; acquisition of emergency generators and electrical transformers to replace existing generators and transformers for various campus buildings; acquisition and installation of security cameras and other security systems improvements at various campus locations; replacement of windows; rehabilitation of pedestrian bridges and walkways on the campus; acquisition and installation of alarms, sprinklers, fume hoods and other suppression and alarm systems for fire safety; all as described in more detail in the applicable Supplemental Trust Agreement.

“Series 2012 Resolution” or “this Resolution” means this Resolution authorizing the issuance and sale of the Series 2012 Bonds in one or more Series, and including the applicable Certificate of Award for the Series.

“Supplemental Trust Agreement” means with respect to each Series of Series 2012 Bonds, the applicable Supplemental Trust Agreement between the University and the Trustee, authorized pursuant to Section 8 of this Resolution, including as part thereof this Resolution and the applicable Certificate of Award.

“Tax-Exempt Bonds” means any Series 2012 Bonds originally issued as obligations the interest on which is excluded from gross income under the Code and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Code.

“Trust Agreement” means the Trust Agreement dated as of May 1, 1993 between the University and U.S. Bank National Association, as successor trustee.

“Trustee” means the bank or trust company at the time serving as trustee under the Trust Agreement, presently U.S. Bank National Association.

Unless the context otherwise indicates, words importing the singular number shall include the plural number, and vice versa, and the terms “hereof,” “herein,” “hereby,” “hereto,” “hereunder,” and similar terms, mean this Resolution and the applicable Supplemental Trust Agreement authorized by this Resolution. Words of any gender include, when the sense so indicates, correlative words of any other gender. References to sections, unless otherwise stated, are to sections of this Resolution.

Section 2. Authority. This Resolution is adopted pursuant to the Trust Agreement (including the General Bond Resolution) and the Act.

Section 3. Authorization, Designation and Purpose of Series 2012 Bonds. It is hereby declared to be necessary to, and the University may, issue, sell and deliver, as provided and authorized in this Resolution, the Trust Agreement and the Supplemental Trust Agreement, General Receipts Bonds of the University in one or more Series, for the purpose of paying costs of the Series 2012 Bonds Projects and refunding one or more Series of Outstanding Bonds. The aggregate principal amount of Series 2012 Bonds of all Series issued to pay costs of the Series 2012 Bonds Projects shall not exceed \$90,000,000. Any Series 2012 Bonds issued for the purpose of refunding Outstanding Bonds shall result in either (i) aggregate net present value debt service savings of not less than three

percent (3%), or (ii) a debt service structure more favorable to the University than the debt service structure of the Refunded Bonds. The principal amount of each Series of Series 2012 Bonds is to be determined by the Fiscal Officer within the foregoing parameters and is to be set forth in the Certificate of Award for that Series. The proceeds from the sale of each Series of Series 2012 Bonds shall be allocated, deposited and applied as provided in Section 6.

The Series 2012 Bonds may be issued in one or more separate Series, each bearing a distinctive designation, provided that the Series 2012 Bonds of each Series satisfy the requirements of this Resolution. A single Series of Series 2012 Bonds may be issued to pay costs of the Series 2012 Bonds Projects and refund one or more Series of Outstanding Bonds or separate Series of Series 2012 Bonds may be issued to pay costs of the Series 2012 Bonds Projects and to refund one or more Series of Outstanding Bonds. Separate Series of Series 2012 Bonds may be issued at the same or different times. The Series 2012 Bonds of each Series shall be designated as provided in the applicable Certificate of Award. If separate Series of Series 2012 Bonds are issued at different times, a separate Certificate of Award and Supplemental Trust Agreement shall be signed and delivered for each Series.

Section 4. Terms and Provisions Applicable to the Series 2012 Bonds.

(a) **Form and Numbering.** The Series 2012 Bonds shall be issued only as fully registered Bonds and substantially in the form set forth in the Supplemental Trust Agreement for the related Series of Series 2012 Bonds, and shall be numbered as determined by the Fiscal Officer. The Series 2012 Bonds may be issued to a Securities Depository for holding in a book entry system and, if so issued: (i) those Bonds shall be registered in the name of the Securities Depository or its nominee, as registered owner, and immobilized in the custody of the Securities Depository or its agent; and (ii) the Series 2012 Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository without further action by the University as provided in the Supplemental Trust Agreement for the related Series of Series 2012 Bonds.

(b) **Denominations and Dates.** The Series 2012 Bonds shall be dated as of their date of issuance or as of another date as may be stated in the Certificate of Award for the related Series of Series 2012 Bonds. The Series 2012 Bonds of each Series shall be issued in the denominations authorized in the applicable Supplemental Trust Agreement.

(c) **Interest.** The Series 2012 Bonds of each Series shall bear interest from their respective dates payable on the Interest Payment Dates at the respective fixed rates per year to be determined by the Fiscal Officer and set forth in the Certificate of Award for the related Series of Series 2012 Bonds, provided that the yield (determined in accordance with the arbitrage provisions of the Code) of all Series 2012 Bonds of a Series shall not exceed 4.75% percent per year.

(d) **Maturities.** The Series 2012 Bonds of each Series shall mature on the dates and in the amounts as the Fiscal Officer determines, provides and states in the Certificate of Award, provided that: (i) no Series 2012 Bonds issued to pay costs of the Series 2012 Bonds Projects shall mature later than 35 years from their date of issuance, and (ii) no Series 2012 Bonds issued to refund Outstanding

Bonds shall mature later than the remaining weighted average useful life of the facilities financed or refinanced by the applicable Series of Refunded Bonds.

(e) **Prior Redemption.**

(i) **Term Bonds--Mandatory Redemption.** If provided for in the Certificate of Award, Series 2012 Bonds maturing in a particular year may be consolidated with the principal amount of Series 2012 Bonds of the same Series maturing in one or more prior consecutive years to provide for bonds maturing in that later year in the aggregate principal amount of those consolidated maturities (a "Term Bond"). Any such Term Bonds shall be subject to mandatory redemption by the University pursuant to mandatory sinking fund requirements at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the date of redemption, on the dates and in the principal amounts as determined by the Fiscal Officer in the Certificate of Award. The amounts required to be paid to the Bond Service Account shall include amounts sufficient to redeem (less the amount of any credit as provided in the Supplemental Trust Agreement for the related Series of Series 2012 Bonds) on each principal payment date in the respective principal amounts of any Term Bonds subject to mandatory sinking fund redemption.

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date, the University may (i) deliver to the Trustee for cancellation Term Bonds, in any aggregate principal amount desired, or (ii) receive a credit in respect to the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) of the University for any Term Bonds of the same Series maturing in the same year as the Term Bonds so delivered to the Trustee, which prior to that date have been redeemed (other than through the operation of the mandatory sinking fund requirements provided for) or purchased for cancellation and cancelled by the Trustee and not theretofore applied as a credit against any mandatory sinking fund requirement (and corresponding mandatory redemption obligation). Each Term Bond so delivered or previously redeemed or purchased for cancellation shall be credited by the Trustee at 100% of its principal amount against the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) of the University on that redemption date with respect to Term Bonds maturing in the same year and any credit in excess of that amount may be credited against future mandatory sinking fund requirements with respect to Term Bonds of the same Series maturing in the same year. If the University intends to avail itself in any year of the provisions of this paragraph, the University will on or before the 45th day next preceding the mandatory redemption date of that year furnish the Trustee with a certificate, signed by the Fiscal Officer, stating the extent to which the provisions of clauses (i) and (ii) above in this paragraph are to be availed of with respect to such mandatory sinking fund requirement (and corresponding mandatory redemption obligation). Unless that certificate is so timely furnished by the University, the mandatory sinking fund requirement (and corresponding mandatory redemption obligation) for that year shall not be reduced.

(ii) **Optional Redemption.** Series 2012 Bonds of any Series and of one or more maturities may, as determined in the Certificate of Award, be subject to redemption at the option of the University prior to their stated maturities, in whole or in part (as directed by the University), from moneys other than those deposited in accordance with any mandatory sinking fund requirements as provided above, on the dates and at the redemption prices set forth in the Certificate of Award. If determined to provide lower interest costs and to be in the best interest of the University, as may be

provided in the Certificate of Award, the Fiscal Officer may determine that none of the maturities of Series 2012 Bonds of any Series will be subject to optional redemption prior to maturity or that certain maturities of Series 2012 Bonds of any Series will not be subject to optional redemption prior to maturity.

(iii) **Partial Redemption.** If fewer than all of the outstanding Series 2012 Bonds of any Series are to be called for optional redemption, the Series 2012 Bonds to be redeemed shall be selected by the University in any manner it may determine. If fewer than all of the outstanding Series 2012 Bonds of the same maturity and interest rate are to be called for redemption, the selection of the Bonds or portions of those Bonds (in denominations authorized in the applicable Supplemental Trust Agreement) of that maturity to be called for redemption shall be made in the manner provided in the Trust Agreement. If optional redemption of Series 2012 Bonds of any Series at a redemption price above 100% of the principal amount to be redeemed is to take place on any applicable mandatory sinking fund redemption date, the Bonds to be optionally redeemed shall be selected prior to the selection of the Term Bonds to be redeemed by mandatory sinking fund redemption.

(iv) **Notice.** Notice of call for redemption of Series 2012 Bonds of any Series, setting forth the information provided for in the Trust Agreement, shall be given by mail by the Trustee on behalf of the University, mailed not less than ten (10) days prior to the redemption date to the registered owners of the Series 2012 Bonds to be redeemed in whole or in part at their addresses appearing on the books kept and maintained by the Trustee, as registrar, for the registration, exchange and transfer of Bonds pursuant to the Trust Agreement (the "Register"). Notice by publication shall not be required. Any defect in that notice as to any Series 2012 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2012 Bond, and any failure to receive notice duly mailed shall not affect the validity of the proceedings for the redemption of any Series 2012 Bonds.

(f) **Places and Manner of Payment.** The Series 2012 Bonds shall be payable at the places and in the manner provided in the Supplemental Trust Agreement for the related Series of Series 2012 Bonds.

(g) **Execution and Authentication.** The Series 2012 Bonds shall be executed and authenticated in the manner provided in the Trust Agreement.

Section 5. Sale and Award of Series 2012 Bonds.

(a) **General; Certificate of Award.** The Series 2012 Bonds are sold and awarded to the Original Purchaser in accordance with this Resolution and the Certificate of Award, and on such further or revised terms authorized or not inconsistent with this Resolution and not materially adverse to the University as are provided for or specified in the Certificate of Award and any Bond Purchase Agreement. The purchase price for any Series of Series 2012 Bonds may not be less than 99% of the aggregate principal amount of the Series 2012 Bonds of that Series (or, if sold at any original issue discount, 99% of the amount resulting from the subtraction of the aggregate net original issue discount from the aggregate original principal amount of the Series 2012 Bonds or, if sold at any original issue premium, 99% of the amount resulting from the addition of the aggregate net original issue premium to the aggregate original principal amount of the Series 2012 Bonds), plus any interest accrued on

Series 2012 Bonds from their date to their delivery date. The Fiscal Officer is authorized to sign one or more Certificates of Award and any Bond Purchase Agreements for the related Series of Series 2012 Bonds, in order to provide for the definitive terms and terms of sale and award to the Original Purchaser of the Series 2012 Bonds of each Series as provided in this Resolution, but not later than June 30, 2014. The Certificate of Award and any Bond Purchase Agreement for any Series of Series 2012 Bonds shall not be inconsistent with this Resolution, and shall be approved by the Fiscal Officer, her signing of the Bond Purchase Agreement to constitute conclusive approval, and a finding that the terms are not materially adverse to the University, on behalf of the University. The Certificate of Award for the related Series of Series 2012 Bonds shall be incorporated in and form a part of the related Supplemental Trust Agreement.

(b) Official Statement. The Fiscal Officer is authorized to prepare or authorize to be prepared, and to complete a preliminary official statement and final official statement relating to the original issuance of any Series of Series 2012 Bonds. If and to the extent applicable, the Fiscal Officer shall certify or otherwise represent, that the preliminary official statement, in original or revised form, is a “deemed final” official statement (except for permitted omissions) by the University as of a particular date and that a completed version is a “final” official statement for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the Rule). The distribution and use of a preliminary official statement and final official statement by the University and the Original Purchaser is hereby authorized and approved with respect to Series 2012 Bonds of any Series.

The Fiscal Officer and any other appropriate officers of the University or the Board of Trustees are further authorized (i) to use and distribute, or authorize the use and distribution of, the preliminary and final official statements and supplements thereto in connection with the original issuance of Series 2012 Bonds of any Series as may in their judgment be necessary or appropriate, and (ii) to sign and deliver, on behalf of the University and in their official capacities, such certificates in connection with the accuracy of the preliminary and final official statements and any amendment thereto as may in their judgment be necessary or appropriate.

(c) Continuing Disclosure Agreement. If and to the extent required by the Rule, the University, for the benefit of the holders and beneficial owners of the Series 2012 Bonds, shall make a continuing disclosure agreement for the related Series of the Series 2012 Bonds. The Fiscal Officer shall have the responsibility for the compliance by the University with that continuing disclosure agreement, and the Fiscal Officer shall establish procedures in order to ensure that compliance. That continuing disclosure agreement shall be the continuing disclosure agreement for purposes of the Rule, and its performance shall, as provided in it, be subject to the annual appropriation by the Board of moneys to meet costs required to be incurred to perform it.

Section 6. Allocation of Proceeds of Series 2012 Bonds.

(a) Allocation. The proceeds from the sale of the Series 2012 Bonds of each Series shall be received and receipted for by the Fiscal Officer or by her authorized representative for that purpose, and shall be allocated, deposited and credited as follows:

(i) to the Bond Service Account in the Bond Service Fund, any portion of the proceeds representing accrued interest;

(ii) to the provider of any Credit Support Instrument, if provided for in the Certificate of Award, the amount that Certificate provides to pay fees and expenses relating to that Instrument;

(iii) to the Series 2012 Bonds Projects Fund, the balance of the proceeds of any Series of Series 2012 Bonds issued to pay costs of the Series 2012 Bonds Projects;

(iv) to the Trustee, in its capacity as Escrow Trustee under an Escrow Agreement (as defined in Section 9) for the Refunded Bonds refunded by the Series 2012 Bonds of that Series, the amount set forth in the Certificate of Award as the amount needed to provide for the refunding of those Refunded Bonds; and

(v) in the event that a Series of Series 2012 Bonds is issued to refund Outstanding Bonds separately from a Series issued to pay costs of the Series 2012 Bonds Projects, to the Issuance Expenses Fund, the amount determined by the Fiscal Officer to be needed to pay costs of issuing the Series 2012 Bonds of that Series and refunding the Refunded Bonds to be refunded by that Series.

(b) **Series 2012 Bonds Projects Fund.** The Series 2012 Bonds Projects Fund shall be established for each Series of Series 2012 Bonds issued to pay costs of the Series 2012 Bonds Projects and shall be held by the University or by the Trustee in a separate deposit account or accounts (except when invested as provided below) set up in a bank or banks that are members of the Federal Deposit Insurance Corporation, and used and applied to pay “costs of facilities” as defined in Revised Code Section 3345.12, including the reimbursement to the University of moneys temporarily advanced for the purpose in anticipation of being reimbursed from the proceeds of the Series 2012 Bonds. Moneys on deposit in the Series 2012 Bonds Projects Fund may be invested by or at the direction of the Fiscal Officer in eligible investments described in the Supplemental Trust Agreement maturing or redeemable at the option of the holder prior to the time or times needed for the purposes of that fund. Those investments and the proceeds of their sale shall constitute part of, and earnings from any of those investments shall be credited to, that Fund. Those investments may be sold, exchanged or collected from time to time by or at the direction of the Fiscal Officer. Any amounts in the Series 2012 Bonds Projects Fund certified by the Fiscal Officer to be in excess of the amount needed to pay costs of the Series 2012 Bonds Projects may be used to pay principal of or interest on the Series 2012 Bonds of the Series that funded the Series 2012 Bonds Projects if that expenditure will not, in the opinion of bond counsel to the University, adversely affect the exclusion of interest on the Series 2012 Bonds from gross income for federal income tax purposes.

(c) **Issuance Expenses Fund.** In the event that a Series of Series 2012 Bonds issued for the purpose of refunding Outstanding Bonds is delivered at a different time from the delivery of a Series of Series 2012 Bonds issued to pay costs of the Series 2012 Bonds Projects, there shall be established an Issuance Expenses Fund to be held by the University or by the Trustee in a separate deposit account or accounts (except when invested as provided below) set up in a bank or banks that are members of the Federal Deposit Insurance Corporation, and used and applied to pay costs of issuing that Series of Series 2012 Bonds issued to refund Outstanding Bonds and costs of the refunding. The University covenants that it will not cause or permit to be paid from the Issuance Expenses Fund any moneys except in compliance with the provisions of the Supplemental Trust Agreement for the related Series of Series 2012 Bonds.

Moneys on deposit in the Issuance Expenses Fund may be invested by or at the direction of the Fiscal Officer in such investments as may be permitted by the Supplemental Trust Agreement for the related Series of Series 2012 Bonds, maturing or redeemable at the option of the holder prior to the time needed for the purposes of that Fund. Those investments and the proceeds of their sale shall constitute part of, and earnings from any of those investments shall be credited to, that Fund. Those investments may be sold, exchanged or collected from time to time by or at the direction of the Fiscal Officer. Any balance remaining in the Issuance Expenses Fund, after the Fiscal Officer has certified that payment of all costs to be paid from that fund has been made or provided for to the satisfaction of the University, shall be deposited in the Bond Service Account and used for payment of interest on the Series 2012 Bonds of that Series.

Section 7. Tax Covenants.

With respect to Series 2012 Bonds that are Tax-Exempt Bonds, the Board, for itself and the University, hereby covenants that:

(i) It will use, and will restrict the use and investment of, the proceeds of the Series 2012 Bonds in such manner and to such extent as may be necessary so that (A) those Bonds will not constitute private activity bonds or arbitrage bonds under Section 141 or 148 of the Code, or be treated other than as bonds to which Section 103 of the Code applies, and (B) the interest on those Bonds will not be treated as a preference item under Section 57 of the Code.

(ii) It (a) will take or cause to be taken such actions that may be required of it for the interest on the Series 2012 Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or authorize to be taken any actions that would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (1) apply the proceeds of the Series 2012 Bonds to the governmental purpose of the borrowing, (2) restrict the yield on investment property, (3) make timely and adequate payments to the federal government, (4) maintain books and records and make calculations and reports, and (5) refrain from certain uses of those proceeds and of property financed with those proceeds, all in such manner and to the extent necessary to assure that exclusion of that interest under the Code.

The Fiscal Officer and other appropriate officers are authorized (i) to make or effect any election, selection, designation, choice, consent, approval or waiver on behalf of the University with respect to the Series 2012 Bonds as the University is permitted to make or give under the federal

income tax laws, including, without limitation, any of the elections provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the Code, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Series 2012 Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (ii) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the University, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Series 2012 Bonds, and (iii) to give one or more appropriate certificates, for inclusion in the transcript of proceedings for those Bonds, setting forth the reasonable expectations of the University regarding the amount and use of all the proceeds of those Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Series 2012 Bonds.

Section 8. Supplemental Trust Agreements. The President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board, or any two of them, are authorized to sign and deliver to the Trustee, in the name of and on behalf of the University, a Supplemental Trust Agreement pursuant to the Trust Agreement and in connection with the issuance each Series of Series 2012 Bonds, not substantially adverse to the University as may be permitted by the Act, the Trust Agreement and this Resolution and approved by the officers signing it on behalf of the University. The approval of each Supplemental Trust Agreement and the determination that it is not substantially adverse to the University, shall be conclusively evidenced by the signing of the Supplemental Trust Agreement by those officers.

Section 9. Escrow Agreements; Refunding of Refunded Bonds. The principal of and interest and any applicable premium on the Refunded Bonds shall be paid when due from cash and/or direct obligations of the United States on deposit with, or held for the credit of, the Trustee in its capacity as escrow trustee (the “Escrow Trustee”) and in accordance with the Trust Agreement and the applicable escrow agreement for the Refunded Bonds (the “Escrow Agreement”). The Fiscal Officer is authorized on behalf of the University to make arrangements for the purchase of any such direct obligations from the proceeds of the Series 2012 Bonds and other sources of moneys and for the delivery to the Escrow Trustee, if required under the circumstances, of a report of an independent public accounting firm of national reputation to the effect that the cash and direct obligations so held by the Escrow Trustee are of such maturities and interest payment dates and bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient to pay the principal of and the interest and any premium on the Refunded Bonds on the dates set forth in the Certificate of Award and thereby discharge and satisfy the covenants, agreements and other obligations of the University with respect to those Bonds under the Trust Agreement and cause those Bonds to be deemed paid and discharged pursuant to, and no longer to be outstanding under, the Trust Agreement.

A trust fund, designated Cleveland State University – Escrow Account, shall be created for each Series of Refunded Bonds, in the custody of the Trustee as Escrow Trustee. The cash and securities in that Account, together with the earnings on and investments in that Account, shall be

held in trust for and shall be used for the payment of the principal of and interest and any redemption premium on the applicable Refunded Bonds, all as provided in the related Escrow Agreement for those Refunded Bonds.

The Fiscal Officer is authorized and directed to take any and all actions necessary and appropriate to effect the early call for redemption, pursuant to the Trust Agreement and applicable Series Resolution, of those Refunded Bonds to be redeemed prior to maturity, including publication and mailing of any notices. Any amounts released to the University from the funds and accounts held by the Escrow Trustee under the Trust Agreement or the Escrow Agreement shall be applied as set forth in the related Escrow Agreement. The Chair or Vice Chair of the Board, the President of the University, and the Fiscal Officer, or any two or more of them, are authorized to sign and deliver to the Trustee, in the name of and on behalf of the University, one or more Escrow Agreements for the Refunded Bonds. The Board hereby determines to provide for the payment of the principal of and the interest and any redemption premium on the Refunded Bonds as provided in this Resolution.

Section 10. Application for Rating and Other Credit Support Instruments. If, in the judgment of the Fiscal Officer, the filing of applications for ratings on any Series of Series 2012 Bonds or designated portion thereof by one or more Rating Services is in the best interest of the University, the Fiscal Officer is authorized to prepare and submit those applications and to provide each such Rating Service with such information as may be required for the purpose.

The Fiscal Officer, in connection with any Series of Series 2012 Bonds, is authorized to contract for one or more Credit Support Instruments, and to pay the costs of any such Instrument from proceeds of the Series 2012 Bonds, if she determines that the Credit Support Instrument will result in a savings in the cost of the financing to the University.

Section 11. Other Documents. The President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board, or any one of them, are authorized to furnish, sign and deliver such other documents, certificates and instruments as may be necessary or appropriate to issue the Series 2012 Bonds and to consummate the transactions contemplated in this Resolution, the Supplemental Trust Agreement, the Bond Purchase Agreement and the Escrow Agreement, each as applicable to the related Series of Series 2012 Bonds. The Secretary to the Board or other appropriate officials of the University shall furnish the Original Purchaser a true transcript of proceedings certified by such officers of the University as may be appropriate of all proceedings had with reference to the issuance of the Series 2012 Bonds.

Section 12. Open Meeting. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

Adopted: June 25, 2012
FY 2012 Third Quarter Financials

A written report of the unaudited cumulative financials was provided for the nine-month period through March 31, 2012 (**Attachment U**). There were no questions or comments.

Tuition for Academic Year 2013

Vice President McHenry stated that the University is very sensitive to the impact of tuition and fee increases on students, and the need to keep operating costs at a minimum. The proposed tuition increases (**Attachment V**) of 3.49% for undergraduate, 3.5% for graduate, and 9.49% for law will generate \$650,000, which represents a 0.4% increase in revenue for FY13, and is sufficient to support the proposed FY13 Operating and General Fee budgets. In addition, the Administration has proposed the elimination of the upper limit on the tuition credit hour bands. This would enable undergraduate students, in particular, to complete their degrees more quickly without having to pay for each additional credit hour beyond 16 credit hours. The proposed change will cost the University about \$500,000 a year. Student Trustee Alex Butler commented that it was good compromise for students.

Based upon the recommendation of the Financial Affairs Committee, Trustee Florkiewicz moved, and Trustee Rawson seconded, the motion to approve the proposed changes in tuition, effective fall semester 2012 through summer 2013. The following resolution was passed by voice vote:

RESOLUTION 2012-36

APPROVAL OF FY13 TUITION INCREASES

WHEREAS, the University is permitted by state law to increase undergraduate tuition by no more than 3.5% for each of the fiscal years in the FY12 and FY13 budget biennium; and

WHEREAS, the University is becoming more reliant upon locally generated funds to provide a stable operating environment due to the reduction in state subsidy funding in FY12; and

WHEREAS, it is unlikely that the loss of state subsidy funding will be restored in FY13; and

WHEREAS, the Cleveland Marshall College of Law proposes a combination of expense reductions and tuition increases to maintain a vital program of legal education in a national environment of declining demand for legal education;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves the attached proposed tuition schedule, effective Fall 2012.

University Budget for FY 2013

Essentially breakeven Operating, General Fee, and Auxiliaries budgets were proposed for FY 2013 (**Attachment W**). Based upon the recommendation of the Financial Affairs Committee, Trustee Adler moved, and Trustee Moreno seconded, the motion to approve a total University budget of \$265,572,851 for FY 2013. The following resolution was passed by voice vote:

RESOLUTION 2012-37

APPROVAL OF THE UNIVERSITY FY13 BUDGET

BE IT RESOLVED that the proposed University Budget for FY 2013 be adopted, as follows:

Operating Budget	\$	219,516,171
General Fee Budget		<u>22,092,488</u>
Total Educational & General Budget	\$	241,608,659
Auxiliary Enterprises Budget	\$	<u>23,964,192</u>
Total University Budget	\$	265,572,851

Campus International School Lease

The Campus International School has operated since August 2010 in space leased by the University from the First United Methodist Church at East 30th Street and Euclid Avenue. Due to the expansion of the School to include the fourth grade class in 2012-2013, a larger facility is required. The Administration has proposed the lease of the Cole Center (currently dormant) to the Cleveland Municipal School District for the operation of the Campus International School at Cleveland State University (**Attachment X**). The proposed lease is amortized to cover the cost of renovation of the space. The Cleveland Municipal School District would pay rent to the University to reimburse the cost of renovating the Cole Center for elementary school use.

In response to inquiries, University General Counsel Wilson explained that alternate uses (i.e. day care) of the converted space in the First United Methodist Church were being discussed. The Administration had not yet discussed the option of buying out the lease.

Trustee Moreno moved, and Trustee Adler seconded, the motion to approve the proposed lease of the Cole Center to the Cleveland Municipal School District. The following resolution was passed by voice vote:

RESOLUTION 2012-38

APPROVING LEASE OF THE COLE CENTER TO THE CLEVELAND MUNICIPAL SCHOOL DISTRICT (CMSD) FOR THE CAMPUS INTERNATIONAL SCHOOL (CIS) AT CLEVELAND STATE UNIVERSITY

WHEREAS, the Cleveland Municipal School District (“CMSD”) and Cleveland State University (“CSU”) established a relationship whereby CMSD would operate a kindergarten through second grade school, the Campus International School (“CIS”), in space that CSU leased from the First United Methodist Church at East 30th Street and Euclid; and

WHEREAS, a plan developed by a joint Task Force called for the addition of the next higher grade each year, with the ultimate goal being a school for CMSD students from kindergarten through the twelfth grade; and

WHEREAS, CIS has achieved such significant success, the parties recognized that expansion to include the fourth grade class in 2012-12 requires a new, larger location for CIS, and thus, the Task Force determined to identify a site that would allow at least the inclusion of the sixth grade (i.e., through 2014-2015); and

WHEREAS, the CSU Cole Center is not currently being utilized and has sufficient space to allow for expansion through at least the sixth and possibly through seventh grade, the Task Force determined that the Cole Center is an ideal expansion site, which would allow CIS to remain an integral part of the CSU campus due to its location; and

WHEREAS, the parties have negotiated a lease agreement that incorporates most of the operating terms originally negotiated in a Memorandum of Understanding prior to the initial opening of CIS, and each party retains essentially the same responsibilities that each party assumed in the document, in addition to the fact that CMSD will pay rent to CSU that will reimburse the cost of renovation necessary to convert the building for elementary school use;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby approves the lease of the Cole Center to the Cleveland Municipal School District for the Campus International School, in the form substantially attached hereto, subject to any revisions deemed necessary by University General Counsel.

Center for Innovation in Health Professions

The planning process, project concept, schedule and budget for the design and construction of a Center for Innovation in Health Professions (**Attachment Y**) were presented by the University administration for authorization of the building project by the Board. The proposed new facility would bring together the medical programs and health-related disciplines, providing a permanent presence of the medical school on CSU's campus, as well as interdisciplinary collaboration with the University's health professions. A significant portion of the bond issuance in August 2012 would fund the anticipated \$45 million project cost, of which \$10 million will be provided by the Northeast Ohio Medical University. Board approval of the project is sought to strengthen support in the bond market.

Trustee Florkiewicz moved, and Trustee Bowen seconded, the motion that the Board of Trustees authorize the Administration to move forward with the Center for Innovation in Health Professions building project and present the full proposal to the Board for final project approval. The following resolution was passed by voice vote:

RESOLUTION 2012-39

CENTER FOR INNOVATION IN HEALTH PROFESSIONS

WHEREAS, Cleveland State University (CSU) is planning a new building called the Center for Innovation in Health Professions (CIHP); and

WHEREAS, the CIHP facility will bring together medical programs in one building to encourage collaboration across disciplines; and

WHEREAS, NEOMED is a key partner for the CIHP facility, and their permanent location in downtown Cleveland will enhance their urban health initiatives; and

WHEREAS, there is a robust planning process underway that includes CSU and NEOMED faculty and staff, and will be the basis for a Request for Proposals for developing the project; and

WHEREAS, the preliminary schedule projects completion by first quarter 2015; and

WHEREAS, the funding for the project is expected to be part of a CSU bond issuance in August 2012, a part of which will be repaid to CSU by NEOMED;

NOW, THEREFORE, BE IT RESOLVED that the CSU Board of Trustees authorizes the Administration to continue with planning the Center for Innovation in Health Professions, and will consider final project approval when a full proposal can be presented.

Department of Audits FY 2012 Annual Report

The Department of Audits Annual Report for FY 2012, as updated June 21, 2012, (**Attachment Z**) was presented by Director of Internal/External Audits Judith A. Richards to the Board of Trustees for acceptance. Trustee Moreno moved, and Trustee Bowen seconded, the motion to accept the Annual Report as updated. The following resolution was passed by voice vote:

RESOLUTION 2012-40

ACCEPTANCE OF THE FY 2012 DEPARTMENT OF AUDITS ANNUAL REPORT

WHEREAS, the University's Department of Internal and External Audits delivered and discussed the FY 2012 Department of Audits Annual Report with the Vice President of Business Affairs and Finance; and

WHEREAS, the Vice President of Business Affairs and Finance recommends that the full Board accept the Annual Report as submitted;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby accepts the FY 2012 Department of Audits Annual Report as submitted.

Financial Affairs Investment Subcommittee

Chairman Levin reported on the June 6, 2012 meeting of the Financial Affairs Investment Subcommittee (**Attachment AA**). He noted that the Subcommittee approved the recommendation of the Legacy Strategic Asset Management investment advisors to rebalance the investment portfolio by moving \$1 million from Fixed Income and placing it in international equities (**Attachment BB**). Trustee Adler moved, and Trustee Bowen seconded, the motion to ratify the decision of the Financial Affairs Investment Subcommittee to rebalance the investment portfolio as recommended. The following resolution was passed by voice vote:

RESOLUTION 2012-41

INVESTMENT PORTFOLIO REBALANCING

WHEREAS, The Investment Policy for the Cleveland State University investment fund establishes asset and style parameters for the fixed income and equity portions of the fund; and,

WHEREAS, our allocation to international equities is below the preferred level stated in our Investment Policy by 3%; and,

WHEREAS, the fixed income portion of the portfolio was 2% above the preferred level; and,

WHEREAS, the CSU Investment Sub-Committee acted to rebalance the fund by moving \$1 million from the fixed income portfolio to the international portfolio at its meeting on June 6, 2012;

NOW, THEREFORE, BE IT RESOLVED that the CSU Board of Trustees ratifies the decision by the Investment Sub-Committee to rebalance the fund.

Investments Report as of March 31, 2012

A report on the investments for the period ending March 31, 2012 (**Attachment CC**) was provided to the Board for information.

ELECTION OF OFFICERS

Chairman Rawson noted a change in the agenda. He called upon Trustee Weinberg to present the recommendation of the Nominating Committee. The slate of officers were nominated for the 2012-2013 term: Trustee Robert H. Rawson, Jr. as Chairman, Trustee Dan T. Moore III as Vice Chairman, Trustee Morton Q. Levin as Treasurer, Trustee Thomas W. Adler as Chairman of the Advancement Committee, which will carry an officers' title and include serving on the Executive Committee; and William J. Napier as Secretary. Trustee Florkiewicz moved, and Trustee Bowen seconded, the motion to elect the slate of officers for the 2012-2013 term, effective July 1, 2012. The following resolution was passed by voice vote:

RESOLUTION 2012-42

ELECTION OF OFFICERS FOR THE 2012-2013 TERM

WHEREAS, Section 2.1 of the Bylaws of the Board of Trustees provides that the officers of the Board may include "such other officers of the University as the interest of the University requires", in addition to the Chairman, Vice Chairman, Treasurer and Secretary; and

WHEREAS, in recognition of the effort to solidify the cooperation and partnership between the Board of Trustees and the Cleveland State University Foundation Board, it is determined to be in the interest of the University to create the officer position of "Chairman of the Advancement Committee" for the 2011-2012 term, whose duties shall be assigned by the Board Chairman, and to continue that position for 2012-2013;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees hereby elects the following persons to serve as officers for the 2012-2013 term, effective July 1, 2012: Trustee Robert H. Rawson, Jr. as Chairman, Trustee Dan T. Moore III as Vice Chairman, Trustee Morton Q. Levin as Treasurer, Trustee Thomas W. Adler as Chairman of the Advancement Committee, which will carry an officers' title and serve as part of the Executive Committee; and William J. Napier as Secretary.

Chairman Rawson thanked the officers for their service. He indicated that committee assignments and meeting schedule would be forthcoming, and invited the Board members to inform him of their interests.

EXECUTIVE SESSION

Trustee Florkiewicz moved, and Trustee Levin seconded, the motion that the Board adjourn into Executive Session for the purpose of discussing imminent and pending litigation with University General Counsel and audit matters with the auditors. A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Bowen, Ms. Florkiewicz, Mr. Levin, Mr. Moreno, Mr. Weinberg, and Chairman Rawson.

Chairman Rawson excused everyone except the voting and community trustees present, President Berkman, and University General Counsel for the beginning portion of the Executive Session which began at 11:26 a.m. The President and General Counsel were excused, and the Director of Audits was called into the Executive Session at 11:40 a.m.

Chairman Rawson announced that the Board had finished its business in Executive Session and was returning to its regular meeting. The meeting was adjourned at 11:50 a.m.

Respectfully submitted,

APPROVED ON SEPTEMBER 20, 2012

William J. Napier
Secretary to the Board of Trustees

APPROVED ON SEPTEMBER 20, 2012

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