



**BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

BOARD OF TRUSTEES MEETING

DATE: Friday, November 20, 2015, 1:00 p.m.
PLACE: The Wolstein Center, Gerald H. Gordon Conference Pavilion
Weinberg Board Room

PRESENT: Chairman Robert H. Rawson, Jr., Trustees Thomas W. Adler, David H. Gunning II, Stephen F. Kirk, Morton Q. Levin, Dan T. Moore III, Bernardo “Bernie” F. Moreno, and June E. Taylor; Student Trustees Paul T. All and David I. Pendleton; Community Board Member Anand “Bill” Julka; Faculty Representatives Dr. Joel A. Lieske and Dr. Nigamanth Sridhar; President Ronald M. Berkman and Secretary to the Board of Trustees William J. Napier.

Chairman Rawson called the meeting to order at 1:00 p.m. and confirmed the presence of a quorum. He called for a motion to approve the minutes of the September 24, 2015 Board meeting. Trustee Gunning moved, and Trustee Levin seconded, the motion to approve the minutes, which were approved by voice vote.

REPORT OF THE CHAIRMAN

Chairman Rawson reported on the 2015 Statewide Trustees Conference held in Columbus, Ohio on November 5. He noted that the conference, which focused on the Governor’s initiative of affordability and efficiency, was attended by 150-160 trustees, presidents and other higher education officials. Chairman Rawson noted that he participated in a panel on “Institutional Leadership & Perspectives” that also included the presidents of Ohio University and Clark State Community College. It afforded the opportunity to speak about Cleveland State University’s “Path to 2020” and other initiatives that have placed it in a position of leadership with other colleges and universities.

Chairman Rawson also reported that the Board of Trustees conducted a Board Retreat on November 12. The role of the Board in the “Path to 2020” and capital campaign were discussed.

Chairman Rawson proposed amendments to the bylaws of the Board of Trustees (**Attachment A**), creating a Student Affairs Committee to enhance its focus on issues related to

student services, and conforming the bylaws to the actual practice by which the general public is informed of meetings of the Board of Trustees. Trustee Moreno moved, and Trustee Levin seconded, the motion to approve the proposed amended bylaws. The following resolution as passed:

RESOLUTION 2015-101

CHANGES TO THE BOARD BYLAWS

WHEREAS, the Board of Trustees of Cleveland State University believes that a Student Affairs Committee would underscore the Board of Trustees' commitment to address issues facing Cleveland State University students in a comprehensive way; and

WHEREAS, the Board of Trustees of Cleveland State University seeks to provide a mechanism for members of the general public to be informed of meetings of the Board of Trustees;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees approves changes to the Board Bylaw related to Meetings of the Board of Trustees, as presented.

REPORT OF THE PRESIDENT

President Berkman reported that he had the opportunity at the American Association of State Colleges and Universities (AASCU) plenary session on student success to communicate the initiatives and accomplishments of Cleveland State University. He thanked those in Academic Affairs and Enrollment Services, whose efforts led to the recognition the University received from AASCU for improving student success. Cleveland State University was awarded the AASCU Award for Excellence and Innovation in Student Success and College Completion on October 25, 2015.

In response to the challenge for universities to provide pathways for undergraduate students to extract savings of at least 5% from the cost of earning a bachelor's degree, President Berkman described the cost-reduction components of the initiatives that Cleveland State has already taken or is currently implementing. He noted that CSU has presented to the State its conservatively-estimated cost reduction plan, presenting opportunities for an in-state, undergraduate to realize savings of \$3,353 on a base total cost of attendance of \$25,654, representing a savings of 13.09%. This exceeds the 5% benchmark required by the Legislature. He noted that former student trustee and student government president Allie Dumski left a legacy regarding textbook affordability and the standardized use to textbooks, providing significant cost savings to students.

President Berkman announced that Cleveland State was a bronze winner for best practices in communications and marketing from the Council for the Advancement and Support of Education (CASE). The award was received for the University's *Green turns Gold 50th Anniversary Year & Homecoming* (50th Anniversary speaker series).

The President also reported the success of the agreement with RTA for the westside CSU bus line, which was done for marketing value and to encourage more students to consider the RTA U-Pass, rather than to drive and search for parking on campus. He noted that the ridership was up 45% for the third quarter of 2015, and a year-to-date increase of 23%.

In closing his report, the President updated the Board on the status of the construction sites for the new K-8 campus international school and the new residency to open in 2017 on the site of the now-demolished Jewish Federation building.

REPORT OF THE CSU FOUNDATION CHAIR

Fundraising results and campaign progress were reported through October 31, 2015 (**Attachment B**). A record high of \$8.4 million in new gifts and pledges, and a five-year high in donor participation were noted. It was reported that \$81 million has been raised toward the \$100 million campaign goal, and a new higher *Radiance* fundraising goal would be established by the CSU Foundation Board. Upcoming events were announced, including the Second Annual Volunteer Summit on April 21, 2016 and the 2016 *Radiance* scholarship fundraising event on May 13.

ACADEMIC AFFAIRS

Chairman Moore reported that the Committee met earlier in the day and received updates on the University's co-op education and internship initiatives, student evaluation of faculty teaching, joint use agreements, and student success. A demonstration of the new career services software was requested for the next meeting. In addition, an annual summary of joint use agreements in which CSU participates was requested, given that a detailed inventory of the agreements has been created.

STUDENT AFFAIRS

Chair Taylor reported that the Committee recommended to the Board the approval of the Expressive Activity Policy. She noted that the Committee received reports and updates on campus safety, Division of Student Affairs priorities, and a new grant and partnership with the

Cleveland Rape Crisis Center. She further reported that a wonderful presentation was given by the student leadership of “Viking Expeditions,” a CSU service organization. She suggested that they make connections with the CSU alumni in the areas that the students are volunteering, and to set up a blog to convey the experiences of the students.

FINANCIAL AFFAIRS

Chairman Levin reported that the Financial Affairs recommended approval by the Board of 13 items relative to collective bargaining, police mutual aid agreement, construction services, deferred maintenance, College of Education surcharge changes, affirmative action, execution of documents/signature authority, and bond refunding that are on the consent agenda. He reported that the Committee also received an update on the recommendations of the Governor’s Task Force on Affordability and Efficiency, and the 2014 and 2015 results of the *Radiance* scholarship funds raised.

FY 2015 AUDIT

Plante Moran auditors presented the FY2015 Audit to the Board with an overview of the audit process, controls in place, and highlights of the required communications (**Attachment C**). A “clean” and unmodified opinion was given to CSU’s FY 2015 Financial Statements. It was noted that the CSU Foundation and Euclid Avenue Development Corporation are audited by other firms. Emerging issues regarding the Federal Perkins Loan, which expired September 30 and not extended, as well as GASB rules on disclosure of fair value and extension to the health care component, were noted for future audits.

EXECUTIVE SESSION

Trustee Taylor moved, and Trustee Moreno seconded, the motion to adjourn into Executive Session for the purpose of discussing the audit with the external auditors, and to discuss matters involving imminent and pending litigation with General Counsel. A roll call vote was taken by the Secretary to the Board; voting in the affirmative were Mr. Adler, Mr. Gunning, Mr. Kirk, Mr. Levin, Mr. Moore, Mr. Moreno, Ms. Taylor, and Chairman Rawson.

Chairman Rawson excused everyone except the voting and community trustees present to meet first with the Plante Moran auditors, and secondly with President Berkman, Interim Provost Zhu, General Counsel Wilson, and Board Secretary Napier relative to litigation in the second segment of the Executive Session. The Executive Session began at 1:50 p.m.

Chairman Rawson announced at 2:05 p.m. that the Board had finished its business in Executive Session and was returning to its regular meeting. He reported that there were no actions as a result of the Executive Session.

CONSENT AGENDA

Chairman Rawson explained that routine matters, or those discussed previously, are considered on the consent agenda. He noted that the information and Board resolution pertaining to the contract for the Science Building Engaged Lab Renovations/Construction Services (Tab J.) has been removed from the consent agenda. He asked if there were other consent agenda items that Board members wished to remove and discuss individually. There were none.

Trustee Levin moved, and Trustee Moreno seconded, the motion to approve the following consent agenda items: Plan to Reduce Student Cost of Degree Attainment by 5% (**Attachment D**), Expressive Activity Policy (**Attachment E**), Stage Hands Collective Bargaining Agreement (**Attachment F**), Ticket Handlers Collective Bargaining Agreement (**Attachment G**), CSU Police Department and Cleveland Metropolitan School District Police Department Mutual Aid Agreement (**Attachment H**), Campus Closure - Holidays (**Attachment I**), Chester Building Demolition (**Attachment J**), Electrical and Mechanical Deferred Maintenance 2015 Project (**Attachment K**), Main Classroom General Classroom Upgrade Renovation Construction (**Attachment L**), New Engineering Addition Project (**Attachment M**), College of Education Surcharge Changes (MUST & Gifted Education) (**Attachment N**), Affirmative Action Plan (**Attachment O**), Execution of Documents (Signature Authority) Policy (**Attachment P**), FY 2015 External Audit by Plante Moran (**Attachment Q**), FY16 First Quarter Gifts and Pledges Acceptance (**Attachment R**), FY15 Fourth Quarter and FY16 First Quarter Sponsored Programs Funds Acceptance (**Attachment S**), and Bond Refunding (2007A Bonds) (**Attachment T**). The following resolutions were passed by voice vote:

RESOLUTION 2015-102

APPROVAL OF CLEVELAND STATE UNIVERSITY'S PLAN FOR PROVIDING OPPORTUNITIES FOR UNDERGRADUATE STUDENTS TO REALIZE A 5% SAVINGS IN THE COST OF A DEGREE

WHEREAS, Amended Substitute House Bill 64 requires the board of trustees of each public institution of higher education in the state of Ohio to develop and implement a plan to provide each in-state undergraduate student the opportunity to reduce the cost of earning a baccalaureate degree by 5%; and

WHEREAS,

WHEREAS, the President and the Chair of the Board of Trustees jointly submitted Cleveland State University's plan to the Chancellor on October 13, 2015; and

WHEREAS, institutions that could not obtain board approval of their plans in order to meet the October 15, 2015 due date are permitted, by the Chancellor, to obtain this approval at their subsequently scheduled meeting after October 15, 2015; and

WHEREAS, Cleveland State University has implemented plans to provide undergraduate students with opportunities to decrease the cost of earning a baccalaureate degree by up to 13.07% and these opportunities are set forth in the plan submitted to the Chancellor;

NOW, THEREFORE, BE IT RESOLVED that the plan submitted to the Chancellor on October 15, 2015 for providing opportunities for in-state undergraduate students to realize 13.07% savings in the cost of a baccalaureate degree is hereby approved.

RESOLUTION 2015-103

EXPRESSIVE ACTIVITY POLICY

WHEREAS, Cleveland State University values the free exchange of ideas and recognizes the constitutional right of free speech for all members of the public; and

WHEREAS, the Board of Trustees and University administration also have a duty to provide for the safe and efficient operation of the University; and

WHEREAS, the proposed Expressive Activity Policy has been crafted to balance the needs of the University with its support of free speech and expression;

NOW, THEREFORE, BE IT RESOLVED that the Cleveland State University Board of Trustees approves the Expressive Activity Policy as presented.

BE IT FURTHER RESOLVED that the Administration, in carrying out this Resolution, is hereby authorized and empowered to make any necessary changes to the Expressive Activity Policy as may be required to ensure compliance with the applicable and effective provisions of federal and state laws, or as otherwise deemed appropriate.

RESOLUTION 2015-104

DELEGATION OF AUTHORITY TO ADMINISTRATION TO EXECUTE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES UNION, LOCAL 27 COLLECTIVE BARGAINING AGREEMENT

WHEREAS, the University and the International Alliance of Theatrical Stage Employees, Union, Local 27 have reached a final tentative agreement for a one year collective bargaining

agreement for ticket sellers, event ticket supervisors and the ticket services manager for the period August 1, 2015 through July 31, 2016; and

WHEREAS, the tentative agreement has been ratified by IATSE 27; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves delegation of authority to the University Administration to execute a collective bargaining agreement between Cleveland State University and the International Alliance of Theatrical Stage Employees Union, Local 27 covering the one year period from August 1, 2015 through July 31, 2016, with terms as summarized at the November 20, 2015 Financial Affairs Committee.

RESOLUTION 2015-105

DELEGATION OF AUTHORITY TO ADMINISTRATION TO EXECUTE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES, TREASURERS AND TICKET SELLERS UNION, LOCAL 756 (IATSE LOCAL 756) COLLECTIVE BARGAINING AGREEMENT

WHEREAS, the University and the International Alliance of Theatrical Stage Employees, Treasurers and Ticket Sellers Union, Local 756 (IATSE 756) have reached a final tentative agreement for a one year collective bargaining agreement for ticket sellers, event ticket supervisors and the ticket services manager for the period August 1, 2015 through July 31, 2016; and

WHEREAS, the tentative agreement has been ratified by IATSE 756;

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves delegation of authority to the University Administration to execute a collective bargaining agreement between Cleveland State University and the International Alliance of Theatrical Stage Employees, Treasurers and Ticket Sellers Union, Local 756 covering the one year period from August 1, 2015 through July 31, 2016, with terms as summarized at the November 20, 2015 Financial Affairs Committee.

RESOLUTION 2015-106

POLICE MUTUAL AID AGREEMENT (MAA)

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves delegation of authority to the University's Administration to enter into a contract with Einheit Electrical Construction Company for an amount not to exceed Einheit Electrical Construction Company's bid of \$1,539,601 + 20% for contingencies, for hazardous material abatement anticipated in Rhodes Tower, Science Research or Main Classroom during construction.

RESOLUTION 2015-110

AUTHORIZATION TO EXECUTE THE CONTRACT FOR CONSTRUCTION SERVICES FOR THE MAIN CLASSROOM – GENERAL CLASSROOM UPGRADE PROJECT

WHEREAS, on November 4, 2013, the University submitted a request for a State Capital Bill appropriation of \$15.9 million for the FY15-16 biennium; and

WHEREAS, on April 1, 2014, the State signed into law H.B. 497 which allocated \$14,600,000.00 to Cleveland State University; and

WHEREAS, \$4,000,000 of the appropriation was designated for the design, construction, furnishing and equipping of the Main Classroom General Classroom Upgrade project to be locally administered on the University's campus; and

WHEREAS, the construction contract for this project will be ready for execution in December and will exceed \$500,000; and

WHEREAS, under existing Board policy, construction and consultant contracts in excess of \$500,000 shall be approved by the Board of Trustees.

WHEREAS, the University Board of Trustees has already approved A/E and CMR contracts by Resolutions 2015-53 and 2015-54, respectively; and

WHEREAS, the University will follow the Ohio Facilities Construction Commission guidelines for the Construction Manager at Risk (CMR) delivery method; and

WHEREAS, the University seeks approval to construct a new 4-story + basement, 100,000gsf addition to Fenn Hall for the Washkewicz College of Engineering; and

WHEREAS, 60,000gsf will be developed during this project (Phase 1) for the Washkewicz College of Engineering, and the remaining space will be developed in the future when funding is allocated; and

WHEREAS, the building will be constructed to the north of Fenn Hall on the location of the current Chester Building and playground area; and

WHEREAS, the total project budget is \$46,200,000, inclusive of Chester Building demolition, relocation, new building addition, fees, and owner contingencies; and

WHEREAS, the Financial Affairs Committee of the Board of Trustees has reviewed this matter and recommends full Board approval;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby authorizes the total project budget of \$46,200,000 and authorizes the University Administration to negotiate with the Gilbane Building Company for a total Guaranteed Maximum Price not to exceed \$38,144,900, inclusive of owner contingencies, in phases as needed to accommodate the construction schedule.

RESOLUTION 2015-112

APPROVAL OF FY17 TUITION SCHEDULES FOR THE COLLEGE OF EDUCATION AND HUMAN SERVICES MASTERS PROGRAMS IN URBAN SECONDARY TEACHING AND GIFTED EDUCATION

WHEREAS, Cleveland State University's College of Education and Human Services offers master's degree programs in Urban Secondary Teaching and Gifted Education; and

WHEREAS, state law requires that out-of-state resident students pay a surcharge on the instructional fee component of the tuition rate for both undergraduate and graduate courses; and

WHEREAS, both the Urban Secondary Teaching and Gifted Education master's programs charge an effective tuition surcharge of 84.5% (\$467.50/credit hour) to out-of-state students; and

WHEREAS, the Masters of Urban Secondary Teaching is nationally accredited and has been recognized with several local, state, and national awards; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby approves and accepts the audit reports mentioned above and dated November 20, 2015.

RESOLUTION 2015-116

**Accepting Gifts and Pledge Payments
1st Quarter, FY 2016
July 1, 2015 to September 30, 2015**

“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 2016 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 Budget 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 Rece

“Series 2016 Bonds” means the General Receipts Bonds, Series 2016 authorized by this Resolution which may be issued in one or more Series at the same time or at different times.

“Series 2016 Resolution” or “this Resolution” means this Resolution authorizing the issuance and sale of the Series 2016 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 2016 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 2016 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 2016 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 refunding the Refunded Bonds and paying the costs of issuance in connection therewith. The aggregate principal amount of Series 2016 Bonds of all Series issued shall not exceed \$36,835,000. Any Series 2016 Bonds issued for the purpose of refunding the Refunded Bonds shall effect aggregate net present value debt service savings of not less than three percent (3%) of the refunded bonds. The principal amount of each Series of Series 2016 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 2016 Bonds shall be allocated, deposited and applied as provided in Section 6.

The Series 2016 Bonds may be issued in one or more separate Series, each bearing a distinctive designation, provided that the Series 2016 Bonds of each Series satisfy the requirements of this Resolution. A single Series of Series 2016 Bonds may be issued to refund the Refunded Bonds or separate Series of Series 2016 Bonds may be issued to refund the Refunded Bonds. Separate Series of Series 2016 Bonds may be issued at the same or different times. The Series 2016 Bonds of each Series shall be designated as provided in the applicable Certificate of Award. If separate Series of Series 2016 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 2016 Bonds.

(a) **Form and Numbering.** The Series 2016 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 2016 Bonds, and shall be numbered as determined by the Fiscal Officer. The Series 2016 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 2016 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 2016 Bonds.

(b) **Denominations and Dates.** The Series 2016 Bonds shall be dated as of their date of issuance or as of another date as may be stated.

(e) **Prior Redemption.**

(i) **Term Bonds--Mandatory Redemption.** If provided for in the Certificate of Award, Series 2016 Bonds maturing in a particular year may be consolidated with the principal amount of Series 2016 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 2016 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 2016 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 2016 Bonds of any Series will be subject to optional redemption

prior to maturity or that certain maturities of Series 2016 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 2016 Bonds of any Series are to be called for optional redemption, the Series 2016 Bonds to be redeemed shall be selected by the University in any manner it may determine. If fewer than all of the outstanding Series 2016 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 2016 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 2016 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 2016 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 2016 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2016 Bond, and any failure to receive notice duly mailed shall not affect the validity of

(ii) to the provider of any

There being no further business, Chairman Rawson adjourned the meeting at 2:06 p.m.

Respectfully submitted,

APPROVED JANUARY 28, 2016

William J. Napier

Secretary to the Board of Trustees

APPROVED JANUARY 28, 2016

Robert H. Rawson, Jr.

Chairman, Board of Trustees