



**BOARD OF TRUSTEES
CLEVELAND STATE UNIVERSITY**

MINUTES OF THE MEETING

SPECIAL BOARD OF TRUSTEES MEETING

DATE: Monday, July 26, 2021, 3:30 p.m.

PLACE: Weinberg Board Room, Wolstein Center, Fourth Floor.

PRESENT: Chair David M. Reynolds, Trustees Timothy J. Cosgrove, Patricia M. DePompei, Paul J. Dolan, Stephen Kirk, Lisa K. Kunkle, and Vanessa L. Whiting; President Harlan M. Sands; and General Counsel and Secretary to the Board of Trustees Sonali B. Wilson.

Others in attendance: Dr. Forrest Faison, Sr. Vice President of Research & Innovation and Chief Healthcare Strategy Officer; and Heather A. Link, Assistant Board Secretary.

Chair Reynolds called the special meeting to order at 3:35 p.m. and confirmed the presence of a quorum. He welcomed Trustees to the first fully in-person meeting since 2020, and welcomed Trustee Paul Dolan to the Board.

ITEMS FOR ACTION

Chair Reynolds announced that two bond refinancing resolutions were on the agenda and have been distributed to the Trustees in advance of the meeting for review. He asked if there were questions related to either of the bond issues.

President Sands thanked Trustees for their attention to the items, noting that they are being brought forth today to meet an approaching deadline, take advantage of the current market conditions, and enable the University to save funds through refinancing. He noted that the items had been presented and discussed earlier in the year at the March and May 2021 Financial Affairs Committee meetings.

Trustee Kirk moved the two resolutions; and Trustee Whiting seconded the motion. Chair Reynolds asked for a roll call on each of the resolutions.

Board Secretary Wilson called the roll for the first bond issue; voting in the affirmative were Mr. Cosgrove, Ms. DePompei, Mr. Dolan, Mr. Kirk, Ms. Kunkle, Ms. Whiting, and Chair Reynolds. The resolution was approved.

RESOLUTION 2021-38

**AUTHORIZING THE ISSUANCE OF LIMITED AVAILABLE RECEIPTS
REFUNDING BONDS OF THE UNIVERSITY IN A PRINCIPAL AMOUNT NOT TO
EXCEED \$28,000,000 TO REFUND ALL OF THE OUTSTANDING \$27,700,000
LIMITED AVAILABLE RECEIPTS BONDS, SERIES 2019 PREVIOUSLY ISSUED BY
THE UNIVERSITY AND PAYING COSTS OF ISSUANCE IN CONNECTION
THEREWITH**

WHEREAS, Cleveland State University, a state university of Ohio (the “University”), previously issued its \$27,700,000 Limited Available Receipts Bonds, Series 2019 on June 21, 2019 (the “Series 2019 Bonds”) to reimburse the University for the payment of certain lease obligations arising under that certain Lease Agreement made and entered into as of December 29, 2010 by and between 1901 East 13th LLC and the University relating to the Lease of the Middough Building located at 1901 E. 13th Street, Cleveland, Ohio; and

WHEREAS, the Board of Trustees of 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 Limited Available Receipts Bonds for the purposes of refunding the Series 2019 Bonds and paying the costs of issuance in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the Cleveland State University Board of Trustees, as follows:

Definitions and Interpretations. Where used in this Resolution and the Certificate of Award, and in addition to words and terms defined in the Series 2021 Bonds, the following terms shall have the following meanings:

“Act” means Section 3345.11 and 3345.12 of the Revised Code, as the same may be amended from time to time, together with the provisions of Sections 9.96 and 9.98 to 9.983 of the Revised Code and any act or resolution of the General Assembly authorizing or limiting the issuance of bonds of the University.

“Authorized Officer” refers to each of the President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board.

“Certificate of Award” means the Certificate of Award authorized in Section 6 to be provided by the Fiscal Officer to determine and approve the final terms of the Series 2021 Bonds, consistent with the Term Sheet and this Resolution.

“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.

“Covenants Agreement” means the Bond Purchase and Continuing Covenants Agreement or similar document, as described in the Term Sheet, containing terms and provisions relating to the Bonds as required by the Original Purchaser and acceptable to the University, as evidenced by execution of the same.

“Fiscal Officer” means the Vice President for Business Affairs and Finance and also means, as an alternate, the Associate Vice President for Business Affairs and Finance and Controller of the University.

“General Receipts” means such term as defined in the General Receipts Trust Agreement.

“General Receipts Obligations” means Obligations as defined in the General Receipts Trust Agreement.

“General Receipts Trust Agreement” means the Trust Agreement dated as of May 1, 1993 between the University and U.S. Bank National Association, as Trustee, as supplemented from time to time, including without limitation by the Ninth Supplemental Trust Agreement dated as of September 1, 2011 and the Eleventh Supplemental Trust Agreement dated as of February 1, 2016.

“Interest Payment Dates” means the first day of each June and December, beginning December 1, 2021 or such other dates provided in the applicable Certificate of Award for the Series 2021 Bonds.

“Limited Available Receipts” means “available receipts” as defined in Ohio Revised Code 3345.12(A)(11) but excluding receipts from student fees and charges.

“Original Purchaser” means PNC Bank, National Association, or such other person or persons who purchased the Series 2021 Bonds upon their initial issuance and delivery as determined in the Certificate of Award.

“Paying Agent” means the Fiscal Officer.

“Register” means all books and records necessary for the registration, exchange, and transfer of the Series 2021 Bonds.

“Registrar” means the Fiscal Officer.

“Series 2019 Bonds” means the \$27,700,000 Limited Available Receipts Bonds, Series 2019 issued by the University on June 21, 2019.

“Series 2021 Bonds” means bonds of the University designated as “Limited Available Receipts Refunding Bonds” authorized by this Resolution, payment of which is pledged to be made from Limited Available Receipts.

“Tax-Exempt Bonds” means any Series 2021 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 under the Code, as determined by the Fiscal Officer in the Certificate of Award.

“This Resolution” or “Series 2021 Resolution” means this Resolution and the related Certificate of Award for the Series 2021 Bonds.

“Term Sheet” refers to the Preliminary Summary of Terms and Conditions for Direct Purchase of Taxable & Tax-Exempt Fixed Rate Bonds/Notes, submitted by PNC Bank, National Association, dated _____, 2021.

Unless the context otherwise indicates, words importing the singular number shall include the plural number, and vice versa. References to sections, unless otherwise stated, are to sections of this Resolution.

Authority. This Resolution is adopted pursuant to the Act.

Authorization to Issue Series 2021 Bonds. It is declared to be necessary to, and the University shall, issue, sell and deliver the Series 2021 Bonds, in one or more series, as provided and authorized in this Resolution, in the maximum principal amount not to exceed \$28,000,000 for the purpose of refunding all of the outstanding Series 2019 Bonds and paying the costs of issuance of the Series 2021 Bonds. The actual principal amount of the Series 2021 Bonds and the principal amount of each series of the Series 2021 Bonds issued under this Resolution shall be as set forth in the Certificate of Award.

The Series 2021 Bonds shall be dated on the day of issuance and shall be issued in one or more series, each bearing a distinctive designation, provided that the Series 2021 Bonds of each series shall satisfy the requirements of this Resolution.

Terms and Provisions Applicable to the Series 2021 Bonds.

Form. The Series 2021 Bonds shall be issued only as one or more fully registered instruments, numbered from R-1 upward, and substantially in the form attached to the Covenants Agreement, and shall bear interest at the fixed rate or rates stated therein (not to exceed 6% per annum).

Principal and Interest. All of the principal of the Series 2021 Bonds shall be due and payable on the date of optional redemption, mandatory redemption or the final maturity date, as applicable and set forth in the Certificate of Award. The Series 2021 Bonds shall bear interest from the date of issuance payable on the Interest Payment Dates and on the date of optional redemption, mandatory redemption or the final maturity date, as applicable, at the per annum rate or rates of interest, computed on the basis of a 360-day year consisting of twelve 30 day months,

or such other interest rate calculation method, as set forth in the Certificate of Award. Upon any event of default, such interest rate shall increase to the Default Rate as set forth in the Covenants Agreement, which is the Base Rate (as defined in the Covenants Agreement) of the Original Purchaser plus 3%.

Maturity. The Series 2021 Bonds shall mature on the maturity date, anticipated to be the third anniversary of the issuance of the Series 2021 Bonds, but no later than June 20, 2025, as determined in the Certificate of Award.

Prior Redemption.

Mandatory Redemption. The Bonds shall be subject to mandatory sinking fund requirements or mandatory redemption as provided in the Certificate of Award.

Optional Redemption. The Series 2021 Bonds shall not be subject to optional redemption unless otherwise provided in the Covenants Agreement and set forth in the Certificate of Award, and if subject to optional redemption, shall be redeemed at par, with at least fifteen (15) days prior written notice to the Original Purchase.

Places and Manner of Payment. The Series 2021 Bonds shall be payable to the Original Purchaser by wire transfer or other agreed method pursuant to instructions of the Original Purchaser. Payment of principal upon redemption or maturity shall require presentation of the Series 2021 Bond to the Fiscal Officer. The Fiscal Officer shall act as the paying agent for all payments on the Series 2021 Bonds.

Registrar of Series 2021 Bonds; Transfer. The Fiscal Officer shall act as Registrar and shall keep the Register for the Series 2021 Bonds. The Series 2021 Bonds shall be transferable in accordance with the Covenants Agreement.

Execution and Authentication. The Series 2021 Bonds shall be executed by two Authorized Officers, provided that one or both of such signatures may be a facsimile, and authenticated by the Secretary or any Assistant Secretary of this Board.

Pledge of Limited Available Receipts. Pursuant to and in accordance with Ohio Revised Code Section 3345.12(C), the University does hereby grant to the holders of the Series 2021 Bonds a pledge of and lien on Limited Available Receipts to secure payment of the Series 2021 Bonds. Such pledge and lien is subordinate to the pledge on General Receipts provided by the University to secure the General Receipts Obligations, and no payments shall be made on the Series 2021 Bonds from General Receipts during any period in which all amounts then required to be paid or funded in respect of the General Receipts Obligations have not been paid or funded; provided, the failure to make such payments on the Series 2021 Bonds when due shall be a default under the Series 2021 Bonds.

Sale of Series 2021 Bonds. The Series 2021 Bonds shall be privately placed directly with the Original Purchaser and delivered to the Original Purchaser in accordance with this Resolution, and on such further terms authorized by or not inconsistent with this Resolution and the Term Sheet. The Fiscal Officer shall execute the Certificate of Award, which is hereby authorized, and

the Certificate of Award shall confirm the final interest rate for the Series 2021 Bonds, the Interest Payment Dates, the final maturity date, and the principal amount of each series of the Series 2021 Bonds, including those Series 2021 Bonds that will be issued as Tax-Exempt Bonds, together with such other determinations permitted herein within the parameters contained in this Resolution. The Authorized Officers of the University shall execute and deliver a Covenants Agreement with the Original Purchaser, which is hereby authorized, and shall execute such other documents as may be required by the Original Purchaser or legal counsel for the Series 2021 Bonds in order to further provide for the terms of sale to the Original Purchaser of the Series 2021 Bonds. The terms of the Covenants Agreement shall not be inconsistent with this Resolution and the Term Sheet, and shall not be materially adverse to the University as approved by the Authorized Officer, his or her signing to constitute conclusive approval on behalf of the University.

Allocation of Proceeds of Series 2021 Bonds. The proceeds from the sale of the Series 2021 Bonds shall be deposited with the Fiscal Officer and used to refund the Series 2019 Bonds and to pay the costs of issuance of the Series 2021 Bonds.

Other documents. The President of the University, the Fiscal Officer, and the Chair and Vice-Chair of the Board, or any two or more of them, are authorized and directed to furnish, sign and deliver the Term Sheet, the Covenants Agreement, any fixed interest rate lock agreement(s) and such other documents, IRS forms, tax agreements, certificates and instruments as may be necessary or appropriate to issue the Series 2021 Bonds and to consummate the transactions contemplated in this Resolution, the Term Sheet and the Covenants Agreement. 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 2021 Bonds. All actions previously taken by officers and employees of the University in connection with or related to the Series 2021 Bonds as described herein, including without limitation, the execution of the Term Sheet and the execution of the agreement(s) to lock-in interest rates for the Series 2021 Bonds, are hereby approved, ratified and confirmed.

Tax Covenants. With respect to Series 2021 Bonds that are Tax-Exempt Bonds, the Board, for itself and the University, hereby covenants that:

It will use, and will restrict the use and investment of, the proceeds of the Series 2021 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.

It (i) will take or cause to be taken such actions that may be required of it for the interest on the Series 2021 Bonds to be and remain excluded from gross income for federal income tax purposes, and (ii) 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds.

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.

Board Secretary Wilson called the roll for the second bond issue. Voting in the affirmative were Mr. Cosgrove, Ms. DePompei, Mr. Kirk, Ms. Kunkle, Ms. Whiting, and Chair Reynolds. Trustee Paul Dolan abstained from the voting. The following resolution was approved.

RESOLUTION 2021-39

AUTHORIZING THE ISSUANCE OF GENERAL RECEIPTS BONDS OF THE UNIVERSITY IN A PRINCIPAL AMOUNT NOT TO EXCEED \$115,000,000 FOR THE PURPOSE OF REFUNDING IN WHOLE OR IN PART, THE UNIVERSITY'S GENERAL RECEIPT BONDS, SERIES 2012 AND PAYING COSTS OF ISSUANCE IN CONNECTION THEREWITH

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, the University issued its \$152,835,000 General Receipts Bond, Series 2012 dated August 21, 2012 (the “Series 2012 Bonds”), \$110,900,000 of which is currently outstanding; and

WHEREAS, this Board has determined that it is in the best interest of the University, in order to achieve substantial debt service savings, to issue bonds to refund, in whole or in part, the Series 2012 Bonds; and

WHEREAS, this Board has determined to authorize the issuance and sale of one or more series of General Receipts Bonds to refund the outstanding Series 2012 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 Cleveland State University Board of Trustees, as follows:

Section 1. Definitions and Interpretations. Where used in this Resolution, the Supplemental Trust Agreement for the applicable Series of Series 2021 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 2021 Bonds.

“Certificate of Award” means the Certificate 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 2021 Bonds of any Series.

“Fiscal Officer” means the Vice President for Business Affairs and Finance and also means, as an alternate, the Associate Vice President for Business Affairs and Finance and Controller 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 2021 Bonds of any Series, such other dates provided in the Certificate of Award for that Series of Series 2021 Bonds.

“Original Purchaser” means one or more financial institutions as may be identified in the Certificate of Award as the purchasers of the Series 2021 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 2012, currently outstanding in the principal amount of \$110,900,000 and General Receipts Refunding Bonds, Series 2016A, currently outstanding in the principal amount of \$27,435,000.

“Rating Service” means any nationally recognized rating service.

“Refunded Bonds” means the maturities of the Series 2012 Bonds to be refunded by the Series 2021 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.

“Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

“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 2021 Bonds” means the General Receipts Refunding Bonds, Series 2021 authorized by this Resolution which may be issued in one or more Series at the same time or at different times.

“Series 2021 Resolution” or “this Resolution” means this Resolution authorizing the issuance and sale of the Series 2021 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 2021 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 2021 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, as amended or supplemented from time to time.

“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 2021 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 2021 Bonds of all Series issued shall not exceed \$115,000,000. Any Series 2021 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 2021 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 2021 Bonds shall be allocated, deposited and applied as provided in Section 6.

The Series 2021 Bonds may be issued in one or more separate Series, each bearing a distinctive designation, provided that the Series 2021 Bonds of each Series satisfy the requirements of this Resolution. A single Series of Series 2021 Bonds may be issued to refund the Refunded Bonds or separate Series of Series 2021 Bonds may be issued to refund the Refunded Bonds. Separate Series of Series 2021 Bonds may be issued at the same or different times. The Series 2021 Bonds of each

Series shall be designated as provided in the applicable Certificate of Award. If separate Series of Series 2021 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 2021 Bonds.

(a) **Form and Numbering.** The Series 2021 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 2021 Bonds, and shall be numbered as determined by the Fiscal Officer. The Series 2021 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 2021 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 2021 Bonds.

(b) **Denominations and Dates.** The Series 2021 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 2021 Bonds. The Series 2021 Bonds of each Series shall be issued in the denominations authorized in the applicable Supplemental Trust Agreement.

(c) **Interest.** The Series 2021 Bonds of each Series shall bear interest from their respective dates payable on the Interest Payment Dates at the respective interest rates per year to be determined by the Fiscal Officer as being not substantially adverse to the University, and set forth in the Certificate of Award for the related Series of Series 2021 Bonds, provided that the yield (determined in accordance with the arbitrage provisions of the Code) of all Series 2021 Bonds of a Series shall not exceed five percent (5%) per year.

(d) **Maturities.** The Series 2021 Bonds of each Series shall mature on the dates and in the amounts as the Fiscal Officer determines in the Certificate of Award, provided that no Series 2021 Bonds issued to refund Refunded Bonds shall have a weighted average maturity greater than the remaining weighted average maturity of such Refunded Bonds.

(e) **Prior Redemption.**

(i) **Term Bonds--Mandatory Redemption.** If provided for in the Certificate of Award, Series 2021 Bonds maturing in a particular year may be consolidated with the principal amount of Series 2021 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

2021 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 2021 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 2021 Bonds of any Series will be subject to optional redemption prior to maturity or that certain maturities of Series 2021 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 2021 Bonds of any Series are to be called for optional redemption, the Series 2021 Bonds to be redeemed shall be selected by the University in any manner it may determine. If fewer than all of the outstanding Series 2021 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 2021 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 2021 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 2021 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 2021 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2021 Bond, and any failure to receive notice duly mailed shall not affect the validity of the proceedings for the redemption of any Series 2021 Bonds.

(f) **Places and Manner of Payment.** The Series 2021 Bonds shall be payable at the places and in the manner provided in the Supplemental Trust Agreement for the related Series of Series 2021 Bonds.

(g) **Execution and Authentication.** The Series 2021 Bonds shall be executed and authenticated in the manner provided in the Trust Agreement.

Section 5. Sale and Award of Series 2021 Bonds.

(a) **Sale of Series 2021 Bonds.** The Board authorizes and directs the Fiscal Officer to sell the Series 2021 Bonds in a private sale to the Original Purchaser. The purchase price of the Series 2021 Bonds must not be less than 97% of the aggregate principal amount of the Series 2021 Bonds, plus any accrued interest on the Series 2021 Bonds from their date to the Closing Date. The Fiscal Officer may either sell the Series 2021 Bonds to an investment banker, acting as underwriter, or to a financial institution or other entity or person in a private placement. The Fiscal Officer may enter into a Bond Purchase Agreement with the Original Purchaser in that private sale, or may sell the Series 2021 Bonds without a Bond Purchase Agreement. The Board authorizes the Fiscal officer to sell the Series 2021 Bonds at such time on such terms and at such prices as the Fiscal Officer shall determine is in the best financial interests of the University.

(b) **Certificate of Award.** The Fiscal Officer is authorized to sign one or more Certificates of Award and any Bond Purchase Agreement for the related Series of Series 2021 Bonds, in order to provide for the definitive terms and terms of sale and award to the Original Purchaser of the Series 2021 Bonds of each Series as provided in this Resolution, but not later than June 30, 2022. The Certificate of Award and any Bond Purchase Agreement for any Series of Series 2021 Bonds shall not be inconsistent with this Resolution, and shall be approved by the Fiscal Officer, with the Fiscal Officer’s 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 2021 Bonds shall be incorporated in and form a part of the related Supplemental Trust Agreement.

(c) **Official Statement.** If determined by the Fiscal Officer to be necessary in connection with the sale of the Series 2021 Bonds, then 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 2021 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 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 2021 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 2021 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.

(d) 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 2021 Bonds, shall make a continuing disclosure agreement for the related Series of the Series 2021 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 2021 Bonds. The proceeds from the sale of the Series 2021 Bonds of each Series shall be allocated, deposited and credited in the manner set forth in the Supplemental Trust Agreement.

Section 7. Tax Covenants.

With respect to Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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. 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 and in accordance with the Trust 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 2021 Bonds and other sources of moneys and for the delivery to the 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 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.

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. 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 2021 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 2021 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 2021 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 2021 Bonds and to consummate the transactions contemplated in this Resolution, the Supplemental Trust Agreement and the Bond Purchase Agreement, each as applicable to the related Series of Series 2021 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 2021 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.

EXECUTIVE SESSION

Trustee Cosgrove moved to adjourn into Executive Session to consider personnel matters, including the employment and compensation of a public employee and other matters required to be kept confidential. Trustee Kunkle seconded the motion.

A roll call vote was taken by the Secretary of the Board; voting in the affirmative were Mr. Cosgrove, Ms. DePompei, Mr. Dolan, Mr. Kirk, Ms. Kunkle, Ms. Whiting, and Chair Reynolds. The motion carried.

Chair Reynolds excused everyone except the voting trustees, President Sands, and General Counsel and Board Secretary Wilson. The executive session began at 3:46 p.m.

At 5:44 p.m., Chair Reynolds announced that the Board had finished its business in Executive Session and was returning to its regular meeting.

NEW BUSINESS

Chair Reynolds thanked President Sands for his leadership and continued commitment to ensuring Cleveland State's place as an anchor institution in our city and region, as well as a beacon that is drawing students and talent from across the nation and internationally, and he asked for a motion to approve the annual evaluation and accept the fourth-year goals of President Harlan Sands.

Trustee Whiting moved the motion, and Trustee Kirk seconded the motion. Chair Reynolds asked Board Secretary Wilson to call to roll; voting in the affirmative were Mr. Cosgrove, Ms. DePompei, Mr. Dolan, Mr. Kirk, Ms. Kunkle, Ms. Whiting, and Chair Reynolds. The following resolution was approved unanimously.

RESOLUTION 2021-40

APPROVING ANNUAL EVALUATION AND ACCEPTING THE FOURTH-YEAR GOALS OF PRESIDENT HARLAN M. SANDS

WHEREAS, pursuant to Section 3.2 of President Sands' employment agreement and Section 3344-1-02(J) of the Board Bylaws, the Board's Executive Committee shall conduct an annual evaluation of the President's performance based on jointly established goals for the year in review that reflect progress in achieving the University's strategic plan, as well as establish mutually agreed upon goals and objectives for the next fiscal year to recommend to the full Board; and

WHEREAS, the Executive Committee invited all voting Trustees of the Board to participate in this year's evaluation of the President; and

WHEREAS, the Board of Trustees has conducted the annual evaluation of President Sands and takes particular note of his exemplary performance and continued leadership in response to the COVID-19 pandemic, and accordingly finds that he has met established expectations for FY21 despite the unprecedented circumstances presented by the pandemic; and

WHEREAS, President Sands' many specific accomplishments during a year of challenge and uncertainty include, but are not limited to:

- Accelerated positive, institution-wide momentum in academic quality, research, and student success enhancements while delivering a blueprint for future growth (CSU 2.0);
- Successfully collaborated with faculty to develop the CSU 2.0 Roadmap that was met with Faculty Senate approval of the restructuring plan (56%) and overall 2.0 blueprint (81%);
- Recognized and served as a statewide leader and advisor on COVID-19 health protocols across the state, greatly enhancing CSU's profile and reputation in a time of crisis, while maintaining health and safety on CSU's campus;
- Through prudent measures, ended FY21 with a balanced budget and no use of reserves and presented a 2-year FY22 and FY23 balanced budget that includes capacity for investing in CSU 2.0;
- Strategic investment of CARES funding in student success initiatives which resulted in increased 6-year graduation rates and increased first-year retention;
- Successful recruitment of 33 new faculty (fall 2020) while generating \$3 million in position savings through internal restructuring and retirement incentives;
- Implemented innovative strategies to mitigate the pandemic's impact on enrollment, resulting in Fall 2020 enrollments ranking fourth among 14 public institutions in Ohio and CSU's overall enrollment decrease of approximately 2% significantly exceeded the average decline across the state;
- Secured a \$20 million investment from JobsOhio to create a talent pipeline and fuel growth in post-pandemic careers in emerging technologies, life sciences and data-intensive fields;
- Initiated plan to refinance CSU debt to take advantage of current market conditions and reduce annual debt service payments; and

WHEREAS, pursuant to Section 4.5 of his employment agreement, President Sands is entitled to a performance bonus upon successful accomplishment of his goals; and

WHEREAS, the Board recognizes and appreciates that President Sands agreed to forgo his FY2020 performance bonus last year amid the financial constraints and uncertainty of the COVID-19 pandemic; and

WHEREAS, based upon his many significant accomplishments in meeting his FY21 goals, President Sands has earned a full performance bonus consistent with the terms of his employment agreement; and

WHEREAS, President Sands has shared and discussed his target goals and objectives for FY22 with the Executive Committee, which in turn recommends that the full Board accept his evaluation and goals for FY22:

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby accepts the Executive Committee's recommendation and approves President Sands' FY22 goals as mutually agreed upon, and further accepts his FY21 evaluation and directs the University administration to pay his earned performance bonus as set forth in his employment agreement.

ADJOURNMENT

Chair Reynolds asked if there was any other unfinished business, hearing none, the meeting was adjourned at 5:52 p.m.

Respectfully submitted,

APPROVED ON SEPTEMBER 23, 2021

Sonali B. Wilson
General Counsel and
Secretary to the Board of Trustees

APPROVED ON SEPTEMBER 23, 2021

David M. Reynolds
Chair, Board of Trustees