CALL TO ORDER AND ROLL CALL

Board Chair Jane Murphy Timken called the business meeting to order at 9:01 a.m. in the Urban Conference Room. Trustee Stephen Colecchi called the roll, and a quorum was present.

PROOF OF NOTICE

Chair Timken stated that public notification was given pursuant to state law and university policy.

APPROVAL OF THE AGENDA

Chair Timken stated that a special meeting of the Board of Trustees was called for the purpose of considering the university budget for fiscal year 2014, including tuition and fees effective Fall 2013. She asked if there were any additions or corrections to the agenda, hearing none, the agenda was approved by general consent.

Chair Timken then called on Trustee Woods to present the report of the Finance and Administration Committee.

FINANCE AND ADMINISTRATION COMMITTEE

Trustee Woods noted that the Finance and Administration Committee met this morning to finalize budget and tuition recommendations for the Board’s consideration.
APPROVAL OF FISCAL YEAR 2014 OPERATING BUDGET AND TUITION AND FEES FOR FALL 2013

Trustee Woods remarked that throughout the past several weeks, Board members have had fruitful conversations with university administration regarding Kent State’s continued commitment to affordability for students. These discussions have affirmed the board’s and administration’s commitment to efficiency and the protection of academic program quality, she said. She noted that trustees recognize the sacrifice students and families are making to pay for a college education, and the Board takes no action regarding tuition and fees without a comprehensive examination of the rationale for and impact of any proposed increases. Trustee Woods commented that the Board’s continued commitment to affordability and quality guides the committee’s recommendations.

She then brought forth a resolution recommending the Board approve a 1.5% increase in the university’s undergraduate and graduate tuition. In addition to this increase being below the 2% rate adjustment permitted in the final state budget language, Trustee Woods noted that the expected proceeds from this rate change will not be used to cover general operating expenses, but instead will be directed to students in the form of financial aid. Even with this increase, Kent State’s proposed rate of $9,846 remains the median price among Ohio state institutions, she said.

As part of the same resolution, Trustee Woods then recommended approval of the university’s fiscal year 2014 operating budget. She acknowledged that the recommended tuition proposal will provide some financial challenges for Kent State colleges and campuses, but the Board is confident that resources from the state allocation and continued efficiency efforts will produce a balanced budget without unfavorably affecting program quality.

Trustee Woods then commended President Lefton and the leadership team, including the deans, for their prudent reinvestment strategy that is reflected in enrollment that is increasing not only in number but in student quality. Kent State is performing well against the metrics established by the Board and the State, and students are responding, she said. She noted that the incoming freshman class has made record commitments for enrollment, student housing and Destination Kent State appointments. She further noted that university continues to offer convenient and affordable pathways to a Kent State degree, at two-thirds the cost, through the seven regional campuses serving local communities.

With that, Trustee Woods recommended approval of the resolution and concluded the report of the Finance and Administration Committee.

Resolution 2013-41

APPROVAL OF FISCAL YEAR 2014 UNIVERSITY BUDGET AND TUITION AND FEES FOR FALL 2013

WHEREAS, an annual budget is prepared to provide a financial plan to guide the university for the next fiscal year (2013-14); and
WHEREAS, the Board of Trustees, at its meeting on May 14, 2013, approved an
Expenditure Authorization per Resolution 2013-34 to continue operations in fiscal
year 2014 if a new budget could not be completed prior to July 1, 2013; and

WHEREAS, the State of Ohio budget is close to completion, updated estimates of
the state appropriation were received, and the House and Senate have agreed upon
the tuition limits recommended in House Bill 59 (budget bill); and

WHEREAS, the university continues to pursue efficiencies so that the cost of a
Kent State education remains among the most affordable in Ohio; and

WHEREAS, in that spirit, Kent State dedicated itself to adopting a more modest
tuition increase than the 2% anticipated in the state budget and has committed all
of the funds projected to be generated by the 1.5% rate increase to students in the
form of financial aid growth; and

WHEREAS, projected resources resulting from stable enrollment, state
appropriations, the tuition adjustment, and judicious expense management will
produce a balanced educational and general operating budget for the 2013-14
fiscal year; now, therefore,

BE IT RESOLVED, that the Kent State University Board of Trustees hereby
approves the attached proposed university operating budget for fiscal year 2013-
14; and

BE IT FURTHER RESOLVED, that the Kent State University Board of Trustees
approves the attached schedule of tuition and fees for the university effective for
the fall semester 2013; subject to any limitations that may be contained within the
final State of Ohio budget bill.

Chair Timken thanked Trustee Woods for her report, stating how much she appreciated their
time and attention dedicated to this issue. Chair Timken continued, stating that the board and the
administration have worked in partnership to ensure sound financial stewardship of university
resources, including strategic investments in Kent State’s Excellence Agenda that continue to
yield impressive results. She echoed Trustee Woods in noting that the university will continue to
focus on increasing efficiencies and ensuring that university resources are well spent and deliver
the intended results in quality and the educational experience of all students. Chair Timken
remarked that the board is deeply committed to the value of affordability, and having taken a
hard look at the budget proposals, trustees feel comfortable that the recommendations today
reflect a reasonable balance in terms of supporting program quality and student need.

President Lefton observed that Kent State continues to do an outstanding job of managing its
finances and stands out among public universities in growing enrollment and quality. The
university’s FY 2014 budget is solid and shows that university leaders have made good, strategic
decisions, he said. President Lefton thanked trustees for the time and effort they have committed
to the budget process this year and for supporting the allocation of additional scholarship funds for students. Because of responsible and effective decision-making, Kent State is able to keep the tuition increase below the state-mandated limit and at a rate below many of our sister institutions, he said.

ACTION: Trustee Eckart moved, seconded by Trustee Copeland, that the resolution be approved. There were no objections. The motion passed.

RESOLUTION OF APPRECIATION FOR JACQUELINE F. WOODS

Chair Timken then called on Trustee Della Ratta to present a resolution of appreciation to Jacqueline F. Woods on behalf of the board, in recognition of her outstanding service.

Resolution 2013-42

RESOLUTION OF APPRECIATION TO JACQUELINE F. WOODS

WHEREAS, Jacqueline F. Woods was appointed to the Board of Trustees of Kent State University by Governor Bob Taft on July 7, 2004; and

WHEREAS, throughout her tenure Trustee Woods has devoted extraordinary time, effort and passion to her stewardship of Kent State University; and

WHEREAS, she is completing a nine-year term as a trustee of Kent State University, marking a tremendous time of change and revitalization in the life of the University, including the selection of Dr. Lester A. Lefton as Kent State’s 11th President, effective July 1, 2006; successful completion of the $265-million Centennial Campaign; development and launch of the historic Foundations of Excellence, Building the Future initiative; extension of the University Esplanade into a revitalized downtown Kent; and other accomplishments too numerous to cite here; and

WHEREAS, in her time as a trustee she has provided integral leadership as chair of the External Relations and Development Committee (2005-2008) and Finance and Administration Committee (2012-2013), as well as Secretary (2008-2009), Vice-Chair (2009-2010), and ultimately Chair of the Board of Trustees (2010-2012), focusing on the board’s responsibility for the “bottom lines” of financial integrity and academic excellence, and ensuring that institutional and board performance are tested against strategic plan commitments in these domains; and

WHEREAS, the quality and effectiveness of board governance of Kent State has been elevated by her national leadership as a member of the Board of Directors of the Association of Governing Boards of Universities and Colleges (AGB); now, therefore
BE IT RESOLVED, that because of her inspired leadership and deep commitment to the advancement of Kent State University as a member of the Board of Trustees, Jacqueline F. Woods is hereby designated Trustee Emeritus of Kent State University with all the rights and privileges pertaining thereto.

ACTION: Trustee Copeland moved, seconded by Trustee Della Ratta, that the resolution be approved. There were no objections. The motion passed.

Chair Timken presented Trustee Woods with a framed copy of the resolution and a gift. President Lefton thanked Trustee Woods for her superb service, adding that he especially valued her collaboration and advice as board chair for two years. He presented her with a framed photograph he took in Florence, Italy, recalling the time Trustee Woods and her husband Jack visited the university’s Florence campus as part of a study tour.

Trustee Woods commented that she has been very pleased and honored to serve on the Kent State University Board of Trustees. She remarked about her enjoyment of working with both President Cartwright and President Lefton. Noting the continued growth and advancement of the university over her term, she commented on how impressed she is every day being a part of Kent State. She noted her particular pride in the academic accomplishments made under President Lefton’s leadership, which has put the university on a path for continued success. She thanked her fellow trustees for their friendship and support, and wished the university the very best.

In conclusion to the business meeting, Chair Timken called upon Athletic Director Joel Nielsen to introduce Head Baseball Coach Jeff Duncan, who joined the university on June 25. She welcomed Coach Duncan to Kent State and expressed confidence, on behalf of the Board, that he and his staff and student-athletes will continue the excellent tradition of Kent State baseball, a sentiment echoed by other trustees in attendance. President Lefton commented that from the outset of the interview process, he had felt that Coach Duncan was the right person to lead Kent State’s storied baseball program. Coach Duncan has a track record of success on the field and most importantly, in developing student athletes who succeed academically and in life, he said.

EXECUTIVE SESSION

Chair Timken then announced that the business portion of the Board’s special meeting had concluded.

In accordance with Chapter 121.22, section G of the Ohio Revised Code, Chair Timken announced the Board had a need to meet in Executive Session for the purposes of: (i) considering the employment and compensation of a public employee or official [121.22(G) (1)]. Chair Timken noted that there will be no further action to come before the Board, and the Board will reconvene, at approximately 1:30 p.m., solely for the purpose of adjournment. Trustee Eckart moved, seconded by Trustee Copeland, that the board adjourn into Executive Session.

By virtue of a unanimous roll call vote, the Board adjourned into Executive Session. The session concluded at 1:23 p.m.
ADJOURNMENT

Chair Timken announced that the next regular business meeting of the Board of Trustees would occur September 18, 2013, at the Kent State University Hotel and Conference Center in Kent, Ohio. On motion duly made and approved, the meeting was adjourned at 1:25 p.m.