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**WRIGHT STATE UNIVERSITY
BOARD OF TRUSTEES
OFFICIAL PROCEEDING OF THE
THREE HUNDRED AND TWELFTH MEETING**

July 15, 2016

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**WRIGHT STATE UNIVERSITY
BOARD OF TRUSTEES
OFFICIAL PROCEEDINGS OF THE
THREE HUNDRED AND TWELFTH MEETING**

July 15, 2016

I. CALL TO ORDER

The special public session meeting of the Wright State Board of Trustees was called to order by Mr. Michael Bridges, chair, on Friday, July 15, 2016, at 11:01 a.m. in the Rathskeller, (Room 008), Student Union. Dr. Robert J. Sweeney, secretary to the Board of Trustees, called the roll:

Present

Michael Bridges
Douglas Fecher
William M. Montgomery
C.D. Moore
Grace Ramos

Absent

Eloise Broner
Anuj Goyal
Ryan Pignatiello

II. PROOF OF NOTICE OF MEETING

Mr. Bridges reported that the meeting was called by written notification and a quorum was present.

The Wright State University Board of Trustees is a public body subject to the Ohio Open Meetings Act. It operates on a fixed agenda available to those attending the meeting. Persons wishing to address the Board in its public session should submit a written request to the Board of Trustees' office 72 hours in advance of the meeting in order to be placed on the agenda. However, all persons address the Board at the invitation of the Board and are subject to time limitations and other guidelines established to maintain the good order of the meeting.

Conflict of Interest Statement

Mr. Bridges read the following reminder.

It is of utmost importance to ensure that all university decisions are free from any real or perceived conflicts of interest.

Therefore, please be mindful of all obligations with which you have been charged as a Trustee of Wright State University; and take the steps you deem appropriate to perform your duties fairly and impartially.

III. REPORT OF THE CHAIR

Chairman Bridges thanked the Board for agreeing to hold a special public session for review of two contracts with a time limitation that could not be delayed until fall. Mr. Bridges invited Mr. Jeff Ulliman, vice president for business and finance administration and chief financial officer, to update the Board on those contracts.

Mr. Ulliman briefed the Board on the following:

1. Roof Renovation Project-Russ Engineering Center

The Russ Engineering Center was opened in 1992. The roof on the building is original, out of warranty for a number of years, and well past its useful life. Significant water intrusion has been taking place in several areas necessitating frequent repairs to the roof and to damaged interior areas. This project completely replaces the roof on the Russ Engineering Center.

A public bid process was conducted in April and the following competitive bids were received:

A.H. Sturgill Roofing, Dayton, OH	\$888,700
Cotterman & Co., Dayton, OH	\$915,515
BK Contracting, Dayton, OH	\$1,073,600

Mr. Ulliman was asked by Mr. Fecher to explain the difference between cash-on-hand and unrestricted reserves. One time projects such as unexpected repairs can impact university reserves. With the University in a financial remediation plan and projections showing an anticipated \$20 million in cash-on-hand as of June 30, 2016, the Board is closely monitoring any expenses that would further diminish reserves; especially since \$15 million will be needed to balance the 2016-2017 budget.

The Board and University have pledged to put people first, especially pertaining to students and their educational needs, while working through the challenges of the budget remediation process. In order to more closely monitor changes in reserves, cash positions, and the impact of budget against revenue, the Chair of the Board has requested that the Finance Committee meet with Mr. Ulliman and the Finance Department on a monthly basis. A Finance Committee meeting is now scheduled for Friday, August 12, 2016.

Understanding that work on the roof project is partially completed and a necessary expense to preserve the integrity of the Russ

Engineering Building despite the need to access cash-on-hand reserves, the Board moved on the following resolution.

RESOLUTION 17-1

Using local funds which were internally allocated approximately one year ago as a subset of a series of life-safety and deferred maintenance projects, the Wright State University Board of Trustees'

RESOLVES to authorize the administration to contract with A.H. Sturgill Roofing for the Russ Engineering Roof Renovation Project at a cost not to exceed \$888,700.

Mr. Bridges moved for approval. Mr. Fecher seconded, and the motion was unanimously approved by roll call vote.

2. Agriculture/Water Quality Building, Lake Campus

The State of Ohio has committed state capital dollars in the amount of \$1.5 million for the construction of an Agriculture/ Water Quality Building at the Lake Campus. The total cost of the building is \$3 million, making the University responsible for the second \$1.5 million. The site is land adjacent to the Lake Campus that is owned by Double Bowler. Under consideration is a plan for Double Bowler to request that their Board authorize the financing of \$1.5 million to complement the state capital amount of \$1.5 million. Double Bowler would also construct the facility. The University would manage the construction process and, once completed, would lease the facility from Double Bowler.

Mr. Ulliman explained that Board approval was being sought to authorize the University to enter into a 15-year lease agreement with Double Bowler at current market rates to finance and construct the Agriculture/Water Quality building for an amount not to exceed \$140,000 for 15 years for a total of \$2,100,000. The University would be free to pay off the lease prior to the 15-year term without a prepayment penalty. It was noted that associated operational expenses for the building are estimated to be approximately \$42,000 annually. At this time, approval is not being sought for the operational expenses.

Mr. Bridges identified himself as a member of the Double Bowler Board and recused himself from the discussion by leaving the room.

Dr. Jay Albayyari, dean of the Lake Campus, spoke about enrollment and fundraising projections for Lake Campus for 2016-2017 and

expressed confidence that the lease would be satisfied well prior to the 15-year term. Trustee Montgomery spoke about the major impact the proposed construction will have on the Lake Campus and the support for the project being offered from the surrounding agricultural community. Also discussed was the concern over the permanent loss of this one-time state support should Wright State not be able to match the \$1.5 million in funding.

After careful consideration and deliberation, the Board moved on the following resolution.

RESOLUTION 17-2

BE IT RESOLVED that the Board of Trustees authorizes the administration to enter into a lease agreement with Double Bowler Properties for a 15-year period at an annual expenditure not to exceed \$140,000 annually for the lease (and ultimate ownership) of the Agriculture/Water Quality Building on the Lake Campus.

Mr. Fecher moved for approval. Mr. Montgomery seconded, and the motion was approved 4, 0, 1 (Mr. Bridges recused).

Mr. Bridges was asked to rejoin the meeting following the vote.

IV. REPORT OF THE PRESIDENT

Dr. Hopkins thanked the Board for their support and for holding the special public session to review the contracts.

Today is the School of Professional Psychology's Commencement ceremony. The number of students graduating today exceeds the combined number of students enrolled in all the other Ohio schools of Professional Psychology. Senator Sherrod Brown is the featured keynote speaker.

Enrollment for Summer Semester is ½ percent ahead of this time last year with a goal of a 1.5% increase expected by the 14-day numbers.

Committees are hard at work all across campus on Presidential Debate 2016 plans. Once the Republican and Democratic conventions are over, all media attention will turn to Wright State University as the host of the first Presidential Debate.

V. REPORTS OF THE COMMITTEES OF THE BOARD

None offered.

VI. EXECUTIVE SESSION

The Board elected to move from Public Session to Executive Session.

In accordance with amendments to the Ohio Open Meetings Law, the Board, after a majority of a quorum and by roll call vote, determined to hold an Executive Session by offering the following resolution:

RESOLUTION 17-3

RESOLVED that the Wright State University Board of Trustees agreed to hold a Special Executive Session on Friday, July 15, 2016; and be it further

RESOLVED that pursuant to the Ohio Revised Code 121.22 (G), the following issues may be discussed in Executive Session:

- Pending or imminent court action
- Personnel matters

Mr. Bridges moved for approval. Mr. Fecher seconded, and the motioned was unanimously approved by roll call vote.

VII. ADJOURNMENT

The meeting adjourned at 1:20 p.m.