

COUNCIL OF TRUSTEES QUARTERLY MEETING MINUTES
Wednesday, December 8, 2021

The Bloomsburg University of Pennsylvania Council of Trustees held their Quarterly meeting on December 8, 2021, at 10:00 a.m. The trustees met in the Assembly Room of Monty's. The public participated via the Zoom Webinar link provided. Those in attendance:

Trustees Present – Voting Members:

Judge Mary Jane Bowes, Chairperson
Ms. Nancy Vasta, Vice Chairperson
Dr. Brian O'Donnell, Secretary
Mr. Ed Edwards
Mr. Duane Greenly
Mr. Daniel Klingerman
Ms. Julia Burcin
Mr. Raymond Zaborney

Trustees Absent:

Secretary John Wetzel
Ms. Amy Brayford

University Personnel

Dr. Bashar Hanna, President
Ms. Amy Osborne, Director of Operations and Resource Management
Dr. Diana Rogers-Adkinson, Provost and Senior Vice President for Academic Affairs
Ms. Claudia Thrush, Vice President, Administration and Finance
Mr. Tom Fletcher, Vice President for Student Success and Enrollment Services
Dr. Marty Wygmans, Interim Vice President for Student Success and Campus Life
Mr. Erik Evans, Vice President for University Advancement
Ms. Mary Vezendy, Coordinator of Operations

Council of Trustees Advisors

Mr. Eric Hawrelak, Interim President, Bloomsburg Chapter of APSCUF
Mr. Shawn Makar, President, Bloomsburg Chapter of AFSCME
Ms. Gretchen Osterman, President, Bloomsburg Chapter of SCUPA
Mr. Cameren Cooper, President, Community Government Association

Call to Order

Chair Bowes called the meeting to order and welcomed all those in attendance.

Pledge of Allegiance

In accord with House Resolution Number 32, Trustee Bowes requested everyone to stand for the Pledge of Allegiance to the American Flag.

Roll Call

Chair Bowes asked Mary Vezendy to conduct a roll call. Ms. Vezendy conducted a roll call of those in attendance and acknowledged a quorum.

Public Comments

Chair Bowes opened the meeting for public comment before proceeding with Approval of the October 6, 2021 minutes. There were no public comments at this time.

Minutes of the Council of Trustees

A motion was made by Trustee O'Donnell to approve the October 6, 2021 minutes, seconded by Trustee Edwards; the motion was unanimously approved.

Introductions

Chair Bowes introduced and acknowledged the following individuals as being nominated and granted Faculty Emeritus status by President Hanna: Dr. John Grandzol, Ms. Carol Moore, and Dr. Erik Wynters. Manager and Non-Instructional Emeritus names were announced as follows: Mr. Vince DiLoretto, Ms. Kay Hess, and Ms. Rosemary Huber.

Chair Bowes also recognized those individuals serving on the Advisory Panel: Dr. Eric Hawrelak, Mr. Shawn Makar, Ms. Gretchen Osterman, and Mr. Cameren Cooper.

NEW BUSINESS

Informational Items:

Chair Bowes introduced Dr. Bashar Hanna, President, to provide the President's Report.

President's Report (Dr. Bashar Hanna)

President Hanna reviewed his President's Report with the Trustees. A copy of the report is appended to the minutes. He presented the following:

- Campus Update
- Integration Update
- University Highlights
- Student Success

Dr. Hanna introduced the Senior Management Team and expressed his thanks to all faculty, staff, and students for their continued dedication and support to the university.

Dr. Hanna announced and thanked Kerby Confer for his generous gift of \$5.3 million to construct and support the Kerby Confer Media Center. \$1.5 million will be used to subsidize the construction of the Kerby Confer Media Center, a state-of-the-art media center designed to attract the best and brightest students aspiring to become highly-recruited professionals in

radio, video, podcasts, live streaming and other media forms. The residual of the gift will remain at the Foundation to create a permanent endowment to employ and support a general manager with professional media experience, scholarships, the Confer Radio Talent Institute, and experiential learning opportunities. Mr. Confer humbly remarked on the history of his career, his history with the university, and his passion for creating this opportunity for our students.

ACTION ITEMS:

TRUSTEES:

Manager Emeritus

A motion was made by Trustee Greenly to approve Mr. Vince DiLoretto for Manager Emeritus, according to Policy 8760. Trustee Edwards seconded the motion; the motion passed unanimously.

Non-Instructional Emeritus

A motion was made by Trustee Greenly to approve Ms. Kay Hess and Ms. Rosemary Huber, according to Policy 8761. Trustee Edwards seconded the motion; the motion passed unanimously.

Academic Affairs

Chair Bowes introduced Dr. Rogers-Adkinson, Senior Vice President for Academic Affairs, to present the New College Configuration.

A motion was made by Trustee Greenly to approve the New College Configuration. Trustee Edwards seconded the motion; the motion passed unanimously.

General Administration

Chair Bowes introduced Ms. Claudia Thrush, Vice President of Administration and Finance, to lead the discussion of the agenda's General Administration section.

Board of Governors Policy 1985-04-A (Ms. Claudia Thrush)

Motion was made by Trustee O'Donnell to approve the following resolution, second by Trustee Zaborney, the following resolution was approved unanimously:

The Council of Trustees of Bloomsburg University of Pennsylvania, upon recommendation of the president, hereby certifies, as per Board of Governors' Policy 1985-04-A, that the following affiliated entities make a financial contribution to the University or provide similar benefits on a regular basis, satisfactory to this Council of Trustees and to the president.

- Community Government Association of Bloomsburg University, Inc. and Subsidiaries
- Bloomsburg University Foundation, Inc. and Subsidiaries
- Husky Research Corporation, Inc.

The Council of Trustees also certifies that, to the best of its knowledge, information and belief, the affiliated entities are in compliance with Board of Governors' Policy 1985-04-A, in that they exist solely for the benefit of the University; the expectations of the relationship between the University and the affiliated entity are memorialized in current, executed Memoranda of Understanding; and the affiliated entities require an annual external audit of their funds and provide copies of their audit reports to the University and the Office of the Chancellor.

The Council of Trustees also certifies that, to the best of its knowledge, information and belief, no University employee serves as a voting member of the Board of these affiliated entities, nor does any employee of the University risk adverse interest through service to or relationship with an affiliated entity.

A copy of a statement by the University's chief financial officer summarizing both the direct University support provided to the affiliated entities and the contributions made by the affiliated entities to the University covered in this certification is attached hereto and made a part hereof.

FY 2020-2021 Audit Approval

Motion was made by Trustee O'Donnell to approve the audit as presented by our auditors, CliftonLarsonAllen LLP, second by Trustee Zaborney, the audit was approved unanimously.

Annual Delegation of Authority for Review of Purchases Less than the Public Bidding Threshold

Trustee O'Donnell made a motion that the Council of Trustees of Bloomsburg University of Pennsylvania, in accordance with Act 50, section 7(a)(9), reviews negotiated or awarded contracts/purchases in excess of the public bidding threshold. The Council of Trustees of Bloomsburg University delegates the review of negotiated or awarded contracts/purchases in amounts less than the public bidding threshold to the Vice President-Administration and Finance. This delegation will be renewed annually. Second by Trustee Edwards and unanimously approved.

Capital Project Request

Ms. Claudia Thrush, Vice President for Administration and Finance, presented the Capital Project Request for FY 2022-23 to FY 2026-27:

Recommended Prioritization for Funding/Authorization

<u>Priority</u>	<u>Project Title</u>	<u>Anticipated Funding</u>
1.	Facilities Maintenance Building Relocation	FY 2024-2025
2.	Demolition of Obsolete Buildings-Old Science, Waller	FY 2025-2026

Motion was made by Trustee O'Donnell for approval of the Capital Project request, second by Trustee Zaborney and unanimously approved.

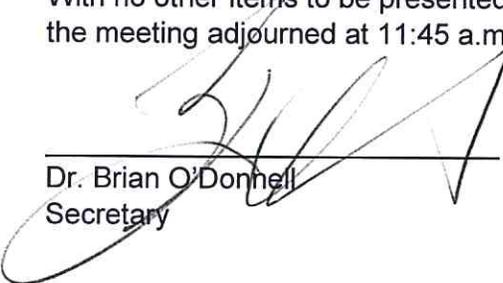
Trustee Comments

Chair Bowes stated that the Presidential Evaluation Committee has been participating in the annual evaluation of Dr. Hanna in accordance with PASSHE policy and that the evaluation will conclude by the end of the year. Chair Bowes stated that the Council of Trustee Executive

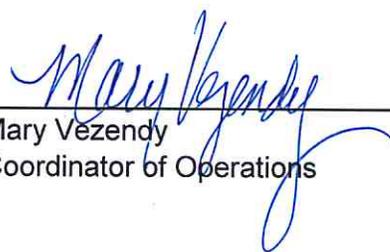
Officers of Bloomsburg, Lock Haven, and Mansfield met Monday, December 6 for a very informative and productive meeting. Chair Bowes thanked Dr. Hanna for leading BU forward and thanked fellow Trustees and the Leadership team for their commitment to the university and our students and wished everyone a safe, healthy, and happy holiday.

Adjournment

With no other items to be presented to the Council, Trustee Bowes made a motion to adjourn; the meeting adjourned at 11:45 a.m.



Dr. Brian O'Donnell
Secretary



Mary Vezendy
Coordinator of Operations



Council of Trustees

Quarterly Meeting

Wednesday, December 8, 2021

TM

BLOOMSBURG UNIVERSITY®

Call to Order

ASL Need: Please pin the interpreter now.



Pledge of Allegiance



Roll Call



Public Comment Period

By Phone: *9 Raise Hand



Approval of Minutes from October 6, 2021



Emeritus Recipients



Faculty Emeritus



Dr. John Grandzol, Professor, Department of Management and International Business



Ms. Carol Moore, Assistant Professor, Department of Nursing



**Dr. Erik Wynters, Professor,
Department of Mathematical and
Digital Sciences**



**Manager and
Non-instructional Emeritus
Advisory Panel**



President's Report

Dr. Bashar Hanna
President



Agenda

- Campus Update
- Integration Updates
- University Highlights
- Student Success



Updates

- Fall Commencement --- Friday, December 10 and Saturday, December 11
- Integration Updates:
 - Program Array Announced
 - Middle States
 - NE Integrated University Naming
 - NCAA



University Highlights



PETTIT DEDICATION CEREMONY HELD

In recognition of a \$10 million gift from Steph Pettit '89, BU celebrated the renaming of the upper campus to the Pettit Athletic Complex at Homecoming



University Highlights

- Zeigler Institute for Professional Development (ZIPD) Business Conference



University Highlights



- **Dr. Stephanie Gardner**, faculty member in the College of Education, has been named the 2021 Teacher Educator of the Year by the Pennsylvania Association of Colleges and Teacher Educators.
- The BU Nursing department's RN to MSN program is ranked 11th in the nation by Best Accredited Colleges.org.



University Highlights



Veterans Week Activities



University Highlights



Beyond the Fountain

Fourth annual event held as part of
No Hate Week



Student Success

Diversity, Equity, and Inclusion

AASCU Transformation Accelerator Cohort

- The goal of the Transformation Accelerator Model (TAC) is to put Bloomsburg University's equity-driven student success priorities at the center of our strategic decision making process.
- BU/LHU/MU is part of 15 other peer institutions that will work, learn and strategize together to develop and incorporate best practices of student success of all students, but in particular URM students within Higher education
- Bloomsburg DEI goals and objectives that align with the outcomes of this program:
 - Diversifying the faculty, staff, and students
 - Identify student performance gaps and determine target outcomes for URM students
 - Improve the campus climate for URM students



Student Success



BU hosted its 17th annual Special Olympics Bocce Ball Bash

- 146 Special Olympic athletes from 12 counties competed
- More than 270 BU students volunteered to run the event



Student Success



BU's Global Business Association team took fourth place at the 2021 CUIBE (The Consortium for Undergraduate International Business Education) International Business Case Competition held Oct. 14-16, in San Diego.

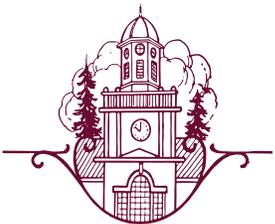
SPEECH & DEBATE WINNERS

The BU Forensics Team, under the direction of Dr. Neil Strine, took first place honors at two tournaments this fall. The team won the Randolph Macon College and the Lynchburg University tournaments.



Student Success

VOLLEYBALL TEAM EARNS PSAC PLAYOFF BERTH



Student Success



PSAC CHAMPIONS!

The women's soccer team won the PSAC Championship by beating Millersville, 1-0. It was the fifth PSAC title for the team in school history.

The team also earned its 10th NCAA playoff berth ever and third straight under coach Matt Haney



University Highlights

- **Kerby Confer Gift**
\$5.3 million over seven years
- \$1.5 million for the construction of the **Kerby Confer Media Center**, a state-of-the-art production facility
- The residual of the gift will create a permanent endowment in support of the center



Thank You!



Manager/Administrator Emeritus



Vince DiLoretto, Assistant Director of Facilities Services



Non-Instructional Emeritus



Kay Hess, Custodial Services



Rosemary Huber, Secretary, Department of History



New College Configuration

Dr. Diana Rogers-Adkinson
Provost and Senior Vice President
for Academic Affairs



Compliance Certification per Board of Governors Policy 1985-04-A

Claudia Thrush
Vice President for Finance and
Administration



FY 2019-2020 Audit Approval

Claudia Thrush
Vice President for Finance and
Administration

Presented by Mr. Paul Kelly,
Clifton Larson Allen, LLP





Bloomsburg University

Audit Presentation

Year Ended June 30, 2021

Paul J. Kelly III, CPA, MBA, CGMA

Principal

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Agenda and Objectives

Terms of Engagement

COVID-19 Impact and Response

Financial Statement Highlights

Internal Controls Letter

Required Governance Communication

GASB – New Accounting Standards

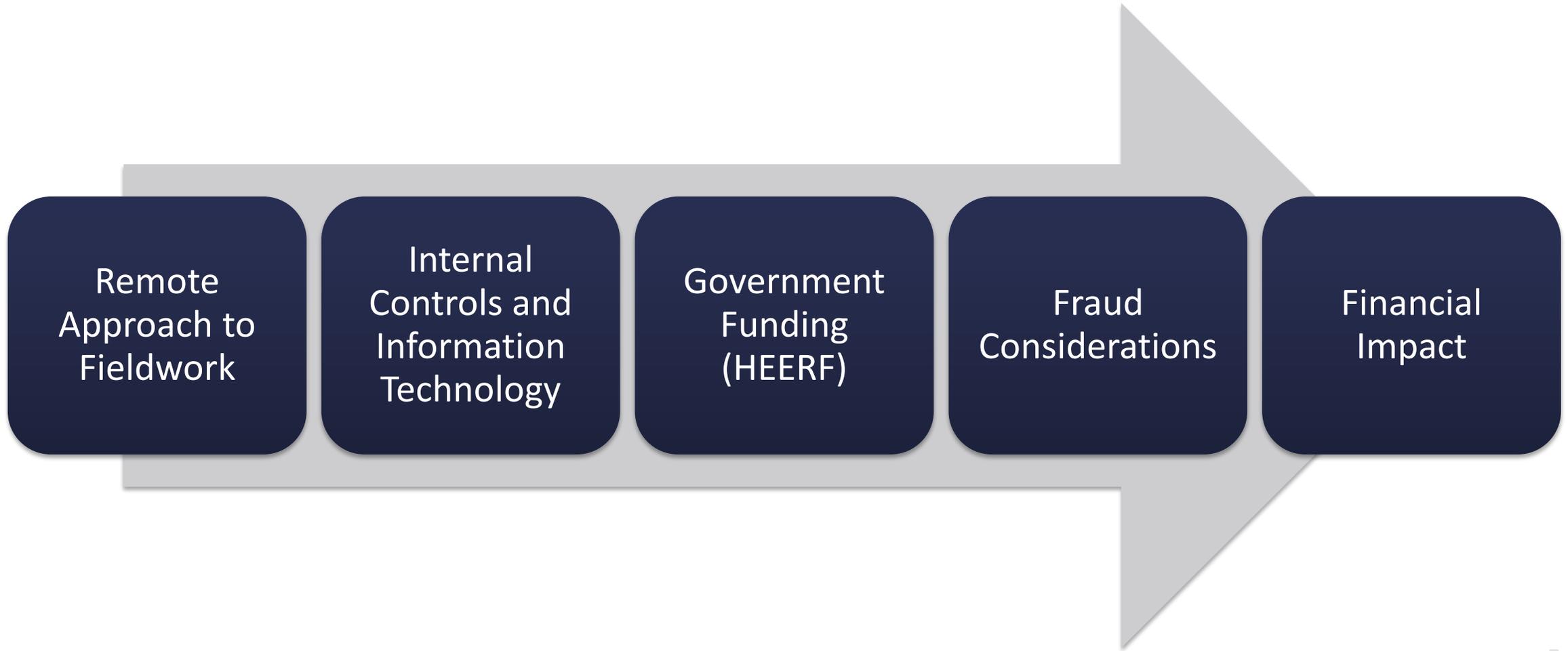


Terms of Engagement

- Express an opinion on the June 30, 2021 financial statements – opinion dated November 1, 2021
- Present required governance communications to the Council of Trustees
- Summarize audit findings and observations and present to management and the Council of Trustees



COVID-19 Impact and Response



Risk-Based Approach

HEERF Funding

Estimates

Net Position

Revenue
recognition and
Receivables

Vendor
management

Internal
controls

Long-term debt

Payroll
expenses

Financial Statement Highlights

Overall

- Comparative financial statements
- Unmodified opinion - **highest level of assurance** a CPA firm can provide
 - Emphasis of matter paragraph is included – relates to system integration – included for each of the 14 universities
 - Expanded subsequent events footnote related to system integration

Selective Highlights

- Net position increased from 2020 to 2021 with revenues exceeding expenses by \$5,037,582 (equivalent to 6.9% of net tuition and fees) primarily due to the actuarial adjustments associated with unfunded liabilities related OPEB and pensions, offset by the impact of enrollment declines and 2021 student account refunds not covered by federal COVID funding; compared to a increase in net position in 2020 of \$4,946,412 (equivalent to 6.7% of net tuition and fees)
- Consistent with prior years, the operating loss (\$63,152,163) is supplemented by net non-operating revenues (\$68,189,745) which includes state appropriations, Pell Grant revenue, capital gifts and grants, as well as Federal and State COVID grant funding
- Net tuition and fees revenue increased 0.9% in 2021 (vs decrease of 4.5% in 2020). Net tuition and fees covers approximately 43.6% of operating costs, (vs 41.6% in 2020)
- State appropriation funding (excluding COVID funding) increased 0.5% from prior year



Financial Statement Highlights (continued)

	June 30, 2021 (\$000 Omitted)	June 30, 2020 (\$000 Omitted)
Current Assets	\$106,270	\$103,119
Non-Current Assets	\$229,438	\$231,336
Current Liabilities	\$58,131	\$45,253
Non-Current Liabilities	\$376,615	\$366,829
Net Investment in Capital Assets	\$117,605	\$115,844
Restricted Net Position (Net Assets)	\$6,690	\$4,745
Unrestricted Net Position (Net Deficit)	(\$250,708)	(\$252,039)



Financial Statement Highlights (continued)

	2021		2020	
	<u>Blooms</u>	<u>PASSHE</u>	<u>Blooms</u>	<u>PASSHE</u>
<p>Current Ratio Ratio of current assets to current liabilities this ratio is used to help understand the University's liquidity or its ability pay-off short-term liabilities such current portion of debt, payables and accrued expenses. Generally, the higher the ratio the better</p>	1.83	1.03	2.28	1.17
<p>Debt Service Ratio Ratio of total liabilities to total assets this ratio is used to help explain the amount of leveraging being used by an University. Generally, a low percentage means an University is less dependent on leverage or borrowed money</p>	130%	130%	123%	129%



Financial Statement Highlights (continued)

	Year Ended June 30, 2021 (\$000 Omitted)	Year Ended June 30, 2020 (\$000 Omitted)
Tuition and Fees	\$91,738	\$93,790
Discounts & Allowances	\$18,585	(\$20,168)
Net Tuition & Fees	\$73,153	\$73,622
Auxiliary Enterprises	\$15,942	\$30,431
Other Operating Revenues	\$1,093	\$845
Operating Expenses	(\$167,971)	(\$176,874)
State Appropriations - General	\$38,406	\$38,406
Pell Grants	\$10,985	\$12,271
State Capital Appropriation and Capital Gifts	\$1,705	\$1,597
Change in Net Position	\$5,038	\$4,946



Financial Statement Highlights (continued)

	2021		2020	
	<u>Blooms</u>	<u>PASSHE</u>	<u>Blooms</u>	<u>PASSHE</u>
<i>Scholarship Allowance as % of Tuition and Fees</i>	20%	22%	22%	21%
Expense Composition:				
Instruction	37%	36%	38%	37%
Research	1%	3%	1%	3%
Academic Support	6%	8%	7%	9%
Student Services	8%	9%	9%	9%
Institutional Support	14%	14%	14%	13%
Operations and Maintenance of Plant	6%	5%	6%	6%
Depreciation	9%	8%	8%	8%
Student Aid	8%	9%	6%	6%
Auxiliary Enterprises	11%	8%	11%	9%



Internal Controls Letter

No material weaknesses

We do not express an opinion on the effectiveness of the University's internal controls because it is not required under GAAS



Required Governance Communication

Overall	Estimates	Difficulties	Other
<ul style="list-style-type: none">• Purpose is to provide an update on the audit since the planning meeting• No changes in scope of audit• GASB 84, <i>Fiduciary Activity</i>, was implemented (no material impact)	<ul style="list-style-type: none">• Estimates present in financial statements<ul style="list-style-type: none">• Allowance for doubtful accounts• Depreciable lives• Functional allocation of expenses• Compensated absences obligations• Pension and post retirement obligations• We are comfortable with management's estimate	<ul style="list-style-type: none">• No significant difficulties• No disagreements encountered• No other findings to report	<ul style="list-style-type: none">• No audit adjustments• Management representation letter will be signed at conclusion of engagement



GASB - New Accounting Standards

2022

- Statement 87 – Leases
- Statement 89 – Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement 93 – Replacement of Interbank Offered Rates
- Statement 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

2023

- Statement 94 – Public-Private and Public-Public Partnerships and Availability Payment
- Statement 96 – Subscription-Based Information Technology Arrangements (SBITA)



Paul J. Kelly III, CPA, MBA, CGMA

Principal

215-740-1102

Paul.Kelly@claconnect.com

Yuliya Ostapenko, CPA

Director

267-419-1622

Yuliya.Ostapenko@claconnect.com



CLAAconnect.com



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Council of Trustees Delegation – Review of Contracts/Purchases Less than the Public Bidding Threshold

Claudia Thrush
Vice President for Finance and
Administration



Capital Project Request

Claudia Thrush
Vice President for Finance and
Administration



Trustee Comments



Adjournment

Thank you!

