

**Lake Superior State University
Board of Trustees
Minutes of Special Meeting
Walker Cisler Center
Crow's Nest
September 19, 2025**

The Board of Trustees of Lake Superior State University met in special session beginning at 9:00 a.m. on Friday, September 19, 2025, in the Crow's Nest of the Walker Cisler Center, Lake Superior State University, Sault Ste. Marie, Michigan. The meeting was pursuant to Section 1.03 of the Bylaws of said Board.

Section numbers and headings of these minutes correspond to the agenda. A copy of the proposed agenda was distributed to each Trustee at the public session on September 19, 2025. Any material considered by the Board, which was distributed at the time of the meeting, is so designated in these minutes.

At the call to order, there were several members in the audience.

I. Roll Call

Ms. Cynthia Williams, Chair, called the meeting to order at 9:00 a.m. and asked the secretary, Ms. Lauren Pierce to call the roll. The following members responded "present":

Ms. Patricia Caruso
Dr. Kevin Cooper
Mr. Jon P. DeRoo
Mr. Timothy Lukenda
Ms. Cynthia Williams
Dr. David Travis, President

Five Trustees were recorded as present at roll call. Trustee Sheri Davie joined via Zoom at 9:03 a.m. Trustees Richard Barch and Whitney Gravelle were recorded as absent.

II. Approval of the Agenda for September 19, 2025

Mr. Lukenda moved for Board approval of the agenda for September 19, 2025, as presented, supported by Ms. Caruso. The motion carried with unanimous voice vote.

III. Addresses to the Board

None

IV. Chair's Remarks

Chair Williams welcomed the Board and members of the audience to the special meeting. Chair Williams stated the Board was reviewing the role of the various Board committees. At this time, Chair Williams would like to activate the Finance and Development Committee and charge the Executive Committee members (Trustees: Cynthia Williams, Pat Caruso, and

Lake Superior State University
Minutes of Board of Trustees' Special Meeting
September 19, 2025

Kevin Cooper) to take on the responsibility of serving on the Finance and Development Committee, with Trustee Caruso taking the role of Chair of that committee. Chair Williams congratulated Trustee DeRoo for his new role of Director of the Downtown Development Authority in Sault Sainte Marie, MI.

V. President's Remarks

Dr. Travis welcomed the Board and members of the audience to the meeting. Dr. Travis stated that one agenda item for Board approval would allow for greater financial management to control the budget that will be presented to the Board at the next regular Board meeting. The University is developing a new scholarship spending plan, which will also assist in managing the University budget.

Dr. Travis announced the upcoming Town Hall meeting scheduled for September 26, where more information on the scholarship plan will be presented.

VI. Action Items

a. Athletics Transportation Contract

Mr. Tory Lindley, Director of Athletics, presented to the Board for approval of a five-year transportation agreement with Checker Bus LLC. The Athletics Department will utilize the Charter Schools bus when it is available, however various sports and overlapping schedules does bring the need for additional transportation arrangements.

Mr. Lukenda asked if there was a minimum spending requirement within the agreement.

Mr. Lindley stated that there are no minimum spending requirements.

Dr. Travis stated that due to cost potentially rising over \$250K over the five year agreement, the request was brought to the Board for approval, as per policy.

Dr. Cooper moved for Board approval of the five-year Checker Bus LLC agreement as presented. Furthermore, the Board authorizes the President and/or Director of Athletics to execute all documents related to this agreement, supported by Ms. Caruso. The Chair requested a roll call vote. The results of the roll call vote were:

Ms. Patricia Caruso	"Yes"
Dr. Kevin Cooper	"Yes"
Ms. Sheri Davie	"Yes"
Mr. Jon P. DeRoo	"Yes"
Mr. Timothy Lukenda	"Yes"
Ms. Cynthia Williams	"Yes"

The motion carried with six affirmative votes.

b. Resolution to Utilize LSSU Endowment Funds

Mr. Morrie Walworth, Vice President for Finance and Operations, presented to the Board for approval to utilize \$2.5M in LSSU Endowment Funds for scholarships in FY26. LSSU has historically provided scholarships to students that are effectively a write-off of tuition. These write-off have ranged from \$2.3M to \$2.9M over the past four years.

The portfolio referred to as the LSSU Endowment contains funds that are not true endowments, but are instead quasi-endowments under the full control of the Board of Trustees and may be used to fund scholarships. The Board has expressed a desire that LSSU research and identify the funds within the LSSU Endowment portfolio that are not true endowments.

It has been determined that six funds could be used in FY26 to cover the cost of the annual write-off of the scholarship awards.

A resolution has been prepared for the Board and reviewed by legal counsel. Under the terms of the resolution, the Board would authorize the President and CFO to take all necessary action to secure up to \$2.5M for use in FY26 as scholarships.

Mr. Lukenda asked for confirmation that the funds were not part of the LSSU Foundation funds.

Mr. Walworth stated, that the funds are nor part of the LSSU Foundation funds, they are held separately and managed separately. These are funds that have grown over several years.

Mr. Lukenda acknowledged that these funds would relieve the use of General Fund dollars, up to \$2.5M.

Mr. Lukenda moved for Board approval of the presented resolution (Appendix A); authorizing the spending of select Board designated quasi-endowed funds to facilitate a more effective use of scholarship dollars; supported by Dr. Cooper. The Chair requested a roll call vote. The results of the roll call vote were:

Ms. Patricia Caruso	"Yes"
Dr. Kevin Cooper	"Yes"
Ms. Sheri Davie	"Yes"
Mr. Jon P. DeRoo	"Yes"
Mr. Timothy Lukenda	"Yes"
Ms. Cynthia Williams	"Yes"

The motion carried with six affirmative votes.

VII. Other Business

None

Lake Superior State University
Minutes of Board of Trustees' Special Meeting
September 19, 2025

VIII. Adjournment

Dr. Cooper moved for adjournment at 9:25 a.m.; supported by Ms. Caruso. The motion carried with unanimous voice vote.

Cynthia Williams, Chair

David Travis, President

A draft of these minutes were completed by Lauren Pierce, Secretary.

**LAKE SUPERIOR STATE UNIVERSITY
BOARD OF TRUSTEES RESOLUTION: AUTHORIZING THE SPENDING OF
SELECT BOARD DESIGNATED (QUASI-) ENDOWED FUNDS TO FACILITATE A
MORE EFFECTIVE USE OF SCHOLARSHIP DOLLARS**

Date Adopted: September 19, 2025

WHEREAS,

Lake Superior State University ("the University") is committed to supporting student success and access to higher education, in part through the awarding of scholarships;

WHEREAS,

The University currently holds certain quasi-endowed funds, which are unrestricted funds contributed to the University that the Board of Trustees, previously known as the Board of Control, determined to endow in order to generate earnings in perpetuity for the purpose of providing scholarships to eligible students;

WHEREAS,

In light of ongoing student need and continued efforts to grow enrollments at LSSU, the Board of Trustees has determined it is both prudent and necessary to authorize the partial or full use of specific quasi-endowed funds in order to directly support scholarships. Quasi-endowed funds are not subject to the Michigan Uniform Prudent Management of Institutional Funds Act (UPMIFA), MCL 451.921 et seq. and therefore the Board of Trustees may determine to expend these funds, in full or in part;

WHEREAS,

The University has reviewed and documented the financial and legal considerations associated with this action, and finds that such use of the principal is justified and in furtherance of the University's educational mission;

NOW, THEREFORE, BE IT RESOLVED,

That the **Board of Trustees of Lake Superior State University** hereby authorizes the partial or full spending of the following quasi-endowed fund(s) for the express purpose of providing scholarships to students not to exceed a total of \$2.5 million:

- **Earl and Minnie Walker Fund**
- **Geo and Virginia Lahody Fund**
- **LSSU Endowment**
- **Discretionary Fund**
- **LSSU Endowment Scholarship**

- **Greater Lake State Endowment**

BE IT FURTHER RESOLVED,

That this action is being taken in accordance with the Board of Trustees' fiduciary duties and with respect for donor intent, and that the Board finds such use of funds to be prudent under current circumstances to carry out the charitable purposes of the gifts;

BE IT FURTHER RESOLVED,

This action is being taken with consideration of the University's Investment Policy, per Board of Trustees authority to allow for increased spending of two of the aforementioned quasi-endowed funds-- the Earl and Minnie Walker Fund and the Geo and Virginia Lahody Fund.

BE IT FURTHER RESOLVED,

That the University President, Vice President for Finance and Operations, and their designees are authorized and directed to take all necessary and appropriate actions to implement this resolution, including notifying donors or their representatives when appropriate, in order to facilitate donor relations, ensuring compliance with legal and reporting requirements, and documenting the rationale for this action in the University's financial and governance records;

BE IT FINALLY RESOLVED,

That the Board of Trustees directs the administration to provide annual reporting on the impact of this action, including scholarship distribution and fund balances, to ensure continued oversight and transparency.

CERTIFICATION

I, the undersigned, do hereby certify that the foregoing resolution was duly adopted by the Board of Trustees of Lake Superior State University at a meeting held on September 19, 2025 at which a quorum was present.

Lauren Pierce, Secretary
Board of Trustees
Lake Superior State University