

PROFESSIONAL SERVICES AGREEMENT

SECTION A. PARTIES; BACKGROUND; DEFINITIONS

1. This Professional Services Agreement (this “**Agreement**”) is by and between **CLEVELAND STATE UNIVERSITY**, a State of Ohio institution of higher education located at 2121 Euclid Ave., Cleveland, OH 44115 (“**University**”) and **ERNST AND YOUNG, LLC** with a place of business located at 50 Rowes Warf, Boston Mass. 02110 (“**Contractor**”).

2. **Background:**

- (i) Contractor was selected by University to provide higher education consulting services pursuant to University RFQ# 5000VP as amended, which is incorporated into this Agreement by reference; and
- (ii) Contractor’s Statement of Work, which is attached to this Agreement as **Exhibit “A”** is incorporated into this Agreement by reference (“**Statement of Work**”); and
- (iii) University and Contractor desire to enter into this Agreement for Contractor to perform the Services and provide the Deliverables set forth in the Statement of Work.

3. **Definitions:**

- (i) **Not to exceed contract amount (“Fee”):** *Nine Hundred Thousand 00/100 Dollars (\$900,000.00)* plus expenses as more particularly described in the Statement of Work.
- (ii) **“Term” of Agreement:** December 1, 2023 through March 31, 2024 unless terminated sooner as set forth herein.
- (iii) Any capitalized terms not otherwise defined herein shall be defined in the Statement of Work.

SECTION B. TERMS AND CONDITIONS

1. **Relationship of the Parties; OPERS Independent Contractor Form:** Neither Contractor nor its personnel are public employees for the purpose of Ohio Revised Code § 145.037. Unless Contractor is a “business entity” as that term is defined in Ohio Revised Code § 145.037 (“an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business”), Contractor shall have each and all individual(s) performing services under this Agreement to complete and submit to University the OPERS Independent Contractor Acknowledgment Form available at: <https://www.opers.org/forms-archive/PEDACKN-Non-Member-Acknowledgment.pdf>. Contractor’s failure to complete and submit the OPERS Independent Contractor Acknowledgment Form at the time Contractor executes this Agreement shall serve as Contractor’s certification that Contractor is a “business entity” as that term is defined in R.C. § 145.037. Neither party shall have the authority to, nor shall either party attempt to, create or assume any obligation by or on behalf of the other party.

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2. Contractor Responsibilities; Fee Payment. Contractor shall perform the Services described in the Statement of Work, to the reasonable satisfaction of University (the "Services"). Contractor must receive a purchase order from University before performing any Services. After Contractor has performed the Services satisfactory to the University, Contractor shall submit an invoice for the Services performed. Each invoice shall contain an itemization of the Services performed, including dates the Services were performed, total hours worked, and the sum due. All invoices shall contain Contractor's name and address and shall reference Cleveland State University and list the billing address as 2121 Euclid Avenue, PH 118, Attn.: Accounts Payable, Cleveland, Ohio 44115-2214. After receipt and approval of the invoice by University, a voucher for Fee payment for the Services performed will be processed typically within thirty (30) days. If pre-approved in writing by University, Contractor may be reimbursed for its reasonable, actual, and necessary travel expenses to a specified total not-to-exceed reimbursement amount, incurred in the performance of the Services in accordance with University's Travel Policy and, to the extent such reimbursement is in the best interest of University.

4. Renewal; Termination. University may renew this Agreement for up to one (1) additional one (1) year term upon thirty (30) days written notice to Contractor. University may terminate this Agreement for convenience, with or without cause, by giving written notice to Contractor. If University terminates this Agreement for convenience, Contractor will be paid for Services rendered up through the effective date of termination, less any payments previously made, provided Contractor has supported such payments with detailed factual data. Any payments made by University for which Contractor has not rendered Services, shall be refunded to University. If this Agreement is terminated before all Services are rendered, Contractor shall deliver to University all completed Deliverables that have been prepared by Contractor in the course of performing the Services and all such materials shall remain University property. Notwithstanding the preceding, as the current General Assembly cannot commit a future General Assembly to expenditure, this Agreement shall expire no later than the current State of Ohio biennium, ending June 30 in every odd-numbered year.

Contractor may terminate this Agreement, or any particular Services, immediately upon written notice to University if Contractor reasonably determines that it can no longer provide the Services in accordance with applicable law or professional obligations.

5. No Joint Venture; Taxes. Nothing in this Agreement creates or implies any joint venture, employer/employee, principal/agent or partnership relationship. Contractor is solely and personally responsible for all federal, state and local taxes, contributions, and other liabilities.

6. Record Keeping. Contractor shall maintain auditable records related to all charges and expenses incurred under this Agreement and shall make such records available to University as University may reasonably require for a period of six years after the term of this Agreement.

7. Ownership of Work Product. To the extent that Deliverables or any part thereof are not deemed a "work made for hire" under 17 U.S.C. § 101, Contractor hereby irrevocably assigns, conveys, grants, and transfers to the University all right, title, and interest in any Deliverables to the University. Notwithstanding the preceding, Contractor shall retain ownership to any of Contractor's preexisting materials that are incorporated into such Deliverables and hereby grants to University a perpetual, nonrevocable, non-exclusive license to use such preexisting materials solely as necessary to utilize the Deliverables consistent with the terms of this Agreement. . Additionally, any personal notes and working papers and drafts compiled in connection with the Services,

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exclusive of information provided by, or on behalf of, the University ("Client Information") contained in them, shall be the property of Contractor.

8. Liability; Insurance. Contractor shall procure and maintain during the Term, general liability insurance in the amount of at least \$1,000,000 combined single limit per occurrence/\$2,000,000 aggregate; Workers' Compensation coverage including employer's liability, where applicable and in accordance with appropriate federal and state laws; automobile liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per accident (\$5,000,000 for transportation suppliers for transporting 15 or less passengers), when applicable.

The comprehensive general liability and auto insurance policies shall include Cleveland State University as an Additional Insured party, which may be satisfied by a blanket endorsement, but solely with respect to liability arising from the performance of this Agreement. A certificate evidencing such coverage shall be provided to the University contact for this Agreement, and copied to Cleveland State University, Risk Management and Insurance Administration Office, 2121 Euclid Avenue, AC 246, Cleveland, Ohio 44115 or emailed as a PDF copy to r.howerton@csuohio.edu.

If required by the University, supplier shall maintain professional liability insurance for claims arising from real or alleged errors, omissions, or negligent acts committed in the performance of professional or technical services associated with this Agreement, with limits of at least \$1,000,000 per claim.

All such insurance shall be written by a company or companies authorized to do business in the State of Ohio, with an A.M. Best rating of at least "A" or be otherwise approved in writing by the University. Shall be endorsed on a primary basis, non-contributory with any other insurance coverages and/or self-insurance carried by the University. Certificate of insurance shall reflect continuing coverage of all applicable policies procured by Contractor, in compliance herewith, and shall be delivered by Contractor, and thereafter within ten (10) days of renewal of any policies, as herein stated. Contractor agrees to notify the University not less than thirty (30) days in advance of any proposed modification or cancellation of any such policy that would cause Contractor to no longer be in compliance with this Agreement.

Contractor agrees to indemnify and to hold University, its trustees, officers, employees and agents and the State of Ohio harmless and immune from all third party claims for bodily injury or property damage arising from this Agreement, which are attributable to Contractor's negligent actions or omissions or willful misconduct or such acts by its trustees, directors, officers, agents, employees, subcontractors, suppliers, third parties, or joint venturers performing the Services under this Agreement. In no event shall either party be liable to the other party for indirect, consequential, incidental, special, or punitive damages, or lost profits regardless of whether or not the likelihood of such loss or damage was contemplated. Except as otherwise prohibited by applicable law, including, but not limited to Ohio Revised Code § 9.27, the University (and any others for whom Services are provided) may not recover from Contractor, nor may Contractor recover from the University, in contract or tort, under statute or otherwise, aggregate damages in excess of the fees actually paid or, in the case of nonpayment, payable for the Services that directly caused the loss under the Agreement during the twelve (12) months preceding the date of the event giving rise to the loss, however such limitation shall not apply to losses or damages caused by a Party's fraud or willful misconduct or to the extent prohibited by applicable law or professional obligations.

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Contractor shall purchase and maintain at all times that this Agreement is in effect, in its name and at its own cost all insurance coverages required by applicable law, and in any event, the minimum types and amounts listed in Exhibit B, which is attached hereto and incorporated herein by this reference and such general liability policy shall name Cleveland State University as an Additional Insured Party for the Services. The additional insured status may be satisfied by blanket endorsement.

9. Contractor Representations and Warranties. Contractor shall comply with all federal, state and local laws, rules, regulations and ordinances, and University Policies and procedures, including but not limited to those regarding drug free workplace, nondiscrimination of employment, Ohio Ethics and Conflict of Interest laws, qualifications to do business in Ohio, campaign contributions, Findings for Recovery under R.C. § 9.24, R.C. § 9.76 regarding Boycotts, R.C. § 125.25 regarding Debarment of vendor from contract awards, and R.C. § 145.38 regarding employment of retirant applicable to its performance of the Services.

10. Confidentiality; Ohio Public Records Act. Contractor will maintain all data or other information ("Confidential Information") provided by University to Contractor in Contractor's performance of the Statement of Work as confidential and will not, without the University's written permission, divulge, disclose, communicate, or distribute any of University's Confidential Information except as may be necessary to perform the Statement of Work or to comply with applicable law, legal process, or regulation.

he University may not disclose a Deliverable (or any portion of a Deliverable) issued on Contractor letterhead or under the EY brand or otherwise visually identifiable as being prepared by or in association with Contractor ("Report") (or any portion or summary of a Report if such portion or summary includes the EY brand), or refer to Contractor or to any other member of the EY network or any entity operating under a common branding arrangement with a member of the EY network ("EY Firm"), or Contractor's or any other EY Firm's subcontractors, members, shareholders, directors, officers, partners, principals or employees ("EY Person") in connection with the Services, except:

- (a) to an entity that controls, is controlled by, or is under common control with the University (subject to these disclosure restrictions);
- (b) to University's lawyers (subject to these disclosure restrictions), who may review it only in connection with advice relating to the Services;
- (c) to University's independent auditors (subject to these disclosure restrictions) who may review it only in connection with their audit;
- (d) to the extent, and for the purposes, required by applicable law, including, but not limited to the Ohio Public Records Act, ORC 149.43 (and University will promptly notify Contractor of requests received to release any such Report, to the extent University is permitted to do so);
- (e) to other persons (with Contractor's prior written consent), who may use it only as specified in such consent; or
- (f) to the extent it contains tax advice, tax opinions, tax returns or the tax treatment or tax structure of any transaction to which the Services relate ("Tax Advice").

Except as otherwise provided in Appendix A, If University discloses a Report (or a portion thereof), University shall not alter, edit or modify it from the form provided by Consultant. The University shall inform those to whom it

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discloses a Report (other than disclosure of Tax Advice to tax authorities) that they may not rely on it for any purpose without Contractor's prior written consent. Subject to the foregoing, University is not prohibited by this Section from using Deliverables that do not qualify as Reports (because such Deliverables are not EY branded or visually identifiable as being prepared by, or in association with, EY) in communication with third parties provided that: (i) there is no reference to, or communication of, Contractor's or any other EY Firm's involvement in the development of such Deliverables, and (ii) University assumes sole responsibility for such use and communication.

Notwithstanding the preceding, Contractor understands and acknowledges that this Agreement and the services provided hereunder are subject to the Ohio Public Records Act, ORC 149.43.

11. Miscellaneous.

(a) Neither this Agreement nor any rights, duties, or obligations hereunder may be assigned or transferred in whole or in part by either Party, without the prior written consent of the other Party.

(b) This Agreement represents the entire agreement between the parties and supersedes any prior oral or written understandings with respect to the Services. Only a written instrument that refers to this Agreement and that is signed by the authorized representatives of both parties may amend this Agreement.

(c) This Agreement and the rights of the parties shall be governed, construed, and interpreted in accordance with the laws of the State of Ohio, without regard for its choice of law principles. Except for a claim seeking solely injunctive relief, any dispute relating to this Agreement or the Services shall be resolved as set forth in Appendix 1. To the extent such a claim solely seeks injunctive relief, the matter shall be brought only before a court of competent jurisdiction in Ohio.

(d) A waiver by a party of any breach or default by the other party under this Agreement shall not constitute a continuing waiver by such party of any subsequent act in breach of or in default hereunder.

(e) All notices and communications shall be given in writing and shall be deemed to have been properly given when: i) hand delivered with delivery acknowledged in writing; ii) sent by U.S. certified mail, return receipt requested, postage prepaid; or iii) sent by overnight delivery service (Fed Ex, UPS, etc.) with receipt. Notices shall be deemed given upon receipt thereof, and shall be sent to the addresses first set forth above. Any party may change its address for receipt of Notices upon notice to the other party. If delivery cannot be made at any address designated for Notices, a Notice shall be deemed given on the date on which delivery at such address is attempted.

(f) In the event of any conflict between the terms of the Agreement and the Statement of Work, the terms of this Agreement shall control notwithstanding anything to the contrary in the Statement of Work.

(g) The headings in this Agreement are for convenient reference only and shall not be considered in any questions of interpretation or construction of this Agreement.

(h) The provisions of this Agreement are severable and independent, and if any such provision shall be determined to be unenforceable in whole or in part, the remaining provisions and any partially enforceable provision shall, to the extent enforceable in any jurisdiction, nevertheless be binding and enforceable.

(i) Contractor hereby acknowledges that University is a public university subject to the laws of the State of Ohio, including without limitation the Ohio Constitution and applicable sections of the Ohio Revised Code. Accordingly, Customer is prohibited from entering into any agreement that contains the provisions listed in Ohio R.C.

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9.27(B)(1)-(9) (the "Prohibited Provisions") and that any Prohibited Provisions included or interpreted to be included in this Agreement are void ab initio, and shall not be enforceable or binding on University. Company further represents, warrants, covenants, and/or agrees (as applicable) that it: (i) is not subject to an "unresolved" finding for recovery under Ohio R.C. 9.24; (ii) does not and will not discriminate on the basis of race, color, religion, gender, sex, sexual orientation, national origin, ancestry, disability, genetic information, age, and military or veteran status; (iii) is not boycotting any jurisdiction with whom the State of Ohio can enjoy open trade, as set forth in Ohio R.C. 9.76; and (iv) that it shall abide by the applicable requirements of Ohio Executive Order 2019-12D. Contractor confirms that they are not a Russian institution or Russian company and will comply with State of Ohio Executive Order 2022-02D.

(j) This Agreement is not binding upon University unless executed in full and is effective as of the last date of signature by University.

(k) Neither party shall be liable for breach of a Contract (other than payment obligations) caused by circumstances beyond such party's reasonable control.

[Signature page attached.]

SECTION C. SIGNATURES

COMPANY:

BY: Kasia Lundy DATE: DEC 8, 2023

PRINT NAME/TITLE: KASIA LUNDY, PRINCIPAL

CLEVELAND STATE UNIVERSITY:

BY: Daniel N. Jewell DATE: 12/14/2023

TITLE: SENIOR V.P. & CFO

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EXHIBIT "A"

Appendix 1: Statement of Work

Ernst & Young LLP ("EY" or "EY-Parthenon") will provide the following services (the "Services") to Cleveland State University ("Client"):

- Near-term actions: Identify, prioritize, and provide a process to implement near term actions that will address our operational deficit and ongoing budget challenges, Except as otherwise directed by CSU's project contact, EY services shall include:
 - Identify and prioritize actions to increase operational efficiencies and decrease redundancies across administrative units, colleges, and university functions.
 - Speed the academic program prioritization analysis recently initiated.
 - Clarify and articulate Board of Trustee and select campus stakeholder needs for CSU budget clarity, transparency, and communication.
- Long-term actions: Provide recommendations on strategic priorities for the institution as we plan for a financially viable and academically thriving future. Except as otherwise directed by CSU's project contact, EY Services shall include, but not limited to:
 - CSU's market differentiation and value proposition
 - Higher-risk/lower-risk growth markets
 - Potential mergers or acquisitions.

EY Services will be phased as followed:

- **Phase 0 – Project Mobilization (1-2 weeks):** Invested free of charge to set up the process for success. Used to gather data, conduct initial interviews, and frame key hypotheses.
- **Phase 1, Workstream 1 –Near-term Opportunity Prioritization (~6-8 weeks):** Build upon CSU's prior work to understand what opportunities have already been identified; identify long list of 30-40 opportunities; vet/assess opportunities (e.g., high-level sizing); prioritize top 5-10 opportunities for which to build out more detailed business cases (e.g., potential financial impact, and implementation considerations, including, but not limited to projected timelines and a process to achieve the opportunities).
- **Phase 1, Workstream 2 – Longer-Term Strategic Options (~10-12 weeks):** Interview a targeted set of stakeholders (e.g., Board representatives, CSU leadership, external stakeholders who could be key to CSU's long-term success). Based on stakeholder input and EY's knowledge of the higher education landscape, identify a range of strategic options for CSU to consider. Facilitate workshops with the Steering Committee to discuss, assess, and prioritize strategic options (pros and cons, and implementation considerations including, but not limited to projected timelines and a process to pursue the options).

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Appendix A 1.1 hereto provides details on key questions, activities, and deliverables.

EY will provide Client with progress updates and, at Client's request, shall meet with Client to review EY's results.

EY will prepare the following Deliverables (all Deliverables shall be presented using Client's branded marks):

- Materials to facilitate Client's Steering Committee sessions; materials will be a combination of internal and external data analysis and stakeholder input
- A final report (PowerPoint presentation) with an executive summary of the analysis and recommendations answering the key questions outlined in Appendix 1.1, with additional slide detail as needed (combination of graphs, tables, diagrams, and text)
- An oral presentation accompanying the above PowerPoint presentation

Limitations on scope

EY will not, in connection with the performance of the Services or otherwise, (i) act as a broker for the sale of any securities, (ii) solicit any potential buyer or seller (including Client) to engage in any transaction, or (iii) act as a negotiator of a transaction.

Notwithstanding the restrictions on disclosing Reports as set forth in the Agreement, Client may disclose EY's Reports prepared pursuant to this SOW to Client's Professional Advisors, acting strictly in an advisory capacity to Client, who may use it only to give Client advice related to EY's Services under this SOW and any related transaction, provided such advisors have agreed not to further disclose such Reports or use them for any other purpose without EY's written consent and not to make any claims against EY arising out of or in connection with the Reports. In addition, in no event will any Professional Advisor be permitted to obtain access, directly or indirectly, to any Reports pursuant to this paragraph in connection with any function other than for the provision of such advice, such as in connection with any fairness opinion, credit rating or credit enhancement, brokering or underwriting of any insurance, or financing (in the role of investor, agent, intermediary, underwriter, syndicator, lender, or other similar capacity) without EY's consent and the execution of an access letter described below.

Where EY's written consent under the Agreement is required for Client to disclose to a third party any of EY's Reports (other than Tax Advice), EY will also require that third party to execute an access letter acceptable to EY in form and substance.

Notwithstanding the restrictions on disclosure set forth in the Agreement, Client may incorporate the information, advice, recommendations or other content from EY's Reports provided to Client on a white paper/unbranded basis into any memorandum, report, summary or compilation, whether oral or written, produced by Client or on Client's behalf ("Client Documents") and provide such Client Documents to third parties without EY's further consent or obtaining an access letter from such third parties, provided that Client (a) assumes sole responsibility for all such Client Documents as if they had been prepared

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solely by Client and (b) does not name or refer to EY in connection with, or otherwise associate EY, any other EY Entity or any personnel thereof directly or indirectly with any such Client Documents. EY may agree at Client's request to discuss EY's Reports provided to Client on a white paper/unbranded basis with such third parties, provided Client has obtained EY's consent and an access letter from each such third party in the form provided by EY.

The Services are advisory in nature. None of the Services or any Reports will constitute any legal opinion or legal advice. Client shall assign a qualified person to oversee the Services. Client is responsible for all management decisions relating to the Services and for determining whether the Services are appropriate for its purposes.

Client will not, and Client will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which United States or state securities laws ("Securities Laws") are applicable, or (ii) periodic reporting obligations under Securities Laws. Client will not contend that any provisions of Securities Laws could invalidate any provision of this Agreement.

Notwithstanding anything to the contrary in the Agreement or this SOW, EY does not assume any responsibility for any third-party products, programs or services selected by Client, their performance or compliance with Client's specifications or otherwise.

The U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding certain visas (e.g., H-1B) will be working onsite. Where applicable, EY and the Client will work together to develop an appropriate notice to enable compliance with this requirement.

EY and other EY Firms may render professional services to other clients in Client's industry. Client agrees that any EY Firm may render services to such other clients; provided, that except with Client's prior consent, no member of the EY team performing Services under this SOW (the "EY Team") discloses to any other such EY team any confidential information relating to Client (except as required by applicable law, regulation or professional obligation).

The Services may involve EY's review of, or advice relating to, agreements to which Client is a party with, or products produced by, a third party (an "EY Client") for which EY (or another EY Firm) performs, or has performed, services unrelated to the agreements or products. On behalf of Client and Client's affiliates, Client acknowledges and consents to EY's performance of such services for any EY Client, and agree that neither Client nor Client's affiliates will make a claim that these circumstances present a conflict of interest, real or perceived, for EY or any other EY Firm. If, however, EY's services for an EY Client directly relate or related to the agreements or products, EY will seek the consent of both Client and the EY Client to the continued performance of the Services. In any event, EY confirms that, except as Client and the EY Client otherwise agree in writing, Client's and EY Client's respective confidential or privileged information will remain confidential to that client in accordance with applicable professional standards.

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EY is not the responsible party for any prospective financial information (PFI) in the Report. EY did not apply any procedures to the PFI in accordance with attestation standards established by the AICPA. EY has not provided any opinion, conclusion or any type of assurance about specific assumptions or components of the PFI or on the PFI as a whole.

EY may raise factual findings and recommendations about specific assumptions and components of the PFI herein, where EY had sufficient evidence to provide a reasonable basis for them. There will usually be differences between estimated and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. EY takes no responsibility for the achievement of projected results.

EY and other EY firms may retain and use Client Information for benchmarking analysis, research and development, thought leadership and related purposes, and to enhance their services, provided that any use does not externally identify, or make reference to Client. In all such matters, EY and other EY firms will comply with applicable law and professional obligations.

Timetable

Unless otherwise agreed, and subject to the terms of the Agreement, EY expects to perform the Services during a period of 12 weeks.

Contacts

Client has identified Patricia Franklin as Client's contact with whom EY should communicate about these Services. Client's contact at EY for these Services will be Kasia Lundy and Seth Reynolds.

Fees and expenses

Total professional fees for the Services under this SOW are \$900,000.

In addition, Client shall reimburse EY for documented pre-approved expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals accommodations and other expenses specifically related to this engagement, as well as costs of purchasing data and proprietary technology costs. Actual out-of-pocket costs incurred by EY while executing the Services will be listed separately on invoices and will be capped at 5% of professional fees.

Billing and Payment

Invoices will be billed according to the payment schedule in the table below. Payment is due upon receipt of EY's invoice.

	<u>Invoice Date</u>	<u>Amount</u>
First progress bill	After the first month of the project (approx. Feb. 12, 2023)	\$300,000 + expenses incurred

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Second progress bill	After the second month of the project (approx. March 11, 2023)	\$300,000 + expenses incurred
Final progress bill	Upon completion of the project (approx. April 8, 2023)	\$300,000 + expenses incurred

To ensure timely and efficient submission of EY's invoices, EY will submit invoices directly to Patricia Franklin. Client will provide a Purchase Order or other such details in a timely manner, should this be required by Client for payment. Any delays in providing a Purchase Order or any information necessary for EY's invoicing will not affect the payment terms based on EY's invoice date.

Client shall also pay all applicable taxes (including VAT and others imposed) incurred in connection with the delivery of the Services or the Reports (except for taxes imposed on EY's income). Client shall also pay any administrative costs that result from billing arrangements specifically requested by Client. A service charge in accordance with Ohio Revised Code § 126.30 will be added to each invoice to cover all amounts more than thirty (30) days overdue. EY reserves the right to suspend the Services if any invoices are more than 60 days overdue.

Client's obligation to pay EY's fees and expenses is not contingent upon the results of the Services or the consummation of the proposed transaction.


Notwithstanding the payment terms described above, Client will accelerate payment of EY's invoices during the month of June each year. Specifically, all valid invoices submitted prior to May 31 of each calendar year will be paid by June 25 of that year.

In witness whereof, the parties have executed this SOW as of the date set forth above.

Ernst & Young LLP

By: 
 Name: Kasia Lundy
 Title: Principal

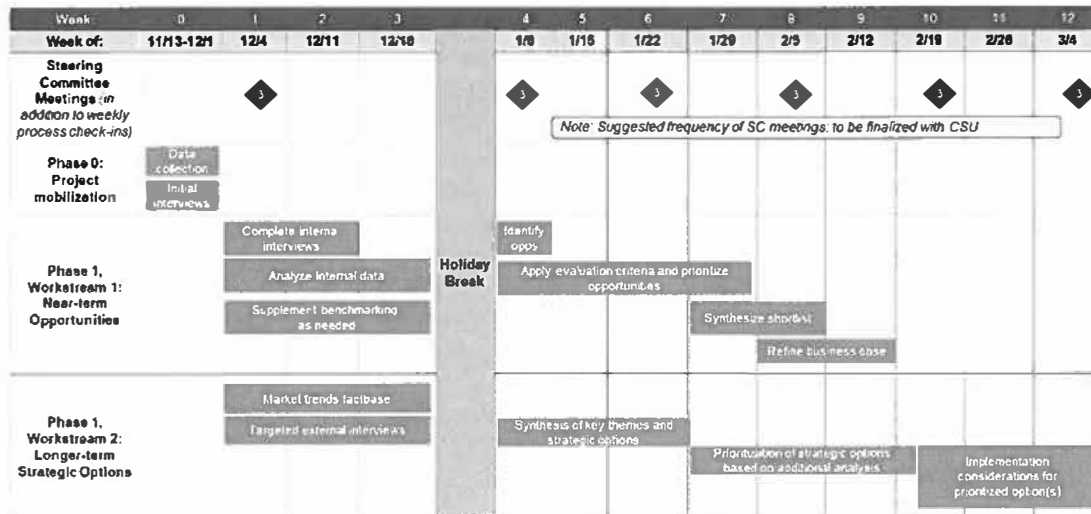
Cleveland State University

By: 
 Name: David N. Jewell
 Title: Sr. VP for Business Affairs and CFO

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Appendix 1.1: Additional scope detail (key questions, activities, and deliverables by phase)

An overall project timeline is provided below. These dates are flexible / for further discussion with CSU.



Phase 0 – Project Mobilization (~1-2 weeks)

Key Questions

Project administration:

- What will be the project governance and management structure?
- How should the project be managed from a cadence and communication standpoint?
- Who are the internal stakeholders at CSU whom we should interview at the outset of the project and as part of the opportunity assessment?
- Who are external stakeholders who could be critical partners to CSU whom we should interview to inform the longer-term strategic options for CSU?

Initial assessment:

- What internal data exists to inform the opportunity assessments? [e.g., enrollment data, revenue and cost detail broken out by function and by college]
- Has CSU conducted any benchmarking analyses that could be leveraged as part of the assessment? Does CSU belong to any associations which could make benchmarking data available (e.g., CUPA-HR, Educause, NACUBO, other consortia)?
- In initial interviews with management, what does management perceive as the key drivers of CSU's deficit and key opportunities for operational efficiency (e.g., academic, administrative, infrastructure / real-estate related)?

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- What does management perceive as CSU's strengths and differentiators that should be built upon? What strategic options is management interested in exploring more deeply, in addition to any ideas brought forward by the EY team? [E.g., diversification of student audiences, mergers/consolidation, stronger partnerships with the City of Cleveland, etc.]

Key Activities

- Finalize project goals, project plan, and timeline
- Share a data information request
- Review and inventory relevant internal data
- Recommend stakeholder engagement plan. Preliminary ideas on stakeholder engagement include:
 - CSU stakeholders
 - CSU Steering Committee (membership TBD) to provide guidance, participate in working sessions, receive recommendations
 - Additional CSU leadership, as identified by Steering Committee for inclusion in interviews
 - CSU programmatic and operational leaders (e.g., finance department, managers in operations, directors of student services) and CSU academic leaders (e.g., deans, chairs, program heads) to provide additional context and information to validate business cases as appropriate
 - External stakeholders to provide important context and input that can assist CSU and EY in collectively generating hypotheses for strategic options. Potential stakeholders could include, but are not limited to:
 - City and county government entities [REDACTED]
 - Nonprofits and community organizations [REDACTED]
 - Additional community leaders and stakeholders as appropriate
- Conduct initial interviews with key members of the leadership / management team
- Begin to synthesize key themes from interviews

Key Deliverables

- Project plan and meeting schedule
- Data request and inventory of collected data
- Initial hypotheses re CSU strengths and areas of opportunity to test / validate in Phase 1

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Phase 1, Workstream 1 –Near-term Opportunity Prioritization (~6-8 weeks)

Key Questions

Opportunity identification:

- How does CSU currently perform on a range of performance indicators across key dimensions (administrative, academic, infrastructure/real estate)?
- What opportunities does CSU have to speed the academic program prioritization analysis recently initiated?
- What is the long list of CSU's opportunities for to improve operational efficiencies and decrease redundancies?

Initial evaluation and prioritization of identified opportunities, focused on near-term:

- How should CSU prioritize opportunities to optimize its program portfolio and to increase operational efficiencies and decrease redundancies? What criteria will be used to evaluate opportunities?
- At a high level, how much potential does each opportunity have for cost savings or revenue generation?
- How well aligned is the opportunity to CSU's vision, core values, and areas of competitive strength? What stakeholders are impacted and how?
- What is a high-level timeline of potential implementation? What resources would CSU need? When might CSU see indicators of financial impact?

Key Activities

- Complete any management interviews to understand views on operational strengths, weaknesses, root causes of deficit growth over recent years, and potential improvement opportunities
- Leveraging internal data and any existing benchmarking, develop a shared fact base of the current state (e.g., headcount and non-headcount costs for CSU overall, by college, by key university function)
- Based on data analysis and interviews, develop broad set of opportunities to address CSU's operating deficit based on analysis findings (e.g., ~30-40 near-term and longer-term opportunities). Example levers could include people/organization alignment costs, strategic outsourcing, real estate footprint; academic program costs by college)
- Facilitate workshops to prioritize near-term opportunities based on initial evaluation framework that includes expected impact on CSU's deficit

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Key Deliverables

- Fact base of current state
- Long list of ~30-40 opportunities
- Prioritized list of top ~5-10 opportunities to address budget deficit, with supporting high-level business cases (potential financial impact, implementation considerations)

Phase 1, Workstream 2 – Longer-Term Strategic Options (~10-12 weeks)

Key Questions

Longer-term opportunity vision:

- What are the long-term market trends that could benefit CSU? How could CSU position itself to benefit from these trends?
- What are CSU's strengths that may differentiate it from other institutions in the state? Where does CSU have the right to win? How can CSU build upon these strengths?
- What is CSU's relationship to the city and county? To other education institutions? Could these relationships / partnerships be strengthened?
- In view of the above, how does CSU envision itself in the future?

Longer-term opportunity analysis:

- What are potential strategic options to help CSU realize this vision? [Please see p. 10 for some illustrative ideas.]
- What are the implications of these options?
 - What is the potential demand / rationale for each option (e.g., student demand; business, city, or county interest; donor / funder interest; state interest or support e.g., in higher education M&A or consolidation)?
 - What are the potential benefits, challenges, and risks associated with each option?

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- What are the implementation and resource considerations of each option?

Key Activities

- Supplement the current state fact base developed in Workstream 1 with a market factbase (key higher education trends, examples of bold/ transformative strategies pursued by other institutions)
- Facilitate working session(s) with the Steering Committee to identify a set of strategic options, discuss benefits/challenges or options. Some potential ideas include:
 - *Idea 1: Become the partner of choice for the City of Cleveland (business, government, community)*
 - [REDACTED]
 - *Idea 2: Lead the way in providing an accessible, affordable, and quality education in the region*
 - [REDACTED]
 - *Idea 3: Pursue M&A as a way to drive economies of scale*
 - [REDACTED]
- Facilitate additional working session to help Steering Committee prioritize 1-2 strategic options for deeper exploration
- Develop a high-level summary of implementation considerations for the prioritized 2-3 strategic options

Key Deliverables

- Articulation of CSU strengths and value proposition
- Articulation of 1-2 strategic options CSU could pursue (pros, cons, implementation considerations)

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