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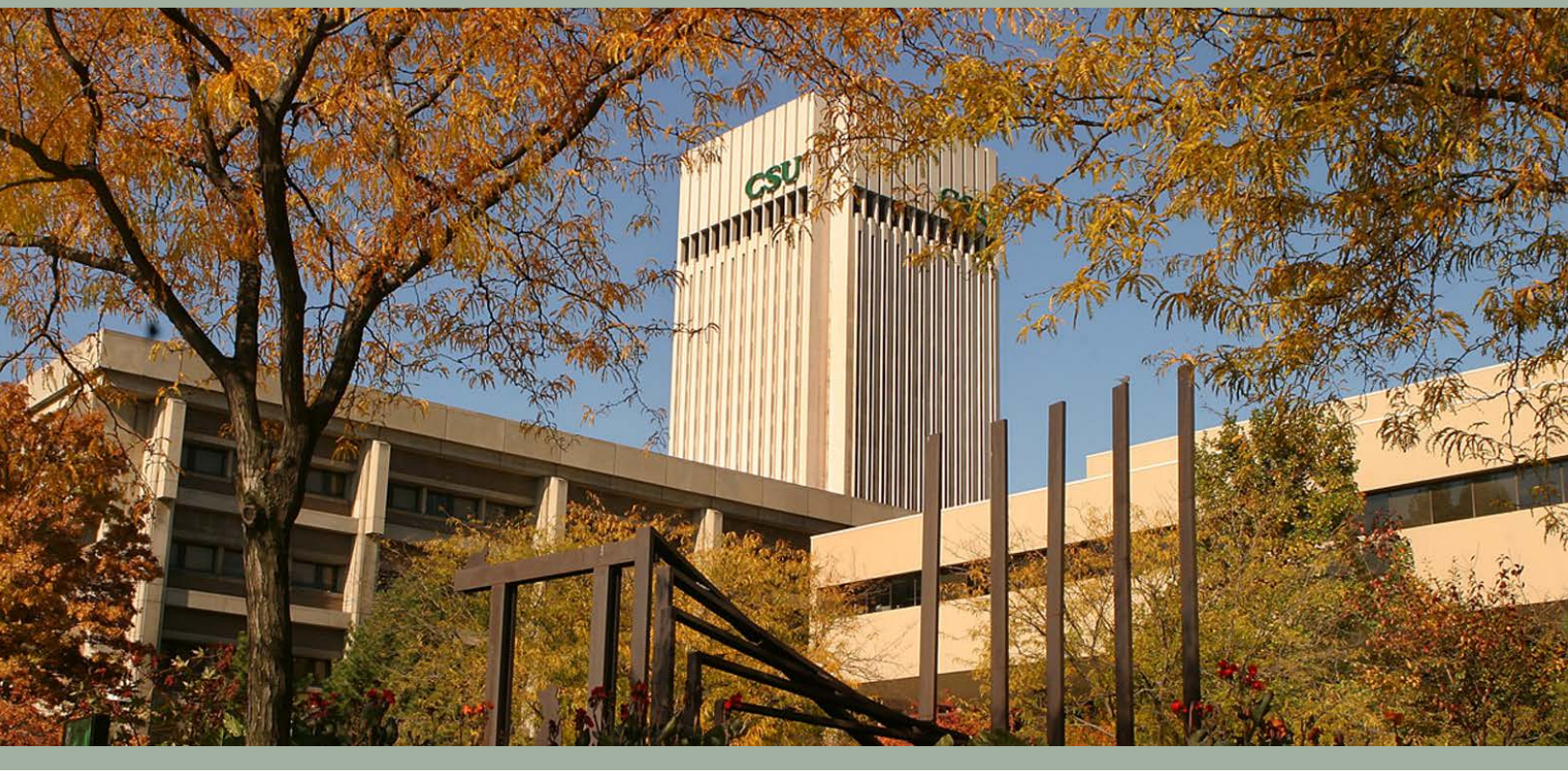
KEITH FABER



Cleveland State University

Performance Audit

March 2025

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OHIO AUDITOR OF STATE
KEITH FABER

To the Cleveland State University Board of Trustees and Interested Citizens:

The Auditor of State's Office recently completed a performance audit of Cleveland State University (the University).

This audit report contains recommendations, supported by detailed analysis, to enhance the overall efficiency, effectiveness, and transparency of the University. This report has been provided to the University and its contents have been discussed with the appropriate staff and leadership.

It is my hope that University officials will use the results of the performance audit as a resource for improving transparency, operational efficiency, and the overall effectiveness of the University. The analysis contained within are intended to provide management with information to consider while making decisions about the University's operations.

This performance audit report can be accessed online through the Auditor of State's website at http://www.ohioauditor.gov and choosing the "Search" option.

Sincerely,

Keith Faber
Auditor of State
Columbus, Ohio

April 1, 2025

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Introduction

Higher education, and obtaining a post-secondary degree, has been associated with increased lifetime earnings and improved quality of life. A commitment to ensuring access to public universities was important to early state leaders, and the Ohio General Assembly established the first public university, Ohio University, less than one year after Ohio became a state. In the mid-20th century, in part due to rapid population growth and the need for a more educated workforce, Governor Rhodes spearheaded a push to ensure higher education was accessible to all Ohioans. A part of this push led to the establishment of several new public four-year state universities and two-year community colleges across the state.

In 1964, the General Assembly established Cleveland State University (CSU) in Chapter 3344 of the Ohio Revised Code. The University is located in Cuyahoga County, in the City of Cleveland, and is comprised of 10 colleges and schools, offering 175 academic programs.

Ohio Public Higher Education Institution Types

In Ohio, there are both 4-year and 2-year institutions of public education. Within these categories, there are multiple different types of colleges and universities that are allowed under Ohio Revised Code. These institutions are reliant primarily on state funding or tuition for operational purposes.

Technical College: A two-year institution that historically offered Associate of Applied Science degree programs to students, which prepares graduates to immediately enter a new career upon completion.

State Community College: A two-year institution offering baccalaureate-oriented programs, technical education programs, and adult continuing education programs.

Community College: Similar to a state community college, but with the authority to levy property taxes.

State University: A four-year public institution of higher education which is a body politic and corporate, offering associate, baccalaureate, graduate, and doctoral programs.

As public universities continue to provide valuable educational opportunities and conduct impactful research, an independent review of operational effectiveness, efficiency, and transparency can be an important tool for decision making purposes. In 2023, the Ohio Performance Team (OPT) initiated an audit[1] of Cleveland State University (CSU or the University) in Cuyahoga County by request of the University to identify strategies for operational and financial efficiencies as they relate to university facilities, as well as to assess the University's cybersecurity measures. This audit has a limited scope and does not address fiscal or budgetary issues. The Board can use the information in this report to guide decisions and educate key stakeholders about their choices.

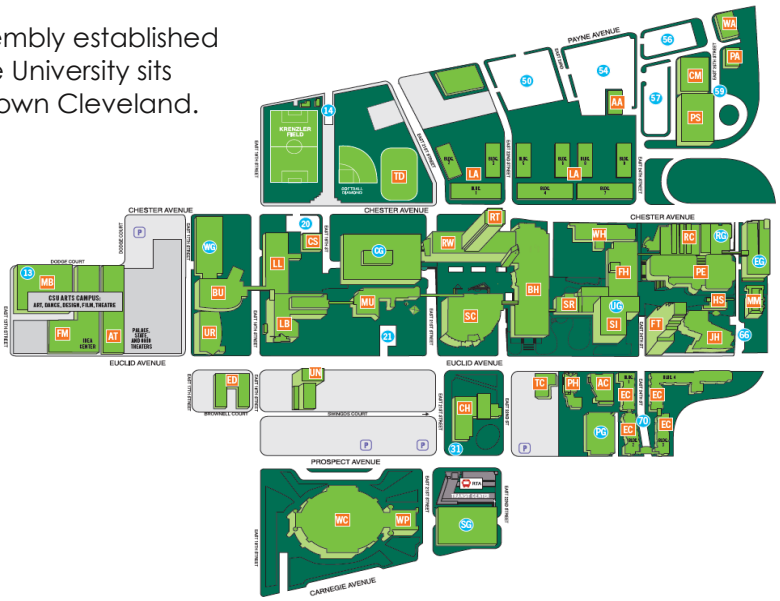
[1] Performance audits are conducted using Generally Accepted Government Auditing Standards, see Appendix A for more details.

Cleveland State University at a Glance

In 1964, the Ohio General assembly established Cleveland State University. The University sits on 108 acres of land in Downtown Cleveland.

- ► 44 Buildings
- ► 202 Classrooms
- ► 135 Class Labs

RT Rhodes Tower
BH Berkman Hall
WO Wolstein Center
PS Plant Services
SC Student Center
PE Physical Education
PH Parker Hannifin Hall
LB Law Building
FT Fenn Tower
CM Magnet Building



Full-Time Cost Per Semester	Cost Per Credit Hour	% of Students Older than 25	% of Students Part-Time
$6,251	$521	34.6%	40.6%

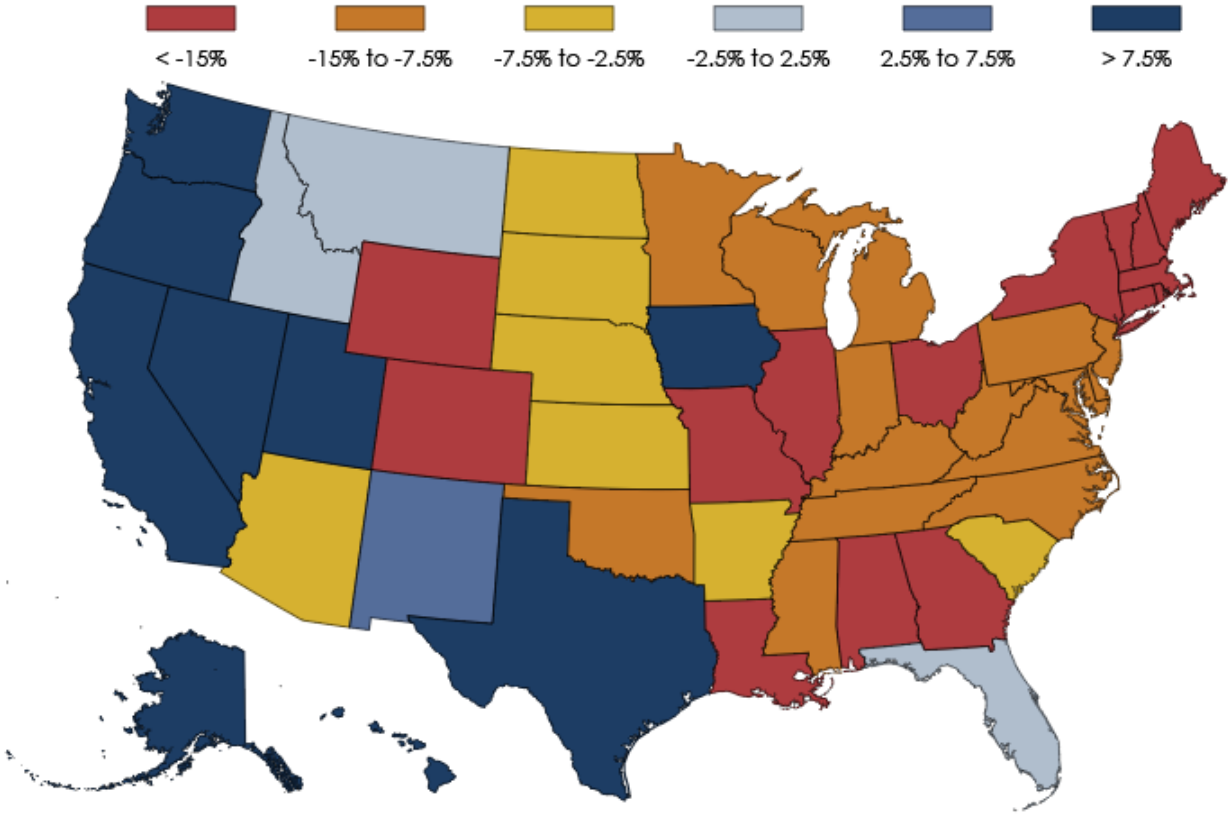
		% of Students On Campus	Student to Teacher Ratio
Headcount of Non-CCP Students	14,251	41.7%	17:1
Headcount of CCP Students	249		
Total Headcount	14,500		

Sources: Cleveland State University (FY 2023), IPEDS (FY 2022), ODHE (AY 2023)

Higher Education Overview

Today, higher education faces new challenges. The overall population in Ohio has remained relatively flat over the past 10 years, but the number of college-aged individuals has declined. The map below shows the nationwide projected change in the college-aged population, 18-year-olds, between 2018 and 2035. The map below shows that Ohio is projected to see a decrease in college- aged population by more than 15 percent between 2018 and 2035. This decrease in potential students presents an inherent challenge for Ohio's institutions of higher education.

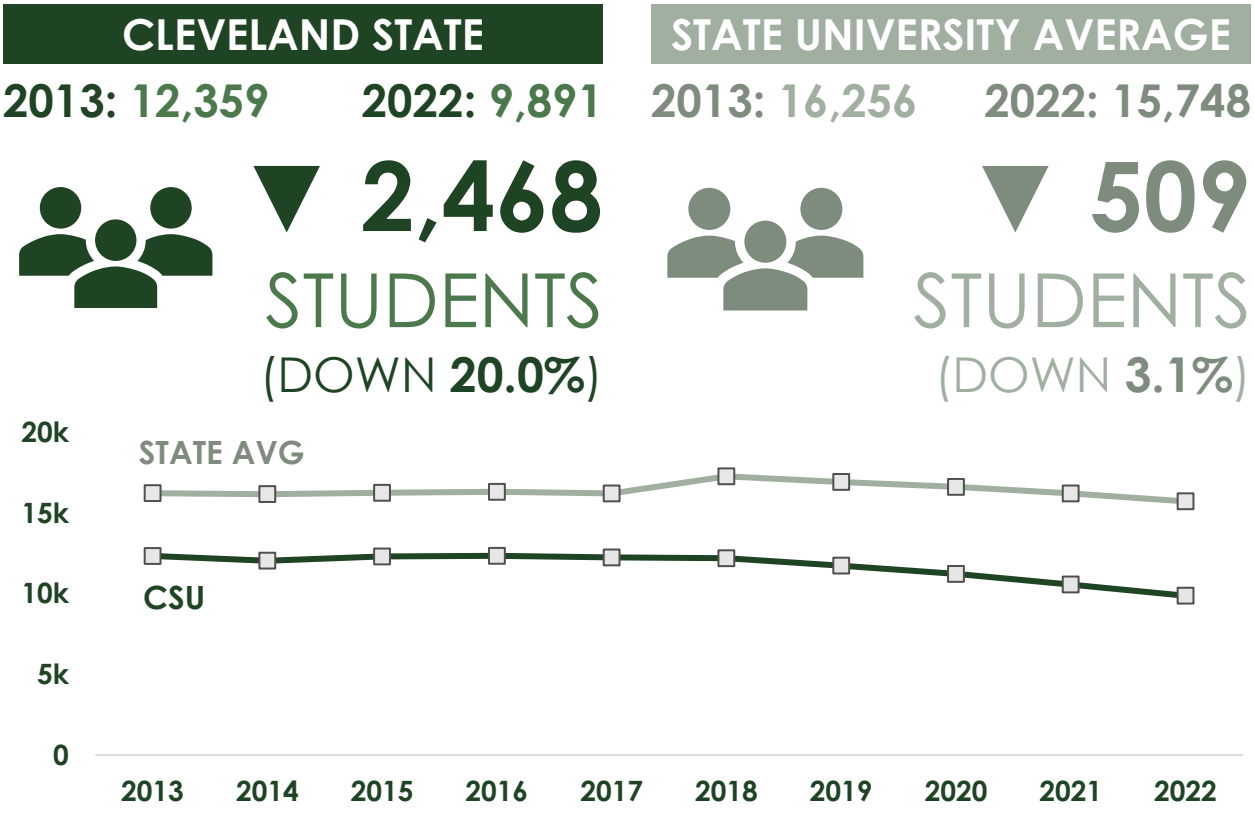
Forecasted Growth/Decline in College-going Students, 2018-2035



Source: Nathan D. Grawe & Carleton College

An aging population and declining enrollment have presented a significant challenge to institutions of higher education across the United States. Furthermore, new technology and the availability of online learning methods also require strategic planning on the part of those in charge of guiding these public institutions into the future. The type and quantity of classroom facilities and other physical buildings on campuses may need to change based on the types of programs that are in-demand.

In Ohio, after reaching peak enrollment in approximately 2011, state universities main and regional campuses have seen steady declines in enrollment. This trend is impacting many public institutions, including CSU, which is declining at a higher rate than Ohio's state university average. The visual on the following page shows the drop in the number of undergraduate students enrolled at CSU compared to the state university average.



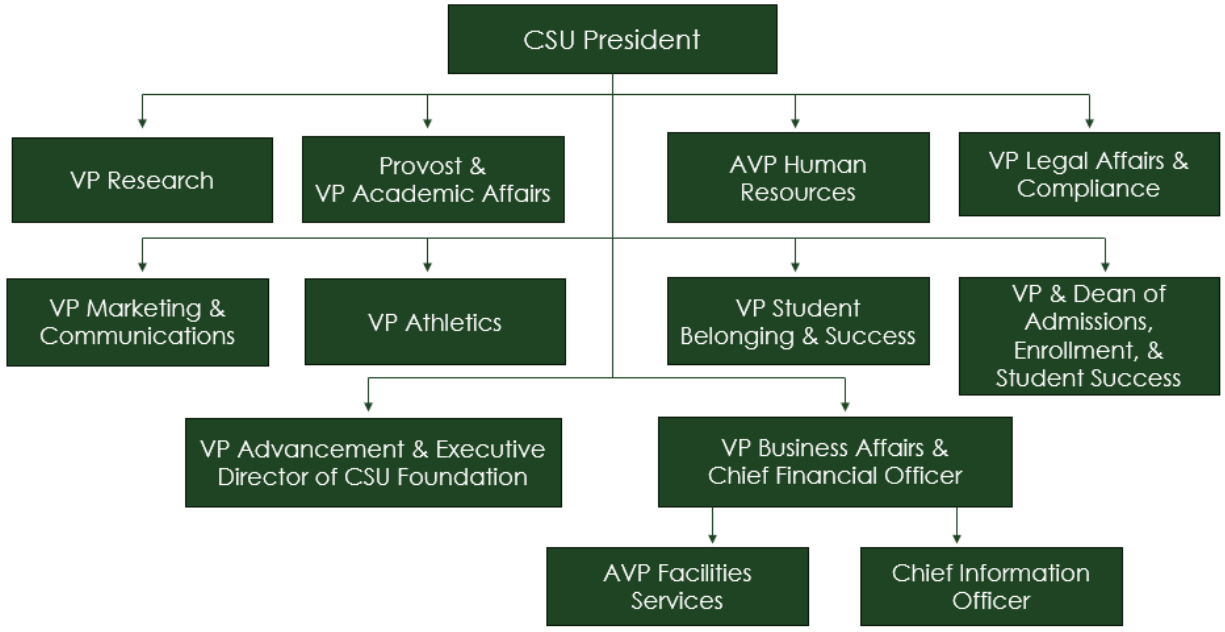
Source: Ohio Department of Higher Education (ODHE)

In addition to the University's declining total enrollment, CSU's student body has generally shifted away from attending courses on campus. Over the past five academic years (AY), on-campus enrollment decreased by 21.9 percent, while online enrollment increased by 28.6 percent. However, from the fall semester of 2022 to the fall semester of 2023, on-campus enrollment increased by 1.3 percent while online enrollment decreased by 10.8 percent, indicating that the trend toward online enrollment may be moderating. The adoption of hybrid or online learning practices provides more flexibility to both the student and the University, but also presents challenges related to facility and space utilization. Facilities that were designed and built in the 20th century may not fit the needs of today's classroom or student. **Appendix B** includes additional information regarding the decline and shift in enrollment trends.

Cleveland State University

In 1964, the Ohio General Assembly established Cleveland State University (CSU or the University) in Chapter 3344 of the Ohio Revised Code. The graphic below shows the University's organizational structure. Pursuant to ORC 3344, a Board of Trustees (BOT or the Board) governs the University and consists of eleven trustees, with two of those trustees being students. The Governor, with the advice and consent of the Senate, appoints nine of the trustees to serve nine-year terms, or the remainder of vacated terms. The Governor also appoints, with the advice and consent of the Senate, the two student members of the Board of Trustees. The student members serve two-year terms, but do not have voting power and are not considered members of the Board in determining whether a quorum is present. The Board is responsible for hiring administrative officers, faculty, and staff, accepting donations and gifts on behalf of the University, and making policy decisions to ensure the successful and continuous operation of the University.

University Leadership Table of Organization



Source: Cleveland State University

While the Board is responsible for overseeing CSU, the Board appoints a President, who is responsible for day-to-day administration of the University. Furthermore, as the graphic above illustrates, the University's organizational chart includes nine vice presidents (VPs) and two associate vice presidents (AVPs), each of which assists the President in day-to-day

administration[2]. This audit focuses on the scope of operations under the AVP of Facilities Services and the Chief Information Officer. Notably, during the course of this audit, multiple individuals in key facilities leadership positions resigned and left the University. These departures resulted in a significant loss of institutional knowledge for the University.

Operations

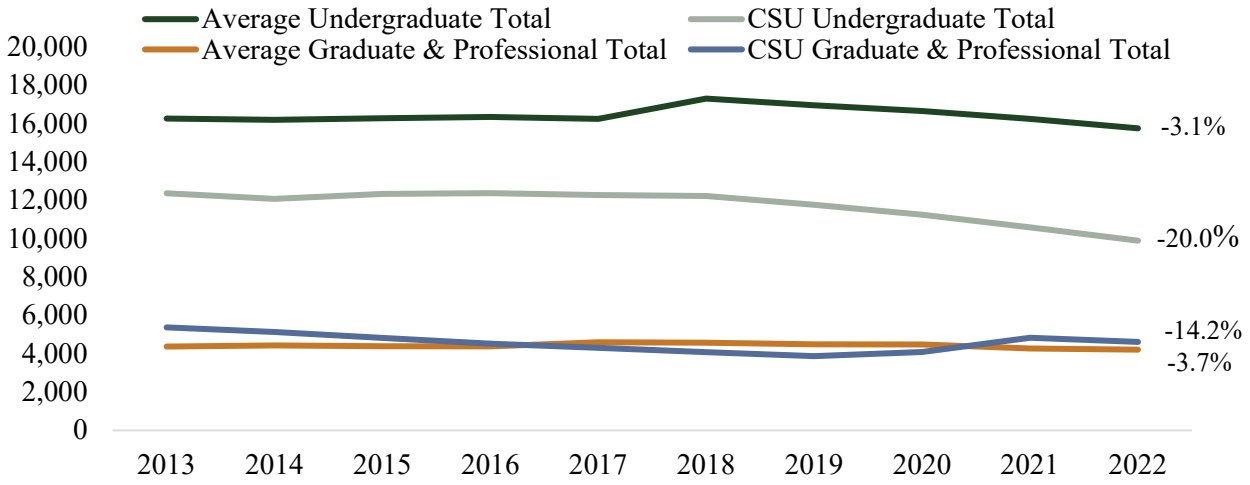
Enrollment

In AY 2022, CSU had a total enrollment of 14,500 students. This enrollment consisted of 9,891 undergraduate students and 4,609 graduate and professional students. Of these students, 5,885 were part-time, and 5,012 were over the age of 25. College Credit Plus enrollment represented less than one percent of total student credit hours taken at CSU.[3]

CSU's total student enrollment decreased by 18.2 percent from AY 2013 to AY 2022, which is over double the state university average decline of 8.7 percent. Specifically, CSU's undergraduate enrollment has decreased by 20.0 percent over the same time frame, compared to the state university average decline of 3.1 percent. The University's graduate enrollment has decreased by 14.2 percent, compared to the state university average decline of 3.7 percent. CSU's graduate enrollment has even seen increases in AY 2020 and 2021. The graph below provides a visualization of these trends.

[2] This graphic represents the organization in place during our engagement with the University. However, University leadership has recently undergone a slight reorganization. Specifically, the Chief Information Officer now reports directly to the President, and the AVP of Facilities Services now reports to the Chief Administrative Officer.
[3] College Credit Plus (CCP) is Ohio's dual enrollment program that provides students in grades seven through twelve the opportunity to earn college and high school credits at the same time by taking courses from Ohio colleges or Universities.

CSU Undergraduate and Graduate Enrollment Compared to State University Average, AY 2013-2022



Source: ODHE

In addition to overall declining enrollment, CSU has also seen a shift towards online enrollment over the past five years, especially in 2020 and 2021 due to the COVID-19 pandemic. From AY 2019 to AY 2023, the University had a 28.6 percent increase in online credit hours, and a 21.9 percent decrease in on-campus credit hours.[4] The University's declining student enrollment and overall trend towards increased online enrollment impacts the utilization of campus facilities.

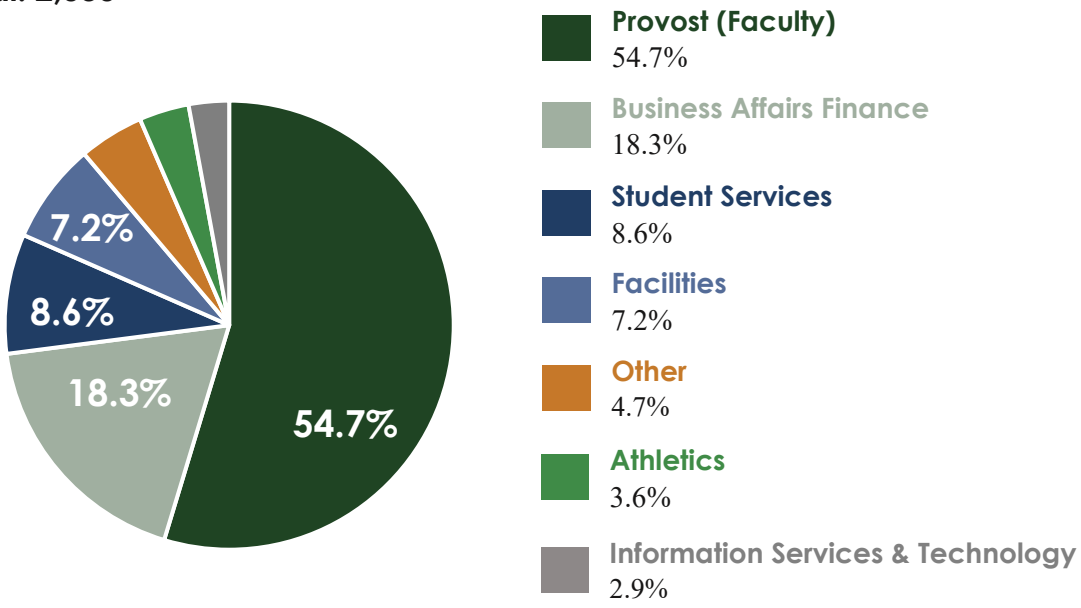
Staffing

As of October 2023, CSU reported a total of 2,030 employees across the University. Only approximately 7 percent of these employees were within the Office of Facilities Management, which was the primary focus of this audit. 1,110 employees, or 54.7 percent of the total, are under the Provost, representing the professors and other faculty. The chart below shows a breakdown of the University's employees.

[4] We calculated modality trends from internal student credit hour data provided by CSU due to limited enrollment data available in IPEDS.

CSU Staff by Department, October 2023

Total: 2,030



Source: Cleveland State University

CSU employs 144 people in a variety of facilities related functions, including custodial services, building maintenance, care of grounds, shipping and receiving, moving, administration, environmental health and safety, security systems, and capital planning.

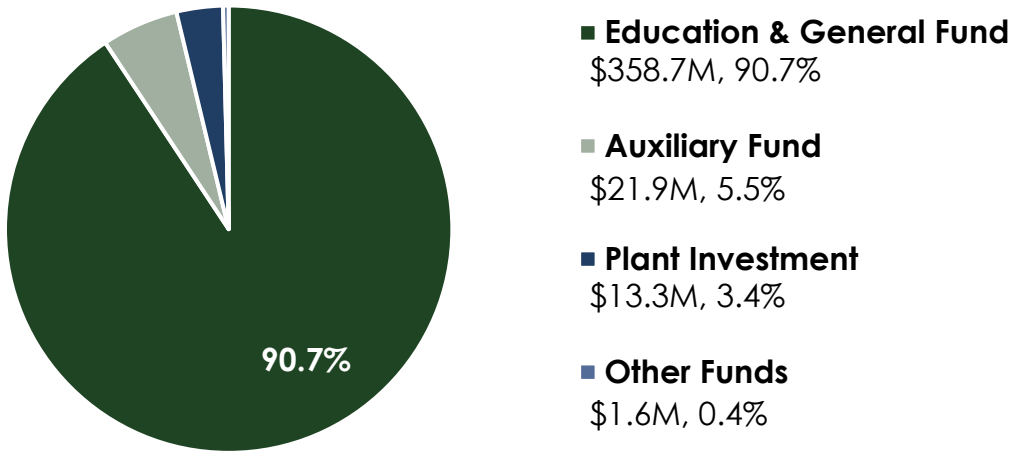
Financials

Ensuring the long-term fiscal health of the University is important to ensure that it continues to provide educational opportunities to the community. The Board of Trustees, in its oversight capacity, is expected to ensure funds are spent in accordance with law. In addition to routine financial audits, the Ohio Department of Higher Education (ODHE) monitors the fiscal health of state universities, including CSU.

Revenue

The University receives funding from a number of sources. From the state, the University receives funding through the State Share of Instruction (SSI) and, at times, may receive funding for building projects or other large-scale expenditures through Ohio's capital budget.[5] The University also receives funding through tuition and fees, grants, and sales for services. CSU divides this revenue into separate funds for operational use. The majority of CSU's funding, 90.7 percent, is accounted for in the Education & General Fund, which is the University's primary operating fund. The chart below shows the breakdown of the University's revenue by fund.

CSU Revenues by Fund, FY 2023
Total: $395.4M

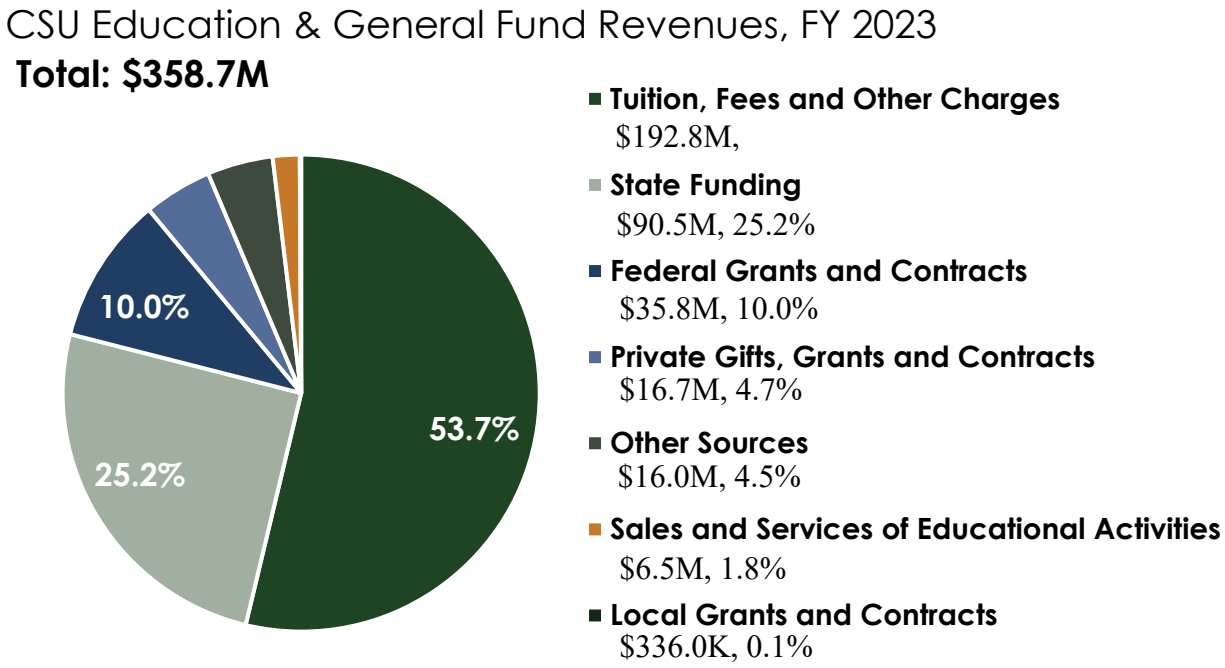


Source: Cleveland State University

In Fiscal Year (FY) 2023, the University generated approximately $395.4 million in total revenue. This funding was generated through a combination of state support and student tuition

[5] Public colleges and universities receive funding from the State through the State Share of Instruction (SSI) for the education of Ohioans. This funding is based on a complex formula that takes into account student enrollment and academic outcomes. Each public college and university reports detailed cost information to ODHE within the Higher Education Information (HEI) system, and that data serves as the basis for the SSI calculations.

and fees. The Education & General Fund, representing approximately $358.7 million, accounts for the majority of this funding. Of this fund, 83.3 percent, or $298.7 million, is unrestricted, while the remaining 16.7 percent, or $59.9 million, is restricted. The chart below shows the revenue sources for the Education & General fund.

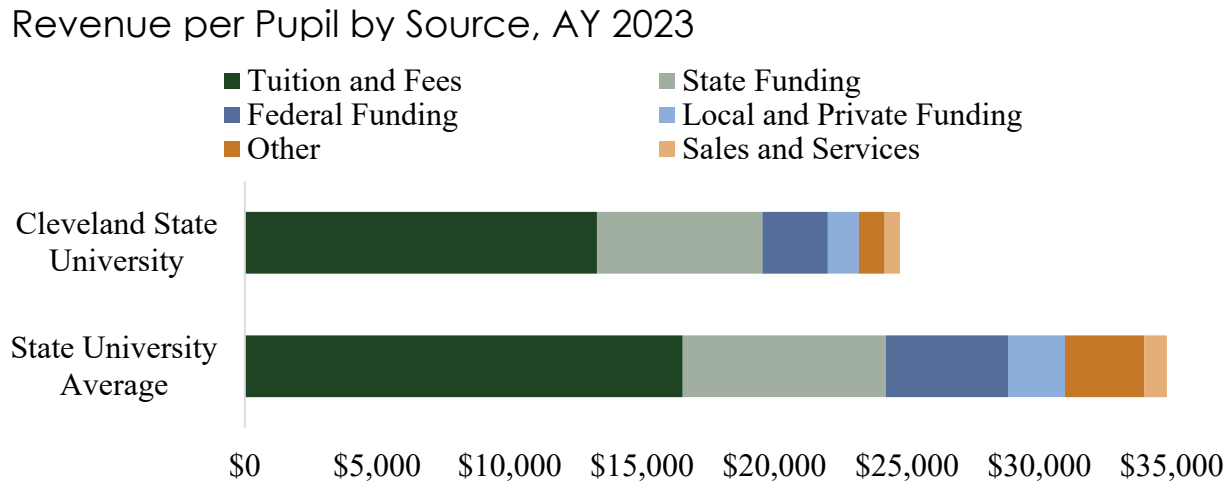


Source: Cleveland State University

Tuition and fees represent the largest portion of the University's funding. The University charges tuition and fees to students based on the number of credit hours enrolled, state of residency, and academic program. CSU charges an additional fee for room and board to students who live in campus residence halls. Pursuant to ORC 3345.48, the University implemented an undergraduate tuition guarantee program, which provides eligible students a fixed tuition rate for general and instructional fees for a four-year period. Additionally, CSU created a tuition band for full-time students, meaning students enrolled in 12 to 18 credit hours will pay the same tuition rate. In AY 2024, CSU charged in-state students $12,558 in annual tuition for individuals that were enrolled full-time, and $520.95 per credit hour for individuals that were not enrolled full-time.

State support, obtained through SSI, is the second largest portion of the University's funding. The General Assembly allocates SSI funding to ODHE for distribution to all Ohio public institutions of higher education. ODHE provides a set amount of funding for all state universities, and then distributes the funding based on an allocation formula that uses a variety of student outcomes such as course completions, degree completions, certificate completions, transfers to four-year institutions, and student progress metrics known as Success Points.

When normalized for student full time equivalent enrollment, the University has a per-pupil revenue of $24,735 in AY 2023. This is approximately $10,000 lower than the state university average per-pupil revenue of $34,809. The chart below shows a comparison of per-pupil revenues between CSU and the state university average.

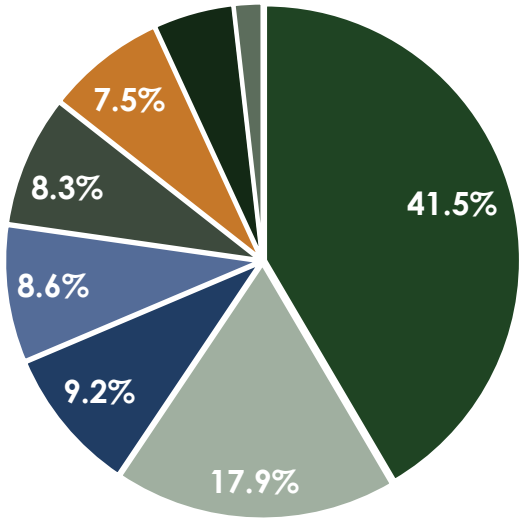


Expenditures

In FY 2023, CSU had approximately $378.1 million in total expenditures. The majority of the University's expenditures are within the Education & General Fund, representing approximately $320.8 million. Other small, dedicated-purpose funds, such as Plant Investment and the Perkins Loan Fund comprise the remainder of expenditures. The chart below categorizes the E&G Fund expenditures.

CSU Education & General Fund Expenditures, FY 2023

Total: $320.8 M

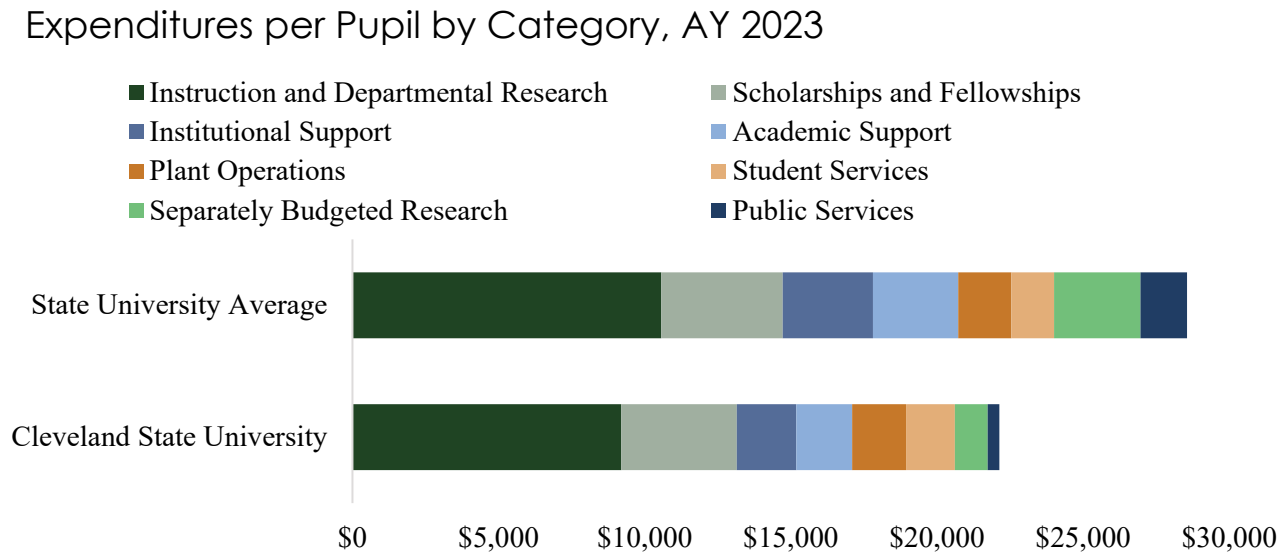


- **Instruction and Departmental Research** $133.3M, 41.5%
- **Scholarships and Fellowships** $57.3M, 17.9%
- **Institutional Support** $29.5M, 9.2%
- **Academic Support** $27.7M, 8.6%
- **Operation and Maintenance of Plant** $26.7M, 8.3%
- **Student Services** $24.2M, 7.5%
- **Separately Budgeted Research** $16.3M, 5.1%
- **Public Service** $5.8M, 1.8%

Source: Cleveland State University

The University's largest category of expenditures, $133.3 million, or 41.5 percent, was Instruction and Departmental Research. This category includes operation and compensation expenses for instruction and research at CSU, including salaries and benefits for faculty. The second largest expenditure category is Scholarships and Fellowships, at 57.3 million, or 17.9 percent. This category represents grants or other forms of financial aid that the University provides to students. The Operation and Maintenance of Plant category, representing 8.3 percent of expenditures, consists of facilities related expenses, which are the primary focus of this audit. The remaining expenditures were for Institutional Support, Academic Support, Student Services, Separately Budgeted Research, and Public Service.

When normalized for student full time equivalent enrollment, CSU had a per-pupil expenditure of $22,126 in AY 2023. This is lower than the state university average of $28,551 spent per pupil. The chart below shows a comparison of per-pupil expenditures between CSU and the state university average.



Source: ODHE

This breakdown does not account for potential variation in per-pupil expenditures between universities based on program offerings or the of level student enrollment in more expensive majors. However, it normalizes university expenditures by student population to allow for the most accurate comparison possible.

S.B. 6 Score

The Ohio Department of Higher Education (ODHE) oversees state universities and other Ohio public institutions of higher education. In 1997, the 122nd General Assembly enacted Senate Bill 6 (S.B. 6) into law and created ORC 3345.72 through ORC 3345.78. These laws require ODHE to monitor the fiscal health of all public institutions of higher education using specific standards and methods as well as establish rules for fiscal watch and determination of a warranted conservator for institutions of higher education placed in fiscal watch. To meet the legislative intent of S.B. 6, ODHE computes three ratios that it uses to generate four scores, one of which is a composite score based on a scale of 0 to 5, with 5 being the highest score. If an institution has a composite score at or below 1.75 for two consecutive years, it may be placed on fiscal watch by ODHE. The composite score is known as the S.B. 6 Score. ODHE primarily uses three ratios: Viability, Primary Reserve, and Net Income. ODHE gives these ratios a score and weight to determine the Composite Score for an institution.

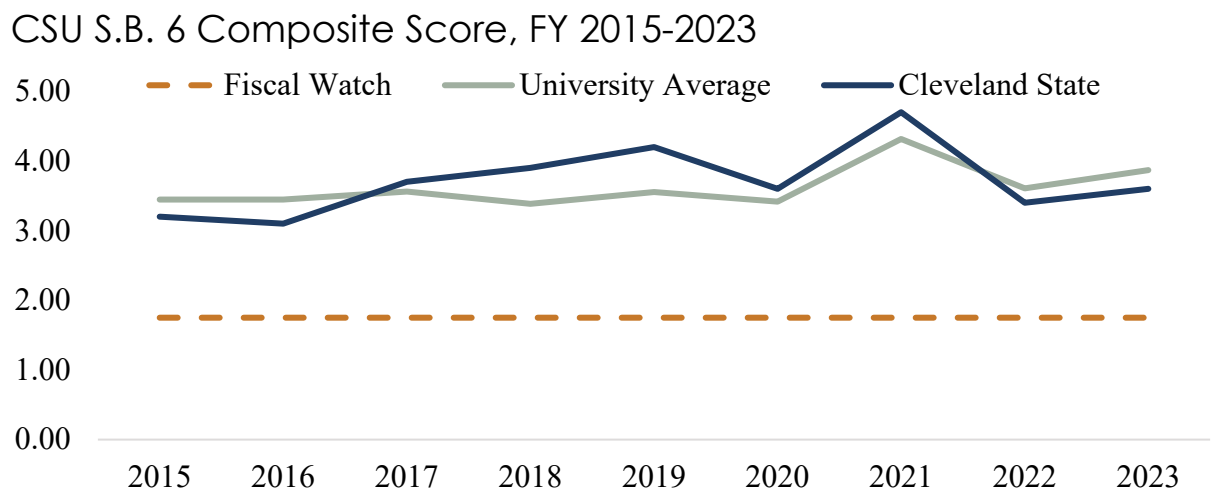
Viability Ratio assesses how strategically the institution manages its financial resources, including debt, to advance the institution's mission. Specifically, it examines the availability of expendable net assets to cover its debt should the institution need to settle those debts through dividing expendable net assets by plant-related debt.

Primary Reserve Ratio compares expendable net assets to total expenses to measure the financial strength of the institution. It provides a financial snapshot of the institution's reserves and an indication of how long the institution could operate using its expendable reserves.

Net Income Ratio compares revenues to expenditures to reveal whether the institution is living within its available resources. This score relates to the other scores in that a large surplus or a large deficit directly impacts the amount of an institution's available funds.

ODHE applies a weight to the ratios to determine the **Composite Score**. Typically, ODHE applies the weights as follows: 30 percent to Viability Ratio, 50 percent to Primary Reserve Ratio, and 20 percent to Net Income Ratio. It is important to note that expendable net assets, which is largely the fund balance of an institution, has a large influence on the composite score since it is the numerator for both the viability and primary reserve ratio. The highest possible composite score an institution can earn is 5.00 and a composite score of 1.75 or below for two consecutive years would result in ODHE placing an institution in fiscal watch.[6]

The following chart shows the SB6 score for CSU between FY 2015 and FY 2023.



Source: ODHE

While CSU has an SB 6 Composite score that is in line with the University average and well above the requirement for fiscal watch, it should be noted that the University scored a zero on the Net Income Ratio in FY 2022, which increased to a one in FY 2023. These scores indicate that CSU's expenditures were higher than their essential revenues for the year. While deficit

[6] Per OAC 126:3-1-01, once declared under fiscal watch, the board of trustees shall adopt a financial recovery plan to end fiscal watch within three years. The Auditor of State shall provide a written report outlining the nature of financial accounting and reporting problems. The college or university will establish a process of monthly reviews of finances and approve monthly levels of expenditures.

spending is not abnormal for public entities, if this trend continues, the University will eventually deplete its fund balance.

Facilities

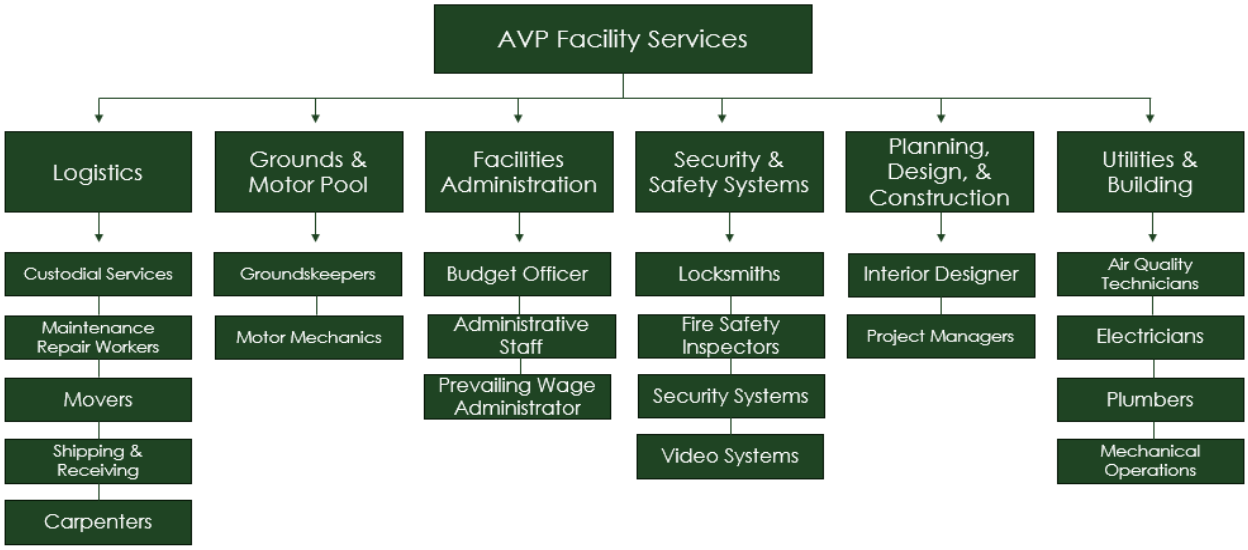
Higher education institutions require classroom and laboratory space to provide education to students. Based on changing enrollment trends, both in the number of students, the type of students, and how students access courses, it is important for higher education institutions to strategically leverage campus facilities to best serve students and the community moving forward.

To house staff and student activities, the University has 44 facilities. These facilities contain classrooms and labs for hosting courses, offices for University faculty and staff, and spaces for student activities such as athletics. These facilities are all located on the University's campus in downtown Cleveland. Of the University's 44 buildings, 26 have classrooms and laboratories used for educational purposes. In these buildings, there are a total of 202 classrooms and 437 laboratories, representing 2.5 percent and 5.5 percent of total facility space, respectively. There are a total of 2,075 staff and faculty offices, representing 26 percent of total facility space.

One important function of the University is the maintenance of physical spaces for both staff and student-facing activities. Facilities operations encompasses all elements of maintaining campus grounds, facilities, and equipment. At CSU, the Office of Facilities Management performs most of these operations in-house.

CSU's Office of Facilities Management consists of six departments under the Associate Vice President (AVP) of Facilities Services, which are responsible for facility operations at the University. These departments include Logistics, Grounds and Motor Pool, Facilities Administration and Fiscal Operations, Security and Safety Systems, Planning, Design, and Construction, and Utilities and Buildings. The chart below shows the organization of the Office.

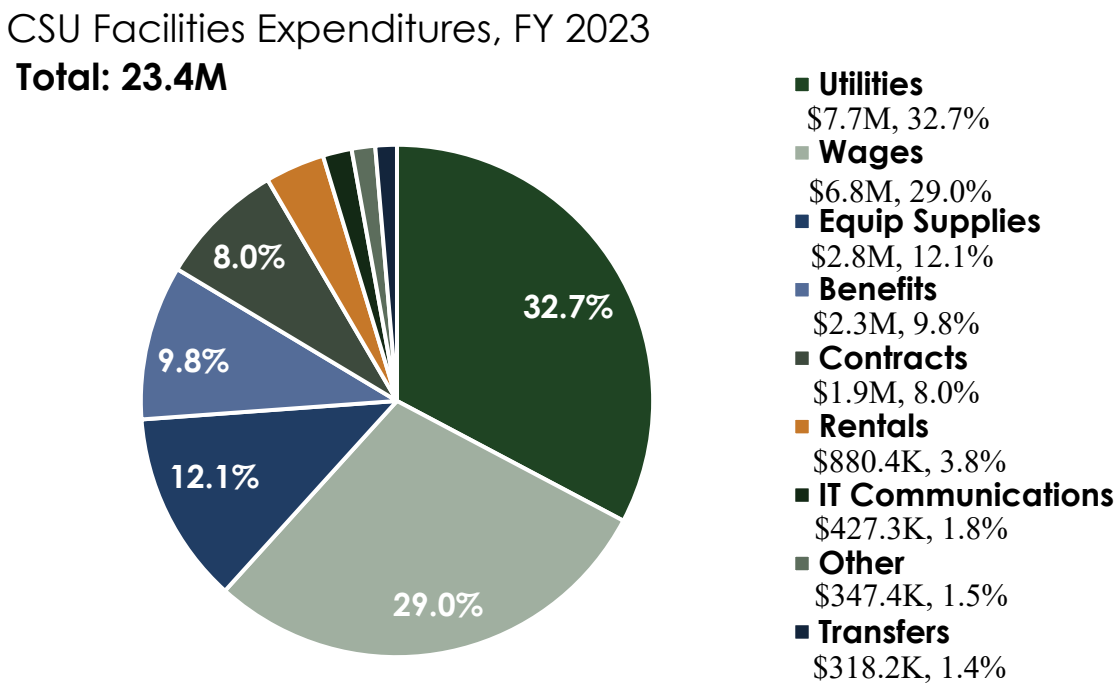
Office of Facilities Management Table of Organization



Source: Cleveland State University

Logistics is responsible for custodial services, carpentry, moving, shipping and receiving, and general maintenance. Grounds and Motor Pool is responsible for the maintenance of University grounds and fleet, including landscaping, grass care, snow and ice removal, sweeping garages, and concrete work. Utilities and Buildings is responsible for trade-specific maintenance and renovation work, including plumbing, electrical, HVAC, and mechanical work. Some facilities services, such as the cleaning and maintenance of residence halls and larger projects, are contracted out to third-party service providers. A Superintendent, Manager, or Director leads each department listed above.

The Office of Facilities Management had a total operating expenditure of $23.4 million in FY 2023. This represents approximately 6.2 percent of the University's total operating expenditures. The chart below shows a breakdown of the Office's operating expenses.



Source: Cleveland State University

Utilities, which includes electricity, steam, and natural gas for all campus facilities, represent the Office of Facilities Management's largest operating expense while staff wages represent the Office's second largest operating expense.

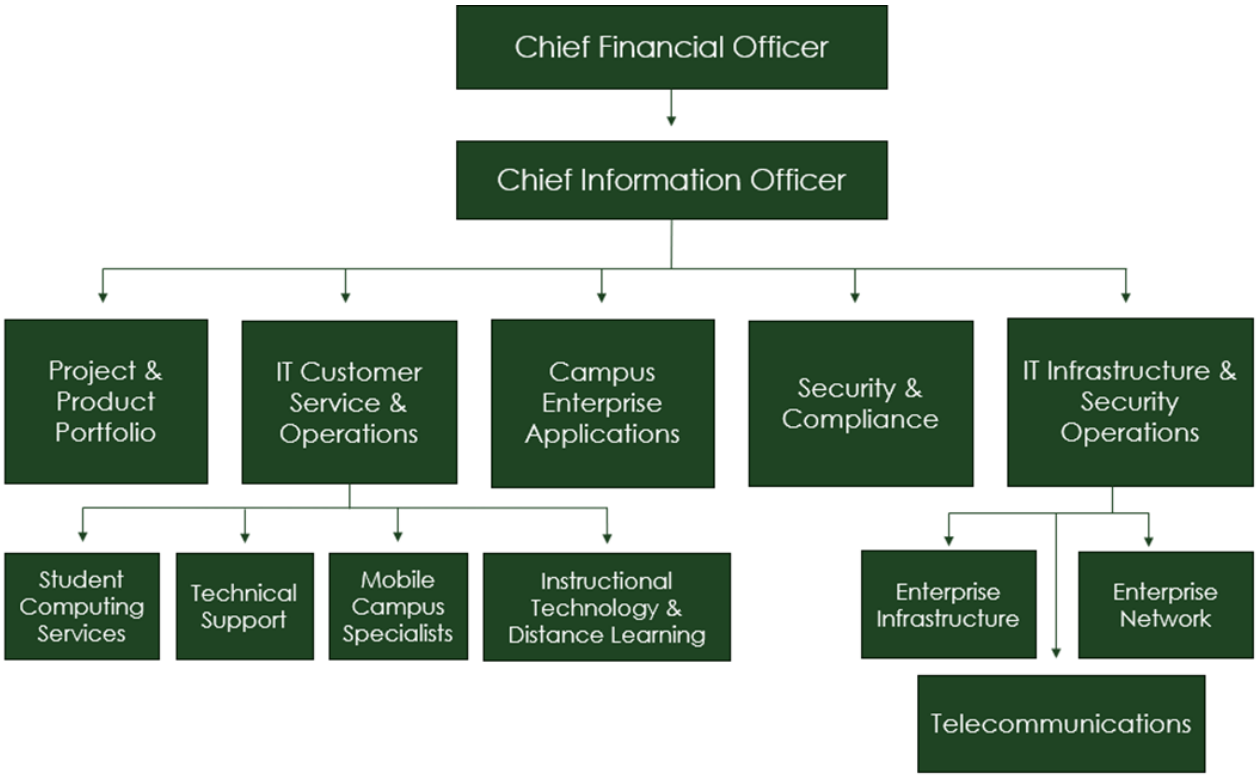
Information Technology

Information technology infrastructure and systems are complex and essential for operations in today's higher education environment. While investments in IT infrastructure can represent substantial upfront costs, protection against data breaches, ransomware attacks, and lost productivity is critically important for institutions maintaining personal information.

The Information Services and Technology (IS&T) Department conducts cybersecurity operations at CSU. This Department has four employees dedicated entirely to cybersecurity, but most sub-departments contribute to cybersecurity operations in some capacity. Sub-departments of IS&T include Campus Enterprise Applications, IT Customer Service and Operations, IT Infrastructure and Security Operations, Telecommunications, Project and Product Portfolio, and Security and Compliance. The chart below shows the organization of the IS&T Department[7].

[7] As previously noted, this was the departmental organization in place during our engagement with the University. The University has recently undergone a reorganization, resulting in the CIO now reporting directly to the President.

Information Services & Technology Table of Organization



Source: Cleveland State University

The University recently separated cybersecurity operations from general IT operations. In July 2023, the Manager of Security and Compliance joined the University as a result of this separation.

Summary of Audit Results

At the request of the client, this audit focused on the University's facilities. Our audit reviewed several operational areas and analyzed the University's policies and procedures and compared them to best practices and industry standards. Specific areas of review for this audit included facilities utilization, planning efforts, energy usage and procurement, facilities operations, and cybersecurity.

Our audit identified six recommendations across these areas of review that can assist the University in improving overall efficiency and effectiveness. The audit, and the associated recommendations, also provides transparency to the students and other stakeholders of Cleveland State University.

Facilities Utilization

The University has experienced declining student enrollment over the past ten years, as well as a shift towards online education. With this decrease in on-campus presence, students and staff utilize the University's facilities less than they have in the past. We reviewed both academic and office space usage for the University and identified two recommendations to increase efficient use of CSU's facilities.

Recommendation 1: Seek opportunities to repurpose academic space. The University's academic reservation system indicates excess capacity in classrooms and class labs to meet the needs of the University's students. CSU should seek opportunities as they arise to repurpose academic space prior to embarking on new construction. This will ensure that the University is not misallocating resources on new construction and underutilized academic facilities.

Recommendation 2: Evaluate and Repurpose Office Space. The University reserves a large amount of space for offices. Existing office spaces are often larger than necessary based on industry standards and are at times vacant. Additionally, CSU allows remote work for their staff, reducing the need for on-campus office space. The University should evaluate office space needs and capacity on an ongoing basis and more effectively employ double-occupancy or hoteling options, when appropriate, to consolidate office space. This would enable CSU to more efficiently utilize existing space and could provide an opportunity to repurpose unused office space, if desired.

Operations

CSU conducts its in-house facilities operations through its Office of Facilities Management, including the cleaning and maintenance of facilities, energy procurement, facilitating events, and the management of staff. We reviewed the University's facilities practices and procedures and identified three recommendations to improve the efficiency of their operations.

Information Technology, or IT, is critical to organizational operations. CSU is responsible for securing confidential information on students and faculty. In addition, it manages significant financial systems which subject the University to federal requirements. We reviewed the University's IT security policies and identified one recommendation that could assist in improving cybersecurity operations**.**

Recommendation 3: Develop a formal facilities maintenance plan and fully utilize the work order system. CSU's Office of Facilities Management does not have a formal, centrally located maintenance plan it uses to manage preventative maintenance procedures. Additionally, while the University has a work order system, CSU does not utilize it to its fullest potential and the system does not consistently collect key data points. A well-conceived maintenance plan and effective data collection are essential components of a successful facilities maintenance program. Developing a formal, centrally located facilities maintenance plan that includes an assessment of the current condition of facilities and a detailed schedule of preventative maintenance needs would ensure that the University meets its maintenance goals and prioritizes preventative maintenance procedures. Fully utilizing the work order system to include the collection of key metrics, such as location, time on task, supplies, materials, and costs, would enable CSU to have a better understanding of maintenance needs by building which can inform short- and long-term planning.

Recommendation 4: Improve overtime management for facilities staff. CSU facilities staff utilize overtime primarily for billable work, fixing emergency issues, and covering absences. The Office's overtime expenditures exceed the benchmark in all years examined, and the Office's overtime hours exceed the benchmark in FYs 2021 and 2022. While the Office of Facilities Management has informal procedures for the advance approval of overtime, it does not currently track meaningful metrics related to overtime use, such as reason for use or day and time worked. CSU should improve the management of overtime through enhanced approval and monitoring practices, data collection, and analysis of staffing and scheduling needs. Developing processes for data tracking and approval will allow facilities leadership to monitor overtime usage and make appropriate staffing and scheduling decisions to decrease usage.

Recommendation 5: Strategically manage the energy portfolio. The University does not store historical and current energy usage data in a centralized database and currently lacks dedicated personnel to oversee energy management. CSU should strategically manage energy by improving data collection practices, evaluating staffing resources to support energy management, and incorporating cost-efficiency practices. This will allow the University to evaluate energy usage and enable leadership to make data-driven decisions regarding energy contracts and management.

Recommendation 6: Continue Cybersecurity Control Improvements and Prioritize Reporting to the University's Board of Trustees. The Gramm-Leach-Bliley Act (GLBA) provides specific criteria for the safeguarding of consumer data and security systems. This Act requires compliance from financial institutions, including universities. While CSU meets the majority of these requirements, and is working to implement those not fully met, the University

does not meet the GLBA requirement to provide an annual report to the Board of Directors regarding the overall status of the information security program. CSU should continue to improve its cybersecurity control efforts and operations and develop standard and ongoing board-level reporting for cybersecurity-related matters. Doing so will ensure that the University does not lose any federal funding and maintains robust cybersecurity operations.

Issue for Further Study: Succession Planning. Prior to and during the course of the audit, multiple individuals in key leadership positions resigned and left the University. These individuals were directly involved with the management of facilities operations at the University. Their departure represented a significant loss of institutional knowledge. The GFOA recommends that governmental entities maintain strategies concerning succession planning in order to ensure continuity and consistency of service delivery amidst employee turnover.

Recommendation 1: Seek Opportunities to Repurpose Academic Space

The University's academic reservation system indicates excess capacity in classrooms and class labs to meet the needs of the University's students. CSU should seek opportunities as they arise to repurpose academic space prior to embarking on renovations and new construction. This will ensure that the University is not misallocating resources on new construction and underutilized academic facilities.

Impact

Repurposing underutilized space would increase the efficient use of CSU's academic facilities. Additionally, considering the current levels of utilization before embarking on renovations and new construction will help CSU to avoid spending significant capital on facility projects that may not be necessary for the University's educational mission.

Methodology

We obtained a building and room inventory, as well as academic room reservation data from the University. We used this data to identify the historical use of classrooms and laboratories, the current utilization of academic space, and days and times of peak use. Utilization was analyzed from multiple perspectives, including campus-wide utilization, weekly room hours, and individual building utilization. We then compared the academic utilization to industry best practices. We did not include non-academic room reservations in this analysis.

Analysis

Campus-Wide Utilization

Across CSU's campus, the maximum percentage of classrooms booked on any given day, from the fall semester of 2017 to the fall semester of 2023, was 68.5 percent. We calculated this from the total number of classrooms reserved over time, which was 178 classrooms. This maximum occurred first in the fall semester of 2017, and again in the fall semester of 2018. The next highest percentage of classrooms booked was 68 percent, which occurred at a different time slot on the same day in the fall semester of 2017. The graphic below shows classroom utilization from the fall semester of 2022 to the fall semester of 2023.

Classroom Utilization, Fall 2022 to Fall 2023

Utilization Falls Under Criteria Utilization Meets Criteria

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2022	M	1%	7%	21%	21%	36%	33%	31%	21%	22%	24%	42%	40%	33%	17%	6%
	T	0%	20%	41%	53%	31%	29%	60%	58%	33%	28%	49%	40%	32%	16%	3%
	W	1%	6%	21%	21%	38%	35%	32%	21%	21%	26%	41%	41%	31%	15%	3%
	R	0%	19%	38%	50%	29%	28%	57%	54%	33%	28%	46%	32%	23%	9%	3%
	F	1%	5%	17%	15%	27%	26%	27%	13%	12%	1%	0%	0%	0%	0%	0%
SPRING 2023	M	1%	7%	24%	19%	31%	25%	28%	24%	24%	25%	47%	39%	31%	12%	3%
	T	0%	17%	33%	53%	29%	26%	55%	53%	32%	26%	47%	40%	32%	14%	1%
	W	1%	6%	23%	18%	30%	26%	28%	25%	23%	24%	40%	34%	27%	13%	5%
	R	0%	16%	31%	53%	30%	27%	53%	49%	29%	21%	42%	34%	25%	10%	2%
	F	1%	4%	18%	12%	23%	22%	23%	13%	11%	1%	0%	0%	0%	0%	0%
FALL 2023	M	0%	6%	20%	20%	34%	31%	28%	22%	23%	24%	43%	39%	32%	15%	4%
	T	0%	15%	31%	50%	29%	25%	52%	53%	31%	27%	46%	30%	24%	13%	3%
	W	0%	5%	21%	19%	34%	33%	30%	24%	22%	26%	38%	34%	25%	9%	2%
	R	0%	15%	31%	46%	26%	26%	52%	53%	32%	27%	44%	22%	15%	8%	2%
	F	0%	4%	15%	13%	24%	26%	24%	13%	11%	1%	0%	0%	0%	0%	0%

Source: Cleveland State University

From the fall semester 2017 to the fall semester 2023, the maximum percentage of class laboratories booked at one time was 40.7 percent, occurring in the fall semester of 2021. We calculated this percentage from the total number of class laboratories reserved over time, which was 108. The next closest maximum percentage of class laboratories booked was 38 percent, which occurred in the fall semester of 2021 and the spring semester of 2022. The graphic below shows class laboratory utilization from the fall semester of 2022 to the fall semester of 2023.

Class Laboratory Utilization, Fall 2022 to Fall 2023

Utilization Falls Under Criteria Utilization Meets Criteria

		7A	8A	9A	10A	11A	12P	1P	2P	3P	4P	5P	6P	7P	8P	9P
FALL 2022	M	0%	3%	11%	10%	12%	12%	16%	18%	17%	16%	20%	15%	10%	5%	1%
	T	0%	11%	21%	30%	21%	20%	35%	32%	23%	17%	22%	18%	13%	5%	2%
	W	0%	5%	14%	17%	18%	19%	21%	25%	25%	22%	21%	17%	14%	6%	2%
	R	0%	12%	22%	31%	23%	19%	31%	31%	24%	19%	22%	17%	12%	4%	2%
	F	0%	4%	10%	9%	12%	12%	13%	9%	8%	3%	1%	0%	0%	0%	0%
SPRING 2023	M	0%	3%	11%	14%	16%	14%	16%	14%	13%	15%	17%	14%	12%	6%	2%
	T	0%	13%	24%	32%	23%	18%	30%	31%	24%	17%	18%	20%	17%	7%	2%
	W	0%	10%	17%	19%	19%	18%	20%	20%	19%	17%	18%	16%	13%	6%	1%
	R	0%	13%	22%	30%	25%	16%	25%	31%	26%	20%	19%	18%	14%	4%	2%
	F	0%	7%	14%	10%	14%	12%	11%	7%	6%	3%	1%	0%	0%	0%	0%
FALL 2023	M	2%	5%	12%	13%	15%	14%	18%	21%	22%	18%	22%	17%	12%	4%	0%
	T	2%	12%	21%	32%	23%	15%	31%	31%	24%	16%	20%	17%	12%	5%	3%
	W	2%	6%	16%	19%	20%	19%	20%	24%	25%	21%	23%	21%	17%	8%	1%
	R	2%	13%	22%	34%	25%	18%	31%	31%	25%	15%	17%	14%	11%	6%	3%
	F	0%	3%	10%	11%	14%	13%	14%	9%	7%	2%	2%	2%	2%	2%	0%

Source: Cleveland State University

In general, both classrooms and class laboratories saw peak utilization in the mid-morning, early afternoon, and again in the early evening. There is a significant lull from 11:30am-12:30pm on Tuesdays and Thursdays; a common hour built into class schedules around lunchtime may account for some of this decrease, as the University noted. Tuesdays and Thursdays are the densest days, with the lowest utilization occurring on Fridays.

The Utah System of Higher Education Space Utilization report identifies a target of 75 percent of weekly room hours utilized for academic space. However, from a campus-wide perspective, the hourly look does not provide as much value, as it would be difficult to interpret the scale of the hours. Therefore, this analysis uses the 75 percent benchmark as a target for the amount of available classrooms or class laboratories utilized at any given time of the day. The measure is a binary, either there was a class scheduled or there was not.

The underutilization of CSU's academic space illustrated in the graphic above is exacerbated by the decreasing enrollment the University is facing. From AY 2013 to AY 2022, the University's total enrollment has decreased by 18.2 percent. Additionally, according to the university's internal student credit hour data, the University has shifted away from on-campus education, seeing a 20.2 percent decline of in-person credit hours while seeing a 29.0 percent increase in e-

learning credit hours from AY 2019 to AY 2023[8]. Less students engaging in courses on campus may result in even lower utilization of the University's academic spaces.

Individual Building Utilization

The academic reservation data from the fall semester of 2017 through the fall semester of 2023 includes 20 buildings. Of these 20 buildings, three house the majority of classrooms reserved over the time period examined. These three buildings are Berkman Hall, Monte Ahuja Business Building, and Bert L. Wolstein Law Building. Fourteen of the 20 buildings had both classrooms and class laboratories reserved, two buildings reserved only class laboratories, and four buildings reserved only classrooms. Eleven buildings, at some point in time between the fall semester of 2017 and the fall semester of 2023, had every single classroom in the building utilized.

As discussed in the campus-wide utilization section, industry benchmarks related to academic utilization are based on weekly room hours. While this was not useful for the campus-wide perspective, it is more applicable to an individual building look. There are two industry benchmarks used for the individual building analysis. One comes from the Utah System of Higher Education, indicating that the target number of weekly room hours for classrooms is 33.75, and the other comes from the Ohio State University Classroom Utilization Study, indicating that the target is 35 hours. In the fall semester of 2023, no classroom building at CSU exceeded 25.5 weekly room hours, therefore meeting neither of the criteria.

For class laboratories, the Utah System of Higher Education indicates that the target is 50 percent utilization of room hours or 22.5 hours per week. Using this target, the College of Health is the only building with class laboratories that met the criteria in the fall semester of 2023.

Berkman Hall is the University's main classroom building, with 66 classrooms representing 44 percent of the total weekly classroom hours across all academic buildings. Berkman Hall, along with Fenn Hall, have seen only decreasing or static classroom and class laboratory utilization for both fall and spring semesters. Rhodes Tower, the University's largest building, saw only declining or static classroom and class laboratory utilization for spring semesters. The table below shows the overall trends for utilization in academic buildings from the fall semester of 2017 to the fall semester of 2023.

Percent Change in Utilization by Building from Fall 2017 to Fall 2023[9]

Building	Classrooms	Class Laboratories
Berkman Hall	-11.3%	-3.3%
Monte Ahuja Hall, Business Building	-13.7%	1.9%
College of Health	1.7%	13.9%
Fenn Hall	-15.1%	-6.7%

[8] More information on these trends can be found in **Appendix B**.
[9] N/A indicates that a building does not contain any rooms of that type.

Film & Media Arts Building	29.8%	17.4%
Fenn Tower	-20.0%	N/A
Julka Hall	-3.7%	-1.4%
Bert L. Wolstein, Law Building	-2.1%	N/A
Mather Mansion	11.1%	N/A
Music & Communication Building	-9.0%	-1.9%
Physical Education	-0.6%	-0.3%
Rhodes Tower	-7.5%	-2.4%
Science Building	-8.2%	-0.8%
Science & Research Center	-5.4%	-16.2%
Theater & Arts Building	-1.8%	-1.5%
Union Building	-0.9%	N/A
Miller-Glickman Hall, Urban Building	-14.6%	10.7%
Washkewicz Hall	30.9%	16.6%
Health Sciences Building	N/A	-3.5%
Magnet Building	N/A	5.8%

Source: Cleveland State University

When looking at utilization by day and time, the individual building utilization analysis shows that CSU's scheduling practices place the majority of classes on Mondays through Thursdays, while the University schedules minimal classes on Fridays. Tuesdays and Thursdays account for 50.1 percent of weekly room hours, Mondays and Wednesdays account for 40.8 percent, and Fridays account for 9.1 percent. Afternoons are the busiest time on all days of the week.

Conclusion

Shifting modes of enrollment, changing student needs, and declining enrollment have caused CSU's academic facilities to decline in utilization since the fall semester of 2017. The academic reservation system indicates excess capacity in classrooms and class labs to meet the needs of the students. CSU should attempt to repurpose academic space as opportunities arise and consider the current levels of utilization before embarking on any renovations or new construction. This will help the University to avoid unnecessary capital expenses for facility projects while also having to simultaneously pay to maintain the existing underutilized facilities.

Recommendation 2: Evaluate and Repurpose Office Space

The University reserves a large amount of space for offices. Existing office spaces are often larger than necessary based on industry standards and are at times vacant. Additionally, CSU allows remote work for their staff, reducing the need for on-campus office space. The University should evaluate office space needs and capacity on an ongoing basis and more effectively employ double-occupancy or hoteling options, when appropriate, to consolidate office space. This would enable CSU to more efficiently utilize existing space and could provide an opportunity to repurpose unused office space, if desired.

Impact

Since a portion of CSU's offices are currently vacant, and the majority of offices exceed the recommended size, there is an opportunity for the University to repurpose office space for academic, extracurricular, or residential use.

Methodology

We obtained a facilities inventory, by building and room, from the University. This data breaks down office space on CSU's campus by several different metrics, including vice president reporting group, department, full-time professional offices, and part-time professional offices. We used these different breakdowns of office space for different perspectives in this analysis.

The University's work from home policy enables flexibility for staff regarding how often they must be physically present for work on CSU's campus. However, the University does not track the usage of these offices, so there was no data available regarding how often faculty and staff are actually using their offices. Therefore, we analyzed office space by comparing assignable square footage (ASF) to a work style matrix that establishes best practice benchmarks for office size.

Background

CSU has offices for staff, faculty, administration, and leadership. The University typically assigns faculty and leadership offices to individual people. The University has a remote work policy which is implemented on a departmental level. The policy notes that eligibility and suitability to work a flexible schedule will vary among departments and positions, depending on the duties and responsibilities of the staff member. Approval or denial of a flexible work schedule is at the discretion of the staff member's manager, director, or Associate Vice President (AVP). This policy allows some staff members to work from home, meaning they may not need their office every day.

The University's facilities team does an audit of facilities space each year, as ODHE requires. The result of this audit is the facilities inventory that we used in this analysis, which includes comments to provide context regarding the usage of offices or other rooms. For offices

specifically, these comments often indicate who the office is assigned to. The inventory shows that the University has 408,988 square feet of office space. Rhodes Tower contains the largest portion of office space, representing over 65,000 square feet.

Analysis

Vacancies

At the time of the analysis, CSU had 37,603 assignable square feet of entirely vacant office space, which accounted for 9.2 percent of all office space across campus. When combining the square footage of partially vacant offices with the total of entirely vacant offices[10], office space vacancies accounted for 10.9 percent of all office space across campus, representing 44,556 assignable square feet. The table below shows office space and vacancies by building.

Office Footprint and Vacancies by Building, FY 2023

Building Name	Total Office ASF	Total Count of Offices	Vacant Space as Percent of Total ASF	Vacant Space as Percent of Total Count
Rhodes Tower	65,724	408	15.2%	14.7%
Julka Hall	29,496	179	5.8%	7.8%
Berkman Hall	27,584	129	14.6%	13.2%
Fenn Hall	25,795	128	5.6%	6.3%
Monte Ahuja Hall, Business Building	25,352	145	2.4%	2.8%
Bert L. Wolstein Hall, Law Building	22,967	101	11.5%	9.9%
Miller-Glickman Hall, Urban Building	22,669	112	8.3%	7.1%
Union Building	20,448	82	7.9%	11.0%
Administration Center	17,962	81	13.1%	7.4%
Music and Communication	16,397	98	7.4%	10.2%
Plant Services	16,073	47	5.5%	10.6%
Student Center	12,759	40	0.0%	0.0%
Wolstein Center	12,419	42	2.2%	4.8%
Law Library	10,732	37	6.3%	13.5%
Science and Research Center	9,957	53	9.5%	5.7%
Parker Hannifin Hall	8,873	34	21.8%	14.7%
Euclid Commons	8,865	38	12.4%	15.8%
Science Building	8,411	58	0.0%	0.0%
College of Health	8,248	64	13.9%	14.1%
Mather Mansion	5,597	16	44.4%	37.5%
Physical Education	4,915	28	3.3%	7.1%
Washkewicz Hall	4,517	22	0.0%	0.0%

[10] We considered an office as partially vacant if the facility inventory shows a comment indicating at least one individual is assigned to the office as well as indicating a vacancy.

Cole Center	3,925	22	0.0%	0.0%
Campus Safety	3,688	11	5.7%	9.1%
Recreation Center	3,528	10	0.0%	0.0%
Theater and Arts	3,474	31	3.5%	3.2%
Health Sciences	2,961	20	2.5%	5.0%
Film & Media Arts	2,006	15	0.0%	0.0%
Fenn Tower	1,343	8	7.6%	12.5%
Plant Annex	745	4	0.0%	0.0%
Trinity Commons	667	3	0.0%	0.0%
MAGNET Building	427	2	0.0%	0.0%
Central Garage	213	1	0.0%	0.0%
West Garage	157	5	0.0%	0.0%
South Garage	94	1	0.0%	0.0%
Grand Total	**408,988**	**2,075**	**9.2%**	**9.3%**

Source: Cleveland State University

Faculty Office Space

The Academic Affairs/Provost vice president reporting group occupies the most office space at 65.0 percent of total office space. This group represents the majority of faculty at the University. The Business Affairs and Finance vice president reporting group is the second largest user of office space, at 16.2 percent. The University categorizes it as support, because it consists mostly of administrative and other support services staff. Other vice president reporting groups include Enrollment Management and Student Success (EMSS), at 6.2 percent, Student Belonging and Success (SBS), at 5.4 percent, Athletic Director, at 3.2 percent, and University Advancement, at 1.5 percent. The other groups are below one percent of office space.

Since the faculty group represents the largest portion of office space at CSU, we analyzed their usage and compared it to the University Space Standards from the Ohio State University Research and Office Standards. This criteria provides a matrix of recommended office size based on job responsibilities and work style. See below for this matrix.

Workspace Fit Matrix

Workstyle determines workspace type and role inform the maximum square footage allocation acceptable within that type

ROLE	WORKSTYLE: Focused with Frequent Meetings	Focused	Fixed	Flexible	Free Address
Leadership	Private Office w/ Meeting Space *240 NASF*	Private Office *200 NASF*			
Administration	Private Office w/ Meeting Space *240 NASF*	Private Office *120 NASF*	Shared Enclosed or Assigned Open *64-120 NASF*		
FT Professional Staff & Faculty		Private Office *64 - 120 NASF*	Shared Enclosed or Assigned Open *64 NASF*	Assigned or Unassigned Open *64 NASF*	
FT Support Staff & Lecturers			Shared Enclosed or Assigned Open *42-64 NASF*	Assigned or Unassigned Open *30-42 NASF*	Unassigned Open *30 NASF*
PT Staff & Faculty, Post-Docs, Students				Assigned or Unassigned Open *30-42 NASF*	Unassigned Open *30 NASF*

*The square footages noted above should be interpreted as the maximum acceptable sizes, except when renovating or reassigning space in existing buildings with larger spaces.

Source: Ohio State University

CSU's full-time and part-time faculty office space is, on average, larger than the criteria recommends. Full-time professional faculty offices accounted for the bulk of offices in this analysis, and 68.8 percent of these offices exceeded the maximum recommended size. Since this benchmark is the maximum, this suggests that excess capacity exists in CSU faculty offices. Overall, CSU exceeds the benchmark by 21,885.4 ASF.

Furthermore, the majority of faculty offices are single-occupancy offices, representing 94.6 percent of faculty offices. According to the University Space Standards, a single office can exist at 64 ASF. This means that CSU's current offices can support a move to double-occupancy, as the average ASF per individual assigned to an office is 143.1 ASF. This is over double the benchmark for a single office, suggesting that double-occupancy is a reasonable solution to underutilized office space for faculty.

Conclusion

At the time of the audit, approximately 10 percent of CSU's office space was vacant, and 68.8 percent of full-time faculty offices exceeded the maximum recommended square footage. As a result, there is excess office space at the University and opportunity to utilize space in a more efficient manner. The University should continuously evaluate office space needs and capacity, and, if appropriate, employ double-occupancy and hoteling options. This could allow the University to repurpose excess space and avoid unnecessary capital projects.

Recommendation 3: Develop a Formal Facilities Maintenance Plan and Fully Utilize Work Order System

CSU's Office of Facilities Management does not have a formal, centrally managed maintenance plan that the Office uses to manage preventative maintenance procedures. Additionally, while the University has a work order system, CSU does not utilize it to its fullest potential and the system does not consistently collect key data points. A well-conceived maintenance plan and effective data collection are essential components of a successful facilities maintenance program. Developing a formal, centrally managed facilities maintenance plan that includes an assessment of the current condition of facilities and a detailed schedule of preventative maintenance needs would ensure that the University meets its maintenance goals and prioritizes preventative maintenance procedures. Fully utilizing the work order system to include the collection of key metrics, such as location, time on task, supplies, materials, and costs, would enable CSU to have a better understanding of maintenance needs by building which can inform short- and long-term planning.

Impact

Developing and implementing a facilities maintenance plan would ensure that the University prioritizes preventative maintenance of its facilities. Performing adequate preventative maintenance on facilities, systems, and equipment will decrease the likelihood of emergent or reactive maintenance needed in the future and increase the longevity of the campus facilities and assets.

The lack of consistent data collection for facilities operations increases the University's risk of making suboptimal decisions related to facilities management. Improving data collection through the work order system would assist the Office of Facilities Management with cost-benefit analysis, trend tracking, job prioritization, and planning for future facilities related needs.

Methodology

We obtained data from the University related to preventative maintenance practices in the Office of Facilities Management. This included the documentation of any formal plans, written checklists, manuals, or other guidelines that the Office utilizes for maintenance practices, as well as data pulled from the University's work order system for FY 2023.

We then interviewed the University's facilities leadership regarding the creation and application of these plans in practice and the extent to which the University leverages technology to manage facility operations. We then compared these planning and work order system practices to industry standards. Additionally, we requested maintenance costs by building, but the University was unable to provide this data because CSU does not track this measure.

Analysis

Facilities Maintenance Plan

CSU's Office of Facilities Management has procedures to complete preventative maintenance tasks, but the Office does not have a formal maintenance plan which it uses to centrally manage preventative maintenance procedures, and which contains a detailed schedule of all preventative maintenance needs by building. Instead, individual departments within the Office are responsible for developing preventative maintenance procedures and entering the information into the work order system.

Individuals at the University have indicated that the Office is behind on preventative maintenance. Furthermore, the University has noted there is a backlog of deferred maintenance, which represents maintenance activities that the Office postponed due to budget or staff limitations, although we did not assess this as a part of the audit. As a result of this backlog, the Office developed a comprehensive list which outlines outstanding deferred maintenance needs and identifies projects by building, cost, score, and description. However, this list does not include a current condition of all buildings or a detailed schedule of preventative maintenance needs.

According to the *Planning Guide for Maintaining School Facilities* (National Center for Education Statistics, 2003), an essential component of an effective maintenance program is a well-conceived facilities maintenance plan. A facilities maintenance plan details an organization's strategy for proactively maintaining its facilities. Effective maintenance plans reflect the vision and mission of the organization, include an accurate assessment of existing facilities, incorporate the perspectives of various stakeholder groups, and focus on preventative measures that ensure that CSU responsibly manages capital investments. Comprehensive plans can include short- and long-term objectives, budgets, and timelines and can serve both as a blueprint for the here and now and a road map to the future.

The facilities maintenance plan must guide the maintenance activities. A larger organizational plan should inform and align with the facilities maintenance plan. Without a coordinated plan, it is impossible to know whether day-to-day maintenance operations support current and future organization priorities.

An effective facilities maintenance program is built on a foundation of preventative maintenance, which begins with an audit of the buildings, grounds, and equipment. Facilities maintenance plans should be based on a foundation of high-quality data about all facilities. A facility audit is a comprehensive review of a facility's assets and is a standard method for establishing baseline information about the components, policies, and procedures of a new or existing facility. Once the Office assembles facilities data, they can select structural items and pieces of equipment for preventative maintenance.

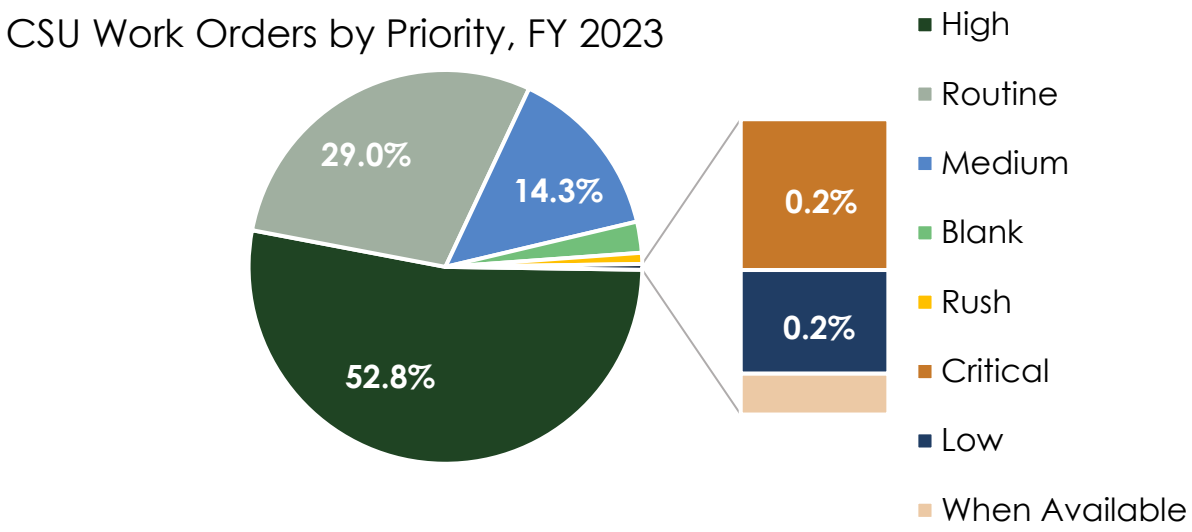
Once the Office identifies the items that should receive preventative maintenance, planners must decide on the frequency and type of inspections. Manufacturers' manuals are a good place to start when developing this schedule; they usually provide guidelines about the frequency of preventative service, as well as a complete list of items that the Office must maintain. Once the Office assembles this information, it must be formatted to easily schedule preventative maintenance tasks.

While CSU's Office of Facilities Management follows informal procedures for the maintenance of campus facilities, these procedures do not constitute a formal plan because they do not contain a comprehensive inventory of the University's facilities, a detailed schedule of maintenance needs, or a complete list of items that the Office must maintain. Developing a formal, centrally managed facilities maintenance plan that follows industry best practices would help to ensure that the University meets its current and future maintenance goals and that prioritizes preventative maintenance procedures.

Work Order System

The University's Office of Facilities Management utilizes a third-party system for their work order system. The Office uses this work order system to track work that facilities staff complete, and as the reporting pipeline for CSU campus community members to call in facilities related requests and complaints. However, facilities management indicated that the work order system may not accurately represent all of the work completed by the Office and may not account for all of the facilities staff's time. CSU has the capability to extract reports from the system, but currently, the Office does not generate reports on a consistent basis. Instead, staff only extract reports when specifically requested by managers.

In FY 2023, there were a total of 20,264 work orders entered into the system. Of these work orders, 59.3 percent were marked as preventative maintenance, while the remaining 40.7 percent were marked as non-preventative maintenance. Over half of the work orders, 52.8 percent, were marked as high priority. The Office explained this as an act of customer service, ensuring that all individuals requesting a service from the Office feel that their request is a "high" priority. Of the total work orders, 29.0 percent were marked as "routine", and the remaining were marked as "medium", "critical", "low", "rush", or "when available". The large proportion of work orders marked as high priority may diminish the significance of priority markings, both for the purposes of the Office and our analysis. The chart below shows the breakdown of work orders by priority level.



Source: Cleveland State University

CSU does not track preventative maintenance and repair costs by building. The work order system did not capture the appropriate data to track this information, with 27.6 percent of work orders missing labor costs and 91.2 percent missing parts costs. This lack of documentation means the University is unable to accurately assess their maintenance costs through the work order system.

According to the *Planning Guide for Maintaining School Facilities* (National Center for Education Statistics, 2003), data collection is critical for good organizational management. Collecting, reporting, and utilizing good data for analysis, trending, and planning results in better management of an organization. A work order system can be the tool used to conduct this data collection. At a minimum, work order systems should account for:

- the date the request was received;
- the date the request was approved;
- a tracking number;
- status;
- priority;
- location;
- entry user;
- supervisor and person assigned to the job;
- supply and labor costs for the job; and,
- job completion date and time.

CSU's work order system has the capacity to track all of the metrics to align with industry best practices, however, the Office of Facilities Management does not consistently enter all of the

necessary information into the work order system. This results in the Office being unable to extract complete data reports for the purposes of costs and labor analysis, trending, and planning.

Conclusion

An effective facilities maintenance plan helps to extend the lifespan of older facilities and maximize the useful life of newer facilities. As a result, the plan contributes to the financial well-being of an educational organization and its community. CSU's Office of Facilities Management does not currently have a formal, centrally managed facilities maintenance plan, instead utilizing informal preventative maintenance procedures created by individual departments. Additionally, the Office does not fully utilize the University's work order system, and they do not consistently track key metrics. This lack of data collection reduces the amount of information available to facilities leadership for planning and management purposes. The University should develop a facilities maintenance plan in accordance with industry best practices and improve data collection by fully utilizing the work order system to ensure the Office can adequately maintain campus facilities to preserve the capital assets.

Recommendation 4: Improve Overtime Management

CSU facilities staff utilize overtime primarily for billable work, fixing emergency issues, and covering absences. The Office's overtime expenditures exceed the benchmark in all years examined, and the Office's overtime hours exceed the benchmark in FYs 2021 and 2022. While the Office of Facilities Management has informal procedures for the advance approval of overtime, it does not consistently track meaningful metrics related to overtime use, such as reason for use or day and time worked. CSU should improve the management of overtime through enhanced approval and monitoring practices, data collection, and analysis of staffing and scheduling needs. Developing processes for data tracking and approval will allow facilities leadership to monitor overtime usage and make appropriate staffing and scheduling decisions to decrease usage.

Impact

Improving the monitoring of overtime approval would be beneficial for the Office of Facilities Management because it would ensure that staff only use overtime when necessary for the operations of the Office. It would also ensure that the Office utilizes the same approval practices across departments and throughout leadership changes.

Implementing improved data collection for overtime usage would assist University leadership with staffing decisions. Tracking the reason that staff use overtime would provide a better understanding of the root causes of overtime and insight into the level of workload the current staff are able to complete. This improved understanding would enable the University to make strategic staffing decisions to decrease overtime hours and expenses. Additionally, tracking overtime by the day and time that staff use in an accessible manner would allow the Office to explore opportunities for reallocation and rescheduling of staff. For example, if overtime usage is particularly high on the weekends, it may be beneficial to regularly schedule staff on these days.

Overall, improving tracking and monitoring of overtime approval and usage will allow facilities leadership to make appropriate decisions regarding how to decrease overtime expenses. Since overtime hours are paid at a higher rate than regular work hours, it is in the University's interest to take steps to lower overtime hours worked to only those that are necessary and unavoidable.

Background

A Collective Bargaining Agreement (CBA) with the Communications Workers of America covers the majority of CSU's facilities staff. This CBA stipulates that any hours a member works in excess of forty hours in one work week will be paid at the rate of time and one-half of the employee's regular rate of pay, or in the form of compensatory time. It contains an additional provision that if the University calls an employee into work outside of their scheduled work hours (i.e. not immediately before or after their scheduled shift), CSU will guarantee four hours of overtime work or pay.

Many departments within facilities management utilize overtime hours to some extent and have informal procedures for the advance approval of overtime usage. Each department has an overtime budget. A Superintendent or Manager must approve overtime hours within this budget, and the AVP must approve any overtime hours over this budget.

Reasons for overtime usage include billable work, fixing emergency facility issues, and covering absences. Billable work represents the tasks that facilities staff complete for other CSU departments that is billed back to the department requesting the work. This includes custodial presence at evening and weekend events at the University. Since the Office of Facilities Management recoups this money, the Office sees this as an acceptable use of overtime. However, although this overtime expense is covered for the Office of Facilities Management, it is still at a cost to the University as a whole. When there is a facility emergency at the University, the staff will work overtime hours as necessary to fix the issue. Similarly, when employees are absent or positions are vacant, the remaining employees cover the additional workload, which may require working overtime hours.

Methodology

We first reviewed the University's overtime expenditures from three perspectives – university-wide overtime expenses, facilities overtime expenses, and facilities overtime hours. **Appendix C** contains information regarding the facilities overtime hours analysis. We obtained the University's revenue and expenditure data, as well as overtime hours worked for the Office of Facilities Management. We compared the results of this analysis to industry standards to determine if the University's use of overtime hours was appropriate.

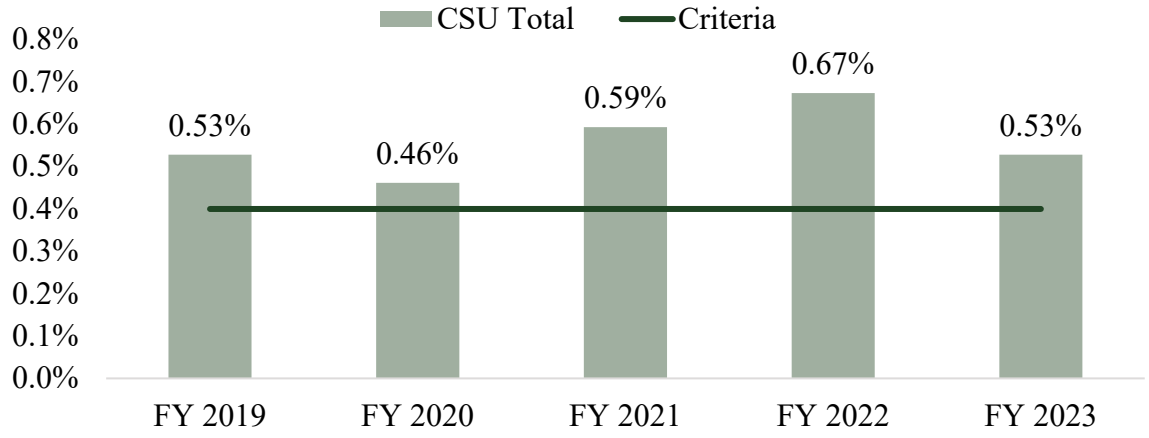
We also reviewed the facilities staff CBA and interviewed the facilities services leadership and department heads to understand their overtime practices. We compared these policies to identified best practices to determine if the Office could make any improvements that would then allow the University to more effectively utilize overtime.

Analysis

University-Wide Overtime Expenses

The Office of Facilities Management represents 51.2 percent of the University's overtime expenditures, while only representing 4.8 percent of the University's total compensation expenses. It is important to examine university-wide trends to provide additional context. The graph below shows CSU-wide overtime expenditures as a percentage of total compensation expenditures compared to the Bureau of Labor Statistics benchmark, from FY 2019 to FY 2023.

CSU Total Overtime Expenses as a Percentage of Total Compensation, FY 2019-2023



Source: Cleveland State University, Bureau of Labor Statistics

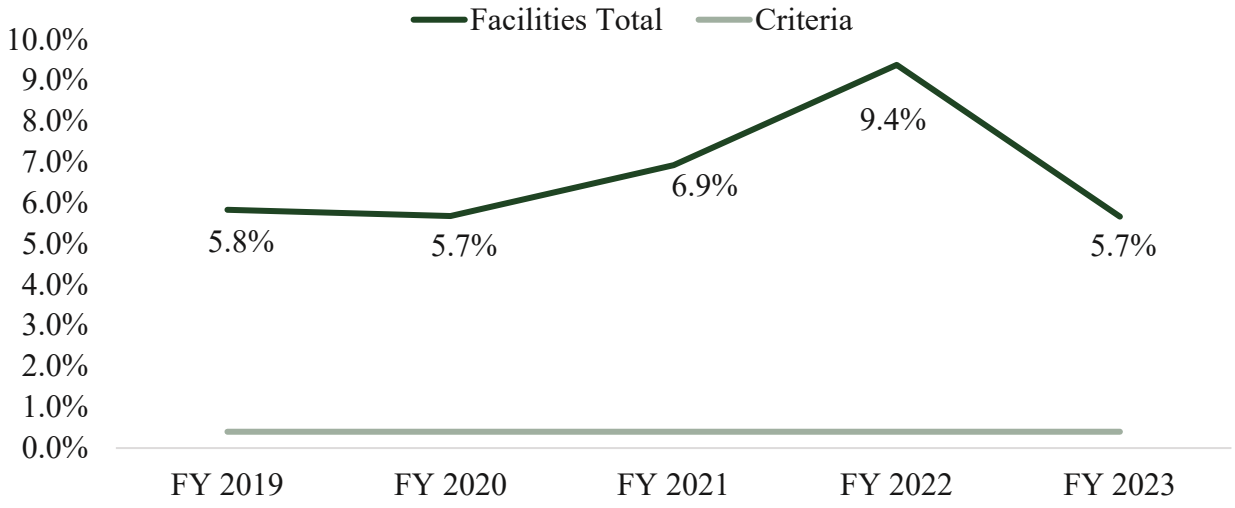
The Bureau of Labor Statistics (BLS) publishes a report which lists the average employer costs for different aspects of employee compensation, by sector. Since CSU is a public, government funded University, we compared their overtime expenses to the state and local government sector data. This report indicates that overtime expenses for organizations in this sector should represent approximately 0.4 percent of total compensation costs.

When looking at the University as a whole, overtime expenses represented 0.53 percent of total compensation expenses in FY 2023. While this year, and all years examined, are still above the benchmark, they are much closer to the criteria than the facilities-specific comparison shown below.

Facilities Overtime Expenses

CSU facilities overtime usage has been at least 5 percent higher than the BLS standard since FY 2019. The graph below shows CSU facilities overtime expenses as a percentage of the Office's total compensation expenses compared to the Bureau of Labor Statistics benchmark, from FY 2019 to FY 2023.

CSU Facilities Overtime Expenses as a Percentage of Compensation Expenses, FY 2019-2023



Source: Cleveland State University

In FY 2019, FY 2020 and FY 2023, the Office of Facilities Management's overtime expenditures represented 5.8 or 5.7 percent of total compensation expenditures. Overtime hours represented a higher percentage of total expenditures in FY 2021 and FY 2022, which may be a result of the COVID-19 pandemic and additional measures that the University was required to take. However, the Office does not maintain adequate work order data to identify reasons for the increase in usage, as discussed in **Recommendation 3**.

Overtime Practices

CSU has a University-wide overtime policy for classified employees that states it is an individual office's responsibility to determine procedures for the advance assignment and approval of overtime hours. While the Office of Facilities Management has informal procedures for the advance approval of overtime, the Office lacks formalized, written procedures that would better ensure that overtime requests are consistently and appropriately reviewed.

As previously mentioned, CSU does not consistently track overtime hours by reason for use or day and time clocked. Since the reason for overtime use is not consistently documented, it is not possible to assess if the level of overtime costs and hours is necessary relative to the scope of work that the Office completes. Specifically, the Office does not track overtime hours used for billable work, so it was not possible to assess what percentage of overtime expenses the Office recoups through the billing process. While the day and time of overtime usage is present in the University's timekeeping system, Kronos, this data is not easily accessible for management purposes. The Office indicated staff would have to manually pull the data, which would take roughly one month to assemble.

Overtime best practices indicate that the tracking and data collection of overtime usage is critically important for the effective management of overtime. UKG, the software company that runs the Kronos payroll system published a report titled, "The Great Overtime Dilemma." This report identifies steps that organizations can take to maintain affordable levels of overtime usage. These steps include focusing on data and documentation, improving approval and monitoring practices, and analyzing the organization's staffing and scheduling needs.

Specifically related to data collection, the UKG report recommends detailed tracking of job categories, hours worked, costs, and reasons for overtime use. Poor record keeping in this area increases the potential for abuse of overtime hours. Specifically related to overtime approval, it recommends managers and policy makers closely monitor the approval process to identify any outliers for individual employees or job functions. It additionally states that active monitoring practices can help managers understand the necessity of overtime usage and aid with fiscal decisions.

The University's Office of Facilities Management does not follow these best practices identified by UKG. As a result, the Office is not able to effectively manage their overtime usage, leading to overtime hours and expenses higher than industry best practices.

Conclusion

CSU's Office of Facilities Management exceeds the benchmark for overtime expenditures in all years examined and exceeds the benchmark for overtime hours in FYs 2021 and 2022. The Office does not consistently track overtime metrics in a way that can be easily accessed for management purposes. The University should take steps to reduce overtime usage by improving the management of facilities overtime, which includes a focus on better data collection and documentation, improved approval and monitoring practices, and analysis of staffing and scheduling needs. Improving data collection will allow the University to more accurately monitor and assess the necessity of overtime usage and explore opportunities to adjust scheduling or reallocate existing staff to reduce usage when appropriate. Monitoring overtime approval procedures would ensure that practices are consistent throughout the Office and during leadership changes. Improving tracking of reasons for the purpose and timing of overtime usage would allow the University to make better informed decisions regarding overtime, which could lead to decreases in unnecessary overtime expenses.

Recommendation 5: Strategically Manage the Energy Portfolio

The University does not store historical and current energy usage data in a centralized database and currently lacks dedicated personnel to oversee energy management. CSU should strategically manage energy by improving data collection practices, evaluating staffing resources to support energy management, and incorporating cost-efficiency practices. This will allow the University to evaluate energy usage and enable leadership to make data-driven decisions regarding energy management.

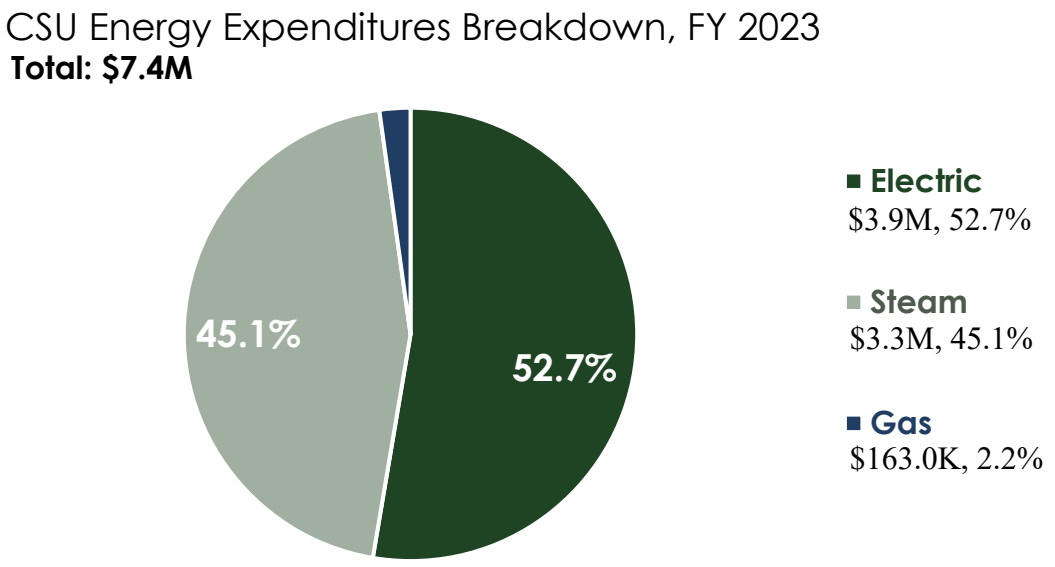
Impact

Strategic management of its energy portfolio, which entails ongoing analysis of energy costs and usage, would reduce the University's vulnerability to higher than necessary energy costs. Maintaining energy usage data and employing appropriate oversight of energy management will allow CSU leadership to make informed decisions in the future regarding the University's energy portfolio.

Background

The University relies on multiple sources of energy to support its campus operations, including electric, steam, and natural gas. CSU's campus has a chiller plant, which provides chilled water to the majority of campus buildings and is utilized for cooling purposes. The University obtains steam from a well-known local provider, which provides heat to campus buildings using a network of steam tunnels under the campus. Natural gas consumption is minimal.

Electric represents the University's largest energy expenditure, followed by steam and natural gas. These energy sources accounted for $7.4 million in expenditures in FY 2023 which represented approximately 2.0 percent of CSU's total expenditures for that year. The pie chart below shows the breakdown of energy expenditures by energy type for FY 2023.



Source: Cleveland State University

Methodology

Prior to the audit, the University sought to replace their energy data management system and elected to discontinue the service. As a result of the transition, the University lost the ability to access its energy data, and the only documentation related to energy usage and costs that CSU was able to provide initially were energy invoices.

We attempted to assess the reliability of the invoice cost totals in comparison to the University's financial data, but the results were inconsistent due to the accounting mechanism that CSU used. Other sources of data that we used in our review of the University's energy portfolio included energy contracts and interviews with personnel charged with energy management.

During the course of the audit, the University was able to produce a dataset on energy usage and cost for FY 2023 by building that had not been previously available upon initial request. We tested this data against the invoice totals but could not reconcile them due to variances between the data sets.

The purpose of the analysis was to gain an understanding of energy usage and costs by building. However, due to some meters being connected to multiple buildings, it was not possible to reliably determine electric and gas usage, by building.

Analysis

During the course of the audit, CSU did not have historical or current energy usage data stored in a centralized database. In addition, CSU has experienced turnover in key positions related to energy management. As a result of this turnover, the university does not have dedicated

personnel to oversee energy who have an in-depth knowledge of energy operations or best practices. It's also important to note that during the course of the audit, it was difficult to identify any University personnel who possessed general knowledge about its energy strategy.[11]

Additionally, the University does not have a formalized process for evaluating and reviewing energy contracts. In conjunction with the lack of a centralized database for tracking energy, this makes it difficult to monitor the University's energy consumption and assess if contracts are cost effective. Prior to the loss of key personnel discussed above, when a utility contract was set to expire, the energy personnel and consultant would issue a Request for Proposals (RFP) for a utility supplier. The Board of Trustees (BOT) would approve the contract.

Energy Management Personnel

In the past, CSU has had dedicated personnel overseeing energy operations. During that time, the University participated in energy cost-efficiency measures such as peak load management and a demand response program. When CSU was actively monitoring their energy portfolio, the University received rates that were generally in line with the Ohio average. This suggests that close monitoring of the energy portfolio and consideration of local and global market factors is a critical practice.

The U.S. Department of Energy's (DOE) "Energy Data Management Guide," provides steps that public-sector organizations can take to establish a robust and sustainable energy data management program, which is the foundation for strategic energy management. Creating and maintaining a central energy database which tracks consumption, demand charges, and total cost per meter for each billing cycle is the minimum recommendation from DOE in relation to data tracking. The central energy database is a vital component of data-driven energy management as it provides insights and visibility into energy assets across the portfolio. Maintaining a robust central energy database allows an organization to analyze and review energy related data in a consistent and timely manner. This level of monitoring will enable the identification of additional cost-saving opportunities, which will, in turn, allow the organization to reinvest savings in additional energy efficiency projects or staff. As the University lost access to their energy management database during the audit, there was not effective energy data tracking or monitoring occurring during the course of the audit.

Institutions can analyze information that they collect within the central energy database to "forecast future energy budgets based on historical performance and planned facility and equipment upgrades." Specifically, the DOE highlights the need of dedicated staff who have sufficient time and resources to "implement, maintain, and manage the data management program." Dedicated staff should be comfortable advocating for the benefits of a comprehensive data management program, gathering and providing data necessary for evidence-based decision-making, and disseminating and communicating energy data to relevant stakeholders. The loss of key personnel responsible for energy management at CSU means that the University is not currently meeting this best practice. The University should evaluate the costs associated with

[11] See also **Issue for Further Study: Succession Planning**

hiring and employing dedicated energy management personnel against the expected reduction in energy costs when considering the deployment of dedicated personnel.

The peak energy demands of individual buildings may impact an organization's total cost of energy consumption. The DOE recommends utilizing energy consumption data to attempt to reduce peak energy demand in order to reduce energy costs. This can "have a significant impact on [an organization's] energy budget and free up capital for investment in additional energy efficiency projects or energy management staff." The DOE also recommends considering participation in load-shifting or demand response programs, which may allow an organization to decrease costs by shifting energy use to off-peak hours. The University did participate in this type of program prior to the departure of energy personnel but is not currently participating.

Conclusion

During the course of the audit, CSU did not have a centralized data-tracking system in place and, as a result, the University lacked adequate data to assess their energy usage and costs. In addition, key energy personnel have left the University, leaving energy management to be performed by facilities staff without an in-depth knowledge of energy operations or best practices. CSU should strategically manage the energy portfolio by improving data collection practices, evaluating staffing resources to support energy management, and incorporating cost-efficiency practices.

Recommendation 6: Continue Cybersecurity Control Improvements and Prioritize Reporting to the University's Board of Trustees

The Gramm-Leach-Bliley Act (GLBA) provides specific criteria for the safeguarding of consumer data and security systems. This Act requires compliance from financial institutions, which includes universities due to their collection of financial information. While CSU meets the majority of these requirements and is working to implement those not fully met, the University does not meet the GLBA requirement to provide an annual report to the Board of Directors regarding the overall status of the information security program. CSU should continue to improve its cybersecurity control efforts and operations and develop standard and ongoing board-level reporting for cybersecurity-related matters. Doing so will ensure that the University does not lose any federal funding and maintains robust cybersecurity operations.

Impact

The University is legally required to comply with GLBA requirements. Maintaining compliance with this federal law will ensure the University maintains eligibility to receive Title IV federal student financial aid. Additionally, improving reporting practices to the BOT will ensure the Board is well-informed about the University's cybersecurity program, which will allow them to be involved in cybersecurity operations and decisions in a beneficial and impactful way. Involvement at all levels of University leadership and management will make CSU's cybersecurity operations more robust and will better protect the University's information and technological resources.

Background

Congress passed The Gramm-Leach-Bliley Act (GLBA) to ensure the security and confidentiality of non-public consumer data that financial institutions collect and maintain. The Federal Trade Commission has determined that institutions of higher education are therefore required to comply with the Safeguards Rule section of the GLBA due to how they collect, store, and use student financial records containing personally identifiable information.

The GLBA Safeguards Rule sets forth specific criteria for what a cybersecurity risk assessment must include and requires the risk assessment be set forth in writing. As to particular safeguards, the rule requires that institutions address access controls, data inventory and classification, encryption, secure development practices, authentication, information disposal procedures, change management, testing, and incident response. Additionally, the rule requires that institutions provide employee training and appropriate oversight of service providers, as well as utilize mechanisms designed to ensure such training and oversight are effective.

Additionally, the Security Exchange Commission recently adopted a Rule on Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure by public companies, which

requires SEC registrants to report specific aspects of their cybersecurity program. While the SEC does not require CSU to follow this rule, as they are not a public company and therefore not subject to SEC reporting, it represents a best practice for organizational cybersecurity that the University could utilize.

Methodology

To evaluate the University's compliance with GLBA, we requested the IS&T Department provide any documentation that shows their security policies and practices in place related to the law's requirements. We reviewed the provided documentation and asked follow-up questions as necessary to determine if CSU met each element of GLBA. We coded elements that are not currently met, but the Department is in the process of implementing, as "in progress". The "in progress" classification entailed the Department providing a plan for implementation, or steps already taken towards implementation. In addition to the GLBA requirements, we obtained additional best practices related to cybersecurity operations that may be beneficial to the University.

Analysis

The GLBA Standards for Safeguarding Customer Information contains nine sections that we broke down into 40 individual requirements for the purpose of analysis. Of these requirements, CSU is compliant with 31. The remaining nine are currently in progress. Annual reporting to the organization's board of directors regarding the overall status of the information security program, compliance with GLBA, and any related materials is the final GLBA requirement. Because CSU presented cybersecurity information to the Board of Trustees (BOT) on one occasion last year, we considered this requirement "in progress". However, IS&T does not have a documented plan to continue these annual reports as a departmental function. IS&T leadership indicated that they are working with the BOT to establish a schedule for reporting, but this has not yet been completed.[12] For CSU to meet this requirement, it is necessary for the BOT to prioritize hearing the Department's cybersecurity reports.

In addition to the GLBA requirement for annual reporting to the Board, the Security Exchange Commission recently adopted a Rule on Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure by Public Companies. While the SEC does not require CSU to follow this rule, as they are not a public company and therefore not subject to SEC registration or reporting, it represents a best practice for organizational cybersecurity and could be adopted if the University believes it would be beneficial to their cybersecurity program. The rule requires registrants to disclose certain information including, but not limited to, the following:

- their processes, if any, for assessing, identifying, and managing material risks from cybersecurity threats;

[12] According to the University, IS&T has since developed a formal schedule to present cybersecurity information to the Board of Trustees in November, on an annual basis. The first update was held in November of 2024.

- whether any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect the registrant;
- the board of directors' oversight of risks from cybersecurity threats; and,
- management's role and expertise in assessing and managing material risks from cybersecurity threats.

When considering information to present to the BOT, it may be helpful for IS&T to follow these reporting requirements to ensure the Board is well-informed regarding the University's cybersecurity operations.

Conclusion

The University's IS&T Department must ensure it is fully in compliance with the requirements of the GLBA Safeguards Rule in order to ensure participation in the Title IV federal financial aid programs and to maintain high levels of information security. One critical aspect of this is reporting cybersecurity information to the Board of Trustees on at least an annual basis. This will allow the Board to be well-informed and involved in CSU's cybersecurity operations, which will result in a more robust security program. Additionally, the Department can utilize the recently adopted SEC rule, discussed above, as a best practice for what information should be included in these reports.

Issue for Further Study: Succession Planning

Prior to and during the course of our audit, multiple individuals in key leadership positions left CSU. These individuals were directly involved with the management of facilities operations at the University, and their departure represented a significant loss of institutional knowledge. As a result, our audit team encountered difficulties in obtaining information related to our audit objectives, including timeline delays and decreased quality of information.

The GFOA recommends that governmental entities maintain strategies concerning succession planning in order to ensure continuity and consistency of service delivery amidst employee turnover. In order to implement an integrated approach to succession management, the GFOA specifically recommends that entities address the following issues:

- Continually assess potential employee turnover;
- Provide a formal, written succession plan as a framework for succession initiatives;
- Develop written policies and procedures to facilitate knowledge transfer;
- Development of leadership skills;
- Encouragement of personal professional development activities;
- Design of better recruitment and retention practices;
- Consideration of collective bargaining agreements; and,
- Consideration of non-traditional hiring strategies.

Although succession planning efforts and institutional knowledge transfer were outside the scope of our analysis, it is an important aspect of business management. The University should review its current policies and procedures to ensure appropriate practices are in place to prevent future institutional knowledge loss and disruptions in business continuity such as the ones we observed during the course of this audit.

Client Response

Throughout the audit process, staff met with University officials to ensure substantial agreement on the factual information presented in the report. When University officials disagreed with information contained in the report, and provided supporting documentation, revisions were made as necessary. Audit standards and AOS policy allow clients to provide a written response to an audit, however the University declined to do so.

Appendix A: Purpose, Methodology, Scope, and Objectives of the Audit

Performance Audit Purpose and Overview

Performance audits provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Generally accepted government auditing standards (GAGAS) require that we plan and perform a performance audit so as to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Objectives are what the audit is intended to accomplish and can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Scope and Objectives

In order to provide the University with appropriate, data driven, recommendations, the following questions were assessed within each of the agreed upon scope areas:

Summary of Objectives and Conclusions

Objective	Recommendation
Facilities Asset Management and Planning	
Are the University's strategic and capital planning practices consistent with leading practices?	Assessment not Yielding Recommendation
What opportunities exist for CSU to gain efficiency in space utilization?	Recommendation 1 & 2

What opportunities exist for CSU to improve energy usage and energy procurement?	Recommendation 5
Facilities Staffing Levels and Workload	
What opportunities exist for CSU to improve facilities staffing efficiency and effectiveness?	Assessment not Yielding Recommendation
Are the University's facilities overtime expenditures appropriate in comparison to leading practices, industry standards, and/or peer institutions?	Recommendation 4
Preventative Maintenance	
Are the University's facilities preventative maintenance practices consistent with leading practices, industry standards, and/or peer institutions?	Recommendation 3
Cybersecurity	
How do CSU's IT security practices compare to leading practices?	Recommendation 6

Although assessment of internal controls was not specifically an objective of this performance audit, we considered and evaluated internal controls when applicable to scope areas and objectives. The following internal control components and underlying principles were relevant to our audit objectives[13]:

- Control environment
  - We considered the University's control of its payroll and financial systems.
- Risk Assessment
  - We considered the University's activities to assess fraud risks.
- Information and Communication
  - We considered the University's use of quality information in relation to its financial, staffing, facilities, and IT data.

[13] We relied upon standards for internal controls obtained from Standards for Internal Control in the Federal Government (2014), the U.S. Government Accountability Office, report GAO-14-704G

- Control Activities
    - We considered the University's controls over compliance with applicable laws and contracts.

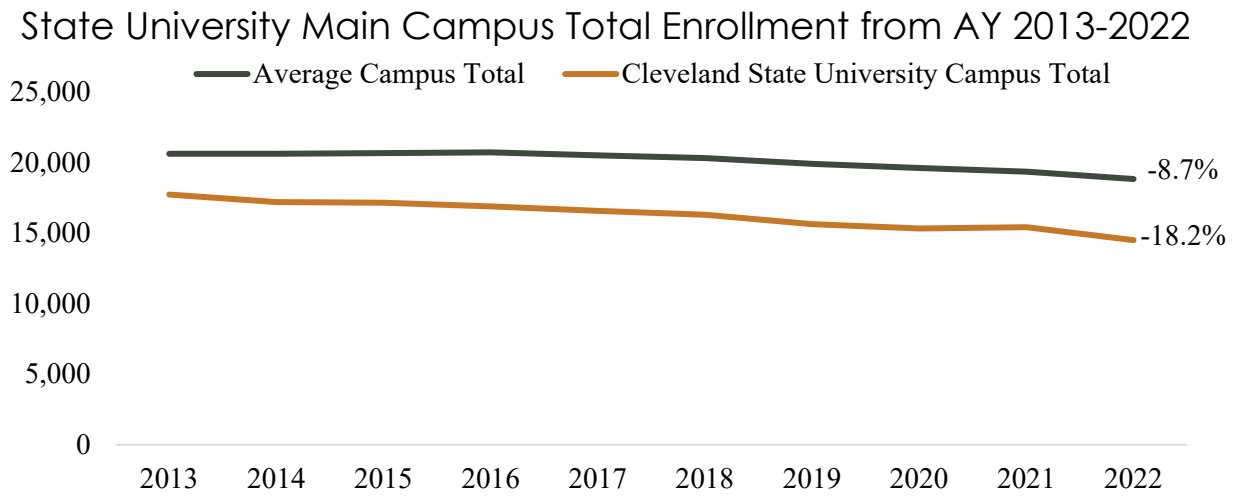
Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of University's operations included in the audit scope, and reviewed and assessed available information. Assessments were performed using criteria from a number of sources, including:

- Peer Universities;
- Industry Standards;
- Leading Practices;
- Statutes; and,
- Policies and Procedures.

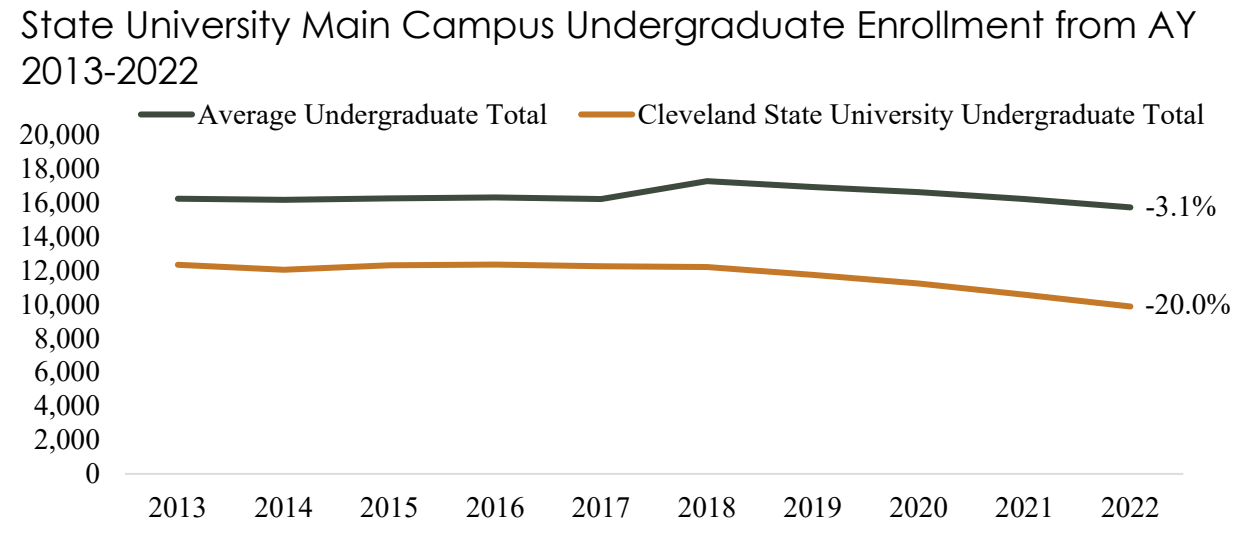
Appendix B: Enrollment Trends

Over the last ten years, CSU and many other state university main campuses have seen declines in enrollment. CSU has experienced a sharper decline for total enrollment, decreasing by 18.2 percent from AY 2013 to 2022, compared to the state university main campus average of 8.7 percent decrease in enrollment over the same time period. The graph below shows this comparison.



Source: ODHE

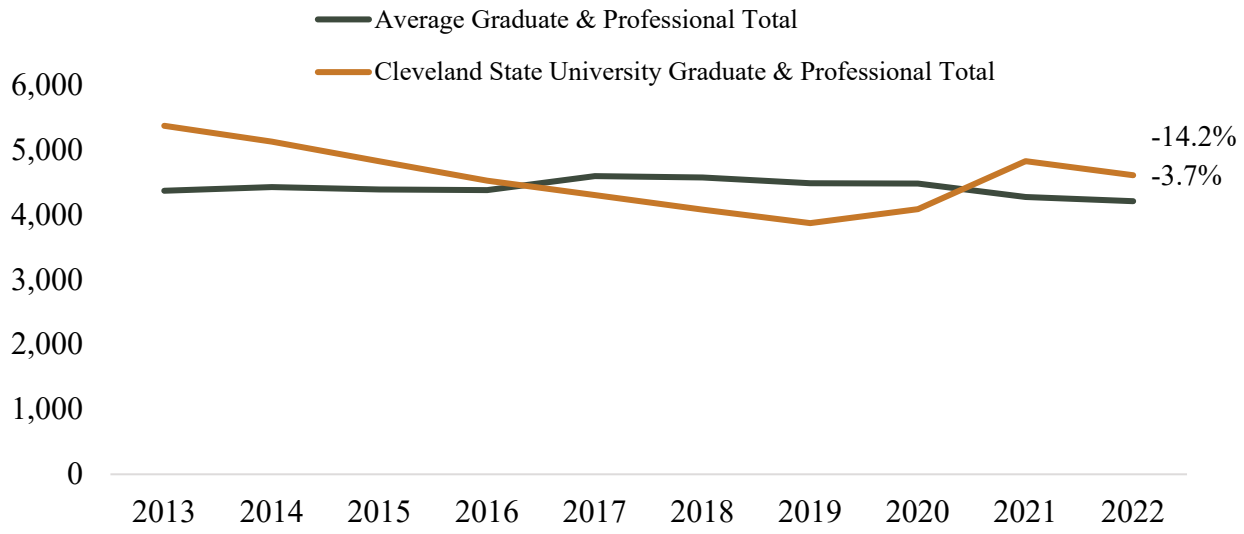
Undergraduate enrollment has been declining at a higher rate for CSU, at 20.0 percent. The state university main campus average undergraduate enrollment has decreased by 3.1 percent. The graph below shows this comparison.



Source: ODHE

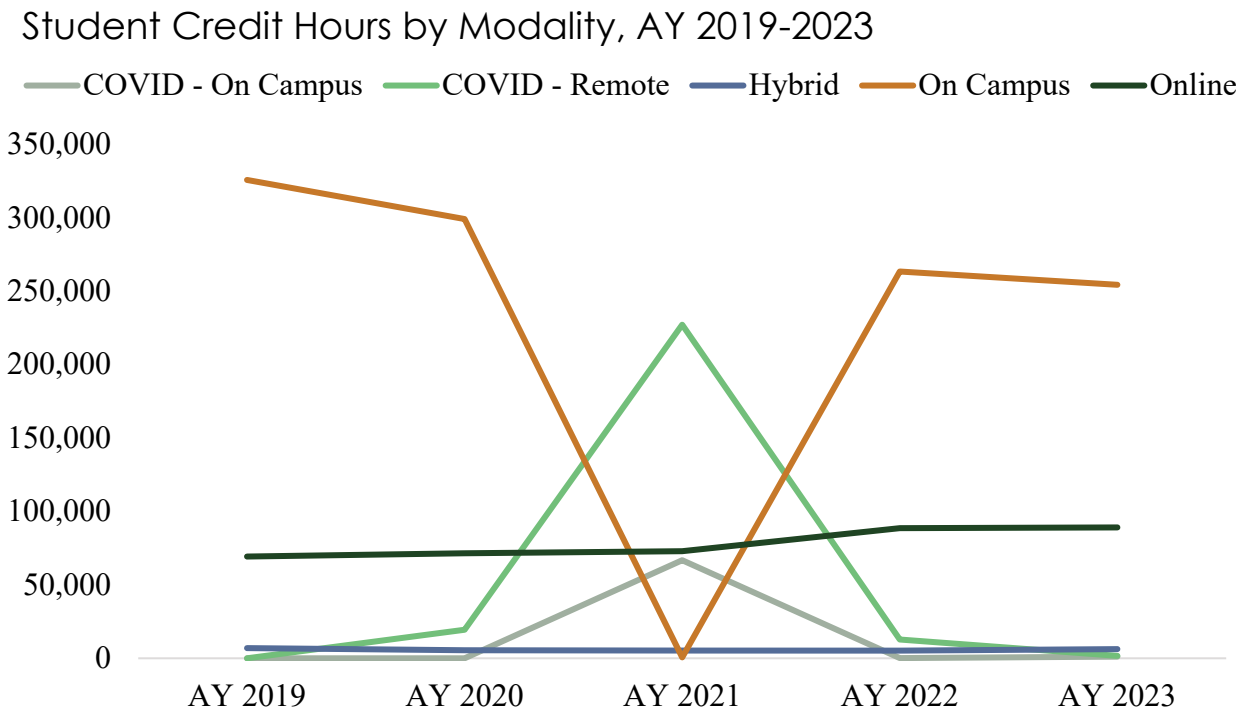
State university main campus average graduate and professional enrollment has been declining as well, at a 3.7 percent decrease. CSU's graduate and professional enrollment has been decreasing at a faster rate, at 14.2 percent. The graph below shows this comparison.

State University Main Campus Graduate & Professional Enrollment from AY 2013-2022



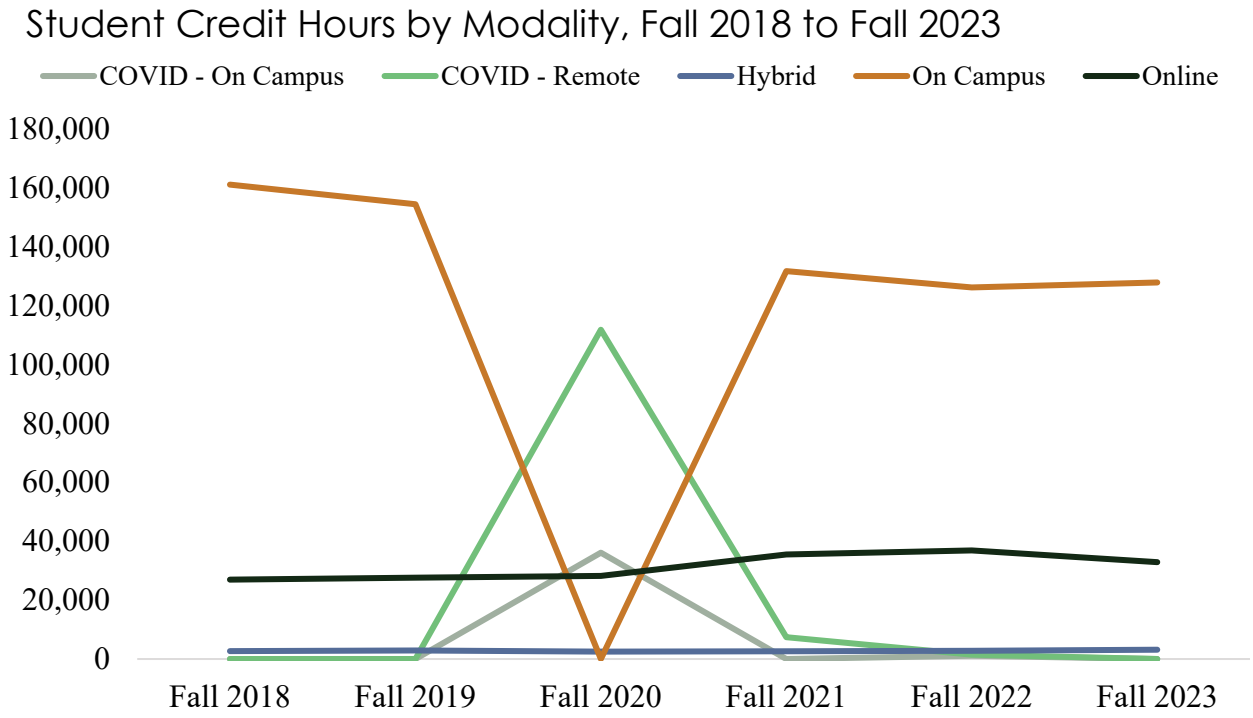
Source: ODHE

In addition to declining enrollment, according to the University's internal student credit hour data, the University has experienced an overall shift towards online enrollment, partially due to the COVID-19 pandemic. As a result of the pandemic, CSU's enrollment was almost entirely online during AY 2021. On-campus enrollment has not returned to its pre-pandemic level, resulting in an overall increase in online enrollment of 28.6 percent and an overall decrease in on-campus enrollment of 21.9 percent. Hybrid enrollment decreased by 9.8 percent. The graph below shows the University's credit hour enrollment by modality type from AY 2019 to AY 2023.



Source: Cleveland State University

To include the most recent data available, we also looked at enrollment modalities by fall semesters, which consistently have higher enrollment than spring semesters. This look is shown below. While slightly different than the AY look, the overall trends stay constant. On-campus enrollment decreased by 20.6 percent from the fall semester of 2018 to the fall semester of 2023. Online enrollment increased by 22.1 percent over the same time period. This comparison is shown below.



Source: Cleveland State University

It should be noted that both of these graphs exclude two modalities: Interactive Video Distance Learning (IVDL) and Covid – Off Campus. Students used IVDL in all five academic years, but this was a very small portion of student credit hour enrollment. Students used most in AY 2019, decreasing by 95.3 percent from AY 2019 to 2023. Students only used Covid – Off Campus as a method of enrollment in AY 2021 and 2022 and also represented a very small portion of student credit hour enrollment.

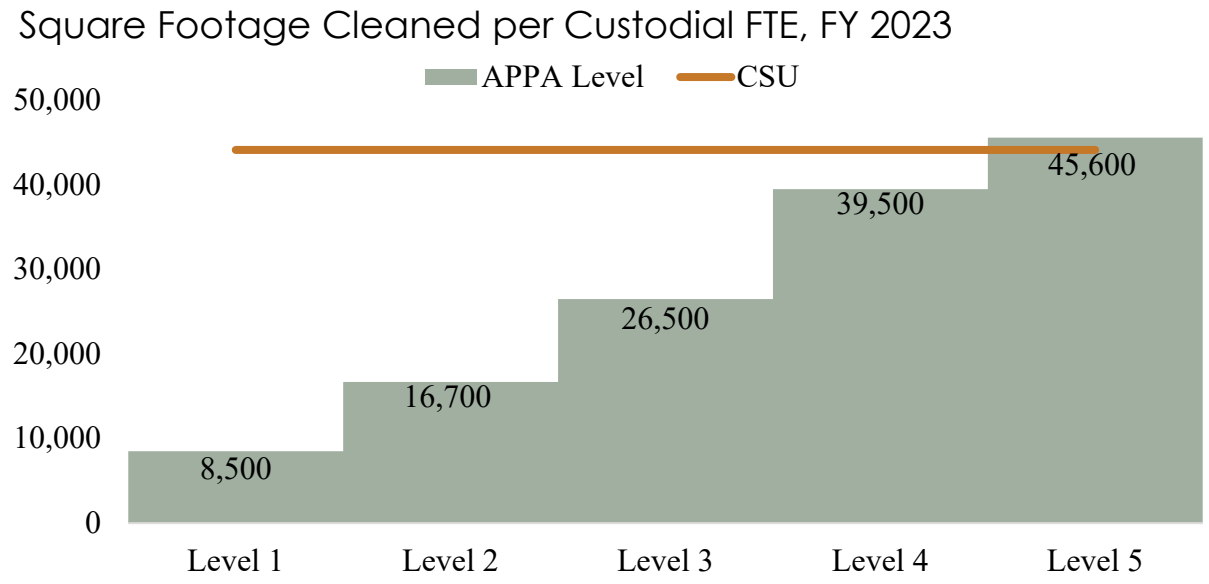
As CSU's student enrollment declines and shifts towards online enrollment, the University will have less need for an on-campus presence. This will affect the utilization of their facilities, particularly their classrooms and class laboratories that we analyzed in **Recommendation 1**.

Appendix C: Facilities Staffing

Staff Workload Levels

CSU employs 144 individuals in the Office of Facilities Management in a variety of roles to support the operations of the campus facilities. We categorized the majority of these employees into three broad functional areas: custodial, maintenance and grounds. We analyzed these three areas in comparison to APPA Leadership in Educational Facilities staffing standards. These standards are divided into five levels of service, with Level 1 being the best service provision and Level 5 being the worst.

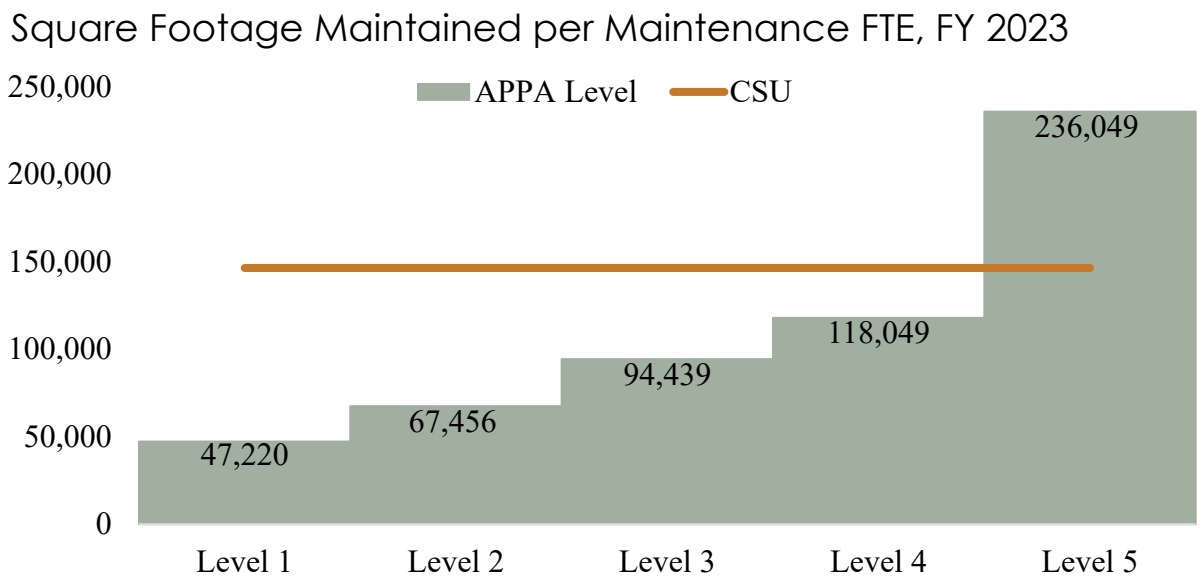
The custodial staff consists of 62.5 FTEs, which includes 59 full-time custodial workers, one part-time custodial worker, and three full-time housekeeping managers. With a total cleanable square footage of 2,758,909 square feet, the custodial staff are responsible for cleaning about 44,142.5 square feet per custodian. Based on the calculated per FTE workload, this means that CSU's custodial function is staffed at a level that the University could only expect to achieve between an APPA Level 4 and 5. The graph below shows the comparison to each APPA level.



Source: Cleveland State University, APPA

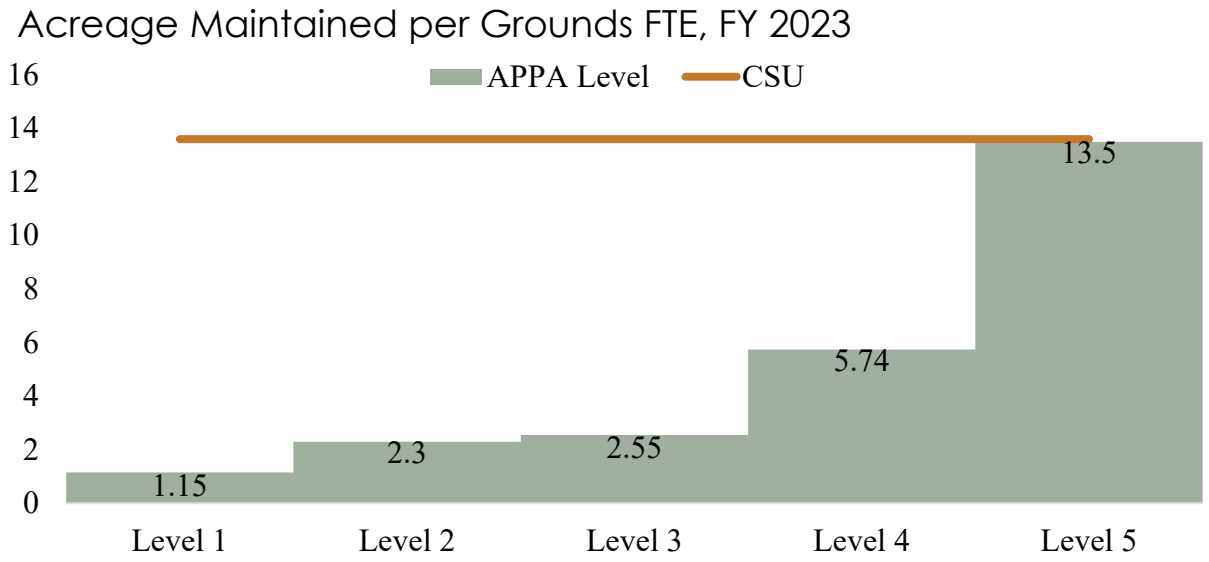
The maintenance staff consists of 30.4 functional FTEs. This staff includes five maintenance repair technicians, three carpenters, three plumbers, five electricians, one assistant electrician, 12 air quality technicians, seven crew leaders, and one building automation technician, all of which are full-time. This results in total FTEs of 37; however, many of these are dedicated to construction and renovation duties, which APPA explicitly excludes from its definition of maintenance. We removed these duties from the FTE count, resulting in a total FTE value of 30.4 dedicated to maintenance duties. With a total square footage maintained of 4,456,069

square feet, each maintenance FTE is responsible for maintaining about 146,581 square feet. Based on the calculated per FTE workload, this means that CSU's maintenance function is staffed at a level that would only be expected to achieve an APPA level between 4 and 5. The graph below shows the comparison to each APPA level.



Source: Cleveland State University, APPA

The grounds staff consists of eight FTEs, representing eight full-time groundskeepers. With a total acreage maintained of 108.8, each grounds employee is responsible for maintaining about 13.6 acres of land. Based on the calculated per FTE workload, this means that CSU's grounds function is staffed at a level that would only be expected to achieve an APPA level 5. The graph below shows the comparison to each APPA level.



Source: Cleveland State University, APPA

CSU facilities leadership identified APPA Level 3 as their target service level. Each of the three functional areas do not exceed the staffing benchmark for this level. However, we did not have the data to assess the quality of custodial, maintenance, and grounds service that the staff provide, and therefore cannot opine on the overall efficiency of the staffing levels relative to the APPA benchmarks.

Contracted Services

The University's facilities staffing is subsidized by contracted services. The heads of each department are responsible for managing the contracts related to their department. As indicated by department heads, some examples of contracted services include:

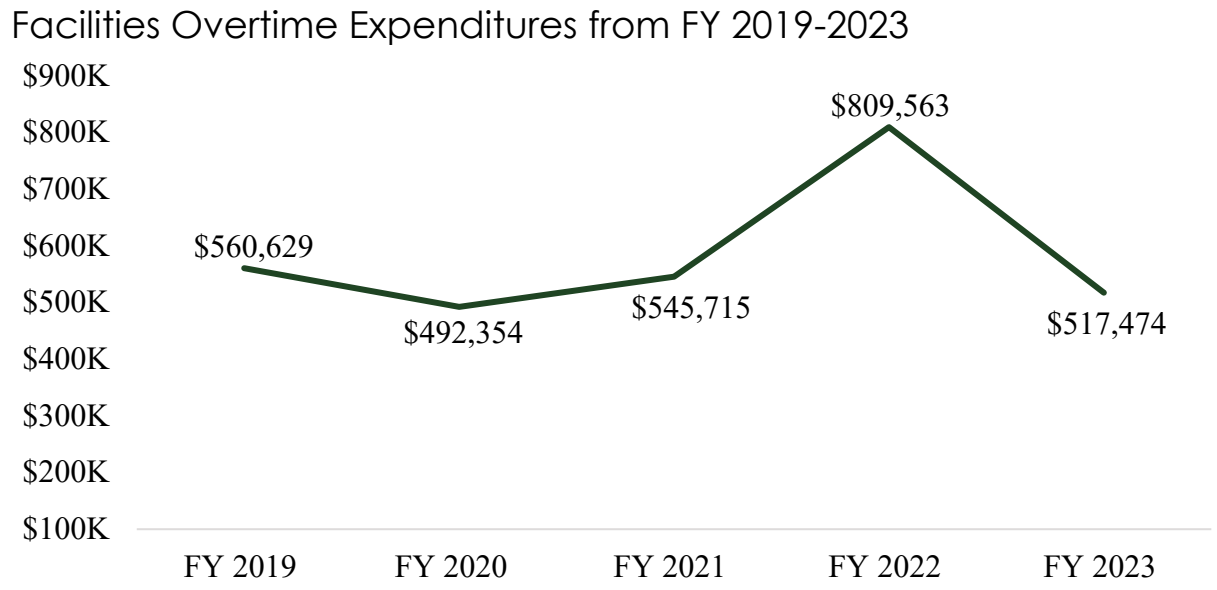
- Capital projects, including engineers, designers, contractors, and construction companies;
- Subcontractors for longer HVAC projects;
- Preventative maintenance for systems controls;
- Pest control;
- Waste removal;
- Installation and take down of the inflatable dome;
- Temporary staffing;
- Large painting jobs;
- Overnight grounds coverage;
- Major issues with irrigation systems;
- Snow removal;
- Tests, inspections, and service of fire extinguishers; and,
- Inspections of fume hoods and bio-safety cabinets.

To assess the impact contracted services may have on facilities staffing, we utilized the contract expenditures for the Office of Facilities Management. In FY 2023, facilities contract expenditures represented 8.8 percent of total facilities expenditures, at $2,065,958. The bulk of contract expenditures are in the Building Maintenance and Operations department, followed by the Custodial and Logistics department.

In order to assess how contracted services impact overall facilities staffing levels, we calculated contract expenditures as an approximate FTE. We did this by calculating compensation expenditures per facilities FTE, then dividing the contract expenditures by this amount to estimate the number of FTEs represented by these contract expenses. Using this method, contract expenditures represented approximately 29.8 FTEs in FY 2023. For the functional areas we considered in the staffing analysis, contract expenditures represented approximately 3.6 FTEs for custodial, 2.2 FTEs for grounds, and 21.2 FTEs for maintenance. We applied these FTEs to the staffing comparison to APPA levels and, while they did not significantly impact the custodial and grounds workload comparisons, they did bring the maintenance workload in line with an APPA Level 3.

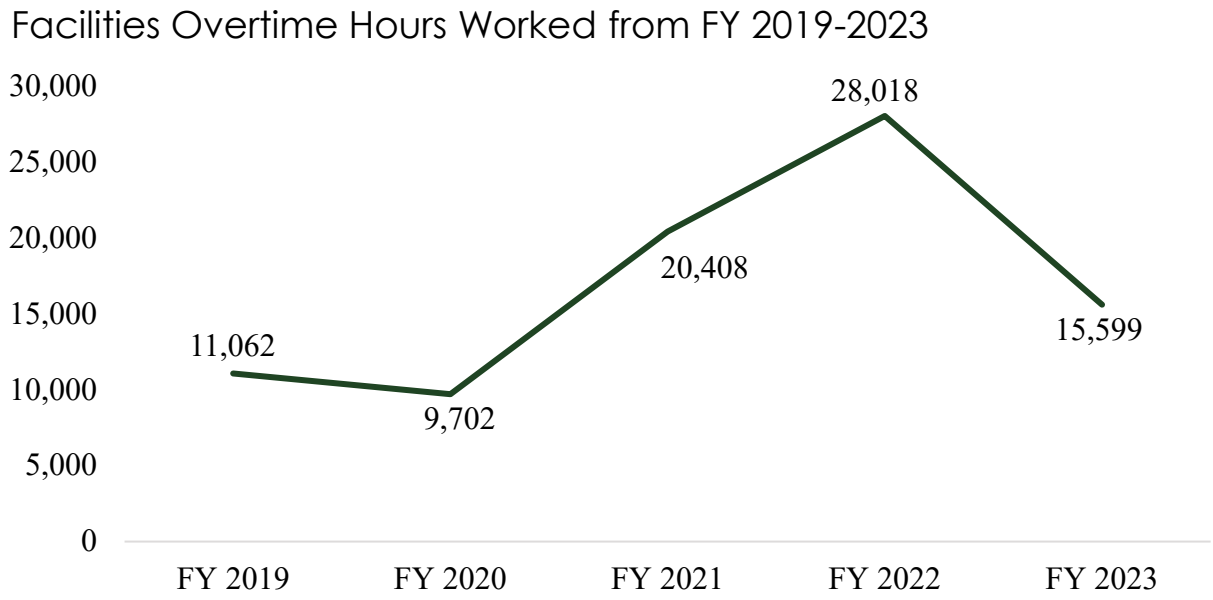
Overtime

In FY 2023, total overtime expenses for the Office of Facilities Management were $517,474, representing 5.7 percent of the Office's total compensation expenses. The Office experienced a 36.1 percent decrease in overtime expenses from FY 2022 to FY 2023. The graph below shows facilities overtime expenses from FY 2019 to FY 2023.



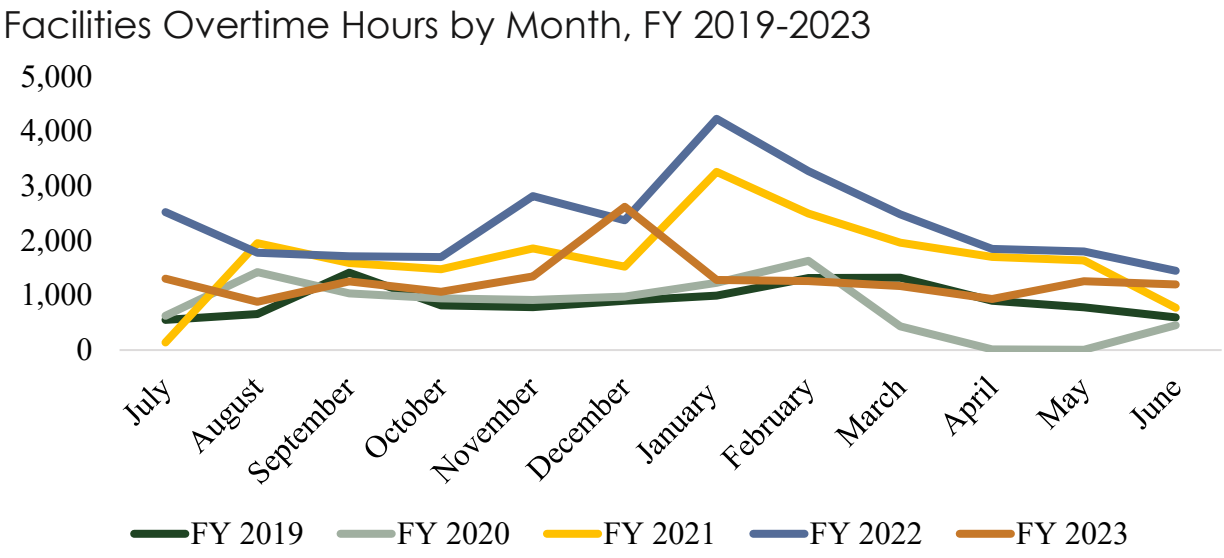
The Office of Facilities Management staff worked 15,599 overtime hours in FY 2023, representing 4.9 percent of total hours worked by the Office. The Office experienced a 44.3

percent decrease in overtime hours from FY 2022 to FY 2023. The graph below shows facilities overtime hours worked from FY 2019 to FY 2023.



Source: Cleveland State University

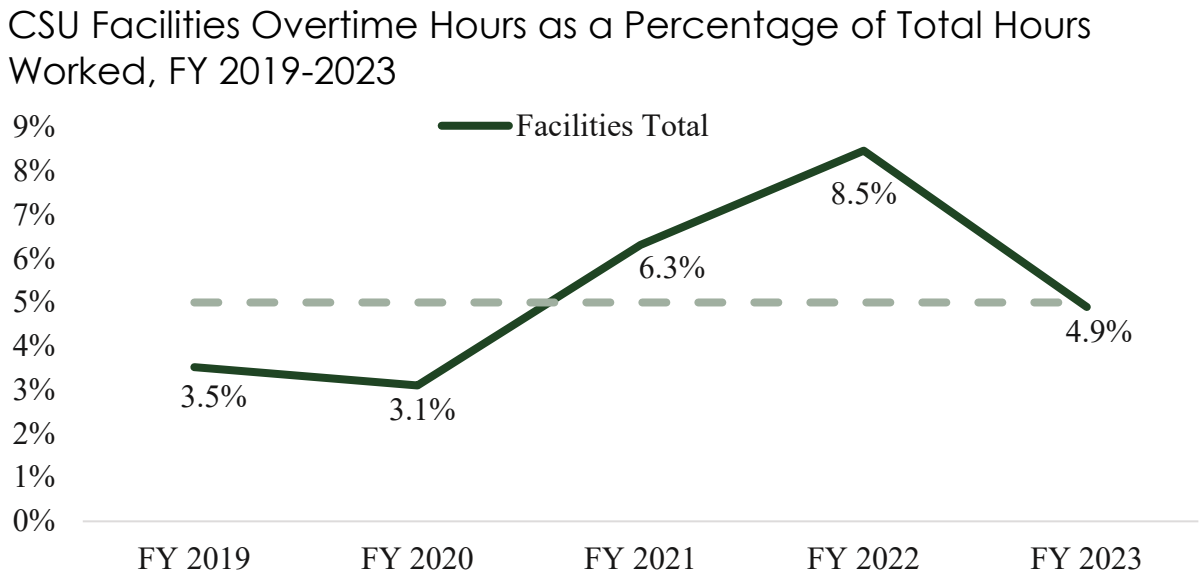
The graph below shows that overtime hours are higher in the winter months.



Source: Cleveland State University

The Labor Management Institute published a report listing best practices for time and attendance professionals regarding overtime usage. This report includes the recommendation that overtime

hours be kept below 5 percent of total hours worked. The graph below shows CSU facilities overtime hours as a percentage of total hours worked compared to the Labor Management Institute benchmark, from FY 2019 to FY 2023.



Source: Cleveland State University

From an hours perspective, overtime hours worked in the Office of Facilities Management represented 4.9 percent of total hours worked in FY 2023. This is, again, a decrease from FY 2022, when overtime hours represented a peak of 8.5 percent of total hours worked. In FY 2023, the custodial staff represented the largest portion of overtime hours, at 52.7 percent of overtime hours worked by facilities staff, followed by the air quality technicians and groundskeepers. Overall, the Office of Facilities Management's overtime hours exceeded the benchmark in FYs 2021 and 2022.

When looking at both hours and expenses, overtime usage peaked in FY 2022. CSU leadership offered additional possible explanations for this increase in overtime usage, including the return to campus after the COVID-19 pandemic, which necessitated social distancing and enhanced cleaning methods, and potentially not monitoring overtime hours. The University also facilitated a vaccination center in the Wolstein Center. However, the Office does not maintain adequate work order data to identify reasons for the increase in usage, as discussed in Recommendation 4.

Appendix D: Planning

Strategic Plan

The University is currently operating on a strategic plan, titled CSU 2.0. This plan outlines the University's vision for future operations and incorporates elements of previous strategic plans. It establishes four strategic themes and corresponding priorities for each. These themes and priorities are:

1. Seek distinction as a leading public research University.
    a. Strengthen our faculty;
    b. Invest in research;
    c. Realign our colleges; and,
    d. Build world class programs.
2. Differentiate on student success and engaged learning.
    a. Enhance student support;
    b. Invest in pre-enrollment programming;
    c. Expand residential opportunities;
    d. Increase financial aid;
    e. Build out the co-op promise and strengthen career preparation;
    f. Address disparities in student outcomes; and,
    g. Review and update curricula.
3. Strengthen anchor mission and become a beacon institution.
    a. Emphasize workforce development;
    b. Support research related to regional needs;
    c. Lead state-sponsored effort to promote healthcare and IT industries;
    d. Grow enrollments to 20,000 by 2025; and,
    e. Develop public and private partnerships.
4. Build financial strength and strengthen campus community.
    a. Reduce administrative expenditures across the University by $2,000,000 annually;
    b. Restructure athletics programs;
    c. Reduce academic unit expenditures by $1,000,000 annually;
    d. Remake our internal financial distribution model;
    e. Invest savings from sustainability measures to strengthen campus;
    f. Foster opportunities for professional growth for staff;
    g. Develop new campus master plan; and,
    h. Capital campaign.

The University's strategic plan meets the requirements outlined in the GFOA Best Practices for Strategic Planning. However, the University is phasing out this plan and will be developing a new strategic plan.

Capital Plan

CSU has a capital plan that addresses six years of future planning, covering 2025-2030. The plan includes the progress of ongoing capital projects from 2018 to 2023.

According to the GFOA Best Practices for Multi-Year Capital Planning, state and local governments should prepare and adopt comprehensive, fiscally sustainable, and multi-year capital plans to ensure effective management of capital assets. Specifically, it states that a prudent capital plan should:

- Identify and prioritize expected needs based on an entity's strategic plan;
- Establish project scopes and costs;
- Detail estimated amounts of funding from various sources;
- Project future operating maintenance costs; and
- Cover a period of five to 25 years, or more.

The University's capital plan meets the majority of these requirements.

Controlling Board Process

The University receives funding from the State which is used to fund capital projects. The University must make capital requests through the State Controlling Board, which is under the Office of Budget and Management. The Board consists of seven members, six of whom are members of the state legislature, and a secretary.

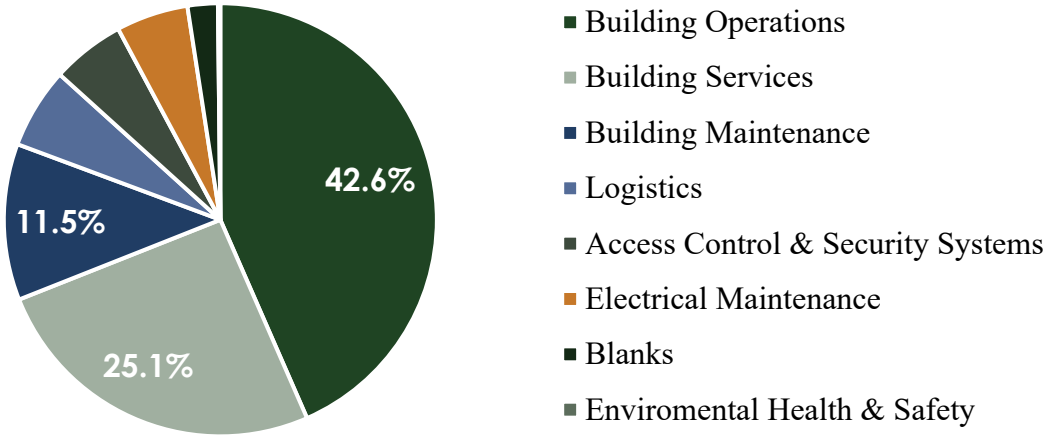
CSU engages with the Controlling Board to request the release of funds. The Controlling Board publishes process to do this in a manual which details the requirements that public entities must meet.

The Controlling Board approves the University for capital requests. University staff demonstrated knowledge and execution of the prescribed state process. In addition, AOS verified there were no known deviations in the submission process for CSU's Controlling Board requests.

Appendix E: Work Order System

The University's work order system is used to request work from the Office of Facilities Management and record the work the Office completes. In order to do this, the system tracks if the work order is preventative maintenance, the type of task, the department that the task is assigned to, the date the task was requested, the date it was completed, and the labor and materials the task required. The chart below shows the percentage of work orders by facilities department.

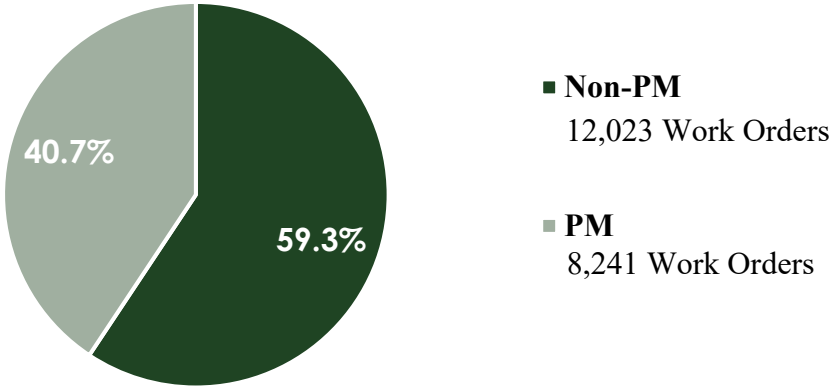
Work Orders by Department, FY 2023



Source: Cleveland State University

The following chart shows the percentage of work orders that were related to preventative maintenance. This chart supports the University's indication that facilities staff is often focused on reactive maintenance and falls behind on preventative maintenance as a result.

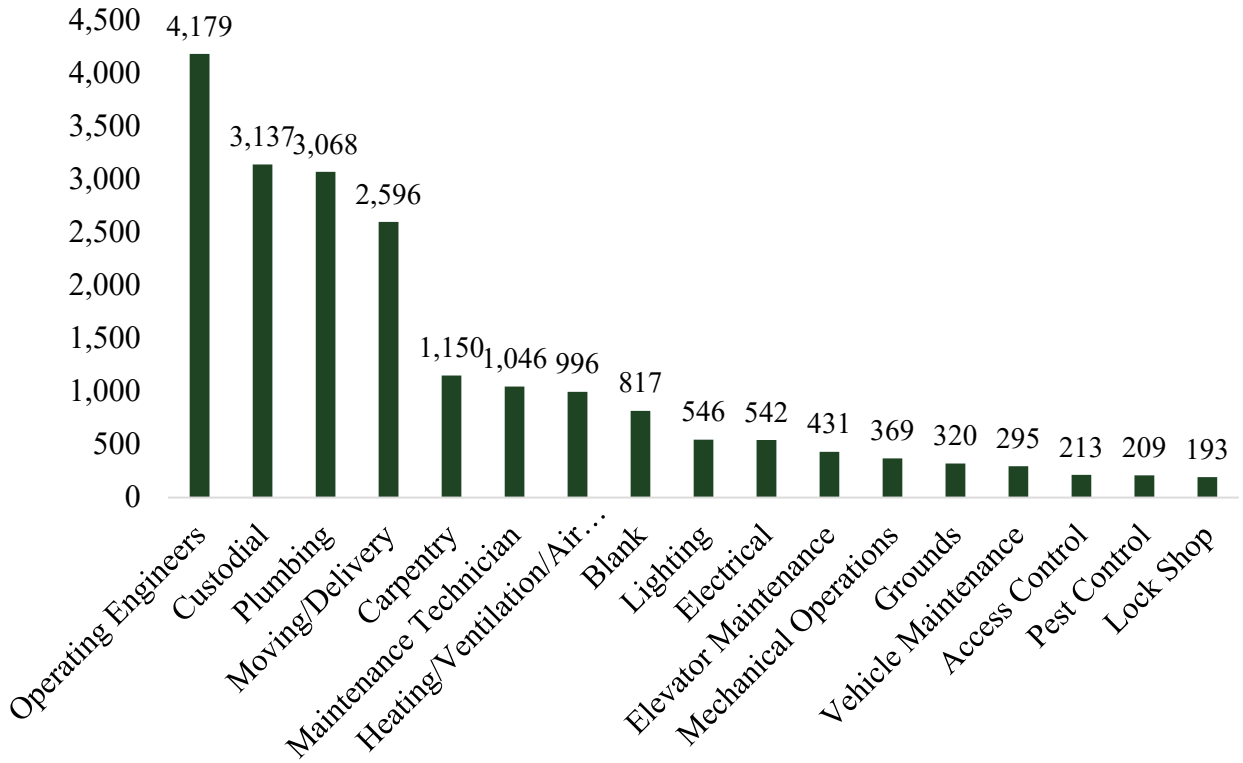
Work Orders by Type, FY 2023



Source: Cleveland State University

Work orders can be requested by facilities staff or members of the University community, including both faculty and students. The following chart shows the number of work orders requested by category. Operating engineers, custodial, and plumbing work orders were the most commonly requested work orders in FY 2023.

Work Orders by Category, FY 2023



Source: Cleveland State University

Appendix F: Cybersecurity Staffing

As a part of our evaluation of the University's cybersecurity practices, we examined CSU's staff dedicated to cybersecurity responsibilities. The University has four employees dedicated entirely to cybersecurity, which falls in line with the average number of cybersecurity personnel as indicated in the Educause report *The Cybersecurity and Privacy Workforce in Higher Education, 2023*. This report states that the average number of cybersecurity positions in higher education institutions is five. CSU falls within this benchmark.

In addition to a Chief Information Officer (CIO), some organizations choose to employ a Chief Information Security Officer (CISO) to supervise cybersecurity operations in particular. CSU does not currently employ a CISO. Of the 13 peer state universities in Ohio, eight employ a CISO, representing 61.5 percent. Of CSU's peers with higher student enrollment and higher annual expenditures, 71.4% have a CISO, while 50% of peers with lower student enrollment and lower annual expenditures have one. The table below shows the state universities by student headcount and expenditures, as well as if they employ a CISO.

State Universities by Employment of a CISO

University Name	Student Headcount 2022	FY 2022 Expenditure	CISO?
Ohio State University	61,104	$2,716,599,330	Yes
University of Cincinnati	41,352	$1,263,751,880	Yes
Kent State University	26,066	$508,099,553	Yes
Ohio University	24,286	$602,827,300	Yes
Miami University	19,391	$569,605,264	Yes
Bowling Green State University	17,017	$384,186,506	No
University of Toledo	15,621	$437,448,258	No
Cleveland State University	14,500	$329,169,422	No
University of Akron	13,758	$296,677,314	Yes
Youngstown State University	11,092	$202,201,188	Yes
Wright State University	9,788	$223,896,193	Yes
Central State University	5,395	$99,380,511	No
Shawnee State University	3,291	$59,652,617	No
Northeast Ohio Medical University	983	$76,684,283	No

Source: Cleveland State University, IPEDS, University websites

OHIO AUDITOR OF STATE
KEITH FABER

CLEVELAND STATE UNIVERSITY

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 4/1/2025

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