

**BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE**

Leonard D. Schiavone, Chair

Vacant, Vice Chair

All Trustees are Members

James P. Tressel, *Ex-Officio*

**Thursday, June 2, 2016
10:30 a.m. or immediately following
previous meeting**

**Tod Hall
Board Meeting Room**

AGENDA

A. Disposition of Minutes for Meeting Held March 15, 2016

B. Old Business

C. Committee Items

1. Consent Agenda Items*

Tab C.1.a. *a. Resolution to Modify Purchasing Policy, 3356-3-01 (Previous Policy Number 3001.01)
Neal McNally, Vice President for Finance and Business Operations, will report.

Tab C.1.b. *b. Resolution to Modify Budget-Deficit Options Applicable to Excluded Employees Policy, 3356-3-11.2 (Previous Policy Number 3014.00)
Neal McNally, Vice President for Finance and Business Operations, will report.

2. Finance and Facilities Action Items

Tab C.2.a. a. Resolution to Approve Institutional Efficiency Review as Required by House Bill 64
Neal McNally, Vice President for Finance and Business Operations, will report.

Tab C.2.b. b. Resolution to Approve the Annual Operating Budget for FY 2017
Neal McNally, Vice President for Finance and Business Operations, will report.

Tab C.2.c. c. Resolution to Approve Changes to Tuition and Fees for the 2016-17 Academic and Fiscal Year
Neal McNally, Vice President for Finance and Business Operations, will report.

*Items listed under the Consent Agenda require Board approval; however they may be presented without discussion as these items include only non-substantive changes.

3. Finance and Facilities Discussion Items

Tab C.3.a.

a. Quarterly Update on FY 2016 Operating Budget

Neal McNally, Vice President for Finance and Business Operations, will report.

Tab C.3.b.

b. Planning and Construction Projects Update

John Hyden, Executive Director of Facilities and Support Services, and Rich White, Associate Director of Planning and Construction, will report.

c. Report of Audit Subcommittee

A verbal report of the Audit Subcommittee will be presented. Leonard D. Schiavone will report.

d. Report of Investment Subcommittee

A verbal report of the Investment Subcommittee will be presented. John R. Jakubek will report.

D. New Business

E. Adjournment

Explanation of Modifications to *University Policy*:

3356-3-01 Purchasing

(Previous Policy Number 3001.01)

This policy was reviewed as part of the regular 5-year cycle. As currently written, this policy is largely up-to-date and, therefore, contains only minor changes. The attached redline version illustrates the changes the policy has undergone based upon this review.

Board of Trustees Meeting

June 15, 2016

YR 2016-

**RESOLUTION TO MODIFY
PURCHASING POLICY, 3356-3-01
(PREVIOUS POLICY NUMBER 3001.01)**

WHEREAS, University Policies are reviewed and reconceptualized on an ongoing basis; and

WHEREAS, this process can result in the modification of existing policies, the creation of new policies, or the deletion of policies no longer needed; and

WHEREAS, action is required by the Board of Trustees prior to replacing and/or implementing modified or newly created policies, or to rescind existing policies; and

WHEREAS, the Purchasing policy has been reviewed pursuant to the five-year review cycle, and formatted in accordance with Policy 3356-1-09, Development and Issuance of University Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the modification of the University Policy Purchasing, policy number 3356-3-01 (Previous Policy Number 3001.01), shown as Exhibit __ attached hereto. A copy of the policy indicating changes to be made is also attached.

3356-3-01 Purchasing.

Previous Policy Number: 3001.01
Responsible Division/Office: Procurement Services
Responsible Officer: Vice President for Finance and
~~Administration~~Business Operations
Revision History: March 1999; March 2007; March 2010;
August 2011; June 2016
Board Committee: Finance and Facilities
Effective Date: ~~December 14, 2011~~June 15, 2016
Next Review: 201621

- (A) Policy statement. Employees who are delegated signature authority for university accounts are authorized to make purchasing decisions for their respective areas, following applicable university procedures.
- (B) Purpose. This policy provides a means for purchasing necessary goods and services at a reasonable cost and for conducting this activity in the best interest of the university.
- (C) Parameters.
- (1) All purchases must be in conformance with applicable codes of ethics as well as federal, state of Ohio, and local laws and regulations.
 - (2) Accountability for vendor commitment and/or the actual purchase of goods or services rests with the financial manager.
 - (3) Procurement services has the primary responsibility to facilitate the purchase of goods and services and to manage and monitor the purchasing process. Authority is also delegated to ~~the Youngstown state university bookstore to purchase goods for resale and~~ the Maag library to purchase items to be added to its collection.
 - (4) The university assumes no obligation for any purchases made without following purchasing procedures. Staff who fail to follow approved processes may be subject to personal financial liability.

(5) ~~The university is committed~~As a commitment to advancing providing opportunities for ~~—minority~~socially -and economically disadvantaged business enterprises, the university participates in the Ohio Department of Administrative Services' MBE and EDGE programs.

(D) Procedures.

- (1) Requests for purchases are made by using a university-approved procurement card, the online requisition system, or by forwarding a "Purchase Requisition Input Form" to procurement services.
- (2) ~~With the exception of authorized procurement card purchases, an~~ An authorized electronic requisition (electronic or paper) for goods or services must be processed through procurement services prior to vendor commitment and/or the actual purchase. Exceptions may be made for authorized procurement card purchases and/or in the case of an emergency, such as but not limited to unexpected building repairs that could otherwise result in catastrophic structural failure.
- (3) Competitive selection processes will be conducted in accordance with rule 3356-3-03 of the Administrative Code, "Purchasing limits for competitive selection."
- (4) Purchases of specified goods or services must follow established procedures as delineated on the procurement services website at <http://web.yosu.edu/procure/>.

3356-3-01 Purchasing.

Previous Policy Number: 3001.01
Responsible Division/Office: Procurement Services
Responsible Officer: Vice President for Finance and
Business Operations
Revision History: March 1999; March 2007; March 2010;
August 2011; June 2016
Board Committee: Finance and Facilities
Effective Date: June 15, 2016
Next Review: 2021

- (A) Policy statement. Employees who are delegated signature authority for university accounts are authorized to make purchasing decisions for their respective areas, following applicable university procedures.
- (B) Purpose. This policy provides a means for purchasing necessary goods and services at a reasonable cost and for conducting this activity in the best interest of the university.
- (C) Parameters.
- (1) All purchases must be in conformance with applicable codes of ethics as well as federal, state of Ohio, and local laws and regulations.
 - (2) Accountability for vendor commitment and/or the actual purchase of goods or services rests with the financial manager.
 - (3) Procurement services has the primary responsibility to facilitate the purchase of goods and services and to manage and monitor the purchasing process. Authority is also delegated to the Maag library to purchase items to be added to its collection.
 - (4) The university assumes no obligation for any purchases made without following purchasing procedures. Staff who fail to follow approved processes may be subject to personal financial liability.
 - (5) As a commitment to providing opportunities for socially and

economically disadvantaged business enterprises, the university participates in the Ohio Department of Administrative Services' MBE and EDGE programs.

(D) Procedures.

- (1) Requests for purchases are made by using a university-approved procurement card, the online requisition system, or by forwarding a "Purchase Requisition Input Form" to procurement services.
- (2) An authorized electronic requisition for goods or services must be processed through procurement services prior to vendor commitment and/or the actual purchase. Exceptions may be made for authorized procurement card purchases and/or in the case of an emergency, such as but not limited to unexpected building repairs that could otherwise result in catastrophic structural failure.
- (3) Competitive selection processes will be conducted in accordance with rule 3356-3-03 of the Administrative Code, "Purchasing limits for competitive selection."
- (4) Purchases of specified goods or services must follow established procedures as delineated on the procurement services website at <http://web.yzu.edu/procure/>.



Explanation of Modifications to *University Policy*:

**3356-3-11.2 Budget-Deficit Options Applicable to Excluded Employees
(Previous Policy Number 3014.00)**

This policy was reviewed as part of the regular 5-year cycle and was updated to streamline procedures for implementing actions intended to mitigate a budget deficit. The attached redline version illustrates the changes the policy has undergone based upon this review.

**Board of Trustees Meeting
June 15, 2016
YR 2016-**

**RESOLUTION TO MODIFY
BUDGET-DEFICIT OPTIONS APPLICABLE TO EXCLUDED
EMPLOYEES POLICY, 3356-3-11.2
(PREVIOUS POLICY NUMBER 3014.00)**

WHEREAS, University Policies are reviewed and reconceptualized on an ongoing basis; and

WHEREAS, this process can result in the modification of existing policies, the creation of new policies, or the deletion of policies no longer needed; and

WHEREAS, action is required by the Board of Trustees prior to replacing and/or implementing modified or newly created policies, or to rescind existing policies; and

WHEREAS, the Budget-Deficit Options Applicable to Excluded Employees policy has been reviewed pursuant to the five-year review cycle, and formatted in accordance with Policy 3356-1-09, Development and Issuance of University Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the modification of the University Policy Budget-Deficit Options Applicable to Excluded Employees, policy number 3356-3-11.2 (Previous Policy Number 3014.00), shown as Exhibit __ attached hereto. A copy of the policy indicating changes to be made is also attached.

3356-3-11.2 Budget-deficit options applicable to excluded employees.

Previous Policy Number: 3014.00
Responsible Division/Office: Finance and ~~Administration~~[Business Operations](#)
Responsible Officer: [Vice President](#) for Finance and
~~Administration~~[Business Operations](#)
Revision History: November 2011; [June 2016](#)
Board Committee: ~~University Affairs~~ [Finance and Facilities](#)
Effective Date: ~~December 14, 2011~~ [June 15, 2016](#)
Next Review: 2016 [21](#)

- (A) Policy statement. The university is committed to creating a balanced budget and operating efficiently within the confines of such budget. The board of trustees is empowered to do all things necessary for the creation, proper maintenance, and successful continuous operation of the university. This policy, therefore, allows for cost-saving measures to be implemented by the board of trustees throughout the year in order to achieve spending reductions necessitated by institutional budget deficits.
- (B) Purpose. The purpose of this policy is to provide for employee cost-sharing measures in order to achieve spending reductions due to a significant operating budget deficit. Employee cost-sharing measures include, but are not limited to, furloughs, layoffs, and employee transfers or unit reorganizations that achieve spending reductions. This list does not operate to exclude other cost-saving measures. A budget deficit is caused by a loss of state funding, a decline in institutional enrollment, or other actions that affect the operating budget in a significant manner.
- (C) Definitions.
- (1) A “furlough” is unpaid leave of absence from work for a specified period of time. Employees shall not work when taking furlough leave. Employees shall not use accrued paid leave during periods of furlough.
 - (2) “Layoff” is the permanent (lasting for more than nine months) deletion [of a position](#) from the organizational structure of the university.

- (3) “Employee transfer” is the movement of an employee from one position to the same position in another work unit without a change in pay.
- (4) “Unit reorganization” is the reassignment of duties among various positions within a work unit, i.e., combining job duties in an attempt to reduce staffing size while continuing to maintain efficiency without posting positions pursuant to [the following university policies](#); ~~rule~~ [Administrative Code rule 3356-7-42 “Selection of professional/administrative staff”](#); [Administrative Code rule 3356-9-01 “Selection and evaluation of executive level officers of the university”](#); and [Administrative Code rule 3356-9-02 “Selection and annual evaluation of administrative officers”](#). ~~of the Administrative Code.~~

(D) Procedures.

- (1) ~~If the vice president of finance and business operations the budget director determines that a significant operating budget deficit exists, they he or she shall meet with the president to discuss the details of the budget. As necessary, The the vice president of finance and business operations shall then make a report to the appropriate campus constituencies, which may include the president’s executive management team, the board of trustees, and cabinet, the deans, the executive and administrative staff council (“EASC”), and the president of the academic senate. Within ten days of such report, the cabinet, deans, EASC, and president of academic senate may provide feedback, comments, and analysis which shall be considered by the vice president of finance, the budget director, and the president.~~
- (2) If ~~after such consultation,~~ the president has reason to believe that a significant operating budget deficit exists, the president may recommend cost-saving measures to the board. The board of trustees may, after receiving such report, approve the implementation of cost-saving measures.
- (a) Employees who belong to a collective bargaining group should consult their agreements.

- (b) This policy supersedes all policies to the contrary and applies to all university employees, whether full- or part-time, externally funded, and temporary.
- (c) Healthcare, dental, and life insurance will not be affected by furlough leave.
- (d) Employees will be required to continue to make all contribution payments to healthcare, dental care, life insurance, deferred compensation, flexible spending accounts, as well as all voluntary deductions, such as credit union, charitable contributions.
- (e) Employees will be given at least thirty calendar days' notice prior to the start of a required furlough leave.
- (f) Retirement contributions will be affected by furlough leave because contributions are calculated based upon actual earnings. However, an employee's continuous service credit and review or evaluation date will not be affected by a furlough leave.
- (g) The implementation of employee cost-sharing measures or any other application of this policy may not be appealed under any other university policy or internal grievance process.

3356-3-11.2 Budget-deficit options applicable to excluded employees.

Previous Policy Number: 3014.00
Responsible Division/Office: Finance and Business Operations
Responsible Officer: Vice President for Finance and
Business Operations
Revision History: November 2011; June 2016
Board Committee: Finance and Facilities
Effective Date: June 15, 2016
Next Review: 2021

- (A) Policy statement. The university is committed to creating a balanced budget and operating efficiently within the confines of such budget. The board of trustees is empowered to do all things necessary for the creation, proper maintenance, and successful continuous operation of the university. This policy, therefore, allows for cost-saving measures to be implemented by the board of trustees throughout the year in order to achieve spending reductions necessitated by institutional budget deficits.
- (B) Purpose. The purpose of this policy is to provide for employee cost-sharing measures in order to achieve spending reductions due to a significant operating budget deficit. Employee cost-sharing measures include, but are not limited to, furloughs, layoffs, and employee transfers or unit reorganizations that achieve spending reductions. This list does not operate to exclude other cost-saving measures. A budget deficit is caused by a loss of state funding, a decline in institutional enrollment, or other actions that affect the operating budget in a significant manner.
- (C) Definitions.
- (1) A “furlough” is unpaid leave of absence from work for a specified period of time. Employees shall not work when taking furlough leave. Employees shall not use accrued paid leave during periods of furlough.
 - (2) “Layoff” is the permanent (lasting for more than nine months) deletion of a position from the organizational structure of the university.

- (3) “Employee transfer” is the movement of an employee from one position to the same position in another work unit without a change in pay.
- (4) “Unit reorganization” is the reassignment of duties among various positions within a work unit, i.e., combining job duties in an attempt to reduce staffing size while continuing to maintain efficiency without posting positions pursuant to the following university policies; Administrative Code rule 3356-7-42 “Selection of professional/administrative staff”; Administrative Code rule 3356-9-01 “Selection and evaluation of executive level officers of the university”; and Administrative Code rule 3356-9-02 “Selection and annual evaluation of administrative officers”.

(D) Procedures.

- (1) If the vice president for finance and business operations determines that a significant operating budget deficit exists, he or she shall meet with the president to discuss the details of the budget. As necessary, the vice president for finance and business operations shall make a report to the appropriate campus constituencies, which may include the president’s executive management team, the board of trustees, and the academic senate.
- (2) If the president has reason to believe that a significant operating budget deficit exists, the president may recommend cost-saving measures to the board. The board of trustees may, after receiving such report, approve the implementation of cost-saving measures.
 - (a) Employees who belong to a collective bargaining group should consult their agreements.
 - (b) This policy supersedes all policies to the contrary and applies to all university employees, whether full- or part-time, externally funded, and temporary.
 - (c) Healthcare, dental, and life insurance will not be affected by furlough leave.
 - (d) Employees will be required to continue to make all contribution payments to healthcare, dental care, life

insurance, deferred compensation, flexible spending accounts, as well as all voluntary deductions, such as credit union, charitable contributions.

- (e) Employees will be given at least thirty calendar days' notice prior to the start of a required furlough leave.
- (f) Retirement contributions will be affected by furlough leave because contributions are calculated based upon actual earnings. However, an employee's continuous service credit and review or evaluation date will not be affected by a furlough leave.
- (g) The implementation of employee cost-sharing measures or any other application of this policy may not be appealed under any other university policy or internal grievance process.