

**BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE**

**Delores E. Crawford, Chair
James B. Greene, Vice Chair
All Trustees are Members
James P. Tressel, *Ex-Officio***

**Tuesday, September 16, 2014
3:00 p.m. or immediately following
previous meeting**

**Tod Hall
Board Meeting Room**

AGENDA

- A. Disposition of Minutes for Meeting Held June 3, 2014**
- B. Old Business**
- C. Committee Items**
 - 1. Finance and Facilities Action Items**
 - a. Resolution to Modify Travel on Behalf of the University Policy, 3004.01** Tab 1
Neal McNally, Interim Vice President for Finance and Administration, will report.
 - b. Resolution to Approve Fee Waiver for Master of Respiratory Care Program and Cincinnati Children's Hospital Medical Center (CCHMC), Effective Spring 2015** Tab 2
Joe Mosca, Dean of Bitonte College of Health and Human Services, will report.
 - c. Resolution to Authorize Request for Proposals for Energy Savings Performance Contract** Tab 3
John Hyden, Executive Director of Facilities and Support Services, and Bill Haas, Associate Director of Engineering, will report.
 - d. Resolution to Approve Transfers Related to FY 2014 Year-End General Fund Operating Performance** Tab 4
Neal McNally, Interim Vice President for Finance and Administration, will report.
 - e. Resolution to Approve Interfund Transfers** Tab 5
Katrena Davidson, Controller, will report.

2. Finance and Facilities Discussion Items

a. Quarterly Update on FY 2015 Operating Budget

Neal McNally, Interim Vice President for Finance and Administration, will report.

b. Planning and Construction Projects Update

Tab 6

Neal McNally, Interim Vice President for Finance and Administration, 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. Delores E. Crawford will report.

d. Report of Investment Subcommittee

A verbal report of the Investment Subcommittee will be presented. James B. Greene will report.

D. New Business

E. Adjournment

AGENDA ITEM: C.1.a.

AGENDA TOPIC: Resolution to Modify Travel on Behalf of the University Policy, 3004.01

STAFF CONTACT(S): Neal McNally, Interim Vice President for Finance and Administration

BACKGROUND: Youngstown State University maintains a travel policy to facilitate official University travel by faculty, staff, students, candidates and other non-employees at the lowest practical and reasonable cost and by the most expedient means.

SUMMARY AND ANALYSIS: As part of the regular 5-year review process, policy 3004.01 is scheduled for review in 2014. Modifications to the policy are largely stylistic, with some additional language to expand upon best practices. The University has established separate but related guidelines, which outline specific travel procedures and which ensure compliance with this policy.

RESOLUTION:

**RESOLUTION TO MODIFY
TRAVEL ON BEHALF OF THE
UNIVERSITY, POLICY 3004.01**

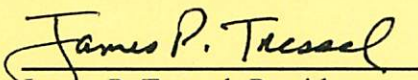
WHEREAS, the Institutional Policies are being reviewed and reconceptualized on an ongoing basis; and

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;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the modification of the Institutional Policy governing Travel Guidelines, policy number 3004.01 of the *University Guidebook*, to be retitled as Travel on Behalf of the University, shown as Exhibit __ attached hereto. A copy of the policy indicating changes to be made is also attached.

RECOMMEND APPROVAL:


James P. Tressel, President

**Board of Trustees Meeting
September 24, 2014
YR 2015-**

UNIVERSITY GUIDEBOOK

Title of Policy:	Travel on Behalf of the University
Responsible Division/Office:	Finance and Administration
Approving Officer:	Vice President for Finance and Administration
<i>Revision History:</i>	June 1994; Dec. 2004; Dec. 2009; September 2014
Resolution Number(s):	YR 1997-49; YR 2005-27; YR 2010-29; YR 2015-
Board Committee:	Finance and Facilities
EFFECTIVE DATE:	September 24, 2014
Next Review:	2019

Policy: The Board of Trustees authorizes the Office of Finance and Administration to establish University Travel Guidelines for the expenditure of University funds for travel expenses incurred during the performance of official University business.

Purpose: To facilitate official University travel by University faculty, staff, students, candidates and other non-employees at the lowest practical and reasonable cost and by the most expedient means.

Parameters:

- Official University travel is travel in furtherance of assignment and consistent with the mission of the University; travel from place of residence to work is not.
- Allowable travel expenses include all ordinary and necessary expenses incurred in furtherance of assignment consistent with the mission of the University.
- With appropriate approval, allowable expenses may be reimbursed for those individuals representing the University on official business.
- Exceptions to University Travel Guidelines must be obtained in writing prior to the travel in question from the President or his/her designee.
- Information regarding University travel is available in written form and on the YSU website at www.ysu.edu.

REDLINE VERSION
UNIVERSITY GUIDEBOOK

Title of Policy:	Travel Guidelines on Behalf of the University
Responsible Division/Office:	Finance and Administration
Approving Officer:	Vice President for Finance and Administration
<i>Revision History:</i>	June 1994; Dec. 2004; Dec. 2009; September 2014
Resolution Number(s):	YR 1997-49; YR 2005-27; YR 2010-29; YR 2015-
Board Committee:	Finance and Facilities
EFFECTIVE DATE:	September 24, 2014
Next Review:	2019

Policy: The Board of Trustees authorizes the ~~Office of Finance and Administration to establish establishment of~~ University Travel Guidelines for ~~anyone who travels on the~~ expenditure of University funds for travel expenses incurred during the performance of official University business. ~~Official travel expenses include all ordinary and necessary expenses incurred while on assignment consistent with the mission of the University.~~

Purpose: To facilitate official University travel by University faculty, staff, students, candidates and other non-employees at the lowest practical and reasonable cost and by the most expedient means.

Parameters:

- Official University travel is travel in furtherance of assignment and consistent with the mission of the University; travel from place of residence to work is not.
- Allowable travel expenses include all ordinary and necessary expenses incurred in furtherance of assignment consistent with the mission of the University.
- ~~The purpose of the University Travel Guidelines is to facilitate travel by University faculty, staff, students, candidates and other non-employees by the most expedient means at the most reasonable cost.~~
- With appropriate approval, allowable expenses may be reimbursed for those individuals representing the University on official business.
- Exceptions to University Travel Guidelines must be obtained in writing prior to the travel in question from the President or his/her designee.

- Information regarding University travel is available in written form and on the YSU website at www.ysu.edu.

~~**Procedures:** *University Travel Guidelines* are available in written form and on the YSU website. Exceptions to *University Travel Guidelines* must be obtained in writing prior to the travel in question from the President or his/her designee.~~

AGENDA ITEM: C.1.a.

AGENDA TOPIC: Resolution to Approve a Fee Waiver for Master of Respiratory Program and Cincinnati Children's Hospital Medical Center (CCHMC), Effective Spring Semester 2015

STAFF CONTACT(S): Dr. Joe Mosca, Dean, Bitonte College of Health and Human Services

BACKGROUND: Youngstown State University seeks to enter into an agreement with Cincinnati Children's Hospital Medical Center (CCHMC) to provide educational services through the Master of Respiratory Care program at the Bitonte College of Health & Human Services. The terms of this agreement, however, preclude YSU from assessing a surcharge on any students from CCHMC residing outside Ohio. Therefore, a waiver of the nonresident surcharge is requested.

SUMMARY AND ANALYSIS: Youngstown State University's Department of Health Professions is entering an agreement with Cincinnati Children's Hospital Medical Center to offer the Master of Respiratory Care. The program is completely online. It is a cohort program and is designed for completion in three (3) years. There are ten (10) students in the Fall Semester 2014 cohort. Students will take six (6) hours per academic term and twelve (12) hours per year. The total number of hours for completion of the program is thirty-six (36). CCHMC has projected approximately ten (10) students per cohort group with new cohorts beginning every three (3) years.

The Master of Respiratory Care is one of four (4) graduate programs in respiratory care in the country. There has been interest with other large medical facilities throughout the state of Ohio as well as out of state inquiries. It is anticipated that these inquiries will translate into future program enrollment. This agreement establishes a model for offering the program completely online in a cohort format and will contribute to future efficiency in program delivery.

RESOLUTION:

**RESOLUTION TO APPROVE A FEE WAIVER
FOR MASTER OF RESPIRATORY CARE STUDENTS FROM
CINCINNATI CHILDREN'S HOSPITAL MEDICAL CENTER (CCHMC), EFFECTIVE
SPRING 2015**

WHEREAS, section 363.230 of House Bill 59 of the 130th General Assembly requires any waiver of fees for a student or class of students not otherwise permitted by law at a state-assisted institution of higher education be approved by the Ohio Board of Regents; and

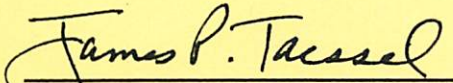
WHEREAS, the Ohio Board of Regents' established process for approving waivers requires that the Board of Trustees also approve proposals to waive fees; and

WHEREAS, the Bitonte College of Health & Human Services seeks to enter into an agreement with Cincinnati Children's Hospital Medical Center to provide educational services through the University's Master of Respiratory Care Program; and

WHEREAS, said agreement would help increase enrollments, raise additional revenue, and help create opportunities for other such educational agreements with external entities.

NOW, THEREFORE, BE IT RESOLVED, that the waiver of the surcharge for nonresident students enrolled in the Master of Respiratory Care Program through the University's agreement with Cincinnati Children's Hospital Medical Center is hereby approved.

RECOMMEND APPROVAL:


James P. Tressel, President

AGENDA ITEM: C.1.c.

AGENDA TOPIC: Resolution to Authorize Request for Proposals for Energy Savings Performance Contract

STAFF CONTACT(S): John Hyden, Executive Director of Facilities and Support Services, and Bill Haas, Associate Director of Engineering

BACKGROUND: We are currently in the eighth year of an energy reducing performance contract with Johnson Controls Inc. and expect that we can enjoy additional energy savings by entering into a second performance contract.

SUMMARY AND ANALYSIS: Our current performance contract will net us a savings of approximately \$3 million over the term, while also providing substantial upgrades to major mechanical and electrical equipment of the university's physical plant. While much of the generated savings will continue well beyond the contract term, we expect that there are significant additional savings to be realized with a second phase project. Endorsement by the Board of Trustees at this time will allow us to move forward with an RFQ for a second phase contractor. Throughout the selection process, the scope of work and associated project cost will be defined.

RESOLUTION:

**RESOLUTION TO AUTHORIZE
REQUEST FOR PROPOSALS FOR
ENERGY SAVINGS PERFORMANCE CONTRACT**

WHEREAS, Ohio Revised Code Sections 3345.64-66 allows state universities to contract with energy services companies, architects, professional engineers, contractors, or other persons experienced in the design and implementation of energy conservation measures, and to pay for such improvements by using the savings resulting from energy conservation; and

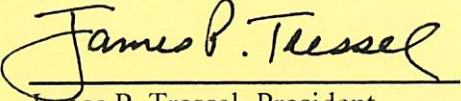
WHEREAS, Youngstown State University has experienced higher utility costs; and

WHEREAS, Youngstown State University desires to reduce energy costs while providing permanent improvements to the physical plant.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University hereby authorizes the administration to proceed in accordance with Ohio Revised Code Sections 3345.64-66 to solicit energy savings proposals; and

BE IT FURTHER RESOLVED, that the administration will seek Board approval for any vendor contract to implement any energy savings measures and finance mechanisms provided under said Ohio Revised Code sections.

RECOMMEND APPROVAL:


James P. Tressel, President

**Board of Trustees Meeting
September 24, 2014
YR 2015-**

AGENDA ITEM: C.1.d.

AGENDA TOPIC: Resolution to Approve Transfers Related to FY 2014 Year-End General Fund Operating Performance

STAFF CONTACT(S): Neal McNally, Interim Vice President for Finance and Administration

BACKGROUND: Year-end closing of University operating funds requires transfers from other funds to enable utilization of excess funds and/or to cover operating deficits.

SUMMARY AND ANALYSIS: The University's operating performance for the fiscal year ending June 30, 2014, resulted in positive fund balances in some funds but a net deficit in the general fund, as detailed on Exhibit __. The operating deficit in the general fund is largely attributable to a revenue short-fall caused by a decrease in full-time equivalent enrollments of approximately 3% and a corresponding loss of tuition income.

RESOLUTION:

**RESOLUTION TO APPROVE TRANSFERS
RELATED TO FY 2014 YEAR-END
GENERAL FUND OPERATING PERFORMANCE**

WHEREAS, certain accounting and budget adjustments and transfers outside the operating budget are necessary at the end of a fiscal year; and

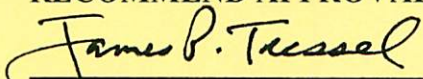
WHEREAS, Youngstown State University completed the fiscal year ending June 30, 2014, with positive fund balances in certain operating funds and a net deficit in the general fund; and

WHEREAS, as part of the University's regular year-end closing procedures, the general fund's net deficit balance has been transferred to the University's operating carry-forward fund; and

WHEREAS, the University has adequate fund balances in other funds with which to defray the negative fund balance in the operating carry-forward fund;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the budget transfers, as detailed in Exhibit__.

RECOMMEND APPROVAL:


James P. Tressel, President

**Board of Trustees Meeting
September 24, 2014
YR 2015-**

Youngstown

STATE UNIVERSITY

FY 2014 Operating Performance General & Auxiliary Funds

DRAFT - 8/19/14 (subject to audit adjustments)

	GENERAL FUNDS				AUXILIARY FUNDS							
	General Fund	Technology Lab/Materials Fees	College Fees	Program Fees	Andrews Rec. Center	Housing Services	Intercoll. Athletics	Kilcawley Center	Bookstore	Parking Services	Telephone Services Res. Hall	Industry & Labor Steel Mus.
Revenue	\$144,653,609	\$2,821,524	\$1,891,928	\$250,416	\$47,195	\$9,607,021	\$3,187,893	\$783,207	\$5,201,851	\$3,695,685	\$580	\$144,371
Expenses	127,944,552	2,383,372	1,140,019	105,268	1,364,276	6,342,745	13,726,745	1,840,429	5,178,091	2,217,795	12,115	84,730
Transfers Out (In)	19,300,822	(2,942)	324,997	0	(1,531,015)	3,133,555	(10,605,978)	(1,295,764)	39,900	601,354	0	(11,872)
Total Exp. & Trans.	147,245,374	2,380,430	1,465,016	105,268	(166,739)	9,476,300	3,120,767	544,665	5,217,991	2,819,149	12,115	72,858
Net Excess (Deficit)	(\$2,591,765)	\$441,094	\$426,912	\$145,148	\$213,934	\$130,721	\$67,126	\$238,542	(\$16,140)	\$876,536	(\$11,535)	\$71,513

Net Total Gen. Fund: (\$1,578,611)

Net Total Auxiliaries: \$1,570,697

Net Grand Total: (\$7,914) (Equals 0.0046% of total revenue)

YOUNGSTOWN STATE UNIVERSITY
FY 2014 Year-End General Fund Summary and
Proposed FY 2015 Transfers
As of 8/25/13 (subject to audit adjustments)

FY 2014 Year-End Summary

General Fund (includes scholarships)	(\$2,591,765)
Intercollegiate Athletics	67,126
Subtotal	(\$2,524,639)
Technology & Lab Materials Fees	\$441,094
College Fees	426,912
Program Fees	145,148
Subtotal	\$1,013,154
Net Year-End Operating Deficit	(\$1,511,485)

Proposed FY 2015 Transfers to Cover Deficit

From Reserves:

Grant Clearing fund	\$84,461
Scholarship Reserve Fund	95,000
Technology Master Plan	100,000
Technology/Lab Material Fee Carryfw	30,000
Student Activities Carry forward	50,000
General Fund Operating Reserve	1,000,000
General Fund Plant Reserve	100,000
Andrews Rec/Well Ctr Plant Reserve	25,000
Housing Services Plant Reserve	100,000
Kilcawley Center Plant Reserve	81,475
Parking Services Plant Reserve	35,000
Tele Serv-Res Hall Plant Reserve	191,735
Industry & Labor Steel Museum Plant	50,000
Capital Facilities Project	25,000
Property Acquisition	64,522
Campaign Flex Fund	58,845
Insurance Deductible	100,000
Residence Hall Telephone Equip Repl	33,601
Debt Service Reserve - General Fund	300,000
Subtotal	\$2,524,639

To Designated Funds:

Technology & Lab Materials Fees	(\$441,094)
College Fees	(426,912)
Program Fees	(145,148)
Subtotal	(\$1,013,154)
Net Total	\$1,511,485

AGENDA ITEM: C.1.e.

AGENDA TOPIC: Resolution to Approve Interfund Transfers

STAFF CONTACT(S): Katrena Davidson, Controller

BACKGROUND: The Board of Trustees authorizes interfund transfers greater than \$100,000 or more for operating purposes or for any purpose other than a specific capital improvement and for capital improvements or construction projects of \$500,000 or more. In addition, transfers out of operating reserves require approval regardless of amount.

SUMMARY AND ANALYSIS:

- The University funds annual bond debt service with a combination of current year operations and debt service reserve funds, including gifts. FY15 required debt service is \$4.85 million, net of \$.5 million federal interest subsidy on the 2010 Bond Series. Four transfers totaling \$1.8 million from debt service reserve funds are being requested. Two transfers totaling \$700,000 are from the General Fund Debt Service Reserve Fund and two transfers totaling \$1.1 million are from Gift Debt Service Reserve funds.
- Housing Services is requesting reversal of the \$400,000 transfer from the Operating fund to a Plant Reserve that had been approved in June due to decreased occupancy in University Housing.
- Due to reduced demand, Housing discontinued use of room phone lines in June 2013. Therefore, a request is being made to close the Telephone Services – Residence Hall Operating Reserve fund and transfer the balance of \$7,130 to the General Fund Operating Reserve.

RESOLUTION:

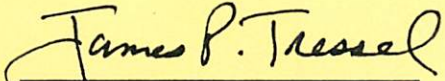
**RESOLUTION TO APPROVE
INTERFUND TRANSFERS**

WHEREAS, Policy Number 3010.01, Budget Transfers, of the *University Guidebook*, requires Board of Trustees approval for interfund transfers of \$100,000 or more for operating purposes or for any purpose other than a specific capital improvement project, for capital improvements or construction projects of \$500,000 or more and for transfers out of operating reserves regardless of amount;

WHEREAS, certain accounting adjustments and transfers outside the operating budget are necessary;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve transfers outside the operating budget, as detailed in Exhibit __.

REVIEWED AS TO FORM AND CONTENT:


James P. Tressel, President

Board of Trustees Meeting
September 24, 2014
YR 2015-



YOUNGSTOWN STATE UNIVERSITY
Interfund Transfers Requiring Board Approval
Transfers Outside of the Operating Budget
Requested Transfers for First Quarter 2015

FROM	TO	AMOUNT	REASON
Debt Service Reserve - WCBA Gifts (Restricted Plant Fund)	Bond Fund - Series 2009 (Debt Service Fund)	\$802,360	Transfer to fund portion of FY15 debt service attributed to the WCBA.
Debt Service Reserve - General Fund (Unrestricted Plant Fund)	Bond Fund - Series 2010 (Debt Service Fund)	\$397,410	Transfer to fund portion of FY15 debt service.
Debt Service Reserve - General Fund (Unrestricted Plant Fund)	Bond Fund - Series 2009 (Debt Service Fund)	\$302,082	Transfer to fund portion of FY15 debt service.
Debt Service Reserve - WATTS Gifts (Restricted Plant Fund)	Bond Fund - Series 2010 (Debt Service Fund)	\$299,547	Transfer to fund portion of FY15 debt service attributed to WATTS.
Housing Services Plant Reserve (Auxiliary Plant Reserve)	Housing Services (Auxiliary)	\$400,000	Reverse transfer approved as part of the FY15 Operating Budget due to decreased occupancy in University Housing.
Telephone Services - Residence Hall Operating Reserve (Quasi-Endowment)	General Fund Operating Reserve (Quasi-Endowment)	\$7,130	Close operating reserve. Due to reduced demand, Housing discontinued use of room phone lines in June 2013.

AGENDA ITEM: C.2.b.

AGENDA TOPIC: Planning and Construction Projects Update

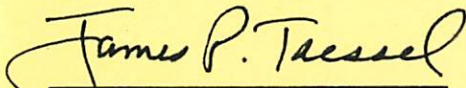
STAFF CONTACT(S): John Hyden, Executive Director of Facilities and Support Services, and Richard White, Director of Planning and Construction

BACKGROUND: This is a regular report presented to the YSU Board of Trustees to keep them informed of what major projects are currently ongoing, what projects are bidding, and which projects are currently in development.

SUMMARY AND ANALYSIS: Summary of projects recently completed over summer including Beeghly Center Renovations, DeBartolo Hall Renovations, Veterans Resource Center, Concrete Replacement, and various other projects. Projects currently ongoing include roofing projects on DeBartolo and Bliss Hall, Elevator Upgrades in Maag Library and Lincoln Building, and Generator Upgrades. Also included in the board update are projects currently being advertised, projects at controlling board for release of funds, recent professional design service selections, and 2015 projects currently in development.

RESOLUTION: N/A – DISCUSSION ITEM ONLY

REVIEWED AS TO FORM AND CONTENT:


James P. Tressel, President

YSU Capital Projects Update:

Board Projects Update 8/19/2014

Capital Projects Currently Underway:

Elevator Upgrades – Cushwa, Maag (Mid-Floor)	\$900k (Capital) Murphy Contracting, Contractor
Elevator Renovations – Lincoln Building	\$555k (Capital) Murphy Contracting, Contractor
Roof Renovations – DeBartolo, Cushwa	\$1.15M (Capital) Boak and Sons, Contractor
Campus Core Lighting	\$316k (Capital) Penn-Ohio Electric, Contractor
Exterior Door and Window Upgrades	\$394k (Capital) Elk Enterprises, Contractor
Generator Upgrades	\$350k (Capital) Zenith Systems, Contractor
Rayen Building Demolition	\$210K (Local Funds) M&M Demolition, Contractor

Recently Completed Projects:

Veterans Resource Center	\$1.4M (Philanthropy) Adolph Johnson, Contractor
Roof Renovations – Ward Beecher, Ped Bridge	\$150k (Capital) N.F. Mansuetto, Contractor
Beeghly Center Renovations - Flooring	\$644k (Capital) Murphy Contracting, Contractor
Concrete Replacement – Campus Core	\$394k (Capital) Parella-Pannunzio, Contractor
Kilcawley House Roof	\$225k (Local Funds) Building Technicians, Contractor
M1 & M2 Deck Repairs	\$450k (Local Funds) CPS Construction, Contractor
DeBartolo Hall Phase 2 – Floors 2, 3, and 4	\$760k (Bond Funds) Brock Builders, Contractor
Kilcawley Center Exterior Stairs	\$60k (Local Funds) AP Ohoro, Contractor

Projects Currently Being Advertised:

Wind Turbines	\$160K (Grant)
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Projects at Controlling Board for Release of Funds:

Campus Roof Renovations Phase II (EJSC)	\$255k
BSHM Architects Design Service Fees	\$125K
Non Credit Job Training – Additive Manufacturing	\$298k

Projects Currently In Development:

Melnick Hall Renovations	\$4.0M (Capital/Bond Funds)
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Recent Professional Design Service Selections:

Roof Renovations	\$1.5M	BSHM Architects selected (Youngstown)
Building Exterior Repairs	\$1.2M	GPD Group Selected (Akron/Youngstown)
Utility Distribution Upgrades	\$2.5M	C.L. Firestone (Youngstown)
Elevator Upgrades	\$2.5M	Domokur Architects (Akron)

2015 Projects in Development:

Campus Core Lighting Phase II
Moser Hall Advanced Manufacturing Lab Reno
Restroom Renovations
Elevator Upgrades
Roof Renovations
Utility Distribution Upgrades
Building Exterior Repairs

2017 Projects in Constructability Review:

Ward Beecher Hall Renovations
Meshel Hall Renovations