

**BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE**

**Leonard D. Schiavone, Chair
Delores E. Crawford, Vice Chair
All Trustees are Members
Randy J. Dunn, *Ex-Officio***

**Thursday, September 12, 2013
3:00 p.m. or immediately following
previous meeting**

**Tod Hall
Board Meeting Room**

AGENDA

**A. Disposition of Minutes for Meetings Held June 4, 2013; July 19, 2013; July 22, 2013;
and August 19, 2013**

B. Old Business

C. Committee Items

1. Finance and Facilities Action Items

- | | |
|---|--------------|
| a. Resolution to Approve Use of University Vehicles Policy, 4016.01
John Hyden, Executive Director of Facilities, will report. | Tab 1 |
| b. Resolution to Approve Use of University Equipment Policy, 4017.01
John Hyden, Executive Director of Facilities, will report. | Tab 2 |
| c. Resolution to Modify University Websites Policy, 5015.01
Ken Schindler, Associate Vice President and Chief Technology Officer,
will report. | Tab 3 |
| d. Resolution to Authorize the Sale of University Land to Fireline, Inc.
Greg Morgione, Associate General Counsel, will report. | Tab 4 |
| e. Resolution to Approve Interfund Transfers
Katrena Davidson, Interim Controller, will report. | Tab 5 |
| f. Resolution to Approve Year End Transfers as of June 30, 2013
Neal McNally, Director of Budget Planning and Treasury Operations, will report. | Tab 6 |
| g. Resolution to Approve Amendment to Internal Audit Charter
Gene Grilli, Vice President for Finance and Administration, will report. | Tab 7 |

2. Finance and Facilities Discussion Items

- a. Update on University Budget Fiscal Year 2013-2014** **Tab 8**
Effects of Modified Initiative Based Budgeting.
Gene Grilli, Vice President for Finance and Administration, and Neal McNally, Director of Budget Planning and Treasury Operations, will report.

- b. Planning and Construction Projects Update** **Tab 9**
An update on the Capital Bill and potentially planned construction projects throughout campus for 2014.
Gene Grilli, 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. David C. Deibel will report.

- d. Report of Investment Subcommittee**
A verbal report of the Investment Subcommittee will be presented. Delores E. Crawford will report.

D. New Business

E. Adjournment

AGENDA ITEM: C.1.a.

AGENDA TOPIC: Resolution to Approve Use of University Vehicles Policy, 4016.01

STAFF CONTACT(S): John Hyden, Executive Director of Facilities

BACKGROUND: This new policy establishes guidelines governing the use of university owned vehicles.

SUMMARY AND ANALYSIS:

- This policy restricts the use of university owned vehicles to purposes solely of university related business. Use of a university vehicle for solely personal use or for more than incidental personal use as part of business use is prohibited.
- University vehicles are to be operated only by authorized university faculty, staff, and students.
- Any personal use of a university vehicle must be authorized in advance and associated with the use of that vehicle for university business.
- Drivers are responsible for the safe operation of the university vehicle and must comply with all state and local traffic laws.
- Employees who violate this policy or administrators who authorize inappropriate or unnecessary use may be liable for the repayment of costs incurred and/or damages that might occur and may be subject to appropriate discipline.
- This policy does not cover vehicles leased by the University specifically for a university employee and solely for that employee's combined business/personal use.

RESOLUTION:

RESOLUTION TO APPROVE
USE OF UNIVERSITY VEHICLES POLICY

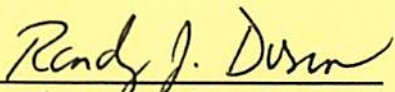
WHEREAS, the Institutional Policies are being reviewed and reconceptualized on an ongoing basis; and

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 creation of an Institutional Policy governing Use of University Vehicles, policy number 4016.01 of the *University Guidebook*, shown as Exhibit __ attached hereto.

RECOMMEND APPROVAL:


Randy J. Dunn, President

Board of Trustees Meeting
September 25, 2013
YR 2014-

NEW POLICY
UNIVERSITY GUIDEBOOK

Title of Policy:	Use of University Vehicles
Responsible Division/Office:	Finance and Administration
Approving Officer:	Vice President for Finance and Administration
<i>Revision History:</i>	
Resolution Number(s):	YR 2014-
Board Committee:	Finance and Facilities
EFFECTIVE DATE:	September 25, 2013
Next Review:	2018

Policy: Motor vehicles owned or leased by Youngstown State University are to be operated solely for University business and only by authorized University faculty, staff and students. Any personal use must be authorized in advance and associated with the use of that vehicle for University business. All University drivers must comply with University vehicle use requirements and procedures.

Definition: A University vehicle is a vehicle that is either owned or leased as part of the University's motor pool and is certified and licensed to be driven on public roadways. Exclusion: This policy does not cover vehicles leased by the University specifically for a University employee and solely for that employee's combined business/personal use.

Business Use of Vehicles:

- A. University vehicles are to be used only for authorized University business. It is the responsibility of the department head to enforce proper use of University vehicles assigned to the using department and to ensure that all appropriate forms are completed.
- B. University vehicles are to be operated only by authorized individuals.

- C. Only authorized passengers may ride in University vehicles. These may be faculty, staff, students or guests of the University.
- D. Personal use of a University vehicle that occurs within the broader use of that vehicle for University business, such as a detour from an expected business route to do personal business, is not permitted. Meals and refreshments for breaks during the workday as a part of the use of a University vehicle are permitted.
- E. Use of a University vehicle solely for personal use or for more than incidental personal use as part of business use is prohibited.

Driver Responsibilities:

- A. Drivers shall not operate a vehicle that the driver suspects is not operating properly. The driver shall park the vehicle and make appropriate arrangements so that the vehicle can be serviced, otherwise operated safely, or towed.
- B. Drivers must only transport the number of persons for which there are seatbelts in the vehicle. All persons must wear their seatbelts.
- C. Drivers of any University operated vehicle must comply with all state and local traffic laws. Drivers are responsible for payment of any fines resulting from violation of motor vehicle regulations while operating University vehicles.
- D. Drivers are responsible for taking appropriate measures to secure and safeguard the vehicle until it is returned to the designated location at the University.

Violations of the Vehicle Policy:

Employees who violate this policy or administrators who authorize inappropriate or unnecessary use may be liable for the repayment of costs incurred and/or damages that might occur and may be subject to appropriate discipline.

AGENDA ITEM: C.1.b.

AGENDA TOPIC: Resolution to Approve Use of University Equipment Policy, 4017.01

STAFF CONTACT(S): John Hyden, Executive Director of Facilities

BACKGROUND: This new policy establishes guidelines governing the use of university owned and/or leased equipment and supplies.

SUMMARY AND ANALYSIS:

- The University's equipment and supplies are intended to support its educational research and service missions and the use of such equipment and supplies is limited to the undertaking of those missions.
- Faculty, students and staff are not permitted to utilize University equipment and supplies solely for personal use or for more than incidental use as part of business use.
- Only University faculty, staff and students may use University equipment and supplies.
- Exceptions to this policy must have the written approval of the appropriate divisional executive officer.
- Employees who violate this policy or administrators who authorize inappropriate or unnecessary use may be liable for the repayment of costs incurred and/or damages that might occur and may be subject to appropriate discipline.

RESOLUTION:

RESOLUTION TO APPROVE
USE OF UNIVERSITY EQUIPMENT POLICY

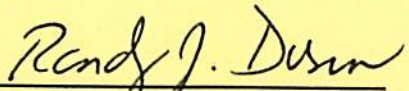
WHEREAS, the Institutional Policies are being reviewed and reconceptualized on an ongoing basis; and

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 creation of an Institutional Policy governing Use of University Equipment, policy number 4017.01 of the *University Guidebook*, shown as Exhibit __ attached hereto.

RECOMMEND APPROVAL:



Randy J. Dunn, President

**Board of Trustees Meeting
September 25, 2013
YR 2014-**

NEW POLICY
UNIVERSITY GUIDEBOOK

Title of Policy:	Use of University Equipment
Responsible Division/Office:	Finance and Administration
Approving Officer:	Vice President for Finance and Administration
<i>Revision History:</i>	
Resolution Number(s):	YR 2014-
Board Committee:	Finance and Facilities
EFFECTIVE DATE:	September 25, 2013
Next Review:	2018

Policy: Use of University equipment and supplies is limited to the pursuit of the University's mission.

Definition: The University regularly purchases equipment and supplies to meet its educational research and service missions. Use of such equipment and supplies is restricted to the undertaking of those missions. Faculty, students and staff are not permitted to utilize University equipment or supplies solely for personal use or for more than incidental personal use as part of business use. Individuals who are not University faculty, students or staff may not use University equipment or supplies unless contracted to do so.

Any exception to this policy must have the written approval of the appropriate divisional executive officer.

Employees who violate this policy, including violations by administrators who authorize inappropriate or unnecessary use, may be liable for the repayment of costs incurred and/or damages that might occur and could be subject to appropriate discipline.

AGENDA ITEM: C.1.c.

AGENDA TOPIC: Resolution to Modify University Websites Policy, 5015.01

STAFF CONTACT(S): Ken Schindler, Associate Vice President and Chief Technology Officer

BACKGROUND: As part of a six step plan (see below) needed to bring YSU's website into Federal Accessibility compliance, University Guidebook Policy 5015.01, University Websites, requires that YSU websites meet the compliance standards set by the Americans with Disabilities Act (ADA).

SUMMARY AND ANALYSIS: To date YSU has taken the following actions to begin to address known Accessibility issues with the YSU website:

1. At the September Board meeting, the University Websites policy will be upgraded to require all YSU web pages meet YSU Accessibility Guidelines. Please refer to: http://web.yzu.edu/gen/ysu/Accessibility_Guidelines_m2997.html.
2. YSU Accessibility Guidelines have been upgraded to require conversion of all Word documents be converted to web pages in lieu of posting as Word or PDF documents. The exception will be forms which will need to be tagged individually.
3. Refining content editor training & practices to reflect updated YSU Accessibility Guidelines.
4. Deployment of a Digital Asset Management (DAM) system or Dspace in collaboration with the Maag Library staff to store archive documents.
 - a. The retrieval page will have an option to request conversion of Word and PDF documents on an individual request basis.
 - b. This applies to Academic Affairs Division meeting notes, Board of Trustee Meeting Minutes, and shortly University Guidelines.
5. Exploring software alternatives to convert existing, high traffic PDFs to an accessible format. This may entail purchasing a package or contracting with a third party vendor.
6. YSU has begun to display a link on all web pages with PDFs present, where an end user can request an accessible equivalent of a Word or PDF document.

RESOLUTION:

**RESOLUTION TO MODIFY
UNIVERSITY WEBSITES POLICY**

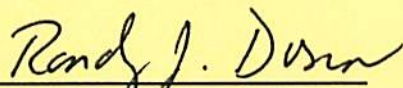
WHEREAS, the Institutional Policies are being reviewed and reconceptualized on an ongoing basis; and

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 University Websites, policy number 5015.01 of the *University Guidebook*, shown as Exhibit __ attached hereto. A copy of the policy indicating changes to be made is also attached.

RECOMMEND APPROVAL:



Randy J. Duhn, President

**Board of Trustees Meeting
September 25, 2013
YR 2014-**

UNIVERSITY GUIDEBOOK

Title of Policy:	University Websites
Responsible Division/Office:	Finance and Administration (Information Technology Services)
Approving Officer:	Vice President for Finance and Administration
Revision History:	September 2013
Resolution Number:	FY 2010-55; FY 2014-
Board Committee:	Finance and Facilities
EFFECTIVE DATE:	September 25, 2013
Next Review:	2018

Policy: The official University web pages of Youngstown State University are considered publications of the University. All electronically published information must adhere to the same quality standards as other forms of published information. Each administrative unit, e.g., department or office, is responsible for content available publically on the Internet.

Definitions:

- **Official University Web Page.** An official University web page is any web page created by the University, its departments, colleges or other administrative offices for the official business of the University.
- **University Related Web Page.** A University related web page is any web page created by faculty, staff, students and/or registered student organizations that are either: 1) linked from an official University web page or 2) stored on one of the University controlled web servers.

Parameters:

- Administrative units of the University may develop and maintain official University web pages and are responsible for their content.
- The Office of Marketing and Communications, Information Technology Services Department, and the Website Advisory Committee shall provide direction for content publically on the Internet, including adherence to design and content standards.

- All official and University related web pages must adhere to:
 - Applicable copyright laws (<http://www.copyright.gov/>)
 - The Ohio Revised Code
 - The Use of University Computing Resources (University Guidebook Policy 4009.01) (where appropriate)
 - University Accessibility Guidelines (http://web.vsu.edu/gen/vsu/Accessibility_Guidelines_m2997.html)
- The use of University symbols (i.e., YSU word mark, YSU logo, University seal, and Pete the Penguin) and related information should adhere to the information found in the Graphic Identity Standards.
- Registered student organizations use of the University name must adhere to Article V, Section F, Paragraph 16 of *The Code of Student Rights, Responsibilities, and Conduct*.
- Faculty, staff and student organizations may develop and maintain University related web pages. All websites being linked to an official University website, or those residing on a server maintained by the University, must abide by parameters as indicated in Guidebook Policy 4009.01, Use Of University Computing Resources.
- The following are examples of content prohibited from display on either official University web pages or University related web pages:
 - Unauthorized solicitation or endorsement for for-profit business ventures.
 - Activities that involve a conflict of interest. (Refer to University Guidebook Policies 7001.01, Conflicts of Interest and 7005.01, Solicitation and Distribution of Materials, Employees.)
 - Adult content (including banners).
 - Any content covered by University Guidebook Policy 4012.01, Sensitive Information Policy, such as credit card numbers.
 - Software or media (i.e., photographs, audio, video, etc.) not authorized for distribution, regardless of the purchase price or copyright status.
 - Authors are responsible for the content of their pages.
- The University may remove, from a University controlled server, any website found to be in violation of the guidelines set forth in this document.

Procedures

1. Divisions and departments of the University may develop and maintain official University websites or pages.
2. Prior to publishing official web pages, approvals must be secured through appropriate administrative channels (i.e., director or chair).
3. Administrative units, individuals and organizations requesting website space plus a separate login on the YSU servers must complete and submit an online form request.
4. If a website is found to be in violation of the parameters in this policy, an effort will be made beforehand to discuss the violation(s) with the author.
5. Website authors may appeal any decisions to the YSU Website Advisory Committee.
6. If the appeal has legal implications, the Advisory Committee will consult with YSU General Counsel on the matter before making a decision.

REDLINE VERSION
UNIVERSITY GUIDEBOOK

Title of Policy:	University Websites
Responsible Division/Office:	University Advancement (Marketing and Communications) Finance and Administration (Information Technology Services)
Approving Officer:	Vice President for University Advancement Finance and Administration
<i>Revision History:</i>	September 2013
Resolution Number:	FY 2010-55; FY 2014-
Board Committee:	Institutional Engagement Finance and Facilities
EFFECTIVE DATE:	September 25, 2013
Next Review:	2018

Policy: The official University web pages of Youngstown State University are considered publications of the University. All electronically published information must adhere to the same quality standards as other forms of published information. Each administrative unit, e.g., department or office, is responsible for content available publicly on the Internet.

Definitions:

- **Official University Web Page.** An official University web page is any web page created by the University, its departments, colleges or other administrative offices for the official business of the University.
- **University Related Web Page.** A University related web page is any web page created by faculty, staff, students and/or registered student organizations that are either: 1) linked from an official University web page or 2) stored on one of the University controlled web servers.

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- The Office of Marketing and Communications, ~~in consultation with~~ Information Technology Services Department, and the Website Advisory Committee shall provides direction for content publically on the Internet, including adherence to design and content standards.
- All official and University related web pages must adhere to:
 - ~~a~~Applicable copyright laws (<http://www.copyright.gov/>);
 - ~~†~~The Ohio Revised Code;
 - ~~and †~~The Use of University Computing Resources (University Guidebook Policy 4009.01) (where appropriate);
 - University Accessibility Guidelines (http://web.yosu.edu/gen/ysu/Accessibility_Guidelines_m2997.html)
- The use of University symbols (i.e., YSU word mark, YSU logo, University seal, and Pete the Penguin) and related information should adhere to the information found in the Graphic Identity Standards.
- Registered student organizations use of the University name must adhere to Article V. Section F. Paragraph 16 of *The Code of Student Rights, Responsibilities, and Conduct*.
- Faculty, staff and student organizations may develop and maintain University related web pages. All websites being linked to an official University website, or those residing on a server maintained by the University, must abide by parameters as indicated in ~~the~~ Guidebook Policy 4009.01, Use Of University Computing Resources (~~4009.01~~).
- The following are examples of content prohibited from display on either official University web pages or University related web pages:
 - Unauthorized solicitation ~~or endorsement~~ for for-profit business ventures.
 - Activities that involve a conflict of interest. (Refer to University Guidebook Policies 7001.01, Conflicts of Interest and 7005.01, Solicitation and Distribution of Materials, Employees.)
 - Adult content (including banners).
 - Any content covered by University Guidebook Policy 4012.01, ~~the~~ Sensitive Information Policy ~~4012.01~~, such as credit card numbers.
 - Software or media (i.e., photographs, audio, video, etc.) not authorized for distribution, regardless of the purchase price or copyright status.
 - Authors are responsible for the content of their pages.

- The University may remove, from a University controlled server, any website found to be in violation of the guidelines set forth in this document.

Procedures

1. Divisions and departments of the University may develop and maintain official University websites or pages.
2. Prior to publishing official web pages, approvals must be secured through appropriate administrative channels (i.e., director or chair).
3. Administrative units, individuals and organizations requesting website space plus a separate login on the YSU servers must complete and submit an online form request.
4. If a website is found to be in violation of the parameters in this policy, an effort will be made beforehand to discuss the violation(s) with the author.
5. Website authors may appeal any decisions to the YSU Website Advisory Committee.
6. If the appeal has legal implications, the Advisory Committee will consult with YSU General Counsel on the matter before making a decision.

AGENDA ITEM: C.1.d.

AGENDA TOPIC: Resolution to Authorize the Sale of University Land to Fireline, Inc.

STAFF CONTACT(S): Greg Morgione, Associate General Counsel

BACKGROUND: The University has had a good working relationship with Fireline, Inc., another major landholder in the Smoky Hollow area of the Campus. Fireline wishes to purchase property, owned by the University, contiguous to their current space, along with parcels owned by third parties for the expansion of their operations at their Andrews Avenue facility. The University is agreeable.

SUMMARY AND ANALYSIS: The University informed Fireline that we were willing to sell our parcels contingent upon Fireline's ability to acquire the other third party parcels necessary for their expansion. Fireline is actively engaged with all of the other property owners and informed the University that they do not have any concerns with their ability to acquire these other parcels.

Fireline has been a good partner with the University in the development of Smoky Hollow and we wish to maintain our good relationship. Furthermore, Fireline collaborates with our STEM College and are an employer of our graduates.

RESOLUTION:

**RESOLUTION TO AUTHORIZE THE SALE
OF UNIVERSITY LAND TO FIRELINE, INC.**

WHEREAS, the State of Ohio owns, for the use and benefit of Youngstown State University ("University"), City of Youngstown Parcel Numbers 53-022-0-002, 53-022-0-003, 53-022-0-004, 53-022-0-005, 53-022-0-007 and 53-022-0-009 (collectively "Parcels") located on Watt Street in the Smoky Hollow, and further identified on the map attached hereto as Exhibit __; and

WHEREAS, Fireline, Inc. has approached the University regarding their interest in acquiring the Parcels for the expansion of their operations at their facility located on Andrews Avenue in the Smoky Hollow; and

WHEREAS, the University is currently not utilizing the Parcels for any University purpose, and does not have any plans for the future use of the Parcels; and

WHEREAS, the Parcels have been appraised by a certified real estate appraiser at a total value of \$43,100; and

WHEREAS, Ohio Revised Code Section 3356.10 authorizes the University to sell real estate in the Smoky Hollow area that is titled in the name of the State of Ohio and held for the use and

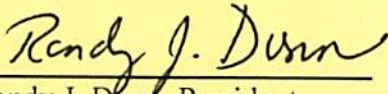
benefit of the University solely through the adoption of a resolution by the University Board of Trustees; and

WHEREAS, the University supports the sale of the Parcels to Fireline, Inc. at the appraised value of \$43,100;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby authorize the sale of City of Youngstown Parcel Numbers 53-022-0-002, 53-022-0-003, 53-022-0-004, 53-022-0-005, 53-022-0-007 and 53-022-0-009 to Fireline, Inc. at the appraised value of \$43,100; and

BE IT FURTHER RESOLVED, that the Board of Trustees authorizes the University to enter into a purchase and sale agreement with Fireline, Inc. for the sale of the Parcels at \$43,100, along with other terms and conditions approved by the Vice President for Finance and Administration.

RECOMMEND APPROVAL:



Randy J. Dunn, President

**Board of Trustees Meeting
September 25, 2013
YR 2014-**

Fireline, Inc. Block Property Ownership

Legend

YSU Boundary

Other Parcels

Parcel Ownership

YSU (228)

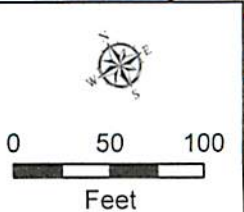
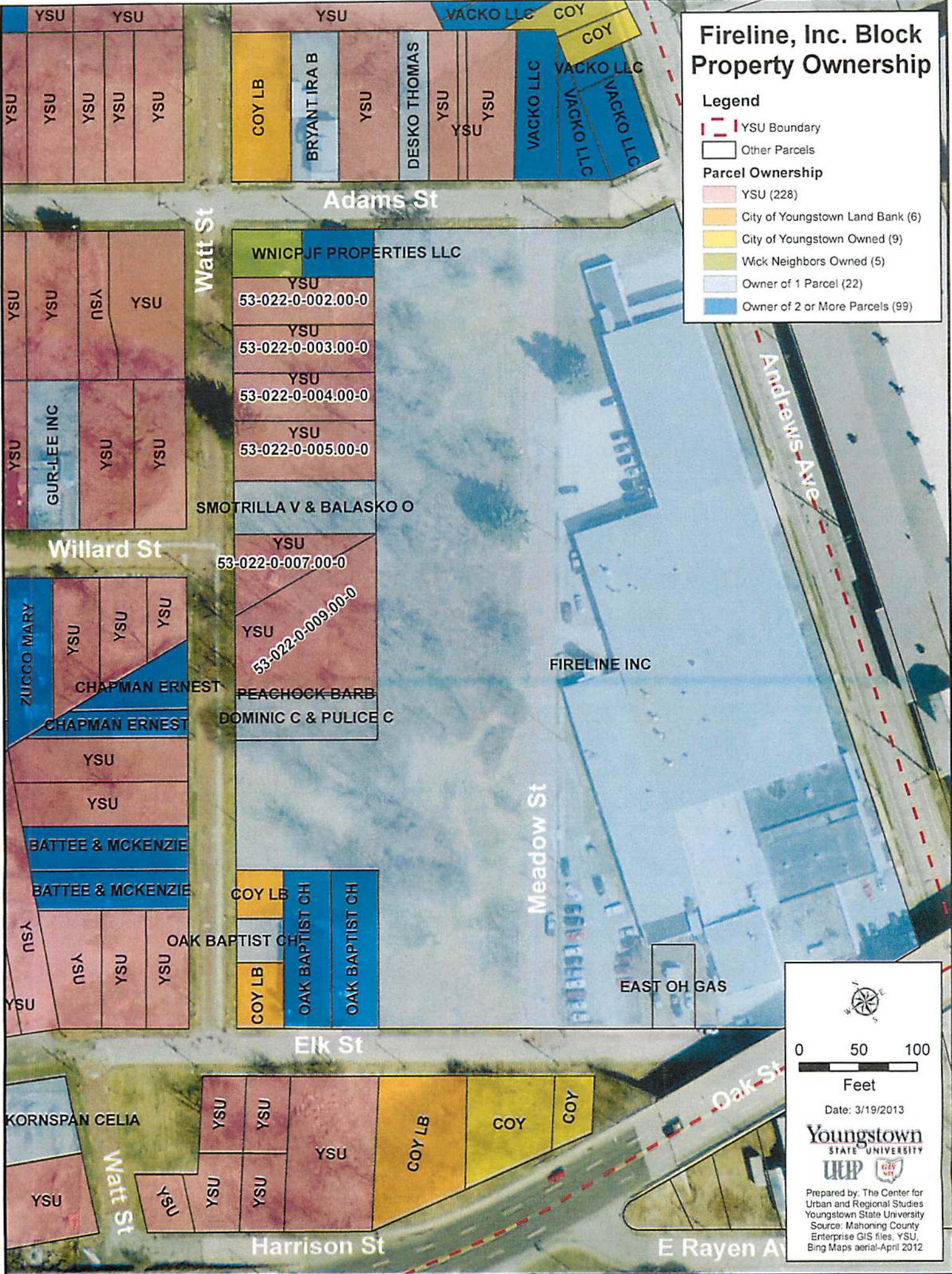
City of Youngstown Land Bank (6)

City of Youngstown Owned (9)

Wick Neighbors Owned (5)

Owner of 1 Parcel (22)

Owner of 2 or More Parcels (99)



Date: 3/19/2013



Prepared by: The Center for Urban and Regional Studies
 Youngstown State University
 Source: Mahoning County Enterprise GIS files, YSU, Bing Maps aerial-April 2012

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.

The University funds annual bond debt service with a combination of current year operations and debt service reserve funds, including gifts. Transfers from reserve funds to debt service funds are required to ensure appropriate funds are in place for required debt service payments for the current fiscal year.

SUMMARY AND ANALYSIS: The University has adequate reserve funds to meet its current year debt service obligations.

RESOLUTION:

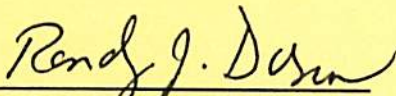
RESOLUTION TO APPROVE INTERFUND TRANSFERS

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 and for capital improvements or construction projects of \$500,000 or more; and

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 _____.

RECOMMEND APPROVAL:


Randy J. Dunn, President

Board of Trustees Meeting
September 25, 2013
YR 2014-



YOUNGSTOWN STATE UNIVERSITY
Interfund Transfers Requiring Board Approval
Transfers Outside of the Operating Budget
Requested Transfers for First Quarter 2014

FROM	TO	AMOUNT	REASON
Debt Service Reserve - WCBA Gifts (Restricted Plant Fund)	Bond Fund - Series 2009 (Debt Service Fund)	\$804,567	Transfer to fund portion of FY14 debt service attributed to the WCBA.
Debt Service Reserve - General Fund (Unrestricted Plant Fund)	Bond Fund - Series 2010 (Debt Service Fund)	\$427,925	Transfer to fund portion of FY14 debt service.
Debt Service Reserve - General Fund (Unrestricted Plant Fund)	Bond Fund - Series 2009 (Debt Service Fund)	\$302,604	Transfer to fund portion of FY14 debt service.
Debt Service Reserve - WATTS Gifts (Restricted Plant Fund)	Bond Fund - Series 2010 (Debt Service Fund)	\$299,547	Transfer to fund portion of FY14 debt service attributed to WATTS.

AGENDA ITEM: C.1.f.

AGENDA TOPIC: Resolution to Approve Year End Transfers as of June 30, 2013

STAFF CONTACT(S): Neal McNally, Director of Budget Planning and Treasury Operations

BACKGROUND: Year-end closing of the University accounts requires appropriate transfers from reserve accounts to cover deficits.

SUMMARY AND ANALYSIS: The University has adequate reserve funds to defer operating deficits. It must be noted that making such transfers does reduce operating reserves. However, the transfer of these funds must be made to balance our budget.

RESOLUTION:

**RESOLUTION TO APPROVE TRANSFERS
RELATED TO PRIOR YEAR ENDING FUND BALANCES**

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

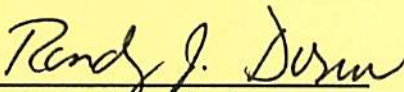
WHEREAS, Youngstown State University completed the fiscal year ending June 30, 2013, with negative fund balances in certain operating funds and positive fund balances in other operating funds, resulting in a net deficit; and

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

WHEREAS, the University has adequate reserve funds with which to defray said deficit 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:


Randy J. Dufin, President

Board of Trustees Meeting

September 25, 2013

YR 2014-

YOUNGSTOWN STATE UNIVERSITY
FY 2013 Year-End Summary and Proposed FY 2014 Transfers
As of 8/19/13 (subject to audit adjustments)

FY 2013 Year-End Summary

General Fund Recap:	
General Fund - Operating	(\$1,968,707)
General Fund - Scholarships	(51,011)
General Fund - Tech & Lab Materials Fees	561,745
General Fund - College Fees	658,539
Subtotal	<u>(\$799,434)</u>
Intercollegiate Athletics	(\$1,096,086)
Net Year-End Operating Deficit	<u><u>(\$1,895,520)</u></u>

Proposed FY 2014 Transfers to Cover Prior Year Deficit

<u>From Reserves:</u>	
Stabilization Reserve	\$1,290,623
Debt Service Reserve - General Fund	983,181
Employee Wellness Program	200,000
Property Acquisition Reserve	200,000
Scholarship Reserve	150,000
Intercollegiate Athletics Operating Reserve	80,000
Subtotal	<u>\$2,903,804</u>
<u>To Designated Funds:</u>	
Tech & Lab Mat. Fee Carry-Fwd. Fund	(\$349,745) *
College Fee Carry-Fwd. Fund	(658,539)
Subtotal	<u>(\$1,008,284)</u>
Net Total	<u><u>\$1,895,520</u></u>

*NOTE: Amount adjusted for FY 2013 actual revenues and expenses.

AGENDA ITEM: C.1.g.

AGENDA TOPIC: Resolution to Approve Amendment to Internal Audit Charter

STAFF CONTACT(S): Gene Grilli, Vice President for Finance & Administration and Holly Jacobs, The University's General Counsel

BACKGROUND: The Audit Subcommittee has reviewed the Internal Audit Charter, and recommends that the charter be amended to reflect a change in the process for developing the annual audit plan.

SUMMARY AND ANALYSIS: The Internal Audit Charter as amended contains a new process for developing the Internal Audit Plan. The process will reflect the following changes: Internal Audit will meet with the Subcommittee during the March Subcommittee meeting to discuss and review its risk-based methodology and to alert the Board that it is developing its annual audit plan. Board members should provide any concerns to the Chair and Vice Chair. Internal Audit will meet with the President and VP of Finance and Administration to discuss recommendations from Internal Audit and specific concerns of the administration. Internal Audit will also meet with the Chair and Vice Chair to discuss its draft plan and any specific concerns of the Board. A final plan will be submitted to the President for sign-off, and copies of the final plan will be shared with Subcommittee members. Internal Audit will implement the annual plan. This reflects the changes to the charter that will be recommended.

RESOLUTION:

RESOLUTION TO APPROVE AMENDMENT TO
INTERNAL AUDIT CHARTER

WHEREAS, the Internal Audit Charter is approved by the Board of Trustees; and

WHEREAS, the Internal Audit Charter sets forth the process for adopting the annual audit plan;
and

WHEREAS, the Audit Subcommittee has recommended changes to the process for adopting the annual audit plan;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the changes to the Internal Audit Charter, shown as Exhibit __ attached hereto.

RECOMMEND APPROVAL:

Randy J. Dunn

Randy J. Dunn, President
Board of Trustees Meeting
September 25, 2013
YR 2014-

YOUNGSTOWN STATE UNIVERSITY INTERNAL AUDIT CHARTER

Mission Statement

Internal Audit will assist The YSU Board of Trustees and University management in the discharge of their oversight, management, and operating responsibilities through *independent* audits and consultations designed to evaluate and promote the system of internal controls, including effective and efficient operations.

Definition of Internal Auditing

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Authority and Accountability

To ensure maximum independence and adequate consideration of recommendations, Internal Audit will report to the Audit Subcommittee of the Board of Trustees and will have direct access to the Audit Subcommittee and/or President. Daily interactions and administration of the internal audit contract will be coordinated by the Vice President for Administration and Finance or his designee.

Internal Audit is authorized to have unrestricted access to University information, including records, computer files, property, and personnel of the University in accordance with the authority granted by the Board's approval of this charter and applicable federal and state statutes. Internal Audit is free to review and evaluate all policies, procedures, and practices of any University-related activity, program, or function except where limited by law or University policy.

Scope of Work

Internal Audit will assess the University's processes of risk management, control, and governance to ensure that:

- Risks are appropriately identified and managed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in the University.

In developing the annual audit plan:

- During the March Audit Subcommittee meeting, Internal Audit will meet with the Audit Subcommittee to present its risk-based methodology. During that meeting, the Board will be notified that Internal Audit will begin to develop the annual audit plan. Feedback from the Board is welcome and desired. Next, Internal Audit will meet with the President and Vice President of Administration and Finance to discuss the risk analysis and specific areas of concern. Following that, Internal Audit will meet with the Chair and Vice Chair of the Audit Subcommittee to further discuss the risk analysis and specific areas of Board concern. Finally, Internal Audit will develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or concerns identified by the Board and/or management, and submit that plan to the President for signature to commence implementation of the plan.

YOUNGSTOWN STATE UNIVERSITY INTERNAL AUDIT CHARTER

- Internal Audit will implement the annual audit plan and provide quarterly status reports.
- Internal Audit will maintain a professional audit staff with sufficient knowledge, skills, and experience to meet the requirements of this Charter. At a minimum, comply with relevant professional standards, such as the *International Standards For The Professional Practice of Internal Auditing* and the *Code of Ethics* of the Institute of Internal Auditors, Inc.
- Internal Audit will issue periodic reports to management, and Audit Subcommittee as appropriate, summarizing results of audit activities.

YOUNGSTOWN STATE UNIVERSITY INTERNAL AUDIT CHARTER

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In conducting their assessments, Internal Audit will be developing the annual audit plan:

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YOUNGSTOWN STATE UNIVERSITY INTERNAL AUDIT CHARTER

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- Internal Audit will ~~I~~ssue periodic reports to management, and Audit Subcommittee as appropriate, summarizing results of audit activities.

AGENDA ITEM: C.2.a.

AGENDA TOPIC: Update on University Budget Fiscal Year 2013-2014

STAFF CONTACT(S): Gene Grilli, Vice President for Finance and Administration and Neal McNally, Director of Budget Planning and Treasury Operations

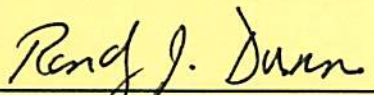
BACKGROUND: This is a regular report to the Board. In September, before revenues are realized, it is based on estimates and thus is inexact.

SUMMARY AND ANALYSIS: There are four major issues to bring to the Boards attention.

1. Enrollments and attendant revenues are expected to decline beyond planned levels. At the time of this writing enrollments appeared to be down 5% FTE's basis. The budget was built on a 1% decline.
2. The cost of bad debt is expected to increase beyond FY13 levels. This increase is due to changes in Federal Guidelines on Student Loans (Title IV) and the implementation of the practice of "Direct Student Loans," which utilizes the University as the "lender." In addition to bad debt, the cost of athletics is also expected to increase beyond FY13 levels. These expenses are largely related to athletic conference requirements.
3. Our known expenses will exceed anticipated revenues and our use of operating reserves to cover deficits is not sustainable.
4. Savings in University Health Care cost will not be as great as in the previous year.

RESOLUTION: N/A – DISCUSSION ITEM ONLY

REVIEWED AS TO FORM AND CONTENT:



Randy J. Dunn, President

AGENDA ITEM: C.2.b.

AGENDA TOPIC: Planning and Construction Projects Update

STAFF CONTACT(S): Gene Grilli, Vice President for Finance and Administration; John Hyden, Executive Director of Facilities; and Rich White, Associate Director of Planning and Construction

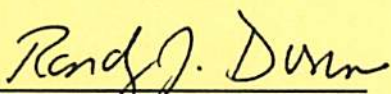
BACKGROUND: This is a regular report presented to the BOT to keep them informed of what major projects are currently ongoing, what projects are bidding, and which projects are currently in development.

SUMMARY AND ANALYSIS: Several major construction projects were ongoing this summer including renovations in two of our main classroom buildings Cushwa and DeBartolo, concrete replacement on the campus core, construction of athletic fields on the west side of campus, repairs to our utility tunnel system, upgrades to elevators, and renovations to student housing space in Kilcawley House. Also, we are currently seeking bids for two masonry repair projects in Stambaugh Stadium and Moser Hall along with the development of projects for Melnick Hall, Campus Roof Renovations, Beeghly Center 212 Renovations, and the Elevator Upgrades Phase II project.

The current state of a new capital bill for construction funding is uncertain and the talk in Columbus according to Neal McNally, Director of Budget Planning and Treasury Operations, is that a biennium could possibly be skipped which will have an impact on future projects. Hopefully we will be hearing more in the coming weeks.

RESOLUTION: N/A – DISCUSSION ITEM ONLY

REVIEWED AS TO FORM AND CONTENT:


Randy J. Dunn, President

Projects In Process:

- **Cushwa Hall Renovations** (*Capital \$2,300,000*), *Hively Contracting*.
 - Project on schedule for August completion for the start of fall classes.
 - Interior renovations which include upgrading finishes in faculty/staff offices, corridors, and public spaces along with upgrades to mechanical equipment and lighting.

- **Athletic Fields West of Fifth Phase II** (*Bonds \$4,350,000*) *Murphy Contracting/Miller Bros*.
 - Project underway and on schedule for August completion.
 - Installation of a restroom/concession building, softball dugouts, and bleachers all part of the project.

- **Concrete Replacement** (*Capital \$360,000*) *Palotta & Sons*.
 - Project wrapping up and on schedule.
 - Repair/replace broken walkways, steps, and driveways across campus.

- **Kilcawley House Phase III** (*Local \$100,000*) *Murphy Contracting*.
 - Project wrapping up and on schedule.
 - Renovation of the 6th and 7th floors.

- **Kilcawley Tunnel Renovations** (*Capital \$200,000*) *Murphy Contracting*.
 - Project underway and on schedule for early August completion.
 - Repair of a deteriorated section of tunnel under the Kilcawley Center loading dock.

- **DeBartolo Hall Renovations Phase I** (*Bonds \$750,000*) *Desalvo Construction*.
 - Project is underway and on schedule for August completion and the start of fall classes.
 - As with Cushwa Hall, this project consists of interior renovations that include upgrades to finishes in the faculty/staff offices, corridors, and public spaces along with some mechanical equipment and lighting upgrades.

- **Elevator Upgrades** (*Capital Funds \$1,000,000*) *Murphy Contracting*. *Late Summer 2013, Winter Break, Spring*
 - Controlling Board released funds and contractor given "notice to proceed".
 - Upgrade and modernize elevator cars in Bliss Hall, Maag Library (mid-floor car), and Cushwa Hall North.

- **Parking Lot West of Fifth** (*Local Parking Funds (\$190,000)*) *Miller Brothers*.
 - New parking lot for approximately 180 cars just west of the new softball fields.
 - On schedule for completion before the start of classes.

- **Veterans Resource Center** (*\$1,250,000*) *Adolph Johnson*.
 - Construction of a new building at the former site of the Peck House on Wick Avenue for Veterans Affairs.
 - Adolph Johnson was chosen for the design-build and we are currently in contract negotiations.

Projects Currently Being Advertised for Bids:

- **Stambaugh Stadium and Moser Hall Masonry Restoration (\$400,000 Letterhead bids)**
 - Repair of masonry issues in Stambaugh Stadium and the parapet on Moser Hall.

Projects Currently In Development:

- **Melnick Hall Renovations (Capital/Bonds \$5,300,000) Strollo Architects.**
 - Renovation of Melnick Hall to relocate and combine Journalism, WYSU Radio, Rookery Radio, Jambar, News Outlet, and some elements of Telecommunications.
 - Drawings and specifications are currently being reviewed by Facilities Staff and will advertise for bids in the coming weeks.

- **Campus Roof Renovations (Capital \$1,650,000) Late Summer 2013, complete TBD**
 - BSHM from Youngstown was chosen for the roof design.
 - The roofing consultant will evaluate, design, and manage roof repairs/replacements on various buildings across campus.
 - The contract between YSU and BSHM is complete and preliminary design activities are underway.

- **Beeghly Center 212 Renovation (Capital \$350,000)**
 - Evaluating associates for design consideration.
 - Had conversations with A/E firm about proposal.

- **Elevator Upgrades Phase II (Capital \$850,000) Domokur Architects.**
 - The second phase of elevator upgrades.