

October 20, 2016

Board of Governors



AGENDA
FSU BOARD OF GOVERNORS' MEETING
OCTOBER 20, 2016, 9:00 A.M.
LOCATION: GASTON CAPERTON CENTER
501 WEST MAIN STREET, CLARKSBURG, WV



- I. **CALL TO ORDER**
 - A. Roll Call
 - B. Public Comment
 - C. Approval of Agenda*Action Item*
- II. **APPROVAL OF MINUTES OF AUGUST 18, 2016**.....*Tab 1 Action Item*
- III. **CHAIRMAN’S REPORT**
- IV. **PRESIDENT’S REPORT**
- V. **REPORTS AND PRESENTATIONS**
 - A. Constituent Report
 - A. Foundation (RJ Gimbl)
 - B. Construction Project Updates (Tom Tucker)
- VI. **CONSENT AGENDA**.....*Tab 2 Action Item*
 - A. Financial Reports (Months Ending: June 29, 2016 and July 31, 2016)
- VII. **ACADEMIC AFFAIRS COMMITTEE** (Aaron Hawkins, Chair)
 - A. Textbook Adoption Report.....*Tab 3 Action Item*
- VIII. **ATHLETIC AFFAIRS COMMITTEE** (Frank Washenitz, Chair)
- IX. **BY-LAWS COMMITTEE** (Dixie Yann, Chair)
- X. **ENROLLMENT/HOUSING-STUDENT LIFE COMMITTEE** (John Myers, Chair)
- XI. **FINANCE COMMITTEE** (John Schirripa, Chair)
- XII. **STUDENT HOUSING COMMITTEE** (Aaron Hawkins, Chair)
- XIII. **EXECUTIVE COMMITTEE** (Dixie Yann, Chair)
- XIV. **POSSIBLE EXECUTIVE SESSION** - Under the Authority of West Virginia Code §6-9A-4 to Discuss Personnel and Property Issues
- XV. **ADJOURNMENT**

NEXT MEETING: DECEMBER 8, 2016, 2:00 P.M.,
LOCATION: BOARD ROOM, 3RD FLOOR FALCON CENTER
1201 LOCUST AVENUE, FAIRMONT, WV

Tab 1



FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS
MEETING MINUTES
AUGUST 18, 2016
BOARD ROOM, 3RD FLOOR FALCON CENTER
1201 LOCUST AVENUE, FAIRMONT, WV

I. CALL TO ORDER

A. Roll Call

Chair Dixie Yann convened a meeting of the Fairmont State University (FSU) Board of Governors on August 18, 2016, beginning at approximately 9:00 a.m. in the Board Room, 3rd Floor Falcon Center, and 1201 Locust Avenue, Fairmont, West Virginia.

At the request of Chair Yann, Serena Scully conducted a roll call of the Board of Governors. Present for the meeting were board members Rachel Ball, Chris Courtney, Holly Fluharty, Aaron Hawkins, Mark Pallotta, Budd Sapp, John Schirripa, Bryan Towns, Ron Tucker, Frank Washenitz, and Dixie Yann. John Myers was absent.

Others present were President Rose and President's Council members Christina Lavorata, John Lympany, Ann Mazza, Tim Oxley, and Debbie Stiles. Tom Tucker, Assistant Vice President for Facilities; Stephanie Slaubaugh, Construction Manager; Chad Fowler, Assistant Athletic Director; Pat Snively, Associate Athletic Director; and RJ Gimbl, President of the Fairmont State Foundation, also attended.

B. Public Comment

Chris Courtney reported that no one had signed up for public comment.

C. Approval of Agenda

Ron Tucker made a motion to approve the agenda. Aaron Hawkins seconded. The motion passed.

II. APPROVAL OF MINUTES OF JUNE 23, 2016

Budd Sapp made a motion to approve the minutes of June 23, 2016. Bryan Towns seconded. The motion passed.

III. CHAIRMAN'S REPORT

- A. Chair Yann introduced new Student Representative, Rachel Ball.
- B. Chair Yann announced the new and continuing chairs of the following committees: John Schirripa will chair the Finance Committee, Frank Washenitz will continue to chair the Athletics Committee, John Myers will chair Enrollment/Housing-Student Life, Aaron Hawkins will chair Academic Affairs, Ron Tucker will continue as the By-Laws Committee Chair, and Aaron Hawkins will continue as Chair of Student Housing.
- C. The Chair reminded everyone that at 11:00 they would adjourn to Veteran's Plaza for the senior class gift dedication. After the dedication, the Board members would reconvene for Title IX training.
- D. She also reminded everyone of the next BOG Meeting on October 20th at the Gaston Caperton Center.

IV. PRESIDENT'S REPORT

- A. President Rose reported that at the last HEPC meeting, the following were approved for Fairmont State: graduate report, tuition and fees, budget, and reauthorization. Also, Tresa Weimer was appointed to the WV State Financial Aid Board.
- B. She also mentioned that Perry Baker, former Fairmont State football player, was on the US Olympic Rugby team. We gathered in the Falcon Center to put together a video to wish Perry and the team good luck. We also participated in a watch party for the first Rugby game.
- C. There is going to be a soft dedication of University Terrace on September 15th beginning at 4:00. There will be a cookout on the quad and tours of the new residence hall. Also that same evening there will be a live streaming of the West Liberty football game in the amphitheater.
- D. President Rose also mentioned Homecoming, which begins on September 29th and runs through October 1st.
- E. The Higher Learning Commission will be on campus on October 10th and 11th for a site visit in regards to the new HLC accreditation process. Dr. Tim Oxley will continue to lead this process, although he has recently assumed the role of Interim VP of Student Services that was vacated by Kaye Widney's retirement.

V. REPORTS AND PRESENTATIONS

A. Foundation (RJ Gimbl)

RJ Gimbl, President and CEO of the Fairmont State Foundation, reported that they finished the fiscal year with gifts and pledges totaling \$2.5 million from 1,136 donors. The year also included the addition of four new scholarship endowments, a milestone \$1 million gift, over \$215,000 in gifts and pledges for The Next 150 campaign, and a successful initial 2016 Senior Class gift campaign.

The 2016 annual fund is in progress with over \$30,000 received in gifts to date this calendar year.

Mr. Gimbl stated that on the major gifts side they have received the first major gift of the year - \$60,000

The Foundation did not receive funding for a \$25,000 grant in support of Title III that was submitted, but they are working to finalize the drafts of two additional proposals to go out next week for Title III.

The Foundation is hosting a pre-game brunch before the September 10th football game for Victory Bell Society members, which include any gift of \$1,000 or more to Fairmont State, prospective donors, as well as all boards.

Mr. Gimbl reported that the NIP (Neighborhood Investment Program) credit application was submitted in June and they should have their allocation notice at the end of the month.

B. Constructor Project Updates (Tom Tucker and Stephanie Slaubaugh)

Stephanie Slaubaugh, Constructor Manager, gave an update on the various projects that are currently underway and have recently been completed on campus.

Student move-in for buildings 1 and 2 took place last week and were very successful. Construction on building 3 is continuing and is moving ahead of schedule.

They are currently waiting for the power company to terminate the power for College Park Apartments so they can begin demolition.

Weekly updates are available online at:

<http://www.fairmontstate.edu/adminfiscalaffairs/physical-plant/construction-projects>

VI. CONSENT AGENDA

Ron Tucker moved to accept the following Consent Agenda:

A. Financial Reports for period ending May 31, 2016

Aaron Hawkins seconded. The motion passed.

VII. ACADEMIC AFFAIRS COMMITTEE (John Myers, Chair)

Mr. John Myers, Chair of the Academic Affairs Committee was absent. Dr. Christina Lavorata, Provost and Vice President for Academic Affairs, gave a brief update of some recent activities. Last week there was a new faculty orientation (15 new faculty members) that included insurance information, medical benefits, how to use our learning management systems, etc. There will be other learning and orientation sessions throughout the semester.

There were two new textbook scholarships for needy students that were awarded this week.

VIII. ATHLETIC AFFAIRS COMMITTEE (Frank Washenitz, Chair)

Frank Washenitz, Chair of the Athletic Affairs Committee, asked that Chad Fowler, Assistant Athletic Director, give an update for the Athletic Affairs Committee.

Mr. Fowler announced a few new members of the athletic staff: Ryan Courtney is the new Director of Internal Operations (replacing Clark Riley). Kelsie Maloney is the new women's soccer coach. Sarah Ray, Fairmont State alumni, is the new women's cross country coach.

There is currently a job posting for the head softball coach. The position closes on Monday and they hope to get someone in place very soon.

Mr. Fowler reported that the athletic staff would be taking part in a required Title IX training at 2:00, following the training for the BOG members.

IX. BY-LAWS COMMITTEE (Ron Tucker, Chair)

Ron Tucker reported that at the last meeting he attended he had passed out several pages regarding proposals to the by-laws. To date, he has not received any comments regarding those handouts. At the next meeting, he is going to put into a format for consideration for passage.

X. ENROLLMENT/HOUSING-STUDENT LIFE COMMITTEE (Dixie Yann, Chair)

Dixie Yann, Chair of the Enrollment/Housing-Student Life Committee, asked Interim Vice President of Student Services, Tim Oxley, to give an update.

The first week of classes is what is considered the add/drop period, so more accurate numbers will be presented at the next meeting. The total headcount is currently 4,069 students (up 85 students from last year) which is about a 2% enrollment growth. The total FTE is 3,596 (up 104 from last year) which is nearly a 3% increase.

Housing is at 1,146 students assigned out of a capacity of 1,189, which is 96.4% occupancy.

The fall 2017 recruiting season begins in three weeks. The recruiters will set out on the WV tour, visiting high schools throughout the state.

Ron Tucker questioned what we attribute the increases to (headcount and FTE). Dr. Oxley stated he believes it is mostly due to recruiting and retention efforts. Budd Sapp also reported that after convocation last week he got to meet with six pre-education students and asked each of them why they chose Fairmont State. He reported that all students stated that the physical attributions and facilities sold them on our campus.

Dr. Oxley also reported that there was a student survey completed during welcome weekend. He stated that we normally get good feedback on why students choose Fairmont State. The survey helps us continue to target specific areas and/or issues.

Ron Tucker questioned how many more freshmen are we up this fall from last year. Dr. Oxley reported that incoming freshman is about at the same level as last year. He will supply final numbers on this at the next meeting.

Bryan Towns asked if Dr. Oxley could speak to enrollment of in-state students vs. out of state students. Dr. Oxley stated that he believes over 86% of our students come from within the state of West Virginia.

Chris Courtney questioned the success of the project from last year of recruiting students in rural areas of West Virginia. Dr. Oxley did not have specific data on that topic but stated that he knew they were very pleased with the results.

Chris Courtney also requested Dr. Oxley to provide information regarding retention and graduation rates for student athletes at the next meeting.

XI. FINANCE COMMITTEE (Mark Pallotta and John Schirripa, Co-Chairs)

John Schirripa, Co-Chair of the Finance Committee, asked Debbie Stiles, Budget Director, to give an update.

Debbie reported that they completed the budget preparation for the 2017 fiscal year. Because of state budget issues, they were held up until the end of June, but did get everything completed on time.

FY 2018 Appropriation Request is in the packets. They were advised they could not request any additional funds – therefore, the numbers remained the same from 2017 to 2018. The FY 2018 Capital Appropriation Request is also in the packet. The included list is submitted by Tom Tucker and is listed in order of priority. Our hope is that we will receive additional funding for those projects.

Debbie reported they because of our ties to Pierpont in regards to bonds, we are also monitoring Pierpont enrollment.

Mark Pallotta made a motion to approve the following:

A. Approval of FY 2018 Appropriation Request

Budd Sapp seconded. The motion passed.

Mark Pallotta made a motion to approve the following:

A. Approval of FY 2018 Appropriation Request

Budd Sapp seconded. The motion passed.

XII. STUDENT HOUSING COMMITTEE (Aaron Hawkins, Chair)

Aaron Hawkins, Chair of the Student Housing Committee, deferred until Executive Session pursuant to §6-9A-4-2b of the West Virginia code.

XIII. EXECUTIVE COMMITTEE (Mark Pallotta, Chair)

No Report

Tab 2

Fairmont State University
Board of Governors
Financial Report
For the period ending June 29, 2016

Unrestricted Central:

As of June 29, 2016, the Unrestricted Central Fund budget condition declined by \$4,285 over that reported at the end of May. Benefits expense estimates increased by \$5,433 as a result of adjustments to PEIA cost projections. Support Services Revenue estimates increased by \$1,148 as a direct result of the increase in PEIA cost projections.

Tuition and fee revenue is 101.56% of the budget estimate for the current year. Student Activity Support Revenue is at 87.90% of the fiscal projection. Total Operating Revenue calculates to 96.60% of that anticipated for the current year. Non-Operating Revenue is 99.56% of the total annual anticipated. As of June 29th, Operating Expenses are at 96.85% of the budget estimate for the current year. The YTD Actual condition at the end of June is (\$985,317).

Unrestricted Fund Manager:

As of June 29, 2016, the planned budget deficit condition for FY 2016 increased by \$1,001 to (\$417,950). This change resulted from an increase in the budget for Supplies expense. Typically, increases to labor or expense budgets are offset with an increase to revenue estimates or the transfer of budget dollars between/among account codes. The cash balance residing on the fund is sufficient to cover the increase in expense estimates.

At the end of the period, the total revenue is 102.71% of that anticipated for the fiscal year. Operating expenses are 64.90% of that planned for the fiscal year. The YTD Actual condition reflects a surplus of revenue over expenses of \$500,131.

Auxiliary:

Updates to PEIA cost estimates for a vacant position assigned to the Facilities fund resulted in a decrease to the anticipated transfer to reserve of \$9,780. The anticipated transfer to reserve for the Housing fund increased by \$1,224 due to a PEIA cost estimate adjustment.

The Operating Revenue is 101.43% of that estimated for FY 2016. Operating Expenses are 147.32% of that budget estimated for the year. This appearance of an over-budget status results from the posting of contractual expense to the operating accounts rather than to a balance sheet account. We are well aware of this posting issue and will have correcting entries in place by year end. The YTD Actual condition represented by the report at June 29, 2016 is (\$2,389,129).

Restricted:

New Grant Budgets:

- \$ 6,000 General Education Assessment Grant HEPC
- \$15,000 Summer Bridge Program HEPC
- \$10,000 Robotics Competition
- \$31,000.00

Existing Grant Budgets:

\$ 6,247 First Lego League Deposit

Restricted revenues have reached 84.56% of the total projected for the fiscal year. Non-Operating Revenue (Pell Grant) is at 71.16% of the budget for FY 2016. Operating Expenses are 80.86% of the annual budget projection. The YTD Actual at June 29, 2016 is \$259,444.

Following are the financial reports for the period ending June 29, 2016.

Fairmont State University
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted - Central E&G

As of June 29, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	23,116,461	22,848,903	23,206,420	101.56
	Student Activity Support Revenue	471,765	471,765	414,671	87.90
	Faculty Services Revenue	1,272,439	1,272,439	409,893	32.21
	Operating Costs Revenue	1,597,901	1,599,257	1,610,006	100.67
	Support Services Revenue	2,035,390	1,935,554	1,683,372	86.97
	Other Operating Revenues	225,293	321,851	156,897	48.75
	Total:	28,719,248	28,449,768	27,481,258	96.60
OPERATING EXPENSE					
	Salaries	24,572,578	23,847,311	22,582,641	94.70
	Benefits	5,923,148	5,856,734	5,497,984	93.87
	Student financial aid-scholarships	2,613,428	2,613,428	2,968,740	113.60
	Utilities	1,451,176	1,451,176	1,585,728	109.27
	Supplies and Other Services	6,029,871	6,214,773	6,757,270	108.73
	Equipment Expense	837,331	675,293	478,377	70.84
	Fees retained by the Commission	185,560	185,560	171,873	92.62
	Assessment for Faculty Services	987,218	987,218	520,245	52.70
	Assessment for Support Services	256,737	258,343	197,459	76.43
	Assessment for Student Activity Costs	349,764	349,764	357,285	102.15
	Assessment for Operating Costs	100,134	100,134	82,118	82.01
	Total:	43,306,945	42,539,733	41,199,721	96.85
OPERATING INCOME / (LOSS)		(14,587,698)	(14,089,965)	(13,718,463)	97.36
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	15,668,202	15,041,474	15,041,474	100.00
	Gifts	0	34,770	15,981	45.96
	Investment Income	25,245	25,245	43,809	173.53
	Assessment for E&G Capital & Debt Service Costs	(2,143,380)	(2,143,380)	(2,200,035)	102.64
	Total:	13,550,067	12,958,109	12,901,229	99.56
TRANSFERS & OTHER					
	Capital Expenditures	(84,438)	(90,384)	(62,574)	69.23
	Transfers for Debt Service	(64,986)	(64,775)	(64,734)	99.94
	Transfers for Financial Aid Match	(81,239)	(81,239)	(29,890)	36.79
	Indirect Cost Recoveries	1,740	4,207	2,076	49.34
	Transfers - Other	(37,150)	(12,150)	(12,961)	106.67
	Total:	(266,073)	(244,342)	(168,083)	68.79
BUDGET BALANCE		(1,303,703)	(1,376,198)	(985,317)	
Add: Estimated Unfilled Position Savings:		1,000,000	1,111,712		
ADJUSTED BUDGET BALANCE		(303,703)	(264,486)		
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		10,199,025	9,462,879		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>9,895,322</u>	<u>9,198,393</u>		

* Projected Unrestricted Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2015 in the amount of \$8,389,298

Unrestricted Net Asset Balance is 22.24% of the current budget total operating expense.

The estimated unfilled position savings does not reflect the final payments of FY 2016 due to delays in the ability to receive and post those pays from the Oasis system.

Fairmont State University
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted - Fund Manager

As of June 29, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	1,839,169	1,928,658	2,023,229	104.90
	Other Operating Revenues	143,252	217,689	181,235	83.25
	Total:	1,982,421	2,146,347	2,204,465	102.71
OPERATING EXPENSE	Salaries	617,482	818,539	581,999	71.10
	Benefits	63,007	109,732	84,674	77.16
	Student financial aid-scholarships	16,436	32,110	23,986	74.70
	Utilities	4,500	4,500	3,021	67.12
	Supplies and Other Services	1,497,332	1,476,771	811,579	54.96
	Equipment Expense	223,834	212,878	217,453	102.15
	Total:	2,422,590	2,654,529	1,722,712	64.90
OPERATING INCOME / (LOSS)		(440,169)	(508,182)	481,752	(94.80)
NONOPERATING REVENUE (EXPENSE)	Gifts	1,000	2,175	1,369	62.95
	Total:	1,000	2,175	1,369	62.95
TRANSFERS & OTHER	Capital Expenditures	0	(15,000)	(58,511)	390.07
	Indirect Cost Recoveries	28,000	65,907	32,517	49.34
	Transfers - Other	37,150	37,150	43,004	115.76
	Total:	65,150	88,057	17,010	19.32
BUDGET BALANCE		(374,019)	(417,950)	500,131	
Add: Estimated Unfilled Position Savings:		0	36,169		
ADJUSTED BUDGET BALANCE		(374,019)	(381,781)		
Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		721,145	1,359,754		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>347,126</u>	<u>977,973</u>		

Unrestricted Net Asset Balance is 51.22% of the current budget total operating expense.

The estimated unfilled position savings value does not reflect the final payments of FY 2016 due to delays in the ability to receive and post those pays from the Oasis system.

Auxiliary
Actual vs Budget Statement of Revenues and Expenses
Board of Governors

As of June 29, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	7,666,155	7,674,959	7,702,815	100.36
	Auxiliary Fees & Debt Service Support Revenue	5,057,393	4,986,158	5,127,197	102.83
	Other Operating Revenues	235,339	243,666	258,754	106.19
	Total:	12,958,887	12,904,783	13,088,766	101.43
OPERATING EXPENSE	Salaries	2,622,579	2,674,622	2,508,708	93.80
	Benefits	584,389	626,732	491,120	78.36
	Student financial aid-scholarships	675,802	713,802	561,311	78.64
	Utilities	883,268	885,868	874,259	98.69
	Supplies and Other Services	3,258,715	3,260,487	7,632,296	234.08
	Equipment Expense	76,945	116,548	127,171	109.11
	Total:	8,101,698	8,278,059	12,194,865	147.32
OPERATING INCOME / (LOSS)		4,857,189	4,626,724	893,901	19.32
NONOPERATING REVENUE (EXPENSE)	Gifts	0	8,773	8,773	100.00
	Interest on capital asset related debt	(91,042)	(91,042)	(40,806)	44.82
	Total:	(91,042)	(82,269)	(32,033)	38.94
TRANSFERS & OTHER	Capital Expenditures	(132,300)	(19,483)	(64,145)	329.24
	Transfers for Debt Service	(3,160,221)	(3,158,922)	(3,156,852)	99.93
	Transfers for Financial Aid Match	(3,425)	(3,425)	0	0.00
	Transfers - Other	(22,963)	(25,000)	(30,000)	120.00
	Total:	(3,318,909)	(3,206,830)	(3,250,997)	101.38
BUDGET BALANCE - Projected Transfer to Reserves		1,447,239	1,337,625	(2,389,129)	
* Add: PROJECTED NET ASSETS - Beginning of Year		<u>11,256,910</u>	<u>8,327,688</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>12,704,149</u>	<u>9,665,313</u>		

* Projected Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2015 in the amount of \$995,589

* Auxiliary Net Assets are required to support future repair and replacement costs. Planning activities are in progress to document a 20 year plan to support each auxiliary enterprise capital repair/replacement need.

FAIRMONT STATE UNIVERSITY
Actual vs Budget Statement of Revenues and Expenses

Current Restricted
As of June 29, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	22,865,521	23,602,783	19,713,629	83.52
	State/Local Grants and Contracts	6,922,054	7,748,720	6,658,729	85.93
	Private Grants and Contracts	1,850,217	2,067,089	1,886,542	91.27
	Other Operating Revenue	27	9,676	9,144	94.51
	Total:	31,637,820	33,428,267	28,268,044	84.56
OPERATING EXPENSE	Salaries	597,822	1,139,260	669,206	58.74
	Benefits	53,382	147,455	89,475	60.68
	Student financial aid - scholarships	40,220,000	40,253,255	33,561,956	83.38
	Utilities	0	0	0	0.00
	Supplies and Other Services	774,799	1,678,872	617,802	36.80
	Equipment Expense	41,969	90,488	82,132	90.77
	Total:	41,687,972	43,309,330	35,020,570	80.86
OPERATING INCOME / (LOSS)		(10,050,152)	(9,881,063)	(6,752,526)	68.34
NONOPERATING REVENUE	Federal Pell Grant Revenues	10,000,000	10,000,000	7,116,252	71.16
	(EXPENSE)	0	0	0	0.00
	Investment Income	0	0	0	
	Total:	10,000,000	10,000,000	7,116,252	71.16
TRANSFERS & OTHER	Capital Expenditures	(2,950)	(114,536)	(99,536)	86.90
	Construction Expenditures	0	(7,500)	0	0.00
	Transfers for Fin Aid Match	84,664	90,911	29,847	32.83
	Indirect Cost Recoveries	(13,743)	(69,992)	(34,592)	49.42
	Transfers - Other	0	0	0	0.00
	Total:	67,971	(101,117)	(104,282)	103.13
BUDGET BALANCE		17,819	17,819	259,444	
Add: RESTRICTED NET ASSETS - Beginning of Year		584,982	584,982		
Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>602,801</u>	<u>602,801</u>		
Approved Budget adjusted for FWS Student Labor/Benefits					

Fairmont State University
Board of Governors
Financial Report
For the period ending July 31, 2016

Unrestricted Central:

At the end of July, the Unrestricted Central Fund budget condition improved by \$124,486 over that approved for FY 2017. Benefits expense estimates decreased by \$129,209 as a result of adjustments to PEIA projections due to vacancies, new hires, and coverage changes. A net budget savings of \$157 for Salaries and Benefits costs will be off-set in period 02. An additional savings of \$700 in the benefits estimates resulted from funding source percentage changes on positions. The estimate for Transfers for Debt Service costs increased by \$184. The projected Support Services Revenue reduced by \$5,396 as a result of the multiple PEIA cost updates.

Tuition and fee revenue is 46.93% of the budget estimate for the current year. Transfers of Student Activity Support Revenue have not yet been completed. Total Operating Revenue calculates to 38.41% of that anticipated for the current year. Non-Operating Revenue is 23.12% of the total annual anticipated. At the end of July, Operating Expenses are 6.05% of the budget estimate for the current year. The YTD Actual condition at the end of July is \$11,846,257.

Unrestricted Fund Manager:

During the month of July, the planned budget deficit condition for FY 2017 improved by \$150,981 to (\$931,776). The School of Business saw an increase of \$14,636 to salaries and benefits. The budget for the ESL program reflected a decrease in salaries and benefits of \$155,473 to bring that budget in line with the revenue projections. PEIA cost estimates decreased by \$4,010 and grant related activity resulted in a reduction in expense activity estimates of \$6,134.

At the end of the period, the total revenue is 43.78% of that anticipated for the fiscal year. Operating expenses are 3.48% of that planned for the fiscal year. The YTD Actual condition reflects a surplus of revenue over expenses of \$777,645.

Auxiliary:

The anticipated transfer to reserve for the Athletic fund decreased by \$4,980 due to an increase in PEIA cost estimates and \$299 due to funding percentage splits on positions. The anticipated transfer to reserve for the Special Equity Fee fund increased by a net value of \$3,089. The two activities contributing to this change were PEIA projections reduced by \$5,760 and salary and wage estimates increased by \$2,671. The salary and benefit increases will be off-set in period 02 and the estimated transfer to reserve will increase by \$2,671, as well. PEIA cost estimates increased, resulting in a reduction of \$3,339 in the transfer value for the Falcon Center. PEIA cost estimate updates resulted in an increase of \$36,564 to the planned transfers for Housing.

The Operating Revenue is 22.77% of that estimated for FY 2017. Operating Expenses are 6.50% of the budget estimated for the year. The YTD Actual condition represented by the report at the end of July is \$2,660,627.

Restricted:

No new grant activity for July.

No change to the existing grant budgets.

Restricted revenue is less than one percent of the projection for the fiscal year. Non-Operating Revenue (Pell Grant) is less than one percent of the budget for FY 2017. Operating Expenses are less than one percent of the annual budget projection. The YTD Actual calculation at the end of July is (\$265,462).

Following are the financial reports for the month of July 2016.

Fairmont State University
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted - Central E&G

As of July 31, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	24,120,664	24,120,664	11,318,969	46.93
	Student Activity Support Revenue	471,765	471,765	0	0.00
	Faculty Services Revenue	1,272,439	1,272,439	0	0.00
	Operating Costs Revenue	1,652,395	1,652,395	0	0.00
	Support Services Revenue	1,919,837	1,914,441	0	0.00
	Other Operating Revenues	323,137	323,137	108,988	33.73
	Total:	29,760,237	29,754,841	11,427,958	38.41
OPERATING EXPENSE	Salaries	23,978,766	23,974,119	1,368,007	5.71
	Benefits	5,783,010	5,661,020	373,949	6.61
	Student financial aid-scholarships	3,192,992	3,192,992	3,120	0.10
	Utilities	1,450,976	1,450,976	14,538	1.00
	Supplies and Other Services	6,637,569	6,638,577	841,859	12.68
	Equipment Expense	663,576	663,576	23,562	3.55
	Fees retained by the Commission	185,560	185,560	0	0.00
	Assessment for Faculty Services	946,574	946,574	0	0.00
	Assessment for Support Services	227,874	227,874	0	0.00
	Assessment for Student Activity Costs	349,764	349,764	0	0.00
	Assessment for Operating Costs	100,134	100,134	0	0.00
	Total:	43,516,794	43,391,166	2,625,036	6.05
OPERATING INCOME / (LOSS)		(13,756,557)	(13,636,325)	8,802,922	(64.55)
NONOPERATING REVENUE (EXPENSE)	State Appropriations	15,277,769	15,277,769	3,055,554	20.00
	Gifts	0	3,000	3,000	100.00
	Investment Income	25,245	25,245	(15,219)	(60.29)
	Assessment for E&G Capital & Debt Service Costs	(2,143,380)	(2,143,380)	0	0.00
	Total:	13,159,634	13,162,634	3,043,335	23.12
TRANSFERS & OTHER	Capital Expenditures	(90,384)	(90,384)	0	0.00
	Transfers for Debt Service	(64,775)	(64,959)	0	0.00
	Transfers for Financial Aid Match	(81,239)	(81,239)	0	0.00
	Indirect Cost Recoveries	825	2,262	0	0.00
	Transfers - Other	(18,959)	(18,959)	0	0.00
	Total:	(254,533)	(253,279)	0	0.00
BUDGET BALANCE		(851,456)	(726,970)	11,846,257	(1,629.54)
Add: Estimated Unfilled Position Savings:		1,000,000	0		
ADJUSTED BUDGET BALANCE		148,544	(726,970)	11,846,257	
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		8,181,461	8,181,461		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>8,330,005</u>	<u>7,454,491</u>		

* Projected Unrestricted Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2016 in the amount of \$8,911,409
The projected value will be finalized by October 2016 with the conclusion of the FY 16 financial audit.

Unrestricted Net Asset Balance is 18.86% of the current budget total operating expense.

Fairmont State University
Actual vs Budget Statement of Revenues and Expenses
Current Unrestricted - Fund Manager

As of July 31, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	1,873,725	1,873,725	876,787	46.79
	Other Operating Revenues	141,625	141,625	5,454	3.85
	Total:	2,015,350	2,015,350	882,241	43.78
OPERATING EXPENSE	Salaries	911,424	779,968	41,165	5.28
	Benefits	112,016	104,944	6,136	5.85
	Student financial aid-scholarships	32,310	32,310	0	0.00
	Utilities	4,500	4,500	604	13.42
	Supplies and Other Services	1,920,763	1,879,623	42,336	2.25
	Equipment Expense	204,969	204,969	14,354	7.00
	Total:	3,185,982	3,006,314	104,596	3.48
OPERATING INCOME / (LOSS)		(1,170,632)	(990,964)	777,645	(78.47)
NONOPERATING REVENUE (EXPENSE)	Gifts	500	500	0	0.00
	Total:	500	500	0	0.00
TRANSFERS & OTHER	Capital Expenditures	(20,000)	(20,000)	0	0.00
	Indirect Cost Recoveries	64,125	35,439	0	0.00
	Transfers - Other	43,250	43,250	0	0.00
	Total:	87,375	58,689	0	0.00
BUDGET BALANCE		(1,082,757)	(931,776)	777,645	(83.46)
Add: Estimated Unfilled Position Savings:		0	0		
ADJUSTED BUDGET BALANCE		(1,082,757)	(931,776)	777,645	
Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		1,894,768	1,894,768		
Less: USE OF RESERVE		0	0		
** Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>812,011</u>	<u>962,992</u>		

Auxiliary
Actual vs Budget Statement of Revenues and Expenses
Board of Governors
As of July 31, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	8,883,109	8,883,442	3,071,245	34.57
	Auxiliary Fees & Debt Service Support Revenue	5,033,400	5,033,400	0	0.00
	Other Operating Revenues	235,339	235,339	150,608	64.00
	Total:	14,151,848	14,152,181	3,221,853	22.77
OPERATING EXPENSE	Salaries	2,752,807	2,736,501	198,221	7.24
	Benefits	629,516	597,413	41,907	7.01
	Student financial aid-scholarships	836,956	836,956	990	0.12
	Utilities	939,175	939,175	15,797	1.68
	Supplies and Other Services	3,161,578	3,180,949	261,777	8.23
	Equipment Expense	112,659	112,659	27,595	24.49
	Total:	8,432,691	8,403,653	546,286	6.50
OPERATING INCOME / (LOSS)		5,719,157	5,748,528	2,675,567	46.54
NONOPERATING REVENUE (EXPENSE)	Gifts	0	1,664	0	0.00
	Interest on capital asset related debt	(91,042)	(91,042)	(3,401)	3.74
	Total:	(91,042)	(89,378)	(3,401)	3.80
TRANSFERS & OTHER	Capital Expenditures	(135,523)	(135,523)	(11,540)	8.52
	Transfers for Debt Service	(4,885,273)	(4,885,273)	0	0.00
	Transfers for Financial Aid Match	(3,425)	(3,425)	0	0.00
	Total:	(5,024,221)	(5,024,221)	(11,540)	0.23
BUDGET BALANCE - Projected Transfer to Reserves		603,895	634,930	2,660,627	
* Add: PROJECTED NET ASSETS - Beginning of Year		<u>9,259,125</u>	<u>9,259,125</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>9,863,020</u>	<u>9,894,055</u>		

* Projected Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2016 in the amount of \$1,054,647
The projected value will be finalized by October 2016 with the conclusion of the FY 16 financial audit.

* Auxiliary Net Assets are required to support future repair and replacement costs. Planning activities continue to document a 20 year plan to support each auxiliary enterprise capital repair/replacement need.

FAIRMONT STATE UNIVERSITY
Actual vs Budget Statement of Revenues and Expenses
Current Restricted
As of July 31, 2016

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	22,802,166	22,802,166	31,133	0.14
	State/Local Grants and Contracts	7,191,217	7,191,217	7,124	0.10
	Private Grants and Contracts	1,843,122	1,843,122	8,813	0.48
	Other Operating Revenue	700	700	1,800	257.14
	Total:	31,837,204	31,837,204	48,870	0.15
OPERATING EXPENSE	Salaries	600,434	600,434	70,030	11.66
	Benefits	57,542	57,542	12,300	21.38
	Student financial aid - scholarships	40,238,176	40,238,176	55,944	0.14
	Utilities	0	0		0.00
	Supplies and Other Services	953,823	953,823	151,871	15.92
	Equipment Expense	8,356	8,356	7,716	92.34
	Total:	41,858,332	41,858,332	297,861	0.71
OPERATING INCOME / (LOSS)		(10,021,128)	(10,021,128)	(248,991)	2.48
NONOPERATING REVENUE	Federal Pell Grant Revenues	10,000,000	10,000,000	1,460	0.01
	(EXPENSE)	0	0	0	0.00
	Investment Income	0	0	0	
	Total:	10,000,000	10,000,000	1,460	0.01
TRANSFERS & OTHER	Capital Expenditures	(15,000)	(15,000)	(15,000)	100.00
	Construction Expenditures	(7,500)	(7,500)	0	0.00
	Transfers for Fin Aid Match	84,664	84,664	0	0.00
	Indirect Cost Recoveries	(29,226)	(29,226)	(2,932)	10.03
	Transfers - Other			0	0.00
	Total:	32,938	32,938	(17,932)	-54.44
BUDGET BALANCE		11,810	11,810	(265,462)	
Add: RESTRICTED NET ASSETS - Beginning of Year		531,290	531,290		
Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>543,100</u>	<u>543,100</u>		

Tab 3

ITEM: Textbook Adoptions Report

COMMITTEE: Committee of the Whole

RECOMMENDED RESOLUTION: Be it resolved, that the Fairmont State University (FSU) Board of Governors accept the Textbook Adoptions Report and forward the same to the Higher Education Policy Commission (HEPC).

STAFF MEMBER: Dr. Christina Lavorata, Provost and Vice President of Academic Affairs

BACKGROUND: Bookstore Policy #54 section 2.2.7, requires the bookstore to compile a report regarding missing textbook adoptions by June 1 each year. This report is to be forwarded to the Board of Governors for review.

The institutional Board of Governors must then submit a report on textbook adoptions to the West Virginia Higher Education Policy Commission annually by November 1.

Bookstore Personnel and the Academic leadership of Fairmont State University worked this year with the faculty to achieve textbook adoptions for all known classes for summer term 2015 of 100%, fall term 2015 of 99%, and for the spring term 2016 of 93%.

A copy of this agenda item will be provided to the HEPC to fulfill this reporting requirement.



West Virginia Higher Education Policy Commission
West Virginia Community and Technical College System

1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301



Bruce L. Berry, M.D.
Chair

(304) 558-2101

Clarence "Butch" Pennington
Chair

Paul L. Hill, Ph.D.
Chancellor

www.wvhepc.edu
www.wvctcs.org

Sarah Armstrong Tucker, Ph.D.
Chancellor

**HEPC and CCTCE Series 51, Procedural Rule
Bookstores and Textbooks**

**Institutional Annual Report
Due November 1, 2016**

Institution: Fairmont State University
Reporting Date: September 19, 2016

Deadline Date for Faculty to be Assigned to Courses	Percentage of Deadline Met	Deadline Date for Textbooks and Course Material Selection	Percentage of Deadline Met	Date the Assigned Textbooks and Course Materials were Posted
Summer 2015	100%	04/15/2015	100%	04/21/2015
Fall 2015	100%	04/15/2015	99%	04/21/2015
Spring 2016	100%	10/19/2015	93%	10/19/2015

Textbook Affordability Supporting efforts (Please use this space to provide anecdotal information about how your institution is helping to reduce textbook costs for students.):

The following strategies were implemented to help reduce textbook costs for students:

- Rental Program, which results in over \$300,000 in savings each semester;
- Well-publicized Buy Back of used books each semester;
- Three-year adoption cycle, which allows for more used books to be offered;
- Increased use of digital materials;
- Decreased use of customized materials;
- Copies of textbooks available for checkout in library;
- ISBN numbers available on website;
- Textbook scholarships provided by Follett;
- Faculty textbook scholarships provided by professors donating unused books for re-sale; profits go to student scholarships.

Institutional Official

Signature:

Christina Lavorata

Printed Name:

Christina Lavorata

Date:

September 19, 2016

Return form by November 1, 2016 to:
Cindy.anderson@wvhepc.edu