

Fairmont State University Board of Governors
Meeting of February 10, 2011
Falcon Center Board Room - 9:00 a.m.

AGENDA

- | | | |
|-------|---------------------------------------------------------------|--------------------------|
| I. | Call to Order | Action |
| | a. Roll Call | |
| | b. Public Comment | |
| | c. Approve Agenda | <i>Tab 1 Action Item</i> |
| II. | Approval of Minutes (12-16-10) | <i>Tab 2 Action Item</i> |
| III. | Chairperson's Report | |
| IV. | President's Report | |
| | a. Branding, Communications, and Marketing | |
| | b. Enrollment Services Update | |
| V. | Reports and Presentations | |
| | a. Faculty Senate (<i>Chuck Shields</i>) | |
| | b. Classified Staff (<i>Harriet Bower</i>) | |
| | c. Student Government (<i>Alicia Nieman</i>) | |
| | d. Foundation | |
| VI. | Consent Agenda | <i>Action Item</i> |
| | a. Financial Report December 2010 | <i>Tab 3</i> |
| | b. Capital Projects Update | <i>Tab 4</i> |
| VII. | Academic Affairs/Admissions (<i>Janet Crescenzi, Chair</i>) | |
| VIII. | Student Life Committee (<i>Skip Tarasuk, Chair</i>) | |
| IX. | Finance Committee (<i>Jim Kettering, Chair</i>) | |
| X. | Executive Committee (<i>Rocco Muriale, Chair</i>) | |
| XI. | By-laws Committee (<i>Shirley Stanton, Chair</i>) | |
| XII. | Possible Executive Session | |
| XIII. | Adjournment | |

Fairmont State University
BOARD OF GOVERNORS
MINUTES
December 16, 2010

I. Call to Order

A meeting of the Fairmont State University Board of Governors was held on December 16, 2010 beginning at 9:00 a.m. in the Board Room of the Falcon Center. Present at the meeting were Board Members: Zach Hammett, Matt Jacques, James Kettering, Bob Mild, Rocco Muriale, Mark Pallotta, Shirley Stanton, Skip Tarasuk, Bryan Towns, Ron Tucker and Bob White. Absent member was Janet Crescenzi. Also in attendance were: FSU President Thomas L. Krepel, Michael Belmear, Devanna Corley, Bill Finley, Sharon Handelsman, Rick Porto, Maria Rose, David Tamm and Kim Luse.

Michael Oliverio, Sr., member of the FSU Foundations, brought greetings to the Board under public comment period. Mr. Oliverio advised the Board of a facilitated conversation among Fairmont State Foundation Directors and expressed hope for Board of Governors participation.

Bob Mild moved approval of the agenda. Mark Palotta seconded. Motion carried.

II. Approval of Minutes

Mark Pallotta moved the minutes of October 14, 2010 be approved. Jim Kettering seconded. Motion carried.

III. Consent Agenda

Bob Mild moved the Consent Agenda items be approved. Mark Pallotta seconded. Motion carried. The following item was approved:

- a. Financial Report

IV. Finance Committee

- a. Bob White moved the approval of the Additional Capital Projects- FY 2011. Zach Hammett seconded. Motion carried.
- b. Ron Tucker moved the approval of the Independent Auditor's Report. Matt Jacques seconded. Motion carried.

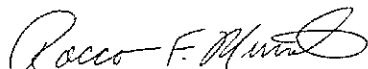
V. Executive Session

Shirley Stanton moved to go into executive session Pursuant to §6-9A-4-2b of the West Virginia Code, to discuss personnel matters which if discussed in public might adversely affect the reputation of any person. Mark Pallotta seconded. Motion carried.

Shirley Stanton moved to come out of Executive Session. Zach Hammett seconded. Motion carried.

VI. Adjournment

Bryan Towns moved to adjourn. Jim Kettering seconded. Motion carried.



**Fairmont State University
Board of Governors
Financial Report
for the period ending December 31, 2010**

Unrestricted Fund:

Budget changes in the month of December added an additional \$80,000 in expenditure costs due primarily to a re-organization in Enrollment Services. Approximately \$30,000 of this increase is for temporary positions to assist in processing of admissions applications. Operating revenues through the end of December are at 43% of budget and operating expenses are at 41% of budget. Actual surplus condition through the end of December is approximately \$106,000.

Auxiliary Fund:

Budget changes in the month of December were minimal (\$1,250 – PEIA employee coverage change). Operating revenues through the end of December are at 49% of budget and operating expenses are at 50% of budget. Actual surplus condition through the end of December is approximately \$327,000.

Restricted Fund:

New grant budgets were added to the restricted fund in the amount of \$67,115. Operating revenues through the end of December are at 50% of budget and operating expenses are at 45% of budget. Financial Aid expenses are at 50% of budget. Actual surplus condition through the end of December is approximately \$97,000.

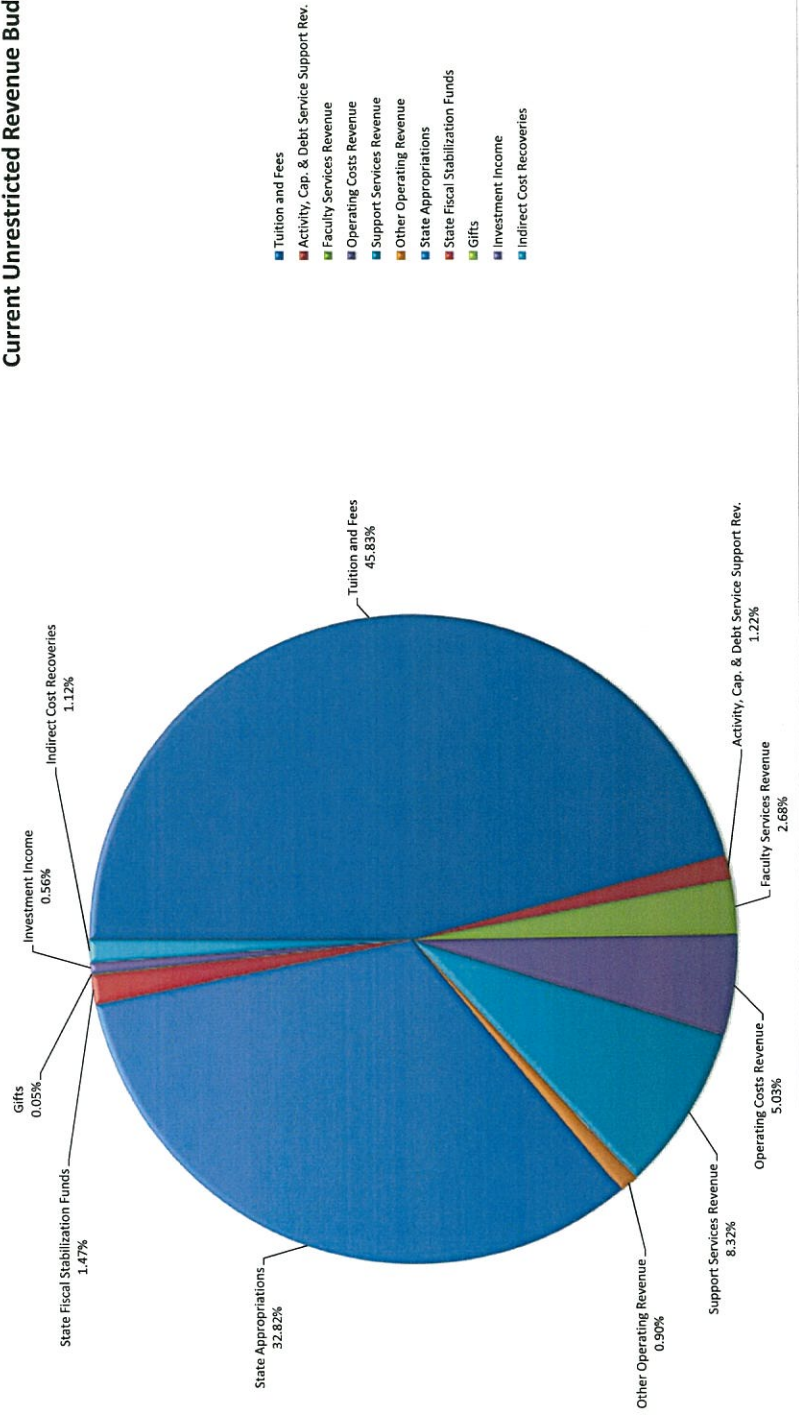
Fairmont State University
Statement of Revenues and Expenses
Current Unrestricted
Actual vs Budget
As of December 31, 2010

	Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE				
Tuition and Fees	20,958,349	21,796,445	10,445,951	47.93
Activity, Cap. & Debt Service Support Rev.	559,169	580,069	294,789	50.82
Faculty Services Revenue	1,268,259	1,272,439	549,775	43.21
Private Grants and Contracts	0	0	0	
Auxiliary Enterprise Revenue	0	0	0	
Operating Costs Revenue	2,432,922	2,391,064	680,898	28.48
Support Services Revenue	3,942,875	3,956,256	866,165	21.89
Other Operating Revenue	414,308	429,308	169,829	39.56
Total:	29,575,881	30,425,581	13,007,406	42.75
OPERATING EXPENSE				
Salaries	22,934,077	23,254,158	9,513,642	40.91
Benefits	5,819,430	5,983,600	2,333,519	39.00
Student financial aid-scholarships	1,748,476	1,953,476	661,606	33.87
Utilities	1,749,920	1,749,920	596,118	34.07
Supplies and Other Services	7,011,909	7,935,710	3,412,201	43.00
Equipment Expense	1,063,891	963,746	335,730	34.84
Loan cancellations and write-offs	0	0	0	
Fees retained by the Commission	178,427	178,427	89,214	50.00
Assessment for Faculty Services	1,502,589	1,502,589	674,027	44.86
Assessment for Support Services	422,524	415,317	71,960	17.33
Assess for Activity, Cap. & Debt Ser Costs	2,888,351	3,018,351	1,508,383	49.97
Assessment for Operating Costs	209,276	219,272	40,424	18.44
Total:	45,528,870	47,174,565	19,236,824	40.78
OPERATING INCOME / (LOSS)	(15,952,989)	(16,748,984)	(6,229,418)	37.19
NONOPERATING REVENUE (EXPENSE)				
State Appropriations	15,611,661	15,611,661	6,556,897	42.00
State Fiscal Stabilization Funds	701,797	700,888	0	0.00
Gifts	25,000	25,000	6,250	25.00
Investment Income	266,166	266,166	11,782	4.43
Loss/Gain in Disposal of Fixed Assets	0	0	0	
Reappropriated State Funding	0	0	0	
Total:	16,604,624	16,603,715	6,574,929	39.60
TRANSFERS & OTHER				
Capital Expenditures	(449,158)	(544,203)	(412,417)	75.78
Transfers for Fin Aid Match	(124,877)	(124,877)	(14,137)	11.32
Indirect Cost Recoveries	450,218	533,601	210,675	39.48
Transfers for Capital Projects	0	0	0	
Transfers for Scholarships	0	(85,000)	(42,500)	50.00
Transfers - Other	0	0	18,651	
One-time use of reserve	0	0	0	
Total:	(123,817)	(220,479)	(239,728)	108.73
BUDGET BALANCE	527,818	(365,748)	105,784	
* Add: ACTUAL UNRESTRICTED NET ASSETS - Beginning of Year	9,022,650	9,022,650		
Less: USE OF RESERVE	0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year	9,550,468	8,656,902		

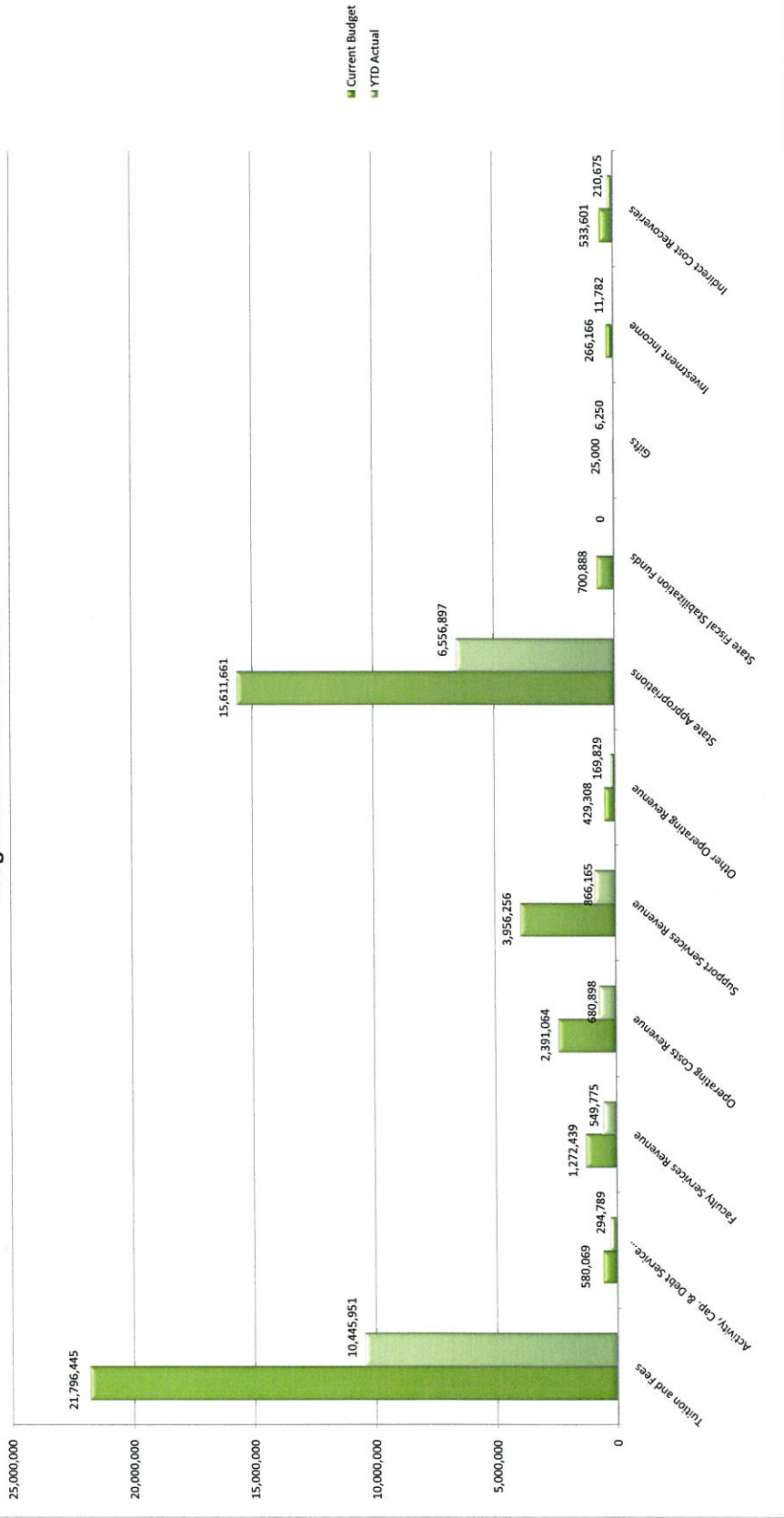
* Actual Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2010 in the amount of \$3,105,397

Unrestricted Net Asset Balance is 19.13% of the current budget total operating expense.

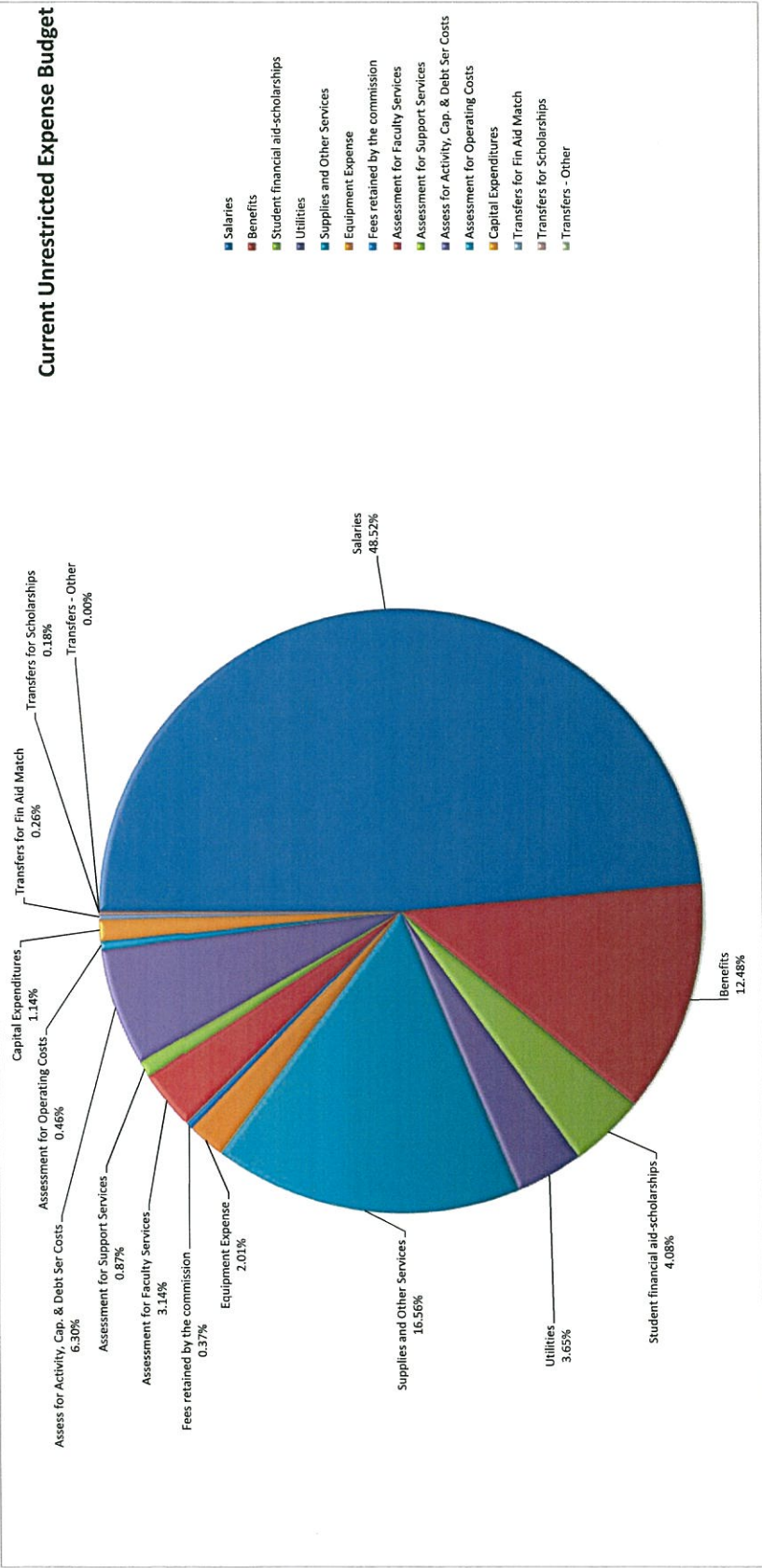
Current Unrestricted Revenue Budget



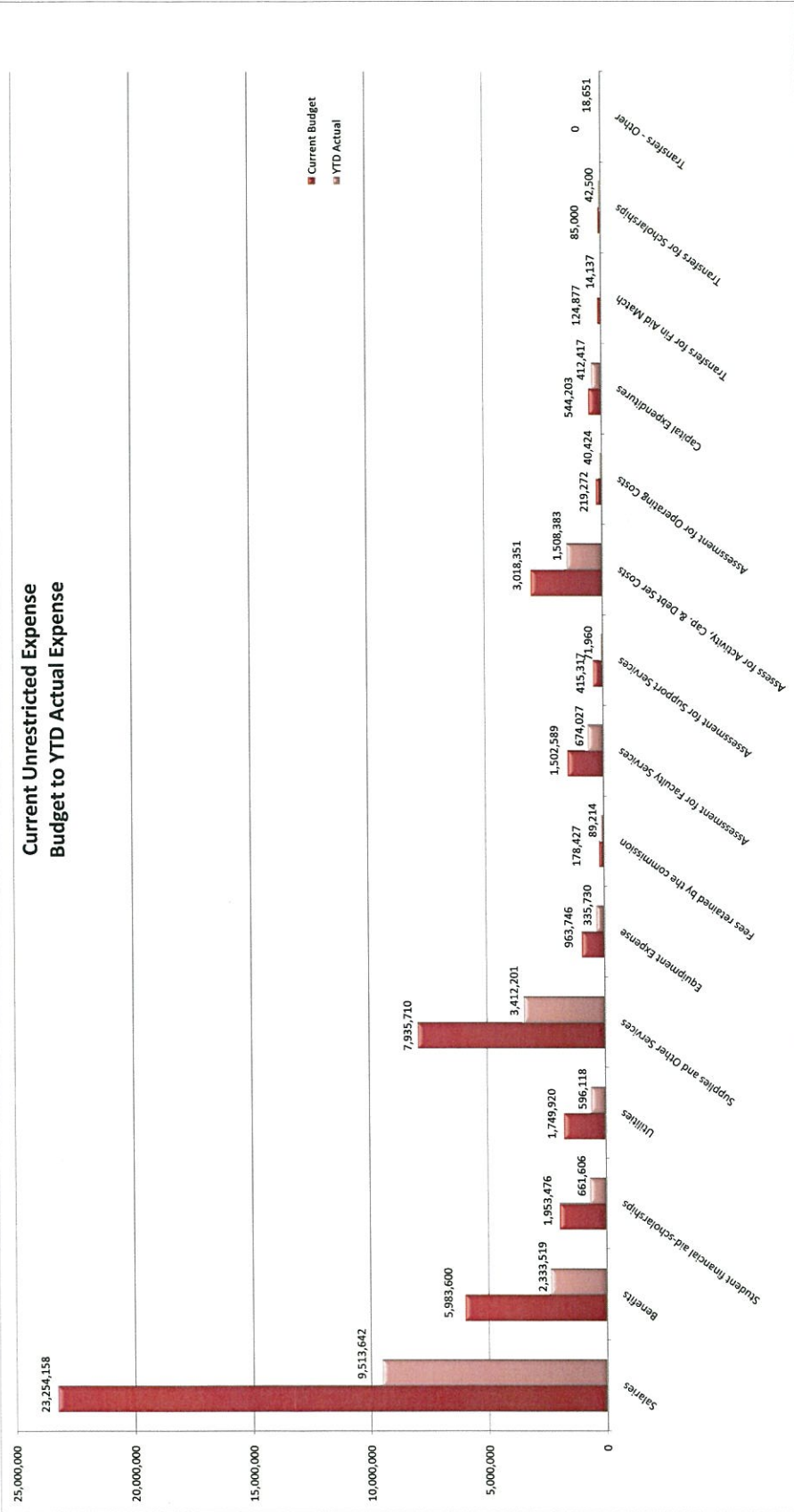
**Current Unrestricted Revenue
Budget vs YTD Actual Revenue**



Current Unrestricted Expense Budget



**Current Unrestricted Expense
Budget to YTD Actual Expense**



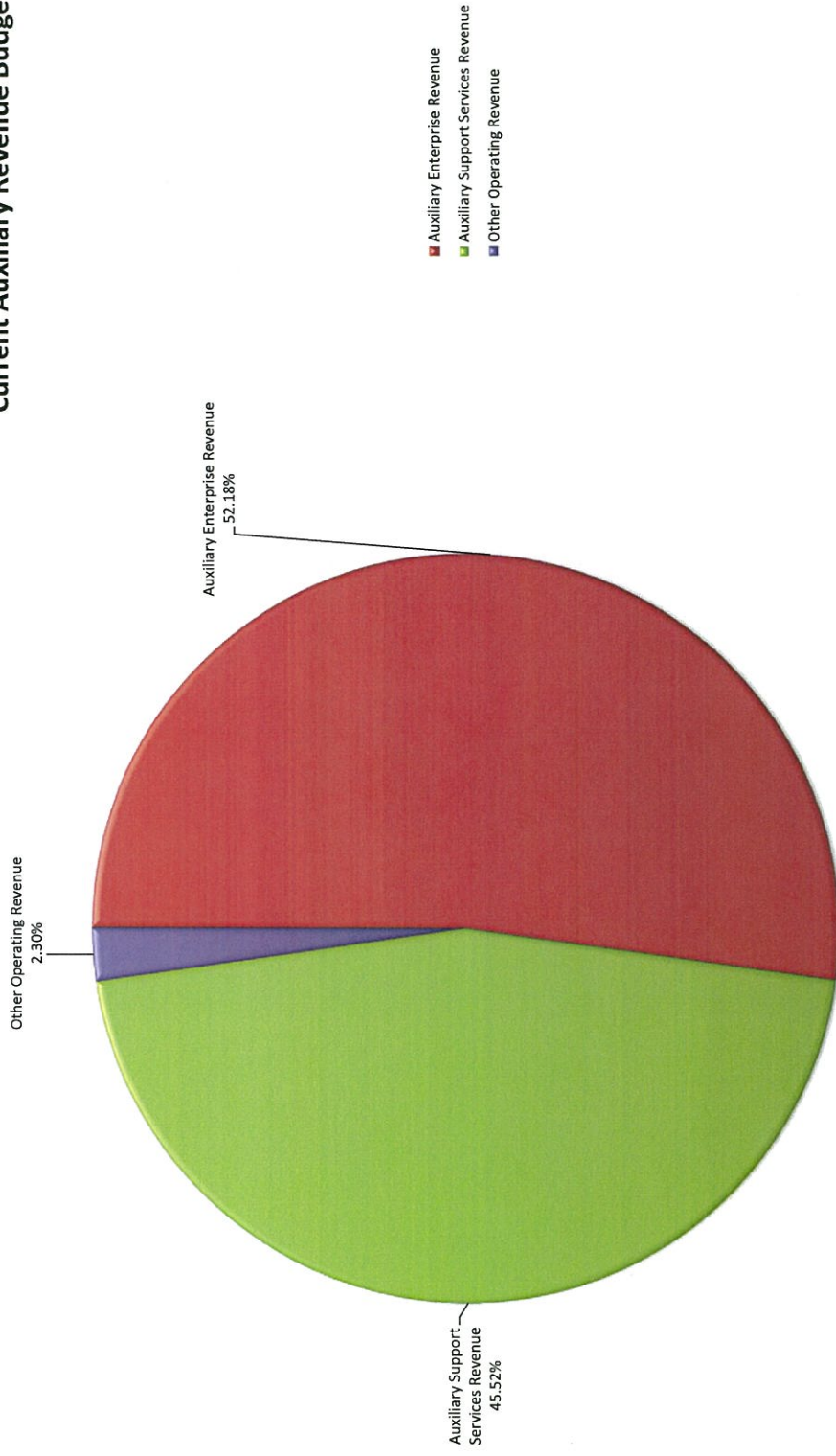
Fairmont State University
Auxiliary
Statement of Revenues and Expenses
Actual vs Budget

		As of December 31, 2010			YTD	YTD Actual to Current
		Approved Budget	Current Budget	Actual	Budget	
OPERATING REVENUE	Auxiliary Enterprise Revenue	5,500,976	5,615,054	2,636,377		46.95
	Auxiliary Support Services Revenue	4,762,696	4,898,096	2,549,957		52.06
	Other Operating Revenue	245,304	247,438	129,459		52.32
	Total:	10,508,976	10,760,588	5,315,793		49.40
OPERATING EXPENSE	Salaries	2,070,834	2,122,694	1,091,878		51.44
	Benefits	538,167	528,570	207,792		39.31
	Student financial aid-scholarships	486,160	486,160	174,167		35.83
	Utilities	912,265	912,265	308,517		33.82
	Supplies and Other Services	2,136,549	2,196,404	1,265,467		57.62
	Equipment Expense	97,446	104,855	144,856		138.15
	Loan cancellations and write-offs	1,131	1,131	0		0.00
	Total:	6,242,552	6,352,078	3,192,676		50.26
OPERATING INCOME / (LOSS)		4,266,424	4,408,509	2,123,117		48.16
NONOPERATING REVENUE (EXPENSE)	Gifts	0	5,000	5,000		100.00
	Interest on capital asset related debt	(100,473)	(100,473)	(50,236)		50.00
	Total:	(100,473)	(95,473)	(45,236)		47.38
TRANSFERS & OTHER	Capital Expenditures	(162,260)	(157,259)	0		0.00
	Transfers for Debt Service	(3,603,621)	(3,603,621)	(1,801,351)		49.99
	Transfers for Fin Aid Match	(3,425)	(3,425)	0		0.00
	Transfer to Plant Reserves	(396,646)	(641,641)	0		0.00
	Transfers for Scholarships	0	85,000	42,500		50.00
	Transfers - Other	0	7,909	7,909		100.00
	Total:	(4,165,951)	(4,313,037)	(1,750,942)		40.60
BUDGET BALANCE		0	0	326,938		
* Add: ACTUAL NET ASSETS - Beginning of Year		<u>6,514,461</u>	<u>6,514,461</u>			
Equals: PROJECTED NET ASSETS - End of Year		<u>6,514,461</u>	<u>6,514,461</u>			

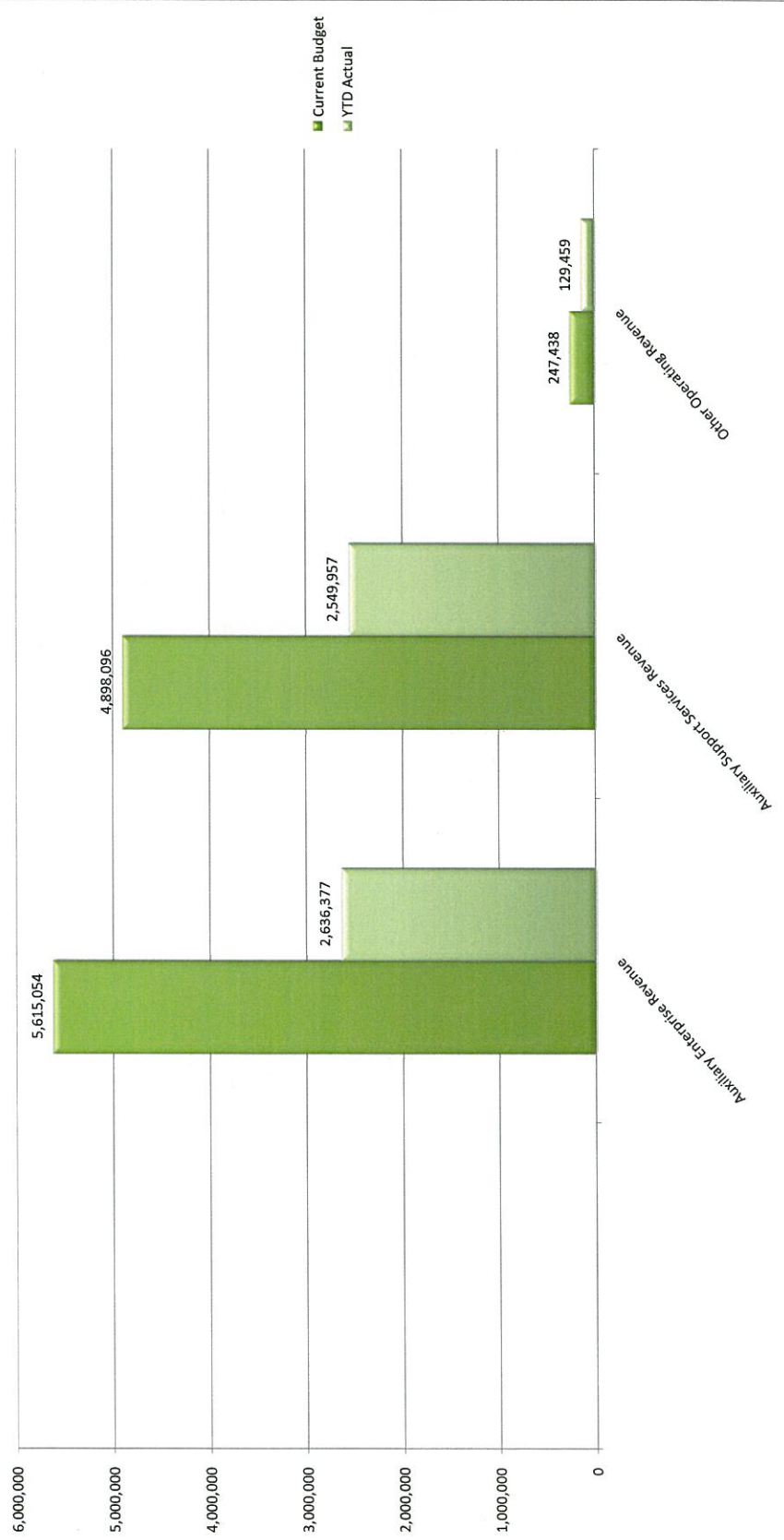
* Actual Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2010 in the amount of \$375,293.

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.

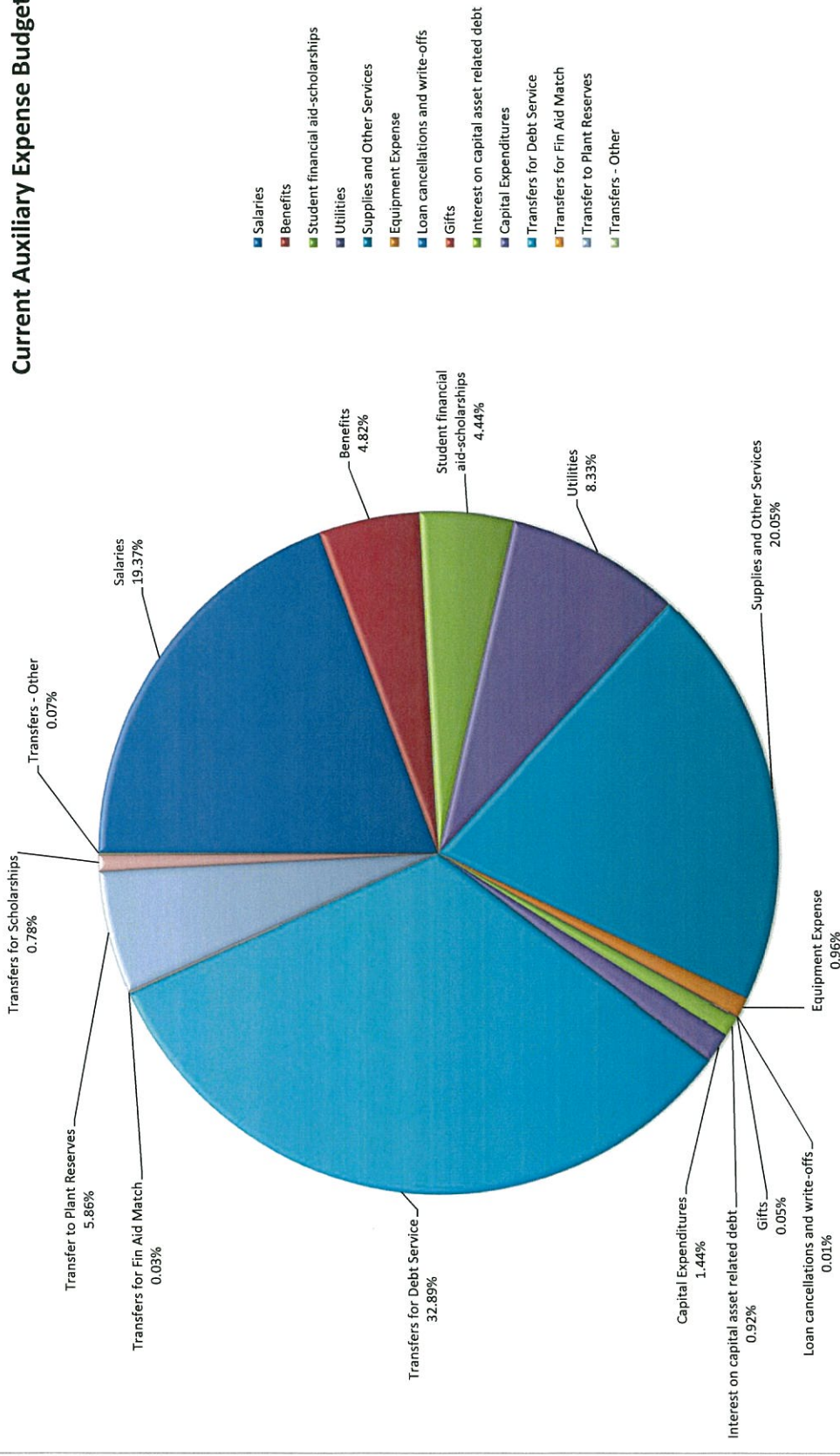
Current Auxiliary Revenue Budget



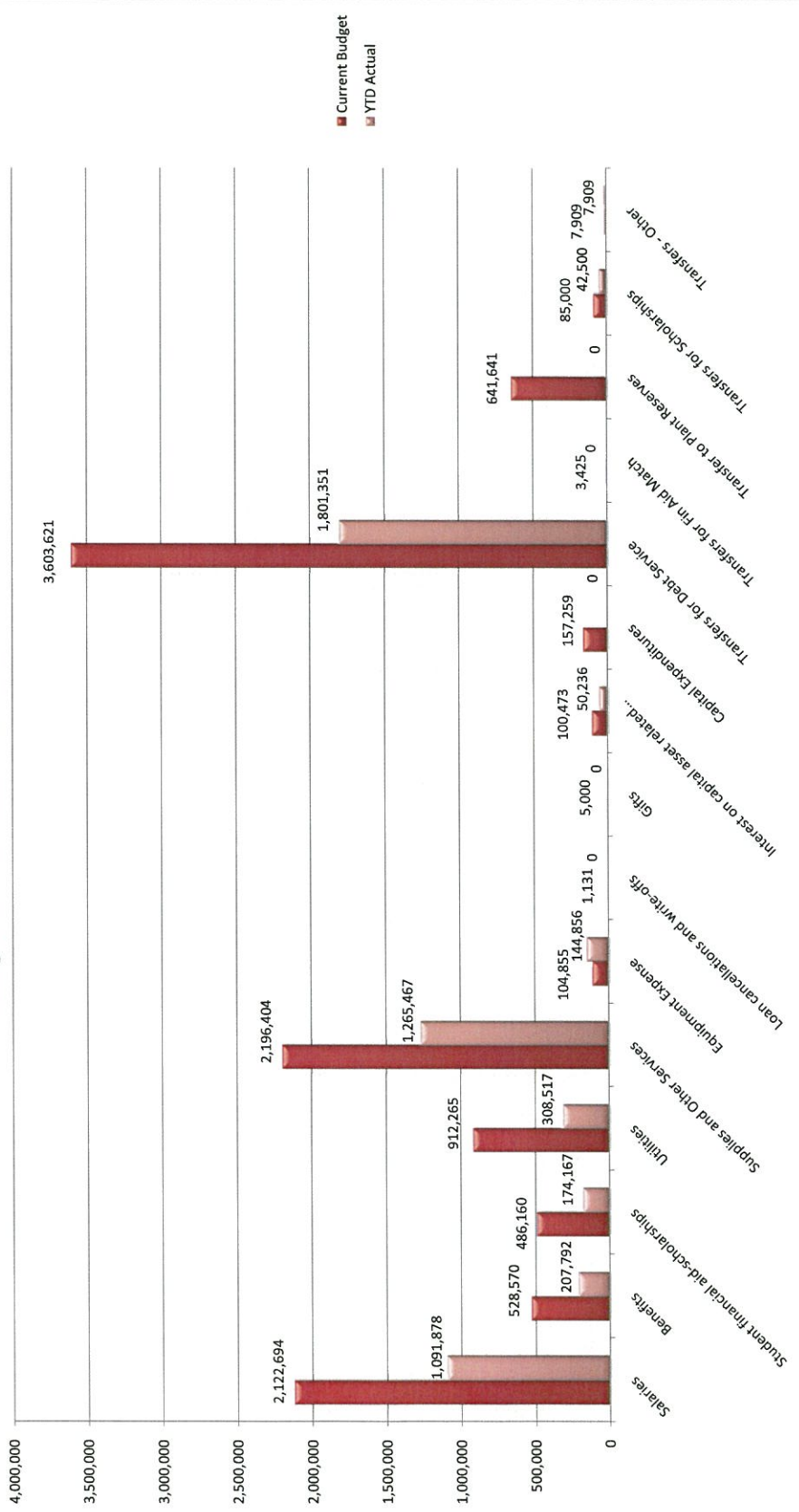
Current Auxiliary Revenue Budget to YTD Actual Revenue



Current Auxiliary Expense Budget



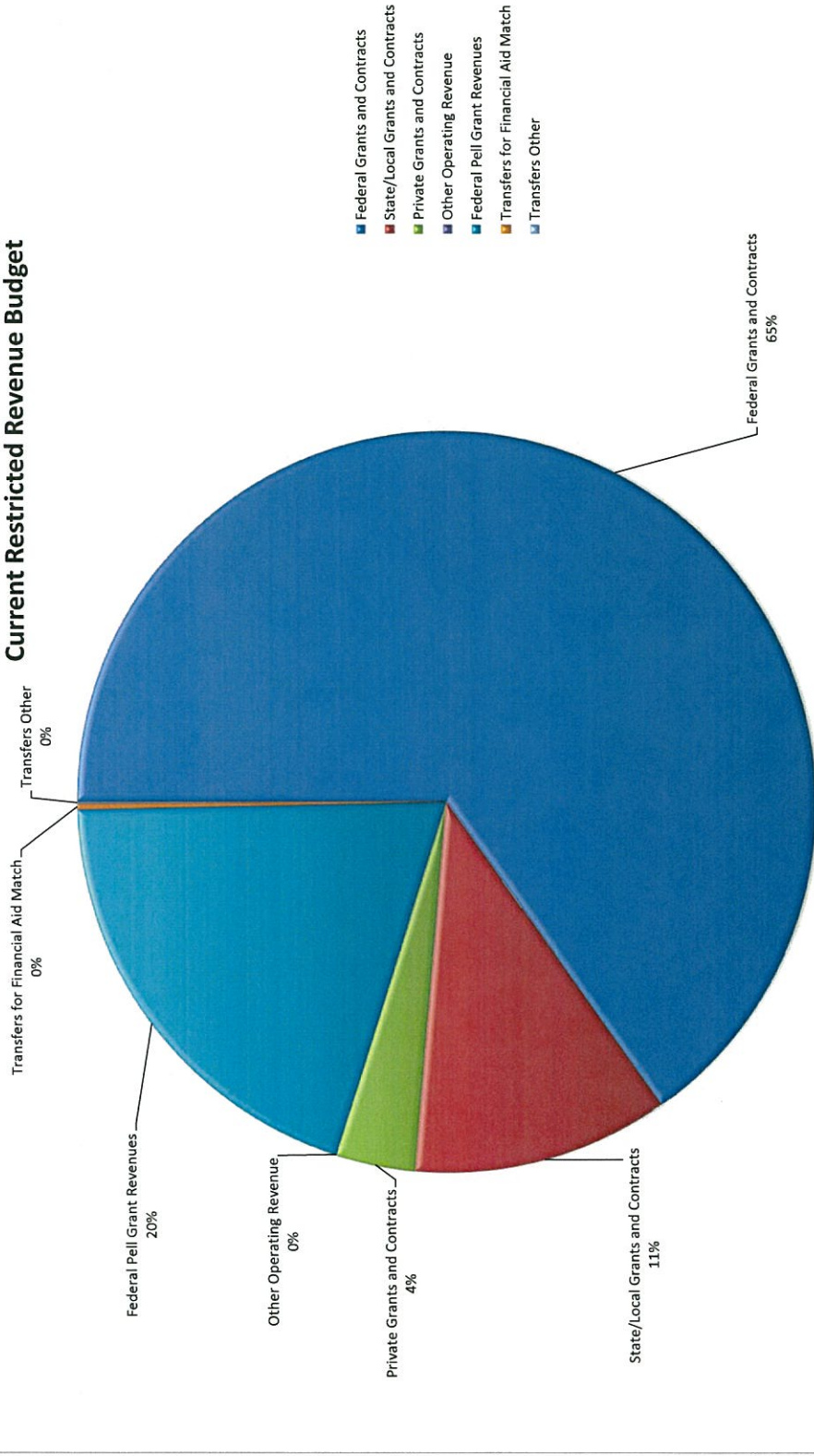
Current Auxiliary Expense Budget to YTD Actual Expense



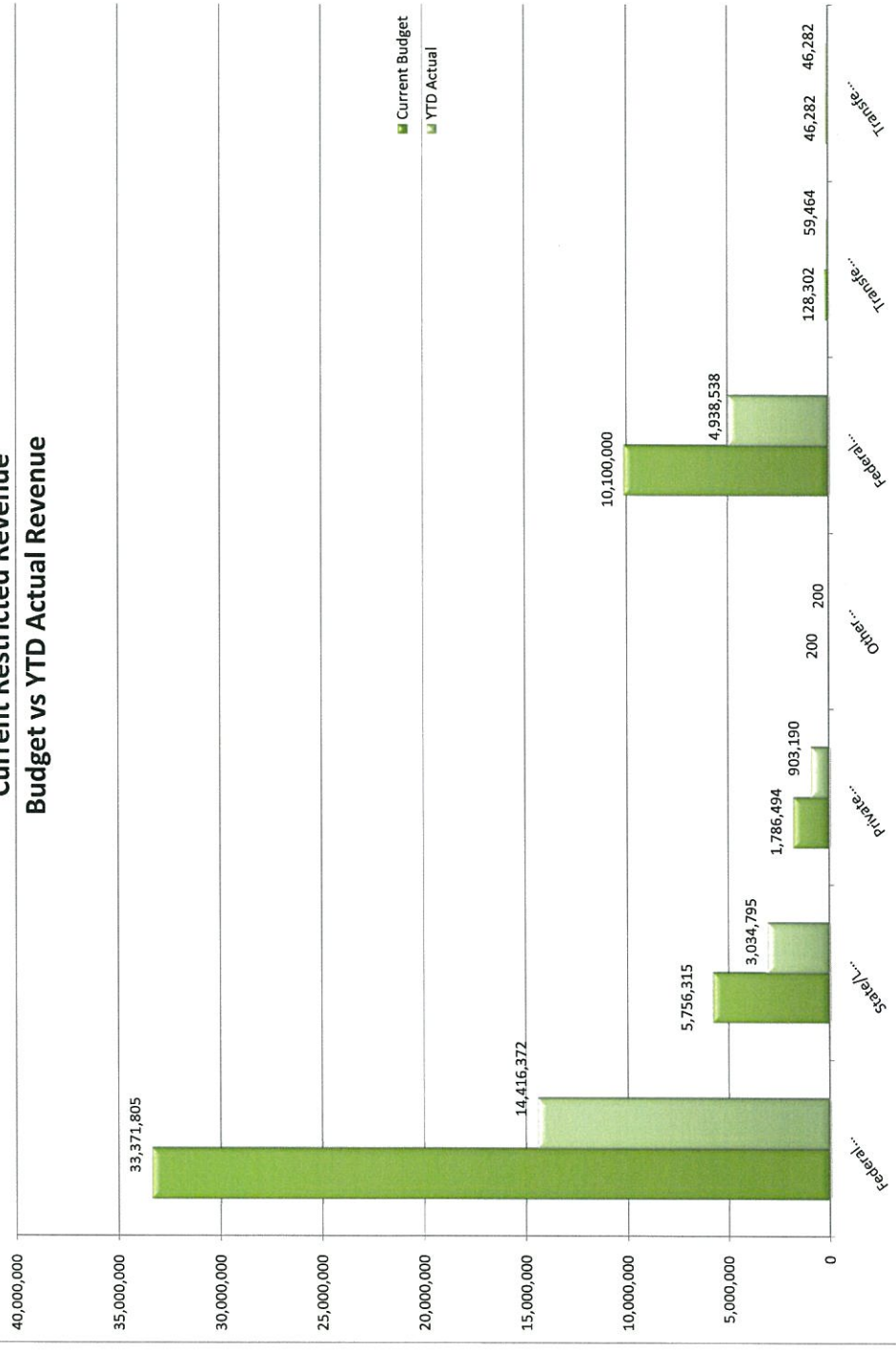
FAIRMONT STATE UNIVERSITY
Statement of Revenues and Expenses
Current Restricted
Actual vs Budget
As of December 31, 2010

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	35,155,676	33,371,805	14,416,372	43.20
	State/Local Grants and Contracts	5,421,053	5,756,315	3,034,795	52.72
	Private Grants and Contracts	2,100,110	1,786,494	903,190	50.56
	Other Operating Revenue	200	200	200	100.00
	Total:	42,677,039	40,914,815	18,354,558	44.86
OPERATING EXPENSE	Salaries	1,424,306	1,395,952	488,634	35.00
	Benefits	230,290	246,453	82,700	33.56
	Student financial aid - scholarships	44,102,306	40,563,921	20,457,336	50.43
	Utilities	21,607	19,000	0	0.00
	Supplies and Other Services	5,379,841	6,211,721	1,354,780	21.81
	Equipment Expense	3,308,144	2,416,465	708,213	29.31
	Total:	54,466,494	50,853,513	23,091,663	45.41
OPERATING INCOME / (LOSS)		(11,789,455)	(9,938,698)	(4,737,106)	47.66
NONOPERATING REVENUE (EXPENSE)	Federal Pell Grant Revenues	12,000,000	10,100,000	4,938,538	48.90
	Total:	12,000,000	10,100,000	4,938,538	48.90
TRANSFERS & OTHER	Capital Expenditures	(15,459)	(15,459)	0	0.00
	Transfers for Fin Aid Match	128,302	128,302	59,464	46.35
	Indirect Cost Recoveries	(509,400)	(533,601)	(210,675)	39.48
	Transfers - Other	0	46,282	46,282	100.00
	Total:	(396,557)	(374,475)	(104,928)	28.02
BUDGET BALANCE		(186,012)	(213,173)	96,504	
* Add: PROJECTED RESTRICTED NET ASSETS - Beginning of Year		219,123	246,087		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>33,111</u>	<u>32,914</u>		

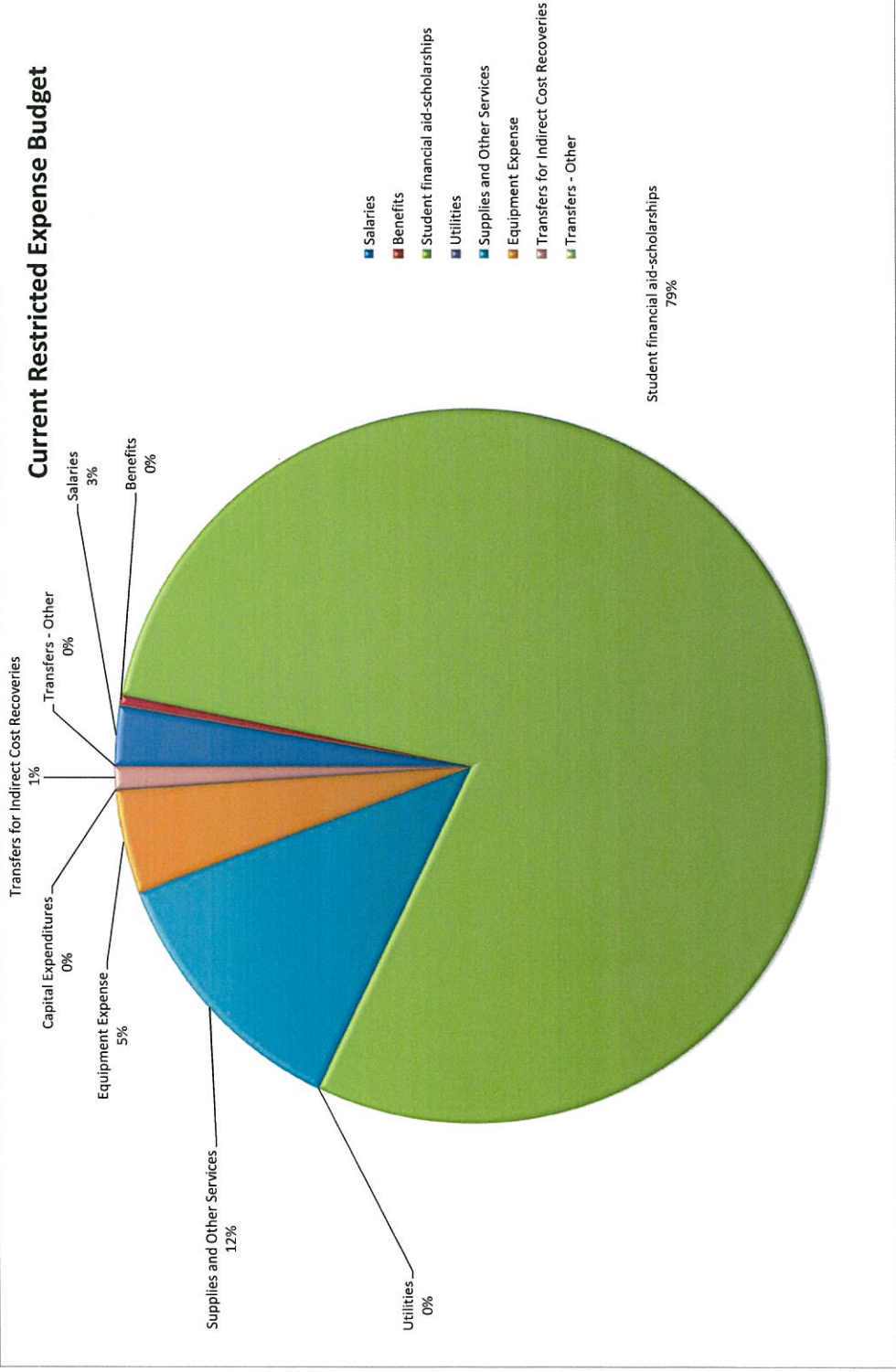
Current Restricted Revenue Budget

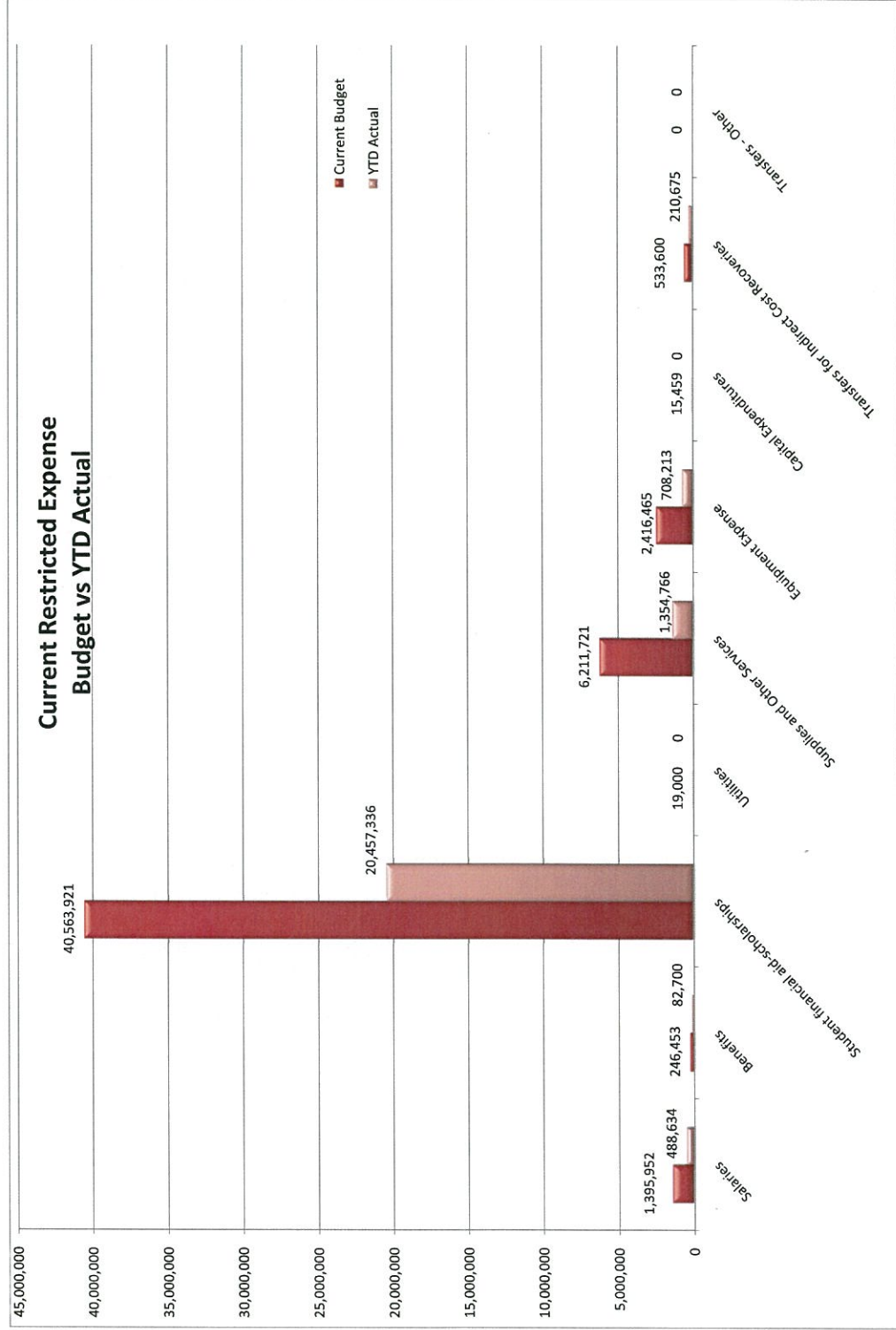


Current Restricted Revenue Budget vs YTD Actual Revenue



Current Restricted Expense Budget





CAPITAL PROJECTS

FY 2011

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>	
Hardway Hall - HVAC Unit	\$ 56,472.00	\$ 56,472.00	\$ -	Project is Complete	Completed
Infrastructure - Hardway Hall	\$ 400,000.00	\$ 362,739.03	\$ 37,260.97	Project is complete. Final application for payment is in process.	
Byrd Center - HVAC Units (2)	\$ 50,000.00	\$ -	\$ 50,000.00	Omni Associates have been selected as project architects. They are currently working on bid documents	In Progress
Byrd Center - Roof Renewal	\$ 400,000.00	\$ -	\$ 400,000.00	Omni Associates have been selected as project architects. They are currently working on bid documents	
Aerospace Fire Suppression - ARRA	\$ 1,100,000.00	\$ -	\$ 1,100,000.00	Omni Associates have been selected as project architects. They are currently working on bid documents	
Folklife - Phase III (ARRA)	\$ 524,100.00	\$ -	\$ 524,100.00	WYK is working on bid documents. Phone conference with donor on 1/13/11.	
Hardway Hall Renovations	\$ 5,500,000.00	\$ -	\$ 5,500,000.00	Negotiations are underway with selected architect.	
Hunt Haught Hall Glass Front	\$ 238,386.00	\$ 30,000.00	\$ 208,386.00	Thrasher is working on bid documents. Project is anticipated to bid in February.	
Hunt Haught Hall - HVAC Units	\$ 500,000.00	\$ 45,000.00	\$ 455,000.00	Thrasher is working on bid documents. Project is anticipated to bid in February.	
Infrastructure - IT Emergency Back-Up	\$ 197,299.00	\$ 16,550.00	\$ 180,749.00	Purchase order has been finalized with design firm.	
Infrastructure - Retaining Walls	\$ 130,000.00	\$ 83,935.00	\$ 46,065.00	Both retaining walls and grading are complete. Final paperwork needs processed.	
Infrastructure - Retaining Wall Merchant Street	\$ 175,000.00	\$ 3,500.00	\$ 171,500.00	1 contractor bid on this project. Bid came in over the project budget. Project design is being reviewed and project will re-bid at later date.	
Musick Library Elevator	\$ 2,000,000.00	\$ -	\$ 2,000,000.00	Expression of Interest has been submitted to purchasing for advertising.	
Turley Center Renovations	\$ 6,000,000.00	\$ -	\$ 6,000,000.00	Negotiations are underway with selected architect.	
Wallman Hall Renovations	\$ 5,200,000.00	\$ -	\$ 5,200,000.00	13 architectural firms responded to EOI. Short list has been selected and interviews are scheduled for February 11th.	
Infrastructure - Paving Lot #15	\$ 58,560.00	\$ -	\$ 58,560.00		Not Started
Locust Avenue	\$ 40,000.00	\$ -	\$ 40,000.00		
Turley Center Renovations - FF&E	\$ 550,000.00	\$ -	\$ 550,000.00		
Academic Fund	\$ 100,000.00	\$ -	\$ 100,000.00	On-going - Numerous projects through-out year	On-Going
Landscaping	\$ 100,000.00	\$ 43,695.83	\$ 56,304.17	On-going - Numerous projects through-out year	
Physical Plant - Small Projects	\$ 197,000.00	\$ 60,694.99	\$ 136,305.01	On-going - Numerous projects through-out year	
	\$ 23,516,817.00	\$ 702,586.85	\$ 22,814,230.15		

AUXILIARY CAPITAL PROJECTS

FY 2011

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>	
College Apartments - Roof E & F	\$ 70,000.00	\$ 64,990.00	\$ 5,010.00	Completed on 8/31/10	Completed
Residence Halls - Facility Audit Master Plan	\$ 150,000.00	\$ -	\$ 150,000.00	Perkins Eastman has been awarded the contract.	In Progress
Residence Halls - Housing Software	\$ 60,000.00	\$ 30,050.00	\$ 29,950.00	Awarded by Procurement Office - Starrez	
Parking Garage - Maintenance - Caulking & Painting	\$ 50,000.00	\$ -	\$ 50,000.00		Not Started
	\$ 330,000.00	\$ 95,040.00	\$ 234,960.00		

Notes

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