



Board
of
Governors' Meeting
August 20, 2015

AGENDA
 FSU BOARD OF GOVERNORS' MEETING
 AUGUST 20, 2015, 9:00 A.M.
 LOCATION: BOARD ROOM, FALCON CENTER
 1201 LOCUST AVENUE, FAIRMONT, WV



- I. CALL TO ORDER**
 - A. Roll Call
 - B. Public Comment
 - C. Approve Agenda*Action Item*
- II. APPROVAL OF MINUTES OF: JUNE 18, 2015, AND JUNE 26, 2015.....***Tab 1 Action Item*
- III. CHAIRMAN’S REPORT**
- IV. PRESIDENT’S REPORT**
- V. REPORTS AND PRESENTATIONS**
 - A. Foundation (Gary Bennett)
 - B. Construction Project Updates (Tom Tucker)
- VI. CONSENT AGENDA.....***Tab 2 Action Item*
 - A. Financial Reports (5/31/15 and 6/28/15)
 - B. Capital Projects Update FY 2016
- VII. ACADEMIC AFFAIRS COMMITTEE (John Myers, Chair)**
- VIII. ATHLETIC AFFAIRS COMMITTEE (Frank Washenitz, Chair)**
- IX. BY-LAWS COMMITTEE (Ron Tucker, Chair)**
- X. ENROLLMENT/HOUSING-STUDENT LIFE COMMITTEE (Dixie Yann, Chair)**
- XI. FINANCE COMMITTEE (Mark Pallotta, and John Schirripa, Co-Chairs)**
 - A. Approval of FY 2017 Appropriation Request.....*Tab 3 Action Item*
 - B. Approval of Falcon Center Façade Items*Tab 4 Action Item*
- XII. STUDENT HOUSING COMMITTEE (Aaron Hawkins, Chair)**
- XIII. EXECUTIVE COMMITTEE (Mark Pallotta)**
- XIV. POSSIBLE EXECUTIVE SESSION - Under the Authority of West Virginia Code §6-9A-4 to Discuss Property Issues**
- XV. ADJOURNMENT**

NEXT MEETING: OCTOBER 15, 2015, 9:00 A.M.,
LOCATION: GASTON CAPERTON CENTER,
 501 West Main St, Clarksburg, WV

Tab 1



FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS
MEETING MINUTES
JUNE 18, 2015
BOARD ROOM, 3RD FLOOR FALCON CENTER
1201 LOCUST AVENUE, FAIRMONT, WV

I. CALL TO ORDER

A. Roll Call

Chairman Ron Tucker convened a meeting of the Fairmont State University (FSU) Board of Governors on June 18, 2015, beginning at approximately 9:00 a.m. in the Board Room, 3rd Floor Falcon Center, 1201 Locust Avenue, Fairmont, West Virginia.

At the request of Chairman Tucker, Judy Biafore conducted a roll call of the Board of Governors. Present for the meeting were board members Holly Fluharty, Aaron Hawkins, Bob Mild, John Myers, Mark Pallotta, Ron Tucker, Frank Washenitz, and Dixie Yann. Kelly Humphreys participated by conference call. Chris Courtney was present after the roll call. John Schirripa and Bryan Towns were absent.

Also in attendance were President Rose and President's Council members Christina Lavorata, Kaye Widney, Ann Booth, John Lympany, and Rick Porto. Assistant Vice President for Facilities, Tom Tucker, Construction Manager, Stephanie Slaubaugh, and Gary Bennett, Interim President of the Fairmont State Foundation, also attended.

B. Public Comment

Frank Washenitz reported no one signed up for public comment.

C. Approval of Agenda

Bob Mild made a motion to approve the agenda. Mark Pallotta seconded. The motion passed.

D. Approve 2015-2016 Meeting Dates

Mark Pallotta made a motion to approve the 2015-2016 Meeting Dates. Aaron Hawkins seconded. The motion passed.

II. APPROVAL OF MINUTES OF MAY 14, 2015

John Myers made a motion to approve the minutes of May 14, 2015, and Dixie Yann seconded. The motion passed.

III. CHAIRMAN'S REPORT

- A. Chairman Tucker reported that since the Board of Governors' last meeting, FSU's School of Nursing held their Pinning Ceremony, and for the first time on the same evening, the conferring of degrees occurred. He said he was pleased to be able to participate in that event. Then on Saturday, the first commencement in the new Retton Arena was held. He thanked all who attended and thanked Dixie Yann for representing the Board of Governors.
- B. He stated that the BOG Executive Committee and BOG Finance Committee members met with the Higher Learning officials on May 18th. The University will have their report within six weeks.
- C. Chairman Tucker stated that the first term of summer school is more than half over and the second term begins on June 29th (2015). He said that in addition to our summer school students, the Campus is also filled with students participating in Falcon Camp, various sports camps, and Governor's Honors Academy.
- C. Chairman Tucker reminded everyone of the BOG Summit for all institutions in Charleston on August 7th and 8th.
- D. He said the next Board of Governors' meeting will be August 20th and will be held in the Board Room.
- E. Chairman Tucker, on behalf of the Fairmont State University Board of Governors, presented a Certificate of Appreciation to Robert Mild, outgoing Board of Governors' faculty representative.

IV. PRESIDENT'S REPORT

- A. President Rose, on behalf of Fairmont State University, presented Chairman Tucker with a token of thanks and appreciation for serving four years as Chairman of the Fairmont State University Board of Governors.

V. REPORTS AND PRESENTATIONS

A. Foundation (Gary Bennett)

Gary Bennett, Chair and Interim President of the Fairmont State (FS) Foundation, reported that assets were \$22,384,000. Through May 31 (2015), Revenues were \$2,555,700, Expenses were \$1,804,127, and Net Income was \$751,600.

He said that they have provided scholarships to students in the form of endowments and impact scholarships totaling \$832,000. They have also given \$20,000 toward the renovation of the Feaster Center and \$4,000 in Faculty Awards. To attract the best students, they have also given \$25,000 to the FSAA (Fairmont State Athletic Association) and \$75,000 to the Financial Aid Office.

Mr. Bennett reported that they have also been involved with grants. He said the School of Education just received \$214,000 through the FS Foundation and that they just applied to the Bowers Foundation for a \$135,000 matching grant for the Peer Mentoring program which is a part of the Title III grant in the School of Business and the School of Science and Technology

He also said that they are in the process of applying for credits in the Neighborhood Investment Program (NIPS). This is the last year for this program and because it will have to be appropriated again by the Legislature, they will be contacting individuals for Letters of Support.

Mr. Bennett also said that the FS Foundation has begun their Annual Campaign and he shared the new mailing and campaign goals with the Board.

B. Construction Project Updates (Tom Tucker)

Stephanie Slaubaugh, Construction Manager, gave an update on the various projects that are currently underway on campus. Weekly updates are available online at:
<http://www.fairmontstate.edu/adminfiscalaffairs/physical-plant/construction-projects>.

VI. CONSENT AGENDA

Bob Mild moved to accept the following Consent Agenda:

- A. Financial Report (Month Ending (4/30/15)
- B. Capital Projects Update FY 2015

Dixie Yann seconded. The motion passed.

VII. ACADEMIC AFFAIRS COMMITTEE (John Myers, Chair)

John Myers stated there were no items to bring forth by the Academic Affairs Committee.

VIII. ATHLETIC AFFAIRS COMMITTEE (Frank Washenitz, Chair)

Frank Washenitz stated there were no items to bring forth by the Athletic Affairs Committee.

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

Dixie Yann, Chair of the Enrollment Committee, asked Kaye Widney, Vice President for Student Services, to provide an update. Ms. Widney reviewed the following report which was also distributed to the Board:

**FSU BOARD OF GOVERNORS
ENROLLMENT/HOUSING/STUDENT LIFE COMMITTEE
SUMMARY REPORT
June 18, 2015**

Enrollment Activity Fall 2015

- Enrollment for first time students continues to run ahead of last year-most recent report has 87 additional students compared to same time last year
- Summer Orientation events began last week and will continue through the remainder of this month and July-we have 325 reservations for upcoming events
- Retention Office is working with Provost and Deans to have "Registration Day" on July 21st to encourage returning students to work with advisors either on campus or through video chats

Admissions/Recruitment Activities:

- Recruitment and Alumni receptions were held in 6 cities throughout the spring-these were fairly well attended and allowed opportunity for new students and their parents to talk with alumni
- Admissions counselors are very involved with the Orientation events and are still meeting with potential students who come onto campus for visits/tours

- Scholarship presentations were made in in 31 high schools by admissions counselors and alumni volunteers.

Financial Aid/Scholarship Activity:

- The number of entering PROMISE Scholarship recipients has been increasing since the inception of PROMISE Beyond Scholarship-we are projecting about 860 total PROM recipients on campus in 2015-16 (260 estimated entering freshmen)
- Federal Perkins loan Program is being phased out in 2015-16-the program has typically helped about 140 students with \$225,000 annually.

Residence Life Update:

- Fall Occupancy rate is currently at 86%--this is comparable to same time last year

Other Student Services related activities:

- Student Veterans Services is partnering with Vet Center in Morgantown to provide "readjustment counseling" services on campus starting this fall term.

X. FINANCE COMMITTEE (Mark Pallotta, Chair)

Mark Pallotta, Chair of the Finance Committee, stated that the Finance Committee had met recently (June 8, 2015). He presented item A. listed below which results in some cost-saving changes. He then made a motion for the Board's approval.

A. FY 2015 and FY 2016 Capital Projects Modification

John Myers seconded. The motion passed.

XI. STUDENT HOUSING COMMITTEE (Aaron Hawkins, Chair)

A. Housing Project Update

No action was taken on the Housing Project Update.

XII. EXECUTIVE COMMITTEE (Ron Tucker, Chair)

Chairman Tucker stated there were no items to bring forth by the Executive Committee

XIII. NOMINATING COMMITTEE (John Myers, Chair)

- A. Election of Board of Governors' Officers
(Effective July 1, 2015, through June 30, 2016)

John Myers, Chair of the Nominating Committee, stated the Committee nominated the following slate of officers for 2015-2016:

Chair: Mark Pallotta
Vice-Chair: Dixie Yann
Secretary: Ron Tucker

John Myers made a motion to accept the slate of officers for FSU's Board of Governors for 2015-2016 as presented by the Committee. Aaron Hawkins seconded. The motion passed.

XIV. POSSIBLE EXECUTIVE SESSION

Dixie Yann made a motion to go into Executive Session "Under the Authority of West Virginia Code §6-9A-4" to discuss personnel and property issues.

Mark Pallotta seconded. The motion passed.

Mark Pallotta made a motion to reconvene in open session. Chris Courtney seconded. The motion passed.

There was no vote on any item discussed in Executive Session.

XV. ADJOURNMENT

Dixie Yann made a motion to adjourn the meeting. Mark Pallotta seconded. The motion passed.

Ron Tucker Date FSU Board of Governors' Chairman

Dixie Yann Date FSU Board of Governors' Secretary



FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS
MEETING MINUTES
JUNE 26, 2015
BOARD ROOM, 3RD FLOOR FALCON CENTER
1201 LOCUST AVENUE, FAIRMONT, WV

I. CALL TO ORDER

A. Roll Call

Chairman Ron Tucker convened a meeting of the Fairmont State University (FSU) Board of Governors on June 26, 2015, beginning at approximately 9:00 a.m. in the Board Room, 3rd Floor Falcon Center, 1201 Locust Avenue, Fairmont, West Virginia.

At the request of Chairman Tucker, Judy Biafore conducted a roll call of the Board of Governors. Present for the meeting were board members Holly Fluharty, Aaron Hawkins, Bob Mild, John Myers, Mark Pallotta, John Schirripa, Ron Tucker, and Dixie Yann. Kelly Humphreys participated by conference call. Chris Courtney, Bryan Towns, and Frank Washenitz were absent. President Rose and President's Council member Rick Porto were also in attendance.

B. Public Comment

John Myers reported no one signed up for public comment.

C. Approval of Agenda

Bob Mild made a motion to approve the agenda. John Schirripa seconded. The motion passed.

II. STUDENT HOUSING COMMITTEE (Aaron Hawkins, Chair)

A. Housing Project Update

Please see below.

III. POSSIBLE EXECUTIVE SESSION

A. Evaluation of the President

Dixie Yann made a motion to go into Executive Session "Under the Authority of West Virginia Code §6-9A-4" to discuss personnel and property issues. Mark Pallotta seconded. The motion passed.

Fairmont State University Board of Governors
Meeting Minutes
June 26, 2015- Cont'd

Bob Mild made a motion to reconvene in open session. Ron Tucker seconded. The motion passed.

John Schirrippa made a motion to approve the Housing Apartment Project Budget Update (change orders) including using the Geopier System, Housing Master Plan Update, and Housing 2016 Budget Update. Aaron Hawkins seconded. The motion passed.

Dixie Yann made a motion to go into Executive Session “Under the Authority of West Virginia Code §6-9A-4” to discuss personnel and property issues. Mark Pallotta seconded. The motion passed.

Dixie Yann made a motion to reconvene in open session. Bob Mild seconded. The motion passed.

There was no vote on any item discussed in the second Executive Session.

IV. ADJOURNMENT

John Myers made a motion to adjourn the meeting. Mark Pallotta seconded. The motion passed.

Ron Tucker Date FSU Board of Governors' Chairman

Dixie Yann Date FSU Board of Governors' Secretary

Tab 2

**Fairmont State University
Board of Governors
Financial Report
for the period ending May 31, 2015**

Unrestricted Central Fund:

At the end of May, the Unrestricted Fund budget deficit condition decreased by \$60,302 from \$-1,155,783 to \$-1,095,480. This budget decrease is due to retirement benefit cost reductions created by the early retirement offering (\$20,000) and PEIA temporary cost reductions \$(40,000) that will be restored in June as these positions are advertised for hire.

At the end of May, tuition and fee revenue is at 97.85% of budget. Student Activity Support Revenue is at 97.16% of budget. Non-Operating Revenue is at 100.69% of budget. Total Operating Revenue is at 92.08% of budget. Operating Expenses is at 89.70% of budget and the actual condition at the end of May is a surplus of \$1,506,030.

Unrestricted Fund Manager Fund:

In the month of May, the planned budget deficit increased by \$2 from \$-146,030 to \$-146,032. While some fund managers requested changes to their budgets in May, most of the changes netted to zero.

At the end of May, the total revenue is at 100.87% of budget. Operating expenses is at 56.90% of budget. Actual condition is a surplus of \$631,453.

Auxiliary Fund:

The Auxiliary Fund budgeted transfer to reserve increased by \$3,329 from \$1,496,455 to \$1,499,784 primarily due to a decrease to a salary budget line.

Operating Revenue is at 92.66% of budget. Operating Expense is at 86.39% of budget. The actual condition at the end of May is a surplus of \$1,678,244.

Restricted Fund:

New Grant Budgets:

FRMC Support	\$10,000
Foundation Award for Travel	<u>1,000</u>
TOTAL	\$11,000

Existing Grant Budgets:

ATLAS	\$(16,478)
First Lego League	1,000
NASA Space Grant Close	(6,000)
Appalachian Teacher Grant Close	<u>(7)</u>
TOTAL	\$ (21,485)

Restricted revenue is at 82.62% of budget through the end of May. Non-operating revenue (Pell Grant) is at 74.83% of budget. Operating expenses is at 80.68% of budget. The actual condition at the end of May is a surplus condition of \$105,930.

Please find the attached financial reports for the month of May.

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

As of May 31, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	23,336,797	22,166,414	21,690,344	97.85
	Student Activity Support Revenue	523,847	478,242	464,642	97.16
	Faculty Services Revenue	1,272,439	1,272,439	554,985	43.62
	Operating Costs Revenue	2,023,643	1,828,980	1,465,250	80.11
	Support Services Revenue	2,863,717	2,544,458	1,999,266	78.57
	Other Operating Revenues	225,293	225,293	82,495	36.62
	Total:	30,245,736	28,515,825	26,256,982	92.08
OPERATING EXPENSE	Salaries	24,182,136	24,098,123	21,146,188	87.75
	Benefits	5,874,558	5,943,249	5,112,001	86.01
	Student financial aid-scholarships	2,590,806	2,421,764	2,783,696	114.94
	Utilities	1,413,176	1,413,176	1,311,180	92.78
	Supplies and Other Services	6,556,455	6,311,557	6,405,343	101.49
	Equipment Expense	974,053	677,998	258,238	38.09
	Fees retained by the Commission	185,560	185,560	179,875	96.94
	Assessment for Faculty Services	1,107,466	1,053,034	541,325	51.41
	Assessment for Support Services	184,200	366,656	341,405	93.11
	Assessment for Student Activity Costs	375,898	355,634	345,467	97.14
	Assessment for Operating Costs	160,976	100,486	81,732	81.34
	Total:	43,605,283	42,927,237	38,506,451	89.70
OPERATING INCOME / (LOSS)		(13,359,548)	(14,411,411)	(12,249,469)	85.00
NONOPERATING REVENUE (EXPENSE)	State Appropriations	15,850,298	15,842,394	15,842,394	100.00
	Gifts	0	2,000	2,000	100.00
	Investment Income	25,245	25,245	14,752	58.44
	Assessment for E&G Capital & Debt Service Costs	(2,344,608)	(2,143,380)	(2,038,778)	95.12
	Total:	13,530,935	13,726,259	13,820,368	100.69
TRANSFERS & OTHER	Capital Expenditures	(163,219)	(259,338)	(9,879)	3.81
	Construction Expenditures	0	0	37,649	
	Transfers for Debt Service	(64,986)	(64,986)	(64,958)	99.96
	Transfers for Financial Aid Match	0	(81,239)	0	0.00
	Indirect Cost Recoveries	3,240	1,885	1,919	101.82
	Transfers - Other	(37,150)	(6,650)	(29,600)	445.11
	Total:	(262,115)	(410,328)	(64,869)	15.81
BUDGET BALANCE		(90,727)	(1,095,480)	1,506,030	
Add: Estimated Unfilled Position Savings:			966,254		
ADJUSTED BUDGET BALANCE		(90,727)	(129,226)		
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		12,496,684	12,496,684		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>12,405,957</u>	<u>12,367,458</u>		

* Projected Unrestricted Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2014 in the amount of \$7,938,885.

Unrestricted Net Asset Balance is 29.11% of the current budget total operating expense.

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

As of May 31, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	958,321	1,481,979	1,450,803	97.90
	Other Operating Revenues	114,448	151,695	197,012	129.87
	Total:	1,072,769	1,633,675	1,647,815	100.87
OPERATING EXPENSE	Salaries	395,151	514,061	370,852	72.14
	Benefits	28,822	44,745	36,923	82.52
	Student financial aid-scholarships	7,110	20,110	19,329	96.12
	Utilities	4,500	4,500	20,460	454.67
	Supplies and Other Services	650,421	1,054,152	507,622	48.15
	Equipment Expense	215,834	229,834	107,383	46.72
	Total:	1,301,837	1,867,400	1,062,570	56.90
OPERATING INCOME / (LOSS)		(229,068)	(233,725)	585,246	(250.40)
NONOPERATING REVENUE (EXPENSE)	Gifts	500	2,013	1,318	65.47
	Total:	500	2,013	1,318	65.47
TRANSFERS & OTHER	Capital Expenditures	0	0	(14,774)	
	Indirect Cost Recoveries	42,850	48,530	30,063	61.95
	Transfers - Other	37,150	37,150	29,600	79.68
	Total:	80,000	85,680	44,889	52.39
BUDGET BALANCE		(148,568)	(146,032)	631,453	
Add: Estimated Unfilled Position Savings:			46		
ADJUSTED BUDGET BALANCE		(148,568)	(145,986)		
Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		872,259	872,259		
Less: USE OF RESERVE		0	0		
** Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>723,691</u>	<u>726,273</u>		

** Unrestricted Net Asset Balance is 46.71% of the current budget total operating expense.

Fairmont State University
 Actual vs Budget Statement of Revenues and Expenses
 Auxiliary
 As of May 31, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	7,353,554	7,320,816	6,536,075	89.28
	Auxiliary Fees & Debt Service Support Revenue	5,534,213	5,174,764	4,965,589	95.96
	Other Operating Revenues	259,438	235,339	295,069	125.38
	Total:	13,147,205	12,730,919	11,796,733	92.66
OPERATING EXPENSE	Salaries	2,870,495	2,481,059	2,286,932	92.18
	Benefits	642,596	577,140	444,149	76.96
	Student financial aid-scholarships	579,914	627,914	447,736	71.31
	Utilities	765,305	829,568	762,260	91.89
	Supplies and Other Services	2,967,296	3,210,743	2,689,128	83.75
	Equipment Expense	87,509	110,899	140,427	126.63
	Total:	7,913,115	7,837,322	6,770,632	86.39
OPERATING INCOME / (LOSS)		5,234,091	4,893,597	5,026,101	102.71
NONOPERATING REVENUE (EXPENSE)	Gifts	0	9,318	10,982	117.86
	Interest on capital asset related debt	(141,279)	(141,279)	(141,279)	100.00
	Total:	(141,279)	(131,961)	(130,297)	98.74
TRANSFERS & OTHER	Capital Expenditures	(135,936)	(96,312)	(57,386)	59.58
	Transfers for Debt Service	(3,162,116)	(3,162,116)	(3,160,174)	99.94
	Transfers for Financial Aid Match	(3,425)	(3,425)	0	0.00
	Transfers - Other	766	0	0	
	Total:	(3,300,711)	(3,261,852)	(3,217,560)	98.64
BUDGET BALANCE - Projected Transfer to Reserves		1,792,101	1,499,784	1,678,244	
* Add: PROJECTED NET ASSETS - Beginning of Year		<u>9,780,324</u>	<u>9,780,324</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>11,572,425</u>	<u>11,280,108</u>		

* Projected Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2014 in the amount of \$943,130

* 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 May 31, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	23,005,263	23,749,453	19,259,110	81.09
	State/Local Grants and Contracts	6,935,203	7,490,685	6,433,643	85.89
	Private Grants and Contracts	1,735,358	1,818,828	1,616,882	88.90
	Other Operating Revenue			4,328	
	Total:	31,675,824	33,058,966	27,313,962	82.62
OPERATING EXPENSE	Salaries	547,237	1,118,789	651,929	58.27
	Benefits	67,230	157,657	86,295	54.74
	Student financial aid - scholarships	40,219,650	40,226,530	33,234,237	82.62
	Utilities	0	0	0	0.00
	Supplies and Other Services	780,086	1,382,980	605,986	43.82
	Equipment Expense	68,593	157,132	150,702	95.91
	Total:	41,682,796	43,043,088	34,729,149	80.68
OPERATING INCOME / (LOSS)		(10,006,972)	(9,984,122)	(7,415,187)	74.27
NONOPERATING REVENUE (EXPENSE)	Federal Pell Grant Revenues	10,000,000	10,000,000	7,483,010	74.83
	Gifts	2,307	2,307	2,307	
	Investment Income	0	0	0	
	Total:	10,002,307	10,002,307	7,485,317	74.84
TRANSFERS & OTHER	Capital Expenditures	(17,403)	(8,402)	(13,501)	160.69
	Transfers for Fin Aid Match	84,663	84,663	84,664	100.00
	Indirect Cost Recoveries	(17,539)	(49,391)	(35,363)	71.60
	Transfers - Other				
	Total:	49,721	26,870	35,800	133.23
BUDGET BALANCE		45,056	45,056	105,930	
* Add: RESTRICTED NET ASSETS - Beginning of Year		466,822	466,822		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>511,878</u>	<u>511,878</u>		

**Fairmont State University
Board of Governors
Financial Report
for the period ending June 28, 2015**

Unrestricted Central Fund:

At the end of June, the Unrestricted Fund budget deficit condition increased by \$141,114 from \$-1,095,480 to \$-1,236,594. This budget increase is due primarily to the increase in PEIA cost estimates for multiple vacancies in full-time positions. In turn, our Support Services Revenue increased by \$6,498 due to increased assessment to Pierpont Community and Technical College for PEIA costs. Non-Mandatory Transfers-In decreased by \$280 with the close-out of a grant fund.

At the end of June, tuition and fee revenue is at 97.65% of budget. Student Activity Support Revenue is at 97.68% of budget. Non-Operating Revenue is at 100.39% of budget. Total Operating Revenue is at 95.02% of budget. Operating Expense is at 96.56% of budget and the actual condition at the end of June is a deficit of \$-1,104,006.

Unrestricted Fund Manager Fund:

In the month of June, the planned budget deficit decreased by \$1 from \$-146,032 to \$-146,031. While some fund managers requested changes to their budgets in June, most of the changes netted to zero.

At the end of June, the total revenue is at 100.59% of budget. Operating Expense is at 62.75% of budget. The actual condition is a surplus of \$549,195.

Auxiliary Fund:

The Auxiliary Fund budgeted transfer to reserve decreased by \$2 from \$1,499,784 to \$1,499,782 primarily due to an increase to a salary budget line.

Operating Revenue is at 98.08% of budget. Operating Expense is at 94.11% of budget. The actual condition at the end of June is a surplus of \$1,782,679.

Restricted Fund:

New Grant Budgets:

Energy Makers	<u>\$100,000</u>
TOTAL	\$100,000

Existing Grant Budgets:

Budget Clean Up for End of Year Roll	\$(473.03)
First Lego League Competition	10,024.27
Diversity for Equity Close-out	<u>(5, 114.74)</u>
TOTAL	\$4,436.50

Restricted revenue is at 83.67% of budget through the end of June. Non-operating revenue (Pell Grant) is at 75.00% of budget. Operating Expense is 81.57% of budget. The actual condition at the end of June is a surplus condition of \$96,178.

Please find the attached financial reports for the month of June.

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

As of June 28, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	23,336,797	22,166,414	21,645,412	97.65
	Student Activity Support Revenue	523,847	478,242	467,149	97.68
	Faculty Services Revenue	1,272,439	1,272,439	554,985	43.62
	Auxiliary Enterprise Revenue	0	0	50	
	Operating Costs Revenue	2,023,643	1,840,272	1,877,163	102.00
	Support Services Revenue	2,863,717	2,539,663	2,426,550	95.55
	Other Operating Revenues	225,293	225,293	130,334	57.85
	Total:	30,245,736	28,522,323	27,101,642	95.02
OPERATING EXPENSE					
	Salaries	24,182,136	24,106,898	23,049,825	95.62
	Benefits	5,874,558	6,096,017	5,509,513	90.38
	Student financial aid-scholarships	2,590,806	2,421,764	2,783,636	114.94
	Utilities	1,413,176	1,413,176	1,425,383	100.86
	Supplies and Other Services	6,556,455	6,273,888	6,938,110	110.59
	Equipment Expense	974,053	655,052	299,738	45.76
	Loan cancellations and write-offs	0	0	(7,487)	
	Fees retained by the Commission	185,560	185,560	179,875	96.94
	Assessment for Faculty Services	1,107,466	1,053,034	541,325	51.41
	Assessment for Support Services	184,200	366,656	396,014	108.01
	Assessment for Student Activity Costs	375,898	355,634	346,766	97.51
	Assessment for Operating Costs	160,976	100,486	86,677	86.26
	Total:	43,605,283	43,028,164	41,549,374	96.56
OPERATING INCOME / (LOSS)		(13,359,548)	(14,505,841)	(14,447,731)	99.60
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	15,850,298	15,842,394	15,842,394	100.00
	Gifts	0	2,000	2,000	100.00
	Investment Income	25,245	25,245	18,497	73.27
	Assessment for E&G Capital & Debt Service Costs	(2,344,608)	(2,143,380)	(2,082,813)	97.17
	Total:	13,530,935	13,726,259	13,780,078	100.39
TRANSFERS & OTHER					
	Capital Expenditures	(163,219)	(306,302)	(397,841)	129.89
	Construction Expenditures	0	0	37,030	
	Transfers for Debt Service	(64,986)	(64,986)	(64,958)	99.96
	Transfers for Financial Aid Match	0	(81,239)	0	0.00
	Indirect Cost Recoveries	3,240	1,885	2,122	112.57
	Transfers - Other	(37,150)	(6,370)	(12,704)	199.44
	Total:	(262,115)	(457,012)	(436,352)	95.48
BUDGET BALANCE		(90,727)	(1,236,594)	(1,104,006)	
Add: Estimated Unfilled Position Savings:			1,172,437		
ADJUSTED BUDGET BALANCE		(90,727)	(64,157)		
* Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		12,496,684	12,496,684		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>12,405,957</u>	<u>12,432,527</u>		

* Projected Unrestricted Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2014 in the amount of \$7,938,885.

Unrestricted Net Asset Balance is 29.04% of the current budget total operating expense.

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

As of June 28, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Tuition and Fees	958,321	1,481,979	1,502,426	101.38
	Other Operating Revenues	114,448	188,940	178,408	94.43
	Total:	1,072,769	1,670,920	1,680,833	100.59
OPERATING EXPENSE	Salaries	395,151	557,793	438,255	78.57
	Benefits	28,822	49,531	45,742	92.35
	Student financial aid-scholarships	7,110	20,110	19,329	96.12
	Utilities	4,500	4,500	2,719	60.41
	Supplies and Other Services	650,421	1,042,876	541,563	51.93
	Equipment Expense	215,834	229,834	145,436	63.28
	Loan cancellations and write-offs	0	0	2,111	
	Total:	1,301,837	1,904,644	1,195,155	62.75
OPERATING INCOME / (LOSS)		(229,068)	(233,724)	485,679	(207.80)
NONOPERATING REVENUE (EXPENSE)	Gifts	500	2,013	2,068	102.73
	Total:	500	2,013	2,068	102.73
TRANSFERS & OTHER	Capital Expenditures	0	0	(14,774)	
	Indirect Cost Recoveries	42,850	48,530	33,238	68.49
	Transfers - Other	37,150	37,150	42,984	115.70
	Total:	80,000	85,680	61,448	71.72
BUDGET BALANCE		(148,568)	(146,031)	549,195	
Add: Estimated Unfilled Position Savings:			52		
ADJUSTED BUDGET BALANCE		(148,568)	(145,979)		
Add: PROJECTED UNRESTRICTED NET ASSETS - Beginning of Year		872,259	872,259		
Less: USE OF RESERVE		0	0		
** Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>723,691</u>	<u>726,280</u>		

** Unrestricted Net Asset Balance is 45.80% of the current budget total operating expense.

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

As of June 28, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	7,353,554	7,320,816	7,187,269	98.18
	Auxiliary Fees & Debt Service Support Revenue	5,534,213	5,174,764	5,040,779	97.41
	Other Operating Revenues	259,438	235,339	258,572	109.87
	Total:	13,147,205	12,730,919	12,486,620	98.08
OPERATING EXPENSE	Salaries	2,870,495	2,484,820	2,475,550	99.63
	Benefits	642,596	587,117	483,140	82.29
	Student financial aid-scholarships	579,914	627,914	452,676	72.09
	Utilities	765,305	829,568	836,706	100.86
	Supplies and Other Services	2,967,296	3,198,110	2,944,753	92.08
	Equipment Expense	87,509	110,899	156,228	140.87
	Loan cancellations and write-offs	0	0	29,452	
	Assessment for Auxiliary Fees & Debt Service	0	0	(1,661)	
	Total:	7,913,115	7,838,427	7,376,843	94.11
OPERATING INCOME / (LOSS)		5,234,091	4,892,492	5,109,778	104.44
NONOPERATING REVENUE (EXPENSE)	Gifts	0	9,318	10,982	117.86
	Interest on capital asset related debt	(141,279)	(141,279)	(141,279)	100.00
	Total:	(141,279)	(131,961)	(130,297)	98.74
TRANSFERS & OTHER	Capital Expenditures	(135,936)	(95,209)	(48,085)	50.51
	Transfers for Debt Service	(3,162,116)	(3,162,116)	(3,160,174)	99.94
	Transfers for Financial Aid Match	(3,425)	(3,425)	0	0.00
	Transfers - Other	766	0	11,458	
	Total:	(3,300,711)	(3,260,749)	(3,196,802)	98.04
BUDGET BALANCE - Projected Transfer to Reserves		1,792,101	1,499,782	1,782,679	
* Add: PROJECTED NET ASSETS - Beginning of Year		<u>9,780,324</u>	<u>9,780,324</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>11,572,425</u>	<u>11,280,106</u>		

* Projected Net Assets - Beginning of Year is after adding back the projected OPEB liability at June 30, 2014 in the amount of \$943,130

* 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 28, 2015

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Federal Grants and Contracts	23,005,263	23,749,453	19,663,675	82.80
	State/Local Grants and Contracts	6,935,203	7,485,571	6,434,687	85.96
	Private Grants and Contracts	1,735,358	1,953,957	1,668,282	85.38
	Other Operating Revenue		6,274	6,328	100.85
	Total:	31,675,824	33,195,255	27,772,972	83.67
OPERATING EXPENSE					
	Salaries	547,237	1,144,755	704,541	61.55
	Benefits	67,230	153,286	96,322	62.84
	Student financial aid - scholarships	40,219,650	40,256,003	33,554,450	83.35
	Utilities	0	0	0	0.00
	Supplies and Other Services	780,086	1,393,652	685,507	49.19
	Equipment Expense	68,593	224,113	173,488	77.41
	Total:	41,682,796	43,171,809	35,214,308	81.57
OPERATING INCOME / (LOSS)		(10,006,972)	(9,976,554)	(7,441,337)	74.59
NONOPERATING REVENUE (EXPENSE)					
	Federal Pell Grant Revenues	10,000,000	10,000,000	7,499,684	75.00
	Gifts	2,307	2,307	2,307	100.00
	Investment Income	0	0	0	
	Total:	10,002,307	10,002,307	7,501,991	75.00
TRANSFERS & OTHER					
	Capital Expenditures	(17,403)	(16,451)	(13,501)	82.07
	Transfers for Fin Aid Match	84,663	84,663	84,664	100.00
	Indirect Cost Recoveries	(17,539)	(49,102)	(35,360)	72.01
	Transfers - Other		(280)	(280)	100.00
	Total:	49,721	18,830	35,524	188.66
BUDGET BALANCE		45,056	44,583	96,178	
* Add: RESTRICTED NET ASSETS - Beginning of Year		466,822	466,822		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>511,878</u>	<u>511,405</u>		

CAPITAL PROJECTS UPDATE
FY 2016

<i>Project</i>	<i>Project Budget</i>	<i>Encumbrances & Expenses</i>	<i>Available Project Budget</i>	<i>Project Update</i>
Parking Garage - Lighting Upgrade	\$ 55,000.00		\$ 55,000.00	Researching lighting options to provide better lighting and security in parking garage
Parking Garage - Maintenance	\$ 90,805.00	\$ 12,000.00	\$ 78,805.00	Power Washing to begin week of 7/28/15; Obtaining costs on caulking and painting strips
Falcon Center - Security Camera System	\$ 50,000.00		\$ 50,000.00	
Falcon Center - Duct Socks Replacement	\$ 90,000.00		\$ 90,000.00	Preparing bid documents to purchase new duct socks and clean current duct socks.
Falcon Center Pool Wall Repairs	\$ 39,250.00		\$ 39,250.00	
Falcon Center - Furniture	\$ 24,282.09	\$ 5,886.40	\$ 18,395.69	Furniture throughout Falcon Center will be assessed to see what needs to be replaced.
Falcon Center - Miscellaneous Projects	\$ 22,801.69		\$ 22,801.69	Various Projects within Falcon
Falcon Center Fitness Equipment	\$ 37,104.80		\$ 37,104.80	Fitness Equipment will be assessed to see what is in need of replacement or what additional equipment is needed.
Housing - Miscellaneous Projects	\$ 65,259.24		\$ 65,259.24	Various Projects within Housing
Housing - University Terrace - A&E	\$ 2,185,142.18	\$ 2,185,142.18	\$ -	
Housing - University Terrace - Construction	\$ 29,000,000.00	\$ 28,804,000.00	\$ 196,000.00	Removed unsuitable soil. Prepping for GeoPier work to begin. Some site utility work completed.
Housing - University Terrace - FF&E	\$ 1,000,000.00		\$ 1,000,000.00	Begin reviewing furniture for new facility

CAPITAL PROJECTS UPDATE

FY 2016

<i>Project</i>	<i>Project Budget</i>	<i>Encumbrances & Expenses</i>	<i>Available Project Budget</i>	<i>Project Update</i>
Campus - ADA Restrooms	\$ 10,078.90	\$ 10,078.90	\$ -	Renovating Women's 1st floor Restroom. Fixtures being installed.
Caperton Waterproofing	\$ 166,262.50	\$ 141,792.50	\$ 24,470.00	Finishing up soffit work. Brick and waterproofing complete.
Colebank Building HVAC	\$ 469,960.00	\$ 469,960.00	\$ -	Contract has been sent to Consortium (TIPS)
Education Building HVAC	\$ 488,580.00	\$ 488,580.00	\$ -	Contract has been sent to Consortium (TIPS)
Infrastructure - Camera Security System (Campuswide)	\$ 200,000.00	\$ -	\$ 200,000.00	
Infrastructure - Walkways	\$ 150,000.00	\$ 14,000.00	\$ 136,000.00	Received 50% design drawings for review.
Infrastructure - Signage	\$ 40,000.00	\$ -	\$ 40,000.00	Design has been sent to vendor to prepare scope of work and quote
Infrastructure - Paving	\$ 233,224.38	\$ 224,514.00	\$ 8,710.38	Proposals from 10 firms have been received. Committee reviewing.
Jaynes Hall - HVAC	\$ 200,000.00		\$ 200,000.00	A&E proposals received.
School House Museum Repairs	\$ 80,022.91	\$ 80,022.91	\$ -	Building is righted. Installing exterior siding.
Academic Fund	\$ 151,760.00	\$ 18,024.48	\$ 133,735.52	Various Academic Projects throughout the year. Carry-over from FY 15
Landscaping	\$ 152,766.79	\$ 932.89	\$ 151,833.90	Various Projects for FY 16 - Carry-over from FY 15
Small Projects	\$ 350,102.57	\$ 1,035.01	\$ 349,067.56	Various Projects for FY 16 - Carry-over from FY 15

Finance Committee Meeting

RE: University Terrace Construction Update

Date: 07/31/2015

- **RECAP:** On 6/26/15 the BOG approved the GeoPier installation to amend unsuitable soil. This change cost FSU \$595,388.00. Massaro mobilized onsite 7/6/15.
- A new DI (drop inlet) was installed at the base of the Practice field retaining wall. A 48” storm line was extended down the existing swale to bridge for the new access road.
- The water tie in for the new building service has been made and brought to the edge of the site.
- Power poles were set to provide temporary power to the site and job trailer.
- Over excavation of the pyrite & unsuitable debris were removed from the site.
- The borrow site, setup by Landscape Plus, failed testing and was deemed unsuitable by Thrasher. Contractor was forced to provide engineered fill to fill void.
- All three building pads are close to grade with the exception of Building 1 requiring additional fill after GeoPiers are installed.
- Rebar for foundations is onsite and began tying in preparation for install. Stored onsite.
- E&S (erosion and sediment) issues were addressed and control measures put in place.
- The plumber is onsite running some utilities that must be completed prior to install of GeoPiers, due to 5’ no dig zone.
- Majority of the structural steel for the project has been fabricated and is stored in warehouse outside of Pittsburgh waiting.
- Wet soil conditions were discovered at toe of future access road, additional 2’ cut, geogrid, and #1 stone was required to secure slope for future access road. This work was required to eliminate slip concern.
- Back on 5/18/15, an existing storm line was discussed at the North-west corner of the property. This storm line is active and must be tied back in. On 5/20/15, they attempted to relocate the storm line from Squibb Wilson per the contract. However, an existing electrical duct back restricted their access to reroute the line. Triad had to adjust and reroute the piping a different way. These two issues have been resolved and a number vetted. The cost to relocate the Squibb Wilson storm line is \$5,616.00. The cost to tie in the discovered storm line is \$21,298.00. The total approved cost for storm relocation is \$26,914.00. This work is necessary to keep storm water off the new buildings. Work was approved 7/23/2015 to move forward.
- GeoPier is scheduled to be onsite the week of July 27th to begin establishing piers. A GeoPier QCT (quality control technician) will be onsite as well as inspector from Thrasher and Triad while all GeoPier work proceeds.
- The contractor has been working five 10 hour days, and 8 hours on Saturdays to be prepared for GeoPiers arrival. This overtime comes at no cost to FSU- Massaro agreed to be ready by 7/27/15 and is doing what is necessary to ensure they meet this date.
- A revised RFCO #4 for schedule acceleration is due no later than August 6th.
- To date we have accepted 2 credits resulting in \$20,185. We still are researching or negotiating other credits including: elevator mods, transformer, stair treads, retaining wall block, precast trim and fiber.
- The 2,000 cubic yard (\$50,000) soil allowance has been spent. Landscape Plus owes FSU 1300 cubic yards of suitable fill.
- The 1,000 cubic yard (\$32,000) rock allowance has been used partially to cover geogrid and additional soil removal. To keep project moving.

Tab 3

**Fairmont State University
Board of Governors
August 20, 2015**

Item: FY 2017 Appropriation Submission

Committee: Committee of the Whole

Recommended Resolution: Be it resolved, that the Board of Governors recognize and approve Fairmont State’s submission requested by HEPC staff to provide the FY 2017 Appropriation Request including all funds of the institution and any future financial issues. Also be it resolved that the Board of Governors recognize that the Department of Revenue of the State of West Virginia is asking us to prepare for no increase to our state appropriation for FY 2017.

Staff Member: Debbie Stiles

Background: Annually prior to September 1, we are required to submit a state appropriation request through the Higher Education Policy Commission to the State Budget Office in the Department of Revenue.

We received instruction from the staff at HEPC on August 7, 2015 for information to be entered into OASIS by August 21, 2015. This request is attached.

On August 5, 2015 we received instruction from the Department of Revenue – State Budget Office which instructs us to submit our state appropriation for FY 2017 for no more than the FY 2016 base budget.

This request and our submission of the 2017 appropriation as instructed by the State, begins our 2017 budget planning process.

Also attached is a memorandum from President Rose to Chancellor Hill responding to his request to share any future financial issues that is faced by Fairmont State University. If this agenda item is approved, this memorandum will be forwarded to the Higher Education Policy Commission.



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



Bruce L. Berry, M.D.
Chair

Paul L. Hill, Ph.D.
Chancellor

1018 Kanawha Boulevard, East, Suite 700
Charleston, West Virginia 25301
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www.hepc.wvnet.edu
www.wvctcs.org

Clarence "Butch" Pennington
Chair

Sarah Armstrong Tucker
Interim Chancellor

MEMORANDUM

TO: Chief Financial Officers

FROM: Ed Magee

DATE: August 7, 2015

RE: FY 2017 Appropriation Request

The FY 2017 appropriation request instructions and forms are now posted on the West Virgini Budget Office's website: <http://www.budget.wv.gov/stateagencyforms/AR/Documents/ARI2017.pdf>

The FY 2017 budget appropriation request must be submitted in the wvOASIS system for no more than the FY 2016 base budget (less any onetime appropriations).

For FY 2017 some forms were rolled over in the system from the FY 2016 submission. The following list provides the status of each form used during the Appropriation Request process. If a form type was rolled over, search for an existing form to edit before adding a new form. If a form was rolled over and is no longer needed in FY 2017, you must delete the entire form.

- AR1 – Form was rolled over and all information retained. Must update the fields and text boxes as necessary
- AR2 – Form was deleted and will be created New.
- AR3 – Form was zeroed out. Budget lines and description boxes were retained and only require updating. Must provide prior year actuals, current year budgeted, and estimated receipts on the Budget Lines tab.
- AR4 – Form was deleted and will be created New.
- AR5 – Form was deleted and will be created New.
- AR8 – Form was zeroed out. Budget Lines and description boxes were retained and only require updating. Must provide estimated project cost for FY 2016-FY 2021.
- AR10 – Form was zeroed out. Budget lines and description boxes were retained and only require updating. Must provide prior year actuals, current year budgeted, and estimated program costs on the Budget Lines tab.
- AR12 – Form was zeroed out. Budget lines were retained and require updating.

Form AR1 – Division Account Summary - The AR1 budget form describes each department in terms of its major purpose, major objectives, long-range goals, the population served, the major services it provides, and any other pertinent information. Only one AR1 should be submitted for your entire department. Only modification of the existing form is required. See page 4 of the instructions. The AR1 has tabs for a Current Level Impact Statement, Future Financial Issues, and Document Attachments. The AR1 was rolled over and all information retained, but please update the fields and text boxes as necessary.

Current Level Impact Statement - For the Current-Level Impact Statement please explain fully what impact the 100% current level funding will have on your institution in FY 2017.

Future Financial Issues - If applicable to your institution, please describe briefly in a couple of sentences one or two major issues (\$1 million minimum) that should be considered and reviewed for financial impacts for FY 2018 - FY 2021. This information is not being collected for budget improvement requests, but for a better understanding of the major issues that may negatively impact your institution. Include any financial issues (positive or negative), legislation or legal issues that need to be brought to the table for discussion and possible inclusion in the Governor’s “Six Year Financial Plan.”

Document Attachments – Please provide a list of appropriations currently budgeted by your department and a brief description (2–3 sentences) of the purpose of the appropriation. This is for specific programs/projects and not for purely administrative functions. Please see page 5.

Form AR2 – Division Account Summary - This form is a summary of each FY 2017 institution including all funds used by the institution. Please refer to page 5 of the appropriation request instructions for information on how to complete Form AR2. The AR2 may be completed at the detailed chart of accounts level, including sub fund and sub object. If an institution chooses not to budget at the detailed chart of accounts level, a default value of “0” may be used. Last year’s form was deleted and this form must be created new. Please refer to page 3 for the employee benefits guideline.

Form AR3 – Schedule of Federal Funds for Each Grant - The Budget Office has requested that each institution complete these forms for all federal funds that have been or are expected to be received. Only one (1) form is required for each program, even if the program provides funds for more than one unit. If using acronyms in your submission, please define them on the List of Acronyms tab. Please refer to page 7 of the appropriation request instructions for information on how to complete Form AR3. Last year’s form was zeroed out. Budget lines and description boxes were retained and only require updating. Must provide prior year actuals, current year budgeted, and estimated receipts on the Budget Lines tab.

Form AR8 – Capital Expenditure Projects - For FY 2017, the OASIS system will again be used to enter requests for capital projects. Please refer to page 10 of the appropriation request instructions for information on how to complete Form AR8. Last year’s form was zeroed out. The budget lines and description boxes were retained and only require updating. The estimated

project cost must be provided for FY 2016 - FY 2021. A separate form must be completed for each project with a total cost of \$100,000 or more. The AR8 will be used to prioritize institutional capital requests. In the priority field, please use the following coding format to provide additional capital project information:

Institutional Priority

Numeric whole number beginning with 001

Category

- A: Instructional Space
- B: Library, computer, communications and other academic infrastructure
- C: Research Facilities and Equipment
- D: Physical education and ancillary service facilities
- E: Administrative support services and physical plant improvements
- F: Campus utility and major infrastructure
- G: Auxiliary, parking, athletic and recreation facilities

Project Class

- 1: life safety and ADA
- 2: deferred maintenance
- 3: building and campus renewal or renovation
- 4: new buildings and facilities

Funding Status

- 1: new request
- 2: supplemental funding request
- 3: funded and underway

Project Status

- 1: preliminary planning stage
- 2: project under design by Architect/Engineer
- 3: out to bid or under construction

Master Plan

- Y: Yes
- N: No

OASIS Priority examples:

Priority Category Project Class Funding Status Project Status Master Plan
001A212Y (priority 1, instructional space, deferred maintenance, new request, project under design by Architect/engineer, included in master plan)
002C111Y (priority 2, research facilities and equipment, life safety and ADA, new request, preliminary planning stage, included in master plan)

Form AR12 – Revenue Funds Estimate - This form is a summary of the anticipated quarterly revenue by revenue source for each fund that collects revenue. Please refer to page 14 of the appropriation request instructions for information on how to complete Form AR12.

Conclusion

The submission deadline to the Budget Office for the consolidated appropriation request is September 1, 2015. No submission extensions will be granted. Your forms need to be entered into OASIS by August 21st. Please contact Patty Miller at 304-558-0281 for questions or problems with the AR2, AR3, and AR12 forms. Please contact Rich Donovan at 304-558-0281 (donovan@hepc.wvnet.edu) for questions or problems with the Community and Technical College AR8 forms. Four year institutions should contact Jim King at 304-558-0281 (jking@hepc.wvnet.edu) for questions or problems with the AR8 forms.

**Fairmont State University
Board of Governors
August 20, 2015**

Item: Capital Appropriation Request for FY 2017

Committee: Committee of the Whole

Recommended Resolution: Be it resolved, that the Board of Governors approve the attached updated E&G Capital Appropriation Request, for the University.

Staff Member: Debbie Stiles

Background: Annually prior to September 1st we are required to submit our capital project priorities that have a relation to the campus master plan and for which we request funding, we plan to fund, and/or the projects have been funded and are in-progress.

This prioritized list is evaluated by HEPC (CTCC) staff and is awarded a state wide HEPC (CTCC) prioritized projects list for funding based on the following categories:

- Code compliance projects receive the highest priority.
- Re-roofing and building envelope projects are the second highest priority.
- HVAC and energy and utility improvements are the third highest priority.
- Building and campus renewal (renovation) projects.
- New Buildings

There is no guarantee that the list being submitted will receive funding.

Please note: The University and Community and Technical College are required to submit separate and unduplicated projects to the HEPC (CTCC) staff, however, our Separation of Assets Agreement requires us to be jointly responsible for all co-owned Education and General buildings. Therefore, the submissions on behalf of each institution are being reviewed by both institution's governing boards.

Please find attached recommended prioritized lists for both institutions.

Fairmont State University			
Capital Project Appropriation Request			
FY 2017			
Priority	Project	Project Cost	Category
1	New Facility Student Housing Apartments (Demolition of Existing)	\$ 35,000,000	New buildings and facilities
2	Colebank Hall HVAC & Temperature Control Systems	\$ 469,000	Deferred maintenance
3	Education Building HVAC Unit Replacements (3 Units) & Temperature Controls	\$ 490,000	Deferred maintenance
4	Infrastructure Parking Lot Paving (Spread over 5 Years)	\$ 1,000,000	Deferred maintenance
5	Jaynes Hall HVAC & Temperature Controls	\$ 2,000,000	Deferred maintenance
6	Campus Wide - Camera Security System	\$ 450,000	Life safety and ADA
7	Facilities - Campus Security/Parking Office Expansion	\$ 160,000	Building and campus renewal or renovation
8	Merchant Street - Infrastructure - Sidewalk Repairs	\$ 150,000	Life safety and ADA
9	Education Building Elevator Upgrades	\$ 135,000	Life safety and ADA
10	Hardway Hall Roof Renewal & Waterproofing	\$ 640,000	Deferred maintenance
11	Turley Center Roof Renewal	\$ 400,000	Deferred maintenance
12	Jaynes Hall - Painting Interior	\$ 260,000	Deferred maintenance
13	Musick Library Multi-Media Seating Renovations (Seating Replacement)	\$ 200,000	Life safety and ADA
14	Musick Library HVAC AHU #1 Replacement	\$ 200,000	Deferred maintenance
15	Musick Library Roof Renewal	\$ 450,000	Deferred maintenance
16	Jaynes Hall - Entrance Doors Replacement	\$ 170,000	Life safety and ADA
17	Jaynes Hall Fire Alarm System Upgrade	\$ 500,000	Life safety and ADA
18	Infrastructure - Education Building South West Corner - Replace & Repair Surrounding Area	\$ 150,000	Life safety and ADA
19	Education Building - Fire Suppression Upgrade	\$ 490,000	Life safety and ADA
20	Falcon Center Elevator Addition	\$ 180,000	Life safety and ADA
21	Kiln Building Building Replacement	\$ 250,000	Building and campus renewal or renovation
22	Merchant Street Sprinkler System	\$ 200,000	Life safety and ADA

Note: Highlighted Projects indicate projects added to Capital Appropriations Requests this year.

Fairmont State University			
Capital Project Appropriation Request			
FY 2017			
Priority	Project	Project Cost	Category
23	Parking Garage Elevator Addition	\$ 300,000	Life safety and ADA
24	Wallman Hall Roof Renewal	\$ 300,000	Deferred maintenance
25	Hunt Haught Hall - HVAC AHU #1 & Chiller Replacement	\$ 400,000	Deferred maintenance
26	Jaynes Hall - Elevator Upgrade	\$ 150,000	Life safety and ADA
27	Merchant Street - Elevator Upgrade	\$ 150,000	Life safety and ADA
28	Merchant Street Fire Alarm Upgrade	\$ 100,000	Life safety and ADA
29	Musick Library Elevator Upgrades	\$ 150,000	Life safety and ADA
30	Physical Plant - Replace Windows	\$ 100,000	Deferred maintenance
31	Colebank Hall Exterior Cleaning & Waterproofing	\$ 300,000	Deferred maintenance
32	Feaster Center HVAC Upgrades (Lobby)	\$ 250,000	Deferred maintenance
33	Feaster Center Windows & Doors	\$ 200,000	Deferred maintenance
34	Colebank Hall - Ceiling Acoustic Panels	\$ 150,000	Deferred maintenance
35	Colebank Hall - Replace Membrane Roof	\$ 150,000	Deferred maintenance
36	Colebank Hall Elevator Upgrades	\$ 125,000	Life safety and ADA
37	Hardway Hall Elevator Upgrade	\$ 100,000	Life safety and ADA
38	Jaynes Hall Windows	\$ 610,000	Deferred maintenance
39	Merchant Street Roof Renewal	\$ 300,000	Deferred maintenance
40	Engineering Technology Building - Replace 1st & 2nd Floor Windows	\$ 10,000	Deferred maintenance
41	Physical Plant Annex - Roof Renewal	\$ 100,000	Deferred maintenance
42	Hunt Haught Hall Roof Renewal	\$ 500,000	Deferred maintenance
43	Colebank Hall - Boiler	\$ 150,000	Deferred maintenance
44	Jaynes Hall Exterior Cleaning & Waterproofing	\$ 370,000	Deferred maintenance

Note: Highlighted Projects indicate projects added to Capital Appropriation Requests this year.

Fairmont State University			
Capital Project Appropriation Request			
FY 2017			
<i>Priority</i>	<i>Project</i>	<i>Project Cost</i>	<i>Category</i>
45	Merchant Street Air Handler & Controls	\$ 700,000	Deferred maintenance
46	Musick Library - Chiller Replacement - North Elevation	\$ 300,000	Deferred maintenance
47	Infrastructure Development South of Locust Avenue (Drainage)	\$ 1,000,000	Building and campus renewal or renovation
48	Musick Library Exterior Cleaning & Waterproofing	\$ 300,000	Deferred maintenance
49	Morrow Hall Renovations	\$ 10,375,859	Building and campus renewal or renovation
50	Morrow Hall Roof Renewal	\$ 450,000	Deferred maintenance
51	Pence Hall Renovations	\$ 7,272,292	Building and campus renewal or renovation
52	Pence Hall Roof Renewal	\$ 250,000	Deferred maintenance
53	Prichard Hall Renovations	\$ 8,864,022	Building and campus renewal or renovation

Note: Highlighted Projects indicate projects added to Capital Appropriation Requests this year.



Office of the President

*1201 Locust Avenue
Fairmont, West Virginia 26554
Phone: (304)367-4151
Fax: (304)367-4580
Maria.Rose@fairmontstate.edu*

TO: Dr. Paul Hill
Chancellor
West Virginia Higher Education Policy Commission

FROM: Dr. Maria Rose
President
Fairmont State University

SUBJECT: Future Financial Issue(s)

DATE: August 21, 2015

As requested in the memorandum from Ed Magee to the Chief Financial Officers dated August 7, 2015 please find below our future financial issues that may impact Fairmont State University negatively.

- Fairmont State University and Pierpont Community & Technical College continue to separate services while still remaining on the co-located campus. Duplicating services has a cost associated with it and continues to impact Fairmont State University's budget. Specifically, Pierpont is in the process of setting up a separate student database. Even though Fairmont State University recognizes the need for the initiative, it may have significant costs in systems duplications, staff duplications, and operating budget duplications. The database split is just one additional cost that might be incurred by Fairmont State University as additional separation occurs; it is uncertain what additional separation initiatives might be implemented in the future, so the cost is unknown.
- Senate Bill 439 implementation requires creation of a new classified staff pay scale that could result in a costly unfunded mandate. Fairmont State University has worked hard to be in compliance with the current Mercer Scale, but we have concerns that we will be able to fund a new classified pay scale within the confines of our current budget. Fairmont State University asks that the state consider the financial impact of this potentially unfunded mandate.

Dr. Paul Hill
Chancellor
West Virginia Higher Education Policy Commission
Page 2 of 2
August 21, 2015

- Fairmont State University has a number of aging buildings as was pointed out in the Sightlines study conducted by HEPC. The Sightlines study indicated that Fairmont State would need an annual investment target of 5.4 million dollars in order to maintain buildings on the Fairmont State campus. The maintenance of these buildings is very critical; however, funding these maintenance issues is quite a challenge. Each year that the buildings age creates the possibility of additional maintenance costs. Without funding support from the legislature, it will be impossible for Fairmont State to perform all the maintenance required for these aging buildings.

cc: Fairmont State University Board of Governors

Tab 4

**Fairmont State University
Board of Governors
August 20, 2015**

Item: Falcon Center Façade Items

Committee: Committee of the Whole

Recommended Resolution: Be it resolved, that the Board of Governors approve the attached items, for the University.

Staff Member: Debbie Stiles

Background: Façade issues have been investigated at Falcon Center. This building is 10 years old and is requiring some waterproofing and restoration work to the façade.

Phase 1, includes stopping water from entering the south wall cavity. Water is penetrating at the stone coping and causing deterioration to the brick face and mortar. It is recommended that this work proceed immediately and prior to winter to eliminate more damage to the wall. The scope includes:

- Deep wash of precast coping to remove algae and staining
- Install new sealants and water repellent
- Install secondary seal system at head joints
- Repair water leak at window frame and metal sill.

This work is proposed at \$24,900 by Keystone Waterproofing. Recommend awarding and proceeding with work immediately. Budget available.

Once the water infiltration is stopped, the wall cavity requires time to wick the remaining moisture out of the wall. It is important to not trap this moisture within the wall. Phase 2, includes the following scope:

- Remove the efflorescence (white crystalline build up from water penetration into wall cavity)
- Repoint all masonry joints on south elevation. Left and Right of main first floor entrance.
- Repair structural cracks in brick face.
- Install new caulking
- Apply weather repellent and clear sealer to all exterior brick, south elevation.

The South-west elevation (left of main first floor entrance) is in very poor condition. The cost for this section is estimated at \$50,000. The South-

east elevation (right of main first floor entrance) is also in poor condition but not as extensive. The cost for this section is estimated at \$18,976. The total cost of the proposed Phase II is \$68,976.

Another façade issue at Falcon Center is the large entry columns. These columns are beginning to show rust and other aging. The scope of work would include:

- Prepping and painting the steel structure of the columns.
- Repairing of “nail pops” in large vertical columns.
- Painting of large vertical columns.

This work is proposed at \$36,997 by AJ Vater & Co., INC.

This work listed above is necessary to maintain the condition of the Falcon Center. Budget is available to complete all items estimated at a grand total of \$130,873.

Phase II of the waterproofing and the entry column work is required to be bid out. Recommend moving forward with Phase I waterproofing immediately by awarding to Keystone. Recommend bidding out remaining work to proceed.



Masonry Restoration Experts

584 Feightner Road
Greensburg, PA 15601

www.keystonewp.com

724-834-2040
800-888-5924
Fax 724-834-2836

June 16, 2015

Stephanie Slaubaugh
Fairmont State University
Physical Plant
1201 Locust Avenue
Fairmont WV 26554

RE: Falcon Center
Precast Coping Maintenance

We propose to furnish all supervision, labor, materials, scaffolding and equipment for the following proposed work:

See photo 1 for work areas

Pressure wash, using waer only, all exterior precast coping stones and column caps at areas highlighted in yellow on photo 1 to remove all loose dirt and algae from surfaces as prep for application of sealants and water repellents.

Apply Silicone caulking compound to all exterior bed and head joints of precast coping stones and column caps within the yellow work areas. Before applying, existing joints will be cut out as needed, and cleaned free from dirt, grease, etc. to make a sure bond. Bond breaker tape or backer rod will be installed as needed. All joints will be caulked by the gun method using a nozzle of proper size to correspond to the width of the joint.

As a secondary seal, we will install Dow Corning 123 silicone strips at all head joints of coping stones and column caps within the yellow work areas.

Apply SK Weather Seal Blok-Guard & Graffiti Control II water repellent to all exterior precast coping stones and column caps within the yellow work areas. When surfaces are dry, we will brush or spray on (1) one heavy coat of non -staining transparent sealer.

Apply Dow Corning 123 strip to joint between window frame and metal sill at area shown in red on photo 1 and lap joints of metal sill at same area.

Terms and Conditions

INSURANCE

Contractor agrees to carry Worker's Compensation in a coverage of \$500,000.00 and Public Liability, Bodily Injury and Property Damage Insurance in a coverage amount of \$1,000,000.00.

UTILITIES, SAFETY REGULATIONS, PERMITS, ETC.

At Owner's sole expense, Owner shall provide all water and electricity for Contractor; take all actions necessary to comply with any federal, state, local or other safety rules or regulations; secure all rights of way, permits, licenses, and roadways, of any nature, if any, from local or state governing bodies and surrounding land owners; be responsible for any taxes to which the structure may be subject. Without any of the foregoing, Owner shall be responsible for all associated costs involved, if any, in covering, shutting off, and/or relocating power lines, poles, transformers (etc.) as needed for Contractor to perform the work in accordance with OSHA rules and regulations.

HAZARDOUS MATERIALS

The term "Hazardous Materials" as used herein shall mean asbestos, lead-based paint and any other substance which is now or hereafter regulated by any Hazardous Materials Laws, including without limitation the Resource Conservation and Recovery Act, the Comprehensive Environment Response Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act and the Clean Water Act. Owner hereby agrees to defend, indemnify and hold Contractor harmless from and against any and all losses, claims and damages arising directly or indirectly from (i) the presence of or the escape, seepage, leakage, spillage, discharge, emission or release from or on to the project site of any Hazardous Materials, or (ii) Owner's violation of or failure to comply with any Hazardous Materials Laws. Unless otherwise specifically set forth in this Contract, it is understood and agreed that: (i) this Contract and the Contract price are conditioned and contingent upon the non-existence of Hazardous Materials on or about the project site, and (ii) Owner shall be solely responsible for any Hazardous Materials uncovered or revealed at the project site and for the compliance with applicable Hazardous Materials Laws with respect to any such Hazardous Materials. In the event that any Hazardous Materials are uncovered or revealed, Contractor shall have the right to immediately stop all work which Contractor deems to be affected thereby, and not resume any such work unless and until Owner has provided Contractor with satisfactory written evidence or Owners removal, abatement or other remediation of such Hazardous Materials in compliance with all applicable Hazardous Materials Laws. The Contractor shall be entitled to reasonable adjustments in the contract price and the time to complete the work caused by the presence of Hazardous Materials on the project site.

AGREEMENT OF ARBITRATION

The parties hereto agree that any claim between the parties involving rights and obligations arising under the terms of this Contract is subject to arbitration. The arbitration shall be decided by the office of the American Arbitration Association (AAA) in Pittsburgh, Pennsylvania, and shall be conducted in accordance with the AAA's Construction Industry Arbitration Rules in effect at the time the demand for arbitration is made, and the parties hereto specifically agree to apply the Fast Track procedures of said rules where no party's disclosed claim or counterclaim exceeds \$50,000. Claims shall be decided by three arbitrators except those subject to the Fast Track procedures, which shall be decided by a single arbitrator. Arbitrators shall be selected in accordance with the AAA's rules.

All arbitration hearings conducted under this Contract and all judicial proceedings to enforce any provision of this Contract shall take place in Adams County, Pennsylvania.

The costs and expenses of arbitration, including the fees of the arbitrators, shall be paid by the unsuccessful party or by both parties in the proportions determined by the arbitrators in their award.

During the pendency of the resolution of any claim whether submitted to arbitration or otherwise, Owner shall continue to submit all payments mandated by this Contract to Contractor irrespective of Owner's claims or defenses.

INSURANCE CLAIMS BY OWNER

In the event that damage is caused to the subject premises, or other property, Owner shall immediately notify Contractor by written instrument of said damage. Upon assessment, Contractor shall respond to said notification. Any dispute or claim arising out of or in any way related to damage to the subject premises or any other property, or Contractor's response to notification, shall be submitted to arbitration as provided for in this Contract. Owner shall not be relieved of any obligation pursuant to this Contract during the pendency of a claim hereunder, including the continuation of payment. Failure to make payment as is provided in this Contract during the pendency of a claim pursuant to this paragraph shall constitute a breach thereof.

INVOICING AND PAYMENT BY OWNER

Contractor will invoice Owner monthly as job progresses with payment due within the (10) days of the date of invoice. In the event that full invoice payment is not made within the ten (10) days period, Contractor may cease and terminate all work in progress and remove all equipment and supplies from the project site. The Owner shall defend indemnify and hold harmless Contractor of any and all claims, actions or damages in any way related to the cessation and/or termination of work, including but not limited to, damage to the project site or improvements thereon. Final invoice will be sent upon completion of job and shall become due and payable within fifteen (15) days from the invoice date.

REMEDIES UPON THE FAILURE TO MAKE TIMELY PAYMENT

Notwithstanding anything herein to the contrary, in the event Owner fails to submit timely payment in full as required by the Contract, Contractor shall be entitled to all of the rights and remedies (including but not limited to interest, penalties and attorney fees) set forth in the Pennsylvania Contractor and Subcontractor Payment act, 73 P.S. § 501 et seq. This paragraph shall apply whether or not the work is performed on premises located within the Commonwealth of Pennsylvania.

CHOICE OF LAW, FORUM, AND JURISDICTION

This Contract, and all rights and obligations of the contracting parties, shall be governed by the laws of the Commonwealth of Pennsylvania. Contract becomes binding upon final execution by the President or C.E.O. of Keystone Waterproofing, Inc. The parties agree that any dispute, controversy or claim arising under or in connection with this Contract or its performance by either party shall be exclusively made, maintained or defended in the Commonwealth of Pennsylvania and County of Adams. To the extent that any such dispute, controversy, or claim is not subject to arbitration, each party hereby submits to the personal jurisdiction of the state court sitting in Adams County, waives any objection to the personal jurisdiction of said court and agrees that it shall be barred from asserting any such objection. Each party hereby agrees to and does hereby waive any right to assert or move for transfer of venue to any court outside Adams County, Pennsylvania, based upon the doctrine of forum non conveniens or otherwise.

ENTIRE AGREEMENT

This writing contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written representation, understandings, promises or agreements which are not included herein.

Contractor will use every precaution to protect the public and adjacent property. Any changes or additions not in specifications or contract will be quoted in addition to this work. All work will be done in a neat workmanlike manner with 100% cooperation. Bid proposal is based on using our contract or AIA form #A401 unmodified.

Additional terms and conditions of this contract are incorporated herein and the same has been reviewed by the signatory. Please sign both copies and return to the above address along with a 20% deposit payment. A copy of the fully executed contract will be returned to the addressee.

ACCEPTED BY:

TOTAL COST: \$24,900.00

Owner or Representative DATE

DM 6-16-15
Submitted: David Matsko DATE

Approved By: John Thiry (President) DATE

This bid, when signed by Owner or Owner's representative, shall be submitted to an officer of Keystone Waterproofing, Inc. for final approval, and the terms of this bid will not be binding on Keystone Waterproofing, Inc. until approved in writing by an officer of Keystone Waterproofing, Inc.

At job completion, all debris, excess material and equipment will be removed from the jobsite.

Telephone: Business: 304-367-4401

Attachment: Photo 1

DM/er

Please visit our website at
www.keystonewp.com

Masonry Restoration Experts

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Greensburg, PA 15601

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724-834-2040
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Fax 724-834-2836

June 16, 2015

Stephanie Slaubaugh
Fairmont State University
Physical Plant
1201 Locust Avenue
Fairmont WV 26554

RE: Falcon Center
Left Side Masonry Restoration

We propose to furnish all supervision, labor, materials, scaffolding and equipment for the following proposed work:

See photo 2 for work area

Chemically remove efflorescence stains from exterior masonry walls within the left side work areas shown on photo 2. Note: 100% removal may not be achieved and reoccurrence may happen requiring additional treatments not included in this proposal.

Repoint 100% of all masonry joints above grade of exterior brick walls and columns within the left side work area shown on photo 2. All vertical and horizontal joints and structural cracks in the specified elevations will be raked or cut approximately 1/2" deep by hand or mechanical method for repointing. The cut joints will be brushed clean, saturated with water, then repointed with rich mortar cement and finished straight and true with a hard, smooth surface. After areas have set, all mortar stains will be removed with a masonry cleaning solution and water.

Apply Silicone caulking compound to all exterior joints within the left side work area shown on photo 2 as follows:

1. Perimeters of all door and window frames.
2. Vertical control joints.
3. Head and bed joints of window sills.

Before applying, existing joints will be cut out as needed, and cleaned free from dirt, grease, etc. to make a sure bond. Bond breaker tape or backer rod will be installed as needed. All joints will be caulked by the gun method using a nozzle of proper size to correspond to the width of the joint.

Terms and Conditions

INSURANCE

Contractor agrees to carry Worker's Compensation in a coverage of \$500,000.00 and Public Liability, Bodily Injury and Property Damage Insurance in a coverage amount of \$1,000,000.00.

UTILITIES, SAFETY REGULATIONS, PERMITS, ETC.

At Owner's sole expense, Owner shall provide all water and electricity for Contractor; take all actions necessary to comply with any federal, state, local or other safety rules or regulations; secure all rights of way, permits, licenses, and roadways, of any nature, if any, from local or state governing bodies and surrounding land owners; be responsible for any taxes to which the structure may be subject. Without any of the foregoing, Owner shall be responsible for all associated costs involved, if any, in covering, shutting off, and/or relocating power lines, poles, transformers (etc.) as needed for Contractor to perform the work in accordance with OSHA rules and regulations.

HAZARDOUS MATERIALS

The term "Hazardous Materials" as used herein shall mean asbestos, lead-based paint and any other substance which is now or hereafter regulated by any Hazardous Materials Laws, including without limitation the Resource Conservation and Recovery Act, the Comprehensive Environment Response Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act and the Clean Water Act. Owner hereby agrees to defend, indemnify and hold Contractor harmless from and against any and all losses, claims and damages arising directly or indirectly from (i) the presence of or the escape, seepage, leakage, spillage, discharge, emission or release from or on to the project site of any Hazardous Materials, or (ii) Owner's violation of or failure to comply with any Hazardous Materials Laws. Unless otherwise specifically set forth in this Contract, it is understood and agreed that: (i) this Contract and the Contract price are conditioned and contingent upon the non-existence of Hazardous Materials on or about the project site, and (ii) Owner shall be solely responsible for any Hazardous Materials uncovered or revealed at the project site and for the compliance with applicable Hazardous Materials Laws with respect to any such Hazardous Materials. In the event that any Hazardous Materials are uncovered or revealed, Contractor shall have the right to immediately stop all work which Contractor deems to be affected thereby, and not resume any such work unless and until Owner has provided Contractor with satisfactory written evidence or Owners removal, abatement or other remediation of such Hazardous Materials in compliance with all applicable Hazardous Materials Laws. The Contractor shall be entitled to reasonable adjustments in the contract price and the time to complete the work caused by the presence of Hazardous Materials on the project site.

AGREEMENT OF ARBITRATION

The parties hereto agree that any claim between the parties involving rights and obligations arising under the terms of this Contract is subject to arbitration. The arbitration shall be decided by the office of the American Arbitration Association (AAA) in Pittsburgh, Pennsylvania, and shall be conducted in accordance with the AAA's, Construction Industry Arbitration Rules in effect at the time the demand for arbitration is made, and the parties hereto specifically agree to apply the Fast Track procedures of said rules where no party's disclosed claim or counterclaim exceeds \$50,000. Claims shall be decided by three arbitrators except those subject to the Fast Track procedures, which shall be decided by a single arbitrator. Arbitrators shall be selected in accordance with the AAA's rules.

All arbitration hearings conducted under this Contract and all judicial proceedings to enforce any provision of this Contract shall take place in Adams County, Pennsylvania.

The costs and expenses of arbitration, including the fees of the arbitrators, shall be paid by the unsuccessful party or by both parties in the proportions determined by the arbitrators in their award.

During the pendency of the resolution of any claim whether submitted to arbitration or otherwise, Owner shall continue to submit all payments mandated by this Contract to Contractor irrespective of Owner's claims or defenses.

INSURANCE CLAIMS BY OWNER

In the event that damage is caused to the subject premises, or other property, Owner shall immediately notify Contractor by written instrument of said damage. Upon assessment, Contractor shall respond to said notification. Any dispute or claim arising out of or in any way related to damage to the subject, premises or any other property, or Contractor's response to notification, shall be submitted to arbitration as provided for in this Contract. Owner shall not be relieved of any obligation pursuant to this Contract during the pendency of a claim hereunder, including the continuation of payment. Failure to make payment as is provided in this Contract during the pendency of a claim pursuant to this paragraph shall constitute a breach thereof.

INVOICING AND PAYMENT BY OWNER

Contractor will invoice Owner monthly as job progresses with payment due within the (10) days of the date of invoice. In the event that full invoice payment is not made within the ten (10) days period, Contractor may cease and terminate all work in progress and remove all equipment and supplies from the project site. The Owner shall defend indemnify and hold harmless Contractor of any and all claims, actions or damages in any way related to the cessation and/or termination of work, including but not limited to, damage to the project site or improvements thereon. Final invoice will be sent upon completion of job and shall become due and payable within fifteen (15) days from the invoice date.

REMEDIES UPON THE FAILURE TO MAKE TIMELY PAYMENT

Notwithstanding anything herein to the contrary, in the event Owner fails to submit timely payment in full as required by the Contract, Contractor shall be entitled to all of the rights and remedies (including but not limited to interest, penalties and attorney fees) set forth in the Pennsylvania Contractor and Subcontractor Payment act, 73 P.S. § 501 et seq. This paragraph shall apply whether or not the work is performed on premises located within the Commonwealth of Pennsylvania.

CHOICE OF LAW, FORUM, AND JURISDICTION

This Contract, and all rights and obligations of the contracting parties, shall be governed by the laws of the Commonwealth of Pennsylvania. Contract becomes binding upon final execution by the President or C.E.O. of Keystone Waterproofing, Inc. The parties agree that any dispute, controversy or claim arising under or in connection with this Contract or its performance by either party shall be exclusively made, maintained or defended in the Commonwealth of Pennsylvania and County of Adams. To the extent that any such dispute, controversy, or claim is not subject to arbitration, each party hereby submits to the personal jurisdiction of the state court sitting in Adams County, waives any objection to the personal jurisdiction of said court and agrees that it shall be barred from asserting any such objection. Each party hereby agrees to and does hereby waive any right to assert or move for transfer of venue to any court outside Adams County, Pennsylvania, based upon the doctrine of forum non conveniens or otherwise.

ENTIRE AGREEMENT

This writing contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written representation, understandings, promises or agreements which are not included herein.

Apply SK Weather Seal Blok-Guard & Graffiti Control II water repellent to all exterior brick and precast sills within the left side work areas on photo 2. When surfaces are dry, we will brush or spray (1) one coat of non-staining transparent sealer.

NOTE: This bid is good only if the precast coping maintenance is performed prior to this contract.

Contractor will use every precaution to protect the public and adjacent property. Any changes or additions not in specifications or contract will be quoted in addition to this work. All work will be done in a neat workmanlike manner with 100% cooperation. Bid proposal is based on using our contract or AIA form #A401 unmodified.

Additional terms and conditions of this contract are incorporated herein and the same has been reviewed by the signatory. Please sign both copies and return to the above address along with a 20% deposit payment. A copy of the fully executed contract will be returned to the addressee.

ACCEPTED BY:

LEFT SIDE BUDGET: \$50,000.00

Owner or Representative DATE

DM 6-16-15
Submitted: David Matsko DATE

Approved By: John Thiry (President) DATE

This bid, when signed by Owner or Owner's representative, shall be submitted to an officer of Keystone Waterproofing, Inc. for final approval, and the terms of this bid will not be binding on Keystone Waterproofing, Inc. until approved in writing by an officer of Keystone Waterproofing, Inc.

At job completion, all debris, excess material and equipment will be removed from the jobsite.

Telephone: Business: 304-367-4401

Attachment: Photo 2

DM/er



Masonry Restoration Experts

584 Feightner Road
Greensburg, PA 15601

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724-834-2040
800-888-5924
Fax 724-834-2836

June 16, 2015

Stephanie Slaubaugh
Fairmont State University
Physical Plant
1201 Locust Avenue
Fairmont WV 26554

RE: Falcon Center
Right Side Masonry Restoration

We propose to furnish all supervision, labor, materials, scaffolding and equipment for the following proposed work:

See photo 2 for work area

Chemically remove efflorescence stains from exterior masonry walls within the **right side** work area shown on photo 2. Note: 100% removal may not be achieved and reoccurrence may happen requiring additional treatments not included in this proposal.

Repoint all defective masonry joints above grade of exterior brick walls and columns within the right side work area shown on photo 2. All the specified masonry areas shall have all their vertical and horizontal joints visually inspected by experienced mechanics and the joints found missing, and/or open holes, and/or any structural cracks shall be repointed with rich mortar cement. The new joints shall be composed of fine sand, mortar and a bonding agent if required. Integral waterproofing agents shall be blended into the design mix as required for the particular application. The joints shall be cut or prepared as is necessary to promote proper bondage and the new joints shall be colored or "toned" to match the existing work as closely as possible. Mortar smears from our work will be washed down using a masonry cleaning solution.

Apply Silicone caulking compound to all exterior joints within the right side work area shown on photo 2 as follows:

1. Perimeters of all door and window frames.
2. Vertical control joints.
3. Head and bed joints of window sills.

Before applying, existing joints will be cut out as needed, and cleaned free from dirt, grease, etc. to make a sure bond. Bond breaker tape or backer rod will be installed as needed. All joints will be caulked by the gun method using a nozzle of proper size to correspond to the width of the joint.

Terms and Conditions

INSURANCE

Contractor agrees to carry Worker's Compensation in a coverage of \$500,000.00 and Public Liability, Bodily Injury and Property Damage Insurance in a coverage amount of \$1,000,000.00.

UTILITIES, SAFETY REGULATIONS, PERMITS, ETC.

At Owner's sole expense, Owner shall provide all water and electricity for Contractor; take all actions necessary to comply with any federal, state, local or other safety rules or regulations; secure all rights of way, permits, licenses, and roadways, of any nature, if any, from local or state governing bodies and surrounding land owners; be responsible for any taxes to which the structure may be subject. Without any of the foregoing, Owner shall be responsible for all associated costs involved, if any, in covering, shutting off, and/or relocating power lines, poles, transformers (etc.) as needed for Contractor to perform the work in accordance with OSHA rules and regulations.

HAZARDOUS MATERIALS

The term "Hazardous Materials" as used herein shall mean asbestos, lead-based paint and any other substance which is now or hereafter regulated by any Hazardous Materials Laws, including without limitation the Resource Conservation and Recovery Act, the Comprehensive Environment Response Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act and the Clean Water Act. Owner hereby agrees to defend, indemnify and hold Contractor harmless from and against any and all losses, claims and damages arising directly or indirectly from (i) the presence of or the escape, seepage, leakage, spillage, discharge, emission or release from or on to the project site of any Hazardous Materials, or (ii) Owner's violation of or failure to comply with any Hazardous Materials Laws. Unless otherwise specifically set forth in this Contract, it is understood and agreed that: (i) this Contract and the Contract price are conditioned and contingent upon the non-existence of Hazardous Materials on or about the project site, and (ii) Owner shall be solely responsible for any Hazardous Materials uncovered or revealed at the project site and for the compliance with applicable Hazardous Materials Laws with respect to any such Hazardous Materials. In the event that any Hazardous Materials are uncovered or revealed, Contractor shall have the right to immediately stop all work which Contractor deems to be affected thereby, and not resume any such work unless and until Owner has provided Contractor with satisfactory written evidence or Owners removal, abatement or other remediation of such Hazardous Materials in compliance with all applicable Hazardous Materials Laws. The Contractor shall be entitled to reasonable adjustments in the contract price and the time to complete the work caused by the presence of Hazardous Materials on the project site.

AGREEMENT OF ARBITRATION

The parties hereto agree that any claim between the parties involving rights and obligations arising under the terms of this Contract is subject to arbitration. The arbitration shall be decided by the office of the American Arbitration Association (AAA) in Pittsburgh, Pennsylvania, and shall be conducted in accordance with the AAA's, Construction Industry Arbitration Rules in effect at the time the demand for arbitration is made, and the parties hereto specifically agree to apply the Fast Track procedures of said rules where no party's disclosed claim or counterclaim exceeds \$50,000. Claims shall be decided by three arbitrators except those subject to the Fast Track procedures, which shall be decided by a single arbitrator. Arbitrators shall be selected in accordance with the AAA's rules.

All arbitration hearings conducted under this Contract and all judicial proceedings to enforce any provision of this Contract shall take place in Adams County, Pennsylvania.

The costs and expenses of arbitration, including the fees of the arbitrators, shall be paid by the unsuccessful party or by both parties in the proportions determined by the arbitrators in their award.

During the pendency of the resolution of any claim whether submitted to arbitration or otherwise, Owner shall continue to submit all payments mandated by this Contract to Contractor irrespective of Owner's claims or defenses.

INSURANCE CLAIMS BY OWNER

In the event that damage is caused to the subject premises, or other property, Owner shall immediately notify Contractor by written instrument of said damage. Upon assessment, Contractor shall respond to said notification. Any dispute or claim arising out of or in any way related to damage to the subject premises or any other property, or Contractor's response to notification, shall be submitted to arbitration as provided for in this Contract. Owner shall not be relieved of any obligation pursuant to this Contract during the pendency of a claim hereunder, including the continuation of payment. Failure to make payment as is provided in this Contract during the pendency of a claim pursuant to this paragraph shall constitute a breach thereof.

INVOICING AND PAYMENT BY OWNER

Contractor will invoice Owner monthly as job progresses with payment due within the (10) days of the date of invoice. In the event that full invoice payment is not made within the ten (10) days period, Contractor may cease and terminate all work in progress and remove all equipment and supplies from the project site. The Owner shall defend indemnify and hold harmless Contractor of any and all claims, actions or damages in any way related to the cessation and/or termination of work, including but not limited to, damage to the project site or improvements thereon. Final invoice will be sent upon completion of job and shall become due and payable within fifteen (15) days from the invoice date.

REMEDIES UPON THE FAILURE TO MAKE TIMELY PAYMENT

Notwithstanding anything herein to the contrary, in the event Owner fails to submit timely payment in full as required by the Contract, Contractor shall be entitled to all of the rights and remedies (including but not limited to interest, penalties and attorney fees) set forth in the Pennsylvania Contractor and Subcontractor Payment act, 73 P.S. §501 et seq. This paragraph shall apply whether or not the work is performed on premises located within the Commonwealth of Pennsylvania.

CHOICE OF LAW, FORUM, AND JURISDICTION

This Contract, and all rights and obligations of the contracting parties, shall be governed by the laws of the Commonwealth of Pennsylvania. Contract becomes binding upon final execution by the President or C.E.O. of Keystone Waterproofing, Inc. The parties agree that any dispute, controversy or claim arising under or in connection with this Contract or its performance by either party shall be exclusively made, maintained or defended in the Commonwealth of Pennsylvania and County of Adams. To the extent that any such dispute, controversy, or claim is not subject to arbitration, each party hereby submits to the personal jurisdiction of the state court sitting in Adams County, waives any objection to the personal jurisdiction of said court and agrees that it shall be barred from asserting any such objection. Each party hereby agrees to and does hereby waive any right to assert or move for transfer of venue to any court outside Adams County, Pennsylvania, based upon the doctrine of forum non conveniens or otherwise.

ENTIRE AGREEMENT

This writing contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written representation, understandings, promises or agreements which are not included herein.

Apply SK Weather Seal Blok-Guard & Graffiti Control II water repellent to all exterior brick and precast sills within the right side work area shown on photo 2. When surfaces are dry, we will brush or spray (1) one coat of non-staining transparent sealer.

NOTE: This bid is good only if the precast coping maintenance is performed prior to this contract.

Contractor will use every precaution to protect the public and adjacent property. Any changes or additions not in specifications or contract will be quoted in addition to this work. All work will be done in a neat workmanlike manner with 100% cooperation. Bid proposal is based on using our contract or AIA form #A401 unmodified.

Additional terms and conditions of this contract are incorporated herein and the same has been reviewed by the signatory. Please sign both copies and return to the above address along with a 20% deposit payment. A copy of the fully executed contract will be returned to the addressee.

ACCEPTED BY:

Owner or Representative DATE

RIGHT SIDE

TOTAL COST: \$18,976.00

DM 6-16-15
Submitted: David Matsko DATE

Approved By: John Thiry (President) DATE

This bid, when signed by Owner or Owner's representative, shall be submitted to an officer of Keystone Waterproofing, Inc. for final approval, and the terms of this bid will not be binding on Keystone Waterproofing, Inc. until approved in writing by an officer of Keystone Waterproofing, Inc.

At job completion, all debris, excess material and equipment will be removed from the jobsite.

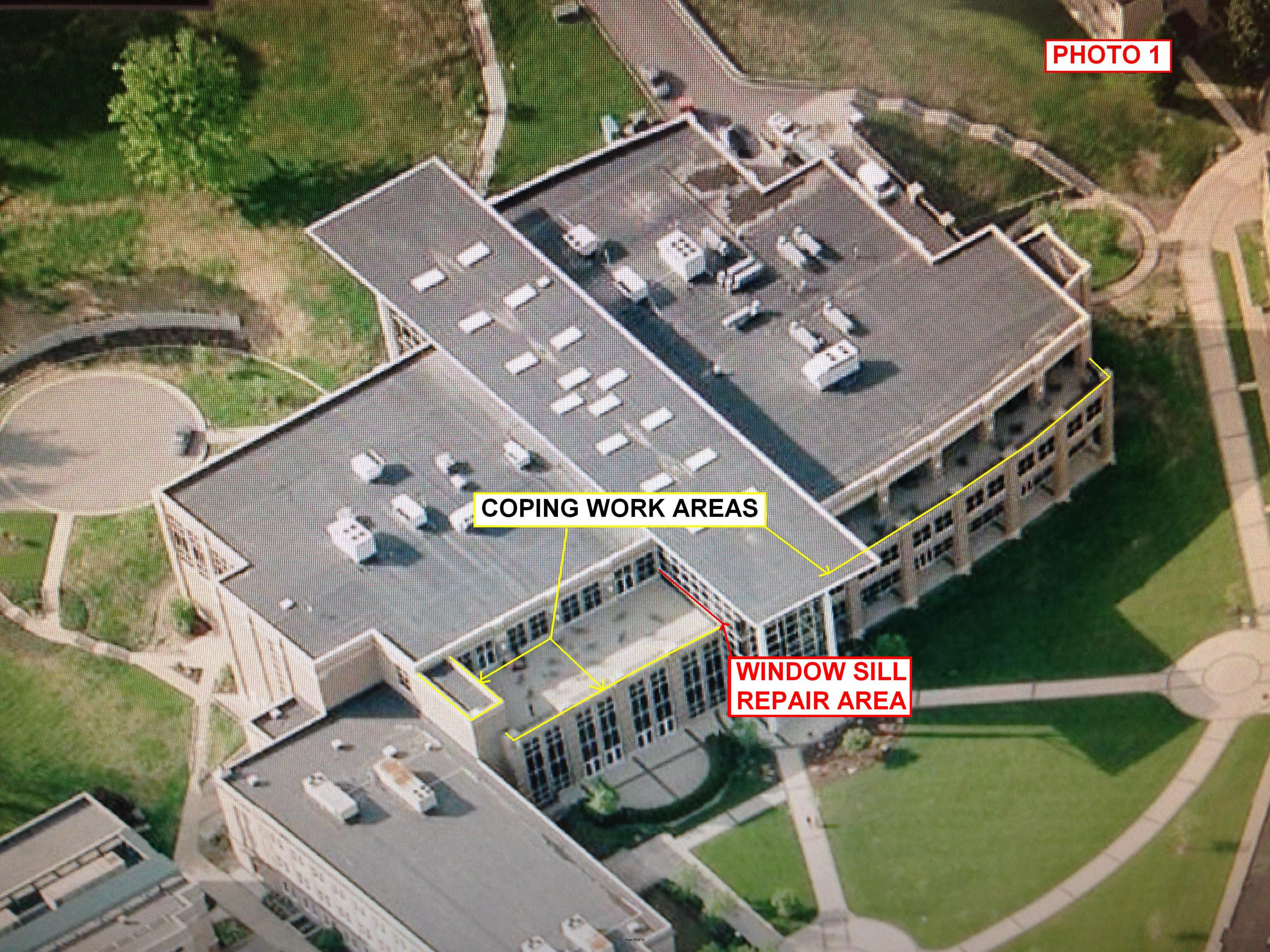
Telephone: Business: 304-367-4401

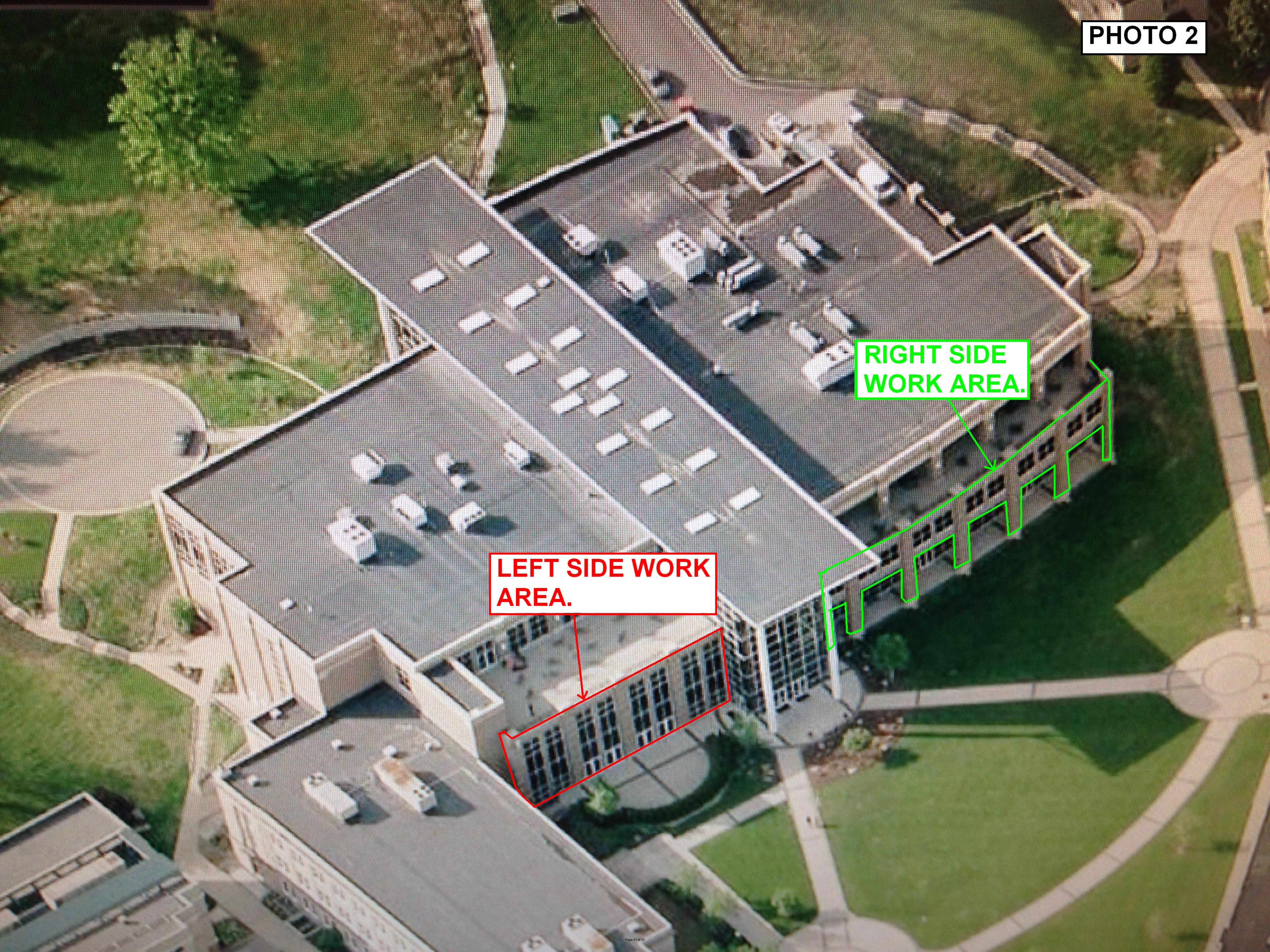
Attachment: Photo 2

DM/er

COPING WORK AREAS


WINDOW SILL
REPAIR AREA





LEFT SIDE WORK AREA.

RIGHT SIDE WORK AREA.

	A.J. VATER & CO.,INC.			
	412-331-4477 PHONE / 412-331-9625 FAX			
	412-848-4513 CELL / RYAN@AJVATER.COM			
	WV CONTRACTORS LICENSE # WV001397			
TO:	TOM TUCKER			7/28/2015
PROJECT:	FSU - STEEL PAINTING			
ARCHITECT:				
PLAN DATE:		SHEET NO:	ARCHITECTURAL	
SPEC DATE:		SECTIONS:	PAINTING	
ADDENDA:		ESTIMATOR:	RYAN DUNBAR	
BID:	\$36,997.00			
	INCLUDES PAINTING OF STEEL STRUCTURE ON OUTSIDE OF REC CENTER			
	INCLUDES PAINTING OF LARGE VERTICAL COLUMNS			
	INCLUDES REPAIR OF "NAIL POPS" ON VERTICAL COLUMNS			
	NO PAINTING OF DECK			
	NO PAINTING OF ROOF			