

**West Virginia State University Board of Governors**  
**Finance Committee**  
**Erickson Alumni Center, Grand Hall**  
**January 26, 2017**  
**10:30 a.m. – 11:30 a.m.**  
**Agenda**

1. Call to Order and Roll Call – Committee Chair L. Vincent Williams, presiding
2. Verification of Appropriate Notice of Public Meeting Action 2
3. Review and Approval of Agenda Action 1
4. Review and Approval of Minutes of Previous Meeting Action 3
5. University Recommendations and Reports
- 5.1 BOG Budget Report – December Information 5
6. Next Meeting Date – *March 16, 2017*
7. Adjournment

West Virginia State University  
*Finance Committee*

Date/Time: 1/26/2017 -- 10:30 AM

Location:

West Virginia State University  
Erickson Alumni Center  
Grand Hall  
Institute, WV

Purpose: To conduct the regular business of the Committee in preparation for the January 26, 2017 Board of Governors meeting.

Notes:

This is a compliant meeting.

Meeting was approved: 1/17/2017 8:08:32 AM

**West Virginia State University Board of Governors  
Finance Committee  
Erickson Alumni Center, Grand Hall  
Minutes  
November 10, 2016**

**1. Call to Order and Roll Call**

Mr. Swingle called the meeting of the West Virginia State University Board of Governors Finance Committee meeting to order at 10:30 a.m.

**Present:** Mr. C. Jones, Mr. Lipscomb, Dr. Smith, Mrs. Squirts, Mr. Swingle, and Mr. Williams. Several members of the administration, faculty, and staff were also present.

**2. Verification of Appropriate Notice of Public Meeting**

Mr. Swingle announced the Verification of Appropriate Notice of Public Meeting.

**3. Review and Approval of Agenda**

Mr. Swingle asked for approval of the agenda. Dr. Smith moved to accept the agenda as submitted. Mr. Lipscomb seconded that motion. The motion passed.

**4. Review and Approval of Minutes of Previous Meeting**

Mr. Swingle asked for approval of the minutes of the previous meeting. Mr. Williams made the motion, and it was seconded by Mr. Lipscomb. The motion passed.

**5. University Recommendations and Reports**

**5.1 BOG Budget Report – Year-End BOG Report**

Mr. Swingle informed the Committee members who were not present in the Audit Committee meeting that they had begun reviewing the auxiliaries of the budget report from last year and will now continue on into the Finance Committee meeting. Mr. Melvin Jones addressed the Committee and continued with the analysis of each departmental expense. For expenses, there was an unfavorable amount of \$277,000 which mostly comes from Physical Facilities chargebacks for maintenance and repairs. Some of the expenses are very costly and permanent expenses, especially the doors. The doors are more of a residential grade instead of commercial grade. The HVAC is also an expense factor, we currently do not have the ability to control the temperature from a central location, however we are looking at a system that will allow a central control but it is about \$135,000. Mr. Jones stated that the lights are different in the units and he is looking to replace all of the lights in Keith Hall. The lights qualify for an energy credit from AEP of about 40% that will be cash back immediately once they are purchased, and a 6-7 month payback on the investment. Mr. Swingle stated that all of

this is for the current fiscal year. Mr. Jones did not have a price on the lights that will be used.

## **5.2 Auxiliary Accounts**

Mr. Jones clarified that the total bond payment was \$884,000 without the prepaid interest that carried throughout the first year and a half where no principal was paid. Mr. Jones noted that due to the quality of the sheetrock in Keith Hall, it needs to be painted every year. There was only a one-year warranty on the Keith Hall and the university has used that time. Mr. C. Jones stated that there should be some recourse due to the location of the building errors. Mr. Jones said that they will contact the HEPC to see if there is a possible recourse.

Mr. Swingle asked if there were any other comments. Mr. Jones noted that the University is looking at plans to address a potential midyear cut from the state. Mr. Jones said staff is reviewing both short-term and long-term issues. The long-term issue is a funding depreciation which gap based reports; the other is the funding from the state. The University is currently not funded to cover depreciation. Another issue is right-sizing the institution which is both short- and long-term. Mr. C. Jones asked how WVSU compares to other institutions. Mr. Jones stated that the funding has a historical basis. What was pursued before was a dual approach of growth and cost-cutting and the University was very successful in the cost-cutting. Mr. Swingle stated that we have to understand which of the programs are profitable and which are not. Mr. Williams recommended that the Finance Committee report out to the full Board that the financial health of the institution will need some consideration of student faculty ratio from a budgetary perspective so that the Academic Policies Committee would also look at the overall budget of the institution with respect to those programs and when they are up for review. Mr. Swingle would like for the Finance Committee to charge the administration with coming back to the Board with information as to the revenue and expenses and the overall profitability of the various programs. Mr. Williams made a motion to submit the request and Mr. Lipscomb seconded the motion. The motion passed.

## **6. Next Meeting Date**

January 26, 2017

## **7. Adjournment**

With there being no further business, Mr. Swingle asked for a motion to adjourn the meeting. Dr. Smith made a motion to adjourn, and it was seconded by Mr. Lipscomb. The motion passed. The meeting adjourned at 11:35 a.m.

Respectfully submitted

Natasha Tyson  
Executive Administrative Assistant  
Business & Finance

**University Budget - All Funds**  
**FY 2017 Budget / Actual Expenditures 12/31/2016**

	Salaries & Benefits					%	Supplies & Other Services					%	Total					Actual %	Target %	Notes	
	FY17 Budget	Budget Reduction	Revised FY17 Budget	Fiscal YTD Actual	Difference		FY17 Budget	Budget Reduction	Revised FY17 Budget	Fiscal YTD Actual	Difference		FY17 Budget	Budget Reduction	Revised FY17 Budget	Fiscal YTD Actual	Difference				
State Appropriations													10,003,071		10,003,071	4,201,290.00	5,801,781	42.00%	41.50%		
E&G Tuition													11,462,394		11,462,394	5,306,026.18	6,156,368	46.29%	45.79%		
Academic Affairs													3,081,924		3,081,924	1,967,865	1,114,059	63.85%	63.35%		
Student Affairs													6,364,247		6,364,247	2,292,104	4,072,143	36.02%	35.52%		
President's Area													2,397,247		2,397,247	986,412	1,410,835	41.15%	40.65%		
University Relations													3,000		3,000	203	2,797	6.76%	6.26%		
Phy Fac Net of Transfers													1,216,000		1,216,000	504,083	711,917	41.45%	40.95%		
University Advancement													0		0	0	0				
Finance													2,839,540		2,839,540	2,159,933	679,607	76.07%	75.57%		
College Wide													0		0	0	0	#DIV/0!	#DIV/0!		
<b>Sub Total of Revenues</b>													<b>37,367,423</b>	<b>0</b>	<b>37,367,423</b>	<b>17,417,916</b>	<b>19,949,507</b>	46.61%	46.11%		
Academic Affairs	12,391,673		12,391,673	6,341,154	6,050,519	51.17%	2,118,411		2,118,411	902,451	1,215,960	42.60%	14,510,084	0	14,510,084	7,243,604	7,266,480	49.92%	49.42%		
Student Affairs	2,227,699		2,227,699	979,809	1,247,890	43.98%	6,223,944		6,223,944	2,166,996	4,056,948	34.82%	8,451,643	0	8,451,643	3,146,805	5,304,838	37.23%	36.73%		
President's Area	1,709,377		1,709,377	902,918	806,459	52.82%	2,634,624		2,634,624	926,986	1,707,638	35.18%	4,344,001	0	4,344,001	1,829,904	2,514,097	42.12%	41.62%		
University Relations	893,466		893,466	374,601	518,865	41.93%	302,486		302,486	137,318	165,168	45.40%	1,195,952	0	1,195,952	511,919	684,033	42.80%	42.30%		
Phy Fac Net of Transfers	113,523		113,523	809,406	(695,883)	712.99%	3,573,843		3,573,843	2,088,821	1,485,022	58.45%	3,687,366	0	3,687,366	2,898,227	789,139	78.60%	78.10%		
University Advancement	422,549		422,549	232,235	190,314	54.96%	92,210		92,210	31,542	60,668	34.21%	514,759	0	514,759	263,777	250,983	51.24%	50.74%		
Finance	2,375,701		2,375,701	1,066,412	1,309,289	44.89%	2,068,758		2,068,758	806,391	1,262,367	38.98%	4,444,459	0	4,444,459	1,872,803	2,571,656	42.14%	41.64%		
College Wide	0		0	21,972	(21,972)	#DIV/0!	1,436,000		1,436,000	648,492	787,508	45.16%	1,436,000	0	1,436,000	670,464	765,536	46.69%	46.19%		
<b>Sub Total of Expenses</b>	<b>20,133,988</b>	<b>0</b>	<b>20,133,988</b>	<b>10,728,505</b>	<b>9,405,483</b>	<b>53.29%</b>	<b>18,450,276</b>	<b>0</b>	<b>18,450,276</b>	<b>7,708,997</b>	<b>10,741,279</b>	<b>41.78%</b>	<b>38,584,264</b>	<b>0</b>	<b>38,584,264</b>	<b>18,437,502</b>	<b>20,146,762</b>	<b>47.79%</b>	<b>47.29%</b>		
<b>Grand Total</b>													<b>(1,216,841)</b>	<b>0</b>	<b>(1,216,841)</b>	<b>(1,019,586)</b>	<b>(197,255)</b>				

Footnotes:

**University Budget - E&G Funds Only**  
**FY 2017 Budget / Actual Expenditures 12/31/2016**

	Salaries & Benefits					%	Supplies & Other Services					%	Total					Actual %	Target %
	FY17 Budget	Budget Reduction	Revised FY17 Budget	Fiscal YTD Actual	Difference		FY17 Budget	Budget Reduction	Revised FY17 Budget	Fiscal YTD Actual	Difference		FY17 Budget	Budget Reduction	Total Revised FY17 Budget	Fiscal YTD Actual	Difference		
State Appropriations																			
E&G Tuition																			
Academic Affairs																			
Student Affairs																			
President's Area																			
University Relations																			
Phy Fac Net of Transfers																			
University Advancement																			
Finance																			
College Wide																			
<b>Sub Total of Revenues</b>																			
Academic Affairs	11,343,791		11,343,791	5,601,311	5,742,480	49.38%	290,537		290,537	98,944	191,593	34.06%	11,634,328	0	11,634,328	5,700,255	5,934,073	49.00%	48.50%
Student Affairs	1,432,622		1,432,622	666,503	766,119	46.52%	117,771		117,771	149,033	(31,262)	126.54%	1,550,393	0	1,550,393	815,536	734,857	52.60%	52.10%
President's Area	1,269,535		1,269,535	591,156	678,379	46.56%	561,395		561,395	65,395	496,000	11.65%	1,830,930	0	1,830,930	656,550	1,174,380	35.86%	35.36%
University Relations	893,466		893,466	374,601	518,865	41.93%	301,286		301,286	137,318	163,968	45.58%	1,194,752	0	1,194,752	511,919	682,833	42.85%	42.35%
Phy Fac Net of Transfers	0		0	288,128	(288,128)	#DIV/0!	994,120		994,120	55,934	938,186	5.63%	994,120	0	994,120	344,062	650,058	34.61%	34.11%
University Advancement	422,549		422,549	183,408	239,141	43.41%	88,510		88,510	31,060	57,450	35.09%	511,059	0	511,059	214,467	296,592	41.97%	41.47%
Finance	1,408,819		1,408,819	715,059	693,760	50.76%	249,433		249,433	97,841	151,592	39.23%	1,658,252	0	1,658,252	812,900	845,352	49.02%	48.52%
College Wide	0		0	21,972	(21,972)	#DIV/0!	1,436,000		1,436,000	648,492	787,508	45.16%	1,436,000	0	1,436,000	670,464	765,536	46.69%	46.19%
<b>Sub Total of Expenses</b>	<b>16,770,782</b>	<b>0</b>	<b>16,770,782</b>	<b>8,442,137</b>	<b>8,328,645</b>	<b>50.34%</b>	<b>4,039,052</b>	<b>0</b>	<b>4,039,052</b>	<b>1,284,017</b>	<b>2,755,035</b>	<b>31.79%</b>	<b>20,809,834</b>	<b>0</b>	<b>20,809,834</b>	<b>9,726,154</b>	<b>11,083,680</b>	<b>46.74%</b>	<b>46.24%</b>
<b>Grand Total</b>													<b>655,631</b>	<b>0</b>	<b>655,631</b>	<b>(208,945)</b>	<b>864,576</b>		

Footnotes:

