

**SHAWNEE STATE UNIVERSITY  
BOARD OF TRUSTEES**

**Meeting Minutes  
November 8, 2019**

**Swearing in of New Board Member**

Mr. Jeffrey Albrecht, newly appointed member of the Board of Trustees, was sworn-in by Board Chair Watson.

**Call to Order**

Chairperson Watson called the meeting to order at 1:16 p.m. noting the meeting was in compliance with RC § 121.22(F).

**Roll Call**

Members Present: Mr. Watson, Mr. Albrecht, Mr. Edwards, Mr. Furbee, Mr. Howarth,  
Ms. Stratton

Members Absent: Mr. Evans, Ms. Hartop, Dr. White, Mr. Williams, Ms. Heresh

**Approval of the of the September 13, 2019 Board Meeting Minutes**

Mr. Edwards moved and Mr. Howarth seconded the motion to approve the September 13, 2019 minutes. Without discussion the Board voted unanimously to approve said minutes.

**Approval of the November 8, 2019 Revised Agenda**

Mr. Edwards moved and Mr. Howarth seconded the motion to approve the November 8, 2019 revised agenda as presented. Without discussion, the Board voted unanimously to approve the November 8, 2019 agenda.

**Appointment of 2019-2020 Committees and Representatives**

Chair Watson announced committee appointment changes as follows: to the Executive Committee, Ms. Hartop; from the Executive Committee, Mr. Edwards; to the ASA Committee, Ms. Hartop-Vice Chair, Mr. Williams; from the F&A Committee, Mr. Williams; to the F&A Committee, Mr. Albrecht.

**Consent Agenda**

Chair Watson directed the Board to review the following action items on the Consent Agenda and asked if anyone wished to remove any items form the Consent Agenda:

1. Resolution F24-19, Approval of FY2019 Efficiency Report
2. Resolution F25-19, Shawnee State University Development Foundation Member Appointments
3. Resolution F26-19, Approval of Revised Policy 4.10Rev, Travel Authority and Driving Rules
4. Resolution ASA08-19, 2020-2021 and 2021-2022 Academic Calendar

There being no objections, Chair Watson declared that items 1-4 remain on the consent agenda and were therefore adopted by unanimous consent.

### **Executive Committee Report**

Mr. Furbee reported on behalf of the Executive Committee that no meeting was held due to lack of a quorum.

### **Finance and Administration Committee Report**

Mr. Furbee reported on behalf of the Finance & Administration Committee:

1. Resolution F23-19 accepts Shawnee State University's FY20 Financial Report. Representatives from the University's independent audit firm, Plante Moran, presented the FY2019 Financial Report that includes the SSU Development Foundation as a component. The report is preliminary pending approval by the Auditor of State. The auditors issued an "unmodified opinion". Mr. Ballengee reviewed a draft Senate Bill 6 report. Based upon the preliminary financial data (without GASB adjustments), the University's FY19 composite ratio is projected to remain 2.1. Mr. Furbee moved and Mr. Edwards seconded a motion to approve Resolution F23-19. Without discussion, the Board unanimously approved by roll call vote Resolution F23-19.
2. Resolution F24-19 approved the FY2019 Efficiency Report. Mr. Joe VanDeusen, Director of Risk Management, Safety, and Procurement, and Dr. Marc Scott, Director of Assessment, presented Resolution F24-19 to approve the FY2019 Efficiency Report for approval. This resolution was approved by the committee and had already been approved by the Board Consent Agenda.
3. Resolution F25-19 approved the Shawnee State University Development Foundation Board Member appointments as recommended by the SSUDF Board for approval. This resolution was approved by the committee and had already been approved by the Board Consent Agenda.
4. Resolution F26-19 approved the revised Policy 4.10REV, Travel Authority and Driving Rules. This resolution was approved by the committee and had already been approved by the Board Consent Agenda.
5. Dr. Boyles reviewed the University's operating budgets' first-quarter performance:

General fund: State funding is below expectations due to the timing of receipt of the state supplement that will be captured on the 2nd qtr. report. Tuition revenue is running as expected

based on projected fall enrollment. Total expenses are at 22.3% of budget as of the September 30 report date.

Auxiliary fund: revenue is at 31.4% of budget with total expenditures at 22.1% as of September 30.

6. Mr. Ballengee reviewed the October 31, 2019 cash reserves investment status that reflects a market value of \$8.25 million. The University is monitoring its cash needs and considering market conditions and other relevant factors to initiate steps to return to the IPS target asset allocation.
7. The personnel activity report identified 9 new hires, 3 staff promotions, 16 faculty promotions, and 8 departures that occurred during the period of July – September, 2019.
8. Dr. Boyles reported the status of capital projects:
  - Rhodes renovation is on schedule, ATC phase IV complete (some punch list items remain), ATC roof replacement advertised for contractor bids for Spring 2020 project, and the replacement of the Library & CFR mechanical systems expected to be advertised in January 2020.
  - Appointment of special counsel with expertise in federal grant construction projects by Ohio Attorney General is underway for the Kricker Innovation Hub. RFQ for architect advertised within weeks.
  - As required, the University submitted its FY2021-22 capital request and standard six-year capital plan to the Ohio Department of Higher Education.
  - The State Office of Real Estate & Planning recently notified the University that required legislation will be adopted before the end of the calendar year. The marketing efforts for the sale of the house will begin upon adoption of the legislation.
9. Mr. Braun reviewed the first Enrollment Management Report of the fall 2020 recruiting season that reflects application volume is up from the previous two years. Some of this growth is a reflection of increased activity flowing from the university's adoption of the common application that typically results in a lower yield. Forecasting throughout the year will reflect discounted projections to account for this significant change compared to previous years.

Mr. Braun provided the Committee with a report of activity in the Division of Advancement & Institutional Relations, which is attached to the minutes.
10. Malonda Johnson, Director of Human Resources provided an executive briefing on the progress the University's Retirement Plan Committee has made establishing policies and processes related to the fiduciary oversight and management of voluntary retirement plans offered to employees. The retirement plan changes will become effective January 1, 2020.

Mr. Watson recognized Dr. Boyles for the hard work and effort on the audit. Mr. Edwards also praised the good work and good information at committee meetings.

### **Academic and Student Affairs Committee Report**

Mr. Edwards presented on behalf of the Academic and Student Affairs Committee:

The Academic and Student Affairs Committee met this morning and approved the following action items:

1. Resolution ASA08-19 approved the 2020-21 and 2021-2022 Academic Calendars. This resolution was approved by the committee and had already been approved by the Board Consent Agenda.
2. Dr. Becky Thiel, Provost and Vice President for Academic and Student Affairs, presented an executive report for her division. Recent activities included:
  - On-site reviewers for the reaffirmation of Dental Hygiene's accreditation made a campus visit. The reviewers recommended reaffirmation of accreditation for seven years with no formal recommendations.
  - The Re-covering Appalachia Symposium was held on campus on October 31-November 2 where Lt. Governor Jon Husted presented at one of the sessions on economic recovery.
  - On November 6<sup>th</sup> a Green Zone Training Workshop was held for sharing potential issues that student veterans may face when transitioning from military to campus life.
  - A visit is expected from Higher Learning Commission reviewers on December 9-10 to review the proposed OTD program for delivery.
3. Dr. Chris Kacir, Dean for University provided an update on online programming through our partnership with Wiley Education Services.
4. Ms. Tami Sheets, Registrar, reported on Spring 2020 registration numbers and the 3-year comparison.

### **Reports from Board Liaisons with other Organizations**

None

### **President's Report**

President Bauer remarked about the institution's FY19 Financial Report, noting important takeaways from that report and the University's overall financial condition. He also noted that it is important to continue to strategically plan the University's future. A small steering committee of faculty and staff have developed a set of goals and strategies and will be seeking feedback from stakeholders over the next few months. He expects to have a completed plan available for Board review before the end of the academic year. Other items of note include:

- A Smoke-free Campus Policy has been circulated to campus constituent groups.

- The annual Trustees Conference was held in Columbus on October 29-30 with several representatives from SSU in attendance.
- The University hosted the Appalachian Studies in the Digital Age Conference with a visit from Lt. Governor John Husted.

The full report is attached to the minutes.

### **New Business**

None

### **Comments from Constituent Groups and the Public**

None

### **Faculty Senate Report**

Mr. Tony Ward, University Faculty Senate President, gave a brief update on the UFS. The full report as presented is attached to the minutes.

### **Executive Session**

None

### **Other Business**

On behalf of the Board of Trustees, Mr. Watson congratulated the institution on a recent *Columbus Business First* article reporting that Shawnee State tuition is down by 5% from 2009. Shawnee State has been a leader in student affordability despite significant challenges.

Chair Watson also recognized Ms. Sonie Hash for her service as a Shawnee State University Trustee and long-standing supporter of Shawnee State. She was appointed to the Board by Governor John Kasich in 2015, to serve a partial term, which expired June 30, 2019. As a thank you for her service, President Bauer presented her with a special chair for retiring Board members.

### **Adjournment**

The Board meeting was adjourned by acclamation at 1:49 p.m.

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Chairperson, Board of Trustees

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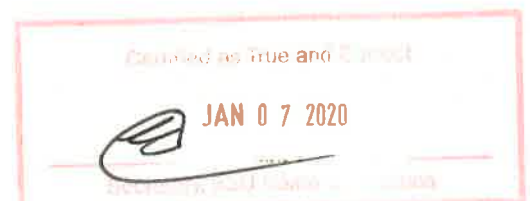
Secretary, Board of Trustees



**Board of Trustees Committee Appointments  
2019-2020**

<b>Board Officers</b>	Joe Watson	Chair
	David Furbee	Vice Chair
<b>Executive Committee</b>	Joe Watson	By position
	David Furbee	By position
	Scott Evans	By position
	Francesca Hartop	Board Chair appointment
<b>Academic and Student Affairs Committee</b>	Scott Evans	Chair
	Francesca Hartop	Vice Chair
	Scott Williams	
	Joe Watson	
	George White	
	Audrey Stratton	Student
<b>Finance and Administration Committee</b>	David Furbee	Chair
	Eddie Edwards	Vice Chair
	Bob Howarth	
	Jeff Albrecht	
	Leen Heresh	Student
<b>Representatives to SSUDF</b>	Joe Watson	By position
	George White	Board Chair appointment
<b>Board Secretary</b>	Eric Braun	
<b>Board Treasurer</b>	Elinda Boyles	
<b>Representative to Investment Committee</b>	David Furbee	

11.08.19





plante moran | Audit, Tax, Consulting,  
Wealth Management.

# Shawnee State University

Board of Trustees  
Finance and Administration Committee  
November 8, 2019

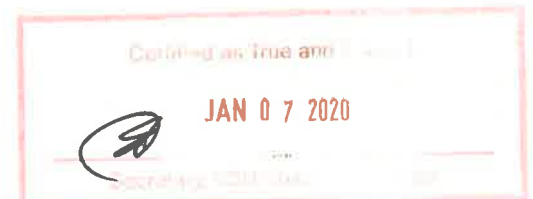
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JAN 07 2020  
Secretary



# Shawnee State University

## Agenda

- Shawnee State University Audit Team
- Required Communication
- Summary of Audit Differences
- New Pronouncements
- Appendix - Definitions







**Shawnee State University**  
P&M Audit Team

**Keith Martinez, Engagement Partner**  
Keith.Martinez@plantemoran.com

614.222.9086

**Danny Sklenicka, Senior Manager**  
Danny.Sklenicka@plantemoran.com

614.222.9133

**Josh Louge, Manager**  
Josh.Louge@plantemoran.com

614.222.9180

Certified as True and Correct

JAN 07 2020

Secretary of the BOARD OF TRUSTEES



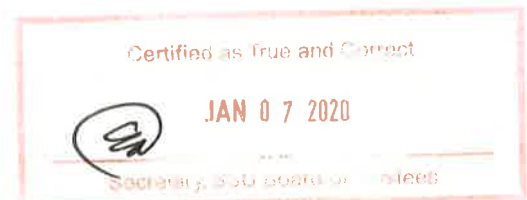
## Shawnee State University Required Communications

### Plante Moran Reports

- Opinion on FY 2019 University financial statements
- Foundation presented as a component unit.
- Issued an “unmodified opinion” on the financial statements.
- Our second report addresses internal control over financial reporting and compliance and other matters as required by *Generally Accepted Governmental Auditing Standards (GAGAS)*.

### Plante Moran Responsibilities under GAAS and GAGAS

- To gain a basic understanding of the internal controls, policies and procedures in order to design an effective and efficient audit approach, not for the purpose of providing assurance on the internal control structure.
- To test compliance with certain provisions of laws, regulations, contracts, and grants that have a direct and material effect.
- To gain an understanding of internal control over financial reporting.
- To express an opinion on the University’s financial statements.
- To provide reasonable, not absolute, assurance of detecting material misstatements.





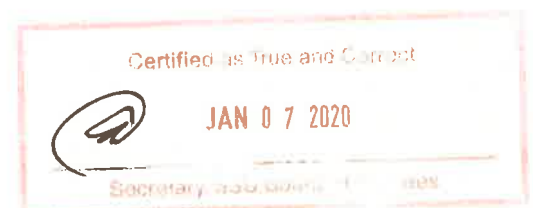
## Shawnee State University Required Communications (continued)

### Significant Accounting Policies

- The significant accounting policies used by Shawnee State University are described in the notes, specifically footnote 2 to the financial statements.

### Management Judgments and Accounting Estimates

- We are required to report to you amounts in the financial statements that are subject to management's judgment in what is recorded as well as items, that by their nature, are significant accounting estimates.
- Significant estimates made by management include:
- Student accounts receivable allowance for uncollectible accounts, footnote 5
- Liability for pending litigation, footnotes 10 and 14
- Accounting for service concession arrangements, footnote 2
- Net pension and OPEB liability for STRS and OPERS, footnote 13





## Shawnee State University Required Communications (continued)

### Significant Auditing Adjustments

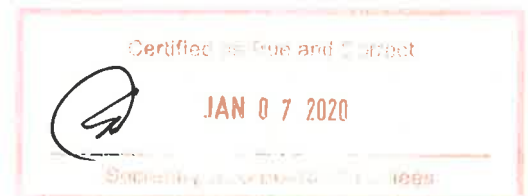
- Management has taken responsibility for passed adjustments as immaterial to the overall financial statements both individually and in the aggregate. We have concurred. Detail of the passed adjustments is presented on page 10.

### Quality of Accounting Policies

- Shawnee State University's accounting policies are consistent in their application and the information presented in the financial statements and related disclosures is complete and presented clearly.

### Disagreements with Management

- There were no disagreements with Management on financial accounting and reporting matters.





## Shawnee State University Required Communications (continued)

### Consultations with Other Accountants

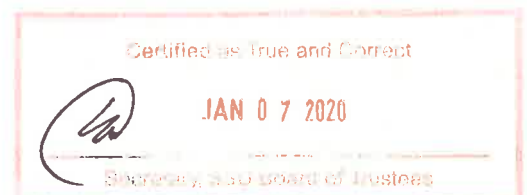
- To the best of our knowledge, Management has had no consultations with other independent accountants regarding accounting or auditing matters or alternative presentations.

### Discussion Prior to Retention

- All discussions with Management occurred in the normal course of our professional relationship and the responses were not a condition of our retention. This is our 6th year as Shawnee State University's auditors.

### Management Cooperation

- Management cooperated with us and provided us with complete access to the books and records of Shawnee State University.





## Shawnee State University Required Communications (continued)

### Communications with Management

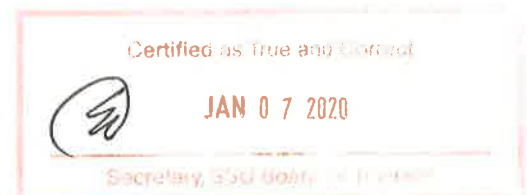
- There were no communications with Management other than our engagement letter and Management's representation letter to us. In the course of our audit, the University's Internal Counsel provided us a schedule of current litigation and similar matters of a significant nature for our review.

### Significant Additions to Management's Representations

- There were no significant additions to management's representations.

### Independence

- The Plante Moran audit team was independent of Shawnee State University throughout the year in the performance of the audits.





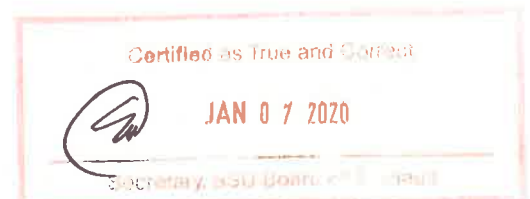
## Shawnee State University Required Communications (continued)

### Other Services

- Shawnee State University Development Foundation audit
- Shawnee State University single audit (audit of federal programs)
  - Tested student financial assistance cluster
  - Deliverables
    - Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance
    - Report on Internal Control Over Financial Reporting and Compliance and Other Matters as required by Generally Accepted Governmental Auditing Standards (GAGAS)
    - Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance
    - Schedule of Findings and Questioned Costs

### Related Party Transactions

- The Shawnee State University Development Foundation is a related party to the University.





# Shawnee State University

## Summary of Audit Differences

Client: **Shawnee State University**  
 Y/E: **6/30/2019**


### SUMMARY OF UNRECORDED POSSIBLE ADJUSTMENTS

The effect of misstatements and classification errors identified would be to increase (decrease) the reported amounts in the financial statement categories identified below:

Ref. #	Description of Misstatement	Current Assets	Long-term Assets	Current Liabilities	Long-term Liabilities	Net Position	Revenue	Expenses	Impact to Net Position
<b>FACTUAL MISSTATEMENTS:</b>									
A1	Retainage on construction in progress that has not been recorded as of June 30, 2019		\$ 94,676	\$ 94,676					
<b>JUDGMENTAL ADJUSTMENTS:</b>									
B1	None								
<b>PROJECTED ADJUSTMENTS:</b>									
C1	Potential amount of invoices that should be accrued for at year end based on invoice review policy			307,500				\$ 307,500	\$ (307,500)
		\$ -	-	-	\$ -	\$ -	\$ -	-	-
Total		\$ -	\$ 94,676	\$ 402,176	\$ -	\$ -	\$ -	\$ 307,500	\$ (307,500)

### PASSED DISCLOSURES:

D1 Premiums on debt of \$583,540 at June 30, 2019 are reported separately on the statement of net position as unearned revenue, which is not in accordance with GASB Statement No. 62. The amount should be reported within bonds payable.

Certified as True and Correct  
  
 JAN 07 2020  
 Secretary J. B. HAMILTON





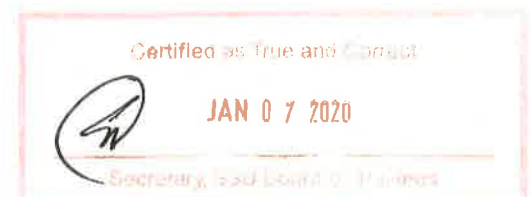
## Shawnee State University Upcoming Pronouncements

### GASB 84 – Fiduciary Activities

- Effective for the fiscal year ending June 30, 2020
- Establishes criteria for identifying fiduciary activities
- For public institutions, examples that may meet these criteria include 1) endowment assets of other institutions that are managed in the reporting institution's investment pool and 2) alumni or student club accounts that are managed with the reporting institution's cash or investments

### GASB 87 – Leases

- Effective for the fiscal year ending June 30, 2021
- Requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contracts
- Lessee would be required to recognize a lease liability and an intangible right-to-use lease asset
- Lessor would be required to recognize a lease receivable and a deferred inflow of resources





## Shawnee State University Upcoming Pronouncements (Continued)

### GASB 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period

- Effective for the fiscal year ending June 30, 2020
- Requires interest cost incurred during the period of construction be recognized as an expense (no longer capitalized)

Certified as True and Correct

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JAN 07, 2020

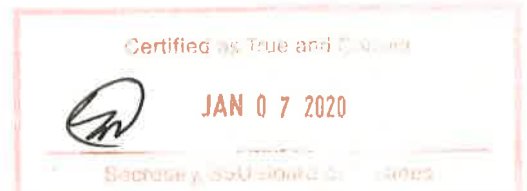
Secretary, Board of Trustees



# Shawnee State University

## Appendix - Definitions

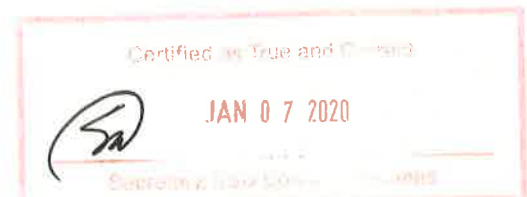
- **Control Deficiency**
  - A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. Control deficiencies may involve one or more of the five interrelated components of internal control.
- **Significant Deficiency**
  - A "significant deficiency" is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
- **Material Weakness**
  - A "material weakness" is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and correct on a timely basis.
- **FASB**
  - Financial Accounting Standards Board is the governing accounting body that issues reporting pronouncements for private sector organizations. The Foundation prepares its financial statements in accordance with these pronouncements and guidance.
- **Fraud**
  - The term "fraud" includes "misstatements" arising from fraudulent financial reporting and misstatements arising from misappropriation of assets.
  - "Misstatements" arising from "fraudulent financial reporting" are intentional misstatements, or omissions of amounts or disclosures in financial statements intended to deceive financial statement users.
  - "Misstatements" arising from "misappropriation of assets" involve the theft of assets where the effect of the theft causes the financial statements not to be presented in conformity with GAAP.
  - The University is responsible for the design and implementation of programs and controls to prevent and detect fraud.





## Shawnee State University Appendix - Definitions

- **GASB**
  - Governmental Accounting Standards Board is the governing accounting body that issues reporting pronouncements. SSU prepares its financial statements in accordance with these pronouncements and guidance.
- **GAAP**
  - Generally Accepted Accounting Principles. Used by almost all entities in the USA to prepare periodic financial statements.
- **GAAS**
  - Generally Accepted Auditing Standards. The standards that govern the conduct of independent audits of non-public companies, as determined by the Auditing Standards Board (ASB) of the AICPA.
- **GAGAS**
  - Generally Accepted Governmental Auditing Standards. Informally known as "Yellow Book," these standards guide all audits of governmental units.
- **Unmodified Opinion**
  - A signed representation by an auditor as to the reliability and fairness of a set of financial statements. The opinion could be qualified, unmodified, or adverse. For the University, the opinion is unmodified, which is the best opinion to have from an auditor.
- **Auditor Opinion Date**
  - The date the audit is completed and the auditor can provide their opinion. This is defined as the date the audit fieldwork and reviews are completed and the date management has reviewed the financial statements and provided a signed representation letter to the auditors.

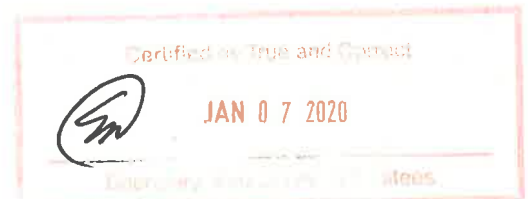




# Shawnee State University

## Appendix - Definitions

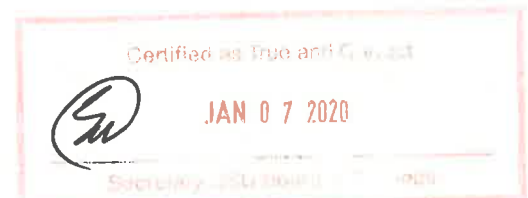
- **Material Misstatement**
  - To present accidental or intentional untrue financial statement information that influences a company's value.
- **Significant Adjustments**
  - An error in financial reporting discovered by the auditor during performance of their audit fieldwork which was large enough that it was required to be booked to the financial statements and disclosed to the audit committee or board.
- **Passed Adjustments**
  - A summary of proposed account adjustments not recorded by management and reviewed by auditors and determined, individually or in the aggregate, not to have a significant effect on the financial reporting process and therefore they are not recorded in the financial statements.
- **Allowance**
  - An estimate determined by management, for instance, of the amount of receivables at June 30 not expected to be received.
- **990-T**
  - Corporate income tax form for exempt organization unrelated income. This primarily relates to income earned on limited partnerships that is considered taxable by the IRS (real estate and natural resources), and non-educational use of institutional property.





## Shawnee State University Appendix - Definitions

- **Uniform Prudent Management of Institutional Funds Act (UPMIFA)**
  - UPMIFA provides guidance and authority to charitable organizations concerning the management and investment of funds held by those organizations and imposes additional duties on those who manage and invest charitable funds. The objective is these duties will provide additional protections for charities and also protect the interests of donors who want to see their contributions used wisely.
- **Statement on Auditing Standards AU 265 – Communicating Internal Control-Related Matters Identified in an Audit**
  - Establishes requirements and provides guidance on communicating matters related to the Foundation's internal control over financial reporting identified during the audit of the financial statements. Depending on the severity of the issue, the internal control matter can be classified as a control deficiency, a significant deficiency or a material weakness. The definitions of these items per AU 265 are included on page 13
- **Statement on Auditing Standards AU 260 – The Auditor's Communication with Those Charged with Governance**
  - Requires two-way communications with those charged with governance (The Shawnee State University Finance and Administration Committee) before and after the audit.
  - Defines primary subjects required to be communicated.





# Thank you!

*We look forward to continuing  
to serve Shawnee State  
University!*

Certified as True and Correct

JAN 07 2020

Secretary, Board of Trustees

**RESOLUTION F23-19**

**ACCEPTANCE OF SHAWNEE STATE UNIVERSITY'S  
FY2019 FINANCIAL REPORT**

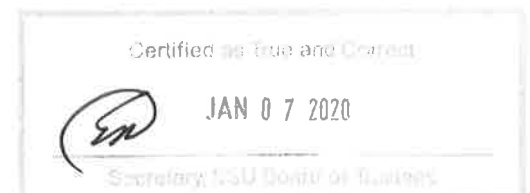
WHEREAS, pursuant to O.R.C. 117.11, the financials of Shawnee State University must be audited every year by an independent firm; and

WHEREAS, the University's designated independent firm of Plante Moran, PLLC completed an audit of the University's FY2019 financials, issued an unmodified report, and reviewed the report results with the Finance and Administration Committee; and

WHEREAS, the financial report is under review by the Auditor of State;

THEREFORE, BE IT RESOLVED, the Board of Trustees accepts the Shawnee State University FY2019 Financial Report pending approval by the Auditor of State.

(November 8, 2019)





*"This report is subject to review and acceptance by the Auditor of State's office, and the requirements of Ohio Revised Code § 117.25 are not met until the Auditor of State certifies this report. This process will be completed by the Auditor of State in a reasonable timeframe and reports are subject to change if the Auditor of State determines that modification of a report is necessary to comply with required accounting or auditing standards or Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."*

Certified to be True and Correct



JAN 07 2020

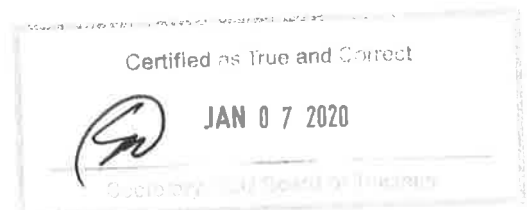
Secretary of the Board of Auditing

# Shawnee State University

(a component unit of the State of Ohio)

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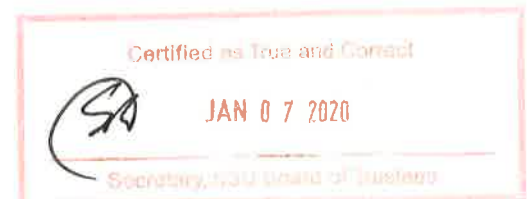
**Financial Report  
with Supplementary Information  
June 30, 2019**



# Shawnee State University

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## Independent Auditor's Report

To the Board of Trustees  
Shawnee State University

### Report on the Financial Statements

We have audited the accompanying basic financial statements of Shawnee State University (the "University") and its discretely presented component unit as of and for the years ended June 30, 2019 and 2018 and the related notes to the financial statements, which collectively comprise Shawnee State University's basic financial statements, as listed in the table of contents. These financial statements are reported as a component unit of the State of Ohio.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

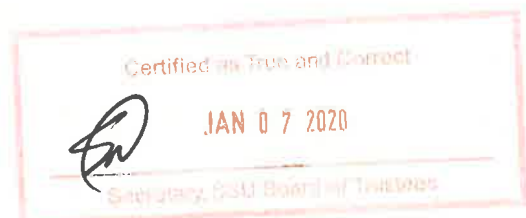
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the net position of Shawnee State University and its discretely presented component unit as of June 30, 2019 and 2018 and the changes in its net position and its cash flows where applicable for the years then ended in accordance with accounting principles generally accepted in the United States of America.



To the Board of Trustees  
Shawnee State University

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the University's proportionate share of the net pension liability, the schedule of university pension contributions, the schedule of the University's proportionate share of the net OPEB liability, and the schedule of university OPEB contributions, as indicated in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Shawnee State University's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

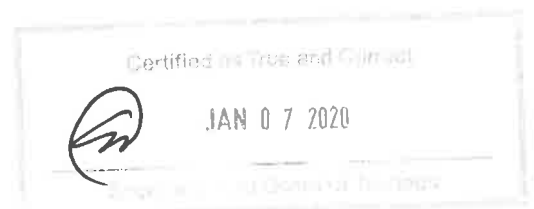
The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2019 on our consideration of Shawnee State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Shawnee State University's internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

October 14, 2019



# Shawnee State University

## Management's Discussion and Analysis (Unaudited)

This unaudited section of Shawnee State University's (the "University") annual financial report presents a discussion and analysis of the financial performance of the University during the fiscal year ended June 30, 2019. This discussion, prepared by university management, provides an overview of the University's financial activities and should be evaluated in conjunction with the accompanying financial statements and footnotes.

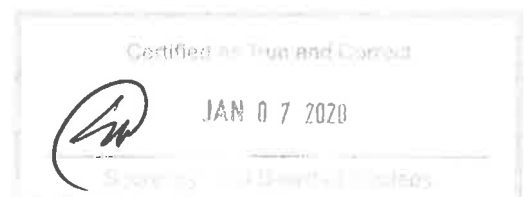
This annual report consists of the statements of net position, revenue, expenses, and changes in net position, and cash flows. These statements have been prepared in accordance with the Governmental Accounting Standards Board's (GASB) Statements No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and No. 35, *Basic Financial Statements and Management's Discussion and Analysis - for Public Colleges and Universities*, as amended.

In addition, in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14 - Omnibus*, Shawnee State University Development Foundation's (the "Foundation") financial statements have been included in this annual report. This information has been provided on separate financial statements and in a note to the financial statements. Shawnee State University's management's discussion and analysis reflects only information related to the University.

### Financial Highlights

Key financial highlights for 2019 are as follows:

- Total net position decreased \$2,443,701. The decrease is primarily the result of a \$1,704,674 decline in student tuition and fee revenue, a decrease of \$1,415,933 in federal, state and local grant and contract revenue and a \$343,333 decrease in investment revenue.
- Total assets decreased \$5,170,278 as a result of the liquidation of investment holdings to supplement the University's cash needs during the year.
- Noncurrent assets (excluding capital assets) decreased \$5,972,755 as the result of the liquidation of restricted investments to fund Bond Series 2016 construction projects and a reduction in investments held by the University for cash needs.
- Total Deferred Outflows of Resources increased \$634,865 mainly due to the deferred portion of the GASB Statement No. 68 pension expense adjustment.



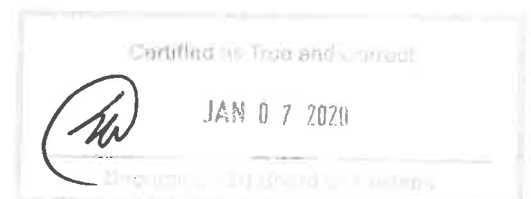
# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

- The \$2,049,120 decrease in total liabilities was primarily due to a \$966,617 in long term debt during the year and the \$954,157 decrease to Accounts Payable accounts.
- Total deferred inflows of resources decrease of \$42,592 is primarily due to the \$1,860,295 decrease and the \$1,877,208 increase in deferred pension costs related to GASB Statement No. 68 and Statement No. 75, respectively.
- Total revenue decreased \$2,402,601 from 2018 to 2019 compared with a decrease of \$5,389,377 from 2017 to 2018. The decrease was primarily due to a \$1,704,674 decrease in student tuition and fees revenue, a \$1,415,933 decrease in federal, state and local grant and contract revenue and a \$1,180,112 increase in state capital appropriation revenue.
- Total expenses increased \$6,977,396 primarily due to the \$839,470 GASB 68 and 75 reduction of 2019 pension expenses being \$11,147,171 less than the 2018 reduction of pension expense of \$11,986,641. The \$11,147,171 GASB 68 and 75 expense increase was partially offset by \$534,318 reduction in scholarship expenses, \$491,175 reduction in auxiliary expenses and a \$268,917 reduction in operation and maintenance of plant expenses.
- Operating expenses increased \$7,012,784 primarily as a result of the 2018 \$11,986,641 GASB 68 and 75 reduction of pension expense being \$11,147,171 more than the 2019 \$839,470 reduction of pension expense.
- Operating revenue decreased by \$2,575,018 primarily due to a \$1,704,674 decrease of student tuition and fees. Operating grant revenue (revenue for projects which result in an "exchange" like a product, report or some form of an outcome) was down \$849,458 and nonoperating grant revenue (grants that are not exchange transactions, such as scholarship grants like Pell, SEOG, OCOG) was down \$566,475.
- Nonoperating revenue decreased \$1,007,695 as a result of a \$566,475 decrease in nonoperating grant revenue and a \$343,333 decrease in investment revenue. Nonoperating expenses decreased \$35,388 as a result of a decrease in interest expense on related debt and losses on the disposal of capital assets in 2019.

### Using this Financial Report

This annual report consists of two parts: (1) management's discussion and analysis and the basic financial statements for Shawnee State University, and (2) the basic financial statements for Shawnee State University Development Foundation. The basic financial statements for Shawnee State University include the statements of net position, revenue, expenses, and changes in net position, and cash flows. The basic financial statements for Shawnee State University Development Foundation include the statement of net assets and the statement of activities.



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

### Statement of Net Position and Statement of Revenue, Expenses, and Changes in Net Position

The statement of net position and statement of revenue, expenses, and changes in net position present information about the University and its activities in a way that helps answer the question, "How did Shawnee State University do financially during 2019?" The statement of net position includes all short-term and long-term assets and liabilities, both financial and capital and deferred outflows or inflows of resources. The accrual basis of accounting is used for the recording of revenue and expenses. This basis of accounting records revenue when earned and expenses when incurred, regardless of when the cash is actually received or paid. Over time, increases or decreases in net position are one indicator of the improvement or deterioration of the University's financial health. Nonfinancial factors such as student retention rate, enrollment growth, and condition of facilities must also be considered.

#### Statement of Net Position

The statement of net position, which reports all assets and liabilities of the University, reflects the financial position of the University at the end of the fiscal year. Total assets and deferred outflows of resources minus total liabilities and deferred inflows of resources equal net position. The University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2019, 2018, and 2017 are presented below:





# Shawnee State University

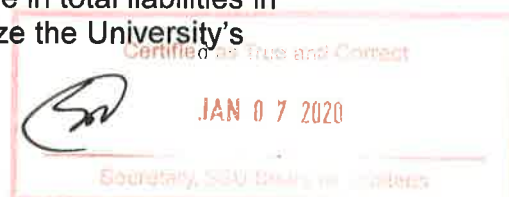
## Management's Discussion and Analysis (Unaudited) (Continued)

	2019	2018	2017
<b>Assets</b>			
Current assets	\$ 6,644,831	\$ 6,717,677	\$ 5,804,390
Capital assets - Net	82,339,293	81,463,970	81,450,795
Other noncurrent assets	<u>13,384,136</u>	<u>19,356,891</u>	<u>25,070,240</u>
Total assets	102,368,260	107,538,538	112,325,425
<b>Deferred Outflows of Resources</b>	11,888,528	11,253,663	12,939,645
<b>Liabilities</b>			
Current liabilities	7,561,123	8,799,530	7,305,898
Noncurrent liabilities	<u>69,237,964</u>	<u>70,048,677</u>	<u>78,383,850</u>
Total liabilities	76,799,087	78,848,207	85,689,748
<b>Deferred Inflows of Resources</b>	<u>8,165,320</u>	<u>8,207,912</u>	<u>2,051,088</u>
<b>Net Position</b>			
Net investment in capital assets	66,457,561	66,291,426	67,208,092
Restricted, expendable	249,245	173,500	168,546
Unrestricted	<u>(37,414,425)</u>	<u>(34,728,844)</u>	<u>(29,852,404)</u>
Total net position	<u>\$ 29,292,381</u>	<u>\$ 31,736,082</u>	<u>\$ 37,524,234</u>

Total assets of the University decreased \$5,170,278 in 2019 and decreased \$4,786,887 in 2018. Current assets decreased \$72,846 in 2019 following a \$913,287 increase in 2018. The decrease in 2019 was the result of a \$567,596 reduction in accounts receivables and a \$447,604 decrease in amounts due from primary government for state funded construction projects. The decrease in receivables was offset by a \$789,397 increase in cash from the liquidation of investment holdings in 2019. The 2018 increase is predominantly attributable to the liquidation of investment holdings to supplement the University's cash needs during the year. Noncurrent assets (excluding capital assets) decreased \$5,972,755 in 2019 and \$5,713,349 in 2018 due to the utilization of the Bond Series 2016 funding for new capital projects related to the debt.

The increased number of capital construction projects initiated in 2019 resulted in an increase of \$875,323 in net capital assets. The \$13,175 increase of net capital assets in 2018 was due to depreciation expense and the loss on disposals of capital assets equaling the cost of construction projects completed during 2018.

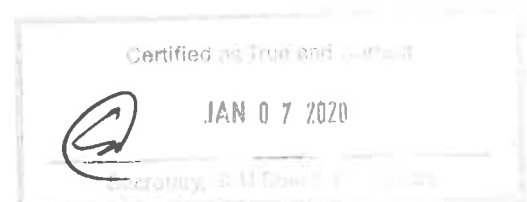
The \$2,049,120 decrease in total liabilities in 2019 consisted primarily of a \$954,157 reduction in accounts payable in addition to reductions of \$655,000 in bonds payable and \$321,617 in capital lease payable. The \$6,841,541 decrease in total liabilities in 2018 was primarily due to the \$19,031,393 decrease to recognize the University's



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

proportionate share of the net pension liability as determined by the two pension plans associated with the University, the State Teachers Retirement System and Ohio Public Employees Retirement System, as required by GASB Statement No. 68. The net pension liability related to GASB Statement No. 68 is partially offset by the \$11,774,361 increase as the result of the implementation of GASB Statement No. 75 to recognize the University's proportionate share of the net other postemployment benefits (OPEB) as determined by the two pension plans associated with the University. See Note 13 to the financial statements for further details.



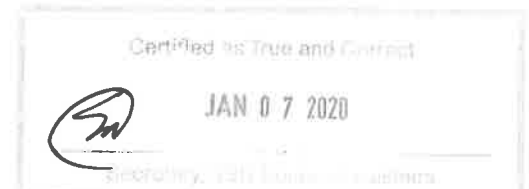
# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

### Statement of Revenue, Expenses, and Changes in Net Position

The statement of revenue, expenses, and changes in net position presents the results of operations for the University. The change in net position during the fiscal year is a measurement of the change in the overall financial condition of the University. The University's revenue, expenses, and changes in net position for the fiscal years ended June 30, 2019, 2018, and 2017 are as follows:

	2019	2018	2017
Operating revenue:			
Tuition, fees, and other student charges	\$ 18,728,350	\$ 20,433,024	\$ 22,116,470
Grants and contracts	3,263,392	4,112,850	3,854,225
Sales and services	2,038,280	2,207,409	1,969,224
Miscellaneous income	645,169	496,926	331,241
Nonoperating revenue:			
Investment income	578,900	922,233	1,790,009
State appropriations	15,713,910	15,811,797	15,811,534
Other grants	10,694,220	11,260,695	12,566,441
Capital appropriations	2,448,624	1,268,512	3,463,679
<b>Total revenue</b>	<b>54,110,845</b>	<b>56,513,446</b>	<b>61,902,823</b>
Operating expenses:			
Instruction and research	15,586,625	8,890,534	21,416,995
Public service	2,331,144	2,060,195	2,565,655
Academic support	2,813,696	2,677,238	3,050,404
Student services	4,775,638	4,286,628	4,441,226
Institutional support	11,594,379	10,916,284	11,420,704
Operation and maintenance of plant	4,525,012	4,793,929	5,260,516
Scholarships and fellowships	4,796,425	5,330,743	6,083,506
Depreciation	3,687,479	3,650,888	3,607,092
Auxiliary enterprises	6,034,425	6,525,600	6,640,647
Nonoperating expense:			
Interest on capital debt	409,363	437,761	1,081,197
Loss on disposal of capital assets	360	7,350	214,171
<b>Total expenses</b>	<b>56,554,546</b>	<b>49,577,150</b>	<b>65,782,113</b>
<b>(Decrease)increase in net position</b>	<b>\$ (2,443,701)</b>	<b>\$ 6,936,296</b>	<b>\$ (3,879,290)</b>



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

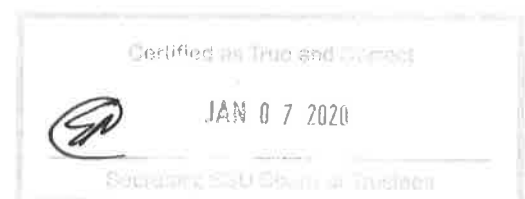
Shawnee State University is dedicated to its mission of providing higher education that fosters competence in oral and written communication, scientific and quantitative reason, and critical analysis/logical thinking. To enrich the lives of the community, the University provides opportunities for continuing personal and professional development, intellectual discovery, and appreciation for the creative and performing arts. The University charges students' tuition and fees in accordance with approved university policy, as constrained by state laws. Based on state regulations, there was no change in rates charged for continuing undergraduate in-state tuition and fees during 2019 and 2018. Beginning with the Fall 2018 term, the University did implement a new tuition guarantee program for all new first time freshmen students. The Shawnee Advantage Tuition plan guarantees students a flat tuition rate for up to five years while attending the University. Each new fiscal year, the tuition rate will be adjusted for that year's incoming freshmen class. Rates charged for undergraduate out-of-state students and all graduate students increased 2.5 percent effective in the fall 2017 semester.

The University's 2019 revenue from student tuition and fees has decreased to \$18,728,350 from \$20,433,024 in 2018 and \$22,116,470 in 2017 due to decreased enrollment over these years. Tuition and fees represent 34.6 percent of the University's total revenue in 2019, 36.2 percent in 2018 and 35.7 percent in 2017. The 20.7 percent decrease in operating grants and contracts revenue to \$3,263,392 in 2019 from \$4,112,850 in 2018 and \$3,854,225 in 2017 is attributable to the maturation of existing operating grants. The University continues initiatives to identify and obtain new grant funding as shown by the 2018 and 2017 increases.

Operating expenses increased \$7,012,784 primarily as a result of the 2018 \$11,986,641 GASB 68 and 75 reduction of pension expense being \$11,147,171 more than the \$839,470 reduction of 2019 pension expense. This \$11,147,171 increase is partially offset by a \$4,134,387 decrease in pension and OPEB expenses resulting in a 14.3 percent increase in total operating expenses in 2019 when compared to 2018 spending levels. The \$4,134,387 pension and OPEB related decrease in operating expenses is mainly a result of a \$1,957,663 decrease in instruction and department research expenses, a decrease of \$659,537 in operation and maintenance of plant expenses and a \$604,230 decrease in auxiliary expenses as a result of continuing austerity efforts across the University.

State appropriations represent 29.0 percent of the University's total revenue in 2019, 28.0 percent in 2018, and 25.5 percent in 2017. These percentages illustrate that tuition and fee revenue is not sufficient to cover operational expenses. The University has considerable dependency upon a predictable and relatively stable level of state appropriation funding.

During 2019, investment income amounted to \$578,900 as compared to \$922,233 during 2018 and \$1,790,009 during 2017. This decrease in investment income is the result of the declining funds available for investment as well as the impact of the University decision to reallocate a larger portion of the investment portfolio to a lower return but more stable fixed income allocation during 2019.



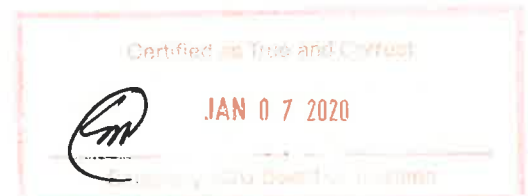
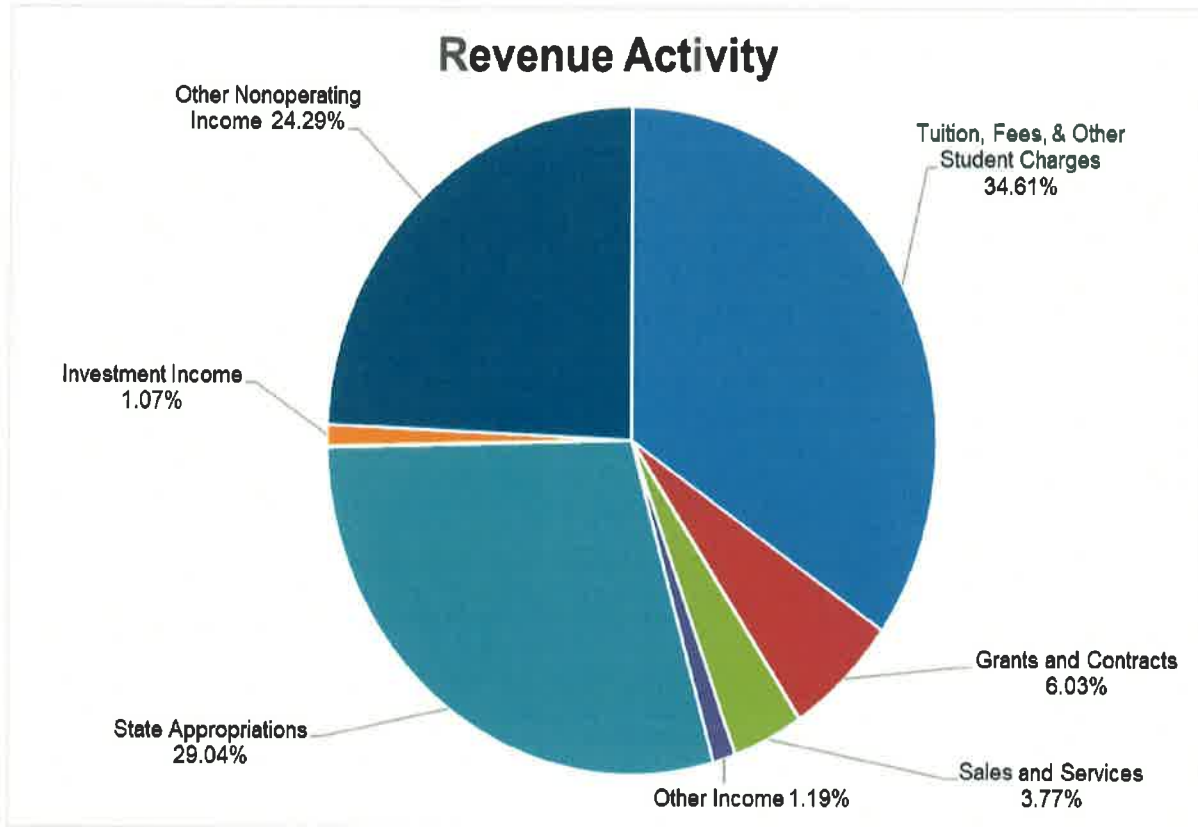
# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

Pell Grants and certain other grants are considered nonexchange transactions and are reflected as nonoperating revenue. The federal grants portion of nonoperating other grants revenue experienced a 6.5 percent decrease. The decrease in 2019 follows a similar decrease in 2018 of 2.6 percent in the federal grant portion of nonoperating other grants revenue. Income from federal aid programs such as Pell, SEOG, and Veteran's Benefits amounted to \$7.3 million in 2019 as compared with \$7.8 million in 2018 and \$8.0 million in 2017. Nonoperating grants revenue represents 19.8 percent of the University's total revenue in 2019, down from 19.9 percent in 2018, and 20.3 percent in 2017.

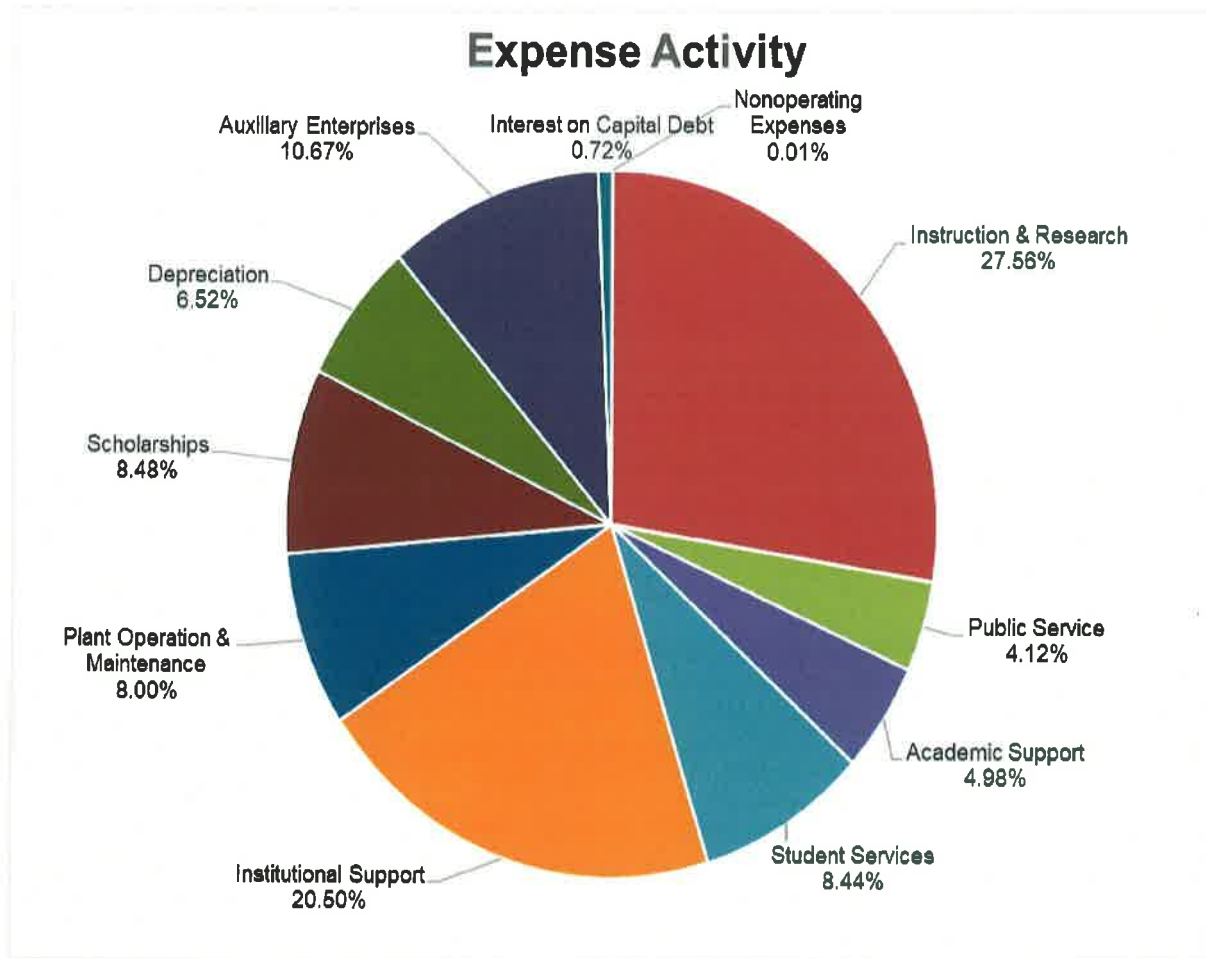
Capital appropriations increased to \$2,448,624 from \$1,268,512 in 2018 as more state capital projects were initiated in 2019. The decrease to \$1,268,512 in 2018 from \$3,463,679 in 2017 reflect the decreased state capital funding received to the close out of various capital projects during those years. These projects include the STEM building projects and major renovations to the Health Science building on campus.

The following graphs illustrate Shawnee State University's revenue and expense activity for the fiscal year ended June 30, 2019.



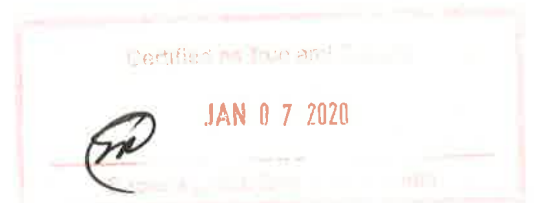
# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)



### Statement of Cash Flows

The statement of cash flows provides information about the University's financial condition by reporting the cash sources (receipts) and the cash uses (payments) during the fiscal year ended June 30, 2019. A comparison of cash sources and uses during fiscal years 2019, 2018, and 2017 is presented below:



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

	2019	2018	2017
<b>Cash (Used in) Provided By</b>			
Operating activities	\$ (28,443,714)	\$ (28,221,043)	\$ (28,451,678)
Noncapital financing activities	26,385,499	26,153,453	28,677,400
Capital and related financing activities	(3,756,139)	(3,802,663)	4,938,533
Investment activities	6,603,751	6,622,791	(5,851,901)
Net (decrease) increase in cash and cash equivalents	789,397	752,538	(687,646)
<b>Cash and Cash Equivalents</b>			
Beginning of the year	1,146,758	394,220	1,081,866
End of the year	<u>\$ 1,936,155</u>	<u>\$ 1,146,758</u>	<u>\$ 394,220</u>

Cash and cash equivalents increased by \$789,397 in 2019 as a result of a combination of institution-wide spending-constraint strategies and the liquidation of investment holdings to supplement the University's cash needs during the year.

### Capital Assets and Debt Administration

At the end of fiscal year 2019, the University held \$82,339,293 in net capital assets. This reflects an increase of \$875,323 in net capital assets from 2018. The increase was due to the increased number of construction projects initiated or continued during 2019.

Capital assets - Net of depreciation at June 30:

	2019	2018	2017
Land	\$ 8,003,370	\$ 8,003,370	\$ 8,003,370
Land improvements	6,928,632	6,928,632	6,928,632
Buildings and improvements	55,412,017	58,354,853	59,619,149
Equipment	1,803,784	2,412,502	1,974,114
Library books	189,862	232,737	280,551
Construction in progress	10,001,628	5,531,876	4,644,979
Totals	<u>\$ 82,339,293</u>	<u>\$ 81,463,970</u>	<u>\$ 81,450,795</u>

### **Debt Administration**

In fiscal year 2017, the University issued \$20,845,000 of General Receipts Bonds, Bond Series 2016. The net proceeds of the Series 2016 bonds were designated for various purposes. Bond proceeds of about \$7,200,000 were allocated to pay for the costs of various improvements to the University's campus. Those improvements include the renovation and rehabilitation of existing facilities for athletics and student recreation,

# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

health and fitness, student housing renovations, and other campus improvements. Secondly, the funds were utilized to advance refund all of the University's outstanding General Receipts Bonds, Series 2007. The Series 2007 Bonds were issued on June 5, 2007 for the purpose of paying the costs to renovate and construct a new addition to its University Center and for refunding of prior bond issues. Lastly, the remaining Series 2016 bond proceeds were used to pay costs of issuance of the bonds.

In fiscal year 2013, the University executed a new capital lease with Key Government Finance, Inc. The original lease proceeds of \$2,820,339 are funding a portion of the University's IT infrastructure upgrade project. In 2015, the University received an additional \$227,407 in funding and revised the original lease's payment schedule to reduce annual payment amounts by extending the lease through October 1, 2018. The University paid the final capital lease payment in 2019.

Outstanding debt at year end:

	2019	2018	2017
Capital lease payable - 3.16%	\$ -	\$ 321,617	\$ 633,259
General revenue bonds payable - 2% to 4%	19,575,000	20,220,000	20,845,000
Total debt	<u>\$ 19,575,000</u>	<u>\$ 20,541,617</u>	<u>\$ 21,478,259</u>

### Current Financial Issues and Concerns

As previously described, fiscal year 2019 realized a decrease in net position of more than \$2.44 million from 2018 largely due to a decline in AY18-19 student tuition and fee revenue. The University realized a 9.2% reduction in fall 2018 enrollment from fall 2017; the second consecutive year of significant decline. This posed considerable challenges that warranted a well-measured and prudent set of responses that could be adopted with urgency. With the support of the members of the Board of Trustees and the campus community, necessary actions and initiatives were implemented throughout 2019. As a result, university leaders and the campus community are adjusting to major organizational and operational changes fundamental to fulfilling the mission of the institution. The actions were complex, difficult, essential, and implemented during a time of extreme fiscal constraint.

The primary initiatives implemented include: a general recommitment to the mission of the institution and the delivery of quality programs and services to students, multiple key leadership changes, restructured organization consolidating four divisions to three, formal adoption of a strategic enrollment plan, increased resources through shifting funds and manpower for a stronger recruitment operation armed with aggressive goals linked to the strategic enrollment plan, expanded and professionalized marketing and branding targeted to local and regional markets, engagement with an online management firm for the delivery of select online programs, incentives to faculty to transition certain programs



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

and courses to online, partnerships with community colleges to deliver high-demand programs, warehousing or elimination of outdated or very low-enrollment academic programs while developing and offering new academic programs geared to job and career goals, development of the university's first doctoral program, and more. The commitment to students was further exhibited by modernization of classrooms and laboratories, technology upgrades, and renovations of athletic accommodations for expanding athletic programs and improved student recreation opportunities.

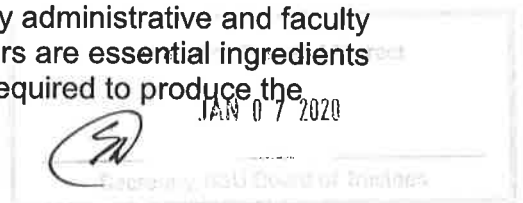
At the same time growth investments were implemented, efforts continued to realize business efficiencies, adopt advanced admissions software tools, and streamline operational processes. Future efforts are pending to modernize student business systems focusing upon processes managed by the Registrar, Bursar, Financial Aid, and the Student Business Center. Quality assessments were undertaken focused upon providing excellent customer service throughout the campus.

Department operating budgets were regularly monitored and spending limited to ensure faculty and staff have sufficient resources to meet essential operational and academic needs that directly impact academic programs and other student services. The positive impact of faculty for the three years' duration of the collectively bargained agreement cannot be overstated. The Shawnee faculty have demonstrated strong leadership and a commitment to a fiscally-sound institution. Compensation costs are controlled through individual evaluation by leadership of each vacated position and hiring decisions are based upon critical academic or service needs, to meet regulatory or other obligatory requirements, or consideration of planned succession.

The strategies expressly focused upon retention efforts are proving to be successful with fall-to-fall retention at 74%. These strategies include but are not limited to: focused advising, specialized software tools for key service areas, a summer bridge program to support students with multiple academic deficiencies, special attention to high school students participating in the state's postsecondary education program, expanded athletic programs to encourage greater engagement, sports venues such as e-gaming that complement the university's academic digital gaming degrees, and in fall 2020, a swim team.

The actual results from the culmination of the above initiatives far exceeded the "hoped-for" expectations with fall 2019 enrollment numbers nearly 12% above fall 2018, and an (unmatched in the four-year public sector) 30.2% increase in first-time freshmen and new transfers; a group critical to future student tuition and fee revenue. In addition, through the efforts of campus and community advocates who recognize the value of the University in the region and the state, the University's state supplement allocation was legislatively increased by 59% (\$1.5 million) to \$4 million each year of the 2020-2021 biennium. This increase illustrates the confidence and support held by legislators and the community for the University's mission.

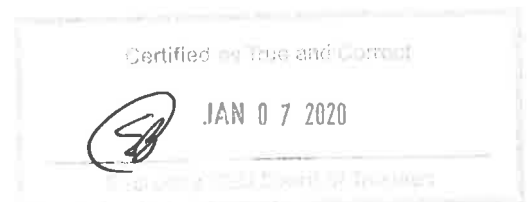
The dedication and commitment of the Board of Trustees, key administrative and faculty leaders, campus constituencies, city, and community members are essential ingredients critical to the institution. Strong actions and hard work were required to produce the



# Shawnee State University

## Management's Discussion and Analysis (Unaudited) (Continued)

outstanding fall 2019 enrollment outcomes while overcoming many challenges. The University's leadership fully understands that commitment to ongoing strategic and proactive actions are required to sustain this level of performance and to achieve the desired long-term positive enrollment-growth trajectory essential for fiscal stability.



# Shawnee State University

## Statement of Net Position University

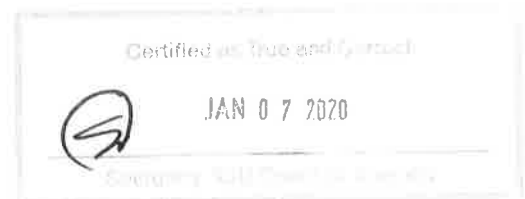
	June 30	
	2019	2018
<b>Assets and Deferred Outflows of Resources</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,936,155	1,146,758
Receivables:		
Accounts - Net of allowance for doubtful accounts of \$2,095,257 in 2019 and \$2,474,856 in 2018	4,241,633	4,809,228
Notes receivable	79,992	80,852
Amounts due from primary government	33,287	480,891
Interest receivable	23,261	28,650
Inventory	24,264	32,211
Prepaid items	306,239	139,087
<b>Total current assets</b>	<b>6,644,831</b>	<b>6,717,677</b>
<b>Noncurrent Assets</b>		
Restricted investments	3,594,563	5,521,217
Investments	9,789,573	13,835,674
Capital assets - Net	82,339,293	81,463,970
<b>Total noncurrent assets</b>	<b>95,723,429</b>	<b>100,820,861</b>
<b>Total assets</b>	<b>102,368,260</b>	<b>107,538,538</b>
<b>Deferred Outflows of Resources</b>		
Pension costs	11,017,389	10,452,614
OPEB costs	871,139	801,049
<b>Total deferred outflows of resources</b>	<b>11,888,528</b>	<b>11,253,663</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 114,256,788</b>	<b>\$ 118,792,201</b>



# Shawnee State University

## Statement of Net Position (Continued) University

	June 30	
	2019	2018
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,039,300	\$ 1,993,457
Accrued wages and benefits	3,576,463	3,629,775
Compensated absences payable	191,666	180,693
Capital lease payable	-	321,617
Bonds payable	655,000	645,000
Accrued interest payable	55,781	67,151
Unearned revenue	1,908,844	1,831,218
Deposits held by and due to others	134,069	130,619
Total current liabilities	7,561,123	8,799,530
<b>Noncurrent Liabilities</b>		
Compensated absences payable	1,724,992	1,626,241
Unearned revenue	550,595	583,541
Net pension liability	40,931,803	36,489,534
Net OPEB liability	7,110,574	11,774,361
Bonds payable	18,920,000	19,575,000
Total noncurrent liabilities	69,237,964	70,048,677
Total liabilities	76,799,087	78,848,207
<b>Deferred Inflows of Resources</b>		
Service concession agreements	92,528	120,000
Pension costs	4,636,709	6,497,004
OPEB costs	2,955,582	1,078,374
Bond refunding	480,501	512,534
Total deferred inflows of resources	8,165,320	8,207,912
<b>Net Position</b>		
Net investment in capital assets	66,457,561	66,291,426
Restricted:		
Expendable		
Loans	212,906	112,902
Other	36,339	60,598
Unrestricted	(37,414,425)	(34,728,844)
Total net position	29,292,381	31,736,082
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 114,256,788	\$ 118,792,201



# Shawnee State University

## Statement of Net Assets Development Foundation

	June 30	
	2019	2018
<b>Assets</b>		
Cash and cash equivalents	\$ 833,833	\$ 790,723
Investments	18,743,975	19,030,577
Contributions receivable - Net	330,684	393,842
Lease receivable from related party	22,006	24,175
Grant receivable	196,914	-
Other receivable	36,353	-
Beneficial interest in trusts held by others	796,980	913,594
Cash surrender value of life insurance	277,702	271,287
Other assets	72,590	74,525
Net property and equipment	9,962,366	10,010,618
<b>Total assets</b>	<b>\$ 31,273,403</b>	<b>\$ 31,509,341</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	\$ 14,823	\$ 24,906
Accrued real estate tax	15,597	67,860
Grant payable	196,914	-
Other payable	20,000	-
Deposits held and due to others	6,822	205,942
Annuity payment liability	239,263	193,626
Note payable	3,948,916	4,265,792
<b>Total liabilities</b>	<b>4,442,335</b>	<b>4,758,126</b>
<b>Net Assets</b>		
Without donor restrictions	8,052,310	7,942,983
With donor restrictions	18,778,758	18,808,232
<b>Total net assets</b>	<b>26,831,068</b>	<b>26,751,215</b>
<b>Total liabilities and net assets</b>	<b>\$ 31,273,403</b>	<b>\$ 31,509,341</b>

Certified as True and Correct



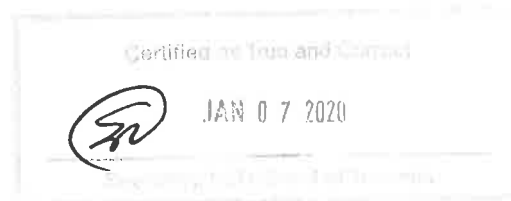
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Controller, Shawnee State University

# Shawnee State University

## Statement of Revenue, Expenses, and Changes in Net Position University

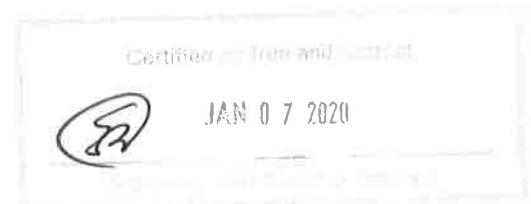
	Year Ended June 30	
	2019	2018
<b>Operating Revenue</b>		
Student tuition and fees (net of scholarship allowances of \$10,496,856 in 2019 and \$10,671,147 in 2018)	\$ 18,728,350	\$ 20,433,024
Federal grants and contracts	1,867,320	2,087,596
State grants and contracts	656,136	1,342,818
Local grants and contracts	396,733	377,466
Private gifts, grants, and contracts	343,203	304,970
Sales and services	2,038,280	2,207,409
Miscellaneous	645,169	496,926
Total operating revenue	24,675,191	27,250,209
<b>Operating Expenses</b>		
Education and general:		
Instruction and departmental research	15,586,625	8,890,534
Public service	2,331,144	2,060,195
Academic support	2,813,696	2,677,238
Student services	4,775,638	4,286,628
Institutional support	11,594,379	10,916,284
Operation and maintenance of plant	4,525,012	4,793,929
Scholarships and fellowships	4,796,425	5,330,743
Depreciation expense	3,687,479	3,650,888
Auxiliary enterprises	6,034,425	6,525,600
Total operating expenses	56,144,823	49,132,039
<b>Operating Loss</b>	(31,469,632)	(21,881,830)
<b>Nonoperating Revenue (Expenses)</b>		
State appropriations	15,713,910	15,811,797
Federal, state, and local grants and contracts	9,598,061	10,287,480
Private grants and contracts	1,096,159	973,215
Investment income	578,900	922,233
Interest on capital asset-related debt	(409,363)	(437,761)
Loss on disposal of capital assets	(360)	(7,350)
Net nonoperating revenue	26,577,307	27,549,614
<b>Change in Net Position Before Capital Appropriations</b>	(4,892,325)	5,667,784
<b>Other Revenue - Capital appropriations</b>	2,448,624	1,268,512
<b>(Decrease) Increase in Net Position</b>	(2,443,701)	6,936,296
<b>Net Position - Beginning of year</b>	31,736,082	37,524,234
<b>Adjustment for change in Accounting Principle (Note 2)</b>	-	(12,724,448)
<b>Net Position - Beginning of year, as restated</b>	31,736,082	24,799,786
<b>Net Position - End of year</b>	<b>\$ 29,292,381</b>	<b>\$ 31,736,082</b>



# Shawnee State University

## Statement of Activities Development Foundation Year Ended June 30, 2019

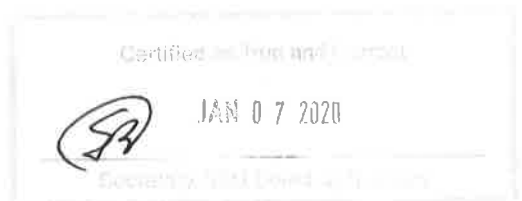
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Contributions	\$178,218	\$661,202	\$839,420
Investment income - Net	123,365	965,373	1,088,738
Change in value of split-interest agreements	-	(162,251)	(162,251)
Federal grant revenue	-	396,733	396,733
Other income	-	61,340	61,340
Rental income	407,381	-	407,381
Net assets released from restrictions	1,951,871	(1,951,871)	-
<b>Total revenue and other support</b>	<b>2,660,835</b>	<b>(29,474)</b>	<b>2,631,361</b>
<b>Expenses</b>			
Program services:			
Scholarships and other student aid	658,960	-	658,960
Institutional support	937,583	-	937,583
<b>Total program services</b>	<b>1,596,543</b>	<b>-</b>	<b>1,596,543</b>
Management and general expenses	243,354	-	243,354
Rental activities	518,643	-	518,643
Fundraising	192,968	-	192,968
<b>Total expenses</b>	<b>2,551,508</b>	<b>-</b>	<b>2,551,508</b>
<b>Change in Net Assets</b>	<b>109,327</b>	<b>(29,474)</b>	<b>79,853</b>
<b>Net Assets - Beginning of year</b>	<b>7,942,983</b>	<b>18,808,232</b>	<b>26,751,215</b>
<b>Net Assets - End of year</b>	<b>\$ 8,052,310</b>	<b>\$ 18,778,758</b>	<b>\$ 26,831,068</b>



# Shawnee State University

## Statement of Activities (Continued) Development Foundation Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Contributions	\$104,301	\$1,035,521	\$1,139,822
Investment income - Net	96,953	1,298,288	1,395,241
Change in value of split-interest agreements	(133,551)	5,078	(128,473)
Rental income	418,381	-	418,381
Net assets released from restrictions	1,800,988	(1,800,988)	-
<b>Total revenue and other support</b>	<b>2,287,072</b>	<b>537,899</b>	<b>2,824,971</b>
<b>Expenses</b>			
Program services:			
Scholarships and other student aid	480,038	-	480,038
Institutional support	525,582	-	525,582
<b>Total program services</b>	<b>1,005,620</b>	<b>-</b>	<b>1,005,620</b>
Management and general expenses	267,087	-	267,087
Rental activities	568,920	-	568,920
Fundraising	170,392	-	170,392
<b>Total expenses</b>	<b>2,012,019</b>	<b>-</b>	<b>2,012,019</b>
<b>Losses</b>			
Loss on sale of assets	1,627,489	-	1,627,489
<b>Total expenses and losses</b>	<b>3,639,508</b>	<b>-</b>	<b>3,639,508</b>
<b>Change in Net Assets</b>	<b>(1,352,436)</b>	<b>537,899</b>	<b>(814,537)</b>
<b>Net Asset Transfer</b>	<b>(776,686)</b>	<b>776,686</b>	<b>-</b>
<b>Net Assets - Beginning of year</b>	<b>10,072,105</b>	<b>17,493,647</b>	<b>27,565,752</b>
<b>Net Assets - End of year</b>	<b>\$ 7,942,983</b>	<b>\$ 18,808,232</b>	<b>\$ 26,751,215</b>

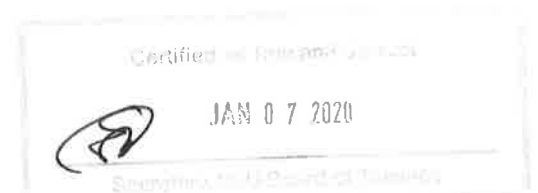




# Shawnee State University

## Statement of Cash Flows University

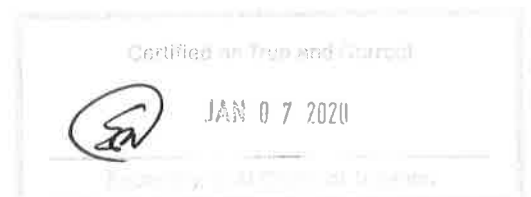
	Year Ended June 30	
	2019	2018
<b>Cash Flows from Operating Activities</b>		
Cash received from tuition, fees, and other student charges	\$ 20,060,967	\$ 20,618,331
Cash received from gifts, grants, and contracts	2,746,727	4,373,900
Cash received from sales and services	2,140,510	2,140,666
Cash received from miscellaneous services	645,169	496,926
Cash payments to suppliers for goods and services	(13,061,112)	(13,696,422)
Cash payments to employees for services	(25,496,423)	(28,863,706)
Cash payments for employee benefits	(10,683,127)	(7,959,995)
Cash payments for scholarships and fellowships	(4,796,425)	(5,330,743)
Net cash used in operating activities	(28,443,714)	(28,221,043)
<b>Cash Flows from Noncapital Financing Activities</b>		
State appropriations	15,713,910	15,811,797
Nonexchange gifts, grants, and contracts	10,955,930	10,689,078
Federal direct student loan program receipts	16,024,838	18,042,932
Federal direct student loan program disbursements	(16,312,869)	(18,384,827)
Net cash from agency transactions	3,690	(5,527)
Net cash provided by noncapital financing activities	26,385,499	26,153,453
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital appropriations	2,768,972	1,051,006
Payments for capital acquisitions	(4,862,605)	(3,201,982)
Principal payments	(966,617)	(936,642)
Interest payments	(695,889)	(715,045)
Net cash used in capital and related financing activities	(3,756,139)	(3,802,663)
<b>Cash Flows from Investing Activities</b>		
Interest on investments	570,894	919,862
Proceeds for sales and maturities of investments	4,534,836	6,591,736
Proceeds for sales of restricted investments	2,027,522	-
Purchases of securities	(529,501)	(888,807)
Net cash provided by investing activities	6,603,751	6,622,791
<b>Net Change in Cash and Cash Equivalents</b>	789,397	752,538
<b>Cash and Cash Equivalents - Beginning of year</b>	1,146,758	394,220
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 1,936,155</b>	<b>\$ 1,146,758</b>



# Shawnee State University

## Statement of Cash Flows (Continued) University

	Year Ended June 30	
	2019	2018
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>		
Operating loss	\$ (31,469,632)	\$ (21,881,830)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation expense	3,687,479	3,650,888
Changes in operating assets and liabilities and deferred outflows of resources and deferred inflows of resources which provided (used) cash:		
Accounts receivable	1,198,786	639,913
Notes receivable	860	646
Prepaid items	(167,152)	184,244
Inventory	7,947	3,825
Accounts payable	(963,625)	889,587
Accrued wages and benefits	(53,311)	225,560
Compensated absences payable	109,724	(68,774)
Unearned revenue	44,680	121,539
Net pension liability	4,442,269	(19,031,393)
Net OPEB liability	(4,663,787)	(994,174)
Deferred outflows of resources - Net pension expense	(564,775)	2,487,031
Deferred outflows of resources - Net OPEB pension expense	(70,090)	(756,962)
Deferred inflows of resources - Net pension expense	(1,860,295)	5,230,483
Deferred inflows of resources - Net OPEB expense	1,877,208	1,078,374
Net cash used in operating activities	<u>\$ (28,443,714)</u>	<u>\$ (28,221,043)</u>



## Note 1 - Reporting Entity

Shawnee State University (the "University") is a state institution of higher education created in 1986 by the Ohio General Assembly under House Bill 739. The University is one of several state-supported universities in the state of Ohio (the "State"). The University is a component unit of the State and is included as a discretely presented component unit in the State's Comprehensive Annual Financial Report. It is declared by statute to be a body politic and corporate and an instrumentality of the State. The University is governed by a nine-member board of trustees, which is granted authority under Ohio law to do all things necessary for the proper maintenance and continual successful operation of the University. The trustees are appointed for staggered nine-year terms by the governor with the advice and consent of the State Senate. In addition, two nonvoting student members are appointed to the board of trustees for staggered two-year terms.

GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14 - Omnibus*, provide guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. Generally, it requires reporting as a component unit an organization that raises and holds significant economic resources for the direct benefit of a government unit.

Shawnee State University Development Foundation (the "Foundation") is a legally separate, tax-exempt organization supporting the University. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the University in support of its programs. The Foundation's board of trustees is self-perpetuating and consists of graduates and friends of the University. Although the University does not control the timing or amount of receipts from the Foundation, the majority of the resources the Foundation holds and invests are restricted by the donors to the activities of the University. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements. The Foundation's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles as prescribed by the Financial Accounting Standards Board. A separate financial report for the Foundation is available by contacting The Shawnee State University



## Note 1 - Reporting Entity (Continued)

Development Foundation, 940 Second Street, Portsmouth, Ohio, 45662 or by calling 740-351-3284.

The financial statements of the University have been prepared on the accrual basis and are in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant Shawnee State University accounting policies are described below.

## Note 2 - Summary of Significant Accounting Policies

**Basis of Presentation** - In accordance with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, and subsequent standards issued by the GASB, the University has elected to report as an entity engaged in business-type activities.

When an expenditure is incurred for purposes for which both restricted and unrestricted funds are available, it is the University's policy to apply restricted resources first, then unrestricted resources as needed.

The financial statements presentation is intended to provide a comprehensive, entity-wide perspective of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenue, expenses, changes in net position, and cash flows.

**Basis of Accounting** - The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Shawnee State University's financial statements are prepared using the accrual basis of accounting.

Revenue is recorded on the accrual basis when the exchange takes place. Expenses are recognized at the time they are incurred.

**Cash and Cash Equivalents** - Cash consists primarily of petty cash, cash in banks, and money market accounts. Cash equivalents are short-term highly liquid investments readily convertible to cash with original maturities of three months or less.

**Accounts Receivable** - Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, staff, the majority of each residing in the state of Ohio. Accounts receivable also include amounts

## Note 2 - Summary of Significant Accounting Policies (Continued)

due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

**Prepaid Items** - Payments made to vendors for services that will benefit periods beyond the year end are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expense is reported in the year in which the services are consumed.

**Restricted Investments** - Amounts represent the unspent bond proceeds invested in eligible securities as defined by the Series 2016 Bond agreements and are restricted for bond related capital projects.

**Investments** - Investments, which include investment contracts and money market investments that have a remaining maturity of one year or less at the time of purchase, are reported at fair value. The University has an investment management agreement with TIAA, as permitted by state statute. The agreement allows (within statute limits) investment in both debt and equity instruments. All investments are carried at fair value.

The University has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on June 30, 2019 and 2018, respectively.

**Capital Assets** - Capital assets utilized by Shawnee State University are reported on the statement of net position. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. Shawnee State University maintains a capitalization threshold of \$5,000 for movable equipment and \$100,000 for buildings. Building improvement

## Note 2 - Summary of Significant Accounting Policies (Continued)

projects over \$100,000 are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or significantly extend an asset's life are not capitalized.

All reported capital assets except for land, land improvements, and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Buildings and improvements	25-50 years
Machinery and equipment	5-20 years
Licensed vehicles	5-10 years
Library books	10 years

Shawnee State University's policy is to capitalize net interest on construction projects until completion of the project. The amount of the capitalized interest is the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investments of the debt proceeds over the same period. Capitalized interest is amortized on a straight-line basis over the estimated useful life of the asset. The University recorded \$222,268 and \$226,278 of capitalized interest as of June 30, 2019 and 2018, respectively.

**Compensated Absences** - Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to service already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability will include employees currently eligible to receive termination benefits and those Shawnee State University had identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and the employee's wage rate at year end, taking into consideration any limits specified in Shawnee State University's termination policy.

**Unearned Revenue** - Unearned revenue is predominantly made up of three categories of income. The first consists of receipts relating to tuition and student fees in advance of the services to be provided. The University will recognize revenue to the extent these services are provided over the coming fiscal year. The second is revenue received from the University bookstore vendor. These funds are designated for improvements to the bookstore as part of the Morris University Center renovation project. The funding is dependent on retaining the contract with this vendor. The straight-line method will be used to amortize the

## Note 2 - Summary of Significant Accounting Policies (Continued)

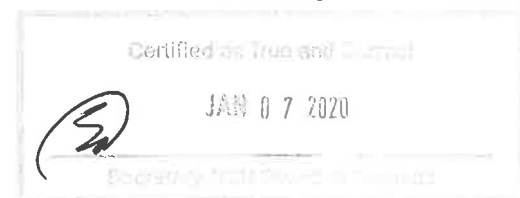
revenue over the remaining life of the contract. The remaining source of unearned revenue consists of grant funding received from the grantor prior to occurrence of allowable grant expenses. Revenue will be recognized as expenses are incurred.

**Pensions** – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense. Information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) and State Teachers Retirement System of Ohio Pension Plan (STRS) and additions to/deductions from STRS' and OPERS' fiduciary net position have been determined on the same basis as they are reported by STRS and OPERS. STRS and OPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Postemployment Benefit Costs** - For purposes of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) and State Teachers Retirement System of Ohio (STRS) Pension Plan and additions to/deductions from STRS'/OPERS' fiduciary net position have been determined on the same basis as they are reported by STRS/OPERS. STRS/OPERS uses the economic resources measurement focus and the full accrual basis of accounting. For this purpose, STRS/OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Deferred Outflows of Resources** - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for certain pension-related and OPEB-related amounts, such as change in expected and actual experience, changes in assumptions, and certain contributions made to the plan subsequent to the measurement date. More detailed information can be found in Note 13.

**Deferred Inflows of Resources** - In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This



## Note 2 - Summary of Significant Accounting Policies (Continued)

separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government reports deferred inflows of resources for certain pension-related and OPEB-related amounts, such as the difference between projected and actual earnings of the plan's investments. More detailed information can be found in Note 13.

**Net Position** - GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following net position categories:

- **Net Investment in Capital Assets** - Capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt and deferred inflows of resources related to the acquisition, construction, or improvement of those assets.
- **Restricted** - Owned by the University, but the use or purpose of the funds is restricted by an external source or entity. The restricted net position category is subdivided further into expendable and nonexpendable.
  - **Restricted Expendable** - May be spent by the institution, but only for the purpose specified by the donor, or other external entity. This category includes the unspent balance in loan funds, debt service funds, and bond-funded capital projects.
  - **Restricted Nonexpendable** - Endowment funds whose principal may be invested; however, only interest, dividends, and capital gains may be spent.
- **Unrestricted** - Resources whose use by the University is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the board of trustees or may otherwise be limited by contractual agreements with outside parties.

**Income Taxes** - The University is an organization described in Section 115 of the Internal Revenue Code (the "Code") and has further been classified as an organization that is not a private foundation in accordance with Sections 509(a)(1) and 170(b)(1)(A)(ii) of the Code. However, certain revenue is considered unrelated business income and may be taxable under Code Sections 511 through 513.

**Self-Insurance** - The University is self-insured for certain employee health benefit programs. Funding for these programs is based on actuarial projections provided



## Note 2 - Summary of Significant Accounting Policies (Continued)

by the plan administrators. Aggregate stop-loss insurance is maintained for benefit payments that exceed the maximum limits outlined in the policy. A liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, is recorded.

**Classification of Revenue** - Revenue is classified as either operating or nonoperating.

- Operating revenue includes revenue from activities that have characteristics similar to exchange transactions. These include student tuition and fees (net of scholarship discounts and allowances), sales and services of auxiliary enterprises (net of scholarship discounts and allowances), and certain federal, state, local and private grants, and contracts. The presumption is that there is a fair exchange of value between all parties to the transaction.
- Nonoperating revenue includes revenue from activities that have the characteristics of nonexchange transactions, such as state appropriations and certain federal, state, local, and private gifts, and grants. The implication is that such revenue is derived from more passive efforts related to the acquisition of the revenue, rather than the earning of it.

**Scholarship Discounts and Allowances** - Student tuition and fee revenue, and certain other revenue from students, are reported net of scholarship discounts and allowances in the statement of revenue, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain federal, state, local, and nongovernmental grants are recorded as either operating or nonoperating revenue in the University's financial statements based on whether or not they are considered exchange transactions. To the extent that revenue from such programs is used to satisfy tuition and fees and other student charges, the University has recorded a scholarship discount and allowance.

**Service Concession Arrangements** - The University entered into an agreement in 2019 with a new food service provider, which is a service concession arrangement. As part of the arrangement, the service provider is funding dining hall renovations on the University's behalf over the 10-year period of the contract, contingent upon the University utilizing the services of the food service provider for the period. As amounts are funded, they are recorded as deferred inflows and amortized over the remaining life of the contract. The University fulfilled the prior service concession agreement in 2019. Under GASB Statement No. 60,



## Note 2 - Summary of Significant Accounting Policies (Continued)

*Accounting and Financial Reporting for Service Concession Arrangements*, service concession arrangements are to be reported as deferred inflows/outflows of resources. The University recorded deferred inflows of resources of \$92,528 and \$120,000 at June 30, 2019 and 2018, respectively.

**Budgetary Process** - Although not required under the Ohio Revised Code, estimated budgets are adopted by the University board of trustees in the current fiscal year for the following fiscal year. As part of budgetary control, purchase orders, contracts, and other commitments are recorded as the equivalent of an expense on the budgetary basis in order to reserve that portion of the applicable encumbrance.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue during the reporting period. Actual results could differ from those estimates.

**Upcoming Accounting Pronouncements** - As of June 30, 2019, the GASB has issued the following statements not yet implemented by the University:

- **Accounting for Fiduciary Activities** - In January 2017, the Governmental Accounting Standards Board issued GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of governments and improves guidance for accounting and financial reporting related to how these activities should be reported. The University is currently evaluating the impact of this standard, specifically related to holding assets for other organizations. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2020.
- **Accounting for Leases** - In June 2017, the Governmental Accounting Standards Board issued GASB Statement No. 87, *Leases*, which increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings

## Note 2 - Summary of Significant Accounting Policies (Continued)

of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The new lease standard is not expected to have a significant effect on the University's financial statements. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2021.

- **Accounting for Interest Cost Incurred Before the End of a Construction Period** – In June 2018, the Governmental Accounting Standards Board issued GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of the standard will be applied prospectively and result in increased interest expense during periods of construction. The provisions of this statement are effective for the University's financial statements for the year ended June 30, 2021.

## Note 3 - Deposits and Investments

**Deposits** - At June 30, 2019, the carrying amount of the University's deposits (which consist of cash, excluding cash on hand of \$2,827, deposits held by trustee, and investments) was \$1,933,328 and the bank balance was \$824,327. The difference in the carrying amount and bank balance primarily results from outstanding checks. Of the bank balance, \$250,000 is covered by the Federal Deposit Insurance Corporation. At June 30, 2018, the carrying amount of the University's deposits, (which consist of cash, excluding cash on hand of \$3,278, deposits held by trustee, and investments) was \$1,143,480 and the bank balance was \$1,491,486.

**Investments** - All investments are stated at fair value. Investments received by gift are stated at fair value at the date of gift if a fair value is available, and otherwise at an appraised or nominal value.

As of June 30, 2019, the University had the following investments and maturities using the segmented time distribution method:



### Note 3 - Deposits and Investments (Continued)

Investment Type	Value	Investment Maturities (in years)		
		<1	1-5	More than 5
U.S. govt. and agency bonds	\$ 1,561,515	\$ 296,503	\$ 588,939	\$ 676,073
Corporate bonds and notes	1,566,401	183,461	715,891	667,049
Fixed-income mutual funds	1,528,691	1,528,691	-	-
Money market funds	5,981,325	5,981,325	-	-
STAR Ohio funds	191,776	191,776	-	-
<b>Total</b>	<b>10,829,708</b>	<b>\$ 8,181,756</b>	<b>\$ 1,304,830</b>	<b>\$ 1,343,122</b>
Equities and equity funds	2,554,428			
<b>Total</b>	<b>\$ 13,384,136</b>			

As of June 30, 2018, the University had the following investments and maturities using the segmented time distribution method:

Investment Type	Value	Investment Maturities (in years)		
		<1	1-5	More than 5
U.S. govt. and agency bonds	\$ 1,619,760	\$ -	\$ 1,111,277	\$ 508,483
Corporate bonds and notes	1,395,060	-	804,078	590,982
Fixed-income mutual funds	1,546,969	1,546,969	-	-
Money market funds	8,762,842	8,762,842	-	-
STAR Ohio funds	187,305	187,305	-	-
<b>Total</b>	<b>13,511,936</b>	<b>\$ 10,497,116</b>	<b>\$ 1,915,355</b>	<b>\$ 1,099,465</b>
Equities and equity funds	5,844,955			
<b>Total</b>	<b>\$ 19,356,891</b>			

Restricted investments at June 30, 2019 and 2018 are shown in the statement of net position as noncurrent assets in the amount of \$3,594,563 and \$5,521,217, respectively. Investments at June 30, 2019 and 2018 are shown in the statement of net position as noncurrent assets in the amount of \$9,789,573 and \$13,835,674, respectively.

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

### Note 3 - Deposits and Investments (Continued)

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's investment policy limits investments in fixed-income securities to government and agency issues and corporate issues in the top four quality rating of recognized credit services. Other than for alternative investments, investments below investment grade and derivatives are specifically prohibited.

As of June 30, 2019 and 2018, the University had the following investments and quality ratings:

Investment Type	Rating	2019 Fair Value	2018 Fair Value
U.S. govt. and agency bonds	AAA	\$ 56,607	\$ 47,770
	AA+	1,504,908	1,571,990
Corporate bonds and notes	AAA	349,779	-
	AA	156,683	310,280
	A	594,056	540,041
	BBB	465,883	544,739
Fixed-income mutual funds	AAA	1,528,691	1,546,969
Money market funds	AAA	3,594,563	5,561,388
	AA+	2,386,762	3,201,454
STAR Ohio funds	AAA	191,776	187,305
		\$ 10,829,708	\$ 13,511,936

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The University's investment policy limits investment in any single issue other than U.S. government securities to 5.0 percent of the total investment portfolio.

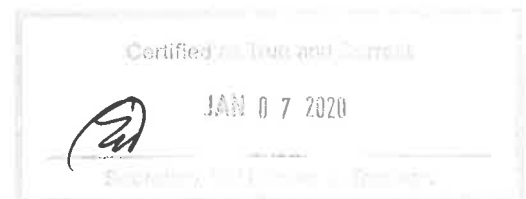
### Note 4 - Fair Value Measurements

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The University's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The University has the following assets with recurring fair value measurements as of June 30, 2019 and 2018:

	Assets Measured at Fair Value on a Recurring Basis			
	Balance at June 30, 2019	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by Fair Value Level</b>				
Debt securities:				
U.S. gov. and agency bonds	\$ 1,561,515	\$ 1,561,515	\$ -	\$ -
Corporate bonds and notes	1,566,401	-	1,566,401	-
Total debt securities	3,127,916	1,561,515	1,566,401	-
Mutual funds:				
Fixed-income mutual funds	1,528,691	1,528,691	-	-
Equity mutual funds	2,554,428	2,554,428	-	-
Money market mutual funds	5,981,325	5,981,325	-	-
Total mutual funds	10,064,444	10,064,444	-	-
Total investments by fair value level	\$ 13,192,360	\$ 11,625,959	\$ 1,566,401	\$ -



### Note 4 - Fair Value Measurements (Continued)

#### Assets Measured at Fair Value on a Recurring Basis

	Balance at June 30, 2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by Fair Value Level</b>				
Debt securities:				
U.S. gov't. and agency bonds	\$ 1,619,760	\$ 1,353,284	\$ 266,476	\$ -
Corporate bonds and notes	1,395,060	-	1,395,060	-
Total debt securities	3,014,820	1,353,284	1,661,536	-
Mutual funds:				
Fixed-income mutual funds	1,546,969	1,546,969	-	-
Equity mutual funds	5,844,955	5,844,955	-	-
Money market mutual funds	8,762,842	8,762,842	-	-
Total mutual funds	16,154,766	16,154,766	-	-
Total investments by fair value level	\$ 19,169,586	\$ 17,508,050	\$ 1,661,536	\$ -

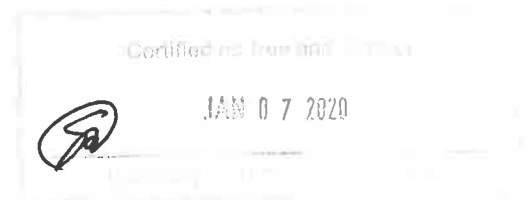
Short-term investment and investments on the statement of net position at June 30, 2019 and 2018 include investments in STAR Ohio of \$191,776 and \$187,305, respectively. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.



### Note 5 - Accounts Receivable

The composition of accounts receivable at June 30, 2019 and 2018 is summarized as follows:

	2019	2018
Student tuition and fees	\$ 4,502,538	\$ 5,346,081
Grants and contracts	1,821,342	1,561,024
Other	13,010	376,979
	<hr/>	<hr/>
Total accounts receivable	6,336,890	7,284,084
	<hr/>	<hr/>
Less allowance for doubtful accounts	(2,095,257)	(2,474,856)
	<hr/>	<hr/>
Accounts receivable - Net	\$ 4,241,633	\$ 4,809,228





### Note 6 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Reclass and Additions	Reductions	Balance June 30, 2019
Capital assets not being depreciated:				
Land	\$ 8,003,370	\$ -	\$ -	\$ 8,003,370
Land improvements	6,928,632	-	-	6,928,632
Construction in progress	<u>5,531,876</u>	<u>4,823,384</u>	<u>(353,632)</u>	<u>10,001,628</u>
Total capital assets not being depreciated	20,463,878	4,823,384	(353,632)	24,933,630
Capital assets being depreciated:				
Buildings and improvements	107,691,458	-	-	107,691,458
Equipment	15,430,818	86,393	(152,190)	15,365,021
Library books	<u>4,035,489</u>	<u>7,017</u>	<u>(57,768)</u>	<u>3,984,738</u>
Total capital assets being depreciated	127,157,765	93,410	(209,958)	127,041,217
Less accumulated depreciation:				
Buildings and improvements	(49,336,605)	(2,942,836)	-	(52,279,441)
Equipment	(13,018,316)	(694,751)	151,830	(13,561,237)
Library books	<u>(3,802,752)</u>	<u>(49,892)</u>	<u>57,768</u>	<u>(3,794,876)</u>
Total accumulated depreciation	<u>(66,157,673)</u>	<u>(3,687,479)</u>	<u>209,598</u>	<u>(69,635,554)</u>
Total capital assets being depreciated - Net	<u>61,000,092</u>	<u>(3,594,069)</u>	<u>(360)</u>	<u>57,405,663</u>
Capital assets - Net	<u>\$ 81,463,970</u>	<u>\$ 1,229,315</u>	<u>\$ (353,992)</u>	<u>\$ 82,339,293</u>



### Note 6 - Capital Assets (Continued)

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	Balance July 1, 2017	Reclass and Additions	Reductions	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ 8,003,370	\$ -	\$ -	\$ 8,003,370
Land improvements	6,928,632	-	-	6,928,632
Construction in progress	4,644,979	3,407,266	(2,520,369)	5,531,876
<b>Total capital assets not being depreciated</b>	<b>19,576,981</b>	<b>3,407,266</b>	<b>(2,520,369)</b>	<b>20,463,878</b>
Capital assets being depreciated:				
Buildings and improvements	105,944,252	1,747,206	-	107,691,458
Equipment	14,606,417	1,027,948	(203,547)	15,430,818
Library books	4,193,086	9,362	(166,959)	4,035,489
<b>Total capital assets being depreciated</b>	<b>124,743,755</b>	<b>2,784,516</b>	<b>(370,506)</b>	<b>127,157,765</b>
Less accumulated depreciation:				
Buildings and improvements	(46,325,103)	(3,011,502)	-	(49,336,605)
Equipment	(12,632,303)	(582,210)	196,197	(13,018,316)
Library books	(3,912,535)	(57,176)	166,959	(3,802,752)
<b>Total accumulated depreciation</b>	<b>(62,869,941)</b>	<b>(3,650,888)</b>	<b>363,156</b>	<b>(66,157,673)</b>
<b>Total capital assets being depreciated - Net</b>	<b>61,873,814</b>	<b>(866,372)</b>	<b>(7,350)</b>	<b>61,000,092</b>
<b>Capital assets - Net</b>	<b>\$ 81,450,795</b>	<b>\$ 2,540,894</b>	<b>\$ (2,527,719)</b>	<b>\$ 81,463,970</b>

As of June 30, 2019, the total of outstanding commitments for capital projects was \$3,166,002. This amount consists of \$375,754 for Capital Projects funded by the State of Ohio and \$2,790,248 for Capital Projects funded by the University and Bond Series 2016 funds.



### Note 7 - Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and state laws. Classified employees and administrators earn 10-25 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Vacation time may be accumulated up to a maximum of twice the employee's current accrual rate. Faculty does not accrue vacation time.

Faculty, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum by all personnel. Upon retirement, payment is made for one-fourth of accrued but unused sick leave credit to a maximum of 40 days for qualifying employees.

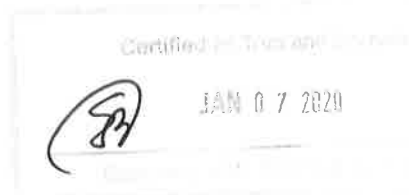
### Note 8 - Long-term Obligations

The changes in the University's long-term obligations during fiscal year 2019 were as follows:

	Principal Outstanding July 1, 2018			Principal Outstanding June 30, 2019	
	July 1, 2018	Additions	Deductions	June 30, 2019	Current Portion
General Receipt Bonds, Series 2016	\$ 20,220,000	\$ -	\$ 645,000	\$ 19,575,000	\$ 655,000
Unamortized bond premium	608,171	-	24,631	583,540	32,945
Capital lease	321,617	-	321,617	-	-
Compensated absences	1,806,934	250,071	140,347	1,916,658	191,666
<b>Total long-term liabilities</b>	<b>\$ 22,956,722</b>	<b>\$ 250,071</b>	<b>\$ 1,131,595</b>	<b>\$ 22,075,198</b>	<b>\$ 879,611</b>

The changes in the University's long-term obligations during fiscal year 2018 were as follows:

	Principal Outstanding July 1, 2017			Principal Outstanding June 30, 2018	
	July 1, 2017	Additions	Deductions	June 30, 2018	Current Portion
General Receipt Bonds, Series 2016	\$ 20,845,000	\$ -	\$ 625,000	\$ 20,220,000	\$ 645,000
Unamortized bond premium	624,970	-	16,799	608,171	-
Capital lease	633,259	-	311,642	321,617	321,617
Compensated absences	1,875,708	181,060	249,834	1,806,934	180,693
<b>Total long-term liabilities</b>	<b>\$ 23,978,937</b>	<b>\$ 181,060</b>	<b>\$ 1,203,275</b>	<b>\$ 22,956,722</b>	<b>\$ 1,147,310</b>



## Note 8 - Long-term Obligations (Continued)

In fiscal year 2017, the University issued \$20,845,000 of General Receipts Bonds, Series 2016, dated November 29, 2016, maturing at various dates through June 1, 2041 at coupon rates ranging from 2.0 percent to 4.0 percent. The net proceeds of the Series 2016 Bonds will be used to first pay for the costs of various improvements to the University's campus. Those improvements include the renovation and rehabilitation of existing facilities for athletics and student recreation, health and fitness, student housing renovations, and other campus improvements (collectively, the "Project"). Secondly, the funds will be utilized to advance refund all of the University's outstanding General Receipts Bonds, Series 2007, dated June 5, 2007 (the "Series 2007 Bonds") and finally to pay costs of issuance of the Series 2016 Bonds.

The University advance refunded the 2007 Series bonds to reduce its total debt service payments over the next 18 years by almost \$2.3 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1.8 million.

In fiscal year 2007, the University issued \$18,000,000 of General Receipts Bonds, Series 2007, dated June 5, 2007, maturing at various dates through June 1, 2034 at coupon rates ranging from 4.0 percent to 5.0 percent. The Series 2007 Bonds were issued for the purpose of paying the costs to renovate and construct a new addition to its Morris University Center and for refunding the outstanding Series A and Series B Bonds.

In fiscal year 2013, the University entered into a capital lease agreement to fund an IT infrastructure upgrade project. The agreement totaled \$2,820,339 with various payment dates through October 1, 2016. In fiscal year 2015, the University added \$227,407 in net additional capital lease funding and revised the payment schedule to reduce annual payment amounts by extending payment dates through October 1, 2018. As of June 30, 2016, assets totaling \$3,047,632 were purchased utilizing these funds. The assets purchased are included within buildings.

The interest expense for fiscal years 2019 and 2018 was \$409,363 and \$437,761, respectively.



# Shawnee State University

## Notes to Financial Statements June 30, 2019 and 2018

### Note 8 - Long-term Obligations (Continued)

Principal and interest amounts due within each of the next five years and thereafter on the Series 2016 bond obligations outstanding at June 30, 2019 are as follows:

Years Ending June 30	Principal	Interest	Total
2020	\$ 655,000	\$ 669,375	\$ 1,324,375
2021	915,000	649,725	1,564,725
2022	945,000	622,275	1,567,275
2023	970,000	593,925	1,563,925
2024	1,000,000	564,825	1,564,825
2025-2029	5,445,000	2,369,925	7,814,925
2030-2034	6,635,000	1,208,150	7,843,150
2035-2039	2,075,000	386,750	2,461,750
2040-2041	935,000	49,350	984,350
Total	\$ 19,575,000	\$ 7,114,300	\$ 26,689,300

The final capital lease principal payment of \$321,617 and interest payment of \$10,294 were paid in October 2018.

### Note 9 - Leases

The University's operating leases consist of real property and movable equipment that expire in fiscal year 2029. Total expenditures during 2019 and 2018 under operating leases amounted to approximately \$88,000 and \$85,000, respectively.

### Note 10 - Contingencies

The University receives financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the unrestricted or restricted educational and general funds or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a significant adverse effect on the overall financial statements of the University at June 30, 2019.



## Note 10 - Contingencies (Continued)

During the normal course of operations, the University has become a defendant in various legal and administrative actions. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. However, in the opinion of university management, the disposition of all pending litigations would not have a significant adverse effect on the University's financial position.

## Note 11 - State Support

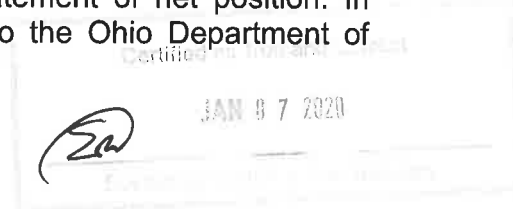
The University is a state-assisted institution of higher education, which receives a student-performance-based subsidy from the State of Ohio. This subsidy is determined annually based upon a formula managed by the Ohio Department of Higher Education, adjusted to state resources available. The University also receives a supplemental appropriation to support the goals of improving course completion, increasing the number of degrees conferred, and furthering the University's mission of service to the Appalachian region.

In addition to the performance-based subsidy and supplement, the State of Ohio provides funding for the construction of major plant facilities on the University's campus. State funding for the construction of university facilities is obtained from the issuance of revenue bonds by the Ohio Public Facilities Commission, which in turn initiates the construction and subsequent lease of the facility by the Ohio Department of Higher Education. Upon completion of a facility, the Ohio Department of Higher Education turns over control to the University. The University capitalizes the costs of these facilities as construction is completed and payment is received from the Ohio Public Facilities Commission.

Neither the obligation for the revenue bonds issued by the Ohio Public Facilities Commission nor the annual debt service charges for principal and interest on the bonds are reflected in the University's financial statements. These are funded through appropriations to the Ohio Department of Higher Education by the Ohio General Assembly.

The University facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Capital Facilities Bond Service Fund, and future payments to be received by such fund, which is established in the custody of the Treasurer of State.

As a result of the above-described financial assistance provided by the State of Ohio to the University, outstanding debt issued by the Ohio Public Facilities Commission is not included on the University's statement of net position. In addition, appropriations by the General Assembly to the Ohio Department of Higher Education for payment of debt



## Note 11 - State Support (Continued)

service charges are not reflected as appropriation revenue received by the University, and the related debt service payments are not recorded in the University's accounts.

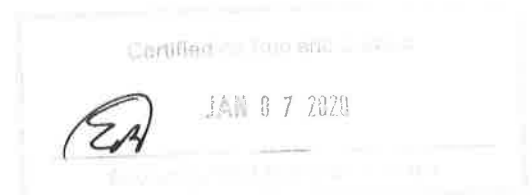
The University also receives direct appropriations from the State to fund capital improvements. These appropriations are reflected as appropriation revenue on the University's financial statements. The costs, both direct and indirect, are subject to examination and advance approval by the State of Ohio.

## Note 12 - Grants and Contracts

Revenue from grants and contracts is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the University must provide local resources to be used for a specified purpose, and expense requirements, in which the resources are provided to the University on a reimbursement basis.

## Note 13 - Retirement Plans

**Plan Description** – The University participates in the State Teachers Retirement System (STRS), the School Employees Retirement System (SERS), and the law enforcement division of the Ohio Public Employees Retirement System (OPERS), statewide, cost-sharing, multiple-employer defined benefit public employee retirement systems governed by the Ohio Revised Code (ORC) that covers substantially all employees of the University. Each system has multiple retirement plan options available to its members, with three options in STRS and OPERS. Each system provides retirement, survivor, and disability benefits to plan members and their beneficiaries. The systems also each provide post-employment health care benefits (including Medicare B premiums) to retirees and beneficiaries who elect to receive those benefits.



## Note 13 – Retirement Plans (Continued)

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information for the pension and post-employment health care plans. The reports may be obtained by contacting:

State Teachers Retirement System of Ohio  
275 E. Broad Street  
Columbus, Ohio 43215  
(888) 227-7877  
[www.strsoh.org](http://www.strsoh.org)

Ohio Public Employees Retirement System  
277 E. Town Street  
Columbus, Ohio 43215  
(800) 222-7377  
[www.opers.org](http://www.opers.org)

**Contributions** – State retirement law requires contributions by covered employees and their employers, and Chapter 3307 of the Ohio Revised Code (ORC) limits the maximum rate of contributions. The retirement boards of the systems individually set contributions rates within the allowable limits. The adequacy of employer contribution rates is determined annually by actuarial valuation using the entry age normal cost method. Under these provisions, each University’s contribution is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liability.

Member contributions are set at the maximums authorized by the ORC. The plans’ 2019 employer and member contribution rates on covered payroll to each system are:

	Employer Contribution Rate			Member Contribution
	Pension	Postretirement		Total
		Healthcare	Total	
STRS	14.00%	0.00%	14.00%	14.00%
OPERS - State/Local	14.00%	0.00%	14.00%	10.00%
OPERS - Law Enforcement	18.10%	0.00%	18.10%	13.00%

The plans’ 2018 employer and member contribution rates on covered payroll to each system are:





### Note 13 – Retirement Plans (Continued)

	Employer Contribution Rate			Member Contribution
	Pension	Postretirement		Total
		Healthcare	Total	
STRS	14.00%	0.00%	14.00%	14.00%
OPERS - State/Local	13.00%	1.00%	14.00%	10.00%
OPERS - Law Enforcement	17.10%	1.00%	18.10%	13.00%

The University's required and actual contributions to the plans are:

	For the years ended June 30	
	2019	2018
STRS	\$ 1,504,712	\$ 1,590,400
OPERS	1,479,444	1,446,732
Total	\$ 2,984,156	\$ 3,037,132

### Benefits Provided –

**STRS** – Plan benefits are established under Chapter 3307 of the ORC, as amended by Substitute Senate Bill 342 in 2012, gives the Retirement Board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the COLA as the need or opportunity arises, depending on the retirement system's funding progress.

Any member may retire who has (1) five years of service credit and attained age 60; (2) 25 years of service credit and attained age 55; or (3) 30 years of service credit regardless of age. Beginning August 1, 2015, eligibility requirements for an unreduced benefit changed. The maximum annual retirement allowance, payable for life, considers years of credited service, final average salary (3-5 years) and multiplying by a factor ranging from 2.2 percent to 2.6 percent with 0.1 percent incremental increases for years greater than 30-31, depending on retirement age.

A defined benefit plan or combined plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits.

## Note 13 – Retirement Plans (Continued)

A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the plan. Death benefit coverage up to \$2,000 can be purchased by participants in all three of the plans. Various other benefits are available to members' beneficiaries.

STRS Ohio provides access to healthcare coverage to retirees who participated in the Defined Benefit or Combined Plans, and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board (the "Board") has discretionary authority over how much, if any, of the healthcare costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the healthcare cost in the form of a monthly premium.

OPERS – Plan benefits are established under Chapter 145 of the ORC, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depends on years of service (5 to 30 years) and from attaining the age of 48 to 62, depending on when the employee became a member. Members retiring before age 65 with less than 30 years' service credit receive a percentage reduction in benefit, except for public safety and law enforcement participants. Member retirement benefits are calculated on a formula that considers years of service (5-30 years), age (48-62 years) and final average salary, using a factor ranging from 1.0 percent to 2.5 percent.

A plan member who becomes disabled before age 60 or at any age, depending on when the member entered the plan, and has completed 60 contributing months is eligible for a disability benefit.

A death benefit of \$500 - \$2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel who are eligible immediately upon employment.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is an amount based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Net Pension Liability, Deferrals, and Pension Expense** – At June 30, 2019 and 2018, the University reported a liability for its proportionate share of the net pension liability of STRS/OPERS. For June 30, 2019, the net pension liability was measured as of June 30, 2018 for STRS, and December 31, 2018 for the OPERS plan. For June 30, 2018, the net pension liability was measured as of June 30,

## Note 13 – Retirement Plans (Continued)

2017 for STRS, and December 31, 2017 for the OPERS plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates, except STRS' net pension liability's actuarial valuation was dated July 1, 2018 and 2017, respectively, which was rolled forward to the measurement date. The University's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

Plan	Measurement Date	Net Pension Liability		Proportionate Share		Percent Change
		2019	2018	2019	2018	
STRS	July 1	\$ 21,971,679	\$ 25,109,186	0.09993%	0.10570%	-5.46%
OPERS	December 31	18,960,124	11,380,348	0.06938%	0.07287%	-4.80%
Total		\$ 40,931,803	\$ 36,489,534			

For the years ended June 30, 2019 and 2018, the University recognized pension expense of \$2,017,199 and \$(11,313,879), respectively. At June 30, 2019 the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

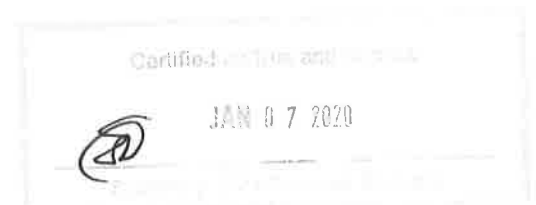


### Note 13 – Retirement Plans (Continued)

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 510,991	\$ 409,138
Changes of assumptions	5,556,886	\$ -
Net difference between projected and actual earnings on pension plan investments	2,587,646	\$ 1,332,338
Changes in proportion and differences between university contributions and proportionate share of contributions	255,242	\$ 2,895,235
University contributions subsequent to the measurement date	<u>2,106,624</u>	<u>\$ -</u>
 Total	 <u>\$ 11,017,389</u>	 <u>\$ 4,636,709</u>

At June 30, 2018, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 983,780	\$ 442,677
Changes of assumptions	6,862,419	-
Net difference between projected and actual earnings on pension plan investments	-	3,291,257
Changes in proportion and differences between university contributions and proportionate share of contributions	379,077	2,763,070
University contributions subsequent to the measurement date	<u>2,227,338</u>	<u>-</u>
 Total	 <u>\$ 10,452,614</u>	 <u>\$ 6,497,004</u>



## Note 13 – Retirement Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2020	\$ 2,347,766
2021	1,426,145
2022	(204,515)
2023	703,097
2024	76
Thereafter	1,485

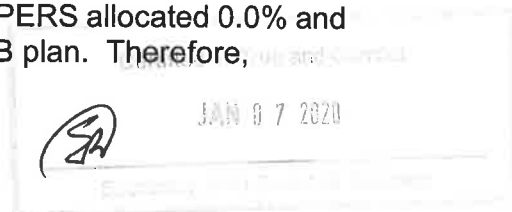
In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

**Net OPEB Liability/(Asset), Deferrals, and OPEB Expense** – At June 30, 2019, the University reported a liability for its proportionate share of the net OPEB liability/(asset) of STRS/OPERS. For June 30, 2019, the net OPEB liability/(asset) was measured as of June 30, 2018 for STRS, and December 31, 2018 for the OPERS plan. For June 30, 2018, the net OPEB liability/(asset) was measured as of June 30, 2017 for STRS, and December 31, 2017 for the OPERS plan. The total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of those dates, except OPERS which used an actuarial valuation dated December 31, 2017 and 2016, respectively, rolled forward to the measurement date by incorporating the expected value of health care cost accruals, the actual health care payments, and interest accruals during the year for the defined benefit health care plans.

Typically, the University's proportion of the net OPEB liability/(asset) would be based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined, except as noted below.

For plan years ending June 30, 2018 and 2017, STRS did not allocate employer contributions to the OPEB plan. Therefore, STRS' calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB.

For plan years ending December 31, 2018 and 2017, OPERS allocated 0.0% and 1% of the total 14% employer contributions to the OPEB plan. Therefore,



### Note 13 – Retirement Plans (Continued)

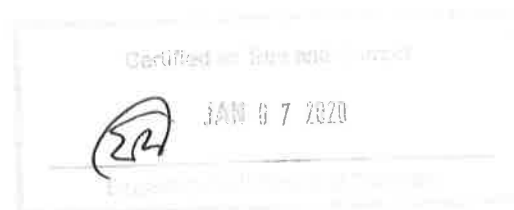
OPERS's calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB.

Plan	Measurement Date	Net OPEB Liability/(Asset)		Proportionate Share	
		2019	2018	2019	2018
STRS	June 30	\$ (1,606,000)	\$ 4,124,011	0.09993%	0.10570%
OPERS	December 31	8,716,574	7,650,350	0.06686%	0.07287%
Total		\$ 7,110,574	\$ 11,774,361		

Each plan above used the same proportionate share to allocate the net OPEB liability for recording the beginning balance at July 1, 2018, therefore, there was no change in proportionate share from July 1, 2017 to June 30, 2018.

For the years ended June 30, 2019 and 2018, the University recognized OPEB expense of \$(2,856,669) and \$(672,762), respectively. At June 30, 2019, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 190,503	\$ 117,206
Changes of assumptions	281,033	2,188,000
Net difference between projected and actual earnings on pension plan investments	399,603	183,000
Changes in proportion and differences between university contributions and proportionate share of contributions	-	467,376
University contributions subsequent to the measurement date	-	-
Total	\$ 871,139	\$ 2,955,582



## Note 13 – Retirement Plans (Continued)

At June 30, 2018, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

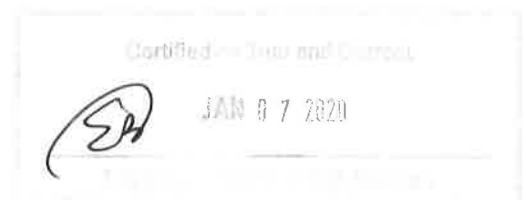
	2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 244,022	\$ -
Changes of assumptions	557,027	332,203
Net difference between projected and actual earnings on pension plan investments	-	746,171
Changes in proportion and differences between university contributions and proportionate share of contributions	-	-
University contributions subsequent to the measurement date	-	-
<b>Total</b>	<b>\$ 801,049</b>	<b>\$ 1,078,374</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Amount
2020	\$ (258,463)
2021	(490,502)
2022	(380,133)
2023	(199,055)
2024	(385,746)
Thereafter	(370,544)

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the next year.

**Actuarial Assumptions** – The total pension liability and OPEB liability is based on the results of an actuarial valuation and were determined using the following actuarial assumptions for the University's current year:



### Note 13 – Retirement Plans (Continued)

	STRS	OPERS
Valuation date - Pension	July 1, 2018	December 31, 2018
Valuation date - OPEB	June 30, 2018	December 31, 2017
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	2.15 percent - 3.00 percent
Salary increases, including inflation	2.5 percent - 12.5 percent	3.25 percent - 10.75 percent
Inflation	2.5 percent	2.50 percent
Investment rate of return - Pension	7.45 percent, net of investment expense	7.20 percent, net of investment expense, including inflation
Investment rate of return - OPEB	7.45 percent, net of investment expense, including inflation	6.00 percent, net of investment expense, including inflation
Health care cost trend rates	-5.23 percent to 9.62 percent initial, 4 percent ultimate	10.0 percent initial, 3.25 percent ultimate in 2029
Experience study date	Period of 5 years ended June 30, 2016	Period of 5 years ended December 31, 2015
Mortality basis	RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016	RP-2014 Healthy Annuitant Mortality Table





### Note 13 – Retirement Plans (Continued)

The following are actuarial assumptions for the University's prior year:

	STRS	OPERS
Valuation date - Pension	July 1, 2017	December 31, 2017
Valuation date - OPEB	June 30, 2017	December 31, 2016
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	3.0 percent
Salary increases, including inflation	2.5 percent - 12.5 percent	3.25 percent - 10.75 percent
Inflation	2.5 percent	3.25 percent
Investment rate of return - Pension	7.45 percent, net of pension plan investment expense	7.50 percent, net of pension plan investment expense
Investment rate of return - OPEB	4.51 percent, net of investment expense, including inflation	7.50 percent, net of pension plan investment expense
Health care cost trend rates	6.00 percent to 11 percent initial, 4.50 percent ultimate	7.50 percent initial, 3.25 percent ultimate in 2028
Experience study date	Period of five years ended July 1, 2016	Period of five years ended December 31, 2015
Mortality basis	RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016	RP-2014 Healthy Annuitant Mortality Table

**Pension Discount Rate** The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rates used to measure the total pension liabilities for STRS were 7.45 percent for the plan years ended June 30, 2018 and 2017. The discount rates

## Note 13 – Retirement Plans (Continued)

used to measure the total pension liability for OPERS were 7.20 percent and 7.50 percent for the plan years ended December 31, 2018 and 2017, respectively.

**OPEB Discount Rate** –The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Plans that project fiduciary net position to be insufficient to make all projected future benefit payments for current active and inactive employees used a blended discount rate between the long-term expected rate of return on plan investments and a 20-year municipal bond rate applied to all periods of projected benefit payments to determine the total OPEB liability/(asset).

*STRS – OPEB Discount Rate:* The discount rate used to measure the total OPEB liabilities were 7.45 percent and 4.13 percent for the plan years ended June 30, 2018 and 2017, respectively. At June 30, 2018, the plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. At June 30, 2017, the plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments for current active and inactive employees. Therefore, a blended rate was used, which consisted of the long-term expected rate of return on OPEB plan investments for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent. At June 30, 2017, the long-term expected rate of return on health care investments was applied to projected costs through the year 2037, and the municipal bond rate was applied to all health care costs after that date.

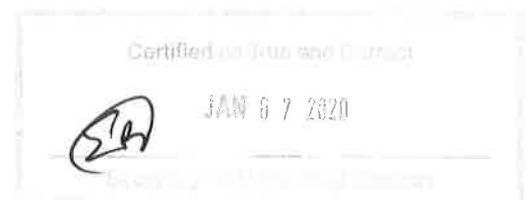
*OPERS – OPEB Discount Rate:* The discount rate used to measure the total OPEB liabilities were 3.96 percent and 3.85 percent for the plan years ended December 31, 2018 and 2017, respectively. At December 31, 2018 and 2017, the plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments for current active and inactive employees. Therefore, a blended rate was used, which consisted of the long-term expected rate of return on OPEB plan investments for the funded benefit payments of 6.00 and 6.50 percent and the Fidelity 20-year Municipal General Obligation AA Index rate of 3.71 percent and 3.31 percent at December 31, 2018 and December 31, 2017, respectively. At December 31, 2018, the long-term expected rate of return on health care investments was applied to projected costs through the year

### Note 13 – Retirement Plans (Continued)

2031, and the municipal bond rate was applied to all health care costs after that date. At December 31, 2017, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. OPERS has two different portfolios of investment, a defined benefit portfolio for pension and health care portfolio for OPEB. As a result, there are different target allocations and long-term expected real rates of return disclosed for each portfolio. The target allocation and best estimates of arithmetic (geometric for STRS) real rates of return for each major asset class are summarized in the following table as of the dates listed below:

STRS - as of 7/1/18			OPERS - as of 12/31/18				
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Pension Portfolio		Health Care Portfolio		
			Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	
Domestic equity	28.00%	5.10%	Fixed income	23.00%	2.79%	34.00%	2.42%
International equity	23.00%	5.30%	Domestic equities	19.00%	6.21%	21.00%	6.21%
Alternatives	17.00%	4.84%	Real estate	10.00%	4.90%	0.00%	0.00%
Fixed income	21.00%	0.75%	Private equity	10.00%	10.81%	0.00%	0.00%
Real estate	10.00%	3.75%	International equity	20.00%	7.83%	22.00%	7.83%
Liquidity reserves	1.00%	0.00%	REITs	0.00%	0.00%	6.00%	5.98%
			Other Investments	18.00%	5.50%	17.00%	5.57%
Total	100.00%		Total	100.00%		100.00%	



### Note 13 – Retirement Plans (Continued)

STRS - as of 7/1/17			OPERS - as of 12/31/17				
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Pension Portfolio		Health Care Portfolio	
				Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	28.00%	5.10%	Fixed income	23.00%	2.20%	34.00%	1.88%
International equity	23.00%	5.30%	Domestic equities	19.00%	6.37%	21.00%	6.37%
Alternatives	17.00%	4.84%	Real estate	10.00%	5.26%	0.00%	0.00%
Fixed income	21.00%	0.75%	Private equity	10.00%	8.97%	0.00%	0.00%
Real estate	10.00%	3.75%	International equity	20.00%	7.88%	22.00%	7.88%
Liquidity reserves	1.00%	0.00%	REITs	0.00%	0.00%	6.00%	5.91%
			Other Investments	18.00%	5.26%	17.00%	5.39%
Total	100.00%		Total	100.00%		100.00%	

**Sensitivity of the net pension liability to changes in the discount rate** – The following presents the net pension liability of the University, calculated using the discount rate listed below, as well as what the University's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

Plan	1.00 Percent Decrease		2019 Current Discount Rate		1.00 Percent Increase	
	STRS	6.45%	\$ 32,086,745	7.45%	\$ 21,971,679	8.45%
OPERS	6.20%	28,055,720	7.20%	18,960,124	8.20%	11,404,228
		\$ 60,142,465		\$ 40,931,803		\$ 24,814,876

Plan	1.00 Percent Decrease		2018 Current Discount Rate		1.00 Percent Increase	
	STRS	6.45%	\$ 35,993,163	7.45%	\$ 25,109,186	8.45%
OPERS	6.50%	20,272,263	7.50%	11,380,348	8.50%	3,970,381
		\$ 56,265,426		\$ 36,489,534		\$ 19,911,447

**Sensitivity of the net OPEB liability to changes in the discount rate** – The following presents the net OPEB liability of the University, calculated using the discount rate listed below, as well as what the University's net OPEB liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:



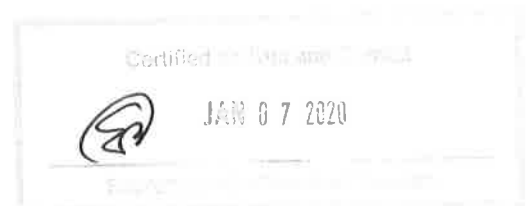
## Note 13 – Retirement Plans (Continued)

2019											
Plan	1.00 Percent Decrease			Current Discount Rate			1.00 Percent Increase				
STRS	6.45%	\$	(1,376,255)	7.45%	\$	(1,606,000)	8.45%	\$	(1,798,580)		
OPERS	2.96%		11,151,748	3.96%		8,716,574	4.96%		6,779,968		
		\$	9,775,493		\$	7,110,574		\$	4,981,388		

2018											
Plan	1.00 Percent Decrease			Current Discount Rate			1.00 Percent Increase				
STRS	3.13%	\$	5,536,419	4.13%	\$	4,124,011	5.13%	\$	3,007,748		
OPERS	2.85%		10,163,822	3.85%		7,650,350	4.85%		5,616,979		
		\$	15,700,241		\$	11,774,361		\$	8,624,727		

**Sensitivity of the net OPEB liability to changes in the health care cost trend rate** – The following presents the net OPEB liability of the University, calculated using the healthcare cost trend rate listed below, as well as what the University’s net OPEB liability would be if it were calculated using a health care cost trend rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2019											
Plan	1.00 Percent Decrease			Current Trend Rate			1.00 Percent Increase				
STRS		\$	(1,787,693)		\$	(1,606,000)		\$	(1,420,918)		
OPERS			8,378,519			8,716,574			9,105,923		
		\$	6,590,826		\$	7,110,574		\$	7,685,005		



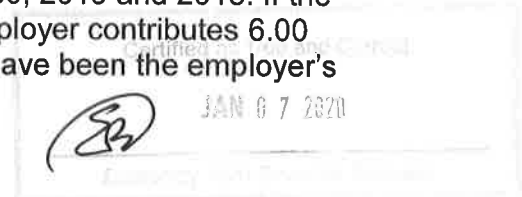
### Note 13 – Retirement Plans (Continued)

Plan	2018		
	1.00 Percent Decrease	Current Trend Rate	1.00 Percent Increase
STRS	\$ 2,865,186	\$ 4,124,011	\$ 5,780,773
OPERS	7,319,755	7,650,350	7,991,848
	<u>\$ 10,184,941</u>	<u>\$ 11,774,361</u>	<u>\$ 13,772,621</u>

**Pension plan and OPEB plan fiduciary net position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued STRS/OPERS financial report.

**Assumption changes** – During the current measurement period, the STRS Board adopted certain assumption changes that impacted the annual actuarial valuation for OPEB prepared as of June 30, 2018. The most significant changes were an increase in the OPEB discount rate from 4.13 percent to 7.45 percent and a reduction in the health care cost trend rates.

**Defined Contribution Pension Plan** - The Alternative Retirement Plan (ARP) is a defined contribution pension plan, under IRS Section 401(a), and established by Ohio Amended Substitute House Bill 586 (ORC 3305.02) on March 31, 1998, for public institutions of higher education. The University’s Board of Trustees adopted the University’s plan on April 18, 1998. Full-time employees are eligible to choose a provider, in lieu of STRS or OPERS, from the list of nine providers currently approved by the Ohio Department of Insurance and who hold agreements with the University. Employee and employer contributions equal to those required by STRS and OPERS are required for the ARP, less any amounts required to be remitted to the state retirement system in which the employee would otherwise have been enrolled. Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS or OPERS, and who elect to participate in the ARP, must contribute the employee’s share of retirement contributions to one of nine private providers approved by the Ohio Department of Insurance. The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Board of Regents. That amount is 9.53 and 9.5 percent for STRS and 11.56 and 13.23 percent for OPERS for the years ended June 30, 2019 and 2018. If the employee was hired on or after August 2005, the employer contributes 6.00 percent. The employer also contributes what would have been the employer’s



## Note 13 – Retirement Plans (Continued)

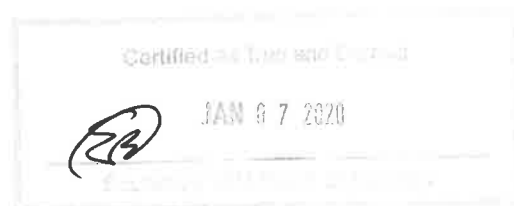
contribution under STRS or OPERS, less the aforementioned percentages, to the private provider selected by the employee. The University plan provides these employees with immediate plan vesting. The ARP does not provide disability benefits, survivor benefits, or postretirement health care. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options. STRS and OPERS also offer a defined contribution plan and a combined plan with features of both a defined contribution plan and a defined benefit plan. For the year ended June 30, 2019 and 2018, employee contributions totaled \$638,892 and \$680,114, and the University recognized pension expense of \$708,292 and \$752,286, respectively.

## Note 14 - Risk Management

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To address these exposures and reduce premiums, the

University is a member of the Inter-University Council of Ohio Insurance Consortium (IUC-IC), a purchasing partnership with 12 other Ohio four-year public universities.

During fiscal year 2019, the University maintained the lines of coverage below. All limits are dedicated to the University, unless explicitly noted as shared with other IUC-IC members. Real property and contents are 100 percent insured.



## Note 14 - Risk Management (Continued)

Lines of Coverage	Limit of Liability	Deductible
"All Risk" Property Coverage Including Boiler & Machinery	\$250,000 (Pool)	\$100,000
	\$100,000,000	\$350,000 (Pool)
	\$1,650,000,000 excess \$100,000,000 <sup>(1)</sup>	N/A
Automobile Physical Damage	Actual Cash Value	\$1,000
IUC-IC Casualty Pool	\$900,000	\$100,000
General Liability	\$10,000,000 <sup>(2)</sup>	N/A
Automobile Liability	\$10,000,000 <sup>(2)</sup>	N/A
Educators Legal Liability	\$10,000,000 <sup>(2)</sup>	N/A
1st Excess Liability	\$15,000,000 excess	N/A
	\$10,000,000 <sup>(1)</sup>	
1st Excess Educators Legal Liability	\$15,000,000 excess	N/A
	\$10,000,000 <sup>(1)</sup>	
2nd Excess Liability	\$25,000,000 excess	N/A
	\$25,000,000 <sup>(1)</sup>	
Crime	\$5,000,000	\$100,000
Medical Malpractice	\$1,000,000 occ./ \$3,000,000 agg.	\$25,000
Foreign	\$1,000,000	-
Special Accident	\$20,000,000	-
Pollution	\$5,000,000 <sup>(1)</sup>	\$25,000
Cyber Risk/Breach Response	\$1,000,000	\$25,000

Notes:

(1) Shared limits with other IUC-IC members

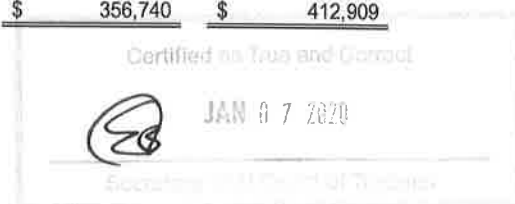
(2) Reinsurance provided by private carrier for \$9,000,000 excess of \$1,000,000

The University has an international travel comprehensive services assistance plan. The plan covers medical, security, and traveler assistance.

The University has a self-insured healthcare plan.

Changes in the self-insurance claims liability for the years ended June 30, 2019, 2018, and 2017 are summarized as follows:

	2019	2018	2017
Accrued claims liability - Beginning of year	\$ 356,740	\$ 412,909	\$ 494,763
Current year claims	3,480,085	4,204,941	5,122,619
Claims payments	(3,552,357)	(4,261,110)	(5,204,473)
Accrued claims liability - End of year	<u>\$ 284,468</u>	<u>\$ 356,740</u>	<u>\$ 412,909</u>





## Note 14 – Risk Management (Continued)

The liability amounts above are recorded in accrued wages and benefits on the statement of net position.

Workers' compensation benefits are provided through the Ohio Bureau of Workers' Compensation. Under Ohio's laws, there are no policy limits or cap on these benefits so long as treatment and compensation arise from the allowed conditions in a claim. There has been no significant change in coverage from last year.

## Note 15 - Component Unit Disclosure

### *Basis of Presentation*

The accompanying financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the University's financial reporting entity for these differences.

### *Net Assets*

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Net assets without donor restrictions are resources available to support operations. Net assets with donor restrictions at June 30, 2019 and 2018 are restricted primarily for scholarships, university programs, and capital improvements.

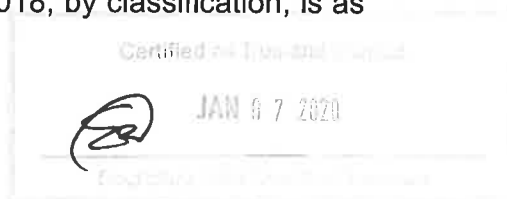
### *Contribution Revenue*

Contributions, including unconditional promises to give, are recognized as revenue in the period the related commitments are received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received beyond the fiscal year are discounted at an appropriate discount rate.

### *Investments*

Foundation investments are stated at fair value, with changes in fair value being recognized as gains and losses during the period in which they occur.

The fair value of investments at June 30, 2019 and 2018, by classification, is as follows:



# Shawnee State University

## Notes to Financial Statements June 30, 2019 and 2018

### Note 15 - Component Unit Disclosure (Continued)

	2019	2018
U.S. government securities	\$1,418,127	\$1,498,544
Foreign bond issues	319,341	210,497
Mutual funds:		
Equity	12,683,140	12,950,907
Fixed income	3,111,036	3,214,381
Corporate bond issues	1,163,767	1,156,248
Limited Partnership	48,564	-
<b>Total</b>	<b>\$18,743,975</b>	<b>\$19,030,577</b>

### Assets Measured at Fair Value on a Recurring Basis at June 30, 2019

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2019
U.S. government securities	\$1,418,127	\$-	\$-	\$1,418,127
Mutual funds:				
Equity	12,683,140	-	-	12,683,140
Fixed income	3,111,036	-	-	3,111,036
Foreign bond issues	-	319,341	-	319,341
Corporate bond issues	-	1,163,767	-	1,163,767
Beneficial interest in trusts	-	-	796,980	796,980
Measured using NAV as a practical expedient:				
Limited partnership	-	-	-	48,564
<b>Total assets</b>	<b>\$17,212,303</b>	<b>\$1,483,108</b>	<b>\$796,980</b>	<b>\$19,540,955</b>

Certified not for audit purposes

JAN 9 7 2020

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# Shawnee State University

## Notes to Financial Statements June 30, 2019 and 2018

### Note 15 - Component Unit Disclosure (Continued)

#### Assets Measured at Fair Value on a Recurring Basis at June 30, 2018

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2018
U.S. government securities	\$1,498,544	\$-	\$-	\$1,498,544
Mutual funds:				
Equity	12,950,907	-	-	12,950,907
Fixed income	3,214,381	-	-	3,214,381
Foreign bond issues	-	210,497	-	210,497
Corporate bond issues	-	1,156,248	-	1,156,248
Beneficial interest in trusts	-	-	913,594	913,594
Total assets	<u>\$17,663,832</u>	<u>\$1,366,745</u>	<u>\$913,594</u>	<u>\$19,944,171</u>

#### Fixed Assets

On June 14, 2018, the Foundation sold property located at 321-327 Third Street for \$200,000 and recorded a loss on the sale of these assets in the amount of \$1,591,611.

Property and equipment consist of the following:

	2019	2018
Land	\$ 2,011,200	\$ 2,011,200
Equipment and furniture	81,202	23,583
Buildings	8,942,735	8,843,646
Construction in progress	33,800	10,500
Total property and equipment	<u>11,068,937</u>	<u>10,888,929</u>
Accumulated depreciation	<u>1,106,571</u>	<u>878,311</u>
Net property and equipment	<u>\$ 9,962,366</u>	<u>\$ 10,010,618</u>



## Note 15 - Component Unit Disclosure (Continued)

### *Debt*

The Foundation entered into a \$4,500,000 note with an interest rate of 5.0 percent payable to Hatcher Real Estate, LLC for the purchase of the Fourth Street Properties. The note is secured by the land and buildings. This note is payable in monthly installments of \$29,698. The payments are based on a 20-year amortization schedule and include a balloon payment due at maturity on February 25, 2019 for the remaining balance. The Foundation exercised an option to extend the maturity date for a two-year period to February 25, 2021; however, payments will continue during that time. At June 30, 2019 and 2018, the outstanding principal balance of the note was \$3,698,916 and \$3,865,792, respectively.

On August 17, 2017, the Foundation entered into a \$400,000 note with an interest rate of 5 percent payable to Burg DMI, LLC to purchase property at 221 Chillicothe Street. The note is secured by the land and building. This note requires monthly interest only payments for forty-eight months with the total principal due no later than August 17, 2020. At June 30, 2019 and 2018 the outstanding principal balance on the note was \$250,000 and \$400,000, respectively.

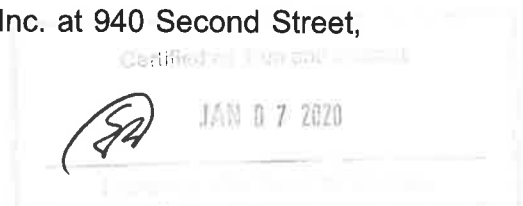
### *Related Party Transactions*

The Foundation made distributions to, or on behalf of, the University of \$1,642,865 during the year ended June 30, 2019 and \$1,053,123 during the year ended June 30, 2018. Administrative expenses of \$390,000 in fiscal year 2019 and \$389,975 in fiscal year 2018 were reimbursed to Shawnee State University for direct costs, including an allocation of salary and benefits, incurred in the management of the Foundation's and University's endowment funds.

The Foundation leases building space to Shawnee State University for the use of educational facilities. The outstanding lease due under this arrangement was \$22,006 and \$24,175 as of June 30, 2019 and 2018, respectively, and is reflected as a lease receivable in the Foundation's statements of net assets.

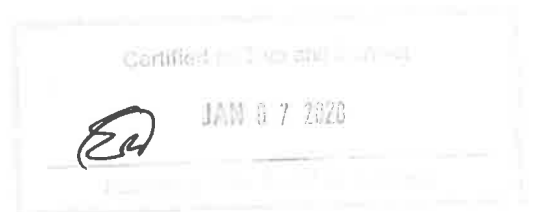
The Foundation passed through federal grants to the University, the administrative agent for the grants, in the amount of \$396,733 during the year ended June 30, 2019. The Foundation has recorded a grant payable to the University at June 30, 2019 in the amount of \$196,914. The University has receivables from the Foundation.

Complete financial statements for the Foundation can be obtained from the Shawnee State University Development Foundation, Inc. at 940 Second Street, Portsmouth, Ohio 45662.



## Required Supplementary Information

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# Shawnee State University

## Schedule of University's Proportionate Share of the Net Pension Liability and Schedule of University Pension Contributions

### STRS Schedule of the University's Proportionate Share of the Net Pension Liability

	2019	2018	2017	2016	2015
University's proportion of the collective net pension liability:					
As a percentage	0.0999%	0.1057%	0.11182%	0.10962%	0.11347%
Amount	\$21,971,679	\$25,109,186	\$ 37,430,854	\$ 30,295,455	\$ 27,600,967
University's covered employee payroll	\$10,747,943	\$11,360,000	\$ 13,596,142	\$ 11,436,893	\$ 10,440,100
University's proportionate share of the collective pension liability, as a percentage of the University's covered employee payroll	204.43%	221.03%	275.31%	264.89%	264.37%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	77.30%	66.78%	72.10%	74.71%

### OPERS Schedule of the University's Proportionate Share of the Net Pension Liability

	2019	2018	2017	2016	2015
University's proportion of the collective net pension liability:					
As a percentage	0.0694%	0.07287%	0.07976%	0.08469%	0.08633%
Amount	\$18,960,124	\$ 11,360,348	\$ 18,089,873	\$ 14,649,733	\$ 10,394,787
University's covered employee payroll	\$10,567,457	\$ 10,333,800	\$ 9,138,607	\$ 10,894,207	\$ 10,899,653
University's proportionate share of the collective pension liability, as a percentage of the University's covered employee payroll	179.42%	110.13%	197.95%	134.47%	95.37%
Plan fiduciary net position as a percentage of the total pension liability	74.91%	84.85%	77.39%	81.19%	86.53%

### STRS Schedule of University Pension Contributions

	2019	2018	2017	2016	2015
Statutorily required contribution	\$1,504,712	\$ 1,590,400	\$ 1,574,598	\$ 1,655,224	\$ 1,623,157
Contributions in relation to the actuarially determined contractually required contribution	\$1,504,712	\$ 1,590,400	\$ 1,574,598	\$ 1,655,224	\$ 1,623,157
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$10,747,943	\$ 11,360,000	\$ 11,247,129	\$ 11,823,029	\$ 11,593,979
Contributions as a percentage of covered employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%

### OPERS Schedule of University Pension Contributions

	2019	2018	2017	2016	2015
Statutorily required contribution	\$1,479,444	\$ 1,446,721	\$ 1,279,405	\$ 1,495,704	\$ 1,534,786
Contributions in relation to the actuarially determined contractually required contribution	\$1,479,444	\$ 1,446,721	\$ 1,279,405	\$ 1,495,704	\$ 1,534,786
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$10,567,457	\$ 10,333,800	\$ 9,138,607	\$ 10,683,600	\$ 10,962,757
Contributions as a percentage of covered employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%

### Changes of benefit terms.

There were no changes in benefit terms affecting the STRS and OPERS plans.

### Changes of assumptions.

STRS: During the plan year ended June 30, 2017, there were changes to several assumptions for STRS. The cost-of-living adjustment dropped from 2.00 percent to 0.00 percent. The wage inflation dropped from 2.75 percent to 2.50 percent. The investment rate of return decreased from 7.75 percent to 7.45 percent. The mortality tables used changed from RP-2000 to RP-2014.

OPERS: During the plan year ended December 31, 2016, there were changes to several assumptions for OPERS. The wage inflation dropped from 3.75 percent to 3.25 percent. The projected salary increase range changed from 4.25-10.05 percent to 3.25-10.75 percent. The mortality tables used changed from RP-2000 to RP-2014.



# Shawnee State University

## Schedule of University's Proportionate Share of the Other Post-Employment Benefits (OPEB) Liability and Schedule of University OPEB Contributions

### STRS Schedule of the University's Proportionate Share of the Net OPEB

#### Liability

	<u>2019</u>	<u>2018</u>
University's proportion of the collective net OPEB liability:		
As a percentage	0.0999%	0.10570%
Amount	-\$1,606,000	\$ 4,124,011
University's covered payroll	\$10,747,943	\$ 11,360,000
University's proportionate share of the collective OPEB liability, as a percentage of the University's covered payroll	(14.94%)	36.30%
Plan fiduciary net position as a percentage of the total OPEB liability	176.00%	47.11%

### OPERS Schedule of the University's Proportionate Share of the Net OPEB

#### Liability

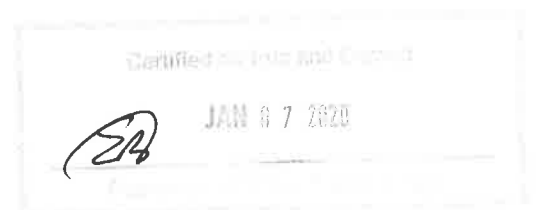
	<u>2019</u>	<u>2018</u>
University's proportion of the collective net OPEB liability:		
As a percentage	0.0669%	0.07287%
Amount	\$8,716,574	\$ 7,650,350
University's covered payroll	\$10,567,457	\$ 10,333,800
University's proportionate share of the collective OPEB liability, as a percentage of the University's covered payroll	82.49%	74.03%
Plan fiduciary net position as a percentage of the total OPEB liability	46.33%	54.14%

### STRS Schedule of University Contributions

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ -	\$ -
Contributions in relation to the actuarially determined contractually required contribution	\$ -	\$ -
Contribution deficiency (excess)	\$ -	\$ -
Covered payroll	\$10,747,943	\$ 11,360,000
Contributions as a percentage of covered payroll	0.00%	0.00%

### OPERS Schedule of University Contributions

	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ -	\$ 64,689
Contributions in relation to the actuarially determined contractually required contribution	\$ -	\$ 64,689
Contribution deficiency (excess)	\$ -	\$ -
Covered payroll	\$10,567,457	\$ 10,333,800
Contributions as a percentage of covered payroll	0.00%	0.63%



# Shawnee State University

## Notes to Required Supplementary Information Year Ended June 30, 2019

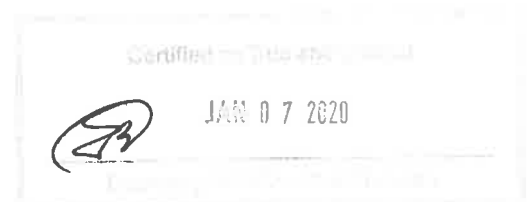
### *Changes of benefit terms.*

There were no significant changes in benefit terms affecting the STRS and OPERS plans for the plan years ended June 30, 2018 and December 31, 2018, respectively.

### *Changes of assumptions.*

STRS: During the plan year ended June 30, 2018, there were changes to several assumptions for STRS. The investment rate of return increased from 4.51 percent to 7.45 percent. The health care cost trend rates decreased from 6.00 percent to 11.00 percent initial and 4.50 percent ultimate to -5.23 percent to 9.62 percent initial and 4 percent ultimate. The discount rate increased from a blended rate between the long-term expected rate of return and a 20-year municipal bond rate of 4.13 percent to the investment rate of return of 7.45 percent.

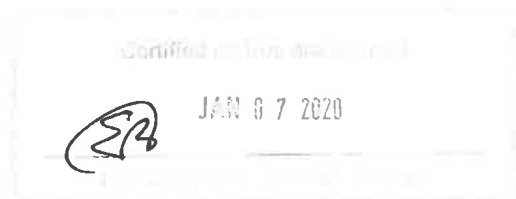
OPERS: There were no significant changes in assumptions for the OPERS plans for the plan years ended June 30, 2018 and December 31, 2018, respectively.





## Supplementary Information

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Trustees  
Shawnee State University

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Shawnee State University (the "University"), a component unit of the State of Ohio, and its discretely presented component unit as of and for the year ended June 30, 2019 and the related notes to the basic financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 14, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2019-001, that we consider to be a significant deficiency.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



To Management and the Board of Trustees  
Shawnee State University

**The University's Response to the Finding**

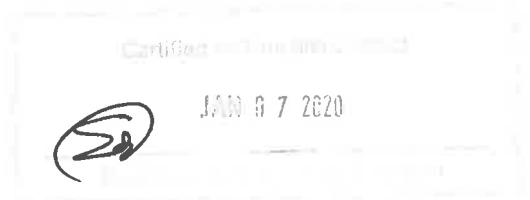
The University's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

October 14, 2019



Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees  
Shawnee State University

Report on Compliance for Each Major Federal Program

We have audited Shawnee State University's (the "University") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the University's major federal program for the year ended June 30, 2019. The University's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

**Other Matter**

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the OMB Uniform Guidance, which are described in the accompanying schedule of findings and questioned costs as Finding 2019-002. Our opinion on each major federal program is not modified with respect to this matter.

The University's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and/or corrective action plan. The University's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.



To the Board of Trustees  
Shawnee State University

### Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2019-002, that we consider to be a material weakness.

The University's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Plante & Moran, PLLC*

October 14, 2019

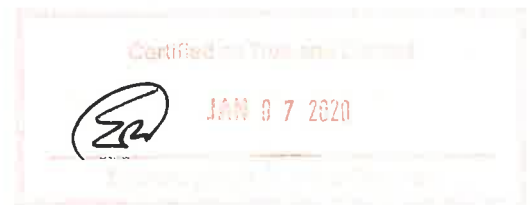


## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Federal/Pass- through Grant Number	Total Amount Provided to Subrecipients	Expenditures
<b>U.S. Department of Education:</b>				
Direct from Federal Agency - Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants (SEOG)	84.007	N/A	\$ -	\$ 118,325
Federal College Work Study	84.033	N/A	-	96,123
Federal Pell Grant Program	84.063	N/A	-	6,847,098
Federal Direct Loan Program	84.268	N/A	-	16,312,869
Teacher Education Assistance for College and Higher Education (TEACH)	84.379	N/A	-	81,015
<b>Total Student Financial Assistance Cluster</b>			-	23,455,430
TRIO Cluster:				
Educational Opportunity Centers	84.066A	N/A	-	383,139
Upward Bound Math Science	84.047M	N/A	-	269,544
<b>Total TRIO Cluster</b>			-	652,683
Direct from Federal Agency - Higher Education Institutional Aid	84.031A	N/A	-	361,541
Pass through the Ohio Department of Education - Special Education Cluster (IDEA) - TVI Collaborative				
	84.027	N/A	-	692,844
Pass through the Ohio Department of Education:				
Twenty-First Century Community Learning Centers	84.287	016863	-	396,732
Improving Teacher Quality State Grants	84.367A	N/A	-	3,733
<b>Total Pass-through Programs</b>			-	400,465
Department of Justice/Bureau of Justice Assistance - Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	-	11,885
National Endowment for the Humanities - Grants to States	45.310	N/A	-	60
U.S. Department of Agriculture - Pass through Ohio Department of Education - Child and Adult Care Food Program	10.558	16-CU, 21-CU, 21-FU	-	23,312
<b>Total federal expenditures</b>			<b>\$ -</b>	<b>\$ 25,598,220</b>

See notes to schedule of expenditures of federal awards.



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**Notes to Schedule of Expenditures of Federal Awards**

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**Year Ended June 30, 2019**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Shawnee State University (the "University") and its discretely presented component unit, Shawnee State University Development Foundation, under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the same basis of accounting as the basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, *Cost Principles for Educational Institutions*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

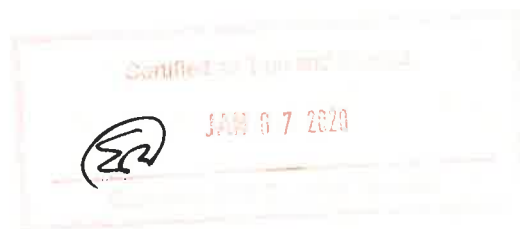
The University has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

**Note 3 - Federal Work-Study and Federal SEOG Waiver**

For the year ended June 30, 2019, the University received a waiver from the Department of Education for the Institutional Share Requirement under the Federal Work-Study and Federal Supplemental Educational Opportunity Grant programs.

**Note 4 - Federal Direct Loan Program**

The University participates in the William D. Ford Direct Loan Program. The University originates the loans, which are then funded through the U.S. Department of Education.



**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2019**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?            Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   X   Yes            None reported

Noncompliance material to financial statements noted?            Yes   X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?   X   Yes            No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?            Yes   X   None reported

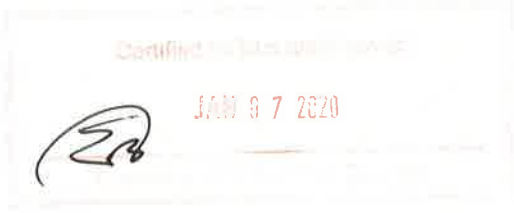
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?   X   Yes            No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster	Opinion
84.007, 84.033, 84.063, 84.268, 84.379	Student Financial Assistance Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   Yes            No






Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2019

Section II - Financial Statement Audit Findings

Reference Number	Finding
2019-001	<p><b>Finding Type</b> - Significant deficiency</p> <p><b>Criteria</b> - Controls should be in place to ensure that bank reconciliations are completed and reviewed on a timely basis and cash is properly reconciled to the general ledger.</p> <p><b>Condition</b> - The University did not properly complete bank reconciliations throughout the year, and cash accounts were not reconciled to the general ledger on a monthly basis until March 2019.</p> <p><b>Context</b> - The issue relates to the University's cash accounts and reconciliations completed prior to March 2019.</p> <p><b>Cause</b> - The University implemented a new general ledger system during fiscal year 2018, which caused issues with the automatic bank reconciliation process. The general ledger system's automatic bank reconciliation function did not properly reconcile information between the bank accounts and the general ledger.</p> <p><b>Effect</b> - As a result of the University not completing monthly bank reconciliations during part of the year, there is a risk that errors in cash would not be detected and corrected in a timely manner. There is also a risk that misappropriated cash would not be detected and corrected in a timely manner.</p> <p><b>Recommendation</b> - We recommend that the University implement internal controls around the bank reconciliation process in order to ensure that it is able to be properly completed and reviewed on a monthly basis throughout the year.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - Due to September 2018 software updates to the ERP reconciliation process utilized by the University, automated functions of the reconciliation process ceased working properly (eg., duplicate journal entries were created for activity in prior months), which required significant hours to resolve. Until the issues were resolved (March 2019), the University performed manual matching of bank transactions, but could not prepare a comprehensive bank reconciliation. From March 2019 forward, complete bank reconciliations have been prepared.</p>

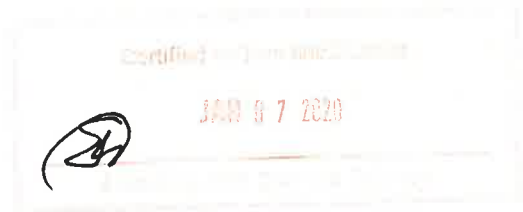
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Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2019

Section III - Federal Program Audit Findings

Reference Number	Finding
2019-002	<p><b>CFDA Number, Federal Agency, and Program Name</b> - CFDA Nos. 84.063, 84.268; Department of Education; Federal Pell Grant Program and Federal Direct Student Loans</p> <p><b>Federal Award Identification Number and Year</b> - N/A</p> <p><b>Pass-through Entity</b> - N/A</p> <p><b>Finding Type</b> - Material weakness and material noncompliance with laws and regulations</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - Federal Pell Grant Program: An institution shall submit, in accordance with deadline dates established by the secretary, through publication in the Federal Register, other reports and information the secretary requires and shall comply with the procedures the secretary finds necessary to ensure that the reports are correct (34 CFR Section 690.83(b)(2)).</p> <p>Federal Direct Student Loans: Changes in student status are required to be reported to the National Student Loan Data System (NSLDS) within 30 days of the change or included in a Student Status Confirmation Report (SSCR) sent to the NSLDS within 60 days of the status change (34 CFR Section 685.309(b)).</p> <p><b>Condition</b> - Shawnee State University did not report the proper student status changes for certain students who graduated.</p> <p><b>Questioned Costs</b> - None</p> <p><b>Identification of How Questioned Costs Were Computed</b> - N/A</p> <p><b>Context</b> - Of the 25 students tested for student status changes, 2 students were not properly reported as graduated.</p> <p><b>Cause and Effect</b> - Shawnee State University did not have proper controls in place over the graduate file submission to the National Student Clearinghouse to ensure that students were appropriately reported to the NSLDS.</p> <p><b>Recommendation</b> - Shawnee State University should implement controls and processes to ensure that graduation files submitted are complete and are properly reported to the NSLDS.</p> <p><b>Views of Responsible Officials and Corrective Action Plan</b> - Based on discussions with the National Student Clearinghouse personnel, the registrar's office will begin sending a graduates-only enrollment file in addition to the degree verification file the University has been sending in the past. This additional file should resolve the issue of graduation status not being sent from the National Student Clearinghouse to the NSLDS. Moving forward, a member of the registrar's office will review all file submissions to ensure graduation statuses are reported correctly.</p>



**RESOLUTION F24-19**

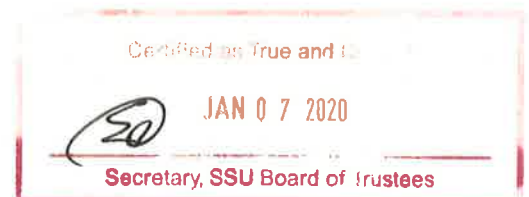
**APPROVAL OF  
FY2019 EFFICIENCY REPORT**

WHEREAS, in accordance with ORC Section 3333.951, each Ohio institution of higher education must submit an annual efficiency report to the Chancellor of the Ohio Department of Higher Education (ODHE); and

WHEREAS, the attached report includes input from the applicable offices that reflects Shawnee State's efforts to achieve operational efficiencies, textbook affordability, and the adoption of policies and practices that benefit students;

THEREFORE, BE IT RESOLVED, the Board of Trustees of Shawnee State University approves the FY2019 Efficiency Report.

(November 8, 2019)





Department of  
Higher Education

Mike DeWine, Governor  
Randy Gardner, Chancellor



Affordability & Efficiency

## FY19 Efficiency Reporting Template

### Introduction:

Ohio Revised Code section 3333.95 requires the chancellor of the Ohio Department of Higher Education (DHE) to maintain an "Efficiency Advisory Committee" that includes an "efficiency officer" from each state institution of higher education (IHE). Each IHE must then provide an "efficiency report" updated annually to DHE, which is compiled by the chancellor into a statewide report shared at year end with the governor and legislature. The committee itself meets periodically at the call of the chancellor.

Affordability and efficiency in higher education are high among the DeWine-Husted administration's policy priorities; however, as compared to prior years, this year's template is increasingly focused on identifying quantifiable measures of progress in evaluating how well we are addressing affordability and efficiency. DHE's preference for report responses is, to the degree feasible, quantitative data as opposed to narrative responses. Please respond with specific numbers where available. In addition, some questions included in the past are not included this year in recognition of the progress made in implementing earlier recommendations. Finally, you will notice some new points of emphasis that reflect unique priorities of the DeWine-Husted administration.

The FY19 reporting template asks for updates on several topics included in prior reports and continues to require Ohio's IHEs to conduct an annual study to determine the cost of textbooks for students enrolled in the institution pursuant to revised code section 3333.951(C). The FY19 template also continues to request information on efficiencies gained as a result of the "regional compacts" as outlined in revised code section 3345.59.

New to the reporting template this year are information requests regarding online and/or competency-based delivery models for education, financial literacy efforts related to college debt and debt collection practices. Eliminated from the reporting template are some specific questions related to contracting as well as administrative and academic practices, although the new template does request some institutional data on expenditures that may relate to contracting and other operational practices.

**Your Efficiency Report Contact:** Sara Molski, Project Manager, Fiscal and Legal Affairs, 614-728-8335, [smolski@highered.ohio.gov](mailto:smolski@highered.ohio.gov). Please provide your institution's efficiency report by **Friday, November 1, 2019** via email to [smolski@highered.ohio.gov](mailto:smolski@highered.ohio.gov)

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As in previous years, the Efficiency Reporting Template is structured into sections:

- **Section I: Operational Efficiencies** – This section captures practices likely to yield significant savings that may be shared with students or benefit the institution generally. Topics include controlling costs in procurement, employee benefits, utilities and avoidance of duplication.
- **Section II: Academic Practices** – This section covers areas more directly related to instruction, such as the cost of textbooks, time-to-degree, and academic course and program reviews. Generally, our hope is that academic improvements may reduce student costs and/or improve student outcomes such as graduation rates, time to degree, student loan debt, etc.
- **Section III: Policy Reforms** – This section captures state IHE responses to suggested policy reforms originating in gubernatorial task force efforts, legislative joint committee reports, student loan debt advisory group reports, etc. In recent years, a number of stakeholder perspectives have been shared with institutions. Our hope is that institutions will respond to this stakeholder feedback.
- **Section IV: Student Benefit** – This section asks institutions to provide cost savings and/or resource generation in actual dollars for any major initiatives within the past fiscal year. Emphasis should be placed on highlighting major initiatives that may be considered best practices, rather than responding to specific recommendations from the Ohio Task Force on Affordability and Efficiency in Higher Education October 2015 report. To facilitate understanding, IHE's should advise if savings have been redeployed to students to reduce costs, or if they have been reinvested in some other manner for the benefit of students.
- **Section V: Future goals** – This section corresponds to Master Recommendation 2 of the Ohio Task Force on Affordability. It is designed to allow each institution to benchmark its respective five-year goals to its actual institutional cost savings or avoidance. In the spirit of continuous improvement, this section allows you to revise and/or update your five-year goals as needed. In addition, the DeWine-Husted administration would like to know more about possible roles the state could play in supporting your institutional goals; your input is requested in this section.

**For purposes of this report, efficiency is defined as quality versus cost as a means to measure value:**

- Direct cost savings to students (reducing costs)
- Direct cost savings to the institution (reducing costs)
- Cost avoidance for students (reducing costs)
- Cost avoidance to the college/university (reducing costs)
- Enhanced advising, teaching (improving quality)
- IP commercialization (improving quality)
- Graduation/completion rates (improving quality)
- Industry-recognized credentials (improving quality)
- Experiential learning (improving quality)

These are examples only. Please consider your responses to address broader measures of efficiency, quality, cost and value. Please also note that this is only a template. Feel free to respond in any additional way you believe is helpful.



***Insert College/University Name Here***

**Section I: Operational Efficiency**


Affordability and efficiency in higher education are high among the DeWine-Husted administration's policy priorities. DHE continues to encourage institutions to consider the Ohio Task Force on Affordability and Efficiency's October 2015 report "Action Steps to Reduce College Costs" (Task Force) linked here: [www.ohiohighered.org/sites/ohiohighered.org/files/uploads/affordability-efficiency/Action-Steps-to-Reduce-College-Costs\\_100115.pdf](http://www.ohiohighered.org/sites/ohiohighered.org/files/uploads/affordability-efficiency/Action-Steps-to-Reduce-College-Costs_100115.pdf). Although this year's template does not require each IHE to report on every recommendation of the Task Force, we are requesting that IHE's provide the most recent information available on selected items.

As presented in Recommendation 3B of the Task Force, IHE's have access to multiple joint purchasing agreements in the following categories:

- Copier/printer services
- Computer hardware
- Travel services
- Outbound shipping
- Scientific supplies and equipment
- Office supplies and equipment

<b>Contract Type</b>	<b>Did your IHE participate in joint contracts in FY19? [yes, no, worked toward]</b>	<b>Monetary Impact</b>
Copier/printer services	No	Equipment and service pricing was more favorable with current vendor; savings will also be realized through the reduction of desktop printers and by managing student printing.
Computer hardware		FY19 savings through IUC contract is \$94,682
Travel services	No	No Change from 2018
Outbound shipping	No	No Change from 2018-insufficient volume
Scientific supplies & equipment	Yes	FY19 savings through IUC contract is \$27,936
Office supplies & equipment	Yes	FY19 savings through IUC contract is \$26,556
Enterprise Rental	Yes	FY19 savings through IUC contract is \$33,628

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Other IUC Contracts	Yes	FY19 savings through IUC contract is \$559,573
IUC Insurance Consortium	Yes	FY19 savings through IUC contract is \$191,291
Migration to Jenzabar 1 SaaS	Yes	FY19 savings \$27,958

Per recommendation 4C of the Task Force, IHE's should evaluate opportunities for affinity relationships and sponsorships that can support students, faculty, and staff. Institutions can use these types of partnerships to generate new resources by identifying "win-win" opportunities with private entities that are interested in connecting with students, faculty, staff, alumni, or other members of their communities. Please complete the section below with the implementation status of your institution.

Did your institution initiate any new partnerships or sponsorships in FY19? If yes, please complete the below table for those new relationships.

Partnerships/Sponsorships	Description	Revenue Generated
Scioto Foundation	Partnership to develop master plan for city redevelopment	
Scioto County Career Technical Center	Partnership to deliver and expand a utility and maintenance apprenticeship program at SSU	
Chamber of Commerce	Partnership to deliver downtown storefront redevelopment project	
Portsmouth City	<ul style="list-style-type: none"> <li>• Usage of Branch Rickey Park</li> <li>• Built a new press box at the stadium</li> <li>• Continue to upgrade the facility</li> </ul>	\$55,000
Portsmouth City Schools	MOU with Portsmouth City Schools which: <ul style="list-style-type: none"> <li>• Expanded this year to include Portsmouth High School softball field</li> <li>• Extends for gym, track, and field as well as other athletic related facilities and equipment</li> <li>• Portsmouth City Schools are using Shawnee Turf for high school and junior high soccer</li> </ul>	\$20,000
Elks Golf Course, Sunset Lanes, Iron Body Fitness	Facility rentals that allow usage at significant savings	\$3,500


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Kings Daughters Medical Center	Renewed partnership with KDMC for athletic training at athletic events	\$25,000
Kings Daughters Medical Center	Donated funding to the SSU Health and Wellness Education fund	\$4,805
Campus View Associates	Sponsorship	\$9,000
Century 21/Empire Realty	Sponsorship	\$500
First State Bank	Sponsorship	\$500
King's Daughters Medical Center	Sponsorship	\$20,000
Max Gaming Studios	Sponsorship	\$500
Papa John's	Sponsorship	\$250
Patties and Pints	Sponsorship	\$1,500
Penn Station	Sponsorship	\$2,000
Port City Pub	Sponsorship	\$2,000
Southern Ohio Medical Center	Sponsorship	\$1,250
Tech Growth Ohio	Sponsorship	\$500
WesBanco Bank	Sponsorship	\$1,250
Friends of Portsmouth	Sponsorship	\$1,250
Petland, Inc.	Sponsorship	\$1,250
Peoples Bank	Sponsorship	\$1,250
Tri-State Building	Sponsorship	\$1,250
U.S. Bank	Sponsorship	\$1,250
West End Electric Company	Sponsorship	\$1,250
Zebu Compliance Solutions	Sponsorship	\$1,250
Multiple-Sources	Sponsorship	\$17,050
G&J Pepsi Cola	Re-bid Cold Beverage Vendor ( 10 year agreement). Media support totaling \$9500/yr.; Gatorade side-line kits valued @ \$4K/yr.; ten recycling containers valued at 2K; donated product valued at 1K/yr.; social media posts valued at 5K/yr.; 50K signing bonus; 45K	\$125,000 first year, \$85K annually

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	annually yrs. 2-10 unrestricted payments; 40% commission on vending sales (minus taxes and fees).	
City of Portsmouth Health Department	SSU Counseling & Health Services has a partnership with the City of Portsmouth Health Department. Within this partnership, the City Health Department provides free 20 minute HIV testing to students each fall spring semesters. This testing takes place on campus to increase convenience to students and is completely funded by the City Health Department. When compared to the cost of purchasing individual HIV Home Testing Kits, this results in a savings of approximately \$8,000 per academic year.	\$8,000
Barnes & Noble	Barnes & Noble will pay Shawnee State University a percentage of gross sales at the Bookstore. SSU realizes an annual commission of approximately \$200,000 from this agreement. Barnes & Noble will also provide for a \$5,000 annual scholarship to SSUFD.	\$200,000
Lindsey Wilson College	The SSU Office of Counseling & Health Services has an ongoing MOU with Lindsey Wilson College School of Professional Counseling through which Master's level Counseling interns are provided each year (2011-2018). This program increases the number of clinical service hours available to students with a minimal investment from SSU. This results in an estimated cost savings to SSU of \$17,000 in compensation plus benefits.	\$17,000
Grace College	The SSU Office of Counseling & Health Services is in the second year of MOU with Grace College through which Master's level Counseling Interns are provided. This program increases the number of clinical service hours available to students by approximately 1,000 hours and requires minimal investment by SSU. This results in an estimated cost savings to SSU of \$14,000 in compensation plus benefits annually.	\$14,000
Neal and Vickie Hatcher, Inc.	Public/private partnership for student housing with partner maintaining all operating cost and revenue	\$400,000


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	sharing back to the university. The University receives a portion of the revenue in the form of management fees. SSU receives a 10% management fee on all private-owned housing receipts. This developer also provides an average of \$10,000 in annual housing scholarships to SSU students.	
Southern Ohio Performing Arts Association (SOPAA)	An MOU with 501(c)(3) Southern Ohio Performing Arts Association (SOPAA) generates revenue from shared sponsorships and savings through shared promotional and advertising costs with the university at the Vern Riffe Center for the Arts. Approximate annual gross revenue is \$238,000	\$238,000
* Nationwide Insurance	Our affinity partnership with Nationwide Insurance generates in excess of \$10,000 per year in royalty payments from the recognition of premiums paid by alumni, faculty, and staff policyholders.	\$10,000
* GeoTech	This partnership was formed between GeoTech and our Plastics program whereby SSU provides contracted services to the company for a fee. This agreement generated \$1,000 last year.	\$1,000
Aladdin	New food service partner (10 yr. agreement). \$750K Capital Investments; 10% commission on all sales, including catering; 20% commission on "off-campus" catering; 15K annually in scholarships; 5K annually to address food insecurity; 20K in services to President's catering fund; 10K in services annually to student government catering fund.	\$120,000 (annually)
Southeast Ohio RAPIDS partnership (including: Southern States, Shawnee State University, Rio Grande, Ohio University, Hocking College, Scioto CTC, and Pickaway Ross CTC)	SSU as the lead writer, and with collaboration with industry and education partners, \$210,000 was awarded for the purchase of 3D Printers (capable of printing flexible, solid, reinforced, and biomedical plastics), Programmable Logic Controllers (PLCs), and a mobile manufacturing lab.	\$210,000

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If the IHE realized efficiencies gained in FY19 from already existing relationships, please identify, specifically including revenue generated. *Include in the table above or add a similar table.*

Employee health benefits continue to be a major cost driver for all IHE's. The Task Force recommendations addressed this issue in 5D, recommending that a statewide working group identify opportunities to collaborate on health-care costs. At this point, we are especially interested in learning about best practices that could be applicable around the state. Please provide the following information if your institution has generated any significant savings or health benefit improvements in FY 19

What initiatives or plan changes did the IHE implement in FY19 to manage or reduce healthcare costs?

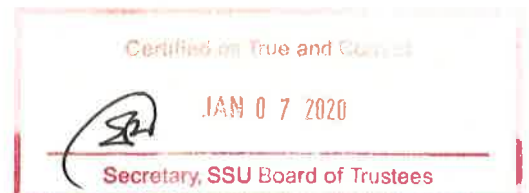
**Shawnee State University has adopted the following strategies to reduce health care costs:**

- **Adopted tiered networks - allows the University and employees to realize savings when Tier 1 providers/facilities are used.**
- **Adjusted deductible, out-of-pocket max, and co-insurance for both medical plans (PPO and High Deductible Health Plan).**
- **Shifted employee contributions from a flat rate to a percentage of the premium. Employee cost-share now ranges from 8% to 20% based on medical plan and tier of coverage.**
- **Spousal exclusion – full-time working spouses with access to medical coverage through their employer are no longer eligible under SSU's health plan.**

Has the institution achieved any expected annual cost savings through healthcare efficiencies in FY19? Please explain how cost savings were estimated.

**Shawnee State University is projected to save \$543,651.10 when compared to FY18. These projections were based on actuarial calculations produced by our benefits consultant and insurance carrier. Their calculation takes into account plan design and claims experience over a two-year period.**

Energy Efficiencies seek to refine sustainable methods utilized by the institution to procure and use energy (resulting in more efficient use of energy), including but not limited to lighting systems, heating & cooling systems, electricity, natural gas, and utility monitoring. Again, we are especially interested in learning about best practices that could be applicable around the state. Please provide the following information if your institution has undertaken any significant energy savings projects in FY19.



FY19 Projects/Initiatives	Efficiencies Gained, including Monetary Impact
Enel	SSU has entered into an agreement with Enel to reduce electric load in the event of a brown out and other critical event defined by our utility supplier. This process includes an annual test of the load curtailment that nets SSU approximately \$30,000 that involves a reduction of the load. If called upon to participate in an actual event, SSU could realize additional savings. SSU also uses Enel to conduct reverse auctions for gas and electric pricing.
AEP	SSU actively participates in the AEP Gridsmart program. This program has resulted in approximately \$8,700 in savings on electrical projects this year. This also reduces energy consumption.
Consumption Reduction	In an effort to continue reducing consumption, occupancy sensors are installed to control HVAC and lighting in all building renovations. These efforts are the continuation of the estimated \$600,000 in energy cost savings that have been realized in the past.
Contract Amendments	Renegotiated gas and electric contracts saving approximately \$100,000 compared to last year's costs.


Has the institution gained efficiencies in FY19 from previously implemented projects/strategies? If yes, please discuss cumulative efficiencies gained.

**See consumption reduction above.**

The Task Force charged DHE with developing a common measurement of administrative productivity. However, the Task Force also acknowledged that each institution should have the latitude to develop its own standards of the proper level of productivity for its campus units. DHE will provide specific financial data for each institution as part of this year's reporting process. The Efficiency Advisory Committee will need to continue to evaluate this data and determine how best to utilize it taking into account the significant diversity of IHE's and their missions throughout Ohio.

- Specific institutional measures to be evaluated include:
- Average Expenditure per Student
  - Total Revenue per Student
  - Facility Cost per Student
  - Square Feet per Student

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**Regional Compacts**

Ohio Revised Code Section 3345.59 requires regional compacts of Ohio's public institutions, with an executed agreement in place by June 30, 2018 for institutions to collaborate more fully on shared operations and programs. Per O.R.C. §3345.59 {E} colleges and universities shall report within their annual efficiency reports the efficiencies gained as a result of the compact.

Please discuss efficiencies gained or opportunities for future partnerships because of each of the categories within the compact.

Category	Description	Monetary Impact
Reducing duplication of academic programming Implementing strategies to address workforce education needs of the region	<ul style="list-style-type: none"> <li>Shawnee State University (SSU) has partnerships with Milacron who has provided two new injection molding machines with auxiliary equipment, including robot, and annual company credit for mold equipment. Milacron has hired students into a post-graduate apprenticeship programs and directly into jobs. SSU also has a partnership with Krauss Maffei who has provided an injection molding machine and robot for training. SSU worked with regional partners (Scioto CTC, APEG, AWF, and Taylor Lumber) to identify training needs and developed stackable education model to use prior experience and CTC industrial maintenance program into the ATS in Industrial Management program.</li> </ul>	\$25,000
Sharing resources to align educational pathways and to increase access within the region	<ul style="list-style-type: none"> <li>Shawnee State University (SSU) has an articulation agreement with Columbus State Community College (CSCC) for two 2+2 programs – Sports Management and RN-BSN Nursing Programs. Both programs have a list of courses that will transfer in and satisfy requirements in the respective Baccalaureate Degree. In addition, the RN-BSN Program devotes a faculty advisor to visit on campus at CSCC once a month.</li> <li>Preferred admission for SSU Exercise Science graduates to enter Masters of Athletic Training at Marshall University</li> </ul>	


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<p>Reducing operational and administrative costs to provide more learning opportunities and collaboration in the region</p>	<ul style="list-style-type: none"> <li>Shawnee State University (SSU) and Southern States Community College (SSCC) entered into a collaborative agreement whereby SSU's Occupational Therapy Assistant Program is offered at the SSCC campus. Students are dually enrolled in both IHEs.</li> </ul>	<p>\$750 per student/semester for 14 students = \$10,500</p>
<p>Enhancing career counseling and experiential learning opportunities for students</p>	<ul style="list-style-type: none"> <li>Shawnee State University (SSU) is participating in the Ohio Export Internship Program that helps Ohio companies export for the first time or expand their existing export initiatives. SSU's junior Business Management major has been accepted into the program for Fall 2020. During Spring Semester 2020, he will attend class every Friday at the Ohio State University and has a guaranteed internship in Summer 2020 at a small Ohio business. He receives SSU credit for this experience through BUMG 3400, International Business.</li> <li>The Kricker Innovation Hub brought on a class of senior entrepreneurial marketing students to serve as an auxiliary marketing unit for the Startup Weekend Portsmouth 2019 teams. This was a required class project that exposed students to the kind of projects they might be involved with, and emphasized important interpersonal communication skills.</li> </ul>	<p>≈\$75 per student per credit hour</p>
<p>Collaboration and pathways with information technology centers, adult basic and literacy education programs and school districts</p>		
<p>Enhancing the sharing of resources between institutions to expand capacity and capability for research and development</p>		
<p>Identifying and implementing the best use of university regional campuses</p>		

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## Section II: Academic Practices

### Textbook Affordability

#### Textbook Cost Study

Ohio Revised Code Section 3333.951(D) requires Ohio's public colleges and universities to annually conduct a study to determine the current cost of textbooks for students enrolled in the institution and submit the study to the Chancellor. Please attach the analysis of textbook costs developed by your institution labeled "[Institution Name - Academic Year - Textbook Cost Study]" Please summarize the results of your institution's study below.

Category	Amount
Average cost for textbooks that are new	\$65.42
Average cost for textbooks that are used	\$62.56
Average cost for rental textbooks	\$43.28
Average cost for eBook	\$39.19

#### Reducing Textbook Costs for Students

Ohio Revised Code Section 3333.951(C) requires Ohio's public colleges and universities to report their efforts toward reducing textbook costs for students. Please discuss all initiatives implemented, including those referenced below that ensure students have access to affordable textbooks.

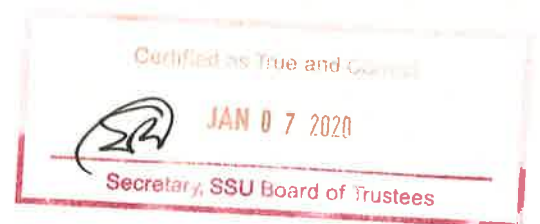
1. Does your institution offer inclusive access purchasing of college textbooks? **Yes**

If yes, what percentage of courses participate?

**SSU offers inclusive access purchasing of college textbooks and 5% of courses participate.**

2. Does your institution offer open educational resources (OER) in lieu of purchased materials? If yes, what percentage of courses participate? How many non-duplicative students benefit currently from OER?

**Some programs do offer OER in lieu of purchased materials and based on our faculty survey, as much as 3% of our courses implement OER and as many as 350 non- duplicative students benefit from OER.**



3. Is your institution a member of an organization that works to develop high-quality, low-cost materials including OER? If yes, what organization? Please describe.

- **Shawnee State University is a member of OhioLINK, which provides us membership in the Open Textbook Network (OTN). This network is the largest repository of open textbooks in the world. Through this membership, we promote the adoption of open textbooks across our institution through faculty training and campus advocacy.**
- **Through our use of the OhioLINK Digital Library collection, Shawnee State University faculty substitute textbooks with digital library resources.**
- **OhioLINK negotiated pricing with six major publishers to ensure the lowest cost pricing for students in Ohio. Bookstores are expected to honor these discounts.**


4. What other practices does your institution utilize to improve college textbook affordability?

- **Workshops conducted to increase participation in inclusive access and OER.**
- **Faculty utilizing library reserves**
- **Faculty accept previous editions (saves students approximately \$65,000)**
- **In-house and custom textbooks (saves students approximately \$20,000)**

Please provide any relevant information in the table below.

Initiative	Explanation of Initiative	Cost Savings to Students
Encouraging Status Quo	Chairs and Deans encourage faculty to continue to use previous editions of textbooks instead of updating to new editions.	Approximately \$65,000
Discouraging custom textbooks	Chairs and Deans encourage faculty to avoid custom textbooks that increase costs and time to receive textbooks.	Approximately \$20,000

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### Textbook Selection Policy

Ohio Revised Code Section 3345.025 requires the board of trustees of each state IHE to adopt a textbook selection policy for faculty to use when choosing and assigning textbooks and other instructional materials. The policy shall include faculty responsibilities and actions faculty may take in selecting and assigning textbooks and other instructional materials. Examples of topics addressed within such a policy include textbook adoption deadlines, faculty ethics rules on personal use/resale of publisher-provided free textbooks, disclosure of personal interest/royalties and textbook ownership of faculty-use books.

1. Has your institution's board of trustees adopted a textbook selection policy consistent with Ohio Revised Code 3345.025?

**Yes**

2. Has your institution adopted a faculty textbook auto-adoption policy that assigns the previous semester's version of a textbook when a faculty member does not actively select a new edition by the federally-required date of class registration?

**No**

Please attach the policy in full length and label the file as "[Institution Name – Academic Year – Textbook Selection Policy]."

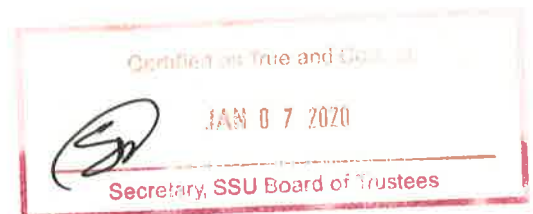
### Time to Degree

Reducing time to degree is one of the most effective ways to reduce student costs. The Task offered several recommendations for assisting students in reducing time to degree, including developing an educational campaign to increase student awareness on the importance of maintaining an adequate course load, providing incentives for students to attend full-time and graduate on time. Institutions have also been encouraged to review academic programs to assure the number of hours necessary to earn a degree align with recommended standards.

### Standardize Credits

Recommendation 7C of the Task Force was for institutions to streamline graduation requirements so that most bachelor's degree programs can be completed within 126 credit hours or less, and associate degree programs can be completed within 65 credit hours or less.

Please provide a spreadsheet list of every degree program at your institution that requires more than 65 credit hours to complete and associate degree and/or 126 credit hours to complete a bachelor's degree, list the number of credit hours required in a separate column and label the file "[Institution Name – Academic Year – Time to Degree Standardization]" Please complete the table below.



<b>Percent of Programs that require more than the recommended minimum credit hours to earn a degree</b>	<b>Percent of FTE in programs that require more than the recommended minimum credit hours to earn a degree</b>
18.6%	16.13%
<b>Average number of credit hours earned by students awarded an associate degree in FY 19</b>	<b>Average number of credit hours earned by students awarded a baccalaureate degree in FY 19</b>
118.83 semester credit hours	138.33 semester credit hours

### Alternative Delivery Methods

Online and competency-based education are both growing dramatically as delivery platforms for higher education across the United States. Recommendation 7G of the Task Force was for institutions to consider developing or expanding programs that measure student success based on demonstrated competencies instead of through the amount of time students spend studying a subject.

1. Does your institution offer competency-based education? If yes, please provide a list of enrollment, degrees and course offerings.  
**No, Shawnee State University does not offer competency-based education.**
2. Has your institution seen a difference in completion rates relative to traditional modes of education? N/A
3. Have students experienced cost savings? N/A How is the fiscal impact quantified? N/A

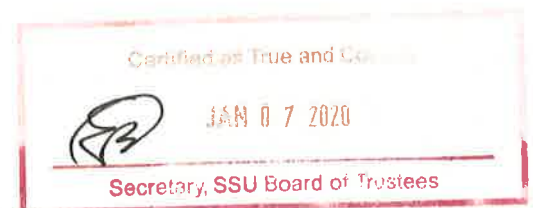
Flexible delivery methods, such as distance learning, provide an opportunity to improve access by providing students with additional opportunities to complete their education. In fact, enrollment in such programs has increased dramatically in recent years.

1. Does your institution offer distance-based or online education? **Yes, Shawnee State University offers online programs.**

If yes, please provide a list of enrollment, degrees and course offerings.

<b>a. Current Programs with Enrollments as of Start of Fall B</b>	
• Associate of Arts in General Studies	4
• Bachelor of Individualized Studies	6
• Bachelor of Science in Health Sciences	17
• Bachelor of Science in Nursing (RN-BSN)	7
• Master of Education in Intervention Specialist	1
• Master of Education in Curriculum & Instruction	6
• <u>Master of Science in Mathematics</u>	<u>27</u>
<b>Total</b>	<b>68</b>


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**b. Online Course Offerings as of Start of Fall B – Developed with Instructional Design Services through Wiley Education Services (WES)**

Course Code	Course Name	Program
ANTH2250	Principles of Cultural Anthropology	General Education Program
BIOL3650	Pathophysiology	Nursing (RN-BSN)
BSHS3100	The US Healthcare System	Health Sciences
BSHS3343	Research and Design for Healthcare	Health Sciences
BSHS4100	Healthcare Program Development	Health Sciences
BSHS4200	Management Techniques for Healthcare	Health Sciences
BSHS4250	Leadership in Healthcare	Health Sciences
BSHS4300	Concepts of Healthcare Finance	Health Sciences
BSHS4400	Healthcare Policy and Aging	Health Sciences
BSHS4500	Legal Issues in Healthcare	Health Sciences
BSNR3301	Dimensions of Professional Nursing Practice	Nursing (RN-BSN)
BSNR3330	Theoretical Basis of Professional Nursing	Nursing (RN-BSN)
BSNR3341	Care of Diverse Populations	Nursing (RN-BSN)
BSNR3345	Research/EBP	Nursing (RN-BSN)
BSNR4430	Educational Research	Nursing (RN-BSN)
BSNR4452	Issues in Aging and Quality of Life	Nursing (RN-BSN)
BSNR4453	Leadership and Management	Nursing (RN-BSN)
BSNR4454	Community Health Nursing	Nursing (RN-BSN)
BUIS1010	Computer Applications	General Studies/ Individualized Studies
BUMK3100	Marketing Principles	General Studies/ Individualized Studies
ECON2201	Principles of Microeconomics	General Education Program
ECON2202	Principles of Macroeconomics	General Education Program
EDCI6601	Principles of Curriculum Theory	Curriculum & Instruction
EDCI6602	Curriculum Planning and Implementation PreK-6	Curriculum & Instruction
EDCI6603	Curriculum Planning and Implementation 6-12	Curriculum & Instruction
EDCI6604	Advanced Assessment in Curriculum and Instruction	Curriculum & Instruction
EDCI6605	Critical Studies in Multicultural Education	Curriculum & Instruction

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EDCI6606	Teachers as Leaders	Curriculum & Instruction
EDIS6250	Nature and Needs of Students with Mild/Moderate Disabilities	Intervention Specialist
EDIS6252	Accommodations & Technologies for Students	Intervention Specialist
EDIS6283	Collaboration and Transition	Intervention Specialist
EDIS6311	Assessment and Instructional Planning for Individuals with Mild/Moderate Disabilities	Intervention Specialist
EDIS6314	Classroom Management & Behavioral Interventions	Intervention Specialist
EDUC5501	Cognitive/Motivational Theories	Curriculum & Instruction/ Intervention Specialist
EDUC5502	Technology Integration Learning	Curriculum & Instruction/ Intervention Specialist
EDUC5503	Philosophy of Education Professional Ethics	Curriculum & Instruction/ Intervention Specialist
EDUC5504	Educational Data Analysis	Curriculum & Instruction/ Intervention Specialist
EDUC5505	Educational Research	Curriculum & Instruction/ Intervention Specialist
ENGL1101	Discourse and Composition	General Education Program
ENGL1105	Comp and Argumentation	General Education Program
ENGL2200	Introduction to Literature	General Education Program
HIST1340	American History since 1864	General Education Program
HIST3520	History of the Crusades	General Education Program
IDST4490	Senior Seminar	Individualized Studies
MATH1000	Reasoning Using Mathematics	General Education Program
MATH5100	Advanced Linear Algebra	Mathematics
MATH5210	Abstract Algebra I	Mathematics
MATH5220	Abstract Algebra II	Mathematics
MATH5300	Number Theory	Mathematics
MATH5500	Regression I	Mathematics
MATH5555	Complex Variables	Mathematics
MATH5610	Mathematical Analysis I	Mathematics
MATH6500	Regression II	Mathematics

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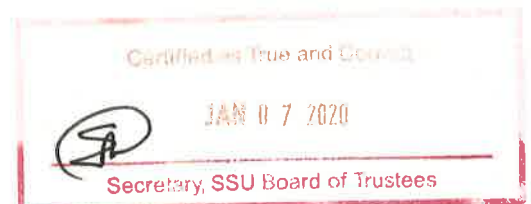
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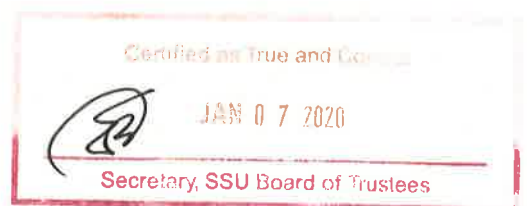
MATH6610	Quantitative Methods I	Mathematics
MATH6620	Quantitative Methods I	Mathematics
MUSI1201	Music Appreciation	General Education Program
PHIL2320	Ethics in Public and Private Life	General Education Program
PHYS2210	Introductory Astronomy	General Education Program
POLS1210	Introduction to Comparative Politics	General Education Program
SOCI2610	Introduction to Criminal Justice	General Studies/ Individualized Studies
SOCI2620	Policing	General Studies/ Individualized Studies
SOCI3620	Corrections	General Studies/ Individualized Studies
SPAN1111	Elementary Spanish 1	General Education Program
SPAN1112	Elementary Spanish 2	General Education Program
STAT1150	Principles of Statistics	General Education Program
UNIV1100	First Year Experience	All Undergraduate Programs

**c. Faculty-Owned Online (100% and Hybrid) Courses Developed Independently of WES.**

Course Number	Course Name	Program
AHNR1102	Medical Terminology	General Studies/ Individualized Studies
AHNR2250	Survey of Nursing Practice	General Studies/ Individualized Studies
AHNR3500	Dimensions in Women's Health	General Studies/ Individualized Studies
ATTR2300	Athlete Health Maintenance	General Studies/ Individualized Studies
ATTR3700	<a href="#">Adm/Organ of Athletic Training</a>	General Studies/ Individualized Studies
ATTR4500	<a href="#">Current Issues/Rsrch Mthds in AT</a>	General Studies/ Individualized Studies
ATTR4700	<a href="#">Ath Trn Assessment Capstone</a>	General Studies/ Individualized Studies
BIOL3750	Microbiology	General Studies/ Individualized Studies



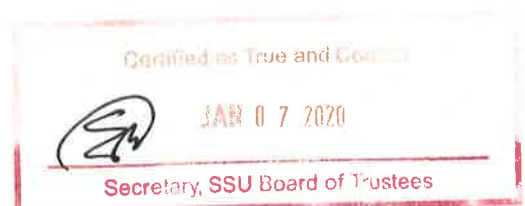
BSHS3400	<a href="#">Epidemiology</a>	Health Sciences
BSHS4250	<a href="#">Leadership in Healthcare</a>	Health Sciences
BSNR3343	<a href="#">Introduction to Nursing Research</a>	Nursing (RN-BSN)
BSNR3363	<a href="#">Health Assessment, Education &amp;</a>	Nursing (RN-BSN)
BSNR4445	<a href="#">Community Health Nursing</a>	Nursing (RN-BSN)
BUFI3450	<a href="#">Management Finance</a>	General Studies/ Individualized Studies
BUHE3000	<a href="#">Medical Term for Health Managers</a>	General Studies/ Individualized Studies
BUIS1500	<a href="#">Foundations of Web Development</a>	General Studies/ Individualized Studies
BUIS2100	<a href="#">Introduction to Information Systems</a>	General Studies/ Individualized Studies
BUIS2999	<a href="#">Topics in Business Info Systems</a>	General Studies/ Individualized Studies
BUIS4999	<a href="#">Special Topics Mgt Info Systems</a>	General Studies/ Individualized Studies
BUMG2250	<a href="#">Organization/Operation Small Bus</a>	General Studies/ Individualized Studies
BUMG3100	<a href="#">Management Principles</a>	General Studies/ Individualized Studies
BUMG3200	<a href="#">Data Analysis</a>	General Studies/ Individualized Studies
BUMG3310	<a href="#">Business Ethics</a>	General Studies/ Individualized Studies
BUMG3550	<a href="#">Human Resource Management</a>	General Studies/ Individualized Studies
BUMG3850	<a href="#">Production/Operations Mgt</a>	General Studies/ Individualized Studies
BUMK3300	<a href="#">Consumer Behavior</a>	General Studies/ Individualized Studies
BUMK4150	<a href="#">International Marketing</a>	General Studies/ Individualized Studies
BUMK4250	<a href="#">Marketing Research</a>	General Studies/ Individualized Studies



BUMK4999	<a href="#">Special Topics in Marketing</a>	General Studies/ Individualized Studies
BUOA1150	<a href="#">Spreadsheet Applications</a>	General Studies/ Individualized Studies
COMM1105	<a href="#">Intro to Mass Communication</a>	General Studies/ Individualized Studies
COMM3185	<a href="#">Internship in Communications</a>	General Studies/ Individualized Studies
EDEC4386	<a href="#">Teacher Education Capstone II</a>	General Studies/ Individualized Studies
EDIS3311	<a href="#">Assessment and Intervention Planning for Exceptional Children</a>	General Studies/ Individualized Studies
EDIS3314	<a href="#">Behavior Interventions and Classroom Management</a>	General Studies/ Individualized Studies
EDRE2204	<a href="#">Teach Phonics: Read, Write, Spell</a>	General Studies/ Individualized Studies
EDRE3305	<a href="#">Teaching Reading in Content Area</a>	General Studies/ Individualized Studies
EDUC2230	Educ <a href="#">Media, Technology, Computers</a>	General Studies/ Individualized Studies
EDVI6201	<a href="#">Overview of Visual Impairment within Special Education</a>	Visual Impairment
EDVI6202	<a href="#">The Eye, Brain, and Sensory Connections: Impact of Visual Impairment</a>	Visual Impairment
EDVI6204	<a href="#">Braille Competency Check</a>	Visual Impairment
EDVI6206	<a href="#">The Expanded Core Curriculum &amp; Literacy</a>	Visual Impairment
ETCO1115	<a href="#">Comp Programming for Technology (CX)</a>	General Studies/ Individualized Studies
ETCO1120	<a href="#">Intro STEM Computer Programming (CX)</a>	General Education Program
ETCO1150	<a href="#">HTML Programming/Web Page Design</a>	General Studies/ Individualized Studies
ETCO1501	<a href="#">Technical Presentation</a>	General Studies/ Individualized Studies
ETEC1101	<a href="#">Structured Programming</a>	General Studies/ Individualized Studies
ETEV1110	<a href="#">Intro to Environmental Engr (CX)</a>	General Studies/ Individualized Studies




ETPL1100	<a href="#">Plastics Manufacturing (CX)</a>	General Studies/ Individualized Studies
HIST1330	<a href="#">American History to 1865</a>	General Education Program
HIST2430	World History I	General Education Program
HIST2440	World History II	General Education Program
HIST2540	<a href="#">Introduction to the Middle East: History, Peoples and Culture</a>	General Education Program
HIST3410	East Asian History	General Education Program
HIST3430	<a href="#">Ancient Indian Culture/Society</a>	General Education Program
HUMA2227	<a href="#">Influential Works in Global Transnational Cultures</a>	General Education Program
MATH0101	<a href="#">Bas Alg w/Geometry &amp; Application</a>	Developmental Education
MATH0102	<a href="#">Intermediate Algebra/Application</a>	Developmental Education
MATH0115A	<a href="#">Beginning Algebra for Statistics Plus</a>	Developmental Education
MATH0120A	<a href="#">Intermediate Algebra Plus</a>	Developmental Education
MATH1170	<a href="#">Applied Finite Mathematics</a>	General Education Program
MATH1200	<a href="#">College Algebra</a>	General Education Program
MATH1200A	<a href="#">College Algebra Plus</a>	General Education Program
MATH2999	<a href="#">Topics in Mathematics</a>	General Studies/ Individualized Studies
MATH6999	<a href="#">Special Topics</a>	Mathematics
MOT5565	<a href="#">Analysis of Human Movement</a>	Occupational Therapy
NTSC3850	<a href="#">Ohio's Natural Heritage</a>	General Education Program
OTAT2999	<a href="#">Special Topics in OT</a>	General Studies/ Individualized Studies
POLS1110	<a href="#">National Government</a>	General Education Program
POLS1310	<a href="#">Introduction to Political Theory</a>	General Education Program
POLS1410	<a href="#">Introduction to International Relations</a>	General Education Program
POLS3220	<a href="#">Third World Politics</a>	General Education Program
PSYC1101	Introduction to Psychology	General Education Program
PSYC2130	Child & Adolescent Psychology	General Studies/ Individualized Studies
PSYC3130	Psychology of the Adult	General Studies/ Individualized Studies





PSYC3140	Social Psychology	General Studies/ Individualized Studies
PSYC3170	History of Psychology	General Studies/ Individualized Studies
PSYC3999	Special Topics in Psychology	General Studies/ Individualized Studies
PSYC4140	Psychology of Work	General Studies/ Individualized Studies
PTAT2235	<a href="#">PT Trends and Admin Procedures</a>	General Studies/ Individualized Studies
PTAT2999	<a href="#">Topics in PTA</a>	General Studies/ Individualized Studies
RDLT2142	<a href="#">Image Analysis</a>	General Studies/ Individualized Studies
RDLT3999	<a href="#">Special Tps in Medical Imaging</a>	General Studies/ Individualized Studies
SOCI1101	Introduction to Sociology	General Education Program
SOCI3999	<a href="#">Special Topics in Sociology</a>	General Studies/ Individualized Studies
SSES1200	<a href="#">Principles of Personal Fitness</a>	General Studies/ Individualized Studies
SSES2100	<a href="#">Introduction to Exercise Science</a>	General Studies/ Individualized Studies
SSES4200	<a href="#">Management of Fitness Facilities</a>	General Studies/ Individualized Studies
SSPE2100	<a href="#">Personal and Community Health</a>	General Studies/ Individualized Studies
SSPE2200	<a href="#">Human Nutrition</a>	General Studies/ Individualized Studies
SSPE2400	<a href="#">Foundations of Coaching</a>	General Studies/ Individualized Studies
SSPE3600	<a href="#">Drugs/Substance Abuse</a>	General Studies/ Individualized Studies
SSSM2000	<a href="#">Introduction to Sport Management</a>	General Studies/ Individualized Studies
SSSM2200	<a href="#">Risk Management</a>	General Studies/ Individualized Studies

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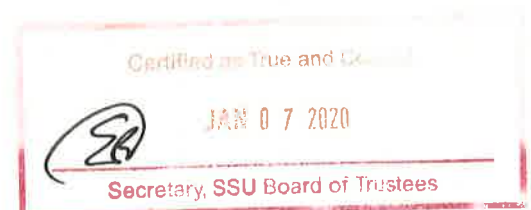
SSSM3000	<a href="#">Introduction to Sport Law</a>	General Studies/ Individualized Studies
SSSM3500	<a href="#">Sport Marketing</a>	General Studies/ Individualized Studies
SSSM3600	<a href="#">Sport Communication</a>	General Studies/ Individualized Studies
SSSM3700	<a href="#">Sport Sponsorship and Sales</a>	General Studies/ Individualized Studies
SSSM4000	<a href="#">Administration of Sport Programs</a>	General Studies/ Individualized Studies
STAT1150A	Principles of Statistics Plus	General Education Program
STAT1800	Business Statistics	General Education Program
UNIV1999	Topics	General Studies/ Individualized Studies

2. Has your institution seen a difference in completion rates relative to traditional modes of education?

**SSU only started offering fully online programs as of March of 2019. As such, we do not yet have data on degree completion rates for our fully online programs.**

3. Have your students experienced cost savings?

**SSU students enrolled in SSU's fully online programs through our E-Campus (SSU Online) are charged a lower per credit hour rate and a lower out-of-state surcharge, and they are not charged any additional fees. Note: SSU Online students do not receive banded tuition rates and are not eligible for the Shawnee Advantage or SSU's institutional scholarships.**



How is the fiscal impact quantified?

	Tuition (per Credit Hour)	Out of State Surcharge (per Credit Hour)	Average Fees (per Credit Hour)	Total Cost per Credit Hour (Ohio Resident)	Total Cost per Credit Hour (Out of State)
Undergraduate	\$344.36	\$246.85	\$18.75	\$363.11	\$609.96
Online Undergraduate	\$278.00	\$5.00	\$0.00	\$278.00	\$283.00
Total Savings (per Credit Hour)				\$85.11	\$326.96
Graduate	\$549.42	\$702.89	\$18.75	\$568.17	\$1271.06
Online Graduate	\$402.00	\$10.00	\$0.00	\$402.00	\$412.00
Total Savings (per Credit Hour)				\$166.17	\$859.06

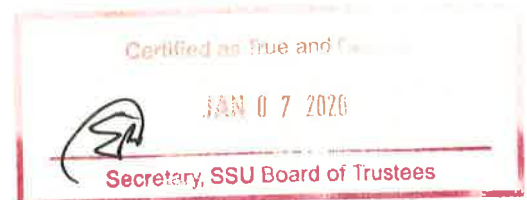
**Course and Program Evaluation**

Recommendation 8 of the Task Force was for institutions to evaluate courses and programs for enrollment and consideration of continuation. Per O.R.C 3345.35, the colleges and universities need to address this recommendation every five years. The next applicable date is FY22.

Is your institution currently undertaking, or within the past year undertook, a review of course and degree enrollment for consideration of possible changes such as continuation or termination?  
 If yes, please explain and list specific courses and degrees.

**Yes, Shawnee State University has a committee comprised of administration and faculty that review mean number of majors, mean number of graduates, and mean number of student credit hours achieved for a graduate of each program over a five-year period. During the 2018-19 academic year, five programs were warehoused because of this review:**

- AAS – Computer Aided Drafting and Design**
- BFA – Concentration in Photography**
- BFA – Concentration in Studio Arts**
- BS – Natural Science with Concentration in Chemistry**
- BSE – Early Childhood Intervention Specialist**



What steps, if any, did your IHE take in FY19 to share courses/programs with partnering institutions?  
**Shawnee State University did not take steps to share courses/programs with partnering institutions.**

If you implemented course/program sharing, please discuss efficiencies gained, including cumulative efficiencies to date. **N/A**

**Co-located Campuses**

Ohio Revised Code Section 3333.951 requires Ohio's co-located colleges and universities to annually review best practices and shared services in order to improve academic and other services and reduce costs for students. Co-located campuses are then required to report their findings to the Efficiency Advisory Committee. (Reference also recommendation 9 from the Task Force.)


Co-located campus:           N/A          

Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.)	Please include an explanation of this shared service.	Monetary Impact from Shared Service

**Section III: Policy Reforms**

**Financial Advising**

Recommendation 10A of the Task Force was for institutions to provide financial literacy as a standard part of students' education. In addition, the Ohio Attorney General's Student Loan Debt Advisory Group report of June 2017 made a similar recommendation as well as other proposals on how to improve processing of student accounts and debts. The report can be found at: [www.ohioattorneygeneral.gov/Files/Publications-Files/Publications-for-Schools/Ohio-Attorney-General-s-Student-Loan-Debt-Collecti.aspx](http://www.ohioattorneygeneral.gov/Files/Publications-Files/Publications-for-Schools/Ohio-Attorney-General-s-Student-Loan-Debt-Collecti.aspx)

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 JAN 07 2020  
 Secretary, SSU Board of Trustees

1. Has your institution considered the Ohio Attorney General's Student Loan Debt Advisory Group report recommendation on financial literacy? If so, please describe your institution's implementation.

**SSU encourages all students to complete the FAFSA form each year. We attend Financial Aid Nights at local high schools throughout October and November. The university also sends FAFSA information to all prospective students throughout the year. Students attending New Student Orientation who have not completed the FAFSA receive information about completing it in their orientation materials.**

**Prior to registration, a student is required to agree to a financial obligation statement. In person entrance and exit counseling for federal loan is available.**

**SSU created a position in the Student Business Center to provide financial literacy to students. Each semester a financial literacy event is held. Financial literacy tables are set up during orientations, showcase days, and other special events.**

**SSU uses the Shopping Sheet provided by the US Department of Education.**

**We will begin sending out debt letters to students who have borrowed federal student loans.**

2. Does your institution provide a standard course for incoming students that includes financial literacy education?

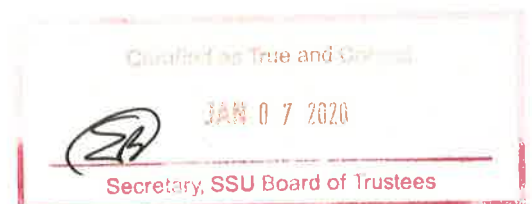
**Each student is required to take a first-year experience course. In this course, financial aid topics and strategies for financial planning and money management are discussed.**

3. Does the course explain the institution's debt collection practices, fees, notifications and referral process to the AG?

**No, these topics are not currently covered.**

4. Does the institution have a process to inform students that they do not have to accept the entire student loan amount for which they are eligible?

**Students have the opportunity to accept, decline, or reduce their student loan in their MySSU portal.**



## **Financial Aid**

Ohio IHEs should strive to meet guidance issued by the U.S. Department of Education (USDE) on April 15, 2019:

(<https://ifap.ed.gov/eannouncements/041519RecWhatPostInstShouldWork2Avoid.html>).

The guidance calls for not describing loans as “awards”, including the total cost of attendance in letters, breaking costs down into clear components, avoiding comingling grants, scholarships, loans and work-study together, and always including a net cost calculation in financial aid letters. The State of Ohio also wishes to ensure that financial aid dollars it provides are supplementing financial aid for students, not supplanting dollars that would otherwise be given to a similar or identical student.

1. What strategies does your institutions use to coordinate multiple forms of financial aid (institutional or otherwise) for students that are certain or likely to receive state-sponsored financial aid in the form of OCOG, Choose Ohio First, Ohio National Guard Scholarships, War Orphans Scholarships, etc. or other state aid?

**Tuition restricted aid is awarded/applied first. All non-restricted aid is then applied.**

2. Which of the April 15, 2019 recommendations made by the USDE regarding financial aid letters has your institution implemented? If you have chosen not to implement a particular recommendation, please explain why.

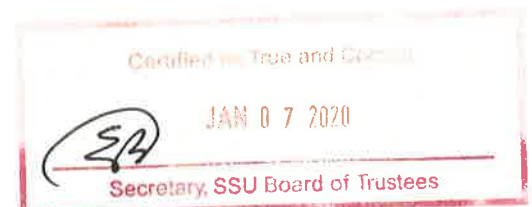
**Effective for 2020-2021 academic year, we are changing the name from “Financial Aid Award Letter” to “Financial Aid Offer”. In 2019-20, we integrated the cost of attendance into our offers, which includes a net cost (including loans). We will be working with our IT department to split out the scholarships/grants and the loans in the 2020-21 academic year. We provide information regarding the PLUS loan as a financing option; however, we do not package PLUS loans automatically.**

## **Certification Practices**

Ohio Revised Code 131.02 requires state IHE’s to certify their outstanding debt to the Ohio Attorney General’s office (AGO) for collection either 45 days after the amount is due or within 10 days after the start of the next academic session, whichever is later. However, Ohio’s institutions certify their outstanding debt pursuant to varying policies and practices. To ensure that all Ohio students are treated fairly and uniformly, the recommendation #7 of the Student Loan Debt Advisory Group report is that state institutions adopt uniform certification practices that emphasize transparency for both debtors and the AGO. The advisory group recommended that the Ohio Bursars Association, in partnership with the Ohio Association of Community Colleges and the Inter-University Council, facilitate this effort.

Specifically, institutions were asked to develop uniform practices for collecting debt with attention to the type, content, and frequency of notices issued to students; and the fees and other collection costs applied to student debts.

1. Has your institution reviewed its certification practices per the 2017 AG Student Loan Debt Advisory Group report? If yes, explain.



**Yes, I have read the document and the IUC-recommended Uniform Standards for the Collections Practices of State Colleges and Universities of Ohio, which was created form the Ohio Bursars Association to adopt uniform certification practices from recommendation #7 from the 2017 AG report. Currently we send 2 past due collection letters prior to an account being turned over to the AG Collection Office. The first letter is mailed after the start of the next term with a 45-day response to setup a promissory note with SSU. The second letter mailed of the 45 deadline for students not replying to the first notice with a 30-day deadline to setup a promissory note or they will be turned over to our collection agency with added collection costs and interest.**

2. When your institution certifies debt to the Attorney General, are late fees or other penalties that your institution charged to the student included before certification, thereby leading to collection fees applied to prior collection fees?

**The last file submission they were included. The AG's office provided us with a new FTP file layout so we could separate out late fees from the certified tuition balance but it did not work until March/April of this year. Our next file submission will have the late fees separated out from the certified tuition balance.**

3. Does your institution provide student debtors with opportunities for settlement of debt before certification to the AG?  
Yes

If not, has your institution explored options with the AG to allow settlement?

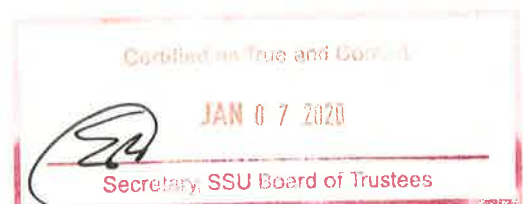
### Section IV: Students Benefit

When institutions save money, they ideally invest a portion of those savings into student benefits, such as reduced fees, increased institutional aid, quality improvements, etc.

For fiscal year 2019 only, please explain what, if anything, your institution is doing that is a new benefit for your students. Answers may be financial benefits or intangibles such as efforts to improve career counseling, undergraduate teaching, research, etc. If you have targeted financial aid for tuition, fees, room and board, books, technology or other expenses, please explain the focus of cost reduction.


If you have seen a significant savings from an initiative in the past fiscal year, please describe that here.

Category	Initiative	FY19 (Actual)
Cost savings/avoidance to the institution in FY19 ONLY	Implementation of Print Cut to reduce printing totals, paper costs, and toner replacements. A one-time charge of \$15,000 and then \$2500 annual maintenance fee for software to	



	manage this initiative was incurred during FY19. Implementation occurred in FY20. Though there are significant costs savings, these savings will be reported the next Efficiency Report	
New resource generation for the institution in FY19 ONLY	Shawnee State University in cooperation with the Southeast Ohio RAPIDS partnership (including: Southern States, Shawnee, Rio Grande, Ohio University, Hocking College, Scioto CTC, and Pickaway Ross CTC) has received funding (\$491,479) for computer, gaming, and immersive technology to support retention, expansion, and attraction of business and entrepreneurship in the region through development of skills in education and training and through collaboration of education, business, and industry	
Cost savings/avoidance to students in FY19 ONLY	During FY19, SSU signed a contract with Barnes & Nobel for conversion of the "brick and mortar" bookstore to a "Virtual Bookstore." Though the implementation of the "Virtual Bookstore" did not happen until the AY20 (Fall 2019), cost savings to the students are projected to occur immediately.	
	SSU continues to encourage the 15-to-Finish campaign whereby students are urged to register for a minimum of 15 semester hours per semester. This increases the likelihood that students will graduate at least one semester early.	Estimated savings to the student body is \$3500 for a one-semester savings.
	SSU continues to offer a Summer Bridge to Success program for students who are underprepared and need two or more developmental courses. During this summer program, students enroll in the needed developmental coursework and once complete are college-ready for the Fall Semester. This saves students at least one semester of tuition and decreases their college debt. Approximately 60 students are admitted each summer into the Bridge to Success program with roughly 40 students successfully completing the program.	Estimated savings to Bridge to Success students are the costs of one semester of tuition (\$3500). Therefore for 40 students the savings are in the region of \$140,000.

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Secretary, SSU Board of Trustees



### **Additional Practices**

Some IHE's may implement practices that make college more affordable and efficient, but which have not been the topic of a specific question in this reporting template. This section invites your institution to share any positive practices you have implemented that benefit student affordability and/or institutional efficiency.

Please share any additional best practices your institution is implementing or has implemented.

**Shawnee State University adopted a tuition guarantee program that locks in a student's tuition, room, meal plan, and general fees for four years. For students beginning at the University in AY 18-19, tuition is \$8,265 and will continue to be at this same rate for the next four years.**

### **Section V: Future Goals**

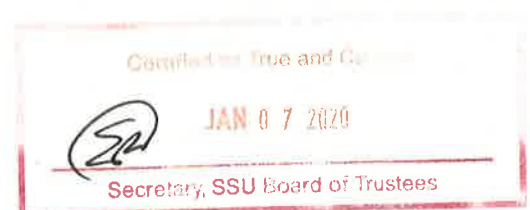
This year's template does not require updates on every recommendation of the Task Force. Nonetheless, it is important that each institution continue to track its progress on achieving its Five-year goals that have been identified in prior years' submissions. An updated copy of the five-year goal template is attached. Please provide the data to complete the template, including information already provided in Section IV. In addition, if you have any updates or changes that need to be made to your five-year goals submitted in 2016, please update.

See attached MasterRecommendation2. Template to complete.

The DeWine-Husted administration recognizes that each institution of higher education in Ohio faces unique challenges and opportunities with respect to the institution's highest priority goals over the next several years. With that in mind, please provide any suggestions about possible roles the state could play in supporting your institutional goals.

1. Please provide your thoughts and suggestions regarding ways that the State of Ohio can further support strength, resiliency and reputational excellence in Ohio's post-secondary education system.

**Ohio should shift its funding models to provide greater support for access to and degree completion in higher education. The current performance based model for state share of instruction is not addressing this issue adequately. The state awards significant funding for graduate research and medical schools (20% of State Share of Instruction). If the state wants to make progress towards meeting 65 by 2025, increased support for need-based scholarships, remedial math/English, and wrap-around services is needed. State support for instruction of students chosen by graduate, medical, and/or highly selective institutions will not increase the number of Ohioans attending and completing college. Increase the number of students**



attending and completing a degree or certificate program and the state will improve the strength, resiliency, and reputational excellence in its post-secondary education system.

2. What legislative obstacles or policy roadblocks, if any, inhibit efficiencies and affordability practices at the IHE's?

Thank you for completing the FY19 Efficiency Reporting Template. We appreciate the important role Ohio's colleges and universities play in supporting Ohio students, economic growth, world-class research and the overall success for our state.

DRAFT

Certified as True and Correct

JAN 07 2020



Secretary, SSU Board of Trustees

**RESOLUTION F25-19**

**SHAWNEE STATE UNIVERSITY DEVELOPMENT FOUNDATION  
MEMBER APPOINTMENTS**

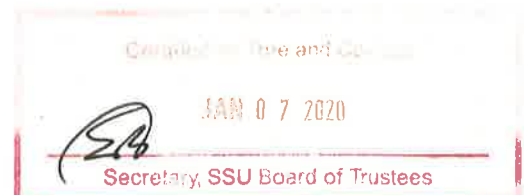
WHEREAS, as the sole member of the Shawnee State University Development Foundation (SSUDF), the Board of Trustees of Shawnee State University ratifies Foundation policies and members; and

WHEREAS, at its October 18, 2019 meeting, the SSUDF recommended by Resolution 2019.3 (copy attached) the term extension of certain existing board members;

THEREFORE, BE IT RESOLVED, the Shawnee State University Board of Trustees ratifies the extension of appointment, of members to the Shawnee State University Development Foundation Board as described below:

Member:	Term Ending:
Chris Brown (2006)	December 31, 2022
Lisa Johnson (1982)	December 31, 2022
Lloyd Martin (1983)	December 31, 2022
Matthew Wisecup	December 31, 2022

(November 8, 2019)



**RESOLUTION 2019.3  
SHAWNEE STATE UNIVERSITY DEVELOPMENT FOUNDATION  
MEMBER APPOINTMENTS**

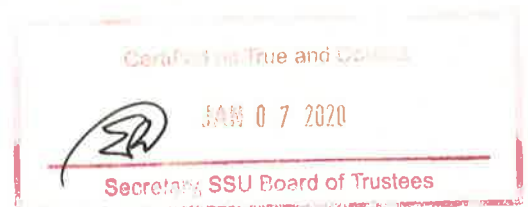
WHEREAS, as the sole member of the Shawnee State University Development Foundation, the Board of Trustees of Shawnee State University ratifies Foundation policies and members; and

WHEREAS, the Shawnee State University Development Foundation recommended the term extension of certain existing board members hereunder at its October 18, 2019 special meeting;

THEREFORE, BE IT RESOLVED, that the SSU Development Foundation hereby recommends the extension of appointment of the following members to the SSU Development Foundation Board for the following terms:

Member:	Term Ending:
Chris Brown (2006)	December 31, 2022
Lisa Johnson (1982)	December 31, 2022
Lloyd Martin (1983)	December 31, 2022
Matthew Wisecup	December 31, 2022

(October 18, 2019)



**RESOLUTION F26-19**

**APPROVAL OF REVISIONS TO  
POLICY 4.10REV, TRAVEL AUTHORITY AND DRIVING RULES**

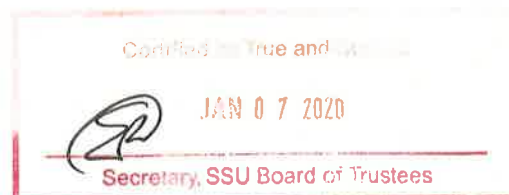
WHEREAS, a review of Policy 4.10Rev, Travel Authority and Driving Rules, adopted by the Board of Trustees on January 17, 2014, was conducted to ensure the policy aligns with current operational needs; and

WHEREAS, minor language revisions were made for clarity; and

WHEREAS, the related procedures established for travel business rules and driving rules for university-sponsored activities required modification to incorporate changes to internal processes and are provided for information;

THEREFORE, BE IT RESOLVED, the Board of Trustees approves the revised Policy 4.10REV, Travel Authority and Driving Rules, effective November 8, 2019.

(November 8, 2019)



# Shawnee State University

SUBJECT: TRAVEL AUTHORITY AND DRIVING RULES	POLICY NO. :	4.10REV
	ADMIN CODE:	3362-4-04
	PAGE NO.:	1 OF 2
	EFFECTIVE DATE:	11/08/19
	NEXT REVIEW DATE:	11/2022
	RESPONSIBLE OFFICER(S):	VPF&A
	APPROVED BY:	BOARD OF TRUSTEES

## 1.0 POLICY PURPOSE

Shawnee State University desires for its employees and students to experience the educational benefits of traveling, to represent the University at appropriate venues, and to broaden the reach of the University community to other regions of the nation and the world. Further, Shawnee State University is committed to the safety of its faculty, staff, students and visitors while traveling for any University-sponsored activity. The purpose of this policy is to establish and manage reasonable rules that govern the travel and assures the safety of all travelers for University-sponsored activities.

## 2.0 AUTHORITY FOR TRAVEL

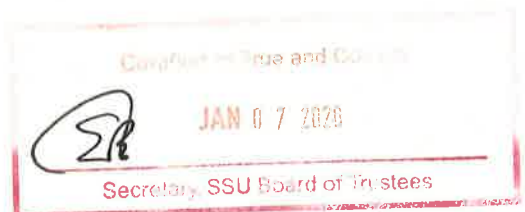
All travel (same-day and overnight) domestic and international must be authorized and approved in advance by the appropriate administrative supervisor. Such approval indicates that the employee is authorized to travel on official university business and that related travel expenses will be covered per this policy and associated procedures.

## 3.0 PROCEDURES

To ensure the effective management of University-sponsored travel, the President shall enact procedures to extend the delegation of authority to appropriate University officials to approve such travel and to ensure compliance with established procedures.

### 3.1 TRAVEL AUTHORITY - BUSINESS RULES

Travelers must comply with business rules including but not limited to those that address: reimbursement of travel expenses, travel by privately-owned vehicles, travel by common carrier or rental vehicles, lodging for overnight travel and meal expenses, conference registration fees, and expenses associated with interviewing applicants as established by University business procedures found at: Travel Authority: Business Rules.

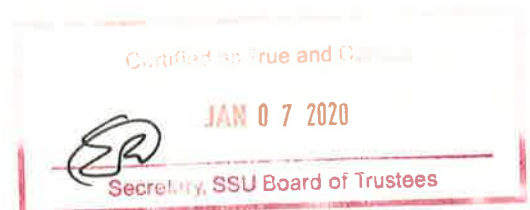


**3.2 DRIVING RULES – UNIVERSITY SPONSORED ACTIVITIES**

Drivers to University-sponsored activities must have in their possession at all times a valid driver's license and proof of insurance as required by law. Where applicable, driver(s) must complete a motor vehicle record check in accordance with Procedure 4.10:2 Driving Rules for University Sponsored Activities.

History:  
Effective: 12/08/89  
Revised: 11/08/19; 07/11/08; 11/01/05; 06/10/94

Applicable Procedures: [4.10:1 Travel Authority: Business Rules](#)  
[4.10:2 Driving Rules for University Sponsored Activities](#)



# Shawnee State University

POLICY TITLE:	TRAVEL AUTHORITY AND DRIVING RULES
POLICY NO.:	4.10REV
ADMIN CODE:	3362-4-04
PAGE NO.:	1 OF 2
EFFECTIVE DATE:	11/08/19
NEXT REVIEW DATE:	11/2022
RESPONSIBLE OFFICER(S):	VPF&A
APPROVED BY:	BOARD OF TRUSTEES

## 1.0 POLICY PURPOSE

Shawnee State University desires for its employees and students to experience the educational benefits of traveling, to represent the University at appropriate venues, and to broaden the reach of the University community to other regions of the nation and the world. Further, Shawnee State University is committed to the safety of its faculty, staff, students and visitors while traveling for any University-sponsored activity. The purpose of this policy is to establish and manage reasonable rules that govern the travel and assures the safety of all travelers for University-sponsored activities.

## 2.0 AUTHORITY FOR TRAVEL

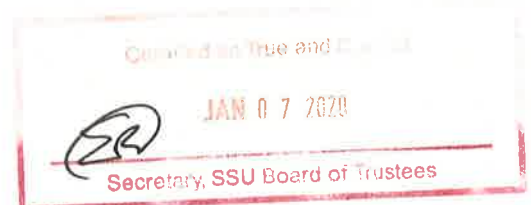
All travel (same-day and overnight) domestic and international must be authorized and approved in advance by the appropriate administrative supervisor. Such approval indicates that the employee is authorized to travel on official university business and that related travel expenses will be covered per this policy and associated procedures.

## 3.0 PROCEDURES

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Travelers must comply with business rules including but not limited to those that address: reimbursement of travel expenses, travel by privately-owned vehicles, travel by common carrier or rental vehicles, lodging for overnight travel and meal expenses, conference registration fees, and expenses associated with interviewing applicants as established by University business procedures found at: [Travel Authority: Business Rules](#).





### 3.2 DRIVING RULES – UNIVERSITY SPONSORED ACTIVITIES

Drivers to University-sponsored activities must have in their possession at all times a valid driver's license and proof of insurance as required by law. Where applicable, driver(s) must complete a motor vehicle record check in accordance with [Procedure 4.10:2 Driving Rules for University Sponsored Activities](#).

#### History

Effective: 12/08/89

Revised: 11/08/19; 07/11/08; 11/01/05; 06/10/94

#### Applicable Procedures:

[4.10:1 Travel Authority: Business Rules](#)

[4.10:2 Driving Rules for University Sponsored Activities](#)

Control - Due and Required



JAN 07 2020

Secretary, SSU Board of Trustees

PROCEDURE TITLE:	TRAVEL AUTHORITY – BUSINESS RULES
PROCEDURE NO.:	4.10:1
RELATED POLICY:	4.10REV TRAVEL AUTHORITY
PAGE NO.:	1 OF 5
RESPONSIBLE ADMINISTRATOR(S):	VPF&A / CONTROLLER/DIR. PROCUREMENT
EFFECTIVE DATE:	11/08/19
NEXT REVIEW DATE:	11/2022
APPROVED BY:	PRESIDENT

## 1.0 PURPOSE

The purpose of these procedures is to establish rules and guidelines for traveling on university business and for university-sponsored activities.

## 2.0 AUTHORITY FOR TRAVEL

2.1 Prior approval for travel (same-day and overnight), domestic and international, is necessary from the appropriate administrative supervisor. This approval authorizes the employee to travel on official university business and the coverage of related travel expenses per this policy.

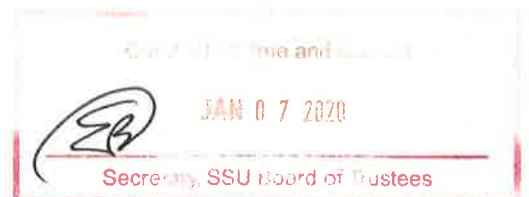
2.1.1 Approval for same-day and normal business travel that is regularly scheduled should be gained through timely communication (verbal or email) with the appropriate supervisor.

2.1.2 Approval for overnight travel is obtained through the BearTrax system. Guidance to complete this task can be found at [Create Overnight Travel Authorization](#)

2.2 Travelers are expected to incur the lowest practical and reasonable expenses.

## 3.0 RULES REQUIRED FOR DRIVING

Guidance and rules for drivers for University-sponsored travel are found at [Driving Rules for University Sponsored Activities](#).

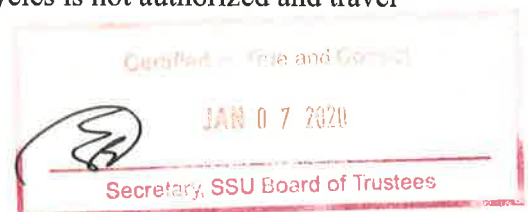


#### 4.0 TRAVEL EXPENSES

- 4.1 The preferred method of payment for travel expenses is the Shawnee State University travel card. The use of personal credit cards is discouraged as a method of payment for any travel expenses allowable on the travel card.
- 4.1.1 Requests for reimbursement of travel expenses not allowable on the University-provided travel card may be submitted at the conclusion of the trip. For guidance on reimbursement of such expenditures through BearTrax go to: [Create and Submit an Expense Report](#)

#### 5.0 TRAVEL BY PRIVATELY-OWNED VEHICLES

- 5.1 Travel by a privately-owned vehicle is authorized only if the owner is insured under a policy of liability insurance as required by Ohio Revised Code Section 4509.51 and compliant with [Driving Rules for University Sponsored Activities](#). When using a personal vehicle on University business, the owner of the vehicle must be in possession of proof of insurance. The owner's automobile liability insurance coverage is the primary coverage.
- 5.2 There is no physical damage coverage through the University on a personal vehicle. The employee is responsible for the deductible portion of the personal collision coverage and is responsible for any increased personal automobile insurance premiums as a result of an accident.
- 5.3 The owner's automobile liability insurance card received from his/her insurance agent needs to be in the driver's possession when using personal vehicles for University business.
- 5.4 Mileage for the use of a personal vehicle is payable in accordance with the Internal Revenue Service personal use automobile rate per mile. Allowable mileage is the mileage from either the employee's headquarters or home address (whichever is less) as the starting location using an approved online mapping tool.
- 5.5 Current rates can be found at the [Controller's Office website](#).
- 5.6 For safety and liability reasons, the use of motorcycles is not authorized and travel expenses will not be reimbursed.



## 6.0 TRAVEL BY COMMON CARRIER

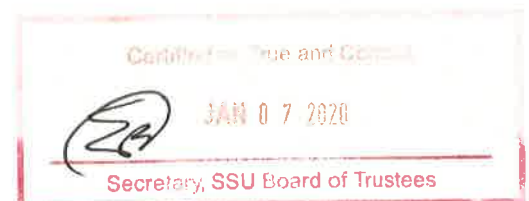
- 6.1 Travel by common carrier (e.g., commercial airline) is authorized at the lowest available rate. Authorized travel expenses include, tickets purchased directly from the carrier (or agency if at a lower total rate), luggage charges (up to two bags), and any supplemental fees assessed to all passengers by the carrier.
- 6.2 If it is not possible to use a University travel card to order commercial travel tickets, the employee should order his/her commercial travel tickets through the University's purchase order process so that payment can be remitted by the University to the vendor.
- 6.3 Travelers who purchase commercial travel tickets with a personal credit card will be reimbursed after the trip's end date. Tickets which are unused, but for which the traveler has been reimbursed, may only be later used for travel on official University business. It is expected the traveler will reschedule unused tickets for approved University travel within the time allowed by the carrier.

## 7.0 RENTAL VEHICLES

- 7.1 The use of rental vehicles is permitted when traveling on official business provided such mode of transportation is advantageous to the University over other means of transportation. Prior approval is necessary to use a rental vehicle by the appropriate administrative supervisor. The driver must comply with [Driving Rules for University Sponsored Activities](#).
- 7.2 The University's travel card should be used to reserve rental vehicles.

## 8.0 EXPENSES FOR OVERNIGHT LODGING

- 8.1 Lodging
- 8.1.1 Reservations for lodging accommodations will be made using the University travel card.
- 8.1.2 In the rare case in which lodging is reserved using a personal credit card, reimbursement will be at the end of the trip in accordance with established rates.



8.1.3 If lodging rates exceed the current per-night ceiling rates found at the [Controller's Office website](#), justification and approval for staying at the higher rate location is required. Employees are expected to request the "governmental rate" when reserving lodging.

8.1.4 Non-commercial lodging, such as in a private home, will be reimbursed at the rate of \$12 per night.

## 9.0 MEALS WHILE IN TRAVEL

9.1 Guidance and rules related to the University's established per-diem meal rates for travelers are found at [Controller's Office website](#).

9.2 Processing and reimbursement, when required, of per-diem meal rates occurs through the BearTrax expense module. These expenses should not be paid via the University travel card.

9.3 Per-diem meal rates are subject to adjustments effective the beginning of each fiscal year using Consumer Price Index change as a basis for rate adjustments.

9.4 Reimbursement for "same-day" meal expenditures occurs through the BearTrax expense module and such reimbursement is subject to taxation as required under applicable IRS rules.

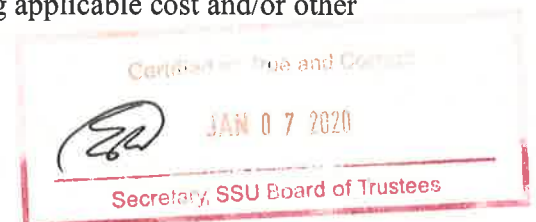
## 10.0 CONFERENCE REGISTRATION FEES

10.1 The travel card is the primary method to register for a conference.

10.2 If an employee registers for a conference by a means other than the travel card, reimbursement will occur after the conference end date and must be supported by receipts.

10.3 If meals are provided as part of the conference and the employee chooses to eat elsewhere, thereby incurring additional expense, reimbursement for the additional expense will not be approved. These expenses will be the responsibility of the employee.

10.4 Reimbursement of any travel-related expenses as described in this policy must be verified by receipt, conference brochure identifying applicable cost and/or other documentation with similar validity.



## 11.0 MISCELLANEOUS TRAVEL EXPENSES

- 11.1 The University's travel card is the primary method for payment of travel-related expenditures, including parking, highway tolls, and other reasonably incurred travel-related expenses. For employees not utilizing the travel card for approved miscellaneous travel expenses, reimbursement may be requested by the submission of receipts through BearTrax.
- 11.2 Expenses incurred for alcoholic beverages are not reimbursable.
- 11.3 Reimbursement of other out-of-pocket expenses, such as road services, towing and miscellaneous gratuities, not to exceed \$5.00, (i.e., baggage handlers, taxi drivers) will be handled on a case-by-case basis at the discretion of the administrative supervisor.
- 11.4 Travel expenditures are to be submitted for processing via BearTrax within five (5) days after the trip ends.
- 11.5 Reimbursement claims for transportation, lodging, meals, and incidentals must be itemized and requested electronically through the BearTrax system. The lodging and incidental claims must be accompanied by itemized receipts. Credit card slips are not acceptable.

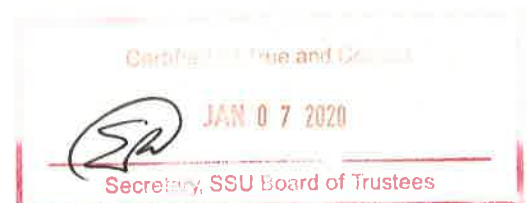
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- 12.1 The University's travel card is the primary method for expenditures related to applicant interviews.
- 12.2 When not utilizing the travel card, expenses that are incurred for transportation by common carrier and for lodging expenses associated with interviewing applicants for approved University position openings may be reimbursable for reasonable meal and lodging costs and transportation costs in accordance with this policy
- 12.3 Costs associated with a spouse to accompany the applicant will not be reimbursed.
- 12.4 Costs incurred by Shawnee State University employees during the interviewing of applicants will be reimbursed per [Policy 4.13 "Meeting Expenditures."](#)

### History

Effective: 01/17/14

Revised: 11/08/19



PROCEDURE TITLE:	TRAVEL AUTHORITY – BUSINESS RULES
PROCEDURE NO.:	4.10:1
RELATED POLICY:	4.10REV TRAVEL AUTHORITY
PAGE NO.:	1 OF 6
RESPONSIBLE ADMINISTRATOR(S):	VPF&A / CONTROLLER/DIR. PROCUREMENT
EFFECTIVE DATE:	11/08/19
NEXT REVIEW DATE:	11/2022
APPROVED BY:	PRESIDENT

## 1.0 PURPOSE

The purpose of these procedures is to establish rules and guidelines for traveling on university business and for university-sponsored activities.

## 2.0 AUTHORITY FOR TRAVEL

2.1 Prior approval for travel (same-day and overnight), domestic and international, is necessary from the appropriate administrative supervisor. This approval authorizes the employee to travel on official university business and the coverage of related travel expenses per this policy.

2.1.1 Approval for same-day and normal business travel that is regularly scheduled should be gained through timely communication (verbal or email) with the appropriate supervisor.

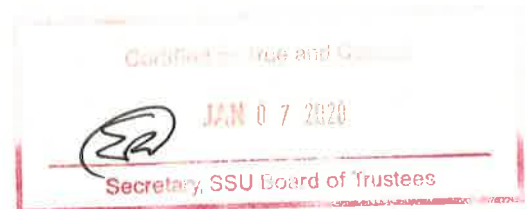
2.1.2 Approval for overnight travel is obtained through the BearTrax system. Guidance to complete this task can be found at [Create Overnight Travel Authorization](#)

2.2 Travelers are expected to incur the lowest practical and reasonable expenses.

## 3.0 RULES REQUIRED FOR DRIVING

Guidance and rules for drivers for University-sponsored travel are found at [Driving Rules for University Sponsored Activities](#).

## 4.0 TRAVEL EXPENSES



4.1 The preferred method of payment for travel expenses is the Shawnee State University travel card. The use of personal credit cards is discouraged as a method of payment for any travel expenses allowable on the travel card.

4.1.1 Requests for reimbursement of travel expenses not allowable on the University-provided travel card may be submitted at the conclusion of the trip. For guidance on reimbursement of such expenditures through BearTrax go to: [Create and Submit an Expense Report](#)

## 5.0 TRAVEL BY PRIVATELY-OWNED VEHICLES

5.1 Travel by a privately-owned vehicle is authorized only if the owner is insured under a policy of liability insurance as required by Ohio Revised Code Section 4509.51 and compliant with [Driving Rules for University Sponsored Activities](#). When using a personal vehicle on University business, the owner of the vehicle must be in possession of proof of insurance. The owner's automobile liability insurance coverage is the primary coverage.

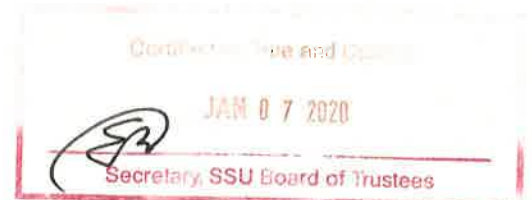
5.2 There is no physical damage coverage through the University on a personal vehicle. The employee is responsible for the deductible portion of the personal collision coverage and is responsible for any increased personal automobile insurance premiums as a result of an accident.

5.3 The owner's automobile liability insurance card received from his/her insurance agent needs to be in the driver's possession when using personal vehicles for University business.

5.4 Mileage for the use of a personal vehicle is payable in accordance with the Internal Revenue Service personal use automobile rate per mile. Allowable mileage is the mileage from either the employee's headquarters or home address (whichever is less) as the starting location using an approved online mapping tool.

5.5 Current rates can be found at the [Controller's Office website](#).

5.6 For safety and liability reasons, the use of motorcycles is not authorized and travel expenses will not be reimbursed.





## 6.0 TRAVEL BY COMMON CARRIER

- 6.1 Travel by common carrier (e.g., commercial airline) is authorized at the lowest available rate. Authorized travel expenses include, tickets purchased directly from the carrier (or agency if at a lower total rate), luggage charges (up to two bags), and any supplemental fees assessed to all passengers by the carrier.
- 6.2 If it is not possible to use a University travel card to order commercial travel tickets, the employee should order his/her commercial travel tickets through the University's purchase order process so that payment can be remitted by the University to the vendor.
- 6.3 Travelers who purchase commercial travel tickets with a personal credit card will be reimbursed after the trip's end date. Tickets which are unused, but for which the traveler has been reimbursed, may only be later used for travel on official University business. It is expected the traveler will reschedule unused tickets for approved University travel within the time allowed by the carrier.

## 7.0 RENTAL VEHICLES

- 7.1 The use of rental vehicles is permitted when traveling on official business provided such mode of transportation is advantageous to the University over other means of transportation. Prior approval is necessary to use a rental vehicle by the appropriate administrative supervisor. The driver must comply with [Driving Rules for University Sponsored Activities](#).

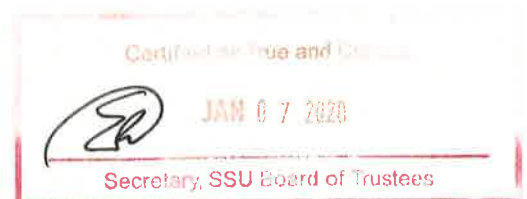
7.2 The University's travel card should be used to reserve rental vehicles.

## 8.0 EXPENSES FOR OVERNIGHT LODGING

### 8.1 Lodging

8.1.1 Reservations for lodging accommodations will be made using the University travel card.

8.1.2 In the rare case in which lodging is reserved using a personal credit card, reimbursement will be at the end of the trip in accordance with established rates.



8.1.3 If lodging rates exceed the current per-night ceiling rates found at the [Controller's Office website](#), justification and approval for staying at the higher rate location is required. Employees are expected to request the "governmental rate" when reserving lodging.

8.1.4 Non-commercial lodging, such as in a private home, will be reimbursed at the rate of \$12 per night.

## 9.0 MEALS WHILE IN TRAVEL

9.1 Guidance and rules related to the University's established per-diem meal rates for travelers are found at [Controller's Office website](#).

9.2 Processing and reimbursement, when required, of per-diem meal rates occurs through the BearTrax expense module. These expenses should not be paid via the University travel card.

9.3 Per-diem meal rates are subject to adjustments effective the beginning of each fiscal year using Consumer Price Index change as a basis for rate adjustments.

9.4 Reimbursement for "same-day" meal expenditures occurs through the BearTrax expense module and such reimbursement is subject to taxation as required under applicable IRS rules.

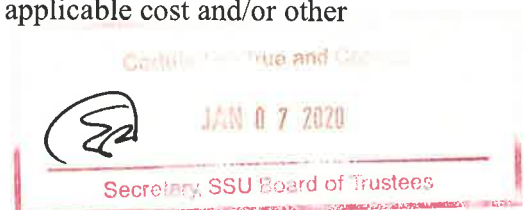
## 10.0 CONFERENCE REGISTRATION FEES

10.1 The travel card is the primary method to register for a conference.

10.2 If an employee registers for a conference by a means other than the travel card, reimbursement will occur after the conference end date and must be supported by receipts.

10.3 If meals are provided as part of the conference and the employee chooses to eat elsewhere, thereby incurring additional expense, reimbursement for the additional expense will not be approved. These expenses will be the responsibility of the employee.

10.4 Reimbursement of any travel-related expenses as described in this policy must be verified by receipt, conference brochure identifying applicable cost and/or other documentation with similar validity.

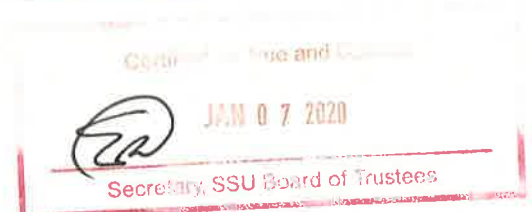


## 11.0 MISCELLANEOUS TRAVEL EXPENSES

- 11.1 The University's travel card is the primary method for payment of travel-related expenditures, including parking, highway tolls, and other reasonably incurred travel-related expenses. For employees not utilizing the travel card for approved miscellaneous travel expenses, reimbursement may be requested by the submission of receipts through BearTrax.
- 11.2 Expenses incurred for alcoholic beverages are not reimbursable.
- 11.3 Reimbursement of other out-of-pocket expenses, such as road services, towing and miscellaneous gratuities, not to exceed \$5.00, (i.e., baggage handlers, taxi drivers) will be handled on a case-by-case basis at the discretion of the administrative supervisor.
- 11.4 Travel expenditures are to be submitted for processing via BearTrax within five (5) days after the trip ends.
- 11.5 Reimbursement claims for transportation, lodging, meals, and incidentals must be itemized and requested electronically through the BearTrax system. The lodging and incidental claims must be accompanied by itemized receipts. Credit card slips are not acceptable.

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History

Effective: 01/17/14

Revised: 11/08/19

Confidentiality and Security



JAN 07 2020

Secretary, SSU Board of Trustees

PROCEDURE TITLE:	DRIVING RULES FOR UNIVERSITY SPONSORED ACTIVITIES
PROCEDURE NO:	4.10:2
RELATED POLICY:	4.10REV TRAVEL AUTHORITY
PAGE NO.:	1 OF 4
RESPONSIBLE ADMINISTRATOR(S):	VPF&A / DIRECTOR OF HR
EFFECTIVE DATE:	11/08/19
NEXT REVIEW DATE:	11/2022
APPROVED BY:	PRESIDENT

1.0 PURPOSE


- 1.1 Shawnee State University is committed to the safety of faculty, staff, students and visitors. These procedures establish rules for drivers for University-sponsored activities. Drivers may include employees, students, or volunteers.
- 1.2 Drivers are to have in their possession a valid driver's license at all times and proof of insurance as required by applicable law.

2.0 MOTOR VEHICLE RECORD CHECKS

- 2.1 A motor vehicle record (MVR) will be obtained every 12 months for:
  - 2.1.1 Drivers of a university vehicle
  - 2.1.2 Drivers transporting students on any university business/activity
  - 2.1.3 Drivers using a university-sponsored rental vehicle (e.g. van)
  - 2.1.4 Drivers whose positions require driving as an essential/integral part of assigned responsibilities
- 2.2 MVRs will be evaluated against the driving violations outlined in paragraph 4.0 of this procedure.
- 2.3 The Department of Human Resources will retain MVR's separately from the employee's personnel file.
- 2.4 MVRs will be retained for a period of 12 months.

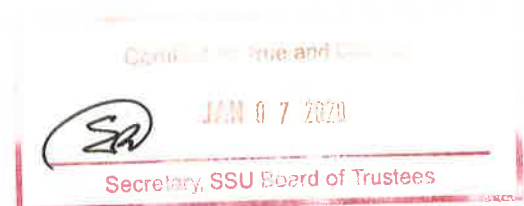
3.0 POSITIONS REQUIRING DRIVING

- 3.1 An MVR will be obtained and reviewed prior to employment of an individual seeking a position that requires driving students or whose position includes driving as an essential component.
- 3.2 Applicants for such positions who have driving violations as identified in paragraph 4.0 will be ineligible for hire.

  
 JAN 07 2020  
 Secretary, SSU Board of Trustees

#### 4.0 DRIVING VIOLATIONS AND PENALTIES

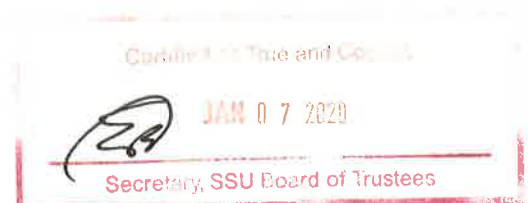
- 4.1 Any driver (as defined herein) whose current-year MVR contains one of the following violations will have University driving privileges temporarily revoked until the driving record is deemed acceptable as determined by the Director of Human Resources:
- 4.1.1 Driving while license is suspended or revoked
  - 4.1.2 Knowingly leaving the scene of an accident
  - 4.1.3 Driving while intoxicated or impaired by liquor, drugs, chemicals, or organic solvents, etc.
  - 4.1.4 Reckless driving
  - 4.1.5 Felony with Vehicle
  - 4.1.6 Involuntary Manslaughter
  - 4.1.7 Speeding (3 or more in 36 month period)
  - 4.1.8 Any other moving violations (3 or more in 36 month period)
- 4.2 In instances of speeding and/or other moving violations as identified in section 4.1.7 and 4.1.8, the Director of Human Resources has the discretion to permit the completion of an acceptable driver improvement program as an alternative to the temporary revocation of driving privileges.
- 4.3 If driving is an essential function of a particular position, it will be stated in writing as a requirement on the official job description, job analysis questionnaire, internal posting and/or external announcement. Anyone who applies for a position with driving as an essential function will be given notice of this requirement prior to acceptance of the position.
- 4.4 During the period of temporary revocation any additional citations received by the driver could lead to the permanent revocation of university driving privileges. A second temporary revocation will normally result in the permanent revocation of university driving privileges, unless exceptional circumstances are presented.
- 4.4.1 The decision to permanently revoke driving privileges will take into consideration the severity and frequency of the violations and will be made by the Director of Human Resources in consultation with the vice president or President (for directly reporting staff). Any necessary employment action as a result of the permanent revocation will be in accordance with policy, procedure, and/or labor agreement.



- 4.5 Refusal to release information necessary to conduct a motor vehicle record check when requested will result in loss of University driving privileges.
- 4.6 Employees may appeal an action resulting from an MVR check to the applicable vice president or President (for directly reporting staff).
- 4.7 These rules are in addition to any applicable federal, state or local mandates regarding the attainment and ongoing use of Commercial Driving License (CDL).

#### 5.0 DRIVING RULES FOR ACADEMIC FIELD TRIPS/STUDENT ACTIVITIES/ATHLETICS

- 5.1 Students who are 21 years or older, with a valid driver's license, and acceptable driving record as demonstrated via an MVR check as described above, may be pre-approved as a driver by the appropriate Dean or second-level administrative manager (Director, Associate Director, etc.).
- 5.2 Academic field trips are trips which are part of an academic course offered by the University for credit and where the participants are accompanied by the faculty member assigned to teach that course.
- 5.3 Trips associated with University sponsored athletic events require that the participants are accompanied by an approved administrative coach.
- 5.4 Student activities trips, including trips by student organizations, require the submission of a Student Organization Travel Authorization Form. Furthermore, every student participating must complete the Release from Liability form. The forms must be on file in the Student Life Office, University Center 222, prior to the departure date.
- 5.5 Commercial buses will be the normal mode of transportation for trips over eight hours traveling time or 400 miles round trip. Pre-approval is required by the supervising vice president or president to use vans in lieu of buses. If vans are approved for the trip, at least two drivers will be designated per van for trips longer than 400 road miles one way.
- 5.6 In no event will the use of 15-passenger vans and other vehicles that may be prohibited as determined by the University's Risk Manager be permitted to be used for University-sponsored travel.



- 5.7 Except in emergency situations, only a designated driver with a University-approved MVR may operate a van or serve as a driver for University-sponsored travel. No University driver should have a duty day, including driving time, longer than 14 hours. Duty time includes time spent riding as a passenger.
- 5.8 The supervising vice president or president may make an exception to these driving rules when necessary and as long as student and faculty safety are not compromised.

History

Effective: 01/17/14

Revised: 11/8/19; 04/03/14

Witnessed by True and Correct



JAN 07 2020

Secretary, SSU Board of Trustees



PROCEDURE TITLE:	DRIVING RULES FOR UNIVERSITY-SPONSORED ACTIVITIES
PROCEDURE NO:	4.10:2
RELATED POLICY:	4.10REV TRAVEL AUTHORITY
PAGE NO.:	1 OF 4
RESPONSIBLE ADMINISTRATOR(S):	VPF&A / DIRECTOR OF HR
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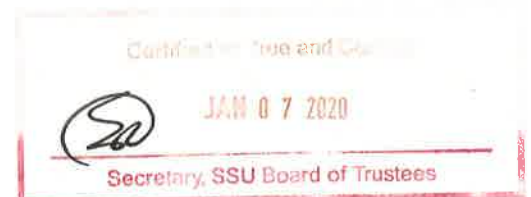
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Certified True and Correct  
 JAN 07 2020  
  
 Secretary, SSU Board of Trustees

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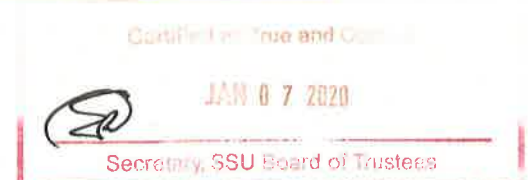
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History

Effective: 01/17/14  
Revised: 11/8/19; 04/03/14  
Reviewed:

Continued on Page and Date

JAN 07 2020

Secretary, SSU Board of Trustees

# FY2020 Operating Budgets

*First QTR Report  
July 1 – September 30*

Finance & Administration

November 8, 2019

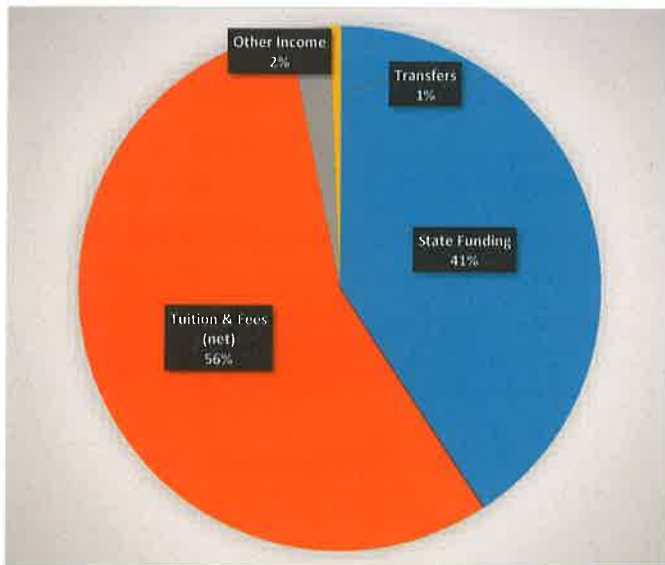
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JAN 07 2020

Secretary, SSU Board of Trustees

## % Breakdown FY20 General Fund Budgeted Revenue



- **Tuition & Fees** (less institutional scholarships)
  - In-state tuition, out of state surcharge, course & program fees, misc. student fees, UC bond fee
- **State funding**
  - State Share of Instruction (SSI)
  - Supplement
- **Other Income**
  - Indirect costs (from grants), miscellaneous (dental clinic, fines, late payment fees, other)
- **Transfers**
  - From Auxiliary fund to cover portion of gen fund support

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JAN 07 2020  
Secretary, SSU Board of Trustees

# FY20 General Fund First QTR Revenue



Comptroller - True and Correct


*[Signature]* JAN 07 2020

Secretary, SSU Board of Trustees

## FY20 GF Revenue First QTR Details

	Budget	Actual	(%) Actual to Budget
State Share of Instruction	\$12,980,313	\$3,270,203	25.2%
Student Support Services Supplement	\$3,000	\$0	0.0%
	\$4,037,456	\$0	0.0%
<b>Total State Funding</b>	<b>\$17,020,769</b>	<b>\$3,270,203</b>	<b>19.2%</b>
Instructional General	\$20,562,097	\$10,688,999	52.0%
Course/Program Fee	\$2,047,500	\$1,085,980	53.0%
Miscellaneous Student Fee	\$1,538,806	\$743,060	48.3%
Shawnee State Online	\$906,987	\$350,619	38.7%
Non Resident	\$149,580	\$163,038	109.0%
Technology	\$952,908	\$411,473	43.2%
UC Bond Repayment	\$387,452	\$199,447	51.5%
	\$839,252	\$443,813	52.9%
Sub-total Tuition & Fees	\$27,384,582	\$14,086,430	51.4%
Less Institutional Scholarships	-\$3,850,000	-\$2,367,844	61.5%
<b>Total Tuition &amp; Fees</b>	<b>\$23,534,582</b>	<b>\$11,718,585</b>	<b>49.8%</b>
<b>Total Other Income</b>	<b>\$1,062,000</b>	<b>\$118,112</b>	<b>11.1%</b>
<b>Total Transfers In</b>	<b>\$289,550</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>\$41,906,901</b>	<b>\$15,106,901</b>	<b>36.0%</b>

Certified as True and Correct


 JAN 07 2020  
 Secretary, SSU Board of Trustees




# FY20 General Fund First QTR Expenses



Certified as True and Correct

JAN 07 2020

  
Secretary, SSU Board of Trustees

## FY20 GF Expenses First QTR Details

	Budget	Actual	(%) Actual to Budget
<b>Health &amp; Benefit Plans</b>	\$5,186,000	\$1,998,981	38.5%
Salaries (plus mandatory benefits)	\$25,327,120	\$4,459,947	17.6%
<b>Total Compensation</b>	<b>\$30,513,120</b>	<b>\$6,458,928</b>	<b>21.2%</b>
<b>Equipment &amp; Buildings</b>	\$508,334	\$204,161	40.2%
External Professional Services	\$1,123,041	\$659,360	58.7%
Information & Communications	\$973,001	\$313,218	32.2%
Maintenance & Service Contracts	\$2,899,914	\$779,445	26.9%
Miscellaneous Expense	\$543,010	\$167,744	30.9%
Supplies	\$684,200	\$410,783	60.0%
Travel & Entertainment	\$414,564	\$52,376	12.6%
Utilities	\$1,103,929	\$280,130	25.4%
<b>Total Non Compensation</b>	<b>\$8,249,994</b>	<b>\$2,867,217</b>	<b>34.8%</b>
<b>To Auxillary</b>	\$1,816,512	\$0	0.0%
<b>To Plant</b>	\$1,327,275	\$0	0.0%
<b>Total Transfers Out</b>	<b>\$3,143,787</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>\$41,906,901</b>	<b>\$9,326,145</b>	<b>22.3%</b>

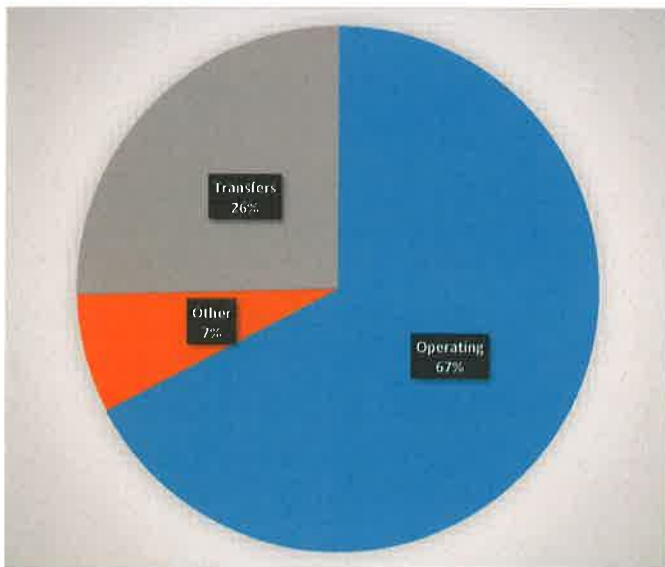
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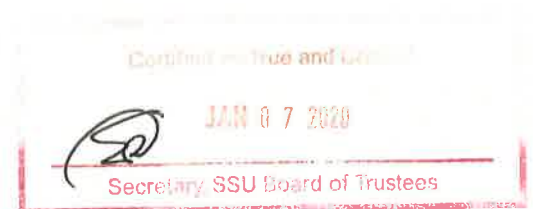


Secretary, SSU Board of Trustees

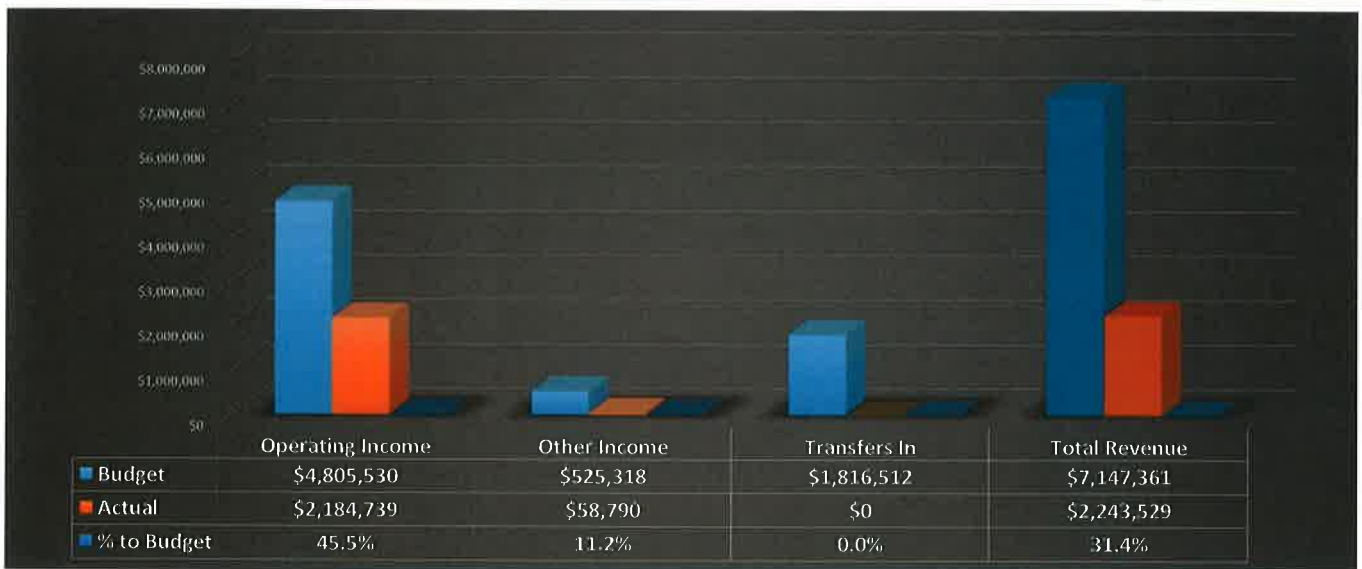
## % Breakdown FY20 Auxiliary Fund Budgeted Revenue




- Operating Income
  - Commissions
  - Housing fees
  - Meal Plan fees
  - Service & Ticket sales
- Other Income
  - Grants
  - Miscellaneous
- Transfers
  - General fees (from general fund)



# FY2020 Auxiliary Fund Budget First QTR Revenue



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## FY20 AUX Revenue First QTR Details

	Budget	Actual	% Actual to Budget
Commissions	\$674,496	\$1,326	0.2%
Housing	\$921,056	\$488,126	53.0%
Meal Plan Fees	\$2,276,218	\$1,271,762	55.9%
Service Fees	\$415,200	\$154,039	37.1%
Ticket Sales	\$518,560	\$269,485	52.0%
<b>Total Operating Income</b>	<b>\$4,805,530</b>	<b>\$2,184,739</b>	<b>45.5%</b>
Grants	\$353,965	\$49,909	14.1%
Miscellaneous Income	\$171,353	\$8,881	5.2%
<b>Total Other Income</b>	<b>\$525,318</b>	<b>\$58,790</b>	<b>11.2%</b>
<b>Total Transfers In</b>	<b>\$1,816,512</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>\$7,147,361</b>	<b>\$2,243,529</b>	<b>31.4%</b>

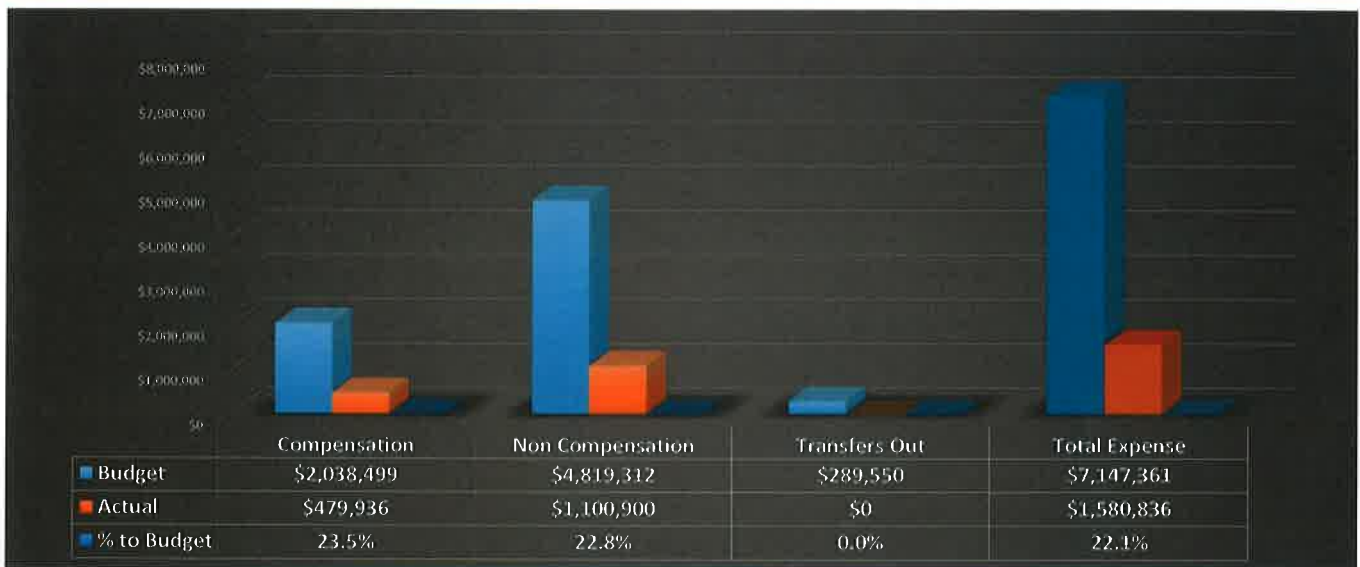
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# FY2020 Auxiliary Fund Budget First QTR Expenses



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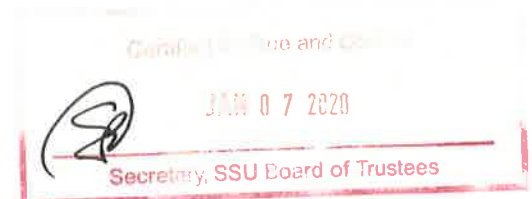
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## FY20 AUX Expenses First QTR Details

	Budget	Actual	% Actual to Budget
<b>Health &amp; Benefit Plans</b>	\$283,095	\$76,072	26.9%
<b>Salaries (plus mandatory benefits)</b>	\$1,755,404	\$403,864	23.0%
<b>Total Compensation</b>	<b>\$2,038,499</b>	<b>\$479,936</b>	<b>23.5%</b>
<b>Equipment &amp; Buildings</b>	\$41,196	\$42,818	103.9%
<b>External Professional Services</b>	\$395,073	\$40,875	10.3%
<b>Information &amp; Communications</b>	\$115,496	\$50,645	43.9%
<b>Maintenance &amp; Service Contracts</b>	\$554,000	\$130,697	23.6%
<b>Meal Plan Expense</b>	\$1,682,154	\$63,358	3.8%
<b>Miscellaneous Expense</b>	\$720,860	\$195,377	27.1%
<b>Scholarships</b>	\$712,000	\$410,397	57.6%
<b>Supplies</b>	\$164,231	\$70,145	42.7%
<b>Travel &amp; Entertainment</b>	\$335,505	\$79,829	23.8%
<b>Utilities</b>	\$98,797	\$16,758	17.0%
<b>Total Non Compensation</b>	<b>\$4,819,312</b>	<b>\$1,100,900</b>	<b>22.8%</b>
<b>Total Transfers Out</b>	<b>\$289,550</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>\$7,147,361</b>	<b>\$1,580,836</b>	<b>22.1%</b>

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### FY2020 General Fund

July 1 - September 30, 2019

	FY20		
	Budget	Actual	(%) to Budget
<b>REVENUE</b>			
State Share of Instruction	\$12,980,313	\$3,270,203	25.2%
Student Support Services	\$3,000	\$0	0.0%
Supplement	\$4,037,456	\$0	0.0%
<b>Total State Funding</b>	<b>\$17,020,769</b>	<b>\$3,270,203</b>	<b>19.2%</b>
Instructional	\$20,562,097	\$10,688,999	52.0%
General	\$2,047,500	\$1,085,980	53.0%
Course/Program Fee	\$1,538,806	\$743,060	48.3%
Miscellaneous Student Fee	\$906,987	\$350,619	38.7%
Shawnee State Online	\$149,580	\$163,038	109.0%
Non Resident	\$952,908	\$411,473	43.2%
Technology	\$387,452	\$199,447	51.5%
UC Bond Repayment	\$839,252	\$443,813	52.9%
<b>Sub-total Tuition &amp; Fees</b>	<b>\$27,384,582</b>	<b>\$14,086,430</b>	<b>51.4%</b>
Less Institutional Scholarships	<b>-\$3,850,000</b>	<b>-\$2,367,844</b>	<b>61.5%</b>
<b>Total Tuition &amp; Fees</b>	<b>\$23,534,582</b>	<b>\$11,718,585</b>	<b>49.8%</b>
Indirect Cost Recovery	\$162,000	\$0	0.0%
Miscellaneous Income	\$900,000	\$118,112	13.1%
<b>Total Other Income</b>	<b>\$1,062,000</b>	<b>\$118,112</b>	<b>11.1%</b>
Transfers In	\$289,550	\$0	0.0%
<b>Total Transfers In</b>	<b>\$289,550</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>\$41,906,901</b>	<b>\$15,106,901</b>	<b>36.0%</b>
<b>EXPENSE</b>			
Health & Benefit Plans	\$5,186,000	\$1,998,981	38.5%
Salaries (plus mandatory benefits)	\$25,327,120	\$4,459,947	17.6%
<b>Total Compensation</b>	<b>\$30,513,120</b>	<b>\$6,458,928</b>	<b>21.2%</b>
Equipment & Buildings	\$508,334	\$204,161	40.2%
External Professional Services	\$1,123,041	\$659,360	58.7%
Information & Communications	\$973,001	\$313,218	32.2%
Maintenance & Service Contracts	\$2,899,914	\$779,445	26.9%
Miscellaneous Expense	\$543,010	\$167,744	30.9%
Supplies	\$684,200	\$410,783	60.0%
Travel & Entertainment	\$414,564	\$52,376	12.6%
Utilities	\$1,103,929	\$280,130	25.4%
<b>Total Non Compensation</b>	<b>\$8,249,994</b>	<b>\$2,867,217</b>	<b>34.8%</b>
To Auxiliary	\$1,816,512	\$0	0.0%
To Plant	\$1,327,275	\$0	0.0%
<b>Total Transfers Out</b>	<b>\$3,143,787</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>\$41,906,901</b>	<b>\$9,326,145</b>	<b>22.3%</b>

Continued on True and Corrected

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8-Nov-19

**FY2020 Auxiliary Budget**

July 1 - September 30, 2019

	FY20		
	Budget	Actual	% to Budget
<b>REVENUE</b>			
Commissions	\$674,496	\$1,326	0.2%
Housing	\$921,056	\$488,126	53.0%
Meal Plan Fees	\$2,276,218	\$1,271,762	55.9%
Service Fees	\$415,200	\$154,039	37.1%
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<b>Total Operating Income</b>	<b>\$4,805,530</b>	<b>\$2,184,739</b>	<b>45.5%</b>
Grants	\$353,965	\$49,909	14.1%
Miscellaneous Income	\$171,353	\$8,881	5.2%
<b>Total Other Income</b>	<b>\$525,318</b>	<b>\$58,790</b>	<b>11.2%</b>
Total Transfers In	\$1,816,512	\$0	0.0%
<b>Total Revenue</b>	<b>\$7,147,361</b>	<b>\$2,243,529</b>	<b>31.4%</b>
<b>EXPENSE</b>			
Health & Benefit Plans	\$283,095	\$76,072	26.9%
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<b>Total Compensation</b>	<b>\$2,038,499</b>	<b>\$479,936</b>	<b>23.5%</b>
Equipment & Buildings	\$41,196	\$42,818	103.9%
External Professional Services	\$395,073	\$40,875	10.3%
Information & Communications	\$115,496	\$50,645	43.9%
Maintenance & Service Contracts	\$554,000	\$130,697	23.6%
Meal Plan Expense	\$1,682,154	\$63,358	3.8%
Miscellaneous Expense	\$720,860	\$195,377	27.1%
Scholarships	\$712,000	\$410,397	57.6%
Supplies	\$164,231	\$70,145	42.7%
Travel & Entertainment	\$335,505	\$79,829	23.8%
Utilities	\$98,797	\$16,758	17.0%
<b>Total Non Compensation</b>	<b>\$4,819,312</b>	<b>\$1,100,900</b>	<b>22.8%</b>
<b>Total Transfers Out</b>	<b>\$289,550</b>	<b>\$0</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>\$7,147,361</b>	<b>\$1,580,836</b>	<b>22.1%</b>

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# Shawnee State University Asset Allocation – As of October 31, 2019



Asset Class	Market Value	% of Assets	Target %
<b>Cash Equivalents</b>			
TIAA Cash Deposit Account	\$937,057	11.4%	
<b>Total Cash Equivalents</b>	<b>\$937,057</b>	<b>11.4%</b>	<b>10.0%</b>
<b>Fixed Income</b>			
Fixed Income Separately Managed Account	\$3,133,898	38.0%	40.0%
Vanguard Short Term Bond Index Fund	\$819,451	9.9%	10.0%
DFA Inflation Protected SEC Fund	\$575,398	7.0%	5.0%
PIMCO 1-5 Year U.S. TIPS Index Fund	\$246,464	3.0%	5.0%
<b>Total Fixed Income</b>	<b>\$4,775,211</b>	<b>57.8%</b>	<b>60.0%</b>
<b>Domestic Equity</b>			
TIAA-CREF Large Cap Value Index Fund	\$854,159	10.3%	10.0%
TIAA-CREF Large Cap Growth Index Fund	\$757,285	9.2%	9.0%
iShares Russell Mid Cap Value ETF	\$148,379	1.8%	1.8%
Nationwide Geneva Mid-Cap Growth Fund	\$144,034	1.7%	1.8%
Wasatch Small Cap Growth Fund	\$39,991	0.5%	0.5%
TIAA-CREF Small Cap Blend Index Fund	\$82,784	1.0%	1.0%
Cohen & Steers Real Estate Fund	\$41,469	0.5%	0.5%
Vanguard REIT Index Fund	\$41,403	0.5%	0.5%
<b>Total Domestic Equity</b>	<b>\$2,109,504</b>	<b>25.6%</b>	<b>25.0%</b>
<b>International Equity</b>			
iShares Core MSCI EAFE ETF	\$259,369	3.1%	3.0%
Harding Loevner Institutional Emerging Markets Portfolio Fund	\$86,416	1.0%	1.0%
MFS International New Discovery Fund	\$43,046	0.5%	0.5%
DFA International Small Cap Value Fund	\$43,913	0.5%	0.5%
<b>Total International Equity</b>	<b>\$432,744</b>	<b>5.2%</b>	<b>5.0%</b>
<b>Total Equity</b>	<b>\$2,542,248</b>	<b>30.8%</b>	<b>30.0%</b>
<b>Total Portfolio Market Value</b>	<b>\$8,254,516</b>	<b>100.0%</b>	<b>100.0%</b>




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### Capital Projects (as of October 31, 2019)

PROJECT	STATUS	PROJECT BUDGET	FUNDING SOURCE(S)
<b>Library/CFA HVAC Renovation</b>	<ul style="list-style-type: none"> <li>● Construction documents 50% complete. Evaluating priorities and construction schedule.</li> <li>● Includes replacement of all pneumatic and obsolete DDC controls for multiple air handlers in both buildings; an assessment of all existing equipment is required to set priorities on replacement.</li> </ul>	\$1.1M	State Capital
<b>Kricker Innovation Hub</b>	<ul style="list-style-type: none"> <li>● Special counsel working with Ohio Attorney General Office to finalize RFQ.</li> </ul>	\$3.4M (est.)	EDA/Capital Comm.
<b>Rhodes – Phase 1B</b>	<ul style="list-style-type: none"> <li>● Project 85% complete. Project scheduled to be complete December 2019.</li> <li>● Total renovation of PE shower and locker rooms, new office and training rooms, addition of new 4,200 square foot recreation center.</li> </ul>	\$3.3M (est.)	Bond proceeds
<b>FY2021-2022 Capital Request</b>	<ul style="list-style-type: none"> <li>● Request submitted on 10/23/19.</li> <li>● Basic Renovation project (priorities TBD based on capital assessment report).</li> </ul>	\$3,810,000	Control Number
<b>Six-year Capital Plan</b>	<ul style="list-style-type: none"> <li>● 2021 - 2016 Plan submitted on 10/25/19.</li> <li>● Includes estimates for rehab/repurpose Clark Memorial Library, new STEMM building, basic renovation at current control number each biennium, and estimate to revamp current campus master facilities plan (total 6-year est. \$65M).</li> </ul>		
<b>President's House</b>	<ul style="list-style-type: none"> <li>● Actions to sell: draft legislation pending, agency letter authorizing State Office of Real Estate to complete process, legislative action TBD.</li> </ul>		

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Personnel Action	Employment Status		Name	Effective	Comments
	From	To			
<b>New Hires</b>					
		Student Life, Diversity and Inclusion & Residence Coordinator	Marilta Berry	07/01/19	Former Admissions/Recruitment Coordinator for Marshall University and obtains a Masters degree in Science, Safety
		E-Campus Director	Jacob Bolen	07/01/19	Ph. D in Education (ABD), Previous Director of Distance Education at Mountwest Community & Technical College and 7 years of teaching online/hybrid courses using Blackboard
		Associate Professor, School of Education	Douglas Sturgeon	07/01/19	Previous Associate Professor for the School of Education and taught 7 years for SSU
		Sports Information Director	Kevin Colley	07/30/19	Obtains a degree in Sports Studies, previous Sports Reporter for the Scioto Voice and 6 years of communication experience
		Assistant Professor, Game & Simulation Arts	Marcus Cenci	08/26/19	Previous Principal Art Director for AAA Studio Deep Silver Violation, over 17+ year career within the game industry top studios and obtains a Bachelors degree in Computer Animation & Multimedia Design
		Associate Professor, Engineering Technologies	Mohammad Ranjbaran	08/26/19	Ph.D. in Materials Science, 20+ years of teaching, research, & industrial manufacturing experience
		Assistant Professor, Site Coordinator, SSCC	Lisa Whitten	08/26/19	Obtains a Masters degree in Occupational Therapy and previous Senior Instructor for SSU
		Program Assistant, Upward Bound	Robert Wampler	09/02/19	Bachelors degree in Natural Sciences, experience working with UBMS as a student and current Adjunct Faculty for SSU
		Advisor (Academic) Title III	Heidi Bender	09/09/19	M.F.A In Sculpture and Expanded Practice, 17 years of experience working with college students and current Adjunct Faculty for SSU
<b>Promotions</b>					
	Dept. Admin. Asst. I, Admissions	Admissions Associate	Shawn Ratcliff	08/01/19	Promotion
	Custodian	Custodial Supervisor 1	Ricky Newman	09/21/19	Promotion
	Custodian	Custodial Supervisor 1	Sue Wilson	09/21/19	Promotion
<b>Faculty Promotions</b>					
	Associate Professor, Nursing	Professor, Nursing	Catherine Bailey	08/26/19	SEA CBA Article 15 Section 3 Promotion
	Assistant Professor, Business Administration Health Care	Associate Professor, Business Administration Health Care	Sarah Boehle	08/26/19	SEA CBA Article 15 Section 3 Promotion
	Associate Professor, Nursing	Professor, Nursing	Adair Carroll	08/26/19	SEA CBA Article 15 Section 3 Promotion
	Senior Instructor, Allied Health Sciences	Assistant Professor, Allied Health Sciences	Paul Folt	08/26/19	From NTT Senior Instructor to TT Assistant Professor per SEA CBA

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Assistant Professor, Allied Health Sciences	Associate Professor, Allied Health Sciences	Amy France	08/26/19	SEA CBA Article 15 Section 3 Promotion
Visiting Faculty/Assistant Professor, Nursing	Assistant Professor, Nursing	Heather Johnson	08/26/19	SEA CBA Visting Faculty to Tenure Track
Assistant Professor, Business Administration	Associate Professor, Business Administration	Barry Lucas	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, Allied Health Sciences	Associate Professor, Allied Health Sciences	Jean McGlone	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, Engineering Technologies	Associate Professor, Engineering Technologies	Adam Miller	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, Allied Health Sciences	Associate Professor, Allied Health Sciences	Lee Ann Pate	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, English & Humanities	Associate Professor, English & Humanities	Pablo Salinas	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, English & Humanities	Associate Professor, English & Humanities	Jennifer Scott	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, Allied Health Sciences	Associate Professor, Allied Health Sciences	Sheena Shifko	08/26/19	SEA CBA Article 15 Section 3 Promotion
Visiting Faculty/Assistant Professor, School of Education	Assistant Professor, School of Education	Shane Shope	08/26/19	SEA CBA Visiting Faculty to Tenure Track
Assistant Professor, Dept. of Rehab & Sports Professions	Associate Professor, Dept. of Rehab & Sports Professions	Ryan Walker	08/26/19	SEA CBA Article 15 Section 3 Promotion
Assistant Professor, Dental Hygiene	Assistant Professor/Program Director, Allied Health Sciences	Mariah Woodward	08/26/19	Promotion to BSHS, Allied Health Sciences/Program Director

**Departures**

	Assistant Professor, Nursing	Sean Forster	07/01/19	Resignation
	Program Assistant, Upward Bound	Kasle Leightenheimer	07/01/19	Resignation
	Assistant Professor, Social Sciences	Amy Grau	08/05/19	Resignation
	Clinical Lab Coordinator	Loretta Cooper	08/13/19	Resignation
	Admissions Associate	James Weaver	08/19/19	Resignation
	Assistant Professor, Business Administration	Virginia Pinson	08/31/19	Resignation
	Assistant Professor, Natural Sciences	Barun Dhar	09/01/19	Resignation
	Project Director (21st Century)	Charlotte Moore	09/12/19	Resignation

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# Executive Briefing

Finance and Administration Committee  
November 8, 2019

**University-Sponsored Retirement Plans**  
ARPs 401(a), 403(b), 457(b), 415(m)

Christina Trigo and General



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## Background

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- **More than dozen ERISA lawsuits filed against prestigious universities - breach of fiduciary duties - resulting in multi-million dollar settlements**
  
- **While public higher education not subject to ERISA:**
  - Same fiduciary duties apply to sponsors in public sector
  - In summer/early fall 2017 - University General Counsels and others reviewed issue
  - Retained Ice Miller as counsel; multiple advisory sessions with CFOs, CHROs, Risk Managers, General Counsels
  - Led to hiring of Cammack Retirement Group (IUC RFP, sponsored by Universities): Two phased approach (Phase I - Initial Needs Analysis; Phase II - Support to Establish Effective Oversight)



# Phase I

## Cammack Comprehensive Needs Analysis

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### November 2018 - February 2019

#### ➤ Evaluate current plan design and administration, providers, and plan assets

- Administrative pricing
- Participant fees charged for investments
- Number of investments offered
- Types of investment contracts being used
- Communications to Plan Participants
- Recordkeeping structure

#### ➤ Key Findings

- Seven vendors and more than 150 investment options - difficult to communicate effectively
- Most investments are in highest-cost variable annuity products (surrender charges, deferred sales charges and other fees)
- No mutual fund options
- Impractical to effectively monitor an extensive array of investments
- Plan's purchasing power is diminished by number of recordkeepers/investments offered along with poor liquidity of many investment contracts

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# Phase I

## SSU Retirement Plan Information

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Plan Type/Investment Company	# of Participants	Assets
<b>Alternative Retirement Plan</b>		
VALIC	14	\$3,354,893
VOYA	6	\$2,001,652
TIAA-CREF	42	\$14,800,765
AXA EQUITABLE	1	Currently Not Available
LINCOLN FINANCIAL	0	\$0
<b>403(b)</b>		
VALIC	8	\$471,256
VOYA	9	\$1,309,125
TIAA-CREF	14	\$5,398,031
AMERIPRISE	10	\$1,105,168
MET LIFE	1	Currently Not Available
<b>457(b)</b>		
VALIC	1	\$379,575
<b>415(m)</b>		
VALIC	1	\$355,083

**Total Assets**  
\$29,175,548

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## Phase II

### Actions Taken To Provide Effective Oversight

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#### April 2019 - Current

- **BOT Delegation of Fiduciary Responsibility - VP of Finance & Administration**
- **Established Retirement Plan Committee**
  - **Voting Members:** Director of HR, Controller, Business Faculty Rep, Admin Rep, Staff Rep
  - **Advisory/Non-Voting Members:** Cammack Retirement Group, VP of Finance & Administration, General Counsel, Assistant Director of HR (Secretary)
- **Developed Investment Policy Statement (IPS) to govern plans, establish appropriate administrative oversight**
- **Review of investments & vendor pricing**
- **Restated 403(b) and 457(b) plan documents**
- **Establishing loan policy (in progress)**
- **Establishing recordkeeping & custodial agreements with each vendor (in progress)**

Carla M. ... and ...

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## Phase II

### Enhancements to Retirement Plans

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#### Effective January 1, 2020

- **Reducing number of vendors - seven to four (state minimum)**  
AXA, AIG VALIC, TIAA and VOYA will offer all retirement plans - ARP, 403(b), 457(b)
- **Transitioning from an annuity platform to open architecture mutual fund platform**
- **Lower cost structure**
- **Ongoing monitoring of investments**
- **Default vendor and investment options if desired**
- **Lower cost investment options**
- **Enhanced employee communication & education program**

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## Participant Fee Example

### Total fees paid over lifetime by typical worker

Salary when worker starts saving at age 25 and retires at age 67: **\$30,502 (median)**

Fee Percentage	Total Fees
0.25%	\$42,309
1.00%	\$138,336
1.30%	\$166,420

### Total fees paid over lifetime by high-income worker

Salary when worker starts saving at age 25 and retires at age 67: **\$75,000**

Fee Percentage	Total Fees
0.25%	\$104,033
1.00%	\$340,147
1.30%	409,202



Source ("Fixing the Drain on Retirement Savings, How Retirement Fees Are Straining the Middle Class and What We Can Do about Them," Jennifer Erickson and David Madland, Center for American Progress, April 11, 2014)

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# INVESTMENT MENU - TIAA

## TIER 1 - TARGET DATE

TIAA Lifecycle Index  
Funds

## TIER 2 - CORE INVESTMENTS

### CAPITAL PRESERVATION

#### FIXED/STABLE

TIAA Traditional                      Vanguard Federal Money

### COME AND DIVERSIFYING FIXED INCOME

#### INTERMEDIATE

Vanguard Total Bond                      WORLD BOND/EMERGING MARKET DEBT  
Market Index                      PINCO International Bond (USD-  
HDG)

#### DOMESTIC EQUITY

<b>LARGE VALUE</b>	<b>LARGE BLEND</b>	<b>LARGE GROWTH</b>	<b>HYBRID</b>
JPMorgan Equity Income	Vanguard S & P 500 Index	MFS Growth Fund	CREF Social Choice (Socially Responsible)
<b>MID VALUE</b>	<b>MID BLEND</b>	<b>MID GROWTH</b>	
Wells Fargo Special Mid Cap Value	Vanguard Mid Cap Index	Champlain Mid Cap Growth	
<b>SMALL VALUE</b>	<b>SMALL BLEND</b>	<b>SMALL GROWTH</b>	
Goldman Sachs Small Cap Val Insights	Vanguard Small Cap Index	Federated Kaufman Small Cap Growth	

### INTERNATIONAL/GLOBAL EQUITY

#### FOREIGN LARGE CAP

MFS Int Diversification                      EQUITY                      DIVERSIFIED GLOBAL  
Vanguard Total International                      CREF Stock  
Stock Index

### INFLATION PROTECTION

#### REAL ESTATE/REIT

TIAA Real Estate  
Account TIAA Real  
Estate Securities

Highlighted funds are required under the current contracts

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Checked by Trust and Compliance



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# INVESTMENT MENU - AIG VALIC, AXA, VOYA

## TIER 1 - TARGET DATE

TIAA Lifecycle Index Funds

## TIER 2 - CORE INVESTMENTS

### CAPITAL PRESERVATION

#### FIXED/STABLE

AXA, AIG VALIC, Voya

#### MONEY MARKET

Vanguard Federal Money Market

### CORE AND DIVERSIFYING FIXED INCOME

#### INTERMEDIATE

Fidelity U.S. Bond Index Fund  
PGIM Total Return Bond

#### WORLD BOND/EMERGING MARKET

#### DEBT

PIMCO International Bond Inst (USD-Hdg)

### DOMESTIC EQUITY

#### LARGE VALUE

JPMorgan Equity Income

#### LARGE BLEND

Fidelity S&P 500 Index

#### LARGE GROWTH

MFS Growth

#### HYBRID

1919 Socially Responsible Balanced I

#### MID VALUE

Wells Fargo Special Mid Cap Value

#### MID BLEND

Fidelity Mid Cap Index

#### MID GROWTH

Champlain Mid Cap Growth

#### SMALL VALUE

Goldman Sachs Small Cap Val Insights

#### SMALL BLEND

Fidelity Small Cap Index

#### SMALL GROWTH

Federated Kaufman Small Cap Growth

### INTERNATIONAL/GLOBAL EQUITY

#### FOREIGN MID CAP

MFS International Diversification  
Fidelity Total International Index

### INFLATION PROTECTED

#### REAL ESTATE/REIT

TIAA Real Estate Securities

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JAN 07 2020

Secretary, SSU Board of Trustees

**Division of Advancement & Institutional Relations Report  
To the Meeting of the Board of Trustees  
November 8, 2019**

**Alumni & Community Engagement**

The Office of Alumni & Community Engagement (ACE) held the **Fall Bear Run** on Wednesday, September 25, where over 420 participants completed the course. Alumnus Keegan Rathkamp won the overall race in a time of 16:02, while Alumna Sarah Biehl won the overall women's category in 16:59.

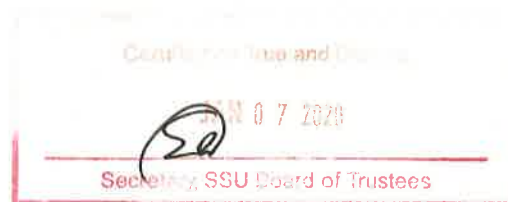
The Office of Alumni & Community Engagement along with campus partners including Admissions, the Department of Engineering and Technologies, Department of Natural Sciences, and the Department of Mathematical Sciences participated in **Science Alliance** on October 1 through 3. Science Alliance is a one-of-a-kind science event put on by the Department of Energy at the Fluor-BWXT-Portsmouth facility in Piketon, Ohio. This year a record 32 schools from Pike, Scioto, Ross, Jackson, and Adams counties participated with over 1,400 students in attendance.

The Office of Alumni & Community Engagement is continuing a membership drive for the **Golden Bears** program. ACE presented on the Golden Bear program to Hill View Retirement Center on Monday, October 14 and obtained 10 more memberships. On Wednesday, October 23 ACE held a Golden Bear Open House where another eight memberships were collected, bringing the current Golden Bear Membership to 175 senior citizens.

The annual **Homecoming, Alumni & Family Weekend** was held on October 11 & 12. During the weekend, SSU celebrated the 1999 Women's Basketball National Championship Teams and present and past Shawnee State Greek organizations. Other events that occurred during the weekend included: Show Your Shawnee Spirit, Children's Learning Center's 20<sup>th</sup> Birthday Celebration, Pre-Show Reception for Music Theatre, volleyball played Mount Vernon, Dental Hygiene Alumni Day, Shawnee Open House, Homecoming Parade, Tailgate + Carnival, Women's and Men's Soccer played Cumberland, the Student Theatre Production of Little Shop of Horrors, Homecoming Coronation, a Greek Organization Reception, 1999 National Championship Team Reception, and an Alumni Social at Port City Pub & Café. Nearly 1,000 SSU Alumni and Friends participated in the weekend.

The Alumni Association will be hosting several events to complete the semester including an **Alumni Social for the Shawnee Gaming Conference** on Friday, November 15 at 7 p.m. at Port City Pub & Café, **Senior Night** to celebrate graduating seniors for Fall Commencement on Thursday, December 12 at 7 p.m. at Port City Pub & Café, and an **SSU Alumni & Friends Gathering** in Cincinnati on Saturday, January 4.

The Office of Alumni & Community Engagement will be hosting **Golden Bear Thanksgiving Lunch** on Friday, November 22 at 11 a.m. on campus and their annual Christmas Dinner on Thursday, December 5 on campus.



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**Athletics**

Nine players have combined to win 14 **Mid-South Student-Athlete of the Week** awards: Eildih Mchattie, Women's Soccer OPW (9/23/19); Macie Rhoads, Volleyball AOW (9/23/19); Stacia Martin, Volleyball DOW (9/23/19); Kevin de Lange, Men's Soccer OPW (9/23/19); Seth Farmer, Men's Cross Country (9/16/19, 9/30/19, 10/14/19, 10/28/19); Marissa Smith, Women's Cross Country (9/30/19); Brooke Smith, Women's Cross Country (10/7/19, 10/14/19, 10/28/19); and BJ Knox and Hunter Hoover also won MSC Golfer and MSC Runner of Week awards on Sept. 7.

**Men's & Women's Cross Country** are ranked in the NAIA Polls and will run for the conference championship in Bowling Green, Kentucky.

**Men's Golf** won 3 meets (IU-East Fall Invitational, KCU Fall Invitational, Roger Merb Invitational) which is the most meet victories for men since Spring 2005.

Holley Hart and Elijah McCarty won Medalist honors at the Roger Merb Invitational.

**Volleyball** swept the season series with Campbellsville and Pikeville; they conclude their regular season tonight vs. the University of the Cumberlands at 5:00 in Waller Gymnasium with Senior Night

**Women's basketball** is currently ranked No. 11 in the NAIA Division I Poll; Brandie Snow broke the school record for steals in a game by obtaining 11 against Lourdes on October 25.

**Men's & Women's Soccer** are competing in their respective MSC Tournaments this weekend in Bowling Green, KY.

Please come watch some exciting NAIA college athletics. The schedule is online at <http://www.ssubears.com/SIDHelp/masterSchedule.php>.

**Children's Learning Center**

**AmeriCorps ServeOhio Project BEAR:** Building Emerging and Achieving Readers is up and running in 35 classrooms in 17 different schools in Scioto County (8 Head Start locations, Notre Dame, Temple Tots, Portsmouth West, Minford, Clay, Wheelersburg, Green, Portsmouth City, and the Children's Learning Center). The Project BEAR members visit each site a minimum of 3 times per week, seeing over 750 students per week. In the classrooms, the BEAR members are providing direct literacy instruction focusing on oral language, print awareness and phonological processing, , as well as literacy assessments; all with strategies and exercises that were learned as a result of their 30 hour training in LETRS: Language Essentials for Teachers of Reading and Spelling.

**Cub Camp**, a summer academic enrichment camp for children completing grades PK-8, is scheduled for June 22-25, 2020. We are currently accepting course proposals for potential



**Division of Advancement & Institutional Relations Report  
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instructors. Last year, we hosted over 200 students and held classes such as: baking, athletics, visual arts, digital media, robotics, and more! More information is available at [shawnee.edu/cubcamp/](http://shawnee.edu/cubcamp/). After several requests from various conference attendees, the CLC put together a blog to highlight some of the activities, lessons and experiences that we are presenting to our students. Each month, a different CLC teacher, staff member, or administrator will be the featured author. To visit the bog, visit: <https://thessuclc.wordpress.com/blog/>

**Fabulous Fall Friday**, an annual Early Childhood Education conference hosted by the CLC was held on October 4. The CLC hosted 114 local teachers and principals from several counties in Southern Ohio. The keynote was given by State Support Team Specialists Beth Rice and Missy Marsh. Breakout sessions were presented by Janece Wooley from Urban Apples Consulting, Staci Edwards from the Child Development Council of Franklin County, Keith Jackson from Arm Your Child With Music Company, and the CLC's own Ashley Hood, Cile Partlow and Hayley Venturino. All participants earned six-hours of Ohio approved credit for attending the sessions.

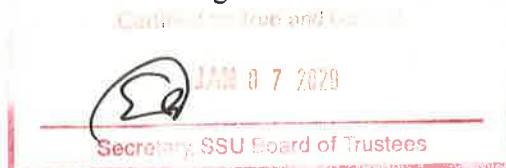
Project BEAR members Hannah Willis and Shyann Gillenwater were selected as a promising young leaders and invited to join **LeaderCorps** as a representative of Project BEAR. Hannah and Shyann were two of only thirty members chosen out of the over nine-hundred AmeriCorps members in the state of Ohio. As part of LeaderCorps they attended an aspiring leader training on October 7 and 8, one being with Barbara Stewart, the CEO of the Corporation for National and Community Service. They were also able to help with the planning of the AmeriCorps 25th Anniversary Event where they presented the mission and vision of Project BEAR to AmeriCorps members from all over the state.

On October 11, the Children's Learning Center celebrated its **20<sup>th</sup> Anniversary**. Students, families, alumni, and the community were invited to celebrate with inflatables, cake, snow cones, music, balloon animals, a visit from Shawn E. Bear, and more. The CLC held drawings every 20 minutes and gave away 20 books over the course of the night. On October 12 the CLC hosted childcare for the Development Foundation to all who were attending the homecoming celebration events.

The October 14 edition of the Portsmouth Daily Times featured the Children's Learning Center and the **Nature Preschool** on the front page. Our nature preschool was set up to meet the overall developmental needs of students. Our program is the only program in Southern Ohio with this partnership.

On October 15, Director Amanda Hedrick, Project BEAR Coordinator Hayley Venturino, and Classroom Teacher Elisabeth Mapes attended the **Big Kid Trick or Treat** at the Vern Riffe Center for the Arts.

On October 18, the CLC welcomed their families to the Shawnee Nature Center for our annual **Fall Family Fun Night**. Students and their families participated in a literacy themed scavenger hunt, took a walk on the enchanted trail, roasted marshmallows, received face paintings and played games. All families who attended received a book as a gift from the CLC Teaching Team.



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Before Family Fun Night, the CLC Teaching Team set out jars to collect penny votes; the teacher with the most votes, Tashana Brown, was slimed at Fall Fun Night. All of the \$53 that was raised went to purchase supplies for Miss Tashana's classroom.

On October 23, Director Amanda Hedrick, Project BEAR Coordinator Hayley Venturino, and BEAR members Hannah Willis and McKenzie England attended the **ServeOhio Conference on Service and Volunteerism**. Here, they participated in classes with author/speaker/consultant Brandi Lust, sessions for AmeriCorps Program Directors, as well as sessions on Community Collaboration.

**University & Community Events**

The University & Community Event team assisted with **numerous large events** on campus during the months of September and October including Founders Day, MAA Math Conference, Recovering Appalachia Conference, Alzheimer's Walk, Cystic Fibrosis Walk, Chamber of Commerce Annual Dinner, and Ohio Energy Credit Program.

Currently preparing for upcoming events including the 2019 Shawnee Game Conference with over 700 anticipated participants, Fall 2019 Commencement, and the holiday party season.

As part of our marketing outreach, our team has focused time and attention on our social media presence. You can now follow us on Instagram @ssueventdept or on Facebook at University & Community Events at Shawnee State.

**Vern Riffe Center for the Arts**

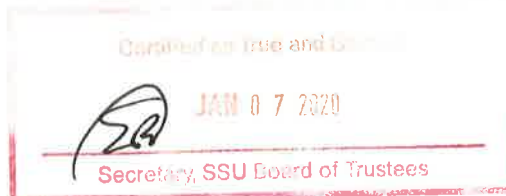
Under the Street Lamp, The Color Purple, and Collectif9 attracted over 1,500 visitors to the VRCFA main theater in September & October. The SSU Theater student production of Little Shop of Horrors sold out every show in the Kahl Theater.

We are currently preparing for the **PAAC Children's production of Frozen Jr.** which will bring thousands of local children and families to the main theater.

**Housing and Residence Life**

Housing & Residence Life saw much success with the addition of the **90's Block Party** during homecoming week with an estimated 250 students attending. HRL has continued its efforts of campus collaboration, collaborating with the Student Programming Board for the Halloween Bash.

October was National Disability Awareness month and HRL's Diversity committee celebrated disability inclusion by hosting **Disability Awareness week** (October 21-25). Throughout the week, the committee hosted daily events that included a panel discussion and a powerful Night of Listening where 12 students shared their stories of living with a disability.



**Division of Advancement & Institutional Relations Report  
To the Meeting of the Board of Trustees  
November 8, 2019**

The **Resident Assistant selection** process begins the week of November 4-7 with nightly Information Sessions that students must attend if they are interested in becoming a Resident Assistant for the 2020-2021 academic year.

**Development Foundation**

The Development Foundation Board announced the recipients of the **Spring 2020 SSUDF Grant Awards**, nine (9) grants totaling \$16,238 were released for campus projects beginning January 1, 2020. Programming for game design, health science, plastics, first generation students, and high school outreach and recruiting are all a part of grants awarded.

The **Make Tomorrow's Stars** campaign is currently at \$73,198 (42% to goal). The goal for the campaign remains at \$175,000 to support Musical Theatre at Shawnee State.

The **Make Tomorrow's Stars Committee** hosted a **Pre-Show Reception** on Friday, October 11<sup>th</sup> in the Appleton Gallery of the VRCFA. Fifty-eight (58) friends of SSU attended the reception and the student production of *Little Shop of Horrors*. The event raised over \$2,200 for the **Make Tomorrow's Stars** campaign and served as a showcase for student performers.

**Columbia Gas** awarded SSUDF \$15,000 for the Ice House program to be administered by Shawnee State in cooperation with local high schools. The Ice House program is an entrepreneurial series designed to both promote innovation and provide training to emerging business owners and entrepreneurs.

**The Marting's Foundation** awarded SSUDF \$10,000 to the Make Tomorrow's Stars campaign.

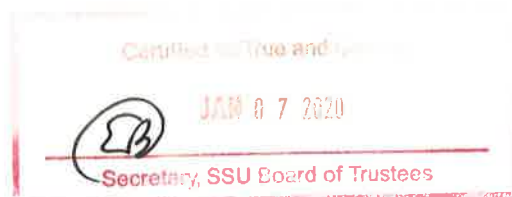
The **Golden Bears** established two scholarships, one each for Men's and Women's Basketball. Each team will award a \$500 scholarship in the name of the Golden Bears at the beginning of the fall semester each year.

**Ms. Sherrill Day**, a member of the Golden Bears, has established the Make it Count Scholarship. Ms. Day has agreed to provide, in the form of an annual scholarship, \$1 for every free throw made by the Men's and Women's Basketball teams this year. The Make it Count Scholarships will be awarded at the beginning of the following fall semester. During the 2018-2019 season, the teams made a combined total of 931 free throws.

**Port City Café and Pub** signed a \$2,500 sponsorship of a variety of programs on campus including SSU Musical Theatre, the Bear Run, and Homecoming.

**Jimmy John's** signed a \$2,500 sponsorship supporting the Sean Elliott Memorial Scholarship and the Sean Elliott Classic basketball tournament.

SSUDF hosted a luncheon on Friday, November 1, 2019 to honor **Dr. David and Patsy Todt** and the inaugural members of the **Dr. David & Patsy Todt Loyalty Club**. The Dr. David & Patsy Todt Loyalty Club commemorates donors who have given to Shawnee State University for three or more consecutive years.



**Division of Advancement & Institutional Relations Report  
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November 8, 2019**

**Marketing & Communications**

Launched new **targeted email campaigns** in Slate including Scholarship, Honors Program, Application Generation, Spring Admits, Guidance Counselors, and Event Promotion.

Completed an analysis on email marketing in new system which showed open rates and click-through rates higher than last year.

**Web traffic** was up by more than 45% September-November over June-August with 72% being new visitors. This is not surprising with recruitment activity launching in late August.

Web traffic is consistent for this same period last year – anticipated a slight decrease due to launch of new site, URL mapping, SEO changes, etc.

51% of web traffic is coming from organic search and the new site is focused on continuing to improve this number.

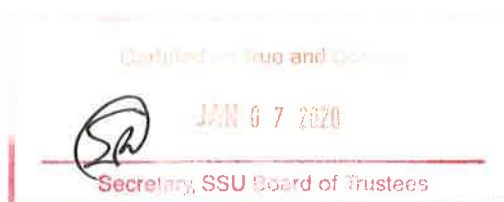
**Facebook reach** is up 101% (number of people who saw our posts at least once); page views are up by 6%; post engagements are down by 8% (competing with Marlon Wayans the month before).

**Kricker Innovation Hub & Entrepreneurship**

On October 10<sup>th</sup>, Shawnee State University announced that it had received a **\$1.5 million grant** to support entrepreneurship in the region and break down barriers that prevent those in the recovery community from accessing these resources. Shawnee State will work with six sub-grantee partners as part of the LIGHTS-INC initiative including Ohio University, the Appalachian Center for Economic Networks, Hocking College, the Building Bridges to Careers Epicenter, the ReUse Industries Athens Makerspace, and the Robert C. Byrd Institute.

Alex Bandar, founder of the Columbus Idea Foundry, spoke at the Kricker Innovation Hub on September 26<sup>th</sup> to an audience of students, faculty, and community members. On Friday November 1<sup>st</sup>, a group of 15 students in the Society of Plastic Engineers drove to Columbus for a tour, additional presentation and extended Q&A with Alex as part of the **Entrepreneurial Journey Speaker Series event**.

On October 31<sup>st</sup>, the Appalachian History in the Digital Age's (Re)covering Appalachia Summit held a session, "Public Data: Public Good — How to Use and Access Public Data to Help Make Informed Decisions about Your Community", at the Kricker Innovation Hub. This was part of the culmination of a partnership between the Innovation Hub and the office of Institutional Research to demonstrate the potential for community impact from student work in data collection, visualization, and analytics.



**Division of Advancement & Institutional Relations Report  
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November 8, 2019**

Our next event is an **Entrepreneurship in Gaming** speaker series panel as part of the Shawnee Game Conference on November 14<sup>th</sup> at 5:30pm. This event is free and open to the public.

**Vice President's Report**

2019 was very much the year to focus on undergraduate recruiting to restore new student applications and grow enrollment. With a myriad of new initiatives underway and a significant enrollment increase for fall 2019 under the institution's belt, we endeavor to turn our focus to establishing the enrollment management operation as a consistent operation that the institution can rely on, rather than a significant concern. Substantial demographic challenges will continue to present headwinds for SSU enrollment growth. However, following a substantial overhaul of our admissions marketing, technology, recruitment and management, we are well positioned to take enrollment off the front page (except when larger class sizes are announced each fall) and make a successful admissions cycle year-over-year business as usual.

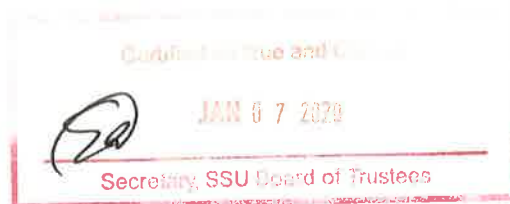
Consequently, advancement has a number of priorities that will receive focus in 2020.

We are focused on building a substantial privately-funded financial aid program for need-based students. While many larger and more prestigious institutions are now focusing on the need-based student population to combat enrollment decline, Shawnee State has always been committed to this population. We are uniquely situated with a combination of academic resources and advising, wrap-around-support, small classes, and personal attention that are particularly well-suited for first-generation student success. And, we remain among the lowest tuition in the state. The development foundation is developing plans now for an initiative to significantly increase our capacity to support students requiring need-based aid to attend college.

An athletics reorganization plan is underway to complement the infrastructure investment made in the Rhodes Athletics Center. We are committing to build programs that can be more than competitive, but that can win more games and more titles, and attract regional attention to recruit well-qualified student-athletes. Further, this reorganization aims not only to provide more appropriate support for our growing number of student-athletes, teams, and coaches, but will also expand health and wellness program offerings to non-athlete students and community members.

The advancement division has the privilege of raising support to move forward our students, faculty, programs and facilities that make Shawnee State University a first-class regional comprehensive university. We are excited to be recognized for excellence by publications like Princeton Review and, now, US News & World Report. In 2020, we will continue efforts through intentional and coordinated marketing and promotions to build on our successes and raise our regional, state and national profile so that we may attract the best students, faculty, and resources to continue building this outstanding university for the future.

*Respectfully Submitted,  
Eric Andrew Braun, JD  
VP for Advancement & Institutional Relations*



**BOARD OF TRUSTEES  
ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

**November 8, 2019  
11:00 a.m., University Center, Room 215**

**Agenda**

**1.0 Action Item**

**1.1 Resolution ASA08-19  
2020-2021 and 2021-2022 Academic Calendars**

Dr. Becky Thiel, Provost and Vice President for Academic and Student Affairs, will present Resolution ASA08-19, 2020-2021 and 2021-2022 Academic Calendars.

**2.0 Information Items**

**2.1 Academic Affairs Executive Report**

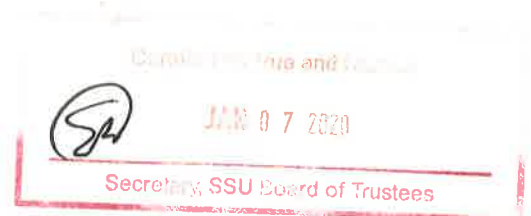
Dr. Thiel will report on recent activities in Academic and Student Affairs.

**2.2 Online Programming Update**

Dr. Chris Kacir, Dean for University College, will provide an update on online programming through our partnership with Wiley Education Services.

**2.3 Fall Registration Report**

Ms. Tami Sheets, Registrar, will report on Spring 2020 registration numbers and the 3-year comparison.



**RESOLUTION ASA08-19**

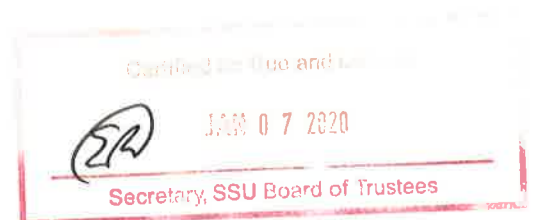
**APPROVAL OF THE 2020-2021 AND 2021-2022 ACADEMIC CALENDARS**

WHEREAS, members of the Calendar Advisory Committee have developed the 2020-2021 and 2021-2022 Academic Calendars with tentative dates for the next two academic years; and

WHEREAS, the Provost and the President have approved the 2020-2021 and 2021-2022 Academic Calendars;

THEREFORE, BE IT RESOLVED, the Board of Trustees of Shawnee State University approves the Shawnee State University 2020- 2021 and 2021-2022 Academic Calendars, attached hereto.

(November 8, 2019)



**TENTATIVE CALENDARS FOR FUTURE YEARS\***

	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Fall Semester</b>					
Classes Begin	8/24/2020	8/23/2021	8/22/2022	8/21/2023	8/26/2024
Labor Day: CAMPUS CLOSED	9/7/2020	9/6/2021	9/5/2022	9/4/2023	9/2/2024
15 <sup>th</sup> Day (data captured 11:59 pm)	9/7/2020	9/6/2021	9/5/2022	9/4/2023	9/9/2024
Fall Break: No Classes	10/8 – 10/9/2020	10/7 – 10/8/2021	10/6 -10/7/2022	10/5 – 10/6/2023	10/10 – 10/11/2024
Second 7-week Courses Begin	10/12/2020	10/11/2021	10/10/2022	10/9/2023	10/14/2024
Mid-term Grades Due	10/13/2020	10/12/2021	10/11/2022	10/10/2023	10/15/2024
Priority Registration for Spring	10/26 – 10/29/2020	10/25 – 10/28/2021	10/24 – 10/27/2022	10/23 – 10/26/2023	10/28 – 10/31/2024
Open Registration	10/30/2020	10/23/2021	10/28/2022	10/27/2023	11/1/2024
Veteran's Day	11/11/2020	11/11/2021	11/11/2022	11/10/2023 (obs)	11/11/2024
Thanksgiving No Classes Campus OPEN	11/25/2020	11/24/2021	11/23/2022	11/22/2023	11/27/2024
Thanksgiving Holiday: CAMPUS CLOSED	11/26 – 11/27/2020	11/25 – 11/26/2021	11/24 – 11/25/2022	11/23 – 11/24/2023	11/28 – 11/29/2024
Last Day of Classes	12/4/2020	12/3/2021	12/2/2022	12/1/2023	12/6/2024
Final Exams	12/5 – 12/11/2020	12/4 – 12/10/2021	12/3 – 12/9/2022	12/2 – 12/8/2023	12/7 – 13/2024
Commencement	12/12/2020	12/11/2021	12/10/2022	12/9/2023	12/14/2024
Final Grades Due	12/15/2020	12/14/2021	12/13/2022	12/12/2023	12/17/2024
<b>Spring Semester</b>					
Classes Begin	1/11/2021	1/10/2022	1/9/2023	1/16/2024	1/13/2025
MLK Jr. Day: CAMPUS CLOSED	1/18/2021	1/17/2022	1/16/2023	1/15/2024	1/20/2025
15 <sup>th</sup> Day (data captured 11:59 pm)	1/25/2021	1/24/2022	1/23/2023	1/30/2024	2/3/2025
Spring Break: No Classes	3/1 – 3/7/2021	2/ 28 – 3/6/ 2022	2/27 – 3/5/2023	3/4 – 3/10/2024	3/3 – 3/9/2025
Second 7-week Courses Begin	3/8/2021	3/7/2022	3/6/2023	3/11/2024	3/10/2025
Midterm Grades Due	3/9/2021	3/8/2022	3/7/2023	3/12/2024	3/11/2025
Priority Registration for Fall	3/29 – 4/1/2021	3/28 – 3/31/2022	3/27 – 3/30/2023	3/25 – 3/28/2024	3/24 – 3/27/2025
Open Registration for Summer & Fall	4/2/2021	4/1/2022	3/31/2023	3/29/2024	3/28/2025
Last Day of Classes	4/23/2021	4/22/2022	4/21/2023	4/26/2024	5/2/2025
Final Exams	4/24-4/30/2021	4/23 – 4/29/2022	4/22 – 4/28/2023	4/27 – 5/3/2024	5/3 – 5/9/2025
Commencement	5/1/2021	4/30/2022	4/29/2023	5/4/2024	5/10/2025
Final Grades Due	5/4/2021	5/3/2022	5/2/2023	5/7/2024	5/13/2025
<b>Summer Term</b>					
1 <sup>st</sup> 7-week Begins	5/10/2021	5/9/2022	5/8/2023	5/13/2024	5/12/2025
Summer 10-week & 1 <sup>st</sup> 5-week Begins	5/24/2021	5/23/2022	5/22/2023	5/28/2024	5/27/2025
1 <sup>st</sup> 7- & 5-week Session Ends	6/25/2021	6/24/2022	6/23/2023	6/28/2024	6/27/2025
1 <sup>st</sup> 7- & 5-week Session Final Grades Due	6/29/2021	6/28/2022	6/27/2023	7/2/2024	7/1/2025
2 <sup>nd</sup> 7- & 5-week Session Begins	6/28/2021	6/27/2022	6/26/2023	7/1/2024	6/30/2025
Independence Day	7/5/2021 (obs)	7/4/2022	7/4/2023	7/4/2024	7/4/2025

\*Dates are subject to change.

Shawnee State University – Office of the Registrar, October 2019

Certified to be True and Correct

JAN 07 2020

Secretary, SSU Board of Trustees




**TENTATIVE CALENDARS FOR FUTURE YEARS\***

	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Summer Term Continued</b>					
10-week & 2 <sup>nd</sup> 5-week Session Ends	7/30/2021	7/26/2022	7/28/2023	8/2/2024	8/1/2025
10-week & 2 <sup>nd</sup> 5-week Session Final Grades Due	8/3/2021	8/2/2022	8/1/2023	8/6/2024	8/5/2025
2 <sup>nd</sup> 7-week Session Ends	8/13/2021	8/12/2022	8/11/2023	8/16/2024	8/15/2025
2 <sup>nd</sup> 7-week Session Final Grades Due	8/17/2021	8/16/2022	8/15/2023	8/20/2024	8/19/2025

Certified as True and Correct

JAN 07 2020

  
 Secretary, SSU Board of Trustees

\*Dates are subject to change.  
 Shawnee State University – Office of the Registrar, October 2019



# SSU Online

Fall 2019 Update

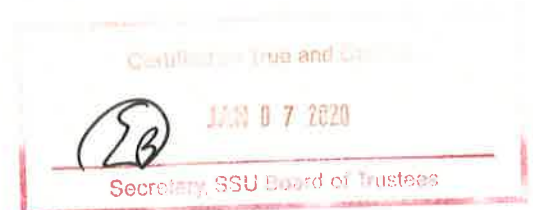
Certified true and correct  
JAN 07 2020  
Secretary, SSU Board of Trustees

## Current Program Offerings with Enrollments

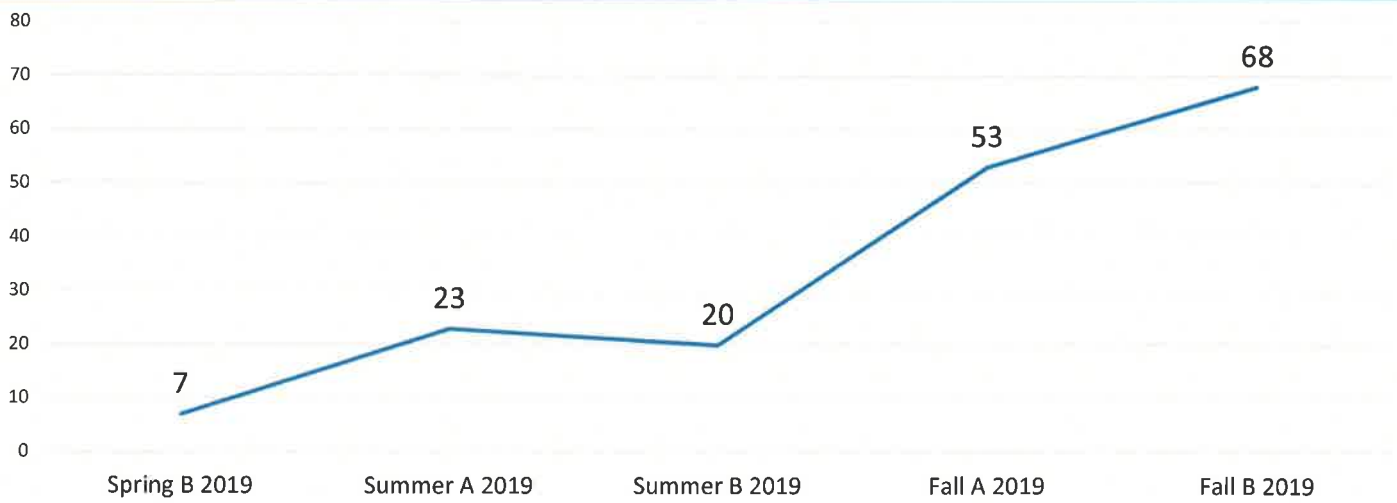
- Fall B 2019

– Associate of Arts in General Studies	4
– Bachelor of Individualized Studies	6
– Bachelor of Science in Health Sciences	17
– Bachelor of Science in Nursing (RN-BSN)	7
– Master of Education in Curriculum & Instruction	6
– Master of Education in Intervention Specialist*	1
– <u>Master of Science in Mathematics</u>	<u>27</u>
<b>Total:</b>	<b>68</b>

\* Not officially starting until Spring 2020

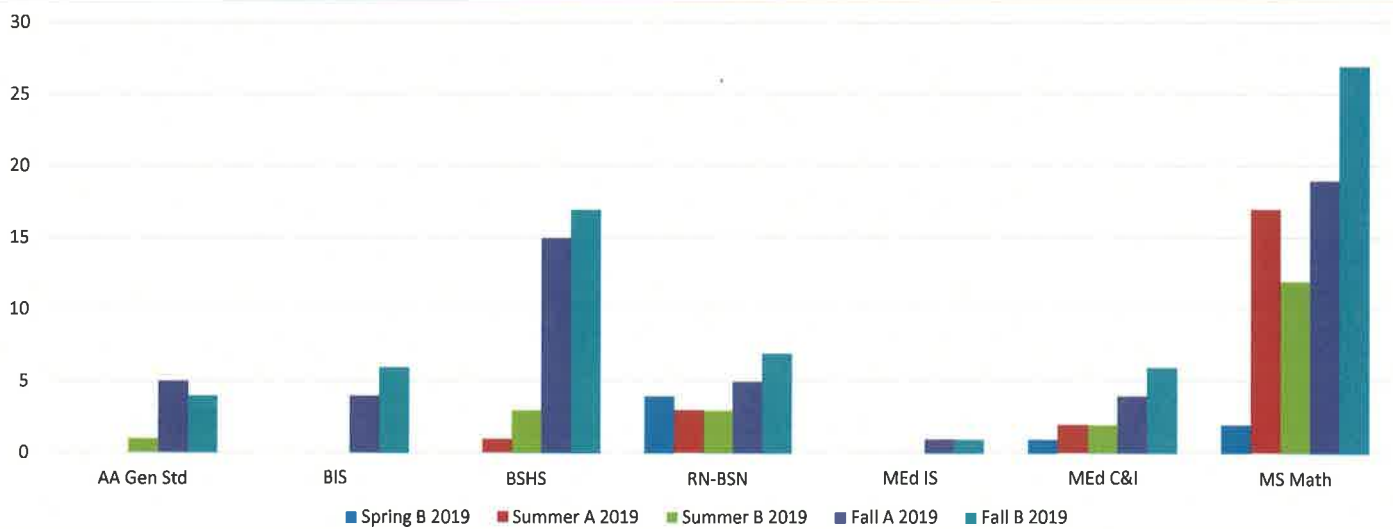


# Overall Enrollment Trend



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JAN 07 2020  
Secretary, SSU Board of Trustees

# Program Enrollment Trends



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*[Signature]*

JAN 8 7 2020

Secretary, SSU Board of Trustees

# Upcoming Programmatic Additions

- Spring 2020

- Associate of Applied Business in Information Security
- Bachelor of Science in Business, Marketing
- Certificate in Criminal Justice
- Master of Education in Intervention Specialist

- Fall 2020

- Associate of Technical Studies in Industrial Management
- Bachelor of Science in Business, Health Care Administration
- Bachelor of Science in Business, Management
- Doctorate of Occupational Therapy (OTD)
- Master of Arts in Rhetoric and Composition



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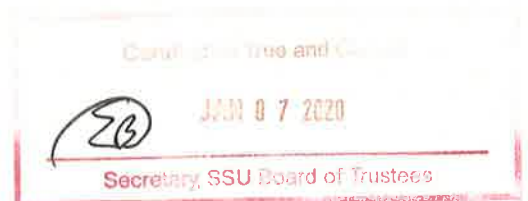
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JAN 07 2020

Secretary, SSU Board of Trustees


## Online Coursework

- Since March 2019, 72 online courses have been developed in coordination with instructional design services provided by Wiley Educational Services (WES)
  - Spring 2019      14 courses
  - Summer 2019    18 courses
  - Fall 2019        24 courses
  - Spring 2020     16 courses
  - The General Education Program (GEP) can be completed online





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 JAN 07 2020

Secretary, SSU Board of Trustees




**Board of Trustees Meeting  
November 8, 2019**

Prepared by the Office of the Registrar

Fall 2019 Preliminary Commencement Report							
	Fall 2017	Fall 2018	Fall 2019				
<b>Total # of Degrees:</b>	195	180	160				
<b>Total Masters Degrees:</b>	39	39	36	<b>MASTERS:</b>			
<b>Total Bachelor Degrees:</b>	101	119	99	Education			3
<b>Total Associate Degrees:</b>	55	22	25	Occupational Therapy			32
				Mathematics			1
				<b>Total Masters Degrees:</b>			<b>36</b>
<b>BACHELORS:</b>				<b>ASSOCIATES:</b>			
<b>College of Professional Studies</b>				<b>College of Professional Studies</b>			
	<b>TOTAL</b>				<b>TOTAL</b>		
Sports Studies		3		Dental Hygiene		0	
Business Administration		26		Emergency Medical Tech		2	
Nursing		1		Medical Laboratory Tech		0	
Occupational Therapy		9		Nursing		12	
Health Sciences		5		Occupational Therapy Asst.		0	
Plastics Engin. Tech.		4		Physical Therapy Asst.		0	
Computer Engin. Tech.		1		Radiologic Technology		0	
Environmental Engin. Tech.		2		Respiratory Therapy		0	
Digital & Sim.Gaming Engin.		3		Technical Studies		1	
Athletic Training		3		Computer Aided Drafting/Des		1	
Educational Studies		2		Electromechanical Engin.Tech		1	
Early Childhood Educ PreK-3		0		Plastics Engineering Tech		0	
Early Childhood Intervention Spec		0		Accounting		0	
Intervention Specialist K-12		1		Business Management Tech		2	
Middle Childhood Education		0		Legal Assisting		0	
<b>TOTAL</b>			<b>60</b>	Information Tech. Management		0	
<b>College of Arts &amp; Sciences</b>				<b>TOTAL</b>		<b>19</b>	
Social Sciences		2					
Sociology		4					
International Relations		1					
Psychology		2		<b>College of Arts &amp; Sciences</b>			
History		3		Arts & Humanities		0	
English Humanities		5		Social Science		1	
Mathematical Sciences		3		Mathematics		0	
Fine Arts		11		Natural Science		0	
Natural Science		6		<b>TOTAL</b>		<b>1</b>	
Biology		1					
Chemistry		0					
Political Science		0					
Philosophy and Religion		0					
<b>TOTAL</b>			<b>38</b>	<b>University College</b>			
<b>University College</b>				Individualized Studies		0	
Individualized Studies		1		General Studies		5	
				<b>TOTAL</b>		<b>5</b>	
<b>TOTAL</b>		<b>1</b>	<b>1</b>	<b>TOTAL ASSOCIATE DEGREES</b>		<b>25</b>	
<b>TOTAL BACHELOR DEGREES</b>			<b>99</b>				

\*\*\*FA19 petitioners and SM Grads who did not walk in Spring Commencement are included in this report. Fall Petitions are continuing to be submitted as of 11/5/19.

  
 JAN 8 7 2020  
 Secretary, SSU Board of Trustees

Spring Weekly Registration Comparison Report					
		Spring 2018	Spring 2019	Spring 2020	Spring 2019
Week 1 of Registration		11/6/2017	11/5/2018	11/4/2019	15th day
<b>New Undergraduate Enrollment</b>					
	First-time in Any College	0	1	7	17
	Transfer	9	3	5	27
<b>Total New</b>		<b>9</b>	<b>4</b>	<b>12</b>	<b>44</b>
<b>Difference from prior year</b>		<b>-3</b>	<b>-5</b>	<b>8</b>	
<b>Continuing Undergraduate Enrollment</b>					
	Freshmen	638	516	595	635
	Sophomore	557	522	457	611
	Junior	492	493	486	576
	Senior	578	556	555	657
<b>Total Continuing</b>		<b>2265</b>	<b>2087</b>	<b>2093</b>	<b>2479</b>
<b>Difference from prior year</b>		<b>172</b>	<b>-178</b>	<b>6</b>	
<b>Total Undergraduate</b>		<b>2274</b>	<b>2091</b>	<b>2105</b>	<b>2523</b>
<b>Difference from prior year</b>		<b>169</b>	<b>-183</b>	<b>14</b>	
<b>New Graduate Enrollment</b>					
	Graduate - New	16	18	24	32
<b>Total New</b>		<b>16</b>	<b>18</b>	<b>24</b>	<b>32</b>
<b>Difference from prior year</b>		<b>-8</b>	<b>2</b>	<b>6</b>	
<b>Continuing Graduate Enrollment</b>					
	Graduate - 1	4	36	27	44
	Graduate - 2	13	16	22	34
	Graduate - 3	0	0	0	0
<b>Total Continuing</b>		<b>17</b>	<b>52</b>	<b>49</b>	<b>78</b>
<b>Difference from prior year</b>		<b>-32</b>	<b>35</b>	<b>-3</b>	
<b>Total Graduate</b>		<b>33</b>	<b>70</b>	<b>73</b>	<b>110</b>
<b>Difference from prior year</b>		<b>-40</b>	<b>37</b>	<b>3</b>	
<b>Non-Degree Enrollment</b>					
	NT - Visiting	0	0	0	1
	NR - Regular	0	3	0	5
	NH - Highschool	0	0	0	0
	NP - College Credit Plus	25	178	0	179
	NS - Senior Citizen	1	0	1	4
	ND - Returner	257	292	159	336
<b>Total Non-Degree</b>		<b>283</b>	<b>473</b>	<b>160</b>	<b>525</b>
<b>Difference from prior year</b>		<b>123</b>	<b>190</b>	<b>-313</b>	
<b>Grand Total</b>		<b>2590</b>	<b>2634</b>	<b>2338</b>	<b>3158</b>
<b>Difference from prior year</b>		<b>252</b>	<b>44</b>	<b>-296</b>	

Classified as True and Correct



JAN 9 7 2020

Secretary, SSU Board of Trustees

President's Report to BOT, November 2019

Thank you Chairman Watson.

This past week, the Board was given the institution's FY 19 Financial Report. A few important takeaways from that report and the University's overall financial condition:

- Our main revenue source, tuition and fees, fell \$1.7 M from the previous fiscal year as a result (primarily) of a significant enrollment decrease in AY 18 - 19. Tuition and fees represented 35% of total revenue. This was also a slight drop of 1% from the previous year. Clearly, the decline in enrollment and tuition revenue is one of our most important financial concerns. As most of you remember from this time last year, we implemented a series of budget cuts mid-fiscal year that resulted in savings to the University and helped us avoid a more severe and debilitating deficit. At the same time, we also made investments in marketing, admissions, and recruitment that have resulted in a considerable increase in enrollment for the current academic year.
- The University experienced a decline of \$2.44 M in Net Position for FY 19. Along with a larger deficit in the General Fund. This is an important financial concern and one that we are addressing in the current fiscal year.
- Our reserves have been reduced but remain at a level that provide us with security against future unanticipated operating deficits. It is our priority to build those reserves up to more acceptable levels.
- Our Senate Bill 6 Ratio remains at 2.1. Although this number is low and too close to the 1.75 threshold for comfort, we have been able to maintain this level through one of the institution's most challenging times. This number will improve as we grow our enrollment and revenue over the course of the next two fiscal years.
- We presented the Board with a balanced budget for FY 20 and continue to make adjustments to meet that goal. Juggling cost reductions with necessary investments is challenging but imperative as we address the changing needs of our student body and the changing landscape in higher education. Our goal is continued growth in enrollment to provide the institution with an improved financial position.

It is all the more important that we continue to strategically plan the University's future. That formal planning process began last year with the development of a strategic enrollment plan, which included a series of initiatives and measurable goals. The process continues this year with the development of a broader plan, not just for enrollment, that will serve as an update to Strategic Plan 2016.

- To date, a small steering committee of faculty and staff have developed a set of goals and strategies.
- Over the course of the next few months, we are seeking feedback from our stakeholders and will begin drafting a proposal early in the new year which will include a set measureable initiatives ... the very same that we did with our strategic enrollment plan last year. The updated strategic plan is developed on the premise that SSU must continue to grow and diversify its offerings in order to advance our mission.
- I expect to have a completed plan available for your review before the end of the academic year. Just as with the strategic enrollment plan, we are implementing parts of the plan while it is being developed so we do not miss opportunities while awaiting a final product.

Current date and time: 1/7/2020  
JAN 9 7 2020  
Secretary, SSU Board of Trustees

The University recently circulated a Smoke-free Campus Policy draft to campus constituent groups. This draft is a precursor to a policy that will be delivered for your approval early in the next calendar year. The policy is intended, first and foremost, to promote a healthier environment on campus. We are one of only two state universities that continue to provide options for use of tobacco products, e-cigarettes, and vaping. We were recently contacted by the Columbus Dispatch and asked to provide our reasoning for not joining other campuses in banning smoking. In addition, Governor DeWine sent a letter to all institutions concerning the need to eliminate vaping from campuses.

The Trustees Conference was held in Columbus on October 29-30, Mr. Watson, Edwards, Albrecht, and Dr. White were in attendance. I think the Conference was better than it has been since I've been attending and was highlighted with an address by Governor Mike DeWine. Governor DeWine expressed his support for higher education and made a point to be somewhat critical of national rankings. He is more concerned with how well our state universities are serving Ohioans. He made a special appeal for enhanced, wrap-around services that provide support for students. Among the breakout sessions, many found the session presented by representatives from Ernst and Young to be informative.

Last week, the University hosted the Appalachian Studies in the Digital Age (Recovering Appalachia) Conference. The conference extended over 3 days + and included a visit and welcome from Lieutenant Governor John Husted. The Lt Governor's address focused on the:

- Global economy,
- The recognition that Appalachian communities, like ours, all have unique qualities that can give them a competitive advantage,
- And the importance of collaboration.

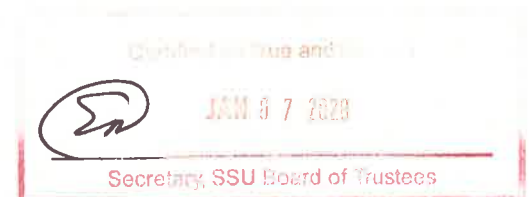
The Lt Governor's address was followed by a panel discussion on Economic Recovery in Appalachia which included panelists Brian Baldrige (District 90 Representative) and VP Braun (SSU).

The most important takeaway from the conference is the importance of the University to work with the community and the growing need of strengthening the partnership between Shawnee, local K-12 Schools, and the region's business community. My sincere thanks to Dr. Drew Feight for organizing the conference.

Other notes:

- Veterans Recognition Ceremony (Audrey Stratton coordinator).
- Eyes of Freedom
- Sports – Cross Country Teams competing for conference championships; Basketball teams undefeated.
- Shawnee Game Conference November 15-16.
- Commencement, December 14.

And that concludes my report.



UFS Report

Friday, November 8, 2019

As you know, Marc Scott stepped down as UFS president in order to become Director of Assessment. I would like to again, thank the faculty for allowing me the opportunity to lead the UFS at this time. I would also like to thank everyone (Faculty, staff and administrators) for the words of congratulation and the offers of condolences.

Over the past few months, we have been encouraged by the good news regarding enrollment and retention numbers. We see this positive news as an example of what SSU can accomplish when we all work together for common goals.

Ohio Faculty Council (OFC) met on October 11 and while I was unable to attend due to class conflicts, they did address a piece of old business that applies to Shawnee State. Administrative evaluation white paper (Bill Bowen and Marc Scott). SSU is one of only two OFC institutions not to have a faculty evaluation of academic administrators (particularly the Deans and Provost). I think it is past time to look into this as a piece of our Assessment Plan.

In the coming weeks the UFS will be meeting and I anticipate having the Academic Forgiveness Policy and Procedures to vote on. In essence, this policy will allow (under appropriate circumstances) academic forgiveness (or a way for students to recover from prior academic challenges). Thanks to Glenna Heckler-Todt, Tami Sheets, and Nikki Neal in particular for getting this policy off the ground. This shows how faculty work with staff and administration to get a positive policy in place.

Additionally, I know the University is working on a revision of the smoking policy (BOT 5.08), moving toward a Tobacco Free Campus Policy. I sent the first draft of this policy out to the faculty (Tuesday, 10/28), via e-mail for comment. Most comments have been favorable, but again there will be some difficulties with implementation. I believe this policy is another example of how we as a faculty and the entire campus community are accomplishing positive results by working collaboratively.

On behalf of the faculty senate, I thank the board for this opportunity to share some of the important information before the faculty senate.

Respectfully,

Tony Ward

