

**SHAWNEE STATE UNIVERSITY  
BOARD OF TRUSTEES**

**Meeting Minutes  
December 15, 2017**

**Call to Order**

Chairperson Williams called the meeting to order at 11:32 a.m. noting the meeting was in compliance with RC § 121.22(F).

**Roll Call**

Members Present: Mr. Evans, Mr. Furbee, Ms. Hartop, Ms. Hash, Mr. Howarth, Mr. Watson, Dr. White, Mr. Williams, and Ms. Detty

Members Absent: Mr. Rappold; Mr. Moore

Prior to the start of the meeting, Trustee Moore notified the Governor's office by email that he was resigning his position, effectively immediately, and the Board Secretary was copied on the email.

**Approval of the October 13, 2017 Board Meeting Minutes and Executive Committee Minutes**

Mr. Watson moved and Mr. Furbee seconded a motion to approve the October 13, 2017 minutes.

Without discussion, the Board unanimously approved said minutes.

**Approval of the December 15, 2017 Agenda**

Dr. White moved and Mr. Howarth seconded a motion to approve the December 15, 2017 agenda.

Without discussion, the Board unanimously approved the December 15, 2017 agenda.

**Consent Agenda**

1. Resolution F21-17, Approval of Shawnee State University Textbook Program
2. Resolution F22-17, Approval of FY17 Efficiency Report
3. Resolution F23-17, Approval of the Give Back Go Forward Program

Chair Williams directed the Board to review the action items on the Consent Agenda and asked if anyone wished to remove any items from the Consent Agenda.

There being no objections, Chair Williams declared that items 1-3 will remain on the agenda and be adopted.

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

Ms. Hartop reported on behalf of the Academic and Student Affairs Committee:

1. Academic Affairs Executive Report - Dr. Jeffrey Bauer, Vice President for Academic Affairs, reported the following information:
  - Academic Distinguished Lecture Series Presentations by Benjamin Busch and Dr. Najat Abdulhaq
  - Summary of the Shawnee 17.0 Gaming Conference
  - Upcoming deadlines for reports to the Ohio Department of Higher Education
  - Academic programming including new and modified programs under development
  - Faculty retirements
2. Spring Enrollment Report - Ms. Jennifer Hammonds, Registrar, reported on Spring enrollment.
3. Fall Commencement Statistics - Ms. Hammonds reported on Fall 2017 graduation statistics.
4. Enrollment Management & Student Affairs Executive Report - Dr. Anne Marie Gillespie, Vice President, Enrollment Management & Student Affairs, reported on recent activities in Enrollment Management & Student Affairs.
5. Education - Dr. Bauer reported on the development and closure of academic programs.

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

Mr. Watson reported on behalf of the Finance and Administration Committee:

1. Resolution F17-17, Acceptance of Shawnee State University's FY17 Financial Report

Representatives from the University's independent audit firm, Plante & Moran, reviewed the FY17 financial audit with the Committee. The report was determined to be unmodified and has been approved by the Auditor of State. Two deficiencies were identified that were not considered material weaknesses. These items have been corrected and actions taken to ensure non-recurrence.

Mr. Watson moved and Ms. Hash seconded a motion to approve Resolution F17-17, Acceptance of Shawnee State University's FY17 Financial Report.

Without discussion, the Board unanimously approved Resolution F17-17.

2. Resolution F18-17, Adoption of Shawnee State Advantage Principles and Fees

Completion of the Ohio Department of Higher Education (ODHE) approval process is required in order to finalize the adoption of Shawnee State's undergraduate tuition guarantee program. Upon approval by the SSU Board of Trustees, the final step is for the Principles, and tuition and fees schedules to be posted on the ODHE website for 10 days. Assuming no objections or edits noted during this comment period, Shawnee State Advantage will become effective for first-time, undergraduate students fall semester 2018.

Mr. Watson moved and Mr. Howarth seconded a motion to approve Resolution F18-17, Adoption of Shawnee State Advantage Principles and Fees.

Without discussion, the Board unanimously approved Resolution F18-17.

3. Resolution F19-17, Approval of AY18-19, Spring 2018 and Summer 2018 Undergraduate Tuition and Fees for Continuing and Returning Students

Proposed changes from AY17-18 rates are:

- No change in undergrad tuition and fees (in-state/out of state surcharge)
- No change in Residential housing and fees
- No change to Meal plans
- No change in Course Fees
- No change to Special Program Fees
- Career Services fee from \$25/semester for students with 6 or more credit hours to \$4/credit hour (maximum \$48/semester)
- Student activities fee from \$25/semester for students with 6 or more credit hours to \$2/credit hour (maximum \$24/semester)
- Student Health & Wellness fee from \$25/semester for students with 6 or more credit hours to \$2/credit hour (maximum \$24/semester)

Mr. Watson moved and Ms. Hash seconded a motion to approve Resolution F19-17, Approval of AY18-19, Spring 2018 and Summer 2018 Undergraduate Tuition and Fees for Continuing and Returning Students.

Without discussion, the Board unanimously approved Resolution F19-17.

4. Resolution F20-17, Approval of AY18-19 Graduate Tuition and Fees (In-State and Out-of-State)

Based on a review of the Ohio Department of Higher Education's fall 2016 Survey of Student Charges and to align SSU graduate fees to comparable programs, the AY18-19 graduate instructional fee is proposed to be increased by 3.0% (\$135.36 for full time) and the out of state surcharge is proposed to be decreased by 3.0% (a reduction of \$195.70 for full time).

Mr. Watson moved and Mr. Howarth seconded a motion to approve Resolution F20-17, Approval of AY18-19 Graduate Tuition and Fees (In-State and Out-of-State)

Without discussion, the Board unanimously approved Resolution F20-17.

5. Review of General Fund Investment Reserves - the University's Investment Committee met on November 29 and is working with TIAA to realign the allocation of assets to continue to take advantage of market gains and to achieve a favorable position for projected cash needs in 2018. The portfolio's value as of October 31, 2017 was \$15.3M.
6. F18 General Fund Budget Status - Dr. Burke reviewed the first quarter general fund budget performance. Overall expenses are 24.4% of budget. As anticipated, tuition revenue is below budget due to the fall 2017 enrollment decline; state funding and other revenue are as expected for the period. The University has been informed that it will realize a significant increase in state funding based on its positive 3-year average of degree completions. First quarter compensation costs are a just over 21% of budget. Non-compensation expenditures are about 41% of budget, including about \$27,000 in planned use of reserves for growth and efficiency projects.
7. FY17 Preliminary SB6 results - the Senate Bill 6 (SB6) composite ratio is a snap-shot indicator of the fiscal condition of Ohio public universities. A 10-year history of SB6 composite ratios (2007 – 2017) for all Ohio public universities was reviewed. During this period of time, Shawnee's average ratio (without GASB 68 adjustments) was 3.54 (max. 5.0) with ratios ranging from 3.2 to 4.0.

The Committee also reviewed the University's preliminary FY17 ratio of 2.6. The drop from 2016 was anticipated due to the impact of reduced tuition revenue and increased debt. While the fall 2017 enrollment decline will impact next year's (FY18) ratio outcome, an upward trajectory is expected for FY19 as the University continues to realize savings from efficiency measures and increased enrollment from growth initiatives for academic and other student programs.

8. Preliminary FY18 Midyear State Share of Instruction Allocation - the University received notice from the Ohio Department of Higher Education of an additional \$386,740 in SSI due to midyear adjustments to the formula. This outcome is directly related to the University's success in completion credits (based on three-year averages). According to the report, SSU realized the largest percentage increase in completion credits in the Ohio university sector for the reporting period.
9. Capital Projects - the status of several major capital projects was provided to the Committee:
  - Advanced Technology – due a significant reduction in the projected FY19-20 state capital allocation and preliminary results of a deferred maintenance assessment, the University reduced the scope of this project and plans to rebid in January 2018; construction is expected to start in March 2018 for this phase.



- Athletic Complex (Rhodes Center/Health, Wellness, Recreation) – these projects are funded from the 2017 bonds revenue. The master planning effort is 90% complete and related projects are underway. The pool filtration upgrade is the first major phase to begin Summer 2018. Rhodes Center renovations are projected to be complete by Summer 2019.
- Library Rehabilitation – feasibility and concept design studies will begin Spring 2018 for a phased renovation plan utilizing state capital funds allocated in FY17-18 to begin rehabilitation and repurposing of the Clark Memorial Library.

10. Capital Projects – The Committee was given an update on the progress being made on several construction projects which included: the completion of Townhouse Residential Housing renovation; readiness for renovation of the plastics and digital gaming programs, completion of the soccer field lighting, 80% completion of master plan for Rhodes Athletic Center renovation; and the repurposing of Hatcher Hall to house the SSU Health Clinic and Counseling and Psychological Services in January 2018.

11. FY19-20 Biennial Capital Request - the University's FY19-20 biennial capital request was submitted to the Inter University Council (IUC). Due to the methodology used to distribute the universities' pool of funds, Shawnee was limited to requesting \$3,203,065. This represents a reduction of one-third of the FY17-18 allocation. The request included: \$2M for the Advanced Technology Center renovation (will not complete); and \$1,203,065 for critical basic renovation needs. Other proposed funding sources include \$250,000 from general funds and a planned application for a federal grant in the amount of \$2 million.

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

None.

### **President's Report**

President Kurtz recognized Eric Putnam for receiving the Mid-South Conference Cross Country Coach of the Year award.

President Kurtz shared information from a Trusteeship Magazine article entitled "The Innovation Imperative" which points out that universities need to move quickly into the 21<sup>st</sup> century by breaking free from old ideas and responding quickly to change. Our challenge as an institution is to create a culture of innovation where the status quo is not acceptable. We need to create a culture which prizes and rewards creative thinking for solutions. We need to align and pivot to get ahead to prepare students to succeed.

### **New Business**

None

**Comments from Constituent Groups and the Public**

None

**Faculty Senate Report**

Dr. Marc Scott, University Faculty Senate President, presented a report on Senate activities which included:

- Evaluation of expiring policies and development of new policies with administration.
- Expansion of online learning to increase enrollment and retention.
- Faculty involvement in taking a more active role in lobbying the state legislature on behalf of SSU.
- Underperforming program warehousing and the need for new or modified programs to help the university grow.

The report as presented by Dr. Scott is entered into the record.

**Executive Session**

None

**Other Business**

None

**Adjournment**

The Board was adjourned by acclamation at 12:01 p.m.

  
Chairperson, Board of Trustees

  
Secretary, Board of Trustees

**RESOLUTION F21-17**

**APPROVAL OF SHAWNEE STATE UNIVERSITY  
TEXTBOOK PROGRAM**

WHEREAS, the University's Barnes & Noble Bookstore offers a program, referred to as Inclusive Access (or First Day), that provides an affordable delivery method for selected instructional materials to students; and

WHEREAS, digital materials, books or interactive components such as access codes are delivered to students on the first day of class at a cost below market price; and

WHEREAS, the program meets applicable U. S. Department of Education regulations for the use of Title IV funds; and

WHEREAS, this effort is part of the University's strategy to reduce textbook costs and to be responsive to statewide affordability and efficiency mandates; and

WHEREAS, the Inclusive Access program is voluntary allowing students to opt out and does not infringe on faculty members' selection of textbooks;

THEREFORE, BE IT RESOLVED the Shawnee State University Board of Trustees approves the Barnes & Noble Inclusive Access program, beginning fall 2018.

(December 15, 2017)



**RESOLUTION F22-17**  
**APPROVAL OF**  
**2017 EFFICIENCY REPORT**

WHEREAS, ORC Section 3345.35 requires each higher education institution to annually submit an efficiency report to the Ohio Department of Higher Education (ODHE), for the purpose of identifying shared services opportunities, streamline administrative operations, and share best practices in efficiencies among colleges and universities; and

WHEREAS, the University's 2017 Efficiency Report (draft attached) was compiled with involvement from multiple internal stakeholders and reflects efficiencies, academic practices, policy reforms, and cost savings, redeployment of savings & tangible benefits to students identified for the reporting period; and

WHEREAS, the report reflects Shawnee State's continued commitment and efforts toward meeting or exceeding efficiency goals;

THEREFORE, BE IT RESOLVED the Board of Trustees of Shawnee State University approves the Shawnee State University 2017 Efficiency Report.

(December 15, 2017)





## FY2017 Efficiency Reporting Guidance

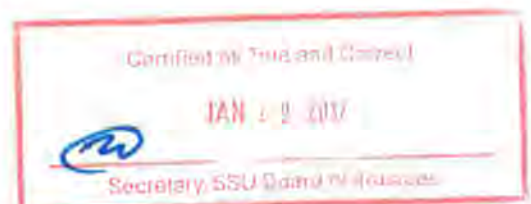
In the early part of 2015, Gov. John R. Kasich created the Ohio Task Force on Affordability and Efficiency in Higher Education to make recommendations to Ohio's colleges and universities based on three simultaneous principles 1) to be more efficient both in expense management and revenue generation 2) while offering an education of equal or higher quality and 3) decreasing costs to students and their families. The Task Force met several times during the course of 2015. In October, the Task Force issued a report with ten recommendations to advise colleges and universities on efficiency and academic practices to improve both the quality of education and lower costs for students. For additional information on each category and recommendation, please review the [Action Steps to Reduce College Costs report](#), issued by the Ohio Task Force on Affordability and Efficiency.

Section 3333.95 of the Ohio Revised Code requires the Chancellor of Higher Education to maintain an Efficiency Advisory Committee, composed of members from each of Ohio's public colleges and universities. The purpose of this committee is to generate efficiency reports for campuses, identify shared services opportunities, streamline administrative operations, and share best practices in efficiencies among colleges and universities. The law additionally requires an annual report to be completed by the Department of Higher Education. The college and university data captured from this report for fiscal year 2017 will allow ODHE to produce the 2017 Efficiency Advisory Committee Report by December 31, 2017, as required by law.

The template is structured into four sections:

- **Section 1: Efficiencies** – The first section captures practices likely to yield significant savings that can then be passed on to students. This includes Procurement, Administrative/Operational, and Energy.
- **Section 2: Academic Practices** – This section covers areas such as textbooks, time to degree incentives, and academic course and program reviews. While improvements to academic processes and policies may not convey immediate cost savings, there will likely be tangible benefits that improve the quality of education for students.
- **Section 3: Policy Reforms** – This section captures additional policy reforms recommended by the Task Force.
- **Section 4: Cost Savings, Redeployment of Savings & Tangible Benefits to Students** – The last section asks colleges and universities to provide, if applicable, cost savings in actual dollars saved for each of the recommendations. Furthermore, colleges and universities must advise if the savings have been redeployed as a cost savings to students or if they offered a benefit to the quality of education for students.

For any questions, please contact Sara Molski at 614-728-8335. Please submit your survey by email to [smolski@highered.ohio.gov](mailto:smolski@highered.ohio.gov) by **October 13, 2017**.







**Shawnee State University**

**Section I: Efficiency Practices**

**Procurement**

**Recommendation 3A | Campus contracts:** Each college/university must require that its employees use existing contracts for purchasing goods and services, starting with the areas with the largest opportunities for savings. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

Shawnee State University utilizes various procurement processes to drive purchases to previously negotiated contracts. SSU has realized substantial savings through the negotiating efforts of the IUC-CIO group, the IUC-PG group, and the member institutions on contracts with Microsoft, Cisco, Oracle, and OARnet VMWare. The direct savings is based on SSU's annual agreement renewals, and purchases of equipment and services for FY17.

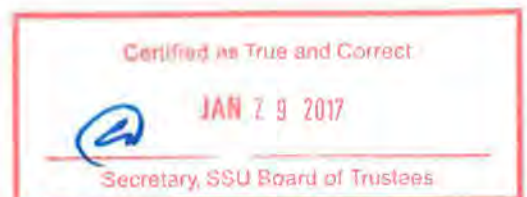
**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**Recommendation 3B | Collaborative contracts:** Ohio's colleges and universities must pursue new and/or strengthened joint purchasing agreements in the following categories:

- Copier/printer services
- Computer hardware
- Travel services
- Outbound shipping
- Scientific Supplies and Equipment
- Office Supplies and Equipment

**Were there any updates/changes in FY17? If yes, please complete the below chart.**






The University is participating in the Otis joint agreement. SSU has evaluated the recently awarded IUC-PG copier RFP and determined that a more affordable option existed with our current vendor. SSU participates in various other IUC joint purchasing agreements.

| Contract Type                   | Is the college/university participating in joint contracts? [yes, no, plan to] | Include additional explanation here if needed. If the college/university chooses not to participate, please explain why.   |
|---------------------------------|--|--|
| Copier/printer services         | No   | Equipment and service pricing was more favorable with current vendor; savings will also be realized through the reduction of desk top printers and by managing student printing  |
| Computer hardware               | Yes  | No Change from 2016  |
| Travel services                 | No   | No Change from 2016 – the University is reviewing this option  |
| Outbound shipping               | No   | No Change from 2016 – insufficient volume  |
| Scientific supplies & equipment | Yes  | No Change from 2016  |
| Office supplies & equipment     | Yes  | No Change from 2016  |
| Elevator Maintenance            | Yes  | SSU had an existing contract with Otis. After the IUC-PG contract was awarded to Otis, SSU was able to negotiate an additional 7% off of the IUC-PG price. This resulted in a total of 10% reduction to the current contract (\$3,200 savings) |

**Assets and Operations**

**Recommendation 4 | Assets and Operations**

**4A Asset review:** Each college/university must conduct an assessment of its noncore assets to determine their market value if sold, leased or otherwise repurposed. Where opportunities exist, colleges and universities must consider coordinating these efforts with other colleges and universities to reap larger benefits of scale. Please complete the section that aligns with the implementation status of your college/university.

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 Secretary, SSU Board of Trustees



**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used for the college/university's asset review and the key outcomes below or on additional pages:**

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

The assessment was conducted last year and there are no substantial changes to the 2016 response.

**4B Operations review:** Each college/university must conduct an assessment of non-academic operations that might be run more efficiently by a regional cooperative, private operator or other entity. These opportunities must then be evaluated to determine whether collaboration across colleges and universities would increase efficiencies, improve service or otherwise add value. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If so, please provide an overview of the process used for the college/university's operations review and the key outcomes below or on additional pages:**

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

The operations review was conducted in 2016.

Custodial - Re-org complete. Actual overtime reduced by 68.4% (\$109,281) when compared to FY15/16. Also reduced full time staff by two (2) during this same time period at an approximate savings of \$80,000.

Food Services – No significant change.

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JAN 29 2017

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Mail Services - The consultant report verified an efficient mail services operation in its current configuration. The Printing/Graphics operation is unchanged, with the exception of a reduction of one (1) FTE at the end of FY17. We are covering the vacancy with a student intern.

**4C Affinity partnerships and sponsorships:** Colleges and universities must, on determining assets and operations that are to be retained, evaluate opportunities for affinity relationships and sponsorships that can support students, faculty and staff. Colleges and universities 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 that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes. Please identify partnerships/sponsorships within the below chart.**

We have added partnerships to last year's list.


**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**Please identify partnerships and sponsorships in effect for FY2017:**

| Partnerships/Sponsorships            | Description   |
|--------------------------------------|---|
| Portsmouth City Schools MOU          | SSU partners with the Portsmouth City Schools (PCS) to utilize some of their athletic facilities and PCS to utilize SSU facilities. This agreement allows SSU to use their track & field complex, their gymnasium, and their baseball field. There is no charge to the University which results in an annual savings of \$20,000. This agreement also strengthens our relationship with the local community as PCS has realized significant savings by utilizing SSU facilities. Further, several local schools would not be able to offer a swim team without the use of our pool facility |
| 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 and 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   |

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|---|--|
|   | individual HIV Home Testing Kits this results in a savings of approximately \$8,000 per academic year.   |
| King's Daughters Medical Center                   | SSU partners with King's Daughter's Medical Center to provide basic medical services to students. During fall of 2014 KDMC provided approximately 220 physicals to SSU students. Of these 160 were provided at no cost to students. The remaining 60 were provided at a cost that is significantly less than usual and customary when physicals are obtained through family physicians. Additionally, this service is provided on campus further reducing expenses to students incurred by travel/transportation to and from appointments. Traditionally physicals have been funded by the SSU athletic department. However, in the fall of 2014 KDMC sponsored a physician Community Service event at SSU which resulted in \$2,500 savings to the university. Without SSU covering the cost of athletic physicals student athletes would have incurred a cost of \$8,000. However, cost to student athletes were avoided completely. |
| 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.   |
| Lindsay 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 - 2016). To date, this program has incurred a financial investment of approximately \$800 on the part of SSU while increasing the number of clinical service hours available to students. This results in an estimated cost savings to SSU of \$17,000 in compensation plus benefits.   |
| Neal and Vicki Hatcher, Inc.                      | Public/private partnership for student housing with partner maintaining all operating cost and revenue 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.   |
| Sodexo  | Sodexo pays Shawnee State University an annual fixed commission based upon number of meal plan participants. This agreement results in an annual commission of approximately \$170,000.  |
| 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 revenue is \$125K  |

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**JAN 29 2017**



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|                        |   |
|------------------------|---|
| * 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 policy holders. |
| *Angstrom Materials    | This partnership was formed between Angstrom Materials and our Plastics program whereby SSU provides contracted services to the company for a fee. This agreement generated \$7886 last year.       |
| *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 \$5486 last year.                  |

**\*New partnerships**

**Administrative Practices**

**Recommendation 5 | Administrative cost reforms**

**5A Cost diagnostic:** Each college/university must produce a diagnostic to identify its cost drivers, along with priority areas that offer the best opportunities for efficiencies. This diagnostic must identify, over at least a 10-year period:


- Key drivers of costs and revenue by administrative function and academic program;
- Distribution of employee costs — both among types of compensation and among units;
- Revenue sources connected to cost increases — whether students are paying for these through tuition and fees, or whether they are externally funded;
- Span of control for managers across the college/university — how many employees do managers typically oversee, by the manager's function; and
- Priority steps that would reduce overhead while maintaining quality — which recommendations would have the most benefit?

Please complete the section that aligns with the implementation status of your college/university.

**Has the institution produced a cost diagnostic? If yes, please provide an overview of the process used and the key outcomes.**

SSU completed its 10-year cost diagnostic in 2016

**Please provide details on the result of the assessment. What are the cost drivers, based on the categories above? Please discuss the institution's priority areas that offer the best opportunities for recommendation.**

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 Secretary, SSU Board of Trustees

If the college/university has not produced a cost diagnostic, is there a plan to? If yes, what is the implementation plan? If the college/university has not completed a cost diagnostic and does not plan to do so, please provide the rationale.

If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.

**5B Productivity measure:** While the measure should be consistent, each college/university should have latitude to develop its own standards for the proper level of productivity in its units. This will allow, for instance, for appropriate differences between productivity in high-volume environments vs. high-touch ones.

What steps has the institution taken to improve the productivity measure score? Or, what are the institution's plans to improve your score? You may view your productivity measure score [here](#). For more information on the Productivity Measure, please visit [here](#).

According to the most recent Administrative Productivity Measure report, SSU has maintained its positive position on the productivity measure by scoring #1 in Course Completion Ratio, 2nd in Administrative Expenditures, 4th in Degree Completion, and 9th in Administrator Headcount. Although Shawnee State University's productivity measurement score is among the best of the 13 public Universities in Ohio, we continually strive to improve our efficiency and productivity.

Has the college/university implemented or considered utilizing Lean Six Sigma methodology as a tool to evaluate the college/university's processes?

The University has begun a review of Lean Six Sigma for possible implementation in targeted areas. This is in concert with a campus wide emphasis being placed on leadership training that has been spearheaded by the president and vice presidents. This effort is embedded within the institution's and divisions' strategic plans and completion of these efforts are a component of performance measures for division vice presidents for 2018.

**5C Organizational structure:** Each college/university should, as part or because of its cost diagnostic, review its organizational structure in line with best practices to identify opportunities to streamline and reduce costs. The college/university reviews should consider shared business services — among units or between college/university, when appropriate — for fiscal services, human resources and information technology. Please complete the section that aligns with the implementation status of your college/university.

Has the college/university reviewed its organizational structure? If yes, please provide an overview of the process used and the key outcomes.



**If the college/university has not reviewed the organizational structure, is there a plan to? If yes, what is the implementation plan? If the college/university has not completed a review and does not plan to do so, please provide the rationale.**

The University has experienced considerable organizational realignment/restructuring during FY2017 as its continuing effort to streamline the administrative operation to achieve operational efficiencies. Part of this endeavor included major investment of resources (manpower and funding) to upgrade our legacy ERP – this includes, entire systems upgrade to Oracle Cloud products for financials, human resources, payroll, procurement, budgeting, as well as newly acquired functions for admissions, marketing, social media, and services directly linked to improved communication and engagement with prospective and current students.

The University was able to accomplish significant savings by entering into a statewide purchasing agreement with Oracle for implementation and license costs as noted below. The implementation of the ERP, EPM, HCM systems occurred over a 9-month period. The student CRM was implemented in three months. Immediate improved efficiencies and new functionalities have been realized – with ongoing support to maximize the operating systems throughout the campus. Departmental restructuring has occurred partially related to the Oracle system as well as future-oriented review of all position vacancies as they occur. Expenditure reductions related to positions being frozen, modified, or eliminated are expected in 2018.

Additionally, the academic division is organizing academic departments within Schools by consolidating academic units that are related in order to achieve synergy among the academic programs. The School of Education is the first to be formed utilizing existing positions in order not to realize an increase in costs and yet achieve the programming alignment that is desired.

These steps, along with many others, enable Shawnee State to maintain a strong position in the statewide productivity measure calculation.

**5D Health-care costs:** A statewide working group should identify opportunities to collaborate on health-care costs.

**(Optional) Has the college/university identified any healthcare reforms that the working group should consider? Please describe.**

See below

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**(Optional) Has the college/university achieved any expected annual cost savings through health-care efficiencies? Please explain how cost savings were estimated.**

Shawnee State has worked extensively with its benefits consultants during 2017 to identify strategies that will help contain health care costs and improve the overall health of its population. A three-year plan has been established that consist of the following initiatives:

- Utilize population health management partners and resources to establish a culture of wellness.
- Implement activity/outcome based wellness incentives.
- Introduce tiered networks and bundled payments to steer services.
- Further exploration of group purchasing opportunities both statewide and regional.

**5E Data centers:** The College/university must develop a plan to move their primary or disaster recovery data centers to the State of Ohio Computer Center (SOCC). Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

Shawnee State has developed a plan to relocate its DR service to the SOCC, in conjunction with the overall plan identified within the IUC-CIO committee. SSU has its current DR co-location at Wright State University via an active Service Level Agreement with OARnet. We are working with WSU, OARnet and the Chancellor's office to establish the appropriate timeline for relocating SSU's DR services, based on WSU's overall timeline to relocate its services to the SOCC. The IUC-CIO committee is working with SOCC representatives to establish required levels of service and necessary agreements, and is evaluating the charge to successfully meet its obligation to specification.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**5F Space utilization:** Each college/university must study the utilization of its campus and employ a system that encourages optimization of physical spaces. Please complete the section that aligns with the implementation status of your college/university. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**





Please provide details on the results of the assessment below or on additional pages:

If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.

If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.

University is participating in a software pilot program (Ad Astra) that provides academic space utilization data to determine most efficient use of space. University engaged an architectural firm to conduct an engineering assessment of all facilities including space usage analysis. These data are being used to inform the updating of the University Facilities Master Plan. To ensure robust involvement of campus constituencies and affected areas, the president established a Facilities Master Plan Team that meets monthly and as needed to support the planning efforts. The University has generated revenue in the amount of \$26,852 for rental of space.

### Energy

**Energy Efficiencies** seek to refine sustainable methods utilized by college/university 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.

Were there any updates/changes to college/university energy efficiency projects in FY17? If yes, please complete the below chart.

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| Project                        | Collaborative Partnership(s) | Explanation   |
|--------------------------------|------------------------------|---|
| EnerNoc                        |                              | <p>SSU has entered into an agreement with EnerNoc 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 \$25,000 that involves a reduction of the load. If called upon to participate in an actual event, SSU could realize additional savings.</p> <p>SSU also uses EnerNoc to conduct reverse auctions for gas and electric pricing. SSU has been able to lock in on very competitive energy rates, including a 17-year low gas rate this past year.</p>                     |
| AEP                            |                              | <p>SSU actively participates in the AEP Gridsmart program. This program has resulted in approximately \$13,944 in savings on electrical projects this year.</p>   |
| Consumption Reduction (HB 251) |                              | <p>SSU has completed a wide range of projects that were a result of the requirements in Ohio HB 251 (126<sup>th</sup> General Assembly) where all State entities were directed to reduce their energy consumption by 20% between the years 2004 and 2014. The projects above are an extension of that effort. In the year 2016 SSU has reduced their energy consumption by 32% as compared to the baseline year of 2004. This reduction resulted in an annual conservative estimate of \$600,000 in energy cost savings. This savings is realized year-over-year as it is an actual reduction in the amount of energy used.</p> |
|                                |                              |   |

**Regional Compacts**

Ohio Revised Code Section 3345.59 requires regional compacts of Ohio's public colleges and universities, with an executed agreement in place by June 30, 2018 for colleges and universities to collaborate more fully on shared operations and

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programs. Per O.R.C. §3345.59 (E) colleges and universities shall report within their annual efficiency report the efficiencies gained as a result of the compact. This provision will be included in the *FY18* Efficiency Advisory Committee survey; therefore, institutions should prepare accordingly to meet this timeline.

## Section II: Academic Practices

### Recommendation 6 | Textbook Affordability

**6A Negotiate cost:** Professional negotiators must be assigned to help faculty obtain the best deals for students on textbooks and instructional materials, starting with high-volume, high-cost courses. Faculty must consider both cost and quality in the selection of course materials. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

The University receives assistance from its Barnes and Noble representative to help faculty obtain the best deals for students on textbooks and instructional materials. Recently, the University has agreed to pilot a program to offer inclusive access textbooks at reduced costs.

The University established a Textbook Affordability Committee composed of faculty and staff to determine future initiatives to improve textbook affordability. Currently, the University offers textbook rentals, multiple formats, open-source materials, bundling, custom textbooks, common textbooks for large, multi-section courses, and library reserve to reduce costs to students. The University is also collaborating with Barnes & Noble to implement its Inclusive Textbook Program as a pilot for selected titles beginning fall 2018. This program will provide direct savings to students for the selected titles.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.

**6B Standardize materials:** Colleges and universities must encourage departments to choose common materials, including digital elements, for courses that serve a large enrollment of students. Please complete the section that aligns with the implementation status of your college/university.

Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.

If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.

Over 90% of Shawnee State's large enrollment, multi-section courses use a common textbook and/or open-source digital resources. Many textbook titles are available on reserve in the library.

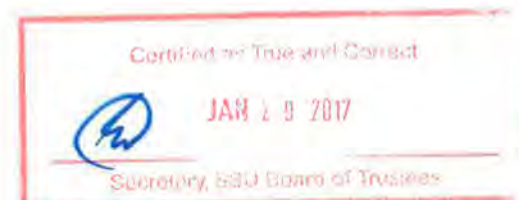
**6C Develop digital capabilities:** Colleges and universities must be part of a consortium to develop digital tools and materials, including open educational resources, that provide students with high-quality, low-cost materials. Please complete the section that aligns with the implementation status of your college/university.

Please explain your efforts to develop digital tools and materials.

If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.

The University is participating in state-wide discussions on textbook affordability, implementing best practices, and when available, will participate in consortium.

If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.





**Ohio Revised Code Section 3333.951(C) requires Ohio's public colleges and universities to report their efforts towards reducing textbook costs for students. Please discuss all practices implemented that ensure students have access to textbooks at an affordable price. Also, please identify efficiencies captured from your practices.**

**Ohio Revised Code Section 3333.951(D) requires Ohio's public colleges and universities to conduct a study to determine the current cost of textbooks for students enrolled in the institution and submit the study to the Chancellor by a date prescribed by the Chancellor. Please note that the study will be due on the same submission timeline as the FY18 Efficiency Advisory Committee survey; therefore, institutions should prepare accordingly to meet this timeline.**

#### Recommendation 7 | Time to Degree

**7A Education campaign:** Each college/university must develop a coordinated campaign to educate its full-time undergraduates about the course loads needed to graduate on time (two years for most associate degrees and four years for most bachelor's degrees). Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

The University provides information concerning on-time completion to students through its freshman orientation and centralized advising/professional advisors. In 2016, the University implemented a 15-to-Finish campaign that included flyers, posters, and online information through the University's mobile app. All freshmen and transfer students are required to complete the First Year Experience course in which students develop an academic map for degree completion. The academic map exercise stresses the importance of completing a degree in the minimum amount of time.

In its first year this program resulted in 154 students moving from taking 12 credit hours to the 13-18 credit hour range. This shift allows for the average student to finish a four-year degree one semester early resulting in \$153,249 in annual savings to students (\$995 per student per year).

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**



**7B Graduation incentive:** Colleges and universities should consider establishing financial incentives to encourage full-time students to take at least 15 credits per semester. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

The University's Board of Trustees has approved the implementation of the Shawnee State Advantage program beginning fall 2018 that guarantees incoming freshmen and first time transferring students' tuition and fees that will be held constant for four years. This program provides a significant financial incentive for students to complete at least 15 credit hours per semester in order to move to graduation within four years.

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**7C Standardize credits for degree:** Colleges and universities should 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. Exceptions are allowed for accreditation requirements. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

Approximately 70% of Shawnee's baccalaureate degrees require the minimum of 120 credit hours and 98% require  $\leq 126$  credit hours. For associate degree programs, 50% of our programs require  $\leq 65$  credit hours. Accreditation requirements prevent many of the associate degree programs from meeting the threshold of  $\leq 65$ .

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A blue ink signature of the Secretary of the SSU Board of Trustees.

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**7D Data-driven advising:** Colleges and universities should enhance academic advising services so that students benefit from both high-impact, personalized consultations and data systems that proactively identify risk factors that hinder student success. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

Shawnee State uses a centralized advising system for freshmen to provide enhanced advising and high impact, personalized consultations. All freshmen and transfer students complete a first year experience class in which they are required to create an academic map and meet with a professional or faculty advisor to develop the map. Faculty complete an annual advisor survey in which they identify students who are not making adequate progress towards a degree or are in need of additional assistance. The University also utilizes a "Refer a Student" web site where faculty and staff can identify students who are at-risk. These students are contacted and provided with assistance options. Considerable resources are being redirected to support intrusive advising. The University recently purchased Aviso, an advising software system that will allow professional and faculty advisors to more closely follow student progress, identify at-risk students, and provide enhanced student-advisor communications.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**7E Summer programs:** Colleges and universities must develop plans to evaluate utilization rates for summer session and consider opportunities to increase productive activity. In particular, colleges and universities should consider adding summer-session options for high-demand classes and bottleneck courses that are required for degree completion. Please complete the section that aligns with the implementation status of your college/university.

**Please provide details on the results of the assessment. In particular, please address whether the campus added summer session options for high-demand and bottleneck classes.**

In summer 2017, SSU required all entering freshmen who placed into two or more developmental courses to complete a summer bridge program called Bridge to Success. Over one hundred students enrolled in the six-week program that included developmental courses in math, composition, reading, and freshmen first-year-experience and skills courses. Students paid only a \$50 registration fee. All courses and housing were provided at no cost. Nearly 70% completed the Bridge program and registered as Freshmen. The bridge program is supported by a state Innovation Grant. Participants in the Bridge program were able to save the cost of one semester (\$3,500) which equaled a total savings of \$245,000 in 2017.



In addition, the University expanded its summer online course offerings by 60% in order to provide greater access to high demand, bottleneck courses, particularly general education requirements.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**7F Pathway agreements:** Colleges and universities should continue to develop agreements that create seamless pathways for students who begin their educations at community or technical colleges and complete them at universities. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

Shawnee State continues to actively engage local and regional community colleges and career and technical centers in order to establish articulation agreements. The Dean of Graduate Studies and Assessment is responsible for developing articulation agreements and has been in contact with our feeder schools to develop agreements. It should be noted that several of these feeder schools have been very slow to respond to agreement requests.

**Please provide details. In particular, how many articulation agreements does the college/university have with other Ohio colleges and universities (either 2+2 or 3+1)? Please provide a list.**

The University has one signed articulation agreement with Southern State Community College which includes 2+2 pathways in Plastics Engineering Technology, Business, Mathematics, and Nursing; and 1+1 pathways for Medical Laboratory Technology, Respiratory Therapy, and Radiologic Technology.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**





**7G Competency-based education:** Colleges and universities should 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. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

**If applicable, please provide additional details. In particular, how many students does the college/university estimate the competency-based education programs will serve?**

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

There are no immediate plans to implement competency-based education but the University will continue to explore this model. SSU's provost attended the ODHE symposium on planning and developing CBE programs. Information presented by the Educational Advisory Board (EAB) in the afternoon portion of the summit indicated that may be attractive as we expand our programming for adult learners.

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

### Recommendation 8 | Course and Program Evaluation

**8 Duplicative Programs:** Colleges and universities should review and address low-enrolled courses and programs and consolidate programs duplicated at other colleges and universities in your geographic area. Please indicate the section that aligns with the implementation status of your college/university. There is no need to provide your report.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

The institution has implemented this recommendation and has established a plan (including thresholds) for both low-enrolled courses and programs. In the past academic year, Shawnee State cancelled, with few exceptions, all 1000-level classes with fewer than 10 students and all 2000+ level classes with fewer than six students. In addition, the University closed two duplicative programs (southeast region) and eliminated an additional five academic programs based on low enrollments.

Additionally, The College of Professional Studies at Shawnee State University (SSU) is in the process of updating and developing program transfer guides with various universities, community colleges, regional campuses, and the county career technical center. Each of the five departments and the School of Education are reviewing program transfer agreements that may need updating or identifying new transfer





agreements that need developing. Some sample transfer agreements and the institutions with whom we have agreements in place or are currently in development:

- Scioto County Career Technical Center (SCCTC) has been a long standing partner in the preparation of health care providers in fields such as Nursing. We are updating our relationship with SCCTC to identify barriers or issues with their LPN program completers successfully entering the ADN program at SSU. It is the desire of SSCTC and SSU that their program completers are able to enter SSU's ADN program and then continue into the RN to BSN program at SSU to better meet the needs of the regional health care providers.
- SSU and Ohio University (OU) are working together to gain approval for a transfer pathway for individuals who complete the associate degree in Environmental Engineering Technology at OU-Southern or OU-Chillicothe and then transfer to SSU to complete the baccalaureate degree in that field.
- SSU has partnered with Columbus State Community College (CSCC) to provide a transfer pathway for their students in Exercise Science or Sport Management associate degree program to complete their baccalaureate degree at SSU.
- SSU is working with SSCC in Hillsboro to offer the Occupational Therapy Assistant (OTA) program at the associate degree level on the SSCC campus. Southern State will provide the General Education Program courses and SSU will provide the OTA course work and clinical supervision for the OTA license.
- SSU is the lead institution for a graduate level program for educator licensure in the Visual Impairment Education. This program is offered entirely online and is a cooperative program with four other institutions of higher education in Ohio: Kent State University, University of Toledo, University of Rio Grande Rio Grande Community College, Mount Vernon Nazarene University. Students complete their coursework from one of the partner institutions and complete their clinicals at a site identified in their region of the state and are supervised by a faculty member from one of the partner institutions.
- SSU and SSCC are reviewing a new transfer agreement pathway for students completing an associate level health related program and transfer to SSU to complete the baccalaureate degree with a major in Health Sciences.
- SSU is developing or enhancing online programs in BSN and in Health Sciences to improve access to these degrees for non-traditional populations of students or those for whom access may be limited.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**Course and Program Sharing: What courses/programs are currently being shared with other colleges and universities?**

| Course/Program | Partnering College/University | Explanation |
|----------------|-------------------------------|-------------|
|----------------|-------------------------------|-------------|







|           |  |  |  |
|-----------|--|--|--|
| See above |  |  |  |
|           |  |  |  |

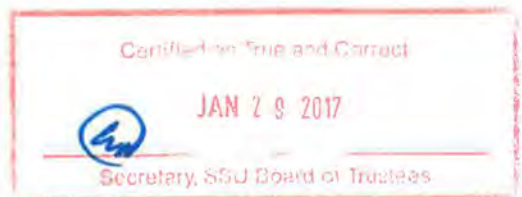
**Recommendation 9 | Co-located Campuses**

Ohio Revised Code Section 3333.951 requires Ohio's co-located colleges/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.

Co-located Campus: \_\_\_\_\_

| Type of Shared Service or Best Practice (IE: Administrative, Academic, etc.) | Please explain in detail your findings related to this shared service or best practice. |
|--|---|
|  |   |
|  |   |
|  |   |
|  |   |
|  |   |

|   |
|---|
| <b>Please explain your approach and process to sharing services with your co-located campus.</b>        |
| <b>Please identify and discuss best practices that have been identified by the co-located campuses.</b> |
| <b>Please provide your estimated cost savings from shared services between the co-located campuses.</b> |



### Section III: Policy Reforms

#### Recommendation 10 | Policy Reforms

**10A Financial advising:** Ohio's colleges and universities should make financial literacy a standard part of students' education. Please complete the section that aligns with the implementation status of your college/university.

**Has the college/university implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.**

Beginning in FY 16, SSU required that all incoming students with 30 or fewer transfer credit hours take UNIV 1100 First Year Experience. The UNIV 1100 curriculum includes information on financial literacy. As a result of this requirement, over 90% of SSU's incoming students in FY 16 received instruction on financial literacy.

Based upon feedback received throughout FY16, the course was redesigned, including a significantly greater amount of time focused on financial literacy. Additionally, a custom textbook that included a more robust chapter on financial literacy was developed in partnership with Macmillan Learning.

Finally, a new course was piloted in the Fall semester of FY17: UNIV 1999: Special topics – Financial Literacy. This 2-credit hour course expands upon the financial information presented in UNIV 1100 and provides students with a much more in-depth exploration of their personal financial situation, as well as, important financial decisions to be made during and after college including home buying/renting, investing, credit usage, and insurance options.

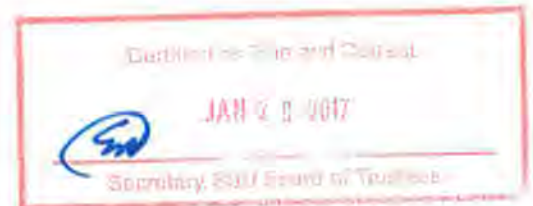
In addition to the efforts above, SSU has incorporated financial literacy information into our orientation sessions. These efforts were achieved with a significant cost to the University but we are hopeful it will reduce bad debt expense to the University as well as repayment of loans.

**If the college/university has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the college/university has not implemented this recommendation and does not plan to do so, please provide the rationale.**

**If this recommendation was fully implemented in FY16 and no substantial changes occurred in FY17, please indicate below.**

**10B Obstacles:** The state Department of Higher Education and/or state legislature should seek to remove any obstacles in policy, rule or statute that inhibit the efficiencies envisioned in these recommendations.

**What legislative obstacles or policy roadblocks, if any, inhibit efficiencies and affordability practices at the college/university?**





**Construction Reform**

**With the Construction Reform legislation in 2012, please describe the outcomes, efficiencies gained, and benefits to students from implementing this reform.**

The Multiple Prime option which is part of construction reform, is the most cost effective option for our size projects. We have a consistent pool of MEP Contractors that bid our projects and having our contract with them has proven effective by completing all projects on schedule and under budget while having a constantly changing pool of local and non-local General Contractors. We have also utilized the new General Contracting option on a few smaller projects with equal success. We will have some larger projects in the future and we will consider using the CM at Risk option.


By using the Multiple Prime and the General Contracting options predominantly, we have maximized our construction budgets while meeting tight schedules on our recent and current construction projects.

SSU will continue to evaluate the best options created by Construction Reform, to apply to all of our future projects.

**Additional Practices**

**Are there additional efficiency practices your college/university implemented in FY17 to ensure students have access to an affordable and quality education? Please identify.**

SSU is currently evaluating our print management operations. Preliminary analysis suggest that we can eliminate 50% of our desktop printers over the next year. This would result in a savings of approximately \$25,000 per year. Additionally, we are implementing a student print management system that will track and control the amount of pages students can print at no cost. Once a pre-determined threshold is met students will be charged for any printing thereafter. The student print management system will save the university approximately \$30,000 per year in unnecessary printing cost. These programs will also contribute to our sustainability efforts on campus.

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#### **Section IV: Cost Savings, Redeployment of Savings & Tangible Benefits to Students**

The following charts allow each college/university to report this information. For the first chart, please provide, if applicable, any actual cost savings to the college or university and/or students for fiscal year 2017 (or expected annual cost savings) for each of the recommendations from the Task Force. (Please note this does NOT include cost avoidance.)

For the second chart, please provide more detail as to how cost savings were deployed, specifically in the following categories: reductions in cost of attendance, student financial aid, student services, investment in efficiency and affordability tools, and student program improvements. Please use the explanation field to provide further detail.

**Please use the chart below to capture, if applicable, FY17 cost savings, or expected annual savings, to the college/university in actual dollars:**

| Recommendation   | If applicable, provide the actual FY17 cost savings, or expected annual cost savings, to the institution and/or student. Please specify.<br><small>*Put NA if no savings</small> |
|--|--|
| <b>Efficiency Practices</b>                            |  |
| 3A: Campus Contracts                                   | \$120,000 cost avoidance to University   |
| 3B: Collaborative contracts                            | \$128,800 cost avoidance to University   |
| 4A: Asset Review                                       | N/A  |
| 4B: Operations Review                                  | \$189,281 expenditure reduction to University  |
| 4C: Affinity partnerships and sponsorships             | \$25,500 Scholarship components to students & \$818,384 cost avoidance to University   |
| 5A: Cost diagnostic                                    | N/A  |
| 5B: Productivity measure                               | \$154,882 expenditure reduction to the University  |
| 5C: Organizational Structure                           | SSU expects a \$200,000 expenditure reduction to the University in 2018  |
| 5D: Health-care costs                                  | \$637,000 cost avoidance to University   |
| 5E: Data Centers                                       | N/A  |
| 5F: Space utilization                                  | \$26,852 revenue generated for space rental in 2017  |
| Energy projects  | \$638,944 cost avoidance to University   |
| <b>Academic Practices and Policies</b>                 |  |
| 6A – 6C and textbook efficiency practices              | \$392,183 savings to students  |
| 7A: Education Campaign                                 | \$153,249 estimated savings to students  |
| 7B: Graduation Incentive                               | NA   |
| 7C: Standardize credits for degrees                    | NA   |
| 7D: Data-driven advising                               | NA   |
| 7E: Summer programs                                    | \$245,000 savings to students  |
| 7F: Pathway agreements                                 | NA   |
| 7G: Competency-based education                         | NA   |
| 8: Duplicative and low-enrollment courses and programs | \$58,100 expenditure reduction to the University   |
| 9: Shared services at co-located campuses              | NA   |
| Construction Reform                                    | NA   |
| 10A: Financial advising:                               | NA   |
| Additional efficiency practices                        | \$55,000 cost avoidance for print management   |
| <b>Total Expected Annual Cost Avoidance/Savings:</b>   | <b>Cost Avoidance =\$2,424,980; Exp. Reduction=\$402,263</b>   |
|  | <b>Savings to Student= \$322,962</b>   |

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Please utilize the chart below to show how the total actual cost savings listed above were redeployed to either (1) reduce the cost of college for students or (2) to provide tangible benefits for the quality of students' education:

| Category  | Amount Invested | Explanation  |
|---|-----------------|--|
| Improvements to high-demand/high-value student programs                             | \$16,000        | Career Services enhanced staffing (2 graduate student assistants)  |
| Investments in tools related to affordability and efficiency                        | \$64,150        | Aviso retention software, including predictive analytics and student coaching to support student success   |
| Student financial aid   | \$85,500        | Scholarship opportunities including enhanced athletic scholarships for new and current student-athletes to support engagement and persistence  |
| Student success services, particularly with regard to completion and time to degree | \$42,520        | Oracle Cloud Service module – enables smart knowledge base, ticketing system and live chat to address student concerns   |
| Student success services, particularly with regard to completion and time to degree | \$112,966       | New sections added to support requirement that all new students with less than 30 earned hours take the first-year experience course, which includes career information and financial literacy components. |
| Student success services, particularly with regard to completion and time to degree | \$2,000         | 1 <sup>st</sup> Gen program supporting first generation students by providing mentors  |
| Investments in tools related to affordability and efficiency                        |                 | Cashnet Online payment services added for Bridge and Orientation and allows students to pay orientation fee and bridge fee online conveniently   |
| Investments in tools related to affordability and efficiency                        | \$15,000        | Online Orientation Platform and Services allow students to complete the orientation process without incurring the costs of travelling to campus or missing work  |
| Improvements to high-demand/high-value student programs                             | \$31,072        | At the request of Student Government SSU established a 24-hour technology lab  |



DRAFT pending SSU Board of Trustees Approval on 15-Dec-17



|   |                  |   |
|---|------------------|---|
| Investments in tools related to affordability and efficiency                        |                  | Adirondack system, housing—automated room, self-room, and meal plan selection.  |
| Student success services  | \$11,750         | Various programs were implemented through Development Foundation grants.  |
| Student success services, particularly with regard to completion and time to degree | \$10,000         | Faculty, staff, or others may refer any student who may be experiencing academic or non-academic difficulty at Shawnee State University. Referred students will be contacted by either the Student Success Center (academic) or Student Affairs (non-academic) regarding appropriate resources and assistance. Referrer's name will be kept confidential. |
| Improvements to high-demand/high-value student programs                             | \$17,800         | Onsite psychological services offered to students   |
| <b>Total Expenditure Reduction Deployed</b>   | <b>\$408,758</b> |   |

DRAFT

Certified as True and Correct

JAN 29 2017

Secretary, SSU Board of Trustees

**RESOLUTION F23-17**  
**APPROVAL OF THE**  
**GIVE BACK GO FORWARD PROGRAM**

WHEREAS, Shawnee State desires to launch the Give Back Go Forward program, a statewide initiative that has grown out of partnerships between public universities, the Ohio Department of Higher Education, and the Ohio Department of Aging; and

WHEREAS, Shawnee State's program is unique because it calls on the voluntary efforts of Shawnee State undergraduate students, majoring in health professions, to assist the senior community surrounding the University; and

WHEREAS, the experience and networking that the program provides will be invaluable for these students, as they enter their chosen career pathways and will have a positive impact on our students and community; and

WHEREAS, the Program's participants will "give back" at least 100 hours of their time to local senior citizens in return for a three-credit-hour tuition waiver that can be used for undergraduate courses the following summer semester; and

WHEREAS, 369.180 of Am. Sub. H.B. 64 of the 131th General Assembly requires any waiver of tuition for any particular student or any class of students not otherwise permitted by law at a state-assisted institution of higher education be approved by the Chancellor of the Ohio Department of Higher Education;

THEREFORE, BE IT RESOLVED, the Shawnee State University Board of Trustees approves the Give Back Go Forward Program and approves the waiver of three undergraduate credit hours to participants in accordance with Directive 2009-011;

BE IT FURTHER RESOLVED, the Program will be available beginning fall semester 2018, pending approval of the waiver by the Chancellor of the Ohio Department of Higher Education.

(December 15, 2017)





December 6, 2017

**Summary of Fall 2017 GBGF activities**

The Give Back, Go Forward allows college students the opportunity to “give back” to their communities by volunteering at least 100 hours per academic year. In exchange the student earns a tuition voucher for three credit hours, to be used in summer semester, from their participating university or community college.

Beginning fall 2017, Shawnee State University launched the GIVE Program (Generations Influencing Volunteerism and Education). The program will allow students to participate in Give Back, Go Forward to earn tuition credits.

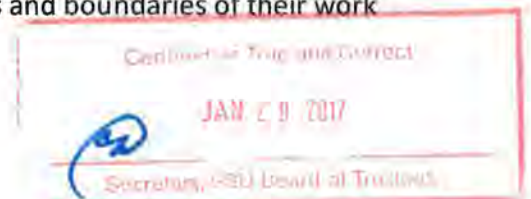
Students were selected by coordinating college professors, and a graduate assistant has been hired for oversight, support, program monitoring and evaluation.

The project is designed to connect with older adults in locations near the college campus at this time. Students work with older adults through individual time as well as offering other community resources; including intergenerational dining on the campus and offering evidenced-based wellness programs. The aims of the programs for older adults is to have improved health outcomes and improved ability to remain living independently in their homes.

The Give Back Go Forward program at SSU has successfully begun this semester.

With approval from Dr. Bauer, Provost, 15 undergraduate students applied and were accepted as volunteers for the pilot program this academic year. Volunteers were recruited and selected from the following degree programs; 4 from the Health Administration program, 3 from nursing program, 4 from the occupational therapy assistant program, and 4 from the bachelor’s in occupational therapy 3+2 program.

Dr. Sarah Boehle (Health Administration), Dr. Christine Raber (Occupational Therapy), and Associate Professor Maggie Selby (Nursing) are faculty coordinators and have collaborated with the Area Agency on Aging District 7 and Ohio Department of Aging in planning and development of the program. AAA7 and faculty coordinators developed and delivered a 90 minute on-boarding orientation for the volunteers. The program is being delivered at two Portsmouth Metropolitan Housing Association (PMHA) senior housing apartment complexes in Portsmouth, Ohio. A site orientation occurred at both complexes on October 31, 2017, in which student volunteers and coordinators met with tenants and Wanda Blair, Coordinator for both buildings. Content including safety topics, role of volunteers and boundaries of their work



with tenants, and aging sensitivity activities, was provided. Additional training and communication about process to document volunteer hours has been ongoing.

Through scheduled events (listed below), we are building relationships with tenants in order to meet their needs and identify tenants interested in individual visiting.

GBGF Activities conducted to date:

- 2 meet and greets (November 8 & 9) at each building: coffee and cookies served (donated by SSU Sodexo)
- Tenant Council meeting November 15: attended and discussed the program and identified needs and methods of communication with tenants; planning to attend December 20 tenant council
- November 16 Thanksgiving lunch: volunteers assisted with preparing and serving
- Six scheduled visiting times have 6 weekly volunteer dates (November 27, 28, 29, 30, and December 4 & 5)
  - Activities to date have included chatting with tenants, taking walks around the building, and decorating for Christmas, and playing board games
- 7 weekly volunteer dates are coming up (December 6, 7, 11, 12, 13, 14, & 15)
- Holiday sing-along occurred on Dec.1, and 2 are scheduled (Dec. 8 & 20)
- Assisting with holiday lunch on December 14 is scheduled
- TOTAL EVENTS: 11 completed, 11 Planned
- TOTAL GBGF student volunteer HOURS: approximately 80 student volunteer hours logged
- TENANTS PER EVENT: approximately 3-5 for the weekly activities

To support delivery of the GBGF program, a graduate student employee has been hired (Allison King), and Dr. Raber is her direct supervisor. The duties of this position include assisting program faculty in administrative tasks related to the program, including but not limited to:

- Assist in supervision of GBGF undergraduate students that supports their completion of volunteer hours at assigned sites
- Collect timesheets from student volunteers for verification
- Serve as point of contact for communication about any needs or concerns related to the volunteer service
- Perform administrative tasks needed to support the program (distributing, collecting and organizing relevant data and paperwork, filing and organizing data, etc)
- Communicate regularly with program faculty and site contacts
- Support volunteers in provision of group interventions as needed

To date she has worked 27 hours supporting the launch and delivery of the GBGF program.







Estimated amount of time provided by EACH of the faculty coordinators has been approximately 1-5 hours per week since beginning of the semester. MOT program is providing office space and office supplies to support the graduate student employee's work. Aside from graduate student employee compensation, and tuition credits for volunteers, no budget has been established. We are tracking expenses (copying, office supplies, etc) and identifying needs and costs.

We have a meeting with volunteers scheduled on Dec. 7 to plan for next semester and support their plans for achieving goal of 100 hours of volunteering at PMHA sites by May 4, 2017.

We feel the launch has been successful and we are learning a good deal. To help track impact of volunteering on attitudes about aging, volunteers completed an Attitudes about Aging pretest before beginning volunteering. We are working with ODA and AAA7 to plan delivery of evidence based programs, such as Eat Smart, Live Strong, and Matter of Balance, at each site. Also, in the planning stages through the GIVE initiative, is establishing a senior dining site on SSU's campus. Additional volunteer activities to support this include walkability study to assess walking conditions from each site to campus and possibility of implementing walking clubs in spring at each site based on interest of tenants. Finally, we have identified additional training needs for volunteers including effective responding and relating with tenants living with mental health concerns.

Respectfully submitted,

Dr. Christine Raber  
Dr. Sarah Boehle  
Maggie Selby, M.S., RN

cc: Dr. Jeff Bauer





# Academic Affairs Report

December 15, 2017



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Certified as True and Correct

JAN 29 2017



Secretary, SSU Board of Trustees

## Academic Events

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### Distinguished Lecture Series

**Benjamin Busch** gave a presentation on October 25 as part of the Distinguished Lecture Series. Busch delivered a multimedia lecture on how our sense of service has changed in the new century. As America transitions from manufacturing to an economy increasingly defined by service and consumption, laborers are struggling to hold their place as contributors to national production. Busch is the author of the memoir *Dust to Dust* and his essays have appeared in *Harper's*, *The New York Times*, and *NPR*. He was an actor in the HBO series *The Wire*, the HBO mini-series *Generation Kill*, and is the writer/director of the film *BRIGHT*.

**Dr. Najat Abdulhaq** presented "Unconventional Revision of Narratives: The Emergence of the "Arab Jew" in contemporary Arabic Literature" as part of the Distinguished Lecture Series. In Dr. Abdulhaq's current research, two official nationalist narratives (Arab-Egyptian and Israeli) have dominated, for decades, the discourse on the history of Egypt's Jews. In the last decade, a different narrative is being discussed in the Arabic speaking sphere, documentaries, films and novels are having a cardinal role in this process, which is not limited to Egypt. Dr. Abdulhaq's talk explored the questions of how and why this narrative is emerging.

### Shawnee 17.0 Game Development Conference

**SSU's Annual Game Development Conference** was held on November 3. Over 400 attendees, most from local and regional high schools and career technical centers, enjoyed a full schedule of presentations by well-known professionals in the gaming industry. The day was highlighted by the keynote address given by **George Ziets**. Ziets has been writing and designing games since 2001. He spent the first part of his career on MMOs like *Lord of the Rings Online*. He is now a lead designer at *InXile Entertainment*, working on the recently crowd-funded *Wasteland 3*.





## Initiatives and Reports

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### Higher Learning Commission Accreditation

Shawnee State is required to submit a Systems Portfolio and Federal Compliance Report to the Higher Learning Commission by the end of January 2018 in order to renew its accreditation. SSU participates in HLC's Academic Quality Improvement Program (AQIP) pathway. Following submission of the portfolio, SSU will be visited by HLC Peer Reviewers later in 2018 or early 2019. With a successful review, SSU will receive reaffirmation of accreditation in 2019.

### Ohio Department of Higher Education (ODHE)

The following reports will be due to the ODHE by the dates listed:

- Duplicative Program Final Report – submitted to Chancellor by December 31, 2017. Board of Trustee approval necessary (February meeting).
- Remediation Cost Report – submitted to the Chancellor by December 31, 2017. Board of Trustee approval necessary (February meeting).
- Tenure Policy Review and Commercialization Pathway – Board of Trustee approval and submitted to Chancellor by July 1, 2018.
- Textbook Affordability Report - Date of submission pending.

### Textbook Affordability

The Textbook Affordability Committee is actively reviewing and considering multiple initiatives that will reduce the costs of textbooks for students. The University will be implementing an Inclusive Access initiative during Fall Semester 2018. Inclusive Access provides an inexpensive digital textbook to students in eligible courses. Students are charged a fee prior to the beginning of the semester and have access to the textbook prior to the first day of class.



## **Academic Programs and Curriculum**

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### **Learning House Presentation**

Shawnee State welcomed representatives from Learning House who gave a presentation on the services they provide as part of their partnerships with universities. Learning House is an Online Program Management Service and assists institutions in the development and expansion of online programs.

### **Department of Nursing (DN)**

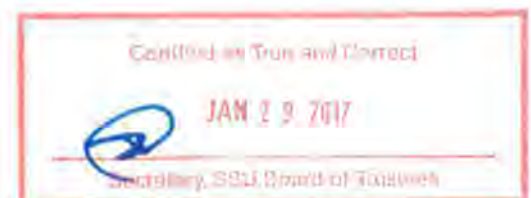
DN will be reinstating the spring admission for the Associate Degree Nursing program. DN has developed three online pathways for the RN – BSN completion programs to better accommodate the needs of working nurses. These options include full-time and part-time programs of study. The RN – BSN completion program will be available online beginning in Fall 2018.

### **Department of Allied Health Sciences (AHS)**

The Bachelor of Science degree in Health Sciences enrollment has grown to more than 180 students as of Fall 2017. Dr. Tim Angel, has been hired to coordinate this academic program and to prepare online versions of the courses so that the program can be offered fully online by Spring Semester 2019. Three courses will be offered online this spring semester. In addition to the development of the online Health Sciences courses, the faculty are in the initial stages of program development for a master's degree in Health Sciences.

### **Department of Rehabilitation and Sport Professions (RSP)**

A consultant has been hired to work with our Master of Occupational Therapy (MOT) faculty and develop a post-professional doctoral degree in Occupational Therapy (OTD). This degree will provide a professional, terminal degree for those who were





licensed at the bachelor or master level. The OTD program is projected to be available and in a fully online format for Fall 2019.

The Occupational Therapy Assistant Program submitted an application to the state for approval of a satellite program at Southern State Community College.

The Exercise Science Program (ESP) faculty are working on the development of degree tracks for pre-MOT, pre-Athletic Training, and pre-Physical Therapy to better support our students who pursue initial licensure in these program areas. ESP faculty have been meeting with graduate faculty at Marshall and Ohio University to develop program pathways that will allow students to earn a bachelor degree from SSU and continue their graduate studies at Marshall or Ohio University. The faculty are also in the early stages of program development for a Master's Degree in Exercise Science which will be offered entirely online.

### **Department of Business Administration (BA)**

BA faculty are collaborating with faculty from the Department of Engineering Technology to develop a stackable certificate/degree pathway in Industrial Management. Working with regional workforce development and the woodworking industry representatives, faculty from both departments have conducted a needs assessment and submitted initial approval documents for a certificate to degree program that will help meet the needs for area businesses to prepare and promote employees from their companies to leadership positions. The program is "stackable" in that the workers will take select courses for a certificate that can then apply to an Associate Degree and a Bachelor Degree in Industrial Management.

BA faculty are developing a certificate and/or minor program in Cybersecurity that can be taken by students in any major area. A degree proposal is being developed by the Information Systems Management faculty for a major in Computer Science. This





program development is in the early stages with needs assessment data recently received.

Work on International Accreditation Council for Business Education (IACBE) accreditation continues with the faculty collecting student assessment data for the outcomes related to IACBE professional standards.

### **Department of Engineering Technology (ET)**

The Plastics Engineering Technology faculty are continuing work to achieve accreditation through the Accreditation Board for Engineering and Technology (ABET). The program is expected to be fully accredited by 2020. Enrollment in the Plastics program has doubled over the last two years.

### **School of Education**

Teachers of Visually Impaired (TVI) Program was launched in Fall 2018 with 17 fully enrolled graduate students. Recruitment has begun for the 2018 cohort with an expectation of about 25 new students. This program is a collaborative program with four other universities – both public and private – across Ohio. Current students represent all regions of the state.

The School of Education recently participated with four other colleges/universities in a legislative day providing information about the clinical model of educator preparation and how it is provided at SSU. State Representatives, Senators, and State School Board members were present for the presentations and a tour of a regional school participating in the clinical model program.

### **Children's Learning Center (CLC)**

The CLC is at capacity with a waiting list for registrations. The CLC earned a Five Star rating from the Ohio Department of Education, Office of Early Childhood



Education and has received a \$64,000 grant to support enrollment. Currently, the Center is collaborating with West End Day Care to assist them with meeting their needs of high quality childcare as part of the "Step Up to Quality" program.

### **Department of English & Humanities (DEH)**

In collaboration with the School of Education, a new teacher credentialing program is under development to provide practicing high school teachers with content graduate credit hours and a master's degree. Upon completion, the teachers will be eligible to provide university-level English courses at their high schools for dual credit or to be hired at SSU as an adjunct in DEH.

DEH is also in the process of designing a new Communication major and a Professional Writing/Technical Writing Certificate.

### **Department of Natural Sciences (DNS)**

The Department of Natural Sciences is developing new tracks in the Chemistry Major - Pre-Pharmacy, Industrial Chemistry – and an introductory fermentation science class. With success and interest in the latter, DNS will seek to develop a Fermentation Science Certificate:

### **Department of Social Sciences (DSS)**

Dr. Andrew Feight, Professor of History, is developing a certificate program in Digital Appalachian Studies which utilizes existing courses and faculty specialties in digital arts, social sciences, business administration, and humanities. This 15-credit hour course of study focuses on developing an understanding of the Appalachian region – its history, culture, and the current issues facing its communities. It is expected that this program will attract traditional and non- tradition students who are interested in learning more about the culture of the area.





Faculty in DSS are also developing Chemical Dependency Certificate. This program will help meet an existing need in the community. The Counseling Center and SSU's counselors are collaborating with DSS on the certificate program.

### **Department of Fine, Digital, and Performing Arts (FDPA)**

FDPA is developing an academic program in illustration that takes advantage of the expertise of its faculty and provides a career-specific track for students with talents in art and design.

### **Center for International Programs and Curriculum (CIPA)**

Ryan Warner, Director of CIPA, visited the Saudi Arabian Cultural Mission (SACM) in Washington DC to discuss the loss of SACM-sponsored students in SSU's Master's Program in Curriculum and Instruction (C&I). Director Warner confirmed with the SACM Director that the C&I program is ready to receive new Saudi Arabian students and it is expected that our enrollment of Saudi students will increase beginning Spring Semester 2018.

CIPA is in the process of re-establishing and articulating partnership agreements in China with South China Normal University (SCN) and Guangdong University of Foreign Studies (GDUFS). Dr. Xiaodan Huang, retired SSU faculty member, is assisting the institution in renewal of our Chinese partnerships. These partnerships will include renewing our 2+2 with SCN and, potentially, a 3+1+1 with GDUFS.

SSU faculty teaching abroad this academic year include Dr. Nicholas Meriwether (Israel), Dr. Mich Nyawalo and Dr. Pablo Salinas (Cuba or France). Dr. Salinas will also be teaching in Costa Rica.





**College of Professional Studies (CPS), Advisory Council**

The CPS Advisory Council met in November. The Council includes regional professionals, many of whom are SSU graduates. The meeting included program and curriculum updates from CPS chairpersons and discussions on how CPS academic programs can continue to meet the needs of our students as well as business and industry.

**Clark Memorial Library**

The Bear Cave extended its hours and is now open until 11:00 pm on Friday and Saturday. The additional hours will help students successfully finish the semester by providing study hours during a crucial period before final exam week. The Bear Cave continues to be a favorite spot for students to study.

The Clark Memorial Library, Writing Center, and Information Technology Services hosted The "Night Against Procrastination" on December 3<sup>rd</sup>. The "Night Against Procrastination" is a popular annual event featuring an ample supply of good food, coffee, popcorn, stress relief activities, and academic support. Tutors, librarians, and tech support were on hand to help students complete the last lap of the semester.

The library staff is pleased to note the number of visits to the library continues to climb. Last year, the library's door count totaled 218,065, an increase of nearly 20,000 over 2012 totals. These numbers do not include students attending the library's three large classrooms and the Bear Cave.



## Partnerships & Grants

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### BEARers of the Future

BEARers of the Future represents a K-12 partnership with Portsmouth High School (PHS). In November, ninth grade students at PHS took the Accuplacer placement test and FOCUS2 career assessment. Professional academic advisors from Shawnee State's Student Success Center and Career Services Office followed up by meeting one-on-one with the students to discuss their academic placement and career options. The program allows students to consider misalignments of their career interests and education at a time when they can still make adjustment prior to entering college. The next step is to scale up the program so that it can be extended to other K-12 partners.

### Grants

The Office of Institutional Research and Sponsored Programs reports that we have generated \$3.2 million in grant awards since the beginning of the fiscal year. This is just \$100 K short of awards generated for the entirety of FY 17.

Our MOT Program has partnered with Compass Community Health on a grant proposal entitled "**Occupational Therapy and Recovery in the Transitional Phase Program**". The program is designed to target individuals who are moving from the active recovery phase of treatment for substance abuse and graduating into the transitional phase. Faculty and students in SSU's Occupational Therapy Program will participate in the program, if funded.

SSU has partnered with the State of Ohio on a federal grant proposal entitled "**Strong Start to Finish**". The proposal provides resources to support co-requisite education models for college students requiring remediation.



## Personnel

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### Retirements:

**Dr. Stylianos Hadjiyannis**, Professor of Political Science, 28 years of service to SSU.

**Mr. Howard Dortch**, Senior Instructor, Gaming and Simulation, 10 years of service to Shawnee State.

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JAN 29 2017



Secretary, SSU Board of Trustees



Spring Weekly Registration Comparison Report  
Academic and Student Affairs Committee Meeting  
December 15, 2017

| Week 4 of Registration                     | 11/30/2015  | 11/28/2016  | 11/27/2017  |
|--|-------------|-------------|-------------|
| <b>New Undergraduate Enrollment</b>        |             |             |             |
| First-time in Any College                  | 15          | 8           | 18          |
| Transfer                                   | 21          | 29          | 28          |
| <b>Total New</b>                           | <b>36</b>   | <b>37</b>   | <b>46</b>   |
| <b>Difference from prior year</b>          |             | <b>1</b>    | <b>9</b>    |
| <b>Continuing Undergraduate Enrollment</b> |             |             |             |
| Freshmen                                   | 698         | 918         | 750         |
| Sophomore                                  | 589         | 583         | 610         |
| Junior                                     | 595         | 554         | 532         |
| Senior                                     | 807         | 611         | 632         |
| <b>Total Continuing</b>                    | <b>2689</b> | <b>2666</b> | <b>2524</b> |
| <b>Difference from prior year</b>          |             | <b>-23</b>  | <b>-142</b> |
| <b>Total Undergraduate</b>                 | <b>2725</b> | <b>2703</b> | <b>2570</b> |
| <b>Difference from prior year</b>          |             | <b>-22</b>  | <b>-133</b> |
| <b>New Graduate Enrollment</b>             |             |             |             |
| Graduate - New                             | 0           | 32          | 25          |
| <b>Total New</b>                           | <b>0</b>    | <b>32</b>   | <b>25</b>   |
| <b>Difference from prior year</b>          |             | <b>32</b>   | <b>-7</b>   |
| <b>Continuing Graduate Enrollment</b>      |             |             |             |
| Graduate - 1                               | 49          | 28          | 13          |
| Graduate - 2                               | 25          | 30          | 27          |
| Graduate - 3                               | 0           | 0           | 0           |
| <b>Total Continuing</b>                    | <b>74</b>   | <b>58</b>   | <b>40</b>   |
| <b>Difference from prior year</b>          |             | <b>-16</b>  | <b>-18</b>  |
| <b>Total Graduate</b>                      | <b>74</b>   | <b>90</b>   | <b>65</b>   |
| <b>Difference from prior year</b>          |             | <b>16</b>   | <b>-25</b>  |
| <b>Non-Degree Enrollment</b>               |             |             |             |
| NT - Visiting                              | 1           | 0           | 3           |
| NR - Regular                               | 0           | 3           | 3           |
| NH - Highschool                            | 0           | 1           | 0           |
| NP - College Credit Plus                   | 1           | 119         | 146         |
| NS - Senior Citizen                        | 0           | 0           | 1           |
| ND - Returner                              | 125         | 227         | 287         |
| <b>Total Non-Degree</b>                    | <b>127</b>  | <b>350</b>  | <b>440</b>  |
| <b>Difference from prior year</b>          |             | <b>223</b>  | <b>90</b>   |
| <b>Grand Total</b>                         | <b>2926</b> | <b>3143</b> | <b>3075</b> |
| <b>Difference from prior year</b>          |             | <b>217</b>  | <b>-68</b>  |

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JAN 29 2017

Secretary, SGU Board of Trustees

# Beyond the Numbers

## Key Points about Preliminary Spring 2018 Comparison Report

- The total number of registered students for this spring is about the same as last spring. Preliminary week-by-week comparison is a simple snapshot. February's report will have true comparison to previous years.
- We have been contacting students who have not paid for fall 2017 semester to reconcile accounts and release holds to allow them to register for spring 2018. Professional advising staff working with remaining students who have not yet registered for spring.
- Graduation petitions for fall are down overall from last fall. During the 2016-17 academic year, we awarded 780 degrees (see table below).
- First-time in any college student (FTIAC) retention rate gradually improving over the last three years (see tables below).
- Course completion rates have improved from previous years (see table below).

FTIAC Fall/Spring Retention Table

| Academic Year         | Retention Rate |       |        |
|-----------------------|----------------|-------|--------|
|                       | Percent        | FTIAC | Return |
| Fall 2015-Spring 2016 | 78.25%         | 869   | 680    |
| Fall 2016-Spring 2017 | 82.06%         | 864   | 709    |
| Fall 2017-Spring 2018 | 84.29%         | 700   | 590*   |

\*Spring 2018 as of 12-8-2017

Course Completion Table

| Academic Term | Final Grade (group) |        |       |
|---------------|---------------------|--------|-------|
|               | Grade A – D-        | F & NC | WD    |
| Fall 2011     | 83.74%              | 10.17% | 6.09% |
| Fall 2012     | 84.17%              | 9.87%  | 5.96% |
| Fall 2013     | 86.20%              | 8.62%  | 5.18% |
| Fall 2014     | 88.20%              | 7.54%  | 4.27% |
| Fall 2015     | 87.45%              | 7.77%  | 4.78% |
| Fall 2016     | 88.55%              | 6.63%  | 4.82% |

Degree Awards Table

| Academic Year | Masters | Bachelors | Associates | Total |
|---------------|---------|-----------|------------|-------|
| 1112          | 31      | 350       | 250        | 631   |
| 1213          | 28      | 426       | 281        | 735   |
| 1314          | 27      | 435       | 292        | 754   |
| 1415          | 38      | 436       | 264        | 738   |
| 1516          | 57      | 407       | 231        | 695   |
| 1617          | 65      | 489       | 226        | 780   |

FTIAC Fall/Fall Retention Table

| Academic Year       | Persistence Rate |       |        |
|---------------------|------------------|-------|--------|
|                     | Percent          | FTIAC | Return |
| Fall 2014-Fall 2015 | 54.36%           | 905   | 492    |
| Fall 2015-Fall 2016 | 60.87%           | 869   | 529    |
| Fall 2016-Fall 2017 | 62.50%           | 864   | 540    |

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JAN 29 2017

Secretary, MGU Board of Trustees

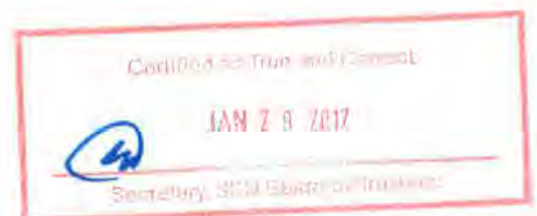


Fall 2017 Commencement Report  
Academic and Student Affairs Committee  
December 15, 2017

Prepared by the Office of the Registrar

|  | Fall 2015    | Fall 2016 | Fall 2017 |  |              |  |  |    |    |
|--|--------------|-----------|-----------|--|--------------|--|--|----|----|
| <b>Total # of Degrees:</b>             | 211          | 279       | 195       | <b>MASTERS:</b>                        |              |  |  |    |    |
| Total Masters Degrees:                 | 34           | 42        | 39        | Education                              |              |  |  | 13 |    |
| Total Bachelor Degrees:                | 114          | 180       | 101       | Occupational Therapy                   |              |  |  | 25 |    |
| Total Associate Degrees:               | 63           | 57        | 55        | Mathematics                            |              |  |  | 1  |    |
|  |              |           |           | Total Masters Degrees:                 |              |  |  |    | 39 |
| <b>BACHELORS:</b>                      |              |           |           | <b>ASSOCIATES:</b>                     |              |  |  |    |    |
| <b>College of Professional Studies</b> | <b>TOTAL</b> |           |           | <b>College of Professional Studies</b> | <b>TOTAL</b> |  |  |    |    |
| Sports Studies                         | 8            |           |           | Dental Hygiene                         | 0            |  |  |    |    |
| Business Administration                | 27           |           |           | Emergency Medical Tech                 | 1            |  |  |    |    |
| Nursing                                | 3            |           |           | Medical Laboratory Tech                | 0            |  |  |    |    |
| Occupational Therapy                   | 6            |           |           | Nursing                                | 31           |  |  |    |    |
| Health Sciences                        | 2            |           |           | Occupational Therapy Asst.             | 0            |  |  |    |    |
| Plastics Engin. Tech.                  | 2            |           |           | Physical Therapy Asst.                 | 0            |  |  |    |    |
| Computer Engin. Tech.                  | 0            |           |           | Radiologic Technology                  | 0            |  |  |    |    |
| Environmental Engin. Tech.             | 1            |           |           | Respiratory Therapy                    | 0            |  |  |    |    |
| Digital & Sim.Gaming Engin.            | 1            |           |           | Technical Studies                      | 0            |  |  |    |    |
| Athletic Training                      | 2            |           |           | Computer Aided Drafting/Des            | 0            |  |  |    |    |
| Educational Studies                    | 0            |           |           | Electromechanical Engin. Tech          | 3            |  |  |    |    |
| Early Childhood Educ PreK-3            | 0            |           |           | Plastics Engineering Tech              | 0            |  |  |    |    |
| Early Childhood Intervention Spec      | 0            |           |           | Accounting                             | 3            |  |  |    |    |
| Intervention Specialist K-12           | 0            |           |           | Business Management Tech               | 3            |  |  |    |    |
| Middle Childhood Education             | 0            |           |           | Legal Assisting                        | 1            |  |  |    |    |
| <b>TOTAL</b>                           |              |           | 52        | Information Tech. Management           | 2            |  |  |    |    |
| <b>College of Arts &amp; Sciences</b>  |              |           |           | <b>TOTAL</b>                           |              |  |  | 44 |    |
| Social Sciences                        | 6            |           |           |  |              |  |  |    |    |
| Sociology                              | 6            |           |           | <b>College of Arts &amp; Sciences</b>  |              |  |  |    |    |
| International Relations                | 3            |           |           | Arts & Humanities                      | 2            |  |  |    |    |
| Psychology                             | 6            |           |           | Social Science                         | 1            |  |  |    |    |
| History                                | 3            |           |           | Mathematics                            | 1            |  |  |    |    |
| English Humanities                     | 1            |           |           | Natural Science                        | 3            |  |  |    |    |
| Mathematical Sciences                  | 3            |           |           | <b>TOTAL</b>                           |              |  |  | 7  |    |
| Fine Arts                              | 8            |           |           |  |              |  |  |    |    |
| Natural Science                        | 5            |           |           |  |              |  |  |    |    |
| Biology                                | 4            |           |           | <b>University College</b>              |              |  |  |    |    |
| Chemistry                              | 0            |           |           | Individualized Studies                 | 0            |  |  |    |    |
| Political Science                      | 2            |           |           | General Studies                        | 4            |  |  |    |    |
| Philosophy and Religion                | 0            |           |           | <b>TOTAL</b>                           |              |  |  | 4  |    |
| <b>TOTAL</b>                           |              |           | 47        | <b>TOTAL ASSOCIATE DEGREES</b>         |              |  |  | 55 |    |
| <b>University College</b>              |              |           |           |  |              |  |  |    |    |
| Individualized Studies                 | 2            |           |           |  |              |  |  |    |    |
| <b>TOTAL</b>                           | 2            |           | 2         |  |              |  |  |    |    |
| <b>TOTAL BACHELOR DEGREES</b>          |              |           | 101       |  |              |  |  |    |    |

\*\*\*FA17 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 12/1/17.





## Admissions

Fall 18 Apps  
Received for:  
September 677  
October 851  
November 1047



205 Student Visits  
219 Recruiter Events  
2 Showcase Days  
225 in Attendance

## Financial Aid

15 High School FAFSA Nights  
Assisting 107 Families



## Registrar

185 Fall Petitions to Graduate



## BEAR NECESSITIES FOOD PANTRY

158 Students \* 353 Visits  
52.2 % Commuter Students  
53.7 % Housing Students  
39.7% Pantry Students  
Have an On or Off  
Campus Job

## STUDENT LIFE/DIVERSITY & INCLUSION

Hosted Native American  
Cultural Festival  
1000+ K-8 Visiting Campus  
Hosted 3 Soup & Substance  
75 Avg. Attendees

Save the Date: 3rd Annual  
Tri-State D&L Symposium 2/10/18

## Athletics

30 MSC Academic All-Conference  
18 MSC All-Conference  
13 MSC Player of the Week  
M & W Cross Country MSC Champs



Congratulations Eric Putnam, MSC Cross Country Coach of the  
Year

## Dean of Students

22 New SSU Ambassadors  
10 Returning

## Housing & Res Life

51 RA Programs  
1200+ Combined Program  
Attendance

## COUNSELING & HEALTH SERVICES

\* 653 Clinical Hours \* 910 Appointments \*  
21.94 Average Age of Clients  
Health Clinic Treated 626 Students

## Fraternity & Sorority Life

124 Active Members  
816 Service Hours/Hosting 29 Service Events

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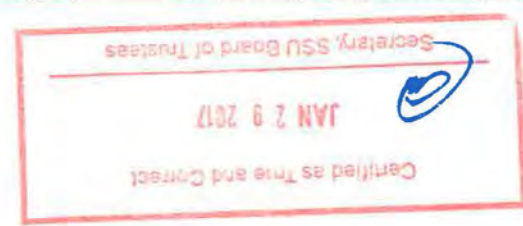
Secretary, SSU Board of Trustees



# Academic Programs Shawnee State University

NOW AND INTO THE FUTURE





We prepare today's students to succeed in tomorrow's world.

We will be a best-value university offering a wide range of high-quality signature programs.



# University Strategic Plan 2016

Goal 1: Our academic programs give Shawnee State and our graduates a competitive advantage

- Define academic programs
- Meet state's mandates for academic program review
- Communicate the program review process
- Recruit and retain more diverse and inclusive student body

## *Define Our Programs*

Academic Program – refers to any and all coherent instructional activities of Shawnee State University and includes degree and certificate programs, concentrations, and other non-degree curricular entities, such as the Honors and General Education programs (BOT Policy 2.08).

Shawnee State currently has 75 academic degree programs.



## *Define Our Programs*

### Signature Program (SP)

- MS Occupational Therapy
- BS Occupational Therapy (3+2)
- BFA Game and Simulation Arts (FA)
- BS Digital Simulation and Gaming (ET)
- BS Plastics Engineering Technology



## Define Our Programs

### Regional Signature Programs (RSP)

|     |                                |       |                               |
|-----|--------------------------------|-------|-------------------------------|
| AAS | Dental Hygiene                 | BS    | Health Care Administration    |
| AAS | Emergency Med Tech             | BSE   | Early Child/Special Ed        |
| AAS | Medical Laboratory             | BSE   | Early Childhood PreK-3        |
| AAS | Radiologic Technology          | BSE   | Middle Childhood              |
| AAS | Respiratory Therapy            | BA/BS | AYA Licensure                 |
| AAS | Nursing                        | BS    | Biomedical Science            |
| AA  | Occupational Therapy Assistant | BS    | Nursing                       |
| AA  | Physical Therapy Assistant     |       | Licensure - Visual Impairment |

## *Define Our Programs*

Career-~~Ready~~ Specific Program (CSP) – provides graduates with knowledge, skills, and training for a specific career.

- Health Professions
- Teacher Education
- Engineering Technology
- Business - Accounting, Legal Assisting, Health Care Administration
- Mathematics (Actuarial Science)
- Art (Graphic Design)
- Sciences (Chemistry)



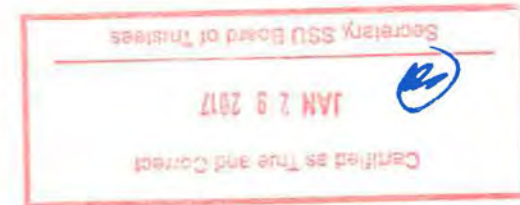


## *Define Our Programs*

Career-flexible Program (CFP) – programs that provide broad-based knowledge and skills that allow entry into a variety of careers and graduate & professional schools

- Psychology
- Sociology
- English
- Biology
- Math
- Political Science





## *Define Our Programs*

### Completion Program (CP)

- Adult learners seeking advancement or mobility in their career
- Students unable to gain entry or complete selective program
- Students with large earned credit hours but not close to completion of declared program
- Students unable to complete milestone course in specific discipline
- Examples - BS Health Science, BS Natural Science, BA Social Science, Bachelors Individualized Studies, Associate of General Studies

*Define Our Programs*

# Magnet Programs

| Program                               | Enroll | FTF |
|---------------------------------------|--------|-----|
| Digital Simulation/Game (SP)          | 146    | 45  |
| Game and Simulation Arts (SP)         | 144    | 35  |
| Biomedical Science (RSP)              | 109    | 29  |
| Plastics Engineering Technology (SP)  | 86     | 24  |
| Computer Engineering Technology (CFP) | 65     | 16  |
| Graphic Design (CFP)                  | 85     | 14  |
| Occupational Therapy (CSP)            | 33     | 13  |
| Psychology (CFP)                      | 112    | 13  |
| Early Childhood PreK-3 (CSP)          | 74     | 12  |
| AYA Programs (CSP)                    | 95     | 12  |





## How do we prepare today's students to succeed in tomorrow's world?

- ▶ Provide high quality academic programs
- ▶ Provide the right mix of academic offerings
  - ▶ Signature Programs (Magnet Programs)
  - ▶ Regional Signature Programs (Magnet Programs)
  - ▶ Career-specific Programs
  - ▶ Career-flexible Programs
  - ▶ Completion Programs
- ▶ Provide academic programs in the right mode/schedule



## Top Enrollments at SSU - Bachelors and Masters

| Enrollment | Degree | Program                                   |
|------------|--------|---|
| 150        | BS     | Health Sciences - CD                      |
| 146        | BS     | Digital Simulation/Game – SP, CFP         |
| 144        | BFA    | Game and Simulation Arts – SP, CFP        |
| 112        | BA     | Psychology - CFP                          |
| 109        | BS     | Biomedical Science - RSP                  |
| 88         | BS     | Nursing – SP, CSP                         |
| 88         | MOT    | Occupational Therapy – SP, CSP            |
| 86         | BS     | Plastics Engineering Technology – SP, CSP |
| 84         | BS     | Business Management - CSP                 |
| 76         | BA     | Sociology - CFP                           |
| 74         | BSE    | Early Childhood PreK-3 – SP, CSP          |
| 66         | BFA    | Fine Arts/Studio Arts - CFP               |
| 65         | BS     | Computer Engineering Technology - CFP     |
| 60         | BS     | Accounting - CSP                          |
| 59         | BS     | Information Systems - CFP                 |
| 58         | BS     | Exercise Science - CFP                    |
| 55         | BS     | Health Care Administration - CSP          |
| 52         | BA     | English - CFP                             |
| 50         | BS     | Sports Management - CFP                   |

JAN 7 9 2017

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## Top Enrollments – Associate Degree

| Enrollment | Degree | Program                                  |
|------------|--------|--|
| 88         | AAS    | Nursing                                  |
| 61         | AA     | Occupational Therapy Assistant           |
| 48         | AAS    | Dental Hygiene                           |
| 43         | AA     | Physical Therapy Assistant               |
| 38         | AAS    | Radiologic Technology                    |
| 36         | AAS    | Respiratory Therapy                      |
| 33         | AAS    | Medical Laboratory                       |
| 25         | AAS    | Electromechanical Engineering Technology |





# Enhancement of Signature Programs

Completed or In Progress

- New faculty – Plastics, Gaming, Occupational Therapy
- New staff hired – professional advisors, secretarial assistance
- New degrees - Occupational Therapy Doctorate
- Renovated facilities – For Health Professions, Plastics, Gaming
- Enhanced recruitment – Minority scholarships (COF), MSEP, digital marketing campaigns, international recruitment
- Expansion to satellite locations
- Online delivery - Nursing, Health Science, et al.
- Professional accreditation – Plastics, Business



*Communicate the program review process*

|

## Closure of Academic Programs

- ▶ Review/closure process developed in AY 2015-16
- ▶ Modified in 2017-18
- ▶ Requires review of program metrics
- ▶ Allows feedback and recommendations from faculty
- ▶ Process communicated widely



*Meet state's mandates for academic program review*

## Academic Programs Under Review

### Bachelors Degree Candidates

- Culture and Media
- International Relations
- Natural Science Concentrations (2)
- Philosophy and Religion
- Studio Arts Concentrations (3)

### Associate Degree Candidates

- Information Tech Management
- Legal Assisting
- Plastics Engineering Technology

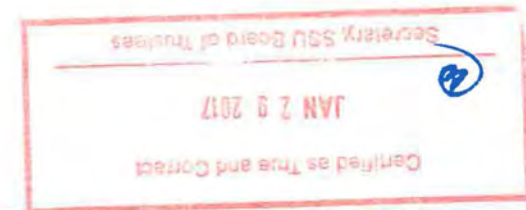


*Meet state's mandates for academic program review*

## Closure of Programs

- 82 academic programs in 2016
- 7 programs eliminated in 2017 ( $\cong$  10%)
- Additional 10% eliminated in 2018 (anticipated)
- Target  $\cong$  70 academic programs by fall 2019





## Recruit and retain more diverse and inclusive student body

- ▶ Adult Learners
  - ▶ New Master's Degrees or Tracks
  - ▶ +2 Baccalaureate Degrees
  - ▶ Online Programs
  - ▶ Certificate Programs
- ▶ Out-of-State
  - ▶ MSEP In-state Tuition
  - ▶ Enhancement of Signature Programs
- ▶ International Students
  - ▶ 2+2 Agreements
  - ▶ 3+1+1 Agreements

**RESOLUTION F17-17**

**ACCEPTANCE OF SHAWNEE STATE UNIVERSITY'S  
FY17 FINANCIAL REPORT**

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

WHEREAS, the University's designated independent firm of Plante & Moran, PLLC completed an audit of the University's FY17 financials, issued an "unmodified" report, and reviewed the report results with the Finance and Administration Committee; and

WHEREAS, the financial report has been approved by the Auditor of State;

THEREFORE, BE IT RESOLVED that the Board of Trustees accepts the Shawnee State University FY2017 financial report.

(December 15, 2017)



**Shawnee State University**  
**(a component unit of the State of Ohio)**

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**Financial Report**  
**with Supplementary Information**  
**June 30, 2017**

Certified as True and Correct

JAN 29 2017



Secretary, SSU Board of Trustees



# Shawnee State University

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## Independent Auditor's Report

To the Board of Directors  
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, 2017 and 2016 and the related notes to the financial statements, which collectively comprise the University's 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**

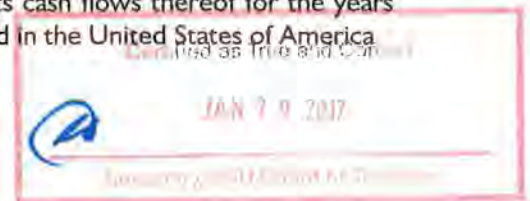
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit 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, 2017 and 2016 and the changes in its net position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.





To the Board of Directors  
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, and the schedule of university 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 audit 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*

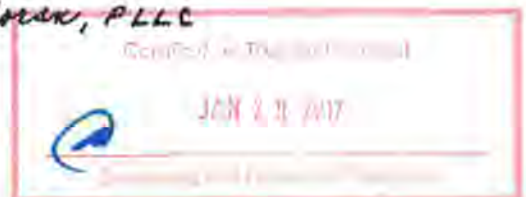
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shawnee State University's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), 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 11, 2017 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, and 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 11, 2017



# 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, 2017. 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*, and GASB Statement No. 61, *The Financial Reporting Entity - 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 2017 are as follows:

- Total net position decreased \$3,879,290. The decrease was primarily the result of a GASB 68 pension expense increase of \$3,646,590, a \$677,160 reduction in nonoperating grant funding, a \$463,366 decline in student tuition and fee revenue, and a decrease of \$492,041 in state appropriations offset by an increase of investment income of \$1,721,847.
- Total assets increased \$6,952,734. Current assets increased \$5,663,667 due to funding related to the issuance of new long-term debt, Bond Series 2016. Noncurrent assets (excluding capital assets) decreased \$304,598 as the result of the reduction in investments held by the University.
- The \$17,336,609 increase in total liabilities was primarily due to the \$10,575,739 adjustment to the net pension liability related to GASB Statement No. 68 and an increase of \$6,970,000 in debt related to new funding received as part of the new Bond Series 2016 issuance.
- Total deferred inflows decreased \$1,669,674 primarily due to a decrease in deferred pension costs related to GASB Statement No. 68.
- Total revenue increased \$3,892,377 from 2016 to 2017 compared with a decrease of \$1,957,862 from 2015 to 2016. The increase was primarily due to a \$1,721,847 increase in investment income and a \$578,572 increase in operating grant revenue.





# Shawnee State University

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

- Total expenses increased \$3,626,746 as compared with an increase of \$531,414 from 2015 to 2016. The GASB 68 pension expense increase noted in the net position section above was the key factor for the increase.
- Operating expenses increased \$3,032,015 primarily as a result of the GASB 68 pension expense increase noted in the net position section above.
- Operating revenue increased by \$297,354 due to increased operating grant revenue. Operating grant revenue (revenue for projects which result in an "exchange" like a product, report or some form of an outcome) was up but nonoperating grant revenue (grants that are not exchange transactions, such as scholarship grants like Pell, SEOG, OCOG) was down.
- Nonoperating revenue increased \$552,646 as a result of a \$1,721,847 increase in investment income, a \$677,160 decrease in nonoperating grant revenue, and \$492,041 in decreased state appropriations. Nonoperating expenses increased \$594,731 as a result of an increase in interest expense on capital assets related debt and losses on the disposal of capital assets in 2017.

### 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.

### **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 2017?" 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.



# Shawnee State University

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

### 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, liabilities, deferred inflows, and net position as of June 30, 2017, 2016, and 2015 are presented below:

|                                       | 2017                 | 2016                 | 2015                 |
|---------------------------------------|----------------------|----------------------|----------------------|
| <b>Assets</b>                         |                      |                      |                      |
| Current assets                        | \$ 12,916,135        | \$ 7,252,468         | \$ 8,404,275         |
| Capital assets - Net                  | 81,450,795           | 79,857,130           | 82,619,039           |
| Other noncurrent assets               | 17,958,495           | 18,263,093           | 20,252,421           |
| Total assets                          | 112,325,425          | 105,372,691          | 111,275,735          |
| <b>Deferred Outflows of Resources</b> | 12,939,645           | 8,104,734            | 3,188,029            |
| <b>Liabilities</b>                    |                      |                      |                      |
| Current liabilities                   | 7,305,898            | 7,074,526            | 7,426,422            |
| Noncurrent liabilities                | 78,383,850           | 61,278,613           | 55,653,442           |
| Total liabilities                     | 85,689,748           | 68,353,139           | 63,079,864           |
| <b>Deferred Inflows of Resources</b>  | 2,051,088            | 3,720,762            | 5,835,455            |
| <b>Net Position</b>                   |                      |                      |                      |
| Net investment in capital assets      | 67,208,092           | 65,400,451           | 67,314,273           |
| Restricted, expendable                | 168,546              | 196,489              | 192,469              |
| Unrestricted                          | (29,852,404)         | (24,193,416)         | (21,958,297)         |
| Total net position                    | <u>\$ 37,524,234</u> | <u>\$ 41,403,524</u> | <u>\$ 45,548,445</u> |





# Shawnee State University

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

Total assets of the University increased \$6,952,734 in 2017 and decreased \$5,903,044 in 2016. Current assets increased \$5,663,667 in 2017 following a \$1,151,807 decrease in 2016. The increase in 2017 is predominantly attributable to \$7,200,000 capital debt funding for new capital projects received from the issuance of Bond Series 2016. The decrease realized in current assets in 2016 were predominantly attributable to a decrease in cash and short-term investments due to reduced government funding and tuition received during the year. Noncurrent assets (excluding capital assets) decreased \$304,598 in 2017 and decreased \$1,989,328 in 2016 due to the liquidation of investment holdings to supplement the University's cash needs during these years.

The increased number of capital construction projects initiated in 2017 resulted in an increase of \$1,593,665 in net capital assets. The \$2,761,909 decrease in 2016 was due to depreciation expense and the loss on disposals of capital assets exceeding the cost of construction projects completed during 2016.

The \$17,336,609 increase in total liabilities is primarily due to a \$17,105,237 increase in noncurrent liabilities. The total increase is mainly attributable to a \$10,575,739 increase to recognize the University's 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. See Note 13 to the financial statements for further details. In addition, the University issued a general receipts bond, Bond Series 2016, to refund an outstanding bond series and to provide funding for new capital projects. The new bond series increased total liabilities by \$6,970,000.



# 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, 2017, 2016, and 2015 are as follows:

|  | 2017                  | 2016                  | 2015                  |
|--|-----------------------|-----------------------|-----------------------|
| Operating revenue:                       |                       |                       |                       |
| Tuition, fees, and other student charges | \$ 22,116,470         | \$ 22,579,836         | \$ 23,320,139         |
| Grants and contracts                     | 3,854,225             | 3,275,653             | 3,586,107             |
| Sales and services                       | 1,969,224             | 1,815,460             | 1,846,922             |
| Miscellaneous income                     | 331,241               | 302,857               | 381,092               |
| Nonoperating revenue:                    |                       |                       |                       |
| Investment income                        | 1,790,009             | 68,162                | 342,725               |
| State appropriations                     | 15,811,534            | 16,303,575            | 16,257,877            |
| Other grants                             | 12,566,441            | 13,243,601            | 14,019,810            |
| Capital appropriations                   | 3,463,679             | 421,302               | 213,636               |
| Total revenue                            | <u>61,902,823</u>     | <u>58,010,446</u>     | <u>59,968,308</u>     |
| Operating expenses:                      |                       |                       |                       |
| Instruction and research                 | 21,416,995            | 19,551,682            | 19,794,586            |
| Public service                           | 2,565,655             | 2,289,885             | 2,244,944             |
| Academic support                         | 3,050,404             | 3,271,911             | 3,210,578             |
| Student services                         | 4,441,226             | 3,751,461             | 3,833,267             |
| Institutional support                    | 11,420,704            | 10,372,024            | 10,147,354            |
| Operation and maintenance of plant       | 5,260,516             | 5,488,162             | 5,581,883             |
| Scholarships and fellowships             | 6,083,506             | 6,775,895             | 6,426,737             |
| Depreciation                             | 3,607,092             | 3,527,238             | 3,510,953             |
| Auxiliary enterprises                    | 6,640,647             | 6,426,472             | 6,109,114             |
| Nonoperating expense:                    |                       |                       |                       |
| Interest on capital debt                 | 1,081,197             | 695,915               | 757,869               |
| Loss on disposal of capital assets       | 214,171               | 4,722                 | 6,668                 |
| Total expenses                           | <u>65,782,113</u>     | <u>62,155,367</u>     | <u>61,623,953</u>     |
| Decrease in net position                 | <u>\$ (3,879,290)</u> | <u>\$ (4,144,921)</u> | <u>\$ (1,655,645)</u> |





# 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 undergraduate in-state tuition and fees during 2017. Rates charged for undergraduate out-of-state students and all graduate students increased 5.0 percent effective in the summer 2016 semester.

The University's 2017 revenue from student tuition and fees has decreased to \$22,116,470 from \$22,579,836 in 2016 and \$23,320,139 in 2015 due to decreased enrollment over these years. Tuition and fees represent 35.7 percent of the University's total revenue in 2017 and 38.9 percent in 2016 and 2015. The 15.0 percent increase in operating grants and contracts revenue to \$3,854,225 in 2017 from \$3,275,653 in 2016 is attributable to the increased funding the University received from initiatives to identify and obtain new grant funding in 2016 and 2017.

The combination of institution-wide spending-constraint strategies implemented in prior years while still providing funding for projects related to the University's strategic plan initiatives resulted in a 4.9 percent increase in total operating expenses in 2017 when compared to 2016 spending levels. The increase in total operating expenses is mainly a result of a \$1,865,313 increase in instruction and departmental research expenses and a \$1,048,680 increase in institutional support expenses in 2017. In both instances, the increase in expenses is a result of new strategic plan initiatives such as enrollment management programs or new software applications implemented to increase operational efficiency. Scholarships and fellowships expenses decreased from \$6,775,895 in 2016 to \$6,083,506 in 2017 primarily due to decreased enrollment in 2017 and a 2016 adjustment to the state College Credit Plus scholarship program. The change resulted in the program's expenses being recorded in 2016 as well as an adjustment for 2015 expense being recorded on a one-year lag under the prior Postsecondary Education Opportunity scholarship program. This change resulted in a combined expense being recorded in 2016. Public service expense increased by \$275,770 as a result of strategic marketing efforts essential for academic enrollment growth. Operation and maintenance of plant experienced a decrease of 4.2 percent from \$5,488,162 to \$5,260,516 due to less local funding by the University for building projects in 2017 than in 2016 combined with savings from energy-efficiency programs implemented by the University.

State appropriations represent 25.5 percent of the University's total revenue in 2017, 28.1 percent in 2016, and 27.1 percent in 2015. 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.





# Shawnee State University

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

During 2017, investment income amounted to \$1,790,009 as compared to \$68,162 during 2016 and \$342,725 during 2015. This performance mirrors the general growth experienced in investment markets during this period. During the last quarter of fiscal year 2016, the University initiated a review for a new investment consultant as well as new investment managers to improve the University's long-term investment performance. As a result of the review, TIAA was selected as the investment manager of the University's investment portfolio.

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 6.6 percent decrease. The decrease in 2017 follows a similar decrease in 2016 of 5.9 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 \$8.0 million in 2017 as compared with \$8.7 million in 2016 and \$9.6 million in 2015. Nonoperating grants revenue represents 20.3 percent of the University's total revenue in 2017, down from 22.8 percent in 2016, and 23.4 percent in 2015.

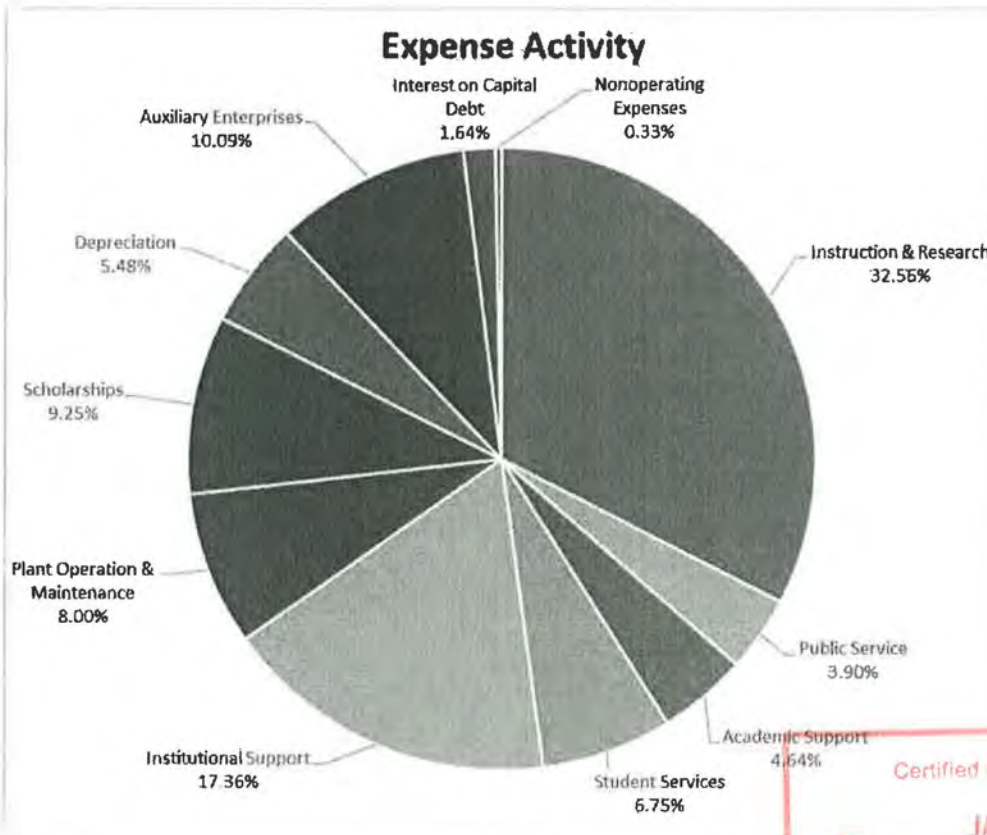
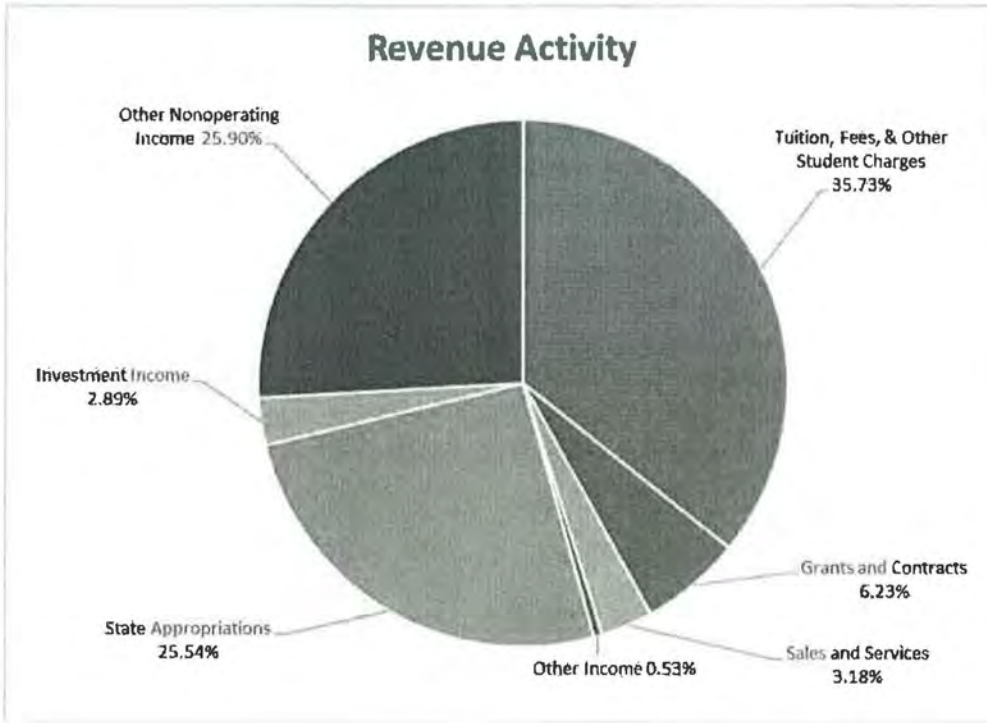
Capital appropriations increased considerably to \$3,463,679 in 2017 from \$421,302 in 2016, which was an increase from \$213,636 in 2015. The increases in 2017, 2016, and 2015 reflect the increased state capital funding received to support the startup costs of various capital projects during those years. These projects include the STEMM building projects and major renovations to the Health Science buildings on campus.

The following graphs illustrate Shawnee State University's revenue and expense activity for the fiscal year ended June 30, 2017.



# Shawnee State University

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



Certified as True and Correct  
**JAN 29 2017**  
 Secretary, SGU Board of Trustees

# 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, 2017. A comparison of cash sources and uses during fiscal years 2017, 2016, and 2015 is presented below:

|  | 2017              | 2016                | 2015              |
|--|-------------------|---------------------|-------------------|
| <b>Cash (Used in) Provided By</b>                    |                   |                     |                   |
| Operating activities                                 | \$ (28,451,678)   | \$ (30,518,913)     | \$ (27,792,718)   |
| Noncapital financing activities                      | 28,677,400        | 30,461,795          | 29,624,892        |
| Capital and related financing activities             | 4,938,533         | (1,935,434)         | (2,727,227)       |
| Investment activities                                | (5,851,901)       | 2,180,349           | 218,317           |
| Net (decrease) increase in cash and cash equivalents | (687,646)         | 187,797             | (676,736)         |
| <b>Cash and Cash Equivalents</b>                     |                   |                     |                   |
| Beginning of the year                                | 1,081,866         | 894,069             | 1,570,805         |
| End of the year                                      | <u>\$ 394,220</u> | <u>\$ 1,081,866</u> | <u>\$ 894,069</u> |

Cash and cash equivalents decreased by \$687,646 as a result of decreased state appropriations funding and the decline in student tuition and fee revenue in 2017.

### Capital Assets and Debt Administration

At the end of fiscal year 2017, the University held \$81,450,795 in net capital assets. This reflects an overall increase of \$1,593,665 in net capital assets from 2016. The increase was a result of the 2017 upgrades to the STEM and Health Science buildings.

Capital assets - Net of depreciation at June 30:

|                            | 2017                 | 2016                 | 2015                 |
|----------------------------|----------------------|----------------------|----------------------|
| Land                       | \$ 8,003,370         | \$ 8,003,370         | \$ 8,003,370         |
| Land improvements          | 6,928,632            | 6,928,632            | 6,928,632            |
| Buildings and improvements | 59,619,149           | 62,451,322           | 58,907,751           |
| Equipment                  | 1,974,114            | 1,763,004            | 2,177,996            |
| Library books              | 280,551              | 309,007              | 320,416              |
| Construction in progress   | 4,644,979            | 401,795              | 6,280,874            |
| Totals                     | <u>\$ 81,450,795</u> | <u>\$ 79,857,130</u> | <u>\$ 82,619,039</u> |

Continued to Trip and Cover



JAN 20 2017



# Shawnee State University

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

### 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, 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. As of June 30, 2017, the remaining balance of the capital lease was \$633,259, \$311,642 of which is due within one year.

Outstanding debt at year end:

|   | 2017                        | 2016                        | 2015                        |
|---|-----------------------------|-----------------------------|-----------------------------|
| Capital lease payable - 3.16%               | \$ 633,259                  | \$ 935,234                  | \$ 1,237,553                |
| General revenue bonds payable -<br>2% to 4% | <u>20,845,000</u>           | <u>13,875,000</u>           | <u>14,365,000</u>           |
| Total debt                                  | <u><b>\$ 21,478,259</b></u> | <u><b>\$ 14,810,234</b></u> | <u><b>\$ 15,602,553</b></u> |

### Current Financial Issues and Concerns

As detailed in the previous sections of the management's discussion and analysis (MD&A), the University's fiscal year 2017 net position outcome reflects a decrease of nearly \$3.9 million. The myriad factors influencing this year's performance are complex, ranging from reductions in some revenue streams (tuition and state funding), the issuance of Series 2016 Bonds, renovation and refurbishing of multiple academic buildings, key technology and operational investments, initiatives to modernize and gain efficiencies and reduce waste, solid fiscal-year investment performance outcome, focused marketing and recruitment strategies, and extensive organizational realignments.



# Shawnee State University

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

There is no question that the University is undergoing transformational experiences that permeate the organization. The process of change management involves many elements including such steps as modifying staffing roles, assessing and upgrading skills and talents, realigning the organization's hierarchal structure, and revising/eliminating legacy practices and burdensome processes. These efforts are required in order to be prepared and to ready the environment to advance important strategic goals.

The University continues to operate frugally while investing in strategies that empower long-term outcomes. In 2016, the Board of Trustees approved the University's Strategic Plan that provided for a three-year path to reduce operating expenditures, achieve a balanced general operating budget, and begin to realize benefits from key investments. The first year of the three-year plan provided the campus with direction and vision. The second year, fiscal year 2017, began the active pursuit of operational improvements and progress to realize those planned strategies. Some examples include: the proceeds of the bond funds were utilized to complete the residential housing project and the Rhodes Athletic Center design is fully underway along with the renovations to health sciences buildings and the advanced technology center. The implementation of the University's enterprise resource planning (ERP) system was successfully achieved with immediate workflow efficiencies and positive impacts on labor-intensive and paper-burdened processes. The University realized fundamental operational changes during fiscal year 2017 while contending with external challenges being experienced by the higher education industry. Simultaneously, many innovative academic and student-success programs were implemented during this same period. All of these steps are being undertaken in order to realize the University's long-term strategies and to meet the obligations and expectations to perform as a high-quality public university.



# Shawnee State University

## Statement of Net Position University

|  | June 30               |                       |
|--|-----------------------|-----------------------|
|  | 2017                  | 2016                  |
| <b>Assets and Deferred Outflows of Resources</b>   |                       |                       |
| <b>Current Assets</b>  |                       |                       |
| Cash and cash equivalents  | \$ 394,220            | \$ 1,081,866          |
| Short-term investments   | 7,111,745             | 14                    |
| Total cash and short-term investments  | 7,505,965             | 1,081,880             |
| Receivables:   |                       |                       |
| Accounts (net of allowance for doubtful accounts of \$2,754,694 in 2017 and \$2,942,397 in 2016) | 4,806,900             | 5,635,905             |
| Notes  | 81,498                | 83,672                |
| Amounts due from primary government  | 136,126               | 93,207                |
| Interest receivable  | 26,279                | 37,103                |
| Inventory  | 36,036                | 40,424                |
| Prepaid items  | 323,331               | 280,277               |
| Total current assets   | 12,916,135            | 7,252,468             |
| <b>Noncurrent Assets</b>   |                       |                       |
| Investments  | 17,958,495            | 18,263,093            |
| Capital assets - Net   | 81,450,795            | 79,857,130            |
| Total noncurrent assets  | 99,409,290            | 98,120,223            |
| Total assets   | 112,325,425           | 105,372,691           |
| <b>Deferred Outflows of Resources - Pension costs</b>  | 12,939,645            | 8,104,734             |
| Total Assets and Deferred Outflows of Resources  | <b>\$ 125,265,070</b> | <b>\$ 113,477,425</b> |





# Shawnee State University

## Statement of Net Position (Continued) University

|   | June 30               |                       |
|---|-----------------------|-----------------------|
|   | 2017                  | 2016                  |
| <b>Liabilities, Deferred Inflows of Resources, and Net Position</b> |                       |                       |
| <b>Current Liabilities</b>  |                       |                       |
| Accounts payable  | \$ 907,754            | \$ 992,148            |
| Accrued wages and benefits  | 3,404,214             | 3,633,939             |
| Compensated absences payable  | 187,571               | 192,456               |
| Capital lease payable   | 311,642               | 301,976               |
| Bonds payable   | 625,000               | 500,000               |
| Accrued interest payable  | 73,100                | 78,952                |
| Unearned revenue  | 1,660,051             | 1,241,843             |
| Deposits held by and due to others                                  | 136,566               | 133,212               |
| Total current liabilities   | <u>7,305,898</u>      | <u>7,074,526</u>      |
| <b>Noncurrent Liabilities</b>                                       |                       |                       |
| Compensated absences payable  | 1,688,137             | 1,732,106             |
| Unearned revenue  | 633,169               | 593,061               |
| Net pension liability   | 55,520,927            | 44,945,188            |
| Capital lease payable   | 321,617               | 633,258               |
| Bonds payable   | 20,220,000            | 13,375,000            |
| Total noncurrent liabilities  | <u>78,383,850</u>     | <u>61,278,613</u>     |
| Total liabilities   | 85,689,748            | 68,353,139            |
| <b>Deferred Inflows of Resources</b>                                |                       |                       |
| Service concession agreements                                       | 240,000               | 360,000               |
| Pension costs   | 1,266,521             | 3,360,762             |
| Bond refunding  | 544,567               | -                     |
| Total deferred inflows of resources                                 | <u>2,051,088</u>      | <u>3,720,762</u>      |
| <b>Net Position</b>   |                       |                       |
| Net investment in capital assets                                    | 67,208,092            | 65,400,451            |
| Restricted:   |                       |                       |
| Expendable  |                       |                       |
| Loans   | 112,899               | 112,896               |
| Other   | 55,647                | 83,593                |
| Unrestricted  | <u>(29,852,404)</u>   | <u>(24,193,416)</u>   |
| Total net position  | <u>37,524,234</u>     | <u>41,403,524</u>     |
| Total Liabilities, Deferred Inflows of Resources, and Net Position  | <u>\$ 125,265,070</u> | <u>\$ 113,477,425</u> |



# Shawnee State University

## Statement of Net Assets Development Foundation

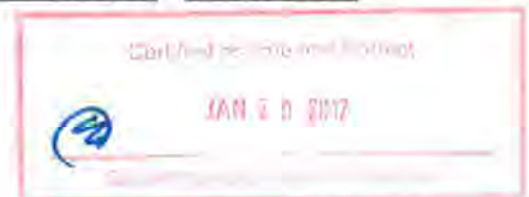
|  | June 30              |                      |
|--|----------------------|----------------------|
|  | 2017                 | 2016                 |
| <b>Assets</b>                                |                      |                      |
| Cash and cash equivalents                    | \$ 778,340           | \$ 421,867           |
| Investments                                  | 18,323,910           | 17,602,784           |
| Contributions receivable - Net               | 441,137              | 268,123              |
| Lease receivable from related party          | 26,345               | 28,514               |
| Beneficial interest in trusts held by others | 1,025,037            | 952,875              |
| Cash surrender value of life insurance       | 250,223              | 227,667              |
| Other assets                                 | 92,455               | 85,700               |
| Net property and equipment                   | 11,204,572           | 11,206,083           |
| Total assets                                 | <b>\$ 32,142,019</b> | <b>\$ 30,793,613</b> |
| <b>Liabilities and Net Assets</b>            |                      |                      |
| <b>Liabilities</b>                           |                      |                      |
| Accounts payable                             | \$ 91,682            | \$ 27,354            |
| Accrued real estate tax                      | 70,490               | 71,875               |
| Deferred revenue                             | -                    | 11,521               |
| Deposits held and due to others              | 191,063              | 160,321              |
| Annuity payment liability                    | 198,486              | 245,529              |
| Note payable                                 | 4,024,546            | 4,175,573            |
| Total liabilities                            | 4,576,267            | 4,692,173            |
| <b>Net Assets</b>                            |                      |                      |
| Unrestricted                                 | 8,917,933            | 8,118,867            |
| Temporarily restricted                       | 8,338,042            | 7,783,030            |
| Permanently restricted                       | 10,309,777           | 10,199,543           |
| Total net assets                             | 27,565,752           | 26,101,440           |
| Total liabilities and net assets             | <b>\$ 32,142,019</b> | <b>\$ 30,793,613</b> |



# Shawnee State University

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

|   | Year Ended June 30   |                      |
|---|----------------------|----------------------|
|   | 2017                 | 2016                 |
| <b>Operating Revenue</b>  |                      |                      |
| Student tuition and fees (net of scholarship allowances of \$10,521,140 in 2017 and \$11,115,109 in 2016) | \$ 22,116,470        | \$ 22,579,836        |
| Federal grants and contracts  | 2,180,014            | 2,247,491            |
| State grants and contracts  | 609,042              | 249,101              |
| Local grants and contracts  | 372,238              | 374,240              |
| Private gifts, grants, and contracts  | 692,931              | 404,821              |
| Sales and services  | 1,969,224            | 1,815,460            |
| Miscellaneous   | 331,241              | 302,857              |
| <b>Total operating revenue</b>  | <b>28,271,160</b>    | <b>27,973,806</b>    |
| <b>Operating Expenses</b>   |                      |                      |
| Education and general:  |                      |                      |
| Instruction and departmental research   | 21,416,995           | 19,551,682           |
| Public service  | 2,565,655            | 2,289,885            |
| Academic support  | 3,050,404            | 3,271,911            |
| Student services  | 4,441,226            | 3,751,461            |
| Institutional support   | 11,420,704           | 10,372,024           |
| Operation and maintenance of plant  | 5,260,516            | 5,488,162            |
| Scholarships and fellowships  | 6,083,506            | 6,775,895            |
| Depreciation expense  | 3,607,092            | 3,527,238            |
| Auxiliary enterprises   | 6,640,647            | 6,426,472            |
| <b>Total operating expenses</b>   | <b>64,486,745</b>    | <b>61,454,730</b>    |
| <b>Operating Loss</b>   | <b>(36,215,585)</b>  | <b>(33,480,924)</b>  |
| <b>Nonoperating Revenue (Expenses)</b>  |                      |                      |
| State appropriations  | 15,811,534           | 16,303,575           |
| Federal, state, and local grants and contracts  | 11,347,138           | 12,144,024           |
| Private grants and contracts  | 1,219,303            | 1,099,577            |
| Investment income   | 1,790,009            | 68,162               |
| Interest on capital asset-related debt  | (1,081,197)          | (695,915)            |
| Loss on disposal of capital assets  | (214,171)            | (4,722)              |
| <b>Net nonoperating revenue</b>   | <b>28,872,616</b>    | <b>28,914,701</b>    |
| <b>Change in Net Position Before Capital Appropriations</b>   | <b>(7,342,969)</b>   | <b>(4,566,223)</b>   |
| <b>Other Revenue - Capital appropriations</b>   | <b>3,463,679</b>     | <b>421,302</b>       |
| <b>Decrease in Net Position</b>   | <b>(3,879,290)</b>   | <b>(4,144,921)</b>   |
| <b>Net Position - Beginning of year</b>   | <b>41,403,524</b>    | <b>45,548,445</b>    |
| <b>Net Position - End of year</b>   | <b>\$ 37,524,234</b> | <b>\$ 41,403,524</b> |





# Shawnee State University

## Statement of Activities Development Foundation Year Ended June 30, 2017 (with comparative totals for 2016)

|   | Unrestricted        | Temporarily<br>Restricted | Permanently<br>Restricted | Total<br>2017        | Total<br>2016        |
|---|---------------------|---------------------------|---------------------------|----------------------|----------------------|
| <b>Revenue and Other Support</b>                |                     |                           |                           |                      |                      |
| Contributions                                   | \$ 595,021          | \$ 525,251                | \$ 66,594                 | \$ 1,186,866         | \$ 763,365           |
| Investment income - Net                         | 200,354             | 1,869,981                 | -                         | 2,070,335            | (91,714)             |
| Change in value of split-interest<br>agreements | 47,292              | 14,574                    | 48,640                    | 110,506              | (180,698)            |
| Losses for uncollectible<br>contributions       | (5,085)             | (5,057)                   | (5,000)                   | (15,142)             | (15,595)             |
| Loss on sale of assets                          |                     | -                         | -                         | -                    | (5,317)              |
| Other income                                    |                     | -                         | -                         | -                    | 3,500                |
| Rental income                                   | 426,903             | -                         | -                         | 426,903              | 407,412              |
| Net assets released from<br>restrictions        | 1,849,737           | (1,849,737)               | -                         | -                    | -                    |
| <b>Total revenue and other<br/>support</b>      | <b>3,114,222</b>    | <b>555,012</b>            | <b>110,234</b>            | <b>3,779,468</b>     | <b>880,953</b>       |
| <b>Expenses and Losses</b>                      |                     |                           |                           |                      |                      |
| Scholarships and other student<br>aid           | 426,155             | -                         | -                         | 426,155              | 434,363              |
| Institutional support                           | 831,502             | -                         | -                         | 831,502              | 459,979              |
| Guest speakers and lecturers                    | 11,548              | -                         | -                         | 11,548               | 18,381               |
| Management and general<br>expenses              | 410,271             | -                         | -                         | 410,271              | 350,164              |
| Rental expenses                                 | 635,680             | -                         | -                         | 635,680              | 624,595              |
| <b>Total expenses and losses</b>                | <b>2,315,156</b>    | <b>-</b>                  | <b>-</b>                  | <b>2,315,156</b>     | <b>1,887,482</b>     |
| <b>Change in Net Assets</b>                     | <b>799,066</b>      | <b>555,012</b>            | <b>110,234</b>            | <b>1,464,312</b>     | <b>(1,006,529)</b>   |
| <b>Net Assets - Beginning of year</b>           | <b>8,118,867</b>    | <b>7,783,030</b>          | <b>10,199,543</b>         | <b>26,101,440</b>    | <b>27,107,969</b>    |
| <b>Net Assets - End of year</b>                 | <b>\$ 8,917,933</b> | <b>\$ 8,338,042</b>       | <b>\$ 10,309,777</b>      | <b>\$ 27,565,752</b> | <b>\$ 26,101,440</b> |



# Shawnee State University

## Statement of Activities (Continued) Development Foundation Year Ended June 30, 2016

|  | Unrestricted        | Temporarily<br>Restricted | Permanently<br>Restricted | Total                |
|--|---------------------|---------------------------|---------------------------|----------------------|
| <b>Revenue and Other Support</b>             |                     |                           |                           |                      |
| Contributions                                | \$ 93,047           | \$ 625,839                | \$ 44,479                 | \$ 763,365           |
| Investment income - Net                      | (77,894)            | (13,820)                  | -                         | (91,714)             |
| Change in value of split-interest agreements | (105,526)           | (75,358)                  | 186                       | (180,698)            |
| Losses for uncollectible contributions       | (8,603)             | (6,992)                   | -                         | (15,595)             |
| Loss on sale of assets                       | (5,317)             | -                         | -                         | (5,317)              |
| Other income                                 | 3,500               | -                         | -                         | 3,500                |
| Rental income                                | 407,412             | -                         | -                         | 407,412              |
| Net assets released from restrictions        | 1,261,779           | (1,261,779)               | -                         | -                    |
| Total revenue and other support              | 1,568,398           | (732,110)                 | 44,665                    | 880,953              |
| <b>Expenses and Losses</b>                   |                     |                           |                           |                      |
| Scholarships and other student aid           | 434,363             | -                         | -                         | 434,363              |
| Institutional support                        | 459,979             | -                         | -                         | 459,979              |
| Guest speakers and lecturers                 | 18,381              | -                         | -                         | 18,381               |
| Management and general expenses              | 350,164             | -                         | -                         | 350,164              |
| Rental expenses                              | 624,595             | -                         | -                         | 624,595              |
| Total expenses and losses                    | 1,887,482           | -                         | -                         | 1,887,482            |
| <b>Change in Net Assets</b>                  | (319,084)           | (732,110)                 | 44,665                    | (1,006,529)          |
| <b>Net Assets - Beginning of year</b>        | 8,437,951           | 8,515,140                 | 10,154,878                | 27,107,969           |
| <b>Net Assets - End of year</b>              | <u>\$ 8,118,867</u> | <u>\$ 7,783,030</u>       | <u>\$ 10,199,543</u>      | <u>\$ 26,101,440</u> |



# Shawnee State University

## Statement of Cash Flows University

|   | Year Ended June 30 |                     |
|---|--------------------|---------------------|
|   | 2017               | 2016                |
| <b>Cash Flows from Operating Activities</b>                             |                    |                     |
| Cash received from tuition, fees, and other student charges             | \$ 22,692,017      | \$ 23,094,667       |
| Cash received from gifts, grants, and contracts                         | 4,124,361          | 2,964,762           |
| Cash received from sales and services                                   | 1,949,256          | 1,779,944           |
| Cash received from miscellaneous services                               | 331,241            | 302,857             |
| Cash payments to suppliers for goods and services                       | (17,344,394)       | (14,321,290)        |
| Cash payments to employees for services                                 | (25,922,738)       | (27,278,081)        |
| Cash payments for employee benefits                                     | (8,197,915)        | (10,285,877)        |
| Cash payments for scholarships and fellowships                          | (6,083,506)        | (6,775,895)         |
| Net cash used in operating activities                                   | (28,451,678)       | (30,518,913)        |
| <b>Cash Flows from Noncapital Financing Activities</b>                  |                    |                     |
| State appropriations  | 15,811,534         | 16,303,575          |
| Nonexchange gifts, grants, and contracts                                | 12,850,577         | 13,677,793          |
| Federal direct student loan program receipts                            | 20,184,323         | 21,579,490          |
| Federal direct student loan program disbursements                       | (20,171,887)       | (21,149,464)        |
| Net cash from agency transactions                                       | 2,853              | 50,401              |
| Net cash provided by noncapital financing activities                    | 28,677,400         | 30,461,795          |
| <b>Cash Flows from Capital and Related Financing Activities</b>         |                    |                     |
| Capital appropriations  | 3,420,760          | 354,235             |
| Proceeds from capital debt  | 21,419,729         | -                   |
| Payments for capital acquisitions                                       | (4,907,632)        | (801,435)           |
| Principal payments  | (13,656,976)       | (792,319)           |
| Interest payments   | (1,337,348)        | (695,915)           |
| Net cash provided by (used in) capital and related financing activities | 4,938,533          | (1,935,434)         |
| <b>Cash Flows from Investing Activities</b>                             |                    |                     |
| Interest on investments   | 1,449,347          | 747,953             |
| Proceeds for sales and maturities of investments                        | 1,962,773          | 2,380,344           |
| Purchases of securities   | (9,264,021)        | (947,948)           |
| Net cash (used in) provided by investing activities                     | (5,851,901)        | 2,180,349           |
| <b>Net Change in Cash and Cash Equivalents</b>                          | (687,646)          | 187,797             |
| <b>Cash and Cash Equivalents - Beginning of year</b>                    | 1,081,866          | 894,069             |
| <b>Cash and Cash Equivalents - End of year</b>                          | <b>\$ 394,220</b>  | <b>\$ 1,081,866</b> |





# Shawnee State University

## Statement of Cash Flows (Continued) University

|  | Year Ended June 30     |                        |
|--|------------------------|------------------------|
|  | 2017                   | 2016                   |
| <b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>  |                        |                        |
| Operating loss   | \$ (36,215,585)        | \$ (33,480,924)        |
| Adjustments to reconcile operating loss to net cash from operating activities:   |                        |                        |
| Depreciation expense   | 3,607,092              | 3,527,238              |
| Changes in operating assets and liabilities and deferred outflows of resources and deferred inflows of resources which provided (used) cash: |                        |                        |
| Accounts receivable  | 403,981                | 534,602                |
| Notes receivable   | 2,174                  | 1,875                  |
| Prepaid items  | 47,576                 | (87,095)               |
| Inventory  | 4,388                  | 1,964                  |
| Accounts payable   | (88,837)               | 146,606                |
| Accrued wages and benefits   | (229,759)              | (375,031)              |
| Compensated absences payable   | (48,854)               | (515,275)              |
| Unearned revenue   | 419,559                | (368,052)              |
| Net pension liability  | 10,575,739             | 6,949,434              |
| Deferred outflows of resources - Net pension expense   | (4,834,911)            | (6,988,535)            |
| Deferred inflows of resources - Net pension expense  | (2,094,241)            | 134,280                |
| Net cash used in operating activities  | <u>\$ (28,451,678)</u> | <u>\$ (30,518,913)</u> |



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note I - 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 entity 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*, and GASB Statement No. 61, *The Financial Reporting Entity - 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 Development Foundation, 940 Second Street, Portsmouth, Ohio, 45662 or by calling 740-351-3284.





### Note 1 - Reporting Entity (Continued)

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.

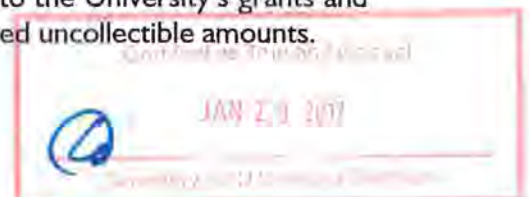
The financial statements presentation is intended to provide a comprehensive, entity-wide perspective of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenue, expenses, changes in net position, and cash flows.

**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, faculty, and staff, the majority of each residing in the state of Ohio. Accounts receivable also include amounts 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.





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

**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.

**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, 2017 and 2016, respectively.

Short-term investments represent investments with maturities of between 90 days and one year.

**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 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.



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

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:

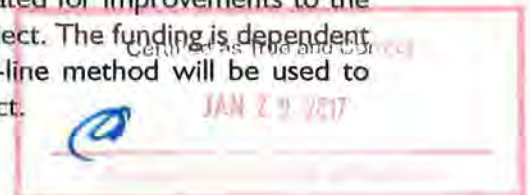
|                            |             |
|----------------------------|-------------|
| Buildings and improvements | 25-50 years |
| Machinery and equipment    | 5-20 years  |
| Licensed vehicles          | 5-10 years  |
| Library books              | 10 years    |

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 \$115,632 and \$0 of capitalized interest as of June 30, 2017 and 2016, respectively.

**Deferred Outflows of Resources** - In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The University's deferred outflows of resources are related to the net pension liability. See Note 13 for more information.

**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 two 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 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 revenue over the remaining life of the contract.





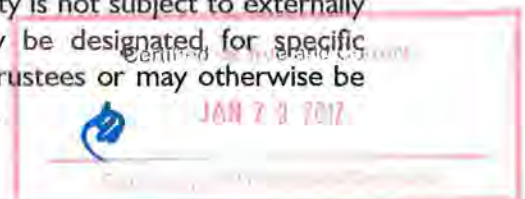
### Note 2 - Summary of Significant Accounting Policies (Continued)

**Pension** - For the purpose 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 (STRS) and additions to/deductions from OPERS' and STRS' fiduciary net position have been determined on the same basis as they are reported by OPERS and STRS. OPERS and STRS use 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.

**Deferred Inflows of Resources** - In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element 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 University deferred inflows of resources related to the net pension liability, service concession agreements, and bond refunding. See Note 13 for more on the net pension liability.

**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.





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

**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 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.



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

**Service Concession Arrangements** - The University has an agreement with a food service provider, which is a service concession arrangement. The University received funds toward dining hall renovations that are contingent upon the University utilizing the services of the food service provider over a 10-year period. The amounts received are being amortized over the life of the contract arrangement. The unamortized amounts previously were reflected as unearned revenue. Under GASB Statement No. 60, *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 \$240,000 and \$360,000 at June 30, 2017 and 2016, 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, 2017, the GASB has issued the following statement not yet implemented by the University:

- **Accounting for Postemployment Benefits Other Than Pensions** - In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This OPEB standard will require the University to recognize on the face of the financial statements its proportionate share of the net OPEB liability related to its participation in the Ohio Public Employees Retirement System (OPERS) or State Teachers Retirement System (STRS). The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). The University is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2018.





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

- **Accounting for Certain Asset Retirement Obligations** - In November 2016, the Governmental Accounting Standards Board issued GASB Statement No. 83, *Certain Asset Retirement Obligations*, which establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The University is currently evaluating the impact of this standard. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2019.
- **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 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.



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 3 - Deposits and Investments

**Deposits** - Custodial credit risk: At June 30, 2017, the carrying amount of the University's deposits (which consist of cash, excluding cash on hand of \$3,185, deposits held by trustee, and investments) was \$391,035 and the bank balance was \$383,025. 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, 2016, the carrying amount of the University's deposits, (which consist of cash, excluding cash on hand of \$3,715, deposits held by trustee, and investments) was \$1,078,151 and the bank balance was \$1,193,345.

**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, 2017, the University had the following investments and maturities using the segmented time distribution method:

| Investment Type             | Fair Value           | Investment Maturities (in years) |                     |                     |
|-----------------------------|----------------------|----------------------------------|---------------------|---------------------|
|                             |                      | <1                               | 1-5                 | More than 5         |
| U.S. govt. and agency bonds | \$ 2,803,052         | \$ -                             | \$ 2,000,333        | \$ 802,719          |
| Corporate bonds and notes   | 1,680,658            | -                                | 917,007             | 763,651             |
| Foreign corporate bonds     | 25,639               | -                                | 25,639              | -                   |
| Fixed-income mutual funds   | 2,212,892            | -                                | 2,212,892           | -                   |
| Money market funds          | 8,456,691            | 8,456,691                        | -                   | -                   |
| STAR Ohio funds             | 434,413              | 434,413                          | -                   | -                   |
| <b>Total</b>                | <b>15,613,345</b>    | <b>\$ 8,891,104</b>              | <b>\$ 5,155,871</b> | <b>\$ 1,566,370</b> |
| Equities and equity funds   | 9,456,895            |                                  |                     |                     |
| <b>Total</b>                | <b>\$ 25,070,240</b> |                                  |                     |                     |





# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

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

As of June 30, 2016, the University had the following investments and maturities using the segmented time distribution method:

| Investment Type             | Fair Value           | Investment Maturities (in years) |                     |                     |
|-----------------------------|----------------------|----------------------------------|---------------------|---------------------|
|                             |                      | <1                               | 1-5                 | More than 5         |
| U.S. govt. and agency bonds | \$ 963,325           | \$ -                             | \$ 641,837          | \$ 321,488          |
| Corporate bonds and notes   | 1,794,187            | 82,541                           | 914,047             | 797,599             |
| Foreign government bonds    | 61,007               | -                                | 27,836              | 33,171              |
| Foreign corporate bonds     | 243,266              | 35,992                           | 49,588              | 157,686             |
| Fixed-income mutual funds   | 3,420,049            | -                                | 86,849              | 3,333,200           |
| Money market funds          | 186,835              | 39,793                           | 147,042             | -                   |
| STAR Ohio funds             | 2,423,889            | 2,423,889                        | -                   | -                   |
| <b>Total</b>                | <b>9,092,558</b>     | <b>\$ 2,582,215</b>              | <b>\$ 1,867,199</b> | <b>\$ 4,643,144</b> |
| Equities and equity funds   | 9,170,549            |                                  |                     |                     |
| <b>Total</b>                | <b>\$ 18,263,107</b> |                                  |                     |                     |

Investments at June 30, 2017 and 2016 are shown in the statement of net position as current in the amount of \$7,111,745 and \$14, respectively, and as noncurrent in the amount of \$17,958,495 and \$18,263,093, 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.

**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.



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

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

As of June 30, 2017 and 2016, the University had the following investments and quality ratings:

| Investment Type             | Rating | 2017<br>Fair Value   | 2016<br>Fair Value  |
|-----------------------------|--------|----------------------|---------------------|
| U.S. govt. and agency bonds | AA+    | \$ 2,803,052         | \$ 963,325          |
| Corporate bonds and notes   | AAA    | 111,303              | 11,687              |
|                             | AA     | 176,943              | 136,936             |
|                             | A      | 614,116              | 719,920             |
|                             | BBB    | 778,296              | 925,644             |
| Foreign government bonds    | A      | -                    | 61,007              |
| Foreign corporate bonds     | AA     | -                    | 11,038              |
|                             | A      | 6,174                | 61,687              |
|                             | BBB    | 19,465               | 170,541             |
| Fixed-income mutual funds   | AAA    | 2,212,892            | 1,514,570           |
|                             | BBB    | -                    | 1,303,204           |
|                             | BB     | -                    | 602,275             |
| Money market funds          | AAA    | 7,151,582            | 186,835             |
|                             | AA+    | 1,305,109            | -                   |
| STAR Ohio funds             | AAA    | 434,413              | 2,423,889           |
|                             |        | <u>\$ 15,613,345</u> | <u>\$ 9,092,558</u> |

**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, 2017 and 2016:

|  | Balance at<br>June 30, 2017 | Fair Value Measurements Using   |   |   |
|--|-----------------------------|---|---|---|
|  |                             | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) |
| <b>Investments by Fair Value Level</b> |                             |   |   |   |
| Debt securities:                       |                             |   |   |   |
| U.S. govt. and agency bonds            | \$ 2,803,052                | \$ 2,274,334  | \$ 528,718  | \$ -  |
| Corporate bonds and notes              | 1,680,658                   | -   | 1,680,658   | -   |
| Foreign corporate bonds                | 25,639                      | -   | 25,639  | -   |
| Total debt securities                  | 4,509,349                   | 2,274,334   | 2,235,015   | -   |
| Mutual funds:                          |                             |   |   |   |
| Fixed-income mutual funds              | 2,212,892                   | 2,212,892   | -   | -   |
| Equity mutual funds                    | 9,456,895                   | 9,456,895   | -   | -   |
| Money market mutual funds              | 8,456,691                   | 8,456,691   | -   | -   |
| Total mutual funds                     | 20,126,478                  | 20,126,478  | -   | -   |
| Total investments by fair value level  | \$ 24,635,827               | \$ 22,400,812   | \$ 2,235,015  | \$ -  |



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

|   | Fair Value Measurements Using |   |   |   |
|---|-------------------------------|---|---|---|
|   | Balance at<br>June 30, 2016   | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) |
| <b>Investments by Fair Value Level</b>  |                               |   |   |   |
| Debt securities:                        |                               |   |   |   |
| U.S. Treasury securities                | \$ 963,325                    | \$ 852,702  | \$ 110,623  | \$ -  |
| Foreign government bonds                | 61,007                        | -   | 61,007  | -   |
| Domestic corporate bonds                | 1,794,187                     | -   | 1,794,187   | -   |
| Foreign corporate bonds                 | 243,266                       | -   | 243,266   | -   |
| Total debt securities                   | 3,061,785                     | 852,702   | 2,209,083   | -   |
| Equity securities:                      |                               |   |   |   |
| Domestic equity securities              | 1,536,427                     | 1,536,427   | -   | -   |
| International equity securities         | 209,764                       | 209,764   | -   | -   |
| Total equity securities                 | 1,746,191                     | 1,746,191   | -   | -   |
| Mutual funds:                           |                               |   |   |   |
| Fixed-income mutual funds               | 3,420,048                     | 3,420,048   | -   | -   |
| Domestic equity mutual funds            | 5,871,858                     | 5,871,858   | -   | -   |
| Domestic tactical balanced mutual funds | 1,552,500                     | 1,552,500   | -   | -   |
| Money market mutual funds               | 186,836                       | 186,836   | -   | -   |
| Total mutual funds                      | 11,031,242                    | 11,031,242  | -   | -   |
| Total investments by fair value level   | \$ 15,839,218                 | \$ 13,630,135   | \$ 2,209,083  | \$ -  |

Short-term investment and investments on the statement of net position at June 30, 2017 and 2016 include investments in STAR Ohio of \$434,413 and \$2,423,889, 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, 2017 and 2016 is summarized as follows:

|                                      | 2017                | 2016                |
|--------------------------------------|---------------------|---------------------|
| Student tuition and fees             | \$ 6,195,364        | \$ 7,039,905        |
| Grants and contracts                 | 1,288,530           | 1,475,564           |
| Other                                | 77,700              | 62,833              |
| Total accounts receivable            | 7,561,594           | 8,578,302           |
| Less allowance for doubtful accounts | (2,754,694)         | (2,942,397)         |
| Accounts receivable - Net            | <u>\$ 4,806,900</u> | <u>\$ 5,635,905</u> |

### Note 6 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

|  | Balance<br>July 1, 2016 | Reclass and<br>Additions | Reductions          | Balance<br>June 30, 2017 |
|--|-------------------------|--------------------------|---------------------|--------------------------|
| Capital assets not being depreciated:        |                         |                          |                     |                          |
| Land   | \$ 8,003,370            | \$ -                     | \$ -                | \$ 8,003,370             |
| Land improvements                            | 6,928,632               | -                        | -                   | 6,928,632                |
| Construction in progress                     | 401,795                 | 4,389,067                | (145,883)           | 4,644,979                |
| Total capital assets not being depreciated   | 15,333,797              | 4,389,067                | (145,883)           | 19,576,981               |
| Capital assets being depreciated:            |                         |                          |                     |                          |
| Buildings and improvements                   | 105,824,087             | 287,985                  | (167,820)           | 105,944,252              |
| Equipment                                    | 13,935,436              | 801,470                  | (130,489)           | 14,606,417               |
| Library books                                | 4,192,356               | 36,406                   | (35,676)            | 4,193,086                |
| Total capital assets being depreciated       | 123,951,879             | 1,125,861                | (333,985)           | 124,743,755              |
| Less accumulated depreciation:               |                         |                          |                     |                          |
| Buildings and improvements                   | (43,372,765)            | (2,972,476)              | 20,138              | (46,325,103)             |
| Equipment                                    | (12,172,432)            | (569,754)                | 109,883             | (12,632,303)             |
| Library books                                | (3,883,349)             | (64,862)                 | 35,676              | (3,912,535)              |
| Total accumulated depreciation               | (59,428,546)            | (3,607,092)              | 165,697             | (62,869,941)             |
| Total capital assets being depreciated - Net | 64,523,333              | (2,481,231)              | (168,288)           | 61,873,814               |
| Capital assets - Net                         | <u>\$ 79,857,130</u>    | <u>\$ 1,907,836</u>      | <u>\$ (314,171)</u> | <u>\$ 81,450,795</u>     |



**Note 6 - Capital Assets (Continued)**

Capital asset activity for the fiscal year ended June 30, 2016 was as follows:

|  | Balance<br>July 1, 2015 | Reclass and<br>Additions | Reductions    | Balance<br>June 30, 2016 |
|--|-------------------------|--------------------------|---------------|--------------------------|
| Capital assets not being depreciated:        |                         |                          |               |                          |
| Land   | \$ 8,003,370            | \$ -                     | \$ -          | \$ 8,003,370             |
| Land improvements                            | 6,928,632               | -                        | -             | 6,928,632                |
| Construction in progress                     | 6,280,874               | 355,912                  | (6,234,991)   | 401,795                  |
| Total capital assets not being depreciated   | 21,212,876              | 355,912                  | (6,234,991)   | 15,333,797               |
| Capital assets being depreciated:            |                         |                          |               |                          |
| Buildings and improvements                   | 99,439,807              | 6,384,280                | -             | 105,824,087              |
| Equipment                                    | 13,901,061              | 205,912                  | (171,537)     | 13,935,436               |
| Library books                                | 4,425,294               | 58,938                   | (291,876)     | 4,192,356                |
| Total capital assets being depreciated       | 117,766,162             | 6,649,130                | (463,413)     | 123,951,879              |
| Less accumulated depreciation:               |                         |                          |               |                          |
| Buildings and improvements                   | (40,532,056)            | (2,840,709)              | -             | (43,372,765)             |
| Equipment                                    | (11,723,065)            | (616,182)                | 166,815       | (12,172,432)             |
| Library books                                | (4,104,878)             | (70,347)                 | 291,876       | (3,883,349)              |
| Total accumulated depreciation               | (56,359,999)            | (3,527,238)              | 458,691       | (59,428,546)             |
| Total capital assets being depreciated - Net | 61,406,163              | 3,121,892                | (4,722)       | 64,523,333               |
| Capital assets - Net                         | \$ 82,619,039           | \$ 3,477,804             | \$(6,239,713) | \$ 79,857,130            |

**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.





# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 8 - Long-term Obligations

The changes in the University's long-term obligations during fiscal year 2017 were as follows:

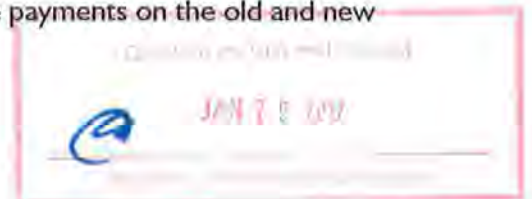
|                                    | Principal<br>Outstanding<br>July 1, 2016 | Additions     | Deductions    | Principal<br>Outstanding<br>June 30, 2017 | Current Portion |
|------------------------------------|--|---------------|---------------|---|-----------------|
| General Receipt Bonds, Series 2007 | \$ 13,875,000                            | \$ -          | \$ 13,875,000 | \$ -                                      | \$ -            |
| General Receipt Bonds, Series 2016 | -  | 20,845,000    | -             | 20,845,000                                | 625,000         |
| Unamortized bond premium           | 576,601                                  | 636,974       | 588,605       | 624,970                                   | -               |
| Capital lease                      | 935,234                                  | -             | 301,975       | 633,259                                   | 311,642         |
| Compensated absences               | 1,924,562                                | 196,455       | 245,309       | 1,875,708                                 | 187,571         |
| Total long-term liabilities        | \$ 17,311,397                            | \$ 21,678,429 | \$ 15,010,889 | \$ 23,978,937                             | \$ 1,124,213    |

The changes in the University's long-term obligations during fiscal year 2016 were as follows:

|   | Principal<br>Outstanding<br>July 1, 2015 | Additions  | Deductions   | Principal<br>Outstanding<br>June 30, 2016 | Current Portion |
|---|--|------------|--------------|---|-----------------|
| 2007 General Receipts Bonds,<br>Series 2007 | \$ 14,365,000                            | \$ -       | \$ 490,000   | \$ 13,875,000                             | \$ 500,000      |
| Unamortized bond premium                    | 606,502                                  | -          | 29,901       | 576,601                                   | -               |
| Capital lease                               | 1,237,553                                | -          | 302,319      | 935,234                                   | 301,976         |
| Compensated absences                        | 2,439,837                                | 270,486    | 785,761      | 1,924,562                                 | 192,456         |
| Total long-term liabilities                 | \$ 18,648,892                            | \$ 270,486 | \$ 1,607,981 | \$ 17,311,397                             | \$ 994,432      |

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.



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

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

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 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 at June 30, 2016.

The interest expense for fiscal years 2017 and 2016 was \$1,081,197 and \$695,915, respectively.

Principal and interest amounts due within each of the next five years and thereafter on the Series 2016 bond obligations outstanding at June 30, 2017 are as follows:

| Years Ending |               |              |               |  |
|--------------|---------------|--------------|---------------|--|
| June 30      | Principal     | Interest     | Total         |  |
| 2018         | \$ 625,000    | \$ 694,775   | \$ 1,319,775  |  |
| 2019         | 645,000       | 682,275      | 1,327,275     |  |
| 2020         | 655,000       | 669,375      | 1,324,375     |  |
| 2021         | 915,000       | 649,725      | 1,564,725     |  |
| 2022         | 945,000       | 622,275      | 1,567,275     |  |
| 2023-2027    | 5,115,000     | 2,705,525    | 7,820,525     |  |
| 2028-2032    | 6,145,000     | 1,683,775    | 7,828,775     |  |
| 2033-2037    | 3,990,000     | 622,625      | 4,612,625     |  |
| 2038-2041    | 1,810,000     | 161,000      | 1,971,000     |  |
| Total        | \$ 20,845,000 | \$ 8,491,350 | \$ 29,336,350 |  |





# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

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

Principal and interest amounts due within each of the next two years on the capital lease obligations outstanding at June 30, 2017 are as follows:

| Years Ending |            |           |            |  |
|--------------|------------|-----------|------------|--|
| June 30      | Principal  | Interest  | Total      |  |
| 2018         | \$ 311,642 | \$ 20,270 | \$ 331,912 |  |
| 2019         | 321,617    | 10,294    | 331,911    |  |
| Total        | \$ 633,259 | \$ 30,564 | \$ 663,823 |  |

### Note 9 - Leases

The University's operating leases consist of real property and movable equipment that expire in fiscal year 2029. Total expenditures during 2017 and 2016 under operating leases amounted to approximately \$107,000 and \$91,000, respectively.

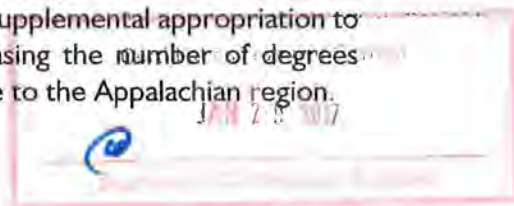
### Note 10 - Contingencies

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, 2017.

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.



### Note 11 - State Support (Continued)

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 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) and 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 cover substantially all employees of the University, including law enforcement officers of the University. Each system has multiple retirement plan options available to its members, ranging from three in STRS and three in OPERS. Each system provides retirement, survivor, and disability benefits to plan members and their beneficiaries. Each system also provides postemployment healthcare benefits (including Medicare B premiums) to retirees and beneficiaries who elect to receive those benefits.

Each retirement system issues a publicly available financial report that includes financial statements and required supplemental information for the pension and postemployment healthcare 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 East 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 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 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.



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 13 - Retirement Plans (Continued)

Member contributions are set at the maximums authorized by the ORC. The plans' 2017 employer and member contribution rates on covered payroll to each system are:

|   | Employer Contribution Rate |                |        | Member Contribution Rate |
|---|----------------------------|----------------|--------|--------------------------|
|   | Pension                    | Postretirement |        | Total                    |
|   |                            | Healthcare     | Total  |                          |
| STRS (beginning 7/1/16)                       | 14.00%                     | 0.00%          | 14.00% | 14.00%                   |
| OPERS - State/Local<br>(through 12/31/16)     | 12.00%                     | 2.00%          | 14.00% | 10.00%                   |
| OPERS - State/Local<br>(beginning 1/1/17)     | 13.00%                     | 1.00%          | 14.00% | 10.00%                   |
| OPERS - Law Enforcement<br>(through 12/31/16) | 16.10%                     | 2.00%          | 18.10% | 13.00%                   |
| OPERS - Law Enforcement<br>(beginning 1/1/17) | 17.10%                     | 1.00%          | 18.10% | 13.00%                   |

The plans' 2016 employer and member contribution rates on covered payroll to each system are:

|                         | Employer Contribution Rate |                |        | Member Contribution Rate |
|-------------------------|----------------------------|----------------|--------|--------------------------|
|                         | Pension                    | Postretirement |        | Total                    |
|                         |                            | Healthcare     | Total  |                          |
| STRS (beginning 7/1/15) | 14.00%                     | 0.00%          | 14.00% | 13.00%                   |
| STRS (beginning 7/1/14) | 14.00%                     | 0.00%          | 14.00% | 12.00%                   |
| OPERS - State/Local     | 12.00%                     | 2.00%          | 14.00% | 10.00%                   |
| OPERS - Law Enforcement | 16.10%                     | 2.00%          | 18.10% | 13.00%                   |

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

|       | For the years ended June 30 |              |
|-------|-----------------------------|--------------|
|       | 2017                        | 2016         |
| STRS  | \$ 1,574,598                | \$ 1,655,224 |
| OPERS | 1,279,405                   | 1,495,704    |
| Total | \$ 2,854,003                | \$ 3,150,928 |





### Note 13 - Retirement Plans (Continued)

#### Benefits Provided

STRS - Plan benefits are established under Chapter 3307 of the Ohio Revised Code, as amended by Substitute Senate Bill 342 in 2012, which gives the Retirement Board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the cost-of-living adjustment 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 have 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 the 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.

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.

OPERS - Plan benefits are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depend on years of service (15 to 30 years) and 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 of service credit receive a percentage reduction in benefit. Member retirement benefits are calculated on a formula that considers years of service (15-30 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.



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 13 - Retirement Plans (Continued)

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 3.0 percent.

**Net Pension Liability, Deferrals, and Pension Expense** - At June 30, 2017, the University reported a liability for its proportionate share of the net pension liability of STRS and OPERS. The net pension liability was measured as of July 1, 2016 for the STRS plan and December 31, 2016 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. 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 |
|-------|------------------|-----------------------|----------------------|---------------------|----------|----------------|
|       |                  | 2017                  | 2016                 | 2017                | 2016     |                |
| STRS  | July 1           | \$ 37,430,954         | \$ 30,295,455        | 0.11182%            | 0.10962% | 2.01%          |
| OPERS | December 31      | 18,089,973            | 14,649,733           | 0.07976%            | 0.08469% | -5.82%         |
| Total |                  | <u>\$ 55,520,927</u>  | <u>\$ 44,945,188</u> |                     |          |                |

For the years ended June 30, 2017 and 2016, the University recognized pension expense of \$7,228,893 and \$3,539,600, respectively. At June 30, 2017, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Differences between expected and actual experience  | \$ 1,630,104                   | \$ 210,869                    |
| Changes of assumptions  | 2,878,731                      | -                             |
| Net difference between projected and actual earnings on pension plan investments                                | 5,810,965                      | -                             |
| Changes in proportion and differences between university contributions and proportionate share of contributions | 502,134                        | 1,055,654                     |
| University contributions subsequent to the measurement date   | 2,117,711                      | -                             |
| Total   | <u>\$ 12,939,645</u>           | <u>\$ 1,266,523</u>           |





### Note 13 - Retirement Plans (Continued)

At June 30, 2016, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience   | \$ 1,382,338                         | \$ 295,025                          |
| Net difference between projected and actual earnings<br>on pension plan investments                                | 4,329,058                            | 2,178,816                           |
| Changes in proportion and differences between university<br>contributions and proportionate share of contributions | 1,664                                | 886,921                             |
| University contributions subsequent to the measurement date  | 2,391,674                            | -                                   |
| Total  | <u>\$ 8,104,734</u>                  | <u>\$ 3,360,762</u>                 |

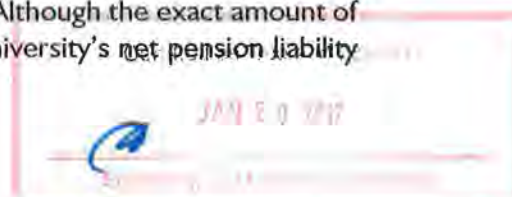
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending<br>June 30 | Amount       |
|------------------------|--------------|
| 2018                   | \$ 2,602,707 |
| 2019                   | 2,797,594    |
| 2020                   | 2,967,362    |
| 2021                   | 1,188,741    |
| 2022                   | (407)        |
| Thereafter             | (583)        |

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in 2018.

**Assumption Changes** - During the current measurement period, the OPERS board adopted certain assumption changes, which impacted its annual actuarial valuation prepared as of December 31, 2016. The most significant change is a reduction in the discount rate from 8.0 percent to 7.5 percent, which increased the University's respective net pension liability.

**Changes Between Measurement Date and Report Date** - In March 2017, the STRS board adopted certain assumption changes that will impact its annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS board voted to suspend cost-of-living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to the University's net pension liability is expected to be significant.



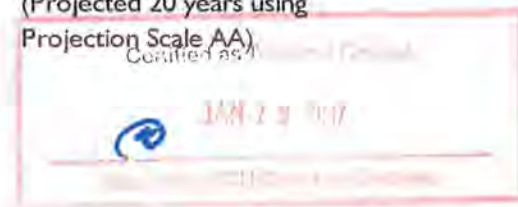
### Note 13 - Retirement Plans (Continued)

**Actuarial Assumptions** - The total pension liability is based on the results of an actuarial valuation and was determined using the following actuarial assumptions, applied to all periods included in the measurement for the period ended June 30, 2017, as follows:

|                                       | <u>STRS - as of 6/30/16</u>                                 | <u>OPERS - as of 12/31/16</u>                        |
|---------------------------------------|---|--|
| Valuation date                        | July 1, 2016  | December 31, 2016                                    |
| Actuarial cost method                 | Entry age normal  | Individual entry age                                 |
| Cost of living                        | 2.0 percent   | 3.0 percent  |
| Salary increases, including inflation | 2.75 percent - 12.25 percent                                | 3.25 percent - 10.75 percent                         |
| Inflation                             | 2.75 percent  | 3.25 percent   |
| Investment rate of return             | 7.75 percent, net of pension plan investment expense        | 7.50 percent, net of pension plan investment expense |
| Experience study date                 | Period of five years ended July 1, 2012                     | Period of five years ended December 31, 2015         |
| Mortality basis                       | RP-2000 Combined Mortality Table (Projection 2022-Scale AA) | RP-2014 Healthy Annuitant Mortality Table            |

The following actuarial assumptions, applied to all periods included in the measurement for the period ended June 30, 2016, were as follows:

|                                       | <u>STRS - as of 6/30/15</u>                                 | <u>OPERS - as of 12/31/15</u>  |
|---------------------------------------|---|--|
| Valuation date                        | July 1, 2015  | December 31, 2015  |
| Actuarial cost method                 | Entry age normal  | Individual entry age   |
| Cost of living                        | 2.0 percent   | 3.0 percent  |
| Salary increases, including inflation | 2.75 percent - 12.25 percent                                | 4.25 percent - 10.05 percent   |
| Inflation                             | 2.75 percent  | 3.75 percent   |
| Investment rate of return             | 7.75 percent - Net of pension plan investment expense       | 8.00 percent - Net of pension plan investment expense                  |
| Experience study date                 | Period of five years ended July 1, 2012                     | Period of five years ended December 31, 2010                           |
| Mortality basis                       | RP-2000 Combined Mortality Table (Projection 2022-Scale AA) | RP-2000 Mortality Table (Projected 20 years using Projection Scale AA) |





### Note 13 - Retirement Plans (Continued)

**Discount Rate** - The discount rates used to measure the total pension liability at June 30 2017 were 7.75 percent and 7.50 percent for STRS and OPERS, respectively. The discount rates used to measure the total pension liabilities at June 30, 2016 were 7.75 percent and 8.00 percent for STRS and OPERS, respectively. 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 long-term expected rate of return on pension 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 pension 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

| Investment Category  | STRS - as of 6/30/16 |  | Investment Category  | OPERS - as of 12/31/16 |  |
|----------------------|----------------------|--|----------------------|------------------------|--|
|                      | Target Allocation    | Long-term Expected Real Rate of Return |                      | Target Allocation      | Long-term Expected Real Rate of Return |
| Domestic equity      | 31.00%               | 5.50%                                  | Fixed income         | 23.00%                 | 2.75%                                  |
| International equity | 26.00%               | 5.35%                                  | Domestic equities    | 20.70%                 | 6.34%                                  |
| Alternatives         | 14.00%               | 5.50%                                  | Real estate          | 10.00%                 | 4.75%                                  |
| Fixed income         | 18.00%               | 1.25%                                  | Private equity       | 10.00%                 | 8.97%                                  |
| Real estate          | 10.00%               | 4.25%                                  | International equity | 18.30%                 | 7.95%                                  |
| Liquidity reserves   | 1.00%                | 0.50%                                  | Other investments    | 18.00%                 | 4.92%                                  |
| Total                | 100.00%              |  | Total                | 100.00%                |  |



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 13 - Retirement Plans (Continued)

| Investment Category  | STRS - as of 6/30/15 |  | Investment Category  | OPERS - as of 12/31/15 |  |
|----------------------|----------------------|--|----------------------|------------------------|--|
|                      | Target Allocation    | Long-term Expected Real Rate of Return |                      | Target Allocation      | Long-term Expected Real Rate of Return |
| Domestic equity      | 31.00%               | 5.50%                                  | Fixed income         | 23.00%                 | 2.31%                                  |
| International equity | 26.00%               | 5.35%                                  | Domestic equities    | 20.70%                 | 5.84%                                  |
| Alternatives         | 14.00%               | 5.50%                                  | Real estate          | 10.00%                 | 4.25%                                  |
| Fixed income         | 18.00%               | 1.25%                                  | Private equity       | 10.00%                 | 9.25%                                  |
| Real estate          | 10.00%               | 4.25%                                  | International equity | 18.30%                 | 7.40%                                  |
| Liquidity reserves   | 1.00%                | 0.50%                                  | Other investments    | 18.00%                 | 4.59%                                  |
| Total                | 100.00%              |  | Total                | 100.00%                |  |

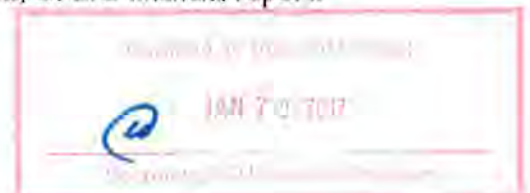
**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net pension liability of the University, calculated using the discount rate listed below, as well as what the University's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate for the period ended June 30, 2017:

| Plan  | 1.00 Percent Decrease | Current Discount Rate | 1.00 Percent Increase |
|-------|-----------------------|-----------------------|-----------------------|
| STRS  | 6.75% \$ 49,742,696   | 7.75% \$ 37,430,954   | 8.75% \$ 27,045,274   |
| OPERS | 6.50% 27,673,795      | 7.50% 18,089,973      | 8.50% 10,105,188      |
|       | <u>\$ 77,416,491</u>  | <u>\$ 55,520,927</u>  | <u>\$ 37,150,462</u>  |

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 for the period ended June 30, 2016:

| Plan  | 1.00 Percent Decrease | Current Discount Rate | 1.00 Percent Increase |
|-------|-----------------------|-----------------------|-----------------------|
| STRS  | 6.75% \$ 42,082,672   | 7.75% \$ 30,295,455   | 8.75% \$ 20,327,605   |
| OPERS | 7.00% 23,373,034      | 8.00% 14,649,733      | 9.00% 7,292,921       |
|       | <u>\$ 65,455,706</u>  | <u>\$ 44,945,188</u>  | <u>\$ 27,620,526</u>  |

**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued STRS/OPERS financial report.





### Note 13 - Retirement Plans (Continued)

**Defined Contribution Plans** - All newly hired full-time administrative employees, classified support staff, and faculty are eligible to choose an Alternative Retirement Plan (ARP) rather than the STRS or OPERS Plans. Once an employee decides to enroll in an ARP or the state retirement plan, the decision is irrevocable during his/her employment with the University.

An employee in an OPERS eligible position contributes 10 percent of his/her earned income to his/her ARP account. Legislation mandates the employer must contribute an amount to the state retirement system to which the employee would otherwise have belonged. For the years ended June 30, 2017 and 2016, 13.23 percent was paid into the member's ARP account and the remaining 0.77 percent was paid to OPERS, as required by state legislation, to cover unfunded liabilities.

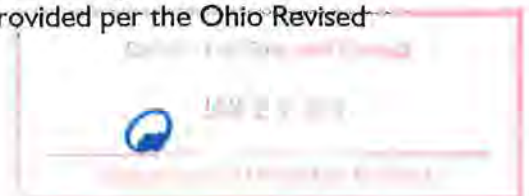
An employee in a STRS eligible position contributes 13 percent of his/her earned income to his/her ARP account. Legislation mandates the employer must contribute an amount to the state retirement system to which the employee would otherwise have belonged. For the years ended June 30, 2017 and 2016, 9.5 percent was paid into the member's ARP account and the remaining 4.5 percent was paid to STRS, as required by state legislation, to cover unfunded liabilities.

As of June 30, 2017 and 2016, there are approximately 70 and 71 active participants, respectively, participating in an ARP. The University's contribution for employees enrolled in ARP accounts for fiscal years 2017, 2016, and 2015 was \$556,760, \$490,810, and \$462,550, respectively.

**Combined Plans** - OPERS and STRS also offer combined plans with features of both a defined benefit plan and a defined contribution plan. In the combined plans, employee contributions are invested in self-directed investments, and the employer contribution is used to fund a reduced defined benefit.

### Note 14 - Postemployment Benefits

**Ohio Public Employees Retirement System (OPERS)** - OPERS provides access to postretirement healthcare coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. OPERS' eligibility requirements for postemployment healthcare coverage are changed for those retiring on and after January 1, 2015. Please see the plan statement in the OPERS 2016 CAFR for details. Access to healthcare coverage for disability recipients and primary survivor recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB to its eligible members and beneficiaries. Authority to establish and amend benefits is provided per the Ohio Revised Code.



### Note 14 - Postemployment Benefits (Continued)

OPERS' Postemployment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). Each year, the OPERS board of trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan, as recommended by OPERS' actuary, was 2.0 percent during calendar years 2017 and 2016. The OPERS board of trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The portion of the University's 2017, 2016, and 2015 contributions to OPERS used to fund postemployment benefits was \$201,116, \$213,589, and \$218,291, respectively.

**State Teachers Retirement System (STRS)** - STRS provides access to healthcare coverage to eligible retirees who participated in the defined benefit or combined plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. Pursuant to the Ohio Revised Code, the retirement board has discretionary authority over how much, if any, of the associated healthcare costs will be absorbed by STRS. All benefit recipients, for the most recent year, pay a portion of the healthcare costs in the form of a monthly premium.

Previously, under Ohio law, funding for postemployment health care could be deducted from employer contributions. Effective July 1, 2014, no employer contributions for STRS are being allocated to postemployment health care.

### Note 15 - 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 2017, 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 15 - 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) |
|   | \$900,000,000 excess<br>\$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<br>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.



**Note 15 - Risk Management (Continued)**

Changes in the self-insurance claims liability for the years ended June 30, 2017, 2016, and 2015 are summarized as follows:

|  | 2017               | 2016               | 2015               |
|--|--------------------|--------------------|--------------------|
| Accrued claims liability - Beginning of year | \$ 494,763         | \$ 614,345         | \$ 514,099         |
| Current year claims                          | 5,122,619          | 4,127,013          | 4,895,035          |
| Claims payments                              | <u>(5,204,473)</u> | <u>(4,246,595)</u> | <u>(4,794,789)</u> |
| Accrued claims liability - End of year       | <u>\$ 412,909</u>  | <u>\$ 494,763</u>  | <u>\$ 614,345</u>  |

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.

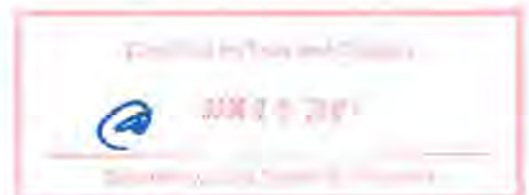
**Note 16 - Component Unit Disclosure**

*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*

Temporarily restricted net assets represent funds which are restricted for a specific purpose determined by the donor. Permanently restricted net assets represent contributions in which the donor has stipulated, as a condition of the gift, the principal be maintained intact and only the earnings of the fund be expended as the donor has specified. Temporarily and permanently restricted net assets at June 30, 2017 and 2016 are restricted primarily for scholarships, university programs, and capital improvements.





### Note 16 - Component Unit Disclosure (Continued)

#### 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, 2017 and 2016, by classification, is as follows:

|                            | 2017                 | 2016                 |
|----------------------------|----------------------|----------------------|
| U.S. government securities | \$ 1,794,111         | \$ 1,096,177         |
| Foreign bond issues        | 171,720              | 222,907              |
| Mutual funds:              |                      |                      |
| Equity                     | 12,462,337           | 7,230,836            |
| Fixed income               | 2,960,123            | 2,645,293            |
| Balanced                   | -                    | 2,188,424            |
| Common stock               | -                    | 2,697,923            |
| Corporate bond issues      | 935,619              | 1,521,224            |
| <b>Total</b>               | <b>\$ 18,323,910</b> | <b>\$ 17,602,784</b> |

#### Assets Measured at Fair Value on a Recurring Basis at June 30, 2017

| Assets                        | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Balance at<br>June 30, 2017 |
|-------------------------------|---|---|--|-----------------------------|
| U.S. government securities    | \$ 1,794,111  | \$ -  | \$ -   | \$ 1,794,111                |
| Mutual funds:                 |   |   |  |                             |
| Equity                        | 12,462,337  | -   | -  | 12,462,337                  |
| Fixed income                  | 2,960,123   | -   | -  | 2,960,123                   |
| Foreign bond issues           | -   | 171,720   | -  | 171,720                     |
| Corporate bond issues         | -   | 935,619   | -  | 935,619                     |
| Beneficial interest in trusts | -   | -   | 1,025,037  | 1,025,037                   |
| <b>Total assets</b>           | <b>\$ 17,216,571</b>  | <b>\$ 1,107,339</b>                                 | <b>\$ 1,025,037</b>                                | <b>\$ 19,348,947</b>        |



# Shawnee State University

## Notes to Financial Statements June 30, 2017 and 2016

### Note 16 - Component Unit Disclosure (Continued)

#### Assets Measured at Fair Value on a Recurring Basis at June 30, 2016

| Assets                        | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Balance at<br>June 30, 2016 |
|-------------------------------|---|--|--|-----------------------------|
| U.S. government securities    | \$ 1,096,177  | \$ -   | \$ -   | \$ 1,096,177                |
| Mutual funds:                 |   |  |  |                             |
| Equity                        | 7,230,836   | -  | -  | 7,230,836                   |
| Fixed income                  | 2,645,293   | -  | -  | 2,645,293                   |
| Balanced                      | 2,188,424   | -  | -  | 2,188,424                   |
| Common stock:                 |   |  |  |                             |
| Industrials                   | 193,687   | -  | -  | 193,687                     |
| Healthcare                    | 349,801   | -  | -  | 349,801                     |
| Information technology        | 632,469   | -  | -  | 632,469                     |
| Telecomm                      | 12,325  | -  | -  | 12,325                      |
| Energy                        | 36,044  | -  | -  | 36,044                      |
| Materials                     | 209,688   | -  | -  | 209,688                     |
| Foreign                       | 353,613   | -  | -  | 353,613                     |
| Financials                    | 365,516   | -  | -  | 365,516                     |
| Consumer goods                | 468,898   | -  | -  | 468,898                     |
| Real estate                   | 75,882  | -  | -  | 75,882                      |
| Foreign bond issues           | -   | 222,907  | -  | 222,907                     |
| Corporate bond issues         | -   | 1,521,224  | -  | 1,521,224                   |
| Beneficial interest in trusts | -   | -  | 952,875  | 952,875                     |
| <b>Total assets</b>           | <b>\$ 15,858,653</b>  | <b>\$ 1,744,131</b>                                    | <b>\$ 952,875</b>                                  | <b>\$ 18,555,659</b>        |

#### Fixed Assets

During fiscal year 2016, the Foundation acquired one new property. The transaction occurred on November 23, 2015 at the purchase price of \$150,000.





**Note 16 - Component Unit Disclosure (Continued)**

Property and equipment consist of the following:

|                              | 2017          | 2016          |
|------------------------------|---------------|---------------|
| Land                         | \$ 2,248,769  | \$ 2,168,264  |
| Equipment and furniture      | 13,938        | 5,747         |
| Buildings                    | 9,717,077     | 9,551,652     |
| Construction in progress     | -             | 15,699        |
| Total property and equipment | 11,979,784    | 11,741,362    |
| Accumulated depreciation     | 775,212       | 535,279       |
| Net property and equipment   | \$ 11,204,572 | \$ 11,206,083 |

*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 will have an option to extend the maturity date for a two-year period; however, payments will continue during that time. At June 30, 2017 and 2016, the outstanding principal balance of the note was \$4,024,546 and \$4,175,573, respectively.

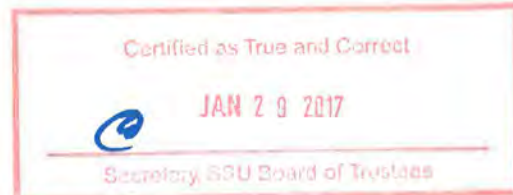
*Related Party Transactions*

During the years ended June 30, 2017 and 2016, the Foundation made distributions of \$1,341,063 and \$994,464, respectively, to or on behalf of the University for both restricted and unrestricted purposes. The Foundation leases building space to Shawnee State University for the use of educational facilities. The outstanding lease due under this arrangement was \$26,344 and \$28,514 as of June 30, 2017 and 2016, respectively. On June 16, 2017, Shawnee State University transferred the land and building located at 310 Chillicothe Street, valued at \$193,565, to 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 Contributions

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

|  | 2017          | 2016          | 2015          |
|--|---------------|---------------|---------------|
| University's proportion of the collective net pension liability:   |               |               |               |
| As a percentage  | 0.11182%      | 0.10962%      | 0.11347%      |
| Amount   | \$ 37,430,954 | \$ 30,295,455 | \$ 27,600,967 |
| University's covered employee payroll  | \$ 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 | 275.31%       | 264.89%       | 264.37%       |
| Plan fiduciary net position as a percentage of the total pension liability   | 66.78%        | 72.10%        | 74.71%        |

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

|  | 2017          | 2016          | 2015          |
|--|---------------|---------------|---------------|
| University's proportion of the collective net pension liability:   |               |               |               |
| As a percentage  | 0.07976%      | 0.08469%      | 0.08633%      |
| Amount   | \$ 18,089,973 | \$ 14,649,733 | \$ 10,394,787 |
| University's covered employee payroll  | \$ 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 | 197.95%       | 134.47%       | 95.37%        |
| Plan fiduciary net position as a percentage of the total pension liability   | 77.39%        | 81.19%        | 86.53%        |

### STRS Schedule of University Contributions

|   | 2017          | 2016          | 2015          |
|---|---------------|---------------|---------------|
| Statutorily required contribution   | \$ 1,574,598  | \$ 1,655,224  | \$ 1,623,157  |
| Contributions in relation to the actuarially determined contractually required contribution | \$ 1,574,598  | \$ 1,655,224  | \$ 1,623,157  |
| Contribution deficiency (excess)  | \$ -          | \$ -          | \$ -          |
| Covered employee payroll  | \$ 11,247,129 | \$ 11,823,029 | \$ 11,593,979 |
| Contributions as a percentage of covered employee payroll                                   | 14.00%        | 14.00%        | 14.00%        |

### OPERS Schedule of University Contributions

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



# Shawnee State University

## Notes to Required Supplementary Information Year Ended June 30, 2017

### *Changes of benefit terms*

There were no changes in benefit terms affecting the STRS and OPERS plans for the plan years ended June 30, 2016 and December 31, 2016, respectively.

### *Changes of assumptions*

STRS: There were no changes in assumptions affecting STRS for the plan year ended June 30, 2016.

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.





## 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 the 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 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, 2017, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 11, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Shawnee State 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.





To Management and the Board of Trustees  
Shawnee State University

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Shawnee State 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*.

### **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 University'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.

*Alante + Moran, PLLC*

October 11, 2017



Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance

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 its major federal program for the year ended June 30, 2017. Shawnee State 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 Shawnee State 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 Shawnee State 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 Shawnee State University's compliance.





To the Board of Trustees  
Shawnee State University

**Opinion on Each Major Federal Program**

In our opinion, Shawnee State University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2017.

**Report on Internal Control Over Compliance**

Management of Shawnee State 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 Shawnee State 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 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 certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Findings 2017-001 and 2017-002, that we consider to be significant deficiencies.

Shawnee State University's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and/or corrective action plan. Shawnee State University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.



To the Board of Trustees  
Shawnee State University

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 11, 2017





# Shawnee State University

## Schedule of Expenditures of Federal Awards Year Ended June 30, 2017

| Federal Grantor/Pass-through Grantor/Program Title   | CFDA No. | Federal/Pass-through Grant Number | Total Amount Provided to Subrecipients | Expenditures  |
|--|----------|-----------------------------------|--|---------------|
| U. S. Department of Education:   |          |                                   |  |               |
| Direct from Federal Agency - Student Financial Assistance Cluster:   |          |                                   |  |               |
| Federal Supplemental Educational Opportunity Grants (SEOG)   | 84.007   | N/A                               | \$ -                                   | \$ 113,928    |
| Federal College Work Study   | 84.033   | N/A                               | -                                      | 117,679       |
| Federal Pell Grant Program   | 84.063   | N/A                               | -                                      | 7,510,056     |
| Federal Direct Loan Program  | 84.268   | N/A                               | -                                      | 20,171,887    |
| Teacher Education Assistance for College & Higher Education (TEACH)  | 84.379   | N/A                               | -                                      | 67,155        |
| Total Student Financial Assistance Cluster   |          |                                   |  | 27,980,705    |
| TRIO Cluster:  |          |                                   |  |               |
| Upward Bound   | 84.047A  | N/A                               | -                                      | 273,157       |
| Upward Bound Math Science  | 84.047M  | N/A                               | -                                      | 273,553       |
| Educational Opportunity Centers  | 84.066A  | N/A                               | -                                      | 347,758       |
| Total TRIO Cluster   |          |                                   |  | 894,468       |
| Pass through the University of Dayton Special Education Cluster (IDEA):  |          |                                   |  |               |
| Broadening Horizons  | 84.027   | RSC16061                          | -                                      | 206,128       |
| Simultaneous Renewal   | 84.027   | RSC16090                          | -                                      | 33,635        |
| Teachers for All Students  | 84.027   | RSC16060                          | -                                      | 112,211       |
| LISD Collaborative   | 84.027   | RSC16112                          | -                                      | 71,006        |
| Total Special Education Cluster (IDEA)   |          |                                   |  | 422,980       |
| Direct from Federal Agency - Higher Education Institutional Aid  |          |                                   |  |               |
|  | 84.031A  | N/A                               | -                                      | 122,720       |
| Pass through the Ohio Department of Education:   |          |                                   |  |               |
| Twenty-First Century Community Learning Centers  | 84.287   | 063321-TISI                       | -                                      | 524,474       |
| Secondary Career - Technical Alignment Initiative  | 84.048   | N/A                               | -                                      | 1,750         |
| All Together   | 84.323A  | N/A                               | -                                      | 11,005        |
| ITQ Summer Institute   | 84.367   | N/A                               | -                                      | 57,250        |
| Science By Inquiry   | 84.367   | N/A                               | -                                      | 35,930        |
| Subtotal Pass-through Programs   |          |                                   |  | 630,409       |
| 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               | -                                      | 13,434        |
| National Aeronautics and Space Administration - Pass through Space Telescope Science Institute - Space Telescope Project |          |                                   |  |               |
|  | 43.012   | N/A                               | -                                      | 1,451         |
| Total federal expenditures   |          |                                   | \$ -                                   | \$ 30,066,167 |

See Notes to Schedule of Expenditures of Federal Awards.



# Shawnee State University

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2017

### 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") under programs of the federal government for the year ended June 30, 2017. The information in this 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 Shawnee State University, it is not intended to and does not present the financial position, changes in net position, or cash flows of Shawnee State University.

### Note 2 - Summary of Significant Accounting Policies

Expenditures reported on 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 minimus* 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, 2017, 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.





# Shawnee State University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2017

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

Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major programs:

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

Type of auditor's report issued on compliance for major programs: Unmodified

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

Identification of major programs:

| CFDA Numbers                              | Name of Federal Program or Cluster   |
|---|--------------------------------------|
| 84.007, 84.033, 84.063,<br>84.268, 84.379 | Student Financial Assistance Cluster |

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

Auditee qualified as low-risk auditee?  Yes  No

### Section II - Financial Statement Audit Findings

None



# Shawnee State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2017

### Section III - Federal Program Audit Findings

| Reference Number | Finding   |
|------------------|---|
| 2017-001         | <p><b>CFDA Number, Federal Agency, and Program Name</b> - CFDA No. 84.268, Department of Education, Federal Direct Student Loans</p> <p><b>Federal Award Identification Number and Year</b> - N/A</p> <p><b>Pass-through Entity</b> - None</p> <p><b>Finding Type</b> - Significant deficiency</p> <p><b>Repeat Finding</b> - No</p> <p><b>Criteria</b> - In no case may a Direct Subsidized, Direct Unsubsidized, or Direct PLUS Loan amount exceed the student's estimated cost of attendance for the period of enrollment for which the loan is intended less (1) The student's estimated financial assistance for that period, and (2) In the case of a Direct Subsidized Loan, the borrower's expected family contribution for that period. (34 CFR 685.203(j)).</p> <p><b>Condition</b> - The University awarded financial aid in excess of need for certain students because the cost of attendance was not accurate.</p> <p><b>Questioned Costs</b> - Questioned costs for the one student identified in the sample were \$2,467. The questioned costs for the additional two students identified by the University were \$4,690 for a total of \$7,157 of questioned costs.</p> <p><b>Identification of How Questioned Costs were Computed</b> - The questioned costs were determined by totaling the aid awarded in excess of need for the three affected students.</p> <p><b>Context</b> - Of the 25 students tested for eligibility, one student was awarded financial aid in excess of need. The University reviewed all potentially affected students and found an additional two students who were awarded financial aid in excess of need.</p> <p><b>Cause and Effect</b> - The graduate student cost of attendance for the University was decreased after the initial calculation of financial aid for students was completed. The University had to manually adjust the cost of attendance for all graduate students. The University did not have a control in place in order to ensure that all updates to awards were made and did not update for three students, which led to financial aid awarded in excess of need.</p> |





# Shawnee State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2017

### Section III - Federal Program Audit Findings (Continued)

| Reference Number        | Finding  |
|-------------------------|--|
| 2017-001<br>(continued) | <p><b>Recommendation</b> - The University should implement a thorough review process for any manual cost-of-attendance adjustments to ensure that any updates are applied to all affected students.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The Financial Aid Office has completed a review of all graduate students to determine if their cost of attendance was incorrect. Three students out of 94 were identified to have an incorrect cost of attendance. We made the necessary corrections to the three students. Moving forward, we will require one staff member to change the cost of attendance and another staff member review all changes.</p> |

| Reference Number | Finding   |
|------------------|---|
| 2017-002         | <p><b>CFDA Number, Federal Agency, and Program Name</b> - CFDA Nos. 84.063 and 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> - None</p> <p><b>Finding Type</b> - Significant deficiency</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> - The University did not report student status changes within the required timeframe for certain students that graduated.</p> <p><b>Questioned Costs</b> - None</p> |



# Shawnee State University

## Schedule of Findings and Questioned Costs (Continued) Year Ended June 30, 2017

### Section III - Federal Program Audit Findings (Continued)

| Reference Number        | Finding  |
|-------------------------|--|
| 2017-002<br>(continued) | <p><b>Identification of How Questioned Costs were Computed - N/A</b></p> <p><b>Context</b> - Of the 25 students tested for student status changes, two students were not properly reported as graduations.</p> <p><b>Cause and Effect</b> - Certain students received grade changes that allowed them to graduate after being reported as withdrawn by the University. The University did not have a control in place to ensure that the change in status (from withdrawn to graduated) was reported to NSLDS.</p> <p><b>Recommendation</b> - The University should implement controls and processes to ensure that all student status changes are properly reported.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - Each semester, the Registrar's Office will review the graduates to determine those students who did not attend in the semester they graduated. Those students will be manually updated to a graduated status in the National Student Clearinghouse. This information will then be transferred to NSLDS by the clearinghouse.</p> |



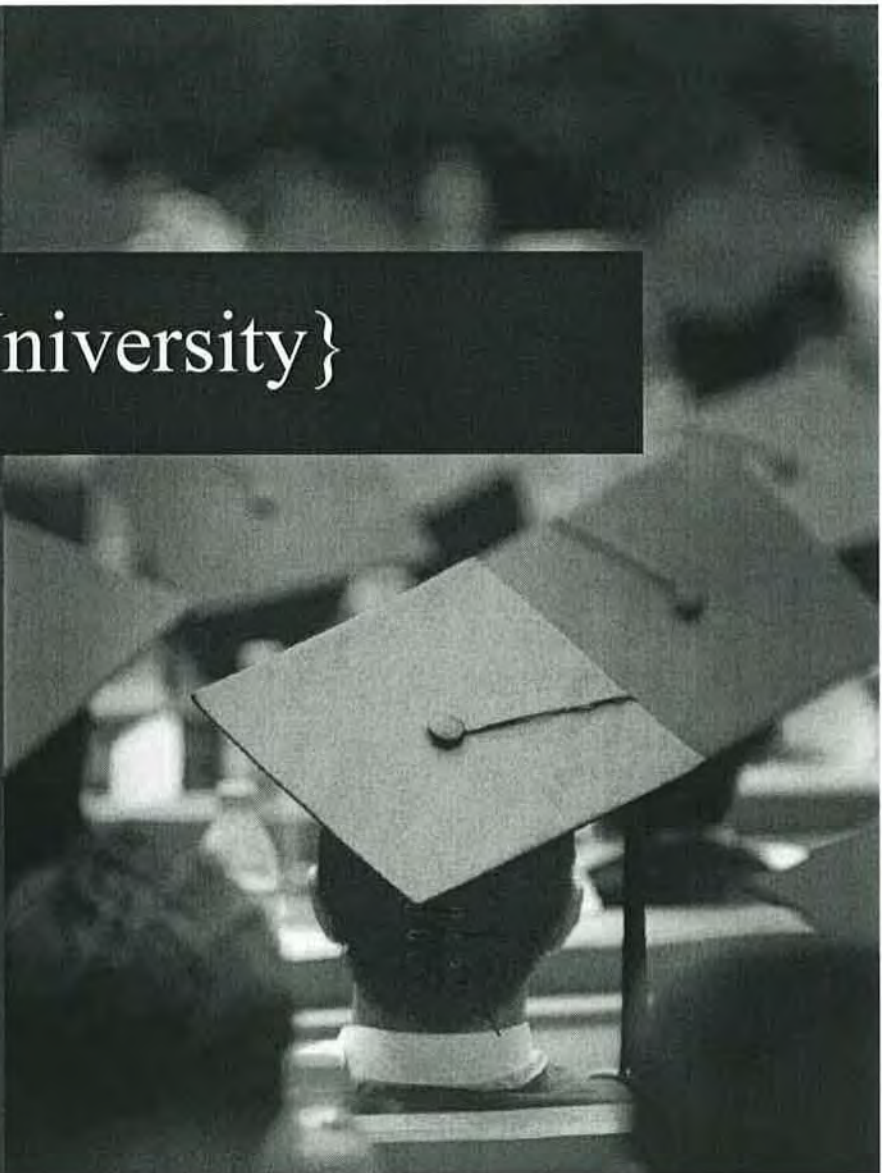


# {Shawnee State University}

Finance and Administration  
Committee  
December 15, 2017

plante moran

audit • tax • consulting • wealth management



Certified as True and Correct



JAN 29 2017

Secretary, SSU Board of Trustees

# Agenda

2

- **Shawnee State University Audit Team Leaders**
- **Required Communications**
- **New Pronouncements**
- **Appendix – Definitions**

PLANTE MORAN





# Audit Team

3

**Keith Martinez**

(Columbus)

**Partner**

Keith.Martinez@plantemoran.com

**614.222.9086**

**Danny Sklenicka**

(Columbus)

**Manager**

Danny.Sklenicka@plantemoran.com

**614.222.9133**

**Josh Louge**

(Columbus)

**In-charge**

Josh.Louge@plantemoran.com

**614.222.9180**

PLANTE MORAN



# Required Communications

- **Plante Moran Reports**

- Opinion on FY 2017 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.

PLANTE MORAN





# Required Communications (continued)

5

- **Significant Accounting Policies**

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

PLANTE MORAN



# Required Communications (continued)

6

- **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:
  - The allowance for doubtful accounts receivables, footnote 5
  - The allowance for doubtful student loan notes receivable, footnote 5
  - Liability for pending litigation, footnotes 10 and 15
  - Accounting for service concession arrangements, footnote 2
  - Net pension liability for STRS and OPERS, footnote 13

- **Significant Auditing Adjustments**

- There were no uncorrected misstatements identified during the audit.

PLANTE MORAN





# Required Communications (continued)

7

- **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.
- **Consultation 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 fourth 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.

PLANTE MORAN



# Required Communications (continued)

8

- **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.

PLANTE MORAN



# Required Communications (continued)

9

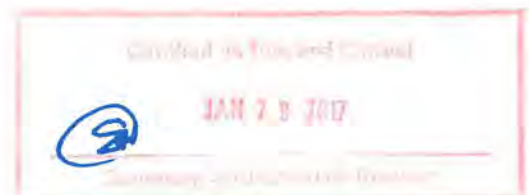
- **Other Services**

- Plante Moran completed audits for:
  - Shawnee State University Development Foundation
  - Shawnee State University single audit (audit of federal programs)
    - Tested student financial assistance cluster

- **Related Party Transactions**

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

PLANTE MORAN





# New Pronouncements

10

## Future Years' Impact – Reporting Changes

- GASB 75 – Financial Reporting for Postemployment Benefit Plans Other Than Pensions
  - Effective with the fiscal year ending June 30, 2018.
  - Addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees.
  - Requires the recognition on the face of the financial statements the proportionate share of the net OPEB liability related to the STRS and OPERS plans.
- GASB 83 – Certain Asset Retirement Obligations
  - Effective for the fiscal year ending June 30, 2019
  - Provides requirements on recognition and measurement for asset retirement obligations (ARO), other than landfills
  - Defines an ARO as a legally enforceable liability associated with the retirement of a tangible capital asset
  - Common examples include the removal of wind turbines and disposal of X-ray machines

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# New Pronouncements (continued)

11

## Future Years' Impact – Reporting Changes (continued)

- GASB 84 – Fiduciary Activities
  - Effective with 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 with 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

PLANTE MORAN



# Appendix- Definitions

12

- **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 a 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 corrected 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.
- **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.

PLANTE MORAN





# Appendix- Definitions

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- **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.
- **Material Misstatement**
  - To present accidental or intentional untrue financial statement information that influences a company's value and such.
- **Significant Adjustments**
  - A material 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 finance and administration committee or board.

PLANTE MORAN



# Appendix- Definitions

- **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.
- **Factual Adjustments**
  - These are specific misstatements identified during the audit arising from omission of disclosures and the incorrect selection or misapplication of accounting principles or misstatements of facts identified.
- **Judgmental Adjustments**
  - These are estimate adjustments based on miscellaneous differences between detail information and the general ledger, differences related to accounting estimates, and/or selection or application of accounting policies that we consider inappropriate.
- **Component Unit (GASB)**
  - Component units are legally separate organizations for which the elected officials of the University are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the University are such that exclusion would cause the University's financial statements to be misleading or incomplete.
- **Group Audit**
  - The audit of Group financial statements, where the group represents all the components whose financial information is included in the Group financial statements.
- **Component (AICPA)**
  - An entity or business activity for which Group or component management prepares financial information that is required by the applicable financial reporting framework to be included in the Group financial statements.

PLANTE MORAN



# Appendix- Definitions

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- **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.
- **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 12.
- **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.

PLANTE MORAN



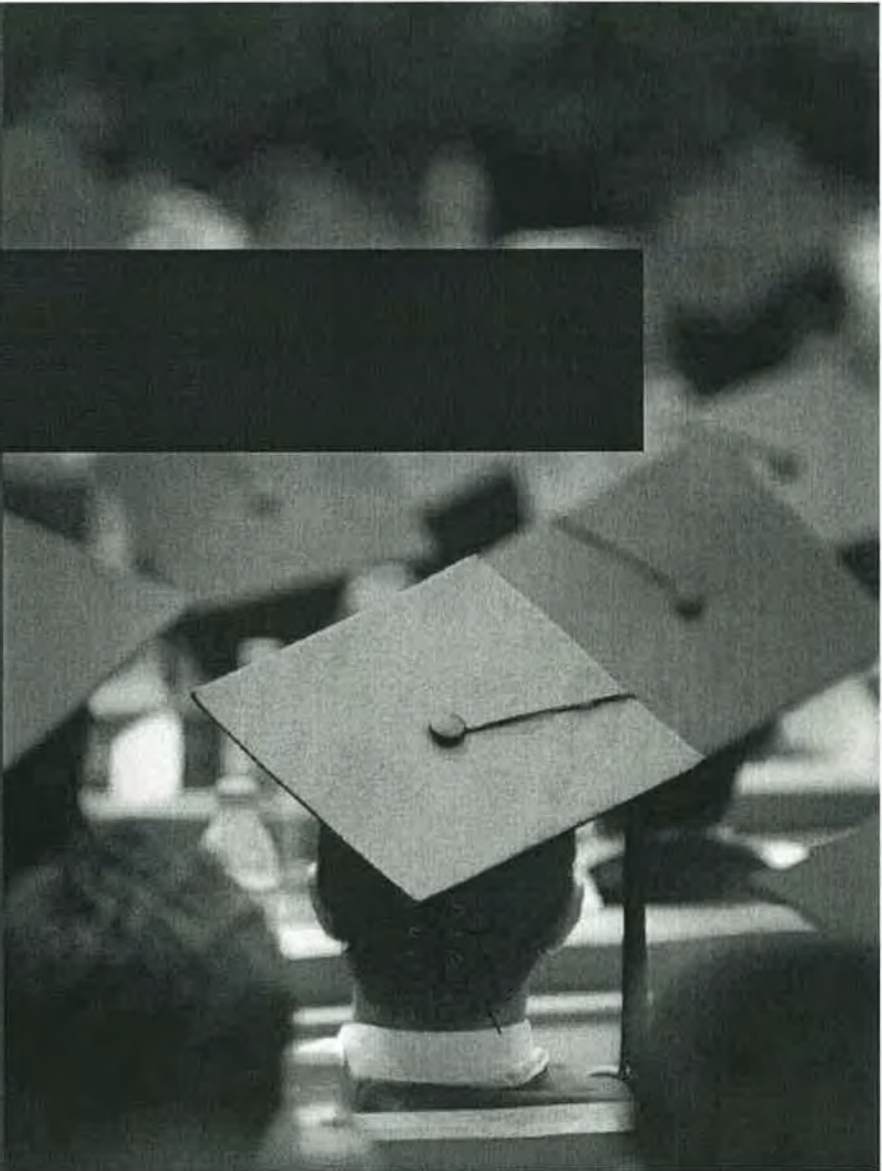


{Thank you}

We appreciate the opportunity to  
serve Shawnee State University.

plante moran  
*m*

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Certified as True and Correct



JAN 29 2017

Secretary, SSU Board of Trustees

**RESOLUTION F18-17**

**ADOPTION OF *SHAWNEE STATE ADVANTAGE PRINCIPLES*  
TUITION AND FEES  
*2018-2019 Academic Year***

WHEREAS, by Resolution E04-17, the Shawnee State University's Board of Trustees approved Principles that were drafted to govern the University's proposed undergraduate tuition guarantee program, as allowed by Ohio Revised Code §3345.48; and

WHEREAS, as part of the required approval process, these Principles underwent a review by the Ohio Department of Higher Education (ODHE), that resulted in recommended edits for greater clarity; and

WHEREAS, in addition, appropriate ODHE officials reviewed the proposed guaranteed undergraduate tuition and fees, residential housing and meal plans rates, and other student fees, finding the proposed rates to be generally acceptable; and

WHEREAS, to finalize the ODHE approval process for the implementation of the guaranteed tuition program, the amended Principles and Board-approved undergraduate guaranteed tuition rates and fees must be re-submitted to ODHE and posted on the ODHE website for a public comment period of ten days; and

WHEREAS, upon satisfactory completion of the ODHE approval process, the President recommends adoption of the University's undergraduate tuition guarantee program referred to as *Shawnee State Advantage*;

THEREFORE, BE IT RESOLVED that Board of Trustees approves the adoption of *Shawnee State Advantage Principles* and the proposed guaranteed undergraduate tuition and fees, residential housing and meal plan rates, and other student fees, beginning fall 2018, subject to satisfactory completion of the ODHE approval process;

BE IT FURTHER RESOLVED that the Vice President for Finance and Administration is authorized to make future modifications, that are administrative in nature, to the *Shawnee State Advantage Principles* for the effective and efficient management of the undergraduate tuition guarantee program, subject to compliance with the requirements of Ohio Revised Code §3345.48.

(December 15, 2017)





Amended December 15, 2017.

## **PRINCIPLES OF THE SHAWNEE STATE ADVANTAGE**

### **A. TUITION GUARANTEE**

- 1) The Shawnee State Advantage is a cohort-based, guaranteed undergraduate tuition program adopted in accordance with Ohio Revised Code §3345.48. The Shawnee State Advantage ensures that tuition, fees, housing, and meal plan charges will not increase over the ensuing four academic year period for first-time students. ~~The Shawnee State Advantage ensures that tuition, fees, housing, and meal plan charges will not increase over the ensuing four academic year period for first-time students.~~ The Shawnee Advantage applies to all degree-seeking undergraduate students enrolling for the first time at Shawnee State University.
- 2) Tuition and fees will be set annually for provisionally admitted students, continuing students, graduate students, non-degree seeking students, ~~College Credit Plus students~~ and any other groups of students not expressly included in this program. Tuition rates for College Credit Plus students will be set in accordance with applicable legislation. Participation in the program is required for all degree-seeking undergraduate students enrolling at Shawnee State University for the first time in fall semester of 2018 or later.
- 3) The four academic years of the Shawnee State Advantage includes twelve (12) consecutive semesters, four (4) fall, four (4) spring and four (4) summer terms. The four academic year term is guaranteed regardless of the student's enrollment status (full-time, part-time, or not enrolled) during that time.
- 4) Tuition is set by the Shawnee State University Board of Trustees each academic year and guaranteed for twelve (12) consecutive semesters for each entering cohort.

### **B. STUDENTS AND COHORTS**

- 1) Cohort
  - a) Beginning with the 2018-2019 academic year, every new first-time or transfer undergraduate (bachelor's and associate's) degree-seeking student will be part of the Shawnee State Advantage.
  - b) Students covered by the Shawnee State Advantage will be assigned to a cohort based on the semester in which the students first enroll as degree-seeking students, as follows:
    - i. Any degree-seeking, undergraduate student who is registered for classes for the first time as of the fifteenth day of the fall semester will be assigned to that cohort year for purposes of determining tuition, fees, housing, and meal plan charges for the four academic years (twelve semesters) covered by the Shawnee State Advantage.





- ii. Students who are first admitted to Shawnee State University in Spring or Summer semesters will be charged the established (nonguaranteed) continuing student rate for that semester, yet in the subsequent Fall, they will be treated as part of the entering Fall cohort and assigned the same (guaranteed) cohort rate as other students who start in Fall semester. By being assigned to the following Fall Semester cohort, these students will receive the benefit of guaranteed tuition for four full years beginning with that first fall term.
- iii. Students may complete as many undergraduate degrees, majors, minors, and/or certificates as they choose within their cohort period.

2) First-Time Students

A first-time student is any undergraduate, degree-seeking student enrolled at Shawnee State University for the first time on or after Fall 2018. First-time students do not include non-degree seeking students or conditionally admitted students such as students enrolled in the Bridge to Success Program, College Credit Plus students, and incoming exchange students.

3) Transfer Students

A transfer student is a student who transfers to Shawnee State University from an accredited institution of higher education, including any of Ohio's public community or technical colleges. Students enrolled in College Credit Plus, Advanced Placement courses, International Baccalaureate, or similar programs are not considered transfer students. Transfer students will be assigned to a cohort based on their initial date of enrollment as a degree-seeking undergraduate student at Shawnee State University.

4) Continuing Students

Students enrolled as degree-seeking students at Shawnee State University prior to Fall semester 2018 are considered continuing students for purposes of assessing tuition and other fees and are not covered by the Shawnee State Advantage. Tuition and other fees are set annually by the Board of Trustees for these students.

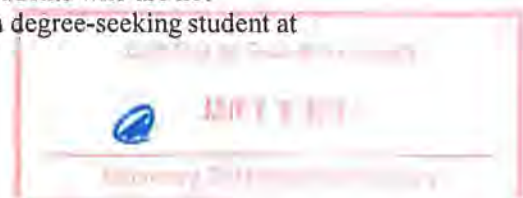
5) Re-Enrolling Students

Re-enrolling students are degree-seeking students who have a lapse of enrollment for one academic term, not including summer semester. Re-enrolling students who were admitted prior to Fall 2018 are not covered by the Shawnee State Advantage and will pay tuition and other fees associated with continuing students.

When a student originally assigned to a Shawnee State Advantage cohort seeks to re-enroll after any period of non-attendance and not more than four (4) academic years have elapsed since the student's initial degree-seeking enrollment, that student will be assigned to the student's original cohort for the balance of the cohort period. If four (4) or more academic years have elapsed, then the re-enrolling student is assigned to the oldest unexpired cohort at Shawnee State University.

6) Non-Degree Students

Students admitted or enrolled as non-degree-seeking students (students who are not pursuing an undergraduate degree or have not been admitted as a degree-seeking student at



Shawnee State University) are not covered by the Shawnee State Advantage and will not be assigned to a cohort unless the student is subsequently admitted and enrolls as a degree-seeking student. Tuition for non-degree seeking students (including conditionally admitted students, such as exchange students or students enrolled in Bridge to Success or College Credit Plus programs) will continue to be set annually by the Board of Trustees. Once a student is admitted as a first-time, degree-seeking student, the student will be assigned to the cohort based on the semester in which the student first enrolled as a degree-seeking student.

### C. UNDERGRADUATE DEGREES

The Shawnee State Advantage covers undergraduate degree-seeking students. Shawnee State University offers both associate's and bachelor's degrees at the undergraduate level.

#### 1) Associate's Degree

An associate's degree requires the completion of a minimum of 60 semester credit hours. Students pursuing an associate's degree will be provided the Shawnee State Advantage cohort rate for the full 4 years. Students who complete associate's degrees may continue with their education and pursue bachelor's degrees as a part of their Shawnee State Advantage.

#### 2) Bachelor's Degree

A bachelor's degree requires the completion of a minimum of 120 semester credit hours. Students completing bachelor's degree programs requiring more than 120 hours can request an extension of the guaranteed cohort period following the procedures outlined in Section H below. A list of all bachelor degree programs can be viewed at <http://www.shawnee.edu/academics/#degrees> and a list of degrees requiring more than 120 hours is provided in Appendix A.

### D. COSTS INCLUDED IN THE SHAWNEE STATE ADVANTAGE

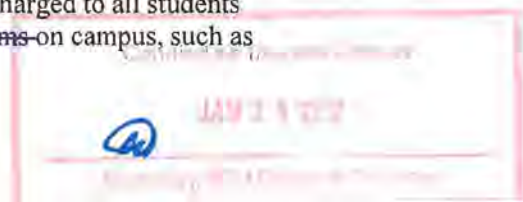
1) Tuition is the sum of the Instructional Fee and General Fee. For non-Ohio-resident students, tuition also includes a surcharge. Under the Shawnee Advantage, tuition is set each academic year for twelve (12) consecutive semesters for each entering fall cohort. Full-time students (students enrolled in 12 to 18 credit hours) pay no additional tuition regardless of the number of hours enrolled. Part-time students (students enrolled in fewer than 12 credit hours) pay tuition on a prorated, per-credit hour basis. Students who are enrolled in greater than 18 credit hours pay additional tuition on a prorated, per-credit hour basis.

#### a) Instructional Fee

These are the guaranteed instructional costs that first-time degree-seeking students will pay. Non-Ohio resident students also pay a tuition surcharge. Each incoming cohort is charged its guaranteed resident or non-resident rate for twelve consecutive semesters. Under the Shawnee State Advantage instructional fees include specialized course-related supplies and equipment.

#### b) General Fee

These are campus fees that are unrelated to instruction and charged to all students ~~for non-instructional for programs and services and programs~~ on campus, such as





health education and services, recreation, athletics, course-related technology, career services, graduation petition, student-life facilities, and student activities.

2) Special Program Fees

Special Program Fees are additional per-semester charges that are charged only to those students enrolled in the Program. These funds support specialized academic services required for the identified programs and instruction. The programs that are assessed a Special Program Fee are listed in Appendix B. These fees are charged as applicable and the rates are guaranteed for each cohort, regardless of when the student first declares a major.

3) Study Abroad and Domestic Travel Fees

The instructional and general fees for travel courses will be included in the Shawnee State Advantage. Additional fees (e.g., flights, activity fees, hotel accommodations, etc.) are not part of the Shawnee State Advantage.

4) Housing and Meal Plan

Housing and Meal Plan charges are the guaranteed rates for Shawnee State's housing and meal plan options. Students pay a fee based on the housing and meal plan selected. The selected schedule of fees and options are guaranteed for each cohort for twelve consecutive semesters.

a) Housing Rates

The Shawnee State Advantage includes a guaranteed price schedule for housing that represents the housing options available to undergraduate students. The rate charged to the student is based upon the student's selected or assigned residence building (e.g., Campus View, Cedar House, University Townhouse, etc.) and room type, (e.g., private room or double room). If a student changes housing during the cohort period, the rate charged to the student will be adjusted based on the guaranteed price schedule that is in effect throughout the student's cohort period. Under the Shawnee Advantage, housing rates include basic residential housing connectivity and programming.

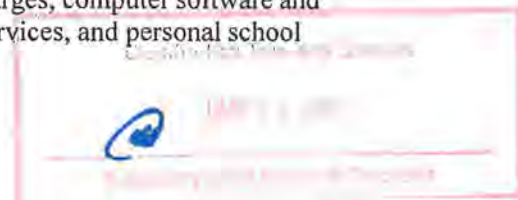
b) Meal Plan Rates

The Shawnee State Advantage establishes a schedule of meal plan rates that are guaranteed to each cohort throughout the four-year period of the guarantee. The actual cost to each student will be based on the meal plan in which they are enrolled each semester. While meal plan prices will remain guaranteed during the cohort period, individual meal items and merchandise in retail locations are subject to price changes. Students are responsible for the cost of adding optional flex dollars to their meal plan.

5) Costs Not Included in the Shawnee State Advantage

a) Service charges and fines incurred by students such as printing fees and library and parking fines will vary from year to year and are not included in the Shawnee Advantage.

b) Workshops, student health insurance, textbooks, copier charges, computer software and hardware, access to optional residential housing internet services, and personal school





- supplies are not included in the Shawnee State Advantage.
- c) All other fees, fines, and costs related to attending Shawnee State University not specifically identified as part of the Shawnee State Advantage are excluded from the guaranteed cohort price and are subject to price changes. While such costs are excluded, Shawnee State University will seek to limit increases to the extent feasible.

#### **E. COHORT PRICING BEYOND THE INITIAL YEAR**

- 1) Once the initial cohort tuition price is established, subsequent cohort tuition increases will be based on:
  - a) The average rate of inflation, as measured by the consumer price index prepared by the Bureau of Labor Statistics of the United States Department of Labor (all urban consumers, all items), for the previous sixty-month period; and
  - b) The percentage amount the Ohio General Assembly restrains increases on in-state undergraduate Instructional and General Fees for the applicable fiscal year. If the General Assembly does not enact a limit on the increase of in-state undergraduate instructional and general fees, then no limit shall apply under this section for the cohort that first enrolls in any academic year for which the General Assembly does not prescribe a limit.
  - c) This rate of increase will be benchmarked against other State of Ohio four-year institutions' four-year rolling cost averages to account for the impact of the cohort pricing model on tuition changes. If Shawnee State University's cohort tuition pricing for Ohio residents falls significantly below these institutions, Shawnee State University may elect to submit for approval by the Chancellor of the Department of Higher Education an increase in the forthcoming cohort pricing in excess of the stated limitation for Ohio residents.
- 2) Other increases in successive cohort pricing, including the non-resident tuition surcharge, program fees, course fees, housing, and meal plan charges are not subject to the pricing formula set forth above and will be determined by the Shawnee State University Board of Trustees, in accordance with Ohio law.

#### **F. EXCEPTIONS TO STANDARD LENGTH OF COHORT**

The Shawnee State Advantage is for four (4) academic years commencing with the Fall Semester. Some students may require additional semesters beyond the four (4) academic years to complete their baccalaureate degree and will continue to attend Shawnee State University beyond their cohort period. When certain exceptions are met, as described below, students may extend their guaranteed cohort price beyond their guaranteed cohort period. A student must apply for an exception no later than one semester prior to the expiration of their cohort period. Students with approved exceptions will be granted additional courses at their guaranteed cohort price. The specific courses or length of the exception will be determined as part of any approval.

Students who remain at Shawnee State University beyond their approved cohort period and who have not been granted an exception will automatically be placed into the cohort that went into effect the year after their assigned cohort (cohort +1). The student will remain in that cohort for up to one year and if still enrolled after that cohort expires, will be placed into the next cohort (cohort +2) for the next year and so on until the student is no longer enrolled.



## G. APPLYING FOR AN EXCEPTION

There will be some students who will take longer than their guaranteed cohort period to graduate due to circumstances beyond their control. No later than one semester prior to the expiration of their guaranteed cohort term, a student may request an extension of his or her guaranteed cohort price. Each case will be evaluated on its own merits to determine whether an extension should be granted and if so, the nature and duration of any extension.

- 1) A Shawnee State Advantage Appeals Committee will evaluate requests for exceptions. The appeal must fall within extenuating circumstances established by the Appeals Committee as described below.
  - a) If the Appeals Committee finds that the student cannot complete the degree program within the four (4) academic years of the student's cohort due solely to a lack of available classes or space in classes provided by the University, the University will provide the student with an opportunity to take the necessary course or courses without requiring the payment of tuition.
  - b) Other circumstances that will be considered for an extension of the guaranteed cohort price beyond the four academic years, depending on the validity and impact of the circumstances, include:
    - i. Enrollment in a degree program requiring more than 120 hours to graduate
    - ii. Illness or injury
    - iii. Disability that necessitates a reduced course load as a reasonable accommodation
    - iv. Medical leave of absence
    - v. Victim of interpersonal violence or crime while enrolled
    - vi. Participation in a co-op or internship for one or more semesters
    - vii. Study abroad for one or more semesters (excluding summer semester)
  - c) If the Appeals Committee determines that the student has provided sufficient documentation of extenuating circumstances that were outside the control of the student and prevented the student from completing the student's program of study during the assigned cohort period, the Appeals Committee will determine the appropriate period of time or number of courses to extend the guaranteed cohort price.
  - d) Any student who graduates with a bachelor's degree from Shawnee State University within four (4) years and earns a final GPA of 3.5 or above may apply for an additional fifth (5<sup>th</sup>) year of guaranteed cohort rate for the purposes of completing one or more additional undergraduate degrees. The Appeals Committee will base its determination on the feasibility of the student completing an additional undergraduate degree within the one (1) year extension.
  - e) Any students called to active duty in the United States Armed Services will be given an automatic extension of their guaranteed cohort price based upon the number of academic terms impacted by the student's active duty absence.

## H. STUDENTS WHO WITHDRAW AND RETURN

If a student takes a leave, withdraws, or is judicially suspended from Shawnee State University for





one or more academic semesters, the four (4) academic year period covered by the guaranteed cohort price will not be extended. As a result, the student will lose the term(s) of eligibility while absent within the four (4) academic year cohort period. When the student re-enrolls, if four (4) academic years have not lapsed since the student's initial degree-seeking enrollment, then the student will be charged the guaranteed rate based on his or her original cohort for the balance of the cohort period. If four (4) or more academic years have passed, then the re-enrolling student is assigned to the oldest unexpired cohort at Shawnee State University (as described in section F, above).

**I. GRADUATE COURSES**

Graduate-level coursework is not covered by the Shawnee State Advantage. Graduate-level courses are assessed at the current graduate tuition rate.

**J. DISSEMINATION**

The terms of the Shawnee State Advantage, along with guaranteed cohort prices, will be widely disseminated including through the Shawnee State University Website, ~~the Student Handbook, Course Catalog,~~ Student Business Center, Student Success Center, and the Clark Memorial Library.

**K. DISCONTINUATION**

Should Shawnee State University discontinue the Shawnee State Advantage guaranteed tuition program, all students ~~currently~~ in a guaranteed tuition cohort at the time the discontinuation takes effect will continue at ~~that their~~ guaranteed tuition rate until the exhaustion of their guaranteed four years or until the end of any extension period that had previously been granted pursuant to Section (F), above, whichever is later. Students who remain at Shawnee State University beyond their approved cohort period and who have not been granted an exception will automatically be subject to the new tuition model adopted by Shawnee State University.





**SHAWNEE STATE ADVANTAGE  
First-time Undergraduate Students  
Residential Tuition and Fees\*  
AY2018-19**

**Full-time**

|                            | <b>AY2017</b>      | <b>AY2018**</b>    | <b>% Diff</b> |
|----------------------------|--------------------|--------------------|---------------|
| Tuition and Fees           | \$7,900.96         | \$8,355.36         | 5.75%         |
| Housing (Most Common)      | \$6,504.00         | \$6,894.56         | 6.00%         |
| Meal Plans (Most Common)   | \$3,744.00         | \$3,968.00         | 5.98%         |
| <b>Ohio Resident Total</b> | <b>\$18,148.96</b> | <b>\$19,217.92</b> | <b>5.89%</b>  |

\*Special program fees and other direct-charge fees are not included

\*\*Cost above 18 credit hours for residential students is \$335.64/credit hour

December 15, 2017



**SHAWNEE STATE ADVANTAGE  
First-time Undergraduate Students  
Non-Resident Students Tuition\*  
AY2018-19**

**Full-time**

|                           | <b>AY2017</b>      | <b>AY2018**</b>    | <b>% Diff</b> |
|---------------------------|--------------------|--------------------|---------------|
| Tuition and Fees          | \$13,709.20        | \$14,512.08        | 5.86%         |
| Housing (Most Common)     | \$6,504.00         | \$6,894.56         | 6.00%         |
| Meal Plans (Most Common)  | \$3,744.00         | \$3,968.00         | 5.98%         |
| <b>Out of State Total</b> | <b>\$23,957.20</b> | <b>\$25,374.64</b> | <b>5.92%</b>  |

\*Special program fees and other direct-charge fees are not included

\*\*Cost above 18 credit hours for non-residential students is \$592.17/credit hour

December 15, 2017



**SHAWNEE STATE ADVANTAGE  
AY2018-19  
Residential Housing**

| Room Type  | AY2017-18   |         | 2018 Fall/Spring |          |        |
|--|---|---------|------------------|----------|--------|
|  | Semester  | AY      | Semester         | AY       | % Diff |
| Campus View Private<br>** Tanner Place Private                             | \$3,731   | \$7,462 | \$3,955          | \$7,910  | 6.00%  |
| Campus View Double<br>** Tanner Place Double<br>** Bridgeview Court Double | \$3,114   | \$6,228 | \$3,301          | \$6,602  | 6.01%  |
| Bridgeview Court Upgrade to Private  | \$4,346   | \$8,692 | \$4,346          | \$8,692  | 0.00%  |
| Cedar House Private*   | \$3,392   | \$6,784 | \$3,596          | \$7,192  | 6.01%  |
| Cedar House Double   | \$2,831   | \$5,662 | \$3,001          | \$6,002  | 6.00%  |
| University Townhouse Private*  | \$3,138   | \$6,276 | \$3,326          | \$6,652  | 5.99%  |
| University Townhouse Double  | \$2,570   | \$5,140 | \$2,724          | \$5,448  | 5.99%  |
| Housing Connectivity Fee - Basic Internet & Cable Service                  | \$123   | \$246   | \$130.38         | \$260.76 | 6.00%  |
| <i>Enhanced Internet and Cable Service</i>                                 | <i>Based upon selection of services offered by Provider</i> |         |                  |          |        |
| Residential Student Programming Fee  | \$15  | \$30    | \$15.90          | \$31.80  | 6.00%  |

\* Private Rooms are only available if space permits and at the discretion of the University.

\*\* Room Type price remains the same as the primary unit above.





**SHAWNEE STATE ADVANTAGE  
AY2018-19  
Meal Plans**

| Plans                     | AY 17-18 |                | Guarantee |                | % Diff       |
|---------------------------|----------|----------------|-----------|----------------|--------------|
|                           | Semester | AY             | Semester  | AY             |              |
| <b>19 Meals per Week*</b> | \$1,872  | <b>\$3,744</b> | \$1,984   | <b>\$3,968</b> | <b>5.98%</b> |
| <b>15 Meals per Week</b>  | \$1,784  | <b>\$3,568</b> | \$1,891   | <b>\$3,782</b> | <b>6.00%</b> |
| <b>12 Meals per Week</b>  | \$1,607  | <b>\$3,214</b> | \$1,703   | <b>\$3,406</b> | <b>5.97%</b> |

\*Freshmen campus residents are assigned the 19 meals per week plan; sophomores may select any option; juniors and seniors may opt not to participate in a meal plan



**Housing and Meal Plan Rates – Shawnee State Guarantee  
2018-2019 Academic Year**

**Campus View/Tanner Place**

| Room Type | Semester Cost | Academic Year |
|-----------|---------------|---------------|
| Private   | \$3955        | \$7910        |
| Double    | \$3301        | \$6602        |

**Bridgeview Court**

| Room Type      | Semester Cost | Academic Year |
|----------------|---------------|---------------|
| Double         | \$3301        | \$6602        |
| Double Buy Out | \$4607        | \$9214        |

**Cedar House**

| Room Type            | Semester Cost | Academic Year |
|----------------------|---------------|---------------|
| Private <sup>1</sup> | \$3596        | \$7192        |
| Double               | \$3001        | \$6002        |

**University Townhouse**

| Room Type            | Semester Cost | Academic Year |
|----------------------|---------------|---------------|
| Private <sup>1</sup> | \$3326        | \$6652        |
| Double               | \$2724        | \$5448        |

-Triple rooms are offered at the discretion of the University.

<sup>1</sup> Private Rooms are only available if space permits and at the discretion of the University.

**Meal Plan Options<sup>2</sup>**

| Plan              | Semester Cost | Academic Year |
|-------------------|---------------|---------------|
| 19 Meals per Week | \$1984        | \$3968        |
| 15 Meals per Week | \$1891        | \$3782        |
| 12 Meals per Week | \$1703        | \$3406        |

<sup>2</sup>All meal plans include \$35 flex dollars per semester.

Freshmen campus residents are assigned the 19 meal plan; sophomores may select any option; juniors or seniors may opt not to participate in a meal plan.

**Residential Connectivity Fee**

| Semester Cost | Academic Year |
|---------------|---------------|
| \$130         | \$260         |

**Residential Student Programming Fee**

| Semester Cost | Academic Year |
|---------------|---------------|
| 16            | \$32          |



**RESOLUTION F19-17**

**APPROVAL OF AY18-19, SPRING 2018, AND SUMMER 2018  
UNDERGRADUATE TUITION AND FEES FOR  
CONTINUING AND RETURNING STUDENTS**

WHEREAS, the timely establishment and communication of undergraduate tuition and fees is important to Shawnee State's continuing and returning students, to aid personal budgeting efforts, and to encourage registering for classes as early as possible; and

WHEREAS, early registration is essential for more accurate business forecasting of resources needed for the effective delivery of instructional and administrative services; and

WHEREAS, the attached schedules for continuing and returning students are proposed for: undergraduate tuition and fees, residential housing, meal plans, course fees, special program fees, and other student fees;

THEREFORE, BE IT RESOLVED that the Board of Trustees of Shawnee State University approves the above-referenced schedules for AY18-19, Spring 2018, and Summer 2018.

(December 15, 2017)







**2018-19 Academic Year**  
**Continuing and Returning Undergraduate Tuition Schedule**  
*effective fall semester 2018*

| <b>Full-Time</b><br><i>(12 - 18 credit hours)</i>   | <b>AY 2017-18</b><br><i>(per semester)</i>    | <b>AY 2018-19</b><br><i>(per semester)</i>    |
|---|---|---|
| <b><i>In-State Tuition</i></b>  |   |   |
| Instructional Fee   | \$3,125.40                                    | \$3,125.40                                    |
| General Fee   | \$344.40                                      | \$344.40                                      |
| Technology Fee  | \$62.28                                       | \$62.28                                       |
| <b>Total In-State Tuition</b>   | <b>\$3,532.08</b>                             | <b>\$3,532.08</b>                             |
| <b><i>Out-of-State Surcharge</i></b><br><small>(does not apply to students from counties included in reciprocal agreements; Kentucky residents may be eligible for the Kentucky Scholars Program)</small> |   |   |
|   | \$2,904.12                                    | \$2,904.12                                    |
| <b><i>University Center Bond Fee</i></b>  | \$150.00                                      | \$150.00                                      |
| <b>Part-Time</b><br><i>(up to and including 11 and over 18 credit hours)</i>  | <b>AY 2017-18</b><br><i>(per credit hour)</i> | <b>AY 2018-19</b><br><i>(per credit hour)</i> |
| <b><i>In-State Tuition</i></b>  |   |   |
| Instructional Fee   | \$260.45                                      | \$260.45                                      |
| General Fee   | \$28.70                                       | \$28.70                                       |
| Technology Fee  | \$5.19  | \$5.19  |
| <b>Total In-State Tuition</b>   | <b>\$294.34</b>                               | <b>\$294.34</b>                               |
| <b><i>Out-of-State Surcharge</i></b><br><small>(does not apply to students from counties included in reciprocal agreements; Kentucky residents may be eligible for the Kentucky Scholars Program)</small> |   |   |
|   | \$242.01                                      | \$242.01                                      |
| <b><i>University Center Bond Fee</i></b>  | \$12.50                                       | \$12.50                                       |
| <b>Alternative Tuition for Special Programs</b>   | <b>AY 2017-18</b><br><i>(per credit hour)</i> | <b>AY 2018-19</b><br><i>(per credit hour)</i> |
| <b><i>Bridge to Success Program</i></b>   | \$50.00                                       | \$50.00                                       |
| <b><i>College Credit Plus<sup>b</sup></i></b>   |   |   |
| <b><i>Summer College Credit Plus equivalent programs</i></b>  |   |   |

<sup>b</sup>College Credit Plus "Option G" students pay standard undergraduate tuition rates.



**Housing Rates  
2018 Summer Term**

**Campus View**

| <b>Room Type</b> | <b>Full Semester</b> | <b>5 Week Term</b> |
|------------------|----------------------|--------------------|
| Private          | \$1,925              | \$962              |
| Double           | \$1,605              | \$802              |

Summer residents are typically housed in Campus View buildings only. The building below is used only if overflow is required:

**Bridgeview Court**

| <b>Room Type</b> | <b>Full Semester</b> | <b>5 Week Term</b> |
|------------------|----------------------|--------------------|
| Double           | \$1,605              | \$802              |

**Meal Plan Options**

**No food service is provided during Summer Term.**

**Residential Connectivity Fee**

| <b>Full (10 wk.) Semester</b> | <b>5 Week Term</b> |
|-------------------------------|--------------------|
| \$76                          | \$39               |



**Housing and Meal Plan Rates  
2018-2019 Academic Year  
Continuing Students (non-guaranteed)**

**Campus View/Tanner Place**

| Room Type | Semester Cost | Academic Year |
|-----------|---------------|---------------|
| Private   | \$3731        | \$7462        |
| Double    | \$3114        | \$6228        |

**Bridgeview Court**

| Room Type                     | Semester Cost | Academic Year |
|-------------------------------|---------------|---------------|
| Double                        | \$3114        | \$6228        |
| (Apartment)<br>Double Buy Out | \$4346        | \$8692        |

**Cedar House**

| Room Type            | Semester Cost | Academic Year |
|----------------------|---------------|---------------|
| Private <sup>1</sup> | \$3392        | \$6784        |
| Double               | \$2831        | \$5662        |

**University Townhouse**

| Room Type            | Semester Cost | Academic Year |
|----------------------|---------------|---------------|
| Private <sup>1</sup> | \$3138        | \$6276        |
| Double               | \$2570        | \$5140        |

<sup>1</sup>Triple rooms are offered at the discretion of the University.

<sup>1</sup>Private Rooms are only available if space permits and at the discretion of the University.

**Meal Plan Options<sup>2</sup>**

| Plan              | Semester Cost | Academic Year |
|-------------------|---------------|---------------|
| 19 Meals per Week | \$1872        | \$3744        |
| 15 Meals per Week | \$1784        | \$3568        |
| 12 Meals per Week | \$1607        | \$3214        |

<sup>2</sup>All meal plans include \$35 flex dollars per semester.

Freshmen campus residents are assigned the 19 meal plan; sophomores may select any option; juniors or seniors may opt not to participate in a meal plan.

**Residential Connectivity Fee**

| Semester Cost | Academic Year |
|---------------|---------------|
| \$123         | \$246         |

**Residential Student Programming Fee**

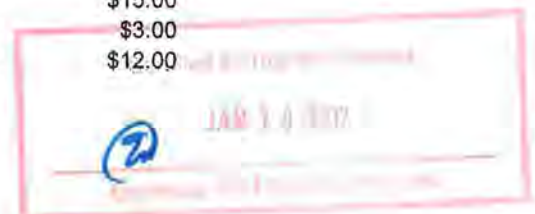
| Semester Cost | Academic Year |
|---------------|---------------|
| 15            | \$30          |





**2018-19 Academic Year**  
**CONTINUING AND RETURNING STUDENTS**  
**Course Fees**  
*effective fall 2018*

| <b>Course Fees</b>  | <b>AY 2017-18</b> | <b>AY 2018-19</b> |
|---|-------------------|-------------------|
| <b>Course Fees (per term)</b>                                 |                   |                   |
| Education Field Fee (EDU1)                                    | \$294.00          | \$294.00          |
| Education Field Fee (EDU2)                                    | \$147.00          | \$147.00          |
| Study Abroad Course Fee (CIPA)                                | \$120.00          | \$120.00          |
| <b>Course Fees (per credit hour)</b>                          |                   |                   |
| Arts - Tier 1 (ART1)  | \$7.00            | \$7.00            |
| Arts - Tier 2 (ART2)  | \$15.00           | \$15.00           |
| Arts - Tier 3 (ART3)  | \$25.00           | \$25.00           |
| Athletic Training (ATTR)                                      | \$25.00           | \$25.00           |
| Biology (BIOL)  | \$25.00           | \$25.00           |
| Health Science (BSHS)   | \$5.00            | \$5.00            |
| Business (BUSI)   | \$10.00           | \$10.00           |
| Chemistry (CHEM)  | \$25.00           | \$25.00           |
| Dental Hygiene (DTHY)   | \$35.00           | \$35.00           |
| Education (EDUC)  | \$15.00           | \$15.00           |
| Education, Graduate (MEUC)                                    | \$20.00           | \$20.00           |
| Education, Graduate Curriculum & Instruction (MECI)           | \$20.00           | \$20.00           |
| Education, Graduate Intervention Specialist (MEIS)            | \$20.00           | \$20.00           |
| Emergency Medical Technology (EMTP)                           | \$20.00           | \$20.00           |
| Engineering Technologies (ENGT)                               | \$22.00           | \$22.00           |
| Exercise Science (SSES)                                       | \$15.00           | \$15.00           |
| Health Care Administration (BUHE)                             | \$20.00           | \$20.00           |
| Humanities (HUMA)   | \$10.00           | \$10.00           |
| Developmental Mathematics (MATH)                              | \$15.00           | \$15.00           |
| Mathematics, Graduate - Off-Campus Cohorts (MTH4)             | \$60.00           | \$60.00           |
| Mathematics, Graduate (MTH1)                                  | \$15.00           | \$15.00           |
| Mathematics, Graduate (MTH3)                                  | \$35.00           | \$35.00           |
| Mathematics, Undergraduate (MATH)                             | \$15.00           | \$15.00           |
| Medical Laboratory Technology (MLTC)                          | \$25.00           | \$25.00           |
| Natural Science (NSCI)  | \$25.00           | \$25.00           |
| Nursing, A.A.S. (ADNR)  | \$25.00           | \$25.00           |
| Nursing, B.S. (BSNR)  | \$20.00           | \$20.00           |
| Occupational Therapy Assistant (OTAT)                         | \$20.00           | \$20.00           |
| Occupational Therapy, Graduate (MOT)                          | \$75.00           | \$75.00           |
| Physical Education (SSPE)                                     | \$5.00            | \$5.00            |
| Physical Therapist Assistant (PTAT)                           | \$20.00           | \$20.00           |
| Radiologic Technology (RDLT)                                  | \$25.00           | \$25.00           |
| Respiratory Therapy (RPTT)                                    | \$25.00           | \$25.00           |
| Social Science (SSCI)   | \$10.00           | \$10.00           |
| Sports Management (SSSM)                                      | \$15.00           | \$15.00           |
| University College - Developmental Reading and Writing (UNC1) | \$3.00            | \$3.00            |
| University College - First Year Experience (UNC2)             | \$12.00           | \$12.00           |





for consideration by SSU Board of Trustees  
December 15, 2017

**2018-19 Academic Year  
Other Student Fees**  
*effective spring 2018*

| <b>Other Student Fees</b>  | <b>AY 2017-18</b>     | <b>AY 2018-19</b>               |
|--|-----------------------|---------------------------------|
| <b>Application Fees</b>  |                       |                                 |
| Graduate Admission   | \$30                  | \$30                            |
| Health Sciences Programs (undergraduate)                                 | \$30                  | \$30                            |
| International Admission  | \$50                  | \$50                            |
| Background Check BCI   | \$27                  | \$27                            |
| Background Check FBI   | \$29                  | \$29                            |
| Bridge to Success Program  | \$50                  | \$50                            |
| <b>Career Services (<del>6-credit hours or more</del>)</b>               | <b>\$25/semester</b>  | <b>\$4/cr hr (max \$48/sem)</b> |
| Credit by Arrangement Administrative Fee, Undergraduate                  | 150/cr hr             | \$150/cr hr                     |
| Credit by Arrangement Administrative Fee, Graduate                       | 225/cr hr             | \$225/cr hr                     |
| Credit by Exam (per course)  | \$150/course          | \$150/course                    |
| Education Field (1)  | \$294/course          | \$294/course                    |
| Education Field (2)  | \$147/course          | \$147/course                    |
| Graduation Petition  | \$45                  | \$45                            |
| International Student Exchange Program (ISEP) Administrative Fee         | \$100                 | \$100                           |
| International Student Exchange Program (ISEP) Tuition Differential       | varies by destination | varies by destination           |
| Orientation  | \$50                  | \$50                            |
| Overnight Orientation  | \$37                  | \$37                            |
| Overnight Orientation (same day registration)                            | \$47                  | \$47                            |
| Payment Plan Late  | max \$180/semester    | max \$180/semester              |
| <b>Portfolio Evaluation (per submission)</b>                             |                       |                                 |
| First Course (per program discipline)                                    | \$150                 | \$150                           |
| Second and Subsequent Courses (same discipline)                          | \$50                  | \$50                            |
| Residential Student Basic Connectivity                                   | \$123/semester        | \$123/semester                  |
| Residential Student Programming  | \$15/semester         | \$15/per sem.                   |
| <b>Student Services (<del>6-credit hours or more</del>)</b>              | <b>\$25/semester</b>  | <b>\$2/cr hr (max \$24/sem)</b> |
| <b>Student Health &amp; Wellness (<del>6-credit hours or more</del>)</b> | <b>\$25/semester</b>  | <b>\$2/cr hr (max \$24/sem)</b> |
| Study Abroad   | \$120/semester        | \$120/semester                  |



AY2018-19 Special Program Fees

Effective fall 2018

| Dept | Degree   | Program   | Major/Concentration Code   | Fees/Semester |
|------|----------|---|--|---------------|
| AHS  | AAS      | Dental Hygiene  | DTHY   | \$80          |
| AHS  | AAS      | Emergency Medical Technology                            | EMTP + EMTA  | \$100         |
| AHS  | AAS      | Medical Laboratory                                      | MLTC   | \$70          |
| AHS  | AAS      | Radiologic Technology                                   | RDLT   | \$100         |
| AHS  | AAS      | Respiratory Therapy                                     | RPTT   | \$100         |
| NURS | AAS      | Nursing (same program fee as BSN)                       | ADNR   | \$50          |
| RHSP | AA       | Occupational Therapy Assistant                          | OTAT   | \$55          |
| RHSP | AA       | Physical Therapy Assistant                              | PTAT   | \$85          |
| EDUC | BSE      | Early Childhood PreK-3                                  | ECIS,EDIS,EDEC   | \$60          |
| EDUC | BSE      | Middle Childhood  | EDMC   | \$60          |
| EDUC | Bach/Dsp | Adolescent Young Adult (same fee for all EDUC programs) | ADLA,MAVA,ADMA,ADLS,ADSB,ADSP,ADSE,ADSC,ADES,ADPS,ADSS,ADHI,ADSO | \$60          |
| ENGT | BS       | Digital Simulation/Game                                 | ETGG   | \$100         |
| ENGT | BS       | Plastics Eng Tech                                       | ETPL   | \$100         |
| FDPA | BFA      | Fine Arts/Graphic Design                                | VIDD,VIAN,VIDS,VIMT,VIIM,VAD                                     | \$90          |
| FDPA | BFA      | Fine Arts/Gaming  | GSDA   | \$100         |
| NS   | BS       | Biology/Pre-med   | BIOM,PMED  | \$100         |
| NURS | BS       | Nursing   | BSNR   | \$50          |
| RHSP | MOT      | Occupational Therapy                                    | MOT  | \$100         |





**RESOLUTION F20-17**  
**APPROVAL OF AY18-19**  
**GRADUATE TUITION AND FEES**

WHEREAS, the Ohio Department of Higher Education's fall 2016 Survey of Student Charges reveals that Shawnee's in-state graduate tuition and fees rank third lowest among state universities and are considerably below the average for all schools; and

WHEREAS, the same data reveal that Shawnee's out of state surcharge for graduate programs is one of the highest and is out of alignment with schools targeting comparable student markets; and

WHEREAS, it is important that Shawnee State derive sufficient revenue for instructional costs in order to continue to deliver high quality graduate degrees and to adequately respond to inflationary costs; and

WHEREAS, it is equally important that Shawnee State's out of state charges for graduate programs be competitive; and

WHEREAS, after considering the above factors, the Provost and President recommend an increase of 3.0% to the university's graduate instructional fee and a reduction of 3.0% to the graduate out of state surcharge;

THEREFORE, BE IT RESOLVED the Board of Trustees approves the proposed changes to the AY2018-19 graduate tuition and fees schedule.

(December 15, 2017)





**2018-19 Academic Year  
Graduate Tuition Schedule**  
*effective fall semester 2018*

| <b>Full-Time</b><br><i>(9 - 16 credit hours)</i>  | <b>AY 2017-18</b><br><i>(per semester)</i>    | <b>AY 2018-19</b><br><i>(per semester)</i>    |
|---|---|---|
| <b><i>In-State Tuition</i></b>  |   |   |
| Instructional Fee   | \$4,515.39                                    | \$4,650.75                                    |
| General Fee   | \$134.19                                      | \$134.19                                      |
| Technology Fee  | \$46.44                                       | \$46.44                                       |
| <b>Total In-State Tuition</b>   | <b>\$4,696.02</b>                             | <b>\$4,831.38</b>                             |
| <b><i>Out-of-State Surcharge</i></b><br><i>(does not apply to students from counties included in reciprocal agreements)</i> | <b>\$6,521.71</b>                             | <b>\$6,326.01</b>                             |
| <b><i>University Center Bond Fee</i></b>  | \$150.00                                      | \$150.00                                      |
| <b>Part-Time</b><br><i>(up to and including 8 and over 16 credit hours)</i>   | <b>AY 2017-18</b><br><i>(per credit hour)</i> | <b>AY 2018-19</b><br><i>(per credit hour)</i> |
| <b><i>In-State Tuition</i></b>  |   |   |
| Instructional Fee   | \$501.71                                      | \$516.75                                      |
| General Fee   | \$14.91                                       | \$14.91                                       |
| Technology Fee  | \$5.16  | \$5.16  |
| <b>Total In-State Tuition</b>   | <b>\$521.78</b>                               | <b>\$536.82</b>                               |
| <b><i>Out-of-State Surcharge</i></b><br><i>(does not apply to students from counties included in reciprocal agreements)</i> | <b>\$724.63</b>                               | <b>\$702.89</b>                               |
| <b><i>University Center Bond Fee</i></b>  | \$12.50                                       | \$12.50                                       |
| <b>Graduate Workshop Credit</b>   | <b>AY 2017-18</b><br><i>(per credit hour)</i> | <b>AY 2018-19</b><br><i>(per credit hour)</i> |
| <b><i>Graduate Workshop Credit</i></b>  | \$130.00                                      | \$130.00                                      |



# Shawnee State University Asset Allocation – As of October 31, 2017



| Asset Class                               | Market Value        | % of Assets   | Target %      |
|---|---------------------|---------------|---------------|
| <b>Cash Equivalents</b>                   |                     |               |               |
| TIAA Cash Deposit Account                 | \$1,104,912         | 7.2%          |               |
| <b>Total Cash Equivalents</b>             | <b>\$1,104,912</b>  | <b>7.2%</b>   | <b>1.0%</b>   |
| <b>Fixed Income</b>                       |                     |               |               |
| U.S. Treasury Obligations                 | 2,062,771           | 13.5%         |               |
| U.S. Government Agencies                  | 436,150             | 2.9%          | 30.0%         |
| Corporate Bonds                           | 1,665,054           | 10.9%         |               |
| DFA Inflation Protected SEC Fund          | \$2,045,988         | 13.4%         | 15.0%         |
| <b>Total Fixed Income</b>                 | <b>\$6,209,963</b>  | <b>40.6%</b>  | <b>45.0%</b>  |
| <b>Domestic Equity</b>                    |                     |               |               |
| TIAA-CREF Large Cap Value Index Fund      | \$1,516,328         | 9.9%          | 10.0%         |
| TIAA-CREF Large Cap Growth Index Fund     | \$1,378,667         | 9.0%          | 9.0%          |
| AMG MG Fairpointe Mid Cap Fund            | \$719,997           | 4.7%          | 5.0%          |
| Nationwide Geneva Mid-Cap Growth Fund     | \$764,455           | 5.0%          | 5.0%          |
| Nuveen NWQ Small Cap Value Fund           | \$230,922           | 1.5%          | 1.5%          |
| Wasatch Small Cap Growth Fund             | \$229,778           | 1.5%          | 1.5%          |
| Cohen & Steers Real Estate Fund           | \$188,679           | 1.2%          | 2.0%          |
| Vanguard REIT Index Fund                  | \$186,465           | 1.2%          | 2.0%          |
| <b>Total Domestic Equity</b>              | <b>\$5,215,291</b>  | <b>34.1%</b>  | <b>36.0%</b>  |
| <b>International Equity</b>               |                     |               |               |
| TIAA-CREF International Equity Index Fund | \$1,536,999         | 10.0%         | 10.0%         |
| DFA Emerging Markets Portfolio Fund       | \$306,977           | 2.0%          | 2.0%          |
| DFA Emerging Markets Small Cap Fund       | \$306,627           | 2.0%          | 2.0%          |
| MFS International New Discovery Fund      | \$310,712           | 2.0%          | 2.0%          |
| Oakmark International Small Cap Fund      | \$308,399           | 2.0%          | 2.0%          |
| <b>Total International Equity</b>         | <b>\$2,769,714</b>  | <b>18.1%</b>  | <b>18.0%</b>  |
| <b>Total Portfolio Market Value</b>       | <b>\$15,299,880</b> | <b>100.0%</b> | <b>100.0%</b> |





# Operating Budget Status - First Quarter



|   | FY17                       | FY18                       |                            |                      |
|---|----------------------------|----------------------------|----------------------------|----------------------|
|   | ACTUAL                     | BUDGET                     | ACTUAL 1Q                  |                      |
|   | \$                         | \$                         | \$                         | %                    |
| <b>REVENUE</b>                                |                            |                            |                            |                      |
| <b>State Funding</b>                          |                            |                            |                            |                      |
| Capital Component                             | \$27,260                   | \$27,260                   | \$6,815                    | 25.00%               |
| State Share of Instruction (SSI)              | \$13,092,478               | \$12,857,543               | \$3,214,386                | 25.00%               |
| State Share of Instruction (Access Challenge) | \$363,675                  | \$0                        | \$0                        | -                    |
| Student Support Services (Disabilities)       | \$2,026                    | \$2,026                    | \$0                        | 0.00%                |
| Supplement                                    | \$2,326,097                | \$2,537,456                | \$634,364                  | 25.00%               |
|   | <u>\$15,811,534</u>        | <u>\$15,424,285</u>        | <u>\$3,855,565</u>         | <u>25.00%</u>        |
| <b>Tuition &amp; Student Fees</b>             |                            |                            |                            |                      |
| Course/Program Fees                           | \$1,217,991                | \$1,374,502                | \$785,298                  | 57.13%               |
| General Fee                                   | \$2,293,640                | \$2,226,407                | \$1,100,610                | 49.43%               |
| Instructional Fee                             | \$22,401,817               | \$22,630,342               | \$10,752,795               | 47.51%               |
| Miscellaneous Fees                            | \$372,478                  | \$729,978                  | \$312,876                  | 42.86%               |
| Non-Resident Surcharge                        | \$1,295,210                | \$1,893,955                | \$541,154                  | 28.57%               |
| Technology Fee                                | \$421,660                  | \$412,987                  | \$202,521                  | 49.04%               |
| University Center Bond Fee                    | \$939,106                  | \$886,863                  | \$465,660                  | 52.51%               |
|   | <u>\$28,941,902</u>        | <u>\$30,155,033</u>        | <u>14,160,913.86</u>       | <u>46.96%</u>        |
| <b>Other Income</b>                           |                            |                            |                            |                      |
| Indirect Cost Recovery                        | \$161,425                  | \$160,000                  | \$0                        | 0.00%                |
| Miscellaneous Income                          | \$597,670                  | \$575,000                  | \$317,065                  | 55.14%               |
|   | <u>\$759,095</u>           | <u>\$735,000</u>           | <u>\$317,065</u>           | <u>43.14%</u>        |
| <b>Transfers from Other Funds</b>             |                            |                            |                            |                      |
| Auxiliary Fund                                | \$289,550                  | \$289,550                  | \$0                        | 0.00%                |
| <b>TOTAL REVENUE</b>                          | <u><b>\$45,802,081</b></u> | <u><b>\$46,603,868</b></u> | <u><b>\$18,333,544</b></u> | <u><b>39.34%</b></u> |
| <b>EXPENDITURES &amp; TRANSFERS</b>           |                            |                            |                            |                      |
| <b>Compensation Expenditures</b>              |                            |                            |                            |                      |
| Benefits                                      | \$10,120,679               | \$9,532,165                | \$2,163,619                | 22.70%               |
| Salaries                                      | \$23,933,773               | \$23,899,305               | \$4,905,905                | 20.53%               |
|   | <u>\$34,054,451</u>        | <u>\$33,431,470</u>        | <u>\$7,069,524</u>         | <u>21.15%</u>        |
| <b>Non-Compensation Expenditures</b>          |                            |                            |                            |                      |
| Equipment, Buildings, Property                | \$567,143                  | \$775,254                  | \$385,734                  | 49.76%               |
| External Professional Services                | \$1,205,364                | \$622,491                  | \$220,976                  | 35.50%               |
| Information, Communication, Shipping          | \$839,155                  | \$1,186,797                | \$344,155                  | 29.00%               |
| Maintenance, Rentals, Service Contracts       | \$1,705,172                | \$1,621,638                | \$820,930                  | 50.62%               |
| Miscellaneous                                 | \$1,170,671                | \$1,101,467                | \$172,968                  | 15.70%               |
| Oracle Cloud Subscriptions                    | \$241,640                  | \$481,476                  | \$371,549                  | 77.17%               |
| Scholarships                                  | \$2,788,555                | \$2,968,000                | \$1,714,463                | 57.76%               |
| Supplies                                      | \$900,231                  | \$941,382                  | \$300,176                  | 31.89%               |
| Travel, Entertainment                         | \$463,329                  | \$435,583                  | \$141,054                  | 32.38%               |
| Utilities                                     | \$1,306,593                | \$1,423,400                | \$236,936                  | 16.65%               |
|   | <u>\$11,187,851</u>        | <u>\$11,557,489</u>        | <u>\$4,708,940</u>         | <u>40.74%</u>        |
| <b>Transfers to Other Funds</b>               |                            |                            |                            |                      |
| Agency Fund                                   | \$121,399                  | \$123,107                  | \$0                        | 0.00%                |
| Auxiliary Fund                                | \$1,931,907                | \$1,914,561                | \$0                        | 0.00%                |
| Plant Fund                                    | \$1,251,022                | \$1,251,022                | \$0                        | 0.00%                |
|   | <u>\$3,304,328</u>         | <u>\$3,288,691</u>         | <u>\$0</u>                 | <u>0.00%</u>         |
| <b>TOTAL EXPENDITURES &amp; TRANSFERS</b>     | <u><b>\$48,546,631</b></u> | <u><b>\$48,277,650</b></u> | <u><b>\$11,778,465</b></u> | <u><b>24.40%</b></u> |
| <b>OPERATING SURPLUS (DEFICIT)</b>            | <b>(\$2,744,550)</b>       | <b>(\$1,673,783)</b>       | <b>\$6,555,079</b>         |                      |

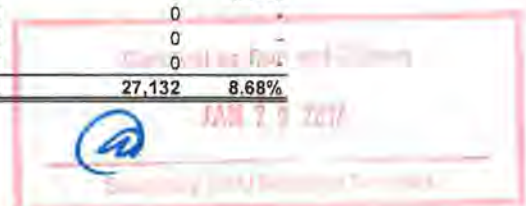
**NOTES:**

Support transfers among funds were not processed during the first quarter. These will reduce the year-to-date surplus in the General Fund by \$3 million.

The mid-year adjustment to SSI will increase state funding for the year by \$386,740 above budget.

**ONE TIME USE OF RESERVES**

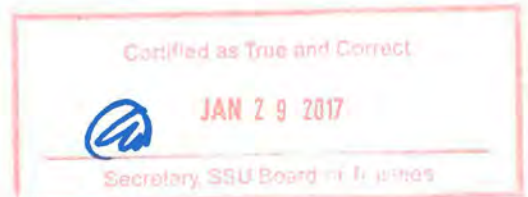
|                             | FY17                    | FY18                  |                      |                     |
|-----------------------------|-------------------------|-----------------------|----------------------|---------------------|
|                             | ACTUAL                  | BUDGET                | ACTUAL 1Q            |                     |
| Oracle Implementation Costs | \$414,379               | 237,500               | 27,132               | 11.42%              |
| Oracle Project Support      | \$75,745                | \$75,000              | 0                    | 0.00%               |
| STEMM Enabling Project      | \$181,574               | 0                     | 0                    | -                   |
| AD ASTRA Grant Support      | \$0                     | 0                     | 0                    | -                   |
| Massie Hall Chiller         | \$70,850                | 0                     | 0                    | -                   |
| <b>TOTAL</b>                | <u><b>\$722,548</b></u> | <u><b>312,500</b></u> | <u><b>27,132</b></u> | <u><b>8.68%</b></u> |



SB 6 Ratios - Composite Scores - State Universities in Ohio

|                                | 2017        |             | 2016        |             | 2015        |             | 2014        | 2013        | 2012        | 2011        | 2010        | 2009        | 2008        | 2007        |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                | W/O GASB 68 | W/GASB 68   | W/O GASB 68 | W/GASB 68   | W/O GASB 68 | W/GASB 68   |             |             |             |             |             |             |             |             |
| Ohio State University          | 4.7         | 3.6         | 4.5         | 2.7         | 4.7         | 3.1         | 4.7         | 3.9         | 3.9         | 4.2         | 4.2         | 3.2         | 3.4         | 4.2         |
| NEOMED                         | 4.7         | 2.7         | 3.9         | 2.1         | 3.7         | 2.8         | 4.7         | 4.7         | 4.7         | 5.0         | 5.0         | 4.4         | 5.0         | 5.0         |
| Miami University               | 4.4         | **          | 4.4         | 4.1         | 4.4         | 2.6         | 4.4         | 4.4         | 4.4         | 4.4         | 4.2         | 2.9         | 3.1         | 4.7         |
| Kent State                     | 4.4         | 1.4         | 3.8         | 2.0         | 4.0         | 2.1         | 4.4         | 4.4         | 4.0         | 4.7         | 3.9         | 2.9         | 3.9         | 4.7         |
| Ohio University                | 4.4         | 1.3         | 3.4         | 1.1         | 3.9         | 1.5         | 4.7         | 4.7         | 4.7         | 4.2         | 3.9         | 3.2         | 3.5         | 3.2         |
| Bowling Green State University | 3.9         | 1.3         | 3.9         | 1.0         | 3.4         | 0.7         | 4.7         | 4.0         | 4.5         | 4.2         | 3.9         | 3.2         | 3.4         | 4.2         |
| Youngstown State               | 3.7         | 0.2         | 3.5         | 0.2         | 3.1         | 0.2         | 3.5         | 3.3         | 2.6         | 2.3         | 3.7         | 3.8         | 4.1         | 3.7         |
| Cleveland State University     | 3.7         | 0.2         | 3.1         | 0.2         | 3.2         | 0.8         | 3.6         | 3.4         | 3.4         | 3.4         | 3.6         | 2.3         | 2.8         | 3.4         |
| University of Cincinnati       | 3.4         | 1.2         | 3.2         | 1.4         | 3.6         | 1.5         | 3.6         | 3.6         | 3.2         | 3.6         | 3.3         | 2.3         | 2.5         | 2.8         |
| University of Akron            | 3.4         | 0.8         | 3.2         | 0.6         | 2.8         | 0.2         | 3.2         | 2.8         | 3.2         | 3.6         | 3.3         | 2.0         | 2.9         | 3.6         |
| University of Toledo           | 3.4         | 0.0         | 3.1         | 0.2         | 3.1         | 0.2         | 3.8         | 3.5         | 3.3         | 4.2         | 3.9         | 2.6         | 3.3         | 3.7         |
| Shawnee State                  | 2.6         | 0.0         | 3.2         | 0.0         | 3.4         | 0.2         | 4.0         | 3.4         | 3.4         | 4.0         | 3.7         | 3.1         | 3.4         | 3.8         |
| Wright State                   | <1.75       | 0.0         | 2.1         | 0.0         | 2.4         | 0.0         | 3.4         | 3.4         | 3.4         | 4.5         | 4.1         | 3.2         | 4.1         | 4.3         |
| Central State                  | **          | **          | **          | **          | 2.3         | 1.0         | 1.5         | 1.3         | 3.6         | 4.0         | 3.1         | 4.0         | 2.7         | 2.9         |
| <b>Average Score</b>           | <b>3.89</b> | <b>1.16</b> | <b>3.58</b> | <b>1.33</b> | <b>3.61</b> | <b>1.31</b> | <b>4.11</b> | <b>3.84</b> | <b>3.78</b> | <b>3.98</b> | <b>3.68</b> | <b>2.99</b> | <b>3.44</b> | <b>3.92</b> |

\*Data provided by respective Universities and sorted by FY 2017 highest to lowest score  
 \*\*Data unavailable



# FY 2018 SSI, Using FY 2015, FY 2016 & FY 2017 Actuals

STATE SHARE OF INSTRUCTION: FY 2017 Formula Allocation

Last Updated as of : 11/25/2017

| Inst  |                 | Final FY2017    | FY 2018 Projection | % Change | FY 2018 Actual Formula | % Change |
|-------|-----------------|-----------------|--------------------|----------|------------------------|----------|
| AKRN  | AKRON           | \$108,566,094   | \$105,543,246      | -2.8%    | \$ 105,711,686         | 0.2%     |
| BGSU  | BOWLING GREEN   | \$75,926,232    | \$76,931,416       | 1.3%     | \$ 77,239,771          | 0.4%     |
| CINC  | CINCINNATI      | \$213,219,825   | \$214,998,353      | 0.8%     | \$ 211,470,907         | -1.6%    |
| CLEV  | CLEVELAND STATE | \$74,964,545    | \$74,504,909       | -0.6%    | \$ 75,491,413          | 1.3%     |
| CNTL  | CENTRAL STATE   | \$5,493,699     | \$4,734,649        | -13.8%   | \$ 4,242,466           | -10.4%   |
| KENT  | KENT STATE      | \$152,742,841   | \$156,627,937      | 2.5%     | \$ 156,794,331         | 0.1%     |
| MIAM  | MIAMI           | \$75,156,067    | \$74,773,103       | -0.5%    | \$ 74,778,089          | 0.0%     |
| NECM  | NEOMED          | \$19,635,481    | \$20,294,184       | 3.4%     | \$ 20,388,853          | 0.5%     |
| OHSU  | OHIO STATE      | \$385,034,272   | \$384,155,779      | -0.2%    | \$ 384,341,439         | 0.0%     |
| OHUN  | OHIO UNIV       | \$157,396,380   | \$159,498,019      | 1.3%     | \$ 160,919,556         | 0.9%     |
| SHAW  | SHAWNEE ST.     | \$13,456,151    | \$12,857,543       | -4.4%    | \$ 13,244,283          | 3.0%     |
| TLDO  | TOLEDO          | \$112,111,441   | \$109,677,479      | -2.2%    | \$ 109,241,475         | -0.4%    |
| WSUN  | WRIGHT ST.      | \$86,481,740    | \$85,655,532       | -1.0%    | \$ 86,032,590          | 0.4%     |
| YNGS  | YOUNGSTOWN ST.  | \$42,975,776    | \$42,908,396       | -0.2%    | \$ 43,263,687          | 0.8%     |
| TOTAL |                 | \$1,523,160,544 | \$1,523,160,544    | 0.0%     | \$ 1,523,160,544       | 0.0%     |





**Status of Construction/Renovation Projects through November 30, 2017**

| <b>Project</b>   | <b>Status</b>  | <b>Projected Budget</b> | <b>Funding Source</b> |
|--|--|-------------------------|-----------------------|
| <b>Advanced Technology Center/Technology and Industrial Buildings Rehabilitation</b> | <ul style="list-style-type: none"> <li>• Project scope reduced.</li> <li>• Project will be re-bld.</li> </ul>  | TBD                     | State Capital         |
| <b>Athletic Complex (Rhodes Center)/Recreation, Student Health &amp; Wellness</b>    | <ul style="list-style-type: none"> <li>• Master planning 90% complete.</li> <li>• Soccer field lighting - \$97,938 COMPLETE</li> <li>• The planned facility improvements include, but are not limited to: upgrading of the building's life safety systems, ADA access, and facility infrastructure; replacement of the original (circa 1983) pool filtration systems; separating the athletic programs' cardiovascular area to permit additional space and modernization of a general student fitness area; upgrading of deteriorated exterior areas.</li> </ul> | \$ 7,150,000            | Bond & Local          |
| <b>Library Rehabilitation</b>  | <ul style="list-style-type: none"> <li>• Repurpose and modernize existing library space into a more dynamic academic/student-focused learning environment.</li> </ul>  | \$ 1,800,000            | State Capital         |
| <b>Facilities Campus Master Plan Update</b>  | <ul style="list-style-type: none"> <li>• Consultant selected.</li> <li>• ATC and Library preliminary assessment complete</li> <li>• Campus facility assessment to be completed by December, 2017.</li> </ul>   | \$ 80,000               | State Capital         |
| <b>Hatcher Hall Repurpose</b>  | <ul style="list-style-type: none"> <li>• Renovate vacated Nursing lab to house Health Clinic and Counseling Services.</li> <li>• Project 75% complete</li> <li>• To be complete by January, 2018.</li> </ul>   | \$118,275               | Bond Funds            |



**Higher Education 2019-2020 Capital Request (revised)**

| <b>Higher Education 2019-2020 Capital Request (revised)</b> |  |                    |                    |                          |                          |                     |
|---|--|--------------------|--------------------|--------------------------|--------------------------|---------------------|
|   |  |                    |                    |                          |                          |                     |
|   | Campus Name  |                    |                    | Shawnee State University |                          |                     |
| (highest priority first)                                    | <b>UNIQUE PROJECT TITLE</b>  | <b>STATE FUNDS</b> | <b>LOCAL FUNDS</b> | <b>OTHER FUNDS</b>       | <b>Renovation or New</b> | <b>Existing AII</b> |
| Project 1   | ATC and T & J - Completion of Rehabilitation and Upgrading Systems                             | \$ 2,000,000       | \$ 100,000         | \$ 2,000,000             | Renovation               | C32432              |
| Project 2   | Basic Renovations to mechanical systems, upgrades to life safety systems and degraded roadways | \$ 1,203,065       | \$ 150,000         |                          | Renovation               | C32400              |
|   | <b>Two Year Total</b>  | \$ 3,203,065       | \$ 250,000         | \$ 2,000,000             |                          |                     |

Certified as True and Correct


**JAN 29 2017**

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Secretary, SSU Board of Trustees

## Higher Education 2019-2020 Capital Request

**Campus Name:** Shawnee State University

**Campus Contact:** Elinda Boyles [eboyles@shawnee.edu](mailto:eboyles@shawnee.edu) 740-351-3005

**Project Number:** 1

**Project Title:** Phase III – Completion of Renovation of Engineering Technology and Business Buildings

Please provide the requested information below.

**1. Project Description:**

Completion of Phase III finishes the rehabilitation and consolidation of the conjoined Advanced Technology Center (ATC) and the Technology and Industrial (T&I) buildings fully forming the new *Center for Engineering Technology and Business*. This Phase renovates the remaining major mechanical systems, building envelope, technology upgrades, ADA updates, life safety systems, and modernization of classrooms (not addressed in Phases I & II), reconfigures existing classroom space, and completes the renovations and repurposing efforts of the previous phases.

Phase II is currently in the construction stage and was funded by the FY17-18 capital allocation, general fund support, and funds acquired from collaboration efforts between the academic program faculty and SSU Development Foundation.

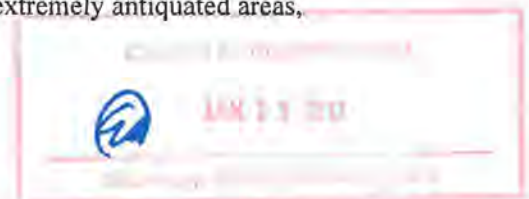
**2. Explain why this project is a priority:**

Allocation of the total amount of this request is essential in order to complete the final phase of this renovation and rehabilitation project and to avoid deferring major portions of the project to a third capital cycle. Such a delay will result in increased construction costs, loss of energy efficiencies, and will negatively impact the growth of high-demand academic programs reliant upon the modernization of the classrooms and laboratories.

Except for the renovations completed during Phases I & II, the 40-year-old section of this complex has received minor renovations to a former diesel mechanics lab and welding technology lab from the community college era. This space is woefully inadequate for our high-workforce demand programs that include: Plastics Engineering Technology and Environmental Engineering Technology as well as meeting the modern expectations for SSU's nationally-recognized Digital Simulation and Gaming program.

The buildings' systems are at the end of their life cycle. The condition of the laboratories is a deterrent to realizing substantial enrollment growth. Because of the technical nature of the programs housed in this building that require high levels of energy, this investment is a major factor in reducing energy consumption and a sustainable environment for the campus.

This project fully meets Governor Kasich's guiding principles by: 1) focusing on maintaining the state's investments with the renovation of one of SSU's major core academic building; 2) advances strategic collaborations through partnerships; 3) reflects the needs of today's students – this project strengthens high-demand and signature programs that directly impact Ohio's workforce demands, improves life-safety deficiencies that exist in extremely antiquated areas,





and supports the expansion of new degrees and certificate opportunities; 4) this building is dedicated to meeting Ohio's workforce demands as it enables the expansion of very strong academic programs.

See Attachment A for summary of facilities assessment of the Advanced Technology Building.

3. **If the project is new construction, please explain why the project is necessary and what extraordinary benefits will be derived from the project: N/A**



# Advanced Technology Center (ATC)

Attachment A

Building Size: 76,408 GFS

Year Built: 1992, 1968 (T&I)

## Highlights

- The fire pump is approximately 27 years old and should be approaching the end of its 30 year life expectancy
- The existing electric water heater is in poor condition and should be replaced in the next 2-3 years
- The air-cooled chiller is approaching the end of its life and should be replaced within the next 3-4 years
- The unrenovated portions of the building will require the architectural finishes to be replaced within the next 5 years.
- The elevator is original and should be modernized
- The roof is near the end of its useful life
- The exterior glazing units are showing signs of failure and should be replaced



Deferred Maintenance: \$4,330,245  
Current Replacement Value: \$24,732,500

Facility Condition Index: 17.5%  
(DM+5 YR RC/RV)



## Higher Education 2019-2020 Capital Request

**Campus Name:** Shawnee State University

**Campus Contact:** Elinda Boyles [eboyles@shawnee.edu](mailto:eboyles@shawnee.edu) 740-351-3005

**Project Number:** 2

**Project Title:** Basic Renovations for replacement and repairs of mechanical systems, upgrades to life safety systems and degraded roadways

**Please provide the requested information below.**

**1. Project Description:**

Upgrade and replacement of the most critical obsolete campus mechanical systems, outdated life-safety systems, upgrading of increasing ADA access needs, and severely degraded roads and pathways.

**2. Explain why this project is a priority:**

Preliminary results from a campus facilities assessment (CFA) identifies imminent facilities mechanical systems with original installation and/or construction in the late 1970s that are in dire need of replacement or upgrading.

Shawnee State receives substantially less funding than other Ohio universities in every major renovation cycle. It takes multiple cycles to renovate a single building's mechanical systems upgrades and to meet modest modernization needs. The requested basic renovation funds for this capital cycle are desperately needed to avoid failed and obsolete systems from disrupting campus services. The funds will be used to mitigate the most critical outstanding projects, for example:

- Upgrade and replacement of building mechanical systems (oldest and most obsolete). These systems were installed in the late 1970s or early 1980s, were not designed for current runtimes (24/7), and are at risk of operational failure.
- Replacement of pneumatic controls and current primitive automation systems are among the highest priority basic renovation initiatives to avoid equipment failure and to capture energy efficiencies.
- Life safety needs include upgrading several buildings' mass notification systems, fire alarm systems, and replacement of aged back-up emergency generators.
- ADA upgrades are required for safer access to several campus buildings as well as pathways and ADA parking locations.
- Upgrading of severely degraded University roads and parking lots with new asphalt and striping has become a crucial need.





The projects identified in this request meet Governor Kasich's guiding principles specifically related to maintaining the investments the state has already made in existing campus facilities. Not addressing these critical basic renovation needs now will result in far greater investment later as well as the allocation of resources in the case of system failures.

3. **If the project is new construction, please explain why the project is necessary and what extraordinary benefits will be derived from the project: N/A**



## University Faculty Senate President Remarks

Friday, December 15, 2017 Board of Trustees Meeting

I'd like to thank the board for inviting me to speak with you all today. I'd like to speak to a few items mentioned in this morning's committees and summarize a few of the shared governance initiatives on which the faculty are currently involved.

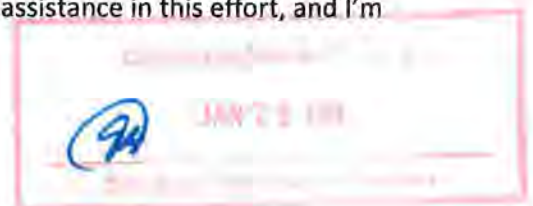
We're working with administrators in academic affairs to revise soon to expire policies such as the university's emeritus policy and the human subjects research policy. We're also working on clarifying the College Credit Plus policy and procedure as well as developing a grade appeal policy in instances when students appeal to an academic dean. We've also selected faculty members to participate in the President's newly formed sustainability committee.

The Senate is also looking to improve communication with respect to class and program proposals. We currently use a web application that allows faculty to upload course and program proposals, but there are some kinks to work out and we've noticed that there's less conversation about curriculum since we adopted the application. The faculty senate leadership has reached out to faculty and administrators alike to get their feedback, and we'll be working with the registrar's office and the vendor to make sure the application is more user-friendly.

We've heard and are acting upon the administration's request to increase our online offerings, and several faculty members attended Learning House's presentation a few weeks back. As you may be aware, Learning House is a company that manages a university's online programs. Faculty members attending the event were interested in the marketing and recruitment potential for the organization, but have questions with respect to cost, curriculum ownership and customization, academic freedom, and the ability for our general education program to offer enough online courses to make the initiative viable. Our questions don't represent a lack of desire to pursue online education. In fact, we approved 20 online courses at the last senate meeting, and in the coming weeks the chair of the Distance Learning Committee will be sharing ideas with the Provost to increase the quantity and quality of online course offerings in the near future.

As you might expect, several faculty members are concerned about program warehousing. We've heard the Provost's arguments for warehousing and there are some concerns about whether we may warehouse or eliminate programs that are an integral part of a university education. My position as Faculty Senate President has been that there is no single academic program that defines us an institution, but several of my colleagues and I express concern at the possibility of eroding the liberal arts. Should program warehousing be an issue we revisit with administration, we will want to clarify how program elimination impacts the identity of the institution and ensure that faculty members are included in decisions about the kind of institution we seek to become through the curriculum we offer or choose to no longer offer.

I'd like to end on a positive note. At the last Board meeting, Eric Braun addressed you about the need to be more visible in Columbus. I noted that faculty would like to lend their assistance in this effort, and I'm



pleased to report that there will be at least one faculty member joining the government relations team that will advocate on behalf of the institution in Columbus.

With the chair's permission, I'll take any questions and feedback you might have.

Marc Scott, PhD  
University Faculty Senate President

