

**FINANCE, AUDIT, GOVERNANCE, AND COMPLIANCE COMMITTEE**  
**Thursday, February 17, 2022 at 3:30 p.m.**

**Endeavour Room, Student Union 156**

**Minutes**

**Present:** **Committee Members** D. Fecher, A. Platt, M. Grunder, A. Goyal, R. Shah

**Trustees** T. Gunlock, D. Conway, R. Kejriwal, B. Langos, W. Montgomery,  
D. Asarpota (Virtual), B. Bucklew, R. Peters (Virtual), B. Whiteside

**Guests:** President Edwards, Provost Evans, G. Sample, B. Kawosa, S. Schaurer,  
K. Everheart, S. Todd, D. Borowy, S. Rash, B. Batson

**Absent:**

**I. CALL TO ORDER**

The meeting was called to order by Chair Doug Fecher at 3:42 p.m. on Thursday, February 17, 2022.

**A. Roll Call**

Roll was called. There was a quorum.

Chair Fecher welcomed the board members present as well as their guests and read the Chair's and Conflict of Interest Statement.

**Chair's Statement:**

The Wright State University Board of Trustees is a public body subject to the Ohio Open Meetings Act. It operates on a fixed agenda available to those attending the meeting. Persons wishing to address the Board in its public session should submit a written request to the Board of Trustees' office 72 hours in advance of the meeting in order to be placed on the agenda. However, all persons address the Board at the invitation of the Board and are subject to time limitations and other guidelines established to maintain the good order of the meeting.

**Conflict of Interest Statement**

It is of utmost importance to ensure that all university decisions are free from any real or perceived conflicts of interest.

Therefore, please be mindful of all obligations with which you have been charged as a Trustee of Wright State University, and take the steps you deem appropriate to perform

your duties fairly and impartially.

## **B. Disposition of Previous Minutes**

Chair Fecher moved for the approval of the minutes for the Finance, Audit, Governance, and Compliance meeting on December 9, 2021 meeting as submitted. Trustee Fecher moved to approve the minutes as submitted and was seconded by Trustee Platt. Chair Fecher asked if there was discussion on the minutes as distributed. The minutes were unanimously approved by a voice vote.

## **C. Opening Remarks from the Committee Chair**

Chair Fecher invited Mr. Burhan Kawosa to informally discuss the Financial Governance Policy. Mr. Kawosa shared that amendments to the current Financial Governance Policy would be forthcoming at the next meeting.

Chair Fecher discussed the policy that helps define how the University makes the financial decisions and when the Board should be involved. It allows for Board oversight and an awareness of University operations.

# **II. REPORTS ON UNIVERSITY OPERATIONS**

## **A. Remarks from the Chief Operating Officer**

Mr. Greg Sample shared that during the FY22 cycle, departments could spend 95% of their allocated budget to avoid a draw from university reserves. Because of this, the University is projecting a \$10 million operating surplus for FY22 as opposed to the projected \$10 million operating deficit. Mr. Sample indicated higher international student enrollment and the University's dedication to fiscal responsibility can be attributed to the operational surplus.

## **B. Finance and Investment Reports**

Ms. Summer Todd indicated enrollment exceeded projections which accounted for a 7% increase in projected revenue. Revenues, however, were projected to be \$10 million less than FY21.

Mr. Don Borowy shared the University's liquid investments had increased, a standard trend for the current market. Mr. Borowy shared the University's current cash on hand was \$260 million, but was projected to be \$204 million by the end of the fiscal year.

At the conclusion of the reports, Trustee Platt commended the University and the Finance team for their work achieving the \$10 million surplus.

## **C. Enrollment Management Report**

Ms. Susan Schaurer discussed historical context of enrollment management at the University. She indicated the Higher Education sector is competitive and consumer

driven. Students and parents are critical of tuition costs and return on investment. She shared the importance of building an infrastructure that will build organizational components that has a data driven culture. Understanding that this is a consumer driven market, Ms. Schaurer emphasized the need to establish enrollment goals, targets for each college, and share data trends among units.

Ms. Schaurer noted the work to update the University’s website to better highlight the exceptional programs the University offers.

Ms. Kim Everhart, Director of Financial Aid, presented information about the Higher Education Emergency Relief Fund (HEERF). She shared that three laws had passed at the Federal level, giving \$24 million in relief funds to Wright State Students. She noted that the FAFSFA is primarily used for eligibility for HEERF Funds.

### III. CONTRACTS

We are going to switch around the agenda and present the line items less than \$250,000 first then move into expenditures requiring approval.

#### A. Contracts Requiring Committee Notification

Mr. Sample shared the contracts requiring committee notification:

<b>\$150,000-\$249,999 (Reporting Requirement Only)</b>	
<b>Contract Information</b>	<b>Description of Services</b>
<b>Vendor:</b> Premier Health <b>Committed Contract Period:</b> 12/1/2021 – 5/30/2022 <b>Approval Amount:</b> \$205,000.00 <b>Current Annual Amount:</b> N/A <b>Contract Options:</b> N/A <b>Last Bid Date:</b> N/A <b>WSU Point of Contact:</b> Chris Taylor, Dean of Students	We are requesting funding for the extension of COVID testing and vaccination services in our on campus testing and vaccination center that are provided by our partner, Premier Health. The center was created as a convenient way for Wright State students and employees to access testing and vaccinations in an effort to assist us in continuing our efforts to provide as much of an in person experience this academic year as possible and to aid in protecting the safety of students and employees.
<b>Vendor:</b> Dissinger Reed <b>Committed Contract Period:</b> 1/1/2021 – 12/30/2022 <b>Approval Amount:</b> \$154,000.00 <b>Current Annual Amount:</b> \$165,000.00 <b>Contract Options:</b> 2-yr renewals <b>Last Bid Date:</b> 2016 <b>WSU Point of Contact:</b> Bob Grant, Director of Athletics	Wright State requires student athletes to have health insurance to cover medical expenses resulting from athletically related injuries. In the event this insurance does not provide full coverage of the expenses, up to the value of the deductible of the NCAA Catastrophic Injury Insurance Program, we are required by the NCAA to have this secondary insurance to cover the gap. This is intended to ensure that student athletes have coverage for medical expenses related to injuries resulting from participation in covered NCAA sports activities. Dissinger Reed is the Broker/Program Coordinator for the secondary insurance required by the NCAA for our intercollegiate sports student athletes.

#### B. Contracts Requiring Committee Action

Next, Mr. Sample presented the contracts for committee approval:

<b>\$500,000 and Above (Full Board Approval Required)</b>	
<b>Contract Information</b>	<b>Description of Services</b>
<b>Vendor:</b> BKD LLP <b>Committed Contract Period:</b> Audit years 2022 - 2026 <b>Approval Amount:</b> \$1,100,000 <b>Current Annual Amount:</b> \$190,000.00 <b>Contract Options:</b> N/A <b>Last Bid Date:</b> 2017 <b>WSU Point of Contact:</b> Lora Sidor, Controller	Auditor of State (AOS) directs the audit selection process. The last contract was awarded by AOS in 2017 and covered audit years of 2017-2021. In December 2021, WSU was contacted by AOS with an option for one 5-year extension, assuming all parties are agreeable. The contract amount included herein specifically includes audit services for the University's annual financial statements and NCAA agreed upon procedures for fiscal years 2022-2026. In addition, we have included costs for non-attest services (GASB 68/75).
<b>Vendor:</b> CH WSU Housing Acquisition (Crawford Hoying) <b>Committed Contract Period:</b> July 1, 2021 - June 30, 2022 <b>Approval Amount:</b> \$609,700.00 <b>Current Annual Amount:</b> \$5,683,563 <b>Contract Options:</b> N/A <b>Last Bid Date:</b> N/A <b>WSU Point of Contact:</b> Chris Taylor, Dean of Students	Certain facilities within the University's Residence Housing offerings are operated by CH WSU HOUSING Acquisition, LLC (Crawford Hoying). The University applies the housing fee to the student's account and subsequently reimburses Crawford Hoying using student fees received on account. The request for an increase to the original amount of \$5,683,563 stems from unexpected increases in Fall and Spring demand, plus higher than usual retention from Fall to Spring. Demand is a result of the rate change and the inclusion of Residence Life & Housing being included in the University's media advertising. Retention is also a result of the hard work of the Residence Life staff – Community Directors and Resident Assistants.
<b>Vendor:</b> Ellucian <b>Committed Contract Period:</b> July 1, 2022 - June 30, 2027 <b>Approval Amount:</b> \$3,426,336 <b>Current Annual Amount:</b> \$679,144 <b>Contract Options:</b> N/A <b>Last Bid Date:</b> <b>WSU Point of Contact:</b> Michael Stankas, CIO	Ellucian's Banner is the university's Enterprise Resource Planning (ERP) and Student Information System (SIS). It is the platform used for the majority of Wright State's business operations.

<b>\$250,000-\$499,999 (FAGC Approval Required)</b>	
<b>Contract Information</b>	<b>Description of Services</b>
<b>Vendor:</b> Vision Service Plan <b>Committed Contract Period:</b> 1/1/2021 – 12/30/2022 <b>Approval Amount:</b> \$276,000.00 <b>Current Annual Amount:</b> \$278,000.00 <b>Contract Options:</b> N/A <b>Last Bid Date:</b> IUC-PG Contract <b>WSU Point of Contact:</b> Emily Hamman, AVP/CHRO	Vision Service Plan (VSP) provides vision benefits to eligible employees of Wright State. Approval amount is \$250,000 + \$26,000 admin fee.
<b>Vendor:</b> Daktronics <b>Committed Contract Period:</b> N/A <b>Approval Amount:</b> \$278,400.00 <b>Current Annual Amount:</b> \$N/A <b>Contract Options:</b> N/A <b>Last Bid Date:</b> N/A <b>WSU Point of Contact:</b> Kenny Coon, Associate CIO	This contract is for the replacement of the Nutter Center outdoor Video Marquee. This includes parts and installation. The current marquee needs to be replaced, as it can no longer be repaired due to its age. The marquee is a 3 sided display located in front of the Nutter Center on the corner of Colonel Glenn and North Fairfield rd. It's purpose is to promote Nutter Center events, the University, and can also be used to generate income from external advertisers.

With no additional discussion, Chair Fecher asked the Secretary to read the following resolution:

## APPROVAL OF EXPENDITURES

### RESOLUTION 22-87

WHEREAS, in order for the university to conduct business on an on-going basis, and provide products and services in a timely manner, purchases must be made; and

WHEREAS, these expenditures may amount to greater than \$250,000 and less than \$500,000, requiring approval by the Finance, Audit, Governance, and Compliance Committee; and

WHEREAS, these expenditures may exceed \$500,000, requiring full Board of Trustees Approval; therefore be it

RESOLVED that authorization is granted for the accompanying contracts greater than \$250,000 and less than \$500,000 now before the Finance, Audit, Governance, and Compliance Committee of the Board of Trustees be, and hereby is approved; and be it

RESOLVED that authorization is granted for the accompanying contracts exceeding \$500,000 now before the Board of Trustees be, and hereby are approved.

Chair Fecher moved to approve contracts exceeding \$250,000 and less than \$500,000 and to recommend approval of expenditures exceeding \$500,000 to the full board. Trustee Grunder seconded the motion. A roll call was conducted and the motion passed unanimously.

#### **IV. PRESENTATION: THE WRIGHT STATE UNIVERSITY FOUNDATION**

Scott Rash and Bob Baston from The Wright State University Foundation presented on the financial position of the Foundation.

Chair Fecher asked questions regarding requests for funds. Mr. Rash indicated that currently, if the President provides a request it goes to the Board of Trustees for the Foundation. He noted, however, they are looking at doing a more formal request process.

#### **V. OTHER BUSINESS**

No other business was presented to the committee.

#### **VI. EXECUTIVE SESSION**

Chair Fecher asked the Secretary to read the following resolution:

RESOLVED that the Wright State University Board of Trustees agreed to hold an Executive Session on Thursday, February 17, 2022; and be it further

RESOLVED that pursuant to the Ohio Revised Code 121.22 (G), the following issues may be discussed in Executive Session:

- Matters Required to be Kept Confidential Pursuant to Federal Law or State Statute pursuant to Revised Code Section 121.22(G)(5); and
- Conference with an attorney for the Board regarding disputes with the Board that are subject of pending or imminent litigation pursuant to Revised Code Section 121.22(G)(3); and

- The sale and purchase of real estate pursuant to Revised Code Section 121.22(G)(2).

Chair Fetcher offered the motion to go into executive session, pursuant to Ohio Revised Code 121.22(G). Trustee Platt seconded. A roll call was conducted and the motion passed unanimously.

## **VII. OTHER BUSINESS**

Chair Fetcher announced that the committee, after discussion in Executive Session, wish to take the following action and asked the Secretary to read the resolution:

### **AUTHORIZING THE PRESIDENT TO CONTRACT FOR THE LONG-TERM LEASE OR SALE OF UNDEVELOPED PROPERTY TO CRAWFORD HOYING**

#### **RESOLUTION 22-91**

WHEREAS, Crawford Hoying operates much of the residential student housing on the University's Dayton Campus; and

WHEREAS, The Board has already expressed its approval of Crawford Hoying's proposal to build an on-campus student amenity space on undeveloped land currently owned by the University; and

WHEREAS, Before beginning construction, Crawford Hoying requests assurance that its right to operate the facility will be incorporated into a management agreement which the parties will negotiate this summer, or alternatively, that if no agreement materializes, Crawford Hoying will have the right to lease or purchase the property once construction concludes; therefore be it

RESOLVED, The Board finds that that the property in question, lot number A02000200190000800, approximately 0.5 acres, is not in-use by the University, and is not required for the University's strategic plans; and

RESOLVED, The Board finds that the President is in the best position to appraise the property, and negotiate commercially reasonable sale or lease terms with Crawford Hoying; and

RESOLVED, The President or her delegate are hereby authorized to obtain an appraisal of the property, and enter into a contract to sell or lease the property to Crawford Hoying, on terms she deems commercially reasonable, if the company and the University have not entered into a management agreement when construction on the site concludes; and

RESOLVED, The President shall notify the Board chair of the essential terms of the proposed contract for lease or sale prior to its execution; and

RESOLVED, The President or her delegate are authorized to take and perform all other acts she deems reasonably necessary or desirable to carry out the Board's directives in this Resolution.

Chair Fecher offered the motion and Trustee Platt seconded. The motion was approved unanimously by a roll call vote.

## **VIII. ADJOURNMENT**

The Committee returned from Executive Session at 4:51 p.m. and Chair Fecher moved to adjourn the meeting. Trustee Grunder seconded the motion. A roll call was conducted and the motion passed unanimously.

Motion passed and meeting adjourned at 4:53 p.m..