

**BOARD OF TRUSTEES
FINANCE AND FACILITIES COMMITTEE**

**Leonard D. Schiavone, Chair
Delores E. Crawford, Vice Chair
All Trustees are Members
Randy J. Dunn, *Ex-Officio***

**Wednesday, September 25, 2013
2:45 p.m.**

**Tod Hall
President's Conference Room**

AGENDA

- A. Disposition of Minutes for Meeting Held September 12, 2013**
 - B. Old Business**
 - C. Committee Item**
 - 1. Finance and Facilities Action Item**
 - a. Resolution to Authorize the President to Act Pursuant to Board Policy 3014.00, Tab 1 Budget-Deficit Options Applicable to Excluded Employees and the Collective Bargaining Agreements with YSU/ACE and YSU/APAS in Order to Implement Cost Saving Measures for Budget Contingencies**
Randy J. Dunn, President, and Gene Grilli, Vice President for Finance and Administration, will report.
- D. New Business**
- E. Adjournment**

AGENDA ITEM: C.1.a.

AGENDA TOPIC: Resolution to Authorize the President to Act Pursuant to Board Policy 3014.00, Budget-Deficit Options Applicable to Excluded Employees and the Collective Bargaining Agreements with YSU/ACE and YSU/APAS in Order to Implement Cost Saving Measures for Budget Contingencies

STAFF CONTACT(S): Randy J. Dunn, President; Gene Grilli, Vice President for Finance and Administration; Holly Jacobs, The University's General Counsel; and Kevin Reynolds, Chief Human Resources Officer

BACKGROUND: As a result of three consecutive years of enrollment declines, combined with consistently declining state operating appropriations, the University has a structural budget deficit, including a projected operating deficit for the current fiscal year 2014. As a result, the President is recommending cost savings measures to be implemented immediately, pursuant to Board Policy 3014.00, Budget-Deficit Options Applicable to Excluded Employees and the Collective Bargaining Agreements with YSU/ACE and YSU/APAS.

SUMMARY AND ANALYSIS: The Vice President of Finance and Administration and the Budget Director have determined that a significant operating budget deficit exists and have met with the President. The budget deficit information has been presented to the Chief's Council, Deans, Executive and Administrative Staff and the President of the Academic Senate. The President agrees that a budget deficit exists and is recommending that the Board of Trustees approve the cost saving measures as set forth in the below Resolution.

RESOLUTION:

**RESOLUTION TO AUTHORIZE THE PRESIDENT TO ACT
PURSUANT TO BOARD POLICY 3014.00 AND THE COLLECTIVE BARGAINING
AGREEMENTS WITH YSU/ACE AND YSU/APAS TO IMPLEMENT COST SAVING
MEASURES FOR BUDGET CONTINGENCIES**

WHEREAS, The University is committed to creating a balanced budget and operating efficiently within the confines of the budget; and

WHEREAS, Board Policy, No. 3014.00, Budget-Deficit Options Applicable to Excluded Employees, provides for a procedure to implement employee cost sharing measures, in addition to other cost saving measures; and

WHEREAS, the policy provides for such cost saving measures to be utilized when a budget deficit exists and when the procedures outlined in the policy have been followed; and

WHEREAS, per the policy, the Vice President of Finance and Administration and the Budget Director have determined that a significant operating budget deficit exists and have met with the

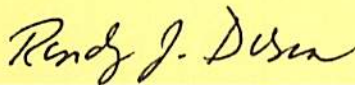
President, who then met with the required groups on campus providing an opportunity for feedback, comments and analysis for consideration, and

WHEREAS, the President, after such consultation, has reason to believe that a significant operating budget deficit exists and therefore, is recommending cost saving measures, including but not limited to current and future operating expense reductions, delaying technology purchases, voluntary employee furloughs, voluntary vacation day reductions, personnel reductions, layoffs, and energy savings; and

WHEREAS, the Collective Bargaining Agreements of both YSU/ACE and YSU/APAS have provisions that will be implemented in order to effectuate the recommendations of the President.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees of Youngstown State University does hereby approve the implementation of such cost saving measures in order to balance the budget per policy number 3014.00 of the *University Guidebook*, shown as Exhibit __ attached hereto and the Collective Bargaining Agreements of YSU/ACE and YSU/APAS.

RECOMMEND APPROVAL:



Randy J. Dunn, President

Board of Trustees Meeting
September 25, 2013
YR 2014-

UNIVERSITY GUIDEBOOK
(NEW POLICY)

Title of Policy:	Budget-Deficit Options Applicable to Excluded Employees
Responsible Division/Office:	Finance & Administration
Approving Officer:	Vice President for Finance & Administration
<i>Revision History:</i>	November 2011
Resolution Number(s):	FY 2012-25
Board Committee:	University Affairs
EFFECTIVE DATE:	December 14, 2011
Next review:	2016

Policy: The University is committed to creating a balanced budget and operating efficiently within the confines of such budget. The Board of Trustees is empowered to do all things necessary for the creation, proper maintenance, and successful continuous operation of the university. This policy, therefore, allows for cost saving measures to be implemented by the Board of Trustees throughout the year in order to achieve spending reductions necessitated by institutional budget deficits.

Purpose:

The purpose of this policy is to provide for employee cost sharing measures in order to achieve spending reductions due to a significant operating budget deficit. Employee cost sharing measures includes, but are not limited to, furloughs, layoffs and employee transfers or unit reorganizations that achieve spending reductions. This list does not operate to exclude other cost saving measures. A budget deficit is caused by a loss of state funding, a decline in institutional enrollment, or other actions that affect the operating budget in a significant manner.

Definitions:

- A. A Furlough is an unpaid leave of absence from work for a specified period of time. Employees shall not work when taking furlough leave. Employees shall not use accrued paid leave during periods of furlough.
- B. Layoff is the permanent (lasting for more than 9 months) deletion from the organizational structure of the University.
- C. Employee transfer is the movement of an employee from one position to the same position in another work unit without a change in pay.
- D. Unit reorganization is the reassignment of duties among various positions within a work unit, i.e., combining job duties in an attempt to reduce staffing size while continuing to maintain efficiency without posting positions pursuant to 7021.02 – Professional/Administrative Staff.

Procedures:

If the Vice President of Finance and the Budget Director determine that a significant operating budget deficit exists, they shall meet with the President to discuss the details of the budget. The Vice President of Finance shall then make a report to the Cabinet, the Deans, the Executive and Administrative Staff Council (“EASC”), and the President of the Academic Senate. Within 10 days of such report, the Cabinet, Deans, EASC, and President of Academic Senate may provide feedback, comments, and analysis which shall be considered by the Vice President of Finance, the Budget Director and the President.

If after such consultation, the President has reason to believe that a significant operating budget deficit exists, the President may recommend cost saving measures to the Board. The Board of Trustees may after receiving such report approve the implementation of cost saving measures.

- Employees who belong to a collective bargaining group should consult their agreements.
- This policy supersedes all policies to the contrary and applies to all university employees, whether full or part time, externally funded, and temporary.
- Healthcare, dental and life insurance will not be affected by Furlough Leave.
- Employees will continue to accrue vacation and sick leave during Furlough Leave.

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3014.00

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- Employees will be required to continue to make all contribution payments to healthcare, dental care, life insurance, deferred compensation, Flexible Spending Accounts, etc., as well as all voluntary deductions, such as credit union, charitable contributions, etc.
- Employees will be given at least 30 calendar days notice prior to the start of a required Furlough Leave.
- Retirement contributions will be affected by Furlough Leave, because contributions are calculated based upon actual earnings. However, an employee's continuous service credit and review or evaluation date will not be affected by a Furlough Leave.
- The implementation of employee cost sharing measures or any other application of this policy may not be appealed under any other university policy or internal grievance process.