



Finance, Audit and Facilities Planning Committee Meeting

August 4, 2026 | 11 a.m.

Brad D. Smith Center for Business and Innovation, Room 315



August 2026 Finance, Audit and Facilities Planning Committee Meeting

AGENDA

11 a.m.

Finance, Audit and Facilities Planning Committee

Donnie Holcomb, Chair

Action Item

Authorization of Acceptance of Funds from

3

the State Institutions of Higher Education

Deferred Maintenance Grant Program

Brandi Jacobs-Jones, Senior Vice President for Operations

Information Items

Committee Annual Activity Calendar

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Matt Tidd, Chief Financial Officer

Finance Update

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Matt Tidd, Chief Financial Officer

Facilities and Operations Update

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Brandi Jacobs-Jones, Senior Vice President for Operations

Internal Audit Update

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Perry Chaffin, Director of Audits

Lunch

Marshall University Board of Governors

Meeting of August 4, 2026

ITEM: Authorization of Acceptance of Funds from the State Institutions of Higher Education Deferred Maintenance Grant Program

COMMITTEE: Finance, Audit and Facilities Planning Committee

RECOMMENDED ACTION: *Resolved*, that the Finance, Audit and Facilities Planning Committee does hereby recommend that the Marshall University Board of Governors authorize acceptance of funds from the State Institutions of Higher Education Deferred Maintenance Grant program for projects: Corbly Hall Chiller Replacement, Morrow Library HVAC Unit, Science Building Chiller and the Memorial Student Center Roof.

Furthermore, the committee recommends that the Board of Governors reaffirm its commitment to prioritize deferred maintenance projects at Marshall University and to ensure the necessary funding for this project to be completed safely and effectively; and

That the Board of Governors authorize the President to execute any documentation necessary to effectuate the reallocation of funds for the above-listed project as part of the deferred maintenance program.

STAFF MEMBER: Brandi Jacobs-Jones
Senior Vice President for Operations

BACKGROUND:

In June 2023, the Marshall University Board of Governors approved the submission of thirty-one (31) deferred maintenance projects for consideration under the State Institutions of Higher Education Deferred Maintenance Grant Program. The program, administered through the West Virginia Higher Education Policy Commission (WVHEPC) with funding support from the Governor's Office, was established to address critical deferred maintenance needs at public higher education institutions throughout the state.

As part of the funding process, the state retained eighteen percent (18%) of the total project allocation for future project phases and contingencies. The WVHEPC has subsequently authorized the release of approximately \$3.28 million in remaining funds to support Phase II of Marshall University's deferred maintenance initiative, commonly known as the "Shock and Awe"

program. The Phase II funding will address several high-priority infrastructure projects that are critical to maintaining safe, reliable, and efficient campus operations.

The projects proposed for Phase II funding include:

- **Corbly Hall Chiller Replacement (est. \$550,000):** Replacement of the failing chiller serving Corbly Hall, which has experienced significant loss of cooling capacity and is at risk of complete failure. Reliable cooling is essential to support classrooms, administrative offices, the Early Education STEAM Center, and the future Dietetics program. An engineering assessment is currently underway; however, full replacement is the recommended solution.
- **Morrow Library HVAC Unit Replacement (est. \$212,000):** Replacement of a failed rooftop HVAC unit serving Morrow Library. One of the building's five rooftop units is currently non-functional, while the remaining units have exceeded their expected service life. This project will improve climate control for building occupants and protect library collections, archives, and special collections while increasing overall system reliability and energy efficiency.
- **Science Building Chiller Replacement (est. \$825,000):** Replacement of the aging chiller plant serving the Science Building. The existing system is in deteriorated condition, creating risks to research laboratories, instructional spaces, and sensitive scientific equipment. Failure of the system could significantly disrupt academic and research activities and create health and safety concerns. A modern, energy-efficient replacement is recommended.
- **Memorial Student Center Roof Repair and Replacement (est. \$1,693,100):** Funding to support roof repair and replacement at the Memorial Student Center to address persistent leaks and deteriorating roof conditions. The project includes design services to evaluate the existing roof system, develop a comprehensive repair and replacement strategy, and assess and address any asbestos-containing materials through appropriate testing and abatement. The project will help prevent further water intrusion, protect building assets, and ensure the long-term integrity of the facility.

Acceptance of the Phase II funding and authorization to proceed with the projects requires approval by the Marshall University Board of Governors and the President of the University. Upon approval, the projects will be submitted to the WVHEPC for review and recommendation and subsequently forwarded to the Governor's Office for final approval and release of funds.

**RESOLUTION AUTHORIZING APPLICATION FOR THE STATE
INSTITUTIONS OF HIGHER EDUCATION
DEFERRED MAINTENANCE GRANT**

IN THE MATTER OF AUTHORIZING MARSHALL UNIVERSITY TO APPLY FOR A STATE INSTITUTIONS OF HIGHER EDUCATION DEFERRED MAINTENANCE GRANT FROM THE WEST VIRGINIA GOVERNOR'S OFFICE FOR DEFERRED MAINTENANCE AT MARSHALL UNIVERSITY AND DELEGATING AUTHORITY TO THE PRESIDENT TO SIGN THE APPLICATION.

WHEREAS the West Virginia Governor's Office is accepting applications for the State Institutions of Higher Education Deferred Maintenance Grant; and

WHEREAS MARSHALL UNIVERSITY) desires to participate in this grant program as a means of providing needed maintenance to MARSHALL UNIVERSITY campus facilities; and

WHEREAS, Board of Governors and Institutional Leadership have identified deferred maintenance improvements at MARSHALL UNIVERSITY as a high priority need; and

WHEREAS the highest priority need identified includes:

Corbly Hall Chiller Replacement: Replace the failing chiller serving Corbly Hall, which has lost significant cooling capacity and is at risk of complete failure. Reliable cooling is essential to support classrooms, offices, the Early Education STEAM Center, and the future Dietetics program. An engineering assessment is underway, but full replacement is currently recommended.

Morrow Library HVAC Unit: Replace a failed rooftop HVAC unit at Morrow Library to ensure reliable climate control for occupants, library collections, archives, and special collections. One of five units is non-functional, and the remaining units have exceeded their expected service life. Replacement will improve system reliability, energy efficiency, and protection of library resources.

Science Building Chiller Replacement: Replace the deteriorating chiller plant serving the Science Building to maintain reliable cooling for research laboratories, instructional spaces, and sensitive scientific equipment. Failure of the system could disrupt research and academic operations and create health and safety concerns. A modern, energy-efficient replacement is recommended.

Memorial Student Center Roof: Provide funding for roof repair and replacement at the Memorial Student Center to address persistent leaks and deteriorating roof conditions. The project includes design services to evaluate the existing roof system, develop a comprehensive repair or replacement plan, and address the potential presence of asbestos-containing materials through proper assessment and abatement. The work is intended to protect the facility, prevent further water intrusion, and ensure long-term building integrity; and

NOW, THEREFORE, BE RESOLVED BY THE BOARD OF GOVERNORS OF MARSHALL UNIVERSITY AS FOLLOWS:

The Board of Governors demonstrates its support of the submittal of the grant application for the State Institutions of Higher Education Deferred Maintenance Grant for the following projects:

CORBLY HALL CHILLER REPLACEMENT, MORROW LIBRARY HVAC UNIT, SCIENCE BUILDING CHILLER REPLACEMENT AND THE MEMORIAL STUDENT CENTER ROOF by MARSHALL UNIVERSITY; and The Board of Governors demonstrates its support to prioritize these projects as the highest priority with regard to deferred maintenance at MARSHALL UNIVERSITY and

The Board of Governors authorizes its President to execute the application for the State Institutions of Higher Education Deferred Maintenance Grant and any other documentation necessary to effectuate submittal of the grant application.

This Resolution shall be effective following its adoption by the Board of Governors.
Passed by the Board of Governors this 4th of August 2026.

ATTEST:

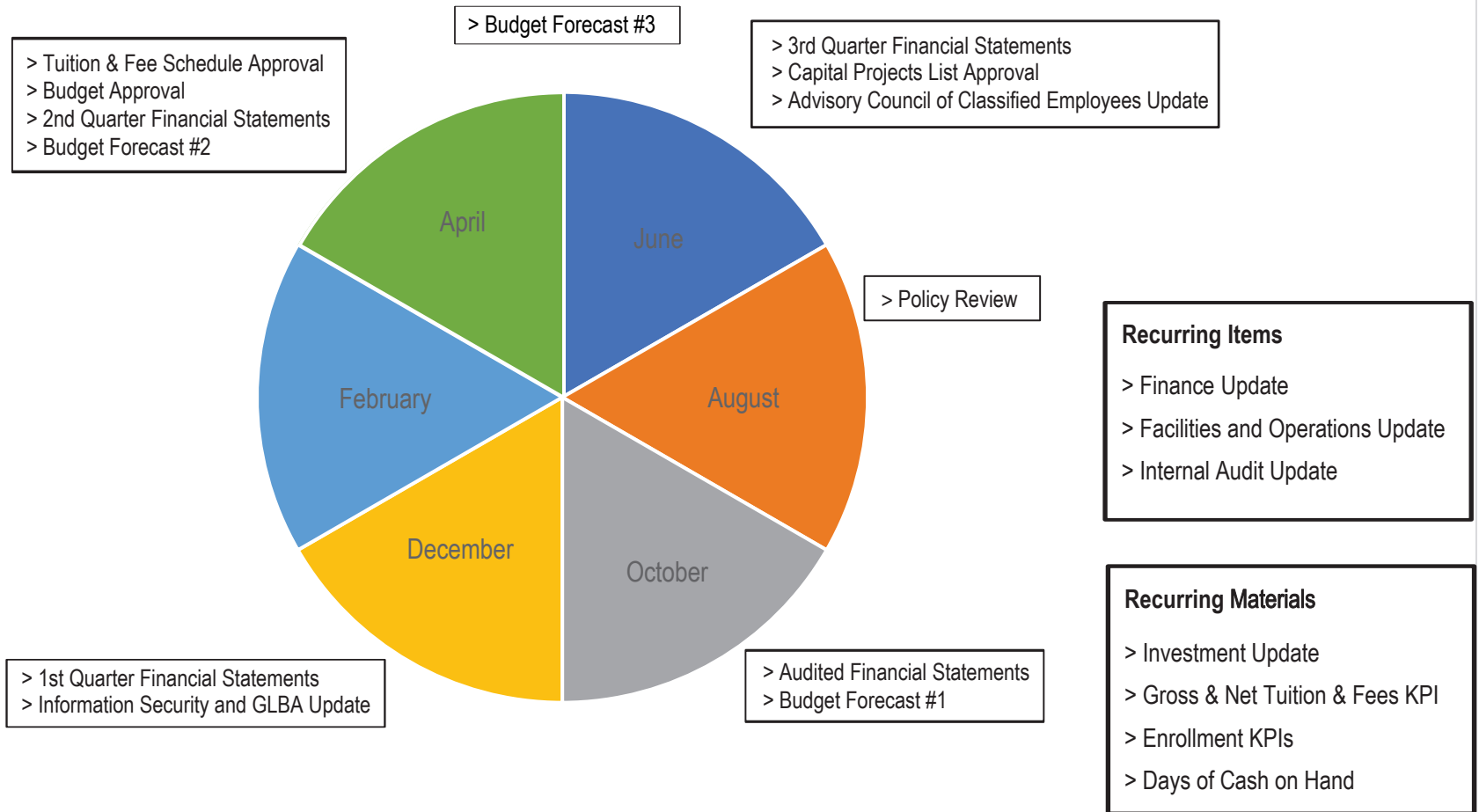
Signature, Board of Governors Authorized Official

Printed Name

Title

Annual Activity Calendar

Finance, Audit and Facilities Planning Committee



FY26 PROJECTION

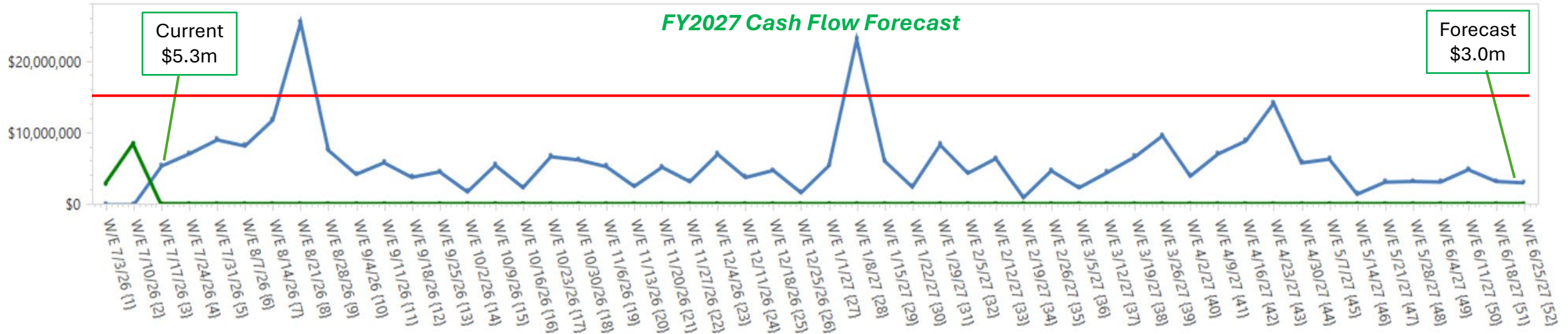
Marshall University					
	FY24 Actuals	FY25 Actuals	FY26 Projection	FY26 Budget	FY26 Projection vs FY26 Budget
Operating Revenues					
Student Tuition and Fees (net of allowance)	72,286,000	65,616,000	73,600,000	76,146,000	(2,546,000)
Grants and Contracts	53,841,000	122,880,000	141,620,000	122,439,000	19,181,000
Auxiliary Enterprise Revenue	38,531,000	30,242,000	35,327,000	43,827,000	(8,500,000)
Other Operating Revenues	16,987,000	12,804,000	10,998,000	12,303,000	(1,305,000)
Total Operating Revenues	238,006,000	231,542,000	261,545,000	254,715,000	6,830,000
Operating Expenses					
Salaries and Wages	159,747,000	164,392,000	165,776,000	166,072,000	(296,000)
Benefits	34,460,000	46,402,000	43,051,000	41,518,000	1,533,000
Supplies and Other Services	86,088,000	95,019,792	82,454,000	95,954,000	(13,500,000)
Utilities	11,137,000	12,277,000	11,625,000	12,450,000	(825,000)
Scholarships and fellowships	27,694,000	18,312,000	17,525,000	27,100,000	(9,575,000)
Depreciation	21,252,000	25,692,000	23,394,000	20,500,000	2,894,000
Other Operating Expenses	203,000	229,000	-	-	-
Total Operating Expenses	340,581,000	362,323,792	343,825,000	363,594,000	(19,769,000)
Operating Income (Loss)	(102,575,000)	(130,781,792)	(82,280,000)	(108,879,000)	26,599,000
Nonoperating Revenues (expenses)					
State Appropriations	116,418,000	76,037,000	77,108,000	76,188,000	920,000
Federal Pell Grants	18,965,000	22,872,000	22,900,000	22,500,000	400,000
Gifts	1,804,000	3,922,000	2,750,000	2,550,000	200,000
Investment Income	11,383,000	6,508,000	7,300,000	2,750,000	4,550,000
Interest on indebtedness	(7,265,000)	(7,775,000)	(7,670,000)	(7,242,000)	(428,000)
Fees assessed by Commission for Debt Service	(285,000)	(234,000)	(285,000)	(285,000)	-
Other nonoperating revenues (expenses)	(673,000)	(2,000)	-	-	-
Total Nonoperating Revenues (expenses)	138,348,000	101,328,000	102,103,000	96,461,000	5,642,000
Increase/Decrease in Net Assets	35,773,000	(29,453,792)	19,823,000	(12,418,000)	32,241,000
One-time adjustments		-	(30,000,000)	-	(30,000,000)
Capital Grants and Gifts	(50,348,866)	11,330,000	-	-	-
Increase/Decrease in Net Assets - Adjusted	(14,575,866)	(18,123,792)	(10,177,000)	(12,418,000)	2,241,000

ANALYSIS

- **Operating Revenue (+\$6.8M)**
 - **Auxiliary Revenue (-\$8.5M):** Primarily due to the change in scholarship allowance calculation offset by increases in Housing revenue
 - **Tuition and Fees (-\$2.5M):** Increased gross tuition offset by change in scholarship allowance calculation
 - **Grants and Contracts (+\$19.2M):** Increase due to SOM building State Grant (+\$30M) offset by decreases in federal and other state grants at MURC and the SOM
 - **Other Operating Revenue (-\$1.3M)**
- **Non-Operating Revenues (+\$5.6M)**
 - **Investment Income (+\$4.6M):** Meketa portfolio actual gains through April
 - **Pell Grants (\$0.4M):** Continued increases in Pell student population
- **Operating Expenses (-\$19.8M)**
 - **Salaries and Benefits (+\$1.2M):** Increased projection to align with FY25 actuals and capture FY26 year-to-date activity.
 - **Supplies and Other Services (-\$13.5M):** Decrease in supplies due to decreased federal and state grants for MURC and the SOM.
 - **Scholarships (-\$9.6M):** Due to change in scholarship allowance calculation. Scholarship expense decreased while the tuition and fee allowance increased.

CASH OUTLOOK

Forecast Created by OneStream Sensible AI Platform



Key Cash Flow Updates

- Secured **reimbursable advance** in partnership with MURC and the Foundation **\$5M**
- In partnership with Marshall Health, facilitated payment of **FY26 Direct Payment Program (DPP) \$3M**
- Maintaining strict **cash flow management** until the start of the fall semester

Key Finance Projects

- **Huron Institutional Resiliency Engagement**
 - 3 Steering Committee meetings
 - Initial Opportunity Identification
 - Cost Savings & Revenue Enhancement opportunities
 - Expecting to prioritize 30-40 opportunities
- **Year-End Audit**
 - Preliminary field beginning now
 - Full audit field work to begin in September
 - Financial Statements delivered on October 15, 2026
- **AI in Finance**
 - OneStream AI Cash Flow forecasting
 - Team challenge to identify 3-5 areas where AI will make a difference
 - **Playing Board → Rules of the Game → Win Outcomes**



Marshall University

Accelerating Individual Success, Innovative Ideas and Economic Impact

August 4, 2026

*Board of Governors Meeting
Facilities and Operations Update*



Enduring Financial **PRINCIPLES**

1. Grow STUDENTS, Not Fees.

- ✓ Minimize tuition and fee increases.
- ✓ Institutional success is measured by our accessibility, affordability and lifetime value for the students we serve.

2. Invest in our TEAM.

- ✓ Align employee compensation with market.
- ✓ Incentivize for performance and living the Marshall University Creed.

3. Take Care of the HOUSE.

- ✓ Investments in facilities are essential to the university mission.
- ✓ Invest in innovative technologies to meet modern challenges.

4. Manage our Strategic RESOURCES.

- ✓ Build key reserves for fiscal and operational resiliency.
- ✓ Invest available resources to new market-driven opportunities.

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PROJECT UPDATES

HEPC Project Number	Project Name	Projected timeline	Status
WVHEPC-M-001	Electrical Sys Upgrades-Emergency Generators/Safety - Phase I	February 2024 to May 2026	
	Emergency Generators/Safety - Phase I-Public Safety	May 2026	Project complete, awaiting final paperwork
	Emergency Generators/Safety - Phase I-Drinko Library		Project complete, awaiting final paperwork
	Emergency Generators/Safety - Phase I-Prichard Hall		Project complete, awaiting final paperwork
WVHEPC-M-002	Campus Buildings Fire Alarm System Upgrades	February 2024 to January 2026	
	Corbly Hall		Project Completed, contractor is installing dry-wall or filling in around boxes
	Morrow Library		Project Completed, contractor is installing dry-wall or filling in around boxes
	Myers Hall		Project Completed, contractor is installing dry-wall or filling in around boxes
	Prichard Hall		Project Completed, contractor is installing dry-wall or filling in around boxes
	Smith		Project Completed, contractor is installing dry-wall or filling in around boxes
	Sorrell		Project Completed, contractor is installing dry-wall or filling in around boxes
	Chemical Storage Building		Project Completed, contractor is installing dry-wall or filling in around boxes
WVHEPC-M-003R	Elevator Modernization	February 2024 to October 2026	
	Elevator Modernization-Corbly Hall		Project Completed
	Elevator Modernization-Harris Hall		Awaiting change order for TKE
	Elevator Modernization-Science Building		Delayed - Working on Dixon Electric electrical upgrades PO, West elevator requires inspection, once inspection is complete, will begin work on East elevator.

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PROJECT UPDATES

WVHEPC-M-04	Chiller Replacement	January 2024 to August 1, 2025	
	Smith Hall Chiller Replacement		Project Completed
	Drinko Library Chiller Replacement		Project Completed
WVHEPC-M-005	Laidley Hall Demolition	February 2024 to May 2024	Project Completed
WVHEPC-M-007	Henderson Center E Level Sanitary Pipe Replacement	February 2024 to <i>June 2026</i>	Project Complete, awaiting final paperwork
WVHEPC-M-008	South Charleston Roof Replacement (Both Buildings)	February 2024 to November 2025	
	South Charleston Roof Replacement-Academic		Project Completed
	South Charleston Roof Replacement-Administration		Project Completed
WVHEPC-M-009	Fine Arts Renovations	February 2024 to <i>September 2026</i>	Project reopened to accommodate addition of replacement of doors, finalizing bonds with vendor and WV AG's Office
WVHEPC-M-010	Morrow Library ADA Upgrades	February 2024 to <i>October 2026</i>	Wheel chair lift has been completed and is in service; (Update) Otis has notified contractor that equipment will not ship until mid-August with install occurring in September/October
WVHEPC-M-011	Smith Hall Classroom Locks	May 2024 to December 2025	Project Completed
	Fine Arts Locks	May 2024 to January 2025	Project Completed
WVHEPC-M-012	Erma Ora Byrd Floor Renovations	March 2024 to March 2025	Project Completed
WVHEPC-M-013	Smith Hall Concrete Work (Exterior ADA Ramp)	May 2024 to April 2025	Project Complete, awaiting final paperwork
	Henderson Center Concrete Work	May 2024 to <i>April 2026</i>	Project Completed, awaiting final paperwork

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PROJECT UPDATES

WVHEPC-M-014	Holderby Hall Demolition	February 2024 to November 2025	Project Complete, awaiting final paperwork
WVHEPC-M-015	Memorial Student Center Restroom Repairs & Renovations	February 2024 to November 2025	Project Complete, awaiting final paperwork
WVHEPC-M-016	Stormwater Improvements Phase I	February 2024 to <i>March 2026</i>	Project Complete, awaiting final paperwork
WVHEPC-M-017	MRI Building HVAC Replacement	January 2024 to March 2025	Project Complete, awaiting final paperwork
WVHEPC-M-019	Classroom Repair/Renewal Campus-wide Phase I	February 2024 to November 2025	Project Complete, awaiting final paperwork
	Restroom Repair/Renewal Campus-wide Phase I	March 2024 to March 2025	Project Completed
WVHEPC-M-023	Old Main Structure Repairs - Phase I	January 2024 to November 2025	Project Complete, awaiting final paperwork
WVHEPC-M-024	Science Building Air Handler Units	January 2024 to <i>December 2025</i>	Project Complete, awaiting final paperwork
WVHEPC-M-025	Drinko Library/ Gullickson Hall Roof Replacement	March 2024 to <i>February 2026</i>	Drinko - complete; Gullickson Hall - complete, awaiting final paperwork
WVHEPC-M-026	Student/Band Bleacher Replacement	March 2024 to March 2025	Project Completed

MU Internal Audit BOG Informational Report August 4, 2026

1 ACTIVITY SINCE THE LAST MEETING

- A. Advisory Services – Year-End planning with Accounting/Financial Reporting Department.
- B. Audit Projects – Year-end schedule preparation and footnote information gathering.
- C. Other – No significant Whistleblower Hotline activity for this reporting period.

2 PLANNED ACTIVITIES BEFORE THE NEXT MEETING

- A. Monitoring of Whistleblower Hotline.
- B. Year-End data gathering and audit schedule preparation.
- C. Adhere to planned activities in the approved Audit Plan and Continued Monitoring of other Institutional Activities.

3 PROFESSIONAL DEVELOPMENT ACTIVITIES

- A. No significant activities in this reporting period.