

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

November 12, 2010

The ninetieth meeting of the West Virginia University Board of Governors was held on November 12, 2010 at the Erickson Alumni Center. Board members in attendance/participating included Ellen Cappellanti, Dr. Nigel Clark, Dr. Thomas Clark, James Dailey, Thomas Flaherty, Dr. Robert Griffith, Raymond Lane, Christopher Lewallen, Diane Lewis, Carolyn Long, Ted Mattern, Jo Morrow, William Nutting, Drew Payne, Ed Robinson, J.R. Rogers, and Dr. Charles Vest.

WVU officers, divisional campus officers, and representatives present included:

President, James P. Clements;
Provost and Vice President for Academic Affairs, Michele Wheatly;
Health Sciences Chancellor, Christopher Colenda;
Vice President for Administration and Finance, Narvel Weese;
Vice President for Advancement & Marketing, Chris Martin;
Vice President for Legal Affairs and General Counsel, & Assistant
BOG Secretary, William H. Hutchens, III;
Vice President for Student Affairs, Ken Gray;
Vice President for Research, Curt Peterson;
Vice President for Human Resources, Margaret Phillips;
Senior Associate Provost, Russell Dean;
Interim Dean of Students and Director, Housing and University Apartments,
G. Corey Farris;
Chief Financial Officer for Health Sciences, Wendy King;
Director of Internal Audit, William Quigley;
Executive Officer for Social Justice, Jennifer McIntosh;
Executive Officer for Policy Development, Jennifer Fisher;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Provost for Information Technology, Rehan Khan;
Director of Employment Services, Patricia W. Gyurke;
Director of Employee Relations, James Morris;
Veterans Advocate, Terry Miller;
Program Director, WVU National Center of Excellence in Women's Health,
Elizabeth Critch Parsons;
Executive Director of Student Affairs Business Operations, Les Carpenter;
Registrar, Steve Robinson;
Associate Provost for Extension & Public Service, Dave Miller;
Associate Director, Organizational Advancement, WVU Extension Service, Ann Berry;
Executive Director, Internal Communications, Becky Lofstead;
Potomac State College of West Virginia University, Divisional Campus Provost,
Kerry Odell;
West Virginia University Institute of Technology, Divisional Campus Provost,
Scott Hurst, and,

Special Assistant to the Board of Governors, Valerie Lopez.

Members of the Press were also present.

CALL TO ORDER

The meeting was called to order by Board Chairman, Carolyn Long, at 8:30 a.m. A roll call was taken to determine who was in attendance and a quorum established.

BOARD ITEMS

Veterans Initiatives at WVU:

For the past two years, WVU has received a Military Friendly School designation from GI Jobs Magazine. This reflects a rating in the top 15% of “Veteran Friendly” institutions nationwide. Veteran and WVU student, Jared Jones, Veterans Advocate, Terry Miller, Director of Employment Services, Patricia Gyurke, and Vice President for Student Affairs, Ken Gray, provided a brief overview on the range of ways WVU supports veterans on and off-campus.

Highlights from the presentation included the following:

The University has an active Veterans Advocate whose office helps solve financial aid and VA education benefit issues, class absences due to military responsibilities, deployment issues and other matters, and WVU’s Human Resources division encourages talented veteran applicants to apply for employment opportunities and offers a summit each year to further make outreach to veterans a priority.

Other ways WVU reaches out to its nearly 1,000 veteran students and employees include:

- Attending veteran job fairs;
- Training employment staff, recruiters, admissions counselors and financial aid representatives to interpret military resumes (classifications, certifications, skills, responsibilities, etc.);
- Advertising employment opportunities through the Army Reserve and National Guard Employee Partnership Initiative;
- Offering a military leave policy, scholarships and payment plans;
- Offering job search assistance to veterans and disabled student veterans to help them find part-time or summer jobs;
- Welcoming home deployed University staff by presenting them with certificates of appreciation on their return;
- Offering a special military transition employment website:
http://employment.hr.wvu.edu/wvu_and_gi_jobs;
- Offering a special student veterans office website and advocate:
<http://wvuveterans.wvu.edu/>;

- Offering special transition classes for veterans and a Veterans Adventure West Virginia program;
- Sponsoring a military breakfast on Veterans Day and designating it a “Day of Concern.”

The above efforts led to WVU being designated a “Military Friendly School” the past two years by GI Jobs magazine, and prompted a select visit by Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, to Morgantown and WVU in the spring for a “Conversation with the Country” tour to promote veteran integration.

Other veteran-related projects at WVU include: the West Virginia Veterans History Project to collect state veterans’ stories for the Library of Congress; a documentary film on the untold stories of African-American veterans; participation in the Take a Veteran to School Day program; a new exhibit and interactive website, launched this week, that examines the story of African American soldiers who migrated to McDowell County; research on post-traumatic stress disorder; and Extension “care packages” for veterans and their families.

Research Trust Fund:

Provost Michele Wheatly reported that for today’s meeting, West Virginia University has gifts received and pledges recorded, as certified by the WVU Foundation and Dr. Curt Peterson, Vice President for Research and Economic Development, as to consistency with the Research Trust Fund Strategic Plan, totaling the sum of \$405,783.00 that fall under the focus areas of the strategic plan that the BOG approved in June, 2008. With the pre-requisite certifications required in this process achieved, Chairman Long recommended that the Board approve this request for match. Upon such approval, the request can be sent to the Vice Chancellor for Science and Research in Charleston.

Thereupon, Drew Payne moved that the West Virginia University Board of Governors approves today’s total of \$405,783.00 of gifts received and pledges recorded that fall under the focus areas of the strategic plan that the BOG approved in June, 2008, for a matching request pursuant to the provisions of said Research Trust Fund strategic plan. This motion was seconded by Dr. Thomas Clark, and passed unanimously.

Presentation of FY10 Combined Financial Statements:

All Board members were provided with copies of the *West Virginia University Combined Financial Statements for the Years Ended June 30, 2010 and 2009 and Independent Auditors’ Reports* prepared by Deloitte & Touche. In addition, Vice President for Administration and Finance, Narvel Weese, and Senior Associate Vice President for Finance, Dan Durbin, distributed supplemental materials to Board members covering the FY2010 Annual Financial Report, Financial Briefing, FY2010 Year End Performance, and Key Monthly Indicators. Messrs. Weese and Durbin provided an overview of these materials, which included the following highlights in reference to the financial statements: The University expects an unqualified (clean) opinion of the FY10 financial statements and does not anticipate a management letter being issued by the external auditor; the University continues to maintain a stable balance sheet; total assets increased by \$71.4 million from their prior year’s \$1,291

billion to a total of \$1,363 billion; although total liabilities increased by \$84 million in FY10, \$51 million of that increase was attributed to GASB 45 (other post-employment benefits) accrual; the University experienced a positive operating margin excluding the extraordinary items related to GASB45 accrual (other post-employment benefits and unrealized investment gains); and cash (and cash equivalents) increased by nearly \$11 million from the prior fiscal year. Also shared was good news related to positive trends in tuition and enrollment increases, in addition to increases in grants and contract, trademark licensing, auxiliary activities (athletics and student and resident life) as well as our arts and entertainment function. It was noted that WVU will continue to invest in its people, students, facilities and research function as we strive to enhance our current financial process to align with the 2020 Strategic Plan.

EXECUTIVE SESSION

Chairman Long requested a motion that the Board go into Executive Session (under authority in West Virginia Code § 6-9A-4(b)(2)(A) and § 6-9A-4(b)(7), (9), and (12)) to discuss: (a) meeting with External Auditors, (b) compliance overview and training, (c) personnel issues, and (d) legal matters. The motion was made by Ted Mattern, seconded by William Nutting, and passed. Following the conclusion of Executive Session, Diane Lewis moved that the Board reconvene into regular session. This motion was seconded by Thomas Flaherty, and passed.

DISCUSSIONS EMANATING FROM EXECUTIVE SESSION

Chairman Long announced that there were no actions emanating from today's Executive Session.

APPROVAL OF MINUTES

Dr. Thomas Clark moved that the minutes of the September 17, 2010 Regular Meeting and the October 28, 2010 Special Meeting be approved. The motion was seconded by Raymond Lane, and passed.

COMMITTEE REPORTS

Audit Committee: James Dailey, Chairman of the Audit Committee, reported that the committee met yesterday afternoon at 2:00 p.m., during which they conducted an abbreviated meeting due to time constraints.

The Audit Committee received reports from Vice President for Administration and Finance, Narvel Weese, Vice President for Legal Affairs and General Counsel, & Assistant BOG Secretary, William H. Hutchens, III, as well as a presentation from WVU Health Sciences Chancellor, Dr. Christopher Colenda. Representatives from Deloitte & Touche were present to go over WVU's Financial Statements in anticipation of their distribution to the full Board during today's meeting. Chairman Dailey advised that the Audit Committee will reconvene today

following the regular Board meeting, to complete the balance of items listed on its meeting agenda.

Student Government Association Constituency Meeting: Student Representative, Christopher Lewallen, thanked the Board for scheduling its first Student Government Association Constituency meeting yesterday afternoon at 4:00 p.m., during which he provided an overview of SGA platforms, initiatives and achievements. Mr. Lewallen advised that several members of his SGA administration were present for the meeting and engaged in a question and answer session with Board members. President Clements remarked on the outstanding presentation by Mr. Lewallen and members of his constituency.

Executive Committee: Carolyn Long, Chairman of the Executive Committee, reported that the committee conducted a short meeting yesterday evening to discuss items contained on today's meeting agenda.

PRESIDENT'S REPORT

Dr. James P. Clements presented his President's Report, which included the following:

Some general highlights of the past year include:

- Enrollment was at highest level overall, as well as largest enrollment of international, transfer, and minority students. Potomac State also set another enrollment record.
- Research last year was at an all-time high.
- Private giving made record gains.
- We began the important process of adding 100 faculty lines.
- We completed plans and have initiated a new student health and wellness facility, as well as a new outdoor recreation green space plan.
- Our staff and financial managers ensured a sound year – with a positive operating margin and unqualified financial opinion. Our bond rating was also increased – another indication of a strong and responsible financial management team.
- We launched a strategic planning process that will wrap in 2010.

Updates:

- Earlier today we announced a \$3 million gift to fund a chair in Finance in the College of Business and Economics – the largest endowed professorship. It was generously provided by alumnus Fred Tattersall. Mr. Tattersall is chairman of 1607 Capital Partners in Richmond, and a 1970 graduate of the WVU business school. We are incredibly grateful for his support of WVU.

- Research funding continues to grow, with a year-to-date total up more than \$10 million from last year's total at the same time.
- A \$5.5 Million Grant from NIH was recently announced. The award will be used to further develop five core research facilities that can be shared for use by researchers in other departments across the University. It also will be used to fund collaborative multidisciplinary pilot projects in neurosciences research. This is the 3rd grant for the WVU Center for Neuroscience under the NIH's Centers of Biomedical Research Excellence (COBRE) since 2000. This has been a total COBRE investment of more than \$23 million. These COBRE awards have spawned an additional \$13.5 million in research funding from other sources. Congratulations to Dr. George Spirou, Director of the Center for Neuroscience who was lead PI on grant.
- WVU was recently recognized for earning an ADVANCE grant of \$3.2 million from the National Science Foundation (NSF). It is a transformative grant that is aimed at increasing women in STEM fields. Provost Wheatly and the ADVANCE team recently attended the national meeting to get our initiative started
- WVU was also a key driver in an EPSCOR award, \$10 million for WVU. A key action under the grant will be creating an interdisciplinary center based on bio-nano-technology. We had excellent leadership from a team of faculty at WVU to bring the award in for our State.
- The Art museum Education Center dedication was held recently. We give special thanks to donors on that project who made it possible
- Earlier this month, Stephanie Archer-Hartmann became the second WVU student to earn the prestigious national fellowship from the United States Pharmacopeia. She is a chemistry graduate student from Glenville, WV. This year, the fellows program awarded \$25,000 to just 4 students around the country to help fund their research in areas relating to standards for drugs and their use.
- Katherine Bomkamp became the first student from WVU to be inducted into the National Museum of Education's National Gallery for America's Young Inventors. She is a freshman political science major at West Virginia University. Her invention is called "The Pain Free Socket" and it will help amputees to eliminate phantom pain, which is the pain caused by the brain sending signals and commands to a missing limb.
- Next week a number of us will attend the Association of Public Land Grant Universities (APLU) meeting
- The Strategic Plan is moving along very well. There have been numerous public meetings and discussions with constituency groups. A special thanks for Dr. Nigel Clark for his leadership of the Strategic Planning Council, and to Dr. Michele Wheatly and Dr. Christopher Colenda for their overall leadership of the process.

- Our strategic plan will take resources. A web site has been set up for ideas from our own campus – faculty, staff, students – on ways to save money and to grow resources. We are also engaging in a Facilities Master Plan process, which will be brought to the BOG.
- Through the WVU Foundation, we are preparing for a comprehensive fundraising campaign. The WVU Foundation is leading a feasibility study for our comprehensive campaign. It is anticipated that the study will be conducted over the next three to four months and that a final report, which will include a recommended goal for the campaign, will be presented to the Foundation Board later in the Spring. The campaign will be absolutely essential to our progress over the next several years.

INFORMATION ITEMS

There were no questions or concerns expressed by any Board members pertaining to the Information Items contained within the agenda.

CONSENT AGENDA

Chairman Long called for any discussion of the Consent Agenda items. There being none, Chris Lewallen moved that the Board accept the Consent Agenda items as presented in today's agenda booklet. This motion was seconded by Diane Lewis, and passed, with a notation that Board member, Ted Mattern, abstained from voting on approval of today's Consent Agenda, as presented.

Thereupon, the following Consent Agenda items were approved:

1. Receipt and Acceptance of the FY10 Combined Financial Statements for West Virginia University

Resolved: That the West Virginia University Board of Governors accepts the FY10 Combined Financial Statements for West Virginia University, as presented.

2. Conveyance of that certain real property on the WVU Animal Science Farm, consisting of 8.85 acres, located at or near the Mileground and U.S. 705, Morgantown, West Virginia, and more particularly illustrated on the plat, as presented.

Resolved: That the West Virginia University Board of Governors approves the conveyance of that certain real property, consisting of 8.85 acres, located and situated in the Fifth Ward in the City of Morgantown, Monongalia County, West Virginia to Monongalia County Board of Education.

3. Acquisition of 992 Elmer Prince Drive, Morgantown, West Virginia

Resolved: That the West Virginia University Board of Governors approves the acquisition of that certain real property, consisting of 0.406 acre, having an address of 992 Elmer Prince Drive, and located and situate in the Seventh Ward of the City of Morgantown, Monongalia County, West Virginia, from SBS Properties, LLC, a West Virginia limited liability company, with such acquisition being subject to the approval of the Joint Committee on Government and Finance.

4. Women's Soccer Practice Facility

Resolved: That the West Virginia University Board of Governors approves the Women's Soccer Practice Facility project.

5. Recreation Field Redevelopment

Resolved: That the West Virginia University Board of Governors approves the capital projects included in Phase I and Phase II of the Recreation Strategic Plan.

6. Student Health Construction Project

Resolved: That the West Virginia University Board of Governors approves the construction of a new Student Health facility.

7. Financing and Reimbursement Resolution of the West Virginia University Board of Governors for the construction of the Student Health Center

Resolved: That the West Virginia University Board of Governors approves the Financing and Reimbursement Resolution for construction of the Student Health Center, as presented.

8. Supplemental and Amendatory Resolution of the West Virginia University Board of Governors for renovation of White Hall

Resolved: That the West Virginia University Board of Governors approves the Supplemental and Amendatory Resolution for renovation of White Hall, as presented.

9. Approval of New Graduate Program: Master of Science in Clinical and Translational Science

Resolved: That the West Virginia University Board of Governors approves the creation of a Master of Science in Clinical and Translational Science graduate degree program, as presented.

OTHER BUSINESS AND GENERAL DISCUSSION

BOG member, Dr. Robert Griffith, stated that faculty members from the School of Pharmacy were very pleased that BOG members joined them for lunch and a tour of their facilities yesterday afternoon.

Dr. Griffith also mentioned that last week while a group of German high school students were visiting Morgantown they were provided with an opportunity to attend a WVU football game - thus a special thank you was extended to Athletic Director, Oliver Luck, for facilitating this act of goodwill.

ADJOURNMENT

Chair Long reminded everyone that our next regular meeting is scheduled as a telephone meeting on December 10, 2010. There being no further business, Drew Payne moved to

adjourn the meeting. The motion was seconded by Ted Mattern, and passed. The meeting was adjourned at 3:40 p.m.

Secretary