

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

April 8, 2011

The ninety-second meeting of the West Virginia University Board of Governors was held on April 8, 2011 on the campus of Potomac State College of West Virginia University in Keyser, West Virginia. 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, Jo Morrow, William Nutting, Drew Payne, Ed Robinson, J.R. Rogers, and William Wilmoth. Board member, Dr. Charles Vest, was absent and excused.

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

President, James P. Clements;
Senior Associate Provost, Russell Dean;
Health Sciences Chancellor, Christopher Colenda;
Vice President for Administration, Finance & Human Resources, Narvel Weese;
Vice President for Legal Affairs & 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;
Executive Officer for Policy Development, Jennifer Fisher;
Executive Officer for Social Justice, Jennifer McIntosh;
Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Vice President for Facilities, Randy Hudak;
Chief Financial Officer for Health Sciences, Wendy King;
Executive Director, Internal Communications, Becky Lofstead;
Assistant Athletic Director, Mike Parsons;
Assistant Vice President for Enrollment Management, Brenda Thompson;
Executive Director of Student Affairs Business Operations, Les Carpenter;
Interim Dean of Students and Director, Housing and University Apartments,
G. Corey Farris;
Potomac State College of West Virginia University, Divisional Campus Provost,
Kerry Odell;
Faculty Senate Chair-Elect, Lesley Cottrell;
Director of Internal Audit, William Quigley;
Assistant Vice President for University Communications, Becky Lofstead;
Executive Assistant to the President, Sara Master;
Members of Potomac State administration, student body,
faculty, staff;
Special Event Coordinator, Gretchen Hoover; and,
Special Assistant to the President, 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. Provost Kerry Odell welcomed everyone to the Potomac State campus. He expressed his appreciation for this opportunity for the college to showcase its many successes, share its dreams and aspirations, and make the Board aware of its future needs. He introduced many of the employees present during today's meeting and praised the hard work and dedication of the many faculty and staff members who help Potomac State achieve and maintain its success. He ended his remarks by assuring the Board of Governors that Potomac State College of West Virginia University is in good hands --- the hands of ordinary people who do extraordinary things almost every day.

BOARD ITEMS

Legislative Update:

In a legislative update, President James P. Clements reported that WVU's base budget increased and expressed great appreciation for the Legislature and Governor supporting the value of higher education. The level of support by state leaders is especially notable because stimulus funds had been helping to maintain previous levels of appropriation, so the increase this year included restoring funds to the base. President Clements also thanked state leaders for allocating funds that can help support pay raises, as well as for support of a School for Public Health at WVU. A number of bills were passed that impact higher education, including a personnel bill, extension of the Research Trust Fund timeline, extension of an investment provision, among others that the appropriate campus administrators are reviewing.

Report on Association of Governing Boards National Conference on Trusteeship:

Chairman Carolyn Long reported on her attendance earlier this week at the National Conference on Trusteeship hosted by the Association of Governing Boards of Universities and Colleges in Los Angeles, California. The WVU Board of Governors is now a member of this organization and Chairman Long was excited to participate in this forum where board members and institutional leaders gathered to discuss and seek solutions to pressing issues which included insights on the economy and implications for higher education, in addition to sharing the latest developments in federal education policy. Chairman Long found all sessions well planned, relevant, and appreciated the opportunity to share ideas, discuss best practices and network with other board members and leaders across all types of institutions.

Research Trust Fund:

Drew Payne, as Chairman of the Strategic Plans, Initiatives and Accreditations Committee, 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 \$641,906.00 that fall under the focus areas of the strategic plan that the BOG approved in June, 2008, and modified December, 2010. 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 \$641,906.00 of gifts received and pledges recorded that fall under the focus areas of the strategic plan that the BOG approved in June, 2008, and modified December, 2010, for a matching request pursuant to the provisions of said Research Trust Fund strategic plan. This motion was seconded by Thomas Flaherty, and passed unanimously.

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 personnel issues and legal matters. The motion was made by William Wilmoth, seconded by Dr. Robert Griffith, 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

Once the Board reconvened, Chairman Long advised that the Board has held discussions with the Athletic Department regarding several changes in practices and procedures on game day at Mountaineer Field. One of those changes would involve the Board in considering a change in Policy 18 and the prohibitions set out in Section 3.1 of that policy. The Athletic Department wishes to allow controlled beer sales at certain athletic events. The Department of Athletics will be providing a notice of proposed rulemaking which would be followed by a public comment period and other details consistent with procedures described in Board Policy 45.

BUDGETARY, TUITION & FEE PLANNING PARAMETERS – FY2012 BUDGET

Vice President for Administration, Finance & Human Resources, Narvel Weese, offered remarks relating to the FY2012 budget, as follows:

West Virginia University continues to consider various scenarios in order to develop its FY2012 budget. To start on a positive note, the State of West Virginia provided about \$4.2

million in new dollars, of which \$1 million is earmarked to support the implementation of a new School of Public Health and about \$3 million for salary increases. This is a very positive outcome from the legislative session and the University is very appreciative of the Acting Governor and the legislature's leadership for their support.

In addition, the University is considering tuition increases for resident and non-resident undergraduate students of approximately 4.9 percent. This increase will keep us among the lowest tuition rates of flagship universities. Graduate and professional students may see slightly higher increases. The University is committed to student access, therefore the University will also increase institutional scholarships at the same pace as tuition.

In addition to providing funds to support basic ongoing operating expenses, the University continues to be concerned about retaining and recruiting employees and therefore is considering a base salary increase for the FY2012 budget. Faculty and Non-classified staff increases are needed to compete for talent and expertise on the national level and to reward employees who continue to demonstrate outstanding performance. In addition, classified staff increases will be focused on funding the classified salary schedule and providing increases for those employees who are currently "red lined" because of their placement on the classified salary schedule. The budget will also include funding for new faculty lines - which directly support student academics and research. These new lines are also part of President Clements' plan to add 100 additional faculty lines.

The University also needs to invest in its facilities. The FY2012 budget will lay the groundwork for the expansion of research space as well as other academic and student service priorities.

Last and but not least in importance is the ability to provide funding to support the implementation of the University's strategic plan. The University is committed to maintaining its stable financial positions as revenues increase and as funding is needed to support its budget priorities. The plan also will support the University's commitment to maintain clean audits, strong bond ratings, and other positive measures of fiscal accountability and performance.

APPROVAL OF MINUTES

Ed Robinson moved that the minutes of the February 4, 2011 meeting be approved. The motion was seconded by Diane Lewis, and passed.

COMMITTEE REPORTS

Audit Committee: James Dailey, Chairman of the Audit Committee, reported that the Committee met yesterday afternoon.

The Audit Committee received a report from representatives of the independent accountants, Deloitte & Touche, on their review of the interim financial statements through December 31st, noting that no issues were found. Deloitte & Touche also provided an overview or planning guide for this year's audit.

Reports were also given by Vice President for Administration and Finance, Narvel Weese, Vice President for Legal Affairs and General Counsel, & Assistant BOG Secretary, William H. Hutchens, III, and Director of Internal Auditing, William Quigley. Additionally, the Committee received an overview of the WVU Office of Research Integrity and Compliance from Dr. Daniel R. Vasgird, its Director. Board member, Dr. Thomas Clark, noted that he was very impressed with the remarks offered by Vice President for Research, Dr. Curt Peterson, and Dr. Vasgird, and is confident that their collective efforts continue to raise the standards of research at the Health Sciences Center to a high level we can be proud of.

Executive Committee: Carolyn Long, Chairman of the Executive Committee, reported that the Committee met briefly yesterday afternoon, and among other items decided on the colleges/schools they would like to visit in the fall and spring, as well as the order of the upcoming constituency group meetings, as follows: In September, 2011 the Board will visit the College of Law and hold its classified staff constituency meeting. In November, 2011 the Board will visit the Creative Arts Center and hold its faculty constituency meeting. In February, 2012 the Board will visit the College of Physical Activity and Sport Sciences (since the Basketball Practice Facility should be completed) and hold its student constituency meeting. In addition, for the April, 2012 meeting the Board will visit some division of the Davis College of Agriculture, Natural Resources, and Design.

PRESIDENT'S REPORT

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

President Clements applauded Dr. Kerry O'Dell for great leadership and all of the faculty, staff, and students at Potomac State for being wonderful hosts. President Clements highlighted the record enrollments that Potomac State has experienced, with a 24% increase in headcount enrollment over the past five years. He also cited a quote about Potomac State featured in a *US News and World Report* piece entitled "Going the Community College Route Can Pay Off," stating that the College "represents the future of two-year schools as well as the past."

The president reported that he recently joined seven other research university presidents at a roundtable with senators in Washington, D.C. to speak on the importance of innovations resulting from work at America's research universities. The roundtable was put together by the Science Coalition. He also reported that private giving continues to be strong this year, and highlighted a recent gift from the Hazel Ruby McQuain Trust. Combined with the RTF match, the gift enables a nearly \$10 million investment to create the Ruby Graduate Fellows. He also highlighted another important gift for RTF match from the family foundation created by Cisco Systems Chief Executive Officer and West Virginia University alumnus John T. Chambers. The gift of \$750,000 translates to a \$1.5 million investment to establish an endowed chair in cancer research at WVU's Mary Babb Randolph Cancer Center. The Research Trust Fund matches have grown tremendously, creating critical long-term investment in WVU's research capacity.

In September 2009, our requests to that date totaled \$3,594,479. To date, the president reported, our request for match totals \$16,701,794.

President Clements reported that enrollment looks strong for next year, as well as the overall budget that the Board will consider in the June meeting. He also lifted up recent accomplishments, including a top 10 finish by the WVU Debate Team in the national Cross Examination Debate Association tournament, as well as academic awards by a number of Potomac State students, a CASE gold award to University Relations for Best Practices in Communications for the WVU Mobile Web, and several national awards earned by WVU faculty members. Looking ahead, President Clements discussed launching the search for a Vice President for Research, progress toward adding new faculty lines, a groundbreaking for the new outdoor recreation space, continued planning for the new student wellness/health center, the commitment to plans for a base salary improvement plan this year, and ongoing work on developing a comprehensive fundraising campaign to help support the 2020 strategic framework.

INFORMATION ITEMS

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

CONSENT AGENDA

Chairman Long called for any discussion of the Consent Agenda item. There being none, Dr. Nigel Clark moved that the Board accept the Consent Agenda item as presented in today's agenda booklet. This motion was seconded by Drew Payne, and passed.

Thereupon, the following Consent Agenda item was approved:

(a) Purchase and financing of that certain real property and apartment facility, known as The Augusta on the Square, located on Falling Run Road, Morgantown, West Virginia

Resolved, that the West Virginia University Board of Governors approves the financing and the acquisition of that certain real property and apartment facility, known as The Augusta on the Square, plus additional real property, located on Falling Run Road and Outlook Street, in the City of Morgantown, Monongalia County, West Virginia, and adjacent to the WVU downtown campus, the College of Business & Economics, Life Sciences Building and Ming Hsieh Hall – and to effectuate the same, the West Virginia University Board of Governors approves execution of the Authorizing Resolution contained within today's Consent Agenda.

NOMINATING COMMITTEE

Chairman Long asked the following Board members to serve on a nominating committee to prepare and present a slate of officers at the June 3, 2011 Board meeting: Diane Lewis, who will serve as Chairman, Ed Robinson, Thomas Flaherty, Dr. Robert Griffith, and William Nutting. Thomas Flaherty moved to accept these committee appointments, as presented by Chairman Long. The motion was seconded by Dr. Robert Griffith, and passed.

OTHER BUSINESS AND GENERAL DISCUSSION

Chairman Long announced that next year's June Board meeting will be scheduled in concert with the Mountaineer Athletic Club WVU Classic event held in Charleston in June so that the Board of Governors will meet on Wednesday and Thursday of the same week the WVU Classic event is scheduled in Charleston on Thursday and Friday.

Chairman Long ended the meeting by expressing sincere gratitude to Provost Odell and all members of his campus family for the gracious hospitality extended to each and every person who traveled to Potomac State to attend today's Board of Governors' meeting.

ADJOURNMENT

Chair Long reminded everyone that our next regular meeting is scheduled for June 3, 2011 in Charleston, West Virginia. There being no further business, Dr. Tom Clark moved to adjourn the meeting. The motion was seconded by Jo Morrow, and passed. The meeting was adjourned at 11:45 a.m.

Thomas V. Flaherty, Secretary