

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

September 1, 2015

The one hundred thirty-first meeting of the West Virginia University Board of Governors (scheduled as a Special Meeting) was held on September 1, 2015 at the WVU Mountainlair in Morgantown, West Virginia. Board members in attendance/participating by telephone included David Alvarez, George Capel, Ellen Cappellanti, James W. Dailey, II, Thomas V. Flaherty, Dr. Robert Griffith, J. Thomas Jones; Raymond Lane, Diane Lewis, Dixie Martinelli, William Nutting, Andrew A. Payne, III, Ed Robinson, J. Robert (J.R.) Rogers, Dr. Richard Turton, Dr. Kim Weaver and William Wilmoth.

WVU officers, divisional campus officers, representatives (and others) present included:

President, E. Gordon Gee;
Vice President, Legal, Government and Entrepreneurial Engagement, Rob Alsop;
Provost, Joyce McConnell;
Associate Vice President for Legal Affairs and General Counsel, April Min;
Vice President for Finance and Administration, Narvel Weese;
Vice Provost, Russell Dean;
Vice President for University Relations, Sharon Martin;
Chief Financial Officer for WVU Health Sciences, Paula Congelio;
Executive Officer and Assistant Board Secretary, Jennifer Fisher;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Vice President for Facilities and Services, Randy Hudak;
President, West Virginia University Institute of Technology, Carolyn Long;
West Virginia University Institute of Technology Dean and Professor, Dr. Stephen Brown;
Past Faculty Senate Chair and BOG member, Dr. Lisa DiBartolomeo;
WVU's ACCE representative, Paul Martinelli;
Associate Provost for Information Technology, John Campbell;
Vice President Federal Relations and Senior Advisor to President, Jay Cole;
Associate Provost of Undergraduate Academic Affairs, Sue Day-Perroots;
Assistant Vice President for Strategic Action, Elizabeth Hamilton;
Chair of WVU Classified Staff, Lisa Martin;
Assistant Vice President for University Communications, Becky Lofstead;
Director of University Relations/News, John Bolt; and
Special Assistant to the Board of Governors, Valerie Lopez.

Members of the Press were also present.

MEETING MINUTES

The meeting was called to order by Board Chairman, Thomas V. Flaherty, at 12:00 o'clock p.m. A roll call was taken to determine who was in attendance and a quorum established.

Chairman Flaherty welcomed everyone present and stated that today's Special Meeting and discussion are related to the future of West Virginia University at Beckley and West Virginia University Institute of Technology.

While the West Virginia Open Governmental Meetings Act allows citizens to observe a governing body in public meetings, it does not require governing bodies to allow members of the public to speak. However, Chairman Flaherty acknowledged the vast public interest that has been generated on this topic and stated that the Board wanted to hear all public comments offered during today's meeting.

Chairman Flaherty noted that today, as many may have seen upon arrival, any members of the public who are physically present and wish to make a comment were asked to sign in prior to the start of today's meeting. The Board planned to allow public comment for up to one (1) hour, asking each speaker to limit their comments, although Chairman Flaherty stated he may, in his discretion, permit a group representative, such as our distinguished legislators, additional time.

Chairman Flaherty announced that this meeting will be conducted in a courteous manner and he may restrict or limit the time allotted to anyone whose remarks are repetitive or are not germane to the matter under consideration by the Board. At no time shall anyone engage in any personally offensive or abusive remarks. Finally, all remarks are to be directed to the full Board and not to anyone individually; and no questions may be directed to the Board. Chairman Flaherty made reference to the Board's public comment protocol – as posted at the entrance to today's meeting.

Chairman Flaherty then opened the floor for the public comment period, during which remarks were offered by the following individuals who signed the sheet requesting to make public comments:

- Senator William R. Laird, IV - representing District 10 in the West Virginia Senate
- Delegate Nancy Guthrie – representing District 36 in the West Virginia House of Delegates
- Daniel E. Wright, Circuit Clerk of Fayette County, West Virginia
- Delegate Tom Fast – representing District 32 in the West Virginia House of Delegates
- Delegate Larry Rowe – representing District 36 in the West Virginia House of Delegates
- Delegate Kayla Kessinger – representing District 32 in the West Virginia House of Delegates
- Dr. Stephen Brown, Dean of the College of Business, Humanities and Social Sciences and Professor of History at West Virginia University Institute of Technology

Having extended the time allotted for public comments, Chairman Flaherty asked if anyone else desired to speak at today's meeting and Dorothy Phillips, a retired employee of West Virginia University Institute of Technology, offered comments to the full board.

At approximately 1:25 p.m. Chairman Flaherty closed the public comment period, after which Provost Joyce McConnell provided information related to a proposal involving the future of the West Virginia University Institute of Technology and West Virginia University at Beckley campuses, based largely on a vision document that has been shared publicly.

West Virginia University Institute of Technology Campus President, Carolyn Long, offered her perspectives on the proposal and provided her endorsement of the same.

Thereafter, Chairman Flaherty asked if there were any motions concerning the opening of a campus of West Virginia University Institute of Technology on the West Virginia University Beckley campus as was discussed during today's meeting. Whereupon, Ed Robinson moved that the Board authorize and support the opening of a campus of WVU Tech on the Beckley Campus of West Virginia University and further authorize and support the President and University administration to take all steps necessary to begin offering courses from WVU and WVU Tech on the WVU Beckley campus in 2016 and to have WVU Tech fully operational by fall of 2017, including, but not limited to, working with the West Virginia Higher Education Policy Commission and the West Virginia Legislature, as necessary, and to work with the community of Montgomery and surrounding areas relating to the transition of WVU Tech to the WVU Beckley campus. Following a second to said motion offered by Ellen Cappellanti, Chairman Flaherty called for any discussion.

During the ensuing discussion Board member, Ellen Cappellanti, thanked all public presenters for their statements in dealing with these issues and posed the question to West Virginia University Institute of Technology President, Carolyn Long, if any thoughts were given to ways to transition buildings or other aspects of the current WVU Tech campus for future use in that area of the state. President Long deferred to WVU's Vice President for Legal, Government and Entrepreneurial Engagement, Rob Alsop, who indicated that there are indeed potential options and if today's motion is adopted by the Board, WVU plans to explore opportunities for other uses of buildings and campus facilities at WVU Tech, in addition to pursuing other avenues for economic development within the community.

At the conclusion of all discussions, Chairman Flaherty called for a vote on the above motion made by Ed Robinson and seconded by Ellen Cappellanti – which motion passed with no dissenting votes.

Before the meeting concluded, President Gee offered some comments. First he thanked the representatives who appeared today to offer statements during the public comment period. He indicated that a year ago we had no idea the opportunity to expand our campus would come to us but it did and this Board performed a substantial amount of due diligence before reaching the decision made today.

President Gee noted that as he has traveled our state, he learned that people in all communities have hope and today's decision is pivotal in ensuring the continued success of WVU Tech, as well as the future of our state. He acknowledged that WVU (as a land grant institution) has a charge to work with the community of Montgomery and we pledge to do this.

Finally, President Gee thanked the leaders of the WVU Tech community and members of the WVU Board of Governors for their efforts in making today's momentous decision possible. He concluded that this is, indeed, a good decision and WVU will serve as an economic engine for the benefit of the southern part of the state of West Virginia in the future.

There being no further business to come before the Board, David Alvarez moved to adjourn the meeting. The motion was seconded by William Wilmoth, and passed. The meeting was adjourned at 2:00 p.m.

Diane Lewis, Secretary

ADDENDUMS TO SEPTEMBER 1, 2015 MEETING MINUTES

During the WVU Board of Governors regular meeting held on September 25, 2015, following approval of the September 1, 2015 Special Meeting minutes, a motion was duly made, seconded and passed directing the following documents be attached as addendums to these Special Meeting minutes when posted on the WVU Board of Governors website:

- **The Vision Document mentioned in the September 1, 2015 minutes; and,**
- **The Board Resolution resulting from the motion (duly passed on September 1, 2015) to open a campus of WVU Tech on the Beckley Campus of West Virginia University**

West Virginia University's Vision for the Beckley Campus and WVU Tech

Executive Summary

West Virginia University ("WVU" or the "University") has spent nearly a year assessing the viability of the former Mountain State University ("MSU") campus in Beckley ("Beckley Campus") for the purpose of more effectively serving the needs of West Virginia citizens who reside in the southern part of our state. The assets were offered exclusively to WVU and sold as part of a legal proceeding filed against MSU. The Beckley Campus is a well-maintained residential campus that can serve approximately 3,000 students and is located in the fourth-largest metropolitan area in the state. Through its analysis, the University determined that it will be able to provide affordable educational access for more students in West Virginia, as well as increase economic opportunities for the state by acquiring and operating the Beckley Campus.

In recent years, studies and reports have documented the immense financial and operational challenges facing West Virginia University Institute of Technology ("WVU Tech"), located in Montgomery ("Montgomery Campus"). The Montgomery Campus has a significant deferred maintenance backlog of approximately \$100 million and has required financial assistance from revenues derived from WVU's main campus in Morgantown to survive.

Both WVU and the state of West Virginia have made significant investments in and commitments to WVU Tech in recent years, all with a view to assuring its vital and robust future. Since 2005, support for WVU Tech from the state of West Virginia, both directly and through the West Virginia Higher Education Policy Commission, has totaled \$23 million. WVU has invested another \$40.2 million in WVU Tech over this same time period for a combined \$63.2 million. However, given the magnitude of the financial challenges at WVU Tech resulting from the aged and deteriorating physical plant in Montgomery and the financial limits and constraints that both the state and WVU face, there

appears to be no reasonable way to make the necessary investment to secure a bright future for WVU Tech at its present location. Rather, the best way to assure a vital future for WVU Tech appears to be the relocation of WVU Tech's programs to the former MSU campus in Beckley, transitioning away from the Montgomery Campus after the end of the 2016-2017 academic year.

WVU will take all steps necessary and seek all authorizations for the Beckley Campus to become the new home of WVU Tech beginning in the Fall 2017 semester. Although this is a difficult decision to make, this move is necessary to provide WVU Tech with the best chance to survive, thrive, and continue to provide a high-quality education. The Beckley Campus will provide a platform for WVU to deliver programs not offered in the region currently that are important to the state's overall economic development and health.

With this decision in mind, the following vision statement describes this new campus of WVU:

As an innovative residential campus of West Virginia's flagship, comprehensive land-grant university – and the new home of the West Virginia University Institute of Technology – WVU-Beckley will contribute to the future of southern West Virginia and the surrounding regions by offering an accessible and supportive environment in which students can pursue a comprehensive educational experience through career-oriented, flexible academic programs in partnership with communities, businesses and other educational institutions.

The remainder of this document presents the analysis that has led to this conclusion.

West Virginia University Institute of Technology

Significant events in the history of WVU Tech and its relationship with WVU include:

/ 1895 - WVU Tech is established by the State Legislature in 1895.

/ 1996 – WVU Tech becomes a regional campus of WVU.

/ 2004 – The Community and Technical College of WVUIT (now the BridgeValley Community and Technical College) is awarded independent NCA accreditation but remains administratively linked to WVU Tech.

/ 2007 – WVU Tech becomes a fully integrated division of WVU.

/ 2008 – The Community and Technical College of WVUIT is fully separated from WVU Tech through a legislative action to create a separate state community and technical college system.

The campus is located in Montgomery, which had a population of 1,638 at the 2010 census. In determining that the Beckley Campus should become the new home of WVU Tech, WVU analyzed several factors.

Recent Studies and Reports Have Questioned WVU Tech's Viability in its Current Location

In 2008 and 2009, the West Virginia Legislative Auditor conducted a review of WVU Tech at the Montgomery Campus. The resulting Special Report characterized Montgomery as “a small, rural town with few restaurants or businesses to enhance the quality of student life. Students who drive to WVU Tech on a daily basis must cope with industrial traffic on narrow mountain roads, and park on the major streets while attending classes.”ⁱⁱⁱ The Special Report also observes that:

- / the nearest major population centers are the cities of Charleston and Beckley, which are 40-minute and 60-minute drives from WVU Tech, respectively;
- / no major interstate highway or controlled access highway leads directly to WVU Tech; and
- / the Fayette Pike and railroad tracks separate WVU Tech from the business section of Montgomery.ⁱⁱⁱ

Additionally, the Legislative Auditor’s Special Report described the nearby business district as giving “an appearance of physical distress. Some downtown buildings appear to be vacant. Few businesses appear to provide goods or services specifically for students.”^{iv}

The Special Report also notes several barriers to increasing student enrollment:

One barrier is the isolation and difficulty of travel by students to its location in Montgomery. Once in Montgomery, the lack of businesses to provide services or entertainment for students detracts from the quality of student life.

Another barrier is the widespread disrepair of the aging structures on campus. The dilapidated condition of two of its facilities has already required costly repairs and renovation, and other facilities on campus need such major replacement items as new roofs and new heating and cooling systems. While the change to division status with West Virginia University has enhanced the institution’s capacity for borrowing, the increased borrowing capacity has already resulted in substantial debt. Additional repairs will result in additional debt.

Fixing the infrastructure problems on campus does not address the physical problem of access to Montgomery or the intangible problem of the quality of student life in Montgomery. The Legislative Auditor concludes that significant changes to make physical access to WVU Tech less difficult are unlikely without a major investment in highway construction. In addition, enhancing Montgomery is a long-term project of community relations.^{iv}

Transportation is also an issue. For example, improved highway access would increase enrollment from Charleston. However, the cost to upgrade U.S. Route 60 from Chelyan to Montgomery to a four-lane highway was estimated by the West Virginia Division of Highways in 2009 to be approximately \$415 million.^v

In 2011, due to concerns regarding the financial challenges facing WVU Tech, the West Virginia Legislature created the West Virginia University Institute of Technology Revitalization Project to help WVU Tech “reach its full potential as a center of excellence and a positive force for economic development and cultural enrichment within the community and state.”^{vi}

The Revitalization Project's first step was to conduct a study of WVU Tech and develop a revitalization plan. The study team investigated eight areas: Administration and Governance, Academics, Athletics, Student Services, Finances and Human Resources, Facilities, Capital Improvement, and the Strategic Plan. A team report was issued in October 2011. While more than fifty recommendations were contained in the Revitalization Report, two areas were identified as keys to the continued success of WVU Tech: (1) increasing enrollment to approximately 1,800 students for the financial self-sustainment of the institution, and (2) capital improvements and facilities upgrades requiring a minimum state investment of \$30 million over five years to address the capital improvement needs of the institution, which were estimated at that time to be in excess of \$70 million.^{xv} The team went so far as to assert:

A significant investment in WVU-Tech is needed. If the governing bodies cannot commit to a five to seven million dollar investment for each of the next five years, the revitalization legislation of 2011 will be seen as merely an exercise in futility.^{viii}

The WVU Tech Revitalization Committee was formed in 2012 to review the recommendations of the Revitalization Report and form strategies to move the campus forward. In December 2012, the Committee issued a final report that made several recommendations that it argued were crucial to achieving the Legislature's goal of revitalizing WVU Tech. First among them was the assertion that "the critical infrastructure needs of the institution need to be addressed. The total revised capital needs are estimated to be \$45.3 million, but a first infusion of \$7.8 million is necessary to renovate Ratliff and address other critical campus needs."^{ix}

In fiscal year (FY) 2014, Sightlines produced a Return on Physical Assets (ROPA) presentation for WVU Tech. Even with WVU's significant investments in recent years, the report deemed 94 percent of the total campus gross square footage (GSF) was at high risk due to an average age of 50 years and recommended annual stewardship investments of \$2.5 million. On average, peer institutions were spending \$2.4 million more annually into existing space than WVU Tech.^{xi}

In the same year, Sightlines produced for the Higher Education Policy Commission (HEPC) a ROPA presentation for all four-year public institutions in the state.

In the report, Sightlines asserts, "Some campuses will require an immediate capital infusion upfront to address substantial deferred maintenance backlogs."^{xii} On a cost per square foot basis, WVU Tech has the highest deferred backlog of any institution listed, almost double the average. Its facilities were also among the oldest: 60 percent of its educational and general space is 25-50 years old and the remaining 40 percent is over 50 years old.

WVU Has Been and Remains Deeply Committed to the Success of WVU Tech

WVU is deeply committed to the success of WVU Tech. In recent years this commitment has been evidenced in numerous ways. In addition to making critical investments in WVU Tech's infrastructure, WVU has also directed significant revenues derived from its main campus in Morgantown to enable WVU Tech to remain operational at the Montgomery Campus.

Since 2005, WVU has invested approximately \$11 million in capital improvements at WVU Tech, including:

- / More than \$1.1 million to repair the Old Main building and electrical system in 2007
- / \$1 million to demolish the CoEd Residence Hall in 2013;
- / \$670,000 to replace the elevator in the Leonard C. Nelson College of Engineering & Sciences in 2015; and
- / \$400,000 to renovate the restrooms in Ratliff Residence Hall in 2015.^{xiii}

In addition to these capital investments, WVU has covered WVU Tech's annual operating budget shortfalls since FY 2011 when WVU Tech exhausted its cash reserves. The total amount of money WVU has spent to balance WVU Tech's budget, excluding capital investments, since 2007 is \$14 million.^{xiv}

WVU also provides many services to WVU Tech at no cost, including legal services; accounting services; social justice services; human resources functions; payroll; capital project management and facilities planning; access to student and operational support, software and systems; procurement services; financial aid packaging; access to library databases, advantageous bookstore, banking, student insurance and food contracts; international recruitment; and grievance hearings, among others. These in-kind services are worth \$1.9 million annually.^{xv}

Since 2005, WVU has committed a total of \$40.2 million to WVU Tech in direct, indirect, and capital investments. Unfortunately, WVU has seen its base state funding reduced by approximately \$24 million over the past three years. Because the accrued but unfunded capital, financial, and operational needs of WVU Tech are so enormous, and in light of its own diminished funding levels, WVU cannot continue to subsidize the operations of WVU Tech at the Montgomery Campus.

The State's Investments in WVU Tech

While sufficient resources have not been secured to address critical infrastructure needs of the Montgomery Campus, the state has invested in WVU Tech over the past several years.

Prior to the work of the Revitalization groups, the West Virginia Legislature allocated \$3.2 million on July 1, 2007 to upgrade engineering laboratory equipment required to meet ABET accreditation standards for its 2009-2010 accreditation.^{xvi} In that same year, the base appropriation to WVU Tech was increased by \$1.7 million. The majority of this funding is dedicated to support debt service for \$10 million in renovations to Maclin Hall and the Tech Center.

Between 2005 and the studies by the Revitalization groups in 2011 and 2012, an additional \$6.2 million in deferred maintenance funding was provided to WVU Tech from HEPC. The largest single project funded, \$3 million, was renovation of the Old Main building.

In 2012, WVU Tech received \$750,000 in one-time appropriations from the state, which it used to create a Student Success Center that has contributed significantly to WVU Tech's 10 percent increase in student retention over the past three years.

Due to financial difficulties of the state of West Virginia as a whole, WVU Tech's state support has been cut by \$436,000 over the past three years.

The state of West Virginia's investment in and commitment to WVU Tech is self-evident. Since 2007, it has provided almost \$23 million to support the institution. However, the state of West Virginia finds itself significantly constrained at this time in terms of revenues and budget. It appears that the state, like WVU, is simply not in a position to make investments of the magnitude required to renovate the physical plant and make the other major capital expenditures required as a foundation to the future success of WVU Tech in its current location.

Conclusions on the Viability of WVU Tech at the Montgomery Campus

Two externally validated reports have analyzed the viability of WVU Tech at the Montgomery Campus and made recommendations for a sustainable potential path forward. Despite work and investments by WVU and the state, deferred maintenance of the Montgomery Campus is still a significant problem. A Sightlines facilities plan from 2011 calculated the cost of 550 individual projects on WVU Tech's campus to cost an amount approaching \$71 million.^{xvii} Adjusting for inflation and including additional deferred accumulation, this figure will rise to \$97 million by the end of 2015. Another measure of deferred maintenance is in the FY 2014 ROPA report produced for HEPC by Sightlines. According to this presentation, the Montgomery Campus's deferred needs are over \$108.5 million.

The cost to service the debt of a \$100 million bond issued to address WVU Tech's outstanding deferred maintenance would be \$6.5 million per year for 30 years above and beyond the current state appropriation of \$8 million. By comparison, the cost of purchasing the Beckley Campus land and assets was \$8 million.

Another critical issue addressed by the Revitalization Committee is that the Montgomery Campus is under-enrolled. Since 2012, enrollment numbers have ranged from 1,107 to 1,261, substantially less than the 1,800 students needed for financial stability as recommended by the Revitalization Project Team Report.^{xviii} Even if WVU were to address all of WVU Tech's remaining capital needs, there is no assurance that WVU Tech would become self-sustaining through increased enrollment, due to its location and other issues mentioned in the Legislative Auditor Special Report, the Revitalization Project for West Virginia University Institute of Technology Team Report, and the Final Report of the WVU Institute of Technology Revitalization Committee.

Indeed, much of the deferred maintenance work that needs to be performed is "behind the walls" and would not enhance the appearance of the campus to the level needed in today's competitive higher education market to attract and retain students. And this work does not address the Montgomery Campus's need for a new engineering facility in the coming years. These issues, coupled with documented transportation access difficulties and the economic situation of the town of Montgomery, are significant obstacles to increasing

student enrollment. In recent years, WVU, state, and community leaders have worked incredibly hard to develop a viable solution to allow the Montgomery Campus to continue to serve WVU Tech. Unfortunately, and despite these best efforts, the Montgomery Campus still faces significant challenges in serving the requirements of students seeking a higher education in the 21st century.

Beckley Campus

Making the Beckley Campus the new home of WVU Tech will allow WVU and its divisional campus to continue its legacy of providing a world-class residential education in new and innovative ways. This transition will lead to greater efficiencies, cost savings, opportunities for collaboration, and, most importantly, enhanced educational opportunities for our state.

WVU's Vision for the Beckley Campus

By 2018, institutions of higher learning in West Virginia need to produce an additional 20,000 graduates to sustain the state's economy.^{xix} In addition to producing more graduates and trained workers, our colleges and universities must also play a vital role as economic engines in their own right. Higher education is the new economic engine, with "factories of thought" replacing the smokestack in job creation and economic activity.

With the sale and subsequent acquisition of the the former Mountain State University campus, WVU has the opportunity—and the responsibility—to expand its vital role in the future growth of West Virginia. WVU is the only comprehensive land-grant research university in West Virginia and it is the only university in West Virginia classified by the Carnegie Foundation for the Advancement of Teaching as a Research University (High Research Activity). WVU offers world-class graduate and professional education, engages in cutting-edge research, and serves all 55 counties of West Virginia through its Extension program. WVU has more than 30,000 enrolled students and almost 200 programs at the undergraduate, graduate, and first-professional levels in 15 colleges and schools on its main campus. A wide range of programs in the health professions are offered at the WVU Robert C. Byrd Health Sciences Center through the Schools of Medicine, Dentistry, Nursing, Public Health, and Pharmacy. Allied health programs and graduate programs in basic health

sciences are offered on WVU's medical campuses in Morgantown, Charleston, and Martinsburg.

WVU intends to leverage its resources to meet the needs of West Virginia by offering students a comprehensive, residential campus experience in accessible and supportive environment at the Beckley Campus. With more students, higher retention levels, and more graduates, WVU has the opportunity to add to the next generation of hard-working, well-rounded, risk-takers. These graduates, in turn, will help West Virginia prosper.

Acquisition of the Beckley Campus

WVU engaged in a comprehensive review and due diligence investigation of MSU's assets prior to committing to the purchase of the Beckley Campus. This effort involved the following:

- / Performed a title review, obtained title insurance, directed surveys and coordinated with surveyors, reviewed surveys prepared, analyzed the effect of any restrictions on transfer discovered, and worked to obtain releases of those transfer restrictions where possible (such as obtaining approvals from HUD and HRSA to transfer certain properties) for all MSU real estate subject to the transaction;
- / Worked with an environmental consultant to complete Phase I and Phase II environmental investigations on MSU's properties to identify any environmental issues;
- / Performed a personal property lien search to identify any liens filed against property owned by MSU (or its predecessors or affiliates/subsidiaries) in the past ten years, and obtained any necessary releases;
- / Analyzed MSU Endowment and Foundation assets and potential restrictions on their transfer to a WVU-related entity;
- / Identified and analyzed the effect of all MSU leases, including ability to assume each;
- / Identified tangible personal property by building, including all furniture, classroom equipment, IT equipment, electronics, kitchen equipment, security system, and supplies, including compilation of a tangible personal property list the required identification of items previously sold by MSU to the University of Charleston (UC) which were still housed on MSU's real property;

- / Identified library materials and volumes available for purchase by WVU;
- / Identified and listed all registered vehicles;
- / Identified all intellectual property to be purchased; and
- / Reviewed various documents and materials relating to MSU operations and determined disposition thereof, including:
 - A list of IP addresses belonging to MSU;
 - A list of capital improvements and planned capital projects for years 2011-2012;
 - Available utility bills for the two preceding years;
 - Duff and Phelps June 2014 litigation appraisal of gas well properties;
 - MSU's audited financial statements;
 - MSU enrollment, by program and overall;
 - Student demographic information;
 - MSU tuition and fee charges;
 - Online platforms and courses;
 - Cleary Act reports for 2007, 2008, and 2009;
 - Student housing information, including number of beds, occupancy percentage, and room charges;
 - Auxiliary services provided and revenues and expenses per auxiliary operation;
 - Numbers of graduates by degree program;
 - Employee lists for preceding three years of operation, including dates of employment, title, and department;
 - Available information about the data center facility, including regarding usable square footage, UPS and power distribution units, cooling systems, generators, and fire protection systems;
 - MSU fiber plan; and
 - Information regarding telephone system and design.

New Academic Programs

WVU has examined the course offerings previously made by MSU and the course offerings made by institutions in the region, including those made by Bluefield State College, Concord University, and WVU Tech. WVU has also spoken with local community leaders, healthcare executives, and local government officials. Economic and academic studies have been analyzed to understand the types of academic programs that are most in demand.

In addition to the programs offered by WVU Tech, WVU will focus on a set of strategic programs designed to meet the needs of the area, increase educational opportunities, increase the number of graduates, and collaborate with other institutions to enhance the state's system of higher education.

WVU envisions that residential students at the Beckley Campus will enroll in interdisciplinary learning communities that combine academic programs with student life to support learning and goals for career and personal success. All students will have access to courses that enhance problem solving, communication, entrepreneurship, global engagement, and service.

At the Beckley Campus, learning will be comprised of face-to-face teaching, strategically selected online courses, and hybrid courses that combine face-to-face with online learning. All programs will be based on a 15-to-finish model with a maximum of 120 credit hours, unless accreditation requires otherwise.

In addition to the general principles outlined above, WVU has developed the following list of potential new academic programs for the Beckley Campus that responds to the needs of the region. The list is neither exhaustive nor firmly established.

1. Business Administration (Master's)
2. Nursing (Master's)
3. Outdoor Recreation Program Management (Master's)
4. Nursing & Allied Health Services (Bachelor's)
5. Agriculture, Local Foods, & Culinary Arts (Bachelor's)
6. Computer and Information Technology (Bachelor's)
7. Construction Management (Bachelor's)

8. Adventure Recreation Leadership and Management (Bachelor's)
9. Tourism & Hospitality Management (Bachelor's)
10. Entrepreneurship (Bachelor's)

Student Life

The Beckley Campus's small residential environment provides an ideal foundation for the integration of academics and other learning opportunities to provide the greatest chance of academic and personal success. Students will benefit from an intimate and supportive atmosphere in which Adventure WV, Project 168 and Learning Communities create experiences that cross subject matter boundaries to enhance the success of our graduates.

Adventure WV

Adventure WV is a nationally recognized student support program that harnesses the transformative power of outdoor education to help students become successful in their academic careers and personal lives. Founded in 2004, the program goes beyond an outdoor adventure. Its activities are designed to offer experiential learning opportunities for students about taking risks, teamwork, and leadership skills, thereby building the confidence needed for academic and personal success. Currently, the program is the third-largest outdoor orientation program in the country. The Beckley Campus's proximity to the Summit Bechtel Family National Scout Reserve and the New River Gorge National River, among other outdoor adventure opportunities, makes it an ideal location for Adventure WV programming.

Project 168: A Program for First-Year Students to Enhance Academic and Personal Success

For a student new to college, move-in day and the first class is the start of a journey to success. Project 168 focuses on how to use the 168 hours in a week to create opportunities for educational and personal growth. To succeed in college and life, students need to attend class, study, eat, exercise, sleep, shower, socialize, dream, talk, explore and plan for their futures. Project 168 integrates academic experiences with other personal growth experiences that will guide a student to individual success. Today, success depends not only on knowledge of a particular field, but also on skills that cross all subject boundaries: learning to solve

problems, working independently and collaboratively, communicating orally, in writing, and through media, thinking and acting entrepreneurially, understanding the significance of globalization, and learning to pay-it-forward. Project 168 integrates academics, career advice and internships, academic advising, study abroad, and many other services designed for students to be successful WVU graduates.

Learning Communities

Learning communities are small groups of students in a particular major who share a common interest, or, who wish to explore a topic through a multiplicity of subjects. For example, students in Outdoor Recreation Management may create a learning community specific to their discipline, women majoring in science, technology, engineering, or math may join together in a learning community to enhance their success, while others may choose to tackle the topic of cybersecurity through a multidisciplinary learning community that integrates the disciplines of computer engineering, international relations, and forensic investigation. Some communities are residential, and others are not, but they all provide the following and much more:

- / Facilitated common experiences to transition students to college
- / Common opportunities to meet students with similar academic goals
- / Common courses or interdisciplinary focus areas
- / Common gathering places
- / Career and study abroad exploration
- / Introduction to university resources
- / Peer mentoring and/or tutoring
- / Faculty mentoring
- / Global opportunities
- / Service opportunities

Community Engagement

The success of the Beckley Campus will be greatly enhanced through collaborative partnerships with industry, community, and local government leaders from the Beckley region. WVU has seen great success in recent years through a series of public-private partnerships, collaborative efforts, and industry and com-

munity engagements that have resulted in significant improvements to the quality of education, housing, and opportunities for students and residents in the Morgantown region. WVU intends to identify and pursue similar opportunities with the Beckley Campus. More specifically, WVU will seek to leverage relationships, as well as best practices, to bring the value of the campus in Morgantown to Beckley and the region, and vice versa. For example, WVU-Beckley will partner with local businesses to provide internship opportunities for students, Barnes & Noble will open a downtown storefront, and the College of Law's clinical program will offer pro bono legal aid. WVU is also planning to open a branch of its successful LaunchLab, a start up resource center, in Beckley. Finally, the Beckley Campus will provide the WVU Extension Service with a strong academic base from which WVU may serve unique regional needs in new and enhanced ways.

Financial Considerations

The purchase of, improvements to and start-up of the Beckley Campus will be funded by external financing. The debt service related to these items will be repaid over a 20-30 year term from revenues generated by the Beckley Campus. Financial projections have been made to demonstrate the ability of this campus to support these costs and on-going operational costs without subsidies from the main campus.

The purchase of the campus was initially paid from existing WVU resources. This cost will be included with the costs of facilities and technology improvements and start-up costs in an external financing transaction. When the external financing is closed, WVU will pay itself back for the initial purchase of the campus.

WVU has developed preliminary projections for the Beckley Campus which predict that the campus is financially viable at an enrollment of 3,000 FTE students. At this level of enrollment, not only will the Beckley Campus be able to support operations, but it will have the ability to fund debt service and invest annually in deferred maintenance to maintain its facilities to continue to serve the needs of its students for the long-term.

Deferred Maintenance of the Beckley Campus

Deferred maintenance needs on the Beckley Campus are estimated at \$11.8 million. Of the 272 projects identified for the next 10 years, 76 are scheduled for years 1-3, with an estimated cost of \$3.5 million. In years 4-6, WVU estimates it will spend approximately \$5.6 million to address deferred maintenance needs. The projects remaining in years 7-10 will cost \$2.3 million. Projects represent a wide range of issues, including electrical repairs, exterior maintenance, HVAC, interior touch-ups, plumbing, and safety.

Alignment of Existing Programs and Facilities

WVU has conducted a space analysis of the Beckley Campus and is confident that it has adequate facilities to open in Fall 2016, offering the courses and programs it proposes. The analysis also shows that all WVU Tech programs can be offered on the Beckley Campus in Fall 2017. WVU will update laboratory facilities to ensure current instructional practices continue in the future. WVU is also undertaking intensive studies to develop a master plan that addresses space utilization, deferred maintenance, and enrollment growth.

Timeline

In preparation for the Beckley Campus's opening in Fall 2016, WVU will invest in rebranding the campus and modernizing its facilities. WVU will also address deferred maintenance, establish healthcare for students on campus, develop a workforce that offers students necessary services and programming, implement campus-wide networking and computer infrastructure, create spaces for the LaunchLab and the Law Clinic, and assign classrooms and offices.

It also looks forward to collaborating with HEPC and other institutions of higher education in southern West Virginia to optimize educational opportunities and course offerings in the region.

WVU currently teaches the following programs and courses at WVU Tech and is seeking authorization to offer them at the Beckley Campus beginning in Fall 2016:

Academic Programs

1. Accounting
2. Athletic Coaching Education
3. Aviation Management
4. Biology
5. Business Management
6. Chemistry
7. Computer Science
8. Criminal Justice
9. Forensic Investigation
10. Health Services Administration
11. History and Government
12. Information Systems
13. Interdisciplinary Studies
14. Mathematics
15. Pre-Dentistry
16. Pre-Law
17. Pre-Medicine
18. Pre-Nursing
19. Pre-Pharmacy
20. Pre-Veterinary
21. Psychology
22. Public Service Administration
23. Regents Bachelor of Arts
24. Sport Management

Courses

- | | | |
|--------------|---------------|-----------------|
| 1. ACCT 201 | 16. ECON 201 | 31. MATH 126B |
| 2. ACE 106 | 17. ENGL 101 | 32. MATH 155 |
| 3. ARHS 101 | 18. ENGL 101 | 33. MATH 91 |
| 4. BCOR 320 | 19. ENGL 102 | 34. MATH 93 |
| 5. BIOL 107 | 20. ENGL 305 | 35. MUSC 115 |
| 6. BIOL 111 | 21. ENGL 90 | 36. PE Activity |
| 7. BUSA 101 | 22. ENGL 91 | 37. PSYC 101 |
| 8. CHEM 111 | 23. FRNX 101 | 38. SM 167 |
| 9. CHEM 115 | 24. HIST 152 | 39. SOCA 101 |
| 10. CJMS 120 | 25. HIST 179 | 40. SPAN 101 |
| 11. CMJS 120 | 26. HIST 277 | 41. WVUE 191 |
| 12. CS 101 | 27. ISYS 101 | |
| 13. CS 121 | 28. MATH 121 | |
| 14. CTED 100 | 29. MATH 123 | |
| 15. CTED 485 | 30. MATH 126A | |

WVU plans to offer all of WVU Tech's programs on the Beckley Campus beginning in Fall 2017. New academic programs that respond to the needs of southern West Virginia and the Beckley region, such as Entrepreneurship and Adventure Recreation Leadership and Management, may also be offered.

WVU will submit a teach-out plan to the Higher Learning Commission, its institutional accreditor, for approval. WVU Tech is committed to ensuring that all current students are able to graduate from WVU Tech, whether in Montgomery or Beckley.

Conclusion

WVU is committed to the preservation and continued success of WVU Tech and to providing its students with the highest quality education possible, which requires modern facilities in an accessible and supportive environment. The decision to transition WVU Tech to the Beckley Campus was a difficult one. WVU Tech has been located in Montgomery for over 100 years and its history and the town's are deeply linked. The citizens of Montgomery have voiced their loyalty to the institution and WVU values and respects their dedication. However, after thoroughly assessing the possibilities of the Beckley Campus and acknowledging the magnitude of the challenges facing WVU Tech and the constrained economic environment in which the state and the University find themselves, WVU recognized that its obligation to its students and to the continuation of WVU Tech ultimately necessitated establishing a new home for WVU Tech.

ⁱ West Virginia Legislative Auditor Performance Evaluation and Research Division, "Special Report: West Virginia University Institute of Technology," February 2009: 7.

ⁱⁱ West Virginia Legislative Auditor Performance Evaluation and Research Division, "Special Report: West Virginia University Institute of Technology," February 2009: 16.

ⁱⁱⁱ West Virginia Legislative Auditor Performance Evaluation and Research Division, "Special Report: West Virginia University Institute of Technology," February 2009: 16.

^{iv} West Virginia Legislative Auditor Performance Evaluation and Research Division, "Special Report: West Virginia University Institute of Technology," February 2009: 22.

^v West Virginia Legislative Auditor Performance Evaluation and Research Division, "Special Report: West Virginia University Institute of Technology," February 2009: 16.

^{vi} W. Va. Code § 18B-1E-2 (2011).

^{vii} WVU Institute of Technology Revitalization Committee, "Final Report," December 2012: 2.

^{viii} Revitalization for WVU-Tech Team, "Revitalization Project for West Virginia University Institute of Technology Team Report," October 2011: 22.

^{ix} WVU Institute of Technology Revitalization Committee, "Final Report," December 2012: 10.

^x Sightlines, "FY2014 ROPA Presentation: West Virginia University Institute of Technology," 8 and 31.

^{xi} Sightlines, "FY2014 ROPA Presentation: West Virginia University Institute of Technology," 15.

^{xii} Sightlines, "FY2014 ROPA Presentation: West Virginia Higher Education Policy Commission," 20.

^{xiii} See "WVUIT Completed Project Expenditures" for more information.

^{xiv} See "WVU Tech Cash Balance Less Capital Expenses" for more information.

^{xv} Based on the WVU federally approved indirect cost rate for instructional activities.

^{xvi} This investment by the Legislature in WVU Tech's engineering programs and students' educational success will continue to be utilized on the Beckley campus.

^{xvii} Sightlines, "West Virginia University Institute of Technology Integrated Facilities Plan: Executive Summary," May 2011: 3.

^{xviii} Revitalization for WVU-Tech Team, "Revitalization Project for West Virginia University Institute of Technology Team Report," October 2011: 30.

^{xix} Georgetown University Center on Education and the Workforce, "Help Wanted - Projections of Jobs and Education Requirements Through 2018," June 2010: 107.

**RESOLUTION OF THE WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS TO AUTHORIZE, SUPPORT, AND APPROVE THE OFFERING
OF COURSES AND OPENING OF A CAMPUS OF WEST VIRGINIA UNIVERSITY
INSTITUTE OF TECHNOLOGY ON THE WEST VIRGINIA UNIVERSITY BECKLEY
CAMPUS**

WHEREAS: West Virginia University Institute of Technology (“WVU Tech”) is a fully integrated division of West Virginia University under the control and supervision of the West Virginia University Board of Governors;

WHEREAS: WVU Tech is a vital part of higher education in West Virginia and its academic units, including its engineering program, play a significant role in the continued success of the students at the institution and of the State as a whole;

WHEREAS: On June 1, 2015, the West Virginia University Board of Governors completed its purchase of the former Mountain State University campus in Beckley, West Virginia, which has been designated WVU Beckley, a division of West Virginia University;

WHEREAS: WVU Tech can continue its vital role in the continued success of the students at the institution and of the State as a whole by opening a campus at WVU Beckley;

WHEREAS: It is the intention that WVU and WVU Tech begin offering courses in the Fall of 2016 on the campus of WVU Beckley and that WVU Tech be fully operational solely on the campus of WVU Beckley beginning in the fall of 2017;

WHEREAS: WVU desires to work and partner with the Montgomery and surrounding community on economic development projects and alternatives uses for the campus in Montgomery once WVU Tech becomes fully operational on the campus of WVU Beckley

NOW, THEREFORE, BE IT RESOLVED BY THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS that it authorizes and supports the opening of a campus of WVU Tech on the Beckley Campus of West Virginia University and authorizes and supports the President and University administration to take all steps necessary to begin offering courses from WVU and WVU Tech on the WVU Beckley campus in 2016 and to have WVU Tech fully operational on the WVU Beckley campus by fall of 2017, including, but not limited to, working with the West Virginia Higher Education Policy Commission and the West Virginia Legislature as necessary and to work with the community of Montgomery and surrounding areas relating to the transition of WVU Tech to the WVU Beckley campus.

Adopted this 1st day of Sept 2015

West Virginia University
Board of Governors


Chair

Secretary