

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

June 5, 2009

The seventy-seventh meeting of the West Virginia University Board of Governors was held on June 5, 2009 on the West Virginia University Institute of Technology Campus, Montgomery, West Virginia. Board members in attendance were Ellen Cappellanti, James Dailey, Steve Goodwin (by telephone), Drew Payne, Dr. Steve Kite, Raymond Lane, Diane Lewis, Carolyn Long, Oliver Luck (by telephone), Paul Martinelli, Ted Mattern (by telephone), Bill Nutting, Jason Parsons, and Ed Robinson. Board members, Dr. Tom Clark and Dr. Charles Vest, were absent and excused.

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

Interim President, C. Peter Magrath;
President-elect, James P. Clements;
Interim Chief of Staff, Jay Cole;
Interim Provost and Vice President for Academic Affairs and Research, E. Jane Martin;
Senior Associate Provost, Russell K. Dean;
Chief Financial Officer for Health Sciences, Wendy King;
Vice President for Administration and Finance, Narvel Weese;
Vice President for Student Affairs, Ken Gray;
Vice President for University Relations, Chris Martin;
Vice President for Legal Affairs & General Counsel, & Assistant BOG Secretary,
Mary Roberta Brandt;
Deputy General Counsel, Beverly D. Kerr;
Vice President for Research and Economic Development, Curt Peterson;
Vice President for Human Resources, Margaret Phillips;
West Virginia University Institute of Technology, Divisional Campus Provost,
Scott Hurst;
Potomac State College of West Virginia University, Divisional Campus Provost,
Kerry Odell;
Senior Associate Vice President for Finance, Dan Durbin;
Director of Financial Services, Lisa Lively;
Executive Officer for Policy Development, Jennifer Fisher;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Provost for Extension & Public Service, Dave Miller;
Associate Vice President for Facilities, Joe Fisher;
Director of Internal Audit, William Quigley;
Associate General Counsel, Shea R. Browning;
Associate General Counsel, Gary G. Furbee, II;
Executive Director, Internal Communications, Becky Lofstead;
Special Assistant to the President, Sara Master; and,
Special Assistant to the Board of Governors, Valerie Lopez.

From Bridgemont Community and Technical College:

Kristin Mallory, Vice President for Academic and Student Affairs

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. West Virginia University Institute of Technology Divisional Campus Provost, Scott Hurst, welcomed everyone to WVU Tech and provided a brief overview of the mission statement for this divisional campus of WVU.

EXECUTIVE SESSION

Chairman Long requested that the Board go into Executive Session (Under authority in West Virginia Code §6-9A-4(b)(2)(A) and §6-9A-4(b)(10) and (12) to discuss personnel issues and legal matters. The motion was made by Dr. Steve Kite, seconded by Paul Martinelli, and passed. The Board thereupon met in Executive Session. Following the discussion, Ted Mattern moved that the Board rise from Executive Session. The motion was seconded by Ellen Cappellanti, and passed. The Board then re-convened in general session.

ACTIONS EMANATING FROM EXECUTIVE SESSION

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

APPROVAL OF MINUTES

Paul Martinelli moved that the minutes of the April 3, 2009, April 23, 2009, and May 4, 2009 meetings be approved. The motion was seconded by Dr. Steve Kite, and passed.

INTERIM PRESIDENT'S REPORT

Interim President, C. Peter Magrath, made the following comments:

He remains cautiously optimistic that this year's enrollment will be strong. Registration is on track and we expect between 4,500 to 4,700 new students in our freshman class. Additionally, graduate enrollment is up by nine percent (9%). This fall we will open the Honors College which will house an outstanding group of students.

The Board will address the request for a tuition and fee increase at this meeting, and Interim President Magrath recommends the four percent (4%) increase being proposed today.

He and President-elect Clements have been working diligently with Health Sciences to select a new Chancellor and this announcement is expected sometime in July.

There is a transition in progress within the office of the presidency. He and President-elect Clements have had extensive meetings and discussions on all issues relative to WVU and Interim President Magrath expects the change in power to be seamless. He stated that President-elect Clements cares deeply about WVU and will guide this land-grant university to great achievements in the future. Dr. Clements will provide strong leadership and opportunities for WVU and the State of West Virginia.

REPORT ON TUTION AND FEE PROPOSALS FOR 2009-2010

Interim Provost and Vice President for Academic Affairs and Research, E. Jane Martin, addressed the Board in conjunction with the proposed tuition and fee proposals for the upcoming year (which schedules are attached to this Consent Agenda item within the Board agenda booklet.) Highlights from her remarks included the following:

We all recognize that we are living in very uncertain economic times and we know that a large number of our students and their families are facing difficult financial situations. After careful evaluation and discussions, WVU academic and financial officers request a four percent (4%) increase in tuition and fees for both resident (an increase of \$204/year) and non-resident students (an increase of \$632/year).

These increases would generate an estimated new revenue of approximately \$9.5 million dollars, which funds would be used for salary support (annualization of last year's raise, faculty promotions and productivity enhancement and annual increment payments), PEIA employer rate increase, support for WVU's Strategic Plan, Credit Card Convenience Fees, Utilities, Library improvements and support for our new Child Care Center.

WVU-Tech is also requesting a four percent (4%) increase for both resident (an increase of \$200/year) and non-resident students (an increase of \$516/year).

Potomac State College is requesting a six percent (6%) increase for resident (an increase of \$160/year) and one percent (1%) for non-resident students (an increase of \$72/year). Potomac State is much more dependent upon resident students than the main campus and the six percent (6%) increase is needed to address increasing costs.

WVU administration is also seeking an increase of four and one-half percent (4.5%) in room and board for the 2009-2010 academic year for all halls except Stalnaker and Lincoln, which are five percent (5%). These increases will also be utilized for salary support, PEIA employer rate increase, Credit Card Convenience Fees, food cost increases, and utilities.

Some "program-specific" graduate programs, such as law, business, nursing and pharmacy, will see increases ranging from about nine percent (9%) to almost eighteen percent (18%) according to the proposed schedules.

Following a discussion among Board members, Ellen Cappellanti moved that the Tuition and Fee Proposals be removed from today's Consent Agenda and voted on separately. This motion was seconded by Ed Robinson, and passed. Ray Lane then moved that the Board approve the Tuition and Fee Proposal schedules, as presented. This motion was seconded by Ted Mattern, and passed by a majority vote of the Board. It is noted that Board members, Steve Goodwin, and SGA representative, Jason Parsons, argued that given the state of the national economy, now is the wrong time to burden West Virginia students and their families with another increase, and both voted against the proposal.

COMMITTEE REPORTS

Audit Committee: James Dailey, Chair of the Audit Committee, reported that the committee met yesterday afternoon, and in attendance were other Audit Committee members, Bill Nutting, Oliver Luck, and Paul Martinelli, as well as Interim President, C. Peter Magrath, President-elect, James P. Clements, and Board members Carolyn Long, Diane Lewis, and Dr. Steve Kite. The committee heard reports from the Chief Financial Officer, General Counsel, and the Director of Internal Audit – who presented the Internal Audit Office Annual Report for FY 08/09 and the FY 09/10 Plan.

Nominating Committee: James Dailey, Chair of the Nominating Committee, reported that the committee (consisting of himself, Ed Robinson, Oliver Luck, and Ellen Cappellanti) recommended the following slate of officers for the upcoming year: Carolyn Long-Chair; Drew Payne-Vice Chair; and Ted Mattern-Secretary. Jason Parsons moved that the Board accept the recommendations as presented by the Nominating Committee. This motion was seconded by Paul Martinelli, and passed.

BOARD ITEMS

FY 2010 Interim Plan: Vice President for Administration and Finance, Narvel Weese, presented the FY 2010 Interim Plan for Board approval. Adoption of this Interim Plan will allow the University to begin the year with an approved plan. A revised plan will be presented to the Board of Governors for approval at its November, 2009 meeting. This strategy will allow President-elect Clements an opportunity to gain a more comprehensive understanding of the University's plan and to explore the financial impact of potential changes in enrollment, state funding and endowment support.

Vice President Weese highlighted the budget uncertainty currently existing in that state appropriation revenues have experienced a one-time reduction of \$6 million, but we are optimistic that the pending use of federal stimulus funding will be used to backfill the budget reduction. He additionally stated that WVU's tuition and fee revenues should be available by September to reflect the impact of current economic conditions on enrollment (including first time freshmen, transfer and returning students.) Also, we must work in concert with the WVU foundation to ensure that current endowment commitments are being met.

The FY 2010 Interim Plan – Planning Framework encompasses the following:

- Maintain a balanced budget excluding unrealized investment losses and GASB 45 liabilities.
- Encourage normal mission-driven operations to maintain academic quality and limit burdensome spending restrictions, e.g. hiring and travel freezes, additional approvals on capital items.
- Define strategic priorities and invest in those priorities during this uncertain financial environment; e.g. research enterprise, salary increases, new faculty and staff positions, and new programs.
- Focus on identifying new sources of revenue and operating efficiencies.
- Recognize that tuition revenue is paramount to the University's long-term success. Therefore, we must be sensitive to changing market conditions.

- Limit the impact of permanent budget cuts until there is greater certainty about the level of state support and other revenue sources.
- Effectively manage cash and other resources needed to maintain financial stability and deal with unforeseen events.

Vice President Weese distributed (and provided an overview) of the West Virginia University – Combined FY 2010 Interim Forecast, which document displayed a combination of actual and planned financial activity on an accrual basis from FY 2007 to the latest FY 2010 Interim Forecast. The primary purpose was to illustrate the FY 2010 Plan, which was derived from the FY 2010 Strategic Plan, and the revisions made to arrive at the current FY 2010 Interim Forecast.

Following a discussion among Board members, Drew Payne moved that the FY 2010 Interim Plan be placed on the Consent Agenda for passage by the Board. This motion was seconded by Ed Robinson, and passed.

Divisional Campus Operational Assumptions and Definitions: Senior Associate Provost, Russell K. Dean, summarized a report included within the Board agenda booklet, related to the legislative expectations associated with divisional status, a general definition of a divisional campus of West Virginia University and specific assumptions the University has for its divisional campuses (as a result of legislative actions in 2003 and 2006). Additionally, areas for which some degree of operational integration exist were identified and important operational distinctions based on a division's unique mission, location or circumstances were delineated, as per the report being discussed.

Marketing, Communications and Public Relations Support for WVU Divisional Campuses: Chris Martin, Vice President for University Relations, summarized a report included within the Board agenda booklet, detailing how WVU University Relations works with the divisional campuses to provide support and guidance in marketing, communications and public relations functions. She advised that the report outlines how the central campus units work with the divisional campuses to plan and execute communication and marketing plans, to enhance awareness and image through strategic branding and communications, to expand University relations (both internally and externally), and to support overall fundraising and development goals

Annual Report of the Student Representative to the Board of Governors: Jason Parsons provided an overview of the past year's accomplishments and issues addressed by the Student Government Association at West Virginia University, which included:

- Conducting roundtable discussions to identify issues related to focus and listening among all constituency groups;
- Raising awareness of increased need for funding for club sports at WVU;
- A continued focus and awareness of the Student Health and Wellness initiatives;
- Campus safety (Partners for Safety Program launched);
- Increased involvement in cross-cultural awareness and increased student participation in travel abroad programs.

Jason introduced the new SGA President, Jason Zuccari, and Vice-President, Whitney Peters, and expressed their joint commitment to expand the excellent dialogue established between the Student

Government Association and the Board of Governors. He additionally thanked the Board of Governors for their continued engagement and service to West Virginia University. He concluded that it was his honor and privilege to serve with this amazing group of individuals.

Approval of Redrafted Trademark Licensing Agreement: Ellen Cappellanti moved that the Board approve the redrafted Trademark Licensing Agreement involving West Virginia University and West Virginia University at Parkersburg (as presented within the current Board agenda booklet) - related to the deadline mandated by House Bill 3215. This motion was seconded by Ray Lane, and passed.

Receipt of Parkersburg MOU: It is noted that the Board of Governors approved, at its April 23, 2009 meeting, the Memorandum of Understanding involving West Virginia University and West Virginia University at Parkersburg. Vice President for Legal Affairs & General Counsel, & Assistant BOG Secretary, Mary Roberta Brandt, announced that WVU is in receipt of this executed document.

Approval of Draft Services Agreement: Ellen Cappellanti moved that the Board approve the *Draft* Administrative and Academic Support Services Agreement involving West Virginia University and West Virginia University at Parkersburg (presented to Board members as a supplement for inclusion within the current Board agenda booklet) – related to the deadline mandated by House Bill 3215. This motion was seconded by Drew Payne, and passed.

Acceptance of executed and/or revised agreements involving West Virginia University and Bridgemont Community and Technical College (formerly The Community and Technical College at West Virginia University of Technology). At its April 23, 2009 meeting the Board of Governors approved three (3) draft agreements, as follows: Memorandum of Understanding, Services Agreement, and Division of Assets and Liabilities Agreement. Please note the following:

- The Division of Assets and Liabilities Agreement involving West Virginia University and The Community and Technical College at West Virginia University Institute of Technology was finalized, with technical modifications on May 1, 2009, and appears within the current Board agenda booklet.
- On May 19, 2009, the Community and Technical College at West Virginia University Institute of Technology Board of Governors took official action renaming itself and its governed institution as the Bridgemont Community and Technical College. Paul Martinelli moved that the Board now approve the Services Agreement (with the tracked changes) between West Virginia University and the Bridgemont Community and Technical College, as well as the Memorandum of Understanding (with the tracked changes) between West Virginia University and the Bridgemont Community and Technical College (both of which were presented to Board members as supplements for inclusion within the current Board agenda booklet) – related to the deadline mandated by House Bill 3215. This motion was seconded by James Dailey, and passed.

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. Board member, Dr. Steve Kite, moved that the FY 2010 Interim Plan be removed from the Consent Agenda for a separate vote, and that the Board accept this FY 2010 Interim Plan as presented. The motion was seconded by Paul Martinelli, and passed.

Ellen Cappellanti moved that the Board accept the remaining Consent Agenda items, as presented. This motion was seconded by Drew Payne, and passed. Thereupon, the following Consent Agenda items were approved:

1. Approval of Undergraduate Program Reviews

Resolved: That the West Virginia University Board of Governors approves the Undergraduate Program Reviews conducted by the Undergraduate Council in this cycle, for the 2008/2009 academic year, as presented.

2. Approval of Graduate Program Reviews

Resolved: That the West Virginia University Board of Governors approves the Graduate Program Reviews conducted by the WVU Graduate Council in this cycle, for the 2008/2009 academic year, as presented.

3. Approval of New Degree Program: DBA in Business Administration

Resolved: That the West Virginia University Board of Governors approves the creation of the Doctor of Business Administration in the College of Business & Economics.

4. Approval of Major Title Change From: Animal and Nutritional Sciences To: Animal Physiology and Nutrition and Food Sciences

Resolved: That the West Virginia University Board of Governors approves the change of the name of the major within the Animal and Nutritional Sciences degree program from Animal and Nutritional Sciences to Animal Physiology and Nutrition and Food Sciences.

5. Supplemental Resolution Amending Previously Adopted Reimbursement Resolutions

Resolved: That the West Virginia University Board of Governors approves the Resolution Supplementing and Amending Previously Adopted Reimbursement Resolutions to Indicate the Continuing Applicability of the Reimbursement Intent Whether the Obligations Issued to Permanently Finance the Projects are Tax-Exempt or Taxable, as presented.

6. Financing and Reimbursement Resolution for Summit Hall Dining Renovations Project

Resolved: That the West Virginia University Board of Governors approves the Financing and Reimbursement Resolution for the Summit Hall Dining Renovations project, as presented.

7. Agricultural Sciences Greenhouse

Resolved: That the West Virginia University Board of Governors approves the Agricultural Sciences Greenhouse project with a budget of \$5,000,000.

8. Dolls Run Simulated Coal Mine

Resolved, That the West Virginia University Board of Governors approves construction of the Dolls Run Simulated Coal Mine project with a budget of \$1,350,000, pending additional funding becoming available through approved state legislation approval.

9. Erickson Building Renovation

Resolved: That the West Virginia University Board of Governors approves the renovation of the Erickson Building with a budget of \$1,200,000.

10. Appointment to County Extension Committees

Resolved: That the West Virginia University Board of Governors approves the nominees and alternates for positions on the County Extension Service Committees in West Virginia, as presented.

OTHER BUSINESS

Chairman Long recognized outgoing Board members, Dr. Steve Kite, Paul Martinelli, and Jason Parsons, and thanked them for their commitment and service to West Virginia University.

Chairman Long introduced incoming Board members, Classified Staff Representative-Jo Morrow, and Student Government Representative-Jason Zuccari, and announced that we will have an additional Faculty Representative added to the Board effective July 1, 2009.

Chairman Long recognized Interim President, C. Peter Magrath, and thanked him for his leadership during the past year. She also announced that in honor of Dr. Magrath's service to West Virginia University, there has been established a lectureship bearing his name.

NEXT MEETING

Chairman Long announced that the next meeting is scheduled for September 11, 2009, in Morgantown.

ADJOURNMENT

There being no further business, Dr. Steve Kite moved to adjourn the meeting. The motion was seconded by Paul Martinelli, and passed. The meeting was adjourned at noon.

John T. Mattern, Secretary