

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

November 5, 2004

The twenty-seventh meeting of the West Virginia University Board of Governors was held on November 5, 2004, in the Rhododendron Room of the WVU Mountainlair. Board members in attendance were Hank Barnette, Joe Campbell, Steve Farmer, Steve Goodwin, Vaughn Kiger, Doug Leech, Joe Lopez, Paul Martinelli, Parry Petroplus, Ralph Sevy, Michael Vetere, Robert Wells, Chris Wilkinson and Jordan Workman. Betty Chilton, Russ Isaacs and Rod Thorn were absent and excused.

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

From WVU:

President David C. Hardesty, Jr.;
Provost and Vice President for Academic Affairs and Research, Gerald Lang;
Vice President for Administration, Finance & Human Resources, Gary Rogers;
Vice President for Student Affairs, Ken Gray;
General Counsel, Tom Dorer;
Associate Provost for Extension & Public Service, Larry Cote;
Assistant Vice President for Planning, Narvel Weese;
Dean of Students, David Stewart;
Special Assistant to the President/Provost, & Assistant BOG Secretary, Ginny Petersen;
Director of University News Service, Becky Lofstead;
Special Assistant to the Chief of Staff, Jennifer Fisher;
Executive Assistant to the President, Sara Master
President of the Faculty Senate, Larry Hornak;
President-elect of the Faculty Senate, Michael Lastinger;
Assistant Vice President for Facilities, Joe Fisher;
Interim Assistant Vice President for Human Resources, Liz Reynolds;
Executive Director for Student Affairs, Mary Collins;
Interim Assistant Vice President for Student Affairs, Michael Ellington;
Director, Internal Audit, Bill Quigley;

From WVU at Parkersburg:

Marie Gnage, Campus President and Regional Vice President, WVU

From West Virginia University Institute of Technology:

Lanny Janeksela, Interim Campus President and Regional Vice President, WVU;

From the Community & Technical College of West Virginia University Institute of Technology:

Jo Harris, President, Community and Technical College;

From Potomac State College of West Virginia University:

Kerry Odell, Interim Campus President and Regional Vice President, WVU;

A member of the Press was also present.

CALL TO ORDER

The meeting was called to order by Board Chairman, Doug Leech at 8:30 a.m.

CHAIRMAN'S COMMENTS

Mr. Leech commented on the outstanding recognition bestowed upon West Virginia University by the Morgantown Chamber of Commerce at a recent event, and noted that David and Susan Hardesty had been given the Earl E. Core award, the highest community award bestowed. He noted that the relationship between the town/community and the university is about as good as it has ever been.

EXECUTIVE SESSION

Mr. Barnette moved that the West Virginia University Board of Governors go into executive session pursuant to West Virginia Code §6-9A-4(2)(A) to discuss personnel and management issues. The motion was seconded and passed, and the Board thereupon met in executive session. Following the discussion, Mr. Wilkinson moved that the Board rise from executive session. The motion was seconded and passed.

RECESS

Chairman Leech declared the meeting in recess to allow committees to meet.

The meeting reconvened at 1:30 p.m. following the Visiting Committee Luncheon.

APPROVAL OF MINUTES

Mr. Wells moved that the minutes of the meetings of September 10 and September 28, 2004 be approved as written. The motion was seconded and passed*.

PRESIDENT'S COMMENTS

President David Hardesty gave a detailed report on enrollment and enrollment trends at WVU, its regional campuses and across the state. He noted in particular the 13% increase in headcount and the 17% increase in FTE since 1995 on all campuses. This includes a 22% increase in FTE on the WVU main campus. He noted that there are members of the student body from all 50 states and nearly 90 countries, and that all 55 West Virginia counties are represented. Average ACT and SAT scores exceed the national average and continue to increase. WVU's tuition remains below the national average, while student assistance is growing rapidly.

Despite Challenges, WVU has attained significant increases in enrollment of students with higher and higher academic credentials from every state in the country, thanks in part to: quality programs, faculty and staff; program changes; improved retention; high school graduate increases in feeder states; successful relations with feeder high schools; targeted marketing; mountaineer parents club recruiting; and off-campus program offerings.

***Unless otherwise stated, all motions were passed unanimously.**

OTHER OFFICER REPORTS

Provost Jerry Lang distributed three items to the Board:

- A copy of the official letter from the Higher Learning Committee, granting the University re-accreditation for the next ten years.
- A card describing the Student Leadership Program he had discussed in the Academic Affairs Committee.
- A list of the members he has appointed to the search committees for the Dean of Arts and Sciences, the Dean of Business and Economics, the President of West Virginia University Institute of Technology, and the Provost for Potomac State College of West Virginia University. Job descriptions for all but the B&E position were also attached.

COMMITTEE REPORTS

Audit Committee: Hank Barnette, Chairman of the Audit Committee, reported that the committee had met on November 4, 2004 with both the University's Internal Auditor, and the External Auditor from Deloitte & Touche, and reviewed the financial statements, the plan for the '05 audit, considered a policy regarding non-audit services, and reviewed implications of Sarbanes-Oxley Best Practices. He commended Dr. Rogers and Mr. Quigley on their great work with the audit committee, and congratulated everyone involved in the financial reporting process.

Executive Committee: Doug Leech, Chairman of the Executive Committee, noted that the committee had met on November 4, 2004 and heard a report from John Weete, Vice President for Research, and had no action items to report.

Academic Affairs: Stephen Goodwin, Chairman of the Academic Affairs Committee, deferred to Jordan Workman, who had acted as chairman due to Mr. Goodwin's late arrival. Mr. Workman reported that the Academic Affairs committee had reviewed and approved the institutional compacts, heard a report on a new Student Leadership program, and received the annual report of the Provost. Provost Lang provided a synopsis of his report for the full Board.

Business Affairs: Parry Petroplus, Chairman of the Business Affairs Committee, reported that the committee had considered four action items, which they recommended be approved by the board, and heard reports on the status of the upcoming bond issuance and the annual report of the Vice President for Administration, Finance and Human Resources.

Health Sciences: Joe Lopez, Chairman of the Health Sciences Committee, noted that this had been the inaugural meeting of the committee, and that they had heard the annual report of the Vice President for Health Sciences, which included meeting all of the major administrators of the Health Sciences Center. They also heard a description of the steps taken to balance the budget, and of the success they have had in attracting outstanding, funded researchers.

University Relations: Steve Goodwin, reporting for the University Relations committee, reported they had received a very interesting annual report from Interim Vice President, Chris Martin. He noted her enthusiasm for the job, and the breadth of areas for which she is responsible. He commended her on the media campaigns and videos previewed for the committee.

INFORMATION ITEMS

Chairman Leech noted that the Board had heard the annual report of the Alumni Association at the Board dinner on Thursday evening.

Interim President Kerry Odell presented a short update on the progress being made to integrate Potomac State College into West Virginia University, their current enrollment trends, and plans for implementing their Facilities Master Plan.

Vice President for Administration, Finance & Human Resources, Gary Rogers reported for the record that the Audit of the Financials for FY 2003-2004 had been completed by Deloitte & Touche. He noted that there was no management letter this year, that the University has received a clean opinion, and that this has helped maintain the excellent bond rating recently achieved. He noted that the auditors praised the strategic direction being taken by the University, and reported that the Plan for FY 05 was on track.

Mr. Barnette moved that the Board accept the financial statements as presented. The motion was seconded and passed.

Chairman Leech extended the congratulations of the Board to the staff responsible for the financial records of the University. The staff who were present were introduced by Dr. Rogers.

ACTION ITEMS

Based on discussions of each item at the respective Committee meeting, an explanation of each to the full board, and recommendations for approval by the appropriate committee, Mr. Leech asked for final discussion on any action item.

There being no further questions, upon motion duly made by Dr. Wilkinson and seconded, the following items were approved unanimously.

1. Appointment to a County Extension Advisory Committee

Resolved: That the West Virginia University Board of Governors approves as presented the nominee, Sandy McCumbers, for a position on the County Extension Service Committees in Calhoun County.

2. Appointments to the WVUIT Board of Advisors

Resolved: That the West Virginia University Board of Governors approves the reappointment of four members of the Board of Advisors at West Virginia University Institute of Technology: Robert Wayne Loftis, Cecil E. Roberts, Charles Smith, and Phillip L. Weser.

3. Approval of the Compact and Strategy Reports

Resolved: That the West Virginia University Board of Governors approves the Compact Progress Reports and Strategy Reports (as appropriate) of West Virginia University, Potomac State College of West Virginia University, West Virginia University at Parkersburg, West Virginia University Institute of Technology and West Virginia University Institute of Technology Community and Technical College and authorize their submission to the West Virginia Higher Education Policy Commission or to the West Virginia Council for Community and Technical College Education, as appropriate.

4. Approval of Policy 21: Funding of Intercollegiate Athletics

Resolved: That the West Virginia University Board of Governors approves and adopts, as presented, Board of Governors Policy #21: Funding of Intercollegiate Athletics, and resolves that the Policy be forwarded to the West Virginia Higher Education Policy Commission ("HEPC"), pursuant to HEPC Series 4.

5. Salary Increase at the Community & Technical College at WVUIT

Resolved: That the West Virginia University Board of Governors approves a 3 percent salary increase for the CTC at WVU Tech faculty and staff effective January 1, 2005, utilizing the FY 2004 surplus funds.

6. Parkersburg Structural Repair Project

Resolved: That the West Virginia University Board of Governors approves the structural rehabilitation of the Main Classroom Building at West Virginia University Parkersburg up to the \$2,735,000 indicated by the initial engineering analysis; if further analysis indicates the need for more extensive rehabilitation, the project shall be brought back to the Board for further approval. This initial approval should be based upon funding availability from the Higher Ed Policy Commission bond proceeds.

7. Reaffirmation of Approval of Bond Issuance and Adoption of Modified Bond Resolution.

Resolved: That the West Virginia University Board of Governors ("Board") hereby reaffirms the Board's September 28, 2004 approval of the issuance of certain bonds to finance specified capital projects, among other matters ("the Bond Issuance"), and adopts a Modified Bond Resolution, attached, which conforms to the resolution approved by the West Virginia Higher Education Policy Commission ("HEPC").

OTHER BUSINESS

Chairman Leech noted that the January 14, 2005 Telephone Meeting will be held only if needed at that time.

Mr. Leech thanked Jennifer Fisher and Ginny Petersen for their work in preparing for the Board meetings.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:37 p.m.

Virginia Petersen
Assistant Secretary

**MODIFIED RESOLUTION OF THE
WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS**

RESOLUTION APPROVING PROPOSED CAPITAL PROJECTS FOR WEST VIRGINIA UNIVERSITY, INCLUDING THE ACQUISITION OF CERTAIN REAL PROPERTY ADJACENT TO THE EVANSDALE CAMPUS KNOWN AS ST. FRANCIS, THE ACQUISITION OF SUMMIT HALL FOR STUDENT HOUSING, THE REHABILITATION OF ALLEN/PERCIVAL HALL, BROOKS HALL, COLSON HALL, OGLEBAY HALL AND WHITE HALL, THE RENOVATION OF THE TOWERS STUDENT HOUSING COMPLEX ON THE EVANSDALE CAMPUS, THE CONSTRUCTION OF NEW DORMITORIES ON BOTH THE DOWNTOWN CAMPUS AND EVANSDALE CAMPUS, THE CONSTRUCTION OF A PLANT PATHOLOGY FACILITY, THE CONSTRUCTION OF VARIOUS CAPITAL IMPROVEMENTS TO MYLAN PUSKAR STADIUM AND THE COLISEUM, THE CONSTRUCTION OF A SOCCER STADIUM, INCLUDING A SOCCER PRACTICE AND GAME FIELD, THE CONSTRUCTION OF CAPITAL IMPROVEMENTS TO THE MOUNTAINLAIR, INCLUDING THE RENOVATION OF A PARKING GARAGE AND STUDENT RECREATION SPACE, REPLACEMENT OF THE BRICK FAÇADE ON THE ENGINEERING BUILDING, THE CONSTRUCTION OF CERTAIN INFRASTRUCTURE IMPROVEMENTS TO THE CREATIVE ARTS CENTER AND THE DOWNTOWN CAMPUS, THE CONSTRUCTION OF A STATE FIRE ACADEMY AT JACKSON'S MILL AND OTHER MASTER PLAN PROJECTS, AND THE CONSTRUCTION OF A STUDENT DORMITORY, INCLUDING A DINING FACILITY, ON THE CAMPUS OF POTOMAC STATE COLLEGE; AUTHORIZING THE REFUNDING OF CERTAIN OUTSTANDING BONDS PREVIOUSLY ISSUED BY THE UNIVERSITY OF WEST VIRGINIA BOARD OF TRUSTEES; AUTHORIZING THE FINANCING OF THE COSTS OF SUCH CAPITAL PROJECTS, SUCH REFUNDING AND RELATED EXPENSES THROUGH THE ISSUANCE BY THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS OF REVENUE BONDS IN ONE OR MORE SERIES, AS EITHER FEDERALLY TAXABLE OR TAX-EXEMPT OBLIGATIONS, OR BOTH, IN THE AGGREGATE PRINCIPAL AMOUNT OF

NOT MORE THAN \$230,000,000; AUTHORIZING THE EXECUTION OF A TRUST INDENTURE WITH RESPECT TO EACH SERIES OF BONDS; AUTHORIZING THE SALE OF EACH SERIES OF BONDS TO UBS FINANCIAL SERVICES INC. AND FERRIS, BAKER WATTS, INCORPORATED, PURSUANT TO A BOND PURCHASE AGREEMENT WITH RESPECT TO EACH SERIES OF BONDS AND THE EXECUTION AND DELIVERY OF SUCH BOND PURCHASE AGREEMENTS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT FOR EACH SERIES OF BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS AND AGREEMENTS IN CONNECTION WITH EACH SERIES OF BONDS, INCLUDING BUT NOT LIMITED TO A CONTINUING DISCLOSURE AGREEMENT AND A TAX CERTIFICATE; DELEGATING TO THE PRESIDENT AND THE VICE PRESIDENT FOR ADMINISTRATION, FINANCE AND HUMAN RESOURCES OF WEST VIRGINIA UNIVERSITY AND THE CHAIRMAN AND VICE-CHAIRMAN OF THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS CERTAIN RESPONSIBILITIES IN CONNECTION WITH THE SALE AND ISSUANCE OF THE BONDS, THE SELECTION OF A TRUSTEE THEREFOR, THE PURCHASE OF MUNICIPAL BOND INSURANCE FOR EACH SERIES OF BONDS AND THE INVESTMENT OF BOND PROCEEDS; AND TAKING OTHER ACTIONS IN CONNECTION WITH THE SALE AND ISSUANCE OF THE BONDS

WHEREAS, to improve the quality of student life and academic culture, enhance student services and respond to students needs, and to comply with its Master Plan, West Virginia University (the "University") proposes to undertake certain capital projects, including the acquisition of certain real property adjacent to the Evansdale campus known as St. Francis, the acquisition of Summit Hall for student housing, the rehabilitation of Allen/Percival Hall, Brooks Hall, Colson Hall, Oglebay Hall and White Hall, the renovation of the Towers student housing complex on the Evansdale campus, the construction of new dormitories on both the downtown campus and Evansdale campus, the construction of a plant pathology facility, the construction of various capital improvements to Mylan Puskar Stadium and the Coliseum, the construction of a soccer stadium, including a soccer practice and game field, the construction of capital improvements to the Mountainlair, including the renovation of a parking garage and student recreation space, replacement of the brick façade on the engineering building, the

construction of certain infrastructure improvements to the Creative Arts Center and the Downtown Campus, the construction of a State Fire Academy at Jackson's Mill and other Master Plan projects, and the construction of a student dormitory, including a dining facility, on the campus of Potomac State College, all as more fully described on Exhibit A attached hereto and incorporated herein by reference, and which are herein individually called a "Project" and together called the "Projects"; and

WHEREAS, the University proposes to refinance the following outstanding bonds previously issued by the University of West Virginia Board of Trustees (the "Refunding"):

1. \$13,710,000 State of West Virginia University of West Virginia Board of Trustees Dormitory Refunding Revenue Bonds (West Virginia University Project) 1997 Series A;
2. \$10,735,000 State of West Virginia University of West Virginia Board of Trustees Dormitory Revenue Bonds (West Virginia University Project) 1997 Series B;
3. \$3,250,000 State of West Virginia University of West Virginia Board of Trustees Refunding Revenue Bonds (West Virginia University Project) 1997 Athletic Facilities Series A;
4. \$4,250,000 State of West Virginia University of West Virginia Board of Trustees Revenue Bonds (West Virginia University Project) 1997 Athletic Facilities Series B;
5. \$3,000,000 State of West Virginia University of West Virginia Board of Trustees Refunding Revenue Bonds (West Virginia University Project) 1997 Student Union Series A;
6. \$38,000,000 State of West Virginia University of West Virginia Board of Trustees Revenue Bonds (West Virginia University Project) 1997 Student Union Series B; and

WHEREAS, pursuant to the authority contained in Chapter 18B, Article 10 of the Code of West Virginia, 1931, as amended the ("Bond Act") and Chapter 13, Article 2G of the Code of West Virginia, 1931, as amended (the "State Refunding Bond Act," and together with the Bond Act, hereinafter collectively referred to as the "Act"), this Board is authorized to issue revenue bonds to finance the costs of the Projects, the Refunding and related expenses, including the costs of issuance of the bonds; and

WHEREAS, this Board has determined to issue revenue bonds, in one or more series, as either federally taxable or tax-exempt obligations, or both, in an aggregate principal amount of not to exceed \$230,000,000 (the “Bonds”), pursuant to the Act and for the purposes set forth above; and

WHEREAS, either the West Virginia Higher Education Policy Commission has previously approved the issuance of the Bonds and the Projects or such approval will be a condition precedent to the sale and issuance of the Bonds; and

WHEREAS, the Bonds will be issued pursuant to the terms of and secured under one or more Bond Trust Indenture and Security Agreements (whether one or more, the “Indenture”) between the Board and the trustee to be selected as described herein (the “Trustee”); and

WHEREAS, the principal of, premium, if any, and interest on the Bonds will be payable and secured by Institutional Capital Fees, Auxiliary Fees and Auxiliary Capital Fees (collectively, the “Fees”), as defined and set forth in the Bond Act, and other sources of revenue and otherwise in the manner and to the extent provided for in the Indenture for each series of Bonds and shall be special obligations of the State of West Virginia (the “State”:) and shall not constitute debts of the State; and

WHEREAS, it is in the best interest of this Board to grant to the President and Vice President for Administration, Finance and Human Resources of the University and the Chairman and Vice-Chairman of the Board, acting together or individually (each, an “Authorized Officer”), the power and authority to establish the final terms and provisions of and execute the Bonds, the Indenture and the Bond Purchase Agreement, each as hereinafter defined; and

WHEREAS, this Board either has received or is receiving proposals for institutions to serve as Trustee and for municipal bond insurance on the Bonds; and

WHEREAS, this Board finds and represents that it has full power and authority to issue the Bonds and to make the respective pledges for the payment thereof as set forth in the Indenture and the Bonds, and to execute and deliver the Indenture and such other documents hereinafter described and, on behalf of the owners of the Bonds, to grant a lien on and security interest in the Fees, other sources of revenue and funds described in each Indenture, as permitted under the Act, and to execute and deliver such other documents and to take the actions contemplated thereby.

NOW, THEREFORE, BE IT RESOLVED BY THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS, AS FOLLOWS:

Section 1. Findings and Determinations. This Board specifically finds and determines as follows:

(a) It has full power and authority to issue the Bonds and to make the respective pledges for the payment thereof as are described in the Preambles hereto and more particularly set forth in the respective Indenture for each series of Bonds, and to enter into the respective Indentures and the other agreements relating to the Bonds and the Projects, and this Board has taken or will take by the adoption of this Resolution all actions necessary to authorize its proper officers to sign, seal and deliver the Indentures, the Bond Purchase Agreement, the Bonds and the other agreements relating thereto and to authorize the distribution of one or more Preliminary Official Statements and authorize the distribution of one or more Official Statements.

(b) This Resolution is adopted pursuant to and in accordance with the provisions of the Act, and the Bonds shall be issued pursuant to and in accordance with the Act.

(c) The Projects are hereby approved, ratified and confirmed.

(d) UBS Financial Services Inc. and Ferris, Baker Watts, Incorporated (the "Underwriters") are hereby appointed as the investment bankers or underwriters for the Bonds. The Authorized Officers are hereby authorized and directed, upon advice of counsel, to enter into one or more Bond Purchase Agreements with the Underwriters for each respective series of the Bonds (whether one or more, the "Bond Purchase Agreement"). It is understood by this Board that the Underwriters will be compensated only from the proceeds of the Bonds.

(e) Jackson Kelly PLLC ("Bond Counsel") is hereby appointed as bond counsel for the Bonds. It is understood by the Board that Bond Counsel will be compensated only from the proceeds of the Bonds.

(f) It is in the best interests of this Board and the University that an Authorized Officer have the power and authority to execute and deliver one or more certificates of this Board (whether one or more, the "Certificate of Determination") setting forth the final terms and provisions of the Bonds and the Bond Purchase Agreement.

Section 2. The Bonds. There is hereby authorized to be issued and the Board hereby determines to issue, pursuant to the Act, its Bonds in one or more series, as either federally taxable or tax-exempt obligations, or both, in an aggregate principal amount not to exceed \$230,000,000, and to expend all of the proceeds to finance the costs of the Projects, including the reimbursement of the University for costs previously expended therefore and capitalized interest on the Bonds, of the Refunding and of related expenses, including but not limited to all costs incurred by the Board and University in connection with the issuance of the Bonds, such Bonds to be secured by and payable exclusively from the respective Fees, other sources of revenue and funds pledged under the Indenture. The exact aggregate principal amount of the Bonds, not to exceed \$230,000,000, shall be approved by an Authorized Officer, such approval to be evidenced by the execution by an Authorized Officer of the Indenture setting forth such principal amount and the Certificate of Determination, substantially in the form attached hereto as Exhibit B and incorporated herein by reference (whether one or more, the "Certificate of Determination"). The Bonds shall contain a recital that they are issued pursuant to the Act, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 3. Indenture, Bond Purchase Agreement and Tax Certificate. It is anticipated that the respective Indentures, the Bond Purchase Agreement and one or more Tax Certificates shall be prepared, delivered and executed in connection with the issuance of the Bonds (all of the foregoing documents, except the Bonds, are hereinafter collectively referred to as the "Bond Documents"). The Authorized Officers, with the assistance of counsel, is authorized to negotiate and approve the form and content of these Bond Documents under such terms and conditions as are in the best interests of the Board and the State. The Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Bond Documents prior to or simultaneously with the issuance of the Bonds for and on behalf of the Board, in the form and upon those terms and conditions as approved by the Authorized Officers, with assistance of counsel, and such approval shall be conclusively evidenced by the execution of the Bond Documents by an Authorized Officer.

Section 4. Terms of Bonds. The Bonds shall be designated and dated the date or dates set forth in the Certificate of Determination and as otherwise described in the Indenture; shall be issued in one or more series, not to exceed \$230,000,000 in aggregate principal amount, as set forth in the Certificate of Determination; shall mature on such date or dates, not later than 35 years from their respective dates, set forth in the Certificate of Determination; shall bear interest at the rate or rates of interest, not to exceed seven percent (7%) per annum, set forth in the Certificate of Determination; and shall have the redemption provisions and other terms set forth in the Certificate of Determination. The Bonds shall be in the denominations and in registered form, be payable in the

medium of payment and at such places, be subject to mandatory and optional redemption prior to maturity and be entitled to the priorities and Fees, other sources of revenues and funds, all as provided in the Indentures.

Section 5. Insurance. The Authorized Officers, with the assistance of counsel, are authorized to negotiate and approve bond insurance to insure the payment of principal of and interest on the Bonds (“Bond Insurance”), under such terms and conditions as are in the best interests of the Board and the University. The Authorized Officers are hereby authorized, empowered and directed to execute and deliver the documents relating to the Bond Insurance prior to or simultaneously with the issuance of the Bonds for and on behalf of the Board, in the form and upon those terms and conditions as approved by the Authorized Officers, and such approval shall be conclusively evidenced by the execution of the documents relating to the Bond Insurance by an Authorized Officer.

Section 6. Sale of the Bonds. The Bonds shall be sold to the Underwriters pursuant to the Bond Purchase Agreement, for the price or prices and upon the terms set forth in the Certificate of Determination. The execution and delivery of the Bond Purchase Agreement are hereby authorized. Following the execution of the Certificate of Determination, the Authorized Officers are hereby authorized and directed to execute the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Authorized Officer, his execution thereof to be conclusive evidence of such approval.

Section 7. Certificate of Determination. The Authorized Officer is hereby authorized and directed to set forth the separate series, if any, the final principal amount or amounts, the maturities, the interest rates, the redemption provisions, the price or prices, and other terms and details of the Bonds, subject to the parameters set forth herein, including but not limited to Section 4, in the Certificate of Determination to be executed and delivered in connection with the sale of the Bonds. Assuming such parameters are met, the Certificate of Determination shall have full force and effect as if adopted as a part of this Resolution.

Section 8. Official Statements. (a) The preparation and distribution of a preliminary official statement with respect to each series of the Bonds (whether one or more, the "Preliminary Official Statement"), is hereby authorized in such form as may be approved by an Authorized Officer; and

(b) The preparation and distribution of a final Official Statement with respect to each series of the Bonds (whether one or more, the “Official Statement”) is hereby authorized in such form as may be approved by an Authorized Officer, such approval to be evidenced by the execution by an

Authorized Officer of such final Official Statement; and the delivery by the Underwriters to prospective purchasers of the Bonds of the final Official Statement is hereby authorized and approved with respect to each series of Bonds.

Section 9. Continuing Disclosure Agreement. So long as any of the Bonds remain outstanding, the Board and the University shall provide certain annual financial information and material event notices regarding the University as described in paragraph (b)(5)(i) of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission and/or as otherwise required by law.

Section 10. Bonds Are Special Obligations. The Bonds are special obligations of the Board payable solely from and secured by the Fees, other sources of revenue and funds pledged under the Indenture. Each series of the Bonds, together with the interest thereon, is a special obligation of the State and shall not constitute a debt of the State, and the credit or taxing power of the State shall not be pledged therefor, but the Bonds shall be payable only from the respective Fees, revenues and funds pledged for their payment as provided in the Indenture. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bonds or for any claim based thereon, on this Resolution or on any of the documents executed in connection therewith against any official, member, officer or employee of this Board, the University or the State or any person executing the Bonds, and neither members of this Board nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

Section 11. Personal Liability. None of the present or future employees, officers or board members of the Board or the University, or any person executing the Bonds or the Bond Documents relating thereto shall be personally liable for the Bonds or any other obligation relating to the issuance of such Bonds, or be subject to any personal liability by reason of the issuance of the Bonds.

Section 12. Appointment of Trustee. The Authorized Officer shall appoint a fiduciary to serve in the capacities of Trustee, Registrar and Paying Agent under the Indenture, as set forth in the Certificate of Determination.

Section 13. Formal Actions. The Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of the Board, and that all deliberations of the Board which resulted in formal action, were meetings open to the public, in full compliance with all applicable legal requirements.

Section 14. Incidental Actions. The Authorized Officers are hereby authorized and directed to execute and deliver such other documents,

agreements, instruments and certificates, including but not limited to guaranteed investment contracts with respect to the Bond proceeds, and to take such other action as may be necessary or appropriate in order to effectuate the execution, delivery and/or receipt of the Indenture, the Bond Purchase Agreement, the issuance and sale of the Bonds and the investment of the Bond proceeds, and for carrying out the transactions contemplated therein, all in accordance with the Act and other applicable provisions of the Code of West Virginia of 1931, as amended, including any action necessary with respect to The Depository Trust Company. The execution, delivery and due performance of the Bond Documents and all documents and instruments required in connection therewith are hereby in all respects approved, authorized, ratified and confirmed, including any and all acts heretofore taken in connection with the issuance of the Bonds.

Section 15. Effective Date. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith are hereby repealed.

Adopted this 5th day of November 2004.

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

Chairman

Secretary

Exhibit A

PROJECT LIST

	WVU	HEPC	Other	
	Revenue	Revenue	University	Total
Capital Projects	Bonds	Bonds	Funds	Projects
Stadium Suite and Club Seating	\$11,540,392		\$2,784,608	\$14,325,000
Improvements to the Soccer Facilities	\$3,825,000			\$3,825,000
Coliseum Roof Replacement and Exterior Upgrade	\$2,150,000			\$2,150,000
Acquisition of Real Property	\$11,000,000			\$11,000,000
Acquisition of Summit Hall	\$5,500,000			\$5,500,000
Renovation of Lobby and Public Areas of the Milan Purskar Center	\$3,521,000			\$3,521,000
Renovations to the Coliseum	\$10,240,000			\$10,240,000
Construction of 400 beds Evansdale Facility	\$14,750,000			\$14,750,000
Construction of a Plant Pathology Facility	\$7,500,000		\$2,000,000	\$9,500,000
Mountainlair Garage/Plaza Project	\$6,892,422		\$639,378	\$7,531,800
Allen/Percival Hall Upgrade	\$2,000,000	\$4,000,000	\$1,500,000	\$7,500,000
Downtown Campus Infrastructure	\$0	\$12,500,000		\$12,500,000
Brooks Hall Renovation	\$7,000,000	\$25,000,000		\$32,000,000
Oglebay Hall Renovation	\$17,500,000		\$1,500,000	\$19,000,000
Colson Hall Renovation	\$8,000,000			\$8,000,000
Towers Renovation	\$5,000,000			\$5,000,000
Construction of 400 beds Downtown Facility	\$14,750,000			\$14,750,000
New Housing for PCS of WVU	\$12,250,000			\$12,250,000
Creative Arts Center - Infrastructure	\$1,000,000			\$1,000,000
White Hall Renovation	\$5,000,000			\$5,000,000
Jackson's Mill Master Plan and State Fire Academy	\$1,000,000	\$3,772,500	\$2,000,000	\$6,772,500
Engineering Brick Façade Replacement		\$5,500,000		\$5,500,000
Sub-Total Project Costs	\$150,418,814	\$50,772,500	\$10,423,986	\$211,615,300
Capitized Interest Costs	\$1,800,000			
Refunding of 1997 Series Auxiliary Bonds	\$71,137,465			
Delivery Date Expense	\$1,865,690			
Total	\$225,221,969			

Exhibit B

CERTIFICATE OF DETERMINATION

The undersigned, _____, _____ of the West Virginia University Board of Governors (the "Board"), in accordance with a Bond Resolution adopted by the Board on _____, 2004 (the "Resolution"), with respect to the \$_____ West Virginia University Board of Governors [Refunding] Revenue Bonds, 2004 Series _____ (the "Bonds"), hereby finds and determines as follows:

1. He is an Authorized Officer within the meaning of the Resolution.

2. The Bonds shall be dated _____, 2004.

3. The Bonds shall be issued in the aggregate principal amount of \$_____.

4. Such principal amount does not exceed \$230,000,000, being the maximum principal amount authorized by the Resolution.

5. The Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

6. The Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein, which rates do not exceed 7% per annum.

7. The Bonds shall be subject to optional redemption as set forth on Schedule 2 attached hereto and incorporated herein.

8. The Bonds shall be sold to UBS Financial Services Inc. and Ferris, Baker Watts, Incorporated (the "Underwriters"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriters and the Board, at an aggregate purchase price of \$_____ (representing par value, less an underwriting discount of \$_____ plus a net original issue [premium/discount] of \$_____ (original issue premium of \$_____ minus original issue discount of \$_____)), plus accrued interest of \$_____ on the Bonds from _____, 200__ to _____, 200__ (the "Closing Date").

9. The proceeds of the Bonds shall be applied as set forth on Schedule 3 attached hereto and incorporated herein, including any additional determinations deemed necessary by the [Authorized Officer].

10. _____ is hereby designated by the [Authorized Officer] to serve in the capacities of Trustee, Registrar and Paying Agent under the Indenture.

10. The final Official Statement of the Board attached hereto is hereby authorized and deemed final within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, with such changes, omissions, insertions and revisions as the Authorized Officer (as defined in the Resolution) shall deem advisable, such signature to evidence approval thereof.

11. _____ (“Bond Insurer”) has offered Bond Insurance for the Bonds pursuant to the terms of a commitment letter dated _____, 2004 (the “Commitment”). The Bond Insurer is approved and the Commitment for the Bond Insurance is accepted.

The undersigned hereby certifies that the foregoing terms and conditions of the Bonds are within the limitations prescribed by the Resolution, and the Bonds may be issued with such terms and conditions as authorized by the Resolution.

WITNESS my signature this ____ day of _____, 2004.

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

By:

Its:

