

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

August 31, 2007

The fifty third meeting of the West Virginia University Board of Governors was held on August 31, 2007, at Erickson Alumni Center in Morgantown, W.V. Board members in attendance were Hank Barnette, Ellen Cappellanti, Tom Clark, James Dailey, Linda Dickirson, Steve Farmer, Steve Goodwin, David Kirkpatrick, Steve Kite, Carolyn Long, Paul Martinelli, Ted Mattern, Bill Nutting, Drew Payne, Parry Petroplus, Ed Robinson, Sally Smith and Robert Wells.

WVU officers, regional campus officers and representatives present were:

From WVU:

President David C. Hardesty, Jr.;

President-Elect, Michael Garrison;

Provost and Vice President for Academic Affairs and Research, Gerald Lang;

Vice President for Health Sciences, Fred Butcher;

Vice President for Administration, Finance & Human Resources, Narvel Weese;

Vice President for Student Affairs, Ken Gray;

Vice President for Human Resources, Margaret Phillips;

Vice President for Advancement & Marketing, Chris Martin;

Vice President for Legal Affairs/General Counsel, & Assistant BOG Secretary, Alex Macia

Interim Vice President for Research, Curt Peterson;

Chief of Staff, Craig Walker;

Executive Officer for Communications, Bill Case;

Executive Officer for Policy Development, Jennifer Fisher;

Executive Officer for Social Justice, Jennifer McIntosh;

Associate Vice President for Finance, Dan Durbin;

Associate Vice President for Planning & Treasury Operations, Liz Reynolds;

Associate Vice President for Facilities, Joe Fisher;

Sr. Associate Provost, Russ Dean;

Associate Provost for Information Technology, Sid Morrison;

Associate Provost for Extension & Public Service, Dave Miller;

Dean of Students, David Stewart;

Assistant Vice President for Enrollment Management, Brenda Thompson;

Executive Director for Students Affairs, Mary Collins;

Director of Internal Audit, William Quigley;

Chair of Staff Council, Terry Nebel;

Director, Classification & Compensation, Cindy Curry;

Executive Director for Compensation Administration, Sheila Seccurro;

Special Assistant to the President, Valerie Lopez;

Executive Assistant to the President, Sara Master;

News Service Representative, Janey Cink;

Former Asst. Board Secretary, Ginny Petersen;

Members of the Classified Staff at WVU were also present;

From WVU at Parkersburg:

Marie Gnage, Campus President
Rhoda Richards, Executive Dean

From West Virginia University Institute of Technology:

Charles Bayless, Campus Provost

Scott Hurst, Associate Vice President

Mary Ida Nugent, Executive Assistant to the Campus President

From the Community & Technical College at WVUIT

Beverly Jo Harris, Campus President

From Potomac State College of West Virginia University

Kerry Odell, Campus Provost;

Members of the Press were also present.

CALL TO ORDER

The meeting was called to order by Board Chairman, Stephen Goodwin at 9:30 a.m. Mr. Goodwin noted the appointment of new Assistant Board Secretary, Alex Macia, and administered the oath of office to Mr. Macia.

SWEARING IN OF NEW MEMBERS

Mr. Macia administered the oath of office to newly appointed members of the Board of Governors, James Dailey and Bill Nutting.

RECOGNITION OF OUTGOING INDIVIDUALS

Mr. Goodwin thanked outgoing Assistant Board Secretary, Ginny Petersen, and presented her with a resolution and a gift. He also noted that a resolution and gift would also be presented to outgoing board member, Russell Isaacs.

EXECUTIVE SESSION

Mr. Mattern moved that the West Virginia University Board of Governors go into executive session pursuant to West Virginia Code §6-9A-4. The motion was seconded and passed, and the Board thereupon met in executive session. Following the discussion, Mr. Mattern moved that the Board rise from executive session. The motion was seconded and passed. The naming of a building at Potomac State College was moved to the consent agenda.

APPROVAL OF MINUTES

Mr. Payne moved that the minutes of the meeting of June 1, 2007, June 20, 2007 and July 17, 2007 be approved. The motion was seconded and passed.

PRESIDENT'S REPORT

President Hardesty noted that this was his final report to the Board. He reported that the transition has gone well, and that an excellent new team is in place to lead the university. He thanked Mr. Goodwin for his leadership during the transition year, and Mr. Barnette for his leadership of the BOG Transition Committee. He noted the extraordinary effort of Jennifer

Fisher in staffing the transition, the double workload of the staff in supporting a president and a president-elect, and thanked the Board and the University for the long, and generous good-bye afforded him and his family. He thanked the board, present and past, and presented the President-elect with his master key to Stewart Hall. He concluded his remarks by noting the wonder and honor of having become better acquainted with “this great institution” and thanked everyone for the privilege serving as WVU’s president.

Hank Barnette, Chairman of the Board Transition Committee, reported at this transition board meeting, stating that while over many months the Transition Committee had discussed and expressed its views with regard to President Hardesty, President-elect Garrison, and the Transition, it is appropriate to record upon the minutes of the Board Meeting the Board’s views. Chairman Barnette therefore offered the following two resolutions, both of which were seconded and approved unanimously.

Be It Resolved that the WVU Board of Governors:

- Further commend and thank, with deep appreciation, David Hardesty and Susan Hardesty for their outstanding service and leadership;
- Designate David Hardesty as President Emeritus and Susan Hardesty as The Founder of the Mountaineer Parents Club; and,
- Wish them great health, happiness and success in the years ahead.

Be It Further Resolved that the WVU Board of Governors:

- Congratulate President-elect Garrison on his selection as President;
- Commend and thank President-elect Garrison and Heather Garrison for assuming the responsibilities as President and First Lady of West Virginia University;
- Commit to give President and Mrs. Garrison our friendship, dedicated advice, counsel, full support and assistance; and,
- Wish them great health, happiness and success in the years ahead. Go Mountaineers.

PRESIDENT-ELECT’S REPORT

President-elect Garrison reported that the presidential transition has gone smoothly. He acknowledged the foresight of the Board in providing a long transition period and thanked the team members of his transition steering committee. He reported that since April 13th he has been reviewing all relevant issues with an eye to the future of this institution. He has assembled a leadership team comprised of existing members of the administration and several new appointees. He has reformatted the senior management team by adding representatives of the faculty, staff, students and athletics. He has undertaken a comprehensive review of the budget,

with a hard look at the recruitment and salaries for faculty and staff, and has undertaken an in-depth review of the Health Sciences Center and the Research Office, both of which are undergoing leadership change. He has conducted seven public forums, and has listened to what is being said by those who attended. He presented a report of the forums to the board members.

COMMITTEE REPORTS

Audit Committee: Chairman Hank Barnette reported that the audit committee welcomed new members, Bill Nutting and Jim Dailey. The committee recommended and received full board approval of the engagement letter, dated August, 2007, with independent auditor, Deloitte & Touche, which had previously been distributed to the audit committee and board members. Mr. Barnette noted that Dennis Juran, engagement partner of Deloitte & Touche, joined this morning's audit committee meeting by phone, and will attend the next audit committee meeting on November 1, 2007, and the next board meeting on November 2, 2007, to review the audit for 2007, and discuss the plan for 2008. Mr. Juran reported that the 2007 audit is proceeding satisfactorily, with no outstanding, unresolved issues to bring to the attention of the audit committee. Chairman Barnette reported that the Chief Financial Office, General Counsel, and the Director of Internal Audit all made reports to the audit committee; and that President-elect Garrison, Chief of Staff Walker, Board members Steve Kite and Paul Martinelli and others attended the audit committee meeting. Chairman Barnette noted the audit committee had no matters to bring to the attention of the board.

BOARD ITEMS

Report on the WVUIT – WVU Transition: Charles Bayless, Campus Provost, noted that the transition of WVUIT into a component of WVU has taken place. His presentation to the board detailed both cost savings and expansion as major advantages of this integration. He also noted that a number of campus improvement projects are underway, including the renovation of a dormitory, the student union, and the engineering classroom building. The cost savings have enabled the school to hire new employees for the physical plant and for student life efforts, both of which are enhancing the appearance and offerings of the college. He noted that they are still working on stabilizing and increasing enrollment, with a positive change in new students, and commended the Community and Technical College as an important feeder system for the four year programs. He thanked President Hardesty for his vision in obtaining the bond issue that has effectively 'saved Tech.' He noted that Scott Hurst and Russ Dean, who headed the transition team, had weathered a lot in bringing about the changes, and praised their efforts.

Scott Hurst, Associate Vice President, noted the savings achieved and the issues still faced. He further noted that a BOG report to LOCEA is due by November 1st, which is before the next BOG meeting. Mr. Mattern moved that the board authorize the administration to prepare the report on the Board's behalf, and present it to the Board for approval in a special telephone meeting prior to November. The motion was seconded and passed.

Draft FY2007 Combined Financial Statement for WVU: Narvel Weese, Vice President for Administration and Finance, reviewed the preliminary findings of the un-audited financial report for the past fiscal year. He noted that it was a very positive report, and that the report is due to

be finalized on September 17th. He also reiterated that the external auditor will be present at the November board meeting to make his official report to the Board. Vice President Weese advised that he and Associate Vice President for Finance, Dan Durbin, will provide a more detailed review of year end performance at the next board meeting.

FY2008 Plan: Vice President Weese noted that a working FY2008 budget had been approved at the June 1, 2007 board meeting, subject to final approval at this BOG meeting. He presented the final budget for approval, noting only two changes from that approved in June: the addition of \$204,000 to the salary expenditures, to allow a minimum increase of \$1,500 for those employees earning less than \$20,000 annually, and a change in the way the liability associated with unused sick and annual leave is handled by the accountants (with a new expenditure and an offsetting revenue, per GASP 40.) After discussion, Mr. Farmer moved that the FY2008 Budget, as modified, be moved to the Consent Agenda. The motion was seconded and passed.

Salary Increase Program: Provost Gerald Lang presented the university's plan for salary increases for employees for the coming year. He noted that the institution competes for faculty nationally, and that WVU's faculty are currently earning 85% of the average of what other schools pay. He noted the importance of staff employees, and reported that they are currently paid at 90.4% of their approved salary schedule. The salary plan proposes a 5% pool of money for the employees of WVU and PSC. This would move classified staff 44.5% towards their placement on the salary schedule, and provide a merit pool of 5% for faculty and unclassified staff. The proposal also called for a 3.5% pool to address the same issues at WVUIT and WVU-P. This is a total of \$16 Million - \$8M from State appropriations, and \$8M from the institutions resources, and represents the largest pay increase in a decade.

Report of the Classified Staff Representative: Mr. Paul Martinelli gave his annual report to the Board, focusing on the need to increase the salaries of the classified staff, noting that by not being paid at the salary schedule, employees and the community were both losing economically. He called for the available resources to be distributed as follows: nine percent POOL to the classified staff, four percent POOL to faculty, and two percent POOL to unclassified staff.

In response to a question, Mr. Weese noted that full funding of the salary schedule would require an additional \$10M.

Chairman Goodwin ascertained that the Board did want the Salary Increase Program, as proposed, moved to the consent agenda.

Report of the Faculty Representative: Dr Steve Kite gave the annual report of the faculty representative to the Board, focusing on the issue of retaining good faculty at WVU, given the current salary structure. He noted the migration of tenured and untenured faculty to other institutions, primarily because of salary considerations, noting that faculty are very transportable, and that replacing them in the national marketplace is becoming increasingly difficult, given WVU's salary and benefit packages. He also commented on the work of the Faculty senate, noting that they are ready to move ahead working with the new administration, and hope to enhance their participation in governance.

CONSENT AGENDA

Chairman Goodwin called for discussion of the Consent Agenda items. Mr. Kirkpatrick noted that he wanted the record to show that he was not an advocate for towing. Mr. Mattern then moved for approval of the items as presented. The motion was seconded and the following items were approved.

1. Approval of County Extension Service Committee Members

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

2. Tuition and Fee Waiver Reports

Resolved: That the West Virginia University Board of Governors enter the report of the Institutional Undergraduate Fee Waivers for FY 2006-2007, at West Virginia University, West Virginia University at Parkersburg, West Virginia University Institute of Technology, and Potomac State College of West Virginia University into its minutes, and authorize the forwarding of the required report to the legislative auditor.

Resolved: That the West Virginia University Board of Governors enter the report of the Institutional Graduate and Professional Fee Waivers for Fall, 2006, Spring, 2007, and Summer, 2007 at West Virginia University into its minutes, and authorize the forwarding of the required report to the legislative auditor.

3. Revision of the BOG Operating Procedures & BOG Powers & Duties

Resolved: That the West Virginia University Board of Governors adopt changes to their "Operating Procedures" and to their "Powers & Duties" to reflect changes associated with the WVUIT – WVU merger.

4. New Bachelor of Arts in Multi-Disciplinary Studies – WVU-P

Resolved: That the West Virginia University Board of Governors approves the proposal by West Virginia University at Parkersburg to offer the Bachelor of Arts in Multi-Disciplinary Studies.

5. Revision of BOG POLICY 28: Regulation of Parking and Traffic

Resolved: That the West Virginia University Board of Governors approve Policy 28: Regulation of Parking and Traffic.

6. FY08 Budget

Resolved: That the West Virginia University Board of Governors adopts the final budget for FY2008, as presented.

7. Salary Increase Program

Resolved: That the West Virginia University Board of Governors endorses the salary increase programs at West Virginia University, West Virginia University at Parkersburg, and the Community & Technical College at West Virginia University Institute of Technology.

8. Naming of a Building - PSC

Resolved: That the West Virginia University Board of Governors approves the naming of a building at Potomac State College. The name will be released at a later date.

NEXT MEETING

Mr. Goodwin noted that the next meeting is scheduled for November 1-2, 2007 in Morgantown.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:40 p.m.

John T. Mattern, Secretary