

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

June 6, 2008

The sixty-fourth meeting of the West Virginia University Board of Governors was held on June 6, 2008. Board members in attendance were Hank Barnette, Ellen Cappellanti, Tom Clark, James Dailey, Linda Dickirson (by telephone), Steve Farmer, Steve Goodwin, Steve Kite, Carolyn Long, Paul Martinelli, Ted Mattern, Bill Nutting, Jason Parsons, Drew Payne, Parry Petroplus, Ed Robinson, Sally Smith, and Robert Wells.

WVU officers, regional campus officers and representatives present were:

From WVU:

President Michael Garrison;
Interim Provost and Vice President for Academic Affairs and Research, E. Jane Martin;
Vice President for Health Sciences, Fred Butcher;
Vice President for Administration, Finance & Human Resources, Narvel Weese;
Vice President for Advancement & Marketing, Chris Martin;
Vice President for Legal Affairs & Assistant BOG Secretary, Alex Macia;
Interim Vice President for Research, Curt Peterson;
Chief of Staff, Craig Walker;
Vice President for Human Resources, Margaret Phillips;
Executive Officer for Policy Development, Jennifer Fisher;
Executive Officer for Social Justice, Jennifer McIntosh;
Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Vice President for Facilities, Joe Fisher;
Associate Provost for Extension & Public Service, Dave Miller;
Dean of Students, David Stewart;
Staff Council Chair, Terry Nebel;
Director of Internal Audit, William Quigley;
Executive Director of Accounting, Reporting & Analysis, Anjali Halabe
Assistant Vice President for Graduate Education, Jonathan Cumming;
Director, News and Information Services, Amy Neil;
Executive Director, Internal Communications, Becky Lofstead; and
Special Assistant to the President, Valerie Lopez.

Other members of staff council, faculty and students were also present.

From WVU at Parkersburg:

Marie Foster Gnage, Campus President;

From West Virginia University Institute of Technology:

Charles Bayless, Campus Provost; and,
Scott Hurst, Associate Provost.

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 8:30 a.m. A roll call was taken to determine who was in attendance and a quorum established.

APPROVAL OF MINUTES

Mr. Mattern moved that the minutes of the meetings of April 4, 2008, April 23, 2008, May 2, 2008, and May 19, 2008 be approved. The motion was seconded and passed.

COMMITTEE REPORTS

Audit Committee: Chairman Hank Barnette reported that the Audit Committee met on June 6, 2008, during which it heard reports the Chief Financial Officer, General Counsel, the Director of Internal Auditing, and a representative from Deloitte & Touche, the independent auditor. Chairman Barnette reported that the Deloitte & Touche audit continued to advance, and that there were no outstanding, unresolved issues to bring to the attention of the Board

Chairman Barnette further reported that he had one action item to bring to the Board's attention. The Audit Committee had approved two changes to the current Audit Committee Charter, both addressing administrative issues – which changes included the following provisions: “The members of the Audit Committee shall be Board members and appointed by the full Board” and “The Audit Committee shall have the authority to engage independent counsel or other advisors, as necessary to carry out its duties. The University shall provide appropriate funding as determined by the Audit Committee for payment to the public accounting firm and any advisors employed by the Audit Committee.” Copies of the revised Audit Committee Charter were distributed to each Board member at the beginning of today's meeting, for their review and approval. Chairman Barnette moved that the Board approve the proposed changes in the Audit Committee Charter. The motion was seconded and passed.

PRESIDENT'S REPORT/BOARD ITEMS:

President Garrison advised the Board that he had five (5) issues to be addressed, two of which included Board Items related to the Fiscal Year 2009 Plan and the Bucks for Brains Proposal:

Item 1. FY 2009 Forecast (Budget).

President Garrison provided a brief history of the rationale behind and composition of the total compensation work group – formed to discuss budgetary issues related to classified staff and faculty. He discussed competitive salaries at WVU, and the successful legislative session which increased our budget. This accomplishment, along with a tuition increase of 8%, created the foundation for the FY 2009 budget now being proposed, which included a historic package for the University in terms of faculty and staff pay raises.

Vice President for Administration, Finance & Human Resources, Narvel Weese, then provided each Board member with a copy of the proposed FY 2009 Budget and discussed the highlights contained therein - related to Revenues, Expenses, and Benefits. Vice President Weese stated that overall we have a balanced budget and the University anticipates a positive operating margin.

Classified Staff Representative, Paul R. Martinelli, asked to make a statement to the Board that this is the most significant salary increase at WVU during his involvement with the Board of Governors. Mr. Martinelli thanked President Garrison for his involvement with and commitment to this issue and wanted everyone to know how important it was.

Item 2. Bucks for Brains Initiative.

As previously reported, recent legislation placed \$50 million in surplus funds from the current year's budget into the state's new research trust fund. Seventy percent of the fund - \$35 million – is available to WVU if it can match the appropriation, dollar-for-dollar, with donations from alumni, corporate supporters and foundations. In accordance with the statute and draft Higher Education Policy Commission rules, President Garrison advised that "*West Virginia University's Strategic Plan in response to Senate Bill 287, Research Trust Fund*" has been formulated and is now before the Board for approval. WVU will focus its efforts on four initiatives, building on current expertise and capacity to expand. These initiatives include: Energy and environmental sciences; nanotechnology and material science; biological, biotechnological, and biomedical sciences, and biometrics, security, sensing and related identification technologies. The WVU Foundation will oversee the fundraising efforts to match the available state resources and will serve as fiduciary agent to invest and administer the directed research endowment for this initiative.

Item 3. Update on Implementation of the Report of the Special Investigative Panel for Review of Executive MBA Program Records.

President Garrison advised that he had delivered his Interim Report on the Implementation of the Report of the Special Investigative Panel for Review of Executive MBA Program Records to the Board of Governors on May 30, 2008. He then introduced Dr. Jonathan Cumming, Assistant Vice President for Graduate Education, and Chair of the Academic Records

Management Task Force, who provided the following brief update from the May 30, 2008 meeting:

A longitudinal audit is being conducted within the College of Business and Economics on degree certification in the EMBA program to identify any other past issues. The results of this audit are expected by the end of June and will be reviewed by Internal Audit, the Board of Governors Audit Committee, and the Assistant Vice President for Graduate Education. The Assistant Vice President for Graduate Education will be charged with any required follow-up on the audit findings.

Working with the Task Force, a consultant from the nonprofit organization, American Association of Collegiate Registrars and Admissions Officers, has been identified and will be retained to assist the Task Force. This consultant is expected on campus sometime this fall.

Item 4. Introduction of Interim Provost and Vice President for Academic Affairs and Research.

President Garrison announced that E. Jane Martin had been named as Interim Provost and Vice President for Academic Affairs and Research. He provided the Board with Dr. Martin's background and asked her to address the Board.

Dr. Martin announced that she was honored to serve in this interim capacity and that although her primary focus would be on the academic mission of the University, she will also be dealing with issues related to budget, research, and operations. She looks forward to serving WVU in her new position.

Item 5. President Garrison issued the following statement:

“Mr. Chairman, I'd like to conclude my report by addressing one other issue. Since arriving on campus last April, I have worked very hard to serve as a president who is accessible, approachable, and as someone who is very much devoted to the improvement and change that I firmly believe this University needs and that its people deserve.

Specifically, we have focused on the people who make up our great University. We have focused on their future, and we have focused on their well-being. In the process, we have enjoyed a great deal of success – success in which we can all take pride. We have also, like any large organization, faced some challenges – none of which, however, should be or will be allowed to define who we are or what we will become.

Since April 23, we have worked diligently to address the recommendations of the independent panel – and we have made great progress.

But during the last six weeks, we have found the University at the center of controversy and clamor. As your president, I have been personally and deeply affected by that discord. And, I have worked every day and literally nearly every hour of every day to make sure that the core of our precious University remained strong and sure.

My work has been supported by each of you, and I greatly appreciate your statement of support last week, and your continuing guidance and support. That support has been critical, not just for me, but more importantly, for our University. To a person, each of you has been a counselor and a friend. And through this difficult time, not one of you has asked me to step aside or to stop working; to the contrary, you have asked me to lead during this challenge.

I have stayed at the University during this important time to do the job I was brought here to do – to be president of this great University and to hold the center of this University both during success and during unrest. I stayed through this time because it was what I was asked to do – it is what a leader should do. And now, I have made a decision to continue to serve as president of WVU until September because it is what a leader in this particular situation must do.

In the last several weeks, there has been far too much talk about this issue. And far too much talk about my own future at this University.

And, after careful reflection, I have determined I am the one person who is uniquely situated to stop this dialogue with my decision.

It is by far the most difficult decision I have ever faced. But it is a clear decision with a clear outcome.

We must now get back to the celebration of our greatness, our honor, and the successes of our academic mission.

When I was named as president of West Virginia University, I was, as I remain today, humbled and honored by the opportunity.

And while the honor of serving as president will always be one of my proudest achievements, it pales in comparison to the pride I have in the two degrees that I earned from this institution. And that pride is stronger, and far more important, than any challenge we may currently face.

A few weeks ago, I received a note from a young man who was getting ready to graduate. In his note, he expressed his pride in being the first in his family to graduate from college. He also recalled meeting me during the fall and thanked me for taking the time to spend a few moments with him. And during this time of celebration for him and his family, he was caring enough to send me this quote from Dr. King – a quote which I sincerely believe:

“The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.”

I will always stand with this University. I will stand in whatever way I can serve. And I ask that Mountaineers everywhere stand together, now more than ever, to move West Virginia University forward.”

Following President Garrison’s remarks, Chairman Steve Goodwin made the following statement:

It is a privilege for each and every member of this Board of Governors to serve West Virginia University. All of us take very seriously the profound public trust our position entails. President Garrison has, by his actions today, shown he also appreciates that trust, and honors that duty.

Sometimes this great University and that public trust are far more important than any one individual or any one issue. Mike Garrison demonstrated that by his unselfish action.

The future of this University must always be the guiding criteria. Its interests and greatness are paramount. By putting West Virginia University first, Mike Garrison has reinforced our respect and the respect of the University community.

We thank you, President Garrison, for your extraordinary service to this University that you love so dearly—and for the many initiatives you, and others working with you, have accomplished in just a year.

Your decision today should initiate a call to heal divisiveness and to move forward. We call upon everyone who loves this University to work together for its success.

EXECUTIVE SESSION

Ted Mattern moved that the West Virginia University Board of Governors go into executive session pursuant to West Virginia Code §6-9A-4(b) for the purpose of discussing personnel and legal issues. The motion was seconded and passed, and the Board thereupon met in executive session. Board members, Sally Smith and Hank Barnette, withdrew from the meeting; the meeting continued; and they then re-entered the meeting. Following the discussion, Bill Nutting moved that the Board rise from executive session. The motion was seconded and passed.

BOARD ITEMS

Report – Impact of GASB Statement No. 45: Due to time constraints, Chairman Goodwin announced that this item would be moved to the Board’s September 12, 2008 agenda.

Report – Sources and Uses of Funds: Due to time constraints, Chairman Goodwin announced that this item would be moved to the Board’s September 12, 2008 agenda.

FY 2009 Plan and Bucks for Brains Proposal: Following the earlier presentations and discussions, Chairman Goodwin moved that the **FY 2009 Forecast (Budget)** and the **Bucks for Brains Proposal (“West Virginia University’s Strategic Plan in response to Senate Bill 287, Research Trust Fund”)** be moved to the Consent Agenda. The motion was seconded and passed.

Additional Board Presentations: Chairman Goodwin allowed the following individuals to briefly address the Board: Professor Michael Perone, Professor Dallas Branch, and Staff Council Chair, Terry Nebel. These individuals had opinions they wanted to express to the Board of Governors - related to Mr. Garrison’s presidency.

CONSENT AGENDA

Chairman Goodwin called for a discussion of the Consent Agenda items. Tom Clark then moved for approval of the items as presented. The motion was seconded and the following items were approved:

1. WVU Early Childhood Center

Resolved: That the West Virginia University Board of Governors approves the WVU Early Childhood Center project budget of \$8,000,000.

2. Downtown Infrastructure Phase II and Chemistry Research Lab

Resolved: That the West Virginia University Board of Governors approves revised budgets and scope change for the Downtown Infrastructure Phase II and Chemistry Research Lab Addition Projects.

3. Program Review Recommendations

Resolved: That the West Virginia University Board of Governors approve the recommendations of the Program Review Committee for 2007-08.

4. Approval of new WVU Tech College Names

Resolved: That the West Virginia University Board of Governors authorizes the following West Virginia University Institute of Technology college name changes:

- (a) Change the “Leonard C. Nelson College of Engineering” to the “Leonard C. Nelson College of Engineering and Sciences.” and
- (b) Change the “College of Business, Humanities and Sciences” to the “College of Business, Humanities and Social Sciences.”

5. Proposal to develop Early Education endorsement to be added to existing baccalaureate degree in elementary education

Resolved: That the West Virginia University Board of Governors grants approval for West Virginia University at Parkersburg to develop the Early Education endorsement to be added to its existing baccalaureate degree in elementary education.

6. Policy 32 Emergency Rule on Annual Increment.

Resolved: That the West Virginia University Board of Governors approves Policy 32 Emergency Rule on Annual Increment.

7. Budget for FY 2009

Resolved: That the West Virginia University Board of Governors approves the proposed FY 2009 Forecast (Budget).

8. Bucks for Brains Proposal

Resolved: that the West Virginia University Board of Governors approves the proposed Bucks for Brains Proposal (“West Virginia University’s Strategic Plan in response to Senate Bill 287, Research Trust Fund”).

9. County Extension Committee Appointments

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.

10. Bachelor of Science Program in Criminal Justice at West Virginia University Institute of Technology

Resolved: That the West Virginia University Board of Governors approves the offering of a baccalaureate of science degree program in Criminal Justice at West Virginia University Institute of Technology.

OTHER BUSINESS

Chairman Goodwin acknowledged that Charles Bayless will be departing as the Provost for West Virginia University Institute of Technology. Chairman Goodwin thanked Mr. Bayless for his dedication and service to West Virginia University, and wished him success in his future endeavors.

Chairman Goodwin thanked outgoing Board members Sally Smith and Linda Dickirson for their service on the Board and presented each with a gift.

Chairman Goodwin presented outgoing Board member, Curtis H. "Hank" Barnette, with a resolution naming him as Chairman Emeritus of the West Virginia University Board of Governors and showed a picture of an engraved captain's chair which has been ordered as a gift for Mr. Barnette.

Chairman Goodwin advised that a Board meeting will be scheduled in July (pursuant to HB 3215) to elect the Board's new Chair and other officers for the upcoming year.

NEXT MEETING

Chairman Goodwin noted that the next meeting is scheduled for September 4-5, 2008 in Charleston.

ADJOURNMENT

There being no further business, Tom Clark moved to adjourn the meeting. The motion was seconded and passed, and the meeting was adjourned at 12:30 p.m.

John T. Mattern, Secretary