

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

February 20, 2015

The one hundred twenty-eighth meeting of the West Virginia University Board of Governors was held on February 20, 2015 in Morgantown, WV. Board members in attendance/participating by telephone included David Alvarez, Dr. Lisa DiBartolomeo, Ellen Cappellanti, James W. Dailey, II, Thomas Flaherty, Dr. Robert Griffith, J. Thomas Jones; Raymond Lane, Diane Lewis, Dixie Martinelli, William Nutting, Christopher Nyden, Andrew A. Payne, III, Ed Robinson, J. Robert (J.R.) Rogers, and William Wilmoth.

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

President, E. Gordon Gee;
Vice President, Legal, Government and Entrepreneurial Engagement, Rob Alsop;
Provost, Joyce McConnell;
Associate Vice President for Legal Affairs and General Counsel, April Min;
Vice President for Finance and Administration, Narvel Weese;
Vice President and Executive Dean for Health Sciences, Clay Marsh;
Vice Provost, Russell Dean;
Vice President for University Relations, Sharon Martin;
Chief Diversity Officer, David Fryson;
Vice President for Research, Fred King;
Interim Vice President for Student Life, Michael Ellington;
Chief Financial Officer for WVU Health Sciences, Paula Congelio;
Executive Officer and Assistant Board Secretary, Jennifer Fisher;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Vice President for Facilities and Services, Randy Hudak;
Director of Internal Auditing, Bryan Shaver;
West Virginia University Institute of Technology President, Carolyn Long;
Assistant Vice President for Marketing and Outreach, University Relations, Ann Berry;
Assistant Vice President, Student Affairs Communications, Sabrina Cave;
Dean of Students and Director of Housing, G. Corey Farris;
Student Affairs Chief Business and Planning Officer, Les Carpenter;
Associate Vice President, Academic Strategic Planning, Dr. Nigel Clark;
Associate Provost for Information Technology, John Campbell;
Associate Provost for Undergraduate Academic Affairs and Dean of University College,
Dr. Elizabeth A. Dooley,
Faculty Senate Chair-Elect, Richard Turton;
WVU's ACCE representative, Paul Martinelli;
Assistant Vice President for University Communications, Becky Lofstead;
Director of University Relations/News, John Bolt;
Special Events Coordinator, Kevin Hanks; and,
Special Assistant to the Board of Governors, Valerie Lopez.

Members of the Press were also present.

CALL TO ORDER

The meeting was called to order by Board Chairman, James W. Dailey, II, at 8:30 a.m. A roll call was taken to determine who was in attendance and a quorum established.

Vice-Chairman, Thomas Flaherty, introduced Bryan Shaver, WVU's new Director of Internal Auditing, to the full board and audience, and welcomed Mr. Shaver to his first Board of Governors meeting.

BOARD PRESENTATIONS

“It's On Us” Campaign

Provost Joyce McConnell, provided highlights on a new university-wide campaign, as follows:

The “It's on Us” campaign is the public face of a comprehensive set of procedures and infrastructure changes that WVU has put in place in response to guidelines issued by the Department of Education in 2011 that clearly outline how colleges and universities must respond to sexual violence. The mandate defines sexual assault on campus as not only a crime but also as a violation of the Title IX legislation enacted in 1972.

The Department Of Education's Office for Civil Rights noted in the supplemental language it issued in 2011: “the sexual harassment of students, including sexual violence, interferes with students' right to receive an education free from discrimination and, in the case of sexual violence, is a crime.”

In claiming sexual harassment and violence as subject to Title IX, the federal government has sent a clear message to colleges and universities that if our campuses are not in fact places that are safe and “free from discrimination,” then we may face federal inquiry and even loss of federal funding. The new guidelines require schools to address just about every issue wrapped up in the problem of sexual violence, including the reporting responsibilities of campus officials (including faculty and staff), the resources in place to help victims of sexual violence, and the procedures in place to investigate and pursue allegations.

At WVU, we have been addressing many of these issues already, in campus units ranging from the Office of Diversity, Equity and Inclusion to WellWVU to WVU Athletics.

- We have created the WVU Title IX office, where students can go to seek help, whether they need to arrange residence hall and class changes to avoid contact with an abuser or if to launch civil student conduct board proceedings against someone who has harmed them.

- We have formed a Coordinated Campus Response team of campus and community members who advise the University on policy, advocacy and delivery of services to victims. This resource is partially funded by a Campus Safety Grant from the U.S. Department of Justice.
- We have established a collaboration between our WellWVU office and the local Rape and Domestic Violence Information Center to train peer advocates who can help students affected by assault navigate the medical, legal and University systems.
- The positive, empowering message is in keeping with the message of Green Dot, a non-profit organization “built on the premise that we can measurably and systematically reduce violence within any given community.” The WellWVU Office has been offering Green Dot presentations and training to the campus community since last fall. The Green Dot message that one person can make a difference, and the university message that “it’s on us,” will also appear in public service announcements during WVU sporting and other major events.
- Our WellWVU office was just invited (last week!) to participate in a large scale study of the effectiveness of bystander intervention programs (like Green Dot). The study is part of a grant being submitted to the CDC by researchers at WVU and the University of Kentucky.

Academic Affairs Updates

Provost Joyce McConnell provided academic affairs updates and firsts - as follows:

Provost McConnell briefed the Board on Project 168 – which is the place where student life and academic success intersect. The project, so-named because there are 168 hours in a week, meets the needs of our freshmen in particular for both personal and academic success. The first year is the place where we can most actively engage them and put them on the path to success. Project 168 brings them together for the entire year and engages them in planning not only their academic journey while they are here, but their personal journey for success after they leave. Project 168 goals encompass wellness and fitness; career success; undergraduate research; financial literacy and study abroad opportunities for students at WVU.

Provost McConnell highlighted the living-learning communities, formed around a theme or specific field of study, offering smaller, more intimate environments where students can live with others who share academic and social interests. There are currently seven here at WVU:

- Mountains of Exploration (Sustainability)
- Statler College of Engineering and Mineral Resources
- Mountaineer Success Academy
- Women in STEM
- College of Physical Activity and Sport Sciences
- Honors College, and

- Creative Arts

Provost McConnell reminded the Board that in December she presented several Academic Successes as a Top Ten List and that today she has several updates that could all be described as Academic Firsts. Some fall into the category of first as in “top” or “best,” while others are chronological firsts. Below is a summary of these exciting events:

- Last week my office began accepting applications for the FIRST class of Academic Leadership Fellows at WVU. This is a new professional development opportunity that offers selected faculty members leadership experiences at the university level and opportunities to strengthen their qualifications in academic administration. Participants will be chosen to work in my office, C. B. Wilson’s office, Dr. Elizabeth Dooley’s office, or Dr. Katherine Karraker’s office, on various projects. They will gain skills that will make them more effective in their current positions, achieve a greater understanding of practices and procedures in higher education, and encounter career opportunities they may wish to pursue in the future. I am thrilled to be inaugurating this program and expect that some of these Fellows will address the Board next Fall, when they begin work in our office and take on their projects.
- The Elsevier Foundation has rewarded the efforts of a WVU grant application by establishing a statewide travel fund for female STEM and Women’s Studies faculty and post-doctoral scholars. The fund, the FIRST of its kind in the nation, will allow women at all public and private institutions of higher learning in West Virginia, including 2-year colleges, to apply for funding to offset the childcare and eldercare costs incurred during professional travel. This fund was met with the best possible sign of approval on our campus—people immediately started to apply for money! And because it is limited to female scholars in certain fields, my office has already decided to expand the fund on this campus. ALL WVU faculty and post-doctoral students—not just women in the specified fields—can apply to my office for the same maximum amount of travel funding.
- Brand new WVU professor Cheryl Ball, in the department of English, announced her FIRST semester on campus with a bang. She was just awarded a one million dollar grant from the Andrew Mellon Foundation for building Cairn, a digital tool that will allow experts in a variety of disciplines to review, critique and edit multi-media manuscripts. Dr. Ball will work closely with Dean Jon Cawthorne, WVU Press Director Derek Krissoff, and the WVU Libraries on the project.
- On March 10, WVU will have our FIRST event with UTeach and welcome to campus keynote speaker Norm Augustine, retired chairman and CEO of Lockheed Martin and APLU Science Mathematics Teacher Initiative Lead Director. As I told this Board in December, West Virginia University was one of five institutions recently awarded a \$1.45 million grant from the National Math and Science Initiative, in partnership with the UTeach Institute and the Howard Hughes Medical Institute, to join a national network of universities in the expansion and replication of this highly successful program. The UTeach STEM Teacher preparation program has become a leader in addressing the

nation's need for a teaching force of highly qualified instructors in science, technology, engineering, and mathematics (STEM) subjects.

- Finally, I am delighted to tell you that we will soon welcome several academic leaders to their first days on campus, as we draw towards the successful conclusion of several dean searches – specifically for the WVU Extension Service, the Eberly College of Arts and Sciences, the College of Law, and the Honors College.

Legislative Updates

Vice President for Legal, Government and Entrepreneurial Engagement, Rob Alsop, updated the Board on the University's legislative efforts, especially in the areas of budget support and operations, as follows:

- The Legislature is more than half way through the Session with several items of interest for WVU.
- This is another tough budget year. The proposed budget calls for a cut of WVU appropriations of approximately \$7.4 million dollars, approximating a 5% cut, with a proposed loss of 80% of the dedicated funding for a number of programs, including graduate medical education, school of public health, law school clinics, engineering, and our farms. This is the third straight year for a cut.
- WVU has been in discussions with legislative leaders about the value of investing in WVU and higher education generally.
- We have also been discussing with Legislative leaders ways in which WVU can better manage its costs and move efficiently, including the ability to invest funds with our Foundation, procurement and payment flexibilities, and human resources efficiencies.
- We have also made a concerted effort to be a good service provider for the State and tell our legislators about all the good things going on at WVU, including through meetings and our "Lunch and Learn" efforts and WVU day at the Legislature.

EXECUTIVE SESSION

Chairman Dailey requested a motion that the Board go into Executive Session, under authority in West Virginia Code §§6-9A-4(b)(2)(A), (b) (9), and (b)(12) to discuss legal, personnel, and deliberative matters; matters not considered public records; matters related to construction planning, commercial competition matters, the purchase, sale or lease of property, and/or the investment of public funds. The motion was made by William Wilmoth, seconded by Andrew A. Payne, III, and passed. Following the conclusion of Executive Session, William Nutting moved that the Board reconvene into regular session. This motion was seconded by Dixie Martinelli, and passed.

DISCUSSIONS EMANATING FROM EXECUTIVE SESSION

Chairman Dailey announced that multiple discussions occurred during today's Executive Session. Chairman Dailey then called upon Provost Joyce McConnell who provided a brief overview of the university's efforts to acquire the assets of the former Mountain State University in Beckley, West Virginia, including a transaction timeline culminating with WVU and MSU scheduling the closing date for this transaction.

Chairman Dailey asked if there were any motions, as a result of the Board's discussions concerning the potential purchase of Mountain State University. Whereupon, William Wilmoth moved that the Board authorize the President and/or the Vice President for Administration and Finance to take all necessary steps to complete all necessary due diligence and to ensure that the terms of the executed purchase agreement and any other contingences are fulfilled to their satisfaction; and, upon such event, authorize all other necessary steps to be taken to purchase the land and other assets belonging to Mountain State University and, if necessary, to finance the purchase, including the authority of the Chair, Vice Chair, President, or the Vice President for Administration and Finance to prepare, execute, or deliver any communications, agreements, or other documents that they deem necessary in order to complete the purchase of such assets and the financing of such purchase. The motion was seconded by Thomas Flaherty, and passed.

Chairman Dailey then asked if there were any other motions related to this transaction. Whereupon, Diane Lewis moved that if the President and/or the Vice President for Administration and Finance determine that if it is necessary for the University to obtain permanent financing of the MSU purchase, the University is authorized to permanently finance the cost of such acquisition and related costs, including closing costs, by issuing one or more series of revenue bonds or entering into one or more lease-purchase agreements, as either federally taxable or tax-exempt obligations, or both, in aggregate principal amount not to exceed \$8,500,000; further, Board member Lewis moved that this Board resolve to approve such permanent financing as stated in a Reimbursement Resolution dated February 20, 2015, as hereinafter fully set forth. Both motions were seconded by Christopher Nyden, and passed.

Below is the Reimbursement Resolution approved by the West Virginia University Board of Governors:

**“REIMBURSEMENT RESOLUTION
OF THE
WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS
(Mountain State University)**

**RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE
SERIES OF REVENUE BONDS OR ENTRY INTO ONE OR MORE
LEASE-PURCHASE AGREEMENTS IN AGGREGATE PRINCIPAL
AMOUNT NOT TO EXCEED \$8,500,000 AS ALTERNATIVE
PERMANENT FINANCING FOR THE ACQUISITION OF CERTAIN**

REAL AND PERSONAL PROPERTY GENERALLY CONSTITUTING THE BECKLEY AREA CAMPUS OF MOUNTAIN STATE UNIVERSITY, INC.; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS OR LEASE-PURCHASE AGREEMENTS AND OTHER DOCUMENTS AND AGREEMENTS IN CONNECTION WITH SUCH ALTERNATIVE PERMANENT FINANCING OF THE ACQUISITION; DECLARING THE REASONABLE EXPECTATION OF THE BOARD OF GOVERNORS TO REIMBURSE THE UNIVERSITY'S GENERAL AND AUXILIARY FUNDS FOR CAPITAL EXPENDITURES IN CONNECTION WITH THE ACQUISITION OF SUCH REAL AND PERSONAL PROPERTY MADE PRIOR TO ISSUANCE OR EXECUTION AND DELIVERY OF SUCH REVENUE BONDS OR LEASE-PURCHASE AGREEMENTS; DELEGATING TO THE PRESIDENT AND THE VICE PRESIDENT FOR ADMINISTRATION AND FINANCE OF WEST VIRGINIA UNIVERSITY AND THE CHAIRMAN AND VICE-CHAIRMAN OF THE WEST VIRGINIA UNIVERSITY BOARD OF GOVERNORS CERTAIN RESPONSIBILITIES IN CONNECTION WITH SUCH ALTERNATE PERMANENT FINANCING OF THE ACQUISITION THROUGH SUCH REVENUE BONDS OR LEASE-PURCHASE AGREEMENTS, INCLUDING BUT NOT LIMITED TO DETERMINING THAT ANOTHER FINANCING ARRANGEMENT WOULD BE MORE ADVANTAGEOUS TO WEST VIRGINIA UNIVERSITY THAN THE REVENUE BONDS OR LEASE-PURCHASE AGREEMENTS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH OTHER DOCUMENTS AND THE TAKING OF SUCH OTHER ACTIONS AS MAY BE NECESSARY OR APPROPRIATE IN CONNECTION WITH THE EXECUTION AND DELIVERY OF SUCH REVENUE BONDS OR LEASE-PURCHASE AGREEMENTS, AND CARRYING OUT THE TRANSACTIONS CONTEMPLATED HEREBY

WHEREAS, West Virginia University has entered into a purchase agreement for the acquisition of certain real and personal property generally constituting the Beckley area campus of Mountain State University, Inc. (the "Assets");

WHEREAS, pursuant to the authority contained in Chapter 18B of the Code of West Virginia, 1931, as amended (the "Act"), this Board is authorized to and intends to enter into a transaction with the West Virginia University Research Corporation or one of its affiliates (including its affiliates, "WVURC") in which this Board transfers the Assets to and leases back the Assets on a long-term basis from WVURC;

WHEREAS, this Board has determined that, if it is not able to effect the transaction described above, it intends to permanently finance the cost of such acquisition and related costs, including closing costs, by issuing one or more series of revenue bonds or entering into one or more lease-purchase agreements, as either federally taxable or tax-exempt obligations, or both, in aggregate principal amount not to exceed \$8,500,000 (whether revenue bonds or lease-purchase agreements and whether one or more, the "Obligations"), with one or more underwriters,

financial institutions or other appropriate entities, as original purchaser or lessor (whether one or more, the “Obligee”);

WHEREAS, prior to obtaining such alternate permanent financing through the Obligations, the University anticipates expending funds from the University’s general and auxiliary funds to pay the costs of and costs, including closing costs, related to the acquisition of the Assets, all of which capital expenditures will initially be paid from the University’s general and auxiliary funds;

WHEREAS, the issuance or execution and delivery of the Obligations as alternate permanent financing of the acquisition of the Assets, including by reimbursement of the University, and the execution and delivery of the revenue bonds and bond purchase agreement or agreements or lease-purchase agreement or agreements, and other documents necessary and desirable therefor (together, the “Transaction Documents”), all as described in the foregoing Preambles and in the resolutions below (together, the “Transaction”) are necessary and desirable to further the strategic plan and the mission of the University;

WHEREAS, this Board deems it desirable, in keeping with its purposes and in the best interests of the University, to authorize the alternate financing of the Assets through the execution, delivery and performance of the Obligations and the Transaction Documents and to take and authorize the other actions set forth herein, including but not limited to the delegation of certain actions in connection with the Transaction to designated officials of the University and this Board; and

WHEREAS, it is in the best interest of this Board to grant to the President and the Vice President for Administration and Finance of the University and the Chairman and Vice-Chairman of this Board, acting together or individually (each, an “Authorized Officer”), the power and authority to determine whether the alternate permanent financing authorized by this Resolution is necessary and desirable for the University, to negotiate the terms of and to issue or execute and deliver the Obligations within the parameters set forth in this Resolution, to select the Obligee, to negotiate the terms of and to execute, deliver and perform under the Transaction Documents, and to take other actions and execute and deliver other documents as may be necessary or desirable to carry out the Transaction as contemplated by this Resolution.

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. The findings and determinations set forth in the Preambles hereto are hereby incorporated as if set forth in full in this subsection.

B. It has full power and authority to issue, execute, deliver and perform under the Obligations, to permanently finance the acquisition of the Assets and related costs, including closing costs, thereof, including by reimbursement of the University, through the issuance or execution and delivery of the Obligations, to execute, deliver and perform under the Transaction Documents, and to take other actions and enter other agreements required for the Transaction, and this Board has taken or will take by the adoption of this Resolution all actions necessary for it to authorize its proper officers, including each Authorized Officer, on behalf of this Board to issue, execute, deliver and perform under the Obligations, to permanently finance the acquisition of the Assets and related costs, including closing costs, thereof, including by reimbursement of the University, through the issuance or execution and delivery of the Obligations, to execute, deliver and perform under the Transaction Documents, and to take other actions and enter other agreements required for the Transaction; provided, that certain of the Transaction Documents may be subject to approval as to form by the Attorney General of West Virginia; and provided, further, that Obligations consisting of revenue bonds must be approved by the West Virginia Higher Education Policy Commission and the Governor of West Virginia.

C. This Resolution is adopted pursuant to and in accordance with the provisions of the Act.

D. 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, as described in Section 3 hereof (whether one or more, the "Certificate of Determination"), setting forth the Obligee and the terms and provisions of the Obligations not inconsistent with this Resolution.

Section 2. The Obligations.

A. If this Board is not able to effect the intended permanent financing of acquisition of the Assets described in the Preambles, as set forth in the Certificate of Determination, there are hereby authorized to be issued or executed and delivered and the Board hereby determines to execute and deliver, pursuant to the Act, one or more series of revenue bonds or one or more lease-purchase agreements (as previously defined, the "Obligations"), as either federally taxable or tax-exempt obligations, or both, in aggregate principal amount not to exceed \$8,500,000, and to expend all of the proceeds from the Obligations to permanently finance the acquisition of the Assets and related expenses, including but not limited to reimbursement of the University pursuant to Section 6, below, and payment of all costs incurred by the Board and University in connection with closing the acquisition of the Assets and with the execution and delivery of the Obligations and the Transaction. Whether the Obligations are to be issued, whether the Obligations are to consist of revenue bonds or lease-purchase agreements and the exact aggregate principal amount of the Obligations, not to exceed \$8,500,000, shall be approved by an Authorized Officer, such approval to be set forth in the Certificate of Determination and to be evidenced by the execution and delivery of the Obligations.

B. The Obligee shall be the underwriter or underwriters, financial institution or financial institutions or other appropriate entity or entities proposing to purchase or enter into the Obligations upon terms acceptable to the University, all as set forth in the Certificate of Determination.

C. The Obligations consisting of lease-purchase agreements may be in the form of the State College and University System of West Virginia Lease Purchase Agreement (or any form successor thereto), with such modifications as the Authorized Officer may determine are necessary or desirable and in accordance with law. If required by and in accordance with the terms of the Obligations, and subject to Section 4, below, there is hereby authorized a lien on the Assets. The Obligations consisting of revenue bonds may be in the form prescribed by this Board's existing bond indenture and the Act.

D. The Obligations shall plainly state (i)(a) that the Obligations constitute special obligations of the State of West Virginia, and (b) that the Obligations, or any assignment or securitization of the Obligations, never constitutes an indebtedness of the State of West Virginia, this Board, the University or any other department, agency or political subdivision of the State, within the meaning of any constitutional provision or statutory limitation, and may not be a charge against the general credit or taxing powers of the State of West Virginia or any political subdivision of the State; and (ii), if the Obligations consist of one or more lease-purchase agreements, (a) that the obligations thereunder may be met from any funds legally available to the University and shall be cancelable at the option of this Board at the end of any fiscal year, and (b) the Obligations shall prohibit assignment or securitization without consent of this Board and the approval of the agreement as to form by the Attorney General of West Virginia.

E. The Obligations (i) shall be in such number and such principal amounts, not to exceed \$8,500,000 in aggregate principal amount, as set forth in the Certificate of Determination; (ii) shall have such terms, not later than 30 years from their respective dates, set forth in the Certificate of Determination; (iii) shall bear interest at a fixed rate or rates of interest, initially not to exceed six and one-half percent (6.5%) per annum if tax-exempt or nine percent (9%) per annum if taxable, which rate may be subject to increase based on an agreed-upon formula after the Obligations have been outstanding or in effect for an agreed-upon time, or at a variable rate initially not to exceed five percent (5%) if tax-exempt and seven percent (7%) if taxable, all as set forth in the Certificate of Determination; and (iv) shall have the prepayment provisions and other terms set forth in the Certificate of Determination.

Section 3. Certificate of Determination. Each Authorized Officer is hereby authorized and directed to set forth for the Obligations the necessity for issuance or execution and delivery of the Obligations, the Obligees, the number, the principal amounts, the terms, the interest rates, the prepayment provisions and other terms and details of the Obligations, subject to the parameters set forth herein, including but not limited to Subsection 2(E), above, in the Certificate of Determination to be executed and delivered prior to or contemporaneously with the execution and delivery of the purchase agreement for or of the Obligations, as applicable. 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 4. Obligations Are Special Obligations. The Obligations are special obligations of this Board, the principal of and interest on which may be paid from any funds legally available to the University and, to the extent the Obligations are one or more lease-purchase agreements, which shall be cancelable at the option of this Board at the end of any

fiscal year. The Obligations shall never constitute an indebtedness of the State of West Virginia, this Board, the University or any other department, agency or political subdivision of the State, within the meaning of any constitutional provision or statutory limitation, and shall not be a charge against the general credit or taxing powers of the State of West Virginia or any political subdivision of the State. No recourse shall be had for the payment of the principal of or interest on the Obligations 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 Obligations, and neither members of this Board nor any person executing the Obligations shall be liable personally on the Obligations by reason of the execution and delivery thereof.

Section 5. Arbitrage Covenant. This Board shall not, and shall require that the University not, use or direct or permit the use of any moneys of the University or related to the Assets in any manner that would cause any of the Obligations issued as tax-exempt obligations to be an "arbitrage bond" within the meaning of such term in Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). Any Authorized Officer is hereby authorized, if requested by bond counsel, to execute and deliver a tax certificate with respect to the requirements of the Internal Revenue Code, and this Board shall observe, and shall cause the University to observe, its covenants, representations and agreements contained in the tax certificate.

Section 6. Reimbursement.

A. This Board and the University reasonably expect to reimburse the University's general and auxiliary funds for capital expenditures made in connection with the acquisition of the Assets not more than 60 days prior to the adoption of this Resolution and prior to the issuance or execution and delivery of the Obligations, from the proceeds of the Obligations, which are reasonably expected to be executed and delivered within 18 months from the later of (i) the expenditure for payment of said costs or (ii) placing of the Assets in service, but in no event more than three years after the original expenditure is made.

B. This Resolution is intended to constitute a "declaration of official intent" pursuant to Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code (the "Reimbursement Regulations").

C. The source of payment for such capital expenditures will be the University's general and auxiliary funds and, upon issuance or execution and delivery of the Obligations, proceeds thereof not to exceed the amount of such capital expenditures will be applied to reimbursement of the University's general and auxiliary funds.

D. The maximum amount of such reimbursement is \$8,500,000, and the maximum principal amount of the Obligations to be issued or entered to permanently finance the acquisition of the Assets and related costs, including closing costs, is \$8,500,000.

E. The provisions of the Reimbursement Regulations set forth above are not applicable to any Obligations the interest on which is includable in the gross income of the Obligees for federal income tax purposes, and reimbursement to the University for capital

expenditures previously made for the acquisition of the Assets and related costs, including closing costs, may be made without regard to such provisions.

Section 7. Personal Liability. None of the present or future employees, officers or members of this Board or the University or any person executing the Obligations, the Transaction Documents or any documents relating thereto shall be personally liable for the cost of the Assets, or any other obligation relating to the acquisition of the Assets or the Transaction or be subject to any personal liability by reason of the execution and delivery of the Obligations or the Transaction Documents.

Section 8. Formal Actions. This 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 that resulted in formal action were taken at meetings open to the public, in full compliance with all applicable legal requirements.

Section 9. Incidental Actions. Each of the Authorized Officers is hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates, and to take such other actions as may be necessary or appropriate in order to effectuate the execution, delivery and performance of the Obligations, the execution, delivery and performance of the Transaction Documents, and carrying out the Transaction contemplated therein and herein, all in accordance with the applicable provisions of the West Virginia Code. The execution, delivery and due performance of all documents and instruments required in connection with the Transaction are hereby in all respects approved, authorized, ratified and confirmed.

Section 10. Other Alternative Financing. If it is determined by the Authorized Officers that another alternative method of financing is more advantageous from a financial, programmatic or other perspective to this Board, the University and the State than the Obligations, the Authorized Officers are hereby authorized to proceed with such alternative financing without further action of this Board; provided, that such alternative financing shall be within the parameters outlined in Subsection 2(E), above, and shall constitute special obligations as described in Section 4, above; provided, however, that such alternative financing need not be cancelable at the end of each fiscal year if payable solely from specified fees and revenues. Such alternative financing shall be outlined in the Certificate of Determination, and the documents required therefor shall be negotiated by an Authorized Officer, with the assistance of counsel, and shall be executed and delivered by an Authorized Officer, with such execution to constitute conclusive evidence of their authorization hereunder.

Section 11. 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 20th day of February 2015.

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

Chairman

Secretary”

PRESIDENT’S REPORT

President Gee noted the start of several new members of the team, including for the areas of Internal Audit, Athletics, Health Sciences, and Student Life. He noted that talent is one part of the equation and that culture is the other part. The efforts to eliminate unnecessary bureaucracy are part of creating a positive culture at the University. Dr. Gee also noted the new branding initiative and its role in supporting culture change.

COMMITTEE REPORTS

Faculty Constituency Meeting: Faculty Representatives, Dr. Lisa DiBartolomeo and Dr. Robert Griffith, stated that yesterday’s faculty constituency meeting was well attended and revealed some exciting and groundbreaking work being conducted by faculty here at WVU.

Other Committee Meetings: Chairman Dailey stated that several other committee meetings were noticed and conducted prior to today’s Board meeting – during which Executive Session discussions took place – and there is no Board action to report as a result of these committee meetings.

APPROVAL OF MINUTES

J. Robert (J.R.) Rogers moved that the minutes of the December 19, 2014 meeting be approved. The motion was seconded by Diane Lewis, 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 Dailey called for any discussion of today's Consent Agenda items, and asked whether any items needed to be pulled for a separate discussion/vote. There being none, Andrew A. Payne, III moved that the Board accept the Consent Agenda items as presented in today's agenda booklet. This motion was seconded by Ed Robinson, and passed

Thereupon, the following Consent Agenda items were approved:

- 1. Approval of New Degree Program: Doctor of Philosophy in Sociology**
Resolved: That the West Virginia University Board of Governors approves the creation of the Doctor of Philosophy in Sociology in the Eberly College of Arts and Sciences.

- 2. Approval of New Degree Program: Master of Science in Materials Science and Engineering**
Resolved: That the West Virginia University Board of Governors approves the creation of the Master of Science in Materials Science and Engineering in the Benjamin M. Statler College of Engineering and Mineral Resources.

- 3. 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 Dailey announced that the Board will conduct its next regular meeting in Morgantown on May 1, 2015.

ADJOURNMENT

There being no further business to come before the Board, William Wilmoth moved to adjourn the meeting. The motion was seconded by David Alvarez, and passed. The meeting was adjourned at 11:50 a.m.

Ellen Cappellanti, Secretary