

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

October 31, 2014

The one hundred twenty-fifth meeting of the West Virginia University Board of Governors was held on October 31, 2014 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;
Health Sciences Chancellor, Christopher Colenda;
Associate Vice President for Legal Affairs and General Counsel, April Min;
Vice President for Finance and Administration, Narvel Weese;
Vice Provost, Provost, Russell Dean;
Vice President for University Relations, Sharon Martin;
Interim Vice President for Student Life, Michael Ellington;
Vice President for Health Sciences Research & Graduate Education, Glenn Dillon;
Chief Financial Officer for WVU Health Sciences, Paula Congelio;
Executive Officer, 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;
Interim Director of Internal Auditing, Doug Maatman;
West Virginia University Institute of Technology President, Carolyn Long;
West Virginia University Institute of Technology Provost, William Mayfield;
Potomac State College of West Virginia University President, Leonard Colelli;
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;
Dean, Davis College of Agriculture, Natural Resources and Design, Daniel Robison;
Associate Vice President, Academic Innovation, Sue Day-Perroots;
Associate Provost for Information Technology, John Campbell;
Associate Provost for Engagement and Outreach, Gypsy Denzine;
Associate Provost for Undergraduate Academic Affairs and Dean of University College,
Dr. Elizabeth A. Dooley,
Associate Provost for Graduate Academic Affairs, Katherine Karraker;
Executive Director of University Events & Liaison to the President, Robin Yorty;

Accreditation and Planning Officer, Academic Strategic Planning, Elizabeth Hamilton;
Faculty Senate Chair-Elect, Richard Turton;
Assistant Vice President for University Communications, Becky Lofstead;
Director of University Relations/News, John Bolt;
WVU's ACCE representative Paul Martinelli;
Special Events Coordinator, Camille Sennett; 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.

BOARD PRESENTATIONS

Review of the Draft Annual Financial Report FY 2014

Vice President for Administration and Finance, Narvel Weese, and Senior Associate Vice President for Finance, Dan Durbin, provided an overview of the FY 2014 Draft Annual Financial Report, which includes combined financial activity for West Virginia University, Potomac State College of West Virginia University, West Virginia Institute of Technology, and West Virginia University Research Corporation. Highlights included:

- In general, WVU had a good year, especially considering the fact that we experienced a decline in state support – that fell by nearly \$20 million in the last two years as a result of permanent base budget reductions.
- WVU's actual performance exceeded budgeted expectations; the University has a stable balance sheet and good liquidity; operating margins and cash on hand have improved even while long-term debt has increased.
- In the last fiscal year, WVU provided \$102 million in institution-funded scholarship, compared to \$90 million two years ago.
- WVU experienced an increase in income from grants and contracts – the \$8 million increase in private and corporate grants more than offset a \$6 million reduction in revenue from governmental sources.
- The University continues to invest in core areas of employees, students and facilities through increased expense activity and scholarship activity.
- WVU experienced two "billion dollar" milestones – total revenues surpassed \$1 billion for the third straight year and the University's adjusted net assets topped \$1 billion for the first time.
- While the final audit report is not yet ready, there should be no change from the figures discussed today. Management still anticipates an unqualified (clean) opinion with no management letter being issued to either the Board or its Audit Committee.

Textbook Affordability Update

As required by WVHEPC Series 51, WVU's Textbook Affordability Committee prepares and submits an annual textbook affordability report. Vice Provost, Russell Dean, who also chairs the Textbook Affordability Committee, presented highlights from the committee's 2013-2014 Report as contained in today's meeting agenda booklet. Positive outcomes resulting from this committee's oversight included:

- WVU's textbook guidelines, and efforts by the WVU Bookstore, help keep the cost of textbooks down and students are saving more money as a result of used textbook sales and the WVU Bookstore rental program.
- Students saved almost \$680,00 on textbooks during the Spring, 2014 semester, continuing a trend of increasing savings that can be attributed to the Textbook Affordability, which include ensuring that professors select textbooks promptly and that new textbooks are only introduced when absolutely necessary, which helps with resales and rentals.
- All of the proceeds from the WVU Bookstore, which last year was more than \$1.6 million, are used for student scholarship.

Academic Affairs Updates

Provost Joyce McConnell provided information and updates on several areas of importance within Academic Affairs, including:

- Project 168 (reflecting the number of hours in a freshman's week - which program encourages students to take advantage of the wealth of experiences WVU offers outside the classroom.) This is one aspect related to a concept involving Live-learn communities that WVU is developing.
- Updates regarding General Education Curriculum changes at WVU.
- WVU and other higher education officials from around the state are working together with pre-K through 12 officials to ensure that the much talked about common core curriculum will adequately prepare students for a college education.
- Provost McConnell reported on initial meetings and decisive interactions with officials at the West Virginia Higher Education Policy Commission.
- Provost McConnell reported on the positive impact on the University's faculty and staff recruiting efforts resulting from the state's decision not to challenge same-sex marriage.

EXECUTIVE SESSION

Chairman Dailey requested a motion that the Board go into Executive Session, under authority in West Virginia Code §§6-9A-4(b), (9), (12) to discuss legal and deliberative matters; matters related to commercial competition, and/or the purchase, sale or lease of property. The motion was made by J. Thomas Jones, seconded by Christopher Nyden, and passed. Following the conclusion of Executive Session, William Nutting moved that the Board reconvene into regular session. This motion was seconded by Ellen Cappellanti, and passed.

DISCUSSIONS EMANATING FROM EXECUTIVE SESSION

Chairman Dailey announced that during today's Executive Session the Board discussed legal and operational matters, and nothing discussed required Board action.

APPROVAL OF MINUTES

Andrew A. Payne, III moved that the minutes of the September 19, 2014 meeting be approved. The motion was seconded by Diane Lewis, and passed.

COMMITTEE REPORTS

Classified Staff Constituency Meeting: Classified Staff Representative, Dixie Martinelli, stated that yesterday's classified staff constituency meeting was well attended and thanked Board members for the opportunity to address issues relevant to her constituency. Chairman Dailey added that the classified staff report was well presented and also well received.

Finance Committee Meeting: William Nutting, Chairman of this committee, reported that the committee met, jointly, yesterday with the Facilities and Revitalization Committee, during which they received information related to the Draft FY 2014 Financial Report for West Virginia University; reviewed the FY 2015 Key Monthly Indicators through September 30, 2014; and received a comprehensive update (along with Facilities and Revitalization Committee members) on major capital projects from Associate Vice President for Facilities and Services, Randy Hudak.

Facilities and Revitalization Committee Meeting: David Alvarez, Chairman of this committee meeting, reported that the committee met, jointly, yesterday with the Finance Committee, during which they reviewed the report on real estate transactions for the first quarter of FY 2014-2015; and received a comprehensive update on major capital projects from Associate Vice President for Facilities and Services, Randy Hudak.

PRESIDENT'S REPORT

During his report, President Gee underscored the quality of the Classified Staff presentation and discussion that took place yesterday afternoon. He used the balance of his report to build on his previous reports about West Virginia University's land-grant mission in West Virginia and highlighted the significance of our health care enterprise in fulfilling that mission. He focused on several critical outreach components that serve West Virginians: the new School of Public Health, the developing West Virginia Clinical and Translational Science Institute (WVCTSI), and WVU Hospitals, all of which have new leaders.

Dr. Gregory Hand, the new dean of the new School of Public Health spoke on his vision for serving West Virginia; Dr. Sally Hodder, the director and principal investigator of the WVCTSI spoke on her vision for how the Center will improve health care in West Virginia; and Dr. Albert Wright, the President and CEO of West Virginia University Hospitals spoke about his vision for Ruby Memorial as the flagship hospital in the West Virginia United Health

System. Dr. Christopher Colenda, president of the Health System, also spoke about the collective vision for the health care enterprise.

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 J. Thomas Jones, and passed

Thereupon, the following Consent Agenda items were approved:

- 1. Approval of New Degree Program: Master of Arts in Music Industry**
Resolved: That the West Virginia University Board of Governors approves the creation of the Master of Arts in Music Industry in the College of Creative Arts.
- 2. Approval of New Degree Program: Master of Science in Biostatistics**
Resolved: That the West Virginia University Board of Governors approves the creation of the Master of Science in Biostatistics in the School of Public Health.
- 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.
- 4. West Virginia University's HEPC Leading the Way: Compact**
Resolved: That the West Virginia University Board of Governors approves the report titled "West Virginia University's HEPC Leading the Way: Compact" (as presented) that will be submitted to the West Virginia Higher Education Policy Commission once approved by the Board.

OTHER BUSINESS

Chairman Dailey announced that the Board will conduct its next regular meeting in Morgantown on December 19, 2014 – the morning before the December graduation ceremony – and he encouraged as many Board members as possible to attend the meeting and then participate as part of the platform party during the afternoon graduation events.

ADJOURNMENT

There being no further business to come before the Board, J. Robert (J.R.) Rogers moved to adjourn the meeting. The motion was seconded by William Nutting, and passed. The meeting was adjourned at 11:58 a.m.

Ellen Cappellanti, Secretary