

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

April 9, 2010

The eighty-fourth meeting of the West Virginia University Board of Governors was held on April 9, 2010 at the Erickson Alumni Center. Board members in attendance were Ellen Cappellanti, Dr. Nigel Clark, Dr. Tom Clark, James Dailey, Thomas Flaherty, Dr. Robert Griffith, Ray Lane, Diane Lewis, Carolyn Long, Oliver Luck, Ted Mattern, Jo Morrow, Bill Nutting, Drew Payne, Ed Robinson, Dr. Charles Vest and Jason Zuccari

WVU officers, divisional campus officers, and representatives present included:

President, James P. Clements;
Chief of Staff, Jay Cole;
Provost and Vice President for Academic Affairs, Michele Wheatly;
Health Sciences Chancellor, Christopher Colenda;
Vice President for Administration and Finance, Narvel Weese;
Vice President for Legal Affairs and General Counsel, & Assistant
BOG Secretary, William H. Hutchens, III;
Chief Financial Officer for Health Sciences, Wendy King;
Senior Associate Provost, Russell Dean;
Vice President for Student Affairs, Ken Gray;
Associate Vice President for Student Affairs, David Stewart;
Associate Vice President for Integrated Marketing Operations, Tricia Petty;
Vice President for Research and Economic Development, Curt Peterson;
Deputy General Counsel, Beverly D. Kerr;
Executive Officer for Social Justice, Jennifer McIntosh;
Vice President for Human Resources, Margaret Phillips;
Executive Officer for Policy Development, Jennifer Fisher;
Associate Provost and CIO, Office of Information Technology, Rehan Khan;
Associate Provost, Office of Undergraduate Academic Affairs, Elizabeth Dooley;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Provost for Extension & Public Service, Dave Miller;
Associate Director-Organizational Advancement, WVU Extension Service, Ann Berry;
Executive Director, Administrative Technology Solutions, Kate Hazen;
Assistant Vice President for Enrollment Management, Brenda Thompson;
Potomac State College of West Virginia University, Divisional Campus Provost,
Kerry Odell;
West Virginia University Institute of Technology, Divisional Campus Provost,
Scott Hurst;
Director of Internal Audit, William Quigley;
Associate Vice President for Facilities, Joe Fisher;
Assistant Vice President for Facilities Management, Randy Hudak;
Senior Advisor, Office of the President, E. Jane Martin;
Executive Director of Student Affairs Business Operations, Les Carpenter;
Members of WVU's classified staff;

Executive Director, Internal Communications, Becky Lofstead; 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, Carolyn Long, at 8:30 a.m. A roll call was taken to determine who was in attendance and a quorum established. Chairman Long started the meeting by asked for a collective moment of silence to express condolences to the surviving families and friends of the miners lost on April 5th in the Upper Big Branch mining accident in Raleigh County.

Chairman Long then introduced WVU's new Vice President for Legal Affairs and General Counsel, William H. Hutchens, III. She also mentioned that there will be an open house this afternoon from 1:00 p.m. to 4:00 p.m. in the Kennedy Club Room at Erickson Alumni Center to celebrate the 90th birthday of one of WVU's longtime friends, Mr. Jimmy McCartney, should anyone want to stop by to pay their respects.

BOARD ITEMS

Legislative Update:

Dave Miller, Associate Provost for Extension and Public Service, provided the Board with a brief overview of the recently concluded legislative session.

Mr. Miller stated that Senate Bill 480 was not signed by the Governor because some amendments were incorrectly added. This piece of legislature addressed three importance issues related to higher education – governance, personnel, and the research corporation. Mr. Miller's thoughts were that the personnel issue will resurface again, especially since an outside consulting firm had been engaged to perform personnel studies.

Mr. Miller distributed hand-outs detailing other legislation of interest, affecting higher education, which passed during this session. Several item mentioned during today's meeting included:

- House Bill 4026 – which creates a new requirement for the Commission and Council to develop, jointly or separately by December 31, 2011, a system capital development plan for approval by LOCEA. Of particular note is the provision that institutions must get approval of the Commission or Council to initiate projects over \$1 million, except Marshall and WVU need to seek approval only for projects over \$15 million.
- Senate Bill 611: The state has acquired the South Charleston Technology Park (DOW Tech Park) property in Kanawha County and the Higher Education Policy Commission will be relocating its offices to this site.

- Senate Bill 612: Provides an additional \$5 million a year to the West Virginia Higher Education Policy Commission from the State Excess Lottery Revenue Fund for debt payment on new capital improvement revenue bonds.

Mr. Miller indicated that two of the most controversial issues in this session affected health sciences and related to legislation (a) delineating procedures to be performed by optometrists versus ophthalmologists and (b) dealing with abortion.

Mr. Miller announced that our budget is flat, which is the same as last year. He stated that we are fortunate that our budget has not been cut. Although it is down from last year, the same will be backfilled by stimulus money available to the state. He further remarked that we need to be careful in planning for next year's budget because this stimulus money will be gone.

Two other items of importance reported on by Mr. Miller included:

(1) Senate Concurrent Resolution No. 39: This resolution requests the Joint Committee on Government and Finance to study how tobacco related taxes can be used for innovative research and discovery needed to address West Virginia's tobacco problem and increase the WVU Mary Babb Randolph Cancer Center's competitiveness for National Cancer Institute designation.

(2) The West Virginia Prescription Drug Abuse Quitline (WVPDAQ) which was created in response to the prescription drug abuse epidemic in the state. Drug overdose is now a leading cause of death for West Virginians under age 45, the vast majority of these caused by prescription opioids. With the mission of service, outreach and research, the WVPDAQ is a telephone hotline that provides information and support with treatment referral assistance for prescription drug abuse. The end of the three years of funding for this program will be in December, 2010 and the state is currently looking for sustainable funding sources for the same. Mr. Miller indicated that the state may be looking to the tobacco tax to help support this program also.

Mr. Miller concluded his presentation with the statement that West Virginia University has a good reputation and is well respected throughout the State.

Ted Mattern asked if Board members could receive current updates on pending legislation during the next session, and Mr. Miller indicated that would be possible.

President Clements and Chairman Long both thanked Mr. Miller for his tireless dedication expended on behalf of West Virginia University.

Annual Report of Student Representative:

Jason Zuccari, the 2009-2010 Student Representative on the West Virginia University Board of Governors, presented his annual report. Mr. Zuccari began by stating what a great honor it has been to serve WVU as a member of its governing board. He stated that he was proud of the accomplishments of the Student Government Association in meeting their

responsibility to the voice of the students, and highlighted the following areas of accomplishment, during his tenure, on behalf of the student body:

- The creation of SGA Across Campus – where one student government meeting a month is held at an alternative location across campus in an effort to solicit more feedback and expand student involvement;
- The commitment by President Clements to dedicate \$1.5 million dollars to the expansion of club sports and recreation field spaces;
- Continued efforts with Sunnyside Up to improve the quality of the largest student driven neighborhood in Morgantown; in particular, the SGA's continued efforts of dedicating \$100,000 worth of student provided community service to the Sunnyside neighborhood;
- Continued efforts of reviewing the SGA Constitution, culminating in the passage of the new, revised Constitution in February, 2010;
- Development of a new Student Government logo and website in an effort to brand SGA and encourage more students to be involved;
- Led efforts to raise the largest student contribution in history for the WVU United Way campaign – approximately \$35,000.00;
- Completed ongoing efforts to create a new student fan experience at WVU basketball games;
- Out of SGA efforts across campus an arts council was formed to bridge the gaps between students, the Creative Arts Center and Arts & Entertainment;
- Ongoing efforts for student health and wellness plans at West Virginia University.

President Clements stated that Mr. Zuccari had been wonderful to work with during his time here as president, and also mentioned other relevant SGA initiatives - including the students helping other people event, the We-Can event, and efforts during new student convocation. President Clements added that Jason attended all of these events and always had useful suggestions and constructive comments. Chairman Long concluded by thanking Jason for his dedicated service as student representative.

Research Trust Fund:

Chairman Long stated that we have no matches for approval during today's meeting.

EXECUTIVE SESSION

Chairman Long requested a motion that the Board go into Executive Session - under authority in West Virginia Code §6-9A-4(b)(2)(A) and §6-9A-4(b)(7)(9)(10) and (12) to discuss personnel issues, legal matters and approval of an honorary degree. The motion was made by Dr. Tom Clark, seconded by Ellen Cappellanti, and passed. Thereupon the Board met in Executive Session, which continued into the lunch hour. Following the conclusion of Executive Session after lunch, Ted Mattern moved that the Board reconvene into regular session at 1:20 p.m. This motion was seconded by Diane Lewis, and passed.

DISUCSSIONS EMANATING FROM EXECUTIVE SESSION

Chairman Long announced that there were no actions emanating from today's Executive Session.

Budgetary, Tuition & Fee Parameters – FY2011 Budget:

Narvel Weese, Vice President for Administration and Finance, stated that the University Planning Committee, with support and assistance from President Clements, has been working on various models to incorporate the Governor's request to freeze tuition as they develop the university's 2010-2011 budget, with an ultimate goal to make sure WVU can provide a quality education to our students and provide those services students need and want. He stated that there are several other priorities to include in budgetary considerations for West Virginia University, such as fully funding the salary schedule for classified staff, hiring the balance of 100 additional faculty, making sure we have proper reserves for GASB 45, monitoring expenses for PEIA coverage, plus taking into account future reductions in next year's state funding. Vice President Weese stated that the university's operating budget is in excess of \$850 million and that WVU is exploring ways to boost revenue, contain costs and save money. Vice President Weese further noted that the university has saved \$5.8 million in the past five years by outsourcing services, signing new contracts and making other changes. He vowed to continue current efforts to garner additional revenues and bring WVU's tuition and fee proposals to the Board of Governors on or before its June, 2010 meeting.

APPROVAL OF MINUTES

Dr. Tom Clark moved that the minutes of the January 29, 2010 Special Meeting, February 5, 2010 Regular Meeting, and March 5, 2010 Special Meeting be approved. The motion was seconded by Thomas Flaherty, and passed.

COMMITTEE REPORTS

Audit Committee: James Dailey, Chairman of the Audit Committee, reported that the committee met yesterday afternoon at 3:00 p.m., and that Board members Carolyn Long, Ted Mattern, Jo Morrow, Jason Zuccari, Dr. Nigel Clark, and Dr. Robert Griffith were also in attendance.

The Audit Committee was joined by WVU's new Vice President for Legal Affairs and General Counsel & Assistant BOG Secretary, William H. Hutchens, III, who provided an overview of changes being made within his department. While in Executive Session, the Committee conducted a review of the university's relationship with Deloitte & Touche, the Independent Auditor, and received updates from the Director of Internal Auditing, William Quigley, related to Current Internal and External Auditing Activity, Consulting Engagements, Other Projects and Administrative Activities. Mr. Quigley also introduced Senior Information Systems Auditors, Rosemary Casteel and Courtney Oxman, as well as Senior Auditor, Jeffrey Gunter, all of whom provided overviews on recently completed audits.

The Audit Committee also heard reports from (a) Vice President for Administration and Finance, Narvel Weese, which included, among other items, that WVU currently has 63 awards totaling approximately \$37 million dollars for American Recovery and Reinvestment Act grants; and (b) Kate Hazen, Executive Director, Administrative Technology solutions, who provided updates on several new systems at WVU – including MyAccess, plus our Leave Request and Time and Labor systems.

Chairman Dailey advised that Dennis Juran and Megan Masztak, from Deloitte & Touche, conducted a planning meeting for this year's audit and further provided an overview of the "agreed-upon" procedures letter dated March 2, 2010 (confirming the engagement of Deloitte & Touche LLP) which the Audit Committee voted upon (in the affirmative) authorizing Chairman James Dailey, on behalf of the Audit Committee of West Virginia University, to execute the same.

Chairman Dailey also advised that the Audit Committee had passed a motion recommending to the Board that the WVU Internal Audit Office proceed with the acquisition and implementation of the CHH TeamMate audit management software described during yesterday's meeting, which would increase efficiency and productivity of the entire internal audit process.

Executive Committee: Carolyn Long, Chairman of the Executive Committee, reported that the committee met yesterday evening, which meeting lasted only fifteen minutes due to the length of the preceding Audit Committee meeting, during which it briefly discussed general issues at West Virginia University. She further indicated that no actions or votes were taken.

INFORMATION ITEMS

There were no questions or concerns expressed by any Board members pertaining to the Information Items contained within the agenda.

OTHER ITEMS

Chairman Long asked for a motion to move the Honorary Degree selection discussed in this morning's Executive Session, to the Consent Agenda. This motion was made by Dr. Tom Clark, seconded by Diane Lewis, and passed.

NOMINATING COMMITTEE

Chairman Long asked the following Board members to serve on a nominating committee to prepare and present a slate of officers at the June 4, 2010 board meeting: Ed Robinson, who will serve as Chair, Diane Lewis, Dr. Nigel Clark, and Dr. Charles Vest. Ted Mattern moved to accept these committee appointments, as presented by Chairman Long. The motion was seconded by Dr. Tom Clark, and passed.

PRESIDENT'S REPORT

Dr. James P. Clements presented his President's Report. Dr. Clements recapped events and achievements from his first nine months in office.

This included building the leadership team. Searches and selections were made for the Chancellor of Health Sciences, Provost and Vice President for Academic Affairs, Chief Information Technology Officer, and General Counsel and Vice President for Legal Affairs. Searches are also underway for deans in medicine, arts and sciences, business, and dentistry, as well as the Director for Intercollegiate Athletics.

Among the new facilities opened during the past year were a new cardiac care center, a simulated mine training facility at Doll's Run, an intermodal transportation facility, an Engineering Sciences addition, and the Honors Hall residence hall.

Key events over the past year included, a major US - China coal workshop, dedications of the alumni center and surrounding park, groundbreakings for the renovations to White Hall for the nationally renowned Physics Department and a basketball practice facility for the nationally ranked men's and women's basketball programs, and the celebration of two new endowed chairs under the Research Trust Fund program.

President Clements noted WVU was highlighted by the Education Trust as one of four flagship universities in the country for excellence in access. He also noted a number of academic and athletic achievements, including WVU's highest ranking (12th) in the Directors Program for total athletic success and numerous individual and team awards for academic achievement. Dr. Clements highlighted faculty and student achievements, including new NSF Career Award winners, Truman Scholars, and Goldwater Scholars. WVU has at least one Goldwater Scholar in 19 of the past 20 years.

The President also highlighted some of his activities, including campus events, visits to communities throughout West Virginia, his selection as an APLU regional liaison, participation on a National Academy panel on innovation, hosting of the Southern Legislative Conferences Center for the Advancement of Leadership Skills, and participation in the NCAA outreach program for presidents and chancellors.

Operational and strategic activities of the academic year were also reviewed, including launch of the University-wide strategic planning process, work on the single clinical enterprise at health sciences, partnership on an approximately \$465 million competitive award through the National Energy Technology Laboratory, an increase in competitive research awards, a clean external audit with no management letter for the sixth consecutive year, renegotiation of the federal indirect cost rate, creation of a new Senior Mountaineer Temps program, implementation of a new "MyAccess" electronic human resources web portal, an increase in international student applications, transition of Student Health and creation of plans for a new center, creation of new technology applications for communications and marketing, creation of an Home Start Closet for international students, and improved immigration management programs.

Strategically, the University initiated the addition of 30 new faculty lines and budgeted for an additional 20 next year.

The President concluded his report by commenting on challenges of funding, national health care reform, operational systems and structures, development of a new IT plan, issues with health insurance and retiree benefits, the retirement forecasts, capital planning, and the aging transportation infrastructure of the PRT.

Before wrapping up his remarks, President Clements noted that after 9 months of transition, WVU is poised to begin the exciting work of a strategic plan. A formal strategic planning process is being launched this spring to help articulate goals and aspirations for WVU over the next five to ten years. He indicated that there has not been a right time to slow down for a formal inauguration ceremony. In the context of the tight economy, Dr. Clements asked for the Board's support to forego the formal ceremony in favor of saving the money and keeping the momentum going as long-term strategic planning for the University is inaugurated instead. He thanked the Board for their support all year and expressed great excitement for the upcoming year.

Dr. Nigel Clark, Jo Morrow and Jason Zuccari thanked President Clements, on behalf of their constituency groups, for his enthusiastic leadership and support during his service at WVU.

Chairman Long added that it has been her honor and pleasure to work with President Clements during his time at WVU. She remarked that he is always available for questions or concerns and possesses a highly unique trait in that he puts a "human face" on a university president, making everyone he meets feel very special and comfortable.

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 Long called for any discussion of the Consent Agenda items. Ellen Cappellanti moved that Item 10(i) – Committee Resolutions be pulled from today's Consent Agenda and tabled until another meeting. This motion was seconded by Drew Payne, and passed. There being no further discussion, Dr. Nigel Clark 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. Health Sciences Animal Facility Annex Construction Project

Resolved: That the West Virginia University Board of Governors approves the HSC Animal Facility Annex Project funded by an NIH Grant supported by funds from the American Reinvestment and Recovery Act (ARRA), as presented.

- 2. Percival Hall – Chiller and Cooling Tower Replacement Project**
Resolved: That the West Virginia University Board of Governors approves the replacement of the Percival Hall chiller and cooling tower project, as presented.
- 3. Chemistry Annex Exhaust System and Air Handling Units Replacement Project**
Resolved: That the West Virginia University Board of Governors approves the replacement of the exhaust system and air handling units for the Chemistry Annex Facility Project, as presented.
- 4. Health Sciences North Cooling Tower Project**
Resolved: That the West Virginia University Board of Governors approves the replacement of the Health Sciences Center (HSC) Primary Cooling Tower Project, as presented.
- 5. Woodburn Hall Exterior Restoration Project**
Resolved: That the West Virginia University Board of Governors approves the exterior restoration of Woodburn Hall Project, as presented.
- 6. Interim Financial Reporting Plan - Report from External Auditors – YTD December, 2009**
Resolved: That the West Virginia University Board of Governors accepts the Interim Financial Reporting Plan – Report from External Auditors – YTD December, 2009 as presented.
- 7. Approval of New Graduate Certificate Program: Certificate in University Teaching**
Resolved: That the West Virginia University Board of Governors approves the creation of a New Graduate Certificate Program: Certificate in University Teaching.
- 8. Approval of Program Name Change College of Creative Arts From: Visual Art To: Art and Design**
Resolved: That the West Virginia University Board of Governors approves the name change of the Master of Fine Arts in Visual Art to Master of Fine Arts in Art and Design
- 9. Approval of Honorary Degree Candidate**
Resolved: That the West Virginia University Board of Governors approves an individual for an Honorary Degree from West Virginia University. The person to be honored will be announced at a later date.

OTHER BUSINESS AND ADJOURNMENT

Jason Zuccari, our current student government representative, briefed everyone present that WVU students plan to raise scholarship money for the children of the coal miners at the Upper Big Branch mine, where an explosion killed 25 miners earlier this week. He said the details are still being sorted out, but encouraged people to give to this worthy cause. Board member, Dr. Tom Clark, added that students should talk to their parents about donating.

Chair Long reminded everyone that our next regular meeting would be held at the Charleston Embassy Suites on June 4, 2010. There being no further business, Ellen Cappellanti moved to adjourn the meeting. The motion was seconded by Jo Morrow, and passed. The meeting was adjourned at 2:10 p.m.

John T. Mattern, Secretary