

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

February 4, 2011

The ninety-first meeting of the West Virginia University Board of Governors was held on February 4, 2011 at the Erickson Alumni Center. Board members in attendance/participating included Ellen Cappellanti, Dr. Nigel Clark, Dr. Thomas Clark, James Dailey, Thomas Flaherty, Dr. Robert Griffith, Christopher Lewallen, Diane Lewis, Carolyn Long, Jo Morrow, William Nutting, Drew Payne, Ed Robinson, and J.R. Rogers. Board members, Ray Lane and Dr. Charles Vest, were absent and excused.

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

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 Advancement & Marketing, Chris Martin;
Vice President for Legal Affairs and General Counsel, & Assistant
BOG Secretary, William H. Hutchens, III;
Vice President for Student Affairs, Ken Gray;
Vice President for Research, Curt Peterson;
Vice President for Human Resources, Margaret Phillips;
Senior Associate Provost, Russell Dean;
Chief Financial Officer for Health Sciences, Wendy King;
Director of Internal Audit, William Quigley;
Executive Officer for Policy Development, Jennifer Fisher;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Facilities, Joe Fisher;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Executive Director of Student Affairs Business Operations, Les Carpenter;
Associate Provost for Extension & Public Service, Dave Miller;
Associate Director, Organizational Advancement, WVU Extension Service, Ann Berry;
Assistant Vice President for Enrollment Management, Brenda Thompson;
Executive Director of Accounting, Reporting & Analysis, Anjali Halabe;
Director, Career Services Center, David Durham;
Director of Treasury Operations, David Kosslow;
WVU's ACCE representative, Paul Martinelli;
Executive Director for University Events and Liaison to the
President, Robin Yorty;
Executive Director, Internal Communications, Becky Lofstead;
Potomac State College of West Virginia University, Divisional Campus Provost,
Kerry Odell;
West Virginia University Institute of Technology, Divisional Campus Provost,
Scott Hurst, and,
Special Assistant to the Board of Governors, Valerie Lopez.

From WVU Foundation:

President & CEO, R. Wayne King;
Vice President of Investments & CIO, Richard Kraich.

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 announced that President Clements was called to Maryland to be with his mother, who is gravely ill, and thus will not be in attendance for today's meeting.

SWEARING IN OF NEW MEMBER

Vice President for Legal Affairs and General Counsel, & Assistant BOG Secretary, William H. Hutchens, III, administered, via telephone, the oath of office to newly appointed BOG member, William D. Wilmoth. Chairman Long welcomed Mr. Wilmoth to the Board and thanked him for his willingness to serve in the governance of West Virginia University.

BOARD ITEMS

Investment Report:

Narvel Weese, Vice President of Administration and Finance, introduced Liz Reynolds, Associate Vice President for Planning & Treasury Operations, who provide a brief overview of WVU's state investment portfolio.

Vice President Weese provided an overview of the provisions of Senate Bill 603, which currently authorizes the university to invest up to \$25 million with the WVU Foundation. This legislation requires that WVU file an annual report with the Governor by December 31st of each year, detailing the performance of this portfolio, for the period of November 1st through October 31st. A copy of the December, 2010 annual report was included within today's BOG agenda booklet. Vice President Weese then introduced Richard Kraich, Vice President for Investments and Chief Financial Officer for the WVU Foundation, who explained the makeup of the WVU Foundation Investment Group, tenets of their investment strategy, as well as asset allocations employed by the WVU Foundation. Mr. Kraich also identified the four funds managed for WVU (i.e. WVU Senate Bill 603 Unrestricted Funds, Robert C. Byrd Health Sciences Center BRIM Funds, WVU Research Corporation Funds, and Research Trust Fund Investments). Mr. Kraich concluded that the various investment assets managed by the Foundation for the benefit of West Virginia University totaled \$915 million as of December 31, 2010.

Legislative Update:

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

Mr. Miller began his presentation with the proposed timeframe in 2011 and 2012 related to candidates who will be running for Governor. He indicated that current projections for the state budget look favorable. In fact, West Virginia has one of the best budgets, by comparison, in the nation. Consequently, the budget for higher education also appears stable. For this year's legislative session, the House will be doing the budget first and the Senate second.

Mr. Miller offered comments related to Senate Bill 330, which legislation removes the sunset provision related to investments WVU can make through the WVU Foundation; deals with personnel issues; includes pay raises for state employees; and alters the pay periods for state employees.

Health related legislation also garnering interest includes discussion of establishing a school of public health through the WVU Health Sciences Center; the Mary Babb Randolph Cancer Center obtaining a National Institutes of Health designation; and help with funding for renovations to our Health Sciences facility as well as a rural health initiative.

Mr. Miller noted that it is still early in the legislative session, and at this stage a lot of time is spent monitoring bills and working with the senators and delegates to provide information, answer questions, and track how new or revised legislation might affect the University as a whole. He concluded that as the session progresses, the University's budget will remain a top priority.

Career Mapping

Provost Michele Wheatly discussed WVU's initiatives that support students in their goal of finding a successful career path. She stressed that in the face of rapid changes in technology and a dynamic international workforce, we must prepare our students to be productive members of society within a global environment. To this end she detailed curriculum innovations, outstanding programs, and overall strategies at WVU aimed at providing career mapping to students from their point of entry within the university system.

Provost Wheatly introduced David Durham, Director of WVU's Career Services Center, who detailed increased efforts within his department to help prepare students for the job market, including helping students identify majors early and build resumes starting in their freshman year; using the University's online career tracking system; and connecting with high school guidance counselors.

Update of WVU Strategic Planning Process

Provost Michele Wheatly, Co-Chair of the WVU 2020 Strategic Plan, began the presentation with a summary of the timeline and goals behind the instrument presented before the Board of Governors at today's meeting.

Provost Wheatly then shared the MISSION and VISION of the current 2020 Strategic – which are:

MISSION: As a land-grant institution in the 21st century, West Virginia University will deliver high-quality education, excel in discovery and innovation, model a culture of diversity and inclusion, promote health and vitality, and build pathways for the exchange of knowledge and opportunity between the state, the nation, and the world.

VISION: By 2020, West Virginia University will attain national research prominence, thereby enhancing educational achievement, global engagement, diversity, and the vitality and well-being of the people of West Virginia.

At the plan's core are its five goals, which Provost Wheatly identified as follows:

- Engage undergraduate, graduate and professional students in a challenging academic environment;
- Excel in research, creative activity, and innovation in all disciplines;
- Foster diversity and an inclusive culture;
- Advance international activity and global engagement; and
- Enhance the well-being and the quality of life of the people of West Virginia.

Health Sciences Chancellor, Christopher Colenda, also Co-Chair of the WVU 2020 Strategic Plan, presented the WVU Health Sciences Center (HSC) Vision and Priorities – illustrating how each HSC strategic planning priority maps back to the University plan and directly supports one or more the WVU Strategic Planning priorities. Chancellor Colenda advised that each HSC School will directly support the appropriate HSC priorities within their respective strategic plan.

Strategic Planning Council Chair, Dr. Nigel Clark, went on to identify objectives and actions listed under each of the five goals within the plan, designed to move everything forward to attain success as articulated within three *Realizations* – as follows: *Realization 1:* Improve structures, processes, and communication; *Realization 2:* Institute strategies to develop resources and formulate guidelines to allocate resources optimally; and, *Realization 3:* Implement the strategic plan transparently and establish accountability at every level.

In further support of the plan's goals, Chair Clark advised that the Strategic Planning Council adopted the following three aspirations: 1. West Virginia University will attain and maintain the highest Carnegie research ranking by 2020; (2) West Virginia University will double the number of nationally ranked programs by 2020; and (3) West Virginia University graduates will be among the nation's leaders in career readiness.

Chair Clark announced that a new website will be launched in the next four to six weeks that will provide the ability to view information on the implementation of the strategic plan and provide feedback as the process moves forward.

Following a brief discussion involving Board members, Chair Long remarked that it was clear that many months of elaborate thought, discussion and planning went into the living, breathing framework for WVU's future as outlined today. Other board members urged that all constituencies work together to implement this plan. Accordingly, Dr. Thomas Clark moved that the Board of Governors unanimously endorse the WVU 2020 Strategic Plan, as presented. This motion was seconded by J. R. Rogers, and passed.

Election of new BOG Secretary:

Following the vacancy created by the resignation of former BOG Secretary, Ted Mattern, Chairman Carolyn Long advised that she appointed a nominating committee, with Drew Payne serving a Chair, to fill this position. Chairman Payne announced that the committee met with a recommendation that Board member, Thomas Flaherty, fill this vacancy. There being no additional nominations from the floor, Ellen Cappellanti moved to close the nominations, which motion was seconded by Ed Robinson, and passed. Thereupon, James Dailey moved that the Board of Governors appoint Thomas Flaherty to serve as its Secretary until the new slate of officers is elected during the June, 2011 meeting. This motion was seconded by Dr. Robert Griffith, and passed.

Research Trust Fund: Chairman Carolyn Long announced that we will have a request for matches from the fund following a discussion during today's Executive Session, since three of the donor names will be embargoed – but not the amounts.

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: (a) Compliance training; (b) Personnel issues; (c) Legal matters; as well as (d) To advise the Board of several Research Trust Fund matches being considered as Board items during today's meeting, for which the names will be announced in the future. The motion was made by Dr. Nigel Clark, seconded by William Nutting, and passed. Following the conclusion of Executive Session, Diane Lewis moved that the Board reconvene into regular session. This motion was seconded by Thomas Flaherty, and passed.

DISCUSSIONS EMANATING FROM EXECUTIVE SESSION

Once the Board reconvened, Dr. Thomas Clark moved that the Board authorize the Chair to take all necessary steps to negotiate and complete the personnel action just discussed in Executive Session, including the authority to forward a Resolution of the Board to the Higher Education Policy Commission, and to prepare, execute, and/or transact any other communications and documents the Chair shall deem necessary in order to complete this personnel action. This motion was seconded by Dr. Robert Griffith, and passed. Chairman Long noted that the action deals with WVU President James P. Clements' contract. Once approved by HEPC and signed by the President and Board chair, the terms of the new contract will be made public immediately. It will become effective June 30, 2011.

RESEARCH TRUST FUND

Provost Michele Wheatly reported that for today's meeting, West Virginia University has gifts received and pledges recorded, as certified by the WVU Foundation and Dr. Curt Peterson, Vice President for Research and Economic Development, as to consistency with the Research Trust Fund Strategic Plan, totaling the sum of \$7,534,286.00 that fall under the focus areas of the strategic plan that the BOG approved in June, 2008, and modified December, 2010. With the pre-requisite certifications required in this process achieved, Chairman Long recommended that the Board approve this request for match, as presented, with three embargoed names to be announced at a later date. Upon such approval, the request can be sent to the Vice Chancellor for Science and Research in Charleston.

Thereupon, Drew Payne moved that the West Virginia University Board of Governors approves today's total of \$7,534,286.00 of gifts received and pledges recorded, as presented, that fall under the focus areas of the strategic plan that the BOG approved in June, 2008, and modified December, 2010, for a matching request pursuant to the provisions of said Research Trust Fund strategic plan. This motion was seconded by Jo Morrow, and passed unanimously.

Provost Wheatly noted that today's figure brings the total of matches approved by the Board of Governors to just over \$16 million.

APPROVAL OF MINUTES

Ed Robinson moved that the minutes of the November 11, 2010, December 10, 2010 and January 13, 2011 meetings be approved. The motion was seconded by Ellen Cappellanti, and passed.

COMMITTEE REPORTS

Audit Committee: James Dailey, Chairman of the Audit Committee, reported that the committee met yesterday afternoon.

Dennis Juran, Lead Client Service Partner from Deloitte & Touche, provided the committee with an overview of the procedures involved in conducting their audit of the *West Virginia University Research Corporation - Financial Statements for years ended June 30, 2010 and 2009, Independent Auditors' Reports, Report on Federal Awards in Accordance with OMB Circular A-133 for the Year Ended June 30, 2010, and Additional Information for the Year Ended June 30, 2010*. Copies of the complete report were distributed to members of the Audit Committee.

M. Rehan Khan, Associate Provost and Chief Information Officer, provided the Audit Committee with an overview of operations within the WVU Office of Information Technology. Reports were also given by Vice President for Administration and Finance, Narvel Weese, Vice President for Legal Affairs and General Counsel, & Assistant BOG Secretary, William H. Hutchens, III, and Director of Internal Auditing, William Quigley.

Classified Staff Constituency Meeting: Classified Staff Representative, Jo Morrow, thanked the Board for scheduling its first Classified Staff Constituency meeting yesterday afternoon at 4:00 p.m. She reported that an open dialogue was established among participants and Board members, resulting in a very informative session. Ms. Morrow additionally expressed appreciation on behalf of classified staff members for the opportunity to share their vision and concerns with members of the governing board.

Executive Committee: Carolyn Long, Chairman of the Executive Committee, reported that Executive Committee was not held yesterday afternoon, due to time constraints.

PRESIDENT'S REPORT

Provost Michele Wheatly provided the Board with a brief update from President Clements. The highlights included: research funding running ahead of last year; private giving up for same period this year compared to last year; enrollment applications and deposits are running strong and ahead of last year; and the Research Trust Fund will double with the generous gifts processed this month. The Provost also discussed the progress on the President's initiative to add 100 new faculty lines. She also highlighted the recently earned Community Engagement classification that WVU received from the Carnegie Foundation for the Advancement of Teaching, which puts WVU among 6% of all institutions recognized for exemplary service and outreach systems.

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. There being none, 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. Textbook Affordability Policy

Resolved: That the West Virginia University Board of Governors approves the amended Policy 48 of the West Virginia University Board of Governors, renamed Textbook Affordability, as presented.

2. Approval of New Graduate Program: Doctor of Philosophy in Business Administration

Resolved: That the West Virginia University Board of Governors approves the creation of a Doctor of Philosophy in Business Administration graduate degree program.

3. Purchase of Unit #3 of the Marina Tower Condominium Association, Inc., Wharf District, Morgantown, West Virginia

Resolved: That the West Virginia University Board of Governors approves the acquisition of Unit #3 of the Marina Tower Condominium Association, Inc., situate in the historical Wharf District of the First Ward in the City of Morgantown, Monongalia County, West Virginia from Bocci, LLC, a West Virginia limited liability company, with such acquisition being subject to the approval by the West Virginia Attorney General and the Joint Committee on Government and Finance.

OTHER BUSINESS AND GENERAL DISCUSSION

Chairman Carolyn Long wanted to thank faculty and staff members from the College of Business and Economics who hosted Board members yesterday for lunch, followed by a tour of their facilities, which events were thoroughly enjoyed by members of the Board.

Chairman Long announced that members of the WVU Board of Governors and members of the WVU Alumni Association Board were pleased to host members of the Strategic Planning Council during lunch today to express appreciation for their service and to provide an opportunity for informal dialogue with the Board members about the strategic framework for WVU. Chairman Long advised that the WVU Board of Governors unanimously approved the University's 2020 Strategic Plan, presented during today's meeting, summarizing that it will make WVU a great University.

ADJOURNMENT

Chair Long reminded everyone that our next regular meeting is scheduled for April 8, 2011 on the campus of Potomac State in Keyser, West Virginia. There being no further business, Drew Payne moved to adjourn the meeting. The motion was seconded by Dr. Tom Clark, and passed. The meeting was adjourned at 2:20 p.m.

Thomas V. Flaherty, Secretary