

**WEST VIRGINIA UNIVERSITY**  
**BOARD OF GOVERNORS**

November 10, 2006

The forty-fifth meeting of the West Virginia University Board of Governors was held on November 10, 2006, at the Waterfront Place, Morgantown, W.V. Board members in attendance were Hank Barnette, Tom Clark, Linda Dickirson, Tom Dover, Jason Gross, Steve Farmer, Steve Goodwin, Russ Isaacs, Michael Lastinger, Mark Manchin, Paul Martinelli, Parry Petroplus, and Robert Wells. Betty Chilton, Doug Leech, Ted Mattern and Rod Thorn were absent and excused.

WVU officers, and regional campus officers and representatives present were:

**From WVU:**

President David C. Hardesty, Jr.;

Provost and Vice President for Academic Affairs and Research, Gerald Lang;

Vice President for Health Sciences, Bob D'Alessandri;

Vice President for Student Affairs, Ken Gray;

Vice President for Administration, Finance & Human Resources, Narvel Weese;

Vice President for Research and Economic Development, John Weete;

Vice President for Human Resources, Margaret Phillips;

Chief of Staff, Jennifer Fisher;

General Counsel, Tom Dorer;

Special Assistant to the President/Provost, & Assistant BOG Secretary, Ginny Petersen;

Sr. Associate Provost, Russ Dean;

Associate Vice President for Finance, Dan Durbin;

Director of Accounting & Reporting, Anjali Halabe;

Associate Vice President for Facilities, Joe Fisher;

Interim Facilities Planner, Rob Moyer;

Associate Vice President for Health Sciences, Jim Hackett;

Dean of Students, David Stewart;

Executive Director for Students Affairs, Mary Collins;

Assistant Vice President for Planning, Liz Reynolds;

Executive Assistant to the President, Sara Master;

Director of University News Service, Becky Lofstead;

Director of Internal Audit, William Quigley;

Chair of the Faculty Senate, Parvis Famouri

**From WVU at Parkersburg:**

Marie Foster Gnage, Campus President

Joe Badgley, Executive Dean

**From West Virginia University Institute of Technology:**

Charles Bayless, Campus President

Lanny Janeksela, Vice President for Academic Affairs;

Scott Hurst, Associate Provost;

**From the Community & Technical College at WVUIT**

Jo Harris, Campus President

Denise Kerby, Chief Financial Officer

**From Potomac State College of West Virginia University**

Kerry Odell, Campus Provost;

**Members of the Press were also present.**

## **CALL TO ORDER**

The meeting was called to order by Board Chairman, Stephen Goodwin at 8:30 a.m.

## **EXECUTIVE SESSION**

Mr. Isaacs moved that the West Virginia University Board of Governors go into executive session pursuant to West Virginia Code §6-9A-4(b)(2)(A), (9) and (12); and West Virginia Code §29B-1-4. The motion was seconded and passed, and the Board thereupon met in executive session. Following the discussion, Mr. Isaacs moved that the Board rise from executive session. The motion was seconded and passed.\*

The Board then recessed for a Committee meeting, reconvening at 11:30 a.m.

## **APPROVAL OF MINUTES**

Mr. Isaacs moved that the minutes of the meeting of September 8, 2006 be approved. The motion was seconded and passed.

## **PRESIDENT'S REPORT**

President Hardesty yielded his time in order to facilitate a report on the works of the various hospitals affiliated with West Virginia University. He introduced Mr. Bruce McClymonds, President and CEO of West Virginia University Hospitals, Inc., Mr. Bruce Sparks, WVU BOG appointee to the WVUH Board of Directors, and Mr. Mark Nesselroad, WVU BOG appointee to the United Health System Board.

Mr. McClymonds stated that the mission of the Hospitals is to serve the people of West Virginia. He noted that they are involved in the education of all of the health science students, and that they provide care for thousands of patients each year. He gave a brief history of the evolution of WVUH, including the addition of two hospitals in the Eastern Panhandle, noting that in the legislation passed in 1984 which created WVUH and made it separate from the University, they are required to provide a certain percentage of charity care, a certain percentage of medical education costs, and were granted a land lease for the property. He described the governance structure of WVUH, which includes a number of WVU officers, governor appointed community members, and one appointee of the BOG. In the absence of United Health System CEO Tom Jones, Mr. McClymonds also described the purpose and governance of the United Health System. He noted that the total operating budget for both entities is \$800 M.

Mr. Barnette requested a simple set of financial statements to show the size and scope of the enterprise.

Chairman Goodwin noted that the Board was aware of the relationship between the Hospitals and the President of West Virginia University (he sits on both of their boards) and would involve the Hospital management and boards in the selection of the new WVU president.

Mr. Sparks and Mr. Nesselroad were asked to keep the Board apprised of any issues they feel the board should be aware of. The possibility of annual reports to the Board was discussed.

Dr. Clark noted that two names stand out in the development of health care in West Virginia, Dr. Clark Sleeth, who as the first Dean of the WVU School of Medicine helped design and develop it, and Dr. Bob D'Alessandri, who has brought it to its current status. He publicly thanked Dr. D'Alessandri for his leadership.

## **COMMITTEE REPORTS**

**Audit Committee:** Russ Isaacs reported that the Audit Committee had met on Thursday, November 9, 2006, and heard reports from the External Auditor, the Vice President for Administration and Finance, the General Counsel, and the Internal Auditor. .

**Finance & Operations Committee:** Mr. Farmer moved that two items discussed by the Finance & Operations Committee be moved to the Consent Agenda. The motion was seconded and carried.

## **BOARD ITEMS**

### **2006 Report on the Strategic Plan**

Provost Lang presented an update on progress made to date on the 2010 Strategic Plan. A comprehensive report was included in the agenda book

*The Chairman declared a recess for lunch. During lunch, faculty and students from five disciplines were present to visit with Board members and others. Represented were Biometrics, Forensics, Alternative Fuels, Future Farmers of America, and NASA.*

### **Starting Over – Loss and Renewal in Katrina's Aftermath**

Dean Maryanne Reed, Professor Joel Beeson, and faculty and students from the School of Journalism told the story of how they acted in the wake of Hurricane Katrina in Sept 2005 by assigning students to chronicle the lives of several of the families affected by the Hurricane. They demonstrated the website developed out of the project to tell the story, and explained how it has led to the development of a new offering in their curriculum.

### **Capital Projects Master Plan**

Provost Lang noted that the Master Facilities Plan for West Virginia University is due for its ten year update. He explained that a great deal of study and thought had gone into the proposal, and those projects recommended for action within the coming five years are considered to be realistic and possible. It also contains longer range plans for the second five years. Vice President Weese then described the major projects to be undertaken in the five year period, the funding anticipated to make it viable, and noted that it would be out for comment between now and the February meeting.

Mr. Barnette asked for a report on how deferred maintenance is handled. Mr. Weese noted that such a report will be prepared, but that the University takes pride in how it handles deferred maintenance.

Mr. Weese also asked that the plan not exacerbate the parking problems in the community. Mr. Weese noted that a comprehensive parking and transportation study is underway, headed by Special Advisor to the Provost, Nancy Lohmann.

## **FY06 Audited Financial Statements**

Mr. Weese noted that the Board had already heard from the Auditors in Executive Session and from the Audit Committee that the University has received an unqualified opinion from the External Auditors, and that for the third year in a row WVU has not received a management letter. He noted that this has been achieved even in a year when a number of personnel changes have occurred in the financial leadership of the University.

Mr. Dan Durbin, Associate Vice President for Finance then reviewed the major findings of the financial statements which include a positive operating margin, stable state support, strong enrollment, and increased dependency on tuition and fees, and major investment in university facilities.

## **CONSENT AGENDA**

Chairman Goodwin noted that in addition to the items noted in the agenda book, one other item was to be added to the consent agenda, designating President Bayless as the representative of the BOG to present the BOG report on West Virginia University Institute of Technology to LOCEA.

Ginny Petersen noted the withdrawal of item 8c. (policies) from the Consent Agenda.

Chairman Goodwin called for discussion of the Consent Agenda items. There being none, Mr. Wells moved for approval of the items as presented. The motion was seconded and the following items approved.

### **1. Appointment to Wood County Extension Service Committee**

Resolved: That the West Virginia University Board of Governors approves, as presented, the alternate for a possible position on the County Extension Service Committee in Wood County, West Virginia

### **2. New Degree Designation**

Resolved: That the West Virginia University Board of Governors approve a Master of Science in Child Development and Family Studies in the College of Human Resources & Education.

### **3. Jackson's Mill Mount Vernon Dining Hall Renovation**

Resolved: That the West Virginia University Board of Governors approves the proposed Jackson's Mill Mount Vernon Dining Hall renovation. This approval should be based upon funding availability from an EDA grant, previous legislative appropriation, WVU Central Administration and WVU Extension Service.

### **4. High Density Book Storage Facility Addition**

Resolved: That the West Virginia University Board of Governors approves construction of an addition to the High-Density Book Storage Facility located on the Evansdale Campus in Morgantown, WV with a total construction budget of \$3,315,000. This approval is based upon funding availability from West Virginia University's capital plan.

**5. Implementation of a Financial Reporting Plan**

Resolved: That the West Virginia University Board of Governors approves a new Financial Reporting Plan.

**6. Lease Purchase Authorizing and Reimbursement Resolution**

Resolved: That the West Virginia University Board of Governors approves the Lease-Purchase Authorizing and Reimbursement Resolution (related to housing improvements at WVUIT)

**7. Receipt & Acceptance of the FY06 Combined Financial Statements**

Resolved: That the West Virginia University Board of Governors accepts the FY06 Combined Financial Statements for West Virginia University.

**8. Compensation for Regional Campus Presidents**

Resolved: That the West Virginia University Board of Governors recommends increases in salary for the Presidents of West Virginia University Institute of Technology, West Virginia University at Parkersburg, and the Community & Technical College at West Virginia University Institute of Technology, commensurate with raises provided other employees on those campuses.

**9. Authorization for Dr. Bayless to Represent the BOG at LOCEA**

Resolved: That the West Virginia University Board of Governors authorizes President Charles Bayless, to report on WVUIT to LOCEA (Legislative Oversight Committee) on behalf of the Board of Governors.

**NEXT MEETING**

Mr. Goodwin announced that the next meeting will be held on December 15, 2006 by telephone.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:30 p.m.

Elizabeth E. Chilton  
Secretary