

WEST VIRGINIA UNIVERSITY
BOARD OF GOVERNORS

February 22, 2013

The one hundred seventh meeting of the West Virginia University Board of Governors was held on February 22, 2013 at the Erickson Alumni Center. Board members in attendance/participating included David Alvarez, Ellen Cappellanti, Dr. Lesley Cottrell, James W. Dailey, II, Thomas Flaherty, Dr. Robert Griffith, Diane Lewis, Raymond Lane, Dixie Martinelli, William Nutting, Andrew A. Payne, III, Zach Redding, Ed Robinson, J. Robert (J.R.) Rogers, Dr. Charles Vest, and William Wilmoth. Board member, Dr. Tom Clark, was absent and excused.

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

Vice President for Administration and Finance, Narvel Weese;
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 and Development, Fred King;
Associate Vice President, Academic Strategic Planning, Dr. Nigel Clark;
Senior Associate Provost, Russell Dean;
Chief Diversity Officer, David Fryson;
Vice President, Planning and Operations for Health Sciences, Dr. Fred Butcher;
Director of Internal Audit, William Quigley;
Executive Officer for Policy Development, Jennifer Fisher;
Chief Information Officer, John Campbell;
Senior Associate Vice President for Finance, Dan Durbin;
Associate Vice President for Planning & Treasury Operations, Liz Reynolds;
Associate Vice President for Facilities, Randy Hudak;
Associate Vice President for Student Affairs, Michael Ellington;
Director of Communications for Student Affairs and Executive Director of
Mountaineer Parents Club, Sabrina Cave;
Student Affairs Chief Business and Planning Officer, Les Carpenter;
Assistant Vice President for University Communications, Becky Lofstead;
Director of University Relations/News, John Bolt;
Interim Associate Provost for Graduate Academic Affairs, Katherine Karraker;
Director, Adventure West Virginia, Greg Corio;
Potomac State College of West Virginia University, Divisional Campus Provost,
Leonard Colelli;
West Virginia University Institute of Technology, Chief Executive Officer,
Carolyn Long;
WVU Tech SGA President, Robin Davis;
Chief Financial Officer for WVU Health Sciences, Wendy King;
Associate Professor, Kerry Odell;
Associate Director, Organizational Advancement, WVU Extension Service, Ann Berry;
Associate Vice President for Enrollment Management and Services, Brenda Thompson;

Director of Treasury Operations, David Kosslow;
Chair, WVU Staff Council, Jo Morrow;
WVU's ACCE representative Paul Martinelli;
Senior Special Event Coordinator, Gretchen Hoover; and,
Special Assistant to the Board of Governors, Valerie Lopez.

From the WVU Foundation:

Vice President for Investments & CIO, Rick Kraich

Members of the Press were also present.

CALL TO ORDER

The meeting was called to order by Board Chairman, Andrew A. Payne, III, at 8:45 a.m.

BOARD ITEMS

ANNUAL REPORT OF THE STUDENT REPRESENTATIVE TO THE BOARD OF GOVERNORS

Zach Redding, Student Representative on the Board of Governors, provided a 2012-2013 overview of the Student Government Association (SGA.) Below is a summary of the key elements presented.

- Budget: The SGA received a budget increase to \$150,000.00; the Student Organizations grant increased by \$16,500.00; and \$60,000.00 of the budget goes directly to Student Organizations.
- Key initiatives accomplished by this administration included:
 - (a) Turbo Vote – This initiative gave students the opportunity to register and vote online and as a result over 1,600 students registered to vote for the presidential election.
 - (b) Meal Plan Reform – SGA members worked with Dining Services to create a new, student friendly meal plan.
 - (c) Gold Rush – SGA members led sales on Gold Rush shirts for the WVU-Oklahoma game and raised over \$30,000.00 for the United Way.
 - (d) Greek Clean Ups – SGA members led clean ups around Morgantown with over 300 students participating.
 - (e) Sustainability – SGA members worked with the Office of Sustainability and sponsored Sustainability Awareness Day in the Fall with plans for Sustainability Week in the Spring semester.
- Big 12 Conference Ties:
 - (a) SGA members attended the Big 12 Conference at Oklahoma University, gave presentations on their SGA structure, and had an opportunity to meet and share ideas with other student leaders. WVU will host the Big 12 Conference in 2015.

- (b) SGA members spent two days with the Big 12 on Capitol Hill. Day 1 was spent lobbying with other Big 12 student government leaders and Day 2 was spent lobbying on issues that directly affect WVU students and residents.
- Good Samaritan Amnesty Policy: In November, 2012 the SGA passed a resolution in support of medical amnesty for the campus at WVU. Currently, 90 other institutions in the United States have a medical amnesty policy. This Good Samaritan Policy provides amnesty to students who are in danger of alcohol poisoning (putting student lives first) and further provides amnesty to the caller.
- SGA Mobile: In an attempt to increase voter turnout and increase student involvement, the SGA held their meetings all across campus – including Towers, WVU Law School, Martin Hall and the Creative Arts Center.
- Rock the Vote:
 - (a) This campaign started to raise awareness and educate students about SGA elections.
 - (b) <http://www.sgaelectionhq.com> is the website designed to give students facts about both parties, live twitter polls and facts about the Student Government Association.
 - (c) This campaign reformed the debate process, forged new partnerships with WVU News, and facilitated the use of social media to relate to students.
- Challenges:
 - (a) Diversity – WVU must adapt to social and cultural movements.
 - (b) Student enrollment and construction – Students face enrollment increases and changes that will result from the Evansdale and other construction projects at WVU – thus requiring consideration of expanding student space (such as the Mountainlair) to accommodate WVU’s growing student population.
 - (c) Adapting to the current generation – Social media should be utilized as an asset and our classes and classrooms should be adapted to relate to the current generation of students.

Chairman Payne thanked Mr. Redding for his report and expressed the Board’s collective appreciation for Zach’s diligent service as a member of the WVU Board of Governors.

INVESTMENT REPORTS

Vice President for Administration and Finance, Narvel Weese, advised that WVU has two investment options – through the State Treasurer’s Office or with the WVU Foundation, as its statutory investment agent. WVU reports annually on the performance of its unrestricted investment fund managed by the WVU Foundation and Vice President Weese noted that a copy of the required report to the Governor on the Senate Bill 603 investments was included as part of today’s meeting agenda booklet provided for all Board members to review.

Vice President Weese introduced Director of Treasury Operations, David Kosslow, who provided a brief overview and breakdown of the University’s investments with the State Treasurer’s Office, which as of January 31, 2013 totaled \$155,476,857.

Next, Richard Kraich, Vice President and Chief Investment Officer for the WVU Foundation, provided an overview (as of December 31, 2012) of the various investments that the WVU Foundation manages to benefit West Virginia University. Mr. Kraich identified members of the WVU Foundation Investment Group, identified steps taken by the Foundation to reduce risk, reported on the WVU Foundation Long Term Investment Pool (which saw a return of 10.5% for the calendar year 2012), and summarized the performance of WVU Unrestricted Funds, Robert C. Byrd Health Sciences Center BRIM Funds, WVU Research Corporation Funds, and the Research Trust Fund Investments. In summary, Mr. Kraich reported that WVU Foundation investment assets totaled nearly \$1.1 billion as of December 31, 2012.

ADVENTURE WV

Greg Corio provided an overview of the Adventure WV program – which is a niche program with national distinction for West Virginia University.

Adventure WV began as a small Outdoor Orientation Program for incoming WVU first-year students. They have since expanded their offerings to include a Challenge Course facility, International Study Abroad Programs, Leadership Training opportunities, and many other Outdoor and Experiential Education programs. Their initial vision to provide wilderness-based college orientation programs for first-year students has developed in to a more comprehensive charge of developing experiential education programming for students of all levels, supporting adjustment to college life, retention, and career success by assisting student development in self knowledge, team work, and leadership skills.

As their mission statement, the West Virginia University Adventure WV Program strives to foster personal growth, leadership development, social responsibility, and student success through adventure-based and experiential education programming.

The following values guide the Adventure WV mission:

- Student centered learning environment
- Community and collaboration
- Learning through experience
- Commitment to excellence
- Environmental and cultural awareness
- Service and compassion

Mr. Corio advised that Adventure WV is the third largest program of its kind in the country, behind Ivy League schools Dartmouth and Princeton, and is targeted for freshmen as well as student veterans. The retention rate of students who participate in Adventure WV is higher than the norm – 87.2 percent vs. 79.9 percent. He also noted that WVU is the only university with a licensed zipline/platform canopy tour, which will be ready this spring in advance of the opening of a Boy Scout enrichment camp in southern West Virginia. He added that partnering with K-12 on STEM education is another goal of the new outdoor education course. Mr. Corio shared that Adventure WV research reveals a life enriching experience written about by participants, addressing specifically the development of powerful peer relationships

resulting in a positive influence on growth and development during the undergraduate years and thus positively affecting retention rates.

APPROVAL OF MINUTES

Diane Lewis moved that the minutes of the December 13, 2012 meeting be approved. The motion was seconded by William Nutting, and passed.

AUDIT COMMITTEE REPORT

James W. Dailey, II, as Chairman of the Audit Committee, reported that yesterday afternoon's meeting contained an overview by Deloitte & Touche of their audit of the West Virginia University Research Corporation - Financial Statements for years ended June 30, 2012 and 2011, Independent Auditors' Reports, and Report on Federal Awards in Accordance with OMB Circular A-133 for the Year Ended June 30, 2012.

In addition, Vice President for Administration and Finance, Narvel Weese, circulated the draft of an engagement letter for the annual mid-year review by Deloitte & Touche, which letter was approved for execution, in substance and form as circulated, by Chairman Dailey. Vice President Weese also provided updates on Oracle system upgrades and invited members of his team to provide demonstrations on two projects being developed within Finance and Administration, namely – WVUBUY and the Data Miner reporting project.

During the Audit Committee Executive Session, members received and discussed a Peer Review Update provided by Deloitte & Touche, LLC. Committee members then received reports from Director of Internal Auditing, William Quigley, and Vice President for Legal Affairs and General Counsel, & Assistant BOG Secretary, William H. Hutchens, III.

PRESIDENT'S REPORT

Chairman Payne reminded the BOG that President Clements was nominated to a seat on the Business-Higher Education Forum (BHEF). This is a group of leaders of Fortune 500 companies and higher education leaders across the country. He was invited to become a member earlier this winter and the meeting schedule for the Forum was already set. His first meeting fell on the same dates as the BOG meeting. Given the importance of the BHEF opportunity for WVU, Dr. Clements attended that meeting, during which he was also scheduled to be a session panelist.

To fulfill the President's report, President Clements asked Chairman Payne to convey several updates. Those included: WVU has crossed the \$600 million threshold in the comprehensive capital campaign, including a recent announcement of the largest capital gift for the College of Law (\$7.5 million) from the Hazel Ruby McQuain Charitable Trust; WVU's S&P bond rating and Moody's ratings were both reaffirmed last month, with recognition to Narvel Weese and his team for their financial stewardship and leadership; WVU signed a new partnership with The Ohio State University for research on shale gas utilization, noting that Dr.

Peter McPherson, the head of the Association for Public Land Grant Universities, said this of the new partnership: "Energy from shale is a huge resource of vast regional importance that will be tapped and how we do it will have lasting effects. I am pleased that these two premier land grant universities are available to take a leadership role in increasing our knowledge of the correct way to harvest this resource."; and, WVU, through the Perley Isaac Reed School of Journalism, signed an MOU with the Defense Information School, which is a unit in the U.S. Department of Defense that trains military personnel from all branches to serve as communication specialists (this was the first partnership of its kind that the Defense Information School has signed with a university). Dr. Clements also recognized the WVU School of Medicine where every single student passed the United States Medical Licensing Examination on their first try.

As another component to the president's report, Dr. Clements requested Narvel Weese provide an update on the budget status.

Lastly, Dr. Clements had asked Nigel Clark of the Provost's Office to introduce the new Associate Provost and Chief Information Officer, John Campbell. With the introduction of Dr. Campbell, the President's Report agenda item was closed.

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 Payne called for any discussion of today's Consent Agenda items. There being none, William Nutting moved that the Board accept the Consent Agenda items as presented in today's agenda booklet. This motion was seconded by James W. Dailey, II, and passed.

Thereupon, the following Consent Agenda items were approved:

1. Approval of New Degree Program: MS in Periodontics

Resolved: That the West Virginia University Board of Governors approves the creation of the Master of Science in Periodontics in the School of Dentistry.

2. Notices of Proposed Rulemaking, West Virginia University Board of Governors Policies 10, 15, and 31

Resolved: That the West Virginia University Board of Governors approves the issuance of three notices of proposed rulemaking for Board of Governors Policies 10, 15, and 31, as presented.

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.

EXECUTIVE SESSION

Before leaving to attend lunch, Chairman Payne announced that the Board planned to conduct its Executive Session following the lunch break, i.e. at or about 1:15 p.m.

Chairman Payne therefore requested a motion that the Board go into Executive Session, following its lunch break, under authority in West Virginia Code §§ 6-9A-4(b)(9) and (12) to discuss legal matters and matters involving real estate, the investment of public funds, and commercial competition. The motion was made by Ed Robinson, seconded by William Wilmoth, and passed. Following the conclusion of Executive Session, James W. Dailey, II moved that the Board reconvene into regular session. This motion was seconded by J. R. Rogers, and passed.

DISCUSSIONS EMANATING FROM EXECUTIVE SESSION

Chairman Payne reported that nothing discussed in today's Executive Session required Board action.

ADJOURNMENT

There being no further business to come before the Board, Dixie Martinelli moved to adjourn the meeting. The motion was seconded by William Wilmoth, and passed. The meeting was adjourned at 3:05 p.m.

Thomas V. Flaherty, Secretary