

**West Liberty University
Board of Governors**

Minutes

August 18, 2010

Attendance:

Beverly Burke, Richard Carter, Brian Joseph, Ann Thomas, Michael Turrentine, Richard Whitehead

Unable to Attend:

Paul Limbert, Robert Steptoe, Michael Stolarczyk, Jim Stultz

Administration/Faculty/Staff:

Robin Capehart, Scott Cook, John Davis, Mary Ann Edwards, John Gompers, John McCullough, Jack Wright

1. Call to Order:

Chair Joseph called the meeting to order at 5:15 p.m.

2. Chairperson Comments:

Chair Joseph welcomed everyone to the meeting and stated he had recently been on campus to speak to the EMBL (Emerging Minority Business Leaders). This was a group of approximately 25 businesses from Florida to California. It was a very impressive group of entrepreneur companies and Mr. Joseph noted that the things they were talking about go along with what WLU wants to do as we grow our Entrepreneurship Program. Carrie White did a great job with EMBL.

3. Swearing in of New Board Member:

Chair Joseph issued the Oath of Office to Richard Whitehead, Student Government President.

4. Approval of Minutes*:

<u>Full Board</u>	<u>Executive Committee</u>
06/09/10	06/02/10
06/22/10	

Chair Joseph asked if there was any discussion of the three sets of minutes, the Executive Committee and two full board meetings. Mr. Turrentine made a statement with regard to item seven from the June 9, 2010 minutes and the College of Arts and Communication proposal, the conversation dealing with launching the new College on campus. Concerns about costs were raised at that meeting and Dr. McCullough was good enough to respond to those concerns. Mr. Turrentine stated that in talking about real numbers with the interim dean and chairs at this time, it would be a cost savings if the University would certainly think about that when we evaluate these folks down the road. These are not new leaders for the University; Mr. Baronak has been in place for sometime now. A serious look should be taken at these folks as the people that may be in those positions past the interim stage. These are outstanding people who have shown their ability to work within the culture of West Liberty on many different types of projects. The people in these interim positions have also shown a real aptitude to tackle projects, having worked with them on various committees. Because of some possible financial instability at the state level, Mr. Turrentine wondered if the University might not want to wait some time before launching a national search. When discussing using a national search service for these positions, there is a cost involved in such a search. Dr. McCullough responded that we are very comfortable with the people in the interim positions. In relationship to possible concerns with budget and financial constraints, we will be prudent in terms of if we do go on a national search and do appoint individuals other than those currently holding these positions. Mr. Turrentine thought this was a good direction to look at since they are quality folks. Chair Joseph stated that this was a very reasonable type of suggestion and recommendation and thanked everyone for their input.

Chair Joseph then asked if there were any other matters to discuss with regard to the minutes. There being none he asked for a motion to approve the three sets of minutes.

A motion that the West Liberty University Board of Governors approve the minutes of the full Board of June 9 and June 22, 2010, and the Executive Committee of June 2, 2010 was then made by Richard Carter and seconded by Ann Thomas; motion passed unanimously.

5. WLU Research Corporation Affiliation Agreement*:

Mr. Davis stated that in the Board packet there is an Affiliation Agreement, which is only three or four pages long. The Board will recall at the April meeting they voted to enter into an agreement with the WLU Research Corporation, once it was established. An agreement had not yet been created and this has been modeled after the agreement WVU has with its research corporation, which dates back to 1986. Mr. Davis stated he will not read through the agreement, but would be happy to answer any questions. Chair Joseph stated it should be a thorough agreement and makes sense to model WLU's agreement after WVU. WVU has probably dealt with a lot of issues West Liberty hasn't yet seen. He then asked for any discussion on the agreement.

Mr. Turrentine stated he did not have any questions with the agreement, but did have questions about the actual organization of this Corporation. He knew Mr. Stack had been hired to perform certain roles in that organization and thought the Corporation Board was made up of President Capehart, John Davis, Brian Joseph, and Jack Wright. He asked if there were more aspects to this organization; is there an actual organization chart for the corporation?

President Capehart stated that the WLU Research Corporation is a non-profit organization as mentioned in the April meeting. Statute allows institutions to create these separate organizations that are basically authorized by statute as a non-profit organization. They actually tried to change the statute last year but the bill failed. One-half of the Board's officers are to be officers of the University. We have three members of the Board from the University, those being President Capehart, Dr. McCullough and Jack Wright, along with Roseanna Keller and Brian Joseph. The Bylaws of the Corporation allow us to expand the Board if necessary.

Mr. Turrentine asked if campus consultants are involved in the Research Corporation. President Capehart stated that the consultant who had been working on grants for the Development Office has been moved over to the Research Corporation and we anticipate them to be self-supporting within six months because of some of the items they are working on. Mr. Turrentine asked if this would be Mr. Starcher, to which President Capehart responded it is Jim Shaffer and Dr. Terry Wallace. Mr. Davis stated that neither of these gentlemen, along with Shane Stack, are employees but merely contractors of the Research Corporation. He also stated that there are a number of reasons they are working as contractors and not employees, such as benefits, liability insurance, and those sorts of things. They are not employees.

Mrs. Burke asked if at some point something will be sent to the campus community to identify the Research Corporation, what their role is, etc. President Capehart stated this has been done and some faculty members are already working with them on grants. Getting grants and having money is part of the struggle. There have been some grants which sit and don't get administered, stopping us from getting grants from a particular foundation again for that reason. If we go back to a foundation and we haven't administered a current grant, they're not going to work with us on another grant. The Research Corporation will also allow us to administer grants. You don't have to administer grants through them and you can still run them through the Business Office.

Mrs. Burke also stated that in the past a lot of people didn't know who was handling grants and we were told we had to go through the Development Office for grants. Do we go through the Development Office or the Research Corporation, and do they find grants out there that are available? President Capehart stated that they are constantly looking for possible grants. He recently went to Washington, DC with Dr. Wallace and Jim Shaffer to meet with a firm who basically goes through the federal legislature and finds grant opportunities. We will work with them and keep apprised of grant opportunities and get a big head start as opposed to working with the local legislators. First we need to get the infrastructure in place. We are behind the curve on a lot of things that places like Shepherd and WVU have been doing for years. Chair Joseph stated that he is tremendously confident that the Research Corporation is going to play a big role in bringing in money for WLU. Mr. Davis pointed out that through Board edification, one provision is that the agreement can be altered along the way and is not cast in stone.

Mr. Turrentine asked if there is a need for an administrative secretary of some sort; is this what Shane Stack was hired to do? President Capehart stated that Shane is working on a project and actually doing a lot of on-line research and follow-up. One of the projects he is working on is a grant that will also pay his salary.

A motion that the West Liberty University Board of Governors approves (a) the text of the Affiliation Agreement and (b) the transfer, during FY 2011, of \$50,000 (\$12,500 quarterly) from the University to the

research corporation for start-up costs and administrative expenses was then made by Richard Carter and seconded by Mike Turrentine; motion passed unanimously.

6. Approval of 2010 Update to Compact*:

Dr. McCullough stated that this is preemptive to the submission of the Update to the Compact that WLU has with the West Virginia HEPC per the West Virginia Legislature and the State of West Virginia. Annual updates are to be submitted by October 1, but the WLU Board does not meet again until after that date and the updates must be approved by the Board. Much of this information is data based and data driven. Mr. Cook does a lot of work on this with graduation rates, enrollment data, degree and course completion, assessment and other initiatives. These are some of the key activities of the University to this heavy data driven type of document. The document will be available to everyone upon submission. We do this on an annual basis and the information did go to the Board last year for the one-time allowance to revise the Compact goals. We did so last year because of the enrollment increase that had far out-stripped the goals we had set. We are preemptively asking for the Board's approval of the information for the update to be submitted by October 1 with all of the information available for the Board's review subsequent to that date. Per HEPC policy we have to have the Board's approval for submission in lieu of a special meeting.

Chair Joseph asked if there was any discussion of this item and noted that the update seems like a lot of work. Dr. McCullough again stated that much of the information is provided by Scott Cook and Jack Wright and the Business Office provides a large part of the financial information. He also noted that most of WLU's initiatives within the Compact are being met. The Compact document itself is prepared by Paul Tomasik and is edited by Ms. Tomasik, Dr. Donna Lukich, and Dr. McCullough

A motion that the West Liberty University Board of Governors approves the 2009-10 Update to the Compact was then made by Beverly Burke and seconded by Mike Turrentine; motion passed unanimously.

7. Strategic Plan Proposal – Severance Benefit Package*:

President Capehart stated that during the April Board meeting it was mentioned that Human Resources had put together a proposal for a severance benefit package. Basically, since that proposal, two things needed to happen; (1) the proposal needed to be approved by the Joint Committee on Pensions and Benefits. We also had to work through some issues with PEIA and some issues with the Retirement Board and those were resolved satisfactorily; and (2) is that our Strategic Plan has to be amended to indicate this is a plan we have the option to undertake. President Capehart said he would take any questions regarding the plan but would not rehash the plan unless someone needed him to do so.

Mr. Turrentine asked what kind of feedback was received from faculty; folks seemed happy to hear that this was a possibility. President Capehart stated there has been positive feedback. An email was sent near the end of the spring semester to gauge interest in the plan. Responses were completely anonymous. Another email was sent later to see who thought they may seriously be interested in the plan. Those responses were taken to put together a number to get an idea on the cost of the plan. The number of responses received was in the 20s. We heard from some who will probably not take the plan and some who will. This plan is very timely in terms of defined contributions plans and the financial hit they took in 2008. People are trying to struggle to get their numbers back up in order to retire and this allows individuals to go ahead and retire by taking advantage of this benefit. The actual term is "terminal leave" according to the regulations.

A motion that the West Liberty University Board of Governors approves the 2010 update to the Strategic Plan to include the Severance Benefit Plan as approved by the Joint Committee on Pensions and Retirement of the West Virginia State Legislature was then made by Mike Turrentine and seconded by Ann Thomas; motion passed unanimously.

8. Timbering Report:

Mr. Wright stated he met with the Department of Natural Resources regarding the 170 acres adjacent to WLU's campus. The DNR timbers their own property and if anything, the representative was somewhat critical of us for not managing our timber. As far as they were concerned we should be managing our timber and they play a big part when you timber State land. In June we hired a forester who completed their report, which we received four or five days ago. Mr. Wright stated it was one of the best reports he's read on anything and easy to understand. The report is generally a little critical of the institution because the woodland is overstocked and overly mature. The report states that trees will be marked that they feel can be timbered and no tree under 18" at waist high will be slated for timber. There are estimates contained in the report and the timbering would be treated as a State asset very similar to the sale of the Warwood center. We would need to distribute advertisement for bids for the timbering. Before we do anything it has to be reviewed by the Department of

Natural Resources and come back to the Board for approval because being an asset of the State, the money would go back to Charleston and we ask that it be returned to us, as was done with the Warwood Center.

Mr. Wright asked that the members take the time to read the report. He stated it's an interesting report and thinks one of the important points is that the Department of Natural Resources, as well as the forester, feel that the property has been unmanaged. The forester mentioned we should have done a thinning 15 years ago so the smaller trees can grow better. If you have any questions give Mr. Wright a call. The money from the timbering would be allocated to future capital projects. Having spoken with a couple of the environmentalists on campus, they do not seem to have a problem with the timbering as long as the Department of Natural Resources is involved.

Mrs. Thomas asked if some of the recent storms have any bearing on the timbering. Mr. Wright stated it does not, but the forester did mention that because of the age of the trees on this property we've had a number of trees topped during those storms; trees that should have been taken out ten years ago. Again, the report is very well written and easily understandable. We've had a number of problems over the last 15 to 20 years caused by storms; there are a lot of downed, rotted trees. The Department of Natural Resources and the forester will oversee and act as consultants for the project. A large part of the forester's pay is held until the job is completed so we know he'll do a good job. When dealing with logging companies they pay up front and are given a specific period of time to do the logging or the remaining timber automatically reverts back to the owner. Normally logging is done in the winter when the ground is harder. If you take a look at the report we shouldn't have any environmental back lash; most people understand we need to manage the property.

Mr. Turrentine asked if an environmental impact statement will be provided to the State. Mr. Wright stated that no, there won't be a statement. The forester is the consultant; Buckeye Tree is the forester who will represent us from beginning to end. Chair Joseph stated that if you look at the old pictures of the campus there are no trees. The property has been completely let go and never really appropriately managed; probably why we are at this juncture. Mr. Turrentine stated it looks like environmentally it is the right thing to do, but there could be concerns with excessive tree removal and erosion because of the removal. Mr. Wright stated that we are paying the forester to oversee the work on behalf of the University and the Department of Natural Resources. The report states that timbering will be done within the property leaving a ring completely around the area, rather than timber right up to the football field. The University probably will look much like it does now. The report gives two estimates; the higher priced wood has a pretty good market value. With capital projects coming up the University could certainly use the funds. There is a fairly flat hill top where the timber is located and a sewer right of way was put through a number of years ago. In the long run, WLU could look at the property for future expansion.

Dr. McCullough stated that having read the reports and the perspective of the Department of Natural Resources, his perspective is that of the University and the Board's approval of the timbering as being good environmental stewards. Although this may be simplistic, WLU would be an environmental steward, which we have not been for a number of years. President Capehart stated that those with concerns should be comforted in the fact that we are going through a forester and the Department of Natural Resources and didn't just hire a timbering company, who would rip out what they want. WLU is handling this responsibly.

Mr. Turrentine noted that the Board had previously discussed the shale and gas well drilling people being in contact with the University; have there been any further discussions in this area? Mr. Wright stated that we have one company coming in to make a presentation the second week in September. This is strictly a presentation. This is a more sensitive issue than something like timbering. We are more at a point right now to see what they're talking about with regard to royalties and is just an investigation period more than anything. WLU needs to look at other sources of income, especially since we need \$3 to \$4 million for the new science building. Mr. Turrentine asked if the Board will see the presentation, to which Mr. Wright stated that it's just a presentation with no discussion of pricing at that time. Anything that comes of this presentation or any other discussions would be presented to and approved by the Board. This process, too, would be handled the same as the Warwood Center.

Mr. Carter asked if WLU is independently pursuing this issue or are we with other contiguous groups in the area, to which Mr. Wright stated we are independent for now. One of the big companies in this area has temporarily pulled out of Ohio County because there is too much "greed." How we write up an agreement where they can drill and the ground rules for drilling is a very environmentally sensitive issue today.

9. President's Report – Campus Reports:

President Capehart stated that the Board members will notice that the reports have been moved and are not an action item. In discussions with Chair Joseph, it was decided that the Board shouldn't be voting on the reports;

there's nothing to vote on. It was also noted that who's to say everything contained in those reports would be appropriate to vote on if there's a problem down the road. These reports will become a part of the president's report as operational items on campus. President Capehart then asked if there were any questions on any matters contained in the campus reports.

President Capehart asked Mr. Wright to give a brief financial update. Mr. Wright stated that a summary of the recently completed fiscal year 2010 budget is being prepared for our annual audit. Brian Trischler of Costanzo & Associates is working on the document and should have it completed mid-week next week. Last year our cash balance at the end of the year was \$6.3 million. Before everyone thinks it's all gravy, there were some carry-over grants which we received the money for last year and have expenses before us this year. There were also some carry forwards of purchase orders, but things didn't change much from last year. One item not anticipated back in March was asking departments to review their budgets and see what they could do without. This brought in \$450,000 at the end of the year, all of which goes to the bottom line. Summer school was far beyond anything we expected and most of that went to the bottom line, which puts us up about \$1.7 million when we thought we were at a breakeven point. As far as cash goes we will have a balance next week, but our cash position is very strong. This year we are at a positive budget at this time. Included in this year's budget is \$750,000 for window replacement in Main Hall and \$1.7 to be used for renovating Shaw Hall. We hope to be in Shaw Hall by October 1st next year; construction will begin in January. This is a \$3.2 million renovation which the State gave us approximately \$2.8 million. Again, we will have a report next week from Costanzo & Associates, but tentatively we are very strong cash wise.

President Capehart stated there are some things he wanted to relay from the Council of Presidents meeting held this afternoon. The first good news is we were notified that despite the doom and gloom we've been hearing, there will be no cuts in State appropriations for 2012. The good news for this year too is there will be no fiscal cuts and State appropriations will remain the same. The Chancellor made a presentation on a new formula, which benefits WLU, with emphasis on the number of things we're doing in regard to adult education. Our Strategic Plan dove-tails with the State's; this puts WLU in a positive position with our enrollment growth and we continue to expand in areas like adult education. The meeting went very well with discussions of increases in need-based grant money and about \$10 million in deferred maintenance money. The news of no cuts in State appropriations at least allows us to do a little planning.

Fall 2010 enrollment is approximately 2,500 vs. 2,380 in Fall 2009, putting WLU 5% ahead of 2009. Summer 2010 was 75% ahead of enrollment for Summer 2009. Mr. Cook stated there is a significant increase in transfer students. We will most likely lose some students due to the changes in the in guidelines by the HEPC for courses offered in the high schools. Dr. McCullough stated that the HEPC has new guidelines on the early entrance program for freshman which will affect our College on the Hill Program at Wheeling Park High School. These courses for high school upper classman have greatly changed guidelines. It will not be an income factor at all, but it will impact our headcount number and this will give us a negative bounce because of how that will be interpreted by the HEPC. Mrs. Thomas asked if this program is where the kids in high school get to take classes at the community college, to which Mr. Cook stated that the high school offers WLU courses to students who meet the early entrance requirements. In the past students could sit in the classroom and not be registered; now every student must be enrolled to sit in the class. A student cannot have the course if they're not enrolled. Wheeling Park is trying to have three or four courses and we will take a hit there; last year we had 180 students. The revenue is \$200 a course, for a loss of \$25,000 to \$30,000. Regular and full-time student enrollment is up. Mr. Turrentine stated he heard retention numbers are up, to which Mr. Cook stated they're up 77%, which is a big objective for everyone. President Capehart stated that the policy in regard to scholarships that we have increased over the last several years has allowed us to bring in higher achieving students. Mr. Cook stated that the Elbin Scholar numbers are also up this year.

President Capehart stated that bonds for the renovation of Shaw Hall have gone to market. Renovations are scheduled to begin in December, 2010 and be completed by September, 2011. Core drilling will be done for the Health Care Science Building at various sites on September 30, with a possible site selected by November 1, 2010. A floor plan for the building should be developed by February, 2011.

On July 23, 2010 the HEPC approved a Bachelor of Arts in Leadership and Administration, which is a cohort adult degree completion program. The first cohort is already filled. When the program was approved the Chancellor and Commission were very high on this program. They complimented Dr. Michaud and the University for having the first program of this type in West Virginia.

President Capehart met with Belmont Technical College last week to discuss getting WLU in the door early with community college students and not waiting until their second year of classes. We would like to work with these students when they're freshman to help plan out their four years. Our feeling is that these students would

feel as if they are committed to coming to West Liberty at this point. The two-year schools are stunned at how resistant other four-year schools are to deal with them. Mr. Carter asked why the other four-years are resistant, to which President Capehart stated they didn't want to get involved with the students attending the community colleges. We think this is a great opportunity to get some great students.

We are in the process of forming a men's lacrosse club sport and will be advertising soon for a coach. We are also looking at a women's soccer team, which would be an NCAA sport, and looking at the site near the cemetery property. We will likely go through the process of hiring a coach after this season is over, probably November, and perhaps begin recruiting next year.

Jeff Knierim will have candidates on campus tomorrow and Friday for interviews on Channel 14 to run now through the primary election coverage. Jeff has also started a community service project to work with the first-year classes to participate in some type of community service project. We hope to later expand this campus-wide and bring in other organizations. Mrs. Burke asked if any consideration has been given to the students receiving credit for community service. President Capehart stated that Jeff Knierim came to him a few weeks ago with this proposal. There is software called Sweat Monkey that allows students who engage in community service to keep track online of all service they take part in. This would allow professors to add a community service component to their courses and the non-profit actually loads the time put in so they can go on and check and receive credit. The requirements would be up to the individual professor. WLU currently has extensive community service in the Dental Hygiene and Nursing areas but we would like to expand that on a programmatic basis, if not campus-wide. Mrs. Burke thinks it's a great idea as long as students receive credit; otherwise they probably won't participate. If a student has some sort of incentive they may be more inclined to be involved. She also stated that community service is one of the pillars of distinction for students involved in the Washington Center. Mr. Cook stated they would like to emphasize in the First Year Experience course the need to give back to the community and be more civic minded, and not just because they're getting something in return.

The WLU Research Corporation began operation on July 1, 2010. We also held a WLU Science Summit which was very successful with some outstanding alumnae attending the event. At the conclusion of the summit this group made a commitment to serve as a fundraising committee to raise \$7.5 Million for the Science building.

President Capehart then distributed a Statement of Goals for this year which centers on basic skills, citizenship, community service, work environment, entrepreneurship, fundraising and grants. The Presidential Goals are as follows:

1. A plan of action that will develop and enhance basic skills including reading, comprehension, written communication and critical thinking.
2. A review, report and plan of action for our curriculum in terms of its ability to prepare our students to participate in the civil society.
3. A program that promotes community service among our students.
4. A report of our curriculum in terms of its ability to prepare our students for the legal, financial, cultural and societal aspects of the work environment in which they will function.
5. Implement an Entrepreneurship Program.
6. Generate \$1,300,000 through private fundraising.
7. Generate \$1,000,000 in grants and contracts.

A motion that the West Liberty University Board of Governors approves the Statement of Goals for Academic Year 2010-2011 was then made by Richard Carter and seconded by Beverly Burke; motion passed unanimously.

10. Adjournment:

The meeting adjourned at 6:28 p.m.

Brian Joseph _____
Chair

Richard Carter _____
Secretary