

Minutes
WEST LIBERTY STATE COLLEGE
BOARD OF GOVERNORS
Wednesday, August 29, 2007

ATTENDANCE:

Board Members: Beverly Burke, Jim Compston, Lynne Exley, Brian Joseph, Roseanna Keller, Larry Miller, Michael Stolarczyk, Mike Turrentine

Unable to Attend: John Larch, John Moore, Bernie Twigg

Administration/Faculty/Staff: Robin Capehart, J. D. Carpenter, Jim Clark, John Davis, Mary Ann Edwards, Pat Henry, Chuck Jeswilkowski, Donna Lukich, John McCullough, Tammi Secrist, Jim Watson, Ron Witt

1. Call to Order*:

Following Mr. Watson's presentation on the football field turf and stadium, Ms. Exley called the meeting to order at 5:30 p.m. and made several announcements. A thank you went to Sodexo for the dinner set up and as always, a great job done by John, Debbie, and Sherri.

Chair Exley invited John Gompers to continue as counsel to the Board of Governors, to which he has agreed.

Dr. Campbell has resigned from the Board pursuant to the decision that the Foundation no longer allows mutual affiliation on both boards. Ms. Exley has resigned from the Foundation Board and Dr. Campbell the Board of Governors; Dr. Campbell will continue to serve as Chair of the Foundation Board. Dr. Campbell was invited to attend this evening's meeting but had a conflict and may attend the October meeting.

Ms. Exley would like the Board member's to let her know what they think of the executive summary of the minutes instead of the full length version. The executive summary does not replace the full minutes, and these should be read or downloaded from the Board's web page before they are approved. Members were encouraged to use the web site for this purpose or if they chose, Mary Ann can send them a hard copy of the minutes.

Ms. Exley had a wonderful day with the new Board member orientation held today. She was delighted that the new members and Roseanna Keller came and spent the day. All of the presenters gave so much of their time and knowledge about their fields. Bruce Walker, General Counsel for the HEPC did a wonderful job; John Gompers talked about the Board's local responsibilities; President Capehart gave his insights; Dr. McCullough, Dr. Lukich, Dr. Carpenter, and Pat Henry all presented in the morning and afternoon sessions. Many issues were discussed and it was a well spent day, very productive, and the Chair thanked those who participated. She also thanked Dr. McCullough and Mary Ann Edwards for their insights on when to hold the orientation and the set-up. Again, welcome to the new Board members, we are delighted the vacancies have been filled, and the quality of the joining members is terrific. Each of the new members names were then called to come forward to be sworn in.

2. Swearing in of New Board Members*:

Ms. Exley, who officially swore in the new members of the Board of Governors, administered the Oath of Office, after which introductions were made to the remaining members of the Board and President's Council.

3. Approval of Minutes*:

Full Board

06/13/07
06/27/07

Executive Committee

06/08/07

ACTION ITEM I:

A motion to approve the minutes of the full Board of June 13 and June 27, and the Executive Committee of June 8, 2007 was then made by Larry Miller and seconded by Roseanna Keller; motion passed unanimously.

4. President's Report:

President Capehart stated he had several items to touch on followed by a brief presentation. The first item is the Development Office. Some in attendance may know that we reached an agreement and have a vacancy now for the VP for Institutional Advancement and a few others in terms of the corporate and foundation solicitation and annual fund. The reason we have let this matter go for the last 30 days was due to some questions brought up about the Development Office. We have hired a consultant, Chick O'Data, who was recommended by Foundation Board members. Chick has a tremendous background and has worked at Geneva College, with Oglebay Institute and the Park Commission, and community foundations in

the area, and done a wonderful job. He is currently conducting an analysis of the Foundation and Development operation. We do not want to rush and hire someone for these positions, but are prudent to wait 30 to 60 days, get the report, look at the structure, and be ready to advertise for positions we know we need to fill. As Jim Watson eluded to in his presentation, Chuck Jeswilkowski has moved from Development to Athletics as Assistant Athletic Director in charge of fund raising for that particular area. This is not an action item, but we would ask for a concurrence that we need to have a joint meeting between the executive boards of the Foundation and Board of Governors to discuss some issues regarding reorganization later on in the semester.

Many of you know the Foundation owns the former Consol Coal property, about seven acres, on Route 88 as you leave West Liberty toward Brooke County. A tour and meeting were held yesterday with representatives from Consol Coal, Alliance Coal, the WV Coal Association, Jim Dean with the WVU Office of Mine Training, and local legislators, along with John Davis and Dr. McCullough. The meeting was to discuss the possibility of turning the site into a mine rescue center training facility. Leasing this property would create a revenue stream for the College. The legislators were very supportive of the possibility, one having actually worked at the mine at one time and knew the facility. If this were to come about WVU would probably be the lessor on the property.

Until a few years ago, for a college to obtain university status it took legislative action to make that change. When Fairmont, Concord, Shepherd, and State became universities several years ago there was a change in the statute and the authority to create university status was turned over to the HEPC. The HEPC came up with four criteria you need to meet to become a university. The first is to offer a stand alone masters degree, which Donna Lukich and her group have worked very hard to put together. It was only natural that since West Liberty graduates teachers, they should be able to stay here and obtain their masters. The second step is to have an approved mission statement which provides for graduate programs, which our mission statement does. We are currently working through the third step which is the North Central accreditation process and feel confident this will be accomplished by next February or March. The final step is that two-thirds of our faculty hold terminal degrees; we are currently at about 75%. As the accreditation process runs its course, West Liberty should be in the position to make application to the HEPC for university status with an approved name and effective date. We would like an effect date we can use from an advantageous marketing standpoint. University status will be a great marketing tool that we need to use as best we can. We are looking for possible approval next spring.

President Capehart stated that the next topic was mentioned in executive committee and it is a sensitive area for him. Last year \$3.7 million was spent on capital projects at the College. One improvement included renovations done to Colonial Heights, the president's home. This has been a sensitive issue to be addressed right up front and give some background on what has been happening. When Mr. Capehart was named president in February there was no process in place to move his family. The house was toured back in March with Mr. Davis, Jeff Turner, and Joe Mills. Mrs. Capehart toured the home with Barbara Neuman, as part of the presidential search committee, and a number of problems were clear from the neglect of the home over the last year and a half.

The ceiling in the great room showed signs of water damage. After an analysis from Walter's Construction it was confirmed there was water damage and two beams were rotten. The carpet was damaged from water dripping from the ceiling, evidence by the garbage bags covering the floor. Much of the carpet damage was caused by pets leaving their calling cards all over the place, including the furniture. The paint is faded, wind was blowing around the original glass sliding door in the kitchen back in March, much of the furniture was damaged by water leakage, missing furniture, the original shower in the master bedroom showed the same signs of water damage, the ceiling had water damage, and the landscaping is non-existent. It was felt that considerable renovation was necessary.

There are two purposes for the renovations; first as the private residence of the president, his wife and daughter, and the second as the center for hospitality and entertainment. The president's home will be the primary place on campus to bring donors after football games, the inauguration, and other events to entertain. As a private residence it needs to be comfortable, functional, and meet the needs of the family. The hospitality center should have a reputation on campus for style and dignity. A conservative estimate of the number of people coming through the house in the next year is 3,000. Knowing there is a balancing act between functional operation and style, it is by no means opulent.

Pat Henry was involved in the renovations and we followed three guidelines. First, address the physical integrity of the building such as the roof and ceiling problem in the great room. Second, be mindful of the financial integrity of the College. For 15 months no money had been specifically set aside for this building. Pat has reserves for other capital improvements that come up on campus as necessary, but no funds have been directed away from any existing projects that we have. Third, we want to comply with the state's purchasing requirements on bids and contracts.

Renovations were divided into three categories, those being renovations needed and what would be replaced, renovations needed but upgraded, and renovations that would extend the utility of the building and

maintain esthetic appeal. The carpet was ruined downstairs. The original plan for the Elbin home was hardwood floors throughout, so we went with hardwood floors. They not only look better but were supposed to be the floor choice in the beginning. When the next president comes along there will be no need to change carpet, just area rugs if need be. A breakdown of the \$164,000 utilized was \$73,000 on items needing replaced, \$58,000 on items needing upgraded, and \$33,000 on discretionary items, which includes some furniture, kitchen countertop, and a larger closet in the mudroom. After this experience, and after attending the new president's training seminar, President Capehart decided to form the Colonial Heights Society, so a subsequent president does not face this quandary. He and his wife started the society with a \$5,000 donation, and other contributions have come in since, with a possible substantial pledge. The goal is to build this to \$75,000, which will be put back into projects, reimburse the discretionary items, and put the remainder back into the school where needed. These funds will be there for the next person to have something to work with and not feel uncomfortable using it for this purpose. The Board Chair was kept informed of these things as they were done if anyone now has questions.

Lynne Exley stated that she is meeting with the president on a weekly basis to keep each other informed. Having a committee to oversee the issues with a new president would be very helpful. This committee will be put together with a representative from classified staff, along with someone such as Vic Greco. This committee would look at things needing done at the president's home down the road also, whether it would be new appliances or anything else needing decided.

President Capehart stated that he would like to form a small committee from the Board to deal with presidential relations. This committee would talk about the Board's expectations of the president and the president's expectations of the Board of Governors. Some of the items of discussion would be his evaluation, the criteria for the evaluation, what the president will be judged on, and where the Board wants to go with regard to the president's service.

President Capehart then gave a presentation regarding the Foundation and its relationship to the College. In conclusion of the presentation, the suggestion was made to form a committee of the Board of Governors and the Foundation Board to work on an agreement on the structure of this area and to address any problems. Mr. Capehart then asked if there were any questions.

Mr. Watson asked if it will be business as usual in the development area until a new scenario is put into place. President Capehart stated that they will continue normal operations with their usual goals to be met. There have been no new hires at this point until we have clarification on whether these employees will be working for and paid by the Foundation or the College. Mr. Watson also asked if there is any potential negative exposure to scholarship funds that are given to athletics and held by the Foundation. There is exposure for all Foundation money right now. The State can come in and crack down, although they probably will not, but they are looking at the Foundation's in the state. As an example, if the College is receiving \$150,000 from the Foundation, the State could cut our budget by this amount. Lynne Exley stated that the auditors had given us until September 1st to straighten out the purchasing card issues, and are aware that WLSC is making a good faith effort at this time. The analysis of the Development area should be complete in the next 30-60 days and will not impact potential fund raising. Events will still be held. Ms. Keller asked if there are other state institutions in this situation, to which President Capehart replied they are probably looking at Fairmont and Shepherd. Their focus is on foundations that are starting to grow.

A brief discussion followed on the hiring of employees within the foundation and whether they are considered state employees. Work is being done on a transition plan for the Foundation to employ its own people. This plan needs to be worked into the analysis that Chick O'Data currently has in process. The Capital Campaign is at \$15 million, but there is only \$11 million in the bank. Between the various gifts through wills, which are deferred and all a part of the campaign, we need to get our arms around what we have received. The typical cost is 35% maximum high end of administrative costs in regard to the amount of money that you raise. Mr. Henry does not have access to the Foundation books. Mr. Miller stated that the County books are being looked at for this reason for the first time this year. The auditors are saying that you cannot close your books until September 30th, which is considered an outrage in the accounting community.

5. HEPC and Legislative Update (www.hepc.wvnet.edu):

President Capehart stated that he was at the new presidents academy training seminar and was unable to attend the August 3rd HEPC meeting. John Davis attended the meeting in his place and was asked to give an update. Mr. Davis stated that since the meeting was a month ago, he would like to make a report at the next meeting. Dr. Lukich stated that on the faculty side of the meeting, for new positions and term faculty, approval was given to be able to hire individuals for three-year terms, renewing an agreement with these faculty members each year. This can be done with up to 10% of the term faculty. This is a group of faculty set aside from terminal degrees and gives flexibility in allowing us to bring people in and give them security for a period of three years if their teaching is going well.

6. Academic Affairs:

Dr. Lukich reported that the HLC/NCA work continues and that the self-study report is nearly complete. Portions of it have been made available on the HLC accreditation website. To view these portions, start on

the homepage and it is the first Quick Link listed on the left. Additional staff have been added to the team working on this report. A new Message from the President will be added this week. Beverly Burke is preparing the document for publication. Dr. Lukich thanked the faculty, staff, and students for all their hard work on the document thus far. Other program accreditations in progress are Music Education and Exercise Physiology, which will occur in 2007-08.

We have hired 12 new faculty members for the fall 2007 semester, five of which hold terminal degrees and two who will complete their terminal degrees this semester or spring 2008. Some of the new hires include Dr. Hollie Buchanan, Assistant Professor of Math, replacing Nick Baker; Brian Davis, Lecturer in PE and Head Wrestling Coach, replacing Mike Wehler; Nequoia Elsey, Instructor of Communications, replacing Kathy Roan; Dr. Charles Ramer, Assistant Professor of Education, replacing Tammy DeWitt; Amanda Tate, Lecturer in Math, replacing Arden Welsh; and Dr. Terry Wallace, Assistant Professor of Education/Special Education, replacing Shelby Haines.

To date, we have been unable to fill our Teacher in Residence with special education this year as our desired area of expertise. We will consider this strategy at a later date.

Progress continues on the Masters of Arts in Education proposal for the Higher Education Policy Commission. There is significant interest in this degree and we presently offer it as a minor.

West Liberty has entered into a new world. The Academic Common Market of the SREB requested that we add our Dental Hygiene Program, which we have done. Students from SREB states pay in-state tuition and fees if enrolled in Dental Hygiene.

The Intent to Plan a Bachelor of Science in Social Work Degree is being drafted for submission to the Higher Education Policy Commission.

A Dance Minor is being developed in Arts and Communications. We hope to have approval of this addition in 2007-08.

The following are scheduled for Academic Program Reviews:

- By the Board of Governors:
 - SBA/Business Information Systems
 - Social Science

- Internal:
 - Criminal Justice
 - Chemistry
 - Math

7. **Enrollment Update:**

Dr. Carpenter gave projected numbers for the 2007 semester. The current number for first year students is 525, but will probably come in at approximately 505. This drop accounts for panicking freshmen. The overall headcount enrollment trend looks to be approximately 2,350. Dual credit programs are counted differently in the headcount, and although they are not a significant part of the student population, as of today, here, full-time we are 62 students ahead of this time last semester, and above the final headcount for last year.

Housing is up 5% at approximately 1,080 students. Transfer headcount at this time last year was 242 and is currently 262 students. We have had to resort to getting creative to get people into the residence halls. The ACT/SAT, GPA percentages of incoming students are the top 25% of their class. Scores are consistent except for the SAT since only a small portion of students take the exam.

Overall, we are up about 5%, first year students up 5%, and housing up 5%. Dr. McCullough stated that West Liberty could see the largest set of student increases in the state. The Admissions staff and other campus groups in place make it easy to sell West Liberty; from Donna's office, to Pat's, the students and faculty. They all do an outstanding job of marketing the institution. Ms. Exley gave all involved every credit in the world with the huge issues of enrollment and retention. We were not enjoying these conversations three years ago.

8. **Budget and Finance:**

Mr. Henry reported that the fourth quarter cash went down this year by one-half million for the first time in the five years he's been at West Liberty. This was due to projects coming to an end and the payout, all of which came from overruns in various projects. There's not much we can do at this point, but the reserves are up, and in meeting with the president we will continue to build reserves. Currently we have just under three months reserves built up with a goal of six to nine months. Total assets went up.

Total assets went up and revenue went up \$200,000 more than budgeted. With a conservative budget this is a good sign with better revenue than anticipated. Supplies and other services are up substantially due to labor contracts and items needing completion.

Net assets went up \$1.2 million, which comes from the operating budget and the private sector net income. The field work is going on now for the unaudited fourth quarter statement. Auditors will be here next week working on the audit so numbers could change slightly. On the Statement of Cash Flows you will see how West Liberty spends its money. If you have any questions please e-mail them to Mr. Henry.

Mr. Capehart stated that a Budget Committee was put together in the most recent President's Council meeting. This committee will meet once a week to monitor the budget and changes so we do not go a long period of time and problems develop. He has met with Pat on several occasions, and when a problem developed a few years ago prompting the layoffs, this was due to the reserves being depleted. Pat has managed to build the reserves to around three months. We would like to build those reserves to a year. In speaking with the chief economist of West Virginia, he is predicting this year and next to be fine, but the flat time is about two fiscal years out. We have put together some rough scenarios so we could start saving and building reserves if we have problems such as air conditioning units going out, etc. We could address these problems with the reserves and avoid the tragedy that took place several years ago. We need to be fiscally responsible and have cash reserves.

9. Expanded Metro Rate*:

A "Metro Rate" representing a \$2,000 annual discount (\$1,000 per semester) in the tuition and fees for full-time students currently applies to students residing in Belmont and Jefferson Counties in Ohio and Washington and Allegheny Counties in Pennsylvania.

The proposed expanded Metro Rate would include Monroe and Columbiana Counties in Ohio and Beaver and Greene Counties in Pennsylvania and would be applicable for the 2008-09 academic year. This discount would apply to all full-time students (residing in the above-listed counties) attending West Liberty State College and would be prorated for part-time students.

ACTION ITEM III:

A motion to approve the Metro Rate for the 2008-09 academic year as stipulated was then made by Roseanne Keller and seconded by Michael Stolarczyk; motion passed unanimously.

J. D. Carpenter indicated that this is a natural expansion to these counties in West Virginia and Pennsylvania. We hope to expand beyond these counties with the continued success of the metro rate to drive enrollment and the bottom line tuition revenue enhancement. The downside of the metro rate is almost negligible since there are a limited number of students from these counties right now. The upside is the market penetration.

10. Smoking Policy * (30-day comment):

Based on *West Virginia Code* and Higher Education Policy Commission rule, this policy document must be reviewed and disseminated to constituent (faculty, staff, and student) groups for comment prior to its final adoption by the Board of Governors. The WLSC Board of Governors is asked to approve the dissemination of this document for comment. Following a 30-day period for the receipt of comments, the Board of Governors will take final action on this policy.

Dr. Carpenter stated that there was a healthy discussion on this matter going into this evenings meeting. What he heard come out of it was that there is a willingness to entertain a motion to place the policy out for 30-day comment with the understanding that a committee will be formed to look at the policy, and knowing the committee will come back with ideas and suggestions before the policy is approved. Everyone will have a chance to review these suggestions and give the committee their assignment.

ACTION ITEM IV:

A motion to approve the dissemination of the revised *Tobacco Use and Guidelines* to constituent groups for comment was then made by Brian Joseph and seconded by Beverly Burke; motion passed unanimously.

11. SGA Alcohol Proposal:

Dr. Carpenter stated that from a conversation this afternoon, we believe we need one more meeting to go over this proposal and from there the suggestion be to move forward with something very clearly labeled a trial basis. The final creation of the policy would be through the president, directed by his designee and the committee. We would come back with suggested language and that again, would be very clearly indicated as a trial basis that can be taken away at any time for any reason. Between now and the next meeting campus groups and the committee would start looking at some language if the Board would agree to do so. Ms. Exley stated that this issue was not on the agenda as an action item since the new members are not up to speed. If the issue is tabled one more time we cannot go beyond the October meeting for action on this item.

A motion to table action on the Alcohol Policy until the October 2007 meeting of the West Liberty State College Board of Governors was then made by Jim Compston and seconded by Beverly Burke; motion passed unanimously.

12. I-70 Project Update:

Dr. Lukich stated that nothing of substance has taken place on the I-70 project. An update was given to new board members in today's orientation and President Capehart is working locally with the Regional Development Agency on building at The Highlands. With the possibility of university status this would be where we would hold our graduate classes and house the science center. We are in the early negotiation stage and should have a few more details and a chair person appointed for a committee by October. This person will attend the Board meetings and keep the group informed of the progress on this project.

Ms. Exley stated that the Board had previously established a Finance Committee. She would like to establish a Campus Life Committee with members of the Board of Governors to assist J.D. and anyone else dealing with issues on campus. The Bylaws say this would be subject to the approval of the Board. This Committee could be created this evening, not necessarily having anyone named to serve but formulate the committee in concept. She then asked if anyone would entertain a motion that we have a Campus Life Committee as part of the Board of Governors.

A motion to establish a Campus Life Committee was then made by Roseanna Keller and seconded by Mike Turrentine; motion passed unanimously.

13. Adjournment:

Ms. Exley noted how wonderful today's orientation went. It was full of great things, wonderful people, and again welcomed the new members of the Board. This group will be working through many healthy issues, all to the glory and future of West Liberty State College. We appreciate everything the Board members do for the College.

A motion to adjourn was then made by Brian Joseph and seconded by Jim Compston; motion passed unanimously.

Lynne Exley _____
Chair

Secretary