

Minutes
WEST LIBERTY STATE COLLEGE
BOARD OF GOVERNORS
Wednesday, June 14, 2006

ATTENDANCE:

Board Members: Clyde Campbell, Al de Jaager, Lynne Exley, Dan Greathouse, Dan Joseph, Roseanna Keller, Mary Kosar, Larry Miller, John Moore, Will Turani, Bernie Twigg, Aaron Wilkinson

Unable to Attend:

Administration/Faculty/Staff: J. D. Carpenter, Andy Cook, Matthew Cottle, John L. Davis, Patrick Henry, Donna Lukich, John McCullough, Jim Watson, Robert Strong, Nancy Sturm, Tammi Secrist, Jeff Turner, Glen Schultz, Paul Richard

1. **Call to Order*:**

Prior to the meeting being called to order, Al de Jaager presented information on a CD produced by and for the WLSC Chamber Choir, which has been provided to the Board members. This project was made possible by the Nutting family. Also included with the CD is a letter from the Vatican, where the choir will be performing in May 2007. These CD's will be distributed in hopes of raising funds for this trip. Mr. de Jaager continued by thanking the Foundation for making money available for this project. Al has been working with Tammi Secrist and Patty Byrd to make the most of publicizing this trip, along with other activities the Choir will be presenting. The Choir is open to any fund raising ideas and is looking to local organizations for any possible assistance for this trip. Lynne Exley asked the cost of this trip, which Mr. de Jaager estimated to be \$100,000, of which the Foundation has donated \$20,000 toward. The Foundation is also taking contributions ear-marked "Italy Tour." Students involved in this trip will take ownership of their costs and are currently involved in fundraising. Brochures will be ready for distribution in a few weeks showcasing this event. Dr. McCullough stated that he has heard this performance in person, and it is an impressive performance. Mr. de Jaager also noted that the organist from the Vatican will be performing at the WLSC Chapel on September 13, 2006.

Mr. Twigg then called the meeting to order at 5:30 p.m. and asked if there were any changes or corrections to the minutes.

2. **Approval of Minutes*:**

Full Board
04/19/06

Executive Committee
04/10/06

ACTION ITEM I:

A motion to approve the minutes of the full Board of April 19, 2006, and the Executive Committee of April 10, 2006 was then made by Aaron Wilkinson and seconded by Dan Greathouse; motion passed unanimously.

3. **Tentative Schedule of Meetings July 2006 – June 2007*:**

The Board of Governors is asked to review the proposed dates on the attached schedule for any major conflicts in order to establish firm meeting dates for the year beginning July 1, 2006. Additional meeting dates may be built into this calendar to allow for the discussion of any unforeseen issues that may require the board's attention during the year. If this is done, one or two meetings may be cancelled in advance of the scheduled date if there is no urgent business to transact.

ACTION ITEM II:

A motion to approve the West Liberty State College Board of Governors schedule of meetings for July 2006 through June 2007 was then made by Aaron Wilkinson and seconded by Al de Jaager; motion passed unanimously.

4. **Election of Officers*:**

The Nominating Committee met recently to discuss nominations for AY 2006-2007 Board officers. Along with the other committee members, the following recommendations were made by the committee for the AY 2006-07 Board officers:

Chair:	John Moore
Vice Chair:	Will Turani
Secretary:	Lynne Exley
Past Chair:	Bernard Twigg

ACTION ITEM III:

A motion to approve the officers recommended by the Nominating Committee was then made by Al de Jaeger and seconded by Larry Miller; motion passed unanimously.

5. President's Report:

Dr. McCullough reported on the first meeting held with the Eastern Ohio school superintendents. The meeting was held June 12th with Dr. Lukich, Dr. Carpenter, Scott Cook, Joe Wakim, and the four school deans. It was a productive meeting with good input and a question and answer session on selling the advantages of WLSC to their counties. We will be working hard to increase our level of exposure, access, and promotability to these counties, and take our information to their guidance counselors and principals.

A meeting was held recently at Oglebay Park with Doug Dalby for the Earn to Learn Program. The meeting was in regard to part-time employment and paid internship opportunities for West Liberty students at Oglebay. This program would operate during the regular school semester, vacation, and summer break. This is a formalized relationship, a positive collaborative with the Wheeling Park Commission, and a direction in which we can point our students for internships and employment.

A press conference was held this morning regarding West Liberty's hosting of the Emerging Minority Business Leaders (EMBL) summer program. Tammi Secrist did an excellent job in coordinating this press conference, and it should appear on this evening's news and in the newspaper. We are hosting 67 minority students consisting of juniors, seniors, graduates, and doctoral students for the next two weeks. Dr. Carrie White, Chair of the Department of Administrative Systems in our School of Business Administration, is the program coordinator. This is a positive collaboration between WLSC and the WV High Technology Foundation (WVHTF), Department of Commerce, and Congressman Mollohan. WLSC was selected to host this national program, which is a very positive reflection on the College.

The first ever WLSC Summer Honors Academy is scheduled for June 18-23. Dr. Carpenter will reference this event in his update, and will kick off a week with area high school juniors on campus. This week will expose them to our academic programs and an on-campus experience. J. D. has done an excellent job in coordinating this event. The number in attendance is better than originally anticipated, with 20-plus local and out-of-state students scheduled to attend.

Last night an informal meeting was held at the Warwood Center regarding the Collaborative Graduate Masters Degree in Education with Marshall University. Dr. Lukich, Dr. Musser, Scott Cook, and I, along with Dr. Pauly from Marshall University, conducted an informational meeting with prospective graduate students. This is the second collaborative program WLSC has with Marshall, the other being the MSN in Nursing.

Last weekend was the 10th annual Silver Bears Alumni reunion. Ron Witt did an outstanding job coordinating this event. Dr. Campbell was in attendance representing the Board and the class of '53, for an outstanding program. The Silver Bears has been a very successful program, of which Clyde Campbell was a founding father.

Two days after the previous Board meeting, Dr. McCullough was in Florida for the presentation of the National Accreditation for the School of Business Administration by the IACBE, along with Elizabeth Robinson, Mike Turrentine, and Carrie White. This accreditation is testimony to the outstanding faculty and staff at WLSC. This accreditation brings us to approximately 30 nationally accredited (or meeting national standards) programs, which is very impressive for a school the size of WLSC.

\$43,000 has been allocated in the FY '07 budget for the presidential search. The ad for the position is anticipated to be published in the near future.

At this point Bernie Twigg gave an update on the presidential search, as outlined in WLSC Board of Governors Policy 1 – Procedures for Presidential Search and Selection, Section 1. Each member of the Board is asked to take some time and reflect as to the qualities we need to have in a president; what compliments the institution, where to look, personality, and summarize this information to the Chair in a memo. This information will be summarized for finding the ideal individual. The next step is to ask that a nomination be made for the Chair and Vice Chair of the committee.

Mr. Twigg continued with naming Dr. Clyde Campbell as Chair of the Presidential Search Committee. Dr. Campbell's expertise in this area does not need explanation. Lynne Exley was named Vice Chair of the Presidential Search Committee for her excellent organization skills and success in many areas.

A motion to name Dr. Clyde Campbell as Chair, and Lynne Exley as Vice Chair of the Presidential Search Committee was then made by John Moore and seconded by Aaron Wilkinson; motion passed unanimously.

Mr. Twigg continued, noting the Board Chair will appoint at his discretion individuals that would come from all areas of the school, those being faculty, alumni, Foundation, classified staff, and students. He would like to appoint individuals who would compliment this effort. This group will not be the final decision makers for

the position, but will provide input to the Board. This said, Mr. Twigg is asking Jack Hattman, representing WLSC faculty, Jim Frum, representing the Foundation Board, Mike Bailey, representing the Alumni Board, Barbara Neuman, representing classified staff, and Jesse Gagich, representing the students, to assist the Board with organizing information from their areas.

Mr. Twigg turned the discussion over to Dr. Campbell, who will organize the search. As information is gathered, a timeline for the search will be developed and a decision will be made by next spring. Dr. Campbell requested that the Board approve the employment of a professional consultant to assist with the presidential search. John Moore stated this would be a valuable resource and suggested this be given very positive and strong consideration by the Board. Dr. Campbell and Bernie Twigg have previously met with Cliff Trump, who is ready to assist in this search, but it would be more convenient if this Board would give approval to move in this direction. Bernie Twigg stated the budget amount for the search has been approved and allocated for use by the committee.

A motion to approve the employment of a professional consultant to assist with the presidential search was then made by Roseanna Keller and seconded by Al de Jaager; motion passed unanimously.

Roseanna Keller asked when the Chair would like to have the summary from the Board members. Mr. Moore would like to have these summaries in two weeks. He would prefer a hard copy sent to his office at WesBanco, One Bank Plaza, Suite #260, Wheeling, WV 26003.

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

Dr. McCullough stated that the legislative special session is currently underway. Dr. McCullough met with Senator Bowman last week regarding the college's capital needs. An article in the newspaper the day after this meeting listed a quote from Senator Bowman that one of the items he will be working toward is to secure funding for WLSC. We may be fortunate enough to receive a few thousand dollars to apply to one of the many campus projects. President's Council reviewed this list of needs, those being the Fine Arts building roof, Main Hall HVAC renovations (ADA), site improvements (paving & ADA), Shaw Hall renovations (ADA), and the chapel roof, porch, and steps. While we may not receive enough to cover any one of these projects, it would be positive to receive any extra funding.

7. **Academic Affairs:**

Dr. Lukich reported we are still in the process of hiring faculty for six remaining vacancies. Six individuals have been hired to date, those being in Clinical Psychology, Biology, Music, Accounting, General Business and one reappointment for a one-year contract in Nursing. Six vacancies remain in Hospitality and Tourism, Special Education, Communications, Developmental Psychology, Political Science, and a Nursing position that has not been filled for a number of years. With the upswing in nursing students we need to fill this position. A short discussion followed on the difficulties of filling some of these areas.

Dr. Lukich affirmed the Eastern Ohio Superintendents meeting as being successful, receiving many suggestions from the group.

An update was given on the on-going HCA preparation for the accreditation visit. The co-chairs are in place and have been working hard on preparing for the visit. Faculty group meetings will begin during the fall 2006 semester. There are also two site visits in the fall, those being in Clinical Laboratory Science and Nursing, and one site visit in the spring for Music. Dr. Lukich will keep the Board updated on these visits as they get closer.

John Moore asked where WLSC stands with regard to the percentage of instructors holding terminal degrees. Dr. Lukich stated we will be starting the fall with just over 60% of instructors holding terminal degrees. In approximately three years WLSC could be eligible for university status. Dr. McCullough stated the downside to this are the areas such as Nursing where it is almost impossible to get people holding terminal degrees because we cannot offer enough money. Dr. Lukich stated we do have seven or eight instructors currently working toward this goal and should receive their degrees in the next three years. Aaron Wilkinson asked how many instructors we lost and how many were recently hired with terminal degrees. The number works out to one lost with incoming replacements.

8. **Collaborative Graduate Masters Degree in Education with Marshall University*:**

This Program will be offered in collaboration with Marshall University to persons with a baccalaureate degree and teacher certification. It represents the third collaborative degree program developed as a result of Senate Bill 653. This program leads to a very marketable credential. The target audience is teachers in the Northern Panhandle, with WLSC offering its courses at West Liberty's Warwood Center or through distance learning methods. Approximately 25 students are expected to enroll as a cohort, and the program will typically take two years to complete. West Liberty faculty will teach four (4) courses and Marshall University faculty will teach nine (9) courses. Marshall will provide these courses using a variety of distance learning methods. The major cost of the program is in personnel and all cost will be covered by the revenue produced. This program has been unanimously approved by the West Liberty State College Curriculum Committee and Faculty Senate.

Aaron Wilkinson asked how long the agreement is in effect with Marshall. Dr. Lukich stated that although we are seeking the Board's approval for the collaboration at this point, once an agreement is signed it will be in place for at least two years. Bernie Twigg asked what the charge per credit hour will be, which is \$625/per credit hour. WLSC has always charged what the collaborative institute charges. This is the rate for an e-course through Marshall University

ACTION ITEM IV:

A motion to approve the Collaborative Master of Arts Degree Program in Elementary or Secondary Education to be offered by Marshall University and West Liberty State College was then made by Clyde Campbell and seconded by Larry Miler; motion passed unanimously.

9. **Enrollment Update:**

Dr. Carpenter remains cautiously optimistic for the fall 2006 enrollment. As of the June 1st enrollment report, the last real comparative data set run, WLSC has received 277 more applications over this time in 2005, with 145 accepted and 101 additional registered students as of June 1. Those numbers have tracked steadily since we started tracking students in January. The numbers have not been a roller coaster, and it is very encouraging that they have been steady. Currently, we are looking at 2,300 or a little over for the fall 2006. This would be an increase of 70 students, or a 2+% increase after a four-year downward slide. We are up significantly in new students, and 130+ are out-of-state. Southern state numbers are increasing from areas south of Morgantown. Once we get the students on campus and in class we will start to study the numbers and locations. Returning students are within ten of where we were at this time in 2005, but what's most exciting is that it is dead even, but we started with 139 fewer students in 2005, which is significant in terms of the retention rate. The question was asked as to how many students will be receiving the PROMISE scholarship. Dr. Carpenter was not sure at this time. We are also up 70 students in the residence halls.

One of the handouts from Dr. Carpenter is Parents 101. Having studied other programs offered, we have never seen one comparable to the one we have started. Parents 101 is a web CT course with chat rooms where parents can go in and do what they need to do to strengthen their connection with and support their students. This program is cutting edge technology and we are anxious to see where it goes.

The last piece of information is the 2006 Summer Honors Academy. The academy will have students attending from five states, from Virginia to Ohio. West Liberty will be offering a week of the best WLSC has to offer, awarding 3-hours credit, room, board, and tuition, for \$100. This program will open doors for us into some markets where we have not previously been a key player.

We currently have 75 volunteers for the mentor program and are collaborating on the first-year experience course. The LASSI Test (Learning and Study Strategies Inventory) will be administered in the fall, which is a 10-scale, 80-item assessment of students' awareness about and use of learning and study strategies related to skill, will, and self-regulations components of strategic learning. This will give West Liberty a profile where students need the most help so we can direct efforts to specific areas.

Board member Lynne Exley has been working with Dr. Carpenter with regard to Title III and students with different learning styles. They are in the process of putting together a grant proposal which will address these areas of discussion. They are also working on ways to contact students who have not yet declared a major through a jump start program similar to a set-up at Muskingum College.

Larry Miller stated he will have a teacher's academy at Wheeling Park High School on Tuesday. He has 225 teachers registered and would like to get at least that many of the pamphlet regarding the collaborative masters program with Marshall University. This would help our area teachers meet their master's requirements. Dr. Lukich will get the pamphlets to Mr. Miller.

10. **Institutional Advancement Update:**

Having only been on the job two days when attending the previous Board meeting, Mr. Cottle stated some changes have taken place since that time. The Development Office has hired a Regional Development Officer, Chuck Jeswilkowski. Chuck has 25 years as a manufacturer's representative and has extensive involvement in the WLSC Alumni Association. This crossover will be a phenomenal opportunity for West Liberty. The search continues for a Corporate Foundation Relations Officer. The position has been redefined to a non-management position, but is still very technical. The search committee is currently reviewing resumes to determine when to commence interviews.

The Foundation has surpassed the \$1 million mark in private giving for the second consecutive year. Now we need to figure out how keep it at the million dollar level. Alumni resources and College Relations are essential, creating a three-legged stool to collaborate across these areas.

Another collaboration has been on the Enrollment Management Plan. College Relations and Marketing efforts have identified opportunities to advance enrollment management. Enrollment management projects

will include more recruitment efforts in Ohio. The Development staff will be emphasizing scholarships, which is one of their highest priorities.

As of the end of April, the Foundation has made some of its largest ever allocations to the College. These projects have the potential to have a huge impact on the College. Approximately \$40,000 was provided to add a digital data collecting device to the Dental Hygiene clinic. This device will put the clinic on the leading edge of their record keeping. The Foundation will also be providing \$20,000 in additional scholarships. They will also be providing funds to Dr. Carpenter to do a national survey on student engagement. This survey will determine how students feel about WLSC and how we compare to comparable colleges.

The Foundation is also in the process of securing new insurance for Foundation property and securing an independent auditor for FY '06. We will be renewing our accounting contract, and currently, although there is no lawyer of record, we are securing a "by hour" relationship at a substantial discount through the efforts of Sue Farnsworth. We continue to work with Pat Henry on identifying problems or opportunities for financial collaboration between the College and the Foundation. There are many opportunities to identify and ways to make work more efficiently.

11. **Budget and Finance:**

Mr. Henry referenced the budget for 2006 contained in the board packet. Revenue sources are up and expenditures will be spent by the end of June. West Liberty is in the black and had a good year. We are looking forward to the next audit and bond covenants are on track. All information for the current FY 2005-06 is to be in Charleston by Friday to be processed. We will have two weeks of down time to prepare for FY 2006-07. Aaron Wilkinson asked if West Liberty looks at how other colleges break down their budgets, in particular the student government budget. After attending a seminar with Dr. Carpenter, Mr. Wilkinson noted that West Liberty has the lowest budgeted amount for this area out of all the state institutions. A brief discussion followed on looking for more money for this line item. Mr. Henry will address this issue and put an analysis together on how WLSC compares to other state institutions.

Mr. Henry continued with the budget for FY 07. This is the same budget approved at the previous Board meeting. All of the fees have been approved by Charleston. There are no changes on the revenue side, but there is a change on the expense side due to the presidential search, which was an oversight. Since the BRIM insurance increase came in lower than expected, the change is a wash. This is a conservative budget with a small variance, based on 2,150 students per semester and 75/25 in-state/out-of-state ratio. This could change based on student numbers in the fall.

Mr. Turani discussed an information page, a transitional sheet based on finances with everything you need to know to transition into the finance committee. A bullet point transitional information sheet will be presented at the next Board meeting.

12. **Consol Energy Property*:**

The West Liberty State College Foundation bylaws require that all real estate and other gifts-in-kind be formally offered for transfer to ownership by West Liberty State College. The Board is asked to approve the retention of the Windsor Power Coal Company portal property by the Foundation's Board of Trustees to obtain the best value possible for the property and apply such income toward support of the College.

Dr. Campbell stated that there was also some equipment that came along with this property such as the mine elevator and lockers. Mr. Cottle is handling and in the process of selling off that equipment to the highest bidder. With more mines opening and operating this equipment is in demand. Aaron Wilkinson asked whether the lockers had been sold, to which Mr. Cottle stated they had been, and they're not the type of lockers we could put to good use.

ACTION ITEM V:

A motion to approve the retention of the CONSOL Energy Property by the West Liberty State College Foundation Board of Trustees was then made by John Moore and seconded by Dan Greathouse; motion passed unanimously.

At this point, Will Turani took a moment to thank Bernie Twigg for his service during his term of office as Chair of the Board of Governors. Dr. McCullough presented Mr. Twigg with a certificate stating: West Liberty State College hereby acknowledges Bernard P. Twigg, in recognition of his exceptional dedication as an Alumnus, as a member of the Board, and as the Chairman of the West Liberty State College Board of Governors. Mr. Twigg stated that his tenure has been a real orientation to higher education, but it has been most gratifying to see the changes in the faculty, staff, and administration under this new leadership. This is an enormous accomplishment and the Board has done a great job, of which he is very proud. He felt he was leaving the Chairmanship in good hands.

13. **Preliminary Planning Report on I-70 Project:**

Dr. McCullough opened the presentation and touched on previous information disseminated with regard to the science center. This presentation is a result of a nearly \$100,000 planning grant provided by Congressman Mollohan.

A detailed presentation was made by the Committee, in conjunction with the architectural firm of WTW of Pittsburgh, PA, followed by a question and answer session.

The next step in the preliminary planning would be to secure the land and put together a detailed business plan. We are currently looking at various funding sources. Mr. Moore complimented the Committee on their efforts to date. He stated we need to look at the hard aspects of the dimension, and continue to refine the process and put together a business plan and be ready to report back to the Board. Mr. Cottle stated that the Development Office will have more of an ability to have specific conversations with donors if we have the land secured.

Dr. Campbell asked that it be noted for the record that the final decisions on any aspect of this project come before the Board of Governors.

Aaron Wilkinson asked why the kit boxes we assemble for the Handle on Science will not be assembled in the new building, but in a leased space. Glen Schultz, of WTW Architects, stated that 1,000 sq. ft. are needed for the science program kits. To justify the assembly of these kits in the expensive square footage area of the new building would not make economic sense. This could be done in less expensive leased space.

Will Turani asked if the property will be gifted to West Liberty State College? The Ohio County Commissioners, along with Greg Stewart, Ohio County Administrator, are gifting this property to the College. If we do not make use of the property in 24 months, it is likely this particular parcel will be sold and we will be deferred to one of two other parcels.

Mr. Moore stated that the key point is that the land will be gifted to the College with no financial commitment on our part. Mr. Moore then asked for a motion to move forward with details on the land acquisition.

A motion to approve moving forward with details on the land acquisition was then made by Roseanna Keller and seconded by Dan Joseph; motion passed unanimously.

Lynne Exley asked about the business plan for this project and how long it would take to put one together. Dr. McCullough stated that a team would be put together with Patrick Henry taking the largest part of the responsibility. Dr. Cook stated that a plan had been put together previously, but needs brought back out and updated with the external input.

Dan Greathouse asked if August 30 allowed for too much time between Board meetings to bring back a business plan for the I-70 project for approval. It was noted that two-plus months would be a realistic time period to accomplish what needs to be done with the county commissioners and the business plan. Also, a special meeting could be called if need be.

14. **Adjournment:**
The meeting adjourned at 7:45 p.m.

John Moore _____
Chair

Lynne Exley _____
Secretary

**West Liberty State College Board of Governors
Executive Committee
WesBanco Conference Room, Wheeling, WV
August 9, 2006**

Executive Committee Members: John Moore, Will Turani, Lynne Exley

WLSC Administrators: John McCullough

Legal Counsel: John Gompers

1. Mr. Moore called the meeting to order at 7:30 a.m.
2. A formal reaffirmation of the WLSC-WVNCC "Northern Panhandle Partnership for Higher Education" will occur at 2:00 p.m. on Tuesday, August 15, at WVNCC, with Dr. Olshinsky and Dr. McCullough signing the agreement.
3. The I-70 Project continues to move forward with the development of the business plan and the pending transfer of property.
4. Of the eight full-time faculty positions filled, seven have been by individuals holding terminal degrees. Several faculty vacancies remain, and several have been filled by temporary one-year appointments. Most all staff vacancies have been filled.
5. Revisions to the Policy and Procedure Manual are being made, along with a change to the fund-raising policy/procedure, all of which will need to be sent out for 30-day comment.
6. Enrollment for the fall semester continues to track ahead of last year. Critical elements of the Enrollment Management Plan are being aggressively implemented.
7. A reduced tuition/fee ("Metro Fee") will be proposed for residents of Belmont and Jefferson counties in Ohio, and Washington and Allegheny counties in Pennsylvania. Out-of-state tuition/fees would be reduced by \$2,000 for residents of these four counties in a concerted effort to attract more students.
8. Pursuant to WV Code § 6-9A-4, a motion to retire to executive session was made by Will Turani and seconded by Lynne Exley; motion passed unanimously.

Following discussion in executive session; a motion to rise from executive session was made by Lynne Exley and seconded by Will Turani; by unanimous approval, the Committee rose from executive session.

9. The meeting adjourned at approximately 9:30 a.m.

John Moore

Chairman

Lynne Exley

Secretary

WEST LIBERTY STATE COLLEGE
STATEMENT OF NET ASSETS
JUNE 30, 2006, 2005, 2004, 2003 AND 2002

	2006	2005	2004	2003	2002
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ 6,715,746	\$ 5,788,247	\$ 5,109,884	\$ 3,441,028	\$ 2,756,000
Appropriation due from Primary Government		18,509	18,706	19,175	
Accounts receivable—net	573,270	701,977	459,011	317,729	199,220
Due from Commission and other state agencies	122,797	21,323	9,832	19,663	
Loans to students—current portion	319,254	332,808	310,838	278,000	270,000
Prepaid expenses	1,430	11,818	10,041	880	7,350
Inventories	64,741	87,026	78,413	102,800	101,871
Total current assets	<u>7,797,238</u>	<u>6,961,708</u>	<u>5,996,725</u>	<u>4,179,275</u>	<u>3,334,441</u>
Noncurrent assets:					
Cash and cash equivalents	2,911,410	6,400,939	12,303,311	101,018	230,579
Loans to students—net of allowance of \$673,994 \$681,543 \$645,273, \$645,273 and \$708,428	938,643	978,241	1,053,770	942,448	968,339
Capital assets—net	<u>40,572,818</u>	<u>35,042,777</u>	<u>29,215,040</u>	<u>27,453,325</u>	<u>27,669,207</u>
Total noncurrent assets	<u>44,422,871</u>	<u>42,421,957</u>	<u>42,572,121</u>	<u>28,496,791</u>	<u>28,868,125</u>
TOTAL ASSETS	<u>\$ 52,220,109</u>	<u>\$49,383,665</u>	<u>\$ 48,568,846</u>	<u>\$32,676,066</u>	<u>\$32,202,566</u>
LIABILITIES:					
Current liabilities:					
Accounts payable	\$ 611,836	\$ 278,261	\$ 454,115	\$ 670,480	\$ 1,048,087
Due to Commission and other state agencies	193,417	190,442	100,078	9,921	
Accrued liabilities	1,380,176	2,210,202	1,688,323	508,311	435,273
Deferred revenue	118,216	302,698	270,181	366,598	405,494
Compensated absences—current portion	608,180	640,672	553,288	608,749	731,567
Debt obligation to Commission—current portion	225,457	219,993	213,944	286,902	243,495
Capital leases—current portion	353,429	357,880	382,528	357,456	348,508
Bonds payable—current portion	365,000	355,000	275,000	19,000	19,000
Total current liabilities	<u>3,855,711</u>	<u>4,555,148</u>	<u>3,937,457</u>	<u>2,827,417</u>	<u>3,231,424</u>
Noncurrent liabilities:					
Advances from federal sponsors	1,546,644	1,531,396	1,573,713	1,537,884	1,603,710
Compensated absences	1,885,382	1,985,644	2,259,563	2,048,998	1,706,914
Debt obligation to Commission	3,671,467	3,896,924	4,116,916	4,303,646	4,590,548
Capital leases	631,111	984,540	1,302,463	1,684,990	2,050,186
Bonds payable	12,485,940	12,843,584	13,191,227	82,000	101,000
Total noncurrent liabilities	<u>20,220,544</u>	<u>21,242,088</u>	<u>22,443,882</u>	<u>9,657,518</u>	<u>10,052,358</u>
Total liabilities	<u>24,076,255</u>	<u>25,797,236</u>	<u>26,381,339</u>	<u>12,484,935</u>	<u>13,283,782</u>
NET ASSETS:					
Invested in capital assets—net of related debt	<u>23,881,569</u>	<u>20,030,802</u>	<u>19,818,640</u>	<u>20,719,331</u>	<u>20,450,334</u>
Restricted for:					
Expendable:					
Specific purposes by State Code				1,080,526	913,818
Scholarships	(9,669)	44,488	280,187	58,781	57,179
Debt service	1,113,340	1,112,312	1,117,256	37,248	57,391
Capital Projects	188,284	540,671	800,596	734,838	231,595
Total restricted expendable	<u>1,291,955</u>	<u>1,697,471</u>	<u>2,198,039</u>	<u>1,911,393</u>	<u>1,259,983</u>
Unrestricted	<u>2,970,330</u>	<u>1,858,156</u>	<u>170,828</u>	<u>(2,439,593)</u>	<u>(2,791,533)</u>
Total net assets	<u>28,143,854</u>	<u>23,586,429</u>	<u>22,187,507</u>	<u>20,191,131</u>	<u>18,918,784</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 52,220,109</u>	<u>\$49,383,665</u>	<u>\$ 48,568,846</u>	<u>\$32,676,066</u>	<u>\$32,202,566</u>

WEST LIBERTY STATE COLLEGE

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2006, 2005, 2004, 2003 AND 2002**

	2006	2005	2004	2003	2002
OPERATING REVENUES:					
Student tuition and fees (net of scholarship allowance of \$2,246,310, \$2,108,251, \$1,822,042, \$2,037,171 and \$2,014,107)	\$ 7,722,745	\$ 7,684,532	\$ 7,570,467	\$ 7,218,859	\$ 7,002,831
Contracts and grants:					
Federal	3,183,509	3,038,819	3,331,901	3,169,143	3,435,952
State	1,789,799	1,349,291	1,298,959	1,167,518	828,663
Private	755,201	124,616	70,222	620,870	326,725
Interest on student loans receivable	16,613	22,957	29,689	38,815	39,753
Auxiliary enterprise revenue (net of scholarship allowance of \$1,626,691, \$1,405,501, \$1,214,695, \$1,358,114 and \$992,023)	5,501,552	5,286,672	4,716,054	4,585,235	3,092,390
Miscellaneous—net	142,006	117,592	216,253	678,026	403,749
Total operating revenues	<u>19,111,425</u>	<u>17,624,479</u>	<u>17,233,545</u>	<u>17,478,466</u>	<u>15,130,063</u>
OPERATING EXPENSES:					
Salaries and wages	11,020,872	10,607,687	10,664,393	11,196,424	11,932,370
Benefits	2,617,881	2,582,766	3,079,223	3,287,752	2,843,882
Supplies and other services	6,037,158	6,695,854	6,114,340	6,461,521	6,653,835
Utilities	1,333,933	1,277,357	1,245,099	1,820,748	1,027,275
Student financial aid—scholarships and fellowships	1,113,172	1,728,616	1,876,752	1,611,929	877,530
Depreciation	1,874,501	1,436,203	1,297,294	1,271,965	1,271,642
Loan cancellations and write-offs	23,068	26,091	35,808	47,848	54,743
Fees assessed by the Commission for operations	165,185	172,060	144,883	144,883	153,713
Total operating expenses	<u>24,185,770</u>	<u>24,526,634</u>	<u>24,457,792</u>	<u>25,843,070</u>	<u>24,814,990</u>
OPERATING LOSS	<u>(5,074,345)</u>	<u>(6,902,155)</u>	<u>(7,224,247)</u>	<u>(8,364,604)</u>	<u>(9,684,927)</u>
NONOPERATING REVENUES (EXPENSES):					
State appropriations	8,439,114	8,570,738	\$ 8,840,702	9,964,497	10,522,627
Investment income	412,563	209,258	145,599	111,302	179,381
Interest on indebtedness	(725,645)	(649,434)	(682,088)	(176,296)	(157,484)
Fees assessed by the Commission for debt service	(494,262)	(504,485)	(595,543)	(681,193)	(933,842)
Other nonoperating expenses—net	-	-	-	-	(101,659)
Net nonoperating revenues	<u>7,631,770</u>	<u>7,626,077</u>	<u>7,708,670</u>	<u>9,218,310</u>	<u>9,509,023</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER	2,557,425	723,922	484,423	853,706	(175,904)
CAPITAL AND BOND PROCEEDS FROM POLICY COMMISSION	2,000,000	675,000	-	418,641	-
CAPITAL GIFTS AND GRANTS	-	-	1,539,168	-	-
TRANSFER OF LIABILITY FROM POLICY COMMISSION	-	-	(27,215)	-	(4,834,043)
INCREASE (DECREASE) IN NET ASSETS	4,557,425	1,398,922	1,996,376	1,272,347	(5,009,947)
NET ASSETS—Beginning of year (as restated in 2002)	<u>23,586,429</u>	<u>22,187,507</u>	<u>20,191,131</u>	<u>18,918,784</u>	<u>23,928,731</u>
NET ASSETS—End of year	<u>\$ 28,143,854</u>	<u>\$ 23,586,429</u>	<u>\$ 22,187,507</u>	<u>\$ 20,191,131</u>	<u>\$ 18,918,784</u>

WEST LIBERTY STATE COLLEGE

**STATEMENT OF CASH FLOWS
YEARS ENDED JUNE 30, 2006, 2005, 2004, 2003 AND 2002**

	2006	2005	2004	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:					
Student tuition and fees	\$ 8,574,000	\$ 8,439,682	\$ 8,275,781	\$ 7,061,512	7,607,684
Contracts and grants	5,675,114	4,440,502	3,741,419	4,884,341	4,701,521
Payments to and on behalf of employees	(13,859,582)	(13,138,117)	(13,560,739)	(14,191,872)	(14,520,775)
Payments to suppliers	(6,636,391)	(7,592,917)	(6,957,984)	(6,831,390)	(6,257,725)
Payments to utilities	(1,427,622)	(1,211,222)	(1,254,794)	(1,820,748)	(1,027,275)
Payments for scholarships and fellowships	(2,240,826)	(2,648,015)	(1,876,752)	(1,611,929)	(1,792,411)
Loans issued to students	(365,836)	(317,093)	(498,049)	(258,378)	(320,960)
Collection of loans to students	418,537	323,123	353,889	278,609	280,224
Auxiliary enterprise charges	6,805,247	6,389,903	5,631,175	4,585,235	3,394,301
Debt service assessed by Commission	(165,185)	(172,060)	(144,883)	(144,883)	(153,713)
Other receipts—net	152,109	112,223	194,351	642,845	520,949
Net cash used in operating activities	<u>(3,070,435)</u>	<u>(5,373,991)</u>	<u>(6,096,586)</u>	<u>(7,406,658)</u>	<u>(7,568,180)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
State appropriations	8,439,114	8,570,738	8,840,702	9,964,497	10,522,627
William D. Ford direct lending receipts	7,436,823	7,631,594	7,357,919	6,600,180	7,355,750
William D. Ford direct lending payments	<u>(7,435,677)</u>	<u>(7,632,287)</u>	<u>(7,356,782)</u>	<u>(6,600,180)</u>	<u>(7,365,475)</u>
Cash provided by noncapital financing activities	<u>8,440,260</u>	<u>8,570,045</u>	<u>8,841,839</u>	<u>9,964,497</u>	<u>10,512,902</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:					
Purchases of capital assets	(7,905,442)	(7,003,146)	(1,959,466)	(1,056,084)	(459,700)
Capital project proceeds from Commission	2,000,000	675,000		418,642	
Capital gifts and grants			1,539,168		
Proceeds from sale of capital assets		3,408		94	
Proceeds from bond issuances			13,748,914		
Principal paid on long term liabilities	(577,873)	(552,821)	(644,357)	(599,743)	(398,819)
Principal paid on bond obligations	(355,000)	(275,000)	(371,000)	(19,000)	(159,359)
Interest paid on bond obligations	(738,811)	(747,062)	(562,176)	(3,315)	
Interest paid on long term liabilities	(263,011)	(291,406)	(175,234)	(173,075)	
Decrease (Increase) in noncurrent cash and cash equivalents	3,489,529	5,902,372	(12,202,293)	129,561	(76,412)
Debt service assessed by Commission	<u>(494,262)</u>	<u>(504,485)</u>	<u>(595,553)</u>	<u>(681,193)</u>	<u>(933,842)</u>
Cash used in capital financing activities	<u>(4,844,870)</u>	<u>(2,793,140)</u>	<u>(1,221,997)</u>	<u>(1,984,113)</u>	<u>(2,028,132)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on investments	<u>402,544</u>	<u>275,449</u>	<u>145,599</u>	<u>111,302</u>	<u>179,381</u>
Cash provided by investing activities	<u>402,544</u>	<u>275,449</u>	<u>145,599</u>	<u>111,302</u>	<u>179,381</u>
INCREASE IN CASH	927,499	678,363	1,668,855	685,028	1,095,971
CASH AND CASH EQUIVALENTS—Beginning of year	<u>5,788,247</u>	<u>5,109,884</u>	<u>3,441,029</u>	<u>2,756,000</u>	<u>1,660,029</u>
CASH AND CASH EQUIVALENTS—End of year	<u><u>\$ 6,715,746</u></u>	<u><u>\$ 5,788,247</u></u>	<u><u>\$ 5,109,884</u></u>	<u><u>\$ 3,441,028</u></u>	<u><u>2,756,000</u></u>

WEST LIBERTY STATE COLLEGE**STATEMENT OF CASH FLOWS****YEARS ENDED JUNE 30, 2006, 2005, 2004, 2003 AND 2002**

	2006	2005	2004	2003	2002
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:					
Operating loss	\$ (5,074,345)	\$ (6,902,155)	\$ (7,224,247)	\$ (8,364,604)	(9,684,927)
Adjustments to reconcile net loss to net cash used in operating activities:					
Depreciation expense	1,874,501	1,436,203	1,297,294	1,271,965	1,271,642
Changes in assets and liabilities:					
Due from Primary Government	18,509	197	469	(19,175)	-
Accounts receivable, net	128,707	(242,966)	(141,282)	(118,509)	87,428
Due from Commission and other state agencies	(101,474)	(11,491)	9,831	(19,663)	
Loans to students, net	53,152	53,559	(144,160)	17,891	14,007
Prepaid expenses	10,388	(1,777)	(9,161)	6,470	498
Inventories	22,285	(8,613)	24,387	(929)	14,280
Accounts payable	333,575	(11,322)	(216,365)	(357,765)	381,423
Due to Commission and other state agencies	2,975	(74,168)	90,157	(9,921)	
Accrued liabilities	136,830	521,879	79,862	73,038	56,008
Compensated absences	(132,754)	(186,535)	155,104	219,266	199,378
Deferred revenue	(184,482)	32,517	(96,417)	(38,896)	92,083
Advances from federal sponsors	15,248	(42,317)	35,828	(65,826)	-
Other operating activities	<u>(173,550)</u>	<u>62,998</u>	<u>42,114</u>	<u>-</u>	<u>-</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (3,070,435)</u>	<u>\$ (5,373,991)</u>	<u>\$ (6,096,586)</u>	<u>\$ (7,406,658)</u>	<u>\$ (7,568,180)</u>



WEST LIBERTY STATE COLLEGE

WEST LIBERTY, WV 26074-0295

INTERIM FINANCIAL STATEMENTS

Forth Quarter

June 30, 2006 and 2005

APPROVED BY _____

TITLE _____

DATE _____

APPROVED BY _____

TITLE _____

DATE _____

WEST LIBERTY STATE COLLEGE

**STATEMENT OF NET ASSETS
JUNE 30, 2006 and 2005**

ASSETS:	6/30/2006	6/30/2005
Current assets:		
Cash and cash equivalents	\$ 6,715,746	\$ 5,788,247
Appropriation due from Primary Government		18,509
Accounts receivable—net	573,270	701,977
Due from commission	22,298	21,323
Due from other state agencies	100,499	
Loans to students—current portion	319,254	332,808
Prepaid expenses	1,430	11,818
Inventories	64,741	87,026
Total current assets	<u>7,797,238</u>	<u>6,961,708</u>
Noncurrent assets:		
Cash and cash equivalents	2,911,410	6,400,939
Loans to students—net of allowance of \$673,994 and \$681,543	938,643	978,241
Capital assets—net	40,572,818	35,042,777
Total noncurrent assets	<u>44,422,871</u>	<u>42,421,957</u>
TOTAL ASSETS	<u>\$ 52,220,109</u>	<u>\$ 49,383,665</u>
LIABILITIES:		
Current liabilities:		
Accounts payable	\$ 611,836	\$ 278,261
Due to commission	12,039	25,910
Due to other state agencies	181,378	164,532
Accrued liabilities	1,380,176	2,210,202
Deferred revenue	118,216	302,698
Compensated absences—current portion	608,180	640,672
Debt obligation to commission—current portion	225,457	219,993
Capital leases—current portion	353,429	357,880
Bonds payable—current portion	365,000	355,000
Total current liabilities	<u>3,855,711</u>	<u>4,555,148</u>
Noncurrent liabilities:		
Advances from federal sponsors	1,546,644	1,531,396
Compensated absences	1,885,382	1,985,644
Debt obligation to commission	3,671,467	3,896,924
Capital leases	631,111	984,540
Bonds payable	12,485,940	12,843,584
Total noncurrent liabilities	<u>20,220,544</u>	<u>21,242,088</u>
Total liabilities	<u>24,076,255</u>	<u>25,797,236</u>
NET ASSETS:		
Invested in capital assets—net of related debt	<u>23,881,569</u>	<u>20,030,802</u>
Restricted for:		
Expendable:		
Scholarships	(9,669)	44,488
Debt service	1,113,340	1,112,312
Capital Projects	188,284	540,671
Total restricted expendable	<u>1,291,955</u>	<u>1,697,471</u>
Unrestricted	2,970,330	1,858,156
Total net assets	<u>28,143,854</u>	<u>23,586,429</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 52,220,109</u>	<u>\$ 49,383,665</u>

For Management Use Only

WEST LIBERTY STATE COLLEGE

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PERIODS ENDED June 30, 2006 and 2005**

	6/30/2006	6/30/2005
OPERATING REVENUES:		
Student tuition and fees (net of scholarship allowance of \$2,246,310 and \$2,108,251)	\$ 7,722,745	\$ 7,684,532
Contracts and grants:		
Federal	3,183,509	3,038,819
State	1,789,799	1,349,291
Private	755,201	124,616
Interest on student loans receivable	16,613	22,957
Auxiliary enterprise revenue (net of scholarship allowance of \$1,626,691 and \$1,405,501)	5,501,552	5,286,672
Miscellaneous—net	<u>142,006</u>	<u>117,592</u>
Total operating revenues	<u>19,111,425</u>	<u>17,624,479</u>
OPERATING EXPENSES:		
Salaries and wages	11,020,872	10,607,687
Benefits	2,617,881	2,582,766
Supplies and other services	6,037,158	6,695,854
Utilities	1,333,933	1,277,357
Student financial aid—scholarships and fellowships	1,113,172	1,728,616
Depreciation	1,874,501	1,436,203
Loan cancellations and write-offs	23,068	26,091
Fees assessed by the Commission for operations	<u>165,185</u>	<u>172,060</u>
Total operating expenses	<u>24,185,770</u>	<u>24,526,634</u>
OPERATING INCOME (LOSS)	<u>(5,074,345)</u>	<u>(6,902,155)</u>
NONOPERATING REVENUES (EXPENSES):		
State appropriations	8,439,114	8,570,738
Investment income	412,563	209,258
Interest on indebtedness	(725,645)	(649,434)
Fees assessed by the Commission for debt service	(494,262)	(504,485)
Other nonoperating expenses—net		
Net nonoperating revenues (expenses)	<u>7,631,770</u>	<u>7,626,077</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER	2,557,425	723,922
CAPITAL PROCEEDS FROM THE COMMISSION		675,000
BOND PROCEEDS FROM THE COMMISSION	<u>2,000,000</u>	
INCREASE (DECREASE) IN NET ASSETS	4,557,425	1,398,922
NET ASSETS—Beginning of year	<u>23,586,429</u>	<u>22,187,507</u>
NET ASSETS—End of period	<u>\$ 28,143,854</u>	<u>\$ 23,586,429</u>

For Management Use Only

WEST LIBERTY STATE COLLEGE

STATEMENT OF CASH FLOWS
PERIODS ENDED June 30, 2006 and 2005

	6/30/2006	6/30/2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Student tuition and fees	\$ 8,574,000	\$ 8,439,682
Contracts and grants	5,675,114	4,440,502
Payments to and on behalf of employees		(13,138,117)
Payments to suppliers		(7,592,917)
Payments to utilities		(1,211,222)
Payments for scholarships and fellowships		(2,648,015)
Loans issued to students	(365,836)	(317,093)
Collection of loans to students	418,537	323,123
Auxiliary enterprise charges	6,805,247	6,389,903
Debt service assessed by Commission	(165,185)	(172,060)
Other receipts—net	152,109	112,223
Net cash provided (used) in operating activities		<u>(5,373,991)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	8,439,114	8,570,738
William D. Ford direct lending receipts	7,436,823	7,631,594
William D. Ford direct lending payments		<u>(7,632,287)</u>
Cash provided by noncapital financing activities	<u>8,440,260</u>	<u>8,570,045</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Purchases of capital assets		(7,003,146)
Capital and Bond proceeds from the Commission	2,000,000	675,000
Proceeds from sale of assets		3,408
Principal paid on long term liabilities	(577,873)	(552,821)
Principal paid on bond obligations	(355,000)	(275,000)
Interest paid on bond obligations	(738,811)	(747,062)
Interest paid on long term liabilities	(263,011)	(291,406)
Decrease (Increase) in noncurrent cash and cash equivalents	3,489,529	5,902,372
Debt service assessed by Commission	<u>(494,262)</u>	<u>(504,485)</u>
Cash used in capital financing activities		<u>(2,793,140)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	<u>402,544</u>	<u>275,449</u>
Cash provided by investing activities	<u>402,544</u>	<u>275,449</u>
INCREASE (DECREASE) IN CASH	927,499	678,363
CASH AND CASH EQUIVALENTS—Beginning of year	<u>5,788,247</u>	<u>5,109,884</u>
CASH AND CASH EQUIVALENTS—End of year	<u><u>\$ 6,715,746</u></u>	<u><u>\$ 5,788,247</u></u>

For Management Use Only

WEST LIBERTY STATE COLLEGE**STATEMENT OF CASH FLOWS
PERIODS ENDED June 30, 2006 and 2005**

	<u>6/30/2006</u>	<u>6/30/2005</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating income (loss)	\$ (5,074,345)	\$ (6,902,155)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation expense	1,874,501	1,436,203
Changes in assets and liabilities:		
Due from Primary Government	18,509	197
Accounts receivable, net	128,707	(242,966)
Due from Commission and other state agencies	(101,474)	(11,491)
Loans to students, net	53,152	53,559
Prepaid expenses	10,388	(1,777)
Inventories	22,285	(8,613)
Accounts payable	333,575	(11,322)
Due to Commission and other state agencies	2,975	(74,168)
Accrued liabilities	136,830	521,879
Compensated absences	(132,754)	(186,535)
Deferred revenue	(184,482)	32,517
Advances from federal sponsors	15,248	(42,317)
Other operating activities	<u>(173,550)</u>	<u>62,998</u>
NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	<u>\$ (3,070,435)</u>	<u>\$ (5,373,991)</u>
NONCASH TRANSACTIONS:		
Construction in progress additions in accrued liabilities	<u>\$ 675,471</u>	<u>\$ 1,642,327</u>

For Management Use Only

WEST LIBERTY STATE COLLEGE POLICY MANUAL

Action Item

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 their 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.

Proposed Resolution: *Resolved*, that the West Liberty State College Board of Governors approves the dissemination of the *West Liberty State College Policy Manual* to constituent groups for comment.

West Liberty State College Board of Governors
August 30, 2006

METRO DISCOUNT

Action Item

A "Metro Discount" (commonly referred to as a "Metro Fee"), representing a \$2,000 annual discount (\$1,000 per semester) in the tuition and fees for full-time students residing in Belmont and Jefferson Counties in Ohio and Washington and Allegheny Counties in Pennsylvania, would be applicable for the 2007-08 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.

Proposed Resolution: *Resolved*, that the West Liberty State College Board of Governors approves the Metro Discount for the 2007-08 academic year as stipulated.

METRO DISCOUNT/FEE --- RATIONALE

Over the course of many years, West Liberty State College has analyzed and reviewed the possible effects of implementing a “Metro Discount” (commonly referred to as a “Metro Fee”).

This approach to discounting/reducing tuition/fees for out-of-state students at a public institution of higher education is not new, nor is it unique. In fact, virtually all public colleges/universities in West Virginia already have a Metro Fee, and some have had such a fee for many years. A typical Metro Fee will represent a tuition/fee level that is at a halfway point between in-state and out-of-state rates. We are proposing an approach that is more modest/conservative, but one that still can have a substantive impact in terms of the financial/cost attractiveness of West Liberty to students/parents in the four counties.

The purpose of any Metro Fee is fairly basic in that it is an attempt to compete—on a direct cost/price basis—with out-of-state institutions for *their* in-state students (i.e., Ohio University Eastern’s “Out-of-State Tuition Scholarship” for students residing in *our* West Virginia Northern Panhandle).

The Metro Discount that we are proposing is specifically intended to improve our competitive position for students residing in Belmont and Jefferson counties in Ohio and in Washington and Allegheny counties in Pennsylvania. These four counties represent the source of the largest number of our out-of-state students. We believe that significant opportunities exist for West Liberty to effectively recruit more students from these four counties, *if* we can compete more effectively and directly in terms of the cost of tuition/fees. It is very important to note that the competitive advantage we once held, in terms of tuition/fees and total cost of attendance in relation to Ohio and Pennsylvania public universities, no longer exists.

Hence, we are proposing a Metro Discount of **\$2,000** (\$1,000 per semester), to be effective with the **2007-08** academic year, to out-of-state tuition/fees for **all** students (returning and in-coming) residing in the four identified counties. Such a discounted tuition/fee would allow West Liberty to compete more directly and more aggressively with Ohio institutions such as Kent State University, Youngstown State University, Ohio University, Ohio State University, and University of Akron and with such Pennsylvania schools as California University of PA, Indiana University of PA, Slippery Rock University, and Shippensburg University. The Metro Discount would also further improve our competitive price position with many private institutions in Ohio and Pennsylvania, as well as with those in West Virginia.

The tuition/fees-income breakeven point would represent approximately fifty additional students from the four counties with the \$2,000 Metro Discount. More than fifty additional students would produce new additional tuition/fees income. A worse-case scenario (absolutely no additional students from the four counties) would result in a tuition/fees-income decrease of approximately \$388,000 in the 2007-08 fiscal year. This decrease could be absorbed in the proposed FY 08 budget without negatively affecting our current operations and plans, which include a very modest 2% pool for salary increases. While this worse-case scenario has been built into the preliminary FY 08 budget, we are not anticipating this scenario to actually materialize.

A contingency amount of money has been identified and will be allocated, pending approval of this proposal, to support a targeted marketing effort to promote the new Metro Discount in the four-county area.

West Liberty’s “troops on the ground,” our admissions counselors and coaches—individuals who are on the “front line” of our student-recruiting efforts, **strongly endorse** the Metro Discount as a realistic approach to competing more effectively for out-of-state students. We believe the specific program that is being recommended is practical, measured, reasonable, and holds an appropriately strong probability for success in improving our competitive posture (especially in high-volume Allegheny and Washington counties—which are under-represented at West Liberty) and in increasing our overall enrollment from the four targeted counties.

We appreciate your consideration of this proposal, and we look forward to discussing it in more detail with you.

Analysis FY 08 Budgets

DRAFT

Additional Revenue Sources:

Tuition Increase - 5% \$ 561,150

2150 Students

Fee Increases

Room/Board Increase - 5% \$ 225,000

State Funding increase \$ -

Grants \$ -

Total \$ 786,150

Goalquest Software \$ 20,000

Wages Increase - 2% \$ 224,400

Mercer Scale adjustment

Benefits - 2% \$ 31,416

Promotions \$ 50,000

PEIA \$ -

Retirees PEIA increase \$ -

Staff Request \$ -

3yr budget plan adjustments

Library - 5% \$ 2,100

BRIM \$ -

Gas - Natural \$ -

Accreditation \$ 18,000

Metro Fee** \$ 388,000**

← Worse case scenario.

Total \$ 733,916

Variance \$ 52,234

****NOTE: Metro Fee – Decrease in income if no additional students enroll.**