

**West Liberty University
Board of Governors**

Minutes

June 10, 2009

Attendance:

Beverly Burke, Richard Carter, Lynne Exley, Roseanna Keller, John Larch, Paul Limbert, Shane Stack, James Stultz, Michael Turrentine

Unable to Attend:

Brian Joseph, Larry Miller, Michael Stolarczyk

Administration/Faculty/Staff:

Reid Amos, Robin Capehart, J. D. Carpenter, Jim Clark, Scott Cook, Mary Ann Edwards, John Gompers, Pat Henry, Jeff Knierim, Donna Lukich, John McCullough, Tammi Secrist, Brian Warmuth, Jim Watson, Jack Wright

1. Call to Order:

Chair Exley called the meeting to order at 5:00 p.m.

2. Chairperson Comments:

Chair Exley thanked Mary Ann for taking the minutes of the meeting and Sodexo for another great meal. She also welcomed John Gompers, who will be commenting on a few things during the meeting, and thanked John Larch for chairing the last Board meeting.

Board members will notice they have a copy of Dr. Javersak's book in front of them. This is a gift from the Board and it's signed by Dr. Javersak. This book should complete the whole history of the College to University. When some Board members came on Board you received a green history book; this book continues the history.

Chair Exley acknowledged the hard work of the University Week Committee headed by Ron Witt. The entire week was an outstanding celebration.

She also complimented Scott Cook and his Commencement Committee for the wonder set-up at graduation. This was the largest graduation crowd in a long a time. Scott did a great job and his efforts are not unnoticed. There was also a sea of Board members. Nine members attended, which is absolutely phenomenal.

As mentioned at previous meetings, Chair Exley encouraged members to attend the upcoming Board of Governors Summit in August. This is a wonderful summit hosted by the Chancellor. The Summit is August 21-22; brief but important. All of the State colleges and universities will be represented.

When members came on board, some came on for a two-year term and some turned into a four-year term with the Board. One of us, however, has been here for ten years. Roseanna Keller was appointed in 1999 and has worked through three governors; Underwood, Wise, and now Manchin. Roseanna has been a dedicated Board member, a member of the Presidential Search Committee, and is currently serving on the Nominating Committee. Roseanna has also contributed generously in financial support to West Liberty. After ten years it may be possible that she may not be appointed again. Chair Exley would like to acknowledge this remarkable contribution to West Liberty. For those at the May commencement you may remember Roseanna wanting to get a picture her digital camera of the Board when Jesse was taking pictures. Chair Exley presented the Board commencement photo to Ms. Keller and invited those members present to sign on their gown for visibility.

Ms. Keller then stated that it has been a pleasure to work with such a dedicated group and for such a wonderful initiative. Working with the quality of people on this Board has been an education. When she came on board in the fall of 1999 she thought she was coming because many of the Bayer employees' children were attending West Liberty. It's been a wonderful ten years and she's learned a lot. She stated that she is even more dedicated to this institution and knows what an asset and wonderful institution it is. It's been a pleasure and she thanked the group.

Chair Exley noted that the Governor appoints the replacement to the Board according to his own schedule.

3. Approval of Minutes*:

Chair Exley asked for a motion to approve the minutes of the full Board of April 22, 2009 and June 2, 2009, and the Executive Committee minutes of April 15, 2009 and June 3, 2009.

<u>Full Board</u>	<u>Executive Committee</u>
04/22/09	04/15/09
06/02/09	06/03/09

A motion to approve the minutes of the full Board of April 22, 2009 and June 2, 2009, and the Executive Committee minutes of April 15, 2009 and June 3, 2009 was then made by Jim Stultz and seconded by Mike Turrentine; motion passed unanimously.

4. Approval of Reports*:

Chair Exley thanked Scott Cook, Donna Lukich, Jeff Knierim, and J.D. Carpenter for their Board reports. She asked if there was a request to move any of these reports into the regular agenda to discuss or for further clarification. With no request to move any of the reports to the regular agenda, Chair Exley asked for a motion to approve the reports.

A motion to approve the reports submitted by Enrollment Services, Provost, Division of Student Affairs, and Office of Development, was then made by Richard Carter and seconded by Jim Stultz; motion passed unanimously.

Chair Exley asked J.D. Carpenter to take a few minutes and address the Board with regard to his report since it was not part of the agenda packet was and received this evening. Dr. Carpenter stated that this type of report is something he's done at each school he's been but had not had the opportunity to do so at West Liberty. The report is two-fold. One, is since what so many folks do is obvious, for instance we know what Donna Lukich, Scott Cook, and Reid Amos do, Student Affairs tends to be one of those mushy kind of things that, when things get put away, things that you don't know what to do with, it ends up with us. Part one of that purpose of the report is to give an idea of what this Division does. We make assumptions on a daily basis that everybody knows what we do, only to be corrected. Secondly, to brag about my staff, one of the hardest working groups of people I've had the pleasure to be associated with. Last year they were nothing short of amazing, proud of them, and wanted to share that information. Chair Exley thanked Dr. Carpenter for his update.

5. Annual Graduate Degree Report*:

Dr. Lukich stated that she was asked to provide the HEPC with a report on graduate programs. She asked that Dr. McCullough add or expand on this information if he so chooses. As Board members are aware we have one masters program, a Master of Arts in Education with three concentrations available to students; Advanced Teaching, Technology Integration, and Multi-Categorical Special Education. Having done some statistical review we have offered seven of our courses in the first year of implementation out of a possible 20 courses that comprise this degree. In fall 2009 we plan to offer three courses, two for the first cohort in year two and the initial class for the second cohort. These classes will move from the Warwood Center to The Highlands Center. Presently there are approximately 28 students enrolled in the program. For a new program, this number exceeds our projection for the cohort start-up group. We are currently marketing this program for the fall. Dr. Lukich, Scott Cook and the College of Education are exceedingly pleased with the numbers for what we think is a quality Masters Program in Education. Dr. Lukich thanked Reid Amos and the Marketing area for the one sample marketing piece Reid Amos put together. We needed something very small for the time being so we could put it in all of the teachers' mailboxes for the summer and have it done in a very short amount of time. Dr. Lukich circulated the marketing piece to the Board members. She stated that the hope is that the current teachers will give us a call to find out more information and become a student.

A motion was then made by the West Liberty University Board of Governors to approve the Annual Graduate Degree Report for Academic Year 2008-09 by Beverly Burke and seconded by Mike Turrentine; motion passed unanimously.

6. Bachelor of Social Work Program*:

Dr. Lukich stated that it is a pleasure to bring the request to approve the Bachelor of Social Work proposal before the Board. Since many of the Board members are new, Dr. Lukich backed up historically to where we have been with this program and how we arrived at tonight's proposal. During Dr. McCullough's second term as Interim President, West Liberty requested permission to pursue this degree offering. The following fall,

October 2007, we were finalizing work on the intent to plan and in late October the plan was actually submitted to the HEPC for approval. In November 2007 we received approval to proceed with the plan from the HEPC. Since that time our one full-time faculty member in Social Work, Sheli Bernstein-Goff, has been working to prepare a full curriculum and deal with all other items involved in the full proposal for the degree program. With assistance from Dr. Brian Crawford, Department Chair, and Bill Baronak, Interim Dean, we were able to look at the planned program at the April College Curriculum Committee meeting.

This field is viewed as a growing field with employment projected to increase 22% by 2016. West Liberty currently offers a minor in Social Work with 16 students in the minor. We have frequently been approached with the question as to whether this could be offered as a degree and when this might happen. The students know we have been working toward a degree program and are excited that the opportunity will be coming. We have prepared the full proposal and upon approval from this body we will be about to submit it to the HEPC. Total enrollment in the program is projected to be 60 students. This is a very appropriate number for this major. We will be able to accomplish the addition of this major by adding one full-time faculty member and the resources that would support accreditation. West Liberty does not have as many accredited programs as we would like and we are excited for this one to be added to that mix. Other than the one new faculty member, there will not be any extraordinary cost to the University for this type of program. This program should be very cost effective for the University.

Dr. McCullough stated that this degree was offered on our campus a number of years ago and discontinued. It was a viable program with solid enrollment for many years, 15 to 25 years ago. Based upon a review of career paths and opportunities we feel it will once again be a viable program and that is why the proposal rose to this point.

A motion was then made by the West Liberty University Board of Governors to approve the Bachelor of Social Work Degree Program to be offered within the College of Liberal Arts, Department of Social and Behavioral Sciences by Roseanna Keller and seconded by Beverly Burke; motion passed unanimously.

Chair Exley stated that she asked Dr. Lukich to bring a list of possible programs that may be offered at The Highlands. The intent is that Board members may be chatting about The Highlands in your travels and this way you will have some measure of what classes are offered. Dr. Lukich stated that the gold sheet is a list of courses currently planned for The Highlands. We will probably have three more added, taking our numbers to 41 courses at The Highlands, not including the online opportunities. We will have a number of courses offered in an online format. There will be a separate booklet describing the courses. We are pleased to have faculty participating to the level they have extended themselves at The Highlands. There is also a variety of formats in which the courses are offered. Some are one night a week, first and second half semester for half a day on Saturdays, some between 8:00 a.m. and 11:00 a.m. The second half will have another set of offerings to allow students to come to The Highlands five days a week. We believe we are giving quite an array of options for the students and have plans of aggressively marketing The Highlands. Mr. Cook has been meeting the last couple weeks to formulate a plan to market The Highlands.

Mr. Cook stated that they are currently targeting three specific stores; Best Buy, Cabela's, and AT&T. These three stores have significant tuition reimbursement for their employees. Dates have been set to meet with employees at the Marquee Cinemas since we will not be in our building until August. Reid Amos coined the phrase "ground attack," which we are mounting with publications that our staff will place in every store in The Highlands during July. We are also going to purchase names of Ohio County residents to let them know we are open for business, distributing a publication Reid designed, and notify them what classes are available. In the next month or so we should have everyone in Ohio County know we are at The Highlands.

7. Election of Officers*:

Ms. Keller, as a member of the Nominating Committee, stated that she is proud to present the slate of officers recommended by the Committee members. The slate is: Chair - Brian Joseph, Vice Chair – Jim Stultz, and Secretary, Richard Carter.

A motion to accept the nominations for the election of officers for the West Liberty University Board of Governors was made by John Larch and seconded by Mike Turrentine; motion passed unanimously.

8. Tentative Schedule of Meetings July 2009-June 2010*:

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 year beginning July 1, 2009. 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. A quorum of seven voting members is required to be present for the Board to officially take action on any item.

A motion was then made by the West Liberty University Board of Governors to adopt the meeting schedule for July 2009 through June 2010 by Richard Carter and seconded by Paul Limbert; motion passed unanimously.

President Capehart noted that the February 10, 2010 meeting lists to “prepare for legislative year.” This should be included in the December meeting since the legislature convenes in January.

Chair Exley noted that the Executive Committee of the Board typically meets the Wednesday prior to the Board meeting.

9. Approval of President’s Salary Increase*:

Chair Exley stated that the presidential compensation is based on an excellent two-hour evaluation conducted on June 3, 2009 with President Capehart. President Capehart has provided excellent leadership for West Liberty University and is committed to making a good College a great University. After reviewing the goals and objectives the Executive Committee was unanimous in their support of the vision, leadership, and commitment shown by the President. Chair Exley asked John Gompers, Counsel to the Board, for his comments.

Mr. Gompers stated that he was invited to be a part of the president’s evaluation and also to attend the Executive Committee meeting, not only for the president’s performance that was discussed but also the compensation issue which came up at that time. The president received an excellent evaluation for performance. When the compensation issue was introduced Mr. Gompers advised the Executive Committee that essentially West Liberty was out of compliance with regulations. The regulation stipulates that the president’s salary should be the average of president’s salaries in its peer institutions. West Liberty is nowhere near the average at this point in time and it is recommended that in the spirit of trying to follow the regulations, the University get into compliance. It was unanimously recommended that the president’s salary be raised to \$170,000 for fiscal year 2009-10, which still does not bring West Liberty into compliance with regulations. It does show that there is an effort and desire to get into compliance over a period of time.

Mr. Gompers further stated that this was not only a bare-bones argument about the regulation or discussion regarding the evaluation, but we also looked into other facts; and the fact is West Liberty can financially do this. Financially West Liberty is in good shape at this time and has funds sufficient to make increases; the budget is balanced, enrollment has increased over the last three years which has helped income, and the University currently maintains a healthy reserve fund. Fund raising has also increased despite the economic downturn. Because of these reasons, the Executive Committee unanimously recommended the \$170,000 salary. The peer average salary last year was \$181,000. Even raising it to \$170,000 for 2009-10 will still not bring us into compliance but shows a good faith effort to do so. Chair Exley asked if there were any questions for Mr. Gompers or members of the Executive Committee.

Mr. Limbert asked if this regulation is a new regulation this year or a regulation that has been in effect for a number of years. Mr. Gompers stated the regulation changed as of May 19, 2009 and the regulation prior to that would have stated that the president’s salary could be raised no less than 20% and no more than 80% of the average CUPA amount. The regulation was changed because essentially the institutions were just going to 20% and nobody was going higher than the 20%. The changed regulation prompted this discussion; the former regulation has been thrown out and changed to the peer institutions selected by the HEPC.

A motion was then made by the West Liberty University Board of Governors to approve the President’s salary increase to \$170,000 for fiscal year 2009-10 by Jim Stultz and seconded by John Larch; Paul Limbert abstained; motion passed.

Mr. Turrentine stated that he has seen the information provided by Mr. Gompers and can appreciate the fact that West Liberty needs to be in compliance with regulations. It was embarrassing to see how far below the other institutions we were in our peer group. This has been an eye opening experience. On this same note, Mr. Turrentine asked that West Liberty now try to make a good faith effort to bring faculty member salaries into line with our peer institutions. This year we need to investigate the faculty salaries under the same standards we see for the president’s compensation.

10. Capital Land Services Review:

Chair Exley stated that she received a letter March 17, 2009 from Capital Land Services. Capital Land Services is exploring this area to find clean burning natural gas. They came to the University because they

wanted to explore the possibility of coming to our campus and they would pay us for whatever natural gas they find. Chair Exley approached the Executive Committee of the Board to discuss this matter and it was decided that the matter should be brought to the full Board on what to do with this income opportunity.

Mr. Wright attended the Executive Committee meeting where it was reviewed that the State owns 278 acres at the University and it does have the gas rights for all but six or eight acres. Last August and September when natural gas was at \$13/NCF the groups in the area, which there are two or three, were offering \$3,000/acre with 16% royalty and no guarantee to drill. If you signed-on you might pick up \$834,000 with no guarantee to drill. Whether they drill or not is important. Mr. Wright continued with a lengthy breakdown of financial possibilities.

Ms. Keller stated that she has had some experience with this in her area with Chesapeake, another company exploring locally. There is a constituent group of 75 people in the Marshall County area. Chesapeake started out at one price and the price was going up until the economy went down and the offers came off the table. They approached Bayer to see if we could process the gas through what's called "fracking," (hydraulic fracturing). This involves injecting water deep underground to force out the gas, then separate it from the water and pump the water back out onto the hill side. Chesapeake pulled the deal back as soon as prices went down. Most land owners are waiting for prices to go back up. Some had already committed and once you commit, you're done; you can't go with another company.

Mr. Carter stated that it is not like this opportunity will go away in the future. The shale will still be there and should it be needed, somebody is going to be willing to pay to drill.

Mr. Limbert asked if we are looking for a decision this evening and if not, we could put together a committee, look at the alternatives and move forward. This situation can be monitored and we can move along.

A motion was then made by the West Liberty University Board of Governors to monitor all communications with regard to the drilling of natural gas by Paul Limbert and seconded by Richard Carter; motion passed unanimously.

11. Warwood Center Update:

Mr. Wright stated that in order to sell a state owned property you are required to get two appraisals. The State currently owns the Warwood Center. Two appraisals were received in May of 2009; one from John Kelly and one from William Buch. The average of the two appraisals is \$152,500. The State is required to sell the property at or above the average appraisal price.

A public hearing was held in this room on May 14, 2009, which lasted about a minute and a half. The public hearing is for one purpose; to let the public come and make whatever positive or negative comments they want about the potential sale. One person was willing to speak and asked what we were going to do with the Warwood Center, to which we declined to make a statement. No one else spoke.

The Warwood Center was put up for sale with Paull Associates on May 19, 2009, first advertised on May 24, and on Monday, May 25, the first person of interest was taken through the building by Paull Associates. A company by the name of JJBBD, LLC put in an offer to purchase the building the next day for \$165,000. Jake Robinson is the primary constituent in the group. The closing will be held August 31, 2009. Proceeds from the sale will go to the State and the University must petition the legislature for the return of the proceeds for capital improvements to the University. The next legislative session will be next January or February.

Mr. Wright asked if there were any questions. He could only state that Jake Robinson plans to rent the building out and is very interested in filling it up. Mr. Robinson owns six other buildings in Wheeling and Moundsville.

Mr. Gompers stated that a motion to approve the sale to a buyer for \$165,000 is needed to authorize the Board Chair to sign the deed, along with the President, and Chief Financial Officer to execute any other documents relative to the closing and actions necessary to close on the property.

Chair Exley read the proposed resolution into the record as follows:

"Proposed Resolution: RESOLVED, that the Real Estate Purchase Agreement, dated May 27, 2009, between Board of Governors of West Liberty University (Seller) and JJBBD, LLC (Buyer), for the sale of real estate located at 1610 Warwood Avenue, Wheeling, Ohio County, West Virginia (as described in Deed Book No. 760, at page 370), for the purchase price of \$165,000.00, is hereby ratified, confirmed and approved; and

RESOLVED, that the Chairman of the Board of Governors of West Liberty University is hereby authorized, empowered and directed to execute and deliver to JJBD, LLC a Deed transferring said real estate and the aforesaid Chairman and/or President and/or Executive Vice President/Chief Financial Officer, John E. Wright, are hereby authorized, empowered and directed to execute and deliver any other agreements, documents, instruments, certificates and other papers and do all such acts and things as may be necessary and desirable to consummate the transaction authorized herein and otherwise to carry out the purposes and intent of this Resolution.”

A motion was then made by the West Liberty University Board of Governors to accept the Resolution by Roseanna Keller and seconded by Paul Limbert; motion passed unanimously.

12. SMART-Center Update:

Mr. Wright stated that we have two groups at the Warwood Center, one being the SMART-Center, which is a science center that teaches science to students from five to thirteen or fourteen years of age. Some of these courses are offered at schools in the area and other courses are non-school sponsored and are held during the summer.

The last six-years of operation of the SMART-Center were analyzed and our income was \$185,000, expenses \$540,000, with an average loss of \$60,000/year, and the Center was charged no overhead. In talking with Mr. Robinson about what they might lease West Liberty square footage for, although we have not been given a figure at this point, we assume \$4.00/sq. ft. The SMART-Center will need to move or have a lease by August 31st. We have offered the use of the CONSOL center between West Liberty and Bethany. This building is in better shape than the Warwood Center. The current employees in the SMART-Center were not interested in going to the CONSOL center, but it is a university operation and we could move it to that location. Of the two groups in the Warwood Center, the SMART-Center is by far costing us the most money at \$100,000 plus in the hole.

The second group in the Warwood Center is the Handle on Science, which is divided into sections. RESA 6 has been in the building for a number of years and essentially, they bring in teachers from local schools, teach them how to use science kits, put various scientific projects in these kits, and send them out to the grade and high schools. RESA 6 funds the equipment that goes into the science kits. They also receive funding through charging each school board some money to cover the cost of West Liberty’s employee who handles the boxes. Over the past six years our revenues were \$195,000, expenses \$230,000, with a loss of about \$6,000/year. At 333 sq. ft. for their area we lose about \$20,000/year. We will be meeting with the RESA 6 people in the future. The Benedum Foundation gave the West Liberty Foundation a \$700,000 grant for the years at \$233,000. The grants run out this year so we need to take another look at the program. The Handle on Science personnel tell RESA what items they need to put on order for the science kits as well as training for new teachers in RESA 6. The problem here is it looks like we have a \$20,000 annual loss on the program plus the lack of a full-time supervisor. We are going to meet with officials of RESA 6 and decide whether to continue the program.

Chair Exley stated that although the Board does not meet again until August, an earlier meeting can be set up if needed.

13. Laptop Program Update:

Mr. Clark stated that IT Services have been working continuously since last year on the Laptop program. If you observe laptop research it indicates the current laptop size and form factor for our students. Mr. Clark displayed an example of the kind of Netbook we are going to use. It’s very light, has a Windows operating system and all of the software that West Liberty’s students will need to study, write papers and do other scholarly activities. The price of these Netbooks has been continuously falling all year long. This model has 92% standard keyboard size and one of its most outstanding features is that it is very energy efficient. It can go an entire day of computing in three to four hours of classes without needing plugged in. Currently we have 318 reservations from our first time freshman that we have elicited to take the laptop this year. Our fee for servicing the laptops has also fallen. Last year the service fee for the larger laptop was \$75. This year the fee is \$25 for two semesters. After two semesters the Netbook becomes the property of the student.

The Laptop Support Center supports students for their entire needs of the laptop; any repairs, hardware, or other problems. The first year students who got to use their laptops had a few repairs along the way and we attempted to keep the downtime to an absolute minimum. The downtime average turn around was normally the same day, with the exception of hardware related problems and UPS delivery. This is better than the average retail outlet in the regional area.

Mr. Turrentine asked what the cost of the laptop would be, to which Mr. Clark stated that last fall the retail was \$480 but today's quote is down to \$302.

Mr. Carter asked for clarification on if a student pays a \$25 maintenance/service fee for the first two semesters they are then given the laptop, to which Mr. Clark stated yes. He then congratulated Jim for finding such a good device at a reasonable cost and for a more than reasonable service and maintenance cost. Mr. Clark stated that students tell us that the ability to stay here on the hilltop and get this service is a very important component. It could also be looked at as a retention item because the students aren't driving off the hill to deal with computer problems.

Mr. Turrentine asked Mr. Clark to discuss the laptop program and another aspect that affects areas of the campus. Mr. Clark stated that the yearly fee had been \$75 for four years. In the midst of setting priorities and budgetary items on the program we identified the fact that we needed to hold the cost of the program down to a certain level. With that goal in mind we were looking to get the best and most quality units for the students and to fill their needs. With the savings from the Sakai program, which enables us to offer on-line courses, we were able to generate more revenue; although up front it is actually going to be a little extra out-of-cost on that product.

Mr. Clark stated there was an Apple program which the University charged a one-time fee of \$150, which is significantly more expensive than HP. Apple's was a \$1,200 proposition and they are a very small component of the laptop program. Their software option for certain majors in graphic design, digital media, and the arts area are offered to approximately 18 students at this time. Those students tended to move towards or want the Apple computer. We have identified for academic purposes those students who need this software package. The Apple is currently still around \$950.

14. FY 10 Budget Update:

Mr. Wright stated that for the FY 10 budget the HEPC approved our tuition and fees as submitted at their last meeting. The total budget from the legislature passed last week and was submitted on Friday in the State Budget Office. A 5% reduction in budgets was planned and we were given back \$180,000, so the actual reduction is around 3.1%. The only thing that is still not settled would be as to whether to make the balance of this reduction up in stimulus money. This is still floating and no decision has been made from what had been previously approved. From where we stand we hope to have an approved budget this week.

President Capehart stated that he received a notice day before yesterday that the State college and university presidents are having a budget meeting next Thursday, a week from tomorrow, to talk about finalizing budgets. We will also talk about the distribution of the money that is coming from the Federal Government.

15. President's Report:

President Capehart presented his annual report and a look at the many things which have taken place on campus. A bullet point list is attached to the minutes.

Motion to move to Executive Session pursuant to WV Code § 6-9A-4 was then made by Paul Limbert and seconded by John Larch; motion passed unanimously.

Following discussion, a motion was made to rise from Executive Session by Jim Stultz and seconded by Beverly Burke; motion passed unanimously.

16. Adjournment:

The meeting adjourned at 6:58 p.m.

Lynne Exley _____
Chair

Mike Stolarczyk _____
Secretary