

WEST LIBERTY STATE COLLEGE
BOARD OF GOVERNORS

October 12, 2005
5:30 p.m.
R. Emmett Boyle Conference Center
WLSC

AGENDA

1. Call to OrderMr. Twigg
2. Approval of Minutes*
Full Board 08/31/05: 5 MinMr. Twigg
Executive Committee 09/26/05
3. President's Report 10 Min Dr. Owens
4. HEPC and Legislative Update (www.hepc.wvnet.edu) 5 Min Dr. Owens
5. Academic Affairs 10 MinDr. McCullough
6. Enrollment Update 30 MinDr. Carpenter
7. Budget and Finance..... 15 MinMr. Henry
Mr. Turani
8. Salary Policy* 15 Min Dr. Owens
(a) Classified
(b) Non-Classified
9. Master Plan Update 10 Min Dr. Owens
10. November 1 Salary Plan 5 MinMr. Twigg
11. Establishment of Enrollment/ 5 MinMr. Twigg
Student Affairs Committee Dr. Owens
12. Follow-up on Quality Strategy ("Vision") 10 Min Dr. Owens
13. Update on Progress Toward University Status 5 Min Dr. Owens
14. Adjournment

*Action Items

Minutes
WEST LIBERTY STATE COLLEGE
BOARD OF GOVERNORS
Wednesday, August 31, 2005

ATTENDANCE:

Board Members: Al de Jaager, Jim Frum, John Gompers, Roseanna Keller, Mary Kosar, Larry Miller, John Moore, Will Turani, Aaron Wilkinson

Unable to Attend: Dan Joseph, Bernie Twigg

Administration/Faculty/Staff: J. D. Carpenter, John Davis, Patrick Henry, Andrew Lewis, John McCullough, Genny McIntyre, Richard Owens, Tammi Secrist

1. **Call to Order:**

Mr. Moore called the meeting to order at 3:35 p.m. and welcomed back Larry Miller.

2. **Approval of Minutes:**

Full Board
06/22/05

Executive Committee
None

ACTION ITEM I:

Mr. Moore asked if there were any changes to the minutes. Having noted the changes, a motion to approve the minutes of the full Board of June 22, 2005, was then made by Jim Frum and seconded by John Gompers; motion passed unanimously.

3. **Swearing In of New Board Members:**

John Moore, who officially swore in the new member of the Board of Governors, administered the Oath of Office to Student Government President Aaron Wilkinson. Vice Chair Moore then presented a formal resolution to Andrew Lewis for his outstanding work as past student representative of the WLSC Board of Governors. A motion was made to accept this resolution by Jim Frum and seconded by Aaron Wilkinson; motion passed unanimously.

4. **President's Report:**

Dr. Owens acknowledged it is wonderful to see Larry Miller back at the board meeting. West Liberty is back to school and Dr. McCullough has assured a smooth start to the academic year. There are always a few issues and things happen, but generally speaking everything went quite smooth. The board is invited September 9th here in the Boyle conference center for the public announcement of West Liberty's first ever Capital Campaign. The announcement will be in conjunction with the Benefactors Gala on September 10th. Later this evening is the 5:30 p.m. dedication of the Nutting Gallery in the Hall of Fine Arts, to which you are all invited. The dedication is to recognize the significant gift, and first opportunity for Ogden and Snookie Nutting to be here, of the wonderful facility reopened as a student focused gallery. WLSC is the first higher education partner for the Global Grid Exchange in WV. This will afford many opportunities and a positive connection with folks with which we maintain a relationship. The Global Grid Exchange also fits in as part of the CyberneticCampus. We now have recycling on campus, giving WLSC another opportunity for the campus and local community to work together. Dr. Owens spoke today at Speakeasy, emphasizing the positives on campus and looking at all the important areas with which we deal such as quality, services, fund raising efforts, and the Master Plan. A revised Master Plan will be presented at the next meeting. This will be the five-year cycle for the Master Plan. Every indication is that we will be able to request the same level of funding in the upcoming budget from the state as we did last year. This will not restore monies to the budget, but by all indications there will not to be a budget cut. We continue to work on upgrades and renovations around campus and are making significant progress. The library will be having a communita tomorrow on the new front porch. Students view the changes as good. We continue to move toward our goal for faculty with terminal degrees. WLSC is in excellent financial shape with a \$1.3 million surplus and draft audit numbers. We have accomplished a great deal; it's been a bumpy road with many sacrifices; we've endured cuts and unfunded mandates, but improved qualitatively. We will turn enrollment around and initiatives and strategies we continue to be put in place. We are here for the students who chose a West Liberty education.

5. **Rules and Policies (approval):**
Policy No. 23-Non-Classified Salary Policy
Policy No. 24-Classified Staff Salary Policy

Based on *West Virginia Code* and Higher Education Policy Commission rule, these policy documents were reviewed and disseminated to constituent (faculty, staff, and student) groups for comment prior to their final adoption by the Board of Governors. Due to the high volume of comments received on these documents, the policies will be updated and reissued for comment at the October 12, 2005 meeting.

Reapproval of Policies Passed in June (Nos. 14, 16, 19 and 21):

At the June 22, 2005 meeting, the Board of Governors approved the listed policies. Following submission to the Chancellor's office, minor changes were recommended by that office. Having made these changes, the Board of Governors is asked to approve these policies as attached.

ACTION ITEM II:

Proposed Resolution: *Resolved*, that the West Liberty State College Board of Governors approves the following attached policies:

- **No. 14 - Regulation of Speed, Flow and Parking of Vehicles on Campus**
- **No. 16 - Awarding of Undergraduate Fee Waivers**
- **No. 19 - Disposition of Obsolete and Unusable Equipment & Supplies**
- **No. 21 - Making Agendas Available to Public**

After a brief review of the suggested changes, a motion to approve the policies was then made by Al de Jaeger and seconded by Larry Miller; motion passed unanimously.

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

Dr. Owens stated a key point in opening – there will be the same level of funding next year as for the current year in the budget appropriation request. Chancellor Mullen announced his retirement, which will be effective 01/31/06, the five-year anniversary of his start date. There was no monthly meeting with the Chancellor for the month of August. The last communication of substance with the Chancellor was the June meeting. The next meeting will be September 7th. Anticipated topics for the next meeting are level funding on next year's budget, the chancellor's retirement, and new funding for financial aid, Promise, WV state grant, and HEAPS. We are working to be prepared to request additional capital and operating funding if the legislators ask for specifics on individual funding during this special session. The salary issue is expected to be addressed, but there will likely be little left over for higher education. The question was asked as to how many Promise scholars we have. J. D. Carpenter can find out. Dr. Owens stated we have 40-50 each year. John Moore asked Aaron Wilkinson what the student reaction has been to changes to the Promise scholarship. Aaron stated he thought students really didn't know about the changes to Promise and felt it was more of an item tracked by the parents. A short discussion followed with respect to limiting Promise only to public institutions and the pros and cons of private institutions receiving Promise scholarships.

7. **Academic Affairs:**

(a) Update

Dr. McCullough stated the academic year is off to a relatively smooth start. One main objective is to make sure our students are not closed out of required core courses. Though not perfect, and a student may not get the exact section they want, we have worked to improve the reduction of men and women who get closed out of required/core courses. This takes planning on the part of faculty, which was a bit more of a problem this year with construction and the loss of classrooms. It is anticipated we will not have any sections of a course with more than 49 students in the class. This is another area where we work hard to maintain this number because this is what we advertise. WLSC has never had large course sections. Dr. Owens stated these numbers also make a difference in an institution's rating in U.S. News. Ratings are based on the percentage of classes with 50 or more students. These ratings are taken very seriously and could help to move WLSC into the top tier. Parents and media pick up on these ratings. The on-going process of hiring new faculty has brought in eleven new faculty, all but two of which have their doctorate and one of these will be completing their doctoral work in December. All positions for which we advertised were filled except the Psychology position. Our ratio of courses taught by full-time faculty and adjuncts is about the lowest in public institutions, that being 75% full-time faculty and 25% adjuncts. Adjuncts bring some unique attributes to programs. Although adjuncts do not advise students or serve on committees, they do play an important and vital role here at WLSC. We continue to look at new programs. There are minor fields which may be brought to the Board for approval in the future, those being in the area of

coaching, Russian studies, and applied technology. We can add these fields with relatively little expense using existing faculty and resources. We are always working on updating current and creating new articulation agreements and graduate programs. We will be meeting in the future with a Marshall University representative on two collaborative masters programs. One would be in the Criminal Justice field and the other in Teacher Education, an MAT degree.

(b) Policy No. 217-Criteria for Faculty Rank & Promotion* (approval)

At the June 22, 2005 meeting, the Board of Governors approved the dissemination of Policy #217 – “Criteria for Faculty Rank and Promotion.” Comments received by the close of the 30-day comment period have been incorporated into this document. The Board of Governors is asked to approve this policy as attached. Upon approval, the change indicators will be removed for final copy.

Dr. McCullough explained that the changes are mostly dealing with exceptions, lack of uniformity and consistency. Some points of exception lend to confusion and misinterpretation. A discussion followed on various changes to this document. Changes to this document would not impact individuals in the pipeline for promotion this year. Roseanna Keller asked for clarification on the replacement of “evaluation” with “review.” There is currently a separate and distinct evaluation process and this change of wording will clear-up any confusion with the annual evaluation process for faculty. Al de Jaager noted a wording change and one other error.

ACTION ITEM III:

Proposed Resolution: *Resolved*, that the West Liberty State College Board of Governors approves the attached revised Policy No. 217, “Criteria for Faculty Rank & Promotion.” A motion to approve the policy was then made by Jim Frum and seconded by Roseanna Keller; motion passed unanimously.

8. Capital Campaign Public Phase Announcement:

Mrs. McIntyre would like to reiterate Dr. Owens’ announcement that the Capital Campaign for WLSC will officially begin its public phase next Friday, September 9th, with an announcement on campus at 11:00 a.m. It is Mrs. McIntyre’s hope that the Board members will be able to attend. It is important to inform the campus community before reading or hearing about the Campaign elsewhere. The Campaign will be discussed in detail at the Benefactor’s Gala on Saturday, September 10th. There are many positive things happening at WL. We will be asking every alumnae and every employee and others affiliated with the college for support of the Capital Campaign. Various select people have been approached about the Campaign up until this point. There should be an announcement in the local paper Sunday, September 11th. Tammi Secrist stated the information will also be on the web site.

9. Enrollment Update:

Dr. Carpenter included several items in the Board packet, and began with his executive summary. There are four charts with the number count for different categories. This will give you a 13 year history of what the student numbers have been. The total headcount is the actual number of students in seats, first year headcount is literal first-ever as a college student, transfer headcount are students coming from one year, one semester, or possibly a 2+2, and returning headcount are students attending last year that did not graduate and were eligible to return to WLSC.

These are all different numbers, but where we ended up overall is down 188 students. This number is as of exactly 4:00 p.m. yesterday. Today could also change with this being the last day to add or drop classes. Mr. Gompers stated that the numbers have gotten worse by eight or nine since the start of classes, to which Dr. Carpenter stated that it is typical to lose students in the first few weeks. Typically institutions probably lose about 15 students in the first two weeks of classes. The breakdown by category is that we are down 47 first-time students, up 37 transfers, and down 178 returning students. Early on, new students were tracking about even, but we don’t know about returning students until after pre-registration at the end of April. At that time we were down 278 students. At that point we began calling every student eligible to return but had not yet registered. Some said they still needed to register and did register. Those that didn’t return gave no overall reason – the reasons varied. The Registrar’s office has a list and all of the numbers and they are in the low single digits with not one overwhelming number in any category. The database will only show what students tell us. Dr. Carpenter can have a complete breakdown by the next meeting after the dust settles from the fall semester.

Larry Miller asked if it is correct that we have 2,186 students on campus, with the capacity for 2,600 students. With this in mind, along with demographics for the tri-state area, going after PROMISE recipients, what has been done to try and alleviate this gap so that we can try to increase that number? Dr. Carpenter turned to the enrollment and retention initiatives included in the board packet. Eight of the retention initiatives were started on a trial period last year and not fully implemented until this year. Dr. Carpenter is not at all happy with where we are on enrollment numbers, and everything on these enrollment and retention initiatives is getting our undivided attention.

A lengthy discussion followed with regard to current and previous enrollment figures, demographics, later starting date for classes in the fall semester, utilizing faculty, students and alumni in recruiting efforts, and more visibility in feeder schools.

10. **Budget and Finance:**

(a) Finance Committee Meeting Report

Mr. Turani reported on the conference call held with Moody's Investors Service at 3:15 p.m. today. Overall it was a great call and they were impressed with Mr. Henry's information. Mr. Turani did make some representations for the Board of Governors during this call. Dennis Gephartt, along with Shelli Phillips, were on the conference call. They were in receipt of all our statistics and their main concern and first questions involved enrollment. Mr. Turani informed them that the board and administration were working hand in hand on enrollment and that it is our number one priority to increase enrollment over next couple years. They would like to see the list of initiatives for recruitment and retention and in particular, what we are doing with Wheeling Park and other local feeder school districts. Financially our operating margin rating is up at 3.4, but everything ties to enrollment. John Moore asked what happens when WLSC gets rerated? Mr. Turani stated that a rating drop is a widely published public downgrading. WLSC will have a surveillance call such as today every two years.

Mr. Henry presented the Finance Committee report with a revised budget based on the numbers in the Board's packet. The budget has a \$5,785 contingency. With an adjustment to tuition and fees, the downturn in students in housing, and an adjustment to correct a previous error, we do not project a surplus similar to what we had in June 2004. With various adjustments we were able to save money on the expense side. The Finance Committee will begin preparation of the 2007 budget at 100% of current funding.

Mr. Gompers stated this is a very tight budget, and a contingency of \$5,785 can be depleted in no time. He did not think anybody could be happy with a budget with no room to maneuver. Mr. Turani stated that necessary changes were made with the structure and flow of information and this represents the best budget we can put forward. Mr. Moore stated he agreed with Mr. Gompers, and we will not be able to keep up with infrastructure, replacement of equipment, and other on-going needs. This will have an impact and take its toll on WLSC down the road. A discussion followed with regard to reallocation and reserves and maintaining quality.

(b) Unaudited Finance Statement

Mr. Henry presented the year end unaudited financial statement. Our cash position is good and the unrestricted negative of five years ago is now positive. We will not be able to maintain this position if enrollment does not come up. The auditor will be on campus next week and we do not anticipate any problems completing the audit on schedule.

11. **Adjournment:**

A motion to adjourn was made by John Gompers and seconded by Jim Frum; motion passed unanimously. The meeting adjourned at 5:27 p.m.

Bernie Twigg _____
Chair

John Gompers _____
Secretary

Minutes
West Liberty State College Board of Governors
Executive Committee
WesBanco Conference Room, Wheeling, WV
September 26, 2005

Executive Committee Members: Jim Frum, John Gompers, John Moore, Bernie Twigg
WLSC Administrators: Richard Owens

1. Mr. Twigg called the meeting to order at 10:00 a.m.
2. The executive committee considered five proposals for options of implementation of the state appropriation for employee pay increases. The proposals are attached. After a lengthy discussion, the executive committee voted unanimously to approve Option "A" and directed the administration to implement the pay increase effective November 1, 2005. The motion was made by Mr. Frum and seconded by Mr. Moore.
3. The next item on the agenda was the approval of the Master Plan update required by the Higher Education Policy Commission. The due date is early October and the executive committee, acting on behalf of the Board, approved the Master Plan update as prepared by the administration and attached to these minutes. The motion was made by Mr. Gompers and seconded by Mr. Frum.
4. On the next item, a personnel item for which the executive committee went into executive session, Mr. Moore moved and Mr. Frum seconded approval of the motion to approve filling an assistant men's basketball coach position as revised from the earlier submission at the June 22nd Board meeting. The motion was approved subject to non-violation of Title 9 and documentation of the successful candidate's time and work allocation.
5. The meeting adjourned at approximately 11:10 a.m.

Bernie Twigg _____
Chairman

John Gompers _____
Secretary

Request for the Creation of an Enrollment Management Committee West Liberty State College Board of Governors

Would the West Liberty State College Board of Governors see benefit to establishing an Enrollment Management Committee? Would such a committee serve a useful purpose to the Board and to the Institution?

RATIONALE: In a recent example, the Board of Governors established a “Finance Committee” under similar circumstances in order to better manage and deal with the fiscal management information of the Institution. In a similar method, and as enrollment (both new-student and retention) is such a critical function, an Enrollment Management Committee could serve the Board and the Institution in several capacities:

- It would allow Board members an opportunity to have a closer relationship with the enrollment management functions of the Institution and have additional time/ability to discuss issues and share more in-depth information than scheduling allows for in the full meetings.
- Members of the Board would have better access to results and data that are driving our efforts – data that can change frequently in the time periods between full Board meetings.
- It would allow increased Board input and involvement into short-range goals and plans as well as the upcoming creation, implementation, and assessment of an institutional Strategic Enrollment Management Plan.
- It would provide an additional source of “expertise” from the experience and perspective of Board members who could provide insight to the Enrollment Management Team on initiatives to increase enrollment and retention.
- The leadership positions of Board members in the Wheeling area could assist in opening doors and identifying/locating resources of which those with a campus-based perspective are unaware.

WEST LIBERTY STATE COLLEGE

**STATEMENT OF NET ASSETS
JUNE 30, 2005, 2004, 2003 AND 2002**

	2005	2004	2003	2002
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 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	701,977	459,011	317,729	199,220
Due from Commission	21,323	9,832	19,663	
Loans to students—current portion	324,015	310,838	278,000	270,000
Prepaid expenses	11,818	10,041	880	7,350
Inventories	<u>87,026</u>	<u>78,413</u>	<u>102,800</u>	<u>101,871</u>
Total current assets	<u>6,952,915</u>	<u>5,996,725</u>	<u>4,179,275</u>	<u>3,334,441</u>
Noncurrent assets:				
Cash and cash equivalents	6,400,939	12,303,311	101,018	230,579
Loans to students—net of allowance of \$681,543 \$645,273, \$645,273 and \$708,428	987,034	1,053,770	942,448	968,339
Capital assets—net	<u>35,150,114</u>	<u>29,215,040</u>	<u>27,453,325</u>	<u>27,669,207</u>
Total noncurrent assets	<u>42,538,087</u>	<u>42,572,121</u>	<u>28,496,791</u>	<u>28,868,125</u>
TOTAL ASSETS	<u>\$ 49,491,002</u>	<u>\$ 48,568,846</u>	<u>\$ 32,676,066</u>	<u>\$ 32,202,566</u>
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 442,793	\$ 454,115	\$ 670,480	\$ 1,048,087
Due to Commission	25,910	100,078	9,921	
Accrued liabilities	2,210,202	1,688,323	508,311	435,273
Deferred revenue	302,698	270,181	366,598	405,494
Compensated absences—current portion	516,596	553,288	608,749	731,567
Debt obligation to Commission—current portion	219,993	213,944	286,902	243,495
Capital leases—current portion	357,880	382,528	357,456	348,508
Bonds payable—current portion	<u>355,000</u>	<u>275,000</u>	<u>19,000</u>	<u>19,000</u>
Total current liabilities	<u>4,431,072</u>	<u>3,937,457</u>	<u>2,827,417</u>	<u>3,231,424</u>
Noncurrent liabilities:				
Advances from federal sponsors	1,531,396	1,573,713	1,537,884	1,603,710
Compensated absences	2,109,720	2,259,563	2,048,998	1,706,914
Debt obligation to Commission	3,896,924	4,116,916	4,303,646	4,590,548
Capital leases	984,540	1,302,463	1,684,990	2,050,186
Bonds payable	<u>12,843,584</u>	<u>13,191,227</u>	<u>82,000</u>	<u>101,000</u>
Total noncurrent liabilities	<u>21,366,164</u>	<u>22,443,882</u>	<u>9,657,518</u>	<u>10,052,358</u>
Total liabilities	<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>22,207,485</u>	<u>20,894,074</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	44,488	280,187	58,781	57,179
Debt service	1,112,312	1,117,256	37,248	57,391
Capital Projects	<u>540,671</u>	<u>800,596</u>	<u>734,838</u>	<u>231,595</u>
Total restricted expendable	<u>1,697,471</u>	<u>2,198,039</u>	<u>1,911,393</u>	<u>1,259,983</u>
Unrestricted	<u>(211,190)</u>	<u>(904,606)</u>	<u>(2,439,593)</u>	<u>(2,791,533)</u>
Total net assets	<u>23,693,766</u>	<u>22,187,507</u>	<u>20,191,131</u>	<u>18,918,784</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 49,491,002</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, 2005, 2004, 2003 AND 2002**

	2005	2004	2003	2002
OPERATING REVENUES:				
Student tuition and fees (net of scholarship allowance of \$2,108,251, \$1,822,042, \$2,037,171 and \$2,014,107)	\$ 7,684,532	\$ 7,570,467	\$ 7,218,859	\$ 7,002,831
Contracts and grants:				
Federal	3,038,819	3,331,901	3,169,143	3,435,952
State	1,349,291	1,298,959	1,167,518	828,663
Private	124,616	70,222	620,870	326,725
Interest on student loans receivable	22,957	29,689	38,815	39,753
Auxiliary enterprise revenue (net of scholarship allowance of \$1,405,501, \$1,214,695, \$1,358,114 and \$992,023)	5,286,672	4,716,054	4,585,235	3,092,390
Miscellaneous—net	117,592	216,253	678,026	403,749
Total operating revenues	<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	10,607,687	10,664,393	11,196,424	11,932,370
Benefits	2,582,766	3,079,223	3,287,752	2,843,882
Supplies and other services	6,695,854	6,114,340	6,461,521	6,653,835
Utilities	1,277,357	1,245,099	1,820,748	1,027,275
Student financial aid—scholarships and fellowships	1,728,616	1,876,752	1,611,929	877,530
Depreciation	1,436,203	1,297,294	1,271,965	1,271,642
Loan cancellations and write-offs	26,091	35,808	47,848	54,743
Fees assessed by the Commission for operations	172,060	144,883	144,883	153,713
Total operating expenses	<u>24,526,634</u>	<u>24,457,792</u>	<u>25,843,070</u>	<u>24,814,990</u>
OPERATING LOSS	<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	8,570,738	\$ 8,840,702	9,964,497	10,522,627
Investment income	209,258	145,599	111,302	179,381
Interest on indebtedness	(542,097)	(682,088)	(176,296)	(157,484)
Fees assessed by the Commission for debt service	(504,485)	(595,543)	(681,193)	(933,842)
Other nonoperating expenses—net	-	-	-	(101,659)
Net nonoperating revenues	<u>7,733,414</u>	<u>7,708,670</u>	<u>9,218,310</u>	<u>9,509,023</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER	831,259	484,423	853,706	(175,904)
CAPITAL PROCEEDS FROM POLICY COMMISSION	675,000	-	418,641	-
CAPITAL GIFTS AND GRANTS	-	1,539,168	-	-
TRANSFER OF LIABILITY FROM POLICY COMMISSION	<u>-</u>	<u>27,215</u>	<u>-</u>	<u>4,834,043</u>
INCREASE (DECREASE) IN NET ASSETS	1,506,259	1,996,376	1,272,347	(5,009,947)
NET ASSETS—Beginning of year (as restated in 2002)	<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>\$ 23,693,766</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, 2005, 2004, 2003 AND 2002**

	2005	2004	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:				
Student tuition and fees	\$ 8,439,682	\$ 8,275,781	\$ 7,061,512	7,607,684
Contracts and grants	4,440,502	3,741,419	4,884,341	4,701,521
Payments to and on behalf of employees	(13,138,117)	(13,560,739)	(14,191,872)	(14,520,775)
Payments to suppliers	(6,107,063)	(6,957,984)	(6,831,390)	(6,257,725)
Payments to utilities	(1,211,222)	(1,254,794)	(1,820,748)	(1,027,275)
Payments for scholarships and fellowships	(4,133,869)	(1,876,752)	(1,611,929)	(1,792,411)
Loans issued to students	(317,093)	(498,049)	(258,378)	(320,960)
Collection of loans to students	323,123	353,889	278,609	280,224
Auxiliary enterprise charges	6,389,903	5,631,175	4,585,235	3,394,301
Debt service assessed by Commission	(172,060)	(144,883)	(144,883)	(153,713)
Other receipts—net	112,223	194,351	642,845	520,949
Net cash used in operating activities	<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	8,570,738	8,840,702	9,964,497	10,522,627
William D. Ford direct lending receipts	7,631,594	7,357,919	6,600,180	7,355,750
William D. Ford direct lending payments	<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>8,570,045</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	(7,003,146)	(1,959,466)	(1,056,084)	(459,700)
Capital project proceeds from Commission	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	(552,821)	(644,357)	(599,743)	(398,819)
Principal paid on bond obligations	(275,000)	(371,000)	(19,000)	(159,359)
Interest paid on bond obligations	(747,062)	(562,176)	(3,315)	
Interest paid on long term liabilities	(291,406)	(175,234)	(173,075)	
Decrease (Increase) in noncurrent cash and cash equivalents	5,902,372	(12,202,293)	129,561	(76,412)
Debt service assessed by Commission	<u>(504,485)</u>	<u>(595,553)</u>	<u>(681,193)</u>	<u>(933,842)</u>
Cash used in capital financing activities	<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>275,449</u>	<u>145,599</u>	<u>111,302</u>	<u>179,381</u>
Cash provided by investing activities	<u>275,449</u>	<u>145,599</u>	<u>111,302</u>	<u>179,381</u>
INCREASE IN CASH	678,363	1,668,855	685,028	1,095,971
CASH AND CASH EQUIVALENTS—Beginning of year	<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>\$ 5,788,247</u>	<u>\$ 5,109,884</u>	<u>\$ 3,441,028</u>	<u>2,756,000</u>

WEST LIBERTY STATE COLLEGE

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

	2005	2004	2003	2002
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:				
Operating loss	\$ (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	1,436,203	1,297,294	1,271,965	1,271,642
Changes in assets and liabilities:				
Due from Primary Government	197	469	(19,175)	-
Accounts receivable, net	(242,966)	(141,282)	(118,509)	87,428
Due from Commission	(11,491)	9,831	(19,663)	
Loans to students, net	53,559	(144,160)	17,891	14,007
Prepaid expenses	(1,777)	(9,161)	6,470	498
Inventories	(8,613)	24,387	(929)	14,280
Accounts payable	(11,322)	(216,365)	(357,765)	381,423
Due to Commission	(74,168)	90,157	(9,921)	
Accrued liabilities	521,879	79,862	73,038	56,008
Compensated absences	(186,535)	155,104	219,266	199,378
Deferred revenue	32,517	(96,417)	(38,896)	92,083
Advances from federal sponsors	(42,317)	35,828	(65,826)	-
Other operating activities	62,998	42,114	-	-
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (5,373,991)</u>	<u>\$ (6,096,586)</u>	<u>\$ (7,406,658)</u>	<u>\$ (7,568,180)</u>

**West Liberty State College
Budget Fiscal Year 2006
As of October 3, 2005**

	<u>Percent (%) of Budget</u>	<u>Original Budget Totals</u>	<u>Adjusted Budget Totals</u>	<u>Revised Budget Totals</u>	<u>Actual Totals</u>	<u>Variance to Budget</u>	<u>Percent Budget</u>
Revenues:							
Tuition and Fees Less Waivers \$327,970	41.87%	11,003,650	10,023,095		5,112,553	(4,910,542)	51.01%
State Government Appropriations	31.81%	8,358,965	8,358,965		3,524,598	(4,834,367)	42.17%
Auxiliary Enterprise Revenues Less Waivers \$376,446	23.32%	6,127,926	6,185,520		3,687,919	(2,497,601)	59.62%
Other Sources	3.01%	<u>791,096</u>	<u>791,096</u>		<u>844,940</u>	<u>53,844</u>	<u>106.81%</u>
Total Revenues	100.00%	26,281,637	25,358,676		13,170,010	(12,188,666)	51.93%
Expenditures:							
Personal Services	43.52%	11,371,842	11,209,113	(105,887)	2,593,655	8,615,458	23.14%
Fringe Benefits	12.36%	3,230,439	3,088,406	(10,000)	665,614	2,422,792	21.55%
Other	<u>44.12%</u>	<u>11,529,964</u>	<u>11,216,259</u>	<u>(45,000)</u>	<u>2,449,689</u>	<u>8,766,571</u>	<u>21.84%</u>
Total Expenditures	100.00%	26,132,245	25,513,778	(160,887)	5,708,957	19,804,821	22.38%
Net Increase/(Decrease)		<u>149,392</u>	<u>(155,102)</u>	<u>160,887</u>	<u>7,461,053</u>	<u>7,616,155</u>	
Net Increase/(Decrease) Adjustment				<u>5,785</u>			

Budget Assumptions:		Bond Covenants Compliance %	Covenant Balance	Cash Balance	Actual Percent	Fund #
1	Adjusted Budget is based on 2,146 HC					
2	Raises 2%	110%	A	678,354	843,939	124%
3	Small reserves	154%	B	120,329	189,812	158%
4	Mercer scale adjustment via raise	163%	C	295,129	623,456	211%
				1,093,811	1,657,207	

West Liberty State College Board of Governors
October 12, 2005

**NON-CLASSIFIED SALARY POLICY #23
CLASSIFIED STAFF SALARY POLICY #24
WEST LIBERTY STATE COLLEGE**

Information/Action Item

Based on *West Virginia Code* and Higher Education Policy Commission rule, these policy documents were reviewed and disseminated to constituent (faculty, staff, and student) groups for comment prior to their final adoption by the Board of Governors. Due to the high volume of comments received on these documents, the Non-Classified Salary Policy #23 is currently being updated. When complete, the policy will be updated and reissued for comment at a later meeting.

The following is proposed for the Classified Staff Salary Policy #24:

At this time, West Liberty State College does not have, and has chosen not to create, a specific policy regarding merit pay for classified staff.

WLSC remains committed to complete funding of the Mercer salary schedule for classified employees, pending availability of funds, in an expeditious manner.

In the future, when the Mercer schedule is fully funded, the WLSC Board will consider an appropriate merit pay process for classified staff.

Proposed Resolution: *Resolved*, that the West Liberty State College Board of Governors approves the proposed *Classified Staff Salary Policy #24*.

MASTER PLAN UPDATE

West Liberty State College is pleased to present this update to the Campus master Plan. Before reporting on the progress made on the Campus Master Plan, it is important to review the background of the Campus Master Plan. The following paragraphs offer a brief summary of the development of the Campus Master Plan and its contents.

In 1998, West Liberty State College (WLSC) secured the services of WTW Architects (WTW) to begin work on the college's first Campus Master Plan. WTW, along with their planning team, followed a proven process to develop the Campus Master Plan during the period of April – December 1998. WTW worked closely with a seven-member Core Group and a 15-person Advisory Committee on the following objectives:

- Create a framework plan to take the College into the next century.
- Mesh the physical development of the campus with the strategic plan – put customers first.
- Accommodate the changing nature of education.
- Wisely use the College's scarce resources.
- Preserve the character of the campus.
- Make the campus user-friendly.

At the completion of the planning process, the college received its first Campus Master Plan titled "Master Planning Recommendations" dated April 14, 1999. This plan covers the 10-year period from 2000 to 2009. The Recommendations were mutually determined by the committees and the consultants and are based on the following:

- Vehicular circulation.
- Parking.
- Campus Lighting.
- Campus Entry.
- Pedestrian Space.
- Recreations Space.
- Way-finding and campus signage.
- Customer service.
- Landscaping.
- ADA Accessibility.
- Undeveloped College property.

The plan was submitted to and approved by the Higher Education Policy Commission (HEPC) in January 2000. In 2002, an update to the Master Plan was completed and approved by HEPC. With this update, the college documented master planning guidelines for a future housing community and renovations to the existing residence halls. As of September 2005, six of the seven residence halls have received major renovations and upgrades through bonds initiated by WLSC. The seventh residence hall is scheduled to receive major renovations in 2005 and 2006. construction of a future housing complex will depend on enrollment and availability of funds.

The above recommendations and other projects were then divided into geographic areas on campus. The designated areas are as follows: 1) Campus Entry area, 2) Academic Recreation & Sports Facility Parking area, 3) Faculty Drive area, 4) "Topper Avenue", 5) Fine Arts parking area, and 6) Hoge Quad/Miscellaneous. The recommendations were then divided by area in the "Campus Enhancement Plan Phasing Chart". This chart was a priority-driven chart that outlined near-, mid- and long-term project completion goals. The recommendations were also documented graphically on the "Campus Movement and Enhancement Plan".

Many of the Master Plan concepts have been put in place through various projects. The table below gives a summary of the Master Plan by the areas as listed in the previous paragraph.

Area	Total Projects	Complete	In Process
Campus Entry	5	4	0
ASRC Parking	6	1	0
Faculty Drive	5	4	0
"Topper" Avenue	7	0	0
Fine Arts Parking	4	1	1
Hoge Quad/Miscellaneous	19	2	3
Totals	36	12	4

Noteworthy items from this table include the Campus Entry and Faculty Drive areas. These areas were completed in the spring of 2005. The work completed in each of these areas included demolition, storm sewer improvements, miscellaneous utilities, pavement, landscaping and lighting as part of a \$1.2M bond-funded project. Other projects not completed in these areas include Entry Signage/Archway and Hughes Hall Drop-off. The Hughes Hall Drop-off project is expected to be completed by the fall of 2006.

Campus Master Plan work has now shifted to the Fine Arts Parking Area. Of the specific projects listed for this area, WLSC is proud to announce that the Technology Building/Addition (i.e. Media Arts Center) is under construction. This project includes new construction as well as renovation of existing space. At the completion of the project, the roadway and parking immediately south of the Hall of Fine Arts will be repaved. This will be another major step towards implementation and completion of the Master Plan concepts. In terms of the near- mid- and long-term Phasing Chart, the college has completed approximately 50% of the near- and mid-term projects.

In conclusion, WLSC has made substantial progress in implementing the Campus Master Plan concepts. Two of the six areas, the Campus Entry and Faculty Drive, are more than 95% complete. With its completion in September 2006, the Media Arts Center will provide another major step towards completion of the Master Plan. However, much paving and site improvement work still needs to be completed, particularly in the ASRC and Fine Arts Parking areas. Funding above and beyond the college's normal operating budget will be needed to complete these areas.

West Liberty State College will continue to implement the concepts of the Campus Master Plan. Implementation of these concepts will occur through select projects as funding is available. Specifically, a portion of the area designated as "Fine Arts Parking" will be completed by fall of 2006 through the Media Arts Center project. The "ASRC Parking" area will also be an area of priority and will be completed as funds and resources are available. Other projects, such as campus lighting, will continue to take place as funds and resources permit.