

**West Liberty University
Board of Governors**

Minutes

December 9, 2009

Attendance:

Beverly Burke, Richard Carter, Brian Joseph, Paul Limbert, Shane Stack, James Stultz, Michael Turrentine

Unable to Attend:

Robert Steptoe, Michael Stolarczyk, Ann Thomas

Administration/Faculty/Staff:

John Davis, Bridgette Dawson, Mary Ann Edwards, John Gompers, Matt Harder, Jason Koegler, John McCullough, Reid Amos, Scott Cook, Jack Wright

1. Call to Order:

Chair Joseph called the meeting to order at 5:10 p.m.

2. Chairperson Comments:

Chair Joseph stated that the Finance Committee had just met with the auditors, Deloitte & Touche, and feels we are doing a very appropriate job with finances here at the University. He then thanked Mr. Wright for a good session. On the community engagement side of the University there have been some amazing events going on. Newt Gingrich was in town, Handel's "Messiah" was presented at the Capitol Theater, and the football team is doing okay. Another big event was that Xi Beta Phi held their national meeting at WLU. Chair Joseph felt we are really raising the status of the University.

3. Approval of Minutes*:

Chair Joseph asked if there were any issues with the listed minutes. There being none, he then asked for a motion to approve the minutes of the full Board of October 14, 2009 and the Executive Committee of October 7, 2009.

A motion to approve the minutes of the full Board of October 14, 2009 and the Executive Committee of October 7, 2009 was then made by Shane Stack and seconded by Richard Carter; motion passed unanimously.

4. Approval of Reports*:

Chair Joseph asked for any discussion regarding the reports contained in the Board packet. He then asked for a motion to approve the reports.

A motion to approve the reports submitted by the Provost, Enrollment & Student Services, Development, and Community Engagement was then made by Shane Stack and seconded by Jim Stultz; motion passed unanimously.

5. Bachelor of Music Degree Proposal*:

Chair Joseph asked Dr. McCullough to address the Bachelor of Music Degree Proposal. Dr. McCullough thanked the Chair and asked that the Board entertain a motion for approval of the degree followed by discussion since the proposal has been approved by all campus constituents.

A motion was then made to approve the Bachelor of Music Degree Program to be offered within the College of Liberal Arts, Department of Arts and Communications Beverly Burke and seconded by Mike Turrentine; motion passed unanimously.

Dr. McCullough stated that Matt Harder, Interim Program Director of Music is with us tonight. Matt and his colleagues in the Music Division, Interim Chair Brian Fencl and Interim Dean Bill Baronak did a tremendous job on the proposal. This music program will be in addition to the Bachelor of Arts in Music Education, which has been nationally accredited for many years. It is also in response to student demand for a music performance and music technology track. This degree will be 128 hours with no major infusion of resources or additional

faculty, and the program is estimated to eventually generate 30 to 40 new students per year. This degree is the perfect complement to what we've had for many years; professional music performance and music technology. Dr. Harder added that the idea for creating the new degree came from the students on one hand, but also on the other hand came from the desire to attract a high quality music student interested in intensive study in music performance and technology to make full use of the new facility in the Media Arts Center. Dr. McCullough stated that this will be an outstanding program for WLU. The current B.A. in Music Education has a rock solid reputation and this will fuse into this great reputation. Chair Joseph noted some successful people coming out of WLU's music program, such as Brad Paisley.

6. Honorary Degree*:

Per WLSC Policy 238, "Guidelines for Honorary Degrees and Recognition," the Honorary Degrees and Recognition Committee met to review the nomination of Jeffrey V. Kessler, to receive an honorary degree of Doctor of Humane Letters (DHL) from West Liberty University. Senator Kessler has been invited to be the featured speaker at the December 2009, commencement. The Board is asked to approve this nomination.

A motion was then made that in affirmation of the recommendation of the Honorary Degrees and Recognition Committee and the President of the University, the West Liberty University Board of Governors authorizes the conferral of an honorary Doctor of Humane Letters (DHL) degree from West Liberty University at the December 2009 commencement to Jeffrey V. Kessler by Paul Limbert and seconded by Beverly Burke; motion passed unanimously.

7. Finance Summit Update:

Chair Joseph asked Mr. Stultz to give an update on the Finance Summit. Mr. Stultz stated it was a truly interesting day to attend the WV Higher Education Policy Commission Finance Summit held in Morgantown at WVU. It was interesting because there were folks from the academic side and pretty heady on how they see the climate in higher education from a funding prospect. Mr. Stultz stated the sense of the summit was that we have an urgency here to ensure, as we move forward, to plan for the future. The State is currently running two-years behind the recession and the revenue loss isn't going to occur within our element of concern for a couple more years. Without boring the group with a lot of info, a look at one bit of information given was regarding general revenue. General revenue approval to the State of West Virginia for Higher Education in fiscal year 2010 is going to be \$407 million; in 2011 it drops to \$398 million; in 2012 another drop to \$398 million. This is a significant deficit. The general revenue for 2014 goes back up to \$400 million but is still obviously significantly under where we are state-wide. This is a big problem to look at allocations forthcoming, especially when we are not yet aware of what will happen with health care legislation, Medicare, Medicaid, and other appropriations. All of this means we have to be pretty proactive on how to address these issues as we go forward.

A Board retreat has been scheduled for January 5th to begin this process and think going forward with Mr. Wright's leadership. We should look at putting together an ad hoc committee, which includes Board members if appropriate, multi-disciplinary, various constituents, to take a look at how we will react. We don't want to react one day when we get a call from Charleston and be faced with layoffs, etc. We need to plan as best we can to incorporate the reduction in appropriations with our ability to generate revenue with great efficiency and effectiveness for employees. Dr. Paul Stanton, Jr., President of East Tennessee State University was talking about the horror stories of being told the State of Tennessee had a reduction in state appropriations after the school year had already been planned. The state held an emergency session and reduced appropriations by another 12% two weeks later. What do you do? Dr. Stanton gave various scenarios on how they dealt with the situation. WLU hasn't had that kind of dramatic situation but we have to be prepared. We need to advance plan on how we will react, even if we may not have to implement the plan. Mr. Stultz stated that attending the finance summit was part of the continuing education required in statute by Board members and he was glad he had a chance to go. WLU was well represented, along with all of the colleges and universities in the State system as well.

Ms. Burke stated that although she did not attend the finance summit, she did attend the retreat held in August for Board members. There were finance sessions at this retreat and a lot of information was shared then. It is scary when you hear the Chancellor say in a year you will have some reductions. Ms. Burke agreed 100% that we should look at the budget now and plan so we're not shocked like we were with the cuts a few years ago. Ms. Burke asked if anyone remembered what percentage the cuts were when we had the layoffs. Dr. McCullough stated that the largest have been half-year cuts, thinking the percentage at that time was 5%. Future cuts have the potential to be significantly larger. Ms. Burke stated that is scary to look back at 40 lost staff positions and this cut could be bigger. We have been adding new faculty and staff but we need to be prepared for the future. The campus needs to know what we could be facing in another year. When we had the cuts a few years ago it shocked a lot of people. Dr. McCullough stated that we don't want those types of

cuts to happen again. He also noted that WLU is in a much better financial position than it was at that time. Reserves exist today that did not exist six or seven years ago. Mr. Wright has worked hard, along with the Finance Committee. Dr. McCullough and Dr. Lukich recently attended a meeting in Charleston and the Chancellor met with them for 45 minutes, making the same statement everyone has been hearing; we're looking at an 18-month window to prepare for 2012. The Chancellor referenced a possible 8% to 10% overall reduction in funding.

Mr. Turrentine stated that he also attended the Board retreat in August and financial matters were mentioned. Although we had cuts this year the stimulus money in the State softened the blow a little and backfilled the reduction. The stimulus money will be totally exhausted, making the reductions higher. We can hope for a turn around in the economy, but we can't bet on it. Mr. Joseph asked Mr. Limbert for his thoughts on inflation in the future from a banker's perspective. Mr. Limbert stated that, depending on who you want to listen to, interest rates are going to stay low for most of 2010 and there are no predictions beyond 2010.

Mr. Stultz stated that there were a lot of other statistics given that bring home the issues we have in the State of West Virginia such as the age of the population, the potential negative impact of other casinos and gaming center in adjacent states, the impact of the environmental issues involving coal and so on. One thing that was shocking was the major funding needs in West Virginia. If we had a blank check to fulfill all of the needs of the state, whether it be roads, bridges, K-12 issues, retirement, workers compensation, unfunded liabilities, or drinking water issues, it would take \$46 billion dollars to bring the State up to an appropriate level.

Chair Joseph thanked Mr. Stultz for his update on the Finance Summit. This information is good timing in terms of the Board with seasoned managers as members of the Board who have been through some hard times and have a much better vision of how to deal with these matters.

8. Reclassification to Non-classified Position:

Dr. McCullough gave a general synopsis regarding the current campus nurse at WLU. She is a registered nurse being paid the salary of approximately \$20,000. That is a meager salary in 2009-10 for a registered nurse. The current classification system allows very limited flexibility for increasing this salary to make it a bit more marketable for a quality individual. There is the possibility of this staff position being changed to a non-classified position with Board approval with a possible title of Director of Health Services. The reason for the classification change is for a more competitive market salary to attract and retain people in this position.

Mr. Cook stated that we do have a position review for this position that is outdated, but primarily this position would be Director of Health Services. The current nurse, Christy Bennington, handles more than the job originally entailed. Christy assesses and treats students, but also represents the department in campus meetings and coordinated the H1N1 clinic on campus. Having reviewed the position the best option seems to be to move to a non-classified position. Mrs. Burke stated that she thought there was something in the Mercer system where you could rewrite a PIQ or create a job within the Mercer system. She thought WVU had done this on numerous occasions and that the process was institution specific. She also stated that we were close to the limit on the percentage of non-classified positions. If we could create a new position in the Mercer system with a higher pay grade it could leave room for other non-classified positions. Dr. McCullough stated that this is a valid point as we start to move toward the ceiling on non-classified positions. The problem here is moving from a pay grade 15 to a 17 would only move the pay to approximately \$22,000. A 10% raise is not significant enough for this position. The current salary is so low that there's not a great deal we can do in the Mercer system. Mr. Cook stated that they did revise the PIQ and submit it to Human Resources and the President. Mrs. Burke asked if we did move someone to non-classified, can we move them back if a new position would be made available. Dr. McCullough stated that could be done if a revised position came through. Mrs. Burke preferred the position remain a classified position as opposed to non-classification for job security purposes.

Mr. Wright stated that an alternative solution would be to include the nurse in the doctor's contract. This was discussed last year with Wheeling Hospital when working on the contract and is still a possibility. Mrs. Burke asked if that person would lose their benefits if they were contracted out in this way since they wouldn't work for the University. Mr. Wright stated that the benefits would be covered by the doctor's contract.

9. President's Report:

Dr. McCullough stated that he would be presenting highlights of the president's report. WLU has been awarded \$100,000 for the Bucks for Brains program. WLU, along with Concord University, are the only two universities awarded the \$100,000. This outlay is in support of Science and Math students. This award is a reflection of the quality we have in those programs. Dr. McCullough stated that he would try to answer any questions regarding the president's report but thought the president had clearly done a good job of summarizing activities at WLU. Also part of this report are two presentations; one by Reid Amos, directly involved in some

contemporary polling of focus group responses at WLU. Reid will make his presentation, followed by John Davis' report on another initiative at WLU. Mr. Turrentine asked why President Capehart is not at tonight's Board meeting. Chair Joseph stated that it's his understanding the president is traveling due to family issues.

Mr. Amos then gave his presentation on the survey of tenth to twelfth graders. At one point in the presentation Mr. Cook stated that if we can get a student to schedule a campus visit through the web site and get that student to campus, we are more likely to have them enroll. Mr. Turrentine asked what the cost to the University is on this type of survey. Mr. Amos stated that to date it has cost approximately \$16,000 to \$17,000. There will be more results to come in and most likely, this information will probably save us that amount of money in the next three to five months. We will be able to quickly determine where we've spent money where there was no need. It sounds like a lot of money but it will eventually save West Liberty money.

Chair Joseph stated that the place to be and where WLU needs to be is the internet with the social networks such as Facebook. 15% of a student's time in America is spent on Facebook or some other sharing network such as Google. Mr. Amos stated that this is at the top of our list. There is some very direct data with regard to the success of our advertising, what ads pay well, attract students, and get them to our web page. We want to turn our online strategy into leads on students. Students will be able to view a 30 second WLU commercial imbedded in a page, give them an opportunity to fill out an online form, what they're interested in learning at WLU, and hopefully create a more seamless and less expensive process to generate leads to Admissions.

Mr. Turrentine stated that a lot of work has been done to the current web site and asked for a summary on where we are with the roll out of the new site. Mr. Amos stated that the existing web site is in its final months. We had to keep the site going longer than we anticipated. There were more issues in keeping the current site operable than we realized when we took it over. That being the case, it delayed the timeline for the new site, which will be available in January. Social networking will be a very integral part of the new web site. There will be quite a difference in how we deal with prospective and existing students. Chair Joseph stated that we can't move quickly enough in this area. It's also very important that the site work well with current technology such as the iPhone. Chair Joseph thanked Mr. Amos for his presentation.

Mr. Davis referred the Board to the President's Report which mentions a meeting that he (Mr. Davis) and Jim Shaffer had with WVU Research Corporation folks. The meeting which was on November 30 represented moving from the back burner to the front burner President Capehart's initiative to create a research corporation at West Liberty. Eighteen months ago the President first mentioned the topic to Mr. Davis. Since that time, they and Jack Wright, Dr. McCullough, and Jim Shaffer have had conversations among themselves and with Robert Kreisberg about the benefits of establishing a research corporation. At the meeting last week, Mr. Davis and Mr. Shaffer met with Curt Peterson, President, WVU Research Corporation, Joe Hrabik, General Counsel, and Dave Satterfield, Director of Asset Development. Mr. Davis' part of the conversation dealt with legal aspects - preparation of operating documents such as articles of incorporation, an affiliation agreement, and bylaws. Mr. Shaffer dealt with the technical aspects of administering such things as technology transfers and sponsored programs. The administration is looking to establish the corporation as soon as possible in the new year.

Ms. Burke asked Mr. Davis to define research corporation and what it would encompass. Mr. Davis stated that, without getting into too much detail, WVU set up its research corporation in the mid 80's. Their corporation is used to streamline the way in which grant money is handled. In the public sector, the rules and regulations imposed on public colleges and universities by HEPC often make it difficult for institutions to move quickly and adjust to varying needs. A research corporation is a more flexible entity that isn't encumbered by nearly so many rules and regulations. It in effect can serve as a bank through which grant money can be channeled to serve West Liberty's interests in a variety of areas. Mr. Davis indicated that the President may invite Mr. Shaffer to a future Board meeting to provide additional information on this subject.

Dr. McCullough stated that the staff of our research corporation would be paid by the corporation not by WLU. Officers of the research corporation would be paid out of grants and income generated; they would not be paid by our payroll. There is no direct correlation between the size of institutions and whether they establish research corporations. Bluefield, for example, is about half the size of WLU, yet it already has a research corporation. Ms. Burke stated that the subject was confusing and that the clarification was helpful. Dr. McCullough stated that most people don't think of a research corporation at a smaller university.

Mr. Davis said he wanted to add, for the particular benefit of Mr. Turrentine and Ms. Burke, that our corporation will have a board of directors charged with ensuring input from various interests. For example, the corporation's board will include a faculty representative. That representative would be selected by Faculty Senate and would not necessarily have to be the same faculty member who serves on the Board of Governors.

There will be a very real connection to the Board of Governors in any event because the research corporation's president will have to be a full-time employee of the University. Ms. Burke asked if the research corporation will be separate from the Foundation or if monies intended for the corporation will be funneled through the Foundation. Mr. Davis stated that the research corporation and the Foundation will operate in a mutually exclusive manner. One will deal with grants, and the other will deal with gifts. Grants to the corporation cannot be credited to the Foundation. Mr. Turrentine asked whether the research corporation will be non-profit. Mr. Davis replied, "yes."

Chair Joseph stated that there are similarities between the Foundation and the research corporation; they are both long-term and provide more stability to the University; both bring money to the campus. He said this initiative is a tremendous idea. The University will be better able to attract money because of the process the research corporation will create. Ms. Burke asked if there will be a full-time grants coordinator within the research corporation. Mr. Davis said he couldn't speak to that. Dr. McCullough stated that each college of the university should have a major grants person. This individual would initiate the project event, even if they might not end up being the final writer on the grant proposal. Because of their particular expertise, they will be responsible for providing most of the data and information needed for the proposal. The research corporation could employ or contract out a specialist as a grant writer if there is enough activity and possibly add a full-time staff member, again, depending on the level of activity.

10. Executive Session – Appeal of Student Disciplinary Action:

Mr. Gompers asked for a motion to move to executive session to discuss a confidential student's disciplinary action. As part of that motion he asked that John McCullough, John Gompers, and Bridgette Dawson, Director, Center for Student Success, remain as invited guests with the Board.

Pursuant to WV Code § 6-9A-4, a motion was made to retire to executive session by Jim Stultz and seconded by Richard Carter; motion passed unanimously.

Following discussion in executive session, a motion was made to rise from executive session.

11. Adjournment:

The meeting adjourned at 7:45 p.m.

Brian Joseph _____
Chair

Richard Carter _____
Secretary