



Minutes
Concord University Board of Governors
Tuesday, February 26, 2008
10:00 a.m. - Teleconference
The Concord Room
201A Marsh Hall
Concord University

Members Present: Mr. Jim Brown; Mr. Eugene Fife; Mr. Joe Long, Chair; Mr. Wayne Meisel, Ms. Amy Pitzer; Mr. Travis Prince; Mr. R. T. "Ted" Rogers, Mrs. Margaret Sayre; Secretary; Dr. Darla Wise

Members Absent: Mr. Lane Bailey

Others Present: Mr. Wes Prince, Mr. Greg Quick, Mr. Bill Hardee, Dr. Hugh Campbell, Mr. Michael Curry, Dr. Steve Rowe, Dr. Kathy Liptak, Dr. Charles Brichford, Judge John Frazier, Ms. E. J. Cahill, Mr. Chris DeWeese, Ms. Anita Moody, Dr. John David Smith,, Ms. Loretta Young, Mr. Jim Cannon, a student fulfilling a class assignment, news media from WVNS, Dr. Jerry Beasley, President, Sharon Manzo, Recorder

Call to Order and Determination of Quorum: Chairman Long determined a quorum was present and called the meeting to order.

Approval of the December 11, 2007, Minutes: (Attachment 01) - Dr. Wise made one correction to the minutes on page 2, section 3. The word *knowledge* should have been *intellectual property*. Mr. Prince moved the approval of the December 11, 2007, minutes as corrected, Mr. Brown seconded, motion carried.

Action Items

a. Resolution to accept and endorse the North Central Self Study – (Attachment 02) - Dr. Rowe

RESOLVED, that the Concord University Board of Governors, after being provided copies of the University's Self-Study, accepts it as the University's official version for continuing accreditation with the Higher Learning Commission. Moved by Mrs. Sayre, seconded by Ms. Pitzer, motion carried.

b. Resolution to award emerita status to Martha Shrewsbury (Attachment 03) – Dr. Rowe

RESOLVED, THAT the Concord University Board of Governors approves the awarding of emerita status to Dr. Martha Shrewsbury. Moved by Mr. Rogers, seconded by Mr. Fife, motion carried.

c. Intent to Plan – Campus-wide security plan (Attachment 04) – Mr. Cannon

RESOLVED, that the Concord University Board of Governors approves the University's intent to plan a campus wide security plan. Dr. Beasley reported that this resolution is not to suggest that security measures are not in place on the campus. Mr. Cannon reported that security officers and others met shortly after the incident at Virginia Tech and developed a quick reaction plan, which Mark Stella was invited to share at Governor's Conference on Campus Security. The campus-wide security plan would incorporate the current plan of action with ideas shared by constituents. Mr. Fife mentioned information he'd received from one institution that included parental notification in their plan. Mr. Cannon requested a copy. Communication drills will be conducted once the communication plan(s) is finalized.

d. Proposed Revisions to the University's Mission Statement (Attachment 05) – Dr. Rowe

The proposed revision is a result of a grant Concord received from the Higher Education Policy Commission, which is interested in West Virginia colleges and universities progressively internationalizing their programs. One of the committees preparing the self-study for the Higher Learning Commission realized that Concord's mission statement did not include international studies. Therefore, the revised mission statement was drafted. Mr. Brown moved the adoption of the revised mission statement, Mrs. Sayre seconded. Motion carried

e. Performance Contracting for Energy Savings (Attachment 06) – Mr. Cannon

Mr. Cannon stated that due to lateness of receipt of pertinent information to move forward on this item, he suggested the Board have an emergency meeting when data are available. Mr. Long indicated he would schedule an emergency meeting before the regularly-scheduled April 8, 2008, meeting.

f. Intent to add a major within a degree program (Attachments 07) – Dr. Rowe

Dr. Rowe introduced Dr. Charles Brichford, Chair of the Division of Language and Literature, who explained the rationale and intent of the program. The intent is to add a major/minor in Spanish to the Bachelor of Arts Degree and the Spanish Content Area to the Bachelor of Science Degree in Education. Dr. Brichford also said that we are exploring cooperative efforts with Bluefield State in offering French. CU students could take French at BSC; BSC students could take Spanish at Concord. Dr. Rowe indicated that authority to add these to the curriculum rests with the Board of Governors followed by notification to the HEPC. Mr. Rogers moved the adoption, Mr. Brown seconded, motion carried.

Discussion – Intent to amend the following Policies – Dr. Rowe

a. Classified Salary Increase Policy #33

- b. Faculty Termination Due to Reduction or Discontinuance of an Existing Program #30
- c. Academic Forgiveness #32

Dr. Rowe stated that each of the policies was in need of minor revisions, mainly minor wording changes for consistency. The intent to amend was provided to the board per regulations in Board Policy #11.

Audit Report – Suttle & Stalnaker, Mr. Chris DeWeese

Mr. Cannon introduced Chris DeWeese, partner with Suttle & Stalnaker. Mr. DeWeese summarized the audit of FY '07, which ended June 30, 2007, and stated that Concord received the best opinion an institution can receive, and that the financial statements are not misstated and are in accordance with all accounting principals and requirements. Significant changes between 2006 and 2007 include a decrease in assets from \$13.7 million to \$12 million primarily a result of large construction projects in 2006 and large receivables from the Higher Education Policy Commission that were not as prevalent in 2007. Liabilities also decreased; this is not unusual. There was a slight decline in operating revenues \$24 million down to \$22 million, due primarily to decline in enrollment in '07 offset by tuition and fee increases. Operating expenses remained fairly constant, operating loss increased, common for West Virginia public institutions. There was a significant decline in other revenues expenses gains or losses was due to '06 construction monies. Net assets continue to increase.

As required by the Government Accounting Standards Board (GASB), the report includes the financial statements for the Concord University Foundation and the Concord Research and Development Corporation. Audits for both entities are conducted firms other than Suttle & Stalnaker.

Mr. DeWeese pointed out that GASB's Statement #45, new accounting pronouncement will be adopted in the 2008 fiscal year. The University will begin receiving billings from PEIA on sick leave liability. Currently those billings are being partially paid. CU will begin paying these in 2008; the cash outlay will be approximately \$12,000 monthly. He said the Board needs to be aware of this from a budgeting perspective.

There was one significant deficiency finding in internal control. This was found through an internal audit conducted by the University. He commended Concord for having this process in place, not all WV schools do. The internal audit identified some issues in the procurement and physical plant areas. Management has responded, and sufficient action has been taken.

Mr. Long summarized by stating his understanding that Suttle & Stalnaker is telling the Board that, based upon their audit, everything is in proper order as far as finances are concerned for the University. Mr. DeWeese concurred and restated the financial statements as a whole are not materially misstated.

Ms. Pitzer moved acceptance of the audit report, Mr. Prince seconded, motion carried.

Presidential Search committee Report – Mr. Ted Rogers

Mr. Rogers reported that the committee met last week and narrowed the number of candidates considerably. Campus visits are being scheduled and the committee is moving at a good pace.

Updates or Questions Regarding Administrative Reports

Academic Affairs (Attachment 08)

Admissions and Financial Aid (Attachment 09)

Beckley Center (Attachment 10)

Development Office (Attachments 11a, 11b)

Finance and Facilities (Attachment 12)

Student Affairs (Attachment 13)

Mr. Prince asked Mr. Cannon how much the mercury clean up cost the University. Mr. Cannon explained that elemental mercury was found last fall on the third floor of the Science Building. A team was brought in to ascertain clean up. Experts were subsequently called in. As a result, a budget of \$250,000 was created to cover the cost. This includes clean up of mercury, equipment clean up/replacement, and disposal of unsafe equipment. There is no insurance to cover this type of problem. Mr. Prince asked where the \$250,000 came from. Mr. Cannon said Dr. Rowe adjusted his budget, adjustments were made in the physical plant budget, and lab and tech fees will be used. Dr. Campbell asked if the breakdown of the \$250,000 was as follows: \$150,000 from unfilled faculty positions, \$50,000 from building and grounds, and \$50,000 from lab fees. He also asked if the HEPC could provide money. Mr. Cannon said the breakdown is accurate and, although we have applied for funds from the HEPC, he doubts we will receive any. A small revolving loan fund that we used for the clean up of the mold is available.

President's Report - Dr. Beasley introduced Judge John Frazier who shared a resolution and proposal from the Alumni Association to Expedite the Construction of University Point. The resolution encouraged the Board of Governors to obtain a loan to do so. Mr. Prince mentioned that the bids received for the project are double the amount budgeted. He asked if we under-budgeted. He also asked how much the loan would be. Judge Frazier said \$1 million.

Dr. Beasley said the University has received four bids for construction of University Point. The responsible low bid is \$5.8 million; the relevant figure with deducts from the project is \$4.7 million. We have in hand or pledged \$4.1 million, a shortfall of about \$600,000. Dr. Beasley said that Jim Cannon, other members of the Business Office and he will talk with City Window Company, the responsible low bidder, to explore responsible ways in which their bid can be further reduced by value engineering. He said the result of the deliberations would be brought to the Board for approval. He also indicated bridge funding might be necessary, he also said he believes we could loan ourselves money for the project through a variety of sources. He said he believes this project is at the top of the Board's agenda.

Dr. Beasley thanked everyone involved in the dedication of the Nick Rahall Technology Center, especially Board members who attended.

Higher Education Day at the Legislature is scheduled for February 28, 2008, and Concord will be represented. Governor Manchin has proposed a three percent pay increase for State employees. Unfortunately, he has not provided adequate funding for the increase. Concord is about \$160,000 short to fund a three per cent increase.

HEPC requested \$350,000 to help underwrite the operation of the shared facility in Beckley. The request was not honored by the Governor. As a result, the administration of the facility will be more spartan than planned. He said Concord's presence in the facility and Raleigh County is important for the long-run health of the institution. More Concord courses are being offered in Beckley and enrollment has grown both Fall 2007 and Spring 2008.

Introduced in both House and Senate is legislation to increase the annual increment for higher education employees from \$50 to \$75.

Also introduced is legislation to extend tuition and fee waivers to employees of public colleges as well as their dependents. Discussion has been on going at Concord to offer this benefit whether or not it is successful in the Legislature.

Governor Manchin's suggestion to modify the PROMISE scholarship into a forgivable loan program has been met with uniform negative reaction. The Governor has agreed to allow Chancellor Noland to appoint a committee to look at the future of the PROMISE Scholarship and he has been asked to chair the committee. The committee will study the issue and submit a report to the Policy Commission, the Governor, and the Legislature in early fall.

Mr. Cannon told the Board it is important to prepare a schedule for construction of University Point. He said he's been in contact with Rich Donovan, finance and facilities contact in Charleston. HEPC's policy is to approve a project of this magnitude following Board approval. Although the project has been included in both our 10 and five-year plans, which would exempt us from HEPC approval, the fact that the cost is now more than ten percent higher than the original cost may necessitate HEPC approval.

Discussion – Classified Employee Salary Schedule

Amy Pitzer reminded the Board of their meeting with classified staff on October 23, 2007, at which time classified employees shared information about the 2001 salary schedule and the lack of funding to date. The Board requested re-visitation of the topic at the first meeting in 2008. Ms. Pitzer distributed a handout regarding salary allocation by institutions in West Virginia. She said five institutions are fully funded at present, Shepherd University, Blue Ridge Community and Technical College, Northern Community and Technical College, The Osteopathic School, and one other.

Ms. Pitzer suggested that the Board give serious consideration to fully funding the schedule and include it in strategic planning and the budget request.

Dr. Beasley said the estimated cost to bring Concord to the fully-funded level is approximately \$190,000 and some sense from the Board on this issue would be helpful since budget preparation for FY '09 will take place over the next several months. Mr. Long asked if it is practical to include this in funding for FY '09. Dr. Beasley said it is a

reasonable goal. Mr. Long asked Dr. Beasley to work with Mr. Cannon and report to the Board at the April 8, 2008, meeting.

Dr. Campbell, President of the Faculty, asked the Board to think positively about funding the schedule and set it as a realistic goal.

Discussion- Renovations/Upgrades to the President's House (Attachments 14a, 14b, 14c)

Mr. Long asked Dr. Beasley to lead the discussion. Lists of things that need to be done were included in the Board materials. Dr. Beasley suggested these repairs should not become the responsibility of the new President. It was decided that many of the outside projects that could be done by Concord employees could begin immediately. Larger projects may need to be contracted. Ms. Young said several Foundation Board members are interested in supporting the project and are willing to contribute monetarily. Dr. Beasley estimated cost to be \$50,000 to \$250,000 depending on what is done. Mr. Long said he would appoint a committee to study and make recommendations. Ms. Young suggested Ms. Laurie Erickson. Mr. Long said he would ask Mr. Cannon and Mr. Jeff Shumaker to serve. It was suggested that a student, an alumna/alumnus, and a member of the classified staff be included. Mr. Rogers moved to proceed with haste in the appointment of the committee, Mr. Fife seconded, motion carried.

Discussion – The Board Retreat

Mr. Long said consideration of a resolution regarding masters programs and an annual retreat would be held until the April 8 meeting.

Ms. Anita Moody, Direction of Public Relations/Marketing reported on a recent meeting with members of the Concord staff, Mr. Lane Bailey, and Ms. Idil Cakim of Golin Harris regarding improvements to the University's web site. She said Ms. Cakim has prepared a report, which is an excellent road map with strategies to improve our site. The committee will continue to work on changes.

Executive Session - Chairman Long reported there was a matter to be discussed in executive session. Pursuant to State Code §6-9a-4, Ms. Pitzer moved to go into executive session, Mr. Rogers seconded, motion carried.

Returning from executive session Mr. Rogers moved for adjournment of the Board, Dr. Wise seconded, motion carried.

Respectfully submitted,

J. Franklin Long

Margaret Sayre