

**AMENDED
MINUTES**

HIGHER EDUCATION POLICY COMMISSION

June 25, 2013

1. Call to Order

Chairman David Hendrickson convened a meeting of the Higher Education Policy Commission at 1:30 PM in the 9th Floor Conference Room at 1018 Kanawha Boulevard, East, Charleston, West Virginia and by conference call. The following Commission members were present: Jenny Allen, Bruce Berry, Kathy Eddy, John Estep, Kay Goodwin, David Hendrickson, and James Phares. Absent: Bob Brown, John Leon, and David Tyson.

2. Approval to Proceed with New Student Housing Project at West Virginia State University

Dr. Ed Magee, Vice Chancellor for Finance, provided an overview regarding a request from West Virginia State University for approval of a new student housing project. Dr. Magee noted that, at the December 7, 2012 meeting, the Commission authorized the project and directed the staff to work with the institution and Attorney General's Office to move the project forward, pursuant to state law and the Commission's policies. The approval was made subject to the completion of various steps.

In order to comply with the prior approval, Dr. Magee noted that institutional officials are requesting approval of the project design, budget, pro-forma, and financing. Dr. Magee reported that, as of this date, the institution has made substantial progress towards meeting these requirements; however, the budget, pro-forma, and financing instrument requiring Commission approval will not be completed until the financing is finalized in July.

Dr. Magee recommended approval of the project to ensure that construction can commence at the beginning of August 2013 for an opening of the completed residence hall for the Fall 2014 semester.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the design for the New Student Housing Project at West Virginia State University.

Further Resolved, That the Commission authorizes the Chancellor, in consultation with the Chair, to approve the project budget, pro-forma, and instrument for financing for the New Student Housing Project at West Virginia State University on

behalf of the Commission.

Secretary Goodwin seconded the motion. Motion passed.

3. Approval of Lease Agreement at Glenville State College

Mr. Richard Donovan, Senior Director of Facilities, provided an overview of a request from Glenville State College for approval of a lease agreement. Mr. Donovan stated that the lease between the institution and the institution's Foundation will provide funding necessary for the completion of the Waco Center. Mr. Donovan noted that the lease has been approved by the Attorney General's Office.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the request of the Glenville State College Board of Governors to enter into a Contract of Lease with the Glenville State College Foundation for a 2.74 Acre Tract of land along Mineral Road in Glenville and for Building A of the Waco Center.

Ms. Eddy seconded the motion. Motion passed.

4. Nominating Committee Report and Election of Officers

Secretary Goodwin reported that the Nominating Committee recommends Bruce Berry to serve as Chair, Jenny Allen as Vice Chair, and Kathy Eddy as Secretary. She indicated that the recommended individuals are willing to serve if approved by the Commission.

Secretary Goodwin moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission elects the slate of officers for Fiscal Year 2014 as proposed by the Nominating Committee.

Mr. Estep seconded the motion. Motion passed.

5. Approval of Fiscal Year 2014 Higher Education Policy Commission Division Operating Budgets and Higher Education Resource Assessment

Dr. Magee provided an overview of funding from state appropriations and the Higher Education Resource Assessment (HERA) charged to all in-state and out-of-state students for operation of the Commission office and statewide projects and initiatives.

Dr. Magee also reviewed the proposed Commission and divisional budgets for Fiscal Year 2014, which total approximately \$10.9 million, of which, personal

services, employee benefits, and Other Post Employment Benefits (OPEB) equate to 57 percent of the operating budget. As part of the presentation, Dr. Magee discussed operating budgets and efficiencies to address the 8.94 percent state appropriation reduction. In total, Dr. Magee reported that adjustments, totaling \$341,000, were made to division budgets.

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the Fiscal Year 2014 division operating budgets and Higher Education Resource Assessment projects.

Ms. Eddy seconded the motion. Motion passed.

6. Approval of Tuition and Fees for 2013-14 Academic Year

Dr. Magee provided an overview of tuition and fees from state, regional, and national perspectives. Dr. Magee stated that institutions were asked to align costs with institutional and state goals regarding affordability, quality of instruction, retention, and financial strength.

Dr. Magee noted that tuition and fee requests from Bluefield State College, Fairmont State University, Shepherd University, West Virginia State University, and West Virginia University exceeded five-percent and, as a result, are subject to Commission approval. Dr. Magee indicated that officials from all institutions participated in briefings in order for the Commission to review plans for the 2013-14 academic year.

Chairman Hendrickson, Vice Chairman Berry, and Secretary Eddy participated in briefings and commended the institutions regarding their respective presentations. The group indicated that such presentations clearly detailed institutional needs necessitating tuition and fee increases at varying levels across the system. Further, the group expressed their concern for the impact on student affordability, but acknowledged the landscape of the state's higher education system, including a recent reduction in state support.

Ms. Eddy moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves tuition and fees for the 2013-14 academic year.

Dr. Berry seconded the motion. Motion passed with Secretary Goodwin and Dr. Phares voting no.

7. Review of Institutional Operating Budgets and Approval of Capital Budgets for Fiscal Year 2014

Dr. Magee provided an overview of institutional operating budgets for Fiscal Year 2014. Dr. Magee indicated that this is the second year for the Commission to review institutional operating budgets due to a requirement as part of Senate Bill 330, which passed during the 2011 regular legislative session.

Dr. Magee worked with institutional representatives to revise a common reporting form, as previously developed for the initial reporting year. Institutional submissions were thoroughly reviewed by the Finance Committee. Based on discussion by the Finance Committee, Dr. Magee recommended approval of the capital budgets as presented.

Secretary Goodwin moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the Fiscal Year 2014 institutional capital budgets.

Dr. Berry seconded the motion. Motion passed.

8. Possible Executive Session under the Authority of West Virginia Code §6-9A-4 to Discuss Personnel Issues

A. Approval of Chancellor Contract and Compensation

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the contract and compensation of Dr. Paul L. Hill as Chancellor and delegates to the Chairman the authority to enter into a contract with Chancellor Hill consistent with the terms and conditions communicated to the Commission.

Secretary Goodwin seconded the motion. Motion passed.

B. Approval of Interim President Selection and Compensation at Concord University

Dr. Berry moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the appointment by the Concord University Board of Governors of Dr. Kendra Boggess as Interim President and the contract between the Concord University Board of Governors and Dr. Boggess.

Ms. Eddy seconded the motion. Motion passed.

9. Additional Board Action and Comment

Chairman Hendrickson announced that effective July 1, 2013, all institutions will be required to provide a certifying statement, signed by the president, when submitting any official reports and/or requests, specifically agenda items, to the Commission, Chancellor, or Commission staff. The certifying statement shall include language that the information provided is factual and will be adhered to and any subsequent Commission approval is contingent upon the accuracy of such information and implementation of plans as requested and certified by the institution and approved by the Commission.

Chairman Hendrickson also announced that in accordance with West Virginia Code §18B-2A-4, all institutions are required to develop campus master plans. The Code indicates that these plans, which require Commission approval, shall include:

(A) A detailed demonstration of how the master plan will be used to meet the goals, objectives and priorities of the institutional compact;

(B) A well-developed set of goals, objectives and priorities outlining missions, degree offerings, resource requirements, physical plant needs, personnel needs, enrollment levels and other planning determinates and projections necessary in a plan to assure that the needs of the institution's area of responsibility for a quality system of higher education are addressed; and

(C) Documentation showing how the governing board involved the Commission, constituency groups, clientele of the institution and the general public in the development of all segments of the master plan.

Such institutional Master Plans shall be developed and submitted to the Commission by December 31, 2013 for formal consideration by the Commission in early 2014.

Chairman Hendrickson thanked Ashley Schumaker, Senior Director of Board and Public Relations, for her service to the Commission. Chairman Hendrickson read a resolution in honor of Ms. Schumaker and presented a framed copy. Chancellor Hill presented Ms. Schumaker with a Blenko vase honoring her dedication to the state's higher education system. Chairman Hendrickson, members of the Commission, and Chancellor Hill wished Ms. Schumaker well in her new position as Chief of Staff and Special Assistant to the President at West Virginia State University. In closing, Ms. Schumaker thanked the Commission and the Chancellor for their unwavering support throughout her tenure.

10. Adjournment

There being no further business, the meeting was adjourned.

David K. Hendrickson

Chairman

Kathy Eddy

Secretary