

# **Minutes**

## **Concord College Board of Governors**

February 12, 2004

Teleconference

10:00 a.m.

### **1. Call to Order and Determination of a Quorum**

A quorum being present, the meeting was called to order. Participating were: Mrs. Margaret Sayre, Chairperson; Mr. James Miller, Secretary; Dr. Charles Brichford, Faculty Representative; Mr. Peter Fichthorn, Student Representative; Mr. Eugene Fife; Mrs. Linda Martin, Classified Representative; Mr. Wayne Meisel; Mr. R. T. Rogers. Cabinet officers: Mr. James Cannon; Mr. Michael Curry; Mr. Rick Dillon; Ms. Anita Lewis (attends Cabinet meetings); Dr. Bill O'Brien; Dr. Dean Turner; Ms. Loretta Young. Others participating: Mr. Dennis Jeran, Deloitte & Touche; Dr. Steve Rowe; Mr. Bill Skeat. Unable to participate: Mr. James Brown; Mr. Dan Dunmyer; Dr. Debbie Akers; Mr. Joe Long.

### **2. Approval of December 11, 2003 Minutes**

Upon a motion by Mr. Rogers and seconded by Dr. Brichford, the minutes of the December 11, 2003, meeting were approved as mailed. Motion passed unanimously.

### **3. Auditor's Report: Deloitte & Touche**

Mr. Cannon introduced Mr. Dennis Jeran of Deloitte & Touche, who reviewed with the Board the College's audit for the year ended June 30, 2003, (copies of which were previously mailed to all members of the Board of Governors). Mr. Jeran told the Board that the College received an unqualified opinion, which is "as good as it gets." The College, Mr. Jeran continued, could not have received a higher level of assurance than this from an audit report.

Mr. Jeran pointed out that the "combined financial statements present all funds under the authority of the College, including its component unit, Concord College Research and Development Corporation." He continued that in this report the Concord College Foundation and Alumni Association are not "part of the College reporting entity, and are not included in the combined financial statements." The Concord Foundation and Alumni Association, Mr. Juran said, are subject to inclusion in next year's audit as specified by GASB accounting practices. If the College refuses to include the Foundation information for the next audit report, an "adverse" opinion would be registered for Concord in next year's review.

The Board indicated that inclusion of the Concord College Foundation information in next year's audit would be an item for discussion among Foundation Board members and College officials at a later meeting.

The Board expressed appreciation to Dr. Beasley, Mr. Cannon, and Business Office staff for their good work that resulted in the outstanding audit report.

#### **4. President's Report**

##### **a. BSC-CC Collaboration**

Dr. Beasley discussed with the Board the College's response to the Chancellor's recommendations pertaining to the Bluefield State-Concord collaborative effort. (The College's draft response was e-mailed to Board members prior to the meeting.) In summarizing the response to Chancellor Mullen, Dr. Beasley said that the recommendations have been carefully analyzed, and when feasible the Chancellor's suggestions were accepted. Conversely, questions have been raised where recommendations seem less sound, and need further study. For example, the College has agreed to eliminate a low productivity, two-year program, which would give Concord more mission purity. The termination of this program does not lead to the elimination of faculty because they teach in other areas as well. In the draft response, Dr. Beasley said the College's response represents a good-faith effort to work in collaboration with Bluefield State College in areas that would be beneficial to both institutions. The College will continue to respectfully respond to the Chancellor's recommendations while at the same time reminding policy makers that Concord College is a very efficient institution compared to other similar institutions in West Virginia and nationally. And, even as efficient as the College currently is, Concord will continue to identify ways to save money, particularly in the non-instruction areas of the College's operation. As indicated in the College's response, there are ways that the two institutions can share particular services resulting in a savings for both. For example, Concord's academic technology area, supervised by Mr. Tim Barnes, continues to offer his considerable expertise to his counterparts at Bluefield State, and it appears that the colleges have a good, solid working relationship. Additionally, the suggestion to eliminate Concord's purchasing officer would not have the desired effect because John Ferguson sees his job as not only buying quality for the College, but everyday by efficiently managing the College's purchases is able to realize savings that essentially cover his salary. Mr. Ferguson's operation is already more efficient than what one would find in higher education nationwide. The College has purchases that are peculiar to Concord, and Mr. Ferguson has gained the special knowledge to efficiently handle these purchases. And, Mr. Ferguson is working aggressively with his counterparts at Bluefield State, the public schools, and other institutions of higher education where he can participate in a buying consortium that will bring the College quality goods and services at lower costs. These are just a few of the suggestions outlined in the Chancellor's recommendations, and the College's subsequent responses.

Dr. Beasley asked Board members for reactions and suggestions to the draft response to Chancellor Mullen, which will be discussed at the HEPC meeting on February 27. It was hoped that the two governing boards could meet jointly with Dr. Mullen prior to the February 27 HEPC meeting, but a scheduled meeting on February 13 had to be canceled because of pressing legislative demands on the Chancellor's schedule.

Discussion of the draft response to the Chancellor's recommendations revealed that the Board agrees with the College's response, but would appreciate the opportunity to discuss the report

with the Chancellor prior to the February 27 meeting of the Policy Commission. The Board felt that there were certain areas of the report that need additional clarification and emphasis before being discussed at the HEPC meeting, e.g. the elimination of the College's human resources office; elimination of the purchasing function; the "low productivity" program issue; "common requirement" for faculty appointment, reappointment and tenure. Additionally, Mr. Fichthorn noted that the College's Student Government Association has proposed an inclement weather policy that would match that of Bluefield State College.

**b. Information from Charleston**

Dr. Beasley told the Board that a number of bills have been introduced that would change the name of Concord College (to Concord University) and several other state institutions. It now appears that the Chairs of the House and Senate Education Committees are holding up the bills. It appears that there is much work to be done on this proposal before the end of the legislative session. Dr. Beasley reminded Board members that the request for a name change related to Senate Bill 653, in which Concord, along with several other institutions, were permitted to begin offering master's level education, either directly or in collaboration with other institutions. The Legislature asked the Policy Commission to create criteria for according university status to institutions, which was ultimately done, and the logical "next step" was to the Legislature. Dr. Beasley indicated that contact by Board members with the legislators encouraging the approval of university status for Concord would be appropriate and helpful.

Dr. Beasley told Board members that in the Governor's proposed budget for the ensuing year, there may be a 1.8 to 2.5 percent cut for higher education, significantly less than the 9.6 percent originally anticipated. Unfortunately, the dollars the Governor is using to close this gap are facilities dollars that have accumulated in an account over the last two to three years. If this money is used this year, the same challenge will be faced again next year thus the next recommendation brought to the Board on tuition and fees will be dependent partially on the source of those dollars, and looking ahead to the situation that the College would be in the following year.

The Legislature, Dr. Beasley said, is considering issuing bonds and pledging surplus lottery funds for capital improvements in colleges and universities across the state. At this point, Concord has \$5.3 million in projects in the proposed bond package. Proceeds from the bond issue have been projected at a low of \$130 million to \$200 million, and there are encouraging signs that the bond issue might go forward. It is hoped that Concord will maintain a fair position in that package, in part as reparation for the loss of money over the last decade, and also because the College has many chronic facility problems. For example, the money could be used to help with the ADA issues that the College faces as well as enabling work to commence on the lighting and sound system problems experienced in the Main Auditorium of the Alexander Fine Arts Center. Additionally, there are roofs that need to be repaired; sidewalks in need of improvement; and, part of the money would be dedicated to the technology project.

Regarding the resolution that the Board of Governors passed in a previous meeting requesting the restoration of \$60,000 taken from the College's base budget last year because of grievances and BRIM, Dr. Beasley reported that Delegate Eustace Frederick, a member of the House

Finance Committee, and Senator Jesse Guills, a member of the Senate Finance Committee, have begun making inquiries on behalf of the Board's request.

## **5. Evaluation of the President: Appointment of Committee**

Chairman Sayre announced that the following Board members have been appointed to a committee for the evaluation of the president of the College: 1) Mr. Ted Rogers, Chair; 2) Mr. Jim Miller; Dr. Debbie Akers.

This four-year evaluation is in accord with WV statute, and the rules and policies of the West Virginia Higher Education Policy Commission (Series 5).

For a point of reference, Dr. Beasley offered to provide options, models, and suggestions for outsiders to come in and assist the committee as the evaluation process unfolds. In past years, two presidents from other similar institutions have been invited in for a couple of days, and formed a team with member(s) from the state level board to do an analysis of the president. Dr. Beasley was asked to do a self-evaluation in each instance. And, in the past, Dr. Beasley has used this opportunity to bring in off-campus officials to evaluate the Cabinet officers who report directly to him.

Mrs. Sayre indicated that the deadline for the evaluation of the president is September 1, but should be completed sooner than that. Dr. Brichford said that the work of the committee should be done when students and faculty are on-campus, thus requiring the evaluation to be completed before the end of the academic year.

Mr. Rogers said that he would get together with the appropriate individuals and establish a procedure for evaluation as well as a timetable for accomplishment. Additionally, Mr. Rogers indicated that the procedure would be circulated among Board members for comment as per Dr. Brichford's request.

## **6. Administrative Reports**

### **a. Vice President for Academic Affairs, Dr. Dean W. Turner**

In addition to the previously e-mailed report, Dr. Turner updated the Board on program reviews and the College's yearly process. This year, five programs will be reviewed in accordance with a schedule established by the Board: 1) Geography; 2) History; 3) Political Science; 4) Psychology; and 5) Sociology. In the past, Dr. Turner said, his department has worked directly with the Academic Affairs Committee of the Board of Governors to evaluate the programs and make recommendations about the validity of the programs. And, in the past, the Academic Affairs Committee has been entrusted by the Board to follow this process and report recommendations back to the Board and then forward them on to the Chancellor by March 31. Dr. Turner indicated that this procedure would continue, if there are no objections to it.

Dr. Turner addressed the low productivity programs that were mentioned earlier in today's meeting. There was a statewide evaluation of designated low productivity programs, those

producing less than 10 graduates over a three-year period, and boards of governors were asked to consider discontinuing these programs if appropriate productivity level was not reached by fall 2005. On the discontinuance list for Concord were two programs:

- 1) Bachelor of Arts in Studio Arts; and;
- 2) Bachelor of Science in Medical Technology.

Dr. Turner indicated that it is anticipated that the Bachelor of Arts in Studio Arts will exceed the target number of graduates over a three-year period because there is a concerted effort in the Department of Art to have graphic arts double as studio arts majors, now showing an increase of 20 percent.

It is not anticipated, Dr. Turner said, that the threshold will be met by the Bachelor of Science in Medical Technology program. The number of majors is going down, and the Board may need to examine this program.

**b. Vice President for Business and Finance, Mr. Jim Cannon**

In addition to the information that was e-mailed to Board members, Mr. Cannon told the Board that a space utilization study was conducted and reported to the Legislature to determine how well the colleges and universities are using their building space as it relates to funds, the necessity of funds to build and maintain facilities, and how efficiently institutions are using existing space. A team of WVU architects and engineers were commissioned to do this study. Concord College was at the top of the list as one of the most efficient institutions in the state in use of its facilities.

Mr. Cannon announced that in a recent audit (Concord was among four institutions that were chosen for the audit. The other institutions were: Bluefield State, Southern WV Community and Technical College, and the WV School of Osteopathy), it was revealed that Concord moved from third to fourth highest in colleges that do business purchases within the state. According to audit findings, Concord College made 54 to 56 percent of all College purchases in the State of West Virginia.

That same audit revealed that the College had exceeded a 1,000-hour limit on one contract employee, Mr. Cannon said. Apparently, the State Purchasing Office had issued a rule stating a contract employee could not work more than 1,000 hours for a state institution, and College officials had no knowledge of that ruling.

Mr. Cannon told the Board that the audited financial statements discussed with the Board earlier in the meeting by Dennis Juran of Deloitte & Touche had been particularly difficult this year to compile because the College had to switch to GASBE 34-35 and simultaneously switched to BANNER, an entirely different accounting system. As a result of these changes in accounting systems statewide, only three institutions managed to complete their financial statements on time, and Concord was among the three that were able to meet the October deadline. Mr. Cannon told the Board that he is extremely proud of his staff for their performance.

**c. Vice President for Admissions/Financial Aid, Mr. Michael Curry**

Adding to the previously e-mailed admissions report, Mr. Curry told the Board that there has been much positive feedback to the College's television advertisement, which featured current students as well as graduates.

Mr. Curry said that at this point, enrollment numbers look about the same as they did at this same time last year. One difference is that the in-state numbers appear to be lagging a bit behind last year's, particularly in northern West Virginia. Numbers for southern West Virginia are just slightly behind last year's numbers. These in-state differences, Mr. Curry said, are offset by the out-of-state recruitment numbers due in part to the efforts of Andrea Tabor who has been hired as a Virginia recruiter. Andrea continues to do a tremendous job for the College, and thus far the Virginia acceptances are up by 37.

**d. Interim Dean of Students, Mr. Rick Dillon**

Mr. Dillon reviewed report for Student Affairs (see attachment).

**e. Director of Beckley Center, Dr. Bill O'Brien**

Dr. O'Brien reviewed with the Board plans for the Beckley Higher Education Facility (see attachment).

**f. Associate Vice President for Development/Executive Director of the Concord College Foundation**

In addition to the Development Office Reports, Ms. Young announced that the Foundation has received three additional gifts:

- 1) Hassell Ward Estate (\$1 million plus for improvement of physical plant)
- 2) James H. "Buck" Harless Charitable Trust (estimated at \$3 million plus, and is for scholarships for students from Lincoln, Boone, Logan, McDowell, Mingo, Wyoming and Mercer Counties)
- 3) Lloyd Moye Estate (\$645,495 to be used for athletic scholarships; \$100,000 to be used for the Concord College Chapel)

Ms. Young announced that Mary Frances Williams has agreed to coordinate this year's Phon-a-thon scheduled to begin on February 15 through March 5 with a goal of \$80,000 for scholarships.

The Greenbrier dinner is scheduled on Saturday, March 13, 2004, with Don Nehlen as the keynote speaker. All Board members are invited to attend.

Ms. Young announced that Mr. James H. “Buck” Harless has agreed to serve as honorary chairman of the Concord College Capital Campaign. Mr. David Barnette will serve as chairman. The Steering Committee for the campaign will be announced in upcoming weeks.

Ms. Young announced that work is underway on the Interfaith Chapel project, and that as the plans for this endeavor unfold, the Board will be informed.

## **7. Action Items**

### **a. Designation of Endowment Managers**

Dr. Brichford moved the adoption of the following resolution (see attachment):

*RESOLVED*, that the Concord College Board of Governors approves the attached resolution authorizing the President of the College (currently Jerry L. Beasley) and the Vice President for Business and Finance of the College (currently James L. Cannon) in consultation with a committee appointed by the Board, to establish a College endowment trust account, and to execute any and all instruments necessary, proper, or desirable for that purpose.

Mr. Fichthorn seconded. Motion carried unanimously.

It was noted that the committee referenced in the resolution should be appointed as soon as possible.

### **b. Disbursement Agreement (Southern WV Technology Center)**

Mr. Rogers moved the adoption of the Certificate of Authorization Resolution from the WV Economic Development Authority, which allows Dr. Beasley to authorize three persons at the College (Elizabeth Webb, Senior Accountant, James Cannon, Vice President for Business and Finance, and Elizabeth J. Cahill, Controller) to formally request disbursement of funds from the WV Economic Development Committee.

Dr. Brichford seconded. Motion carried unanimously.

Upon motion by Mr. Rogers, seconded by Dr. Brichford and passed unanimously, the meeting adjourned.

Respectfully submitted,

Margaret Sayre, Chairperson

James L. Miller, Secretary

## Attachments