

BUDGET ADVISORY COMMITTEE

October 15, 2009

[] Robert Parker		[] Lawrence Smith	
[] Mark Addesa	[] Booker, Mildred	[] Paula Beasley	
[] Brunetta Dillard	[] Ronald Duerring	[] Shafer, Patricia	
[] Robert Huston	[] Islam, Mahmoodal	[] Judd, Phil	
[] Tom Guetzloff	[] Michael Lewis	[] Magan, Jack	
[] Jamie McKay	[] Parrish, Carmen	[] Porterfield, William	
[] Brett Mannon	[] Ulises Toledo	[] Tersina Neely	
[] Brittany Jackson	[] Greg Epps	[]	

Agenda

1. Call to Order
2. Approval of Agenda
3. Minutes
4. Budget Report (Quarterly)
5. Reports:
 - a. Lease Agreement with Kanawha Valley Community and Technical College for Cole Complex
 - b. Update on progress with Service Agreement (Chargeback)
 - c. Audit of WVSU and KVCTC
 - d. Moody's
 - e. Metro Tuition Proposal submitted to HEPC
 - f. Update on 50/50 Capital Projects
6. New Business
7. Meeting Schedule (Third Thursday) November 19, 2009
8. Adjournment

Bob Parker

Subject: Phone conference with Stephanie Woeppel of Moody's
Location: My office
Start: Wed 10/14/2009 2:00 PM
End: Wed 10/14/2009 2:30 PM
Show Time As: Tentative
Recurrence: (none)
Meeting Status: Not yet responded
Organizer: Lawrence Smith

- Big-picture overview:
 - Strategic goals; Latest academic or research initiatives
 - Relevant staff changes, if any
- Enrollment and student demand:
 - Enrollment trends and goals–
- 2009 assumptions
 - Financial aid trends and projections
 - Market draw (student demographic)
 - Competition
 - Tuition pricing
- Next year's tuition adjustments
- Housing
 - Occupancy and demand
- Operations:
 - Trends in key revenue and expense drivers (tuition, grants, faculty salaries, etc.)
 - Budgeting changes and practices
 - Year to date performance –
- tuition
 - 2010 budget
 - State Appropriations

- Stimulus
- Financial resource growth:
- Capital campaign update
- Investment performance Foundation
- Policies
- YTD Returns
- Asset allocation
- Liquidity
- Operating cash balances (invested?)
- Existing Debt
- Additional capital needs and future borrowing plans.
- What are your future capital needs?
- Deferred maintenance
- What are expected sources of funds?
- Any future borrowing plans?

Litigation or special issues



WEST VIRGINIA STATE UNIVERSITY

Office of the President
P.O. Box 399
Institute, West Virginia 25112
(304) 766-3111
Fax (304) 768-9842
E-mail: carterhw@wvstateu.edu

MEMORANDUM

TO: Dr. Brian Noland
Chancellor, West Virginia Higher Education Policy Commission

FROM: Hazo W. Carter, Jr. *HWC*
President, West Virginia State University

RE: Agenda Item for WV Higher Education Policy Commission

DATE: October 8, 2009

The purpose of this memorandum is to submit a proposal to the West Virginia Higher Education Policy Commission to establish a Metro tuition fee rate at West Virginia State University for various counties in Kentucky, Virginia, Maryland, Ohio and Pennsylvania. The West Virginia State University Board of Governors approved the proposal to establish a Metro tuition fee at its June 11, 2009 meeting.

The administration of West Virginia State University believes that there are opportunities to recruit highly qualified students from the proposed Metro service area. Additionally, there are areas within the proposed Metro service area which contain significant population of first-generation students. Targeted recruitment of these students aligns well with the WVSU Mission Statement and Enrollment Management Plan.

If you have any questions or need additional information, please feel free to contact me at (304) 766-3111.

Attachments

Metro Tuition Chancellor Noland

West Virginia State University



Out-of-State Tuition Proposal –Adjacent Counties

West Virginia State University proposes to extend its concentrated recruitment area to outside the physical boundaries of West Virginia. We will intensively market to students who are looking for a medium sized institution where they can receive a quality education situated near the metropolitan area of Charleston. Initially, we would extend the offer of a modified out-of-state tuition rate, reducing the level of tuition and fees paid by those individuals whose home county is adjacent to West Virginia's borders or whose home county touches a county which is adjacent to West Virginia borders. Specifically, this will include counties in Kentucky, Maryland, Ohio, Pennsylvania, and Virginia. These neighboring states were identified as our focus area for this proposal because of their close proximity to West Virginia and because of the relatively high numbers of first generation college students found within these states. West Virginia State University is historically and strategically positioned to address the unique needs of this group of college students.

A list of the counties in adjoining states that would be subject to modified rates

Individuals whose home county is adjacent to the West Virginia border or whose home county borders another county which is adjacent to the State of West Virginia are eligible for this reduced out-of-state tuition rate.

The following counties will be targeted for eligibility under the current proposal:

- In Kentucky, the bordering counties of Boyd, Lawrence, Martin, and Pike. In addition, the following counties which adjoin those in the preceding list will include: Greenup, Carter, Elliott, Johnson, Morgan, Floyd, Knott, and Letcher.
- In Maryland, the bordering counties of Garrett, Alleghany, and Washington. In addition, the following county which adjoins those in the preceding list will include: Frederick. Prince Georges and Montgomery counties will also be added to the list of Maryland counties due to a history of students from these counties attending our institution.

- In Ohio, the bordering counties of Columbiana, Jefferson, Belmont, Monroe, Washington, Athens, Meigs, Galia, and Lawrence. In addition, the following counties which adjoin those in the preceding list will include: Mahoning, Stark, Carroll, Harrison, Guernsey, Noble, Morgan, Perry, Hocking, Vinton, Jackson, and Scioto.
- In Pennsylvania, the bordering counties of Beaver, Washington, Greene, and Fayette. In addition, the following counties which adjoin those in the preceding list will include: Lawrence, Butler, Allegheny, Westmoreland, and Somerset.
- In Virginia, the bordering counties of Frederick, Bland, Tazewell, Buchanan, Shenandoah, Rockingham, Augusta, Highland, Bath, Alleghany, Craig, Giles, Loudoun, and Clark. In addition, the following counties which adjoin those in the preceding list will include: Dickinson, Russell, Smyth, Wythe, Pulaski, Montgomery, Roanoke, Botetourt, Rockbridge, Nelson, Albemarle, Greene, Page, Warren, Fuaquier, Prince William, Buena Vista City, Clifton Forge City, Falls Church City, Harrisonburg City, Lexington City, Manassas City, Manassas Park City, Roanoke City, Staunton City, Waynesboro City, Winchester City, and Fairfax. Alexandria City and Charlottesville City, which contain the northern Virginia cities of Alexandria and Arlington, will also be added to the list of Virginia counties due to a history of students from these counties attending our institution.

An estimate of the number of potential students available in the proposed modified rate area

As of the spring 2009 semester, West Virginia State University had 36 students from the proposed extended metro tuition areas

While West Virginia State University has not previously recruited significantly in the counties identified in this proposal, we will need to do so in the future because of the declining college age population of West Virginia. Extending our recruiting into these areas with a metro tuition plan will help us economically maintain, and hopefully expand, our university student population and its services.

The average tuition for public 4-year institutions, as described in *Measuring Up 2008 The State-by-State Report Card for Higher Education*,* was:

Kentucky	\$6,359
Maryland	\$7,263
Ohio	\$8,102
Pennsylvania	\$9,686
Virginia	\$6,979

West Virginia \$4,408

The proposed modified tuition rate for this proposal is \$ 7,760, which is slightly more than the cost of instruction, but low enough to attract out-of-state students.

A count of the number of currently enrolled West Virginia State University students from the proposed modified rate area

- Nineteen (19) WVSU students' homes are in the targeted counties in Maryland.
- Three (3) WVSU students' homes are in the targeted counties in Ohio.
- Two (2) WVSU students' homes are in the targeted counties in Pennsylvania.
- Twelve (12) WVSU students' homes are in the targeted counties in Virginia.
- No current WVSU students' homes are in the targeted counties in Kentucky.

**Source: The National Center for Public Policy and Higher Education, available online at*

http://measuringup2008.highereducation.org/states/report_print.php

County names and locations were derived from *Census Finder*, available online at

<http://www.censusfinder.com/mapmd.htm>

A multi-year analysis of the projected number of students (resident, non-resident, and those from the proposed metro-tuition areas) that we hope to enroll at our campus in coming years to offset any loss in revenue is attached on the following page.

Attachment 2

WEST VIRGINIA STATE UNIVERSITY
PROJECTED REVENUE FROM TUITION REQUIRED FEES

**2008-2009 Academic Year
Base Year Enrollment**

Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	118	\$ 10,346.00	\$ 1,037,703.80
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
Total	2338		\$ 9,253,905.80

**2010-2011 Academic Year
Metro Area Enrollment Allocated**

Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Current Non-Resident Student Revenue from Proposed Metro Area	36	\$ 10,346.00	\$ 316,587.60
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
Total	2338		\$ 9,253,905.80

**2010-2011 Academic Year
Breakeven Enrollment Required**

Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Current Non-Resident Student Revenue from Proposed Metro Area	36	\$ 7,760.00	\$ 237,456.00
Additional Non-Resident Student Revenue from Proposed Metro Area	12	\$ 7,760.00	\$ 79,152.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
12 new students required from proposed Metro Area to Breakeven			
Total	2350		\$ 9,253,926.20

2011-2012 Academic Year

Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Non-Resident Student Revenue from Proposed Metro Area	48	\$ 7,760.00	\$ 316,608.00
Additional Non-Resident Student Revenue from Proposed Metro Area	6	\$ 7,760.00	\$ 39,576.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
6 additional new students from proposed Metro Area			
Total	2356		\$ 9,293,502.20

2012-2013 Academic Year

Resident Students	2217	\$ 4,346.00	\$ 8,189,819.70
Non-Resident Students	82	\$ 10,346.00	\$ 721,116.20
Non-Resident Student Revenue from Proposed Metro Area	54	\$ 7,760.00	\$ 356,184.00
Additional Non-Resident Student Revenue from Proposed Metro Area	6	\$ 7,760.00	\$ 39,576.00
Out-of-Country	3	\$ 10,346.00	\$ 26,382.30
6 additional new students from proposed Metro Area			
Total	2362		\$ 9,333,078.20

1 Metro Tuition is projected at 75% of non-resident student fees

2 This table assumes no change in enrollment of resident or non resident students not subject to the modified rate

3 This table assumes no change in tuition and fee increases

4 This table makes no adjustment for tuition and fee waivers or similar forms of tuition discounting.

**West Virginia State University Board of Governors
Meeting of June 11, 2009**

ITEM: Metro Student Tuition and Fees

ADMINISTRATIVE AREA: Finance and Student Affairs

RECOMMENDED ACTION: The West Virginia State University Board of Governors approve the recommended metro fee schedule for West Virginia State University for the Academic Year 2010-2011.

PRESENTED BY: Mr. Robert Parker
Vice President for Finance

Mr. Bryce Casto
Vice President for Student Affairs

BACKGROUND:

For Fiscal Year 2010-2011, West Virginia State University is seeking to establish a Metro fee rate that will reduce the level of tuition and fees assessed to students from numerous counties (See Attachment 1) in Kentucky, Virginia, Maryland, Ohio and Pennsylvania. The impact of this policy effort would be to lower the tuition rate by 25% per student from the counties in the aforementioned states. Attachment 2 illustrates that the WVSU projected financial impact of providing a 25% reduction in tuition and fee charges to the proposed areas will be offset by an increase in enrollment and thus revenue. To break even financially WVSU would have to enroll 12 additional students from the proposed Metro service area.

The administration of the University believes that there are opportunities to recruit highly qualified students from the proposed Metro service area. Additionally, there are areas within the proposed Metro service area which contain a significant population of first-generation students. Targeted recruitment of these students aligns well with the University mission statement and enrollment management plan. Upon approval by the West Virginia State University Board of Governors, the Metro Student Tuition and Fees recommendation will be sent to the West Virginia Higher Education Policy Commission for their approval.

Approval of Four Comprehensive Program Reviews. The Board was asked to approve comprehensive reviews of four programs –Social Work, Regents Bachelor of Arts, Health Science, and Recreation. Mrs. Banks moved that the Social Work review be approved and the motion was seconded by Dr. Duerring. The motion carried. Dr. Smith moved that the Board accept the comprehensive reviews for continuance of the Regents Bachelor of Arts, Health Science, and Recreation programs. The motion was seconded by Mrs. Banks and the motion passed.

Resolution to Amend WVSU BOG Policies. Dr. Epps informed that the proposed Resolution will correct language in existing West Virginia State BOG policies passed since the Board's inception in 2001. The resolution will allow the University to remove references to the West Virginia State Community and Technical College from its policies since that entity is now a stand alone institution with its own Board of Governors. Dr. Duerring moved and Mrs. Suppa seconded the motion to adopt the Resolution. The motion passed.

Approval of Metro Student Tuition and Fees Plan for WVSU. Mr. Parker said that the Metro Tuition Plan will help the University to attract students from states bordering West Virginia. He said that the Plan will not be final until it is approved by the HEPC. The Committee looked at similar plans from other colleges and universities in the State. The Board was provided information on the financial impact of the plan and asked to approve the plan which is scheduled to be implemented in AY 2011. Dr. Duerring moved for approval of the plan and the motion was seconded by Mrs. Suppa. The motion carried.

President's Report. Dr. Carter said that he has met with Dr. Epps on several occasions since the Three-Year Budget Plan was approved by the Board. He went on to say that he has asked his Executive Assistant and Chair of the Task Force responsible for creating the plan to continue to work with the Task Force to monitor the plan. The Task Force will provide the Board with quarterly status reports.

The President informed that procedures implemented since the development of the three-year budget plan include: Requiring each VP to receive and review all expenditure requests for their respective area and to approve or not approve the requests; advertisement of vacant positions now require approval by the President prior to publication; hiring of new employees now requires the President's approval prior to an offer of employment or contract extension; and cash management procedures and reports are now prepared and reviewed on a daily basis; a Metro Tuition proposal to enhance enrollment and increase revenues has been developed and will be implemented in the Fall of 2011, if the Board approves this recommendation. President Carter said he continues to meet with the Vice President for Finance every week to discuss the budget. He advised that a capital expenditure plan has been developed that establishes a priority system for projects.

The Collegiate Support and Counseling Center, in conjunction with the Financial