

David R. Tyson
Chair



Brian Noland
Chancellor

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard East, Suite 700
Charleston, WV 25301
(304) 558-0699
www.hepc.wvnet.edu

MEMORANDUM

TO: Council of Presidents

FROM: Brian Noland *B. Noland*

DATE: May 27, 2009

RE: Hiring Process for Newly Created Positions

In view of the current economic conditions, the state must be mindful of any and all costs associated with conducting business, which includes personnel services. As you are aware, Governor Manchin has instituted a soft hiring freeze for all state agencies and affiliated organizations such as public colleges and universities. However, the Governor has afforded flexibility to higher education to fill existing vacant positions.

In addition to this flexibility in filling existing vacancies, newly created positions may be approved if adequate funding is available and proper justification is provided using the attached form. Once the attached form is completed, it is to be sent electronically to me at noland@hepc.wvnet.edu with a copy to Margaret Buttrick, Human Resources Administrator, at buttrick@hepc.wvnet.edu. Commission staff will confirm receipt of the completed form and will update institutional staff on the status of the request. As directed by the Governor, the completed forms will be forwarded to the Governor's Office with a recommendation regarding the proposed new position.

Please note that the completed form must be submitted as outlined above **at least three business days** before a WV-11 form is forwarded to the Budget Office for processing. Due to the electronic payroll processing at Marshall University and West Virginia University, these institutions must submit the completed form before an employee's proposed starting date in the newly created position. Failure to provide adequate justification or non-compliance with this request may result in a significant delay in the hiring process.

Please advise regarding questions or comments concerning any of the above.

Attachment

**West Virginia Higher Education Policy Commission
New Employee Justification Form**

INSTITUTION: <Insert institution name here>

NAME OF EMPLOYEE	TITLE	WV-11 TRACKING NUMBER	TYPE OF POSITION	FUNDING SOURCE	PROPOSED ANNUAL SALARY	FTE	JUSTIFICATION

Definitions
Name of Employee - This column should indicate the name of the person who will fill the newly created position.
Title - This column should indicate the title of the newly created position.
WV-11 Tracking Number - This column should indicate the tracking number on the WV-11 form if applicable.
Type of Position - This column should indicate if the newly created position is classified, non-classified, or faculty.
Funding Source - This column should indicate the type of funds to be utilized such as state appropriations, federal grant, etc.
Proposed Annual Salary - This column should indicate the base salary of the employee filling the newly created position.
FTE - This column should indicate the FTE for the newly created position.
 (Example: Classified and non-classified - 1.00 for 1,950 annual hours/37.5 weekly hours. Faculty - 1.00 for twelve-month positions, .80 for ten-month positions, etc.)
Justification - This column should provide information to justify the need to create the new position.



WEST VIRGINIA STATE UNIVERSITY

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Institute, West Virginia 25112
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MEMORANDUM

TO: Dr. R. Charles Byers
Dr. Cassandra Whyte
Dr. John L. Fuller
Mr. Bryce Casto
Mr. Robert Parker
Dr. Greg Epps

FROM: *HWC/cw*
Hazo W. Carter, Jr.

RE: Fiscal Year 2009-2010 Budget

DATE: September 16, 2009

Governor Joe Manchin III and Chancellor Brian Noland have issued memorandums regarding the financial condition of the State of West Virginia and how it will effect higher education.

Governor Manchin issued a memorandum stating that "due to the financial constraints the State of West Virginia will face over the next twelve (12) months, that each agency is expected to maintain or reduce operating costs. Accordingly, agency heads are not authorized to approve increases in operational, maintenance, rental/lease rates, and licensing costs. These expenditures are expected to remain flat over the next twelve (12) months.

Chancellor Noland during the HEPC meeting on August 7, 2009, discussed the economic situation facing the State of West Virginia and the impact on higher education. He stated that "the State Fiscal Stabilization Fund provides a temporary infusion of funds to backfill budgets for Fiscal Years 2010 and 2011, and that these funds may only be obligated at the state and local level through September 30, 2011." Colleges and universities should begin planning for future budget reductions in 2010,

2011 and 2012. Those reductions are anticipated to be 3½% in 2010, 5% in 2011 and 5% to 10% in 2012. This could reduce the general revenue appropriation for WVSU from \$10,734,000.00 in FY/2009 to about \$8,767,800.00 in FY/2012. As you know, the Fiscal 2009-2010 budget for West Virginia State University was reduced by \$342,789.00.

The purpose of this memorandum is to solicit your input and suggestions for the reduction of the West Virginia State University budget for Fiscal Year 2009-2010. I am requesting that you submit your ideas to Mrs. Terri Sherrod, Assistant to the President, as soon as possible.

If you have any questions, please feel free to contact me.

Attachments

HWC_09 09 08 FY2009-2010 Budget VP

[Faint, mirrored text from the reverse side of the page is visible through the paper.]



State of West Virginia
Joe Manchin III
Governor

Office of the Governor
State Capitol
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Charleston, WV 25305

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MEMORANDUM

To: All Cabinet Secretaries and Bureau Chiefs

From: Joe Manchin III
Governor

Date: August 24, 2009

Re: Budget Constraints

Please allow this memorandum to both reiterate and formalize my verbal directive to each of you over past months regarding budget constraints due to challenging economic times.

Due to the financial constraints that the State will face over the next twelve (12) months, each agency is expected to maintain or reduce operating costs. Like the State, many of its long-term business partners and vendors have also seen reductions in revenue. Although we sympathize with their situation, it is expected that each agency will hold operational, maintenance, rental/lease rates, and licensing costs flat over the next twelve (12) months.

Agency heads are not authorized to approve increases in such fees or rates. Please notify each vendor or landlord of our fiscal constraints and relay our expectations.

Thank you.

A handwritten signature in black ink, appearing to be "Joe Manchin III", written over a horizontal line.

David K. Hendrickson
Chair




Brian Noland
Chancellor

West Virginia Higher Education Policy Commission
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MEMORANDUM

TO: Council of Presidents

FROM: Brian Noland 

DATE: August 31, 2009

RE: American Recovery and Reinvestment Act of 2009
State Fiscal Stabilization Fund Program and State Energy Program

The purpose of this memo is to convey the information that we know at this point about the *American Recovery and Reinvestment Act (ARRA) of 2009* and how it will impact West Virginia's public institutions of higher education.

Reporting is a major obligation of the *ARRA*. Guidelines have or will be established that make the distribution and expenditure of federal dollars by states subject to "unprecedented levels of transparency and accountability." Both federal and state governments will have significant monitoring, reporting, and risk management responsibilities to protect against fraud, mismanagement, and waste. Since there are so many state programs and initiatives being funded with *ARRA* funds, the Governor's Office has decided that reporting from higher education institutions is to be coordinated through the Higher Education Policy Commission (HEPC). This includes not only funds flowing through the state to the institutions from the State Fiscal Stabilization Fund Program, State Energy Program and other programs, but also those *ARRA* funds received by the institutions directly from federal agencies. Therefore, each institution will be responsible for submitting its information in the appropriate format for each program for submission to the Governor's Office through the HEPC.

State Fiscal Stabilization Fund Program

The State Fiscal Stabilization Fund (SFSF) program is a new one-time appropriation of \$53.6 billion under the *American Recovery and Reinvestment Act of 2009 (ARRA)*. Of the amount

Council of Presidents

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appropriated, the U. S. Department of Education will award governors approximately \$48.6 billion by formula under the SFSF program in exchange for a commitment to advance essential education reforms to benefit students from early learning through post-secondary education, including: college- and career- ready standards and high-quality, valid and reliable assessments for all students; development and use of pre-K through post-secondary and career data systems; increasing teacher effectiveness and ensuring an equitable distribution of qualified teachers; and turning around the lowest-performing schools.

These funds will help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services. The program will help ensure that local educational agencies (LEAs) and public institutions of higher education (IHEs) have the resources to avert cuts and retain teachers and professors. The program may also help support the modernization, renovation, and repair of school and college facilities. In addition, the law provides governors with significant resources to support education (including school modernization renovation, and repair), public safety, and other government services. The Department will award the remaining \$5 billion competitively under the "Race to the Top" and "Investing in What Works and Innovation" programs.

West Virginia's Application for Initial Funding under the State Fiscal Stabilization Fund Program was approved several weeks ago. In total, West Virginia's IHEs will receive \$9,863,806 to backfill the three percent appropriation reduction in FY 2010 to the FY 2009 base budget level. The attached Excel file identifies the calculations used to determine the backfill each institution will receive from the State Fiscal Stabilization Fund for FY 2010. The four-year institutions will receive \$8,119,858 and the two-year institutions will receive \$1,743,948. FY 2009 will also be used as the base year to calculate the backfill for the appropriation reduction in FY 2011.

At this juncture, we have yet to receive clarification when the funds will be available, the timing of their transfer, or how the transfer to the institutions will be processed. Based upon recent conversations with the State Budget Office staff, they believe fund transfers probably will not be made until December or January.

Below is Part 6 of the grant application for the State Fiscal Stabilization Fund Program which identifies in summary the federal reporting requirements for the states. The Governor's Office is developing the reporting required from the institutions in order to meet its obligations and to comply with federal requirements for reporting to the Secretary of the U. S. Department of Education.

**PART 6: ACCOUNTABILITY, TRANSPARENCY, AND
REPORTING ASSURANCES**

The Governor or his/her authorized representative assures that the State will comply with all of the accountability, transparency, and reporting requirements that apply to the Stabilization program, including the following:

- For each year of the program, the State will submit a report to the Secretary, at such time and in such manner as the Secretary may require, that describes:
 - the uses of funds within the State;
 - how the State distributed the funds it received;
 - the number of jobs that the Governor estimates were saved or created with the funds;
 - tax increases that the Governor estimates were averted because of the funds;
 - the State's progress in reducing inequities in the distribution of highly qualified teachers, implementing a State longitudinal data system, and developing and implementing valid and reliable assessments for limited English proficient students and children with disabilities;
 - the tuition and fee increases for in-State students imposed by public IHEs and a description of any actions taken by the State to limit the increases;
 - the extent to which public IHEs maintained, increased, or decreased enrollment of in-State students, including those students eligible for Pell Grants or other need-based financial aid; and
 - a description of each modernization, renovation or repair project funded, including the amounts awarded and project costs. (ARRA Division A, Section 14008)

Each institution will be required to sign a grant agreement prior to receiving State Fiscal Stabilization Funds concerning the use of the funds and compliance with reporting requirements.

Please keep in mind that the State Fiscal Stabilization Fund provides a temporary infusion of funds to backfill budgets for Fiscal Years 2010 and 2011, and that these funds may only be obligated at the state and local level through September 30, 2011.

State Energy Program

The U.S. Department of Energy's State Energy Program (SEP) will distribute \$3.1 billion to the states under the *American Recovery and Reinvestment Act (ARRA) of 2009* to design and carry out their own renewable energy and energy efficiency programs. Funding from the State Energy Program will be awarded to state energy offices in all states and U.S. territories and the projects will be managed by state energy offices.

Approximately \$32.7 million has been awarded to West Virginia for SEP projects and the Higher Education Policy Commission (HEPC) received \$6,933,598 in grant funding through the West Virginia Division of Energy (WVDOE) for 18 projects at the four-year and two-year institutions that can be implemented quickly using existing contract service providers (provided these

contracts have provisions to allow adding this work), in-house staff, or yet-to-be awarded contracts. These contracts must be competitively bid in accordance with state [higher education] procurement requirements. The projects were selected from among the energy efficiency projects submitted by the institutions in their "shovel ready" project lists last December, and also, based on the institutions' estimates of the number of jobs retained or created and the estimated BTU savings.

WVDOE has received authorization to draw up to 50 percent of the funds. However, before these funds can be drawn and the projects initiated, WVDOE must complete a subgrantee agreement with the HEPC. The HEPC must, in turn, receive project budgets and an executed subgrantee agreement with each institution. WVDOE is developing reporting requirements consistent with *ARRA* regulations which the institutions will use to report progress on completion of the projects and to trigger additional grant draws.

The following documents are attached which provide additional information about the projects and the procedures that must be followed:

- Attachment A: This document identifies the approved projects and the total grant award for each.
- Attachment B: This document identifies planned milestones for each project, which were submitted by the institutions, and should be followed when submitting progress reports, which are due quarterly.
- Special Provisions Relating to Work Funded under American Recovery and Reinvestment Act of 2009: This document identifies the special provisions that must be followed when executing the projects.

HEPC/CCTCE staff will forward the subgrantee agreement that must be signed by the institution President and the budget template that must be completed for each project. Both documents need to be returned as soon as possible.

Please do not hesitate to contact me or Rich Donovan if you have questions.

cc: Chief Fiscal Officer
Physical Plant Directors



West Virginia Higher Education Policy
Commission



West Virginia Community and Technical
College System

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David L. Hendrickson
Chair

Brian Noland
Chancellor

Robert Brown
Chair

James Skidmore
Chancellor

MEMORANDUM

TO: Chief Financial Officers

FROM: Richard Donovan
Chief Financial Officer

DATE: August 11, 2009

RE: FY 2011 Appropriation Request

The FY 2011 appropriation request instructions and forms were posted last Thursday on the West Virginia Budget Office's website and can be accessed at the following URL:

<http://www.wvbudget.gov/forms.htm#Appropriation%20Request>.

For FY 2011, the Budget Office is mandating that all state agencies, including higher education, submit a request reflecting a five percent reduction from the FY 2010 appropriation. However, for the Department of Education, the reduction is four percent.

As in prior years, the Commission and Council staff will compile the majority of the information required to file the Higher Education Policy Commission's and Council for Community and Technical College Education's appropriation requests. However, several forms need to be completed by each institution.

Operating Appropriation Request

The forms that require institution completion are AR3, AR6, and AR7. Please complete the following forms in accordance with the instructions provided by the Budget Office:

- Form AR3 – Schedule of Federal Funds for Each Grant. The Budget Office has requested that each institution complete these forms for all federal funds that have been or are expected to be received. Please refer to page 13 of the appropriation request

instructions for information on how to complete Form AR3. Importantly, please note that a separate Form AR3 should be completed for each grant or expected grant.

- Form AR6 – Summary of Other Nonappropriated Accounts. Follow the directions on page 21 of the appropriation request instructions. You should provide information concerning all nonappropriated funds on a single form.
- Form AR7 – Summary of Receipts and Disbursements. Follow the directions on page 23 of the appropriation request instructions. Three important notes: (1) you must submit a separate form for each source of funds identified at the top of the form. (Your institution does not receive “appropriated federal funds,” and only receives “appropriated special revenue” if there is a listing of the fund in the middle of the Budget Bill, e.g., soft drink tax revenue); (2) when completing forms for collapsed accounts, ending balances should be reflected in the new account’s beginning balance; and (3) include in the form only the amount your institution will spend each year.

Capital Appropriation Request

As in past years, please use the Capital Appropriation Request Module in the Higher Education Facilities Information System (HEFIS), under the “Projects” tab, to complete and submit your institution’s capital appropriation requests. HEFIS may be accessed at the following URL: <http://hefis.wvnet.edu/>

The HEFIS data input screens have been organized according to the information required in the Budget Office’s FY 2011 *Capital Expenditure Project Instructions, Form AR8*. Also, we are using the same input codes as last year to allow you and the Commission and Council staff to prioritize and categorize projects consistent with the coding structure used in previous years.

Once the data have been entered and submitted to HEFIS for the capital appropriation requests, Forms AR8 and AR9 can be generated (printed) by the institution and the Commission and Council staff. HEFIS login IDs and passwords were assigned last year. If you need assistance or do not remember what they are, or if you need to add new employees, please contact me at donovan@hepc.wvnet.edu or by calling 304-558-0277.

The State Budget Office will review capital appropriation requests closely, so it is important that institutions follow the Budget Office’s *Capital Expenditure Project Instructions*. The following advice is provided to improve your chances of receiving an allocation:

1. Complete Form AR8 according the Budget Office’s instructions. Make sure the person who completes your institution’s capital appropriation request has a copy of, and understands, the Appropriation Request Instructions, including the *Capital Expenditure Project Instructions for Form AR8*.

Chief Financial Officers

August 11, 2009

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2. Keep in mind that most of the projects started in FY 2011 will be funded from student fees collected by your institution. For these projects, enter the dollar amount in the appropriate "Other" input box or boxes under the "Funding Sources" tab. The total dollar amount of these projects should not exceed your institution's estimated E&G capital fee and auxiliary and auxiliary capital fee collections for FY 2011.

In addition, please keep in mind that Commission and Council staff will use the FY 2011 capital appropriation requests to develop capital project priorities that are consistent with the following, so it is recommended that your institution's capital appropriation requests be structured accordingly:

- \$10 Million for E&G Building Code Compliance, Deferred Maintenance and Building/Campus Renewal Projects (This will be a one-time funding request from the Commission and Council). A prioritized list of proposed E&G code compliance, deferred maintenance and building and campus renewal projects was developed last year when the HEPC and CCTCE requested an appropriation of \$10 million. We propose to renew this one-time appropriation request for FY 2011 for projects that do not exceed \$1 million in total cost per project. An example of these projects would be upgrading fire alarm and fire suppression systems, roof replacements, exterior waterproofing, electrical, HVAC and utility upgrades, etc. For HEPC institutions, state funding would be matched on a 50/50 basis with institution funding. The matching requirement may be different for CCTCE institution projects since institution capital funds are limited. You may update the projects in this category for FY 2011. Staff will prioritize projects by category. Generally, code compliance projects will receive the highest priority, followed by reroofing and building envelope projects, HVAC and energy efficiency projects, utility improvements and, finally, building and campus renewal (renovation) projects. The project lists approved by the HEPC and CCTCE are attached.
- Major Capital Projects. Given current revenue projections, it is unlikely that the state will fund major capital projects in FY 2011. However, the Commission and Council plan to maintain an up-to-date list of potential bond and major capital improvement projects to be funded from institution funding sources, including gifts and grants, and from special revenue if the Legislature unexpectedly decides to provide funding for a higher education bond issue.
 - HEPC and CCTCE Bond Projects. The prioritized list of potential bond projects approved by the HEPC in January 2009 will be maintained for FY 2011. The projects on this list that receive funding from the \$150 million West Virginia Development Authority Bond Issue (the HEPC will receive 60 percent of the proceeds from this bond issue for the projects certified by the Governor) will be removed and the remaining project moved up in priority (see attachment). This

Chief Financial Officers

August 11, 2009

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priority may be adjusted. If you wish to have alternate projects considered, please use the capital appropriation request process to submit them for consideration. CCTCE bond projects may be requested using the same process. Generally, the highest priority will be given to renovations and additions to existing E&G facilities.

- Other Major Projects. Please include in the appropriation request other major projects, those exceeding \$1 million, for which your institution is requesting an appropriation. Also, please include those projects that will be funded from institution funds, gifts and grants.

Conclusion

The submission deadline to the Budget Office for the consolidated appropriation request is September 1, 2009. No submission extensions will be granted; therefore, Forms AR3, AR6 and AR7 are to be completed and returned via email to Pam Ashley (ashley@hepc.wvnet.edu) by August 21st. If you have questions or problems concerning the completion of input forms for capital appropriation requests, please feel free to contact me at 304-558-0277. Capital appropriation requests in HEFIS need to be completed by August 27th. There is no need to submit Forms AR8 and AR9 to the HEPC. They can be printed by us directly from HEFIS.

Please do not hesitate to contact me if you have any questions.

BUDGET ADVISORY COMMITTEE

September 16, 2009

<input type="checkbox"/> Robert Parker	<input type="checkbox"/> Lawrence Smith	
<input type="checkbox"/> Mark Addesa	<input type="checkbox"/> Booker, Mildred	<input type="checkbox"/> Paula Beasley
<input type="checkbox"/> Casto, Bryce	<input type="checkbox"/> Brunetta Dillard	<input type="checkbox"/> Ronald Duerring
<input type="checkbox"/> Greg Epps	<input type="checkbox"/> Shafer, Patricia	<input type="checkbox"/> Robert Huston
<input type="checkbox"/> Islam, Mahmoodal	<input type="checkbox"/> Judd, Phil	<input type="checkbox"/> Tom Guetzloff
<input type="checkbox"/> Michael Lewis	<input type="checkbox"/> Magan, Jack	<input type="checkbox"/> Jamie McKay
<input type="checkbox"/> Abainesh Mitiku	<input type="checkbox"/> Parrish, Carmen	<input type="checkbox"/> Porterfield, William
<input type="checkbox"/> Ruhnke, Tim	<input type="checkbox"/> Brett Mannon	<input type="checkbox"/> Chuck Smith
<input type="checkbox"/> Ulises Toledo	<input type="checkbox"/> Tersina Neely	<input type="checkbox"/> Brittany Jackson

Agenda

1. Call to Order
2. Approval of Agenda
3. No Minutes - First Meeting
4. No Budget Report (Quarterly)
5. Reports:
 - a. Lease Agreement with Kanawha Valley Community and Technical College for Cole Complex
 - b. Update on progress with Charge-back Agreement
 - c. Audit of WVSU and KVCTC
 - d. Memorandum from President Carter
 1. Various memorandums regarding budget issues from Higher Education Policy Commission (American Recovery and Reinvestment Act of 2009)
 2. Memorandum from Governor Joe Manchin
 - e. Hiring Process for Newly Created Positions
 - f. Three Year Budget Plan & Deficit Elimination Plan
6. New Business
7. Meeting Schedule (Third Thursday) October 15, 2009
8. Adjournment