WEST VIRGINIA STATE UNIVERSITY THREE-YEAR BUDGET PLAN AND

DEFICIT ELIMINATION PLAN

April 13, 2009

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Executive Summary

After the West Virginia State University Board of Governors meeting on January 22, 2009, the President of WVSU established a Task Force for the Budget Deficit Elimination Plan to continue to focus on the commitment to a thriving West Virginia State University and the development of the following two overarching goals:

- To eliminate annual operating deficits, thereby achieving a balanced budget for each of the next three years, and
- To steadily reduce the deficit balances in the distressed accounts until all deficits are resolved.

Within the economic and legislative environment of the State of West Virginia, the separation of the community colleges from their host institutions, and the current fiscal realities of limited or no increases in tuition or in state appropriations, the Task Force examined the opportunities for revenue enhancements, and cost containment. Their observations and conclusions resulted in the Budget Deficit Elimination Plan. Given the multi-year assumptions of the Plan, the many unknown state and national economic factors, and the fluctuations in student enrollment, the Task Force is relatively confident the goals of the Plan will be realized as presented.

In the area of revenue enhancements, the Task Force examined the opportunities for additional revenues from students through modest increases in tuition and implementation of a Metro Tuition rate. Externally, grants will be sought to fund ancillary programs of the University. The University will continue to implement the Central Services model of receiving reimbursement for services provided by Administrative Services to various areas of the University.

Revenue enhancement will also occur through new enrollment and retention initiatives developed by the Academic Affairs and the Student Affairs areas. Assignment of a staff member in the Admissions Office to full-time recruitment is expected to result in a greater number of new students. Earlier and more focused attention on advising and registering students who are admitted to the University is expected to connect students to the University and the University to these students.

Aggressive interaction with new students through personal contacts and College-level advising and special Freshman Experience courses are aimed at establishing a connection between our students and the University. This is particularly important for a commuter campus such as WVSU. A coordinated marketing program using traditional and electronic methods of advertising focused on attracting new students to a campus perhaps closer to their home, with affordable residence halls, and with excellent academic and research opportunities will also attract students.

Expenditure containment will result from the continued scrutiny of expenditures. Such scrutiny will measure requested expenditure

increases with necessity to accomplish the Mission of WVSU, analyze the level of services maintained where student enrollment has decreased, and explore consolidation of areas where services are duplicated. Capital expenditures will be vigorously evaluated to ensure compliance with the required 50/50 match for state funds. The necessity of those projects outside the required match will be critically analyzed.

The Education and General revenues are projected to exceed expenditures for each of the fiscal years of this Plan. These excess funds will be used to reduce the deficit balances in the distressed accounts.

THE THREE-YEAR BUDGET PLAN

Development of the Three-Year Budget Plan Goals

The development of the Three-Year Budget Plan necessitated a multifaceted approach that included revenue enhancements and expenditure discipline in order to achieve the goals of:

- 1. To eliminate annual operating deficit, thereby achieving a balanced budget for each of the next three years, and
- 2. To steadily reduce the deficit balances in the distressed accounts until all deficits are resolved.

We believe these goals are achievable.

Background

Laws passed by the West Virginia Legislature over the last fifteen years have significantly altered the landscape of public higher education in the State of West Virginia. Some of these bills are: Senate Bill 547 in 1995, Senate Bill 653 in 2000, Senate Bill 703 in 2001, Senate Bill 448 in 2004, and House Bill 3215 in 2008. It was Senate Bill 653 that allowed community colleges to charge different tuition rates from their sponsoring institution beginning in 2002.

This legislation restructured the governance of public higher

education by creating institutional governing boards for each of the universities, colleges, and community colleges in West Virginia. Other changes included the creation of an independent community and technical college system, and new requirements and processes for compensation of classified staff.

As a result of these legislative changes, West Virginia State University (WVSU) is no longer an institution with a student enrollment of approximately 5,944 students. WVSU now has approximately 3,756 students and West Virginia State Community and Technical College (WVSCTC) has an enrollment of approximately 2,188 students. Accordingly, the creation of two institutions located on the same campus has resulted in the loss of economies of scale in the administrative structure and the services provided for both institutions.

Since 2005, the University has either studied or implemented the following actions:

- Took prudent measures to recover the \$4,000,000 subsidy to the WVSCTC over the past five years;
- Continuously searched for budget efficiencies in administrative operations and services;
- Evaluated the feasibility of a "reduction in force" plan. In keeping with the core mission of the University, full-time faculty were not affected. However, vacancies in faculty positions were not automatically filled. Continuing to

- employ personnel to carry out essential services was a priority;
- Evaluated the feasibility of reorganizing academic departments;
- Eliminated unnecessary duplication of services; and,
- Determined the feasibility of eliminating vacant positions in the budget of the University.

Assumptions

Environmental Assumptions:

- State of WV allocations will be flat or decrease over the threeyear period of this Plan;
- Tuition will continue to rise, moderately, with more students remaining at home to attend local institutions - especially if the Promise scholarship is capped;
- The number of high school seniors will decline; however, the number of adults returning to college will increase;
- Tuition differential between the University and the Community
 College will continue to widen;
- The educational costs recaptured by the University through the

charge-back agreement with the Community College likely will decline in future years.

Revenue Enhancement Efforts:

- Tuition is projected to increase up to approximately 3% per year over the next two years resulting in additional revenues;
- Implementation of Metro Tuition will increase the number of students from out-of-state;
- Continued implementation of the Central Services model for reimbursement of services provided by the Administrative Services area;
- Grants will be sought to fund ancillary programs (such as the Booker T. Washington Institute program at Malden);
- Coordinate all marketing efforts -- print, radio, TV, Internet, and Web page -- to better establish the WVSU brand, to market the institution to perspective students, and to raise the awareness of potential donors and achieve greater recognition by the general population;
- Responsibilities in the Admissions Office have been realigned to permit one individual to devote full-time efforts to recruiting;

- Earlier notification of admission to applicants;
- Students fully admitted to the University will be advised and registered earlier than in previous years to gain their commitment to WVSU;
- Advising and registration of new students will be done in Colleges, with the goal to create an association with their major which is expected to increase retention and graduation rates;
- Student Affairs initiative (along with Academic Affairs) will conduct a series of five phone conversations with new students from admission to second semester of matriculation to mitigate problems and to steer students in the proper direction for assistance;
- Freshman Experience course to be offered at the College level for new freshman to better orient them to the University, its policies, their major, and their faculty, with the goal of increased retention and graduation of our students.

Expenditure Containment Efforts:

• Continue to monitor expenditures by the vice president for each administrative area to conform to budget constraints;

- Continue to scrutinize all spending for purpose and necessity;
- Manage expenditure increases to conform to the mission of institution and compliance with containment efforts;
- Vigorously analyze services no longer necessary to serve the reduced student demand due to CTC separation and determine feasibility of reductions of costs associated with those services;
- Evaluate and seek to consolidate areas where services are now duplicated;
- Vigorously evaluate the necessity of capital expenditures outside those required in the 50/50 match for state dollars.

Conclusion

The development of the Three-Year Budget Plan necessitated a multifaceted approach that included revenue enhancements and expenditure discipline. Consideration was given to the national economic conditions and other factors that impact the State of West Virginia and the University. In addition, the issue of the continuing financial subsidization of the West Virginia State Community and Technical College must be resolved. This subsidization has resulted in higher tuition for University students as well as eroding the financial reserves of the University.

The Task Force for the Budget Deficit Elimination Plan developed two goals: to eliminate the annual operating deficit of the University, thereby achieving a balanced budget for each of the next three fiscal years; and to use surpluses to steadily reduce the deficit balances in the various distressed accounts until all the deficits are resolved.

To accomplish these goals, it will require a collective and coordinated effort by all administrative areas to reverse the enrollment decline which is a major factor effecting the financial position of the University. Enrollment decline can be attributed in part to the tuition differential between WVSU and WVSCTC (See Appendix B). This enrollment decline will not be reversed over night and must be an ongoing effort of the University.

WEST VIRGINIA STATE UNIVERSITY THREE-YEAR BUDGET PLAN PROGRESS REPORT

January 28, 2010

Three-Year Budget Plan Progress Report

The overarching goals of the Three-Year Budget Plan and Budget Deficit Elimination are:

- To eliminate annual operating deficits, thereby achieving a balanced budget for each of the next three years, and
- To steadily reduce the deficit balances in the distressed accounts until all deficits are resolved.

Academic Affairs and Student Affairs have implemented several initiatives to strengthen recruitment and retention since last Spring. Activities that have been undertaken to address these goals and enrollment and retention specifically are as follows:

First, the summer advising program was revised to have students register and be advised by their respective college, and

Second, a new freshman experience class was developed to better orient new students to college life.

Key Actions Taken to Enhance Enrollment

In May, two orientation, advising and registration sessions were held for students already admitted to the University. These were done in each academic college and approximately 100 students were advised and registered prior to the start of the summer advising and registration period.

Over the course of six weeks in the summer, orientation, advising and registration sessions were scheduled by the Colleges for students admitted to the University. Again these were offered by the Colleges and students met

with advisors from the college for the major they had selected as their course of study. An advisor was also designated for undecided students; students who were unable to visit campus because of the long distance were contacted by telephone and registered. Approximately 400 additional students were served in this activity.

Advisors in the Colleges called students who were admitted to the University but who had not registered for a summer advising and registration appointment to schedule an appointment for them.

The Freshman Experience course for new freshmen designed for additional orientation, retention and graduation persistence was first offered during the fall semester of 2009 with approximately 375 students enrolled among the nine sections of the course. Students were enrolled in the courses according to the academic college in which their major resides plus there are two sections of the course for undecided students.

The Office of Student Financial Assistance sent barrages of e-mail messages to students who needed to submit information to complete their financial aid packages. The goal was to ensure each eligible student had his/her financial aid awarded in time to register for classes.

Plans for Fall 2009 and Spring 2010 Semesters to Enhance Enrollment

Plans are underway for an orientation, advising and registration session in November to register students admitted to the University for the Spring, 2010 semester.

The Office of Admissions weekly sends admission letters to students to advise them of their admission for January or to request additional information needed to complete their admission file. E-Mails are also sent to these students.

Student Affairs and Academic Affairs began collaborating during the Fall semester of 2009 to identify students who have college credit (but no degree) to enroll at WVSU to complete their degree. This "College Roundup Program" is a concerted effort that will also coordinate with an HEPC initiative to increase the college graduation rate by inviting these students to continue and to complete their college education. Each Academic College will participate in this event to advise and register these students in advance of the January general registration.

The Metro Tuition proposal was submitted to the HEPC and approved. The Metro Tuition proposal will be implemented for the Fall of 2010 in the designated states. The proposal will enhance the opportunities to recruit out-of-state students.

Revenue Enhancements Efforts

- The University's Communications Team is coordinating the marketing and advertising activities. The team is coordinating all marketing efforts; print, radio, TV, Internet, and Web page to better establish the WVSU brand to better market the institution and recruit students and potential donors. The recently hired web developer in the Computer Center will be able to provide additional assistance to enhance the University's web presence.
- The University implemented a phased-in tuition program for students at the Kanawha Valley Community and Technical College. Community college students are charged a discounted tuition for a University course that is required in their community college curricular program.

• The Vice President for Academic Affairs held a session for University Faculty dedicated to fund raising techniques at the beginning of the Fall semester. A fund raising consultant discussed useful strategies with the group for fund raising efforts by the University as a whole and by individual areas of the University.

Expenditure Containment Efforts

The vice president for each administrative area is continuing to monitor expenditures to conform with budget limits, and the administration is continuing to evaluate the appropriateness and level of services provided to students in light of the reductions in State Appropriations and Title III-B funding issues. Examples of these efforts are:

- Evaluation of the need for vacant positions prior to advertisement and replacement and extensive evaluation of the justification to fill positions.
- The University has obtained alternative funding for several capital projects and is continuing its efforts to obtain alternative grant funding. Examples include a grant from the Department of Energy for the following projects: the Hill Hall (HVAC upgrade) \$150,000.00, Hamblin Hall (replace boilers) \$50,000.00, and Ferrell Hall (Chillers) \$100,000.00.
- Vehicle rental savings of approximately \$50,000.00.
- Fleming Hall expected State appropriation of \$11,275,000.00.

Progress Toward Attaining Goals in Fiscal Years 2009 and 2010

The Fall 2009 full time equivalent (FTE) and headcount enrollment

increased by approximately 17.2% and 30.3% respectively at West Virginia State University according to the West Virginia Higher Education Policy Commission report *Enrollment Trends in West Virginia November 20, 2009.*

A series of initiates were launched to incrementally increase the size and number of entering classes as well as the number of graduate students. Planning and implementation of more web-based courses will contribute to possible enrollment growth. The University is also planning two additional masters programs. The proximity of Kanawha Valley Community and Technical College will also act as a feeder to the University's programs. The Metro Tuition proposal was submitted to the HEPC during the Fall of 2009, and approved. The Metro Tuition program will be implemented for the Fall of 2010 and will increase opportunities for the recruitment of out-of-state students.

During Fiscal Year 2009, the University administration continued to work toward resolving the various distressed accounts. The following distressed accounts with deficit balances were eliminated or closed in Fiscal Year 2009: EDNET Account, Communications Account, and Athletic Account.

The cumulative effect of the administration's actions was to enhance enrollment, to enhance revenue opportunities, and to institute various cost containment activities. The result was that the University ended Fiscal Year 2009 with an increase in net assets of \$896,482.00.

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Separation of Assets and Liabilities Agreement Between Kanawha Valley Community and Technical College And West Virginia State University

THIS SEPARATION OF ASSETS AND LIABILITIES AGREEMENT (hereinafter the "AGREEMENT"), is by and between the respective boards of governors of West Virginia State University (hereinafter "UNIVERSITY") and Kanawha Valley Community and Technical College (hereinafter "KVCTC").

WHEREAS, this AGREEMENT will be in accordance with West Virginia Code §18B-2A-7, et seq. Therefore, West Virginia State University Board of Governors and Kanawha Valley Community and Technical College Board of Governors agree to the following:

- 1. Both governing boards must jointly approve all auxiliary, education and general, and infrastructure capital projects that would obligate both institutions and their students. Any capital project that would obligate only one institution and students will need approval by only that respective Board of Governors.
- 2. In order to ensure that debt service payments continue to be made for the Student Union Bond issue, the KVCTC will continue the student fee for the Student Union Debt Service and operation for all students. These debt service payments will be paid according to the

covenants in the Student Union Bond issue, a copy of which has been provided to the KVCTC President.

- 3. The UNIVERSITY and KVCTC agree to allocate educational and general capital fees in excess of those needed to cover bonded indebtedness to ensure that assets of both institutions are maintained in proper repair and to ensure that both institutions assume responsibility for maintaining the facilities.
- 4. The UNIVERSITY and KVCTC agree to allocate auxiliary capital fees in excess of those needed to cover bonded indebtedness to ensure that assets are maintained in proper repair and to ensure that both institutions assume responsibility for maintaining the facilities.
- 5. The assets and related liabilities of the following auxiliary enterprises (Athletics, Bookstore, Parking and Security) shall be assumed by the UNIVERSITY.
- 6. All equipment assets regardless of whether or not they are charged back and whether they be presently owned or purchased in the future by either the UNIVERSITY or KVCTC will be owned by the institution that paid for the equipment irrespective of the physical location of the asset and will accordingly be recorded on the respective institution's balance sheet and equipment schedules.
- 7. The UNIVERSITY and KVCTC agree that the student database of each respective institution shall be the property of that institution and

that the institutions will work cooperatively to separate the data and to establish separate and discreet databases.

- 8. The UNIVERSITY and KVCTC agree that system debt service payments due to expire in 2012 associated with bonded indebtedness presumptively shall be allocated based on the system debt split recommended by the staff from the West Virginia Higher Education Policy Commission and the West Virginia Council for Community and Technical College Education.
- 9. The Separation of Assets and Liabilities is to be reported on the financial statements of the UNIVERSITY and the KVCTC, based on the above agreements, for the period beginning July 1, 2008.
- 10. The UNIVERSITY will continue to provide access to classroom and office space for the use and operation by the KVCTC as identified annually in the Fee for Service Agreement. The University agrees to provide additional space in Sullivan Hall in rooms formerly occupied by Metro AAA (Rooms 431, 433, 435 and 437). The University and KVCTC are continuing to analyze and review possible office locations for a KVCTC admissions office. The University and KVCTC agree to continue to work cooperatively to identify available classroom and office resources for both institutions in the most expeditious manner possible.
- 11. The Cole Complex is a joint use facility for both the University and KVCTC, whereby both institutions maintain administrative and faculty offices in addition to specialized classrooms. The University hereby agrees to execute a lease with an automatic renewal provision for

five (5) years at one (1) dollar per year to the KVCTC. The lease will identify the rooms that are currently assigned to the KVCTC for its use and operation. Space in the Cole Complex assigned to the KVCTC as part of this agreement will include Rooms 110, 110-A, 110-B, 110-C, 110-D and 110-E. Room 110-A is a utility room that houses computer equipment of both institutions.

12. The Fee for Service Agreement between the University and KVCTC will contain a provision that reserves at least 10% of the capital fees collected from KVCTC students for use on an annual basis for special projects deemed a priority to the mission of the KVCTC by the President of the KVCTC. The percentage of the amount reserved will be negotiated annually during the development of the Fee for Service Agreement.

This AGREEMENT shall commence and take effect upon its authorized approval and execution of each institution's Governing Board and shall continue in effect until such time as it is superseded by a subsequent agreement. A review of any element of this AGREEMENT upon the request of either Governing Board shall be honored by the other Governing Board.

This AGREEMENT may be amended as agreed to by both Governing Boards in such form as to constitute a numbered amendment to this document.

This AGREEMENT may not be modified or terminated orally, and no modifications or any claimed waiver of any of the provisions hereof shall be binding unless in writing as provided above.

This AGREEMENT shall be governed by and construed in accordance with the laws of the State of West Virginia.

IN WITNESS HEREOF, the parties hereto execute this AGREEMENT.

On Behalf of:

West Virginia State University Board of Governors

Name:

Erić D. Coleman

Title:

Chairman, Board of Governors West Virginia State University

On Behalf of:

Kanawha Valley Community and Technical College Board of Governors

B* Name:

Date 7309

Date 7/9/09

Title:

Chairperson, Board of Governors

Kanawha Valley Community and Technical College

Separation of Assets Agreement 09 06 24

WEST VIRGINIA STATE UNIVERSITY

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



May 13, 2010

Dr. Brian E. Noland, Chancellor WV Higher Education Policy Commission 1018 Kanawha Boulevard, East Charleston, WV 25301

Dear Chancellor Noland:

The purpose of this letter is to inform you of an impending financial catastrophe facing West Virginia State University in the next Fiscal Year. We were notified on May 10, 2010, by Kanawha Valley Community and Technical College that the Service Agreement with West Virginia State University will be reduced by 54% or \$1,585,688.40 for the Fiscal Year 2011 that will begin on July 1, 2010. This drastic and unilateral reduction will adversely affect the financial ability of WVSU to operate and provide quality support services to both institutions.

There are requirements for the reduction of services set-forth in West Virginia Code §18B-2A-7a(i), which are as follows:

"If either institution proposes to reduce the services that it provides or purchases from the other institution by more than ten percent in any one year and the reduction exceeds two hundred thousand dollars, the institution shall obtain the approval of both the council and the commission before doing so. In evaluating the proposal, the council and commission shall consider the following:

- (1) The benefit to be obtained for the institution seeking to reduce the services it provides or purchases;
- (2) The impact of the proposed reduction on the institution currently providing the services;



- (3) Any additional costs that might be incurred as a result of the reduction in services; and
- (4) The adequacy of the transition plan."

Your assistance in addressing this unilateral decision by Kanawha Valley Community and Technical College will be greatly appreciated. If you have any questions or require additional information, please do not hesitate to contact me.

Sincerely, Hazow Carth.

Hazo W. Carter, Jr.

President

West Virginia State University Board of Governors
 Mr. Eric Coleman, Chairman
 Members





David Hendrickson Chair West Virginia Higher Education Policy Commission West Virginia Community and Technical College System 1018 Kanawha Boulevard East, Suite 700

Robert Brown Chair

Brian Noland Chancellor 018 Kanawha Boulevard East, Suite Charleston, WV 25301 (304) 558-2101

James Skidmore Chancellor

RECEIVED

MEMORANDUM

OCT 2 2 2010

WVSU President's Office

TO:

Dr. Hazo Carter, President

West Virginia State University

Dr. Joe Badgley, President

Kanawha Valley Community and Technical College

FROM:

Brian Noland

James Skidmore

DATE:

October 18, 2010

West Virginia state code provides a mechanism for resolving disputes between a former administratively-linked community and technical college and its former sponsoring institution. That code provision, contained at W. Va. Code §18B-2A-7a and §18B-3C-12, provides that when such a dispute exists the institutions shall summarize the dispute in writing and submit it to the chancellors for resolution. If the chancellors are not able to resolve the dispute, the Policy Commission and Council are to attempt resolution. If those bodies are not able to resolve it, the matter is to be submitted to binding arbitration.

We are aware of the ongoing dispute between Kanawha Valley Community and Technical College and West Virginia State University over the services agreement between the two institutions. In order that we may move forward on resolution of this matter, we are requesting that each institution submit to both chancellors by October 29, 2010 a detailed written summary of the matters in dispute regarding that services agreement.

cc: Mr. Eric Coleman Ms. Jan Vinyard

(cpy: Mr. Tarker





David Hendrickson Chair West Virginia Community and Technical College System
1018 Kanawha Boulevard East, Suite 700
Charleston, WV 25301

Robert Brown Chair

James Skidmore Chancellor

Brian Noland Chancellor

MEMORANDUM

West Virginia Higher Education Policy Commission

(304) 558-2101

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JAB 04 2011

TO:

Dr. Hazo Carter, President

West Virginia State University

WVSU President's Office

Dr. Joe Badgley, President

Kanawha Valley Community and Technical College

FROM:

Brian Noland J. V.C.

James Skidmore

0

DATE:

December 23, 2010

By memorandum dated October 18, 2010, we advised you that West Virginia State Code provides a mechanism for resolving disputes between a former administratively-linked community and technical college and its former sponsoring institution. That Code provision, contained at W. Va. Code § 18B-2A-7a and § 18B-3C-12, provides that when such a dispute exists the institutions shall summarize the dispute in writing and submit it to the Chancellors for resolution.

We have conferred over the ongoing dispute between Kanawha Valley Community and Technical College and West Virginia State University over the services agreement between the two institutions for this academic year. We have agreed to resolve this dispute by making the following joint decision:

- 1. Kanawha Valley Community and Technical College and West Virginia State University shall enter into a services agreement under which Kanawha Valley Community and Technical College shall reimburse West Virginia State University \$1.6 million over the present academic year.
- 2. Payments under the services agreement shall be regular and prompt.
- 3. The same level and amount of services provided under the agreement shall be provided and not reduced because of this decision.

December 23, 2010 Page 2

- 4. The figure above shall be the base point that negotiations for the 2011-2012 academic year services agreement begins.
- 5. Each institution is directed to begin discussions on a long-range plan that will address future services agreements, taking into account Kanawha Valley Community and Technical College's eventual transition from the West Virginia State University campus to the West Virginia Education, Research and Technology Park and a consequent reduction in needed services.
- 6. This decision is binding on both institutions and effective immediately. There is no appeal.

cc: Mr. Eric Coleman Ms. Jan Vineyard

Additional Information

Since the beginning of Fiscal Year 2011 on July 1, 2010, and the administrative separation of Kanawha Valley Community and Technical College from West Virginia State University, the University has not received any funds from KVCTC in payment of its outstanding financial obligations. The major categories are as follows:

1. Student Activity Fees

\$492,317.00

Included in the tuition that students attending Kanawha Valley Community and Technical College pay are University student activity fees such as: Recreation - \$15.25; Concert & Lecture - \$7.50; Medical/Health - \$29.00; Union Operations - \$41.25; Union Bond - \$50.00; Athletics - \$53.00; and Capital - \$175.00. These fees have been charged and collected from the KVCTC students but KVCTC has not yet transferred the fees to WVSU.

2. Housing and Dining Charges

\$289,605.61

The \$289,605.61 is the amount of housing and dining services provided by West Virginia State University to Kanawha Valley Community and Technical College students who wish to reside in campus housing and dining. These charges are billed and collected by KVCTC but KVCTC has not yet transferred the fees to WVSU.

3. Bookstore Charges for KVCTC

\$388,867.36

The West Virginia State University Bookstore provided books and supplies to Kanawha Valley Community and Technical College students who had completed and were eligible to receive financial aid. These charges are billed and collected by KVCTC but KVCTC has not yet transferred or reimbursed the WVSU Bookstore.

Accordingly, I have prepared a letter to the President of Kanawha Valley Community and Technical College requesting that \$1,170,789.97, the amount currently owed to the University, be transferred to West Virginia State University within the next week.

HWC_10 10 BOG Special Mtg Oct 15 2010 re KVCTC

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. Joseph Badgley, President

Kanawha Valley Community and Technical College

HWC

FROM:

Hazo W. Carter, Jr.

RE:

Student Fees, Housing and Dining, and Bookstore Charges

DATE:

October 14, 2010

The purpose of this letter is to bring to your attention a matter of considerable concern and importance to West Virginia State University. Since the beginning of Fiscal Year 2011 on July 1, 2010, West Virginia State University has provided considerable services to the students of Kanawha Valley Community and Technical College.

These students utilized many of the University's services including: campus housing and dining, student activities, the campus health center and medical services, athletic events and the WVSU Bookstore. Our records indicate that the following are amounts owed the University:

Student Activity Fees		\$	492,317.00
Housing and Dining Charges		\$	289,605.61
Bookstore Charges for KVCTC		<u>\$</u>	388,867.36
_	Total	\$	1.170.789.97

To date, Kanawha Valley Community and Technical College has not transferred any funds to West Virginia State University to pay the services or materials provided to the KVCTC students. Accordingly, West Virginia State University requests that Kanawha Valley Community and Technical College transfer \$1,170,789.97 to the University by October 22, 2010.

c Mr. Eric Coleman, Chair of WVSU Board of Governors

Ms. Jan Vineyard, Chair of KVCTC Board of Governors

Dr. Brian Noland, Chancellor

Mr. James Skidmore, Chancellor



WEST VIRGINIA STATE UNIVERSITY

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Fax (304) 768-9842
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MEMORANDUM

TO:

Dr. Joseph Badgley, President

Kanawha Valley Community and Technical College

HWC

FROM:

Hazo W. Carter, Jr., President

RE:

Student Fees, Housing and Dining, and Bookstore Charges

DATE:

November 4, 2010

This memorandum is related to my correspondence of October 14, 2010, to you requesting that funds from appropriate student accounts be transferred to West Virginia State University. These charges are for Kanawha Valley Community and Technical College students who are living in the West Virginia State University residence halls and receiving their meals in the University's cafeteria as well as those students who were provided textbooks from the University's Bookstore. These charges were to be paid from the students' financial aid when awarded by KVCTC.

These unpaid charges are now outstanding in excess of 60 days. To date, no funds have been transferred to pay for these outstanding obligations for the housing, dining services, and textbooks that West Virginia State University has advanced to many KVCTC students since July 1, 2010.

West Virginia State University again requests that Kanawha Valley Community and Technical College transfer the funds owed to WVSU in payment of the services and textbooks already provided to KVCTC students.

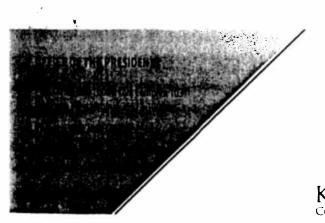
c Mr. Eric D. Coleman, Chair of WVSU Board of Governors

Ms. Jan Vineyard, Chair of KVCTC Board of Governors

Dr. Brian Noland, Chancellor

Mr. James Skidmore, Chancellor







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NOV 3 0 2010

WVSU President's Office

MEMORANDUM

TO:

Dr. Hazo W. Carter, Jr., President

West Virginia State University

FROM:

Joseph L. Badgley, President

RE:

FUNDS TRANSFER

DATE:

November 29, 2010

I am pleased to inform you that reconciliation of student accounts for charges related to residence hall and dining for fall 2010 has been completed. The charges amount to \$121,079.22 for residence halls and \$126,147.71 for dining, for a total of \$247,226.93. Upon receipt of an appropriate invoice for this amount the orderly transfer of these funds will begin.

cm

C:

Mr. Eric Coleman Mrs. Jan Vineyard

WEST VIRGINIA STATE UNIVERSITY

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



MEMORANDUM

TO:

Dr. Joseph Badgley, President

Kanawha Valley Community and Technical College

HWC

FROM:

Hazo W. Carter, Jr., President

RE:

Student Activity Fees Collected by KVCTC

DATE:

October 21, 2010

The purpose of this correspondence is to respond to your letter of October 18, 2010, in which you refused to transfer student activity fees in the amount of \$492,317.00.

This amount is our most realistic estimate of the West Virginia State University student activity fees collected from community college students by the Kanawha Valley Community and Technical College. Your assertion that these fees are somehow linked to the service agreement and dispute between our institutions is without any historical basis regarding how student activity fees have previously been handled or approved. I think it would be worthwhile to remind you of a few facts:

- 1. For the past several years, these fees have been transferred to the various special activity accounts every two weeks. The student activity accounts operate as auxiliary enterprises and develop their budgets and programs based on the assumption that the fee revenue from WVSU and KVCTC will be available to pay any expenses incurred.
- 2. The WVSU student activities and fees were selected and approved by you. The student fees and amounts that you identified are as follows: Recreation \$15.25; Concert and



Lecture - \$7.50; Medical/Health - \$29.00; Union Operations - \$41.25; Union Bond - \$50.00; Athletics - \$53.00; and Capital - \$175.00. KVCTC collects the student activity fees from its students as part of their tuition.

- 3. You recommended the KVCTC student activity fees and tuition rate to the Kanawha Valley Community and Technical College Board of Governors.
- 4. The student activity fees within the KVCTC tuition rate was approved by the Kanawha Valley Community and Technical College Board of Governors.
- 5. The student activity fees within the KVCTC tuition rate was approved by the West Virginia Community and Technical College Council.
- 6. The student activity fees are contained in the overall tuition that KVCTC students have paid.
- 7. The referenced student fees and activities were selected by you. In fact, you notified the administration of WVSU that KVCTC wanted to continue receiving these specific services at the specific amounts now contained in the community college tuition so that KVCTC students could continue to participate in and receive the related benefits of these activities.

Proceeding in good faith, WVSU has continued to offer and make available these student activities to KVCTC students without interruption since July 1, 2010.

Accordingly, West Virginia State University again requests that Kanawha Valley Community and Technical College transfer all the student activity fees due to WVSU which we estimate to be \$492,317.00 based on the projected FTE Fall 2010 enrollment at KVCTC.

c Mr. Eric Coleman, Chair of WVSU Board of Governors

Ms. Jan Vineyard, Chair of KVCTC Board of Governors

Dr. Brian Noland, Chancellor

Mr. James Skidmore, Chancellor