

Fairmont State College

BOARD OF GOVERNORS MINUTES

September 5, 2002

1. Call to Order

A meeting of the Fairmont State College Board of Governors was held on September 5, 2002, at 3:00 p.m. at the Caperton Center. Present at the meeting were Board Members: Stephen Brooks, Janice Denison, Jim Estep, James Griffin, Ann Lester, Dick Martin, Larry Mazza, Connie Moore, Phil Reale, Josh Schrader and Michael Vetere. Absent was Robert Kittle. Also in attendance were President Dan Bradley, Michael Belmear, Mike Burns, Harry Faulk, Mort Gamble, Sarah Hensley, Larry Lawrence, Blair Montgomery, Janet Perry, Rick Porto, Kaye Widney, and Denise Whittaker in addition to staff and faculty representatives.

Committee meetings were held prior to the business meeting.

Chairman Brooks called the meeting to order.

2. Approval of the Minutes

A correction was noted and changed in the August 19th minutes. Mr. Reale moved approval of the minutes of August 19th, July 10th and June 20th. Ms. Moore seconded the motion. Motion carried.

3. President's Report

Dr. Bradley reported that enrollment figures were up on main campus and at the Caperton Center. Final figures will be available in a couple of weeks.

The President reported that \$28,000,000.00 of bonds were sold with a 5.06 or 5.07 interest rate. Money is on deposit at WesBanco, earning some interest.

The contract on the apartments closed about a week ago. They are now property of FSC along with 200+ tenants.

Construction on the road is back on track and moving forward to Phase Two.

The bids will be opened regarding the Parking Garage on September 24th. Architects for the Student Activities Center will be interviewed by a committee on Friday, September 13th. This committee will have two students, two faculty members as well as Rick Porto, Larry Lawrence, Michael Belmear, Lenora Montgomery and the President.

Parking problems prompted the addition of 200+ parking spaces made available at the football field, tennis courts, and also includes parking at the President's house.

The President reported that we will be starting with preparations for the FY 04 budget. The Governor has proposed a 10% cut. One-half of the amounts might be made up in a tuition increase equal to this year's increase.

4. Financial Report

Mr. Porto distributed a financial report handout to the Board for review.

5. Committee Reports Academic Affairs and Student Life Committee Mr. Martin reported that no action needed to be taken regarding the inventory of Institutional Undergraduate Fee Waivers. **Finance, Personnel, Facilities, External Relations Committee** The Committee recommended the adoption of the following resolutions:

RESOLVED, that the reasonable expectation to reimburse FSC for capital expenditures in connection with the planning, design, acquisition and construction of campus site improvements, related student activities

center and residence halls made prior to the issuance of tax-exempt bonds.

WHEREAS, the Board of Governors (the "Board") of Fairmont State College (the "College") thereby determines that it is necessary to move forward with the planning, design, acquisition and construction of campus site improvements, related parking facilities and residence halls (collectively for the purposes hereof the "Project") at an estimated cost not to exceed \$40,000,000; and

WHEREAS, the Board anticipates that the Board of Governors will issue one or more series of tax-exempt bonds (the "Bonds") for the purpose of financing the costs of the Project; and

WHEREAS, prior to obtaining financing through the issuance of the Bonds, the Board anticipates that funds will be

expended for and in relation to the Project, all of which capital expenditures may initially be paid from the College's "Residence Hall Reserve Fund;" and the College Student Union Reserve Fund.

WHEREAS, the Board reasonably expects to reimburse the Residence Hall and Student Union Funds for such pre-issuance capital expenditures, which are estimated not to exceed \$2,000,000 from the proceeds of sale of the Bonds.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF GOVERNORS OF FAIRMONT STATE COLLEGE AS FOLLOWS:

Section 1. The Board reasonably expects to reimburse itself for capital expenditures made not more than 60 days prior to the date of adoption of this Resolution and hereafter, in connection with the Project, prior to the execution and delivery of the Bonds, from the proceeds of the Bonds, which are reasonably expected to be executed and delivered within eighteen months from the later of (i) the expenditure for payment of said costs or (ii) the placing of the Project in service.

Section 2. This Resolution is intended to constitute a "declaration of official intent" pursuant to Section 1.150-2 of the Treasury Regulation promulgated under the Internal Revenue Code of 1986, as amended (the "Reimbursement Regulations").

Section 3. The source of payment for such capital expenditures will be from the College's Residence Hall and Student Union Funds, and upon issuance of the Bonds, proceeds thereof not to exceed the amount of such capital expenditures will be applied to reimbursement of such capital expenditures.

Section 4. The maximum amount of such reimbursement is \$2,000,000 and the maximum principal amount of Bonds to be issued for the Project (including costs of issuance of the Bonds and related costs) is \$40,000,000.

Section 5. This Resolution shall become effective on the date of its adoption. No second needed. Motion carried.

RESOLVED, that the Fairmont State Governing Board, in accordance with the HEPC Procedural Rule Series 29-14, approve the following:

1. Approve the currently established travel rules, policies, and procedures.
2. Authorize the President to manage the Travel Rules, Policies, and Procedures as the CEO of the College.
3. Approve a maximum reimbursement of \$3.00 per day for the one authorized personal telephone call an employee is

allowed while on a business trip.

4. Approve the maximum daily rate for meal reimbursement to be \$35.00 per day for in-state travel and \$50.00 for out-of-state travel.

No second needed. Motion carried.

Community and Technical College Programs and Off-Campus Service Committee

Mr. Griffin reported that no action needed to be taken. Mr. Montgomery gave a brief informational report.

6. Constituent Reports

Allen Colebank gave a report for Faculty Senate.

Vickie Findley gave a report for Faculty Assembly.

Josh Schrader reported for Student Government that a 9-11 Memorial will be held Wednesday at NOON in the Education Quad.

7. Public Comment

As of 3:52 p.m., no one was present to offer public comment.

8. Committee of the Whole

Old Business

A public hearing was held on September 3, 2002 at 5 p.m. regarding the Shaw property. administration be directed to have the deed prepared so that we may consummate the sale. Mr. Reale moved that the administration be directed to consummate the sale with the preparation of the deed and that the signature of the chair be required. Mr. Estep seconded. Motion carried.

New Business

1. The BOG Retreat will be held on September 20, 2002 at the Westchester Village. Any agenda items need to be forwarded to Sarah Hensley, program offerings being one.
2. Workshop for Institutional BOG, Policy Commission and Presidents - Eight people plan to attend.
3. Smoking Policy - Ms. Hensley gave a brief report. The pleasure of the Board was the smoking policy be a policy developed by the administration.

Mr. Brooks gave a reminder of the next meeting dates: Retreat, September 20th, Westchester Village, spouses/guest will participate in a 6 p.m. dinner. October 10th - committees meeting at 2 p.m. and full board meeting at 3 p.m. Meeting will be held in the Fireside Room. There being no further business, the meeting was adjourned.

Stephen Brooks, Chair