

BOARD
OF
GOVERNORS



AGENDA
FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS' MEETING
FEBRUARY 16, 2012, 9:00 A.M.



- I. CALL TO ORDER**
 - A. Roll Call
 - B. Public Comment
 - C. Approve Agenda..... *Action Item*
 - D. Certificates of Appreciation

- II. APPROVAL OF MINUTES OF DECEMBER 15, 2011.....** Tab 1 *Action Item*

- III. CHAIRMAN'S REPORT**

- IV. PRESIDENT'S REPORT**

- V. REPORTS AND PRESENTATIONS**
 - A. Foundation (Kim Pellillo)

- VI. CONSENT AGENDA.....** Tab 2 *Action Item*
 - A. Financial Reports (November 2011 and December 2011)
 - B. Capital Projects FY 2012

- VII. ACADEMIC AFFAIRS/ADMISSIONS**
 - A. Strategic Enrollment Planning Timeline..... Tab 3 *Information Only*

- VIII. STUDENT LIFE COMMITTEE (Skip Tarasuk, Chair)**

- IX. FINANCE COMMITTEE (Mark Pallotta, Chair)**
 - A. Approval of Housing Plan..... Tab 4 *Action Item*
 - B. Initial Refunding Bond Resolution Tab 5 *Action Item*

- X. EXECUTIVE COMMITTEE (Ron Tucker, Chair)**

- XI. BY-LAWS COMMITTEE (Shirley Stanton, Chair)**

- XII. EXECUTIVE SESSION**
 - A. Presidential Search

- XIII. ADJOURNMENT**

NEXT MEETING: APRIL 19, 2012

Tab 1



FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS
MEETING MINUTES
DECEMBER 15, 2011, 9:00 A.M.

I. CALL TO ORDER

A. Roll Call

Chairman Ron Tucker convened a meeting of the Fairmont State University (FSU) Board of Governors held on December 15, 2011, beginning at approximately 9:00 a.m. in the Board Room at the Falcon Center, 1201 Locust Avenue, Fairmont, West Virginia.

Present for the meeting were board members Matt Jacques, Jim Kettering, Robert Mild, Mark Pallotta, Skip Tarasuk, Bryan Towns, Ron Tucker, Scott Ullom, and Bob White. Board members Shirley Stanton and Frank Washenitz were absent. Also in attendance were FSU Interim President Rose and President's Council members Ann Booth, Christina Lavorata, Rick Porto, Quentin Johnson, and David Tamm.

At the request of Chairman Tucker, Judy Biafore conducted a roll call of the Board of Governors. Two members were absent and nine members were present. (There is one vacant position.)

B. Public Comment

Skip Tarasuk reported that no one signed up for public comment.

C. Approval of Agenda

Scott Ullom made a motion to approve the agenda. Matt Jacques seconded. The motion passed.

II. APPROVAL OF MINUTES OF OCTOBER 20, 2011

Secretary Bob Mild moved to approve the amended minutes of the meeting held on October 20, 2011. The change noted Bob White's absence instead of presence at this particular meeting. Mark Pallotta seconded. The motion passed.

III. CHAIRMAN'S REPORT

- A. Chairman Tucker thanked former board member Janet Crescenzi for her dedication and hard work while serving on the FSU Board of Governors. Ms. Crescenzi resigned effective December 6, 2011.

- B. He reported that Winter Commencement would be Saturday, December 17, 2011, at the Feaster Center and that evening Fairmont State's basketball team would be playing Alderson-Broaddus.
- C. Chairman Tucker also stated that the All Boards Social would begin at 5:30 p.m. on December 20, 2011.

IV. PRESIDENT'S REPORT

- A. President Rose reported that Chancellor Noland is leaving the Higher Education Policy Commission January 15, 2012, and that Dr. Paul Hill has been appointed Interim Chancellor.
- B. She stated that this is Finals Week and that this is also a busy week for students scheduling classes for the spring semester and for new students enrolling in classes. President Rose also explained that December each year is the deadline for faculty to turn in portfolios in support of promotion and tenure. Faculty Development Week begins January 9, 2012, and students begin classes January 17, 2011.
- C. President Rose stated that the Higher Learning Commission Self Study is progressing very well and that the first draft will be completed in January.
- D. She also reported that there were Memorandums of Understanding signed with Chinese and Korean delegations that will assist technology and nursing students.

V. REPORTS AND PRESENTATIONS

- A. Foundation (Kim Pellillo)

Gary Bennett reported for the Fairmont State Foundation. Mr. Bennett answered questions concerning the distribution and designation of donor contributions.

VI. CONSENT AGENDA

Jim Kettering moved to accept the following Consent Agenda as presented.

- A. Financial Report
- B. Capital Projects FY 2012

Bryan Towns seconded. The motion passed.

VII. ACADEMIC AFFAIRS/ADMISSIONS

- A. President Rose reported for the Academic Affairs/Admissions Committee and presented graduation data for Winter Commencement 2011.

VIII. STUDENT LIFE COMMITTEE (Skip Tarasuk, Chair)

Mr. Tarasuk reported that there were no items to bring forth by the Student Life Committee.

IX. FINANCE COMMITTEE (Mark Pallotta, Chair)

Mark Pallotta reported the Finance Committee had been working very hard since the last Board of Governors' meeting and asked Mr. Porto to give an overview of the agenda items below.

A. Acceptance of Annual Audit

Scott Ullom made a motion to accept the Annual Audit. Skip Tarasuk seconded. The motion passed.

B. Report of One-Time Strategic Planning Grants (Recommendation by the University Budget Committee and approved by the President)

Information only. No Action required.

C. Approval of One-Time funding for Additional Strategic Planning Proposal Awards (President Recommended)

Bob Mild made a motion to approve the one-time funding request. Matt Jacques seconded. The motion passed.

D. Approval of Athletic RFP

Bob White made a motion to approve the Athletic RFP. Scott Ullom seconded. The motion passed.

X. EXECUTIVE COMMITTEE (Ron Tucker, Chair)

There were no items to bring forth by the Executive Committee.

XI. BY-LAWS COMMITTEE (Shirley Stanton, Chair)

There were no items to bring forth by the By-Laws Committee.

XII. EXECUTIVE SESSION

Bob Mild made a motion to go into Executive Session, Matt Jacques seconded. The motion passed.

Bob Mild made a motion to reconvene in open session. Scott Ullom seconded. The motion passed.

Scott Ullom made a motion to accept the Recruitment Plan and Position Description with a revised timeline for the Presidential Search. Skip Tarasuk seconded. The motion passed.

XIII. ADJOURNMENT

Bryan Towns moved to adjourn the meeting. Scott Ullom seconded. The motion passed.

Ron Tucker

FSU Board of Governors' Chairman

Robert Mild

FSU Board of Governors' Secretary

Tab 2

Fairmont State University
Board of Governors
Financial Report
for the period ending November 30, 2011

Unrestricted Fund:

The budget deficit planned for the 2012 fiscal year was reduced by approximately \$52,000 to (\$374,805) in the month of November primarily due to an adjustment to our match requirement for two federally funded financial aid programs (Federal Work-study and the Supplemental Education Opportunity Grant). Federal funding support for these two programs was reduced and this allowed for a reduction to our match requirement.

Tuition and Fee revenues achieved 48.08% of budget and we have received 44.58% of the overall operating revenue for this fiscal year. Non-operating revenue is at 40.10% of plan. Operating expenses through the end of November is at 34.73% of budget. The actual surplus condition through the end of November is \$3,736,497.

Auxiliary Fund:

The auxiliary budget planned transfer to reserve increased by \$4,589 to \$762,811 due to employee benefit plan changes.

Auxiliary Enterprise revenue achieved 45.06% of budget and we received 46.60% of the overall operating revenue planned for the fiscal year. Operating expenses through the end of November is at 39.82% of budget. The actual surplus condition through the end of November is \$703,630.

Restricted Fund:

The restricted fund received one new grant of \$10,000 for Beekeeper Training and the following grant budgets were adjusted on both the revenue and expense categories:

WV Humanities	\$800
GEAR-UP Year 5 closeout	(\$1,425,175)
Federal Work-study	(\$79,338)
Federal SEOG	(\$65,595)
Teacher Education Partnership	<u>\$10,000</u>
TOTAL	(\$1,559,308)

Overall the grant fund budgets were reduced from the end of October by \$1,549,308.

Restricted fund operating revenues achieved 44.94% of budget and Federal Pell Grant revenue achieved 44.45% of budget. Operating expenses through the end of November is at 44.22% of budget. The actual surplus through the end of November is \$225,953.

Please find the attached financial reports.

Fairmont State University
 Actual vs Budget Statement of Revenues and Expenses
 Current Unrestricted
 As of November 30, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	22,627,694	22,820,516	10,973,166	48.08
	Student Activity Support Revenue	580,069	589,989	289,478	49.06
	Faculty Services Revenue	1,272,439	1,272,439	694,272	54.56
	Operating Costs Revenue	2,437,328	2,426,882	794,192	32.72
	Support Services Revenue	3,955,116	3,892,432	1,165,964	29.95
	Other Operating Revenue	428,458	420,124	89,636	21.34
	Total:	31,301,104	31,422,382	14,006,708	44.58
OPERATING EXPENSE					
	Salaries	24,065,999	24,139,990	8,048,148	33.34
	Benefits	6,032,487	6,214,756	1,996,803	32.13
	Student financial aid-scholarships	2,078,727	2,118,727	1,060,582	50.06
	Utilities	1,749,920	1,749,920	465,613	26.61
	Supplies and Other Services	8,873,122	8,614,513	2,655,739	30.83
	Equipment Expense	1,182,232	1,327,133	941,746	70.96
	Fees retained by the Commission	178,427	185,560	92,780	50.00
	Assessment for Faculty Services	1,502,589	1,502,589	680,904	45.32
	Assessment for Support Services	400,712	382,233	95,398	24.96
	Assessment for Student Activity Costs	421,938	415,260	200,864	48.37
	Assessment for Operating Costs	203,317	200,461	31,813	15.87
	Total:	46,689,470	46,851,143	16,270,390	34.73
OPERATING INCOME / (LOSS)		(15,388,367)	(15,428,761)	(2,263,683)	14.67
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	17,803,627	17,803,627	7,477,523	42.00
	Gifts	12,500	12,500	39,587	316.70
	Investment Income	266,166	266,166	6,140	2.31
	Assessment for E&G Capital & Debt Service Costs	(2,518,828)	(2,545,328)	(1,292,884)	50.79
	Total:	15,563,465	15,536,965	6,230,366	40.10
TRANSFERS & OTHER					
	Capital Expenditures	(602,136)	(473,505)	(223,867)	47.28
	Construction Expenditures	0	0	(100,000)	
	Transfers for Debt Service	(77,585)	(77,585)	0	0.00
	Transfers for Fin Aid Match	(124,877)	(82,229)	(60,124)	73.12
	Indirect Cost Recoveries	131,212	195,302	153,795	78.75
	Transfers for Scholarships	(45,000)	(45,000)	0	0.00
	Transfers - Other	0	9	9	100.00
	Total:	(718,386)	(483,008)	(230,187)	47.66
BUDGET BALANCE		(543,288)	(374,805)	3,736,497	
* Add: UNRESTRICTED NET ASSETS - Beginning of Year		11,194,887	11,194,887		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>10,651,599</u>	<u>10,820,082</u>		

* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$5,356,125

Unrestricted Net Asset Balance is 23.89% of the current budget total operating expense.

Auxiliary
Actual vs Budget Statement of Revenues and Expenses
Board of Governors
As of November 30, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	5,880,149	5,890,149	2,654,175	45.06
	Auxiliary Fees & Debt Service Support Revenue	5,142,625	5,060,347	2,489,977	49.21
	Other Operating Revenue	307,438	312,438	104,659	33.50
	Total:	11,330,212	11,262,934	5,248,811	46.60
OPERATING EXPENSE	Salaries	2,336,998	2,365,549	940,709	39.77
	Benefits	561,907	555,375	180,031	32.42
	Student financial aid-scholarships	555,228	555,228	191,460	34.48
	Utilities	853,996	853,996	205,926	24.11
	Supplies and Other Services	2,325,112	2,274,643	1,003,831	44.13
	Equipment Expense	70,946	104,361	150,008	143.74
	Loan cancellations and write-offs	1,131	1,131	0	0.00
	Total:	6,705,318	6,710,282	2,671,964	39.82
OPERATING INCOME / (LOSS)		4,624,894	4,552,652	2,576,847	56.60
NONOPERATING REVENUE (EXPENSE)	Interest on capital asset related debt	(100,473)	(100,473)	(50,236)	50.00
	Total:	(100,473)	(100,473)	(50,236)	50.00
TRANSFERS & OTHER	Capital Expenditures	(154,259)	(123,211)	(18,702)	15.18
	Construction Expenditures	0	0	172	
	Transfers for Debt Service	(3,607,733)	(3,607,733)	(1,802,738)	49.97
	Transfers for Fin Aid Match	(3,425)	(3,425)	(1,713)	50.00
	Transfers for Scholarships	45,000	45,000	0	0.00
	Total:	(3,720,417)	(3,689,369)	(1,822,981)	49.41
BUDGET BALANCE - Projected Transfer to Reserves		804,005	762,811	703,630	
* Add: NET ASSETS - Beginning of Year		<u>6,589,251</u>	<u>6,589,251</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>7,393,256</u>	<u>7,352,062</u>		

* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$639,344.

Auxiliary Net Assets are required to support future repair and replacement costs. Planning activities are in progress to document a 20 year plan to support each auxiliary enterprise capital repair/replacement need.

FAIRMONT STATE UNIVERSITY
Actual vs Budget Statement of Revenues and Expenses
Current Restricted
As of November, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Federal Grants and Contracts	28,542,265	29,110,355	12,610,249	43.32
	State/Local Grants and Contracts	5,783,500	5,913,373	2,926,200	49.48
	Private Grants and Contracts	1,943,864	1,942,275	1,079,932	55.60
	Other Operating Revenue	0	(10,250)	(10,250)	0.00
	Total:	36,269,629	36,955,753	16,606,131	44.94
OPERATING EXPENSE	Salaries	743,671	962,790	299,097	31.07
	Benefits	83,909	205,868	52,870	25.68
	Student financial aid - scholarships	42,835,523	42,780,928	19,715,562	46.08
	Utilities	4	19,000	43	0.23
	Supplies and Other Services	2,406,388	2,769,713	588,194	21.24
	Equipment Expense	716,738	651,679	299,776	46.00
	Total:	46,786,233	47,389,978	20,955,542	44.22
OPERATING INCOME / (LOSS)		(10,516,604)	(10,434,225)	(4,349,411)	41.68
NONOPERATING REVENUE (EXPENSE)	Federal Pell Grant Revenues	10,500,000	10,500,000	4,667,330	44.45
	Total:	10,500,000	10,500,000	4,667,330	44.45
TRANSFERS & OTHER	Capital Expenditures	(1,014)	0	0	0.00
	Transfers for Fin Aid Match	128,302	85,654	61,839	72.20
	Indirect Cost Recoveries	(154,460)	(195,302)	(153,795)	78.75
	Transfers - Other	0	(9)	(9)	0.00
	Total:	(27,172)	(109,657)	(91,965)	83.87
BUDGET BALANCE		(43,776)	(43,882)	225,953	
* Add: RESTRICTED NET ASSETS - Beginning of Year		98,568	98,568		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>54,793</u>	<u>54,687</u>		

**Fairmont State University
Board of Governors
Financial Report
for the period ending December 31, 2011**

Unrestricted Fund:

The budget deficit planned for the 2012 fiscal year increased by approximately \$61,000 in the month of December primarily due to the Governing Boards approval to support the Athletic Master Plan from the E&G Unrestricted Fund. This budget was not entered into the system until the contract award was approved by the Governing Board at the December meeting.

Tuition and Fee revenues achieved 48.16% of budget and we have received 46.20% of the overall operating revenue for this fiscal year. Non-operating revenue is at 40.03% of plan. Operating expenses through the end of December is at 41.62% of budget. The actual surplus condition through the end of December is \$978,193.

Auxiliary Fund:

The auxiliary budget planned transfer to reserve decreased by \$17,377 due to adjustments to two employees PEIA benefit plan changes.

Auxiliary Enterprise revenue achieved 45.49% of budget and we received 47.22% of the overall operating revenue plan for this fiscal year. Operating Expenses through the end of December is at 45.54% of budget. The actual surplus condition through the end of December is \$319,534.

Restricted Fund:

The restricted fund received one new grant of \$5,000 – Kestrel program in language and literature. Grant commitments in the year 5 Gear-up grant were closed out reducing expense budget in this grant by \$440,000.

The restricted fund operating revenues achieved 46.04% of budget and Federal Pell Grant revenue achieved 44.51% of budget. Operating expenses through the end of December is at 45.10% of budget. The actual surplus through the end of December is \$211,146.

Please find the attached financial reports.

Fairmont State University
 Actual vs Budget Statement of Revenues and Expenses
 Current Unrestricted
 As of December 31, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Tuition and Fees	22,627,694	22,820,516	10,990,651	48.16
	Student Activity Support Revenue	580,069	589,989	291,908	49.48
	Faculty Services Revenue	1,272,439	1,272,439	694,272	54.56
	Operating Costs Revenue	2,437,328	2,415,474	985,873	40.81
	Support Services Revenue	3,955,116	3,903,950	1,460,882	37.42
	Other Operating Revenue	428,458	420,124	94,832	22.57
	Total:	31,301,104	31,422,492	14,518,418	46.20
OPERATING EXPENSE					
	Salaries	24,065,999	24,134,134	9,977,068	41.34
	Benefits	6,032,487	6,200,922	2,457,080	39.62
	Student financial aid-scholarships	2,078,727	2,118,727	1,071,552	50.58
	Utilities	1,749,920	1,749,920	601,906	34.40
	Supplies and Other Services	8,873,122	8,693,411	3,129,203	36.00
	Equipment Expense	1,182,232	1,329,217	1,121,941	84.41
	Fees retained by the Commission	178,427	185,560	92,780	50.00
	Assessment for Faculty Services	1,502,589	1,502,589	680,904	45.32
	Assessment for Support Services	400,712	382,233	130,739	34.20
	Assessment for Student Activity Costs	421,938	415,260	202,836	48.85
	Assessment for Operating Costs	203,317	200,461	60,976	30.42
	Total:	46,689,470	46,912,435	19,526,984	41.62
OPERATING INCOME / (LOSS)		(15,388,367)	(15,489,943)	(5,008,567)	32.33
NONOPERATING REVENUE (EXPENSE)					
	State Appropriations	17,803,627	17,803,627	7,477,523	42.00
	Gifts	12,500	12,500	39,587	316.70
	Investment Income	266,166	266,166	7,028	2.64
	Assessment for E&G Capital & Debt Service Costs	(2,518,828)	(2,545,328)	(1,303,925)	51.23
	Total:	15,563,465	15,536,965	6,220,213	40.03
TRANSFERS & OTHER					
	Capital Expenditures	(602,136)	(473,505)	(233,213)	49.25
	Construction Expenditures	0	0	(100,144)	
	Transfers for Debt Service	(77,585)	(77,585)	0	0.00
	Transfers for Fin Aid Match	(124,877)	(82,229)	(60,124)	73.12
	Indirect Cost Recoveries	131,212	195,302	160,018	81.93
	Transfers for Scholarships	(45,000)	(45,000)	0	0.00
	Transfers - Other	0	9	9	100.00
	Total:	(718,386)	(483,008)	(233,453)	48.33
BUDGET BALANCE		(543,288)	(435,986)	978,193	
* Add: UNRESTRICTED NET ASSETS - Beginning of Year		11,194,887	11,194,887		
Less: USE OF RESERVE		0	0		
Equals: PROJECTED UNRESTRICTED NET ASSETS - End of Year		<u>10,651,599</u>	<u>10,758,901</u>		

* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$5,356,125

Unrestricted Net Asset Balance is 23.86% of the current budget total operating expense.

Auxiliary
Actual vs Budget Statement of Revenues and Expenses
Board of Governors
As of December 31, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE	Auxiliary Enterprise Revenue	5,880,149	5,890,149	2,679,603	45.49
	Auxiliary Fees & Debt Service Support Revenue	5,142,625	5,060,347	2,519,172	49.78
	Other Operating Revenue	307,438	312,438	119,850	38.36
	Total:	11,330,212	11,262,934	5,318,625	47.22
OPERATING EXPENSE	Salaries	2,336,998	2,373,669	1,102,130	46.43
	Benefits	561,907	575,040	208,860	36.32
	Student financial aid-scholarships	555,228	555,228	194,501	35.03
	Utilities	853,996	853,996	269,726	31.58
	Supplies and Other Services	2,325,112	2,264,235	1,127,823	49.81
	Equipment Expense	70,946	104,361	160,972	154.25
	Loan cancellations and write-offs	1,131	1,131	0	0.00
	Total:	6,705,318	6,727,659	3,064,011	45.54
OPERATING INCOME / (LOSS)		4,624,894	4,535,275	2,254,614	49.71
NONOPERATING REVENUE (EXPENSE)	Interest on capital asset related debt	(100,473)	(100,473)	(50,236)	50.00
	Total:	(100,473)	(100,473)	(50,236)	50.00
TRANSFERS & OTHER	Capital Expenditures	(154,259)	(123,211)	(25,065)	20.34
	Construction Expenditures	0	0	(55,328)	(55.328)
	Transfers for Debt Service	(3,607,733)	(3,607,733)	(1,802,738)	49.97
	Transfers for Fin Aid Match	(3,425)	(3,425)	(1,713)	50.00
	Transfers for Scholarships	45,000	45,000	0	0.00
	Total:	(3,720,417)	(3,689,369)	(1,884,844)	51.09
BUDGET BALANCE - Projected Transfer to Reserves		804,005	745,434	319,534	
* Add: NET ASSETS - Beginning of Year		<u>6,589,251</u>	<u>6,589,251</u>		
Equals: PROJECTED NET ASSETS - End of Year		<u>7,393,256</u>	<u>7,334,685</u>		

* Net Assets - Beginning of Year is before cumulative OPEB liability at June 30, 2011 in the amount of \$639,344.

Auxiliary Net Assets are required to support future repair and replacement costs. Planning activities are in progress to document a 20 year plan to support each auxiliary enterprise capital repair/replacement need.

FAIRMONT STATE UNIVERSITY
Actual vs Budget Statement of Revenues and Expenses
Current Restricted
As of December 31, 2011

		Approved Budget	Current Budget	YTD Actual	YTD Actual to Current Budget
OPERATING REVENUE					
	Federal Grants and Contracts	28,542,265	28,669,958	12,791,295	44.62
	State/Local Grants and Contracts	5,783,500	5,913,373	2,946,393	49.83
	Private Grants and Contracts	1,943,864	1,947,275	1,085,641	55.75
	Other Operating Revenue	0	(10,250)	(10,250)	0.00
	Total:	36,269,629	36,520,356	16,813,079	46.04
OPERATING EXPENSE					
	Salaries	743,671	962,790	365,257	37.94
	Benefits	83,909	205,868	63,790	30.99
	Student financial aid - scholarships	42,835,523	42,780,928	19,808,451	46.30
	Utilities	4	19,770	1,582	8.00
	Supplies and Other Services	2,406,388	2,333,547	638,424	27.36
	Equipment Expense	716,738	651,679	299,776	46.00
	Total:	46,786,233	46,954,581	21,177,279	45.10
OPERATING INCOME / (LOSS)		(10,516,604)	(10,434,225)	(4,364,200)	41.83
NONOPERATING REVENUE (EXPENSE)					
	Federal Pell Grant Revenues	10,500,000	10,500,000	4,673,532	44.51
	Total:	10,500,000	10,500,000	4,673,532	44.51
TRANSFERS & OTHER					
	Capital Expenditures	(1,014)	0	0	0.00
	Transfers for Fin Aid Match	128,302	85,654	61,841	72.20
	Indirect Cost Recoveries	(154,460)	(195,302)	(160,018)	81.93
	Transfers - Other	0	(9)	(9)	0.00
	Total:	(27,172)	(109,657)	(98,186)	89.54
BUDGET BALANCE		(43,776)	(43,882)	211,146	
* Add: RESTRICTED NET ASSETS - Beginning of Year		98,568	98,568		
** Equals: PROJECTED RESTRICTED NET ASSETS - End of Year		<u>54,793</u>	<u>54,687</u>		

CAPITAL PROJECTS

FY 2012

Project	Project Budget	Expenses & Encumbrances	Available Project Budget	Project Completion Date and/or Update Notes	
Aerospace Fire Suppression - ARRA	\$ 1,138,192.80	\$ 1,122,754.52	\$ 15,438.28	Project is complete.	Completed
Byrd Center - HVAC Units (2)	\$ 74,282.00	\$ 74,282.00	\$ -	Project is complete.	
Byrd Center - Roof Renewal	\$ 359,525.20	\$ 276,130.00	\$ 83,395.20	Project is complete.	
Hunt Haught Hall - HVAC Units	\$ 735,518.00	\$ 734,393.00	\$ 1,125.00	Project is complete.	
Folklife - Phase III (ARRA)	\$ 500,413.32	\$ 495,179.82	\$ 5,233.50	Project is complete.	
Hunt Haught Hall - Temperature Controls	\$ 90,000.00	\$ 87,807.00	\$ 2,193.00	Project is complete.	
Hunt Haught Hall Glass Front	\$ 194,000.00	\$ 171,129.06	\$ 22,870.94	Project is complete.	
Byrd Center - HVAC Units (FY 2012)	\$ 50,000.00	\$ 20,000.00	\$ 30,000.00	Project is currently in bidding process.	In Progress
Hardway Hall Renovations	\$ 5,500,000.00	\$ 415,000.00	\$ 5,085,000.00	Project design continues to progress and move toward late spring bid.	
Infrastructure - Access Road Tennis Courts	\$ 125,000.00	\$ 14,500.00	\$ 110,500.00	Project bid on 10/26. Bids have been reviewed. Funds will need transferred between paving projects.	
Infrastructure - Paving Lot #15	\$ 83,560.00	\$ -	\$ 83,560.00	Project bid on 10/26. Bids have been reviewed. It is recommended to rebid in spring.	
Infrastructure - IT Emergency Back-Up	\$ 197,299.00	\$ 194,293.00	\$ 3,006.00	Generator has been set and data center is connected to new it.	
Musick Library Elevator	\$ 2,000,000.00	\$ 144,000.00	\$ 1,856,000.00	Design is complete and is ready to bid.	
Turley Center Renovations	\$ 6,000,000.00	\$ 567,983.64	\$ 5,432,016.36	Project design continues to progress and move toward late spring bid.	
Turley Center Renovations - FF&E	\$ 874,055.00	\$ -	\$ 874,055.00	Preliminary discussions have been held with vendor for furniture selections.	
Wallman Hall - Foundation Waterproof	\$ 150,000.00	\$ 25,500.00	\$ 124,500.00	Project is currently in bidding process.	
Wallman Hall Renovations	\$ 5,200,000.00	\$ 390,000.00	\$ 4,810,000.00	Project design continues to progress and move toward late spring bid.	

CAPITAL PROJECTS

FY 2012

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>	
Hunt Haught Hall - Window Replacement	\$ 60,000.00	\$ -	\$ 60,000.00		Not Started
Infrastructure - Gates @ Physical Plant	\$ 20,000.00	\$ -	\$ 20,000.00		
Infrastructure - Retaining Wall Merchant Street	\$ 350,000.00	\$ 9,000.00	\$ 341,000.00		
Infrastructure - Sealing Parking Lots	\$ 25,000.00	\$ -	\$ 25,000.00		
Jaynes Hall - Roof Renewal	\$ 350,000.00	\$ -	\$ 350,000.00		
Locust Avenue	\$ 40,000.00	\$ -	\$ 40,000.00		
Academic Fund	\$ 100,000.00	\$ 2,687.03	\$ 97,312.97	On-going - Numerous projects through-out year	On-Going
Landscaping	\$ 100,000.00	\$ 26,806.01	\$ 73,193.99	On-going - Numerous projects through-out year	
Physical Plant - Small Projects	\$ 225,100.00	\$ 83,535.66	\$ 141,564.34	On-going - Numerous projects through-out year	

AUXILIARY CAPITAL PROJECTS

FY 2012

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>	
Press Box Roof Renewal	\$ 6,670.00	\$ 6,670.00	\$ -	Project is complete.	Completed
Press Box Upgrades	\$ 26,850.64	\$ 27,039.89	\$ (189.25)	Project is complete.	
Falcon Center - Dining Carpet Replacement	\$ 47,617.24	\$ 47,617.24	\$ 0.00	Project is complete.	
Falcon Center - Furniture (Lounge)	\$ 24,788.00	\$ 24,788.00	\$ -	Project is complete.	
Falcon Center - Window Cleaning	\$ 17,096.02	\$ 17,096.02	\$ -	Project is complete.	
Residence Hall - Bryant Hall Gutter Repair	\$ 23,000.00	\$ 17,300.00	\$ 5,700.00	Project is complete.	
Falcon Custodial Equipment	\$ 23,140.73	\$ -	\$ 23,140.73	Equipment has been ordered and is starting to arrive.	In Progress
Falcon Gym 1 & 2 Repair	\$ 20,358.01	\$ -	\$ 20,358.01	Gym 2 work is complete. Gym 1 work is scheduled for late May.	
Residence Hall - Bryant Place 1st Floor Showers	\$ 10,000.00	\$ 8,492.00	\$ 1,508.00	Contractor has installed 9 of the 10 shower doors.	
Residence Hall - Morrow Hall Boiler Replacement	\$ 190,259.67	\$ 190,204.19	\$ 55.48	Project is currently underway. Two new boilers are installed and operational. The new flue has been installed. Temperature control work remains to be completed.	
Parking Lot - NAEC Paving	\$ 125,000.00	\$ -	\$ 125,000.00	Project bid on 10/26. Bids have been reviewed. Funds will need transferred between paving projects.	
Residence Halls - Facility Audit Master Plan	\$ 194,705.00	\$ 174,505.00	\$ 20,200.00	Final report has been submitted and presentation is being prepared.	

AUXILIARY CAPITAL PROJECTS

FY 2012

<i>Project</i>	<i>Project Budget</i>	<i>Expenses & Encumbrances</i>	<i>Available Project Budget</i>	<i>Project Completion Date and/or Update Notes</i>
Duvall Rosier Field - Turf Field Groom Machine	\$ 16,650.00	\$ -	\$ 16,650.00	
Falcon Center - Fabric Duct Replacement	\$ 35,000.00	\$ -	\$ 35,000.00	
Parking Garage - Maintenance - Caulking & Painting	\$ 100,000.00	\$ -	\$ 100,000.00	
Parking Lot - NAEC Paving	\$ 125,000.00	\$ -	\$ 125,000.00	

Not Started

Tab 3



Quentin R. Johnson Ph.D.
Senior Vice President of Enrollment and Student Services
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Fairmont, WV 26554
Office – 304.368.7232
Fax – 304.367.4959

November 01, 2011

Strategic Enrollment Planning-Steering Committee, Sub-Committee, and Joint Resource Committee

Dear Committee Members:

I am writing to inform you that you have been appointed/invited to serve as Chair/Co-Chair/Member of the Strategic Enrollment Planning Steering Committee/Sub-Committee/Joint Resource Committee for the preparation of the 2012-2017 Strategic Enrollment Plan for Fairmont State University. This Strategic Enrollment Planning process is designed to collaborative and inclusive.

The over-arching goal will be to develop a comprehensive 5-year Strategic Enrollment Plan. Selected objectives are:

1. Establish/Confirm 5-year Strategic Enrollment Goals, to include Strategic Recruitment and Retention components (2012-2017)
2. Develop, Plan, and Implement New Student Orientation /1st Year Experience. (2012-2014)
 - a. Assess/Evaluate Summer Registration, Orientation, and Welcome Weekend Programs. Make recommendations for immediate enhancements (February 2012-August 2012)
3. Develop Strategic Retention Plan to improve student persistent, retention, and graduation rates.
 - a. Assess/Evaluate historical mid-semester/year to date retention data to identify and inform, develop, and implement immediate University/College wide action steps to address student retention problem. (Fall 2011-Spring 2012)

4. Create culture of “Data Driven Decision Making”. Use technology to establish dashboard data monitoring system, bench marks, key performance indicators with measurable outcome.

The 2012-2017 Strategic Enrollment Planning Process is linked to strategic goals as outlined in the current Institutional Strategic Plan.

The preparation of the 5 year Strategic Enrollment Plan for FSU comes at a most opportune time to embrace a new vision that will take us to the next level.

To take us to the next level, I have developed an organizational structure for the preparation of the 2011-2012 Strategic Enrollment Plan comprising a Steering Committee, Joint Resource Committee and three Sub-Committees. You will be informed about the charge of the Committee or Sub-Committee to which you have been appointed at our initial meeting on Friday, November 4, 2011, in 219 Hardway Building from 11:30 – 1:30. Lunch will be served.

I hope that you will be excited about having this opportunity to serve our institution in this capacity. Meanwhile, I thank you for all the good work you do and will continue to do for FSU and Pierpont.

Sincerely,



Quentin R. Johnson, Ph.D.
Senior Vice President for Enrollment and Student Services
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Cc: Dr. Maria Rose
Dr. Doreen Larson

November 1, 2011

Fairmont State University

Strategic Enrollment Planning Timeline

Note: The Collaborative Strategic Enrollment Planning Process is Linked to, and in Concert, with the Institutional Strategic Plan, and Funding Criteria.

Initial Strategic Planning Implementation TimeLine:

1. Establish Steering Committee - (10/15/2011)

2. Establish Strategic Enrollment Sub-committees (10/15/2011)
 - Recruitment/Marketing Sub -committee
 - 1st Year Experience/Orientation Sub-committee
 - Retention Sub-committee
 - Joint Resource Committee
 - Diversity Task Force

3. Initial Meeting of Strategic Enrollment Planning Committee (11/15/2011)
 - Institutional Mission
 - Leadership Vision
 - Charge – President Maria Rose
 - Review Institutional Data – Retention Data, October 15th Funnel Report,
 - SWOT Analysis, Financial Aid Integrity Guidelines
 - Planning Goal/Objectives
 - Establish Meeting Schedules
 - Timelines and Institutional Outcomes Reporting Schedules
 - Long Term Recommendations Due - (May, 2013)

Overarching Goal:

Develop Comprehensive 5-Year Enrollment Plan for Fairmont State University.
(Identify short term and long term goals)

- *Target Completion Date for Review of Comprehensive Recommendations – December, 2012.*

Objectives & Recommended Timelines:

1. Establish 5-Year Institutional Enrollment Targets (2013 –2018).
Responsibility: Retention and Recruitment/Marketing Sub-committees
- Short Term Goal: Submit Recommendations to Dr. Rose for Campus Compact – May, 2012
2. Develop Plans and Implement – Spring Registration/ Enrollment 101, New Student Orientation, and 1st Year Experience Program.
Responsibility: 1st Year Experience Sub-committee
- Short Term Goal: Submit Recommendations for Spring 2012 – February, 2012
3. Develop Retention Plan to Aggressively Reverse Current Attrition Trends, Improve Overall Retention, and Graduation Rates.
Responsibility: Retention Sub-committee
- Short Term Goal: Fall, 2011, Spring, 2012, Summer, 2012 (**Critical Action Point – Immediate Action Required**).
- **Develop Campus-wide Response to New Financial Aid Integrity Guidelines for Minimum Standards of Academic Progress (SAP).**
4. Establish Dashboard Data Monitoring System, Benchmarks, and Key Performance Indicators with Measurable Outcomes.

***Strategic Enrollment Planning Model:**



***(Noel-Levitz, 2010)**

Tab 4

**Fairmont State University
Board of Governors
February 16, 2012**

Item: Approval of Housing plan to establish 83 temporary beds to provide for student demand in the fall semester.

Committee: Committee of the Whole

Action: Be it resolved that the Board of Governors approve a housing temporary bed plan to provide for up to 83 additional temporary beds to support student demand to live on campus for primarily the fall semesters.

Staff Member: Rick Porto

Background:

- As a supplemental contract review, Fairmont State administration contracted with the architectural firm of Perkins Eastman to determine if temporary bed increase could be established in Bryant Place to make double room suites into temporary triple room suites to provide for additional beds during the fall term to support demand over and above the current bed capacity.
- The review by Perkins Eastman looked at building code 2000 International Building Code (IBC), the gross square feet of the building, the uses of the building, the occupant load requirements by IBC, the construction type determined by IBC, the dwelling unit fire separation under IBC code, the means of egress requirements of IBC, and the fire protection requirements of NFPA.

Perkins Eastman also assessed the desired set-up of furniture for set of the temporary triples and provided a layout for allowing for student needs and appropriate egress from the room.

Perkins Eastman's review documented that FSU could provide for seventy-six additional beds in Bryant Place and have the double room suites set-up as temporary triples and still meet safety code requirements of both Federal and State Code.

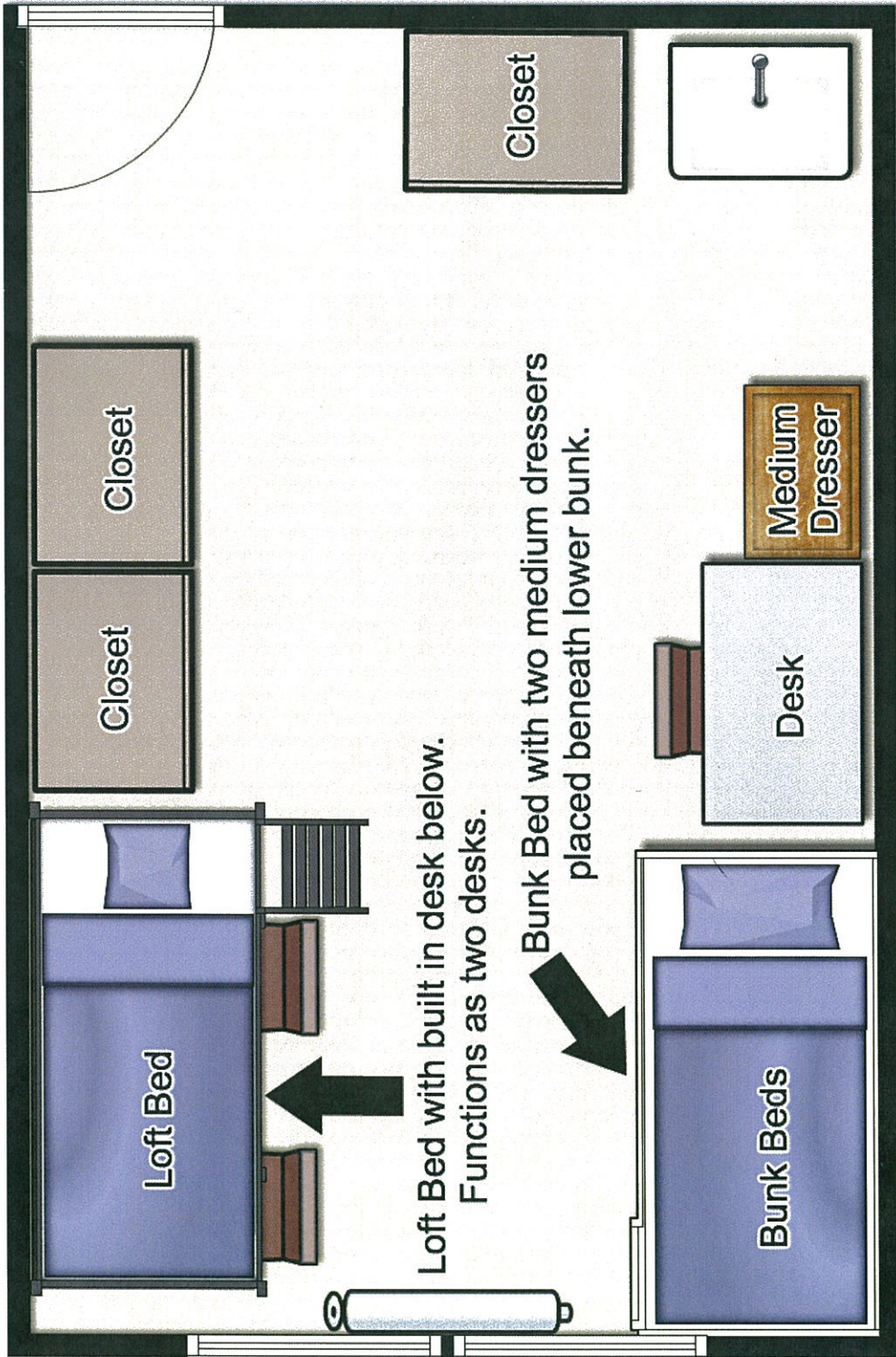
- Supplemental to this review FSU administration:
 1. Improved on the room layout provided by Perkins Eastman.
 2. Invited the West Virginia State Fire Marshall to a walkthrough of the Bryant Place facility and toured the temporary triple room set-up we desired to provide for our students.
 3. The local Fire Marshall while liking the layout, deferred to the State's Charleston office for final determination.
 4. The State Charleston Office determined that the room layout provided by the administration was appropriate and approved FSU to establish temporary triples as was designed by the Housing Associate Director (attached).

- Fairmont State administration recommends establishing 72 temporary triples in Bryant Place, and adding 3 beds in Morrow Hall, and 8 beds in Pence Hall for 83 temporary beds to provide overflow beds to students in place of turning students away and/or providing temporary housing in local hotels.
- Attached please find a supplemental documentation supporting the net benefit in the first year of establishing overflow beds on the campus.

Note: Maintaining overflow housing on the campus will lead to:

- ✓ Improved academic retention of students living on campus.
- ✓ Improved occupancy rates.
- ✓ Improved net housing revenues.





Loft Bed with built in desk below.
Functions as two desks.

Bunk Bed with two medium dressers
placed beneath lower bunk.

undefined



Housing Revenue Rates for Bryant Place During FY12

Entity	FY12 Sem Rate	Students (Beds)	100% Total	6% Vac Loss	94% Occ Rev
BP Singles	\$ 2,344	240	\$ 1,125,120	\$ 67,507	\$ 1,057,613
BP Doubles	\$ 1,978	160	\$ 632,960	\$ 37,978	\$ 594,982
BP Total		400	\$ 1,758,080	\$ 105,485	\$ 1,652,595
College Park Single	\$ 2,991	7	\$ 41,874	\$ 2,512	\$ 39,362
College Park Unfurn. Double	\$ 2,285	176	\$ 804,320	\$ 48,259	\$ 756,061
College Park Furn. Double	\$ 2,455	28	\$ 137,480	\$ 8,249	\$ 129,231
College Park Triple	\$ 2,286	6	\$ 27,432	\$ 1,646	\$ 25,786
College Park Total		217	\$ 1,011,106	\$ 60,666	\$ 950,440
Morrow Hall	\$ 1,739	160	\$ 278,240	\$ 16,694	\$ 261,546
Pence Hall	\$ 1,739	134	\$ 233,026	\$ 13,982	\$ 219,044
Prichard Hall	\$ 1,739	150	\$ 260,850	\$ 15,651	\$ 245,199
Total Revenue		1061	\$ 3,541,302	\$ 212,478	\$ 3,328,824

Housing Revenue Projections for Tripling Bryant Place Doubles at the FY12 Rate

Entity	FY12 Sem Rate	Students	100% Total	3% VacLoss	97% Occ Rev	Credit	97% Occ. Rev - Credit
BP Singles	\$ 2,344	240	\$ 1,125,120	\$ 33,754	\$ 1,091,366		
Projected Rev.							
BP Doubles (Fall Semester)	\$ 1,978	232	\$ 458,896	\$ 13,767	\$ 445,129		
BP Doubles (Spring Semester)	\$ 1,978	160	\$ 316,480	\$ 9,494	\$ 306,986		
BP Doubles (Credit/mo. per student)	\$ 99	See Below Tab				\$ 56,560	
BP Total		472	\$ 1,900,496	\$ 57,015	\$ 1,843,481	\$ 56,560	\$ 1,786,921
College Park Single	\$ 2,991	7	\$ 41,874	\$ 1,256	\$ 40,618		
College Park Unfurn. Double	\$ 2,285	176	\$ 804,320	\$ 24,130	\$ 780,190		
College Park Furn. Double	\$ 2,455	28	\$ 137,480	\$ 4,124	\$ 133,356		
College Park Triple	\$ 2,286	6	\$ 27,432	\$ 823	\$ 26,609		
College Park Total		217	\$ 1,011,106	\$ 30,333	\$ 980,773		
Morrow Hall	\$ 1,739	160	\$ 278,240	\$ 8,347	\$ 269,893		
Morrow Hall Overflow	\$ 1,739	3	\$ 5,217	\$ 157	\$ 5,060		
Morrow Hall Total		163	\$ 283,457	\$ 8,504	\$ 274,953		
Pence Hall	\$ 1,739	134	\$ 233,026	\$ 6,991	\$ 226,035		
Pence Hall Overflow	\$ 1,739	8	\$ 13,912	\$ 417	\$ 13,495		
Pence Hall Total		142	\$ 246,938	\$ 7,408	\$ 239,530		
Prichard Hall	\$ 1,739	150	\$ 260,850	\$ 7,826	\$ 253,025		
Total Revenue		1133	\$ 3,683,718	\$ 110,512	\$ 3,535,202		

Estimated Revenue Increase with 72 Triple Rooms in BP \$ 206,378

Net after furniture purchase (See Projected Furniture Order tab below) \$206,378 - \$96,330 = \$110,048

Net revenue without the one time and replacement furniture expenses \$68,949 + \$110,048 = \$178,997
 Note: \$68,949 is the one time furniture expense (the actual furniture - \$96,330 - expense minus 100 mattresses, 48 chairs, and 10% furniture replacement - \$27,381).

Monthly Credit Assessments for BP Triples

Month (Vacancies)	# of Residents	Amount per Resident	Total
Aug 15 - Sep 15	216 (72 Rooms X 3)	\$ 99	\$ 21,362
Sep 16 - Oct 15 (18 Vac.)	162 (54 Rooms X 3)	\$ 99	\$ 16,022
Oct 16 - Nov 15 (17 Vac.)	111 (37 Rooms X 3)	\$ 99	\$ 10,978
Nov 16 - Dec 15 (11 Vac.)	78 (26 Rooms X 3)	\$ 99	\$ 9,198
Total Credits		\$ 396	\$ 57,560

Total Projected Credit	\$ 57,560
-------------------------------	------------------

Note: \$396 is a 20% credit for housing. This credit would be available for all three residents while their room was being used as a temporary triple.

Projected Furniture Purchase*^

Item	Number	Cost/Unit	Total Costs
Single Bunk able Versa Beds	55	\$ 181	\$ 9,956
Mattresses	172	\$ 117	\$ 20,153
Double Door Wardrobe	70	\$ 477	\$ 33,391
3-Drawer Chest	40	\$ 192	\$ 7,666
** 3-Drawer Pedestal Desk	41	\$ 245	\$ 10,045
Chairs - Desk	120	\$ 126	\$ 15,120
Total			\$ 96,330

* It should be expected to replace 5 -10% of residence hall furniture on an annual basis.
 The above numbers reflect the normal annual replacement of 100 mattresses, as well as other furniture.
 Typically, a furniture damage assessment is performed in March to determine a more precise furniture purchase.
 It is difficult to establish a definitive order early in the academic year in that damages consistently occur throughout the year.
Note: The beds, wardrobes, chests, and desks, plus 72 mattresses and 72 chairs are one time purchases.

^ It is projected that we would continue to triple the double rooms in Bryant Place until new facilities are constructed.
 Therefore, we should expect to replace 5 - 10% of the furniture on a annual basis.
 However, housing anticipates this process to serve as an occupancy management solution to address the increasing demand for on-campus housing.
 Thus, it is proposed that the triples would only be in effect for the fall semester and potential emergency situations.
 So, it would be feasible to replace less furniture due to damage and wear-and-tear, because the furniture would be used less.

** It may be possible to slightly reduce this purchase cost, by reducing the size of the desk.

Tab 5

1/26/12

**JOINT RESOLUTION OF
THE FAIRMONT STATE UNIVERSITY BOARD OF GOVERNORS
AND THE
PIERPONT COMMUNITY AND TECHNICAL COLLEGE
BOARD OF GOVERNORS
AUTHORIZING THE REFUNDING OF
OUTSTANDING REVENUE BONDS AND THE
ISSUANCE OF REFUNDING REVENUE BONDS FOR SUCH PURPOSE**

WHEREAS, the Fairmont State University (formerly, Fairmont State College) Board of Governors (the “University Board”) has issued and there are currently outstanding the following issues of revenue bonds:

(a) \$18,170,000 in principal amount of College Facilities Revenue Bonds, Series 2002 A, issued on August 29, 2002 pursuant to a Bond Trust Indenture and Security Agreement dated as of August 1, 2002 (the “Series 2002A Indenture”) and currently outstanding in the aggregate principal amount of \$15,300,000 (the “Series 2002A Bonds”);

(b) \$9,310,000 in principal amount of Infrastructure Revenue Bonds, Series 2002 B, issued on August 29, 2002 pursuant to a Bond Trust Indenture and Security Agreement dated as of August 1, 2002 (the “Series 2002B Indenture”) and currently outstanding in the aggregate principal amount of \$7,735,000 (the “Series 2002B Bonds”);

(c) \$13,320,000 in principal amount of College Facilities Revenue Bonds, Series 2003 B, issued on March 26, 2003 pursuant to a Bond Trust Indenture and Security Agreement supplementing and amending the Series 2002A Indenture and dated as of March 1, 2003 (the “Series 2003A Indenture” and, together with the Series 2002A Indenture, the “Series A Indenture”) and currently outstanding in the aggregate principal amount of \$11,715,000 (the “Series 2003A Bonds”); and

(d) \$22,925,000 in principal amount of Student Activity Revenue Bonds, Series 2003 B, issued on March 26, 2003 pursuant to a Bond Trust Indenture and Security Agreement dated as of March 1, 2003 (the “Series 2003B Indenture”; the Series A Indenture, the Series 2002B Indenture and the Series 2003B Indenture are hereinafter referred to together as the “Indentures” and individually as an “Indenture”) and currently outstanding in the aggregate principal amount of \$19,860,000 (the “Series 2003B Bonds”; the Series 2002A Bonds, the Series 2002B Bonds, the Series 2003A Bonds and the Series 2003B Bonds are hereinafter referred to together as the “Outstanding Bonds”);

WHEREAS, the Outstanding Bonds were issued prior to the separation of Fairmont State University (the “University”) and Pierpont Community and Technical

College (the “College”) and were issued on behalf of and benefit the students of both the University and the College;

WHEREAS, pursuant to Article 2A, Section 7a and other applicable provisions of Chapter 18B of the Code of West Virginia, 1931, as amended and the Separation of Assets and Liabilities Agreement executed and delivered by the University and the College in December 2009, both the University and the College are obligated for all the terms and provisions of the Indentures, including the requirement to pay their respective proportionate shares of debt service on the Outstanding Bonds;

WHEREAS, refunding one or more series of the Outstanding Bonds, or portions thereof, may result in debt service savings and financial benefit to both the University and the College;

WHEREAS, accordingly, it is in the best interests of both the University and the College to refund those Outstanding Bonds, the refunding of which would result in net present value savings to the University and College in amounts satisfactory to the Chairman or Vice Chairman of the University Board and the Chairman or Vice Chairman of the Pierpont Community and Technical College Board of Governors (the “College Board”), as evidenced by their execution and delivery of the Bond Purchase Agreements described below (the “Bonds To Be Refunded”);

WHEREAS, pursuant to Article 2G, Chapter 13 of the Code of West Virginia, 1931, as amended (the “Refunding Act”) and Article II of each of the Indentures, the University Board is authorized to issue additional bonds for the purpose of refunding bonds outstanding under such Indenture and to enter into a Supplemental Indenture to authorize such additional bonds;

WHEREAS, it is in the best interests of the University and the College for the University Board to issue on behalf of both the University and the College not to exceed \$58,000,000 in aggregate principal amount of one or more series of refunding revenue bonds as additional bonds under the applicable Indentures (the “Refunding Bonds”) for the purposes of (i) refunding and redeeming the Bonds To Be Refunded; (ii) funding debt service reserve funds for the Refunding Bonds; and (iii) paying the costs of issuance of the Refunding Bonds and related costs (the issuance of the Refunding Bonds and the use of the proceeds for refunding and redeeming the Bonds To Be Refunded are hereinafter referred to together as the “Refunding”);

WHEREAS, under the laws of the State of West Virginia (the “State”), including but not limited to the Refunding Act, refunding bonds that provide for payment of the outstanding bonds and do not increase the aggregate debt service for the issuer are considered as substitute indebtedness for the bonds being refunding and not as new indebtedness of the issuer;

WHEREAS, accordingly, other than a reduction in the debt service requirements, the Refunding will not result in any change to the obligations of the University or the

College under the Indentures or the relationship between the bonds issued under the Indentures and any bonds issued on behalf of the University or the College by the West Virginia Higher Education Policy Commission (“HEPC”) or the West Virginia Council for Community and Technical College Education (the “Council”), as the case may be;

WHEREAS, the approval of the Governor of the State will be a condition precedent to certain action regarding the Refunding Bonds, and the approval of the HEPC and, if applicable, the Council will be a condition precedent to the sale and issuance of the Refunding Bonds; and

WHEREAS, it is in the best interests of the University and the College to authorize and direct Authorized Officers (defined below) of the University to proceed with the Refunding within the parameters set forth herein; provided, that the Bond Purchase Agreements for the Refunding Bonds shall be executed by both the Chairman or Vice Chairman of the University Board and the Chairman or Vice Chairman of the College Board.

NOW, THEREFORE, BE IT RESOLVED BY EACH OF THE FAIRMONT STATE UNIVERSITY BOARD OF GOVERNORS AND THE PIERPONT COMMUNITY AND TECHNICAL COLLEGE BOARD OF GOVERNORS AS FOLLOWS:

Section 1. Findings and Determinations. Each Board specifically finds and determines that the Preambles set forth above are incorporated herein as if set forth as findings and determinations in this Section 1.

Section 2. Refunding Bonds and Refunding Authorized. There are hereby authorized, subject to the provisions of this Resolution, the issuance by the University Board on behalf of both the University and the College of not to exceed \$58,000,000 in aggregate principal amount of one or more series of Refunding Bonds for the purposes of (i) refunding and redeeming the Bonds To Be Refunded, (ii) funding debt service reserve funds for the Refunding Bonds, and (iii) paying the costs of issuance of the Refunding Bonds and related costs. The current refunding and redemption on the earliest practicable date of the Series 2002A Bonds To Be Refunded and the Series 2002B Bonds To Be Refunded and the advance refunding and redemption on June 1, 2013 of the Series 2003A Bonds To Be Refunded and the Series 2003B Bonds To Be Refunded are hereby authorized and directed.

Section 3. Sale; Appointments. It is in the best interests of the State to sell the Refunding Bonds by private sale, as authorized by the Refunding Act, to Raymond James & Associates, Inc. and Crews & Associates, Inc. (together, the “Underwriters”) pursuant to one or more Bond Purchase Agreements to be executed and delivered in such form as approved, upon advice of counsel, by the Chairman or Vice Chairman of the University Board and by the Chairman or Vice Chairman of the College Board. Jackson Kelly PLLC, which served as bond counsel for the Outstanding Bonds, is hereby appointed as bond counsel for the Refunding Bonds. WesBanco Bank, Inc. shall continue to serve as

trustee under the Indentures, including as supplemented and amended by the Supplemental Indentures.

Section 4. Parameters for Terms of Refunding Bonds. Anything to the contrary in this Resolution notwithstanding, the Chairmen or Vice Chairmen, as the case may be, of the University Board and the College Board may enter into the Bond Purchase Agreements only if the following terms of the Refunding Bonds are met: (i) the aggregate principal amount of all series of Refunding Bonds may not exceed \$58,000,000 in aggregate principal amount; (ii) the Refunding Bonds may not mature prior to June 1, 2012 or later than December 1, 2035; (iii) the interest rates or yields for each series of Refunding Bonds shall result in a net interest cost for such series of Refunding Bonds not exceeding four and one-half percent (4.5%) per annum; and (iv) the net present value of savings resulting from each series of Refunding Bonds shall be satisfactory to such Chairmen or Vice Chairmen. Execution and delivery by the Chairmen or Vice Chairmen, as the case may be, of the University Board and the College Board shall constitute evidence that the Refunding Bonds comply with the foregoing requirements.

Section 5. Authorized Officers; Other Documents and Actions. The Chairman and Vice Chairman of the University Board and the President and Vice President for Administration and Fiscal Affairs of the University (each, an “Authorized Officer”) are hereby authorized and directed to proceed with the Refunding, including but not limited to determining the forms, terms and provisions of and executing and delivering, as applicable, the Supplemental Indentures, the Preliminary Official Statements, the Bond Purchase Agreements (together with the Chairman or Vice Chairman of the College Board, as required by Sections 3 and 4, above), Official Statements, Escrow Agreements, Tax Certificates and Continuing Disclosure Agreements and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution and the Indentures, as supplemented and amended by the Supplemental Indentures. Without limiting the foregoing delegation, the Chairman and Vice Chairman of the College Board and the President and chief financial officer of the College are hereby authorized and directed to take such actions and execute such documents as shall be necessary, as determined by bond counsel, to effect the Refunding.

Section 6. Special Obligations. The Refunding Bonds shall be secured by the respective pledges effected by the applicable Indenture, as supplemented and amended by the Supplemental Indenture, and shall be payable and secured by a pledge of the respective Trust Estate, as defined therein, and any other funds or assets described therein. Each series of the Refunding Bonds, together with the interest thereon, is a special obligation of the State and shall not constitute a debt of the State, and the credit or taxing power of the State shall not be pledged therefor, but the Refunding Bonds shall be payable only from the respective revenues and funds pledged for their payment as provided in the Indentures, as supplemented and amended by the Supplemental Indentures. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Refunding Bonds or for any claim based thereon, on this Resolution or on any of the documents executed in connection therewith against any

official, member, officer or employee of the University Board, the College Board or the State or any person executing the Refunding Bonds, and neither members of the University Board or College Board nor any person executing the Refunding Bonds shall be liable personally on the Refunding Bonds by reason of the issuance thereof.

Section 7. Effect. This Resolution shall go into effect immediately upon adoption.

Adopted by the Fairmont State University Board of Governors this _____ day of February 2012.

**FAIRMONT STATE UNIVERSITY
BOARD OF GOVERNORS**

CHAIRMAN

Adopted by the Pierpont Community and Technical College Board of Governors this __ day of _____ 2012.

**PIERPONT COMMUNITY AND
TECHNICAL COLLEGE BOARD
OF GOVERNORS**

CHAIRMAN