

**SPECIAL MEETING OF THE
WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION**

July 19, 2021 | 9:00 a.m. | By Phone

1-646-558-8656 and enter meeting ID 969 9874 7960

AGENDA

- I. Call to Order**
- II. Approval of Administrative Exemption**
- III. Approval of Presidential Compensation for Bluefield State College**
- IV. Approval of Presidential Compensation for Concord University**
- V. Additional Board Action and Comment**
- VI. Adjournment**

**West Virginia Higher Education Policy Commission
Meeting of July 19, 2021**

ITEM: Approval of Administrative Exemption

INSTITUTION: Fairmont State University

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission grants the exemption designation for Fairmont State University based on the definition of administratively exempted school as defined in W. Va. Code §18B-1-1f(c).

STAFF MEMBER: Matt Turner

BACKGROUND:

Following the passage of Senate Bill 760 during the 2020 Regular Session of the West Virginia Legislature, the state now permits qualified public four-year institutions meeting specific financial and academic performance benchmarks to apply to the Commission for designation as an administratively exempt school.

An administratively exempt school will be exempt from Commission oversight for:

- Approval of capital projects to ensure that capital projects and facility needs are managed effectively pursuant to W. Va. Code § 18B-1B- 4(a)(10);
- Development and approval of institutional mission definitions pursuant to W. Va. Code § 18B-1B-4(a)(34);
- Academic program approval required pursuant to W. Va. Code § 18B-1B-4(a)(35);
- Rules providing guidance to the governing boards in filling vacancies in the office of the president pursuant to W. Va. Code § 18B-1B-6(d);
- The Commission's rule governing and controlling acquisitions and purchases pursuant to W. Va. Code § 18B-5-4;
- The required approval of capital improvement projects exceeding \$3 million pursuant to W. Va. Code § 18B-19-6;
- The required approval of lease-purchase agreements for capital improvements and equipment of \$1.5 million or greater pursuant to W. Va. Code § 18B-19-11; and
- The required approval of real estate transactions, lease-purchase, and new building construction exceeding \$1 million pursuant to W. Va. Code § 18B- 19-13.

To apply for administrative exemption, a four-year college or university must meet and maintain **three of the five** following criteria:

- A three-year average graduation rate of not less than 45 percent;
- A three-year average retention rate of not less than 60 percent;
- A three-year credit head count enrollment *increase*, or a decrease of not more than

- 5 percent during the same period;
- A three-year average of not less than 50 days of cash reserved; and
- A Composite Financial Index (CFI per Higher Learning Commission indicators) of not less than one.

The Commission’s Finance and Facilities and Policy and Planning staff have reviewed data for Fairmont State University for the five qualifying criteria, per the table below:

Institution	Benchmark Met Y/N (Actual Data)					Number of Metrics: Benchmark Met (Out of 5)
	Graduation Rates	Retention Rates	Credit Headcount Enrollment	Days of Cash Reserved	CFI	
Fairmont State University	N (42.2%)	Y (65.6%)	N (-7.1%)	Y (200.3)	Y (1.7)	3

The statute requires the Commission to consider three-year-average performance to ensure institutions are evaluated on a trending basis, rather than a single point in time. Fairmont State University’s retention rates have remained relatively consistent over the previous three years and have met the benchmark of at least 60 percent. The institution has seen an improvement in the six-year graduation rates for students in bachelor’s degree programs, however the three-year average did not meet the benchmark. In addition, the three-year decline in annual credit headcount enrollment (excluding dual-enrollment students) of 7.1 percent does not meet the benchmark established by statute (a decrease of no more than 5 percent).

Fairmont State University’s days of cash reserved, a measure of the institution’s financial security, has steadily increased between Fiscal Year 2018 and Fiscal Year 2020 and is currently at 226 days. Similarly, the CFI composite score has improved from 1.12 to 2.08. A CFI composite value of 1.0 or lower is equivalent to weak financial health, and 3.0 or higher signifies a relatively strong financial position. The three-year average CFI score of 1.7 indicates that the institution is strengthening its financial position.

Since FSU meets three of the five statutory criteria for administrative exemption, Commission staff recommend granting its request for administratively exempt status per W. Va. Code § 18B-1-1f.



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June 17 , 2021

Sarah Tucker, Chancellor
 West Virginia Higher Education Policy Commission
 1018 Kanawha Boulevard East, Suite 700
 Charleston, WV 25301

RE: Administrative Exemption for Fairmont State University

Dear Chancellor Tucker:

Per §133-64-3.1 of Title 133, Legislative Rule, West Virginia Higher Education Policy Commission – Administrative Exemption, Series 64, please consider this letter as Fairmont State University’s formal notice and Application to the West Virginia Higher Education Policy Commission (the Commission) for designation as an administratively exempt school. Fairmont State University meets at least three of the five exemption criteria designated in West Virginia Code §18B-1-1f(b) and reiterated in subsection 2.1 of Series 64:

CRITERIA	17-18	18-19	19-20	Outcome	Met Not Met
2.1.b. Retention rate: A three-year average retention rate of not less than 60 percent	65.4%	62.4%	69.3%	65.6%	MET
2.1.d. Days of cash reserved: A three-year average of not less than 50 days cash reserved	174	201	226	200.3	MET
2.1.e. Composite Financial Index: A Composite Financial Index of not less than one as reported in the college and university’s audited financial statements; or	1.12	1.99	2.08	1.7	MET
2.1.f. Whose governing board requests a review by the chancellor of any special circumstances and the Commission grants administratively exempted status based on those special circumstances as verified by the chancellor after his or her review.	N/A	N/A	N/A	N/A	N/A

Therefore, Fairmont State University formally requests that the Commission accept this letter as Fairmont State University's Application for Administrative Exemption Status to begin in Fall 2021, and that this Application be put forth for any additional consideration or review as deemed necessary by the Commission per §133-64-1 on or before the August 2021 Commission meeting.

Fairmont State University stands ready to further assist the Commission should it require any additional information.

Sincerely,



Mirta M. Martin, Ph.D.
President



David Goldberg
Chair, Board of Governors

**West Virginia Higher Education Policy Commission
Meeting of July 19, 2021**

ITEM: Approval of Presidential Compensation

INSTITUTION: Bluefield State College

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission approves compensation for Dr. Robin C. Capehart as President of Bluefield State College as proposed by the institutional board of governors.

STAFF MEMBER: Kristin Boggs

BACKGROUND:

Pursuant to W. Va. Code § 18B-1B-4(a)(18), the Commission must approve the total compensation package from all sources proposed by an institutional governing board for presidents of institutions under its jurisdiction.

Bluefield State College

At its meeting on June 25, 2021, the Bluefield State College Board of Governors (Board) voted to amend President Capehart's contract to raise the cap on potential salary increases from 10 percent to 20 percent based upon measures of achievement agreed upon by the President and the Board's Executive Committee each year. The Board also proposes to increase President Capehart's base salary from \$200,000 to \$235,000 per year. All other items of compensation as reflected in the president's May 14, 2020 contract will remain the same.

This request falls within the provisions and guidelines of Series 5 of the Commission's rules, *Guidelines for Governing Boards in Employing and Evaluating Presidents*; therefore; it is recommended that the Commission approve the proposed compensation package as submitted.

**West Virginia Higher Education Policy Commission
Meeting of July 19, 2021**

ITEM: Approval of Presidential Compensation

INSTITUTION: Concord University

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission approves compensation for Dr. Kendra Boggess as President of Concord University as proposed by the institutional board of governors.

STAFF MEMBER: Kristin Boggs

BACKGROUND:

Pursuant to W. Va. Code § 18B-1B-4(a)(18), the Commission must approve the total compensation package from all sources proposed by an institutional governing board for presidents of institutions under its jurisdiction.

Concord University

At its meeting on June 15, 2021, the Concord University Board of Governors (Board) voted to increase President Boggess's base salary from \$195,000 to \$205,000 per year. All other items of compensation will remain the same.

This request falls within the provisions and guidelines of Series 5 of the Commission's rules, *Guidelines for Governing Boards in Employing and Evaluating Presidents*; therefore; it is recommended that the Commission approve the proposed compensation package as submitted.