



UNANIMOUSLY APPROVED
BY THE
COUNCIL OF TRUSTEES
JANUARY 28, 2016

Council of Trustees
West Chester University | West Chester, PA 19383 | www.wcupa.edu

**REGULAR MEETING OF THE COUNCIL OF TRUSTEES
PHILIPS 3rd FLOOR BOARD ROOM
PHILIPS MEMORIAL BUILDING
November 12, 2015
5:15 PM**

The regular meeting of the Council of Trustees of West Chester University of Pennsylvania was held on November 12, 2015, in the Philips Memorial Building, West Chester, PA.

AGENDA ITEM I - CALL TO ORDER:

Chair Fillippo called the meeting to order. Chair Fillippo led the Pledge of Allegiance. Council members present were Fillippo, Ireland, Matlawski, Moskowitz, Silberman, and Tomlinson. Absent but accounted for were Members Costello, Dozor, Franklin and Lewis.

The Chair then appointed Member Moskowicz as Secretary Pro Tem for this meeting in the absence of Secretary Costello.

AGENDA ITEM II - APPROVAL OF MINUTES OF THE PREVIOUS MEETING AS DISTRIBUTED TO THE COUNCIL OF TRUSTEES:

MOTION (IRELAND/MATLAWSKI):

APPROVAL OF MINUTES OF THE SEPTEMBER 16, 2015, MEETING AS PRESENTED.

MOTION UNANIMOUSLY APPROVED.

AGENDA ITEM III – PUBLIC COMMENT: LIMIT OF TEN (10) MINUTES:

None.

AGENDA ITEM IV – REPORT OF THE COUNCIL CHAIRPERSON:

It's good to see all of you this afternoon. I wanted to remind you about the Annual Holiday Program which will be presented by the School of Music on December 5. You have received invitations to the 3 p.m. concert and the reception at Tanglewood afterward, so if you would like to reserve tickets for this wonderful performance and haven't done so yet, please let anyone in the President's Office know and they will make sure that you have tickets set aside for you.

For the minutes, I would like to report that an Executive Session was held immediately after the Council of Trustees formal meeting on September 16, 2015 beginning at 6:15 p.m. and ending at 6:30 p.m. The purpose of that meeting was to discuss a personnel issue.

Also, for the minutes, I would like to report that an Executive Session was held today, November 12, 2015, to discuss a personnel issue. The Executive Session started at 4:45 – and ended at 5:10 p.m.

Chair Fillippo called on President Weisenstein to give his report.

AGENDA ITEM V – REPORT OF THE UNIVERSITY PRESIDENT:

President Weisenstein deferred his time to Mr. Tom Clark, Associate Director of Facilities, who will present information regarding the Comprehensive Facilities Plan. President Weisenstein asked Mr. Clark to come to the microphone to give his presentation. Mr. Clark remarked that the

complete copy of the West Chester University Updated Mid-Decade Comprehensive Campus Plan and Physical Planning Proposals – 2015 has been attached to the minutes of this meeting. This document includes a comprehensive review of the changes in the beginning and then two program studies in the back that address the space needs per College, space needs for student activities and also space needs per department. After Mr. Clark reviewed the entire plan, Dr. Weisenstein thanked him for his good work and for his excellent report.

President Weisenstein introduced representatives from the audit firm of CliftonLarsonAllen (Steve Rosa, CPA and Principal along with Chrissy Bowman, Senior Manager) who presented highlights of the University's audit. Mr. Steve Rosa pointed out that each member had a complete set of audited financial statements as well as a PowerPoint presentation which they used to review the audit. The audit document has been attached to the minutes of this meeting.

Mr. Rosa remarked that the financial statements are prepared by the management of West Chester University. The audit firm gives the opinion of those financial statements. They shared with the Council of Trustees that they are well-represented in the process. The auditors had individual conversations with many people as part of their audit planning. They also had extensive conversations with upper management including President Weisenstein. The audit results provided an unmodified audit opinion. This is the highest and cleanest level of assurance that they can give. It is what is known as a "clean opinion." The financial statements themselves were audited with the standards

of their profession of CliftonLarsonAllen and the “clean opinion” basically means that the statements are prepared fairly in all material respects. That is an excellent result. He reported that it is important to know that West Chester University is in outstanding shape.

As far as governance communications, they are required to perform their audit in accordance with the generally accepted government standards. The recognition of the liability (GASB Statement No. 68 and 71) -which is what WCU has to comply with- were adopted in 2015. What that means is that WCU picked up a liability, which was not ever on the books before which is \$65 million, which was the unfunded liability (West Chester University’s share) of the three-quarters of a billion dollar liability that the Pennsylvania State System has for unfunded pension costs per PSERS and SERS.

The financial statements also include estimates. This includes the following: allowance for uncollectible receivables, fair value of investments, useful lives of capital assets, liability for postemployment benefits and pensions, and compensated absences. No adjustments were made to the financial statements. If there had been any adjustments, the auditors would have to report those to Mr. Franklin and Mr. Lewis.

Ms. Bowman completed the report saying that prior to this meeting, they had met with the Finance Committee and went deeper with details. She shared a few important highlights to review. The big story this year, not just for WCU, but for any public entity with pensions, the GSBA 68 hit this year. Obviously, WCU had to pick up the \$65 million and then this year another \$7 million was

added on so at the end of the year, WCU is at \$71 million of liability related to pension costs. Other than that, the year has been very strong. The tuition and revenues as a percent of operating expenses is consistent with last year. The bottom line is still positive. State appropriations decreased a couple million dollars, but all in all, WCU had a pretty strong year.

There is an operating loss on the income statement or statement of changes of net position. That is really consistent with most public entities because accounting standards require that. The State appropriations as well as Pell Grants are recorded as non-operating and that is a significant piece of West Chester University's revenues. It is not unusual to see that there is an actually operating loss.

In three years, there will be another large number to hit, but there is not an estimate yet of what that will be. Basically, the same thing that pensions have done, West Chester University's post-employment benefits are going to do the same. That is the retirement health care plan. Whatever is West Chester University's proportionate share of that plan is going to have to come on the statement as a liability. This will happen in 2018.

MOTION (IRELAND/TOMLINSON)

MOTION TO ACCEPT THE FINANCIAL STATEMENTS.

MOTION UNANIMOUSLY APPROVED.

Dr. Weisenstein concluded his report by asking for approval of Purchase Orders and Contracts in excess of \$5,000 executed during August and September, 2015 for the purchase of equipment, services and supplies.

MOTION (MOSKOWITZ/MATLAWSKI):

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA HEREBY APPROVES THE LIST OF PURCHASE ORDERS AND CONTRACTS IN EXCESS OF \$5,000 EXECUTED DURING AUGUST AND SEPTEMBER, 2015 FOR THE PURCHASE OF EQUIPMENT, SERVICES, AND SUPPLIES.

MOTION UNANIMOUSLY APPROVED.

President Weisenstein addressed the issue regarding the liabilities that we now have to list (or list at least a portion of those liabilities) that the auditors brought to the Council's attention. West Chester University has been talking about those liabilities for some years now, and we understand that we and the Pennsylvania State System of Higher Education are going to have to face considerable liability in the near future. The University is moving in a direction of trying to plan for our portion of that liability.

This concluded President Weisenstein's report.

Chair Fillippo thanked President Weisenstein.

AGENDA ITEM VI – REPORT OF THE VICE PRESIDENT:

None.

AGENDA ITEM VII – REPORTS OF EXECUTIVE COMMITTEE:

None.

AGENDA ITEM VIII – REPORTS OF STANDING COMMITTEES:

In the interest of time, Chairperson Fillippo asked that the committee reports be as short as possible.

Academic Affairs

Member Tomlinson introduced the following resolution from the Academic Affairs Committee for consideration and action by the Council of Trustees. The reason for the motion is that the Department of Sports Medicine currently offers a Bachelor's degree in athletic training and in June of 2015, a mandate was finalized requiring professional athletic training programs to transition into the Master's program. He said that it is important to note that the current Bachelor's degree is currently functioning at the level of 41 other Master's degree programs in the United States.

MOTION (TOMLINSON/IRELAND)

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA APPROVE THE MASTER OF SCIENCE IN ATHLETIC TRAINING TO MOVE FORWARD TO THE BOARD OF GOVERNORS OF THE STATE SYSTEM OF HIGHER EDUCATION FOR FINAL APPROVAL, PENDING APPROVAL BY THE OFFICE OF THE CHANCELLOR.

MOTION UNANIMOUSLY APPROVED.

Member Tomlinson also reported that enrollments were reported at the committee meeting. There are currently 16,611 students.

This concluded Member Tomlinson's report.

Student Affairs Committee and SGA Update

Ms. Montana Leaks reported that the Student Affairs Committee convened starting with a Student Government Association (SGA) update.

Ms. Leaks reported that there are nine new student organizations and they are close to hitting the 300 mark of student organizations. That is a big accomplishment. SGA is also working with many of the other State System universities to get the State budget passed because without it, some of the students will not be coming back in the spring and that is a problem.

She reported that Dr. Bricketto also touched on student leadership efforts, the new Commons Project, a holiday service project and the athletic update.

This concluded Ms. Leaks report.

Advancement

Member Silberman reported that the committee did meet. Each year, the Council of Trustees must certify that organizations affiliated with West Chester University have met the Board of Governors' policy on external financial support (Policy 1985-04). The Vice President for Advancement and Sponsored Research has received the required evidence that the WCU Foundation, the WCU Alumni Association and Student Services, Inc. continue to meet the criteria set forth in the Board of Governors policy. The Council of Trustees is asked to certify that these affiliated organizations are in compliance with the Board of Governors' policy (Policy 1985-04). Therefore, Member Silberman

introduced the following resolution from the Advancement Committee recommended for consideration and action by the Council of Trustees.

MOTION (SILBERMAN/IRELAND):

CERTIFICATION OF COMPLIANCE OF AFFILIATED ORGANIZATIONS WITH BOARD OF GOVERNORS' POLICY ON EXTERNAL FINANCIAL SUPPORT (POLICY 1985-04-A).

THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA, UPON RECOMMENDATION OF THE PRESIDENT, HEREBY CERTIFIES, AS PER BOARD OF GOVERNORS' POLICY 1985-04-A, THAT THE FOLLOWING AFFILIATED ENTITIES MAKE A FINANCIAL CONTRIBUTION TO THE UNIVERSITY OR PROVIDE SIMILAR BENEFITS ON A REGULAR BASIS, SATISFACTORY TO THIS COUNCIL OF TRUSTEES AND TO THE PRESIDENT.

**STUDENT SERVICES, INC.
WEST CHESTER UNIVERSITY ALUMNI ASSOCIATION
WEST CHESTER UNIVERSITY FOUNDATION**

THE COUNCIL OF TRUSTEES ALSO CERTIFIES THAT, TO THE BEST OF ITS KNOWLEDGE, INFORMATION AND BELIEF, THE AFFILIATED ENTITIES ARE IN COMPLIANCE WITH BOARD OF GOVERNORS' POLICY 1985-04-A, IN THAT THEY EXIST SOLELY FOR THE BENEFIT OF THE UNIVERSITY; THE EXPECTATIONS OF THE RELATIONSHIP BETWEEN THE UNIVERSITY AND THE AFFILIATED ENTITY ARE MEMORIALIZED IN CURRENT, EXECUTED MEMORANDA OF UNDERSTANDING; AND THE AFFILIATED ENTITIES REQUIRE AN ANNUAL EXTERNAL AUDIT OF THEIR FUNDS AND PROVIDE COPIES OF THEIR AUDIT REPORTS TO THE UNIVERSITY AND THE OFFICE OF THE CHANCELLOR.

THE COUNCIL OF TRUSTEES ALSO CERTIFIES THAT, TO THE BEST OF ITS KNOWLEDGE, INFORMATION AND BELIEF, NO UNIVERSITY EMPLOYEE SERVES AS A VOTING MEMBER OF THE BOARD OF THESE AFFILIATED ENTITIES, NOR DOES ANY EMPLOYEE OF THE UNIVERSITY RISK ADVERSE INTEREST THROUGH SERVICE TO OR RELATIONSHIP WITH AN AFFILIATED ENTITY.

A COPY OF A STATEMENT BY THE UNIVERSITY'S CHIEF FINANCIAL OFFICER SUMMARIZING BOTH THE DIRECT UNIVERSITY SUPPORT

PROVIDED TO THE AFFILIATED ENTITIES AND THE CONTRIBUTIONS MADE BY THE AFFILIATED ENTITIES TO THE UNIVERSITY COVERED IN THIS CERTIFICATION IS ATTACHED HERETO AND MADE A PART HEREOF.

MOTION UNANIMOUSLY APPROVED.

This concluded Member Silberman's report.

Campus Development and Facilities

Member Matlawski reported that members received their packets including a summary of the projects which he commended to the Council of Trustees. The Campus Development and Facilities Committee did meet and had a short meeting.

Member Matlawski noted that in their packets there is a rather detailed report on the Commons Project, including uses, funding, etc. In May of 2015, this Council of Trustees passed a resolution regarding the Commons Project. Since that time, the Commons Project has been expanded and will have added academic space and a parking structure which the Borough requested to be added.

Member Matlawski introduced the new resolution for consideration by the members:

MOTION (MATLAWSKI/IRELAND)

THE COMMONS

TO APPROVE WEST CHESTER UNIVERSITY OF PENNSYLVANIA'S UNDERTAKING AN EDUCATION AND GENERAL, AND AUXILIARY FACILITIES PROJECT TO DESIGN AND CONSTRUCT A MIXED-USE FACILITY AND SEPARATE PARKING GARAGE STRUCTURE ON NORTH CAMPUS.

WHEREAS, WEST CHESTER UNIVERSITY OF PENNSYLVANIA HAS DEMONSTRATED A NEED FOR A NEW BUILDING TO SUPPORT ITS COLLEGE OF HEALTH SCIENCES, COLLEGE OF ARTS AND SCIENCES, ITS DINING AND CATERING PROGRAM, AND THE NEED FOR A PARKING GARAGE STRUCTURE, AND;

WHEREAS, THE UNIVERSITY HAS PROVIDED A VIABLE FINANCIAL PLAN FOR FUNDING THE PROJECT, AND;

WHEREAS, THE COUNCIL OF TRUSTEES WILL ENSURE THAT FUNDING WILL BE AVAILABLE AND FEES WILL BE ESTABLISHED AT SUCH RATES AS TO ADEQUATELY FINANCE THE PROJECT, AND;

WHEREAS, THIS RESOLUTION SUPERSEDES THE COUNCIL OF TRUSTEES RESOLUTION OF MAY 14, 2015, RELATED TO THE COMMONS.

NOW, THEREFORE, BE IT RESOLVED, THAT THE COUNCIL OF TRUSTEES, APPROVED THE UNDERTAKING OF A CAPITAL FACILITIES PROJECT FOR THE COMMONS AND PARKING GARAGE; AND FURTHER DO HEREBY AUTHORIZE THE PRESIDENT OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA TO AFFIX OUR SIGNATURE TO A STANDARD LOAN COVENANT AGREEMENT FOR FINANCING THE PROJECT.

MOTION UNANIMOUSLY APPROVED.

Member Matlawski said that for a number of years he has been the Council of Trustees' representative to the Campus Development and Facilities Committee. In that time, he learned quite a lot about what West Chester University is doing regarding facilities. He reported that one of the people who had helped him greatly in that matter has been Greg Cuprak. He said that he understands that Greg is retiring within a couple of weeks.

Member Matlawski asked Greg Cuprak to stand and he read the following:

“This evening, I would ask the Council of Trustees of West Chester University to join me in thanking Greg Cuprak for his contributions to West Chester University and to congratulate him on his upcoming retirement. Greg has served West Chester University for 19 years in several key roles, including Director of Plant Maintenance, Director of Physical Plant, Director of Facilities Management, Executive Director of Facilities Management and Director of Plant Operations.

During his tenure at West Chester University, Greg implemented approximately \$65 million in capital improvement projects, and he is also responsible for several major improvements including the upgrading to athletic fields on south campus.

Greg has repeatedly taken on additional responsibilities to benefit the University. He has served or chaired on several search committees for key positions, and he managed a large federal grant that helped fund the geothermal system.

Maybe most notable among Greg’s many accomplishments is the development of the District Geo-Thermal Heating and Cooling System. The conversion to a geo-thermal system reversed the University’s dependence on fossil fuel and allowed the University to decommission the coal-fired boiler plant. Even with additional buildings and increasing use of facilities, CO2 emissions were reduced by 55 percent and energy uses by 15 percent.

Long after Greg leaves, his leadership in the development of the geothermal system will benefit West Chester University.”

Member Matlawski then asked that Council of Trustees join him in thanking Greg Cuprak for his contributions and wishing him the best in his retirement.

Information Technology

Member Moskowitz stated that the committee met and a summary of the committee is provided in the packet.

This concluded Member Moskowitz’s report.

Budget and Finance

Chair Fillippo reported that he attended the committee meeting in the absence of Members Lewis and Franklin, he reported that the earlier discussion of the audited financials covered the report from this committee.

This concluded Chair Fillippo’s report for this committee.

AGENDA ITEM IX – REPORTS OF SPECIAL COMMITTEES:

None.

AGENDA ITEM X – REPORTS OF LIAISON TO CONSTITUENCIES:

Member Silberman reported that, unfortunately, he was unable to attend the PACT Workshop earlier this week, but I am glad to report that Chair Tom Fillippo was able to attend on Sunday, November 8 in Philadelphia. He thanked Chair Fillippo for representing the Council of Trustees.

AGENDA ITEM XI – OLD BUSINESS:

Member Moskowitz reported that during the last formal Council of Trustees meeting on September 16, 2015, Member Barry Dozor asked for the Council of Trustees' consideration of modifying the Council of Trustees By-Laws to allow the election of the COT Chair, Vice Chair and Secretary every two years instead of every year.

At the September meeting, Member Dozor referenced the existing By-Laws in Article IX, Section IV, stating the following:

Section IV. By-laws Changed: These by-laws may be changed by a majority vote of the Council provided each member of the Council has received a copy of the proposed changes at least seven days prior to the next regular meeting at which time the vote on the changed by-laws shall be taken.

As requested by Member Dozor, the President's Office drafted the By-Law change and sent it to everyone well in advance of this November meeting to consider this change.

The change in the By-laws allows the officers to be elected every two years. The changed By-laws under ARTICLE V – OFFICERS, Section II.

Election reads as follows:

Section II. Election: The officers of the Council shall be elected for a two-year term at the annual meeting of the Council and shall perform the duties assigned to such officers. They hold office until successors are legally elected. They shall be nominated by a

nominating committee appointed by the Chairperson of the Council at the meeting preceding the annual meeting. Nominations may be made from the floor.

As a member of the Nominating Committee and on behalf of Member Barry Dozor, Member Moskowitz introduced the following Resolution for the Council of Trustees' consideration and a majority vote of the Council at this November 12, 2015 meeting which would legally change this portion of the By-Laws.

Member Moskowitz read the following Resolution:

MOTION (SILBERMAN/IRELAND):

BE IT RESOLVED THAT THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA HEREBY APPROVES OF THE REVISIONS OF THE COUNCIL OF TRUSTEES BY-LAWS AS PRESENTED.

MOTION UNANIMOUSLY APPROVED.

AGENDA ITEM XII - NEW BUSINESS:

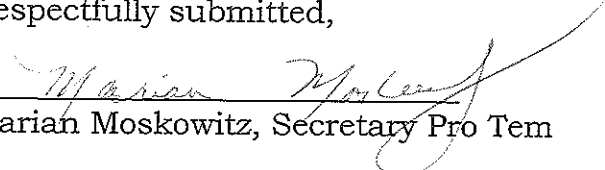
None.

AGENDA ITEM XIII - ADJOURNMENT:

Chair Fillippo asked for a motion for adjournment.

**MOTION (TOMLINSON/MATLAWSKI):
MOTION TO ADJOURN AT 6:10 P.M.
MOTION UNANIMOUSLY APPROVED.**

Respectfully submitted,


Marian Moskowitz, Secretary Pro Tem