

WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION

December 13, 2024 | 10:30 a.m. | West Virginia School of Osteopathic Medicine

By Phone: 1-646-558-8656 and enter meeting ID 898 4634 0012

[Or by Zoom Video](#)

AGENDA

- I. Call to Order**
- II. Welcome**
- III. Chairman’s Report**
- IV. Chancellor’s Report**
- V. Annual Update from Advisory Council of Students**
- VI. Update from the Division of Student Affairs**
- VII. Approval of Minutes.....2**
- VIII. Presentation of 2024 Health Sciences and Rural Health Report.....4**
- IX. Report on Fall 2024 Enrollment.....7**
- X. Presentation of 2024 Financial Aid Comprehensive Report.....8**
- XI. Presentation of Fiscal Year 2024 Consolidated Audit.....11**
- XII. Approval to Offer Master’s Degree Programs.....25**
- XIII. Approval of Presidential Compensation.....34**
- XIV. Additional Board Action and Comment**
- XV. Adjournment**

DRAFT MINUTES

WEST VIRGINIA HIGHER EDUCATION POLICY COMMISSION

SEPTEMBER 20, 2024

I. Call to Order

Chairman Andrew A. Payne convened a meeting of the West Virginia Higher Education Policy Commission on September 20, 2024, at 9:00 a.m., by Zoom video and teleconference. The following Commission members participated: Christina Cameron, Ex-Officio; James W. Dailey; James Denova; Michael J. Farrell; Diane Lewis Jackson; Andrew A. Payne, and E. Gail Pitchford. Absent was Michele Blatt, Ex-Officio. Other participants included university representatives, Chancellor Sarah Armstrong Tucker, Higher Education Policy Commission staff, and others.

Chairman Payne secured a quorum.

II. Chairman's Report

Chairman Payne welcomed all participants to the meeting.

III. Chancellor's Report

Chancellor Tucker shared that enrollment numbers are starting to come in; some but not all institutions are seeing enrollment increases. There continue to be repercussions from the FAFSA, but the increase in Higher Education Grant Program funds have had a positive impact on students and institutions.

Chancellor Tucker also shared that Wheeling University recently received notice from the United States Department of Education regarding the institution's failure to meet the Department's standards of financial responsibility.

IV. Approval of Minutes

Commissioner Pitchford moved to approve the minutes of the June 7, 2024 and July 2, 2024 Commission meetings. Commissioner Cameron seconded the motion. Motion passed.

V. Approval of Appointment to the Higher Education Student Financial Aid Advisory Board

Ms. Tana Pendell, Director of State Financial Aid Programs, presented the agenda item.

Commissioner Cameron moved approval of the following resolution:

Resolved, That the West Virginia Higher Education Policy Commission approves the appointment of David Shoemaker to the Higher Education Student Financial Aid Advisory Board.

Commissioner Pitchford seconded the motion. Motion passed.

VI. Update on Dual Enrollment

Dr. Corley Dennison, Vice Chancellor for Academic Affairs, provided an update on the dual enrollment pilot program. Now in its second year, the program has expanded to additional institutions, new academic pathways, and increased county participation.

VII. Additional Board Action and Comment

There was no additional action or comment by the board.

VIII. Adjournment

There being no further business, Commissioner Jackson moved to adjourn the meeting. Commissioner Farrell seconded the motion. Motion passed.

Andrew A. Payne, Chairman

Diana Lewis Jackson, Secretary

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Presentation of 2024 Health Sciences and Rural Health Report

INSTITUTIONS: Marshall University, West Virginia School of Osteopathic Medicine, and West Virginia University

RECOMMENDED RESOLUTION: Information Item

STAFF MEMBER: Jordyn Reed

BACKGROUND:

The *2024 West Virginia Health Sciences and Rural Health Report Card* includes admissions data, licensure exam data, and student debt data from the state's three medical schools; graduation data from other health professions programs; West Virginia Nursing Scholarship Program, Health Sciences Service Program, Choose WV, Mental Health Loan Repayment Program and Medical Student Loan Program data; and, Rural Health Initiative program profiles.

The full report may be found here:

https://www.wvhpc.edu/wp-content/uploads/2024/12/2024-Health-Sciences-Report_Final_web.pdf

Highlights

- The state's three medical schools collectively enrolled 381 students in their first-year classes. Of these 381 students, 168 were in-state students. This is 30 more in-state students when compared to last year.
- In-state tuition at West Virginia medical schools is among the most affordable in the nation, with all three medical schools setting in-state tuition below \$35,000 per year.
- All three medical schools had licensure exam (COMLEX Level 3 or USMLE Step 3) passage rates on first attempt at or above 94 percent.
- Medical school indebtedness ranged from an average of to \$185,378 (West Virginia University) to \$189,109 (Marshall University) to \$242,465 (West Virginia School of Osteopathic Medicine) for the Class of 2024.

- For the graduating classes of 2014-2019 who have now completed residency training, 22 percent of West Virginia medical school graduates were retained for practice in West Virginia (down from 24 percent for the graduating classes of 2013-2018); 12 percent were retained for practice in primary care in West; and 6 percent were retained for practice in rural areas of West Virginia.
- The location of a medical school graduate's residency program frequently predicts whether that graduate will practice in West Virginia. For the 2019 graduates of West Virginia medical schools, 195 graduates went on to complete primary care residency programs. Upon completing residency, 77% of those who completed in-state primary care residencies were retained in West Virginia to practice, while only 7% of graduates who completed out-of-state primary care residencies returned to West Virginia to practice.
- Over the last decade, West Virginia has experienced sizeable growth in the number of health profession degree programs offered. This growth is important in meeting the healthcare needs of the state but should be monitored to ensure sufficient clinical training opportunities for trainees exist, all graduates wishing to work in West Virginia can secure employment, and that the programs produce graduates interested in serving in all areas of the state. As with last year's report, this year's report contains data about public pharmacy and dental graduates in addition to medical school graduates. Nursing data will be included in subsequent years.
- The report includes an overview of the Rural Health Initiative (RHI). In Fiscal Year (FY) 2024, \$587,000 grants were given to each of the state's three academic health centers. The grants support programming designed to increase the recruitment of healthcare providers to rural areas, increase the retention rate of healthcare providers in rural areas, develop pipeline programs to enhance student interest in healthcare careers, and involve rural areas of the state in the health education process.
- In addition to the grants to the academic health centers, the RHI program funding is also used to make smaller grants to other higher education programs, healthcare facilities, and nonprofit organizations.
- The report includes an overview of the different scholarship and loan repayment programs that the Health Sciences Division oversees. The West Virginia Nursing Scholarship Program, which offers scholarships in exchange for completing service obligations, received 843 applications during the 2023-2024 award year, a significant increase from the 693 applications from the prior year. The Health Sciences Service Program, which offers loan repayment to a variety of health professions in exchange for serving in underserved areas of West Virginia, offered 7 awards during its last award cycle, totaling \$150,000. The Mental Health Loan Repayment Program, which offers loan repayment awards to mental health

professionals in exchange for working in West Virginia's underserved communities, gave 35 awards last year totaling \$350,000.

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Report on Fall 2024 Enrollment

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Information Item

STAFF MEMBER: Zorrie Georgieva

BACKGROUND:

The presentation will provide an analysis of current enrollment data derived from the Fall Census 2024 data collection along with a discussion of historical enrollment trends. Data elements to be discussed include:

- Headcount Enrollment
- First Time Freshmen Enrollment
- Fall to Fall Retention Rates
- College-Going Rate
- Transfer Patterns
- Full Time Equivalent (FTE) Enrollment
- Student Demographics and Changes in Trends

The Fall 2024 Enrollment Report will be available on the Commission's website immediately following the meeting.

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Presentation of 2024 Financial Aid Comprehensive Report

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Information Item

STAFF MEMBER: Brian Weingart

BACKGROUND:

In accordance with W. Va. Code §18C-1-1f, this report represents the annual Financial Aid Comprehensive Report. It contains (a) descriptions of and changes to West Virginia aid programs, (b) policy recommendations for West Virginia aid programs, and (c) longitudinal data about recipients of state financial aid. The Financial Aid Comprehensive Report, coupled with data published on the online higher education data portal, provides a comprehensive view of the principal sources of financial aid at West Virginia colleges and universities. It should be noted that the data presented are for the 2023-24 academic year.

The full report may be found here:

https://www.wvhepc.edu/wp-content/uploads/2024/11/Financial-Aid-Comprehensive-Report-2024_web.pdf

PROGRAM CHANGES:

The substantial changes and delays surrounding the implementation of the 2024-25 Free Application for Federal Financial Aid (FAFSA) created significant challenges for students and institutions. Since both the West Virginia Higher Education Grant Program (HEGP) and the Promise Scholarship require applicants to complete the FAFSA, the Commission twice extended the application deadlines for those programs.

On April 30, 2024, Governor Jim Justice declared a State of Emergency and suspended the FAFSA requirement for state financial aid programs. Through this action, thousands of students became eligible to receive state financial aid; FAFSA was waived for first-year Promise Scholarship applicants, and students were able to qualify for the need-based HEGP with the previous year's FAFSA or through eligibility for federal means-tested programs administered by the Departments of Health or Human Services.

During the 2024 First Extraordinary Session, Governor Justice requested and the Legislature approved over \$80 million in additional funding for higher education. The

Commission was able to double the 2024-25 award amount of the HEGP from \$3,400 to \$6,800 and initiate a new grant to cover the financial assistance gap created by the FAFSA challenges and enable students to enroll for Fall 2024.

Typically, the FAFSA becomes available in October. Once again, the FAFSA is delayed until December 2024. The U.S. Department of Education will be beta testing October 1, 2024 through December 1, 2024 to ensure the process is smoother.

The Higher Education Student Financial Aid Advisory Board (SFAAB) met two times in 2023-24 and made recommendations to the Commission regarding the Promise Scholarship academic criteria and award amount, and the HEGP award structure.

During the 2024 Regular Legislative Session, House Bill 4919 was enacted to allow students who lose the Promise Scholarship to have one opportunity to seek reinstatement once the student has met the renewal requirements. This change was implemented during the Fall 2024 semester.

POLICY REFLECTIONS AND RECOMMENDATIONS:

PROMISE Scholarship Program

The standardized test score requirement to qualify for Promise for the Class of 2025 was maintained at the same level as the Class of 2024. Students continue to be able to use superscoring to meet the standardized test score requirement. The award amount was increased from \$5,200 to \$5,500 for the 2024-25 award year. The renewal grade point average was adjusted to 2.75 all college coursework and was implemented for the 2024-25 award year.

West Virginia Higher Education Grant Program

The SFAAB recommended that the maximum award for 2024-25 be increased to \$3,400 for students with a Student Aid Index (SAI) of under 13,000. Following an additional appropriation of funds, the award amount was doubled to \$6,800 for 2024-25.

DATA HIGHLIGHTS:

PROMISE Scholarship Program

- The number of Promise recipients decreased from 8,948 in 2022-23 to 8,747 in 2023-24.
- The total cost of the scholarship increased from \$42,432,489 in 2022-23 to \$43,346,930 in 2023-24.
- Approximately 90.8 percent of Promise recipients in 2023-24 attended a four-year public institution. Of these, most attended either West Virginia University (49.7 percent) or Marshall University (19.6 percent). Public community and technical colleges accounted for 3.8 percent of Promise scholars in 2023-24.

Higher Education Grant Program (HEGP)

- The number of HEGP recipients increased from 14,284 in 2022-23 to 15,360 in 2023-24.
- During that time, total awards increased from \$38,066,517 to \$42,835,898 and the average award amount increased from \$2,665 to \$2,789.
- In the 2023-24 academic year, 64.5 percent of HEGP recipients attended public four-year institutions. Of these, most students attended either West Virginia University (23.1 percent) or Marshall University (16.2 percent). Public community and technical colleges accounted for 21.9 percent of HEGP awardees in 2023-24, while four-year private, non-profit institutions accounted for 6.0 percent.

Higher Education Adult Part-Time Student (HEAPS) Grant Program

- The number of students receiving a HEAPS Part-Time Component award decreased from 3,101 in 2022-23 to 2,450 in 2023-24.
- The total award amount decreased from \$3,770,933 to \$2,957,232 in the same period.
- The average award remained relatively unchanged at \$1,216 in 2022-23 to \$1,207 in 2023-24.
- About 44.2 percent of HEAPS Part-Time Component recipients were enrolled at public four-year institutions, while 51.8 percent were enrolled at public two-year institutions in 2023-24.

Underwood-Smith Teacher Scholars

- The 2023-24 academic year is the fourth year of implementation of the scholarship program. Currently, there are a total of 95 recipients who received a total of \$859,831 of funding. The average award in 2023-24 was \$9,051.
- Out of all recipients, 92.6 percent attended public four-year institutions and 6.3 percent have enrolled in private four-year institutions.

Engineering, Science, and Technology Scholarship

- The number of Engineering, Science, and Technology (WV STEM) Scholarship recipients decreased from 264 in the 2022-23 academic year to 251 in 2023-24.
- The total amount awarded decreased from \$749,215 in 2022-23 to \$720,681 in 2023-24.
- Recipients received an average award of \$2,871 in 2023-24, an increase from \$2,828 the year before.
- Most recipients, 92.4 percent, attended a public four-year institution, with West Virginia University enrolling 63.7 percent of the total recipients and Marshall University enrolling 17.1 percent.

Nursing Scholarship Program

- A total of 344 scholarships to nursing students at all levels were awarded during the 2023-24 academic year, totaling \$1,351,500 in scholarship aid.

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Presentation of Fiscal Year 2024 Consolidated Audit

INSTITUTIONS: All

RECOMMENDED RESOLUTION: Resolved, That the West Virginia Higher Education Policy Commission accepts the audited financial report for the Higher Education Fund for the fiscal year ending June 30, 2024.

STAFF MEMBER: Misty Price

BACKGROUND:

The Commission is statutorily charged with the preparation of audited financial statements for West Virginia’s Higher Education Fund (Fund). The Fund is made up of all activity related to institutional operations of Commission and Council member institutions. Each institution is independently audited as part of the Fund Statement. The Commission is charged only with approving the Fund Statement. The Fund audit is completed by CliftonLarsonAllen, LLP under a contractual arrangement with the Chancellor’s Office.¹

Staff believes that the overall status of the fund is sound, although there are areas that should be monitored to ensure its continued viability. A discussion of these ratios is provided below.

The Audit Process

Independent Auditors’ Reports on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards were issued for all financial reports. The reports included management comments, which identify internal control deficiencies that were considered to be material weaknesses.

The combined financial statements, as well as the financial statements for each institution, the Commission, and the Council can be viewed on the Commission’s website: <https://www.wvhepc.edu/resources/purchasing-and-finance/financial-statements-2024/>.

¹ CliftonLarsonAllen, LLP subcontracted with Suttle and Stalnaker, PLCC, to complete audits for several institutions. The ultimate responsibility for performance is with CliftonLarsonAllen, LLP.

Summary of Financial Results

A summary of the financial information for the Fund is provided in this section. As a point of reference, the dollar amount numbers are presented in thousands.

Net Position

The Net Position is the total assets and deferred outflows of resources less the total liabilities and deferred inflows of resources of the Fund. The net position of the Fund increased in Fiscal Year (FY) 2024 by \$233.6 million. This follows an increase of \$69.3 million in FY 2023.

Net Assets (in 000s) - FY 2024	Change
Net Position	\$233,554
Cash and Cash Equivalents	\$140,489
Accounts Receivable	\$2,960
Noncurrent Cash and Cash Equivalents	-\$16,647
Investments	-\$36,250
Capital Assets - Net	-\$33,763
Deferred Outflows of Resources	-\$19,126
Accrued Liabilities	\$5,818
Notes Payable	-\$5,054
OPEB Liability	-\$12,745
Bonds Payable	-\$61,409
Deferred Inflows of Resources	-\$36,062

Bond and Capital Lease Activity

The total bonds, capital leases, and notes payable held by public higher education institutions remained consistent over the past two fiscal years at approximately \$1.45 billion as of June 30, 2024 compared to \$1.51 billion as of June 30, 2023.

Revenues

FY 2024 operating revenues increased \$57.6 million to \$1.36 billion from the \$1.31 billion earned in FY 2023. This increase is primarily related to higher grants and contracts and tuition and fees revenue.

FY 2024 nonoperating revenues increased \$212.9 million to \$979 million from the \$766.1 million earned in FY 2023, primarily because of the substantial increase in state appropriations, which increased \$234.2 million from the previous year.

Change in Revenues - FY 2024			
	FY 2023	FY 2024	Change
Auxiliary Enterprise Revenues	\$205,071	\$212,437	7,366
COVID Relief Grant Revenue	39,679	2,585	-37,094
Federal Grants and Contracts	205,907	234,715	28,808
Federal Pell Grants	90,668	103,313	12,645
Gifts	116,512	106,409	-10,103
Investment Income	41,365	56,331	14,966
State Appropriations and State Lottery Appropriations	555,184	789,412	234,228
State Grants and Contracts	68,454	66,429	-2,025
Tuition and Fees	602,649	610,389	7,740

Operating Expenses

Operating expenses increased \$54.2 million over FY 2023. As shown in the table below, all categories increased over the prior year except Scholarships and Fellowships and Depreciation and Amortization.

Operating Expenses						
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Change
Salaries and Wages	\$914,359	\$911,863	\$948,416	\$1,004,306	\$1,017,467	\$13,161
Benefits	235,632	186,473	158,846	183,629	219,913	\$36,284
Supplies and Other Services	418,256	421,833	458,924	493,913	499,565	\$5,652
Utilities	59,835	59,366	65,452	72,952	73,364	\$412
Student Financial Aid- Scholarships and Fellowships	150,209	159,117	209,221	127,027	126,666	-\$361
Depreciation and Amortization	129,763	144,842	177,316	196,730	195,082	-\$1,648

Operating Expenses Percent Changes					
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Salaries and Wages	2.01%	-0.27%	4.01%	5.89%	1.31%
Benefits	-3.56%	-20.86%	-14.82%	15.60%	19.76%
Supplies and Other Services	0.40%	0.86%	8.79%	7.62%	1.14%
Utilities	-4.65%	-0.78%	10.25%	11.46%	0.56%
Scholarships and Fellowships	33.96%	5.93%	31.49%	-39.29%	-0.28%
Depreciation and Amortization	-0.41%	11.62%	22.42%	10.95%	-0.84%

Analysis: Ratios and Financial Information

The purpose of this section is to provide a summary and analysis of the data included in the financial statements. Only financial information is provided; therefore, this information should be combined with key performance indicators in other areas such as academics, and student and faculty satisfaction to acquire a more complete understanding of institutional strength.

To ascertain the financial health of a college or university, four questions should be asked:

1. Are resources sufficient and flexible enough to support the mission?
2. Does financial asset performance support the strategic direction?
3. Do operating results indicate the institution is living within available resources?
4. Is debt managed strategically to advance the mission?

To address the four questions listed above, a financial analysis is presented using the Composite Financial Index (CFI) and several other ratios.² The CFI calculation uses the primary reserve, net operating revenues, return on net position, and viability ratios. These ratios are converted into strength factors which in turn are weighted to allow summing of the four resulting ratio scores into a single, composite value. The strength factors are limited to a scale of -4 to 10.

The primary reserve ratio and viability ratio are measures of financial condition based on expendable net position. These ratios are each weighted 35 percent in the calculation. The net operating revenues ratio measures an institution's ability to live within its means on a short-term basis, and it is assigned a weight of 10 percent. The return on net position assesses a school's capacity to generate overall return against all net resources, and its weight is 20 percent. The West Virginia School of Osteopathic Medicine has no capital project-related debt and Bluefield State University does not have significant capital project-related debt; consequently, a viability score was not calculated for these schools. The primary reserve, net operating revenues and return on net position ratios for both institutions were assigned weights of 55 percent, 15 percent and 30 percent respectively. Because its scores are exceptionally high compared to other institutions, a separate chart was completed for the West Virginia School for Osteopathic Medicine. Because the liability was substantial, the CFI was calculated without the OPEB information as well as the pension liability and its related expenses.

Other ratios were calculated to provide additional insight into the schools' financial health. Because the CFI primary reserve indices for some institutions were relatively low, the number of day's cash on hand was also determined. The age of the physical plant for each institution was estimated to assess the physical resources available to advance the schools' missions.

The CFI is designed to measure financial performance (income statement) and financial position (Statement of Net Position). The Statement of Net Position components comprise 70 percent of the index, focusing primarily on debt and reserves. The operating margin and net position return are highlights of the income statement analysis.

² The CFI methodology is described in the *Strategic Financial Analysis for Higher Education* (Seventh Edition), jointly developed and sponsored by Prager, Sealy & Co., LLC, KPMG, LLP and BearingPoint, Inc.

Although the CFI is a very useful tool for analysis, its limitations should be considered. The index only describes financial health and does not provide an indication of an institution's success in realizing its mission. Because colleges and universities have unique missions, funding compositions and phases of growth, inter-institutional comparisons may not be valid. The component unit data has been excluded for this analysis; therefore, the scores will differ from those provided to the Higher Learning Commission which requires the inclusion of component units.

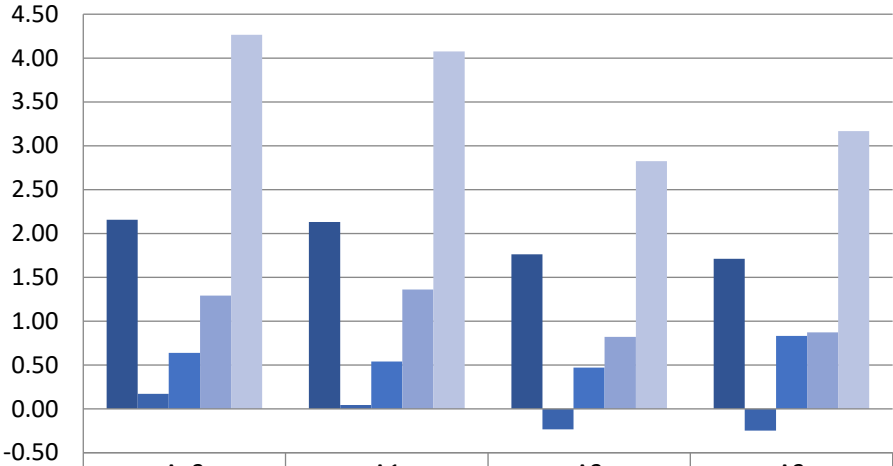
The *FY 2023 U.S. Public College and University Medians* published by Moody's Investors Service was utilized to provide benchmark data for comparison purposes. The report includes median ratios for each rating category and provides data for the following entities:

Institution/Agency	Rating
Concord University	Baa3
Fairmont State University	A2
Marshall University	A3
Shepherd University	Baa2
West Virginia Higher Education Policy Commission	Aa3
West Virginia University	Aa3

Marshall University was the only institution that had a rating change from the previous year, going from A2 in FY 2023 to A3 in FY 2024.

It should be noted that Moody' reviews many additional institutional characteristics such as management performance and other market factors to determine their ratings. The CFI strength factors were applied to the Moody's median ratios to derive scores for the ratings assigned to West Virginia institutions.

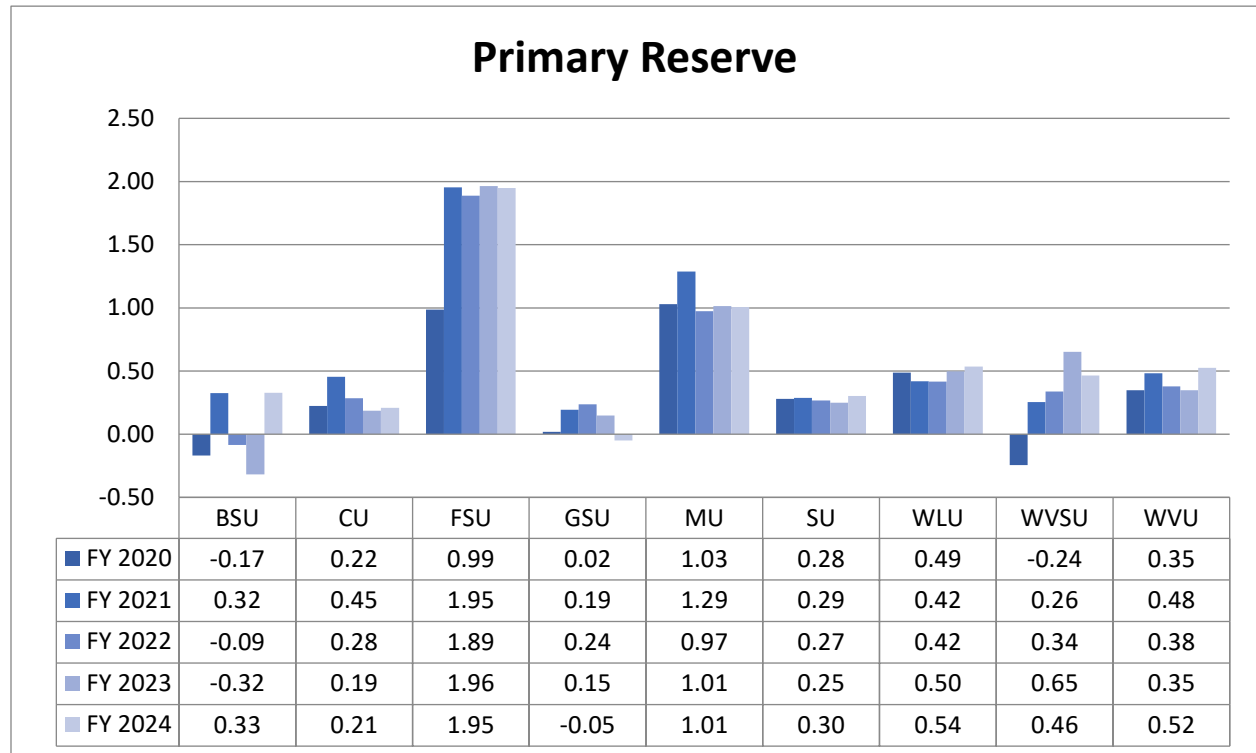
Moody's Ratios



	Aa3	A1	A2	A3
Primary Reserve Ratio Score	2.16	2.13	1.76	1.71
Net Operating Revenue Score	0.17	0.05	-0.23	-0.25
Return on net position Score	0.64	0.54	0.47	0.83
Viability Ratio Score	1.29	1.36	0.82	0.87
Composite Financial Index	4.26	4.08	2.82	3.17

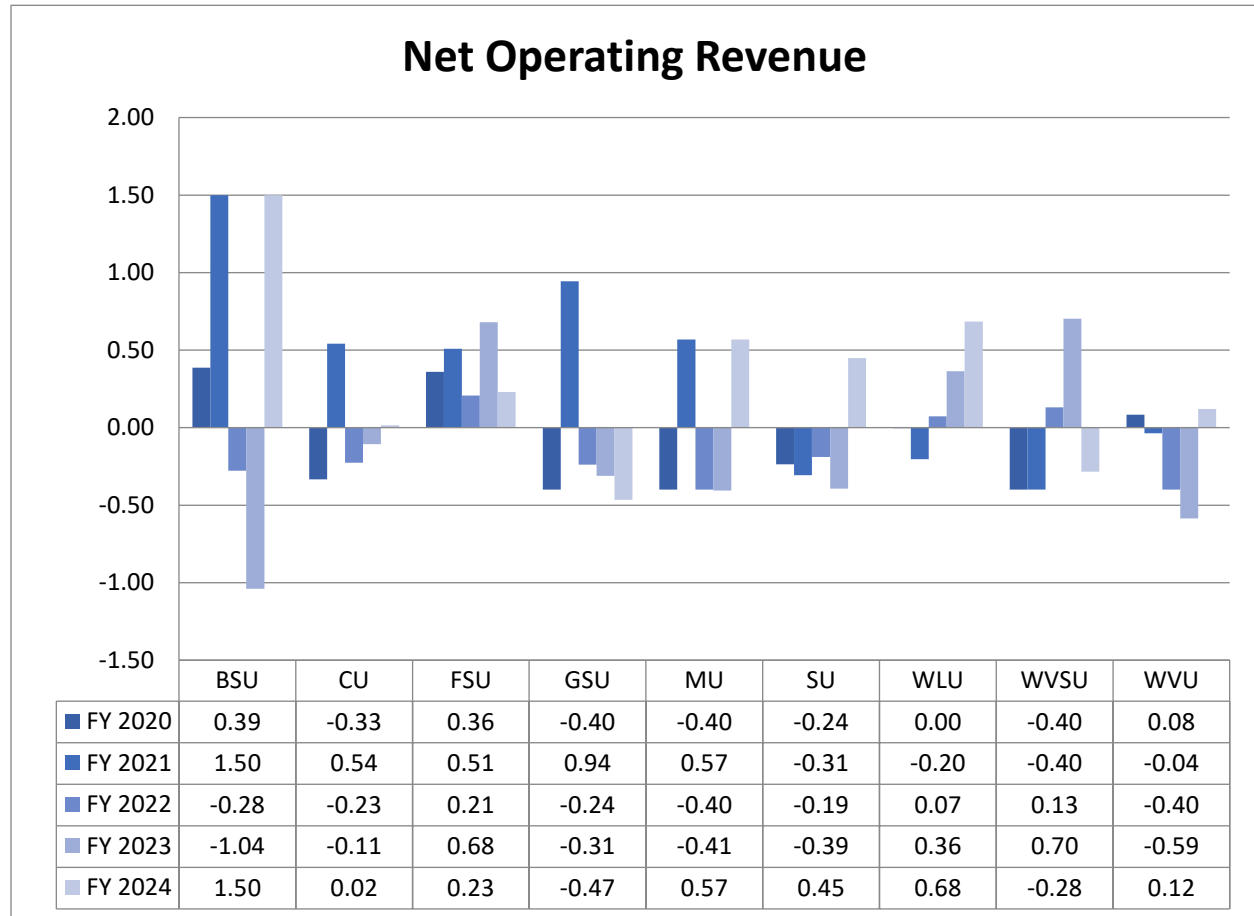
Primary Reserve Ratio

The primary reserve ratio used to calculate the primary reserve score. It is determined by dividing expendable net position into expenses and applying the appropriate strength factor. The scores calculated for all the institutions except for Fairmont State University and Marshall University are less than their associated rating level scores calculated from the Moody's data.



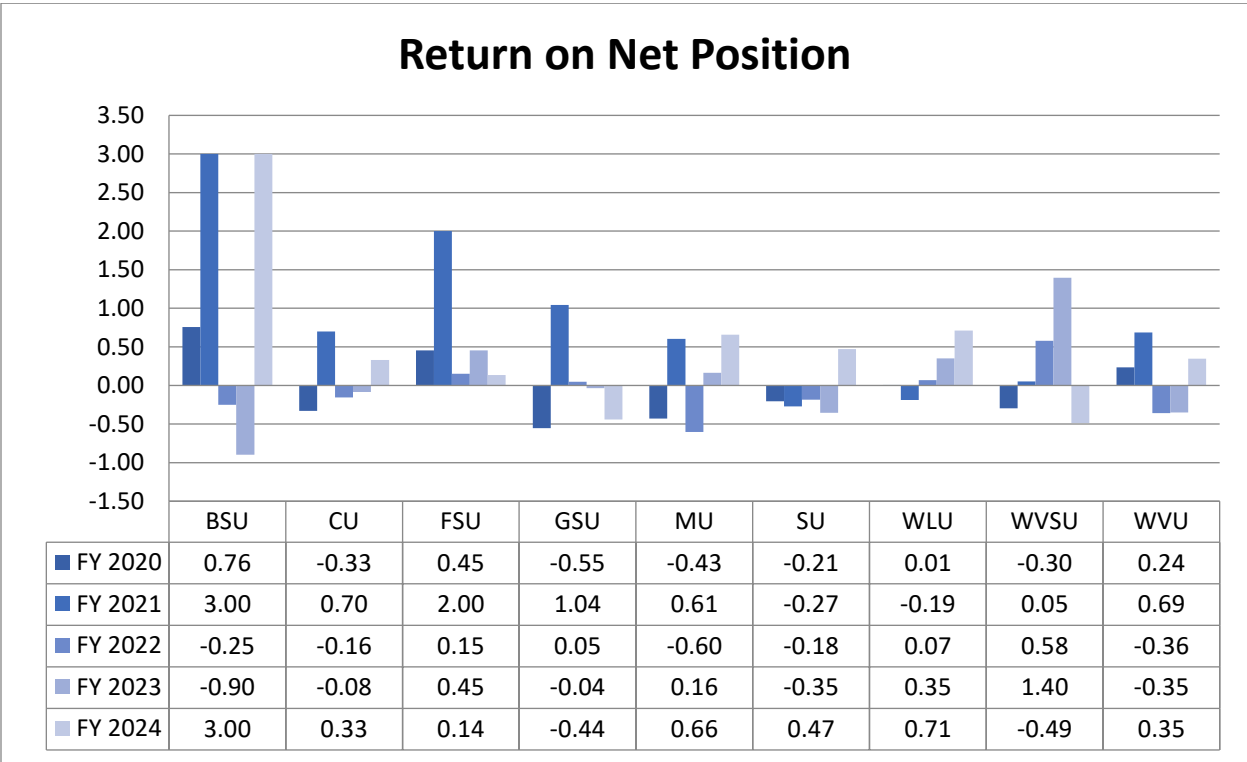
Net Operating Revenue

The increase or decrease in net position resulting from on-going operations is divided into the revenues from on-going operations to determine the net operating ratio. Excluding the OPEB and pension liability related expenses, most institutions experienced an increase in net operating revenue scores over FY 2023.



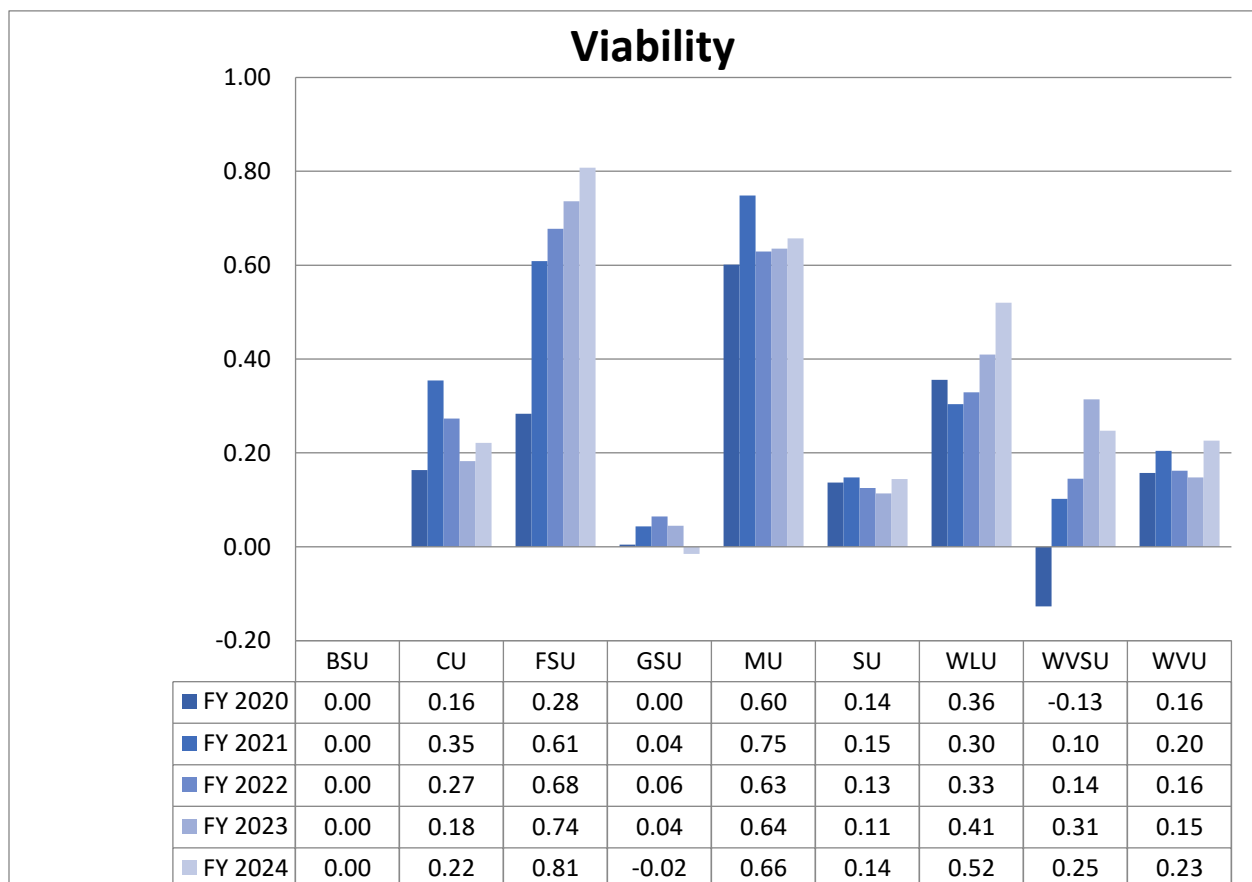
Return on Net Position

The return on net position ratio is calculated by dividing the change in net position by the beginning net position. The resulting ratio is used to determine the return on net position score. This score is influenced by income, capital grants and gifts, and capital bond proceeds. While the scores of a few institutions decreased from the previous year, the performance of financial assets for the majority of institutions across the system increased from the previous year.



Viability

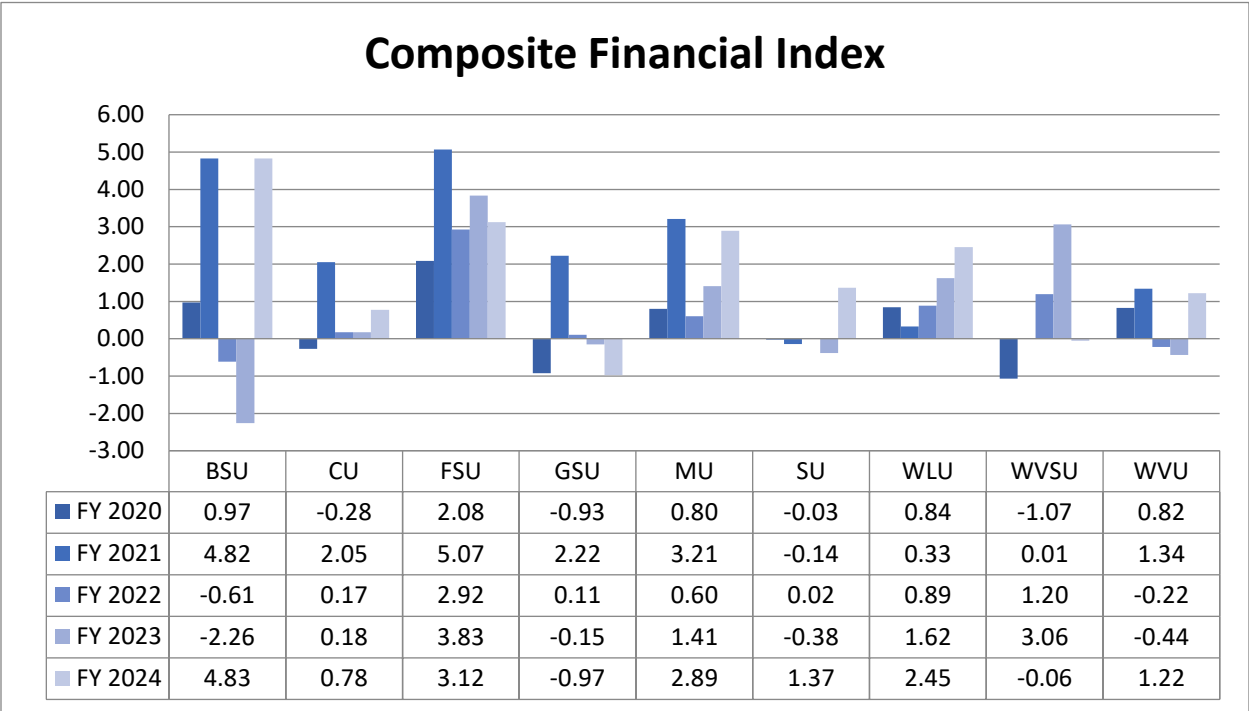
To determine the viability ratio, the expendable net position is divided into capital project related debt. The result of this calculation is used to determine the viability score for each institution. As stated above, Bluefield State University is not included because it has minimal debt. An institution's market position and capacity to raise fees to support debt service will influence its level of debt. For most institutions, a high level of debt is required to maintain adequate facilities because the State has not consistently supported capital funding. Tuition and fee rates for resident students are limited; consequently, some institutions are not in a position to incur additional debt. Without the ability to incur debt, aging facilities are not renewed or replaced. The excessive dependency upon student fees for capital improvements reduces institutions' debt capacity for strategic mission advancement. All the institutions have net viability scores that are less than the scores calculated for the Moody's report after the exclusion of the OPEB and pension liability related expenses.



Composite Financial Index

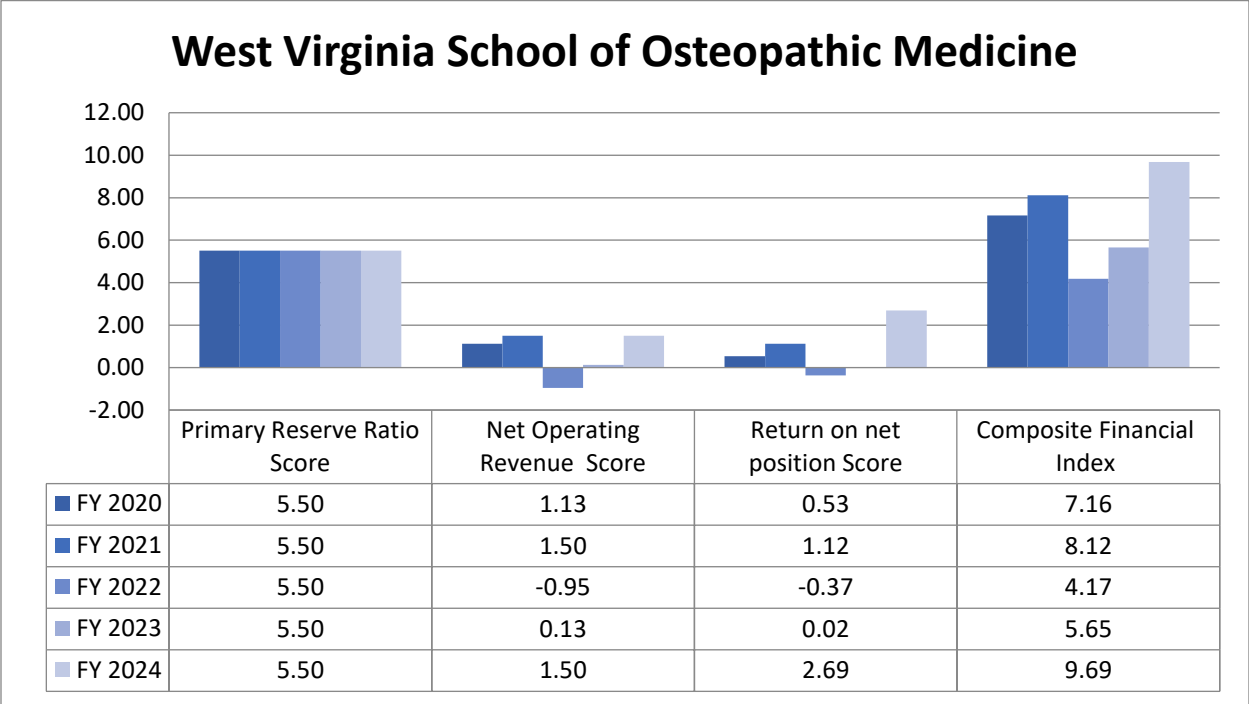
The four ratio scores were combined to determine the CFI. A composite value of 1.0 is typically equivalent to weak financial health, a value of 3.0 typically signifies relatively strong financial health, and scores above 3.0 typically indicate increasingly stronger financial health. The CFI must be assessed in light of the strategic direction for each institution. Strong financial results are not beneficial unless resources are deployed effectively to advance mission specific goals and objectives. These indices are best used to track institutional performance, both historically and as a planning tool, over a long time horizon, rather than compare to other institutions as each institution is unique in terms of specific goals, objectives and funding composition.

All institutions except Fairmont State University, Glenville State University, and West Virginia State University saw improvements in the CFI calculated for FY 2024 compared to the previous year.



West Virginia School of Osteopathic Medicine

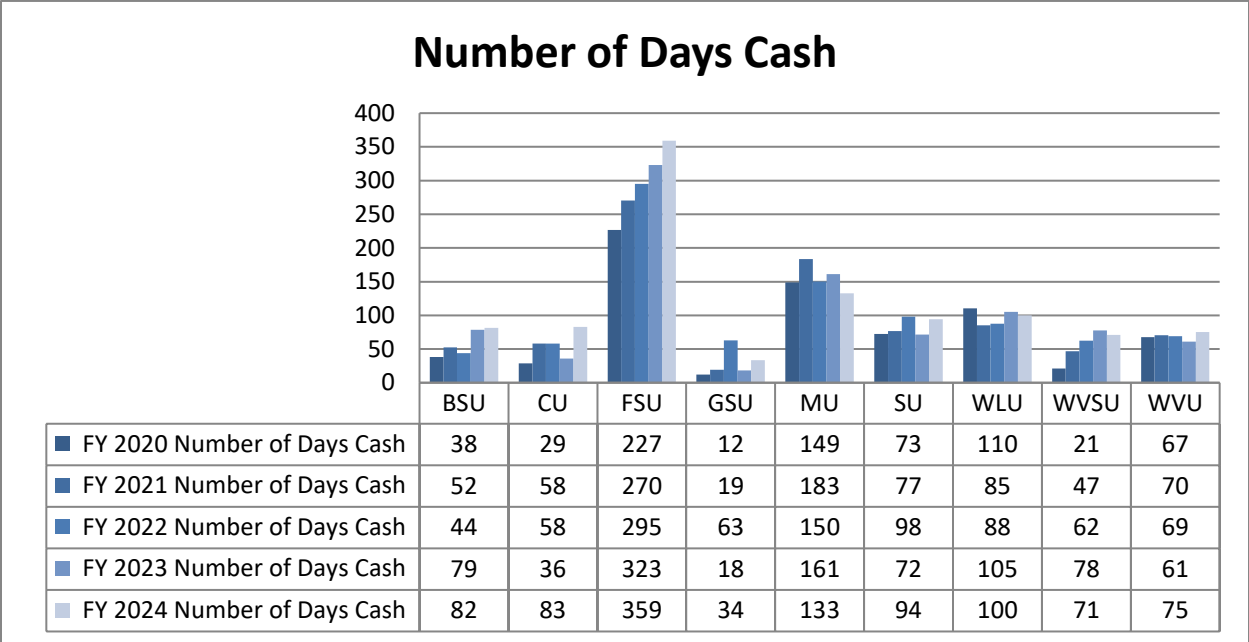
The scores for all components of the CFI for the West Virginia School of Osteopathic Medicine indicated unusual financial strength, as has been the case in previous years. Its exceptional financial health must also be reviewed in light of its strategic mission.



Number of Days Cash

The number of day’s cash ratio was calculated to provide additional liquidity analysis. This ratio is calculated by multiplying the institutions’ June 30 cash balances by 365 and dividing the result into total expenses less depreciation and the OPEB and pension liability related expenses. Most institutions saw improvements, while only a few saw slight decreases, but remained relatively consistent from the previous year.

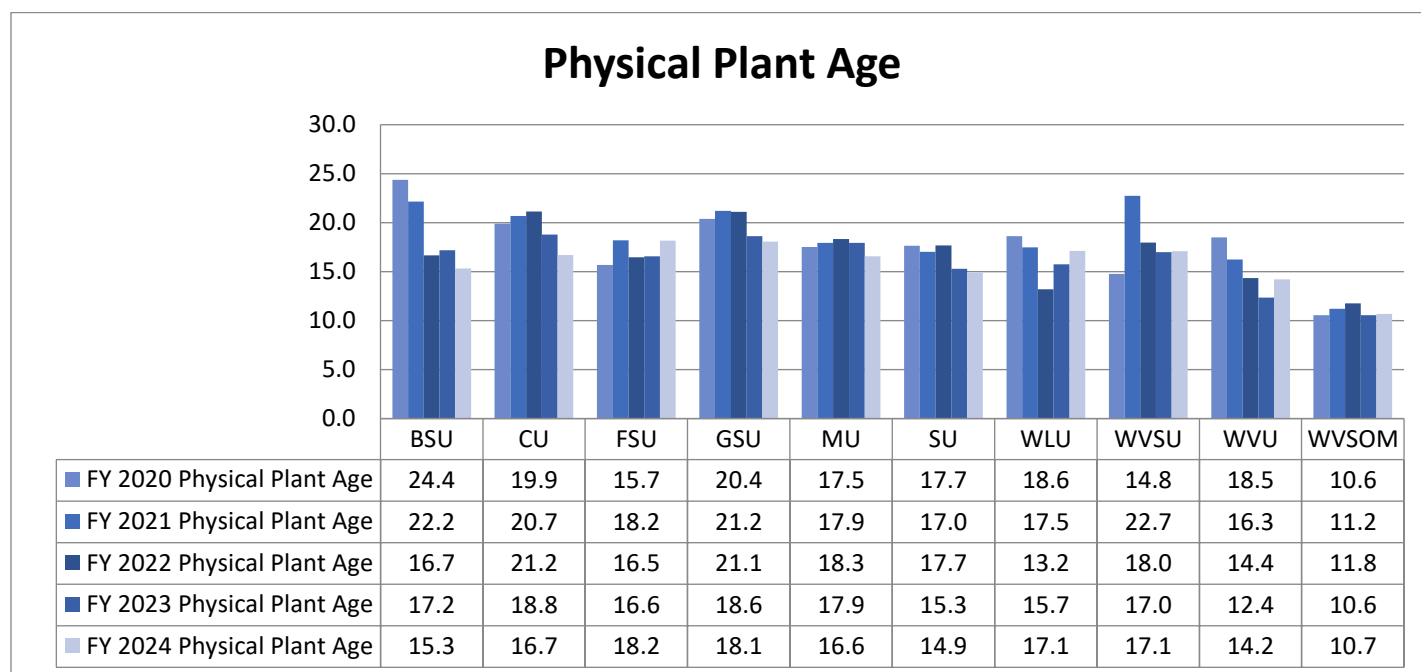
The West Virginia School of Osteopathic Medicine is not included in the chart because its characteristics as an outlier have historically distorted the presentation. WVSOM’s days cash equaled 634 as of June 30, 2024, compared to 659 days cash as of June 30, 2023. The institution has historically been able to fund well over a year and a half’s worth of operating expenses from its cash reserves.



Physical Plant Age

The physical plant age was calculated to estimate the adequacy of institutions' physical resources. This ratio is computed by dividing the annual depreciation expense by the accumulated depreciation. Generally, institutions that have received capital appropriations, borrowed funds or used institutional resources for capital projects reflect a lower physical plant age.

The results of this calculation demonstrate that dependency upon student fees for capital improvements does not produce adequate facilities. Schools that do not have the capacity to increase student fees to pay debt service are not in a position to improve their facilities.



Conclusion

The net position of the West Virginia Higher Education Fund increased by \$233.6 million over FY 2023. Operating revenues increased by \$57.6 million, while nonoperating increased by \$212.9 million compared to FY 2023. Operating expenses were up \$54.2 million but were offset by the increase in operating revenues. The financial health of most institutions remained consistent or improved somewhat over the previous year.

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Approval to Offer Master's Degree Programs

INSTITUTION: Davis & Elkins College

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission approves Davis & Elkins College to begin offering master's degree programs with the implementation of the Master of Science in Sport Management.

STAFF MEMBER: Corley Dennison

BACKGROUND:

Davis & Elkins College proposes to offer a new master's degree program, Master of Science in Sport Management. Currently, Davis & Elkins College is authorized to offer programs at the bachelor's degree level.

According to W. Va. Code §18B-4-7, Series 20, Legislative Rule, Initial Authorization of Degree Granting Institutions, Section 6.10, "Institutions wishing to exceed or change their approved programmatic mission must receive approval from the Commission to offer each program that exceeds the level of academic degree that the institution is authorized to grant.

Upon review by Commission staff, Davis & Elkins College meets or exceeds the criteria established in Series 20 to offer a new level of degree including qualified faculty, appropriate resources, facilities, equipment, and strength to offer the proposed program. Furthermore, Davis & Elkins College has received funding through a private donor to cover the costs of additional faculty members for two years until such time that the program can become self-supporting through tuition revenue.

Davis & Elkins College

The following proposal is for a Master of Sport Management, which is designed to build upon our existing and growing programs in Sport Science.

Program Description

Students who complete the Master of Science degree in Sport Management will be prepared for leadership positions and future career development in non- and for-profit sport organizations and businesses, due to their advanced understanding of and practical engagement with:

1. the legal environment and legal issues relevant to the field of sport management;
2. the financial, personnel, budgetary, facility, and safety matters that constitute the management of sport organizations;
3. how the relationships among and between business partners and community members can help meet the fundraising, publicity, sponsorship, and promotional goals of a sport organization;
4. responsible moral and ethical behavior as a member of a sport organization and in interactions with professional and community partners.

Program Objectives

Students in the Master of Science program in Sport Management will demonstrate an understanding of and practical engagement with:

1. the laws and regulations impacting sport in the US, especially those pertaining to personnel, claims of discrimination, facilities and equipment, and supervision and the student-athlete experience in higher education;
2. issues surrounding publicity, commercialization, branding, and the fan experience, especially on social media;
3. how donors, sponsors, partners, and fundraising apply to and impact the financial success of a sport organization;
4. the fundamental business, purchasing, and accounting processes that benefit an athletic program or sport business;
5. the moral and ethical issues pertaining to modern sport organizations;
6. facility management, needs assessments, inspections, planning, and problem-solving;
7. the process of formulating a proposal to enhance or improve the function and/or policies of a sport organization in areas such as revenue, facilities, operations, publicity, marketing, and management.

Program Identification

The National Center for Education Statistics CIP code for the Master of Sport Management is 31.0504: “A program that prepares individuals to apply business, coaching and physical education principles to the organization, administration and management of athletic programs and teams, fitness/rehabilitation facilities and health clubs, sport recreation services, and related services. Includes instruction in program planning and development; business and financial management principles; sales, marketing and

recruitment; event promotion, scheduling and management; facilities management; public relations; legal aspects of sports; and applicable health and safety standards.”

Program Features

Admissions and Performance Standards

The criteria for admission to the program are as follows:

- Completed application
- A bachelor’s degree from an accredited institution with a minimum cumulative GPA of 2.75 in the most recent degree earned.
- Official college transcripts
- Current professional resume
- Two letters of recommendation
- Written personal statement of professional and personal goals
- GMAT or GRE not required
- The official TOEFL, IELTS, or Duolingo score is required for international students unless they have earned a baccalaureate degree from an English-speaking institution.

Program requirements

D&E Fall Semester	4 courses	12 hrs.	*Legal Issues in Sport *Global Marketing and Publicity *Sport Finance *Fundraising and Dev.
D&E Spring Semester	4 courses	12 hrs.	*Moral and Ethical issues in Sport *Sport Salesmanship and Sport Sponsorship *Foundations of Athletic Administration/NCAA Compliance and Current Issues *Event and Facility Management
D&E May Summer School C	Internship	6 hrs.	*Sport Management Internship

Master’s Program (M.S.)

The requirements for the Master’s in **Sport Management** consist of 30 semester hours including SPSC 5XX, 5XX, 5XX, 5XX, 5XX, 5XX, and 5XX; and six semester hours of 696. A cumulative GPA of 3.00 is also required.

SPSC 5XX Legal Issues in Sport

3 hrs.

This course examines the legal issues that surround sport programs as well as the latest documented relevant cases. It emphasizes an understanding of the principles and guidelines governing all levels of

sport divisions that serve to provide a safe environment, conduct sport programs in accordance with the law, and avoid litigation.

SPSC 5XX Fundraising and Development

3 hrs.

This course introduces students to the unique nature of sport fundraising at both the professional and amateur levels. Principles and practices of fundraising and donor development specific to the sport business environment are taught alongside relevant theories and practical applications.

SPSC 5XX Global Marketing and Publicity

3 hrs.

This course explores the international sport business including the production and consumption of professional and Olympic sports and the impact of globalization on sports. Themes explored in this course include globalization, commercialization, marketing, comparative sport models of participation and spectating, the immersive fan experience, and the internationalization of sport brands.

SPSC 5XX Sport Finance

3 hrs.

This course provides students with exposure to sport-related finance issues and expands their financial analysis and planning skills. Students will master finance in sport business in relationship to decision making, organization, accounting, purchasing, and revenue.

SPSC 5XX Moral/and Ethical Issues in Sport

3 hrs.

This course explores ethics and morality as they apply to sport management. Competition, violence, rules, drugs, and athletic scholarships are some of the issues examined. Ethical, psychological, and sociological approaches to sports are considered.

SPSC 5XX Sport Salesmanship and Sport Sponsorship

3 hrs.

This course provides students with knowledge and training pertaining to sport sales, branding, sponsorship, fundraising, and various business practices including planned presentations, pricing, promotion, sponsorships, endorsements, research concepts in sales, cold calling, social media, the sales pitch, sales reports, sales letters, donor recruitment and development, community fundraising, and legal and ethical issues in sales.

SPSC 5XX Foundations of Athletic Administration / NCAA Compliance

3 hrs.

This course examines the sport industry emphasizing the sport manager's roles and functions. Students conduct an in-depth analysis of the planning, organizing, leading, and controlling required of sport managers and leaders in a sport organization. This course also examines compliance issues with the NCAA and how they can influence and impact decision making for college administrators.

SPSC 5XX Event and Facility Management

3 hrs.

This course examines the factors involved in planning, promoting, managing, and conducting public relations for sporting events. Students are involved in designing, constructing, maintaining, scheduling, and managing a sport facility.

SPSC 696 Sport Management Internship

6 hrs.

An intensive study of select topics in sport management, accompanied and enhanced by applied field work, intensive reading, and professional written reports. Students make a significant proposal of improvement for their site of internship in the field of sport management from the coursework learned. A public presentation will be required of the proposed work improvement along with a paper.

Program Outcomes & Content

The Mission of the Master's program in Sport Management is "[t]o prepare and inspire students to obtain leadership positions in educational, non- and for-profit organizations and businesses and thoughtfully contribute to the improvement of their professions and communities." The program's mission is wholly consistent with the Mission of Davis & Elkins College, which is "[t]o prepare and inspire students for success and thoughtful engagement in the world." The program is product of a collaborative planning process undertaken by the faculty and administration of the College. The program has been approved by the Faculty Assembly and the Board of Trustees with a view to building upon our strengths in this academic area.

The Content and Length of the Proposed Program

The program in Sport Management is thirty (30) credit hours, will be offered wholly in-person and can be completed in one calendar year. All courses are required and there are no electives being offered in the program.

The undergraduate general education component shall be documented.

N/A, as this is not an undergraduate program.

Minimum requirement for general education

N/A, as this is not an undergraduate program

Program Need and Justification

With employment growth in both the not-for-profit and for-profit sectors of Sport Management, organizations are seeking well-qualified and educationally prepared graduates who understand the breadth of issues within the field. The market for this degree program will be primarily our own undergraduate students but will also seek out qualified applicants from the surrounding area. We anticipate that students within the program will be drawn from diverse undergraduate majors and will include both domestic and international students. In surveys conducted to gauge interest in graduate programs among our student body, many favored the creation of such programs and many indicated support for a Masters in Sport Management.

Relationship to Institutional Goals/Objectives

Faculty and administration have collaborated on the development of academic programming. Proposals for the development of Masters programs in multiple departments were advanced and considered. At the current time, it was concluded, by both faculty and administration, that a Masters in Sport Management should be our initial offering, as the undergraduate program has been both attractive to students and well-regarded.

Existing Programs in West Virginia

Similar Graduate Programs in West Virginia:

Sport Management: West Virginia University
Sport Administration: Marshall University
Sport Studies: West Virginia State University

Sports & Recreation Management (within the MBA program): Salem University

While there is one program in Sport Management within the state and three other programs related to or similar to Sport Management within the state, we think that offering the program in-person with accomplished faculty committed to teaching and mentoring fills a student need. Moreover, there is not a similar program offered among colleges and universities in geographic proximity to Elkins, e.g., West Virginia Wesleyan, Glenville State, Fairmont State.

Program Planning and Development

President Chris Wood encouraged faculty from across the College to consider offering graduate programs in their area. The faculty members within the Sport Science Department, in collaboration with the Vice President for Academic Affairs and members of the staff at the College undertook a review of various academic programs from both within and outside of the state of West Virginia. The Sport Science faculty brought the proposal to the College's Curriculum Committee, which reviewed the curriculum and devised, in consultation with the Registrar's Office, the necessary graduate policies. The program was then brought to Faculty Assembly for consideration and vote. It was approved by the Faculty Assembly and the Board of Trustees.

Clientele Need

The primary student groups served by the proposed program will be current D & E students, local residents and students who have completed their undergraduate degree at another institution. Given the College's current undergraduate profile, the program should draw heavily from both West Virginia (approximately 40% of the student body) as well as international students (approximately 20% of the incoming class). Among local residents, this program should appeal to those who are seeking to develop their professional skills and advance in either a corporate or educational setting.

Employment Opportunities

According to the Bureau of Labor Statistics U.S. Department of Labor (viewed online at *Coaches and Scouts on 6/21/2021*) over 34,000 coaching and scouting jobs are expected to be created between 2019 and 2029 and overall job growth is higher than other fields. Given positive job growth and the fact that the program will only take one calendar year to complete, students should see a quicker return on their educational investment. Finally, the structure of the program is such that students will be well-qualified to secure positions in coaching, athletic administration and within business which have a sport and/or recreation focus.

Program Impact

As the program will be open to students from a variety of undergraduate programs, it will support and educate students from beyond the Sport Science undergraduate program. In particular, it will serve as a solid partner for our current undergraduate programs in Business & Entrepreneurship, which currently offers degrees in seven areas (Accounting, Economics, Finance, Hospitality & Tourism, Management, Marketing and Outdoor Recreation).

Cooperative Agreements

N/A

Alternative to Program Development

The Sport Science Department, in consultation with the College's administration and their faculty colleagues, considered programs of different lengths (30 versus 36 credit hours) and methods of instruction (on-line, hybrid or in-person). Curriculum for the program is both an extension of our current Sport Management program and was designed in keeping to current academic and professional standards and needs.

Program Implementation and Projected Resource Requirements

Program Administration

The Master's program in Sport Management will be housed in the Department of Sport Science and will be led by a program Director in Sport Management (to be hired) and assisted by another full-time faculty member (to be hired). They will oversee the curriculum and exercise oversight on a day-to-day basis. These faculty members will, in turn, report to the Department Chair of Sport Science who reports directly to the Vice President of Academic Affairs.

Program Projections

The attached budget document provides information concerning sources of revenue, projected expenses and enrollment projections for the first five years of the program.

Faculty Instructional Requirements

The program will be delivered primarily by two, new, full-time faculty members who will be hired pending regulatory approval and will be supplemented by adjunct hires.

Library Resources and Instructional Materials

The Booth Library at Davis & Elkins offers academic and research materials in multiple formats, including print, digital and archival. The Library also has an extensive collection of electronic books and provides students and faculty members with access to a number of relevant electronic databases. The library provides research assistance and references assistance to both students and faculty. This assistance includes not only one-on-one meetings, but also class sessions devoted to research methods and library resources. The College's Writing Center is housed within the Booth Library and the facility offers space for individual and small group study as well as one room which can be used for classrooms, meetings or academic presentations.

Support Service Requirements

The proposed program will not require any additional support services. As the program will be delivered in-person, no additional IT requirements will be needed. Student advising will be conducted by full-time faculty, which should enhance student retention and success. Moreover, the College's Naylor Learning Center and the Writing Center can provide assistance to students as needed.

Facilities Requirements

No additional facilities or dedicated spaces are required for the proposed program.

Program Evaluation

The Sport Management program is designed to provide students with both a rigorous classroom education and the opportunity to apply their knowledge within the professional field. The academic program focuses upon the breadth of issues, e.g., legal, personnel, budgeting, marketing, promotions and facilities

management, those in the field of Sport Management might encounter, regardless of whether their career opportunities are found in for-profit or not-for-profit organizations. The curriculum contains a blend of courses that will emphasize qualitative, e.g., Moral and Ethical Issues in Sport, quantitative, e.g., Sport Finance and experiential, i.e., Sport Management Internship, aspects of the field. Evaluations will vary according to the requirements of the specific course, but students will be assessed on their writing, public speaking, quantitative and critical thinking skills.

Evaluation Procedures

The program, like all programs at Davis & Elkins College, will be regularly assessed and evaluated. These assessments will include those designed to measure outcomes of student achievement and understanding as well as faculty evaluations.

Accreditation Status

As this is the first graduate program at Davis & Elkins College, we are approaching the WV-HEPC for approval first and will then be seeking request for a Substantive Change from the Higher Learning Commission.

**West Virginia Higher Education Policy Commission
Meeting of December 13, 2024**

ITEM: Approval of Presidential Compensation

INSTITUTIONS: Bluefield State University

RECOMMENDED RESOLUTION: *Resolved*, That the West Virginia Higher Education Policy Commission approves the compensation contract for Dr. Darrin Martin as President of Bluefield State University as proposed by the institutional board of governors.

STAFF MEMBER: Kristin Boggs

BACKGROUND:

Pursuant to W. Va. Code § 18B-1B-4(a)(15), the Commission must approve the total compensation package from all sources for presidents of institutions under its jurisdiction proposed by institutional governing boards.

Bluefield State University

At its meeting on November 21, 2024, the Bluefield State University Board of Governors (Board) approved the appointment of Interim President Dr. Darrin Martin as its permanent president. Subsequently, the Board approved the total compensation package for President Martin as set forth in your materials.

This proposed contract comports with the provisions 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.