

Shepherd

UNIVERSITY

Board of Governors



Meeting Agenda December 13, 2018

Board Members

Eric Lewis, Chair
Gat Caperton, Vice Chair
Chad Robinson, Secretary

Ray Alvarez	Ramona Kissel, Classified Staff
David Avella	Bob Marggraf
Marcia Brand	Tia McMillan
Henry Kayes, Jr.	Danielle Stephenson, Student
J.B. Tuttle, Faculty	

Mary J.C. Hendrix, President



Board of Governors Meeting

December 13, 2018

Lower Level Multipurpose Room

Robert C. Byrd Center for Congressional History and Education

Shepherdstown, WV

4:15 – 5:45 p.m.

AGENDA

- 4:15 p.m. 1. **Call to Order** (Chair Eric Lewis)
- 4:15 p.m. 2. **Public Comments**
- 4:16 p.m. 3. **Consent Agenda Items** (Chair Lewis)
 - a. Consent Agenda
 - b. Approval of the Minutes of November 8, 2018 Board Meeting
 - c. Approval of Notice to Promulgate Policy on Purchasing and Surplus Property
- 4:20 p.m. 4. **President's Report** (President Hendrix)
- 4:30 p.m. 5. **Classified Employees Council (CEC) Annual Report** (Ms. Cecelia Mason, Chair of the CEC and University Communications Staff Writer)
- 4:37 p.m. 6. **Report of the Academic Programs and Development Committee** (Ms. Tia McMillan)
 - a. University Development Annual Report
 - b. Academic Restructuring Update
- 4:47 p.m. 7. **Report of the Enrollment, Student and Community Affairs Committee** (Mr. Chad Robinson)
 - a. Enrollment Build Update for Spring 2019
- 4:57 p.m. 8. **Report of the Finance and Facilities Committee** (Mr. Henry Kayes, Jr.)
 - a. Quarterly Financial Report: 1st Quarter FY2019
 - b. 2019-2020 Enrollment, Housing, Dining and Other Fees Discussion (Ms. Pam Stevens, Vice President for Finance, Dr. Tom Segar, Vice President for Student Affairs, and Mr. Bill Sommers, Vice President for Enrollment Management)
 - c. Review and Approval of Burkhardt Hall Improvements
- 5:30 p.m. 9. **New Business** (Chair Lewis)
- 5:45 p.m. **Adjournment**



Board of Governors Meeting

December 13, 2018

Lower Level Multipurpose Room

Robert C. Byrd Center for Congressional History and Education

Shepherdstown, WV

3:00 – 4:00 p.m.

COMMITTEE AGENDAS

Academic Programs and Development Committee

**Lower Level Multipurpose Room, Robert C. Byrd Center for
Congressional History and Education**

- University Development Annual Report
- Academic Restructuring Update

Ms. Tia McMillan, Chair

Mr. Ray Alvarez

Mr. David Avella

Ms. Mona Kissel

Dr. Scott Beard, Staff

Ms. Monica Lingenfelter, Staff

Enrollment, Student and Community Affairs Committee

Room 202, Ikenberry Hall

- Enrollment Build Update for Spring 2019

Mr. Chad Robinson, Chair

Dr. Marcia Brand

Mr. Gat Caperton

Ms. Danielle Stephenson

Mrs. Holly Morgan-Frye, Staff

Dr. Tom Segar, Staff

Mr. Bill Sommers, Staff

2018-2019 Board of Governors Meeting Dates Remaining

- February 14, 2019
- April 18, 2019
- June 13, 2019

CONSENT AGENDA

Per the Board's Consent Agenda protocols:

- 1) Any member may email the Board Chair and the President to request extraction of one or more items from the Consent Agenda and inclusion in the Discussion Agenda. Any such request should be emailed before end of day Sunday, December 9, 2018. The Agenda Book would not be re-formatted, but the formal Agenda for the meeting would be adjusted to accommodate such requests, and modified draft resolutions would be completed and distributed prior to the December 13 meeting.
- 2) During the Board meeting, as the Consent Agenda is initiated, any member may move the extraction of one or more items to the Discussion Agenda. Upon a majority vote of the Board, the agenda would be so modified.

The following resolution is recommended for adoption by the Board:

RESOLVED, That the Shepherd University Board of Governors approves:

- 1) The Minutes of the Meeting of November 8, 2018; and
- 2) The Approval of Notice to Promulgate Policy on Purchasing and Surplus Property; each as presented in the Agenda materials of December 13, 2018.

SHEPHERD UNIVERSITY BOARD OF GOVERNORS

MINUTES OF THE MEETING OF NOVEMBER 8, 2018

The Shepherd University Board of Governors met on November 8, 2018, in a regular meeting. Members participating were: David Avella, Gat Caperton, Henry Kayes, Jr., Ramona Kissel, Eric Lewis, Robert Marggraf, Chad Robinson, Danielle Stephenson and J.B. Tuttle. Also present were Shepherd University President Mary J.C. Hendrix, members of the executive leadership team and others. Board members Ray Alvarez, Marcia Brand and Tia McMillan were absent from the meeting.

1. PUBLIC COMMENTS

No public comments were made.

2. CONSENT AGENDA ITEMS

M (Kayes), S (Robinson), PASSED, that the following resolution be adopted by the Board:

RESOLVED, That the Shepherd University Board of Governors approves:

- 1) The Minutes of the Meeting of September 20, 2018;
- 2) The Amendment of Policy 3, Naming or Renaming of Buildings or Organizational Units; and
- 3) The Approval of Notice of Intent to Amend Policy 15, Awarding of Undergraduate and Graduate Fee Waivers, and Policy 28, Funding of Intercollegiate Athletics, each as presented in the Agenda materials of December 13, 2018.

3. ANNUAL AUDIT REPORT

Ms. Pam Stevens, Vice President for Finance, and Mr. Keith Novak of CliftonLarsonAllen, LLP summarized the annual Audit Report. The presentation included a review of the Financial Statements as of and for the Years Ended June 30, 2018 and 2017, and the Independent Auditors' Reports. Mr. Novak reported that the University received an unqualified, clean, opinion letter. He noted there were no material weaknesses and the financial statement disclosures were neutral and clear. Mr. Novak commented that there were a few corrected misstatements which were not material and some were due to timing. He noted there were no uncorrected statements, and no significant financial footnotes this year other than OPEB. No material weaknesses were reported in the University's internal controls and financial reporting. He also commented that the University didn't have any noted areas of improvement. Chair Lewis stated, on behalf of Mr. Alvarez, that the Audit Committee had no questions regarding the report.

4. PRESIDENT'S REPORT

President Hendrix reviewed highlights of the ongoing initiatives for advancing Shepherd from among the comprehensive list provided in the President's Report.

5. **REPORT OF THE ACADEMIC PROGRAMS AND DEVELOPMENT COMMITTEE**
On behalf of the Academic Programs and Development Committee, Chair Lewis welcomed Dr. Scott Beard, Provost, to summarize the Academic Affairs Annual Report, the Institutional Compact Update and the Online Class Incentives. Provost Beard was asked to follow up with the Board, providing online class revenue amounts and number of credits.
6. **REPORT OF THE ENROLLMENT, STUDENT AND COMMUNITY AFFAIRS COMMITTEE**
On behalf of the Enrollment, Student and Community Affairs Committee, Chair Lewis introduced Mr. Bill Sommers, Vice President for Enrollment Management, to summarize the Enrollment Management Annual Report.
7. **REPORT OF THE FINANCE AND FACILITIES COMMITTEE**
On behalf of Finance and Facilities Committee, Mr. Kayes provided a brief update of the Committee's discussions which included review of the Preliminary Revenue Report as of September 30, 2018, and discussion of the 2019-2020 Enrollment, Housing, Dining and Other Fees.
8. **DASHBOARD PRESENTATION**
Mr. Sommers provided the Board with a brief Dashboard presentation.
9. **NEW BUSINESS**
Mr. Gat Caperton reminded the Board about the March 2019 Annual Musical Showcase for Scholarships fundraising concert. Chair Lewis updated the Board on items relating to the Blue Ribbon Commission.
10. **EXECUTIVE SESSION**
M (Marggraf), S (Caperton), PASSED, that pursuant to Section 4 of Article 9A of Chapter 6 of the WV Code, it was moved that the Board enter into executive session for the purpose of discussion of matters relating to personnel matters as to one or more specific employees of the University and matters that would be an invasion of privacy if publicly discussed.

At the conclusion of the executive session, the Board adjourned.

Eric Lewis
Chair

Chad Robinson
Secretary

APPROVAL OF NOTICE TO PROMULGATE POLICY ON PURCHASING AND SURPLUS PROPERTY

Shepherd University has not had an institutional board policy on purchasing up to this point. When the WV HEPC was established in 2000-2001, the relevant statutory framework in Article Five of Chapter 18B of the Code established a number of specific statutory constraints and requirements and assigned rule-making authority in this area to the HEPC. The HEPC inherited the purchasing rules of the former State College and University System in 2001, revised that rule in 2005, and revised it again into the current language of Series 30 [133 CSR 30] in 2016.

West Virginia University (WVU) and Marshall University (MU) gained significant autonomy from the HEPC's purchasing regulations in the 2005 flexibility bill. The 2017 higher education bill provided a variety of additional flexibilities for the newly established exempted schools (WVU, MU and Osteopathic School) and also provided some new flexibilities for the other baccalaureate institutions. In the area of purchasing, specific authority was extended for a governing board of a baccalaureate institution to fully operate its purchasing processes independent of the administrative oversight of the HEPC staff. This will be achieved through the development of a new Board of Governors Policy on Purchasing and Surplus Property.

Although it is anticipated that in many respects the proposed Shepherd University Board of Governors Policy on Purchasing and Surplus Property will closely follow the HEPC purchasing rule provisions, University staff will also look to best practices utilized at other institutions, including, but not limited to WVU and MU, in developing a proposed Board Policy. It is expected that the completion of a new Board of Governors Policy will enhance the University's effectiveness and efficiency in procurements and in inventory management.

The following resolution is recommended for adoption by the Board:

RESOLVED, That the Shepherd University Board of Governors approves the issuance of a Notice of Promulgation of a new Policy, *Purchasing and Surplus Property*, and directs the President to distribute the Notice to all required recipients as provided for in Policy 1, together with a summary of Policy 1's description of the manner in which comments will be received.

PRESIDENT'S REPORT

Advancing Shepherd University

Personnel/Performance Management: In response to the recommendations made by the Board of Governors, regarding Shepherd's historic practices in staff reviews, the President and Executive Leadership Team tasked Dr. Marie DeWalt, Director of Human Resources, to lead a review of our policies and the development of a new Performance Management program applicable to all non-faculty positions. We will continue to use the on-line features of HR-personnel system, PeopleAdmin, to conduct performance evaluations, but we will modify the form in several ways: every employee will be assigned Goals by their supervisor; the Evaluation Criteria fields will now have numeric scoring associated with the assessments [Consistently Exceeds Requirements: 8; Fully Meets and Sometimes Exceeds Requirements: 6; Meets Requirements: 4; Needs Improvement: 2; Unacceptable Performance: 0]; achievement of Goals will be scored on a scale of up to 16 points; and second-tier supervisors will review evaluations before they are submitted to the employee. Specific comments of explanation are required for any score of either 8 or 0 for an evaluative criterion.

These changes in the Performance Management policies will allow the University to work from an evidence base in assigning performance incentives to staff. Next summer's recommendations regarding salary increases, if any, are therefore expected to have a substantial difference from the purely across-the-board plan, historically followed. During the winter months, we will work to develop specific recommendations for how the results in evaluations will be used toward merit pay and/or other rewards for high-achieving employees.

Internship/Career Opportunities at NASA Goddard: Dr. Jonathan Pellish, electronic parts manager at NASA's Goddard Space Flight Center, made a presentation on October 29 about internship and career opportunities at NASA Goddard, with a special focus on relevant timelines and processes. He also met with several classes throughout the day, discussing technologies NASA is developing for next-generation systems. In April, Pellish presented on campus as part of the President's Lecture Series.

CATF's *The Niceties* is the topic of *Inside Higher Ed* Article: *The Niceties* by Eleanor Burgess, staged by the CATF during the 2017 season and currently playing Off-Broadway, is the topic of an article in *Inside Higher Ed* titled "Chasm Between Black Student and White Professor." The article, in its entirety, can be viewed at: <http://www.insidehighered.com/news/2018/10/16/racial-divisions-campus-portrayed-play-getting-new-york-debut-broadway>.

October Admissions Open House: The first Fall Open House program for prospective students and families was held October 13. More than 240 guests (80 prospective students) came to campus to experience Shepherd. The program started at 9 a.m. and concluded with a tailgate-style lunch on the midway before the football game. Prospective students engaged in conversation with faculty, professional staff, and current students throughout the day. A walking tour of campus, led by Shepherd Student Ambassadors, included academic buildings and Potomac Place residence hall. After lunch, prospective students and families had the option to attend the football game or a technical theater workshop and *drop-in* rehearsal of the upcoming student theater production.

Social Work Students Have 100% Pass Rate on National Exam: Shepherd social work graduates who took the 2017 Association of Social Work Boards had a 100% pass rate on the exam, which is higher than the North American pass rate of 71%. Shepherd's Bachelor of Social Work exam pass rate has been higher than the North American pass rate for the past 13 years, according to the Craig Cline, Director of the Social Work Program. Cline said Shepherd's average pass rate for the past 10 years is 96%.

Tabler Farm: Starting this semester, agriculture is back in Shepherd's curriculum with degrees offered in a sustainable agriculture program. The program was developed around the renovation and use of Shepherd's Tabler Farm, which hosted an open house on November 10. The open house gave visitors an opportunity to see the progress that's been made and learn about future plans for the property. A \$600,000, five-year cost-sharing agreement with the U.S. Department of Agriculture Natural Resources Conservation Service allowed Shepherd to build a high tunnel greenhouse and make other improvements to the Tabler Farm. Students from the James Rumsey Technical Institute electrical technician program completed the electrical work, and Women Investing in Shepherd (WISH) awarded the Institute of Environmental and Physical Sciences a \$28,750 grant that will be used to install a 2.1 kilowatt-hour off-grid solar electric system and cellular LTE-based Wi-Fi at the farm, which has received financial and in-kind help from a variety of other sources.

Annual World Affairs Seminar: Shepherd hosted 110 students from six area high schools on October 18 during the annual World Affairs Seminar. The event was sponsored by Shepherd's College of Social and Behavioral Sciences, Department of Political Science and Global Studies, Phi Beta Delta Honor Society for International Studies, and the Martinsburg and Shepherdstown Rotary clubs. Students from Jefferson and Washington high schools in Jefferson County and Martinsburg, Spring Mills, Musselman, and Hedgesville high schools in Berkeley County attended the seminar, which was titled "Coming to America: Untangling the Immigration Debate."

Dinner with Strangers - Financial Planning: Four Shepherd students--Charles Ransom, an economics major from Shepherdstown; Ariana Nieves, a business administration major from Charles Town; Heather Thompson, an accounting major from Martinsburg; and Stephen Curran, an accounting major from Galena, Maryland--took part in the first Dinner with Strangers this academic year, attending a dinner hosted by financial planner Rob Hoxton, managing director at United Capital Northern Shenandoah Valley, and his wife Mary Logan Hoxton of Shepherdstown and their guests, Shepherd alumni Eric Lewis '95 and Joy Lewis '91. Dinner with Strangers gives students the opportunity to get to know community members willing to host a meal in their homes and who work in a profession aligned with the students' area of study.

Carl F. Bell Arboretum Established: Shepherd will be home to the Carl F. Bell Arboretum, thanks to a donation through the University Foundation from the late professor and his family. Beta Beta Beta, the biology honor society, led an effort on November 3 to plant the first 21 arboretum trees on West Campus.

Civil War Semester Program: Starting in the Fall 2019 semester, undergraduate students from any college or university in the country will have the opportunity to spend a semester at Shepherd, immersing themselves in the study of the Civil War. The Civil War Semester will utilize Shepherd's relationships with nearby National Park Service, state, and local historic cultural resources to offer a small group of students an experience focusing on the war while earning 15-18 credit hours. Dennis Frye '79, Shepherd alumnus and recently retired Harpers Ferry National Historical Park chief historian, is among the professionals who will help with the program. Frye said Shepherd is in a unique position to offer the semester-long intensive on the Civil War because of its geographic location. Frye has donated \$10,000 to the Dennis E. Frye Scholarship through the University Foundation to offer scholarships to Civil War Semester students.

Tabler Farm Sustainable Agriculture Site: On November 8, Jeff Semler, Washington County extension educator with the University of Maryland, was given a tour of Shepherd's sustainable agriculture site at the Tabler Farm by Dr. Peter Vila, Director of the Veterans-to-Agriculture program and associate professor of environmental and physical sciences, to explore possible future collaboration.

CATF Economic Impact Study: The economic impact of the CATF was announced during a presentation on November 8 in the Erma Ora Byrd Hall. The study, conducted by the arts marketing research firm Shugoll Research, found that CATF is responsible for \$5.86 million in direct economic activity. Direct spending by CATF totaled \$1.25 million, and the amount spent per person was an average of \$238.17, excluding the price of admission. The full report is available at <https://catf.org/thinkimpact>.

Dinner with Strangers – Environmental Studies: Five environmental studies students--Amanda Harmon, Martinsburg; Karlie Murray, Lumberport; Jennifer Willett, Boonsboro, Maryland; Trevor Maclosky, Bluemont, Virginia; and Connor Feehan, Haymarket, Virginia--had the opportunity to share a meal with Jefferson County farmers Carol and Marty Kable and their guests, Shepherd alumna Bev Hughes '71 and her husband Bob of Shepherdstown, during an October 29 Dinner with Strangers. The students were given a tour of the Kables' High Horizon Farm.

St. Maria Goretti Dual Enrollment Agreement: Shepherd and St. Maria Goretti High School in Hagerstown, Maryland, signed a dual enrollment memorandum of understanding on October 31 that will allow juniors and seniors from St. Maria Goretti to take classes at Shepherd for both high school and college credit.

Howard-Bostic Honored: Dr. Chiquita Howard-Bostic, Chair of the Department of Sociology and Geography, was honored as the 2018 Distinguished Alumna for the State University of New York at Buffalo Educational Opportunity Program. Howard-Bostic received the Excellence in Advocacy award and gave the keynote address at the Arthur O. Eve Educational Opportunity Program 44th Annual Honors Convocation in Buffalo, New York.

Potential Partnership Opportunities: President Hendrix, Dr. Ben Martz, and Holly Frye met with Spencer Byrum, CEO of High Reliability Solutions, and Dr. Amy Bair, Senior Associate of High Reliability Solutions, on November 9 to discuss potential partnership opportunities to benefit Shepherd students.

HeartWood Broadside Series Contest: A poem titled *Trillium* written by Tracy Seffers, Registrar, is the 2018 HeartWood Broadside Series winner. The winner receives a \$500 cash prize and 25 copies of a limited-edition letterpress broadside.

All-MEC Accolades: Fifteen members of Shepherd's football team have been named to the 2018 All-MEC Football Team. Freshman quarterback Tyson Bagent, senior wide receiver Ryan Feiss, junior tight end DJ Cornish, graduate student center Jaime Colon, sophomore linebacker Chrys Lane, and senior cornerback DeJuan Neal were first team selections. Junior guard Keandre Batson, senior tackle Levi Lloyd, sophomore defensive lineman Ricky Robinson, and sophomore defensive back Ponce Deleon were named to the second team. Senior wide receiver Wanya Allen, sophomore tight end Alex Wetzel, sophomore offensive lineman Eric Ostrow, junior defensive lineman Scott Dixon, and senior defensive end Tatah Ndeh gained honorable mention honors.

First Annual Eastern Panhandle Literature Fair: The first annual Eastern Panhandle Literature Fair, sponsored by the Department of Education, Division of Graduate Studies, and the West Virginia Reading Association, attracted more than 40 students in grades 1-8 to the October 27 event.

Civil War Christmas: Civil War Christmas, a two-day event held November 30 and December 1 by the George Tyler Moore Center for the Study of the Civil War and the Department of History, featured a concert, walking tour, military encampment construction, living history demonstration, and a presentation on Civil War military and civilian fashion.

FY2019 Pending Grant Proposals to Date: November 2018

Submitted and awaiting decision on award.

Total current pending proposals to date: \$490,990

West Virginia Humanities Council Mini Grant, \$925 for 1 event in March 2019

Shepherd University Hosting the 27th Annual West Virginia Undergraduate Literary Symposium

Proposal requests funding to support hosting the West Virginia Undergraduate Literary Symposium at Shepherd in March 2019. The annual symposium attracts college and university students from across the state to present and receive recognition for their scholarly work in literary analysis. The symposium has been a West Virginia tradition for nearly 30 years. Drs. Timothy Nixon and Heidi Hanrahan from the Department of English and Modern Languages were instrumental in bringing the event to Shepherd for 2019 -- the first year Shepherd will host the symposium.

NEH Summer Fellowship Program, \$6,000 for 1 year: May 1, 2019 – April 30, 2020

De-mock-ratiyya: Humor, History, Protest, and Conflict in Algeria, 1988-2005

Requested funding would support scholarly work during summer 2019 for Dr. Elizabeth Perego, Assistant Professor of History, to complete her book studying the significance of humor in understanding the broader human experience under authoritarianism, oppression and times of conflict and uprising in Algeria during the “Dark Decade” of 1988-2005.

USDA Agriculture and Food Research Initiative Competitive Grants Program, \$484,065 for 4 years: June 1, 2019 – May 31, 2023

Spatiotemporal Monitoring of Honey Bee Colony Temperature to Determine Colony Health and Advance Understanding of Colony Temperature Regulation

Proposal requests funding to support research, led by Dr. Jeff Groff, Associate Professor of Physics and Chair of the Institute of Environmental and Physical Sciences, to develop instrumentation that will wirelessly monitor three-dimensional temperature variations within honey bee hives, enabling close monitoring and greater understanding of bee colony behavior and health. This perspective could ultimately aid in predicting circumstances threatening bee colony collapse, allowing for corrective interventions that could significantly improve success in pollinator management.

FY2019 Awarded Grant Proposals to Date: November 2018

Total awarded proposals to date for FY2018-2019: \$1,222,931

NSF EPSCoR Instrumentation Grant Program, \$20,000 for 1 year: December 1, 2018 – November 31, 2019

High-Accuracy Instrumentation for Unmanned Aerial Vehicle (UAV) Surveys

Proposal, submitted by Professor Steven Shaffer from the Institute of Environmental and Physical Sciences, received funding to purchase devices to enable the existing UAVs used by the Environmental Geomatics and Geographic Information Systems programs to dramatically increase the accuracy of UAV ground surveys enhancing research capabilities and educational impact for the department.

NSF EPSCoR Innovation Grant Program, \$40,000 for 1 year: January 1, 2019 – December 31, 2019
X-Ray Fluorescence (XRF) Analyzer for Teaching and Research Applications at Shepherd

Funding will be used to purchase a device and research materials for determining elemental composition of material samples from an arc melting system. Dr. Mohammadreza Ghahremani, Assistant Professor of Computer Science and Mathematics, proposes to use the device for both magnetic refrigeration technology research and instruction in materials science, electromagnetics and nanotechnology.

University of Oslo Collaboration Grant, \$35,000 for 3 years: June 1, 2018 – May 31, 2021
The Role of Small RNAs in Genomic Imprinting and Hybrid Barriers

Shepherd entered into a collaborative research project with the University of Oslo that provides support for Jason Miller, Visiting Professor of Computer and Information Sciences, and students to perform bioinformatics analyses to critical to the research.

WVU Research Corporation Subcontract from TaiRx, Inc., \$5,760 for 1 year: July 1, 2018 – June 30, 2019

Evaluation of Humanized 3D1 Anti-Nodal Antibodies

Funding supports direct costs related to Dr. Hendrix's role as Co-PI on this project, including proposal research and experiment design and interpretation.

U.S. Department of Agriculture, \$168,685 for 1 year: October 1, 2017 – September 30, 2018
Supplemental Nutrition Assistance Program – Education (SNAP-Ed) at Shepherd

Awarded funds support outreach activities in designated regional schools to teach students about nutrition and healthy food choices. Lead Project Director: Julia Tracy, Adjunct Instructor, Health, Physical Education and Recreational Studies

WV-INBRE, \$28,369 for 1 year: August 1, 2017 – July 31, 2018
Distributed File System B-Trees for Large-Scale Genomics Research

Funding supports the development of new computer algorithms and software that will enable efficient use of large bioinformatics and medical datasets. Research will support major discoveries in medical research that rely on dataset analysis including genome-wide association studies. Lead Principal Investigator: Dr. Ralph Wojtowicz, Associate Professor, CME

West Virginia Bureau of Senior Services, \$2,500 for 1 year: July 1, 2018 – June 30, 2019
Aging Well Workshop at Shepherd

Funding supports program costs for the 2018 Aging Well Workshop led by Dr. Heidi Dobish, Associate Professor of Psychology.

National Institute of Standards and Technology (NIST), \$8,695 for 1 Fellowship: Summer 2018, May 21, 2018 – August 10, 2018
Summer Undergraduate Research Fellowship (SURF)

One fellowship was awarded to Christian Burns, an undergraduate student in the College of Natural Sciences and Mathematics to assist with research in a NIST laboratory at the Gaithersburg campus. Fellowships provide housing and a \$5,500 stipend for 11 weeks during the summer while selected participants from across the nation work closely with NIST mentors on research projects.

EBSCO Solar Grant, \$100,000 for June 2018

Scarborough Library Solar Project: Advancing Sustainability on Campus and in Our Community

Proposal seeks one of three \$100,000 awards offered to libraries with EBSCO subscriptions. Awards support acquisition and installation costs for solar systems that will offset utility costs and enhance educational opportunities for libraries selected for an award. Project Directors: Rachel Hally, Coordinator of Collections in the Scarborough Library and Dr. Jeff Groff, Associate Professor of Physics and Chair, Institute of Environmental and Physical Sciences

USDA Natural Resource Conservation Service (NRCS) Conservation Technical Assistance Program, \$300,000 for 5 years: May 1, 2018 – April 30, 2023

Veterans to Agriculture Program at Shepherd

Proposal requests funding for equipment, supplies and salary support to launch an agricultural training program at Tabler Farm. Training programs in development include courses in agricultural sciences and techniques as well as marketing and business management courses to complement existing degree programs and potentially create certification programs. Programs will target veterans in the region in need of retraining opportunities, but will be available to the general public as well as existing and potential Shepherd students. Project Director: Dr. Peter Vila, Associate Professor, Institute of Environmental and Physical Sciences

WV Idea Network of Biomedical Research Excellence (WV-INBRE), \$288,000 for 2 years: August 1, 2017 – July 30, 2019

Effects of an Anti-Nodal Antibody in Metastatic Melanoma by Modeling and Simulation

Funding supports continuing research to develop a mathematical model to help predict and enhance understanding of how a certain gene influences metastatic melanoma tumor growth and response to chemotherapy. Lead Principal Investigator: Dr. Qing Wang, Associate Professor, Computer Science Mathematics and Engineering (CME)

National Endowment for the Humanities (NEH), \$151,773 for 1 year: October 1, 2017 – December 31, 2018

2018 NEH Summer Institute for School Teachers: Voices from the Misty Mountains

Funding supports the annual NEH-sponsored Institute providing lectures, workshops, events and regional travel for 25 teachers selected from a pool of applicants from across the nation. The three-week program, hosted at Shepherd, delves into the diversity and richness of Appalachian literature and culture. Lead Project Director: Dr. Sylvia Shurbutt, Professor, English and Modern Languages

NASA WV EPSCoR Research Seed Grant, \$10,000 for 1 year: May 16, 2018 – May 15, 2019

Cooling System for Aerospace Applications and Detectors

Funding provides support for research investigating properties of nanoparticle magnetic materials for potential use in cryogenic refrigerators for specialized use in aerospace applications. Principal Investigator: Dr. Mohammadreza Ghahremani, Assistant Professor, Computer Information Systems

Jefferson County Historical Society Community Grant Program, \$3,000: April 1, 2018 – December 31, 2018

Window Restoration for the Weltzheimer House

Funding supports continuing work and associated educational opportunities focused on the restoration and preservation of the house. Project Director: Dr. Keith Alexander, Associate Professor of History

National Park Service (NPS), C&O Canal National Historical Park Historic Structures Report, \$56,749 for 1 year: August 1, 2018 – July 31, 2019

Documenting the History of the African American Experience at Ferry Hill, The Blackford House and the Bridgeport Community

Shepherd recently became a member of the Chesapeake Watershed Association (CHWA) regional segment of a Cooperative Ecosystem Studies Unit (CESU) under the NPS, which made us eligible for this CESU members only opportunity. Funding provides support for Shepherd faculty and students to conduct research leading to a historic structures report and a historic resource study focused on African American History as it relates to Ferry Hill. Principal Investigator: Dr. James Broomall, Assistant Professor of History and Director of the Civil War Center, and Co-PIs: Drs. Keith Alexander, Associate Professor of History, and Benjamin Bankhurst, Assistant Professor of History

Eastern WV Community Foundation Helen Parker Willard Jefferson County Historic Cemetery Grant, \$4,400: March 10, 2018 – December 1, 2018

Historic Cemetery Preservation and Service Learning

Funding supports supplies and equipment enabling expansion of cemetery preservation and documentation activities that are central to the service-learning aspect of Shepherd's Historic Preservation concentration offered by the Department of History. Project Director: Dr. Keith Alexander, Associate Professor of History

Academic Affairs

Shepherd Speaks Series:

Under the leadership of Dr. Sylvia Shurbutt, Director of the Center for Appalachian Studies and Communities, the Center began a new program titled Shepherd Speaks. The program is affiliated with the National StoryCorp and the Library of Congress, and will record student and community stories. Shepherdstown Area Independent Living (SAIL) is partnering in this program.

Kuwaiti Social Policy

On November 29, Shepherd's Department of Social Work sponsored a lecture by Dr. Abdulwahab Al-Dhafiri, a visiting professor from Kuwait, titled "Kuwait: Toward a Different Social Policy."

Faculty/Administration

Marat Akopian, Visiting Professor of Political Science, was awarded a WVROCKS course development grant for \$3,000. The upper-division course is entitled, "Democracy and Elections."

Dr. Scott Beard, Provost, directed two events with the Washington Opera Society, a Holiday Songfest at the Embassy of Croatia on November 16 and a production of *The Gypsy Princess* by Sigfried Kalman on December 7 at the Embassy of Uzbekistan.

David Gonzol, Professor of Music, Dr. Gonzol's four-part hymn tune "Gardner" was announced as the winner for the first-ever hymn tune competition of the Harrisonburg Sacred Arts Festival.

David Modler, Associate Professor of Art, gave an artist's talk to advanced drawing students at the Regis Center for Art at the University of Minnesota. Dr. Modler also offered a Visual Journal Exchange Workshop at the Influx Auditorium, tet[R]ad: *Draw and Play Here*.

Faculty/Administration (cont.)

Dr. Heidi Hanrahan, Professor of English, provided two presentations at the Society for the Study of American Women Writers Conference in Denver, Colorado. The first, co-presented with Dr. Amy DeWitt, Associate Professor from the Department of Sociology, was entitled “‘Dream[s]...not yet realized’: Team-Teaching Gender and Women’s Studies.” The second, an individual presentation, was entitled “‘Here I cannot write, and thoughts clamor to be written’: What Lucy Larcom Can Teach Us about Twenty-First Century Academia.”

Kristin Kaineg, Professor of Art, along with Shepherd students Renzo Velez Panduro, Nicholas Pinto, and David Hassan, have been creating concepts for poster and collateral design for the 2019 Ballhooter Music event at Snowshoe Resort. This large-scale project was awarded to Shepherd because of how well our student's did last year when they presented designs for Homegrown festival. Dr. Kaineg also collaborated with the 150th Anniversary team at Asbury United Methodist Church in Shepherdstown to create their 150th anniversary book.

Dr. Matt Kushin, Assistant Professor of Communication, presented a paper, "How Informed Are Messaging App Users About Politics? A Linkage of Messaging App Use and Political Knowledge and Participation" at the annual conference of the Association for Education in Journalism and Mass Communication, in Washington, D.C. Kushin has also been named the *Stukent* November Professor of the Month. *Stukent* is a digital courseware provider focused on improved education through up-to-date textbooks, real-world simulations, and other instructional resources. Kushin uses *Stukent's* Mimic Intro software to introduce pay-per-click ads to students.

Steve Shaffer, Lecturer in Environmental Studies, has been awarded a \$20,000 grant from the HEPC for instrumentation related to drone surveys.

Tony Schiera, Lecturer in English, is the lead author on the co-written article “Educational Artifacts and Participatory Culture: Ideas from Oman” coming out in the November issue of the National Council of Teachers of English (NCTE) *English Journal*.

Enrollment Management

2019 Fall and Spring Semester Enrollment Builds

The Fall recruiting travel season will come to an end in early December, and the spring 2019 semester will begin on Monday, January 14, 2019. For additional information, please see agenda item 7-a.

Student Affairs

Shepherdstown Veterans Day Program

Representatives from Shepherd participated in a Veterans Day Program sponsored by the Shepherdstown Visitor's Center on November 11 at the War Memorial Building. The focus of the event was honor and healing. Speakers shared unique and historical perspectives on the impact of conflict and service in the United States Armed Forces and the role Shepherdstown played in each. Information about veteran resources and opportunities to assist those who have served were available on site. Veterans in attendance received a handmade gift as a token of gratitude and appreciation. Donations were collected to benefit Greater Recovery and Community Empowerment (GRaCE). Tours of Shepherd's Veterans Center were offered to attendees.

Performing Arts Series at Shepherd (PASS): SPEAK Story Series

This semester, the Performing Arts Series at Shepherd (PASS) hosted two storytellers in the SPEAK Story Series. On November 13, storyteller, actress, and playwright, Megan Wells entertained Shepherd University staff, faculty and students with her dynamic storytelling abilities. Ms. Wells has shared her epic story experiences for over twenty-five years. Winner of three national awards, Megan was recently inducted into the prestigious Circle of Excellence, the National Storytelling Network's award to honor America's best storytellers. Megan's unique voice is a charismatic combination of the dynamics of theater with the unique emotional intimacy of storytelling. With a repertoire of more than 186 stories, Megan researches, writes and performs fresh versions of old tales, edited versions of classical literature and living embodiments of vibrant historical characters. Megan has been featured three times at the National Storytelling Festival in Jonesborough. She performs in theaters, festivals, museums, libraries, schools, corporations, pubs, retreats and house concerts.

On December 12, Appalachian Storyteller in Residence Elizabeth Ellis provided the campus with her talents in storytelling. Ms. Ellis grew up in the Appalachian Mountains in a family of storytellers. Her grandfather, a circuit riding preacher, told stories he had collected in his travels through the mountains. He also shared tales which he created to delight his grandchildren. Her aunt was a keeper of the old fairytales that she had learned from her Irish immigrant grandmother. From the Hans Christian Andersen Statue in New York's Central Park to the Glistening Waters Festival in New Zealand, Elizabeth has captivated listeners everywhere she goes. She has taken storytelling to a variety of unexpected places, such as the amputee ward at Walter Reed Medical Center and into the work of Public Defenders and the United Way. She is a repeat favorite at the National Storytelling Festival and has been a Storyteller-in- Residence at the International Storytelling Center

Being an Orthodox Jew in America

On November 14, Shepherd alumna Ginny Adams-Kafka, BS '04 and MA '08, spoke to students, staff, and faculty about what it means to be Jewish in America. Ginny grew up Jewish in Charleston, West Virginia as a member of the historic B'Nai Jacob Synagogue. She provided a glimpse into a world that seems distant from many communities: the world of Orthodox Judaism. The program was sponsored by Lifelong Learning, Student Activities and Leadership, and Multicultural Student Affairs.

Midnight Breakfast

The Division of Student Affairs scheduled the 38th Midnight Breakfast for December 9 in the Student Center Ram's Den. This long-standing Shepherd tradition brings together faculty, staff, and students for a lively meal the night before final exam week. Midnight Breakfast features a free deluxe breakfast served by faculty and staff.

Finals Fastbreak

The Program Board provided Finals Week Survival Kits, Scantrons, and snacks for students as they prepared for a week of final exams.

University Development

Comprehensive Fundraising Report: 7/1/18 through 10/30/18

The comprehensive fundraising report below provides cumulative data from 7/1/18 through 10/30/18, with comparative data for the same period during the past three fiscal years. It includes results from fundraising programs managed through the Shepherd University Foundation, Shepherd Athletics and the Office of Sponsored Grants. During the first five months of the academic year, a total of \$2,489,482 was pledged and paid in new charitable gifts. Gift category results are summarized as follows:

- Gifts and pledges for annual giving programs yielded \$500,456
- Private gifts designated to named endowments equaled \$425,232
 - o Endowment gifts included \$300,000 in deferred gifts
- Competitive grants in amount of \$1,263,704 were awarded

Support by giving constituencies, with comparative data from the same reporting period over the past two years shows increased support as measured by number of donors. Number of alumni donors has increased by 54 donors during the same period ending 10/31/17 which is a 6.6% increase. Total number of donors has increased by 117 during the same period ending 10/31/17 for an 8.9% increase. Although total dollars as of 10/31/18 were less than the same five-month period ending 10/31/17, the results were due to a decrease in competitive grants. Total dollars raised from new annual and endowment gifts increased by 64% (\$925,688 as of 10/31/18 compared to \$563,650 as of 10/31/17).

SHEPHERD UNIVERSITY COMPREHENSIVE FUNDRAISING SUMMARY

Gift Category	7/1/18 – 10/31/18		7/1/17 – 10/31/17		7/1/16 – 10/31/16	
Annual Giving	\$500,456		\$441,632		\$1,365,336	
Endowments	\$425,232		\$122,018		\$313,484	
Grants	\$1,263,704		\$1,890,772		\$919,287	
Capital	\$0		\$0		\$0	
Total:	\$2,489,482		\$2,540,412		\$2,598,107	
Donor Category	# Donors 7/1/18-10/31/18	\$ Donors 7/1/18-10/31/18	# Donors 7/1/17-10/31/17	\$ Donors 7/1/17-10/31/17	# Donors 7/1/16-10/31/16	\$ Donors 7/1/16-10/31/16
Alumni	866	\$505,668	812	\$212,998	599	\$532,943
Friends	386	\$141,716	337	\$120,093	382	\$277,799
Corporations/Foundation	123	\$101,962	73	\$100,005	67	\$394,688
Others/Estates/Trusts	48	\$476,432	80	\$216,544	18	\$473,390
Grants	11	\$1,263,704	15	\$1,890,772	11	\$919,287
Total:	1,434	\$1,642,760	1,317	\$2,540,412	1,077	\$2,598,107

Athletics

Basketball

The men's and women's basketball programs have started their seasons. The men's program is off to an early 5-3 start, while the women's team is off to a 3-5 start for the season.

Volleyball

The volleyball team concluded an historic season at the NCAA II Atlantic Regional Tournament on November 15th. The Rams finished the season with a (23-10) record with a (6-3) mark against PSAC opponents, their first NCAA II regional appearance in program history and a 10-match winning streak that is the longest in program history.

Capital Projects

Butcher Center

Shepherd will engage Eastern Elevator to update the elevator controller/selector, install new submersible power unit, hydraulic oil and necessary plumbing and new car, hoistway and equipment room wiring.

As part of the HEPC funding, a chairlift will be added to provide ADA access from the 2nd floor to the Skybox. With any excess funds, based on preliminary estimates, we will make minor upgrades to the existing cab, which will enable us to expend the entire amount granted.

Potomac Place

Completed electrical testing on main breaker panels in response to plumbing issues last year.

Burkhart

Engaged BFM Architects to develop A&E for renovation to building HVAC, electrical capacity, re-grading, bathroom fixtures, and flooring with add-alternates for roof. BFM to manage anticipated construction bid with work to begin by January with building to re-open by August 2019.

Kenamond/Turner

Toured prospective developers through buildings on November 9 to gauge interest in future renovations for business use.

Student Center

Installation of one of two new propane boilers, which are replacing the 1961 and 1973 vintage fuel oil boilers, is being completed. Besides increased efficiency, the lower cost of propane vs. fuel oil will result in a substantial operational savings. Additionally, where the old boilers individually served a portion of the building, each new boiler will serve the entire building providing a redundancy in operations, further increasing the efficiency.

Upcoming Events

Saturday, December 15

Tuba Christmas, McMurrin Hall lawn. Sponsored by Department of Music.

Monday, December 24 – Tuesday, January 1

University Closed for Winter Break.

Monday, January 21

University Closed for Martin Luther King Day

Thursday, January 31

Music Salon Series: “Joshua Walker Quartet,” Frank Center, W.H. Shipley Recital Hall. Sponsored by Department of Music and Jefferson Security Bank.

For other Shepherd events, event locations and times, please check our home page calendar at <http://www.shepherd.edu/calendar>

Shepherd University Board of Governors
December 13, 2018
Agenda Item No. 5

CLASSIFIED EMPLOYEES COUNCIL (CEC) ANNUAL REPORT

Ms. Cecelia Mason, Chair of the CEC and University Communications Staff Writer, will present a report to the Board on the activities and concerns of the Council. Ms. Mason will then be available for any questions from members of the Board.

UNIVERSITY DEVELOPMENT ANNUAL REPORT

This report reflects activities and results for fiscal year ending June 30, 2018. Shepherd University's development program is an integrated effort led by the Shepherd University Foundation and supported by staff from units including Alumni Affairs, Annual Giving, Leadership Gifts, and Athletics. Fundraising data reflects competitive grants awarded through the efforts of our faculty, administration and the Office of Sponsored Programs. Important assistance is provided by our partners in the Office of the President, Office of University Communications and the Shepherd University Alumni Association.

FY2018 Data and Year-Over-Year Notes

The comprehensive fundraising report provides cumulative data for the fiscal year ending June 30, 2018. The data includes external fundraising programs and donors managed through the Shepherd University Foundation, Shepherd Athletics and the Office of Sponsored Programs.

SHEPHERD UNIVERSITY COMPREHENSIVE FUNDRAISING SUMMARY

Gift Category	FY 2018		FY 2017		FY 2016	
Annual Giving	\$1,359,439		\$2,516,145		\$873,949	
Endowments	\$745,187		\$860,396		\$779,801	
Grants	\$1,972,626		\$1,172,706		\$3,276,697	
Capital	\$234,160		\$1,225		\$0	
Total:	\$4,311,412		\$4,550,472		\$4,930,447	
Donor Category	# Donors FY 2018	\$ FY 2018	# Donors FY 2017	\$ FY 2017	# Donors FY 2016	\$ FY 2016
Alumni	1,570	\$639,391	1,491	\$1,407,058	1,415	\$376,467
Friends	930	\$413,958	780	\$483,140	537	\$211,739
Corporations/Foundations	196	\$531,152	133	\$506,054	117	\$661,209
Others/Estates/Trusts	148	\$763,285	273	\$981,514	308	\$404,335
Grants	20	\$1,972,626	16	\$1,172,706	23	\$3,276,697
Total:	2,864	\$4,311,412	2,693	\$4,550,472	2,400	\$4,930,447

- Total gifts and grants for FY2018 equaled \$4.3M which exceeded the five-year average of \$3.9m.
- Private donations designated as annual funding totaled \$1.3m, which was less than FY2017. However, the FY2017 total was a high water mark which reflected several one-time special gift programs including the Shepherd Success Fund (\$400,000), Business 2020 (\$660,000) and Smallwood and Small Pavilion (\$250,000).
- New and ongoing annual giving programs such as Women Investing in Shepherd (WISH), Scarborough Society, President's Club and the All Steinway Campaign continue to provide a growing annual giving base as well as opportunities for increases.
- Gifts to endowments totaled \$745,187.
- Grants received for FY2018 totaled \$1.97M which is 27% higher than the five-year average.
- Under the donor categories, the total number of donors increased by 171 for FY2018, which is a 6% increase from 2017. Increases in the number of donors were across several programs and categories, but were specifically supported by new gifts to the Shepherd Fund and WISH.

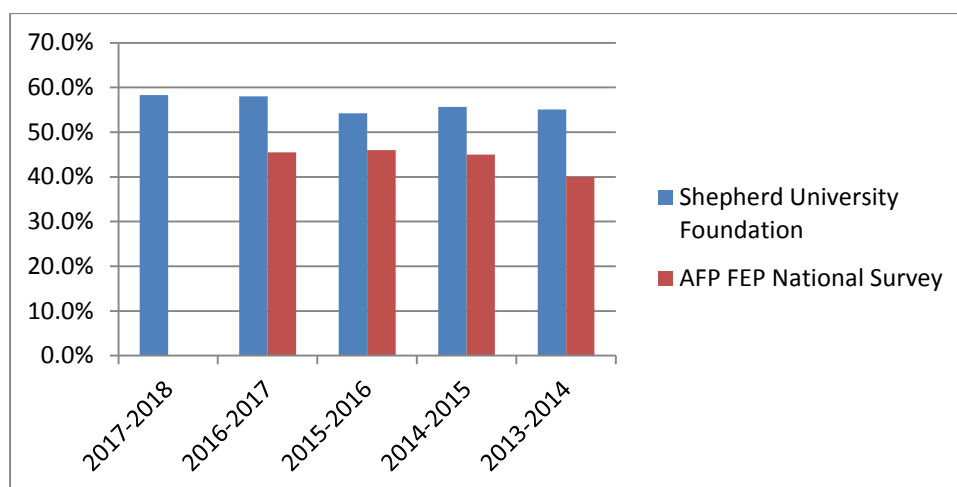
Donor Retention Benchmarks

Donor retention is an important factor. Donor retention measures how many donors continue to donate year after year. Low donor retention rates require us to invest resources to recruit new donors just to keep up with past levels of giving. Strong donor retention indicates effective and efficient gift acknowledgement and stewardship processes.

Our average donor retention rate over the past five years among our specific Shepherd Fund donors is 49%. In FY2018, we posted a 63% retention rate among the Shepherd Fund donors.

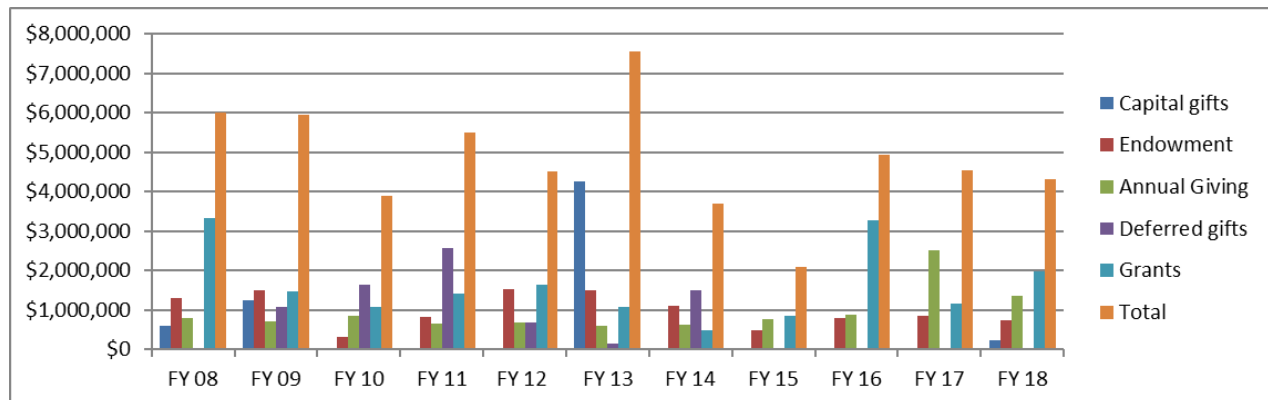
Since 2006, the Association of Fundraising Professionals (AFP) and the Center on Nonprofits and Philanthropy have conducted annual research on fundraising effectiveness. This research project is known as the Fundraising Effectiveness Project (FEP). The most recent report includes data through 2017. Shepherd's results for overall donor retention as compared to national results are presented in the chart below. We continue to stress the importance of meeting our donors' expectations for receiving and administering their gifts.

Donor Retention Rate



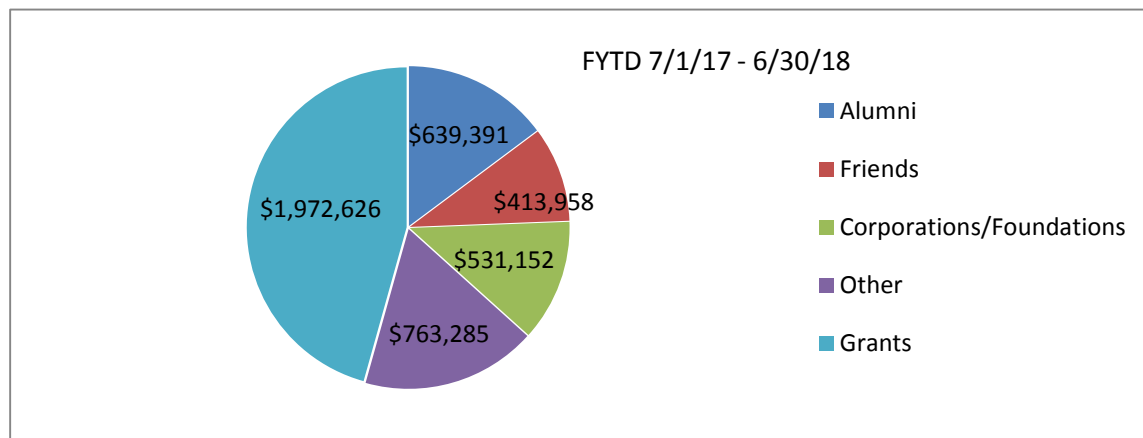
Ten Year Giving Summary FY2008-2018

The following graph illustrates long-term giving trends in terms of total amounts secured as new gifts, grants, and pledges. Over the past five years, annual fundraising results have averaged \$3.9M. The ten-year average, which includes the four highest years of the comprehensive campaign results, is \$5.6M. In FY2018, total new funds raised were \$4,311,412 which exceeds the five-year average, but does not meet the campaign era 10-year benchmark.



Giving by Constituency

The chart below illustrates total gifts received by each of Shepherd's primary constituency groups, not including pledges or deferred gifts. The private gifts and competitive grant awards are used for student success initiatives and scholarships, faculty research and development, academic equipment and other core needs.

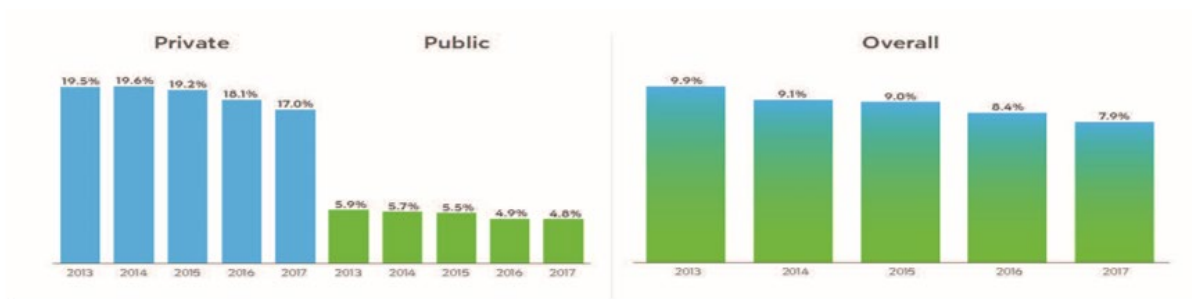


Blackbaud Benchmarks Alumni Giving

According to national data collected by Blackbaud, FY2017 median participation rates overall for higher education (public and private) remained relatively steady at 7.9%, but over the course of the past five years continue to experience a modest decline overall, down from 9.9% in 2013. For public educational institutions, the alumni giving rates are lower, as the chart below presents. Alumni of public schools give at a median rate of 4.8% with a drop over the past five years from 5.9% in FY2013.

Since alumni donor counts on a national basis have had modest decreases, it stands to reason that participation rates will be flat at best, and likely continue a downward trend. Schools implementing robust senior class gifts tend to do better with this metric by securing gifts from a large portion of the senior class. They are using this technique to avoid the steeper decline in overall participation that otherwise might occur. We are working on ideas to increase senior year giving but more importantly, are working on a longer term approach to develop an awareness among our students of the impact of philanthropy through Tag Day and Thank a Donor Day.

Alumni Giving Rates Blackbaud Annual Survey



The table below provides alumni giving rates for the public institutions among our US News Best Colleges National Liberal Arts Colleges peer group that reported this statistic. After a 1% increase to 8% in the 2017 report, the percentage in the 2018 report dropped back to 7%.

**US NEWS BEST COLLEGES
NATIONAL LIBERAL ARTS COLLEGES**

School	2017 Alumni Giving Rate	2018 Alumni Giving Rate
United States Military Academy (NY)	32%	32%
Virginia Military Institute	30%	28%
United States Naval Academy (MD)	17%	14%
New College of Florida	17%	17%
United States Air Force Academy (CO)	14%	14%
St. Mary's College of Maryland	12%	12%
University of Minnesota-Morris	11%	11%
University of Virginia-Wise	9%	8%
U. of North Carolina-Asheville	9%	7%
Massachusetts Col. of Liberal Arts	8%	7%
Shepherd University (WV)	8%	7%
Purchase College -SUNY	4%	4%
Louisiana State University-Alexandria	4%	4%
West Virginia State University	4%	4%
Fort Lewis College (CO)	3%	3%
Univ. of Wisconsin-Parkside	1%	1%
University of Maine-Machias	0.20%	0%

Benchmark Comparison with COPLAC Universities

The Council for Aid to Education (CAE) produces an annual report for Voluntary Support of Education (VSE). The VSE reports data on private giving to colleges and universities. The data is submitted voluntarily by participants using carefully defined reporting standards. The VSE does not include all sources of external funds, but does provide a validated source of data that can be used for benchmark purposes. It is considered to be an authoritative national source of information on private giving to higher education. It consistently captures 85% of total voluntary support to colleges and universities in the US.

The chart below shows the reported results among the 18 COPLAC schools reporting data for the fiscal year ending June 30, 2017 (the latest data available).

2017 VSE Total Support Dollars COPLAC Benchmarks (Dollars in Thousands)

Name of University	2017 Total Support	2016 Total Support
Sonoma State University	\$6,318	\$9,087
University of Mary Washington	\$5,873	\$5,782
University of N.C. at Asheville	\$5,557	\$6,837
The Evergreen State College	\$4,699	\$4,771
New College of Florida	\$3,975	\$1,196
Georgia College & State University	\$3,791	\$2,335
Truman State University	\$3,423	\$3,491
Ramapo College of New Jersey	\$3,188	\$3,762
Midwestern State University	\$3,127	\$3,543
Shepherd University	\$3,068	\$1,958
Southern Oregon University	\$2,963	\$2,175
Fort Lewis College	\$2,613	\$4,013
University of Illinois at Springfield	\$2,592	\$2,887
SUNY at Geneseo	\$2,473	\$3,944
Eastern Connecticut State University	\$2,025	\$2,121
Massachusetts College of Liberal Arts	\$1,348	\$1,196
Mansfield University of Pennsylvania	\$780	\$954
University of Maine at Farmington	\$436	\$381

Funding Provided by University Foundation Development Program 2018-2019

Ultimately, fundraising efforts and fiduciary management by the Shepherd University Foundation lead to the annual award budget. The private gifts and grants that are recruited from donors are used to fund the annual awards in the form of student scholarships and paid internships, faculty excellence awards, academic program support, and university support for a variety of university needs, are reflected in the table below. Additionally, the operating budget for the Foundation represents expenses that would be carried by the University if the Foundation were not an independent self-funded organization providing these personnel, technology, cultivation, stewardship, fiduciary management and other operating costs for the benefit of the University.

Shepherd University Foundation Award and Operating Budgets 2018-2019

Fiscal Year	Operating Budget	Scholarships, Academic Programs, Faculty Excellence, University Support Award Budget	Total
18-19	\$585,100	\$2,521,000	\$3,106,100
17-18	\$559,700	\$1,945,000	\$2,504,700
16-17	\$515,500	\$1,957,000	\$2,472,500
15-16	\$497,250	\$1,807,000	\$2,304,250
14-15	\$498,400	\$1,708,000	\$2,206,400

Foundation's Role

The Shepherd University Foundation fulfills several roles for the benefit of Shepherd University. One of the most public roles is to recruit and receive private gifts and grants on behalf of many various programs and projects. The general statement could be made that almost all gifts, memberships and event tickets are processed through the Foundation. Gifts in support of membership recognition programs such as the Scarborough Society, Friends of Popodicon, President's Club, Gridiron Club and Shepherd University Athletic Club (SUAC) all process their gifts through Foundation accounts. A review of the gift forms or ticket purchases (on-line and printed) for most Shepherd related events and giving programs will direct donors to the Shepherd University Foundation. This is true for student and academic programs as well as volunteer driven membership societies and events.

Developing and coordinating fundraising at all levels remains a focus for staff and volunteers. Major gifts, annual giving and planned gifts are recruited using a donor centered approach and a prospect manager portfolio based model. We recognize that every major donor and lead volunteer deserves to have a dedicated individual whose role it is to understand their philanthropic interests, manage the cultivation and solicitation process, and steward their gifts made to the University. To that end, each staff person with responsibility for gift solicitation has been assigned a portfolio of prospects. Major gift officers, development staff and lead volunteers strive to match each donor's personal philanthropic goals with the priorities of the University.

Other financial and communications roles and responsibilities include serving as the fiduciary agent for holding and administering the distribution of all private gifts and investing the endowment funds; managing the database for all Shepherd alumni and friends; developing protocols for data entry and retrieval for information concerning gifts, awards, memberships, and events; providing data for peer and governing boards reporting; developing and staffing various fund-raising events and programs; communications, public relations, social media and assisting with several University publications and newsletters. In addition, we have a memorandum of understanding to provide fiduciary management of the Byrd Center for Congressional History and Education.

Our development staff members continue to operate as an effective, efficient team. We are building and maintaining the office and management systems that support a strategic, organized fundraising program and are enthusiastically meeting the challenges of the ever growing need for private funds in support of Shepherd University.

Shepherd University Foundation and Alumni Affairs Staff

Monica Lingenfelter, Executive Vice President

Cathy Nevy, Comptroller

Sherri Janelle, Executive Director of Development

Kim Hutto, Director of Alumni Affairs

Meg Peterson, Director of Donor Relations

Stacy McFarland, Director Annual Giving

BreAnne Rugh, Database Manager

Kristin Alexander, Executive Assistant and Communications

Katie Gordon, Alumni and Annual Giving Coordinator

Bev Bennett, Operations and Research Associate

The Year in Review and Emerging Strategies

During the 2017-2018 academic year, **11 new named award funds** were created by donors with private gifts through the Foundation. They will support awards for scholarships, faculty excellence, academic and athletic programs. The Foundation launched a **redesigned website in April 2018** with an updated content management system and a more functional and responsive design and interface. The update allows us to maintain the site in a timelier and cost efficient manner and enhances our on-line giving for the benefit of all Shepherd programs and events.

The **Foundation's three-year strategic plan** for fundraising focuses on eight strategic priorities. After Shepherd's five-year strategic plan was finalized, the Foundation and Alumni Affairs staff members identified how our priorities lined up with the University's priorities. A staff review confirmed that our strategic priorities are aligned. The Foundation's priority number seven, to optimize data and prospect management, is specific to fundraising yet technically supports funding for all the University priorities.

Shepherd University Foundation Strategic Priorities:

1. Cultivate a strong annual giving program
2. Strengthen planned gift program
3. Expand major gift capacity
4. Cultivate and strengthen affinity groups
5. Initiate and meet set goals for targeted fundraising campaigns
6. Create and strengthen alumni services models
7. Optimize data prospect management
8. Create and implement comprehensive communication plan

Implementation of our fundraising plan includes:

- Over 30 Ongoing Initiatives
- Over 70 Events Annually
- Over 60 Mailings Annually
- Over 30 Volunteer Board, Working Committees, Advisory Council meetings

When setting fundraising priorities, we respond to requests from the University for fundraising needs. The Office of the President, Board of Governors, provost's office, deans, faculty, and student organizations all regularly present requests for private funds or other assistance. We strive to be strategic with our staff and financial resources to support these requests and look to the University for guidance to set priorities.

During the 2017-2018 year, over 70 events were managed or significantly supported by the Foundation and Alumni Affairs staff and volunteers. Outreach must remain a priority as we continue to expand the base of alumni and friends who will support the University with financial gifts and other opportunities for our students and academic programs, such as mentoring, internships, and in-kind gifts of technology.

Cultivation of new donors and the ongoing stewardship of those who have already stepped up to invest in Shepherd is essential. Thanking our donors and volunteers for their gifts is part of a cycle which serves to cultivate future gifts. Special events on campus or in the region serve to engage alumni and others with the University, nurturing mutually beneficial relationships. Just as important are the individual meetings and contacts with donors and prospects that lead to significant donations. Major gift fundraising success depends on the development of trust and the inspiration of donors to make an impact. Our governing and leadership boards, faculty, staff and alumni all have roles in promoting Shepherd University.

Below is a sampling of some 30 fundraising initiatives and 70 events held in support of fundraising initiatives:

The \$1M All-Steinway Campaign was launched spring 2017 to inspire student growth creatively, artistically, and professionally. Achieving this designation will inspire our students, including 110 music majors, over 150 students in the music appreciation classes and 300 more in the Ram Band, jazz and choral ensembles, as they experience these exquisite instruments. Private gifts will fund the purchase of 28 Steinway Grands or Steinway Boston Uprights which symbolize the highest levels of excellence and commitment to quality. These pianos are expected to be used for 60-100 years, serving as a legacy of excellence for the donors who choose to name them.

As of June 30, 2018, we have achieved 19% of our five-year goal. Other support for music includes working with individual donors to create named scholarships such as the L & M Family Scholarship in memory of Laurence D. Bory and the annual spring Musical Showcase for Scholarships.



The Joseph P. McMurren Society recognizes those alumni and friends who generously share their lifelong financial achievements with Shepherd through estate and other planned gifts. Over the course of the past academic year, the **Foundation welcomed a record 15 members**. Members and other guests gather each spring for an elegant dinner reception featuring the performance talents of Shepherd students and faculty.



Women for Shepherd University provides a forum for the women of Shepherd to connect with one another for personal and professional growth. Two events are held each year and are planned to engage alumni and friends with the University community to learn first-hand about Shepherd today and the positive impact volunteer leadership can have. Women are inspired by their connections to each other. Women-centered programs offer opportunities to learn about solutions for life issues they are facing, presented by trusted experts within a community of peers.



The President's Brunch brings together alumni and friends to hear an update from President Hendrix on the new amazing initiatives at Shepherd. The two Fall 2017 events attracted dozens of guests. **The President's Club** spring 2018 event, at Popodicon, provided these engaged donors with the opportunity to hear first-hand about the impact their gifts are having. Each member received a printed **President's Club Impact Report** highlighting projects such as an admissions regional recruiter, Research and Innovation Forum, Case for Dashboards Competition and the water bottle filling station installed in the Scarborough Library.



WISH had another stellar year, reaching a new record of 230 members. Since 2014, the women's giving circle has given high impact grants totaling **\$325,500 to 14 grant recipients** – 7 for Shepherd learning programs and 7 to regional community non-profits.



The 17th Annual Scarborough Society Gala raised \$35,000 net in support of the library. The Doctor Zhivago theme inspired board president, Ray Alvarez, to don a fur hat and mustache to welcome the guests. This friends of the library membership group has raised \$830,000 since its inception.



The Last Dollar Fund provides those last dollars that make the difference to keep some of our most promising students in school. Private gifts are pooled to provide a source for special funding for students identified through our enrollment management offices. **The Farm to Table** event was held in September at the home of Eric and Joy Lewis and netted \$10,000 for the fund.



Alumni Affairs sponsored several regional alumni community receptions with the outstanding leadership of our Community Ambassadors who organized well attended events in Delaware, Winchester and Florida. We now have 5 **Regional Alumni Communities from Texas to Virginia**. These organized groups of Shepherd alumni, within a specific geographical region, promote personal and professional opportunities for lifelong connections to Shepherd and to fellow alumni – which translates to great parties with old and new Shepherd friends.



Homecoming 2017 filled the campus with hundreds of alumni and fans! Alumni Affairs and Foundation staff members organized tickets, coordinated various events and greeted visitors. Friday included the **Alumni Golf Tournament and Founders Day**. On Saturday, bystanders lined German Street for the annual **Homecoming Parade** followed by the **McMurrin Alumni Breakfast**. President Hendrix hosted special guests for the game at the **Smallwood and Small Pavilion at Ram Stadium**.



Commencement celebrations include the **Emeritus Club Induction Luncheon** to welcome back Shepherd graduates who graduated 50 years ago. Over 80 members of the class of 1958 and guests filled the Storer Ballroom and enjoyed a campus trolley tour with a special visit to our newest residence hall, Potomac Place.



The **Zero Year Reunion** honored brand new graduates and their families directly following the Commencement ceremony.



During the 2017-2018 academic year, **11 new named award funds** were created by donors with private gifts through the Foundation. These funds will support awards for scholarships, faculty excellence, academic and athletic programs. **The Foundation launched a redesigned website in April 2018** with an updated content management system and a more functional and responsive design and interface. The update allows us to maintain the site in a timelier cost efficient manner and enhance our on-line giving.



Our development team continues to operate as an effective, efficient team working collaboratively with volunteer leaders and University leadership. We are building the systems that support a strategic, organized fundraising program and enthusiastically meeting the challenges of the ever growing need for private funds in support of Shepherd.

Looking back at FY2018 and looking ahead, it is clear that meaningful alumni and community engagement results in increased opportunities for charitable gifts to support student scholarships, faculty excellence awards, and innovative academic programs. Programs that provide internships, mentoring and career opportunities for our graduates are our future. Private and corporate gifts of time, talent and fiscal resources will strengthen all aspects of our University. Public-private partnerships are proving to be an effective strategy for leveraging our assets and relationships. University leadership is embracing partnership possibilities and the University Foundation leadership has been fully supportive. The Foundation staff and board of directors extend sincere appreciation to University administrators, faculty and staff, led by Dr. Hendrix, and the members of the Board of Governors for their support and partnership.

Shepherd University Board of Governors
Report to the Academic Programs and Development Committee
December 13, 2018
Agenda Item No. 6-b

ACADEMIC RESTRUCTURING UPDATE

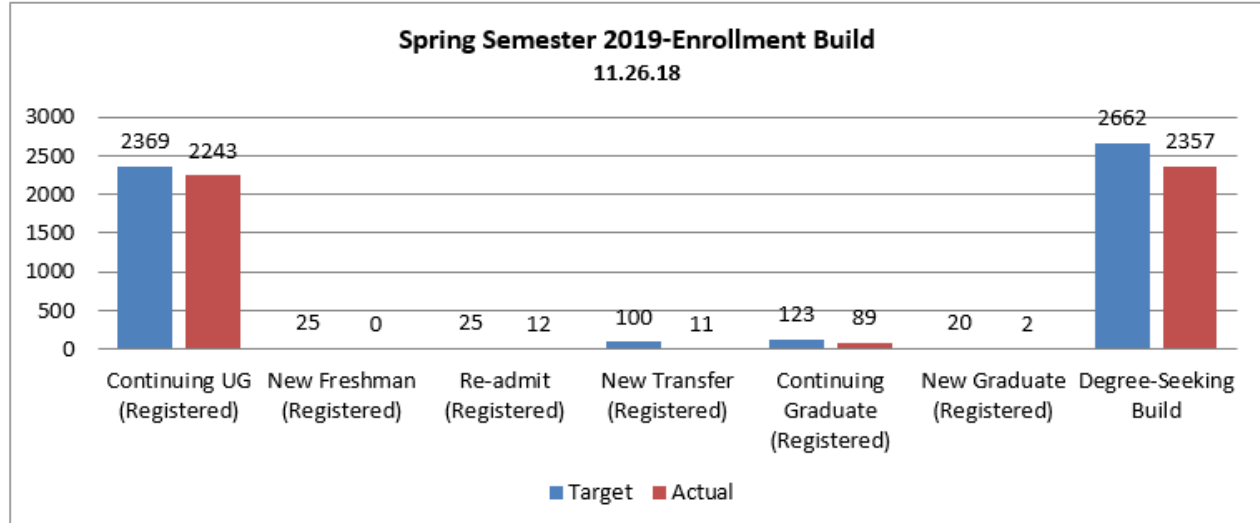
Dr. Scott Beard, Provost, will provide the Board with a brief update on academic restructuring. Dr. Beard will then be available for any questions from members of the Board.

ENROLLMENT BUILD UPDATE FOR SPRING 2019

The spring 2019 semester begins on Monday, January 14, 2019. Currently enrolled undergraduate and graduate students began registering for the spring semester on November 5, 2018. As of November 26, 2,243 (80%) undergraduate students had registered for spring classes. Registration will remain open through the first week of the spring semester. Two-hundred and two undergraduate students have applied for December graduation.

As of November 26, 317 new freshmen, transfer, and readmit students had applied for admission to enroll in the spring semester. On December 13, the Office of Admissions will be hosting a Transfer Student instant decision day. This one-stop event will provide Transfer Students with the opportunity to apply for admission to Shepherd, receive a preliminary transcript evaluation, and an instant admission decision. Financial Aid Counselors will also be available to assist students with their FAFSA and financial aid paperwork.

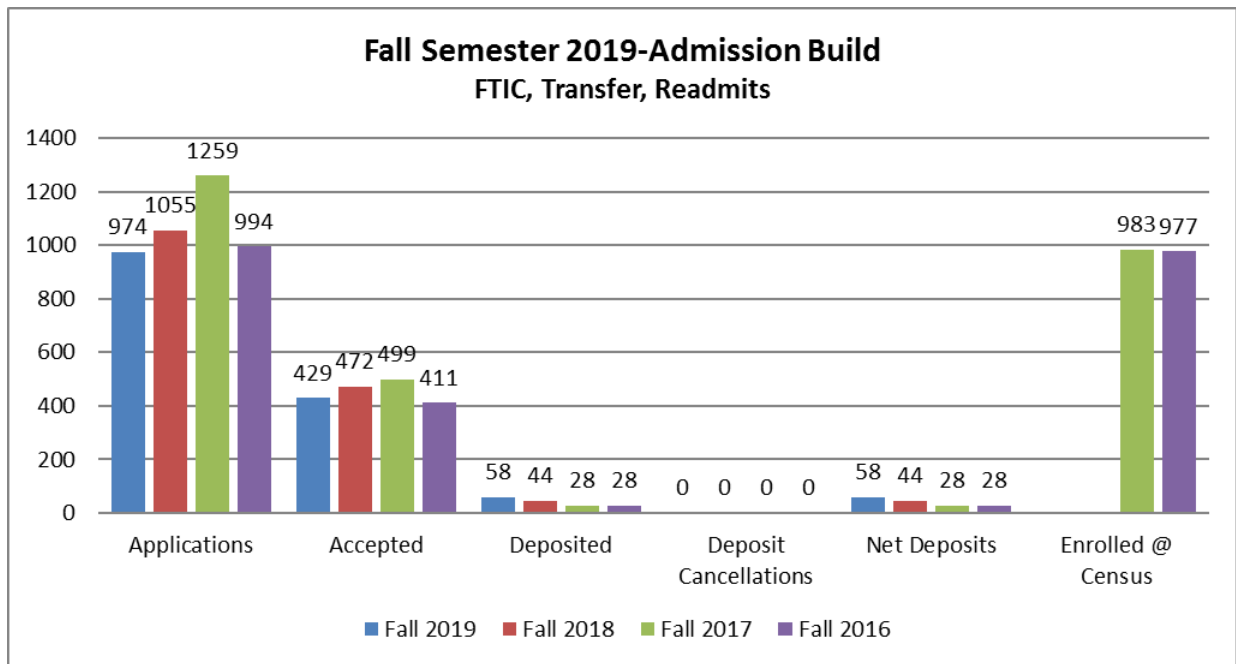
Orientation for new students is scheduled for Friday, January 11, 2019. New students will meet their faculty advisor, current students, staff, and register for classes.



Fall 2019 Admission Build

The Fall recruiting travel season will come to an end in early December. Over 300 high schools and college fairs were attended by Admission Counselors covering territories in West Virginia, Maryland, Virginia, Pennsylvania, and Delaware. Currently there are 974 freshmen, transfer, and readmit students who have applied for admissions. Four-hundred and twenty-nine have been admitted with 58 having paid their enrollment deposit early.

The Office of Financial Aid has begun processing aid for the 2019-2020 year. In January, the first round of financial aid offers will be mailed to new students. This timeline is running approximately 4 weeks ahead of schedule when compared to last year.



QUARTERLY FINANCIAL REPORT: 1ST QUARTER FY2019

Ms. Pam Stevens, Vice President for Finance, will present the quarterly financial report.

Financial results are provided in the following three reports for the 1st Quarter of FY2019:

- 1) Statement of Net Position
- 2) Budget to Actual Report
- 3) Statement of Revenues Expenses and Other changes which shows a quarter-to-quarter comparison to FY2018.

Overview of Comparison: 1st Quarter FY2019 compared to 1st Quarter FY2018

- **3.2%, \$538,000**, decrease in Total Operating Revenues
- **6.0%, \$756,000**, decrease in Total Operating Expenses
- **5.3%, \$4.7 million**, decrease in Net Position
- **13.8%, \$2.5 million**, decrease in Cash and Cash Equivalents
- **58.5%, \$630,000**, decrease in Deferred Revenue

STATEMENT OF NET POSITION

Assets

Total Assets: **\$139.4 million - 5.83%** approximate decrease; \$8.6 million
Significant changes in assets from the prior year include a decrease in Cash, a decrease in Capital Assets, net of accumulated depreciation, and is partially offset by a modest increase in Grants and Contracts Receivable.

Cash and Cash Equivalents - \$15.6 million - 13.8% decrease; \$2.5 million

At the end of the 1st Quarter FY2019, the University had sufficient cash and other resources on hand to meet operating and capital requirements.

Days Cash: 123

While Cash balances **decreased** from 1st Quarter FY2018 to 1st Quarter FY2019 by **13.8%** to **\$15.6 million**, cash increased from year-end FY2018 by **42%**, in the amount of **\$4.6 million**. When analyzing the change in Cash, comparing the year-over-year change is most relevant. Cash fluctuations from quarter-to-quarter within the fiscal year are influenced by the student enrollment and payment of tuition and fees and related room and board. This occurs in the 1st and 3rd Quarters and will produce a higher ending Cash balance than is anticipated in the 2nd and 4th Quarters.

The rate of decline in enrollment is improving. However, the continuing decline in enrollment continues to negatively impact Cash. The slight increase in Tuition and Fees is offset by the decline in Auxiliary Enterprises revenue generated. Further, the outsourcing of the Bookstore to Follett and Dining Services to Chartwell's impacts both the Auxiliary Revenues and related Auxiliary Expenses. Additionally, the cash expended to complete Capital projects will further reduce the cash balances. This creates a more significant variance when compared to prior years where fewer Capital projects were completed.

State Appropriations in FY2019 increased **\$311,000 (annually)**. This increase was intended to offset the increase in the vvOASIS annual fee (30%), the increase in employer cost of PEIA and to subsidize the Governor's proclamation that all State employees would be granted an average 5% pay increase equal to \$2,160 per full-time employee. The Board of Governors approved the requested payroll increase, resulting in unfunded payroll expenses of approximately \$750,000. The increase in the Appropriation was insufficient to fully fund any of the increased expenses.

Accounts Receivable - \$1.5 million - 23% decrease; \$439,000

The reduction in student receivables is a reflection of timely billing and early collection activities performed by Business Office staff. Eliminating the third party vendor for student payment plans rendered better collection results and eliminated the third party fee.

Grants and Contracts Receivable (net) - \$5.2 million - 4.4% increase; \$219,000

The Direct Loan disbursement to students was comparable to the prior year. However, the initial disbursement in this period was approximately \$1 million higher while the second disbursement that occurs in the subsequent quarter is the reverse. The first and second disbursements in the previous year were opposite of these amounts, creating a portion of the variance.

In addition, approximately \$965,000 is due from the Shepherd University Foundation Supporting Organization (SUFSO) for the Potomac Place ground lease rent payment and an insurance reimbursement is due from BRIM for the Potomac Place insurance claim (\$121,000). This amount is reflected in "Grants and Contracts Receivable" on the Statement of Net Position.

Capital Assets (net) - \$116.4 million - 4.3% decrease; \$5.2 million

Capital Assets are presented net of Accumulated Depreciation

The 1st Quarter addition to Accumulated Depreciation is \$1.6 million.

The decrease is primarily the impact of continued depreciation expense with minimal additions to Capital Assets. Continuing the effort to preserve cash flow, the University delays major capital expenditures, when possible. However, there were several urgent/unplanned projects requiring the use of cash including asbestos abatement in the Student Center and upgrades to Thacher Hall to provide a backup housing option for summer boarding in the event the Potomac Place repairs were not completed.

Liabilities

Total Liabilities: \$53.8 million - 8.1% decrease; \$4.7 million

Significant changes include increases in Accounts Payable, and decreases in Accrued Liabilities, Deferred Revenue, Other Post-Employment Benefits (OPEB) and Bonds and Leases Payable.

Accounts Payable - \$1.6 million - 43.78% increase; \$482,000

This is primarily the result of changes at the State level in procurement procedures which delays processing of invoice payments.

Deferred Revenue - \$630,000 - 58.5% decrease; approximately \$630,000.

The substantially higher amount in FY2018 at the end of the 1st Quarter was a result of the Potomac Place startup processes being developed at that time. Accurate and timely accounting of funds due to Potomac Place produces a smaller amount of Deferred Revenue at the end of the 1st Quarter FY2019.

Bonds and Leases Payable - \$39.4 million - 3.8% decrease; \$1.6 million

Bonds and Leases Payable balances continue to **decline** due to the payment of principle for these obligations and the lack of additional debt.

STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES

Operating Revenues: \$16.5 million - 3.2% decrease; \$538,000

The University's Operating Revenues continue to decline year-over year. Operating Revenues are **down 3.2%**, compared to the 1st Quarter 2018. However, when comparing Operating Revenues from the 1st Quarter FY2018 to the 1st Quarter FY2017, the decrease was **10.7%**.

Tuition and Fee Revenue (net) - \$8.0 million - 2.3% increase; \$179,000

The Tuition and Fee Revenue increase directly relates to an improvement in the retention rate and increased recruitment efforts in counties of our surrounding states. **As indicated in prior reports, the rate of decline is slowing as recruitment and retention efforts produce positive results. The increase is further impacted by the mix of in-state and out-of-state students and the increase in Tuition and Fee rate for FY2019.**

Auxiliary Enterprises Revenue - \$6.4 million - 8.3% decrease; \$578,000

This is a result of outsourcing the Bookstore and Dining Services and is offset by the reduction in Auxiliary Enterprises Expenses.

Operating Expenses: \$11.8 million - 6% decrease; \$756,000

The University expended **23.1%** of budgeted Operating Expenses at the end of the 1st Quarter FY2019. Primary Mission Costs for ***Instruction, Student Services, Operations and Maintenance*** and ***Scholarships and Fellowships*** are **less than 25% of budget year-to-date** at the end of the 1st Quarter FY2019. ***Academic Support*** and ***Institutional Support*** increased to **29.1%** and **27.4%** of budget, respectively.

Instruction expense for the 1st Quarter is the largest dollar increase, when comparing 1st Quarter, FY2018 to FY2019 results. This variance reflects a combination of the faculty tenure promotion salary increases and the number of faculty and staff receiving the average 5% pay increase. Return of faculty and students may require up-front expenditures that further inflate the 1st Quarter percentages.

Non-Operating Revenues and Expenses:

Total Non-Operating Revenues and Expenses for the 1st Quarter FY2019 are **down by 2.1%, \$106,000**, compared to 1st Quarter FY2018.

State Appropriations - \$2.4 million - 3.3% increase; \$77,647 per quarter, as a result of additional State support for the current fiscal year. This increase was granted to partially fund the Governor proclaimed 5% average pay increase (\$2,160 per full-time employee).

Non-Operating Federal Revenue - \$2 million - 17.9% decrease; \$450,000
This line is for **PELL**.

Gifts - \$639,000 - 27.5% increase; \$138,000. This revenue is generated by contributions from the Foundation. The majority is in the form of student scholarships.

Other Revenues, Expenses, Gains or Losses

GASB75, implemented in FY2018, resulted in an adjustment for prior years' accrual to Other Post-Employment Benefits (OPEB). In addition, there is no expense accrual reported for the 1st Quarter of FY2019 for OPEB. This compares to the 1st Quarter FY2018 amount of \$119,000. No actuarial information is available until year-end.

Summary:

Total Net Assets: \$84.6 million - 5.3% decrease; \$5.3 million.

This change continues to be driven by the University's decline in significant capital investments and decline in enrollment.

Table 1

Shepherd University
Statement of Net Position
FY19 - For the Quarter Ending September 30, 2018
(Dollars in Thousands)

	QTD Actual 9/30/18	QTD Actual 9/30/17	% Change
ASSETS			
Current assets:			
Cash and cash equivalents	15,633	18,142	-13.83%
Accounts receivable net	1,464	1,903	-23.07%
Grants and contracts receivable, net	5,216	4,997	4.38%
Due from the Commission	-	-	n/a
Inventories	3	603	-99.50%
Loans Receivable	100	100	0.00%
Other assets	-	2	-100.00%
Total Current assets	22,416	25,747	-12.94%
Noncurrent assets:			
Restricted cash and cash equivalents	5	1	400.00%
Investments	-	-	n/a
Loans receivable, net	320	368	-13.04%
Capital assets net	116,401	121,620	-4.29%
Other Noncurrent assets	218	255	-14.5%
Total Noncurrent assets	116,944	122,244	-4.34%
TOTAL ASSETS	\$139,360	\$147,991	-5.83%
Total Deferred Outflows of Resources (GASB 68)	\$847	\$88	862.50%
TOTAL ASSETS & DEFERRED OUTFLOWS	\$140,207	\$148,079	-5.32%
LIABILITIES			
Current liabilities:			
Accounts payable	1,583	1,101	43.78%
Accrued liabilities	1,897	2,084	-8.97%
Due to the Commission	-	-	n/a
Due to other State agencies	-	-	n/a
Deferred revenue	447	1,077	-58.50%
Long-term liabilities - current portion	2,732	2,502	9.19%
Total Current liabilities	6,659	6,764	-1.55%
Noncurrent liabilities:			
Advances from federal sponsors	303	499	-39.28%
Deposits	182	179	1.68%
Other post employment benefits	9,007	11,249	-19.93%
Compensated absences	428	342	25.15%
Net pension liability	267	391	-31.71%
Debt obligation due Commission	300	675	n/a
Leases Payable	175	289	-39.45%
Bonds Payable	36,526	38,208	-4.40%
Total Noncurrent liabilities	47,188	51,832	-8.96%
TOTAL LIABILITIES	53,847	58,596	-8.10%
Total Deferred Inflows of Resources (GASB 68)	1,798	195	822.05%
TOTAL LIABILITIES & DEFERRED INFLOWS OF RESOURCES	55,645	58,791	-5.35%
NET POSITION	84,562	89,288	-5.29%
TOTAL LIABILITIES AND NET POSITION	\$140,207	\$148,079	-5.32%

Table 2

Shepherd University
Budget to Actual Report
FY19 - For the Quarter Ending September 30, 2018
(Dollars in Thousands)

	Revised Annual Budget	YTD Actual	\$ Variance	% Budget
OPERATING REVENUES				
Tuition and Fees	\$14,960	\$8,044	\$6,916	53.8%
Federal Grants and Contracts	1,716	326	1,390	19.0%
State and Local Grants and Contracts	3,868	1,549	2,319	40.0%
Private Grants and Contracts	38	-	38	0.0%
Sales and Services of Educational Activities	24	-	24	0.0%
Auxiliary Enterprises	11,005	6,402	4,603	58.2%
Other Operating Revenues	330	211	119	63.9%
TOTAL OPERATING REVENUES	31,941	16,532	15,409	51.8%
OPERATING EXPENSES				
Instruction	17,336	3,571	13,765	20.6%
Academic Support	3,082	896	2,186	29.1%
Student Services	3,394	821	2,573	24.2%
Scholarships & Fellowships	2,270	35	2,235	1.5%
Operations and Maintenance	4,118	820	3,298	19.9%
Institutional Support	5,962	1,636	4,326	27.4%
Research	200	90	110	45.0%
Public Service	138	53	85	38.4%
Auxiliary Expenses	7,820	2,259	5,561	28.9%
Depreciation Expense	6,500	1,597	4,903	24.6%
Transfers and Other (Additions) Subtractions	220	-	220	0.0%
TOTAL OPERATING EXPENSES	51,040	11,778	39,262	23.1%
NONOPERATING REVENUES AND EXPENSES				
State Appropriations	9,672	2,418	7,254	25.0%
Nonoperating federal revenue	5,000	2,066	2,934	41.3%
Investment Income	180	36	144	20.0%
Interest on capital asset related debt	(1,374)	(232)	(1,142)	16.9%
Loss on disposal of equipment	-	-	-	n/a
Gifts	1,600	639	961	39.9%
Payments on behalf of Shepherd University	-	-	-	n/a
Fees assessed by the Commission for interest and reserves	(38)	(9)	(29)	23.8%
TOTAL NONOPERATING REVENUES AND EXPENSES	15,040	4,918	10,122	32.7%
OTHER REVENUES, EXPENSES, GAINS OR LOSSES				
Other Post Employment Benefits (OPEB) expense	-	-	-	n/a
Increase (Decrease) in Net Position	(4,059)	9,672	(13,731)	-238.3%

Table 3

Shepherd University
Statement of Revenues, Expenses and Other Changes
FY19 - For the Quarter Ending September 30, 2018
(Dollars in Thousands)

	Revised Budget FY19 Annual	YTD Actual 9/30/18	YTD Actual 9/30/17	% Change	\$ Change
OPERATING REVENUES					
Tuition and Fees	14,960	\$8,044	\$7,865	2.3%	\$179
Federal Grants and Contracts	1,716	326	292	11.6%	34
State and Local Grants and Contracts	3,868	1,549	1,603	-3.4%	(54)
Private Grants and Contracts	38	-	-	n/a	-
Sales and Services of Educational Activities	24	-	-	n/a	-
Auxiliary Enterprises	11,005	6,402	6,980	-8.3%	(578)
Other Operating Revenues	330	211	330	-36.1%	(119)
TOTAL OPERATING REVENUES	31,941	16,532	17,070	-3.2%	(538)
OPERATING EXPENSES					
Instruction	17,336	3,571	3,294	8.4%	277
Academic Support	3,082	896	893	0.3%	3
Student Services	3,394	821	814	0.9%	7
Scholarships & Fellowships	2,270	35	99	-64.6%	(64)
Operations and Maintenance	4,118	820	985	-16.8%	(165)
Institutional Support	5,962	1,636	1,662	-1.6%	(26)
Research	200	90	46	95.7%	44
Public Service	138	53	70	-24.3%	(17)
Auxiliary Expenses	7,820	2,259	2,953	-23.5%	(694)
Depreciation Expense	6,500	1,597	1,657	-3.6%	(60)
Transfers and Other (Additions) Subtractions	220	-	61	-100.0%	(61)
TOTAL OPERATING EXPENSES	51,040	11,778	12,534	-6.0%	(756)
NONOPERATING REVENUES AND EXPENSES					
State Appropriations	9,672	2,418	2,340	3.3%	78
Nonoperating federal revenue	5,000	2,066	2,516	-17.9%	(450)
Investment Income	180	36	30	20.0%	6
Interest on capital asset related debt	(1,374)	(232)	(363)	-36.1%	131
Loss on disposal of equipment	0	-	-	n/a	-
Gifts	1,600	639	501	27.5%	138
Payments on behalf of Shepherd University	0	-	-	n/a	-
Fees assessed by the Commission for interest and res	(38)	(9)	-	n/a	(9)
TOTAL NONOPERATING REVENUES AND EXPENSES	15,040	4,918	5,024	-2.1%	(106)
OTHER REVENUES, EXPENSES, GAINS OR LOSSES					
Other Post Employment Benefits (OPEB) expense	0	-	(119)	-100.0%	119
Increase (Decrease) in Net Position	(4,059)	9,672	9,441	-99.2%	\$231

2019-2020 ENROLLMENT, HOUSING, DINING AND OTHER FEES DISCUSSION

Ms. Pam Stevens, Dr. Tom Segar, Vice President for Student Affairs, Mr. Bill Sommers, and Mr. Jack Shaw, Interim Vice President for Campus Services, will lead a discussion on the 2019-2020 Enrollment, Housing, Dining and Other Fees.

Annual Resident Tuition & Fees, Room, Board							
	FY19	FY20-#1 Low	%	FY20-#2 Medium	%	FY20-#3 High	%
Tuition & Required Fees - 12 cr hr	7,548.00	7,684.00	1.8%	7,717.50	2.2%	7,773.34	3.0%
Room	5,740.00	5,797.40	1.0%	5,826.10	1.5%	5,854.80	2.0%
Board	4,258.00	4,377.22	2.8%	4,385.74	3.0%	4,407.03	3.5%
Total	17,546.00	17,858.62		17,929.34		18,035.17	
academic year increase		312.62		383.34		489.17	
<div> <div>Scenario #1:</div> <div>1.8% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 1% Room Increase 2.8% Board Increase</div> <div>Scenario #2:</div> <div>1.8% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 1.5% Room Increase 3% Board Increase</div> <div>Scenario #3:</div> <div>2.5% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 2% Room Increase 3.5% Board Increase</div> </div>							
Annual Non-resident Tuition & Fees, Room, Board							
	FY19	FY20-#1	%	FY20-#2	%	FY20-#3	%
Tuition & Required Fees - 12 cr hr	18,048.00	18,184.00	0.8%	18,184.00	0.8%	18,184.00	0.8%
Room	5,740.00	5,797.40	1.0%	5,826.10	1.5%	5,854.80	2.0%
Board	4,258.00	4,377.22	2.8%	4,385.74	3.0%	4,407.03	3.5%
Total	28,046.00	28,358.62		28,395.84		28,445.83	
academic year increase		312.62		349.84		399.83	
<div> <div>Scenario #1:</div> <div>0.8% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 1% Room Increase 2.8% Board Increase</div> <div>Scenario #2:</div> <div>0.8% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 1.5% Room Increase 3% Board Increase</div> <div>Scenario #3:</div> <div>0.8% Tuition Increase Required Fee increase (\$14 Athletic, \$14 Athletic Equity, \$8 Auxiliary) 2% Room Increase 3.5% Board Increase</div> </div>							

REVIEW AND APPROVAL OF BURKHART HALL IMPROVEMENTS

Shepherd University's Burkhart Hall is located on West Campus and is one of six virtually identical residence halls which are part of the West Woods facilities. Burkhart, Moler and Yost were built in 1985, and Boteler, Lurry and Martin were built in 1989-90.

Each of the six halls consists of 12 two-bedroom apartments. The building was constructed with a breezeway separating the two halves of the building. On each of the three floors, there are two apartments per floor, on each side of the breezeway. Construction of Burkhart Hall consists of an exterior cavity wall construction consisting of load bearing concrete masonry units with a two-inch cavity space with 1 ½ inches of insulation with a brick veneer. The floor system is slab on grade on the first floor. The upper floors consist of an eight-inch concrete plank often referred to as "Spandek" with a 1 ½ inch "gypcrete" topping.

The roof structure is wood trusses over top of a Spandek third floor ceiling structure. Spandek, with a low slope membrane roof, is located over the breezeways. Roofing is a combination of asphalt shingles on plywood sheathing over the apartments and membrane roofing on Spandek over the breezeways.

Burkhart is currently served by Packaged Terminal Air Conditioning (PTAC) through wall units, located under the window, in each room that has a window. The units provide heat and cooling for each space. Ventilation air for the spaces is provided through each PTAC unit. Each bathroom is served by individual exhaust fans located within the utility chase.

Each suite is designed to have a common room, two two-student bedrooms, and a suite bathroom. The West Woods buildings have received very limited updating or renovation since their construction. Floors are predominantly carpet and the bathroom showers and sinks are original fixtures. PTACs in three of the six units were recently completed.

Renovation of Burkhart would begin our process of upgrading these residence buildings, to enhance the student experience, and increase our competitiveness for resident students. Because the building was in an especially poor condition, it was not utilized this year. A comprehensive renovation of the building to enhance its interior suitability is estimated at nearly \$1.4 million. This significantly exceeds the original amounts designated for PTAC replacements this year and is also significantly higher than the broader mechanical, electrical and plumbing (MEP) renovations to each West Woods building we had projected for the Board this past spring as beginning in FY2020 and thereafter.

The rough estimations of the work needed on each of the West Woods buildings were understated because our staff had presumed a narrow scope of work. To suitably renovate a suite and make it competitive in the marketplace, we need new PTACs for each room, a new humidity control system, new fixtures in the bathroom, and new hard-floor surfaces. Also, the buildings each need significant electrical and internet wiring upgrades as well as fire alarm upgrades.

A preliminary comprehensive renovation project has been designed and engineered by Bushey Feight Morin (BFM) Architects of Hagerstown, Maryland. The intention of Shepherd staff would be to subdivide the comprehensive renovation into component projects so that a meaningful beginning can be made this winter and spring. Staff would continue to work with the architect to structure a Phase One projected at not more than \$500,000. This would allow us to achieve the complete renovation of at least four and possibly up to six room suites and would most likely also include the installation of the humidity control equipment in most or all of the remainder of the building

The project would be bid out prior to or immediately after the Winter Break, and work would begin during the winter months. The first phase of work would be completed by August 1, 2019, allowing occupancy of four to six four-student suites in the Fall 2019 semester.

The project budget for Burkhardt would be \$1,500,000. Phase One of the renovation project, in FY19 funds, would be intended to not exceed \$500,000, with subsequent phases to be addressed in the capital project planning for subsequent years.

Shepherd staff have determined that the previously approved White Hall Roof project can be reasonably delayed for at least one year. Limited additional savings from the approved FY2019 Capital Initiatives will also help lessen the fiscal impact of accelerating this work at Burkhardt into FY2019. This will allow us to begin to steadily broaden our scope of modern residence rooms for student recruitment.

The following resolution is recommended for adoption by the board:

RESOLVED, That the Shepherd University Board of Governors approves the modifications to the FY2019 Capital Initiatives and approves the prospectus and project budget for the Burkhardt Hall renovation project and authorizes the University President to proceed with the project, all as described in the December 2018, Agenda Book.