

MARSHALL UNIVERSITY
BOARD OF GOVERNORS

Memorial Student Center

September 8, 2009

Members present, in person: Verna Gibson, Bob Shell, Gary Adkins, Dale Lowther, Brent Marsteller, Tish Chafin, Mike Sellards, John Hess, Virginia King, General Mooney, Joe Touma, Gary White, Mike Farrell, Matt James, Mike Dunn

Other Members present by phone: Ed Howard

Members Absent: none

Others in Attendance: President Stephen Kopp, Layton Cottrill, Anita Lockridge, Gayle Ormiston, Jan Fox, Bill Bissett, Michael McGuffey, Charles McKown, Jim Schneider, Perry Chaffin, Eric Arnold, Gary McIlvain, and other administrative staff members.

I. Oath of Office

Judge O'Hanlon read the oath of office swearing in new members: Mike Farrell, Matt James, Dale Lowther, Larry Stickler, Mike Dunn (in person) and Ed Howard by phone.

II. Call to Order

Mrs. Verna Gibson, Chair, called the meeting to order.

III. Minutes Approval

Upon a motion by Gary White, seconded by Brent Marsteller, the minutes of the June 18, 2009 meeting were approved.

IV. President's Report

Dr. Kopp welcomed the new members to the Board and Marshall University.

He began by discussing the new academic year. He noted that 20,000 hand sanitizers were given to students, staff and faculty to prepare for H1N1 and flu season. He discussed the CDC guidelines and education to all. He committed to the Board that his office and the University will be vigilant with information and take this as a serious threat to our community.

He discussed enrollment successes for the fall semester. There has been an increase of 11.5% over last year for incoming freshmen or an addition of 194

students. What makes this so successful is that the forecast was 3.5% to 4%. This is due to the efforts made through Enrollment Management and the Provost Office, particularly the efforts of Gayle Ormiston, Beth Wolfe, and Tammy Johnson and our recruiting staff. Non-resident enrollment is flat. For total enrollment and our 5 year timeline – we have accelerated our progress toward our enrollment goal by a year over our forecasted increases. The Retention Plan presentation will be given to the board in the October 15, 2009 meeting. Regarding the residence halls – the forecast was flat and we had a 4.74% increase. A presentation for Residence Services will be made at the October 15, 2009 meeting.

Dr. Kopp introduced new Athletic Director Mike Hamrick to the group. He thanked John Hess publicly for his role as Chairman of the Search Committee for his important contributions to the search for this important position to the University.

A reminder was given to the Board Members regarding professional development. Each Board Member must do one annual program. He read the statute and noted that we are working on other training for our members.

Dr. Kopp spoke about the ongoing budget. He said that we are not out of the woods yet, but unless the State alters base appropriation we are not anticipating layoffs or budget cuts for 2010. However, the forecast for 2011 is a decrease of between 4-5% in State appropriations due to a preliminary forecast for a decline in State revenues. We are actively pursuing opportunities for one- time funding from Federal stimulus money. We are looking at a three year budget plan with various assumptions ranging from 3%, 7% or 10% in base budget reductions.

On a positive note, we have made some real improvements to campus.

- Water “pooling” has been corrected in areas on campus;
- Air handling system in Smith Hall has been replaced with an approximate savings of \$40,000 per year;
- East end of campus – new band and intramural field; (also invited members to take a look at the progress)
- SB 603 will be reviewed in FY 2010.
- Field and Recreation Center and intramural program development for our students;
- Forensic Science Annex almost complete;
- Team Locker Rooms – spectacular rooms, complete;
- Harris Hall Elevators replacement underway;

- Rural Health and Clinical Education Center in Chapmanville construction project – bids open tomorrow;
- In the news: MUSOM graduates in Family Practice were third in the nation;
- ABET Accreditation Site Visit for Bachelor of Science in Engineering will occur next week;
- Constitution Week – next week
- Supreme Court of Appeals – Tuesday;
- Quoits – if interested in playing, please call my office;
- CTC Service Agreement – we are close to finalizing. The Executive Committee will sign off when finalized;
- Summer Session – there is now a surplus in the program. It was a successful venture;
- Orientation and Freshman Convocation was successful;
- STEM Academy development is progressing.

IV. HEPC Training Session

Verna Gibson recognized and thanked Joe Touma, Mike Sellards, Mike Farrell, Mike Dunn and Matt James for attending the HEPC training held in August. She was told the speakers were informative, and it was a great program. It also allowed our members to be with Board members of other Universities and share experiences.

One of the speakers from the HEPC session is to be invited to address the Board at an upcoming Board Retreat.

V. Special Recognition

Mrs. Gibson noted that there was a special person in attendance. This person is her mentor, a real Mr. Marshall, and began reading a proclamation from Governor Joe Manchin for our Mike Perry. Mr. Perry said a few words and received a standing ovation from the members and those in attendance.

V. Finance, Audit and Facilities Planning Committee

Mr. Hess gave the financial report.

- 1) Year End Audit update noting that the engagement letter for MU's audit has been executed and a letter prepared in accordance with AU 380, "The Auditor's Communication with Those Charged with Governance" was included in the Board Package.
- 2) Athletics Update – Mr. Hess asked Mr. Hamrick to speak. Mr. Hamrick thanked the search committee noting that the search was handled very professionally. His wife and family are all MU Graduates. He promised that he would approach this opportunity with integrity, aggressive marketing, and be attentive to the welfare of our student athletes. He said he could not promise wins from all teams but has a goal of "We Play for Championships." The student activity is refreshing. He was very complimentary to the President and Board of Governors noting that this campus is not a "suitcase" college and that he has been impressed with the living conditions our students experience, he can see firsthand since he is living in a residence hall. He also shared some funny stories with the board on being an adult living in an apartment in a residence hall. On a personal note, he is hopeful that soon their house will be sold in Las Vegas. He has never taken his education from MU for granted as he was a student athlete playing football here in the late 1970's.
- 3) Internal Audit Report, Perry Chaffin – Perry Chaffin reported that under the Whistleblower, there had been no calls. He also noted a new audit plan that he has discussed with John Hess and will be working on for the coming year.
- 4) Medical School Update – Jim Schneider updated the Board that the School of Medicine for this year was ending financially on a positive note. However, he noted that in 2010 there will be a 3% budget reduction and a \$400,000 cut. He is hopeful that stimulus funding will make up the difference. He discussed the Translational Genomic Research Institute approved for the second floor of the Cancer Center. This area will be used for research. As a side note, Dr. McKown is doing well and is anxious to get back to work. He discussed that construction bids would be held tomorrow and that this would be an aggressive bidding process. He is hopeful that this time next year we will have a dedication.

Action Items:

- 5) Capital Expenditure Budget – AR-9 for FY 2010 – FY2015. This list is required from the University to submit to the HEPC and Governor. The priorities will change over time. Upon a motion by Mike Sellards, seconded by Brent Marsteller, the Board approved the Capital Expenditure Budget

resolution that follows:

Resolved, that the Board of Governors approve the FY2010-2015 capital expenditure project budget submitted for Marshall University as part of the Governors Request Budget Process.

It was then noted that the Board would like the next Expenditure Budget to be presented in the June 17, 2010 meeting.

- 6) Red Flag Rule Policy (Identity Theft Prevention). At its April 30, 2009 meeting, the Board approved this policy on an emergency basis. The policy was then noticed under the normal procedures and is now returning to the Board for final approval. Upon a motion by Dr. Touma, seconded by Tish Chafin, the Board approved the following resolution.

Resolved, that the Marshall University Board of Governors re-approves Policy FA-12, Identity Theft Prevention Program.

- 7) JCESOM – Chapmanville Center Project. At the June 18, 2009 Board meeting, there was approval of the schematic design of the School of Medicine’s Rural Health and Clinical Education Center in Chapmanville, WV pursuant to a \$2.7 million federal earmark appropriation secured by Senator Byrd to provide expanded primary and specialty care physician services to citizens of the region, clinical education opportunities for medical, nursing and other students and advanced training opportunities for medical residents and fellows in a rural practice environment. The Center will be constructed on a one acre site just off U.S. 119 (Corridor G) approximately one mile south of Chapmanville which is being leased to Marshall by the Logan Healthcare Foundation, Inc. at a nominal cost for twenty-five years. The competitive bids for the 10,000 square foot Center are due at 3:00 pm, Wednesday, September 9, 2009. In order not to delay construction, it is requested that the Board authorize its Executive Committee to approve the construction award to the lowest qualified bidder, assuming that the bid is within the project budget, and to report the award to the full Board at its next meeting. Upon a motion by Brent Marsteller, seconded by Gary Adkins, the Board approved the following resolution.

Resolved: That the Marshall University Board of Governors authorizes its Executive Committee to award a construction contract for the Rural Health & Clinical Education Center in Chapmanville, WV to the lowest qualified bidder based upon bids to be received on September 9, 2009.

- 8) June Financial Report, unaudited. Senate Bill 603 requires the administration to provide financial statements certified by the CFO. In the board package is the twelve months ending June 30, 2009 unaudited Draft of the Financial/budget report. Upon a motion by Gary White, seconded by Joe Touma, the following resolution was approved.

Resolved, that the Board of Governors received the unaudited DRAFT financial/Budget Report for the twelve months ending June 30, 2009.

- 9) June Investment Report. Effective March 1, 2006, the University, through the MU Foundation, began investing funds with CommonFund. An update was given to the Board in the Board Package. Upon a motion by Mike Sellards, seconded by Brent Marsteller, the following resolution was approved:

Resolved, that the Marshall University Board of Governors receives the Investment Earnings Report for the three months and twelve months ending June 30, 2009.

Some comments were made regarding future funding to the University and we must work on contingency plans for reductions in state funding. Board Members also inquired where we were and the mix of investing noting that we should be prudent. They asked Ron Area to check with his counterparts of their investment progress and report back to the Board at a future meeting.

- 10) CTC Service Agreement – An update on the CTC Service Agreement was given. It was decided that the Executive Committee would work with administration and get a final agreement. Upon a motion by Mike Farrell, seconded by Joe Touma, the Board approved that the Executive Committee can execute the final CTC Service Agreement on behalf of the Board of Governors.

VI. Academic & Student Affairs Committee

- 1) Provost's Update – Academic Affairs

Dr. Gayle Ormiston updated the Board on the Retention Plan, recruitment season, General Education requirements and other happenings in Academic Affairs. On August 14, 2009, a retreat with faculty, department chairs, and the academic deans and associate deans took place. The goal of this meeting was to initiate discussions about an Academic Master Plan and

program planning priorities. He discussed the external forces against the University and overall thinking in “recession mode.” He announced that Rudy Pauley was named as Associate Vice President for Outreach and Continuing Studies and is working to boost our regional centers and outreach activities. He discussed a committee for online programs and the Academic Master Plan completion in April 2010. He noted that in the October Board Meeting, a retention and recruitment plan will be presented.

- 2) Athletics Update. Grades were given noting that Women’s sports “honor roll” was 3.22, Men’s 2.99, ten teams were 3.0 and 33 students earned a 4.0. 172 students made the CUSA honor roll. Kudos to Mr. Buck Harless for his donations to the Athlete Programs.
- 3) Student Affairs Update – Annual day of service is Saturday, September 12, 2009. They are planning to reconvene to watch the game.
- 4) Medical School Update –
- 5) Addition of a New Degree Program in MS Accountancy. The MU Division of Accountancy & Legal Environment proposes the addition of a Master of Science degree program in accountancy. Students completing this degree will satisfy the academic requirements to sit for the Uniform CPA Examination and to become licensed as Certified Public Accountants. This proposed program places no new demands on resources within the Division of Accountancy and Legal Environment and was approved by the Graduate Council on April 24, 2009; Presidential approval on May 15, 2009. Upon a motion by Gary Adkins, seconded by Brent Marsteller, the following resolution was approved:

Resolved, that the Marshall University Board of Governors approve the addition of the following new degree program: MS, Accountancy.

- 6) Approval of a Policy on Modified Duties/9 month faculty. This policy is temporary. The action taken will take this policy into the comments period and then be brought back to the Board at the next meeting for final action. Originally, upon a motion by Joe Touma, seconded by Brent Marsteller, the following resolution was approved, however, it was later decided that a financial clause be added to the item. While it was said that the motion would hold, it was requested that the item be returned to the Board at a future board meeting with the statement showing that the policy is “revenue neutral.”

Resolved, that the Marshall University Board of Governors approves

Policy AA-43, Modified Duties for Nine-Month Faculty pending no substantive comments from a public comment period. Staff are directed to submit the policy through the normal notification process. If no substantive comments are received the Board shall consider the policy final. Otherwise, the policy shall be returned to the Board at the next possible meeting for approval of its final form.

It was requested by the Board that all future action items have a clause as to the cost to the University or if the item is “revenue neutral.”

VII. Executive Session

At this time, it was decided that the Board have Executive Session through a working lunch.

X. Adjournment

As there were no other matters to bring before the Board, the meeting was adjourned.

Mike Sellards, Secretary