

**MARSHALL UNIVERSITY
BOARD OF GOVERNORS**

April 28, 2011
Memorial Student Center
Huntington, WV

Members present, in person: John G. Hess; Letitia Neese Chafin; Oshel B. Craig; Michael J. Farrell; Ed Howard III; Dale Lowther; Brent A. Marsteller; Joseph K. McDonie; General H. G. Mooney; Larry Stickler, Ph.D.; Joseph B. Touma, M.D.; Mike Dunn; Edward R. Pride IV

Members Present, by phone: Verna K. Gibson; Gary A. Adkins;

Members Absent: Michael G. Sellards; A. Michael Perry (Emeritus member);

I. Call to Order

Upon determining that a quorum was present, Vice Chairman Hess called the meeting to order at 11:30 a.m.

II. Minutes Approval

There were no minutes to approve.

III. Reports

Finance, Audit and Facilities Planning Committee, John G. Hess, Chair

Committee Chairman Hess opened with the Tuition and Fees for Fiscal Year 2011, explaining that even with a special meeting held on April 20, 2011, there was a lot of information to cover in the Committee Meeting. He apologized to those not on that Committee, since it delayed the Board Meeting. The Committee was updated regarding Athletics, Audit and Medical School. The first item of business is the Proposed Marshall University Tuition and Fees for Fiscal Year 2011 was approved in Committee. He referred to the agenda and tables noting that resident tuition increased \$131.50 per semester. The following resolution was read and a motion by Oshel Craig, seconded by Joe McDonie was unanimously approved:

RESOLVED, that the Marshall University Board of Governors approve the proposed Marshall University Tuition and Fees for Fiscal Year 2011-2012 and approved the proposed Budget for Fiscal Year 2011-2012 (E&G and State Appropriated only).

The second item was for Solicitation of Expression of Interest for Design Services of the Biotechnology Incubator/Applied Engineering Complex on Third Avenue, which is attached to the Weisberg Engineering Building. The following resolution was read and a motion by General H.G. Mooney, seconded by Joseph B. Touma, MD, was unanimously approved:

RESOLVED, that the Marshall University Board of Governors approve the solicitation of an Expression of Interest to employ a design firm for planning and design of the Biotechnology Incubator and Applied Engineering Complex.

The third item was the FY 2012-2017 Capital Expenditure Budget Request. The following resolution was read and a motion by Brent A. Marsteller, seconded by General H.G. Mooney, was unanimously approved:

RESOLVED, that the Board of Governors approve the FY 2012-2017 capital expenditure project budget submitted to the State Budget Office for Marshall University.

The fourth item is a Lease for space with St. Mary's Medical Center, Inc. for Marshall University Physical Therapy Program. The following resolution was read and a motion by General H.G. Mooney, seconded by Joseph B. Touma, MD, was unanimously approved:

RESOLVED, that the Marshall University Board of Governors approve the lease between Marshall University and St. Mary's Medical Center, Inc., and further delegate's authority to the President to approve any proposed modifications deemed necessary.

The fifth item is the approval of salary increases for certain University employees. The following resolution was read and a motion by Dale C. Lowther, seconded by General H.G. Mooney, with Mike Dunn and Michael J. Farrell voting no, and the motion was approved by majority vote:

RESOLVED, that the Marshall University Board of Governors approves base salary increases, as described below for classified employees, faculty and non-classified employees:

For classified employees:

The base salary for each classified employee (including those of the School of Medicine) will be increased by 33% of the difference between the employee's current salary and the appropriate salary on the statutory salary schedule. Only employees whose current base salaries are below the appropriate salary on the salary schedule will receive an increase. The cost of these increases is expected to be approximately \$568,500 (including benefits costs) per year. These salary increases are added to the employee's base salary, are not temporary, and are *effective on the pay period beginning on July 1, 2011.*

For instructional and research faculty employees:

Faculty members who received FY 2011 temporary adjustments will have those adjustment amounts reinstated to their base salaries on July 1, 2011, provided they are in the same position and status as on October 1, 2010. The amount to be re-instated will generally be \$1,227.

In addition, (eligible) tenured, tenure-track, librarian, clinical-track, and term faculty continuing into the Fall 2011 semester in the same position and status held on May 1, 2011 will receive a salary increase of two percent of the regular base salary (including any re-instated temporary increase) or a salary increase of \$504 whichever is greater.

These increases will be awarded under Section 5, Alternative Salary Adjustment Procedures of *MUBOG Policy AA-7, Salary Increases for Tenure and Tenure-track Faculty* and will not be distributed under the usual market/merit faculty salary distribution methodology. The policy requires the following information be provided to the Board:

1. A rationale for the alternative procedure;

The temporary adjustment awarded on October 1, 2010 is being re-instated in an effort to ensure that no faculty member's base salary is decreased when funds are available. The two percent increase (\$504 minimum) is provided in an effort to follow the same general practice of FY 2012 increases provided by the legislature for most state employees and to follow the formula for which funds were made available to the University by the state. This increase will not be capped at \$1,200 as other state employees' increases are capped.

2. A description of the methodology for adjusting faculty salaries;

Faculty members will have their FY 2011 temporary adjustment, if any, re-instated to the base salary, provided the individual is in the same position/status as when the adjustment was awarded on October 1, 2010. Eligible faculty will then have their regular base salary (including any reinstated amount) increased by two percent. Both increases will become part of the base salary and are not temporary.

3. Identification of the set of faculty for whom the alternative procedures shall apply;

Faculty who received the FY 2011 temporary adjustment and are continuing into the Fall 2011 semester in the same position and status as was held on October 1, 2010 will receive the reinstatement portion of the increase described in #2 above. Tenured, tenure-track, librarian, clinical, and term faculty continuing into the Fall 2011 semester in the same position and status as on May 1, 2011 will receive the two-percent portion of the increase described in #2 above. Temporary faculty and faculty newly-hired for the Fall 2011 term are not eligible for the increase. Faculty of the School of Medicine are not eligible for this increase.

4. The anticipated cost of such salary adjustments;

The total cost of the increase for faculty is expected to be \$1,339,500 (including benefits costs) for FY 2012. Of that total, approximately \$628,000 is for re-instatement of the FY 2011 increases.

5. The effective date for implementing such salary adjustments.

The increases will become effective on the first pay period of the FY 2012 appointment.

For non-classified and other employees:

Non-classified employees, coaches, and faculty administrators who received FY 2011 temporary adjustments will have those adjustment amounts re-instated to their base salaries on July 1, 2011, provided they are in the same position and status as on October 1, 2010. The amount to be re-instated will generally be two percent of the regular base pay on Sept 16, 2010

In addition, non-classified employees, coaches, and faculty administrators employed on July 1, 2011 in the same position and status held on May 1, 2011 will receive a salary increase of two percent of the regular base salary (including any re-instated temporary increase) or a salary increase of \$504 whichever is greater.

Both increases will become part of the base salary and are not temporary and are *effective on the pay period beginning on July 1, 2011.*

Employees not employed by the University on May 1, 2011 and employees of the School of Medicine are not eligible for this increase. The cost of these increases is expected to be \$717,000 (including benefits costs) for FY 2011. Of that cost, approximately \$359,500 is for the re-instatement of the FY 2011 increases.

Summary

The expected total cost of these increases for FY 2012 is approximately \$2,625,000 (including benefits costs). Of that cost, approximately \$987,500 is for re-instatement of the FY 2011 increases. All totals are subject to change pending final determination of increase-eligible employees. Where changes in position or status have occurred, re-instatement of FY 2011 increases and FY 2012 increases will be decided on a case-by-case basis.

The sixth item is the School of Medicine Faculty & Staff Salary Increases. The following resolution was read and a motion by Joseph B. Touma, MD, seconded by Brent A. Marsteller, was unanimously approved:

RESOLVED, that the Marshall University Board of Governors approves base salary increases as described below for School of Medicine faculty and non-classified employees effective July 1, 2011.

Pursuant to funding provided in the FY 2011-12 State Budget Bill and expressed executive and legislative intent, the School of Medicine (SOM) proposes to provide a general salary increase averaging at least two percent (2%) with a minimum increase of \$504 to all full-time and regular part-time faculty and staff effective July 1, 2011 as follows:

Basic Science Faculty:

Ph.D. faculty in the School's three basic science departments and the Forensic Science Center will receive an average base salary increase of two percent (2%) with a minimum increase of \$504 for each faculty member. Salary increases will be distributed among individual faculty utilizing the School's market-based faculty salary policy which compares existing faculty base salaries to AAMC Southern Region target salaries by faculty rank and years of service in rank and distributes available funds proportionately among faculty who are below their base salary target levels.

Because SOM faculty have been without a base salary increase for three years (since October 2008) and base salaries lag the regional average, the School is carefully reviewing available resources to determine whether additional funds may be available to supplement the State funds available for the above base increase. Any additional increase available would be applied through the same market-based salary comparison.

Clinical Science Faculty:

Faculty in the SOM's eleven clinical science departments will receive an average salary increase of two percent (2%) or a minimum increase of \$504 on the State-funded portion of their base salaries effective July 1, 2011. Due to the wide variation among departments and individual faculty in the portion of base salaries that are funded by the State, this increase will be applied in the form of an across-the-board increase of \$1,200 per full-time faculty member on their State-funded portion. Salary increases on the non-State portion of clinical science faculty may be available from departmental resources including the faculty practice plan subject to individual departmental policies and practices. Clinical science faculty whose salaries are established pursuant to productivity or incentive-based compensation formulas or via contractual service agreements will be governed by those formulas or agreements and will not necessarily be subject to the base adjustments above.

Non-Classified and Other Staff:

Non-classified other staff (primarily senior administrative staff) will receive an average base salary increase of 2% or a minimum of \$504.

The seventh item was an Investment Earnings Update from CommonFund. The following resolution was read and a motion by Joe McDonie, seconded by Ed Howard was unanimously approved:

RESOLVED, that the Marshall University Board of Governors receives the Investment Earnings Report for the nine months ending March 31, 2011.

The eighth item was the Capital Project List and Consideration of the Inducement Resolution in the New Bond Issue. Regarding this item, the Board acknowledged and thanked Senator Robert Plymale and the legislature for the wording in legislation to help facilitate this bond issue. It was also noted that the Executive Committee could approve and proceed up to \$50 million before bringing back to the full board for approval. The project list is in priority order and is to be included in the new bond issue. The following resolution was read and a motion by Joseph B. Touma, MD, seconded by Brent A. Marsteller, was unanimously approved:

RESOLVED, that the Board of Governors approve the Capital Project List for Potential Inclusion in the New Bond Issue.

CAPITAL PROJECT LIST FOR POTENTIAL INCLUSION IN NEW BOND ISSUE PRIORITIZED ACCORDING TO PROJECT PHASING

| | | ESTIMATED COST (Not to Be Exceeded) | STATE FUNDING | PRIVATE GIFTS | PROPOSED BOND FUNDING SHARE² | ESTIMATED TOTAL PROJECT FUNDING COST |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------------|----------------------|----------------------------------------------------|-----------------------------------------------------|
| 1 | Multi-Floor Parking Structure | \$8,000,000 | \$0 | \$0 | \$8,000,000 | \$8,000,000 |
| 2 | Soccer Stadium Complex, Including Site Preparation and Building Demolition | \$5,400,000 | \$0 | \$0 | \$5,400,000 | \$5,400,000 |
| 3 | Applied Engineering Complex ¹ | \$50,000,000 | \$25,000,000 | \$10,000,000 | \$15,000,000 | \$50,000,000 |
| 4 | Fine Arts Incubator - Stone and Thomas Building Renovation | \$11,000,000 | \$0 | \$2,000,000 | \$9,000,000 | \$11,000,000 |
| 5 | Indoor Athletic Complex - Includes: • Indoor Practice Facility with Indoor Track @ \$14,000,000 • Academic Support Center @ \$3,500,000 • Sports Medicine Translational Research Center @ \$6,500,000 | \$24,000,000 | \$0 | \$19,000,000 | \$6,000,000 | \$25,000,000 |
| 6 | Modern Academic Instructional Facility | \$12,000,000 | \$0 | \$1,000,000 | \$11,000,000 | \$12,000,000 |
| 7 | Joan C. Edwards Stadium Upgrades | \$1,500,000 | \$0 | \$0 | \$1,500,000 | \$1,500,000 |
| 8 | Land Acquisition and Building Demolition | \$2,000,000 | \$0 | \$0 | \$2,000,000 | \$2,000,000 |
| TOTAL | | \$113,900,000 | \$25,000,000 | \$32,000,000 | \$57,900,000 | \$114,900,000 |

Total New Bonding Capacity Estimate: \$48 million

Estimated Annual Bond Payment on Bond Issue of \$48 million ≈ \$3.2 million

| <u>Source of Funds:</u> | <u>Amount</u> |
|---------------------------------|---------------|
| FY 2012 Bond Payment | \$1,800,000 |
| Pledge of Athletic Facility Fee | \$500,000 |
| New Revenue Pledge | \$900,000 |

¹Assumes 140,000 sq ft building @ \$350/sq ft cost

²Total Bonding Capacity assumes 15:1 borrowing ratio

The ninth item was going to be discussed in Executive Session; however, Vice Chairman Hess announced that the Park Board voted unanimously to donate to Marshall University the old Field House property with some caveats. This property will primarily be used for a Soccer facility. It will be named the Marshall University Veterans Memorial. All current obligations will be honored before the transfer of the building is made. There will be a ½ acre public park which will be part of the exchange in the transaction. The following resolution was read and a motion by Brent A. Marsteller, seconded by General H.G. Mooney, was unanimously approved with Michael Farrell confirming that the St. Joe Basketball Tournament would be held there in January 2012.

RESOLVED that the Marshall University Board of Governors agree to acquire and accept from the Greater Huntington Parks and Recreation District Board that certain tract of real estate situate at Fifth Avenue and 26th Street, Huntington, WV and known as the “Veterans Memorial Field House” together with its adjacent athletic fields and real estate, and further resolved, that the Board hereby delegates the authority to negotiate the terms and conditions of such acquisition to the Marshall University Board of Governors Executive Committee.

Academic & Student Affairs Committee, Letitia Neese Chafin, Chair

Letitia Neese Chafin gave an overview of the Committee meeting noting the following:

Our BOG student representative has one more meeting and she thanked him for his service to the Board. She introduced Ray Harrell as the new student representative and noted that he is also SGA President, reminding the board that a resolution was passed last year by them. She said that in Committee they received reports from Athletics, Student Affairs, and the Medical School. Dr. Ormiston gave the Provost’s update report. He thanked those involved in “Program Review” and discussed the approval process of programs in the agenda and the Intent to Plans. He asked if anyone had questions, then turned the floor back over to Chair Letitia Chafin.

The first action item was for the Program Review Recommendations. Upon a motion by Joseph McDonie, seconded by Verna Gibson, the Board unanimously approved the following resolution:

RESOLVED, that the Marshall University Board of Governors approve the 2010-2011 Program Review Recommendations.

The Academic Affairs Advisory Committee recommends the following actions for Program Review for academic year 2010-2011:

Continuation at Current Level of Activity:

BS, Computer Science
 MS, Information Systems
 BSE, Engineering
 MSE, Engineering
 BS, Safety Technology
 MS, Safety Technology
 MS, Environmental Science
 BS, Environmental Science
 MD, Doctor of Medicine
 MA, English
 BA, Communication Studies
 BS, Dietetics
 MS, Dietetics
 BSW, Social Work
 BA, Elementary Education
 BA, Secondary Education
 MA, Early Childhood Education
 EdS, Education Specialist

Continuation of the Program with Identification of the Program for Resource Development:

BA, English

A need for the following has been indicated:

- Additional funding to increase the number of and level of support for graduate assistantship stipends at a nationally competitive level, and additional term faculty to meet the growing staffing demands of the increased freshman enrollment in composition courses.
 - Additional full-time term faculty appointments to support increased enrollment at the undergraduate level, which directly impacts the workload of regular full-time faculty in the graduate program.
- The department and the dean must review existing and projected administrative reassignment of faculty workload time. The result of this review will provide a more accurate and up-to-date assessment of the department's programmatic need for additional graduate assistants not linked to reassigning faculty time for administrative purposes.

The second agenda item is for the Intent to Plan for Bachelor of Business Administration in Risk Management & Insurance. Upon a motion by Joseph B. Touma, MD, seconded by Joseph McDonie, the Board unanimously approved the following motion:

RESOLVED, that the Marshall university Board of Governors approve the Intent to Plan for the Bachelor of Business Administration in Risk Management & Insurance.

The third item is for the Intent to Plan for the Bachelor of Science in Health Sciences. Upon a motion by Edward Pride, seconded by Joseph McDonie, the Board unanimously approved the following resolution:

RESOLVED, that the Marshall University Board of Governors approve the Intent to Plan for the Bachelor of Science in Health Sciences.

The fourth item is the Addition of Degree Program, Bachelor of Science in Public Health. Upon a motion by Joseph B. Touma, MD, seconded by Ed Howard, the Board unanimously approved the following resolution:

RESOLVED, that the Marshall University Board of Governors approve the addition of a degree program for the Bachelor of Science in Public Health.

The fifth item is the Addition of Degree Program, Doctorate of Physical Therapy. After some clarification and updates, upon a motion by Michael J. Farrell, seconded by Joseph B. Touma, MD, the Board unanimously approved the following resolution:

RESOLVED, that the Marshall University Board of Governors approve the Addition of a Degree Program, Doctorate of Physical Therapy.

IX. President's Report

President Kopp gave a short report highlighting the great things happening at Marshall University. He noted that recruitment is up, discussed enrollment trends, and that retention is flat. He talked about the Student Resource Center and its success. He discussed the five year budget plan and its significance. He told the Board about a new committee named the Budget Understanding Committee (BUC). The Committee will be a sounding board for faculty members to understand budgeting at the University.

He discussed classroom modernization and the 2012 budget. There is a commitment from the University within the next three years to update all classrooms and then the left over monies will roll over to take care of future replacement plans of electronics and furniture.

A brief overview was given for major campus improvements over the summer.

Dr. Kopp discussed Campus Conversations, noting that faculty and student participation was strong. He discussed SB 330 with regard to investments and tuition. He mentioned some upcoming requirements in relation to HEPC that will be discussed at length at the next meeting.

X. Executive Session

There was no formal Executive Session

XI. Announcements and Adjournment

Mr. Hess wrapped up the meeting noting the date of the next meeting and asked the Board to hold August 17, 2011, noting that this date will depend on the bond approval process.

It was noted that the HEPC would not have a “formal” professional development program this summer, but there would be smaller workshops in various locations around the state to help board members reach their development requirements. An update will be sent to each board member soon on how much their personal requirement is, as well as when the various workshops will take place.

Mr. Craig brought up the need for a reception to honor Plymale and the other legislative members.

As there were no other matters to bring before the Board, upon a motion by Mr. Hess, seconded by Mr. Lowther, and unanimously approved, the meeting was adjourned at 12:55 p.m.

Michael G. Sellards, Secretary