

MINUTES
Marshall University Board of Governors
Microsoft Teams Meeting at
Shawkey Dining Room/Memorial Student Center
Livestream and In-Person
April 26, 2023

Present: Chairman Patrick Farrell, Shawn Ball, Kip Bodnar (ph), Kathy D'Antoni, Donnie Holcomb(ph), Isabella Griffiths, Carol Hurula, Ginny Lee (ph), Angel Moore(ph), Sam Moore(ph), Chad Pennington, Robin Riner, Geoff Sheils, Bill Smith
Absent: Chris Miller, Jim Smith

I. Call to Order

Chairman Farrell, after determining a quorum was present and the livestream was connected, then called the Meeting to Order.

II. Minutes Approval

With no changes or objections, the meeting minutes of the regular meeting of February 22, 2023 and the Special Meeting of March 21, 2023, were unanimously approved.

III. Faculty Senate Update

Dr. Shawn Schulenberg, Chair of Faculty Senate gave a presentation to the Board. He noted he was there to speak of matters of importance to the Faculty. He discussed the relationship between faculty and BOG and the intersection of same using military relations as the example. Military is the management of violence. Experts know the field but not necessarily the balance. Faculty relationships play an important role in fulfilling the responsibility of balance between the public and the experts. Faculty appreciates the relationship with the Board. Higher Education is going through a lot right now. Faculty is working hard to rethink what they are doing. Dr. Schulenberg talked about a book called "Exit, Voice, and Loyalty" by Albert O. Hirschman.

He noted that people that are dissatisfied with groups have two basic choices: Exiting or Voice. Exiting is leaving. Voice is expressing opinions about what they can do to change what they do not like, i.e., speaking up by writing a letter to the newspaper. Loyalty is sticking with the group, or staying attached, even though one has criticisms of it.

One of the roles of the Board is the hiring and firing of the University President. Dr. Schulenberg and Faculty are impressed with transparency and access (i.e. Shared Governance) that President Smith has provided. In fact, having more voice is incredible. Dr. Schulenberg feels it is important that faculty feels like they are playing a role. The State legislature has changed things and folks have begun to exit for higher paying jobs in certain fields, which could very well be the ones we would like to keep here. In terms of the board, historically there has been a good relationship. The second role of the Board is to approve a budget. President Smith's Ad hoc budget oversight is moving forward. The third role of the Board is Rule making and Policy, which is also historically good without distrust of the Faculty.

Faculty is nervous and excited about the budget, nervous where changes are and they don't want to be just led by the market. Their goal is balancing what society needs and separately know that esoterically universal questions are not going to be sold to someone on the street that day. They realize they do play a public service role in intellectualism where a lot of their gains cannot be seen for years to come. Dr. Schulenberg knows his presentation is a little academic in nature, however, wanted to give that than let you know about potholes in the parking lot.

IV. Committee Meeting Reports

Academic and Student Affairs Committee, Kathy D'Antoni, Chair

Action Items

The Academic and Student Affairs Committee had the following Action Items:

- Approval of Degree Addition: Bachelor of Science in Pharmaceutical Sciences.

The Bachelor of Science in Pharmaceutical Sciences degree is designed to prepare students to work in a variety of healthcare fields. The BS in Pharmaceutical Sciences provides the foundation for graduate level work in advanced pharmaceutical sciences programs or the PharmD. The intent to Plan for the Bachelor of Science in Pharmaceutical Sciences was approved by the Faculty Senate on October 20, 2022, and by the President on October 31, 2022. No additional resources are needed.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approve the Degree Addition for BS in Pharmaceutical Sciences.

Upon a motion by Dr. D'Antoni, seconded by Dr. Riner, with a vote of aye, none opposed, motion carried.

- Approval of Updated Policy No. AA-6 Awarding of Undergraduate, Graduate, and Professional Fee Waivers Update

Marshall University has provided tuition and fee waivers to students in undergraduate, graduate, and professional programs of students, which was codified in 2004 in BOG Policy 20 (later identified as Policy No. AA-6). Currently, AA-6 allows the institution to use tuition and fee waivers to recruit and retain undergraduate students “who possess various kinds of special abilities and aptitudes.” It is recommended that the same consideration be given for students in graduate and professional programs of study. As the University seeks to increase our graduate and professional student population, tuition and fee waivers will help attract highly qualified graduate students who “possess various kinds of special abilities and aptitudes.” There is no anticipated additional cost to the institution for implementing this policy. Upon approval of this resolution, a comment period will open and remain open until 5:00 pm on Friday, May 26, 2023. If substantive comments are received, a final policy will be presented to the Board for approval at a subsequent meeting. If no substantive comments are received, the policy will be considered approved in its current form with an effective date of the end of the comment period.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves Aa-6, Awarding of Undergraduate, Graduate, and Professional Fee Waivers Update by adding Section 3.5.

Upon a motion by Dr. D'Antoni, seconded by Mrs. Hurula, no discussion, with a vote of aye, none opposed, and the motion carried.

- Approval of Updated Policy No. AA-20 – Graduate Faculty Membership

This policy establishes the criteria and processes for graduate faculty status. This recommended revision changes the number of levels of graduate faculty to three from four and upgrades the responsibilities along with the appeal and review process. There is no anticipated cost to the institution for implementing this policy.

Upon approval of this resolution, a comment period will open and remain open until 5:00 pm on Friday, May 26, 2023. If substantive comments are received, a final policy will be presented to the Board for approval at a subsequent meeting. If no substantive comments are received, the policy will be considered approved in its current form with an effective date of the end of the comment period.

The following resolution was considered by the Board:

Resolved, that the Marshall University Board of Governors approves AA-20 Graduate Faculty Membership as presented.

Upon a motion by Dr. D'Antoni, seconded by Dr. Riner, no discussion, with a vote of aye, none opposed, and the motion carried.

- Approval of 2022-23 Academic Program Review Recommendations

The following resolution was considered by the Board:

Resolved, that the Marshall University Board of Governors approve the 2022-2023 Academic Program Review Recommendations

The full list is attached to these minutes as Exhibit I.

Upon a motion by Dr. D'Antoni, seconded by Mr. Bill Smith, no discussion, with a vote of aye, none opposed, and the motion carried.

Information Items:

UPDATES:

Provost Avi Mukherjee gave the Provost's Update.

Provost Mukherjee discussed the 2023 recruiting cycle.

He discussed the new Deans that have been named. All are effective July 3, 2023.

Dr. Maria P. Gindhart as dean of the College of Arts and Media;
Dr. Rob Quicke as the director of the W. Page Pitt School of Journalism and Mass Communications;
Dr. Wesley Stites as appointed dean of the college of science;
Dr. Eric Blough as dean of the School of Pharmacy; and
Dr. Annette Ferguson as director of the School of Nursing

The Center for Student Success partnered with the Neurodiversity Alliance to host the Neurodiversity Alliance Kickoff Event in East Hall on February 27, 2023. Over 100 people participated in this event, which is part of Marshall's Quality Initiative to foster campus diversity and inclusion, embrace complexities of identity, and build bridges between groups.

Provost Mukherjee received the Gold Leadership Medal and the Advancement of Management Award at the 2023 Society for Advancement of Management (SAM) International Business Conference in Nashville, TN in March. Chapter advisor Glen Midkiff received the SAM Outstanding Advisor Award as well as the Bronze Leadership Medal.

Isabella Griffiths, Student Body President

Ms. Griffiths has had a very busy semester. Ms. Griffiths served on the search committee for the Chief Enrollment Officer. VP Walker Tatum served on search committees for the College of Science. Both searches were completed, as in Provost Mukherjee's report.

The Steve Hensley Dedication to Student Life Award was given to Interim Dean Brian Morgan for his efforts on Green Bandana Initiative and collaboration with student-focused projects.

Transitions have commenced, and she is planning to introduce Walker Tatum and Nevaeh Harmon at the June board meeting. A successful Inauguration was held for them at President Smith's house.

Commencement will be her last official act as Student Body President! She thanked everyone for helping her this year and for the amazing opportunities she has been able to share with this Board.

Dr. Bobby Miller, Interim Dean

Dr. Bobby Miller gave a few highlights from the School of Medicine.

School of Medicine Match Day – Fourth year medical students from the Joan C. Edwards School of Medicine learned on March 17th during the annual Match Day event where they will train for the next three to seven years. A total of 78 students from the Class of 2023 matched to residency programs, representing a 99% match rate for the class. More than 50% matched to primary care residencies while the remaining will enter into specialties ranging from radiology to otolaryngology to dermatology and more. They matched to programs across the country including Stanford, Cleveland Clinic, Wake Forest and Mayor Clinic and 25 students (1/3) will remain in WV to complete their training.

Fellowship Programs earn full accreditation. The pediatric hospital medicine fellowship earned full accreditation from the Accreditation Council for Graduate Medical Education (ACGME). ACGME granted the addiction medicine fellowship continued accreditation with no citations following its recent site visit.

A new grant from the US Department of Health and Human Services' Health Resources & Services Administration (HRSA) will support the planning and development of a rural psychiatry residency program at Marshall University. The \$500,000 grant awarded to the Marshall Community Health Consortium collaborative is one of 46 grants announced March 31 to plan and develop Teaching Health Center residency programs in community-based settings. The

Marshall program will become the nation's fourth separately accredited rural track program designation in general psychology.

Other grants of note from the National Institutes of Health (NIH) are: 1) \$148,000 two-year grant, was awarded to Lydia Bogomolnaya, PhD, assistant professor of biomedical sciences, to further her research on drug-resistant infections caused by Gram-negative bacteria. This grant was awarded by the National Institute of Allergy and Infectious Diseases. 2) \$388,500, two-year grant was awarded to Mary-Louise Risher, PhD, an assistant professor of biomedical sciences to study how binge drinking during teens and early twenties disrupts brain function that can persist into adulthood.

Complete reports (above and more) can be found as part of the board packet.

Athletic Committee

Geoff Sheils, Vice Chair of the Athletic Committee, gave the Athletic Committee report.

Action Items

Approval of Proposed Department of Athletics Personnel Contracts

Marshall University has reached a tentative agreement with coaches within the Department of Athletics and seeks approval from the Board of Governors. The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves the University entering into personnel contracts with coaches within the Department of Athletics. The Board further authorizes the President of the University to execute the necessary documents to enter into these personnel contracts.

Upon a motion by Mr. Sheils, seconded by Dr. Riner, with a vote of aye, none opposed, and the motion carried.

Approval of Updated Policy No. GA-7 Intercollegiate Athletics

The Board asked for this Policy to be deferred to a later meeting.

Approval of Athletics Budget for Fiscal Year 2023-2024

A budget was brought to the Athletic Committee for approval.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves the proposed Marshall Athletics Budget for Fiscal Year 2023-2024.

It is included in these minutes as Exhibit II.

Upon a motion by Mr. Sheils, seconded by Mr. Holcomb, no discussion, with a vote of aye, none opposed, and the motion carried.

Information Items:

Compliance Update

Capital Projects Update

Athletic Teams Update

Budget Update – Review and Support a Long-Term Sustainable Business Model

Finance, Audit and Facilities Planning Committee, Geoff Sheils, Chair

Following are the action items brought from the Finance, Audit and Facilities Planning Committee:

Action Items:

Approval of Updated Policy No. FA-9 Purchasing

The amendment to FA-9 clarifies the manner in which bids may be submitted to the University to include paper, facsimile and electronic submissions. There is no anticipated additional cost to the institution for implementing this policy. Upon approval of this resolution, a comment period will open and remain open until 5:00 pm on Friday, May 26, 2023. If substantive comments are received, a final policy will be presented to the Board for approval at a subsequent meeting.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors does hereby approve Policy No. FA-9, Purchasing Policy. This policy is approved as final at the conclusion of the comment period if no substantive comments are received and shall become effective at the end of the comment period.

Upon a motion by Mr. Sheils, seconded by Mr. Bill Smith, no discussion, with a vote of aye, none opposed, and the motion carried.

Approval of Restructuring of Provident Debt Portfolio

In 2010, Provident—Marshall acquired 418 apartment style student housing units and the 120,000 square foot Wellness Center on the campus of Marshall University. Provident – Marshall undertook the acquisition through the placement of \$89.5 million of Senior and Subordinate Bonds to refinance existing debt. Provident – Marshall assumed an existing interest rate swap, currently held by Deutsche Bank. The current debt profile faces a variety of challenges associated with higher interest rates, tightened credit and lending requirements, and the University's recent enrollment declines. With the appropriate level of commitment by the University, the existing debt portfolio is being restructured to provide long-term budgetary certainty through maturity.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves the proposed restructuring of the Provident debt portfolio.

Upon a motion by Mr. Sheils, seconded by Mrs. Hurula, no discussion, with a vote of aye, none opposed, and the motion carried.

Approval of Budget for Fiscal Year 2023-2024

Our enduring financial principles continue to inform our proposed budget choices for 2024.

- Grow students, not fees
- Invest in our Team
- Take Care of the House
- Manage Our Strategic Resources
- Net Result

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves the Marshall University Budget for Fiscal Year 2023-2024.

Upon a motion by Mr. Sheils, seconded by Dr. D'Antoni, no discussion, with a vote of aye, none opposed, and the motion carried for the Budget for Fiscal Year 2023-2024.

Approval of Schedule of Fiscal Year 2023-2024 Tuition and Fee Rates

The University is proposing an overall 2.5% increase to undergraduate and graduate tuition and fees for both resident and non-resident students. The University is proposing an 11.5% decrease in the Metro tuition and fee rate to a level that is more competitive in the region and will complement the already approved expansion into additional counties in Ohio and Kentucky. The University is proposing a -3% increase in Housing and Dining rates.

The following resolution was considered by the Board of Governors:

Resolved, that the Marshall University Board of Governors approves the Fiscal Year 2023-2024 tuition and fee rates.

Upon a motion by Mr. Sheils, seconded by Dr. Riner, no discussion, with a vote of aye, none opposed, and the motion carried for the Fiscal Year 2023-2024 Tuition and Fee Rates.

The Budget and Tuition and Fee Rates are Exhibit III and Exhibit IV attached to these minutes.

Information Items:

Information items updates are all in your packets. If there are any questions, please contact Mr. Sheils.

V. President's Report – Brad D. Smith

President Smith began by thanking the Board of Governors, MU faculty and staff for the tremendous commitment to serving our students, strengthening our institution and advancing the great State of West Virginia. He considers it to be a privilege of a lifetime to serve MU, to stand on the shoulders of giants who preceded this administration, and to partner with our campus and community to position this beloved University for its next chapter of greatness.

He focused his report on 3 areas:

- Our talent
- Our strategy
- And our financial reality and outlook

Talent:

This time last year, we were in the early days of recruiting world class talent to fill critical roles on the President's Cabinet due to retirements, interim leaders or mobility moves into other roles. Today, each of those roles has been successfully filled, with the exception of our next Dean of the Joan C Edwards School of Medicine, where we have had very strong interest, and are planning to invite the final 3-5 candidates for on-campus interviews in late May/early June

for final selection. Beyond our Cabinet, there has been similar talent development and recruitment occurring throughout all areas of the campus community, from academics to athletics, which you heard about in the updates given by Provost Mukherjee and Athletic Director Spears. We have assembled a team of All-Stars, and have been hard at work to begin to operate as an All-Star Team.

Strategy:

As has been well-documented in leadership best practices across all professional domains, the four criteria that are fundamental to creating a high performing culture, include cultivating:

- A common purpose
- Developing a shared consciousness
- Creating an environment of empowered execution
- And building trust

We have taken great steps toward cultivating these areas over the past sixteen months, driven by our campus-wide journey to define Marshall University's Strategic Roadmap to Future Prosperity ... Marshall for All, Marshall Forever. This effort has been informed by the stewardship and input of stakeholders from across our campus community, as well as thought leaders across higher education. This has been a long process, however, we have now published a draft document and solicited final input from the campus community in March and reflected that input in what is now our strategic roadmap for future prosperity – Marshall For All, Marshall Forever.

The value proposition we will deliver is access to an **affordable, flexible and achievement-oriented** education for all who aspire a more prosperous life. Grounded in our **enduring Vision and Creed**, it establishes 2037 bi-centennial goals including 100% placement rates for our graduates into jobs or a continuing education, with zero students graduating with student loan debt. Doubling our research, grants and contracts to \$150M, up from \$63M today, while tripling the number of start-ups incubated in our emerging innovation center. In doing so, we will strive to deliver a 30X return on investment for every state dollar invested in Marshall (up from 14X return today), which will contribute roughly \$2.5 Billion in economic impact.

These 15-year goals into 3-year milestones which align with the state's recently implemented performance-based funding formula. To deliver on these results, we have defined a **strategic roadmap** with **five student-first priorities**. The end result will be a 21st century prosperity platform that offers an **in-demand curriculum** through **on-demand access**, with **areas of distinction**.

With this plan in place, I'll transition to my third and final point – our financial reality and outlook.

Our 3-year financial plan is our roadmap to establishing that financial sustainability, and is grounded in our **enduring financial principles**:

- To grow students, not fees.

- To invest in our team.
- To take care of the house.
- And to strategically allocate our resources to ensure financial resiliency to withstand an economic downturn or another pandemic.

In this journey, we have defined the necessary actions to **course-correct our current \$27.7M operating deficit** with a game plan to return to **a positive operating margin by FY27**. This will achieve this by growing revenue, making strategic investments, and eliminating waste. It also introduces a **Save to Serve culture** to eliminate waste and inefficiency through a shared governance accountability model and investing in e-procurement capabilities.

Marshall University has heavy lifting ahead of us ... higher education is navigating disruptive change, and we're not immune ...but we have invested the time to architect a game plan.

It is a collective plan, with the fingerprints of the entire campus community all over it. This is not a turn-around, it is a transformation. If we execute with excellence, we believe this will position Marshall to become an exemplar in higher education and, in doing so, will provide a roadmap to future prosperity for our students, our employees, our communities and for the country.

Marshall For All, Marshall Forever!

V. Executive Session under the authority of WV Code § 6-9A-4

Upon a motion by Student Body President Griffiths, seconded by Dr. Riner, the board entered Executive Session under the authority of WV Code §6-9A-4 to discuss naming opportunities and Matters Involving Commercial Competition.

After a brief session, the Board entered open session, and Chairman Farrell thanked everyone for their patience. He confirmed that the livestream was up.

Approval of the Naming of Areas in the Brad D. Smith Center for Business and Innovation and Corbly Hall

It is recommended by the Marshall University Foundation, Inc. that based upon the financial gifts and commitments that the Board of Governors grant naming opportunities that were discussed during Executive Session, to be announced later.

The following resolution was considered by the Board of Governors:

Resolved, that pursuant to Marshall University Board of Governors Policy No. GA-10, Naming Policy for Units and Facilities that the Marshall University Board of Governors does hereby approve the naming of certain areas in the Brad D. Smith Center of Business and Innovation and Corbly Hall as presented. It is further resolved, that the President of Marshall University is hereby directed to execute all necessary documents to effectuate the naming.

Upon a motion by Mr. Sheils, seconded by Dr. D'Antoni, no discussion, a vote of aye, none opposed, the motion carried.

Approval of the Renaming of the Robert C. Byrd Institute (RCBI) to the Marshall Advanced Manufacturing Center

Although the University appreciates the contributions that the late Robert C. Byrd made to the State of WV and Marshall University, the University is requesting that the Robert C. Byrd Institute (RCBI) be renamed the Marshall Advance Manufacturing Center to better describe its function.

The following resolution was voted on by the Board of Governors:

Resolved, that the Robert C. Byrd Institute (RCBI) be renamed the Marshall Advance Manufacturing Center. It is further resolved that the President of Marshall University is hereby directed to take all necessary steps to effectuate the renaming.

Upon a motion by Mr. Bill Smith, seconded by Mrs. Hurula, no discussion, a vote of aye, none opposed, and the motion carried.

Approval of Letter of Intent

The Letter of Intent was discussed during Executive Session and The Board voted on the following resolution:

Resolved, that the Marshall University Board of Governors authorizes the President of the University to execute a Letter of Intent as outlined in the Executive Session held today pursuant to W.Va. Code § 6-9A-4(b)(9).

Upon a motion by Mr. Sheils, seconded by Dr. D'Antoni, discussion...Dr. Riner asked before voting that faculty has been assured there will be ample faculty representation on the steering committee and the working group who will be drafting the agreement that is referred to in the letter of intent. After a vote of aye, none opposed, and the motion carries.

The Letter of Intent is added to these minutes as Exhibit V

VI. Chairman Farrell's Report

Chairman Farrell noted that we are approaching the Spring Commencement. He has had the privilege as Chairman of this Board, of being part of three commencements in the April timeframe. In reflecting on where we were at his first commencement, the Board highlighted three things we needed to focus on: Financial stability of the U, affordability for the students and the adaptability of the change in the landscape of higher education. Today, hearing President Smith's report, seeing the new strategic plan, both updated and presented, he is excited that the work of the University is evident in this strategic plan and believes we are on the path to financial stability. He believes that the commitment for our students to be debt free in ten years is a clear sign that we will make this a affordable options for them, the adaptability comes not just from the board and the action they take for the administration, but also the ability to change ways of teaching and interacting with students, the staff also and the students, which have been through so much, and will continue to go through new models of change. He thanked the board members that spend so much time before meetings, getting ready, and for the administration also. As we move into Commencement on Saturday, he wanted to tell everyone they are invited to attend. If guest passes are needed, Cora has the passes for them. President Smith has invited all board members to attend Commencement.

He asked President Smith to tell the Board about the Speaker on Saturday and encourage them to hear him speak.

President Smith said there will be 1506 graduates that will walk across the stage, including our amazing Student Body President, Isabella Griffiths. We have an amazing keynote speaker, John Donahoe, the CEO of Nike. He is known as a leader amongst leaders. He's been the CEO of Bain Consulting, CEO of Paypal, CEO of ServiceNow and CEO of Nike. He chaired the National Business Council that met with the President of the United States on behalf of all Fortune 500 companies. He is humble and very excited to be here in Huntington, WV. He cannot wait to spend time with Marshall University Board Members, students, faculty, and staff, this weekend.

Also, President Smith asked to please add May 23-26 to your calendars for Community Cares. This is our house, our University, Huntington's University, and Appalachian's University. We are proud of this University, and we have some projects we would love for you to take part in. Please go to the website and sign up.

Chairman Farrell asked that while you are scheduling, please add August 7-8 as the MUBOG retreat. Ginny will send out the reminder in Board Effects.

Nominating Committee

Chairman Farrell noted that the next meeting is the June meeting and the end of our academic year. The nominating committee presents the slate of candidates for our executive officers. He would like to remind you that our Executive Committee is the Chair, Vice Chair and Secretary, and the Chair then appoints the committee chairs from the others. This time, we are looking for three new incoming officers. It is not a ladder, for example, the Vice Chair does not move to the role of Chair, etc. However, our process is that each year we look at everyone and take nominations. This year, I will chair the Nominating Committee and welcome all members to be on the nominating committee and see who would like to serve. In June, a slate of candidates will be recommended for next year's Executive Committee. Please let Chairman Farrell know if you would like to serve or if you would like to recommend someone. Being Chair takes a bit of time, however, it is rewarding and it's a great time to serve Marshall University.

VII. Adjournment

Hearing no objection or further business, the Board Meeting was adjourned.

Respectfully submitted,

Chris Miller, Secretary

**Marshall University Board of Governors
Meeting of April 26, 2023**

ITEM: Review and Approval of the following Program Review Recommendations:

COMMITTEE: Academic and Student Affairs

RECOMMENDED ACTION: *Resolved*, that the Marshall University Board of Governors approve the 2022-2023 Academic Program Review Recommendations

STAFF MEMBER: Avinandan Mukherjee
Provost & Senior Vice President for Academic Affairs

BACKGROUND:

The Division of Academic Affairs recommends the following actions based upon the Academic Program Review of scheduled programs for 2022-2023.

Undergraduate Degree Programs	Recommendations
Bachelor of Business Administration-BBA	Continue at current level
General Business-BA	Continue at current level
Accounting-BBA	Continue at current level
Geography-BA/BS	Continue at current level
Political Science-BA	Continue at current level
International Affairs-BA	Continue at current level
Economics-BA	Discontinue program after all enrolled students have completed it. There has been little enrollment, no growth is expected, and it is duplicated by another major in the Lewis College of Business.

Graduate Degree Programs	Recommendations
Accountancy-MS	Continue at current level
Health Care Administration-MS	Continue at current level
Health Informatics-MS	Continue at current level
Information Systems-MS	Continue at current level
Human Resource Management-MS	Continue at current level
Master of Business Administration-MBA	Continue at current level
Doctor of Nurse Anesthesia Practice-DNAP	Continue at current level
Geography-MA/MS	Continue at current level
Master of Public Administration-MPA	Continue at current level
Special Education-MA	Continue at current level
Literacy Education-MA	Continue at current level

Undergraduate Certificate Programs	Recommendations
Geospatial Information Science	Continue at current level

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Graduate Certificate Programs	Recommendations
Data Analytics in Healthcare	Continue at current level
Technology Management	Continue at current level
Geospatial Information Science	Continue at current level
Geospatial Information Science-Advanced	Discontinue program after all enrolled students have completed it. The program has little student interest and there is little expectation for growth. The Graduate Council voted to discontinue the program at its October 21, 2022 meeting.
Literacy Education	Continue at current level

MARSHALL UNIVERSITY
DEPARTMENT OF INTERCOLLEGIATE ATHLETICS
FY 24 Budget Presented to Marshall University Board of Governors

	FY 23	FY 24	Variance
Auxiliary Enterprise Revenue	9,729,048	12,978,847	3,249,799
Big Green Transfers	2,968,933	2,835,985	(132,948)
Student Auxiliary Fee Allocation	6,775,000	6,775,000	-
Institutional Support	6,752,021	6,752,021	-
Tuition Waivers	4,269,213	3,000,000	(1,269,213)
University Allocation	4,003,140	4,875,147	872,007
Source Transfers	19,000	19,000	-
	34,516,355	37,236,000	
Salaries and Benefits	12,278,686	14,105,723	1,827,037
Team/Staff Travel	5,025,680	5,301,246	275,566
Supplies and Other Services	8,582,064	10,250,000	1,667,936
Scholarships	8,629,925	7,579,031	(1,050,894)
	34,516,355	37,236,000	

Marshall University				
FY24 Budget				
	MU	SOM	MURC	TOTAL
Operating Revenues				
Student Tuition and Fees (net of allowance)	58,708,000	11,024,000	-	69,732,000
Grants and Contracts	24,316,000	21,209,000	60,900,000	106,425,000
Auxiliary Enterprise Revenue	34,159,000	-	-	34,159,000
Other Operating Revenues	3,000,000	1,251,000	5,700,000	9,951,000
Source Transfers	500,000	(500,000)	-	-
Total Operating Revenues	120,682,000	32,984,000	66,600,000	220,266,000
Operating Expenses				
Salaries and Wages	106,249,000	26,474,000	25,000,000	157,723,000
Benefits	23,375,000	6,398,000	7,500,000	37,273,000
Supplies and Other Services	48,780,000	16,500,000	26,700,000	91,980,000
Utilities	8,457,000	1,000,000	360,000	9,817,000
Scholarships and fellowships	18,506,000	800,000	2,100,000	21,406,000
Depreciation	13,500,000	2,000,000	950,000	16,450,000
Other Operating Expenses	-	-	-	-
Fees assessed by the Commission for operations	-	-	-	-
Total Operating Expenses	218,867,000	53,172,000	62,610,000	334,649,000
Operating Income (Loss)	(98,185,000)	(20,187,000)	3,990,000	(114,382,000)
Nonoperating Revenues (expenses)				
State Appropriations	54,114,000	18,084,000	-	72,198,000
Federal Pell Grants	15,600,000	-	-	15,600,000
Gifts	1,700,000	-	-	1,700,000
Investment Income	2,000,000	1,000,000	1,000,000	4,000,000
Interest on indebtedness	(6,465,000)	-	-	(6,465,000)
Fees assessed by Commission for Debt Service	(209,000)	(120,000)	-	(329,000)
Other nonoperating revenues (expenses)	-	-	(71,000)	(71,000)
Total Nonoperating Revenues (expenses)	66,740,000	18,964,000	929,000	86,633,000
Increase/Decrease in Net Assets	(31,444,000)	(1,223,000)	4,919,000	(27,748,000)

Exhibit IV

Marshall University
Index for Fee Planning Schedule Changes
Academic Year 2023-24

<u>Fee Type</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Changes</u>	<u>Fee Page Number</u>	<u>% chg</u>
Educational and General Fees					
Undergraduate – Resident	\$3,380	\$3,465	\$84 increase per semester	1	2.5%
Undergraduate – Non-Resident	\$8,392	\$8,626	\$234 increase per semester	1	2.8%
Undergraduate – Metro	\$5,907	\$5,039	-\$868 increase per semester	1	-14.7%
Graduate – Resident	\$3,555	\$3,644	\$89 increase per semester	2	2.5%
Graduate – Non-Resident	\$9,236	\$9,481	\$245 increase per semester	2	2.7%
Forensic Science - Graduate – Resident	\$3,827	\$3,922	\$95 increase per semester ¹	3	2.5%
Forensic Science - Graduate – Non-Resident	\$9,242	\$9,493	\$251 increase per semester ¹	3	2.7%
SOM Professional/Medical – Resident	\$11,276	\$11,558	\$282 increase per semester ¹	4	2.5%
SOM Professional/Medical – Non-Resident	\$27,360	\$28,044	\$684 increase per semester ¹	4	2.5%
SOM Physician Assistant– Resident	\$8,920	\$9,143	\$223 increase per semester ¹	5	2.5%
SOM Physician Assistant– Non-Resident	\$13,825	\$14,191	\$366 increase per semester ¹	5	2.5%
SOM Graduate/Biomedical Sci – Resident	\$4,722	\$4,839	\$117 increase per semester ¹	6	2.4%
SOM Graduate/Biomedical Sci – Non-Resident	\$10,158	\$10,432	\$274 increase per semester ¹	6	2.6%
School of Physical Therapy – Doctorate – Resident	\$6,388	\$6,548	\$160 increase per semester ¹	7	2.5%
School of Physical Therapy – Doctorate – Non-Resident	\$10,386	\$10,666	\$280 increase per semester ¹	7	2.5%
School of Pharmacy – Doctorate – Resident - P1	\$11,084	\$11,361	\$277 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Non-Resident - P1	\$18,276	\$18,732	\$456 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Resident - P2	\$10,867	\$11,084	\$217 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Non-Resident - P2	\$17,917	\$18,365	\$448 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Resident - P3	\$11,033	\$10,867	-\$166 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Non-Resident - P3	\$17,580	\$18,020	\$440 increase per semester ¹	8	2.5%
School of Pharmacy – Doctorate – Resident - P4	\$7,355	\$7,539	\$184 increase in trimester rate ¹	8	2.5%
School of Pharmacy – Doctorate – Non-Resident - P4	\$11,720	\$12,013	\$293 increase in trimester rate ¹	8	2.5%
School of Pharmacy - Master of Pharmaceutical Science - Resident	\$5,302	\$5,434	\$132 increase per semester ¹	9	2.5%
School of Pharmacy - Master of Pharmaceutical Science - Non-Resident	\$8,675	\$8,912	\$237 increase per semester ¹	9	2.7%
Bill Noe Aviation Flight School - Resident	\$3,380	\$3,465	\$84 new undergrad program	10	2.4%
Bill Noe Aviation Flight School - Non-Resident	\$8,392	\$8,626	\$234 new undergrad program	10	2.7%
Bill Noe Aviation Flight School - Metro	\$5,907	\$5,039	-\$868 new undergrad program	10	-17.2%
Master in Public Health - Resident	\$6,383	\$6,543	\$160 increase per semester ¹	11	2.5%
Master in Public Health - Non-Resident	\$14,041	\$14,412	\$371 increase per semester ¹	11	2.5%

¹ These program increases are based on the pro formas for these particular programs which have considered programmatic costs including those impacted by inflation.

Required Educational and General Capital Fees

System E&G Capital Fee - Undergrad Resident	\$215	\$221	\$6 increase per semester	1-12	2.9%
System E&G Capital Fee - Undergrad Metro and Non-Resident	\$730	\$736	\$6 increase per semester	1-12	0.8%
System E&G Capital Fee - Graduate Resident	\$205	\$211	\$6 increase per semester	1-12	2.8%
Special Institutional E&G Capital Fee	\$232	\$244	\$12 increase per semester	1-12	5.2%

Exhibit IV

Marshall University
Index for Fee Planning Schedule Changes
Academic Year 2023-24

Fee Type	2022-23	2023-24	Changes	Fee Page Number	% chg.
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Auxiliary and Auxiliary Capital Fees

Standardized Auxiliary Fee	\$475	\$481	\$6 increase per semester	1-12	1.3%
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Program Fees - Undergraduate

College of Arts & Media - Fine Arts - <i>Resident</i>	\$330	\$338	\$8 increase per semester	1	2.5%
College of Arts & Media - Journalism & Mass Communication - <i>Resident</i>	\$110	\$113	\$3 increase per semester	1	2.5%
College of Business - <i>Resident</i>	\$160	\$164	\$4 increase per semester	1	2.5%
College of Education & Professional Development - <i>Resident</i>	\$200	\$205	\$5 increase per semester	1	2.5%
College of Health Professions - <i>Resident</i>	\$210	\$215	\$5 increase per semester	1	2.5%
College of Health Professions - Kinesiology - <i>Resident</i>	\$310	\$318	\$8 increase per semester	1	2.5%
College of Health Professions - Clinical Laboratory Science, Communication Disorders, Dietetics - <i>Resident</i>	\$310	\$318	\$8 increase per semester	1	2.5%
College of Health Professions - Nursing - <i>Resident</i>	\$570	\$584	\$14 increase per semester	1	2.5%
College of Engineering and Computer Science - <i>Resident</i>	\$560	\$574	\$14 increase per semester	1	2.5%
College of Liberal Arts - <i>Resident</i>	\$105	\$108	\$3 increase per semester	1	2.5%
College of Science - <i>Resident</i>	\$175	\$179	\$4 increase per semester	1	2.5%

Program Fees - Undergraduate (continued)

College of Arts & Media - Fine Arts - <i>Non-Resident</i>	\$410	\$420	\$10 increase per semester	1	2.5%
College of Arts & Media - Journalism & Mass Communication - <i>Non-Resident</i>	\$193	\$198	\$5 increase per semester	1	2.5%
College of Business - <i>Non-Resident</i>	\$265	\$272	\$7 increase per semester	1	2.5%
College of Education & Professional Development - <i>Non-Resident</i>	\$200	\$205	\$5 increase per semester	1	2.5%
College of Health Professions - <i>Non-Resident</i>	\$470	\$482	\$12 increase per semester	1	2.5%
College of Health Professions - Kinesiology - <i>Non-Resident</i>	\$570	\$584	\$14 increase per semester	1	2.5%
College of Health Professions - Clinical Laboratory Science, Communication Disorders, Dietetics - <i>Non-Resident</i>	\$570	\$584	\$14 increase per semester	1	2.5%
College of Health Professions - Nursing - <i>Non-Resident</i>	\$825	\$846	\$21 increase per semester	1	2.5%
College of Engineering and Computer Science - <i>Non-Resident</i>	\$865	\$887	\$22 increase per semester	1	2.5%
College of Liberal Arts - <i>Non-Resident</i>	\$105	\$108	\$3 increase per semester	1	2.5%
College of Science - <i>Non-Resident</i>	\$220	\$226	\$6 increase per semester	1	2.5%

Program Fees - Graduate

College of Arts & Media - Fine Arts - <i>Resident</i>	\$185	\$190	\$5 increase per semester	2	2.5%
College of Arts & Media - Journalism & Mass Communication - <i>Resident</i>	\$110	\$113	\$3 increase per semester	2	2.5%
College of Business - <i>Resident</i>	\$318	\$326	\$8 increase per semester	2	2.5%
College of Business Executive MBA - <i>Resident</i>	\$4,500	\$4,613	\$113 increase per semester	2	2.5%
College of Education & Professional Development - <i>Resident</i>	\$50	\$51	\$1 increase per semester	2	2.5%
College of Education & Professional Development - EdD/EdS, SPSY, MA in Special ED, MAT/PBC - <i>Resident</i>	\$115	\$118	\$3 increase per semester	2	2.5%
College of Health Professions - <i>Resident</i>	\$275	\$282	\$7 increase per semester	2	2.5%
College of Health Professions - Kinesiology - <i>Resident</i>	\$390	\$400	\$10 increase per semester	2	2.5%
College of Health Professions - Clinical Laboratory Science, Communication Disorders, Dietetics - <i>Resident</i>	\$390	\$400	\$10 increase per semester	2	2.5%
College of Health Professions - Nursing - <i>Resident</i>	\$550	\$564	\$14 increase per semester	2	2.5%
College of Engineering and Computer Science - <i>Resident</i>	\$560	\$574	\$14 increase per semester	2	2.5%
College of Liberal Arts - <i>Resident</i>	\$90	\$92	\$2 increase per semester	2	2.5%
College of Liberal Arts - Psychology Doctorate - <i>Resident</i>	\$1,068	\$1,095	\$27 increase per semester	2	2.5%
College of Science - <i>Resident</i>	\$175	\$179	\$4 increase per semester	2	2.5%

Program Fees - Graduate (continued)

Exhibit IV

Marshall University
Index for Fee Planning Schedule Changes
Academic Year 2023-24

Fee Type	2022-23	2023-24	Changes	Fee Page Number	% chg
College of Arts & Media - Fine Arts - <i>Non-Resident</i>	\$410	\$420	\$10 increase per semester	2	2.5%
College of Arts & Media - Journalism & Mass Communication - <i>Non-Resident</i>	\$193	\$198	\$5 increase per semester	2	2.5%
College of Business - <i>Non-Resident</i>	\$525	\$538	\$13 increase per semester	2	2.5%
College of Business Executive MBA - <i>Non-Resident</i>	\$4,500	\$4,613	\$113 increase per semester	2	2.5%
College of Education & Professional Development - <i>Non-Resident</i>	\$50	\$51	\$1 increase per semester	2	2.5%
College of Education & Professional Development - EdD/EdS, SPSY, MA in Special ED, MAT/PBC - <i>Non-Resident</i>	\$115	\$118	\$3 increase per semester	2	2.5%
College of Health Professions - <i>Non-Resident</i>	\$650	\$666	\$16 increase per semester	2	2.5%
College of Health Professions - Kinesiology - <i>Non-Resident</i>	\$775	\$794	\$19 increase per semester	2	2.5%
College of Health Professions - Clinical Laboratory Science, Communication Disorders, Dietetics - <i>Non-Resident</i>	\$775	\$794	\$19 increase per semester	2	2.5%
College of Health Professions - Nursing - <i>Non-Resident</i>	\$945	\$969	\$24 increase per semester	2	2.5%
College of Information Technology and Engineering - <i>Non-Resident</i>	\$865	\$887	\$22 increase per semester	2	2.5%
College of Liberal Arts - <i>Non-Resident</i>	\$90	\$92	\$2 increase per semester	2	2.5%
College of Liberal Arts - Psychology Doctorate - <i>Non-Resident</i>	\$1,446	\$1,482	\$36 increase per semester	2	2.5%
College of Science - <i>Non-Resident</i>	\$220	\$226	\$6 increase per semester	2	2.5%

Special Program Fees (in lieu of regular tuition)

High School E-Course Fee - per Credit Hour	\$75	\$25	-\$50 increase per credit hour	13	-66.7%
High School Dual Enrollment - Course at Marshall Campus Facilities - per Credit Hour	\$145	\$25	-\$120 increase per credit hour	13	-82.8%
Business DBA Program - per Credit Hour	\$850	\$950	\$100 new fee per credit hour	13	new

Residence Services Fees:

Room Re-Key (per lock)	\$50	\$75	\$25 increase per semester	14	50.0%
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Room and Board

Double Room	\$2,916	\$2,989	\$73 increase per semester	15	2.5%
Double Room Suite	\$3,399	\$3,501	\$102 increase per semester	15	3.0%
First Year Residence Hall (Capstone) - Double room with bath	\$3,668	\$3,778	\$110 increase per semester	15	3.0%
First Year Residence Hall (Capstone) - Single room with bath	\$5,990	\$5,990	\$0 increase per semester	15	0.0%
Fairfeild Landing - monthly rates	\$723 to \$1398	\$740 to \$1425	\$17 to \$27 increase per semester	15	1.2% to 2.4%
Meal Plan Changes					
Meal Plans have been increased to cover cost. Some unused meal plans have been eliminated.	\$451 to \$2700	\$458 to \$2791	\$7 to \$91 increase per semester	16	3.7%

University Physicians & Surgeons, Inc.
The Marshall University Board of Governors
Mountain Health Network, Inc.

Letter of Intent

Development of an Integrated Academic Health System

This nonbinding Letter of Intent ("LOI") is made effective as of the date of signature by each party (hereafter referred to as the "Effective Date"), by and between The Marshall University Board of Governors ("MU"), University Physicians & Surgeons, Inc. d/b/a Marshall Health ("MH"), and Mountain Health Network, Inc. ("MHN") (each, a "Party," and collectively, the "Parties"). Each Party includes their respective parents, subsidiaries, and affiliated companies.

Following the execution of this LOI, the Parties will proceed with the necessary due diligence and the development and/or amendment of various agreements/governing documents (hereafter referred to as the "Definitive Agreements") consistent with the major terms, concepts, and conditions expressed in this document. Nothing herein shall be construed as precluding the parties from agreeing to alternative or different concepts than those contained in this LOI and the Definitive Agreements may contain additional, fewer, or different terms than the concepts set forth herein. Each Party will make commercially reasonable efforts to furnish the information requested by the other and collaborate on necessary due diligence and analysis to negotiate the Definitive Agreements. Final execution of the Definitive Agreements will be subject to ongoing due diligence, comprehensive legal review, and necessary approvals by the Parties' respective boards.

Sections 1 through 19 of this LOI (collectively, the "Non-Binding Provisions") reflect the parties' mutual understanding of the matters described in them, but each party acknowledges that the Non-Binding Provisions are not intended to create or constitute any legally binding obligation among MU, MH and MHN, and neither MU, MH nor MHN shall have any liability to any other party with respect to the Non-Binding Provisions until the Definitive Agreements are prepared, authorized, executed and delivered by and between all parties. If the Definitive Agreements are not prepared, authorized, executed, or delivered for any reason, no party to this LOI shall have liability to any other party to this LOI based upon or relating to the Non-Binding Provisions.

Upon execution by all parties of this LOI, Sections 20 to 23 together with the paragraphs prior to Section 1 (collectively, the "Binding Provisions") will constitute the legally binding and

enforceable agreement by and between MU, MH and MHN in recognition of the significant costs to be borne by the parties in pursuing the development of an integrated academic health system and further in consideration of the mutual undertakings as to the matters described herein.

The Binding Provisions may be terminated only by mutual written consent; provided, however, that the termination of the Binding Provisions shall not affect the liability of a party for breach of any of the Binding Provisions prior to the termination. This LOI shall be construed and enforced in accordance with the laws of the State of West Virginia. No signatory hereto shall assign this LOI to any party.

Notwithstanding the foregoing, this LOI is intended to evidence the understandings which have been reached regarding the proposed development of an integrated academic health system and the mutual intent of the parties to negotiate in good faith to enter into the Definitive Agreements in accordance with the Non-Binding Provisions.

The following terms are intended to capture the mutual agreements of the Parties, but do not necessarily represent the final language to be used in legal documents, such as bylaws.

If the terms herein are acceptable, please sign this LOI in the space provided below to confirm the mutual agreements set forth in the Binding Provisions and return a signed copy to the other parties. This LOI may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same document.

1. Formation of an Integrated Academic Health System	<p>a. The Parties intend to create an integrated academic health system that will focus on clinical excellence, education, and research, with a mission closely aligned with that of MH, MU, and MHN. The Parties' shared vision is to be the premier health system in West Virginia and a top-tier academic health system regionally recognized for its demonstrable results in delivering high-quality multidisciplinary care, education focused on community needs, and research discoveries that contribute to improved health and healthcare for the region.</p> <p>b. The goals of the integration include:</p> <p>i. The proposed integration will result in demonstrable and measurable benefit to the community, including the multistate</p>
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	<p>region, and significantly vitalize the regional economy in the near and long term.</p> <ul style="list-style-type: none">ii. The proposed integration will increase competitiveness in the local and regional healthcare market.iii. The Parties and other key stakeholders will be represented at the appropriate levels of governance (boards and/or executive oversight) and management to foster integration and joint decision-making.iv. The financial relationship among the Parties will be contemporary and transparent, align incentives, and incorporate shared risk and reward to advance the Parties' shared goals.v. Organizational changes will result in an attractive model for academic and nonacademic providers (i.e., enhanced recruitment and retention).vi. The proposed structure will promote and advance the missions of each Party and ascribe value to the contributions made by each.vii. Realignment of current structures and agreements will enable improved returns on investment by making the best and most strategic use of collective resources.viii. The proposed integration will advance the academic (education and research) missions of the Parties, driving national recognition, innovation, and increased thought leadership.ix. The Parties will preserve existing access to public funding from the state and enhance access to funds that will directly benefit the region (if and where feasible). <p>c. The new academic health system will be formed by combining the clinical assets and operations of MHN (and its subsidiary entities) and</p>
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	<p>the clinical assets of MU under a common parent (for the purposes of this LOI, hereinafter "NewCo")¹.</p> <p>d. Through the combination of all clinical assets into a single integrated academic health system, the Parties explore further program development across all missions throughout NewCo (e.g., system-wide service lines, inclusive of patient care, training, and research; expansion of existing GME programs to new sites of care).</p> <p>e. NewCo will be separate and distinct from MU but shall be closely affiliated with MU as defined in a new or amended master affiliation agreement ("MAA") and NewCo governing documents.</p>
2. Purpose and Role of the Hospitals	<p>a. NewCo, including CHH, SMMC, and PVH and their respective ambulatory facilities, will remain committed to the delivery of high-quality care.</p> <p>b. Except for hospital based specialty groups which have historically operated under exclusive agreements, such as radiologists, anesthesiologists, pathologists and emergency department physicians, CHH and SMMC will maintain open staffs granting privileges to all qualified physicians and will not terminate privileges to those who start offering health care services in competition with CHH and SMMC.</p> <p>c. Requirements for holding privileges at any of the Hospitals will remain unchanged.</p> <p>d. Clinical and administrative personnel who are currently employed by the Hospitals to support clinical operations will remain employees of their respective Hospitals.</p> <p>e. The Parties commit, wherever feasible and consistent with industry best practices, to exploring centralization of the Hospitals' support services and infrastructure within NewCo.</p>
3. Purpose and Role of the Integrated	<p>a. A core element of this initiative is to develop a single, integrated multi-specialty group practice to support the health system through the</p>

¹ Clinical activity that exists in the university separate from the Joan C. Edwards School of Medicine ("JCESOM") will be evaluated during due diligence to determine if any relationship to the new health system exists.

Group Practice ("IGP")	<p>provision of clinical services and clinical leadership, and support MU and JCESOM through the provision of faculty time, effort and leadership to facilitate the academic mission.</p> <p>b. The IGP will serve as a truly integrated group practice that coordinates through a single governance and leadership structure to manage the physician affairs of both NewCo and JCESOM.</p> <p>c. The IGP will be the exclusive employed-physician enterprise of NewCo and will continue to contain the exclusive faculty practice of MU as well as clinically focused physicians.²</p> <p>d. As the single physician employment platform for NewCo, the IGP will include physicians with a wide range of academic commitments and clinical effort and will support the operation of multiple practices/divisions, many of which may be primarily clinically focused.</p> <p>e. The parties intend to unify academic and nonacademic physicians under common governance and leadership to provide a voice for healthcare providers within the integrated academic health system, define and monitor physician behavior, and drive clinical protocols, policies, and procedures for the benefit of the patients of the integrated healthcare system.</p>
4. Corporate Structure	<p>a. The Parties intend to modify their existing corporations as necessary to capture the elements of this LOI and establish the corporate structure of NewCo.³</p> <p>b. The corporation of MHN will modify its existing bylaws and policies to be reconstituted as the parent corporation (i.e., NewCo). NewCo will serve as the sole corporate member of each of the Hospitals and the IGP</p>

² Certain clinical practices may remain within MU as defined during due diligence (e.g., audiology clinics within the MU college of health professions); however, the IGP will be the exclusive faculty practice for JCESOM. Exclusivity does not preclude the ability to contract with providers outside of the IGP nor does it preclude non-employed providers from being members of NewCo medical staff.

³ All changes contemplated in this LOI or related documents will fully adhere to the existing Certificate of Public Advantage ("COPA") requirements as they pertain to MHN. For purposes of this and other planning documents, "NewCo" reflects the modified governance and operating model of MHN.

	<p>and have final approval authority for appointments to their respective boards.</p> <p>c. The corporations of the Hospitals will be reorganized as subsidiary corporations of NewCo. The boards of the Hospitals will be modified to streamline governance throughout NewCo and its subsidiaries; the Hospital boards will maintain fiduciary responsibility over each respective subsidiary corporation recognizing certain approval rights of the member (i.e., NewCo) to be described in the Definitive Agreements.</p> <p>d. The PVH board will be maintained for the period of time consistent with that certain Definitive Agreement dated July 27, 2022, with the ability to evaluate board structure in the future.</p> <p>e. NewCo shall assume CHH's ongoing obligations and commitments to SMMC and PVH as set forth in their respective definitive agreement.</p> <p>f. The corporation of MH will modify its existing articles of incorporation and bylaws to become reconstituted as the IGP, a subsidiary corporation of NewCo.⁴</p> <p>g. The establishment of NewCo does not require any changes to the corporate and/or governance structures of MU, nor will it require any special legislative action.</p>
5. NewCo Board Role and Composition	<p>a. NewCo will be governed by a single board of directors that will have full fiduciary responsibility over the integrated academic health system.</p> <p>b. Initial membership of the board of directors will include the following 12 voting members, composed of the following representatives:</p> <p>i. Seven (7) Community Directors elected through a nominating process (based on specific criteria and competency-based guidelines)</p> <p>ii. Four (4) Ex Officio Directors:</p> <p>a. The Dean of JCESOM</p>

⁴ For the purposes of this and other planning documents, the "IGP" reflects the modified governance and operating model of MH.

	<ul style="list-style-type: none"> b. The Chief Physician Executive (“CPE”) of NewCo or his/her designee⁵ c. The President of MU or his/her designee d. A JCESOM faculty member at large, appointed by the IGP board <p>iii. One (1) Director who is a representative of PVH and is appointed pursuant to the terms of the Definitive Agreement and consistent with the manner prescribed by the current CHH bylaws</p> <ul style="list-style-type: none"> c. The CEO of NewCo will serve as an ex officio, nonvoting member of the board of directors. d. At all times, the board of directors of NewCo will satisfy the requirements to maintain not-for-profit status (i.e., at least 51% independent directors). e. The board will maintain a Nominating Committee to facilitate the nominations of Community Directors. f. The Nominating Committee shall also nominate directors to serve on the standing and ad hoc committees of the NewCo board. g. Removal and replacement of any Ex Officio Director or Director appointed by PVH will be consistent with their method for selection.
6. NewCo Board Voting Procedures	<p>The following director votes shall be required for NewCo board actions, including actions related to NewCo subsidiaries (items/actions listed below are not necessarily exhaustive):</p> <p>Matters requiring a simple majority approval (i.e., 51%):</p> <ul style="list-style-type: none"> a. Approval of the long-term strategic and business plans of NewCo and its subsidiaries as well as any material change to such plans b. Approval of the acquisition, purchase, sale, lease, transfer, or encumbrance of assets with a value above \$5,000,000

⁵ For purposes of this and other planning documents, the “CPE” reflects the individual serving concurrently in three roles (NewCo, IGP, and JCESOM).

	<ul style="list-style-type: none">c. Approval of the creation of, acquisition of, affiliation with, partnership with, membership in, or investment in any other organizationd. Approval of annual operating and capital budgets and physician recruitment plane. Approval of any expenditure, financial commitment, loan, guarantee, or debt by a hospital subsidiary individually or in the aggregate in excess of \$5,000,000, or by NewCo or any other subsidiary individually or in the aggregate in excess of \$1,000,000⁶f. Selection, evaluation, compensation, and removal of the NewCo CEOg. Selection, evaluation, and compensation of the NewCo CPEh. Any approvals reserved to or required by NewCo as the parent corporation <p>Matters requiring a qualified majority approval (i.e., 51% and must include two Ex Officio Directors):</p> <ul style="list-style-type: none">a. Approval of the master clinical compensation and benefits plans for the IGP and any amendments to such master compensation or benefits plans to which approval will not be reasonably withheldb. Termination, transfer, or material decrease of services by NewCo or its subsidiaries or the termination by NewCo of the clinical employment of multiple faculty within the same specialty (i.e., significant resizing of a program), other than any instance of demonstrable improper conduct, that may materially adversely affect school of medicine accreditationc. Removal of the NewCo CPE, if the NewCo CEO and Dean are not in alignment regarding the decision to terminate <p>Matters requiring a qualified supermajority approval of no less than 67% of the voting members and must include two Ex Officio Directors:</p>
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⁶ Approval of settlements to be excluded from this amount/approval requirement.

	<ul style="list-style-type: none"> a. Approval of any expenditure, financial commitment, loan, guarantee, or debt individually or in the aggregate in excess of \$50,000,000 b. Approval of the sale or disposition of all or substantially all of the assets of NewCo c. Appointment of any additional, successor, or replacement member of NewCo or the transfer or substitution of membership d. Approval of a merger, consolidation, liquidation, bankruptcy, sale, or dissolution of NewCo e. Adoption and approval of amendments and any changes to, or repeal of, the governing documents, name, mission, purpose, or values <p>The Parties will define a dispute resolution process in the Definitive Agreements to address deadlocks for issues that are subject to qualified majority or qualified supermajority board approval.</p>
7. IGP Board Role and Composition	<ul style="list-style-type: none"> a. The governing documents of MH will be appropriately amended to grant the IGP board governing oversight of the practice, recognizing certain rights of the corporate member (NewCo) to be defined during negotiation of the Definitive Agreements. b. Initial membership of the board of directors will include the following 11 voting members composed of the following representatives: <ul style="list-style-type: none"> i. Nine (9) Directors who must be faculty actively licensed in West Virginia ii. Two (2) Ex Officio Directors <ul style="list-style-type: none"> a. The Dean of JCESOM b. The CPE of NewCo or his/her designee c. The CEO of NewCo will be an ex officio, nonvoting member of the board of directors. d. The initial faculty membership of the board will reflect a ratio of four (4) MHN physicians and six (6) MH physicians, and faculty appointments

	<p>will be granted to the identified MHN physicians designated to serve on the board of directors.⁷</p> <p>e. To help manage the transition, the Parties desire to maintain stability in the board for at least the first five years and will define the initial board terms accordingly in the Definitive Agreements.</p> <p>f. All IGP board members shall be faculty or university officials as stipulated by WV law.</p>
8. IGP Board Voting Procedures	<p>The following director votes shall be required for IGP board recommendations to NewCo. Additional matters to be recommended by the IGP board to NewCo board may be defined during negotiation of the Definitive Agreements:</p> <p>Matters requiring a simple majority approval:</p> <p>a. Recommendation to NewCo board of the long-term strategic and business plans of the IGP and any material change to such plans</p> <p>b. Recommendation to NewCo board of annual operating and capital budgets</p> <p>c. Recommendation to NewCo board of any unbudgeted expenditure, financial commitment, loan, guarantee, or debt individually or in the aggregate in excess of \$1,000,000⁸</p> <p>d. Recommendation to NewCo board of the creation of, acquisition of, affiliation with, partnership with (e.g., joint venture), membership in, or investment in any other organization</p> <p>Matters requiring supermajority approval of no less than 67% of the voting members:</p> <p>a. Recommendation to NewCo board of the master clinical compensation and benefits plans for the IGP and any amendments to such master</p>

⁷ The initial membership ratio applies to the Faculty Directors and the CPE.

⁸ Approval of settlements to be excluded from this amount/approval requirement.

	compensation or benefits plans to which approval will not be unreasonably withheld
9. NewCo CEO	<p>a. The NewCo CEO will be appointed by, report to, and be held accountable by the NewCo board of directors.</p> <p>b. The CEO's preferred qualifications and experience should include serving as a senior executive at an academic medical center/academic health system.</p>
10. NewCo CPE	<p>a. The CPE shall be the senior most physician leader of the health system (unless the NewCo CEO is a physician).</p> <p>b. It is envisioned that the CPE will concurrently serve as (a) the IGP President, or other officer or corporate executive, and (b) JCESOM vice dean for clinical affairs (or similar title).</p> <p>c. In the capacity of CPE, the individual will report to the NewCo CEO.</p> <p>d. In the capacity of IGP President, the individual will report to the IGP board of directors.</p> <p>e. In the capacity as the JCESOM vice dean for clinical affairs (or similar title to be defined by JCESOM), the individual reports to the JCESOM dean.</p> <p>f. While the CPE will play a central role in overseeing all clinical operations of the health system, they will also be an integral member of the NewCo senior executive team, providing input and a physician's perspective on all strategic, business, operational and financial affairs.</p>
11. IGP Structure	<p>a. Clinical faculty of the MU JCESOM will be concurrently employed by the IGP and MU for clinical and nonclinical activities, respectively.⁹</p> <p>b. Billable healthcare professionals of MH (e.g., nurse practitioners, physician assistants) will continue to be employed by the IGP pending due diligence and a feasibility analysis.</p> <p>c. Physician employment will remain unchanged¹⁰.</p>

⁹ A common paymaster may be established (pending legislative changes/amendments) to administer a single paycheck and efficiently manage faculty benefits, without duplication of tax liability.

¹⁰ Existing physician contractual arrangements will remain unchanged through the end of the contract.

	<ul style="list-style-type: none">d. The Parties recognize there may be a need for a transitional strategy; however, the preferred structure of the IGP is for all subspecialists within a particular discipline to continue to be organized within the same clinical unit.e. The Parties commit to developing a process for the review and possible reconciliation of provider compensation and benefits to address disparity, as necessary, for providers currently employed by either Party over a specific time frame which will be outlined in the Definitive Agreements.f. The Parties commit to ensuring that the IGP will retain a compensation model that is attractive to academic and nonacademic providers.g. The Parties will explore and identify areas of possible operational efficiencies for shared services supporting the collective physician enterprise.
12. Master Affiliation Agreement (MAA)	<p>The proposed integration will be captured in a new, long-term (i.e., more than 30 years) MAA that defines how the Parties will work together in pursuit of their shared vision. The MAA will outline the core, bidirectional commitments (e.g., mission support) between MU and NewCo that will drive excellence in clinical care, education, and research.</p> <ul style="list-style-type: none">a. While most of this LOI focuses on the formation of NewCo and the integration of the clinical enterprise, the relationship and alignment between NewCo and MU is of equal importance, including obligations pertaining to medical education and research.b. The new MAA will preserve effective elements, as deemed by the Parties, of the various agreements that currently exist between MHN, MH, and MU. However, it is envisioned the new MAA will more effectively reconcile, consolidate and streamline many of the existing provisions into one contemporary agreement.
13. Financial Commitments	<ul style="list-style-type: none">a. The Parties commit to conducting due diligence prior to the establishment of NewCo and effecting changes to existing documents or the execution of the Definitive Agreements to ensure that neither the establishment of NewCo, its corporate, legal, or governing structures

	<p>nor the development and integration of the IGP will adversely impact MU and its constituent components.</p> <p>b. The Parties commit to developing a global professional services agreement (“PSA”) between either NewCo or one of the hospital corporations and the IGP. The new PSA will be performance based and agnostic of payer mix and will provide market-competitive funding to the IGP for purposes of physician compensation.¹¹</p> <p>c. The MAA will include provisions for academic and mission support to be paid to MU. This will include both base and risk-sharing variable academic mission support payments. These payments will be separate and distinct from any internal NewCo financial commitments to support the IGP.</p> <p>d. The Parties commit that in the first three years of operations of NewCo, the total mission support paid to MU will be no less than the current academic support received from MHN and MH adjusted to reflect support and expenses that are impacted by the creation of an integrated academic health system (the adjusted amount will be determined during negotiation of the Definitive Agreements along with any triggering events that may require renegotiation of this amount).</p> <p>e. The variable mission support component will be based on a shared operating margin to be defined during due diligence.</p> <p>f. Separate and distinct from mission support, there will be other select and narrowly defined financial arrangements in areas such as GME.</p> <p>g. The obligated group will be evaluated and further refined to optimize the borrowing power of NewCo.</p>
14. Payer Contracting	NewCo will work with payers in adherence to the COPA to renegotiate contracts once allowable. NewCo will jointly contract as a system for the hospital and IGP.
15. Philanthropy/ Development	a. NewCo and MU agree to cooperate in the course of their joint and separate fundraising activities to expand the total amount of funds

¹¹ The PSA may also include certain expense reimbursement for practice related expenses incurred by the IGP.

	<p>raised; identify and support the top priorities NewCo has for enhancements to its clinical facilities and programs; identify and support the top priorities MU has for enhancements to its academic and research facilities and programs; coordinate support of these priorities; and be responsive to the interests of donors.</p> <p>b. Nothing in this LOI shall obligate foundations operated by or for the benefit of any of the Parties to change either their purpose or the organizations they currently support.</p>
16. Licensing, Branding, and Trademarks	<p>a. A new licensing and trademark agreement will be established between NewCo and MU to enable the use of the MU and MH brand for NewCo.</p> <p>b. The use of logos and trademarks of MU and MH as well as the placement and prominence of such logos and trademarks, style guides, and other aspects of advertising and promotion will be defined within the licensing and trademark agreement.</p>
17. Communications	<p>a. The Parties will coordinate, with each other and through their respective communications teams and subject to institutional approval channels, on any and all public announcements related to the integration through completion.</p> <p>b. Upon execution of the LOI, the Parties will release a joint statement announcing their commitment to the integration.</p> <p>c. The Parties will develop and execute on a coordinated approach to communicating the value of this affiliation for the region and West Virginia.</p>
18. Dissolution and Unwind	<p>a. If NewCo must be dissolved because of either (a) legal compliance or change in the law or (b) a fundamental/material breach by any Party (to be defined in the Definitive Agreements), the Parties, acting in good faith, will develop an orderly plan (the "Plan") to wind down operations associated with NewCo, which will be further defined in the Definitive Agreements.</p> <p>b. The Plan shall be generally designed to return each Party to a position that is, as near as practical and feasible, comparable to the position it was in prior to the execution of the Definitive Agreements.</p>

19. Conflict of Interest	<p>a. The NewCo board shall adopt, and have the right to amend from time to time, a conflict of interest policy. At all times, all directors will adhere to their legal fiduciary duties to NewCo.</p> <p>b. The Parties will work in good faith to anticipate and proactively address potential conflict of interests in the Definitive Agreements.</p>
20. Expenses	Each party shall bear its own legal, accounting, and other professional fees incurred in connection with the consideration, negotiation, execution and closing of any and all agreements relating to the proposed development of an integrated academic health system, regardless of whether the Definitive Agreements are executed.
21. LOI Termination	The Parties may terminate this LOI at any time upon mutual written agreement. In addition, either Party may terminate this LOI without cause effective at any time more than 30 days after the Effective Date of this LOI, if the terminating Party provides the other Party with written notice of termination at least 30 days in advance of the intended effective date of termination. If the Parties enter into Definitive Agreements, then this LOI shall be deemed to terminate automatically upon the Effective Date of such Definitive Agreements. Absent prior execution or extension by the Parties, this LOI shall expire on December 31, 2023.
22. Good Faith	By signing this LOI, the Parties agree in good faith to negotiate the Definitive Agreements, based upon the proposed terms set forth above and consistent with the goals, objectives, and concepts expressed herein as well as applicable law.
23. Confidentiality	The Parties agree to maintain a confidential planning process until this LOI is fully executed in accordance with the terms of the existing confidentiality agreement.

IN WITNESS THEREOF, the Parties have entered into this LOI as of the Effective Date.

THE MARSHALL UNIVERSITY BOARD OF GOVERNORS

DocuSigned by:

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Signature

Brad Smith
Name (print)

4/26/2023 | 1:50 PM PDT
Date

President
Title

UNIVERSITY PHYSICIANS & SURGEONS, INC. DBA MARSHALL HEALTH

DocuSigned by:

666553488594E0... F0
Signature

Beth Hammers
Name (print)

4/26/2023 | 12:50 PM PDT
Date

CEO
Title

MOUNTAIN HEALTH NETWORK, INC.

DocuSigned by:

1DA3BCE5745944F...
Signature

Kevin Yingling
Name (print)

4/27/2023 | 1:40 PM PDT
Date

CEO and President
Title