

## Marshall University Classified Staff Council Minutes December 14<sup>th</sup>, 2017, MSC 2E28 Shawkey Dining Room

**Members Present:** Chris Atkins, Nina Barrett, Lacie Bittinger, Patty Carman, Tootie Carter, David Childers, Toni Ferguson, Katherine Hetzer, Carol Hurula, Leonard Lovely, Teresa Meddings, Tim Melvin, Missy Morrison, Marcos Serrat, Jonathan Sutton, Justin Tyler, Tony Waugh

**Members Absent:** Jason Baldwin, Kevin Ferguson, Amad Mirzakhani, Crystal Stewart

**Members Absent (Excused):** Lisa Maynard, Jami Hughes

**Guests:** Brandi Jacobs-Jones, Bruce Felder, Mark Robinson, Becky Lusher, Randall Morrison, Sonia Ford

Chair Chris Atkins called the meeting to order and parliamentarian Becky Lusher verified there was a quorum.

### Brandi Jacobs-Jones

- Brandi thanked everyone who participated in the United Way campaign.
- Brandi announced that the President's Faculty and Staff Holiday Party would take place that night.

### Bruce Felder – Human Resources

#### 2017 End of Year Wrap Up

- House Bill 2542 was passed in the legislature and will affect Marshall with a new salary model.
  - In early 2018 Human Resources will release a website with a lot of information about the new compensation model.
- New time clock system was rolled out this year.
  - Electronic version of the previous paper time sheets.
  - Provides better reporting on overtime, payroll, etc.
  - We're a few months into using Time Clock Plus (TCP) and they have worked out most of the bugs with the system. There are still several things to identify and resolve by mid-2018. Bruce added that he would like to know if there's anything specific to TCP that individuals would like to have addressed or see it work differently.
- Annual and Sick Leave Accrual
  - Leave was formerly accrued monthly.
  - Leave will begin accruing bi-weekly on every pay period. In January 2018 Human Resources will send out spreadsheets to explain the changes.
- There is currently a pop up block on myMU requesting that employees and time managers have all time through December 21, 2017 be entered and approved by noon that day, and manually enter in estimated times that will be worked on Friday, December 22<sup>nd</sup> so that payroll will be accurate for the January 5<sup>th</sup> paycheck.

*Are you still working on having our year-to-date salary appear on our pay stubs? – David Childers – Bruce said he was hoping that Mark Robinson and budget could get it working to where the pay history for*

2017 could be seen on employee's paystubs, but Mark explained that it was too much for Banner to transfer everything from the State over, so it will not begin until next year. However, W2's will still come from the State for this year so that the year-to-date salary is correct.

*Is forecasting going to be turned on in TCP for Sick and Annual Leave so that employees can see how much leave they have to use? One employee had an instance where the system allowed him to request leave even though by the time that date came around he actually didn't have any leave left to take, which resulted in a \$90 reduction in his pay check. – Justin Tyler –* Bruce said that for now forecasting will stay off until he can confirm that it's forecasting correctly.

*Has the problem been fixed with TCP where the schedule and the time sheet don't always match in terms of leave if leave is changed after having been requested? – Leonard Lovely –* Bruce stated that when sick or annual leave needs to be altered after the time manager has already approved it, it needs to be deleted entirely from both places and redone with the new amount. He added that future module updates in TCP should fix the issue.

*Will they ever fix TCP to be able to enter in comp time ourselves because right now managers are only able to do it? – Tony Waugh –* Bruce stated that they are still testing the comp time module, and they hope to make it active in January.

*If an employee requests 2 days of sick leave in TCP, and the manager approves the leave, how is the leave not correct in the system? – Chris Atkins –* Katherine Hetzer spoke up to explain that the leave accrual balances that an employee sees in TCP is only as up-to-date as the Wednesday after the last pay day. Therefore, if an individual has taken or requested hours between that Wednesday and the present time then the leave accruals will not be accurate as those hours haven't been deducted yet. If an individual takes hours that they didn't actually have to take, then those hours will go under a Leave-Without-Pay code.

*If someone wants to try and get on FMLA for once they've ran out of sick leave and still need to be out, that's an extensive process that requires a doctor's note, is that correct? – Carol Hurula –* Yes, that requires documentation from a healthcare provider, but once approved an individual can apply for catastrophic leave.

*Is there a projected time for when employees will receive a letter telling them where they will be slotted on the new pay system? – Tim Melvin –* There will be a timeline of implementation on the website that is going up in January and the letters are scheduled to go out somewhere near the end of January. The website will show the old paygrades and the new paygrades, so the letters should go out shortly thereafter confirming an employee's change.

*Are we still unable to get a raise? – David Childers –* Bruce said he couldn't say one way or the other, but they're trying to work it out if possible.

*Will anything be shared with Council before the website goes live? – Leonard Lovely –* Bruce said that the website will be a working live site where they will always be putting more information out, so the initial information will not be a lot. But if Council wants to see it before it goes live, Bruce said it could be arranged.

*Is the new compensation model only for classified staff? – Becky Lusher – Bruce replied that yes it is at this time, but he would like to see it eventually have all staff.*

#### **Mark Robinson – CFO**

Mark presented a budget presentation that was previously done for Faculty Senate. The slides from that presentation can be found on pages 5-20. The presentation is a graphic representation of how increasing enrollment can translate to raising salaries as opposed to cutting positions to lower costs.

#### **Minutes**

The November 16<sup>th</sup>, 2017 minutes were approved as written. The motion to approve was made by Tony Waugh, seconded by Justin Tyler, and approved unanimously.

#### **ACCE – Tim Melvin**

ACCE has recently met twice and much of the discussion centered around the “grandfather clause” in HB 2542, which states that any Classified Staff hired before January 1<sup>st</sup> 2017 can keep their classified status. However, there are institutions who are taking all of their classified staff and turning them into non-classified positions by claiming that they are critical employees in order to meet all 4 criteria required to make the change from classified to non-classified. However, ACCE’s concern is if those institutions later try to lay off positions that had previously been called critical.

Further conversation took place on Series 55, which is a mix-up of several other series, that was written by a few HR Directors in the State without the knowledge of the other HR Directors. During the legislative session ACCE was given one night to give comments on the Series and it was voted on and passed in the legislature the next day. Series 55 has a sunset date of 5 years, so it will be void after that time. The Series doesn’t elaborate on who accountability comes from such as the institution, HEPC, or something that will come later.

ACCE took a vote on opinions about allowing ACCE to be both classified and non-classified staff. The results were 13 yes, 2 no, and 1 maybe.

ACCE took another vote on who was in favor of the whole State moving classified staff to non-classified staff. The results were 2 yes and 13 no.

#### **Committee Reports**

***Election Committee – Nina Barrett*** – No report.

***Legislative Committee – Tim Melvin*** – No report.

***Personnel/Finance Committee*** – No report.

***Physical Environment Committee*** – No report.

***Staff Development Committee – Missy Morrison*** – Missy thanked everyone for their help in feeding approximately 174 students at the Staff Council’s Thanksgiving dinner for students.

Marshall employees went to Harmony House to give out toboggans for Marshall Day the Monday after Thanksgiving for Week of Compassion. Then on that Thursday night Harmony House held grocery bingo, in which several grocery items that had been donated by several sources including departments around campus were used to give to clients of Harmony House when they won bingo.

The items for the Holiday Project have been coming in and will be split between the Veterans Home and the Street Ministry for Huntington's homeless and needy.

The committee is also in the process of awarding over 20 tuition benefit applicants for Spring semester.

**Ad Hoc Scholarship Fundraising Committee – Tim Melvin** – As of September 30<sup>th</sup> the scholarship had raised \$5,500. The current quilt raffle has raised over \$600, and at the President's Holiday Party that night there will be a silent auction and 50/50 raffle.

**Announcements**

Chris stated that State Code could likely be opened again during the legislative session and we'll watch to see what happens.

Minutes taken and prepared by:   
Katie M. Counts, Program Assistant, Staff Council

Minutes approved by:   
Chris Atkins, Chair, Staff Council

Minutes read by:   
Dr. Jerry Gilbert, University President

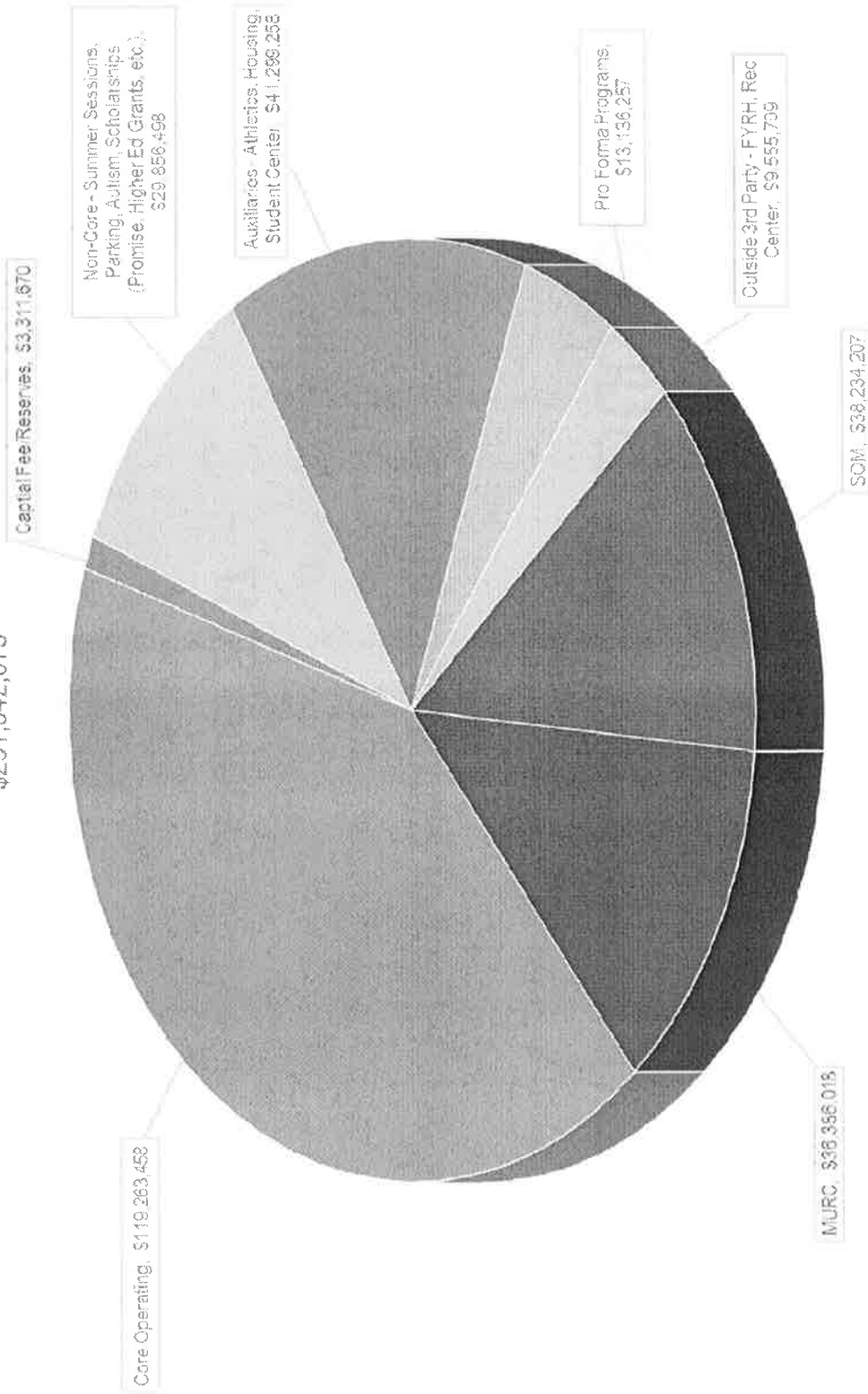
# Marshall University Budget

Effect of Enrollment Increases

October 2017

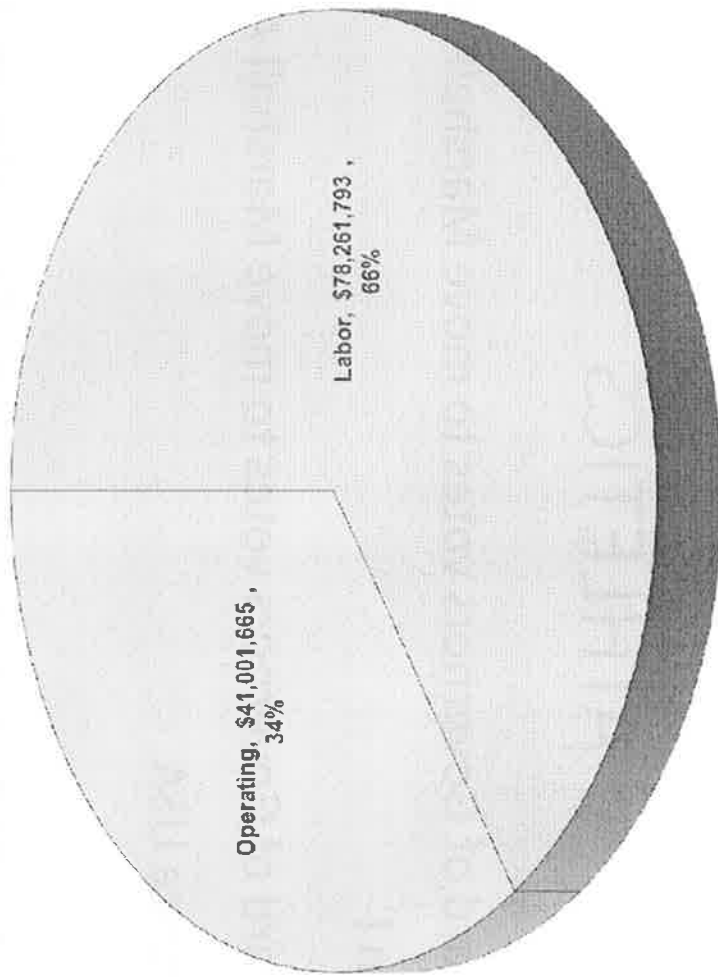


FY 2018 Marshall University Consolidated Budget  
 \$291,042,075



This presentation will focus on Operating Budget which is utilized to conduct our core function of Instruction and Research. Human Resources is the largest asset managed within the Core Operating Budget. Human Resource costs represent 66% of the Total Core Operating Budget. The labor budget supports approximately 1,200 Full-time Regular Faculty and Staff positions.

FY2018 Core Operating Budget



# ATHLETICS

- Summer 1997 - Board of Governors votes to move Marshall Athletic Program to Division I
- Summer 2004 - Board of Governors votes to move Marshall Athletic Program to Conference USA

Board of Governors affirmed a set of Institutional Priorities on April 29, 2015, including “establishing and maintaining a competitive Division I athletic program with high academic standards for student athletes”.



Marshall University's budget is complex. The aforementioned budget segments are not self contained nor exclusive as movement between funds do occur. The CORE OPERATING BUDGET is the primary budget utilized to conduct our core activities of Instruction and Research. In order to gain an understanding of the CORE OPERATING BUDGET, disclosure of some caveats is warranted:

### Waivers & Scholarships

- Net Tuition represented in the Core Operating Budget is net after discounts (FY17 \$39 million).
- Discounting includes:
  - Undergraduate Scholarships
  - Graduate Waivers
  - Athletic Waivers
  - Miscellaneous Waivers
- Spring 2016: implemented a finance module that reports gross tuition and line items for the discounting of tuition & fees.
- FY2017 was first full fiscal year these line items were separately reflected in Banner Finance.
- Goal for FY2019 is to budget these expenditures which will allow for management of these resources to be utilized to enhance enrollment and student quality.

## Stand Alone/Pro Forma Programs

- These are Professional/Graduate Programs initiated with an approved Pro Forma statement which is a 5 to 10 year schedule of anticipated Sources (Revenues) and expected Uses (Expenses).
- Most of these approved programs are seeded with start-up funds from the New Program Loan Fund.
- School of Pharmacy, Physical Therapy, Distance Dietetics Internship, Forensics Science, Master Social Work, Master Public Health.
- Programs repay loan fund and contribute overhead cost recovery to the Core Operating Budget once a Net Positive Revenue position is obtained.

## Auxiliary Units

- Athletics, Housing, and Memorial Student Center
- Partially supported by Auxiliary Fees
- Units contribute overhead cost recovery to the Core Operating Budget.

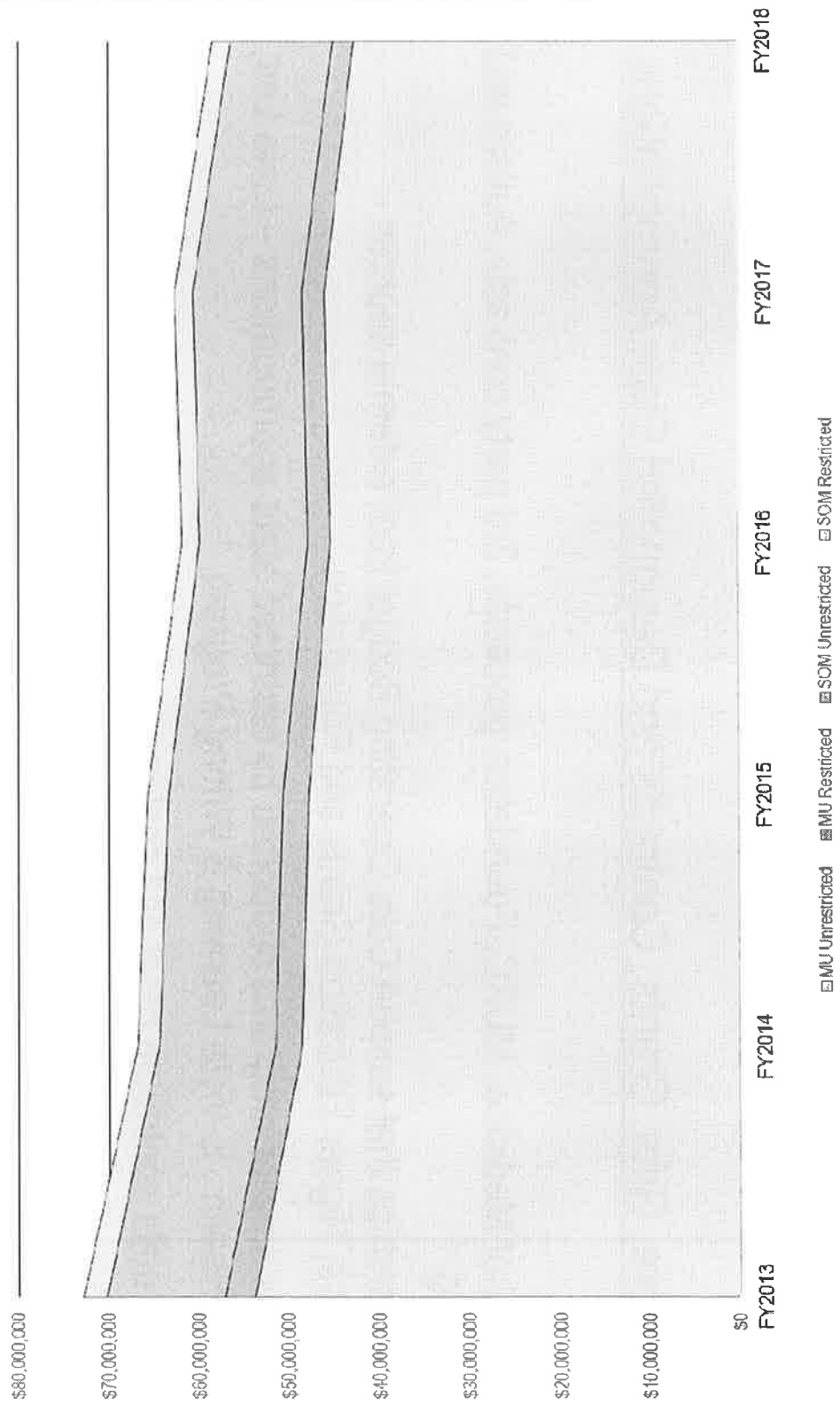
## Capital Fees

- Funds are restricted for the purpose of payment of bond debt service and the renovation and replacement of physical plant.
- Due to shrinking resources and the removal of the Funded Depreciation line item in the Core Operating Budget, more of these funds have been utilized for emergency repair & replacement.
- Goal is to budget 10% of annual depreciation as Funded Depreciation line item in the Core Operating Budget to maintain physical plant.
- Core depreciation is currently \$10 million which would require \$1M Funded Depreciation budget.

## Non-Core, Gifts, Grants, Contracts and Designated State Appropriations

- School of Medicine, MURC, Foundation proceeds, 3rd party contracts, Autism and Parking.
- Scholarships that support Core Operating Budget from external sources – Promise, Higher Education Grants and Foundation.
- Various smaller programs supported by restricted state appropriations – Luke Lee, Rural Health , E-Vista Learning & Writing Program.
- Some units contribute overhead cost recovery to the Core Operating Budget.

# State Appropriations FY2013 - FY2018



## Core Appropriation Reductions

Fund Type	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	5-yr Change	5-yr % Change
MU Unrestricted	53,810,464	48,592,645	47,794,358	45,371,536	45,926,078	42,671,166	(11,139,298)	-20.7%
MU Restricted	3,378,029	2,921,041	2,867,746	2,477,688	2,501,566	2,328,758	-1,049,271	-31.1%
SOM Unrestricted	13,135,972	12,948,950	12,724,008	12,039,733	12,179,256	11,359,733	-1,776,239	-13.5%
SOM Restricted	2,576,449	2,408,008	2,347,602	1,988,518	1,997,396	2,024,067	-552,382	-21.4%
Total	72,900,914	66,870,644	65,733,714	61,877,475	62,604,296	58,383,724	-14,517,190	-19.9%
MU Unrestricted Change		(5,217,819)	(798,287)	(2,422,822)	554,542	(3,254,912)	(11,139,298)	(2,227,860)
								Average

## Actual Core Wages & Benefits

ACCTNAME	ACCT	FY13	FY14	FY15	FY16	FY17	5-yr Total	5-yr % Change
Full Time Faculty Salaries	60011	29,703,967	29,815,049	30,475,387	34,838,725	34,803,858	159,636,986	17.2%
Non-classified Salaries	60012	7,853,565	7,492,561	7,972,866	8,356,690	8,655,799	40,331,481	10.2%
Classified Salaries	60013	14,214,318	14,088,741	14,974,052	15,798,509	15,863,699	74,939,320	11.6%
<b>Total Wages</b>		<b>51,771,851</b>	<b>51,396,351</b>	<b>53,422,304</b>	<b>58,993,924</b>	<b>59,323,357</b>	<b>274,907,787</b>	<b>14.6%</b>
Benefits	6XXXX	12,680,111	12,238,297	13,895,672	14,850,571	15,687,442	69,352,094	23.7%
<b>Total Wages &amp; Benefits</b>		<b>64,451,962</b>	<b>63,634,648</b>	<b>67,317,977</b>	<b>73,844,495</b>	<b>75,010,799</b>	<b>344,259,880</b>	<b>16.4%</b>

What if funding was not reduced & utilized for salary increases.....

Average wages	54,981,557
Benefits	13,870,419
Total Avg Wage Cost	68,851,976
Average Cut	2,227,860
% of Wage Cost	3.2%
5 Year Accumulation	16.2%

**Marshall University (no SOM or MURC)**  
**Approved FY2018 Core Operating Budget**  
 June 28, 2017

	FY17 Approved Budget	FY2018 Adjustments	Approved FY2018
--	----------------------	--------------------	-----------------

**SOURCES**

State Appropriations	45,926,078	-	45,926,078
FY2018 reduction		(3,254,912)	(3,254,912)
Net Education & General Fees	58,501,351	-	58,501,351
Tuition Increase	-	3,247,413	3,247,413
Other Core Fees and Revenue	7,373,650	650,000	8,023,650
INTO Revenue	540,000	-	540,000
Investment earnings	-	946,000	946,000
Summer - Institutional Share	1,100,000	1,289,000	2,389,000
Overhead Cost Recovery: non-research	3,094,878	(150,000)	2,944,878
Reserve Contribution for Strategic Priorities	3,117,847	(3,117,847)	-
<b>Total Sources</b>	<b>119,653,804</b>	<b>(390,346)</b>	<b>119,263,458</b>

**USES**

Base Salary Budget	64,703,087	(1,610,252)	63,092,835
AEI severance/departures	-	(42,724)	(42,724)
Promotion/AEI increase pool	-	350,000	350,000
Salary Pools	-	-	-
Vacancy Savings Salary	(1,948,000)	363,181	(1,584,819)
Severance Repayment	-	655,335	655,335
Base Fringe Budget	16,942,972	(734,027)	16,208,945
Vacancy Savings Fringe	(516,415)	98,636	(417,779)
Base Operating Budget	37,127,072	-	37,127,072
Operating Budget Adjustments *		713,485	713,485
Athletics Allocation	3,345,088	-	3,345,088
Athletics adjustment		(183,980)	(183,980)
Funded Depreciation		-	-
Strategic Priorities Contribution		-	-
<b>Total Uses</b>	<b>119,653,804</b>	<b>(390,346)</b>	<b>119,263,458</b>
<b>Budget Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Recruiting, Marketing, So Charleston, Student Affairs & Undergraduate Research



Marshall University (no SOM or MURC)  
Core Operating Budget

	FY2018 Approved Budget	FY2017 Approved Budget	FY2017 Actual	FY2017 Variance
<b>SOURCES</b>				
State Appropriations	42,671,166	45,926,078	45,007,556	(918,522)
Net Education & General Fees	61,748,764	58,501,351	56,159,006	(2,342,345)
Other Core Fees and Revenue	8,023,650	7,373,650	10,103,959	2,730,309
INTO Revenue	540,000	540,000	540,000	-
Investment earnings	946,000	-	-	-
Summer - Institutional Share	2,389,000	1,100,000	1,100,000	-
Overhead Cost Recovery	2,944,878	3,094,878	2,618,832	(476,046)
Reserve - Strategic Priorities	-	3,117,847	3,117,847	-
Total Sources	119,263,458	119,653,804	118,647,200	(1,006,604)

	FY2018 Approved Budget	FY2017 Approved Budget	FY2017 Actual	FY2017 Variance
<b>USES</b>				
Base Salary and Wages	63,400,111	64,703,087	64,663,785	(39,302)
Base Fringe Budget	16,208,945	16,942,972	16,942,684	(288)
Vacancy Savings Wages	(1,584,819)	(1,948,000)	(4,478,103)	(2,530,103)
Vacancy Savings Fringe	(417,779)	(516,415)	(1,183,115)	(666,700)
Operating Budget	41,001,665	40,472,160	40,452,783	(19,377)
Severance Repayment	655,335	-	-	-
Escrowed - Faculty Start-up (FY18 &19)	-	-	500,000	500,000
Print Services Equipment	-	-	115,000	115,000
Central Computer purchases	-	-	150,000	150,000
FY18 Contingency	-	-	450,000	450,000
Funded Depreciation	-	-	-	-
Reserves - Strategic Priorities	-	-	1,034,166	1,034,166
Total Uses	119,263,458	119,653,804	118,647,200	(1,006,604)
Budget Balance	-	-	-	-

**Assumptions:**

Tuition Increase per year for existing students		5.00%
Annual State Appropriations reduction - FY18	\$ 42,671,166	-5.00%

**Funding Allocations**

% of Net Sources allocation to Operating Expenses for inflation (FY18 \$4.1M)	5.0%
% of Net Sources allocated to Salary Pools	60.0%
Net Sources Allocated to Programmatic Funding	35.0%
<b>Net Sources = New Student Tuition + Tuition Increases + State Appropriations</b>	

Projected FY18 tuition & fee proceeds increase for 9% increase	3,247,413
Projected proceeds for 1% tuition increase	360,824
FY17 Core Labor Cost	75,010,799
New Student mix	
Resident	75%
Non-resident	25%
Avg Net/Student Year 1	\$6,518

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Enrollment increase	200	500	650	800	850	3,000

**Changes in Operating Sources**

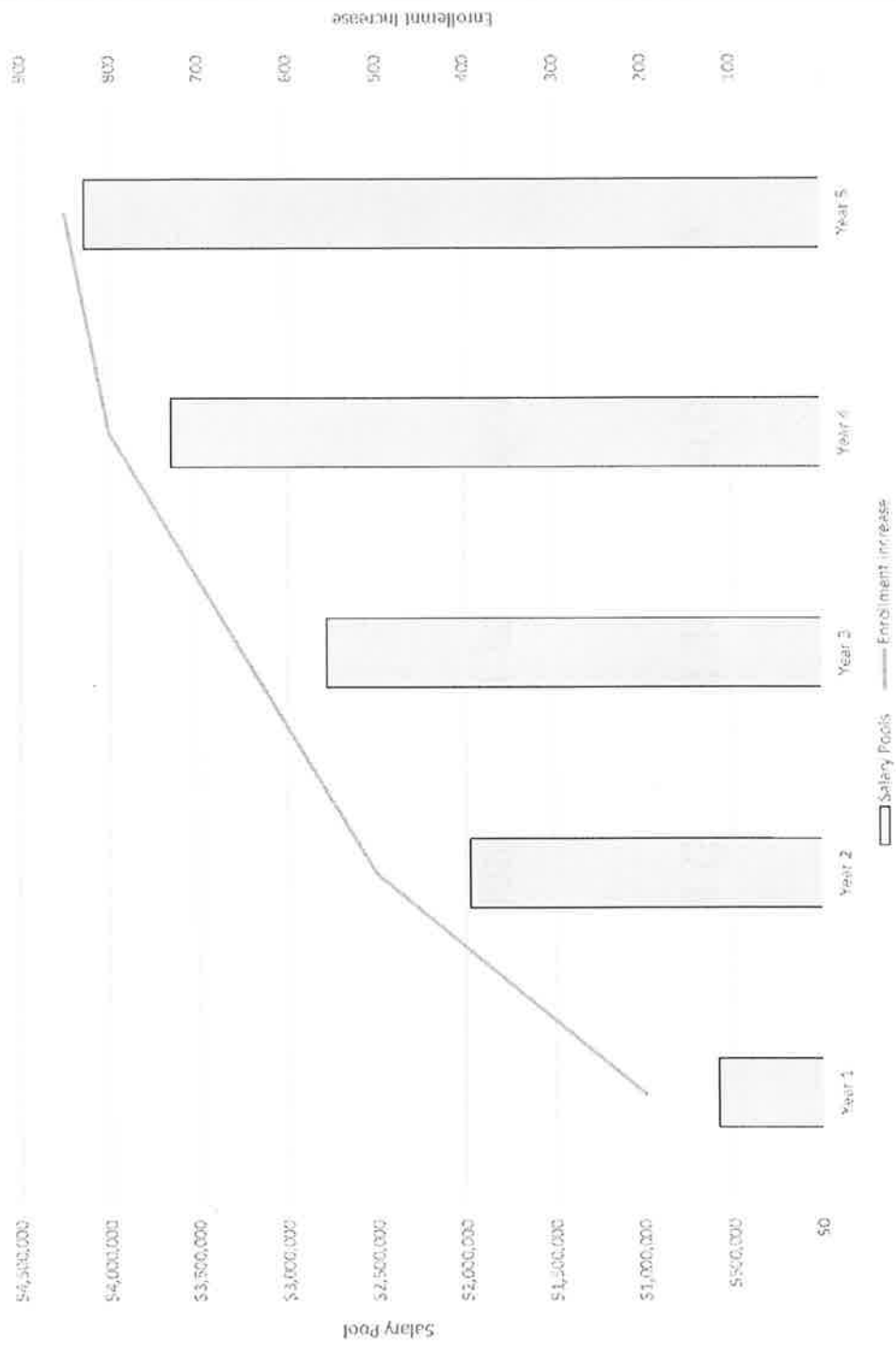
Tuition & Fee Increases	1,804,120	1,894,326	1,989,042	2,088,494	2,192,919	9,968,901
New Student Tuition & Fees	1,303,600	3,422,000	4,670,900	6,036,000	6,733,700	22,166,200
State Appropriations	(2,133,558)	(2,026,880)	(2,032,214)	(2,031,948)	(2,031,961)	(10,256,561)
Total	974,162	3,289,446	4,627,728	6,092,546	6,894,658	21,878,540

**Use examples**

Salary Pools	584,497	1,973,668	2,776,637	3,655,528	4,136,795	13,127,125
Programmatic Funding	340,957	1,151,306	1,619,705	2,132,391	2,413,130	7,657,489
Operating-Inflation	48,708	164,472	231,386	304,627	344,733	1,093,926
Total	974,162	3,289,446	4,627,728	6,092,546	6,894,658	21,878,540

Pool % of FY17 Core Labor	0.8%	2.6%	3.6%	4.7%	5.3%	17.0%
---------------------------	------	------	------	------	------	-------

### Example 5 Year Enrollment Increases Associated Source Allocations



Enrollment Growth **IS** the path to prosperity.

Thank you for your attention.

**Go Herd!!**

