



Office of the Board of Regents

Board of Regents Minutes
Public Session
August 4, 2009

The meeting of the Morgan State University Board of Regents was called to order by Chairman Dallas R. Evans at 11:03 a.m.

PRESENT

Mr. Dallas R. Evans, Chairman
Mr. Martin R. Resnick, Vice Chairman
Rev. Dr. Frances M. Draper, Secretary
Ms. Shirley Marcus Allen, Regent [Tele-conference]
Ms. Nahila Bertrand, Student Regent
The Honorable Elijah E. Cummings, Regent
Mr. Franklin L. Edmonds, Regent
Mr. Donald R. Frieson, Regent
Dr. Linda J. Gilliam, Regent
Dr. Charles W. Griffin, Regent
Senator Laurence Levitan, Regent
Dr. Shirley M. Malcom, Regent
Mr. Kweisi Mfume, Regent [Tele-conference]
Mr. William R. Roberts, Regent
General (Ret.) Johnnie E. Wilson, Regent

Dr. Earl S. Richardson, University President
Mr. Corlie McCormick, Assistant Attorney General

Opening Remarks

Chairman Evans welcomed the Regents back and mentioned that Regents Allen and Mfume were joining the meeting by tele-conference. He thanked Mr. and Mrs. Resnick for the dinner the previous evening [August 3, 2009] honoring Dr. and Mrs. Richardson. The Chairman introduced Ms. Nahila Bertrand, Student Regent for the 2009-2010 school year. Ms. Bertrand stated that she is a Senior Finance major from Trinidad.

Approval of Minutes

It was MOVED by Vice Chairman Resnick and SECONDED by Regent Edmonds to approve the minutes for May 5, 2009. THE MOTION CARRIED.

Report of the President

Academic Affairs

The Maryland Higher Education Commission recently approved new programs leading to degrees and certifications at the University. Dual Baccalaureate and Master's programs were approved for Architecture and Engineering. Certificate programs were approved in Bioinformatics, Health Leadership and Management, and Urban Planning and Health Management.

On June 5, MHEC approved a program for the University of Maryland University College to which Morgan had objected. MHEC approved Community College Leadership within the Doctor of Management Program that duplicates Morgan's doctoral program in Community College Leadership. This program has been Morgan's most productive doctoral program. Initially, MHEC had denied the UMUC program request based on Morgan's objections but it then reversed itself with the restriction that UMUC's program be offered only to residents of other states. Morgan has filed notice with MHEC that it also objects to the program in its final form.

Access and Success Funding

The Joint Chairmen's Report charges the HBIs and the Maryland Higher Education Commission with submitting a report of September 1, 2009 that identifies the programs and services that are needed and have shown success in promoting academic achievement to ensure that undergraduate students at HBIs who are less prepared for college graduate with degrees. The language of the charge is supposed to be a proxy for the broader goal of increasing retention and graduation rates at HBIs. At stake is \$1.5 million for each of the four HBIs that is being withheld until the report is submitted.

The task force responsible for writing the Access and Success report is Chaired by an MHEC staff member and has two representatives from each of Maryland's four HBIs. The two representatives from Morgan are; Dr. Maurice C. Taylor, Vice President for University Operations, and Dr. Kara Miles Turner, the Assistant Provost.

The writing team has met twice and is scheduled to have a conference call later today (i.e., August 4th) and one more meeting following that to review the final draft before the September 1, deadline. The primary issues from the HBI perspective are: an undue emphasis on educating under-prepared students by HBIs to the exclusion of a focus on institutional capacity to attract high achievers; and that the \$1.5 million being withheld is insufficient to improve the rates of success of under-prepared students, not to mention attracting the best and the brightest students.

Status of the Budget and Impact

For FY 2009, there were several cuts in state support during the year totaling \$2.4 million. The reductions were managed through a hiring freeze, furloughs, and energy conservation. An additional \$1 million in tuition revenue received from a 2.5 percent increase in tuition barely covered the cost of additional classes that had to be scheduled using contractual faculty.

FY 2010 is going to be a much greater challenge. We have been advised of a potential \$3.6 million in state cuts. There are also \$2.6 million of unfunded health insurance and worker's compensation costs. In addition, we believe that lagging in student confirmations are due to the economy. Assuming level enrollment, we will have to identify an additional \$1.2 million in cost containment. Overall, as of today, we have to plan for \$7.4 million of cost containment/revenue enhancements to ensure we operate within available resources. This will be a very difficult task. In addition to continuing a hiring freeze and imposing furloughs for the second year, there will have to be significant selective cuts throughout the University. In consideration of all factors, we must talk about a significant tuition increase to ensure reasonable services can continue to be provided to our students.

Budget Request for 2011

Morgan maintains a five-year plan that identifies the additional resources necessary to accelerate its development as a doctoral/research institution and to grow to a critical mass enrollment of 10,000 FTE. Of the \$130.1 million five-year need, Morgan plans to submit an operating budget request of \$34.3 million. Anticipated additional tuition funding would be subtracted from this amount to arrive at the state support request. The greatest portion of the request is related to restoration of prior years' cost containment, inflation, scholarships, and faculty and staff, including the conversion of 250 positions from contractual to regular.

Resolution of Construction Management Issue

Morgan has undergone the very long process of complying with a requirement in the 2008 Joint Chairmen's Report that requires the University to hire a consultant to review its construction management policies and procedures and make recommendations for improvement. Until the report is completed and approved by the Office of Legislative Services, the Budget Committees and the Board of Public Works (BPW), planning funds for the School of Business have been frozen. All approvals have been obtained except for BPW. After more than a year, the University's report is scheduled to be submitted to BPW on August 5, 2009 with hopes of approval and release of the planning funds.

Christian Center Update

Some time ago, the Morgan Christian Center Board offered to sell the Morgan Christian Center and an adjacent residence to the University at a nominal cost. A child care center was operating within the main building, but was recently closed. Settlement on the property occurred on August 3, 2009 and it is now titled to the University. The Chapel will continue operations in support of Morgan students and the surrounding community. The University is also in the process of evaluating the prospects of providing child care services.

Fundraising

The first of five Victory Tour events took place in Atlanta on Saturday, August 1st. The purpose of these events is for alumni to have an opportunity to thank the President for his twenty-five years of dedicated leadership of their alma mater. Each event also in a fundraising opportunity and an opportunity to galvanize alumni support in key geographic areas. Three more events are scheduled during August, in Philadelphia, New Jersey and Delaware.

Visit by the Morgan Choir to Africa

The Morgan State University Choir was invited to participate in the inaugural international Ihlombe Choral Festival. The Xhosa use Ihlombe, a word that has no equivalent in the English language, to express the transcendental feeling induced by music. In Zulu, Ihlombe translates into applause! One of the primary purposes of the festival was to share the music of the Western Choirs with choirs from South Africa. During the festival, many

workshops were held that gave the Western choirs a glimpse into the language and culture of the South African Choirs. Workshops were also presented that shared the history and performance of uniquely American music like the American Negro Spiritual with South African Choirs. The first festival concert was in Regina Mundi Catholic Church in Soweto. One of the choirs participating in the opening concert was the Soweto Gospel Choir, which holds an international reputation. The third concert was in the premier hall of Johannesburg, Linder Auditorium. The final concert was at the University of Stellenbosch in Endler Hall. Although initially, the Morgan State University Choir's reputation for excellence may not have been known to the local South African population, by the end of the tour, many South Africans were travelling great distances to hear the choir. Upon returning from the notorious Robbens Island, where Nelson Mandela spent 27 years of his life for his opposition to Apartheid, a national television station asked the choir to sing Happy Birthday to Nelson Mandela, who celebrated his 91st birthday on July 18, 2009. This telecast aired all over South Africa.

Reports of Standing Committees

Academic and Student Affairs

Regent Griffin presented the report of the Academic and Student Affairs Committee. The following action items were presented to the Board for approval.

Revised Policy on Student Residency Classification for Admission and Tuition Purposes

The purpose of this policy is to extend the benefits of higher education while encouraging the economical use of the State's resources, it is the policy of the Board of Regents of Morgan State University to recognize the tuition categories of in-state and out-of-state students for the purpose of admission and assessing tuition at the University.

In terms of burden of proof, the person seeking in-state status shall have the burden of proving by clear and convincing evidence that he or she satisfies the requirements and standards set forth in this policy. Assignment of in-state or out-of-state status will be made upon a review of the totality of facts known or presented to it. (Complete policy is attached.)

It was MOVED by Regent Griffin and SECONDED by Regent Frieson to approve the revisions to the Policy on Student Residency Classification for Admission and Tuition Purposes. THE MOTION CARRIED.

Revised Faculty Grievance Procedure

The revised Policy for Faculty Grievance Procedure recognizes that legitimate problems, differences of opinion, complaints or grievances will from time to time arise in the daily relationship between the University as an employer and its faculty. Currently, such complaints are resolved formally through existing procedures or informally in discussions between the faculty member and the academic administrator involved.

It is further recognized that on occasion complaints will arise that cannot be redressed through formal channels because they pertain to matters that are not within the subject matter of existing procedures and policies or that cannot be resolved through informal discussion. The following procedure is adopted to define the means whereby a grievance against the University arising from certain acts of academic administrators may be presented for formal review. (Please see the complete attached policy.)

It was MOVED by Regent Griffin and SECONDED by Regent Gilliam to approve the revisions to the policy of the Faculty Grievance Procedure. THE MOTION CARRIED.

Finance and Facilities

Regent Edmonds presented the report of the Finance and Facilities committee and offered the following items for action by the Board.

Spring 2010 Tuition Increases

Mr. Raymond Vollmer, Associate Vice President for Finance and Management, indicated that the cost containment requirement is \$7.4 million which is significant in our budget. We have identified \$4.7 million in cuts, but that still leaves us with \$2.7 million. It is recommended that the tuition increases be approved. This will provide \$2.1 million in additional revenue for the Spring 2010 semester. The resolution will authorize the President to reduce those increases in consultation with the Governor's Office. The President will provide a report at the next Board meeting regarding those adjustments.

The President recommended that the resolution states that the President and the Board will join in the discussions with the Governor. The meeting will be at the Governor's discretion.

Regent Levitan indicated that it might be a good idea to get alumni support.

It was MOVED by Regent Edmonds and SECONDED by Regent Griffin to approve the Spring 2010 Tuition Increases. THE MOTION CARRIED.

A date and time for the meeting with the Governor and/or the Department of Budget and Management to discuss Morgan's budget, have not been established. Regent Levitan suggested that the administration should seek the support of the alumni for the meeting.

FY 2011 Operating Budget Request

For FY 2011, the University is planning to request approximately \$32.5 million in recurring general fund support, increasing from \$72.6 million to \$105.1 million or a 45 percent increase. Also, the University anticipates approximately \$1.8 million in additional tuition revenue generated from an annual five percent and three percent tuition increase for in-state and out-of-state undergraduate students, respectively. If achieved, tuition revenue would increase from \$48.6 million to \$50.4 million. The Board is not being asked to approve tuition increases until after the Governor has finalized his state support recommendation. The requested increase for state support and tuition, at this time, totals \$34.3 million. (complete recommendation attached)

It was MOVED by Regent Edmonds and SECONDED by Regent Draper to approve the FY 2011 Operating Budget Request. THE MOTION CARRIED.

FY 2011 Capital Budget Request

The University submitted its FY 2011 Five-Year Capital Budget Request to the Department of Budget and Management on June 30, 2009. The five-year request totals \$326.1 million of which \$48.6 million is for FY 2011 (see attachment II)

A total of \$43,871,000 is being requested for ongoing capitals projects to include: Phase II construction funding and equipment for the new Center for Built Environment and Infrastructure Studies (CBEIS-\$37,802,000);

equipment funding for the renovation of the Lillie Carroll Jackson Museum (\$250,000), and the 2nd installment of design funding for the construction of the new School of Business Complex (\$2,921,000) and planning and construction funding for storm water management improvements and to reconstruct the tennis and volleyball courts (\$2,898,000).

Funding is also being requested for the continued upgrade to the appearance and functionality of our campus. Included are design funding for the renovation of the old Soper Library (\$2,000,000) and design funding for the demolition of Jenkins Behavior Science Center (\$233,000).

Finally, the University has requested \$2,523,000 for construction of a Welding Lab & Foundry as an addition to the Murphy Fine Arts Center. The existing Welding Lab is unsafe and cannot be used.

It was MOVED by Regent Edmonds and SECONDED by Regent Draper to approve the FY 2011 Capital Budget Request. THE MOTION CARRIED.

Institutional Advancement

Ms. Cheryl Hitchcock, Vice President for Institutional Advancement, reported on the celebration for Dr. Earl S. Richardson's twenty-five years as president of Morgan and his retirement. The theme for the celebration is Remarkable Journey. Included in the celebration are a "Victory Tours" which include alumni tributes in Philadelphia, New Jersey, New York, Delaware, Atlanta, Chicago and Maryland. Each sponsoring alumni chapter was required to raise at least \$50,000 for the Earl S. Richardson Endowed Scholarship Fund for student need-based financial assistance. The invitations will be sent out for the November 19th black-tie banquet to be held at Martin's Valley Mansion in Cockeyville. Ms Hitchcock mentioned that she has received great response for sponsorship.

One of our mobile marketing initiatives is the Bearmobile. It is used for recruitment as well as at school festivities and athletic events. It is a 1992 van that we were leasing. Thanks to Mrs. Joyce Brown, Director of Alumni Relations, the National Alumni Association is providing \$45,000 to buy a new van.

FY 2009 Operating Closing Summary

Mr. Bickram Janak, Assistant Vice President for Finance, reported on the summary of the FY 2009 - Operating Closing Budget. (attached). He indicated that the University managed to accumulate a surplus of \$1.2 million and stated the surplus was created due to the following:

DBM rescinded last general fund cut	\$	678,000
Unexpended marketing allocation		222,146
Recovery from previous marketing firm		286,048
Other		<u>42,030</u>
Total	\$	1,228,224

The grants and contracts activities increased by \$1.8 to \$26.2 million over last year. Also, the University processed \$11 million of federal student aid, primarily PELL, federal work study and SEOG for student's financial aid.

Given the current economic recession, the University's revenue and expenses were well managed, providing a small surplus to assist in negotiating through the current year that will be significantly more challenging.

Mr. Resnick discussed the following issues: Recruitment, Purchasing, Program Enrollment, On-line Education and Adult Education.

- **Recruitment:** We have to do far more recruiting to boost enrollment. Mr. Vollmer was asked to develop a plan on what has been done with recruitment.
- **Purchasing:** We should implement a plan of consolidated purchasing which would save the University a minimum of \$100,000 or more.
- **Low Enrollment Programs:** Eliminating or cutting back on programs that have very low enrollment.
- **On-line Education:** On-line Education is a major source for raising money and something that we should investigate.

Upon inquiry by Regent Mfume, Mr. Vollmer noted that our last bond rating from Moody's and Standard and Poore occurred in May of 2009

and we expect another rating in May 2010. Standard and Poore have been more understanding while Moody's has been more interested in the balance sheet and the bottom line.

Dr. Maurice Taylor announced that there will be a special symposium held in conjunction with the Founders Day Convocation. The President will be addressing the faculty and invited guests regarding the issues of HBCUs. We are excited about the prospects of a Presidential Roundtable with HBCU presidents. We anticipate engaging a prominent keynote speaker on the evening of Thursday, November 12. On the next day, November 13, the conference will feature a panel of attorneys who have been involved in some measure in civil rights litigation in higher education. During the conference, we will be announcing the establishment of the Center for Civil Rights in Education at Morgan State University.

Appointment of the Nominating Committee

Chairman Evans appointed Regent Wilson to chair the Nominating Committee and serving on the committee will be Regents Draper, Griffin and Roberts. The committee will present a report at the November meeting.

GI Bill

Regent Wilson noted that the GI Bill is a tremendous opportunity for military people and their families and Morgan should be the leader in reaching out to the military in terms of recruiting and attracting people. The information should be on our website so that when people google the GI Bill, Morgan would pop up.

Regent Cummings indicated that he had a meeting in which there were 300 veterans in the audience who did not know about the GI Bill. The bill includes money for housing, food and four years of college. Morgan should set up a meeting with the Veterans Center to show them what Morgan has to offer.

The Board was issued the citation of authority for closed session (attached) bringing the Public Session to an end at 12:05 p.m.

Respectfully submitted,


Linda Newson