

**Minutes of a Special Meeting
Eastern Kentucky University
Board of Regents
August 18, 2016
Center for the Arts, Black Box Theatre**

Call to Order

A special meeting of the Eastern Kentucky University Board of Regents convened at 1:09 p.m. on August 18, 2016 in the Black Box Theatre, Center for the Arts at Eastern Kentucky University, Richmond, Kentucky. Mr. Craig Turner, Chair of the Board, presided. Mr. Turner noted the presence of a quorum. The following members were present:

Present:

Ms. Janet Craig
Mr. Alan Long
Mr. Bryan Makinen
Mr. Collin Potter
Dr. Richard Day
Mr. Lewis Diaz
Mr. Craig Turner
Mr. Ramakrishna "Vasu" Vasudevan
Ms. Holly Wiedemann

Absent:

Ms. Nancy Collins
Mr. Craig King

Other persons present at the meeting were:

Dr. Michael Benson, President
Dr. Janna Vice, Provost & Senior Vice President of Academic Affairs
Dr. Laurie Carter, Executive Vice President & University Counsel
Mr. Barry Poynter, Vice President for Finance & Administration
Mr. Stephen Lochmueller, Director of Athletics
Mr. David McFaddin, Vice President of Engagement, Regional Stewardship & Gov. Relations
Ms. Sarah Pitt, Chief Human Resources Officer
Ms. Dana Fohl, Deputy University Counsel & Secretary to the Board of Regents
Mr. Nick Perlick, Vice President for Development and Alumni Relations
Mr. Jeremy Raines, Executive Assistant to the President and Board of Regents
Members of the faculty & staff
Members of the media

Swearing In

Dr. Laurie Carter, Executive Vice President and University Counsel, administered the oath of office to the new Student Regent, Collin Potter; and the two new recently-appointed Regents, Mr. Lewis Diaz and Mr. Ramakrishna “Vasu” Vasudevan.

Election of Officers

A motion was made by Janet Craig to elect the following slate of officers: Alan Long as for Vice Chairman, Barry Poynter for Treasurer, and Dana Fohl for Board Secretary. The motion was seconded by Lewis Diaz. The motion passed by voice vote.

Action Items

A. Student Government Association Update & Student Recognition

Collin Potter, Student Regent and President of the Student Government Association, gave an update to the Board regarding SGA’s work over the summer. SGA passed legislation for a new learning management system, Canvas. This process will continue through next semester. Regent Richard Day questioned why SGA requested a switch? Mr. Potter replied that Canvas is easier to use than Blackboard and students have familiarity with Canvas from other schools. Additionally, SGA will be working with Alumni & Development to bring back former SGA presidents in an advisory capacity and to provide financial support. Several student organizations attended national conferences this summer. Several student groups received awards, including awards to membership recruitment in some Greek organizations. and 9 awards to the future business leaders group.

B. Withdrawal of Sabbatical Program Participant

Dr. Janna Vice recommended withdrawal of a sabbatical program participant, Dr. Lori Wilson, for 2016-17. A motion was made by Alan Long to approve the withdrawal of the sabbatical program participant as presented. The motion was seconded by Richard Day. The motion passed by voice vote.

C. Recommended Affiliated Adjunct Faculty

Dr. Janna Vice recommended approval of the proposed affiliated adjunct faculty as presented to the Board in the agenda materials. A motion was made by Richard Day to approve the recommended affiliated adjunct faculty as presented. The motion was seconded by Bryan Makinen. The motion passed by voice vote.

D. Policy 8.3.3P, Employee Evaluations

Mark Maier, Associate Counsel, Policy & Compliance, presented Policy 8.3.3, Employee Evaluations, to the Board for approval. This policy is required for SACS-COC reaccreditation. A motion was made by Janet Craig to approve the policy. The motion was seconded by Richard Day. The motion passed by voice vote.

E. General Budgetary Discussion and Actions

President Benson made the following report:

First, welcome to New Regents. Additionally, thanks to Collin Potter. Collin's priority has been to get a pedway over the bypass, and we are working to use the student fee to make that happen. The President introduced Sarah Pitt, Chief Human Resources Officer. He then provided a recap of the Big E Welcome.

This summer, the campus wide budget work group continued to meet. The staff group is chaired by Laurie Carter and the faculty group is chaired by Janna Vice. While there have been discussions about the process, we are trying to be as transparent as we can be.

Janna Vice, Provost, made the following report:

The Academic Budget Review Committee been reviewing programs. We acknowledge the Faculty and Student Regent, who have been part of the conversations. We are to meet today with the Council on Academic Affairs to review list. There are 21 recommended program suspensions. We looked at performance metrics of the program, including over a 3 year average, having fewer than 10 graduates. This was not about the value or quality of the program. We tried to keep discussions focused on whether students are electing to choose these programs and then complete these programs. We also looked at the number of faculty (FT and PT) and 10-12 metrics. Recommendation to CAA for suspension to programs. CAA will take action at the next meeting in September. Right now, we are in an information only stage. We are looking closely, but not ready to recommend suspensions. These programs will have one year to make adjustments and show ability to turn around program. Faculty Senate will also take action. They will have a first reading at the first meeting and will take action at the second meeting, to have all decisions to the Board by December.

Chairman Craig Turner asked Dr. Vice how many students are affected in each program? Dr. Vice responded that the Committee looked at impact on faculty and not students. Closing these programs will have a small impact on faculty, but we have no information on how many students are currently affected. We suspect it is a relatively small number. CAA will meet again on September 15.

Regent Craig asked Dr. Vice how ECU will phase out a program? Dr. Vice responded that we are committed to teaching out the program, and thus, some faculty may have to continue to teach out the program. Some students, however, will likely elect to change their major. We'll do everything we can to help students complete. A sister institution may offer this major, and we will work and collaborate to help students complete suspended programs. Regent Craig noted a concern about having an arts center but cutting three Theatre programs. How does that interrelate? In addition, ECU has two new science buildings and we're looking at putting 2 physics programs and Chemistry on probation or watch. Dr. Vice responded that we are going after STEM-H degrees, but these identified programs need to re-envision themselves or work on recruiting students. New Science Phase II and I are tools to do so. Further, the cost of theater is half as much as the entire Honors Program. These programs are valued. The Theater program is not connected

with Center for Arts. Some programs already making changes in offerings. We still have a lengthy process to go through to eliminate these programs. No action has been taken on these programs.

Chairman Turner delivered the following report:

We plan to talk in more detail about recommendation on health insurance benefit plans. In looking for savings, we are looking at the health plans. At last board meeting, we announced a Special Finance Committee meeting on July 21. We received a thorough presentation on the proposed changes. We looked at benefits. Additionally, we looked at summer school, which is profitable, and scholarships and expenses. We looked at charging more for over 19 credit hours, but we determined it is not a good idea to do that at this point. I will now ask Barry to speak on the proposed changes to the health benefit plan.

Barry Poynter, Vice President of Finance and Administration, delivered the following report:

The Board charged us to look deeply and seriously at the health care plan. We worked with our broker. Joslyn Glove, Interim Chief Human Resources Officer, helped. Sarah Pitt, CHRO, helped upon her arrival. We have presented proposed changes to the President's Council and the University Budget Committee. In summary, there are a number of things we can do to save some significant budget dollars.

Currently, we offer 3 PPO plans. Our proposal moving forward is to retain 2 PPOs and add a HDHP with an HSA. We're the only one without this plan. We propose to retain the standard plan with no changes to benefits. We propose to retain the economy plan with no changes to benefits. We propose eliminating the high plan and replacing it with a high deductible health plan and provide an HSA account, partially fund with some savings from this work. Nearly 50% of employees spend less than \$1,000 a year on healthcare. This is a good choice for about half of our employees. We propose moving to a defined contribution plan of \$450 per employee or \$600 per family. Further, we will implement a tobacco surcharge. We have been a tobacco free campus for 2 years now. We are looking to add a \$40 tobacco surcharge, which is consistent with the State of Kentucky. We will use this money and savings to contribute to HSA account, and we will follow guidelines of Affordable Care Act on implementation. We plan to integrate the Healthy U program, with participants getting a discount. We would like to get a better, more user-friendly health platform. We are looking at reducing funding to 50% for the dental care plan. All of these changes will save approx. \$2.2 million, with \$1.4 million is direct university savings and the rest in employee savings in their pocket with HDHP. Open enrollment starts in 6-8 weeks. We plan to have forums for employees to look at how they match up. We are renaming plans so the changes are clear. Healthcare is on a calendar year basis. So, we will see savings half in this fiscal year. The Benefits Advisory Committee meets next week to review this plan. We are looking to have a longer open enrollment period. Chairman Turner said the Board is comfortable with the direction the administration is moving, but the Board would like to get everyone's input, and then we'll formally approve. Other committees should approve and have a chance to weigh in. Lewis Diaz would like to see a comparison to the Commonwealth, City of Richmond and/or Madison Co.

Chairman Turner thanked Barry Poynter for his report and thanked the 3 Regents who termed out, David Tandy, Ernie House, and Katie Scott. Katie Scott, as the Student Regent, did an excellent job. Collin Potter has big shoes. David Tandy was excellent. He kept us all thinking and had great ideas. David played a big role last 6 years. Ernie House has been around through several Presidents. He has had a flavor for different types of leadership. He or Gary Abney are probably the longest serving regents. Ernie served part of a term and 2 full terms. As did Gary. Ernie has had a big impact on what ECU is doing today.

Executive Session:

Mr. Turner announced the Board is going to enter into executive session lasting approximately 15 to 20 minutes. The Board then plans to be back after that. Chairman Turner requested a motion pursuant to KRS 61.815 to enter closed session for the purposes stated in KRS 61.810(1)(c), regarding discussions of pending or potential litigation against the University. A motion was made to go into executive session by Alan Long. The motion was seconded by Lewis Diaz. The motion passed by voice vote, and the Board, thereby, convened in closed, executive session.

A motion was made by Richard Day to come out of executive session and return to the open session of the Board of Regents meeting. The motion was seconded by Janet Craig. The motion passed by voice vote and the Board of Regents thereby returned to open session at 2:35 p.m. Chairman Turner noted that no action was taken in executive session and only discussed those issues appropriate in closed session.

Chairman Turner delivered the final report:

On August 2, I went to Frankfort with President Benson to make presentation to workforce development group to Secretary Heiner's operation. We talked about our nursing, healthcare and aviation programs. ECU is an applicant in that process. There is a total of \$100 million in that fund.

In the last Finance Committee meeting, we talked about other ideas and budgetary things we can look at. We should explore the opportunities as to what others may offer us by seeking other options utilizing our workforce. We could partner with someone, and others are heading in that direction as well. A partnership may not be right for us, but let's look at it. Maybe look at Payroll, Center for Arts, Facilities, anything warranting consideration.

In addition, Secretary Dana Fohl has presented the Board of Regents with the required documents from the State regarding our Open Records, Open Meetings, and Record Retention responsibilities. Please sign the form and return to Dana.

Regent Richard Day recognized the new Dean of the College of Education, Dr. Sherry Powers.

The Board discussed that the Council for Postsecondary Education will be meeting on EKU's campus on September 22 and 23. Board members will have dinner that night on campus with CPE if at all possible. A Board meeting was discussed for September 22.

The next regular Board meetings will be held on October 24 and December 5.

There was no other business.

Lewis Diaz made a motion to adjourn the meeting. The motion was seconded by Alan Long. The special called Board of Regents meeting was thereby adjourned at 2:44 p.m.

 1.3.17
Dana Fohl, Secretary Date