

SHEPHERD UNIVERSITY BOARD OF GOVERNORS

MINUTES OF THE MEETING OF JUNE 10, 2021

The Shepherd University Board of Governors met on June 10, 2021 for the annual meeting. Members participating were: Ray Alvarez, David Avella, Gat Caperton, Henry Kayes, Jr., Ramona Kissel, Eric Lewis, Robert Marggraf, and Tia McMillan. Also present were Shepherd University President Mary J.C. Hendrix, members of the executive leadership team and others. Board members Jim Cherry and Elizabeth Rini were absent from the meeting; member Taylor Seitzinger participated by phone, but with an intermittent connection, during Agenda items 3 and 4, and was not able to participate thereafter.

1. PUBLIC COMMENTS

No public comments were made.

2. CONSENT AGENDA ITEMS

M (Marggraf), S (Avella), PASSED, that the following resolution be adopted by the Board:

RESOLVED, That the Shepherd University Board of Governors approves:

- 1) The Minutes of the Meeting of April 22, 2021;
- 2) The Approval of the Athletic Program Philosophy;
- 3) The Approval of the Amendment of Board Policy 19, *Academic Freedom, Professional Responsibility, Promotion and Tenure*;
- 4) The Approval of the Changes in Administrative Structure Pursuant to Policy 2; and
- 5) The Approval of the New Minor, Political Communications, each as presented in the Agenda materials of June 10, 2021.

3. PRESIDENT'S REPORT

President Hendrix reviewed highlights of the ongoing initiatives for advancing Shepherd from among the comprehensive list provided in the President's Report, including a briefing on the popular special format utilized for Commencement in May. Dr. Hendrix recognized Valerie Owens on her retirement and serving Shepherd for more than 35 years.

4. FACULTY SENATE ANNUAL REPORT

Dr. Heidi Hanrahan, President of the Faculty Senate and Professor of English, presented to the Board the Faculty Senate Annual Report. Dr. Hanrahan noted that the Senate spent most of their time and energy this past academic year on COVID-19 (e.g. responding to challenges, reporting procedures and issues relating to students' online fees for Spring 2021) and evaluations (e.g. Policy 19 discussions and revisions, existing student evaluation tools, working on reviewing and revising tools in other modalities). Dr. Hanrahan noted that the Senate formed a working group to address curricular development changes for interdisciplinary programs. The working group recommended formation of a committee, with representation from each department and school, to take the place of a colleges endorsement in the curricular process. This recommendation was endorsed by the Faculty Senate and overwhelmingly approved by the University Assembly in

April 2021. The Senate endorsed a resolution in opposition to SB 246, an iteration of the campus carry bill which did not come to the Senate floor, but it is anticipated that additional versions will arise in the future.

Following this report, the Chair made note of the exceptional memorial service held in May for the late Dr. Beard, and the moving observations made by his colleagues and former students.

5. REPORT OF THE ACADEMIC PROGRAMS AND DEVELOPMENT COMMITTEE

On behalf of the Academic Programs and Development Committee, Mr. Alvarez provided a brief update of the Committee's discussions which included an update from Dr. Jason Best, Assistant Provost for Distance Education and Strategic Research Initiatives, regarding the new minor, Political Communications, included on the Consent Agenda. Mr. Alvarez noted that Ms. Monica Lingenfelter, Executive Vice President for the Shepherd University Foundation, provided an update on University Development. He stated that University giving continues at a strong pace, and we are rapidly approaching kickoff of the 150th Anniversary with the first event taking place on campus this July, and a series of events occurring throughout the year. The Committee was made aware of some design changes to the Shepherd Magazine with 150th being a predominant theme throughout the year. Mr. Alvarez noted that Ms. Lingenfelter introduced Ms. Christine Meyer, Director of Annual Giving, who provided a brief update on the open position status for a Major Gift Officer and Campaign Manager, noting there were seven new applicants and phone interviews will begin mid-June.

6. REPORT OF THE ENROLLMENT, STUDENT AND COMMUNITY AFFAIRS COMMITTEE

On behalf of the Enrollment, Student and Community Affairs Committee, Mr. Caperton provided a brief update of the Committee's discussions which included a one-page enrollment and admissions summary of progress to date. He noted we are behind targets, but are gaining good ground, stating there is a national trend of students being cautious in committing to college and registering for courses this year. He noted we are preparing to onboard new students and continue to put procedures in place to connect with students prior to their arrival on campus. Mr. Caperton passed, between the Board members, a new resource guide for students that will help them matriculate and onboard. Mr. Caperton stated, regarding COVID-19, that the University has tested and vaccinated hundreds of employees and students. He said the Campus Health Task Force (CHTF) is meeting regularly and continuing to put sound procedures in place, such as building a database of those vaccinated, which includes 60% of faculty and staff, and are preparing to provide boosters when available. Mr. Caperton said August 8 marks the day Shepherd moves back to full capacity in operations across campus.

7. REPORT OF THE FINANCE AND FACILITIES COMMITTEE

On behalf of Finance and Facilities Committee, Mr. Kayes provided a brief update of the Committee's discussions which included a presentation from Dr. Kelly Hart, Vice President for Enrollment Management, regarding Fall 2021 enrollment, Mr. Jack Shaw, Associate Vice President for Campus Services, on housing and dining, and Ms. Pam Stevens, Vice President for Finance/Administration, and Ms. Bea Stottlemeyer, Director of Finance and Assistant CFO, on CARES Act – 1st and 2nd distributions of funding and the financial impact. Mr. Kayes noted that Ms. Stevens and Ms. Stottlemeyer are doing an excellent job managing these complex federal grants. Mr. Kayes then called on Ms. Stevens to provide a review of the 3rd quarter financials.

Mr. Kayes then called on Mr. Chauncey Winbush, Vice President for Athletics, to provide an update on University athletics and the proposal to boost new student recruitment by adding five

new sports to Shepherd's sports offerings (men's/women's swimming, field hockey, acrobatics and tumbling, and men's lacrosse) and the facilities needed for such expansion. Chair Lewis noted that he and Mr. Winbush have been working on a Student Athletic Performance Center (SAPC) concept for two years. He said they are looking for dedicated funds to do an analysis for the facility. Chair Lewis said the model he and Mr. Winbush looked at will be streamlined over the summer to see if the new athletic facilities can feasibly be paid for by new enrollment revenues over time and will then be brought back to the Board in September or November 2021. Chair Lewis said they made a presentation to the Foundation's Executive Committee, and they have given them the okay to continue to gather information and see if the plan is fundable.

8. PROPOSED FY2022 ANNUAL BUDGET

Vice President Stevens presented an amended, proposed FY2022 Budget based upon the Finance Committee meeting of June 8.

Mr. Kayes noted that the Finance Committee had discussed the proposed Annual Budget in detail and recommends that the A&E expenses for the athletics initiative and the Enrollment Management initiatives be incorporated into the budget. Upon further reflection of the amended proposed Budget, he expressed concern that the magnitude of expenses would deplete cash excessively. He expressed a desire to see the cash balance be set in the Budget as not less than to remain constant.

Members engaged in a general discussion of that concern, noting the levels of cash balances at the close of each of the past several years and also discussing the outcomes of various revenue enhancement initiatives discussed by the Budget Task Force in Fall/Winter 2019/20. A concern was raised that it is essential that the University not precipitously reduce operating expenses in a manner which damages the viability of the University to thrive and grow in enrollment.

M (Caperton), to approve the amended, proposed FY2022 Budget, failed for want of a second.

M (Kayes), S (Marggraf), PASSED, that the following resolution be adopted by the Board:

RESOLVED, That the Shepherd University Board of Governors directs that the FY2022 Annual Budget amended proposal be further revised by staff, to reduce expenses as necessary to limit the reduction in ending cash to not more than a reduction of \$450,000, and in that form be and is approved by the Board; provided, that the reduction in cash of up to \$450,000 is expressly provided to facilitate the Enrollment Management marketing initiative and the Athletics A&E work in support of recruitment-based sports expansion initiative.

9. FY2023 CAPITAL FUNDING PRIORITIES

M (Avella), S (Caperton), PASSED, that the following resolution be adopted by the Board:

Members discussed several of the listed projects and expressed concern that individual units of the University should not publicize substantial capital project initiatives which have not been reviewed by the Board.

RESOLVED, That the Shepherd University Board of Governors approves the FY2023 Capital Funding Priorities, amended from the listing in the Agenda Book of June 10, 2021, to include as Item #31 Fairfax Field - Field Improvements.

10. HLC ACCREDITATION UPDATE

Dr. Best, Higher Learning Commission (HLC) Accreditation Liaison, provided the Board with a brief update on the status of institutional efforts currently underway as part of Shepherd's 2021-2022 comprehensive evaluation for reaffirmation of accreditation by the HLC.

11. ELECTION OF OFFICERS FOR 2021-2022

The Nominating Committee, by and through its chair Mr. Alvarez, submitted a slate of Mr. Lewis as Chair, Mr. Caperton as Vice Chair, and Dr. Cherry as Secretary. There were no other nominations. These officers were Elected, unanimously.

12. ELECTION OF AUDIT AND NOMINATING COMMITTEES

Mr. Lewis nominated for renewal all current members of the Audit Committee, pursuant to the Bylaws. The Audit Committee members for 2021-2022 were accepted by acclamation.

The Nominating Committee then nominated, by and through its chair, a slate of Mr. Avella, Dr. Cherry, and recommended deferral of a third member to the Nominating Committee until new gubernatorial appointments are made. **M (Caperton), S (Marggraf), PASSED**, to close nominations, the slate was then Elected.

13. PROPOSED MEETING SCHEDULE FOR 2021-2022

Chair Lewis reviewed the proposed meeting schedule for 2021-2022, as published in the agenda book, with the Board.

14. NEW BUSINESS

The following special resolutions for adoption by the Board were moved by Mr. Lewis and approved by acclamation:

**BOARD OF GOVERNORS RESOLUTION
HONORING
MR. RAMON (RAY) ALVAREZ**

WHEREAS, Mr. Ray Alvarez has served on the Shepherd University Board of Governors from 2016 to 2021 with distinction, professionalism, and effective leadership; and

WHEREAS, Mr. Alvarez has given generously of his time to achieve the work of the Board on behalf of his beloved alma mater Shepherd University; and

WHEREAS, throughout his tenure on the Board, Mr. Alvarez has used his extensive business expertise stemming from his four-decade-long senior leadership role with Honeywell International Inc.—as well as from the business administration degree he earned at Shepherd—to bear on important issues affecting the University; and

WHEREAS, while the contributions of his time and talents to the Board have always been noteworthy, it is his participation in the life of the University that will be long remembered. Mr. Alvarez has served his alma mater as President of the Shepherd University Foundation, Vice Chair of the University's successful Comprehensive Campaign in 2010 that raised \$26 million in support of the University, Board President of the Scarborough Society Friends of the Library group, and Leader of the Business 2020 Initiative that raised \$660,000 in support of the School of Business. In addition to leading many Shepherd fundraising efforts over the years, Mr. Alvarez is a generous donor in his own right; and

WHEREAS, Mr. Alvarez is one of the finest examples of Shepherd's motto, *Shepherd Students Succeed*; and

WHEREAS, while Mr. Alvarez has accomplished much on behalf of the University, it is his leading by example for which he will be most remembered; and

THEREFORE, BE IT RESOLVED, THAT the Shepherd University Board of Governors honors Mr. Ray Alvarez for his steady guidance and wise counsel, expresses to him its sincere gratitude and admiration, and looks forward to his continued contributions to the University in other venues; and

FURTHER, BE IT RESOLVED, THAT this resolution be inscribed upon the minutes of the June 10, 2021, Board of Governors meeting and that a copy of the resolution be presented to Mr. Alvarez.

**BOARD OF GOVERNORS RESOLUTION
HONORING
MR. ROBERT (BOB) MARGGRAF**

WHEREAS, Mr. Bob Marggraf has served on the Shepherd University Board of Governors from 2017 to 2021 with distinction, good humor, and effective leadership; and

WHEREAS, Mr. Marggraf has given generously of his time to achieve the work of the Board, serving as a valued—and invaluable—member of the Finance Committee, as well as its chair; and

WHEREAS, throughout his tenure on the Board, Mr. Marggraf has used his vast expertise in business and finance as a venture capitalist, investment banker, and senior executive at several companies in reviewing Shepherd's quarterly financial reports—asking probing questions and providing insight into fiscal decisions; and

WHEREAS, he has used his business acumen in reviewing operational expenses for the Board of Governors Budget Task Force established in September of FY2019, working closely and diligently with other committee members to identify more than \$800,000 of permanent budget expense reductions; and

WHEREAS, the contributions of his time and talents to the Board have always been noteworthy, and his advice and guidance in helping to greatly reduce and nearly eliminate the University's deficit have been well received by the finance office staff as well as by the President and the Executive Leadership Team; and

THEREFORE, BE IT RESOLVED, THAT the Shepherd University Board of Governors honors Mr. Bob Marggraf for his leadership and contributions, expresses to him its sincere gratitude and admiration, and looks forward to his continued contributions to the University in other venues; and

FURTHER, BE IT RESOLVED, THAT this resolution be inscribed upon the minutes of the June 10, 2021, Board of Governors meeting and that a copy of the resolution be presented to Mr. Marggraf.

**BOARD OF GOVERNORS RESOLUTION
HONORING
DR. ELIZABETH RINI**

WHEREAS, Dr. Elizabeth Rini has served with great distinction as the elected Faculty Representative to the Shepherd University Board of Governors from July 2019 to June 2021; and

WHEREAS, Dr. Rini has contributed wise academic judgment to the deliberations of the Board, bringing to the forefront the faculty perspective while always maintaining a comprehensive perspective on the advancement of the University as a whole; and

WHEREAS, Dr. Rini has been a consistent and heartfelt advocate for the continued and expanded academic excellence of the University; and

WHEREAS, Dr. Rini has contributed to the governance of Shepherd University in this capacity while continuing to also serve with distinction as an Associate Professor in the School of Nursing, as a teacher who inspires learning and enhances the student experience, as an academic advisor to students, and as a scholar; and

THEREFORE, BE IT RESOLVED, THAT the Shepherd University Board of Governors honors Dr. Elizabeth Rini for her record of strong academic leadership, expresses to her its sincere gratitude and admiration; and

FURTHER, BE IT RESOLVED, THAT this resolution be inscribed upon the minutes of the June 10, 2021, Board of Governors meeting and that a copy of the resolution be presented to Dr. Rini.

15. EXECUTIVE SESSION

M (McMillan), S (Caperton), PASSED, that pursuant to Section 4 of Article 9A of Chapter 6 of the WV Code, it was moved that the Board enter into executive session for the purpose of discussion of matters relating to confidential legal matters and potential real property transactions, and of matters of personal honoraria and awards.

Following an executive session discussion, the Board arose from the Executive Session and resumed its regular session.

16. MATTERS ARISING OUT OF EXECUTIVE SESSION

M (Alvarez), S (Caperton), PASSED, that the following resolution be adopted by the Board:

RESOLVED, that the Shepherd University Board of Governors establishes the name, the Suzanne Shipley Wellness Center, to become effective with the setting of a commemorative ceremony by the President.

Following this discussion, the Board adjourned.

Signed Copy on File
Eric Lewis
Chair

Signed Copy on File
Jim Cherry, Ph.D.
Secretary