

MINUTES OF MEETING OF BOARD OF REGENTS
WESTERN KENTUCKY UNIVERSITY
May 23, 1979

A special meeting of the Board of Regents of Western Kentucky University, having been called at the written request of the President of the University, was held on Wednesday, May 23, 1979, at 3:00 p.m., CDT, in the Regents Conference Room of the Wetherby Administration Building on the Western campus. Mr. John David Cole, Chairman, presided.

The meeting opened with a prayer of invocation by Mr. Harry K. Largen, Vice President for Business Affairs and Treasurer.

The following members were present:

Dr. William G. Buckman
Mr. Ronald W. Clark
Mr. John David Cole
Mr. Tom Emberton
Mr. James Earl Hargrove
Mr. Michael N. Harreld
Mr. Carroll Knicely
Mr. William Kuegel
Mr. Hugh Poland

Absent was Mr. Ronald G. Sheffer.

Also present, in addition to Mr. Largen, were Dr. John D. Minton, President; Dr. Donald W. Zacharias, President-elect; Dr. Dero G. Downing, former President of Western; Dr. James L. Davis, Vice President for Academic Affairs; Mrs. Mary Sample, Secretary; Dr. Paul B. Cook, Assistant to the President for Resources Management and Director of the Budget; Mr. Rhea P. Lazarus, Staff Assistant, Office of the President; Dr. Kelly Thompson, President Emeritus of Western and President of the College Heights Foundation; Miss Georgia Bates, Executive Secretary-Treasurer, College Heights Foundation; Mr. William E. Bivin, University Attorney; Dr. Randall Capps, Head of the Department of Communication and Theatre and Parliamentarian; Mr. Dee Gibson, Director of Public Affairs and Community Relations; and College Heights Foundation Board of Directors whose names appear on page 4 at the time of their introduction.

Dr. Minton was recognized by the Chairman for the presentation of a report concerning wage levels for nonexempt employees as classified under the Fair Labor Standards Act and other personnel items. President Minton reported that he had authorized the Vice President for Business Affairs, the Assistant to the President for Resources Management and Director of the Budget, and the Director of Personnel Services to take the action as outlined below:

1. Proceed with the necessary steps to increase wage levels of employees to the current federal minimum wage rate of \$2.90 per hour, effective May 1, 1979, and to establish \$2.90 per hour as the entry wage for new employees. Such action will affect approximately 63 full-time and 22 part-time employees and will cost approximately \$3,000 during the months of May and June.

The federal minimum wage will increase to \$3.10 per hour January 1, 1980; and employee salaries will increase to that level on August 16, 1979, based on the adoption of the 1979-80 budget. This action is in keeping with the desire of the Board to pay employees the federal minimum wage.

2. Revise the current personnel policy statement on the workweek to establish a workweek of 37.50 hours for all regular and full-time employees. The effective date of the revised policy change will be July 1, 1979. Employees' weekly wages or monthly salary will not be affected by this change since the hourly rate of pay will increase in proportion to the reduction in the workweek.

The following recommendation was then presented by Dr. Minton:

"In addition to the provisions which I have authorized above, I am recommending to the Board and request your approval to change the increment date for nonexempt employees from August 16, 1979, to July 1, 1979. The increment date for employees who receive an annual letter of appointment will remain August 16, 1979. This change will affect approximately 700 nonexempt employees and cost approximately \$45,000 in 1979-80. Financial support for the cost of this change is available in the 1979-80 Operating Budget."

In support of the recommendation Dr. Minton commented as follows:

"Even though the same anniversary date for increments for all employees has merit, I believe the change which is recommended is justified for this group of employees due to their conditions of employment and review period. In addition, we are experiencing a large turnover among this group of employees. These employees do not receive an annual letter of appointment and are employed on an hourly or monthly basis, and it is our belief that an anniversary date coinciding with the fiscal year is appropriate for this group. It is also our belief that this is an appropriate time in which to initiate this change."

A committee composed of Mr. Harry Largent, Dr. Paul Cook, Mr. James Tomes, and Mr. Owen Lawson had been requested by Dr. Minton to review employment conditions for those employees who are classified nonexempt under the Fair Labor Standards Act. President Minton requested the Board's concurrence in his instructions that the committee continue to study and keep under discussion matters relating to employment conditions and, after further evaluation and study, make recommendations.

Mr. Kuegel made the motion that the Board ratify the wage and workweek action as outlined by President Minton and implement the Board's previous position that the minimum wage be paid as soon as possible and budgetarily feasible. The motion was seconded by Mr. Harreld.

In discussion which followed Dr. Buckman stated that he certainly felt that the University all along should have been paying at least the

minimum wage and expressed surprise at the number of employees who were not receiving the minimum wage. Dr. Buckman inquired as to whether the proposed action would solve the problem of large turnover of employees who have been at the University for a number of years. Mr. Largen responded that the increase in wages was directed at the entry level. Vice President Largen confirmed that the University is experiencing some loss of employees who have been at the University for a number of years; however, the vast majority of the turnover is among the group who have been employed only a short time.

With the concurrence of Mr. Kuegel and Mr. Harreld, the proposed motion was amended to include that approval of the Board be given to the recommendation of the President as outlined above in the unnumbered paragraph, on increment dates, and the continued functioning of the committee studying employment conditions. The roll call vote on the motion as amended was as follows:

Aye: Buckman, Clark, Cole, Emberton, Hargrove, Harreld,
Knically, Kuegel, Poland

Nay: None

The minutes of the special meeting held on May 6, 1979, were presented by the presiding officer. Motion was made by Mr. Harreld and seconded by Mr. Hargrove that the minutes be approved as submitted without a reading, inasmuch as copies had been mailed to the members on May 17, 1979, and were found to be in order. The motion carried by voice vote.

Welcoming to the meeting Dr. Kelly Thompson, President of the College Heights Foundation and President Emeritus of Western Kentucky University, and members of the Foundation's Board of Directors, Chairman Cole expressed the feeling that the joint meeting of the Board of Regents and the Board of Directors was a historic one and voiced the hope that it would be the first in an ongoing relationship whereby other such meetings might be held. The presiding officer commented on the tremendous support which the College Heights Foundation provides and the dependency of the future of Western on such continued support.

Dr. Thompson was recognized by the Chairman for comments relative to the present status of the College Heights Foundation and the future working relationship, as he saw it, between the University and the Foundation.

On behalf of the Board of Directors, Dr. Thompson commented that they were honored to have a joint meeting with the Board of Regents at a time when Dr. Zacharias was about to commence his service as President of Western Kentucky University. Commending the Board of Directors for their attitude and

loyalty, President Thompson introduced the following Directors: Dr. Dero G. Downing; Mr. Houston Griffin; Mr. James D. Hilliard; Mrs. Elizabeth Meredith; Mr. Emmons O. (Buddy) Pearson, Jr.; Mr. L. L. Valentine; Miss Georgia Bates, Executive Secretary-Treasurer; and Mr. Charles A. Keown. Dr. W. R. McCormack and Mr. William J. Parker, who were unable to be in attendance, were also mentioned.

Dr. Thompson gave a brief history of the development of the College Heights Foundation and commented regarding its future, a summary of which follows:

The College Heights Foundation was founded by Dr. H. H. Cherry in 1923; and the Kentucky Building, the first step in Dr. Cherry's tremendous dream for the Foundation, came into existence through the solicitation of funds by the Foundation. Because of the depression, the Foundation in its early years was unable to do little more than meet monthly expenses and maintain a student emergency loan program for Western students. The emergency loan program remained the main function of the Foundation until 1969 when Dr. Thompson assumed leadership of the Foundation upon his resignation as President of Western Kentucky University.

Dr. Cherry wisely brought the Foundation into existence as a separate entity with its own charter, guaranteeing the Foundation sole control of the gifts and contributions entrusted to it. Dr. Cherry envisioned in the years ahead increased financial support by individuals to the Foundation, permitting the principal of such funds to be invested and the accumulated interest to be used for the benefit of students and for embellishments that would make Western a greater institution. The Foundation continues to operate under the original charter.

In carrying out the objectives of the Foundation and with Dr. Thompson serving as its President, there was established a business operation characterized by Dr. Thompson as the finest that could possibly be created. In September, 1969, the Foundation had in trust a total of \$193,650.70 which was used to start the Memorial Fund. As of May 19, 1979, the Memorial Fund had a balance of \$2,605,664.33—98 percent of which is dedicated in perpetuity with the earnings from it being used mainly to support the scholarship program. Other assets include \$473,083.72 invested in the operation of the Bookstore and the campus laundry and funds in the amount of \$147,500 used in financing the student loan program. Both the student loan program and the scholarship program are administered by the University with the Foundation providing the funding. Dr. Thompson pointed out that a small variable between accounts exists in the Foundation's total assets of \$3,226,248.05 which was brought about by the purchase of a new President's Home at the request of the Board of Regents.

The amount now willed to the Foundation exceeds the total general assets, and it was in this area and through the support of alumni and friends of the University that Dr. Thompson felt the greatest future growth will occur. Scholarship funding through the Foundation has grown from \$5,500 in 1968-69 to \$151,000 for the 1978-79 year, \$175,000 for the 1979-80 year, and \$200,000 for the following year. The Foundation invests only in government guaranteed securities or their equivalent by policy and by direction of the Board.

With previous approval of the Board of Directors and the Board of Regents, Bookstore inventory in the amount of \$181,026 is financed by Western Kentucky University with the funds subject to call on 30 days notice.

At this point, materials were distributed to members of the Board of Regents, Dr. Zacharias, and Dr. Minton, which included the most recent audit of the Foundation's two divisions, with attention being called to the complimentary letters which accompanied the documents. In addition, copies of the charter and the amended bylaws were among the materials provided.

Dr. Thompson reported on behalf of the Foundation staff and the Board of Directors that the College Heights Foundation now has one of the best business operations to be found on any University campus in America. This statement was supported by the opinion of the auditors and testified to by the number of requests of representatives of other campuses relative to the creation and/or operation of such organizations of their own. Dr. Thompson stated that the College Heights Foundation philosophy and attitude and history have been based upon one sole direction--that is, to make the Foundation an arm of the University built entirely on service. He commented, "Never in the history of the Foundation, to my knowledge, has the Foundation ever done anything that it hasn't been requested to do by the University or the College (when it was a college). It has been working with the President of the University, . . . living strictly within its charter and governed by bylaws with the best record of minutes of a Board of Directors that could possibly be put together. We are proud of it. We think it is now emerging out of the ground in a healthful manner. With careful attention, diligence, and hard work in the future and with the continued loyalty and support of so many people who have invested in it and who will invest in it in the future and people who would put us in will bequests, I think that we really are now just beginning. And as we look down the road in the future, I think the College Heights Foundation can be the marginal difference--that great marginal difference that it takes to make a polished diamond in its finest facet glory. I am not talking about the Foundation being able to support the University--I am not getting it out of proportion--I am talking about a margin that it can produce every year to help the Board of Regents set the policies of refinement in a quest for excellence and to help the President of Western carry out those policies in his day-to-day operations and to embellish this institution with the students, the faculty, and all the other publics with whom he has to deal."

Stating that since 1923 the President of Western had always been a member of the Board of Directors, Dr. Thompson announced that body had elected Dr. Zacharias by unanimous vote to the Board and extended on their behalf the invitation for Dr. Zacharias to join with them as an active member of the Board of Directors of the College Heights Foundation.

Appreciation was expressed to Dr. Thompson by Chairman Cole who concurred in the feeling that during the coming years, the Foundation could and would well be the margin of difference to assure Western of its continued role in higher education.

Chairman Cole then introduced Dr. Dero G. Downing, former President of Western Kentucky University and a member of the Board of Directors of the College Heights Foundation. Dr. Downing expressed appreciation for the excellent cooperation and support provided to the University and to his efforts as President of Western by Dr. Thompson, as President of the Foundation, Miss Bates, as Executive Secretary-Treasurer of the Foundation, and from the

Board of Directors of the College Heights Foundation. He commended those responsible for the direction given to the Foundation in bringing it to its present level of development. Dr. Downing concurred in the belief that the Foundation can serve significantly in the years ahead in bringing about a margin of excellence in the University that otherwise perhaps could not be achieved. Dr. Downing expressed to Dr. Zacharias the pleasure he had found in serving as a member of the Board of Directors and reported he looked forward to working with him as a fellow Board member of the Foundation. Appreciation was also expressed to the Board of Regents for their help and support during the years of his presidency.

Dr. Donald W. Zacharias, President-elect of Western Kentucky University, and his wife, Tommie, were welcomed. In introducing his wife, Dr. Zacharias assured those in attendance at the meeting that the decision to come to Western was a joint one on their part.

Dr. Zacharias responded to the invitation of the College Heights Foundation Board of Directors by saying that he would be delighted to serve in the very fine work which the Foundation is doing and indicated that he saw as extremely important in the life of the University the role of the Foundation in providing assistance to the students of the University.

The purpose of his visit to the campus, according to Dr. Zacharias, was to have the opportunity to interact with people and not to outline his plans for the presidency. He reported that he had met with various individuals and groups on the campus, including the Executive Committee of the Faculty Senate and gave assurance to Chairman Tom Jones of his intention to work with that group in matters of concern. Dr. Zacharias recognized that one of the most important issues is how to provide additional support to the faculty, pointing out that an extremely important factor in obtaining resources for a margin of excellence is a faculty that is performing exceptionally well. He reported that in meeting with the Administrative Council he had asked them to be thinking creatively relative to possible approaches to provide additional resources. Dr. Zacharias commented that it is up to the Deans, the Vice Presidents, and the President to present the case for Western. Appreciation was expressed to the College Heights Foundation Board for the support which it provides the University-- both in the area of financial support and in the area of moral support, and he stated that he would be counting on their assistance in presenting the Western story.

Dr. Zacharias reported that one of the most gratifying experiences had been the number of good wishes received from people in the Bowling Green community, from alumni, and from friends of the University elsewhere; and for these he expressed appreciation. When he returns to the campus in approximately two weeks, he commented that he hoped to be able to meet with department heads and others. He reported that what he is now doing is listening, desiring to be the best possible listener between now and August 1 and weighing with great care what is said before action is taken on his part. Gratitude was expressed to the Board of Regents for their good wishes and for the opportunity to serve Western Kentucky University as President.

In making reference to a letter dated May 23 from President Minton to Mr. David C. Adkisson, Executive Vice President of the Owensboro Chamber of Commerce, relative to the Owensboro Consortium and its capability of meeting the higher education needs of the area, Chairman Cole reported that President Minton would continue to keep the Board advised regarding the matter.

Appreciation was expressed for the presence of Steve Thornton, who served as student Regent for the 1978-79 school year.

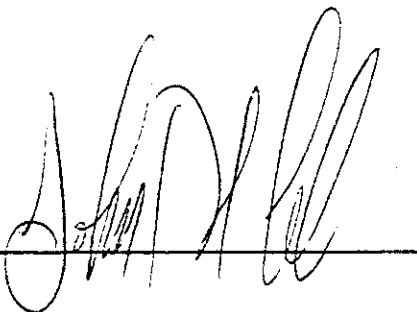
Introduction of Mr. Bobby McGuire, a graduate of Western Kentucky University from Atlanta, was made by Mr. Clark, whereupon appreciation was expressed for his presence.

There being no further business to come before the Board, the meeting adjourned at 4:00 p.m.


CERTIFICATION OF SECRETARY

I hereby certify that the minutes herein above set forth an accurate record of votes and actions taken by the Board of Regents of Western Kentucky University in its special meeting held on May 23, 1979, in the Regents Conference Room of the Wetherby Administration Building on the Western campus and further certify that the meeting was held in compliance with KRS 61.810, 61.815, 61.820, and 61.825 (enacted as Sections 2, 3, 4, and 5 of House Bill 100, 1974 Regular Session, General Assembly).

Chairman




Mary Sample, Secretary


Secretary