

AGENDA

UCA Faculty Senate



Thursday, August 21, 2008

Wingo 315, 12:45 p.m.

- I. Address by President Hardin
- II. Approval of minutes
 - A. April 24, 2008 (see Attachment 1)
 - B. April 29, 2008 (see Attachment 2)
- III. President's report
 - A. Introduction of Lance Grahn, Provost and Dean of Faculty
 - B. Update: Honor's Discussion Panel
 - C. Update: new faculty mace
 - D. Minutes from the Fringe Benefits Advisory Committee (see Attachment 3)
 - E. Address to the Board of Trustees (July 25, 2008)
- IV. Executive Committee Report
 - A. Parliamentarian Charles Seifert will discuss the by-laws and remind us about the basic rules and procedures for meetings
 - B. Meetings with President Hardin (see Attachment 4)
 - C. Meetings with Vice Presidents Anderson, Gillean, & McLendon (see Attachment 5)
 - D. Committee assignments
 - E. Committee charges
 1. Committee on Committees: *The General Education Council requests that an ex-officio, non-voting representative from the Torreyson Library faculty, appointed by the Library Director, be added to the membership of the Council.*
 2. Academic Affairs: *Prepare a position statement in response to the proposal, which may be considered at the next session of the Arkansas General Assembly, that ten percent of university funding be based on retention rates.*
 3. Faculty Affairs I: *Review the facts regarding President Hardin's deferred compensation requests to the Board of Trustees on March 25th and May 2nd of 2008, and based on these facts, present a*

recommendation and/or resolution on what action, if any, the Faculty Senate should take.

4. Faculty Affairs II: *Prepare a recommendation or resolution addressing the request that faculty be allowed to go up for tenure and promotion earlier than currently allowed by the Faculty Handbook.*

III. Announcements and concerns

- A. Reminder: College meetings with faculty senators, August 26th, x-period
- B. Reminder: General faculty meeting, August 28th, x-period
- C. Meeting on August 28, 2008, cancelled
- D. Next meeting: September 9, 2008
- E. Faculty concerns and announcements

IV. Adjournment

ATTACHMENT 1

Minutes

UCA Faculty Senate
Thursday, April 24, 2008
Wingo 315, 12:45 p.m.

President Powers called the meeting to order at 12:45 p.m. Present were Powers, Boniecki, Johnson, Parrack, Bradley, Wiedmaier, Holden, Rospert, McCullough, Lance, Castro, Seifert, Mehta, Christman, Lichtenstein, Jones, Ray, Schaefer, Runge, Interim Provost Atkinson. Advised Absence: Bell, Hebert, Wilmes, Craig, Young.

- I. Approval of minutes from April 8, 2008. Senator Seifert moved approval of the minutes with second by Senator Ray. Motion passed approving the minutes.
- II. Special guest Dr. Brad Teague, Director of Athletics. Dr. Teague spoke to questions of the student athlete at UCA and their academic progress. The NCAA requires a specific academic focus of athletic programs in Division I to retain eligibility. The first three years of Division I status is an exploratory period, followed by a four-year probationary period. UCA is already in the second year of the probationary period. UCA is already abiding by Division I rules covering academic progress of athletes.

Here are the NCAA rules regarding academic progress of student athletes:

<u>By end of:</u>	<u>Extent of degree progress:</u>	<u>With Min. GPA of:</u>
Freshman year	24 hours	1.8
Sophomore year	40% of total hrs	1.9
Junior year	60% of total hrs	1.9
Senior year	80% of total hrs	1.9
Fifth year	graduation	

UCA has 350 student athletes. Ninety-two percent of student athletes need to be academically eligible, by the above standards, for UCA to retain eligibility. UCA has no choice but to meet that standard. Here are several sample cumulative GPAs for various classifications of student athletes:

All women	3.12
All men	2.64
Women's volleyball	3.51
Men's cross country	3.01

Men's baseball	2.99
All student athletes	2.85

Both at UCA and nationally, student athletes graduate at a higher rate than the general student population. Student athletes must take 12 hours to be eligible as a full-time student athlete, and may take up to 15 hours. Every student athlete who is freshman-level and has a low GPA is required to do four hours of study hall, but it is not effective utilization of the time. The Division of Athletics would like to increase the number of personnel in academic support and the quality of facilities as well, but right now it is a budget problem.

In response to questions, especially regarding travel and classroom absence, Dr. Teague noted that the baseball season of 16 weeks (in which to play 56 games) has been reduced by NCAA to 13 weeks with no reduction in the number of games. This situation is being appealed to the next annual meeting of NCAA to reduce the number of games somewhat. Senators indicated that at present class attendance for baseball players is a problem.

Questions touched on academic personnel support. There is only one academic support staff member presently assigned to Athletics, and that is in academic advising, not academic tutoring. The UCA athletic program plans to earmark part of the revenue-sharing coming from Division I status for academic support. Suggestions from senators included: (1) utilize IT capabilities to post to the relevant faculty who the student athletes are and what their travel schedules are; (2) athletic representatives should request an opportunity for a statement to the early fall college meetings to advertise the need for support from departments for tutoring—departments may be more than happy to locate talented upperclassmen as tutors for the athletic program; (3) the foregoing requires some funding made available to departments to accomplish the objective; (4) part of the NCAA compliance report indicates that the Athletic Committee is not active enough, and that, generally, Athletics needs to be incorporated more into the academic affairs of the campus.

III. President's Report

A. Election Results for College Senators.

By college:	CBA	Mike Moore, Accounting
	CE	Shelly Albritton, Leadership Studies
	CFAC	Joanna Castner Post, Writing
	CHBS	James Fletcher, Physical Therapy; Kim McCullough, Speech-Language Pathology (replacement for Sherrye Craig)
	CLA	John Parrack, World Languages

CNSM Lori Isom, Chemistry

B. Election Results for Honors Faculty Policy Review Committee.

By college: CBA: Mike Rubach, Management and Marketing
(no other reports)

C. Faculty Handbook Committee.

1. Because of a typographical error, the Senate needs to pass a resolution of correction (made by Johnson and seconded by Parrack) for language regarding time in service. The report from the committee follows:

In Chapter Three, II, D, 3. Procedures for Advancement (p.12) the Faculty Handbook reads,

"During the fourth year of continuous service, a lecturer/clinical instructor/laboratory instructor I is eligible to be considered for advancement to level II status provided programmatic needs justify continuation of the position."

In the text above "fourth" should instead read "sixth" to be consistent with the description of the position in section D, 2 (p.12).

The time in service requirement was changed in prior edits of the Faculty Handbook; however, this section was overlooked.

Resolution to correct the Faculty Handbook wording as recommended, passed.

2. Action concerning the question of early consideration for promotion (tenure)
The report from the committee follows:

From the Faculty Senate minutes of January 24, 2008:

Senator Mehta delivered the following statement to the Faculty Senate, conveying concerns of several NSM faculty members:

"I believe several faculty, including myself, would like to see the Faculty Handbook changed to allow early consideration for promotion (maybe tenure). Any thoughts?" [from a concerned faculty member]

The request for review of Faculty Handbook language concerning "time in rank" for eligibility for tenure and promotion was referred to the Faculty Handbook Committee.

The Faculty Handbook states in Chapter 3, VII, D (p.19):

To be eligible for promotion to assistant professor, a faculty member shall have been an instructor for at least one year. For promotion to associate professor, a faculty member ordinarily will have been an assistant professor for at least six years, including any years' credit toward promotion granted with the initial appointment. For promotion to professor, a faculty member will have been an associate professor for at least six years. Years in rank shall mean

The Faculty Handbook committee discussed the matter at length. Ultimately, the committee decided to recommend no change in current language for the following reasons:

- 1. Current language in the handbook does permit credit at time of initial appointment for accomplishments elsewhere (p.19).*
- 2. A shorter period of service does not allow adequate time for appraisal of ability to work in a departmental and collegial setting (p.16).*
- 3. A shorter period of service does not allow adequate time for appraisal of teaching and counseling students as stated in the descriptions of faculty ranks (p. 16).*
- 4. A shorter period of service does not allow adequate time for appraisal of university service (p. 19).*

All page numbers refer to the November 2007 approved version of the Faculty Handbook.

Discussion and comments: (1) time in rank is still a very important consideration; (2) what is the practice in peer institutions? (3) faculty are normally expected to negotiate for credit on the "front end"; (4) but when faculty come in and greatly exceed expectations, there is no remedy.

President Powers noted that there is no recommendation for action and the matter will be passed to the next Senate.

Senator Mehta requested extraordinary senatorial privilege to insert the following comment from a faculty member from CNSM into this report of Senate deliberations. Extraordinary senatorial privilege was granted. The inserted text follows:

I appreciate the Faculty Handbook Committee's time to respond to my question regarding early tenure and promotion at UCA. However, I don't feel that the committee's response completely

addresses the concern. For example, is UCA's 6-year timeline for tenure and promotion consistent with our peer institutions? Also, the Committee's response did not refer to Section XII "Early Tenure Recommendation, subsection A" which allows for early tenure decisions if a faculty member has received a written offer of appointment with tenure from another regionally-accredited college or university. Must faculty desiring early tenure/promotion seek employment at other institutions before their worth is acknowledged here at UCA? In other words, does the current policy work for us to retain our best faculty?

I respectfully request that the Handbook Committee reexamine the current "time in rank" policy. Thank you.

- D. Academic Misconduct Policy. The policy is still held in abeyance. The Council of Deans has been supportive of the policy in general but still has reservations about a couple of details. There is also the question whether the power of suspension or expulsion can be assumed by any particular academic administrator without a specific grant of authority from the Board of Trustees.

The Faculty Senate has done what it can do. It cannot push the policy along any further. The policy now goes to a summit with the provost, deans, students, and attorneys. Everyone agrees that UCA needs a better-defined code of conduct for students, yet there is a reluctance, apparently, to implement punishment.

IV. Committee reports

A. Executive Committee.

1. Meeting with President Hardin. The state budget situation will not permit faculty pay raises immediately but some raises may come later in the fiscal year. The executive committee recommended that existing work by the Salary Review Committee be kept intact and that a plan be in place for distribution of salary monies once they are available. [Provost: All units across campus are taking a pro rata budget cut, and Academics will be able to handle most of its portion through unfilled positions. Travel will be limited until the budget picture clarifies, and all travel will have to be approved on a case-by-case basis at higher levels.]
2. Concurrent Enrollment Guidelines. The committee recommended to President Hardin that the guidelines be made official policy, and the President agreed to endorse the guidelines as University policy, by memo to be sent to department chairs.

3. President Powers statement. President Powers will report to the faculty on the year's events. Among many other accomplishments was the development of a good faculty development plan unable to be implemented at present because of budget issues, but it is ready and available when money returns. Progress has also been made on technology funding, once money returns.
- B. Committee on Committees. Vice-president Boniecki brought a recommendation to fill two at-large positions on the Institutional Review Board on recommendation from the provost. Vice-president Boniecki moved with second by Senator Parrack to name Prof. Boniecki and Prof. Ash. Motion passed.

There has been a pretty good response to the May 2 deadline on the committee interest survey sent to faculty. Department chairs will be urged to remind departments to complete the survey by those faculty who have not yet done so.

V. Announcements and Concerns

- A. The meeting of the "new senate" is 11:00 a.m., Tuesday, April 29, 2008. This organizational meeting will have to be in April due to the very early occurrence of final exam week this year. At that time, new officers will be elected.
- B. Senator Runge: Has there been any response from HR on social security options for part-time faculty? How about parking stickers for part-time faculty? [Not yet resolved.]
- C. Several departing Senators, including Senators Bradley and Runge, expressed appreciation for the collegiality and contribution of fellow senators during their years of service, and that Faculty Senate service had been an enjoyable experience. Senator Bradley also asked senators to keep Senator Bell in their thoughts. Senator Lichtenstein brought attention to good work from Physical Plant.

VI. Adjournment. Senator Ray moved for adjournment with universal second. Meeting adjourned 1:55 p.m.

ATTACHMENT 2

Minutes

UCA Faculty Senate
Tuesday, April 29, 2008
Wingo 315, 11:00 p.m.

President Boniecki called the meeting to order at 11:05 p.m. Present were Boniecki, Johnson, Moore, Albritton, Hebert, Wiedmaier, Rospert, Fletcher, Lance, McCullough, Castro, Parrack, Powers, Isom, Mehta, Seifert, Acre, Jones, Lichtenstein, Castner-Post, Ray, Schaefer, Interim Provost Atkinson.

IV. Election of Officers for 2008-2009.

- A. Vice President/President-elect. Senator Parrack's name was placed in nomination. Senator Lichtenstein moved with second by Senator Schaefer that nominations be closed. Motion passed. Senator Lichtenstein moved with second by Senator Ray to suspend the rules and elect Senator Parrack Vice President by acclamation. Motion passed. Senator John Parrack was elected Vice President by acclamation.
- B. Secretary. Senator McCullough's name was placed in nomination. Senator Seifert moved with second by Senator Ray that nominations be closed. Motion passed. Senator Lichtenstein moved with second by Senator Ray to suspend the rules and elect Senator McCullough Secretary by acclamation. Motion passed. Senator Kim McCullough was elected Secretary by acclamation.
- C. Parliamentarian. Senator Seifert's name was placed in nomination. Senator Fletcher moved with second by Senator Ray that nominations be closed. Motion passed. Senator Ray moved with second by Senator Mehta to suspend the rules and elect Senator Seifert Parliamentarian by acclamation. Motion passed. Senator Charles Seifert was elected Parliamentarian by acclamation.

V. President's Report.

- A. Approval of minutes from April 24, 2008. President Boniecki announced that because of early calendar and tight agenda deadlines, the minutes were not available and will be considered at the August meeting of the senate.
- B. Continuation of Concurrent Enrollment Advisory Committee. The ad hoc Concurrent Enrollment Advisory Committee has had a productive year with the writing of the Concurrent Enrollment Guidelines for use by academic

departments; these Guidelines are now part of official University policy. The original term of this committee was one year, with expiration due at May 15, 2008. The chair of the committee, Professor Francie Bolter, believes that there is more work for the Concurrent Enrollment Advisory Committee to do, but for an ad hoc committee an authorization is needed from the Faculty Senate to continue its life. Senator Johnson moved with second by Senator Ray to extend the term of the committee by one year from May 15, 2008 to May 15, 2009. Motion passed.

VI. Announcements and Concerns.

- A. The next meeting of the senate will be in August 2008 upon the beginning of the Fall Term.
- B. Senator Powers expressed a concern about a recently announced plan by the governor's office to present to the next session of the General Assembly (January 2009) a proposed state policy that ten percent of a university's funding be based on retention rates. Faculty need to communicate our concern to legislators about the long-term consequences of such "productivity" standards on state higher educational results if they are not tied to quality standards. This issue is moving fast and we need to be ready at the outset of the fall pre-session committee hearings by the legislature. We need to take specific steps such as writing a letter and position statement to leaders of the General Assembly, including members of the relevant legislative committees. [Provost: UCA is in favor of increasing graduation and retention rates, but there has been no mention from state leaders so far as to quality of education. The State of Arkansas, in its higher education policy, needs to hold or increase quality in the process of increasing retention. UCA is already doing a lot that is recommended in the literature, including the First-Year Experience, and we will intensify our oversight of these varied programs already in place at UCA to increase retention and graduation rates.]
- C. Senator Mehta requested additional review of early consideration for tenure policy, including referral back to the Faculty Handbook Committee. He requested inclusion of the following statement from some CNSM faculty in his extended comments of concern:

Please bring the following thought/concern to the Faculty Senate:

The issue of early tenure & promotion recommendations merits consideration by all faculty at UCA. Currently the faculty handbook requires that a faculty member seeking early tenure must first receive a written offer of appointment with tenure from another regionally-accredited college or university. Perhaps the faculty handbook should be amended to allow the academic department's Tenure and Promotion committee to nominate a candidate for early tenure and promotion (that is prior to the

sixth year). The candidate's tenure and promotion application would then go through the usual evaluation process by the college, dean, and provost in the same time frame as regular tenure and promotion applications. The department's Tenure and Promotion committee would be the appropriate group to evaluate and nominate a candidate for early tenure and promotion since they already evaluate regular tenure and promotion applications. This same procedure could also be used when considering faculty for early promotion to Full Professor. I respectfully ask that the Faculty Handbook Committee consider this suggestion. Thank you.

President Boniecki responded that since the Faculty Handbook Committee has already addressed the issue and reported to the Faculty Senate, the request will now be referred to the Faculty Affairs Committee of the senate to develop a Faculty Senate statement on it.

- D. President Boniecki reported a proposal from the President's Office via the Provost's Office for a new presidential medallion and matching mace. The President's Office will provide funds for the purchase. The President is interested in a redesign.

Questions and comments: (1) last time, a faculty committee oversaw the design; (2) is it prudent to spend money for decoration in the current budget crisis when so many essential things are going wanting? (3) it is said that the money will come from Presidential "discretionary" funds but in reality it is all one pot.

Senator Johnson moved with second by Senator Ray that the President's Office be requested to refer the proposal to the Public Art Committee for comment, since it is a matter of public art on campus. Motion was approved 15-4-2.

- E. Senator Parrack asked for a review of the support that the University gives to the Oxford American in these difficult financial times.

VII. Adjournment. Senator Mehta moved with second by Senator Lance to adjourn the meeting. Meeting adjourned 11:30 a.m.

ATTACHMENT 3

MINUTES

FRINGE BENEFITS ADVISORY COMMITTEE

July 17, 2008

Present: Wendy Castro, Judy Corcoran, Carol Daves, Rita Fleming, Joe Horton, Lori Hudspeth, John Lowe, Paul McLendon, Jeff Young

Not Present: Jeff Whittingham (out of town), Georgia Younker

Guests: Jack Gillean, Jeanette Paladino, Rhonda Roberts

1) Discussion on suggested proposal forwarded by Kurt Boniecki, Faculty Senate President, to reinstate benefits to current retirees led to the following motion and note:

The Fringe Benefits Committee recommends to the President and the Board of Trustees that payments toward supplemental health care benefits be reinstated as a lump sum payment to retirees currently receiving the supplemental health care payment of \$73 per month.

Please note: The Fringe Benefits Committee is in the process of reviewing information regarding reinstatement of current retiree dental and life insurance coverage, as well as supplemental payments and dental and life insurance coverage for current retirees who are not yet 65, employees in the phased retirement program, and future retirees, and plans to forward additional recommendations to the Board for the November 7 meeting.

Motion: Carol Daves 2nd: Judy Corcoran Approved

2) Rita Fleming reported that United Health Care submitted a proposal for a zero percent increase with no plan changes in coverage. After discussion, the following recommendation was made:

The Fringe Benefits Committee recommends accepting the United Health Care proposal of a zero percent increase with no plan changes in coverage.

Motion: Carol Daves 2nd: Lori Hudspeth Approved

3) Rita Fleming reported that MetLife Insurance submitted a proposal for a zero percent increase in life insurance. After discussion, the following recommendation was made:

The Fringe Benefits Committee recommends accepting the MetLife proposal of a zero percent increase.

Motion: Wendy Castro 2nd: Joe Horton Approved

4) Adjourned: 4:30 p.m.

ATTACHMENT 4

Timeline of Events Regarding President Hardin's Requested Deferred Compensation, 2008

- March 25 President Hardin sends a letter to the Chair of the Board of Trustees, Randy Sims, in response to a request from the Board that President Hardin propose “a compensation package consistent with comparable universities.” In the letter, President Hardin lists the compensation packages of the Presidents and Chancellors of the following “comparable” universities: University of Arkansas, University of Mississippi, and Mississippi State University. Based on the comparisons, President Hardin requests that \$150,000 in deferred compensation be put aside each January, starting in 2008, through the “remaining contracted period.” Citing a conversation with a University of Arkansas attorney, President Hardin states that the Board’s vote on the compensation does not need to be public because it is “deferred.” President Hardin further requests that the \$300,000 in existing deferred compensation—approved by the Board in August of 2005 to begin payment in 2010 if Lu Hardin remains UCA President for five years—be accelerated and paid out as a lump sum in 2008. In the letter, President Hardin also turns down an offer for a new President’s house and requests that he not receive a raise “because of state funding issues” and a possible “five percent tuition increase.” The full text of the letter is available at <http://showtime.arkansasonline.com/e/pdf2/luletter.pdf>.
- May 2 The Board of Trustees holds its regularly scheduled quarterly meeting. President Hardin announces that \$4.5 million in legislative cuts threatens raises for faculty and staff. The Board considers and approves a resolution to increase tuition five percent. During executive session (closed to the public), a memo of “talking points” regarding President Hardin’s requested compensation is distributed to Board members. The memo outlines the procedures that should be followed to set up, report, and disseminate the deferred compensation. The memo states that “the deferred compensation does not immediately vest and therefore, is not subject to FOI [the Freedom of Information Act]” and that “the motion publicly simply would be to approve all personnel proposals.” At the bottom of the memo, the names of Vice Presidents Jack Gillean, Barbara Anderson, and Paul McLendon are listed as “respectfully” submitting the document. The full text of the memo is available at <http://showtime.arkansasonline.com/e/pdf2/0502board.pdf>. The Board voted in executive session to approve the accelerated payment of the \$300,000 to President Hardin from the Board’s Auxillary Endowment Fund, consisting primarily of excess profits from student housing, the bookstore, and food services. After the executive session, the Board publicly approved all “personnel matters” discussed in executive session.
- June 17 Amidst rumors that President Hardin received a raise, while faculty and staff did not, Faculty Senate President Kurt Boniecki asks President Hardin before a hastily called special Board meeting whether he has or will be receiving a raise. President Hardin answers “absolutely not.” During the meeting, the Board of Trustees approves a series of cuts to the benefits of current and future retirees to begin January 1, 2009.

- July 1 The Faculty Senate Executive Committee meets with President Hardin and Vice Presidents Barbara Anderson, Joe Darling, and Jack Gillean. Amidst further rumors that President Hardin received a substantial bonus, Faculty Senate President Boniecki asks President Hardin if he has received a bonus or any other form of additional compensation. President Hardin answers that the Board of Trustees voted in executive session to accelerate the payment of the \$300,000 in deferred compensation by two years. He explains that the vote was the Board's decision and that he was not present during the executive session. Faculty Senate President Boniecki asks President Hardin to return the money. The Democrat-Gazette runs a story about the \$300,000 bonus (<http://www2.arkansasonline.com/news/2008/jul/01/hardin-received-300000-incentive-stay-uca-he-says/>). In the article, President Hardin is quoted as saying "There weren't any clandestine intentions by the board."
- July 10 Following concerns that the money in the Board's Auxillary Endowment Fund used to pay the \$300,000 is public rather than private, the Board of Trustees seeks an opinion from the Attorney General. If the money is public, the \$300,000 would exceed the state salary cap. Legally, President Hardin can receive 125% of the state cap plus money from private funds. According to a spreadsheet submitted by Executive Vice President Barbara Anderson, President Hardin's current total salary, including public and private funds, is \$252,874.
- July 16 President Hardin announces in a press release that he will reimburse the \$300,000. In the press release, Hardin says, "I have already acknowledged that this matter was not handled well, and I deeply regret the mistakes we made. The UCA Board of Trustees and I are taking corrective measures to ensure this error never happens again." The press release further states that "Hardin will receive his deferred compensation only if private funds are used to cover the full amount, and only after the UCA faculty receives salary increases." Randy Sims, Chair of the Board of Trustees, is quoted in the press release saying "This deferred compensation was voted on three years ago and was accelerated because of Lu Hardin's remarkable success in dramatically increasing student enrollment, increasing the average ACT scores of UCA's entering freshmen, bringing UCA into Division I athletics, and procuring a new \$18 million building for UCA's College of Business. However, like Lu Hardin, the Board is sensitive to the concerns of the faculty, and I believe this will be a positive move and an appropriate response to many of the concerns they raised."
- July 18 President Hardin reimburses UCA \$200,000 (\$350 more than the \$300,000 minus \$100,350 withheld for taxes). According to Rita Fleming, Associate Vice President for Human Resources, the taxes will be recouped later.
- July 22 The Executive Committee of the Faculty Senate meets with President Hardin and Vice Presidents Barbara Anderson and Joe Darling. Discussions primarily focus on reinstating benefits for current retirees and the upcoming legislative session. Faculty Senate President Boniecki thanks President Hardin for doing the right thing by giving the \$300,000 bonus back. President Hardin states that in the future he will err on the side of full disclosure. The Arkansas Attorney General's office releases an opinion in

- response to the Board of Trustees's request, stating "it is beyond dispute, in my opinion, that 'cash funds' of a public university are public, rather than private funds."
- July 23 Board member Dr. Michael Stanton faxes to members of the press the March 25th letter written by President Hardin to Randy Sims and the memo distributed to members of the Board during executive session at the May 2nd Board meeting. Up to this date, the letter and memo were not publicly known.
- July 25 The Board of Trustees holds its regularly scheduled quarterly meeting. At the meeting, President Hardin publicly apologizes for the mistakes he made. After returning from executive session, Randy Sims, Chair of the Board of Trustees, announces, "Executive sessions of the Board will be strictly for the discussion of personnel matters. No action can be taken on any matter without a specific public vote. All media will have access to a copy of the detailed personnel list of changes discussed in executive session. Any amendments to the list will be clearly highlighted during the public vote." The Board takes no action regarding President Hardin's compensation or contract. Staff Senate President Carol Daves and Faculty Senate President Kurt Boniecki address the Board. The full text of Boniecki's address is available at http://www.uca.edu/org/facultysenate/Documents/Address_to_Board_July_25.pdf.
- July 26 President Hardin reveals in an article published by the Democrat-Gazette that he, not the three Vice Presidents, authored the memo given to the Board during the executive session on May 2nd (see <http://www2.arkansasonline.com/news/2008/jul/26/uca-puts-hardin-bonus-20080726/?print>). Hardin is quoted as saying, "We met several times, and I compiled it." According to the Vice Presidents, they were unaware of the memo until recently. At one point, the memo states "I (Jack Gillean)..." and Jack Gillean is listed as the first Vice President submitting the memo. Jack Gillean is quoted by the Democrat-Gazette as saying he was "certainly surprised and disappointed" when he learned about the memo. According to the article, Barbara Anderson "recognized some of the memo's points from past discussions." Paul McLendon is quoted as saying, "I didn't help write it. The first time I saw it was this week." A key point of the memo was the last one, which advised the Board that the deferred compensation was not subject to the Freedom of Information Act and therefore the Board did not have to vote specifically on the compensation in public. Jack Gillean is quoted as saying "I strongly disagree with the way it's worded. The [Freedom of Information Act] issues addressed in that statement were contradictory to my views."
- August 6 The Faculty Senate Executive Committee meets individually with Vice Presidents Barbara Anderson, Jack Gillean, and Paul McLendon. Each Vice President is asked questions to assess their role in the production of the memo ascribed to them, but actually written by President Hardin. The minutes of these interviews follow this document. The Board of Trustees holds a special meeting to hear from "leaders of different organizations." Endorsements of President Hardin are

presented in person, by phone, or by letter from the following individuals: Barbara Anderson, UCA Executive Vice President; Jack Bell, assistant to the Conway mayor; Harold Helton, member of the UCA Alumni Association; Ross Honea, member of the UCA Foundation's Board of Directors; Brad Lacy, President and CEO of the Conway Chamber of Commerce; Frank Shaw, Conway area attorney, Pam Sikes, UCA Business Professor; and Roy Whitehead, UCA Business Professor. SGA President Drew Aylesworth, Staff Senate President Carol Daves, and Faculty Senate President Kurt Boniecki present the concerns of their constituency to the Board. Boniecki explains to the Board that the memo has created "a sense of outrage from many faculty members" because it violates the standards of integrity that we hold all faculty, staff, and students to at UCA.

Note: Some of the information and quotes presented above came from newspaper articles published by the Democrat-Gazette (www.arkansasonline.com) and the Log Cabin Democrat (www.thecabin.net) between July 1 and August 8, 2008.

ATTACHMENT 5

Minutes from Individual Meetings with UCA Vice Presidents August 6, 2008

Present: Kurt Boniecki, John Parrack, Kim McCullough, & Chuck Seifert

Vice Presidents Barbara Anderson, Jack Gillean, and Paul McClendon were independently asked the same set of questions in regards to the memo distributed to the Board of Trustees during executive session on May 2nd. Anderson was interviewed at 8:10 a.m., McLendon at 8:45 a.m., and Gillean at 9:00 a.m. Below are the questions and their answers.

1. Did you write any of the statements in the memo?

BA: *No, not any part*

JG: *No*

PM: *No*

2. Prior to May 2nd, did you review the memo and report on the accuracy of the statements to the President?

BA: *No*

JG: *No*

PM: *No*

3. Were you present during the executive session, on May 2?

BA: *No*

JG: *No*

PM: *No*

4. If no (to 3), were you aware of the memo before the meeting on May 2? If not, when did you learn of the memo?

BA: *No, I learned about it right before the July 25th BOT meeting (right before it was given to the press [on July 23rd] I had a hint from a former employee that it existed).*

JG: *No, I learned about the memo and letter on July 19th. [Board member] Dr. Michael Stanton contacted me; we met and reviewed the documents [on July 19th].*

PM: *Not until the July [25th] Board of Trustees meeting.*

5. Let's review the specific statements in the memo. At any time, prior to May 2nd, did you advise the President or have a conversation with the President about the following points?
 - \$300,000 was voted on three years ago. Paul McLendon has sequestered the money and it has been in place for two full years. A mere vote for the money to be transferred is all that is needed. The compensation vote is already on record with a motion by Rush Harding.

BA: *I had several conversations this year [2008] with President Hardin as well as with Rita Fleming, Jack Gillean, and Paul McClendon regarding this issue. We had discussions about whether or not the \$300k should be sent to TIAA (or another investment broker) and whose name (Lu Hardin or UCA) should be placed on the account. All conversations were about how the money would be paid out over a period of time. I always assumed that a vote [by the Board of Trustees] would be needed to accelerate the compensation.*

JG: *No, I don't recall specific conversations about a plan of deferred compensation leading up to the May 2 board meeting. Let me give you a little background/context. In August of 2005 the Board of Trustees approved the \$300,000 deferred compensation. We had discussions then into 2006 and possibly early 2007 about how to comply with IRS regulations. The plan was to set up a TIAA CREFF account so that when it matured we would have a fund – that plan was never finalized. Tom Courtway had issues [with payment of the deferred compensation] back in 2005 and 2006 regarding the 125% rule. The Board of Trustees during Win Thompson's tenure hired outside counsel to draft a plan of deferred compensation. The last conversation I had regarding [President Hardin's \$300,000 deferred compensation] may have been early 2007. I don't recall any specific discussion with Paul McClendon regarding this issue. So, essentially nothing was ever resolved about where the money "was" and how it was to be paid out. I don't know that it was ever set aside for Lu Hardin. These discussions never occurred in my presence.*

My role is to manage the Board of Trustees and prepare the agenda. I was at the May 2 Board meeting but not the executive session. Lu Hardin and Barbara Anderson are also involved in this process. Tom Courtway serves as legal counsel to the board. I don't often provide specific legal advice. My contact with the board is only administrative. I am also responsible for following through with board action items. There are no official minutes of the executive sessions.

Lu Hardin made a specific request to Mary Kay Dunaway [UCA Controller] in June to cut the \$300,000 check. She called Rita Fleming to get approval to do this. Rita said it was approved but to ask Jack because he knew all about it. I did not. So, Randy Simms [Chair of the Board of Trustees] submitted a letter to Rita Fleming to authorize the \$300,000 check based on the board's action [in executive session]. I have requested a copy of this letter but have never received it.

I had no discussions with Lu Hardin or Barbara Anderson regarding the accelerated payout of the \$300,000. I had no discussions with Barbara Anderson about any points in the memo leading up to the May 2 board meeting or anytime this summer. Any conversations about deferred compensation are remote in time and not contemporary to the May 2 meeting.

PM: *Lu Hardin asked me how much was in the [Board of Trustees Auxillary Endowment] Fund. I did say there was approximately \$300,000 in the fund. I had assumed the Board of Trustees decided not to do anything because they would have had to modify the action [of August 2005 publicly].*

- The \$150,000 (or \$200,000) deferred compensation would be paid subject to Internal Revenue Code 457 (F). A previous contract existed with Win Thompson specifically citing Internal Revenue Code 457 (F).

BA: *Based on conversations about Win Thompson's contracts, I wrongly assumed that Jack Gillean had prepared the contracts for Win Thompson; all of us, Hardin, Fleming, McLendon and I asked Gillean how deferred compensation was handled for Thompson. We also checked on the IRS code.*

JG: *I did not know about this [\$150,000 deferred compensation] until I read the memo with Dr. Stanton.*

PM: *I did not have a discussion that mentioned \$150,000; there were discussions relative to a deferred compensation plan but not specific to \$150,000. I explained to the president the 125% rule and that the payout at some later date [of money from deferred compensation] had to comply with that [rule] and IRS requirements.*

- The sums placed into deferred compensation will not be paid to President Hardin until he retires. The sums will then be paid out over a period equal to his final compensation, i.e., if there is \$900,000 of deferred compensation in the fund when the president retires and his salary is \$300,000/year, he must legally draw the sum over a three-year period.

BA: *I had no conversations with Lu Hardin about the additional \$150,000 deferred compensation package requested per se, only about deferred compensation in general. Regarding the \$300,000 [deferred compensation], I had concerns about the "line-item maximum issue" as any amount had to conform to state law.*

JG: *I did not know about this [\$150,000 deferred compensation] until I read the memo with Dr. Stanton.*

PM: *I do not remember any discussion I had with the exec. about \$900,000. The discussion with the president was general in nature and yes, the payout over a longer period was discussed. It was also discussed that the IRS rule requires that, once the president meets the requirement of the restrictions [for deferred compensation] (for example, must work for six additional years), the president has the ability to control*

and/or receive the amount [of compensation]. I did not know specifically [that] we were talking about \$150,000 a year being placed in the plan.

- Since this is deferred compensation, it is not required to be reported as present income. The University of Arkansas presently has a fund of deferred compensation of \$150,000/year for David Gearhart and Alan Sugg. Our research, per the Board's request, indicates both U of A positions pay \$450,000/year with \$300,000 as present income and \$150,000 as deferred compensation. President Hardin is currently paid \$250,000/year with no deferred compensation.

BA: *President Hardin did this research himself. I had no part in this [research]. He is friends with some of the other [university] officials. Also, this information is readily available in the Chronicle of Higher Education, ADHE and the state legislature.*

JG: *I did not do any research regarding the compensation of other university officials.*

PM: *I was not involved in the research about other University Presidents' compensation packages. As it relates to setting up the fund by the [Board of] Trustees, I had no idea that the non-disclosure was being considered, regardless of the plan type--deferred or bonus. Both [types of compensation] were always approved by a public vote in any case I have known about. I did say in my explanation of Win [Thompson]'s [compensation] package that the Board of Trustees had approved it.*

- All of the above were positively reviewed by Legislative Audit when Win Thompson was president. I (Jack Gillean) helped draft the documents and will draft essentially the same documents for this package.

BA: *I didn't know that Tom Courtway was Win Thompson's lawyer. I was surprised to learn that Jack Gillean did not prepare deferred compensation documents for Win Thompson. Lu Hardin and I just assumed that Jack Gillean and Melissa Rust prepared the Thompson contract. So I can understand why President Hardin made this statement. It is just incorrectly written in the first person.*

The irony of this entire discussion is if President Hardin had written the document in the reverse order, i.e., using the preface of "In discussions with Jack Gillean, Barbara Anderson and Paul McLendon the following information is provided:," there would no ethics issue. I truly believe that this document was written in haste on the morning of the Board meeting and was in response to an earlier Board request about the adequacy of President Hardin's compensation.

JG: *This was not my statement. I had no part in preparing this memo. Win Thompson's deferred compensation package was prepared by outside counsel. I can't recall a conversation where I told Lu Hardin that I had prepared the Win Thompson document.*

PM: *I did not have any knowledge that Jack was involved in drafting the Win [Thompson] documents. It was my understanding that an outside attorney provided assistance to Win [Thompson]. The Legislative Audit did not indicate anything negative about the Win [Thompson compensation] package.*

- Finally, as stated, the \$300,000 has already been voted on and is of record. The deferred compensation does not immediately vest and therefore, is not subject to FOI. That is why Alan Sugg shows only \$300,000 income in Arkansas Business. The motion publicly simply would be to approve all personnel proposals.

BA: *I was not involved in any conversations about FOI with Lu Hardin. President Hardin has admitted both publicly and privately that this was his gross error.*

I have thought about this statement, in particular, a great deal because it was the most surprising to me. President Hardin has taken great pride throughout his career in being an FOI advocate. My speculation is that his reasoning at the time, incorrect as it was, was based on the fact that the deferred compensation already had been voted on publically, and that the acceleration was simply an administrative implementation of the previous vote. This is the only way that I can understand his reasoning in that statement.

JG: *I do agree that the deferred compensation does not immediately vest. However, I did not advise Barbara Anderson or Lu Hardin regarding this statement about FOI. In fact, I believe this violates FOI. I also did not recommend that the board could vote on the deferred compensation in executive session and need only approve all personnel proposals in public.*

PM: *I would not have signed this memo based on this statement alone even if the rest was accurate. I could not sign [because] I knew that the Board of Trustees must approve [the compensation] by a public vote regardless of the compensation type.*

6. President Hardin also submitted a letter to Randy Sims dated Mar 25th proposing a compensation package. Did you have any part in preparing that letter or in collecting the data that was presented in that letter?

BA: *This was a private letter and I had no role in preparing that letter.*

JG: *No*

PM: *No, [I had] no part in the preparation [of the letter].*

7. If no (to 6), when did you become aware that the letter had been submitted?

BA: *I became aware of this letter when it hit the press [on July 23rd].*

JG: *I became aware of the memo and letter on July 19th. Dr. Michael Stanton contacted me; we met and reviewed the documents. Dr. Stanton did not indicate when he had received the letter.*

PM: *I became aware of it just before it hit the press [on July 23rd].*

8. When did the board as a whole see that letter?

BA: *I assume that the board saw it on May 2 but I don't know that.*

JG: *I don't know.*

PM: *I assume that the board saw it right about the time it was dated [Mar 25th, 2000] but I didn't get any calls about it from board members.*

Other points from the Vice Presidents:

BA: *I was late for the May 2nd board meeting due to an insurance meeting in north Arkansas. If I had seen the document in question, I would have advised the President to at the very least format the document differently, but President Hardin works at warp speed. I consider the document to be an administrative error [rather than a deliberate, calculated breach of ethics].*

JG: *It was inappropriate for my name to be put on this memo. I was not consulted on the content. I did not author any part or whole of this memo. I am extremely uncomfortable and frustrated with this whole matter.*

PM: *It was not appropriate to put my name on this memo. It is not acceptable. Lu Hardin should have had us review this [memo].*

When the subject of additional compensation (not a specific amount) in the later part of April 2008 was presented by the president, I expressed my opinion that, with the cuts we were having to make, I thought this was a bad time to even consider any form of additional compensation. I did know some form of compensation would be discussed by the Board of Trustee's at the May 2nd meeting but not the specific amounts or types. When the Board of Trustees did not bring up the compensation as a modification to the personnel list, I assumed that they had decided not to make any changes.