

Morehead, Kentucky
July 24, 1984

The Board of Regents of Morehead State University met in special session on Tuesday, July 24, 1984, at 6 p.m. in the Riggle Room of the Adron Doran University Center.

Chairman Robert M. Duncan called the meeting to order and Dr. John R. Duncan delivered the invocation.

Mrs. Carol Johnson, Notary Public, administered the oath of office to Mr. Michael Fox, newly elected Student Association President and Student Representative on the Board of Regents for the 1984-85 fiscal year.

On roll call, the following members were present:

Mr. John Baird
Mr. Walter W. Carr
Mr. Lloyd Cassity
Mrs. Eunice H. Caston
Dr. John R. Duncan
Mr. Robert M. Duncan
Mr. Michael Fox
Mr. Harry LaViers, Jr.
Mr. J. M. Richardson
Dr. Forest M. Skaggs

Absent: None

Chairman Duncan declared there was a quorum present and proceeded with the business at hand. The Chair recognized Danny Wright to introduce the members of the media in attendance: Stephanie Horn, Channel 36 in Lexington; Ray Keeton, Channel 27 in Lexington; Dick Wilson, Courier-Journal; Jim Malone, Mt. Sterling Advocate; Joe Lamb; The Morehead News; Cheryl Truman, Lexington Herald-Leader; Douglas Bolton and John Wolfe; WMKY Radio Station; and Mike Hanson and David Bauer, The Trail Blazer.

Mr. Duncan entertained a motion regarding the minutes of the meeting held June 27, 1984, which had been distributed by mail to the members of the Board. Chairman Duncan asked if there were corrections, additions or deletions to the minutes. Motion was made by Dr. Skaggs, seconded by Mr. Fox, that the minutes be approved as distributed. Motion carried.

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Chairman Duncan indicated that the next item of business was the consideration of the terms of employment of Dr. Morris L. Norfleet as Chancellor for Corporate Relations by Morehead State University; his sabbatical leave in connection with this employment and his employment as President of Morehead State University; and consideration and discussion of possible litigation involving this employment and sabbatical leave.

As Chairman, Mr. Duncan indicated he had asked Dr. Norfleet to attend the meeting and explained that Dr. Norfleet had a statement that he wanted to make to the Board if it were their pleasure. Mr. Duncan further explained that under the Bylaws of the Board of Regents, the Board was not obligated to receive Dr. Norfleet's statement. There being no objections, the Chairman called for a five-minute recess and sent for Dr. Norfleet.

Chairman Duncan declared the recess to be over and recognized Dr. Morris Norfleet for the purpose of making a statement pertaining to Item VI on the agenda. The statement is as follows: (The complete text of Dr. Norfleet's typewritten statement which he submitted to the Board appears later in the minutes).

At the last meeting of this group, after discussion, I was offered a contract which I accepted and the contract was offered I am sure in good faith and I accepted in good faith and I considered it a legal contract as all contracts of the University. Since that time, because of circumstances which have changed a little, I would like to make a request to the Board for their consideration. I would like to request that my contract be changed and instead of being a twelve-month that it be a ten-month contract at the same salary as now stipulated and that my contract would begin July 1, 1984, as it is now stated, but would terminate for the first year on April 30, 1985, with the 1985 contract starting on July 1, 1985, and going for the nine-month period as agreed upon. Further, I would like to request a change in the transitional agreement which is an addendum to my contract eliminating the housing or housing allowance which is provided in the agreement. This request that I am making would also change the sabbatical to a ten-month sabbatical. These changes are requested based on what I think best for all concerned and that all other points of the agreement and the contract remain as originally agreed upon.

Dr. Norfleet indicated he would not respond to questions and that all questions should be directed to Chairman Duncan. However, an interpretation was requested pertaining to "same salary" in his statement, and that was clarified by Dr. Norfleet as meaning the same monthly amount or \$6,000 per month for a total of \$60,000 for the ten-month period.

Mr. Baird moved, seconded by Mr. Cassity, that the Board accept Dr. Norfleet's request that his contract be amended in regard to the consideration and give him a ten-month instead of a twelve-month contract for a total consideration of \$60,000 beginning July 1, 1984, and ending April 30, 1985, and also eliminating his housing allowance and, further, that Dr. Norfleet's full typewritten statement be included in the motion whereupon Chairman Duncan instructed the Board secretary to read the complete text of Dr. Norfleet's statement. The statement follows:

Much has been written and said about the decisions made by the Board of Regents at Morehead State University regarding my transition from the Presidency to my new position as Chancellor for Corporate Relations.

For the record, there are some points that need to be made that were taken into consideration by the Board in making their decision.

When I decided to step down as President, I thought the timing was right for a new person to come in because I knew if I accepted a new contract that I did not want to remain as President for more than two years. The timing was right for the University and me. I wanted to remain at the University so that I could continue to make contributions to eastern Kentucky and the Board wanted me to stay in some capacity.

When the decision was made as to what I should do and under what conditions, the Board was aware of:

1. The fact that I had not taken more than one week vacation per year for twenty-two years at the University, while I was eligible for three weeks each year.
2. For the past eight years, I have not taken an entire week of vacation even though the Board has wanted me to take a minimum of three weeks each year.

3. I have been eligible for three sabbatical leaves consisting of one half year each at full salary as a faculty member for a total of one and one half years of leave time during the twenty-two years I have been at MSU but have never taken a sabbatical. My sabbatical is an earned leave. It is customary in higher education to give a sabbatical to administrators who are changing positions within the University to give time to prepare for new responsibilities.
4. I have not taken full holiday vacations such as Christmas and spring break.
5. My wife has worked $7\frac{1}{2}$ years full time for the University without pay and she was glad to be able to make a contribution.
6. I requested the smallest increment for the 1983-84 year of any employee.
7. The Board has always taken seriously the charge in our Mission Statement to be involved in economic development of our region and the establishment of this new position is further evidence of their commitment to the concept.
8. My joint appointment with the American Association of State Colleges and Universities during my sabbatical was viewed by the Board as an opportunity of making contacts with foundations, Washington offices, and corporate executives, which will be of benefit to the University. The time and effort will be an investment in the future of MSU. Further, during this period I plan to study the coal industry to see how the University can relate more effectively to this important segment of our eastern Kentucky economic structure. These two efforts will occupy all my time for the benefit of the University.

Therefore, I feel the Executive Committee and the Board made the right decision in what they thought best for the situation at that time, further, I accepted the conditions of the decision with the same thought in mind.

However, due to circumstances which have arisen and in order to do what I think is best for the University I am requesting a change in my 1984-85 contract as outlined below:

I would like to have a contract for ten months instead of twelve as it was issued. The contract would start July 1, 1984, and terminate April 30, 1985, at the same monthly rate as my present contract. Therefore, the annual salary would be reduced from \$72,000 to \$60,000. Further, my 1985 contract would start on July 1, 1985.

I would like to request a change in the transitional agreement which is an addendum to my contract eliminating the housing or housing allowance which is provided in the agreement. This would also change the one year sabbatical to ten months.

These changes are requested based on what I think best for all concerned and that all other points of the agreement and contract remain as originally agreed upon.

Following extensive discussion by the members of the Board and Attorney F. C. Bryan, Legal Counsel for the University, Dr. Duncan moved, seconded by Mr. Carr, to amend the original motion to assert:

- (1) That the Chairman of the Board of Regents appoint three (3) members of the Board to negotiate with Dr. Morris L. Norfleet the salary, terms and conditions of his employment with Morehead State University as Chancellor for Corporate Relations and his sabbatical leave for the 1984-85 school year for the purpose of revising the contract downward. This includes the items of salary, housing allowance, and sabbatical leave along with other items in the original agreement of the Executive Committee; and
- (2) That no payments of salary or sabbatical leave be paid to Dr. Morris L. Norfleet by Morehead State University until a renegotiated employment contract has been executed by the parties.

Prior to voting on the amended motion, it was clarified for the entire Board that any results of the attempted renegotiations would be brought back to the Board for consideration and possible action by the Board prior to any implementation.

Further, President Reinhard requested that the renegotiations include, if possible, leaving the previously fixed title of Dr. Norfleet's position to the discretion of the President and based upon the greatest needs of the University and, also, the renegotiations include a specific clarification about a job description and, especially, where the Board's action stated that he is to develop a job description "in concert" with Dr. Norfleet.

The following roll call vote was taken on the amended motion:

Mr. Carr	Aye
Dr. Duncan	Aye
Mr. Fox	Aye
Mr. Richardson	Aye
Mrs. Caston	Aye
Mr. Duncan	Aye
Mr. Baird	Nay
Mr. Cassity	Nay
Mr. LaViers	Nay
Dr. Skaggs	Nay

Chairman Duncan indicated that he purposely asked to be called last because he had attempted to remain impartial. He indicated it had been a very trying period in his life as he knew it had been for the rest of the Board members and he was trying to do the moral and best thing for the University and the citizens of the Commonwealth of Kentucky. Mr. Duncan said that he had been reading articles pertaining to actions of this board and other boards in trying to come to some conclusion on the situation, but it was not an easy decision and personal liability was involved. He indicated that he felt Dr. Norfleet had made a step in the right direction and, if the Board supported the motion, he could support the acceptance of a compromise with Dr. Norfleet and to keep the Board from being divided five to five again and to keep the spirit of compromise held out, he voted for the amendment in order for the Board to attempt negotiation with Dr. Norfleet. The Chair voted Aye.

Chairman Duncan announced that the vote was six to four in favor of the amendment and that the Ayes have it.

Chairman Duncan asked for a vote on the motion as amended and for the Secretary to call each person's name. Clarification was made by the Chairman that when a motion is amended, it is in effect being replaced with the amendment. The following roll call vote was taken on the motion as amended.

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Mr. Carr	Aye
Mrs. Caston	Aye
Dr. Duncan	Aye
Mr. Fox	Aye
Mr. Richardson	Aye
Mr. Duncan	Aye
Mr. Baird	Nay
Mr. Cassity	Nay
Mr. LaViers	Nay
Dr. Skaggs	Nay

Chairman Duncan announced that the vote was six to four and the motion was adopted as amended.

The Chair opened the floor for any member to give an explanation of their vote and also for the purpose of volunteers to serve on the committee. Chairman Duncan indicated that a public announcement would be made of the committee in the near future.

Chairman Duncan indicated that the next order of business was Item VII (Other Business) and called upon President Reinhard to make a recommendation concerning a transition in the administration of the University.

President Reinhard commented that while he had been at Morehead State University for a short period of time, it was necessary to make a significant change in the administration which he felt was in the best interests of the University and he recommended that the Board approve removing Mr. John Graham, effective July 23, 1984, from the position of Vice President for Fiscal Affairs and, since Mr. Graham had been granted administrative tenure by the Board of Regents in 1971 as Assistant Professor of Accounting, that he be transferred to the Department of Accounting and Economics, School of Business and Economics, for the 1984-85 academic year and, further, that his current salary (\$49,215) would be honored for the next calendar year effective as of July 23, 1984, through July 22, 1985, at which time he would revert to a regular faculty contract and at a salary based on his qualifications as an Assistant Professor of Accounting and based on the recommendations of the Dean of the School of Business and Economics and the Vice President for Academic Affairs. Mr. Graham would be on annual leave until the beginning of the 1984 Fall Semester.

President Reinhard further recommended that the Board approve Mr. Porter Dailey's appointment as Acting Vice President for Fiscal Affairs and Director of Budgets effective as of July 23, 1984, and continuing until such time as a national

search is conducted and a Vice President for Administrative and Fiscal Affairs is named and that his current salary (\$42,473) be increased \$3,000 on a twelve-month basis for the additional responsibilities he has assumed. He further recommended that Mr. Dailey be given consideration by the Board for the possibility of being elected Treasurer for the Board of Regents.

Chairman Duncan opened the floor for a motion regarding the President's recommendations whereupon Mr. Richardson moved, seconded by Mr. Baird, that the Board approve the recommendations. Motion unanimously carried.

The Chair declared the nomination and election process for Treasurer open and recognized Dr. Duncan who placed in nomination for the position of Treasurer of the Board of Regents Mr. Porter Dailey. Motion was seconded by Mr. Cassity. Dr. Skaggs moved, seconded by Mr. Richardson, that the nominations cease. Motion carried. Chairman Duncan called for a vote on the election of Mr. Porter Dailey as Treasurer. Motion unanimously carried.

There being no further business to conduct, Dr. Duncan moved, seconded by Mrs. Caston, that the meeting adjourn. Motion carried.


Chairman


Secretary