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April 29, 2016

**MEMORANDUM**

TO: Dr. Kate Hudepohl, Chair, University Senate  
FROM: Gary A. Ransdell *Gary*  
SUBJECT: Senate Motion and Resolutions

Thanks, Kate, for your recent communiqué which included a Senate Motion and two Resolutions. With regard to the Senate resolution regarding the "Policy on Policies," I note that this internal policy was never intended to include or apply Board action / created policy, and was never presented to the Board for its approval or adoption.

The Policy on Policies was put in place to bring uniformity to internal policies that are recommended, adopted, amended or repealed from time to time as required and appropriate. The Policy also contains language which, in some instances, requires review and comment by the University community prior to approval.

However, I will ask Julia McDonald, with assistance from University archives, to seek to identify actions taken by the Board which created a "policy." When the research is completed, we will examine the actions taken and the feasibility of establishing a link to such actions on the Board's webpage.

Regarding the Senate Resolution on prioritizing wage increases in the base budget, I am pleased to inform you that we will implement a 3 percent salary increase spread across three dates over a 12-month period. The increase will include a 1 percent salary increase on July 1, 2016; a 1 percent salary increase on January 1, 2017; and, a 1 percent salary increase on July 1, 2017. The initial 1 percent on July 1, 2016, will be included in the FY16-17 budget; the January 1, 2017 and July 1, 2017 increases will be covered through the Equity appropriation recently approved by the General Assembly in the 2016-18 second year of the biennial budget. The Equity variable produces \$2.4 million. I have said throughout this legislative session as we have fought hard for Equity funding, that the Equity funding will be used for faculty and staff compensation. If there is additional capacity in the 2017-18 fiscal year budget, either through unused Equity funds or other sources, we will add to the 3 percent increase described above. Regarding the last four words of the Resolution, "and all subsequent budgets," I trust you understand that I cannot obligate future budgets for which I will not be accountable. The 2017-18 fiscal year budget will be the last budget that I will administer. The next President will

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be responsible for putting the FY18-19 fiscal year budget together and any subsequent budgets under his or her authority.

Regarding the Resolution "restricting new building and renovation," I appreciate the concern expressed in this Resolution, but it is impractical. I can commit that our primary focus going forward will be state-funded buildings, and we will continue to stay with our priority that state-funded projects will be confined to academic priorities. A new College of Business building is currently No. 1 on that list.

The reason the Resolution is impractical, however, is because there are numerous other financing mechanisms and ways in which projects get funded, most of which do not involve E&G funding either in debt service or in maintenance and operations. For example, we will be implementing a number of housing improvements over the next several years. These will all be done through the Student Life Foundation, as the Student Life Foundation seeks to keep our student housing relevant and of sufficient quality. All costs associated with residence hall improvements and upgrades will be borne through the Student Life Foundation. Another example is the Creason Lot parking garage which will be built over the coming year. This was funded a year ago through a student fee and was approved by the Board of Regents and the Council on Postsecondary Education. It will require an agency bond which, again, will be financed through the revenue generated by the SGA approved student fee. Yet another example is the pending renovation of the Garrett Conference Center. This will all be done with private money through a new dining contract which will be bid by the end of 2016. This is an Auxiliary operation and will not involve E&G funds. None of these three projects are correlated with enrollment growth and, therefore, do not coincide with the enrollment growth justification clause in the Resolution.

Other examples of space that may be built, improved, or renovated includes yet-to-be-determined projects built entirely with private gifts, projects built through corporate partnerships either on or off campus, and space improved or built through Research funding generated by faculty. Such projects are likely to occur on campus, in our Center for Research and Development, or on our regional campuses.

Again, I appreciate the sentiment behind the Resolution, but it is just not practical given the complexity of financial mechanisms through which improvements occur.

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xc: Dr. David Lee, Provost and Vice President for Academic Affairs  
Ms. Ann Mead, Senior Vice President for Finance and Administration  
Mr. Bryan Russell, Chief Facilities Officer  
Ms. Julia McDonald, Assistant to the President for Board and Executive Relations