

LINCOLN UNIVERSITY

Faculty Update of **Board of Trustees Meeting**

2/11/2007

(1) **Steven Snyder, *Commonfund* investment advisor**, provided an overview of the performance of the University's investments. *Commonfund* manages those assets. Lincoln's initial \$3 million dollar endowment (1987) now exceeds \$23 million (December 2006). Once the funds reach the \$25 million level, the University will be afforded additional opportunities with *Commonfund*. H. Merlin characterized Lincoln's allocation philosophy as leaning towards the "conservative" side of the continuum.

(2) The Board recognized and presented **plaques to 16 faculty** who distinguished themselves in the arena of scholarship (publications): Drs. Bhat, DiFilippo, Hoogeveen, Hull, Johnson, Kinsey, Leaman, Loudon, Milovanovich, Muzorewa, Richards, Safford, Shabazz; Profs. Chapp, Mansell, McKinley-Pride.

(3) **President's Report:**

(a) **Budget:** a request for \$21 million was made to the Commonwealth (Operating Budget) for FY 2007-08. The Governor's Office submitted its budget request for State-related universities last week that called for a 2% increase. [LU's current operating budget is \$55.17m of which the Commonwealth contributes \$13.3m]

(b) **Capital Construction/Renovation:** Lincoln's capital funding allotment will be increased to \$20 million annually (over a four year term). An additional \$8 million will be released for current projects, e.g., SUB, New Science Bldg., International Cultural Center, University Hall, Ware Center; these monies are to cover the cost over-runs of the aforementioned projects. New projects will include: landscaping, outdoor athletic facilities, furniture, and a "new learning/counseling/academic student center"; these new projects will cost \$82 million.

(c) 90 surveillance cameras are being placed in-and-around campus to safeguard the human and physical resources of the University. A new outdoor LED sign will replace the current sign located on the lawn between MRH and Old Baltimore Pike.

(d) Barnes Foundation-LU Visual and Performing Arts Department will offer a major program of study (Museum & Communications/Museum Education); it is hoped that this program can be offered in September 2007. An on-campus museum will be established in the International Cultural Center that includes a 1,000 seat auditorium, stage, President's Office, Trustees ' Board Room and classrooms.

(e) Marching Band uniforms were modeled by Band members and an impassioned update of the Marching Band organization was shared by Prof. Johnson, Band Director.

(4) **Treasurer's Report** was given by H. Merlin and the motion to approve was accepted (see Investment Committee Report)

(5) **Action Items for Standing Committees:**

(a) Trustees/Degrees/Nominations: the motion was made and accepted to award honorary degrees at Commencement 2007 to: Dr. B. Carson, B. Gordon, Dr. J. Payne, Rev. Dr. J. Scott and Rev. Dr. J. Wright; the motion was made and accepted to re-appoint Trustees W. Ingram and Bishop D. Evans to second 4-year terms

(b) Audit: a motion was made and accepted to appoint the firm of Cobb, Thompson, Bazilio & Associates to examine the 6/30/2007 financial statements of LU. FY 2007 will mark the end of the 6 year cycle; as such, bids will go out for external audit services next year.

(c) Investment Committee: a motion was made and accepted to amend the amount of the endowment fund **income** from 4% to **3%**. The rationale for such a decision was based on the (currently) successful fiscal management policy and the desire to grow the endowment (principal) fund. Thus, monies previously used (fund income) to supplement the operating budget would remain in the endowment fund to grow. [It appears that some \$230k would, then, remain in the fund ($\$23m \times .01 = 230k$) that historically found its way into the operating stream; be reminded, that 3% ($\$690k$) enters the operating budget; State law requires that a minimum of 2% be expended but that no more than 7% can be expended from endowment funds]

(6) **Committee Reports:**

(a) Planning & Development: The capital Campaign has reached \$138m

(b) Educational Policy & Academic Affairs: Middle States *Self-Study Report* is currently being researched and assembled with a due date of late March 2007 for the first draft. Question was raised with regards to Trustees' function, i.e., the issue of governance and institutional effectiveness. The task force on Governance is charged with that particular topic. The extent to which specific charges are addressed will be determined when the first draft is ready for review/analysis. If that section of the *Study* is deemed wanting, then further research/writing will be warranted prior to the Team's scheduled on-campus visit in March 2008

(c) Information Technology/Library

(d) Student Affairs: plans are well underway with Athletics/CIAA/Title IX and Marching Band

(7) **Dr. Ernest Levister was formally lauded** by Chairman Morris and President Nelson for his deep commitment, spirited discussions and unending array of questions that characterized his 8 years of service as Trustee (1999-2007)

James L. DeBoy, Faculty Representative
2/12/2007