The University Senate held its fourth meeting of the 2003-2004 year in Rm 1309 Worrell. The following were present:

**Administration:** John D. Anderson, Sandra Boyette, Gail Brewer, Paul D. Escott, Robert K. Walsh

**College:** Jane Albrecht, Robert Evans, Donald Frey, Katy Harriger, Charles H. Kennedy, Gloria Muday, Paul Ribisl, Harry Titus

**Graduate School:** Dale Dagenbach, Greg Shelness

**School of Medicine:** David Herrington, Michael Olympio, Joseph Tobin

**School of Law:** Michael K. Curtis, Alan Palmiter, Tom Roberts

**Calloway School of Business and Accountancy:** Sheri Bridges, Yvonne Hinson

**Babcock School of Management:** Jeff Smith

**Divinity School:** Neal Walls

**Staff:** Pat Bird, Dana Hutchens, Mark Sears, Gloria Stickney, H. David Womack

Don Frey called the meeting to order at 4:00 PM.

The minutes of the meetings of 01/21/04 were approved as posted on the Senate web page.

It was announced that the Senate Nominating Committee would consist of Dale Dagenbach (chair), Jane Albrecht, and Mary Sorci-Thomas.

Tom Roberts then addressed the Senate on behalf of the Healthcare Committee to discuss the possibility of some form of salary-dependent health insurance premiums. Noting that the lowest paid employees had been receiving net income decreases for several years due to the combination of small or nonexistent raises and large increases in insurance premiums, Professor Roberts proposed that a modest form of progressive taxation in this area be considered. Gloria Muday then presented various versions of how this might be implemented, drawing mostly on variations of a model currently in place at Davidson College. Dr. Muday’s presentation illustrated the cost or benefit to employees at various levels of income for different options.

A motion was then put forward at the request of the Healthcare Committee:

*The Healthcare Committee is authorized to develop and bring to the Senate for its consideration a proposal tying health insurance premiums to salary.*

Following discussion, the motion was passed. Points of discussion included whether it would be preferable to have the University contribute more to the premiums of lower paid employees, and whether the decreased cost of premiums to lower paid employees should be tied to family income.

Katy Harriger then reported for the Ad Hoc Committee on Athletic Reform. The committee put forth the following motion regarding the Coalition on Intercollegiate Athletics proposal:
The Wake Forest University Senate endorses in spirit the COIA Framework for Comprehensive Athletic Reform, recognizing that the overall goal is to ensure a faculty voice at the table in national discussions of intercollegiate athletic reform. This endorsement should not be interpreted as endorsement of each individual proposal currently on the COIA document, but rather of the effort going forward. The president of the University Senate or his designee should act as a liaison with the COIA, sharing concerns about particular provisions in the document, and periodically reporting to the Senate on COIA activities and developments.

The motion was passed.

Louis Morrell, Vice President for Investments and Treasurer, then made a presentation to the Senate about the University’s endowment performance. The NACUBO report data compared WFU to a peer group of institutions (Baylor, Brown, Clemson, Dartmouth, Davidson, Duke, Emory, Georgia Tech, MIT, Northwestern, Notre Dame, Rice, Richmond, Tennessee, UNC Chapel Hill, Vanderbilt, Virginia, Wellesley, and William and Mary). WFU ranked 8/20 for the previous year in return on investments, and 13/18 over the 10 year period. Mr. Morrell noted that the endowment had grown to a value of $812,000,000.00 by then end of January, 2004.

Mr. Morrell then discussed the goals and investment strategies that were being pursued, and noted that using the size of the endowment as a benchmark is problematic because the endowment is affected not only by return, but also by gifts and payouts that vary between institutions. One strategy being implemented is investment in private equities such as timber and real estate.

In ensuing questions and answers, Mr. Morrell noted that private equity investment was consistent with what other schools were doing, that the return on it was good, and that it was less risky than stocks. The difficulties experienced by the faculty salary enhancement fund were then discussed. The value of that fund has declined from $35,000,000 to $22,000,000 since its inception, reflecting lost value and payouts.


Discussion about the discrepancies between these reports then ensued.

The meeting adjourned at 5:38 PM.