

## USM Chief Financial Officers Come and Go As Often As USM Presidents

USM's new President, Rodney Bennett, has made it his paramount task: finding a new CFO. Why is the selection of another new CFO so important?

Let's take a look at an example of USM's recent history of unexpected departures of CFOs. Of course, there were no financial problems officially reported. Then again, when has the IHL, USM president, or any official every revealed anything beyond public relations blather?

Here are a couple relevant usmnews.net reports from our archives:

### [‘The Morgan Resignation’](#) – Does Something Smell?

*A Guest Editorial by Victoria Tyler*

With Ed Kemp's 6-May-2010 [article](#) for *The Hattiesburg American* entitled "Morgan leaving USM post," we now have a good bit of information about the surprise resignation of USM chief financial officer Joe Morgan. Much of that information paints a picture suggesting that there is more to Morgan's [departure](#) from the CFO gig than official reports indicate. Here are the highlights:

- Morgan has about 20 years in at USM – the USM website says just under 20, while the various media are reporting just over 20.
- Morgan's resignation announcement came during an ongoing semester, much like the surprise "resignations" of former CoB dean and associate dean Harold Doty and Farhang Niroomand, respectively. Both of these came in April of 2007.
- Morgan is only 58 years old, per Kemp's 6-May-2010 report.
  - Morgan's step-down date is 30-Aug-2010, just one day before tenured faculty at USM must be notified about termination after the 2010-11 academic year – this connection is drawn by Kemp in his 6-May-2010 article.
  - Morgan is only leaving the CFO job, not USM, at least according to USM public relations official Jana Bryant, who spoke to Kemp for the 6-May-2010 news story.

However, Bryant noted that Morgan's upcoming position "hasn't been completely defined yet."

- Morgan's resignation announcement hit the streets right smack in the middle of news that the USM Research Foundation is dealing with a *financial* scandal involving Pinion Properties, Saone Corporation, former USM employees Richard and Helene Hadden, and former USM provost Jay Grimes.

- Morgan rose to the CFO post in 2006, during the Shelby F. Thames administration (2002- 07) of USM, arguably the most controversial administration in the institution’s 100 years.
- Online followers of *THA* began slamming Morgan about as soon as the paper posted the news on its LATEST HEADLINES section on 5-May-2010.
- Morgan could not be reached for comment by Ed Kemp, *THA*’s higher education reporter.

Why does a 58 year old who has a cushy USM CFO title, but not 25 years with PERS, resign the cushy USM CFO job? How/why did this all happen, and yet the person did not leave USM? And, why hasn’t his next job at USM been defined yet? These questions are just the beginning of a list of questions that can be formulated from the bulleted information above. Isn’t it time the USM faculty senate began asking some pointed questions of Saunders and USM provost Robert Lyman? Since 2007, it seems to some that this body has done next to nothing when it comes to questioning the current executive leadership team. How much longer can the USM community afford to wait?

## The Joe Morgan Resignation – [What They’re Saying](#)

As one might imagine, the resignation of USM chief financial officer is a popular water cooler topic these days. Below is a sample of what USMNEWS.net readers and others are saying about it:

“This suggests that [Morgan] is leaving [the CFO position] without getting his 25 years in [at USM]. They have been saying [it has been] nearly 20 years since he was appointed at interim director by [then-USM president Shelby] Thames in 2006.”

“For me, the interesting question is, since [Morgan] reached the pinnacle of his career and is not retirement age, why would he willingly retire? If he was asked for his resignation as CFO, why?”

“[Morgan’s] interim replacement [Russ Willis] is a lawsuit waiting to happen.”

“. . . Morgan has been such an asset to the University. I really hate to hear [of his resignation].”

“The timing of [Morgan’s resignation] really puts a spotlight on the whole Pinion [Properties] deal. One would think [Morgan] would have recognized this since the newspapers have been all over it lately.

“Retirement now equals what?”

“[Morgan’s replacement] Russ Willis is a major problem. . . . I suppose his loyalty has now been

rewarded.”

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“Morgan graduated in [19]75. It's hard to tell if he has 25 [years in] at USM. I would be tempted to say he was required to hand in his resignation . . . it would be dangerous to have someone who was responsible for wrongdoing to linger in a financial position. I also tend to compare this to what happened to [Harold] Doty and [Farhang] Niroomand. To resign in mid-semester really raises red flags.”

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“. . . why get rid of such a pliant CFO?”

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“In the interest of the University, . . . [Morgan's resignation] is something that should have happened a long time ago.”

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“Beware the wrath of . . . [USM president] Martha [Saunders].”

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“If [Morgan] had almost twenty [years at USM back] in 2006, he may be effectively gone now, but is being allowed that extra time to complete the 20 years. . .”

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“[H]mm... Did ‘hissy fit [USM president Martha] Saunders’ attack again [via Morgan's resignation]?”

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“As [USM president Martha] Saunders learns what the investigators are learning [about Pinion [Properties], for example, she is taking action that must be revealed at some point in time . . . [and s]he's staying one step ahead of news releases of bad news . . . I assume she has access to information to do that.”

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“If there really is something sketchy going with [Morgan's resignation], then it is a major blow right in the center of a ‘USM family’ with all the people with that last name that have been in USM. Unusual . . .”

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“[Morgan's replacement] Russ [Willis] seems well-liked, and given the tight money times, this

[appointment] may be more than ‘interim.’ . . . [W]hat was the problem he was involved in back in the [Shelby] Thames [administration] days? Didn't he leave for awhile and then return?”

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“Wow!!! [Morgan] must have his 25 [years at USM] in, and/or crossed [USM president] Martha [Saunders]. The August 30th [resignation] date also suggests he will have to put the current round of \$15M cuts to bed before he goes.”

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“I'd bet . . . that it's not what [Morgan] wouldn't sign or wouldn't do [that led to his resignation]. How much money did he make on the Pinion [Properties] deal?”

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“If [Morgan] ends up leaving the university, I am guessing that Mary [Morgan] Anderson will get to pick the Morgan Accounting Chair all by herself.”

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usmnews.net will continue this series with reports concerning Russ Willis, Joe Morgan's replacement.