

12-2-1994 12:00 AM

**1994-12-02**

Board of Regents, Murray State University

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**MINUTES OF THE MEETING OF THE BOARD OF REGENTS**  
**Murray State University**  
**December 2, 1994**

The Board of Regents of Murray State University met on December 2, 1994, in quarterly session in the Board of Regents Room, Wells Hall, on the campus of Murray State University. The meeting was called to order at 3:10 p.m. by Chairman Sid Easley. Chairman Easley welcomed the guests and Regent Wells Lovett gave the invocation.

Upon roll call, the following were present: Mr. Tom Burich, Mr. Sid Easley, Mrs. Beverly Ford, Mrs. Marie Jones, Dr. Frank Julian, Mr. Philip M. Lanier, Mr. Wells T. Lovett, Mrs. Virginia Strohecker, and Mr. Brian Van Horn. Absent were: Mrs. G. Arlivia Gamble and Mr. Robert Matthews.

**Agenda**

The following agenda for the meeting was presented:

AGENDA  
Board of Regents Meeting  
Murray State University  
December 2, 1994  
3:00 p.m.

1. Roll Call
2. Minutes of the Meetings of the Board of Regents held on September 2, 1994, and October 27, 1994
3. Report of the President Dr. Alexander
4. Report of the Chairman Mr. Easley
5. Report of the Treasurer Mr. Denton  
(Financial and Investments Reports for the period of July 1, 1994, through September 30, 1994)
6. Personnel Changes Dr. Alexander
  - A. Staff Leaves of Absence without Pay
  - B. Recommendation on Appointment of Interim Assistant Dean, College of Business and Public Affairs
  - C. Recommendation on Appointment of Director, Center for International Programs
  - D. Recommendation on Appointment of Chair, Department of Physics and Astronomy
7. Report of the Dean of Admissions and Records Dr. Alexander  
December 1994 Graduates
8. Gifts Dr. Alexander
  - A. City of Murray
  - B. Dr. J. Cathryn Christopher
9. Committee Reports/Recommendations
  - A. Academic Affairs Mr. Lovett
  - B. Athletic Mrs. Ford
  - C. Buildings and Grounds Mrs. Ford
  - D. Development/Investments Mr. Lovett
  - E. Faculty/Staff Affairs Mr. Matthews
  - F. Finance/Audit Mr. Easley
  - G. Student Life Mr. Van Horn
  - H. Governmental Relations Mr. Matthews
  - I. Equal Opportunity/Affirmative Action Mrs. Gamble

- 10. Appointments to the University Appeals Board Dr. Alexander
- 11. Resolution of Appreciation Mr. Easley
- 12. Other Business

Minutes of the Meetings of the Board of Regents held on September 2, 1994, and October 27, 1994, approved

Mrs. Jones moved that the Minutes of the Board meetings held on September 2 and October 27, 1994, be adopted as submitted. Mrs. Strohecker seconded and the motion carried.

Report of the President

President Alexander presented an extensive Retention Plan at the morning session of the Academic Affairs Committee.

He further summarized the activities of the Roads Scholars Program to date. By the end of December, 58 schools will have been visited at least one time by a Roads Scholars team and some of the schools have been visited twice. The teams are exhibiting considerable creativity and variation as they establish partnerships with their schools. They are being asked to speak to classes, to faculty meetings, to senior classes, and to groups interested in MSU. Information being provided includes financial aid, scholarship information, expertise for upcoming school activities, and assisting teachers with individual class projects. The teams are collecting names of prospective students and acting as a conduit for information between schools and various units on campus.

The teams are also learning about each other and developing a linkage traveling to and from the schools.

Dr. Alexander pointed out that the faculty and staff are making the program work with enthusiasm and it will yield dividends.

Report of the Chairman

Mr. Easley pointed out that there is a general attitude of positiveness, confidence and determination on campus and in the city of Murray. He commended the Murray State News for being named a Pace Maker finalist by the Associated Press and the Newspaper Associates America Foundation for issues published during the 1993-94 academic year, which means that the News is one of the top twenty non-daily student newspapers in the country. A plaque was presented and will be on permanent display in Wilson Hall.

Chairman Easley expressed appreciation to Dean Gary Boggess, Dean Tom Auer, Dr. Gene Maddox, Dr. Steve Cobb, and all the others involved with the Engineering Physics program.

Report of the Treasurer

Mr. Tom Denton presented and reviewed the financial and investment reports for the period ending September 30, 1994. Following a brief discussion, Mrs. Jones moved, seconded by Mrs. Strohecker, that the Treasurer's report be approved. Motion carried.

(See Attachments #1 and #2)

Following discussion, Mr. Burich requested that the Board of Regents be informed on the procedure by which the MSU Foundation invests funds for the Board. He pointed out that members of the Board should be aware of the \$8 million portfolio being invested by the Foundation, what it is being used for and how it is being used.

Personnel Changes, approved

President Alexander recommended the following personnel changes.

Staff Leaves of Absence Without Pay, approved

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, approve the staff leaves of absence without pay as listed below:

Franklin P. Black	Telecommunications	9/1/94--9/20/94
Jeff Culver	Food Services	10/6/94--10/24/94
Joyce Dillard	Facilities Management	10/21/94--11/11/94
Dorothy Higginson	Food Services	10/10/94--1/5/95
Judith Morgan	Facilities Management	10/15/94--12/15/94
Jacquelyn Overbey	Purchasing	11/17/94--11/16/95
Lori Pearson	Development & Alumni Affairs	11/3/94--12/5/94
Janice Pedersen	Student Support Services	9/16/94--9/26/94
Catherine Starks	Food Services	10/7/94--11/1/94

Mrs. Strohecker seconded and the motion carried.

Interim Assistant Dean, College of Business and Public Affairs, appointed

Mrs. Ford moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. James McCoy as Interim Assistant Dean of the College of Business and Public Affairs at a fiscal year salary of \$64,200, effective November 1, 1994.

Mr. Burich seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, present, but did not vote; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

Director, Center for International Programs, appointed

Mrs. Jones moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Marcia Johnson as Director of the Center for International Programs, effective December 1, 1994.

Mrs. Strohecker seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

Chair, Department of Physics and Astronomy, appointed

Mrs. Jones moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. Stephen Cobb as Chair of the Department of Physics and Astronomy, effective October 15, 1994, at a fiscal year salary of \$56,000.

Mr. Van Horn seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, present, but did not vote; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

Report of the Dean of Admissions and Records

Mrs. Strohecker moved that upon completion of all requirements, individuals recommended by the Dean of Admissions and Records be awarded the respective degree effective December 16, 1994. Mr. Van Horn seconded and the motion carried.

(See Attachment #3)

Gifts, accepted

Appreciation was expressed to the City of Murray and to Dr. J. Cathryn Christopher for the following gifts to be used by the Facilities Management Department and the Department of Agriculture.

Mrs. Jones moved that the Board of Regents, upon the recommendation of the President of the University, accept the donation of a Rotochopper for recycling newspapers, etc., originally purchased at \$24,975, which was donated by the City of Murray, and the donation of an Abbott Vision Chemistry Analyzer valued at \$7,500, which was donated by Dr. J. Cathryn Christopher, of Murray. Dr. Julian seconded and the motion carried.

Committee Reports

## A. Academic Affairs - Mr. Lovett.

Mr. Lovett reported that President Alexander reviewed the retention plan at the Academic Affairs Committee which included six themes: Transition to College, Academic Advising, First-Year Experience Program, Continuing Connections, Quality Service Programs and Residential Colleges. The six themes of the plan address the areas that the Retention Committee believes are essential for retention.

## B. Athletic - No report.

## C. Buildings and Grounds - Mrs. Ford.

Mrs. Ford stated that the following recommendations were submitted for approval by the Board.

Ruby C. Krider Reading Room, named

Mrs. Ford stated that among her achievements, Mrs. Krider maintained a teaching career in speech and drama that spanned seventy years and included a distinguished teaching career at Murray State from 1969 to 1978 and at Bethel College from 1978 until 1991. The Committee on Naming Campus Facilities and Programs unanimously approved the recommendation to name Room 305 in Wilson Hall the Ruby C. Krider Reading Room.

Mrs. Strohecker moved that the Board of Regents, upon the recommendation of the President of the University and the Buildings and Grounds Committee, approve the renaming of Wilson Hall Room 305 to the Ruby C. Krider Reading Room. Dr. Julian seconded and the motion carried.

1994-95 Agency Funded Major Maintenance Projects, changed

For the Buildings and Grounds Committee, Mrs. Ford moved that the Board of Regents, upon the recommendation of the President, approve the changes to the following 1994-95 Agency funded major maintenance projects for the education and general fund area:

1994/95 Agency Funded Major Maintenance Projects  
Education and General

<u>Item Description</u>	<u>Est. Cost</u>
Items approved on September 2, 1994:	
Replace Steam Line	\$ 90,000
Waterproof Wilson Foundation	40,000
Repair Carr Health Pool & Filtration Equipment	50,000
Repair Hi-voltage (4160) Lines & Poles	50,000
Replace General Services Roof	233,000
Scouting Museum Roof Drains	30,000
Curris Center A/C Augmentation	96,000
South Campus Drainage 16th & Main	20,000

South Campus Quadrangle Damage	21,000
Major Maintenance	250,000
Architectural ADA Accessibility (Signage, Doors, Ramps, etc.)	50,000
Sparks Hall Exterior Repair	50,000
Lovett Auditorium Unisex Accessible Bathroom	25,000
Emergency Generators:	
Physical Plant	10,000
Industrial Education	15,000
Lovett Auditorium, Replace Windows	60,000
Curris Center Exterior Brick Failure	100,000
Expo Center Roof Replacement	240,000

=====

Items for Consideration on December 2, 1994

Replace Lovett Auditorium Sprinkler System (Safety)	\$ 190,000
Upgrade Quad & 15th Street Lighting (Safety)	100,000
Replace NFA Elevator Controls (Safety)	150,000
Correct Deferred Maintenance Items	
40 Campus Elevators (Safety)	220,000
Provide Synthetic Floor Coverings for RSEC	650,000
Total	\$ 2,740,000

=====

Mr. Van Horn seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

D. Development/Investments - No report.

E. Faculty/Staff Affairs - No report.

F. Finance/Audit - Mr. Easley.

The Finance/Audit Committee recommended the following items for approval by the Board.

1993-94 Audit Reports and the Management Letter, accepted

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, accept the audited financial reports and management letter for 1993-94. Mr. Van Horn seconded and the motion carried.

It was pointed out that there would be a response to the management letter at the next meeting.

(See Attachments #4 - #9)

1995-96 Tuition, acknowledged and authorized

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, acknowledge and authorize the tuition rates listed below for the 1995-96 year as established by or based upon the Council on Higher Education for Murray State University.

SEMESTER TUITION RATES

Full Time Tuition:

1995/96

	94/95 Rates	Dollar Increase	Rates	Percent Increase
Resident				
Undergraduate	790	50	840	6.3%
Graduate	870	50	920	5.7%

## Full Time Tuition (cont'd)

1995/96

<u>Resident</u>	<u>94/95 Rates</u>	<u>Dollar Increase</u>	<u>Rates</u>	<u>Percent Increase</u>
<u>Non-Resident</u>				
Undergraduate	2,370	150	2,520	6.3%
Graduate	2,610	150	2,760	5.7%
 Part Time Tuition:				
<u>Resident</u>				
Undergraduate	70	4	74	5.7%
Graduate	103	5	108	4.9%
<u>Non-Resident</u>				
Undergraduate	203	12	215	5.9%
Graduate	295	16	311	5.4%

Mrs. Strohecker seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, no; and Mr. Easley, yes. Motion carried.

State's Surplus Expenditure Funds, authorized

Mrs. Strohecker moved that the Board of Regents, upon the recommendation of the President of the University, authorize the use of the state's surplus expenditure funds (in the amount of \$348,900 to be received in fiscal year 1994/95) to be used for the attached nonrecurring expenditures.

Dr. Julian seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

(See Attachment #10)

Fees, approved

## 1. Course fee, increases

Mrs. Strohecker moved that the Board of Regents, upon the recommendation of the President of the University, approve the following increases in course fees effective with the 1995-96 academic year:

<u>Increased Fees:</u>	<u>From:</u>	<u>To:</u>
FCS 432 Experimental Foods	\$ 10	\$ 15
ITE 104 Intro to Computer Aided Design	30	40
ITE 205 Computer Graphics Application	30	40
ITE 301 Arch. Drawing & Residential Plng.	20	30
ITE 304 Computer Aided Drafting/Design	30	40
ITE 401 Architectural Drawing	20	30
ITE 504 Adv. Study in Computer Aided Drafting/Design	40	50

Mrs. Ford seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, no; and Mr. Easley, yes. Motion carried.

## 2. Guest room, increase

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, approve the following guest room increases, effective 1995-96:

Youth/double occupancy from \$8 to \$10 per night  
 Adult/double occupancy from \$16 to \$20 per night

Mrs. Strohecker seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

### 3. Room and board, increase

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, approve a 3 percent room and board increase, effective 1995 Summer Session and the 95-96 Academic Year:

#### Residence Halls: 3% increase

	<u>1995 Summer Sessions - per 5 weeks</u>	
	<u>Current</u>	<u>Proposed</u>
Double Room	\$165	\$170
Private room	255	265

	<u>Academic Year 1995-96 - per semester*</u>	
	<u>Current</u>	<u>Proposed</u>
Double room	\$645	\$ 665
Private room	973	1,000

\*This proposed rate increase is for students who have not met the live-in requirement for a rate freeze.

#### College Courts Apartments - effective July 1, 1995

	<u>per month</u>	
	<u>Current</u>	<u>Proposed</u>
One bedroom	\$300	\$310
Two bedroom	360	370

#### Food Services: 3% increase

	<u>1995 Summer Sessions - per 5 weeks</u>	
	<u>Current</u>	<u>Proposed</u>
Any-5	\$120	\$125
Any-10	-0-	215
Any-15	250	260
Full-19	260	270

	<u>Academic Year 1995-96 - per semester</u>	
	<u>Current</u>	<u>Proposed</u>
Any-5	\$395	\$405
Any-15	860	885
Full-19	910	940
Any-10	-0-	790

#### Cash at Door Rates - 1995-96 Academic Year

	<u>Meal Cash-in for Board Plans</u>	
	<u>Current</u>	<u>Proposed</u>
Breakfast	\$2.30	\$2.40
Lunch/Brunch	2.90	3.00
Dinner	3.20	3.30

Mrs. Ford seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, no; and Mr. Easley, yes. Motion carried.

### 4. Learning Center tutoring fee

Dr. Julian moved that the Board of Regents, upon the recommendation of the President, approve the following fees, effective 1995-96, for those identified as Learning Disabled students who desire individual tutoring:

\$75 per semester for 1 hour of tutoring per week for 15 weeks  
 \$100 per semester for 2 hours of tutoring per week for 15 weeks



Mrs. Ford seconded and discussion followed.

Mr. Van Horn pointed out that the hours did not have to be used in one week. For example, if three hours were needed in a given week, then the student may use them without having to pay extra. He would not have the tutoring the next two weeks if the \$75 package had been purchased.

The roll was called and the following voted: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley. Motion carried.

#### 5. Parking fine, increase

Mr. Lovett moved that the Board of Regents, upon the recommendation of the President of the University, approve the following parking violation structure effective July 1, 1995:

<u>Violation</u>	<u>Current Fine</u>	<u>Proposed Fine</u>
Possession of lost, stolen, or altered permit	\$ 25.00	\$ 40.00
Unauthorized use of handicap space	25.00	40.00
Non-registration	25.00	no change
Parking in any portion of a fire lane or blocking fire hydrant	25.00	40.00
Parking in a restricted area	25.00	no change
Parking in service vehicle spaces	25.00	no change
Color zone violation	5.00	10.00
All other violations	5.00	10.00
a) yellow curbs		
b) parking in drive		
c) parking on the grass		
d) parking on the median		
e) parking in the crosswalk		
f) no parking space		

Vehicles will be towed for blocking a legally parked car, parking in a fire lane, blocking a dumpster, impeding traffic flow, abandoned vehicles, etc.

Mrs. Strohecker seconded and the roll was called with the following voting: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, no; and Mr. Easley, yes. Motion carried.

#### 6. Comprehensive Test of Basic Skills Test fee, approved.

Mrs. Ford moved that the Board of Regents, upon the recommendation of the President of the University, approve the following fees for special administration of the Comprehensive Test of Basic Skills (CTBS) Achievement Test, the Test of Written Communication and the Test of Oral Communication, effective 1995-96:

CTBS total battery - \$10  
 CTBS retakes - \$5 per test section  
 Test of Written Communication - \$15  
 Test of Oral Communication - \$15

Dr. Julian seconded and discussion followed.

Mr. Van Horn expressed appreciation to the administration for agreeing to offer the test free to students two times a semester.

The roll was called and the following voted: Mr. Burich, yes; Mrs. Ford, yes; Mrs. Jones, yes; Dr. Julian, yes; Mr. Lanier, yes; Mr. Lovett, yes; Mrs. Strohecker, yes; Mr. Van Horn, yes; and Mr. Easley, yes. Motion carried.

#### G. Student Life - No report.

H. Governmental Relations - No report.

I. Equal Opportunity/Affirmative Action - No report.

Appointments to the University Student Appeals Board

Mr. Van Horn moved that the Board of Regents, upon the recommendation of the President of the University, appoint the following faculty and students to the University Student Appeals Board for the terms indicated.

Faculty: Three-year term (1994-97)

Betty Driver, College of Business and Public Affairs  
Judith Payne, College of Industry and Technology

Students: One-year term (1994-95)

Shawn Smee  
Mike Williams  
Missy Kleeman

Dr. Julian seconded and the motion carried.

Resolution, adopted

Mrs. Jones moved, seconded by Dr. Julian, that the following Resolution be adopted. The motion carried.

Board of Regents  
Murray State University  
Resolution of Appreciation

Bobby McDowell

WHEREAS, Bobby McDowell, has announced plans to retire on November 30, 1994, after completing 33 years of service to the Murray State University community; and

WHEREAS, he has served as director of the University Bookstore for 25 years and previously served as assistant manager of the bookstore for eight years; and

WHEREAS, during his 33 years of service, Bobby McDowell has provided outstanding leadership for the bookstore and through his leadership the bookstore has continued to grow and serve the needs of the University community; and

WHEREAS, he has consistently supported the Murray State University student body by providing T-shirts and other supplies to organizations to help promote the University; and

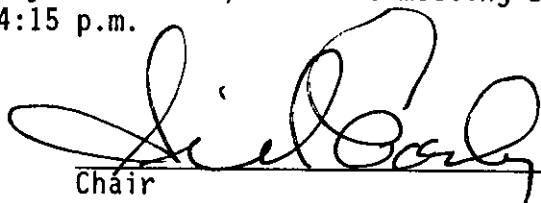
WHEREAS, his support of a love for Murray State University has been recognized by the Board of Regents who presented him a Staff Excellence Award in 1993; and

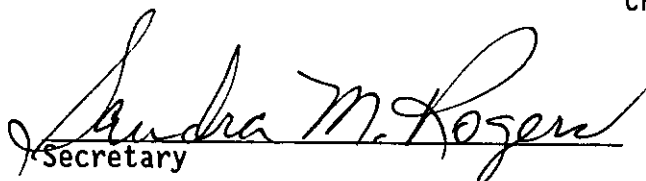
NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Regents of Murray State University expresses its appreciation to Bobby McDowell for the 33 years of service to the University and offers its best wishes for a happy retirement; and

BE IT FINALLY RESOLVED that this resolution in appreciation of Bobby McDowell be spread upon the minutes of this meeting of the Board of Regents and that a copy be presented to Bobby McDowell on behalf of the Board of Regents and the entire University Community.

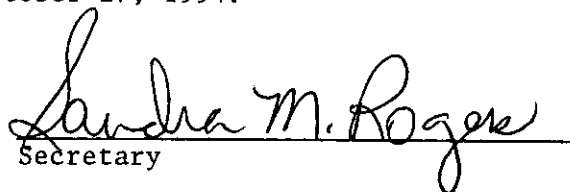
Adjournment

Dr. Julian moved, seconded by Mr. Lanier, that the meeting be adjourned. Adjournment was at 4:15 p.m.

  
Chair

  
Secretary

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Secretary



**Murray State University**

# **Financial Report**

FOR THE PERIOD

July 1, 1994 - September 30, 1994

SUBMITTED TO  
THE PRESIDENT  
AND  
BOARD OF REGENTS

December 3, 1994



# Murray State University

P O BOX 9  
MURRAY KY 42071-0009

November 11, 1994

President Kern Alexander  
Members of the Board of Regents  
Murray State University  
Murray, KY 42071

Dear President Alexander and Members of the Board:

Attached is the Financial Report of Murray State University for the period July 1, 1994 through September 30, 1994.

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John Fitzgibbon  
Interim Vice President for  
University Relations  
and Administrative Services

Thomas W. Denton  
Treasurer and Director for  
Financial Management  
and Planning

emd

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS  
UNAUDITED BALANCE SHEET  
As of September 30, 1994  
With Comparative Figures as of September 30, 1993

	1994-95			1993-94
	Educational and General	Auxiliaries	Total	
<b>ASSETS</b>				
Cash (Note 2)	\$ 3,821,475	\$ 2,253,728	\$ 6,075,203	\$ 9,785,609
Investments (Note 2)	12,085,007	1,255,200	13,340,207	6,700,000
Inventories (Note 3)	377,235	705,080	1,082,315	1,103,709
Prepaid Expenses	5,737	-	5,737	2,758
Accounts and Loans Receivable, net	1,949,052	206,899	2,155,951	2,408,194
Interest Receivable	134,361	10,821	145,182	1,795
Due from Other Funds	409,393	-	409,393	648,500
<b>Total Assets</b>	<b>\$ 18,782,260</b>	<b>\$ 4,431,728</b>	<b>\$ 23,213,988</b>	<b>\$20,650,565</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 223,903	\$ (255)	\$ 223,648	\$ 399,260
Accrued Expenses	950	-	950	1,144
Accrued Compensated Absences	1,048,292	86,318	1,134,610	1,152,949
Health and Life Insurance Liability	1,653,548	-	1,653,548	548,270
Racer Card Liability	-	103,014	103,014	115,413
Deposits	720	221,471	222,191	182,679
Deferred Revenues	-	-	-	-
Due to Other Funds	-	406,855	406,855	233,523
<b>Total Liabilities</b>	<b>\$ 2,927,413</b>	<b>\$ 817,403</b>	<b>\$ 3,744,816</b>	<b>\$ 2,633,238</b>
<b>Fund Balance:</b>				
Beginning Fund Balance - July 1	\$ 7,570,368	\$ 1,509,749	\$ 9,080,117	\$ 7,063,315
Additions/(Deductions) - Year to Date	8,284,479	2,104,576	10,389,055	10,954,012
<b>Total Fund Balance</b>	<b>\$ 15,854,847</b>	<b>\$ 3,614,325</b>	<b>\$ 19,469,172</b>	<b>\$18,017,327</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 18,782,260</b>	<b>\$ 4,431,728</b>	<b>\$ 23,213,988</b>	<b>\$20,650,565</b>

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS  
UNAUDITED SUMMARY OF CHANGES AND ALLOCATIONS IN FUND BALANCE  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	-----1994-95-----			
	Educational and General	Auxiliaries	Total	1993-94
Fund Balance - Beginning July 1				
Working Capital	\$ 1,120,589	\$ 814,333	\$ 1,934,922	\$ 1,737,777
Reserve for Self Insurance	650,000	-	650,000	650,000
Reserve for Revenue Contingency	913,999	-	913,999	540,566
Encumbrances	423,339	43,738	467,077	581,873
Carryovers	4,462,441	651,678	5,114,119	3,403,903
Unallocated	-	-	-	149,196
Total Fund Balance - Beginning July 1	\$ 7,570,368	\$ 1,509,749	\$ 9,080,117	\$ 7,063,315
Increase/(Decrease) - Year to Date				
Revenues	\$ 22,069,753	\$ 4,958,046	\$ 27,027,799	\$ 26,134,538
Expenditures	(13,724,418)	(2,483,751)	(16,208,169)	(14,937,821)
Mandatory Transfers				
Debt Service	(123,314)	(316,578)	(439,892)	-
Loan Match	(2,100)	-	(2,100)	-
Phone Switch Note Payable	(197,601)	-	(197,601)	(209,312)
Non-Mandatory Transfers				
To CERR	-	-	-	(7,117)
From CERR	240,365	-	240,365	9,000
To Plant Funds	(33,000)	-	(33,000)	(30,000)
From Plant Funds	48	-	48	-
To Educational and General	77,320	(77,320)	-	-
From Educational and General	(24,179)	24,179	-	-
Other Changes	1,605	-	1,605	(5,276)
Total Year to Date Increase/(Decrease) in Fund Balance	\$ 8,284,479	\$ 2,104,576	\$ 10,389,055	\$ 10,954,012
Fund Balance - Ending September 30				
Working Capital	\$ 2,326,286	\$ 911,978	\$ 3,238,264	\$ 3,382,798
Reserve for Self Insurance	650,000	-	650,000	650,000
Reserve for Revenue Contingency (Note 5)	913,999	-	913,999	540,566
Encumbrances	955,428	22,441	977,869	859,815
Carryovers	4,462,441	651,678	5,114,119	3,403,903
Unallocated	6,546,693	2,028,228	8,574,921	9,180,245
Total fund Balance - Ending September 30	\$ 15,854,847	\$ 3,614,325	\$ 19,469,172	\$ 18,017,327

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS  
UNAUDITED SUMMARY OF BUDGET ADJUSTMENTS  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95		1993-94
	Original Budget	Adjustments/ Revisions	Budget Per Report
<b>REVENUES</b>			
Educational & General	\$60,056,515		
Prior Year Carryovers (Note 6)		\$ 4,122,649	
Prior Year Carryovers-Adjustments		(6,781)	
Prior Year Encumbrances (Note 6)		441,846	
Various Account Adjustments		368,554	
Total Educational & General	\$60,056,515	\$ 4,926,268	\$ 64,982,783
Auxiliary Enterprises	\$10,871,762		
Prior Year Carryovers (Note 6)		\$ 608,745	
Prior Year Carryovers-Adjustments		86,576	
Prior Year Encumbrances (Note 6)		63,623	
Various Account Adjustments		35,651	
Total Auxiliary Enterprises	\$10,871,762	\$ 794,595	\$ 11,666,357
Total Revenues	\$70,928,277	\$ 5,720,863	\$ 76,649,140
	=====	=====	=====
<b>EXPENDITURES</b>			
Educational & General	\$60,056,515		
Prior Year Carryovers (Note 6)		\$ 4,122,649	
Prior Year Carryovers-Adjustments		(6,781)	
Prior Year Encumbrances (Note 6)		441,846	
Various Account Adjustments		368,554	
Total Educational & General	\$60,056,515	\$ 4,926,268	\$ 64,982,783
Auxiliary Enterprises	\$10,871,762		
Prior Year Carryovers (Note 6)		\$ 608,745	
Prior Year Carryovers-Adjustments		86,576	
Prior Year Encumbrances (Note 6)		63,623	
Various Account Adjustments		35,651	
Total Auxiliary Enterprises	\$10,871,762	\$ 794,595	\$ 11,666,357
Total Expenditures	\$70,928,277	\$ 5,720,863	\$ 76,649,140
	=====	=====	=====



MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS - EDUCATIONAL AND GENERAL  
UNAUDITED SCHEDULE OF REVENUES BY SOURCE, EXPENDITURES BY FUNCTION, AND OTHER CHANGES  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95			1993-94	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
<b>REVENUES</b>					
Tuition and Fees (Note 7)	\$18,491,495	\$ 9,444,066	51%	\$ 9,174,864	52%
State Appropriation	38,606,500	11,582,000	30%	11,337,700	30%
Indirect Cost Reimbursement	158,318	33,548	21%	8,480	6%
Sales and Services of					
Educational Departments	1,507,057	499,443	33%	292,700	71%
Other Sources	1,661,699	510,696	31%	564,211	20%
Prior Year Carryovers and Encumbrances (Note 6)	4,557,714	-	N/A	-	N/A
<b>Total Revenues</b>	<b>\$64,982,783</b>	<b>\$22,069,753</b>	<b>34%</b>	<b>\$21,377,955</b>	<b>34%</b>
<b>EXPENDITURES (Note 8)</b>					
Instruction	\$26,354,431	\$ 5,212,786	20%	\$ 4,952,248	20%
Research	847,384	164,769	19%	132,712	16%
Public Service	3,516,443	770,684	22%	654,102	23%
Academic Support	2,920,519	593,386	20%	633,426	24%
Library	2,264,187	904,160	40%	843,205	39%
Student Services	4,958,430	1,159,259	23%	1,027,687	18%
Institutional Support	7,144,659	1,661,036	23%	1,470,353	22%
Operation & Maint of Plant	9,103,608	1,416,795	16%	1,250,544	13%
Scholarships	3,703,152	1,841,543	50%	1,820,694	70%
<b>Total Expenditures</b>	<b>\$60,812,813</b>	<b>\$13,724,418</b>	<b>23%</b>	<b>\$12,784,971</b>	<b>22%</b>
<b>TRANSFERS IN (OUT) AND OTHER CHANGES</b>					
Mandatory Transfers					
Consolidated Educational Bond					
Sinking Fund	\$(3,756,403)	\$ (123,314)	N/A	\$ -	N/A
Loan Fund Match	(103,334)	(2,100)	N/A	-	N/A
Phone Switch Note Payable	(197,601)	(197,601)	N/A	(209,312)	N/A
Non-mandatory Transfers					
Transfers to CERR (Note 9)	(250,000)	-	N/A	(7,117)	N/A
Transfers from CERR (Note 9)	93,000	240,365	N/A	9,000	N/A
Transfers to Unexpended Plant					
Fund (Note 9)	(33,000)	(33,000)	N/A	(30,000)	N/A
Transfers from Unexpended Plant					
Fund (Note 9)	48	48	N/A	-	N/A
Transfers from Auxiliaries	77,320	77,320	N/A	77,320	N/A
Transfers to Auxiliaries		(24,179)	N/A		
Other Changes	-	1,605	N/A	(5,276)	N/A
<b>Total Transfers and     Other Changes</b>	<b>\$(4,169,970)</b>	<b>\$ (60,856)</b>	<b>N/A</b>	<b>\$ (165,385)</b>	<b>N/A</b>
<b>Total Expenditures, Transfers     and Other Changes</b>	<b>\$64,982,783</b>	<b>\$13,785,274</b>	<b>21%</b>	<b>\$12,950,356</b>	<b>92%</b>
<b>Net Change in Fund Balance</b>		<b>\$ 8,284,479</b>		<b>\$ 8,427,599</b>	

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS - AUXILIARIES  
UNAUDITED SCHEDULE OF REVENUES BY SOURCE, EXPENDITURES BY FUNCTION, AND OTHER CHANGES  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95			1993-94	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
<b>REVENUES</b>					
Food Services	\$ 3,694,917	\$ 1,714,624	46%	\$ 1,690,025	41%
Housing Services	4,368,497	2,005,841	46%	1,999,039	45%
Bookstore	2,295,751	1,035,176	45%	855,483	38%
Curris Center	229,257	73,007	32%	79,965	36%
University Parking	170,911	91,710	54%	94,270	55%
Racer Card Administration	53,865	32,931	61%	33,627	62%
Vending and Manual Commissions	94,215	4,757	5%	4,174	5%
Miscellaneous	-	-	N/A	-	N/A
Prior Year Carryovers and Encumbrances (Note 6)	758,944	-	N/A	-	N/A
<b>Total Revenues</b>	<b>\$11,666,357</b>	<b>\$ 4,958,046</b>	<b>42%</b>	<b>\$ 4,756,583</b>	<b>40%</b>
<b>EXPENDITURES (Note 8)</b>					
Food Services	\$ 3,460,647	574,452	17%	\$ 561,096	14%
Housing Services	4,068,176	762,400	19%	701,493	16%
Bookstore	2,086,732	892,211	43%	631,001	30%
Curris Center	558,451	141,085	25%	128,001	23%
University Parking	532,467	53,777	10%	43,513	9%
Racer Card Administration	68,235	31,243	46%	56,138	74%
Vending and Manual Commissions	181,591	28,583	16%	31,523	17%
<b>Total Expenditures</b>	<b>\$10,956,299</b>	<b>\$ 2,483,751</b>	<b>23%</b>	<b>\$ 2,152,765</b>	<b>18%</b>
<b>TRANSFERS IN (OUT) AND OTHER CHANGES</b>					
Mandatory Transfers					
Housing and Dining Bond Sinking Fund	\$ (632,738)	\$ (316,578)	N/A	\$ -	N/A
Non-mandatory Transfers					
Transfers to Unexpended Plant Fund (Note 9)	-	-	N/A	-	N/A
Transfers from Unexpended Plant Fund (Note 9)	-	-	N/A	-	N/A
Transfers from CERR (Note 9)	-	-	N/A	-	N/A
Transfers to Educational and General	(77,320)	(77,320)	N/A	(77,320)	N/A
Transfers from Educational and General	-	24,179	N/A	-	N/A
Other Changes	-	-	N/A	-	N/A
<b>Total Transfers and Other Changes</b>	<b>\$ (710,058)</b>	<b>\$ (369,719)</b>	<b>N/A</b>	<b>\$ (77,320)</b>	<b>N/A</b>
<b>Total Expenditures, Transfers and Other Changes</b>	<b>\$11,666,357</b>	<b>\$ 2,853,470</b>	<b>24%</b>	<b>\$ 2,230,085</b>	<b>69%</b>
<b>Net Change in Fund Balance</b>		<b>\$ 2,104,576</b>		<b>\$ 2,526,498</b>	

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS - AUXILIARIES  
UNAUDITED SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER CHANGES BY UNIT  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	Food Services	Housing Services	Bookstore	Curris Center	University Parking	Racer Card Admin	Vending and Manual Commissions	Misc	Prior Year Carryovers & Encumbrances	Total
1994-95										
REVENUES										
Current Budget	\$ 3,694,917	\$ 4,368,497	\$ 2,295,751	\$ 229,257	\$ 170,911	\$ 53,865	\$ 94,215	\$ -	\$ 758,944	\$11,666,357
Fiscal Year Actual	1,714,624	2,005,841	1,035,176	73,007	91,710	32,931	4,757	-	-	4,958,046
Actual % Budget	46%	46%	45%	32%	54%	61%	5%	N/A	N/A	42%
DISBURSEMENTS										
Current Budget	\$ 3,460,647	\$ 4,068,176	\$ 2,086,732	\$ 558,451	\$ 532,467	\$ 68,235	\$ 181,591	\$ -	\$ -	\$10,956,299
Fiscal Year Actual	574,452	762,400	892,211	141,085	53,777	31,243	28,583	-	-	2,483,751
Actual % Budget	17%	19%	43%	25%	10%	46%	16%	N/A	N/A	23%
TRANSFERS IN (OUT) AND OTHER CHANGES	\$ (13,508)	\$ (278,891)	\$ (77,320)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (369,719)
NET CHANGE IN FUND BALANCE	\$ 1,126,664	\$ 964,550	\$ 65,645	\$ (68,078)	\$ 37,933	\$ 1,688	\$ (23,826)	\$ -	\$ -	\$ 2,104,576
1993-94										
REVENUES										
Fiscal Year Actual	\$ 1,690,025	\$ 1,999,039	\$ 855,483	\$ 79,965	\$ 94,270	\$ 33,627	\$ 4,174	\$ -	\$ -	\$ 4,756,583
Actual % Budget	41%	45%	38%	36%	55%	62%	5%	N/A	N/A	40%
DISBURSEMENTS										
Fiscal Year Actual	\$ 561,096	\$ 701,493	\$ 631,001	\$ 128,001	\$ 43,513	\$ 56,138	\$ 31,523	\$ -	\$ -	\$ 2,152,765
Actual % Budget	14%	16%	30%	23%	9%	74%	17%	N/A	N/A	18%
TRANSFERS IN (OUT) AND OTHER CHANGES	\$ -	\$ -	\$ (77,320)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (77,320)
NET CHANGE IN FUND BALANCE	\$ 1,128,929	\$ 1,297,546	\$ 147,162	\$ (48,036)	\$ 50,757	\$ (22,511)	\$ (27,349)	\$ -	\$ -	\$ 2,526,498

MURRAY STATE UNIVERSITY  
CURRENT RESTRICTED FUNDS  
UNAUDITED SCHEDULE OF REVENUES BY SOURCE, EXPENDITURES BY FUNCTION, AND OTHER CHANGES  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95			1993-94	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
<b>REVENUES</b>					
Federal Funds					
Pell	\$ 1,811,500	\$ 1,596,085	88%	\$ 1,702,264	122%
SEOG	322,720	224,749	70%	166,775	53%
Workstudy	477,602	48,516	10%	43,367	9%
Grants and Contracts	2,010,973	521,713	26%	470,741	25%
Total Federal Funds	\$ 4,622,795	\$ 2,391,063	52%	\$ 2,383,147	58%
State Grants and Contracts	1,072,782	534,864	50%	415,383	52%
Other Grants and Contracts	331,236	138,576	42%	44,670	55%
Total Current Restricted Revenues	\$ 6,026,813	\$ 3,064,503	51%	\$ 2,843,200	57%
<b>EXPENDITURES</b>					
Educational and General					
Instruction	\$ 1,943,428	\$ 485,543	25%	\$ 366,093	24%
Research	355,412	154,990	44%	115,751	31%
Public Service	139,638	54,803	39%	72,216	22%
Library	4,505	4,505	100%	4,214	100%
Academic Support	358,167	32,919	9%	26,139	15%
Student Services	596,004	18,058	3%	32,821	6%
Institutional Support	6,277	6,277	100%	5,726	100%
Operation & Maint of Plant	204	204	100%	153	100%
Scholarships and Other					
Financial Aid	2,616,880	2,300,906	88%	2,215,060	111%
Total Educational and General	\$ 6,020,515	\$ 3,058,205	51%	\$ 2,838,173	57%
Auxiliary Enterprises	\$ 6,298	\$ 6,298	100%	\$ 5,027	100%
Total Current Restricted Expenditures	\$ 6,026,813	\$ 3,064,503	51%	\$ 2,843,200	57%

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS  
UNAUDITED SCHEDULE OF REVENUES  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95	1993-94
EDUCATIONAL AND GENERAL		
Tuition and Fees		
Fall Tuition	\$ 7,947,950	\$ 7,614,454
Spring Tuition	3,370	5,639
Summer II Tuition	492,244	415,141
Summer I Tuition	(7,596)	24,379
Miscellaneous Tuition	338	482
Student Activity Fees	851,708	868,533
Other Fees	156,052	246,236
Total Tuition and Fees	\$ 9,444,066	\$ 9,174,864
State Appropriations	\$ 11,582,000	\$ 11,337,700
Total State Appropriations	\$ 11,582,000	\$ 11,337,700
Indirect Cost Reimbursements		
Federal and State Indirect Cost Reimbursements	\$ 33,548	\$ 24,230
Total Indirect Cost Reimbursements	\$ 33,548	\$ 24,230
Sales and Services of Educational Departments		
Archeology Service Center	\$ 2,924	\$ -
Art Cash Sales	4,167	6,613
Biology Station Income	762	-
Breathitt Vet Center	26,545	37,828
Chemical Services	15	-
Child Development Center	4,650	-
Clinical Services	7,155	5,672
English Language Institute	161,980	-
Environmental Education Workshop	1,133	688
Environmental Education Income	-	10
Foreign Language Services	50	-
Kentucky Institute of International Studies (KIIS)	188,136	184,358
MARC Service Center	1,150	-
MSU News Advertising	13,328	16,168
MSU X-Ray lab	1,900	600
Office Systems Service Center	176	-
Pediatric Assessment	2,880	3,780
Safety Engineering & Health Workshop	354	-
Shield	33,798	37,631
Theatre Revenue	413	857
TV Studio	300	51
University Farms	47,497	36,278
Waterfield Center	130	268
Total Sales and Services of Educational Departments	\$ 499,443	\$ 330,802
Other Sources		
Archeology Services Center	\$ -	\$ 788
Athletics	28,777	44,844
Athletics - Concessions	10,737	9,087
Athletics - Marketing	1,300	-
Athletics - NCAA Revenue	(9,479)	(8,222)
Athletics - Programs	1,715	5,029
Athletics - Regional Tournaments		
Boys'	-	180
Girls'	-	180
Athletic Camps		
Men's Basketball	1,616	25,175
Ladies' Basketball	115	-
Football	-	425
Golf	(200)	7,100
Tennis	-	12,698

MURRAY STATE UNIVERSITY  
CURRENT UNRESTRICTED FUNDS  
UNAUDITED SCHEDULE OF REVENUES (cont.)  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for the Period Ended September 30, 1993

	1994-95	1993-94
Educational and General (cont.)		
Other Sources (cont.)		
Bad Debt Expense Recovery	\$ 22,050	\$ 28,525
Boar Test Unit	3,743	9,124
Center for Economic Education Council	-	714
Central Stores	8,595	10,987
Chemistry Breakage Fees	61	37
Community Education	31,022	35,071
Conferences and Workshops	5,323	4,972
Consolidated Educational Revenue Interest	140,790	23,232
Cooperative Education/Placement Income	1,517	1,862
Counseling and Testing	3,036	3,660
Faculty Resource Center	2,223	884
Freedom Fest concessions	-	6,804
Friends of Oakhurst	381	-
Graphic Arts Technology	1,280	3,506
Hazardous Materials Training	28,510	20,464
International Student Orientation	1,100	-
Kentucky Honors Roundtable	400	200
Library - Census Microfilm	780	216
Library - Copy Service	11,434	11,317
Library - Fines	2,949	1,226
Library - Interlibrary Loan	232	253
Library - Other Income	2,856	(181)
Livestock and Exposition Center	4,112	5,267
Magic Silver Show	200	-
Music Recital Income	286	367
Nursing Continuing Education	545	-
Operating Fund Interest	23,057	37,049
Other Revenue	11,295	703
Post Office Box Rental	2,780	2,980
Post Office Contract	1,333	1,333
Printing	4,335	4,653
Psychology Copy Account	204	94
Quad State	2,220	3,046
Racer Card Income	-	87
Recycling Program	203	-
Regensburg Exchange	62,851	73,982
Rentals	700	3,300
Residence Hall fees	-	18,094
Rodeo Income	323	-
ROTC Equipment	(162)	-
Sale of Surplus Property	24,440	1,754
String Prep Program	2,279	-
Student Government Association	8,914	49,975
Summer Chess Camp	-	380
Summer Computer Science Workshop	250	-
Summer Orientation	17,085	19,369
Tae Kwon Do Camp	-	350
Technology Center	5,833	3,500
Telecommunications Commission	26,407	15,622
Wickliffe Mounds Gift Shop	2,051	1,920
Wickliffe Mounds Research Center	6,292	6,377
Total Other Sources	\$ 510,696	\$ 510,359
Total Educational and General	\$ 22,069,753	\$ 21,377,955

MURRAY STATE UNIVERSITY  
 CURRENT UNRESTRICTED FUNDS  
 UNAUDITED SCHEDULE OF REVENUES (cont.)  
 For the Period July 1, 1994 through September 30, 1994  
 With Comparative Figures for the Period Ended September 30, 1993

	1994-95	1993-94
AUXILIARY ENTERPRISES		
Food Services	\$ 1,714,624	\$ 1,690,025
Housing Services	2,005,841	1,999,039
Bookstore	1,035,176	855,483
Curris Center	73,007	79,964
University Parking - Fines	19,785	22,312
University Parking - Permits	70,439	71,880
University Parking - Other	1,486	79
Racer Card Administration	32,931	33,627
Vending and Manual Commissions	4,757	4,174
Total Auxiliary Enterprises	\$ 4,958,046	\$ 4,756,583
Total Current Unrestricted Revenues	\$ 27,027,799	\$ 26,134,538

MURRAY STATE UNIVERSITY  
PLANT FUNDS  
UNAUDITED BALANCE SHEET  
As of September 30, 1994  
With Comparative Figures As of September 30, 1993

	1994-95					1993-94
	Unexpended Plant	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant	Total	
<b>SETS-</b>						
Cash (Note 2)	\$ 1,455,009	\$ 107,820	\$ 64,949	\$ -	\$ 1,627,778	\$ 2,048,921
Cash on Deposit with Trustee	-	-	-	-	-	15,592
Investments	4,573,244	3,071,674	4,260,159	-	11,905,077	11,824,729
Interest Receivable	-	-	-	-	-	27,098
Accounts Receivable	-	425,000	-	-	425,000	425,000
Discount on Bonds	114,142	-	-	319,053	433,195	376,432
Due from Other Funds	-	-	-	-	-	233,524
Property, Plant and Equipment	-	-	-	141,904,807	141,904,807	138,038,768
<b>Total Assets</b>	<b>\$ 6,142,395</b>	<b>\$ 3,604,494</b>	<b>\$ 4,325,108</b>	<b>\$ 142,223,860</b>	<b>\$ 156,295,857</b>	<b>\$ 152,990,064</b>
<b>=====</b>						
<b>LIABILITIES AND FUND BALANCE-</b>						
<b>Liabilities</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interaccount Payables	-	-	-	-	-	-
Interest Payable	-	-	279,511	-	279,511	403,356
Due to Other Funds	756	-	-	-	756	650,011
Notes Payable	-	-	-	-	-	197,601
Bonds Payable	4,560,587	-	-	30,960,387	35,520,974	37,592,964
Obligations Capital Leases	-	-	-	45,319	45,319	9,352
Other Obligations	-	-	-	-	-	22,080
<b>Total Liabilities</b>	<b>\$ 4,561,343</b>	<b>\$ -</b>	<b>\$ 279,511</b>	<b>\$ 31,005,706</b>	<b>\$ 35,846,560</b>	<b>\$ 38,875,364</b>
<b>=====</b>						
<b>Fund Balance</b>						
Beginning Fund Balance - July 1	\$ 1,388,910	\$ 3,843,225	\$ 4,163,159	\$ 110,172,727	\$ 119,568,021	\$ 113,885,769
Additions/(Deductions) - YTD	192,142	(238,731)	(117,562)	1,045,427	881,276	228,931
<b>Total Fund Balance</b>	<b>\$ 1,581,052</b>	<b>\$ 3,604,494</b>	<b>\$ 4,045,597</b>	<b>\$ 111,218,154</b>	<b>\$ 120,449,297</b>	<b>\$ 114,114,700</b>
<b>=====</b>						
<b>Total Liabilities and Fund Balance</b>	<b>\$ 6,142,395</b>	<b>\$ 3,604,494</b>	<b>\$ 4,325,108</b>	<b>\$ 142,223,860</b>	<b>\$ 156,295,857</b>	<b>\$ 152,990,064</b>
<b>=====</b>						



MURRAY STATE UNIVERSITY  
PLANT FUNDS  
UNAUDITED STATEMENT OF CHANGES IN FUND BALANCE  
As of September 30, 1994  
With Comparative Figures As of September 30, 1993

	1994-95					1993-94
	Unexpended Plant	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant	Total	
<b>REVENUES AND OTHER ADDITIONS-</b>						
Expenditures for Plant Facilities	\$ -	\$ -	\$ -	\$ 1,091,924	\$ 1,091,924	\$ -
Donated Assets	-	-	-	-	-	-
Retirement of Indebtedness	-	-	-	705,802	705,802	186,642
Proceeds of Refunding Bonds	-	-	-	-	-	-
Interest Income	(1,553)	1,634	5,407	-	5,488	(7,627)
Reduction in Lease Obligations	-	-	-	-	-	-
Reduction in Installment Obligations	-	-	-	-	-	-
Other Additions	310,000	-	-	-	310,000	-
<b>Total Revenues and Other Addition</b>	<b>\$ 308,447</b>	<b>\$ 1,634</b>	<b>\$ 5,407</b>	<b>\$ 1,797,726</b>	<b>\$ 2,113,214</b>	<b>\$ 179,014</b>
<b>EXPENDITURES AND DEDUCTIONS-</b>						
Expended for Plant Facilities	\$ 161,677	\$ -	\$ -	\$ 752,299	\$ 913,976	\$ -
Debt Increase from Refunding	-	-	-	-	-	-
Retirement of Indebtedness	-	-	705,802	-	705,802	186,642
Interest on Indebtedness	-	-	54,660	-	54,660	870
Payment to Escrow Agent	-	-	-	-	-	-
Cost of Bond Issuance	-	-	-	-	-	-
New Bond Indebtedness	-	-	-	-	-	-
Bond Discount Amortization	-	-	-	-	-	-
Other Deductions	(11,664)	-	-	-	(11,664)	-
<b>Total Expenditures and Deductions</b>	<b>\$ 150,013</b>	<b>\$ -</b>	<b>\$ 760,462</b>	<b>\$ 752,299</b>	<b>\$ 1,662,774</b>	<b>\$ 187,512</b>
<b>TRANSFERS AMONG FUNDS IN (OUT) -</b>						
<b>Mandatory</b>						
Principal and Interest	\$ -	\$ -	\$ 439,892	\$ -	\$ 439,892	\$ -
Note Principal and Interest	-	-	197,601	-	197,601	209,312
<b>Non-mandatory</b>						
Transfer from Unrestricted						
Current to Unexpended Plant	33,000	-	-	-	33,000	30,000
Transfer from Unrestricted						
Current to Renewal and Replacement	-	-	-	-	-	7,117
Transfer from Unexpended Plant						
to Unrestricted Current	(48)	-	-	-	(48)	-
Transfer from Renewal and Replacement						
to Unrestricted Current	-	(240,365)	-	-	(240,365)	(9,000)
Transfer from Restricted Current to Unexpended Plant	756	-	-	-	756	-
Transfer from Unexpended Plant to Investment in Plant	-	-	-	-	-	-
<b>Total Transfers</b>	<b>\$ 33,708</b>	<b>\$ (240,365)</b>	<b>\$ 637,493</b>	<b>\$ -</b>	<b>\$ 430,836</b>	<b>\$ 237,429</b>
<b>Net Increase(Decrease) - YTD</b>	<b>\$ 192,142</b>	<b>\$ (238,731)</b>	<b>\$ (117,562)</b>	<b>\$ 1,045,427</b>	<b>\$ 881,276</b>	<b>\$ 228,931</b>
<b>Fund Balance - Beginning July 1</b>	<b>\$ 1,388,910</b>	<b>\$ 3,843,225</b>	<b>\$ 4,163,159</b>	<b>\$ 110,172,727</b>	<b>\$ 119,568,021</b>	<b>\$ 113,885,769</b>
<b>Total Fund Balance - Ending September 30</b>	<b>\$ 1,581,052</b>	<b>\$ 3,604,494</b>	<b>\$ 4,045,597</b>	<b>\$ 111,218,154</b>	<b>\$ 120,449,297</b>	<b>\$ 114,114,700</b>

MURRAY STATE UNIVERSITY  
PLANT FUNDS  
UNAUDITED UNEXPENDED REVENUES AND EXPENDITURES  
For the Period July 1, 1994 through September 30, 1994

	Revised Budget	Fiscal Year to Date	Project Year to Date	Encumbrances	Balance Available
<b>REVENUES</b>					
Revenue Bond Proceeds	\$ 17,296,091	\$ -	\$ 17,355,268	\$ -	\$ (59,177)
Local Funds	2,498,154	33,000	2,387,095	-	111,059
Investment Income	2,327,239	(1,553)	3,179,591	-	(852,352)
Other State Funds	659,355	310,000	873,309	-	(213,954)
Federal Funds	-	756	58,436	-	(58,436)
Private Funds	-	-	4,848	-	(4,848)
Other	-	-	16,582	-	(16,582)
State Appropriations	343	-	343	-	-
<b>Total Revenues</b>	<b>\$ 22,781,182</b>	<b>\$ 342,203</b>	<b>\$ 23,875,472</b>	<b>\$ -</b>	<b>\$ (1,094,290)</b>
<b>EXPENDITURES</b>					
Architect & Engineering Fees	\$ 1,376,849	\$ 29,931	\$ 1,077,815	\$ 98,024	\$ 201,010
General Construction	15,610,366	121,916	11,143,971	4,022,651	443,744
Movable Equipment/Furniture	2,977,624	-	2,977,624	-	-
Land/Right of Way	1,142,909	-	1,139,410	-	3,499
Legal & Administrative Costs	157,606	-	153,212	-	4,394
Transfer for Debt Service	782,938	-	901,619	-	(118,681)
Miscellaneous Expense	10,000	-	2,800	-	7,200
Agency Labor	127,810	606	73,970	-	53,840
Agency Materials	291,832	9,224	187,917	-	103,915
Arbitrage Rebate Transfer	-	-	163,249	-	(163,249)
Contingency	303,248	-	-	-	303,248
<b>Total Expenditures</b>	<b>\$ 22,781,182</b>	<b>\$ 161,677</b>	<b>\$ 17,821,587</b>	<b>\$ 4,120,675</b>	<b>\$ 838,920</b>

MURRAY STATE UNIVERSITY  
PLANT FUNDS  
UNAUDITED SCHEDULE OF UNEXPENDED REVENUES AND EXPENDITURES  
For the Period July 1, 1994 through September 30, 1994

PROJECT	Allotments			Expenditures			Outstanding Encumbrances	Balance 09-30-94
	Prior to July 1, 1994	Received 1994-95	Total	Prior to July 1, 1994	Expenditures 1994-95	Total		
100 Clearing	\$ 61,196	\$ -	\$ 61,196	\$ -	\$ -	\$ -	-	\$ 61,196
131 Land Acquisitions	1,200,690	-	1,200,690	1,192,796	-	1,192,796	-	7,894
251 Industry and Technology Building	13,750,000	-	13,750,000	13,750,000	-	13,750,000	-	-
300 Con Ed Series E and F Clearing	989,716	-	989,716	882,764	-	882,764	-	106,952
400 Con Ed Series G Clearing	-	-	-	83,542	-	83,542	-	(83,542)
405 Renovate Old Fine Arts Building	3,950,000	-	3,950,000	177,083	104,362	281,445	3,288,668	379,887
410 National Boy Scout Museum Phase IV	36,814	-	36,814	28,064	-	28,064	8,750	-
500 Project 48 Bonds Clearing	-	-	-	172,368	-	172,368	-	(172,368)
503 Hazardous Waste Storage	85,000	-	85,000	83,112	-	83,112	-	1,888
514 New Campus Phone Switch	871,994	(48)	871,946	860,202	11,662	871,864	-	82
531 Old Fine Arts Asbestos Removal	96,000	-	96,000	72,285	-	72,285	1,565	22,150
534 Fire Alarm Replacement and Compressed Gas Storage	67,500	-	67,500	46,650	1,546	48,196	-	19,304
537 Underground Fuel Tank Replacement	137,000	-	137,000	111,020	-	111,020	1	25,979
551 Hancock Biological Station-Cabins,Bath	90,000	-	90,000	80,527	826	81,353	-	8,647
600 Project 50 Bonds Clearing	-	-	-	26,020	-	26,020	-	(26,020)
621 HVAC Curris Center Ballroom	7,700	-	7,700	6,375	-	6,375	-	1,325
622 BVC HVAC System	149,070	-	149,070	11,693	-	11,693	129,250	8,127
623 Expo/South Farm Inventory	90,000	-	90,000	40,756	22,795	63,551	20,436	6,013
624 Shower/Eyewash Station	31,500	-	31,500	3,549	4,777	8,326	-	23,174
626 E&G Fire Horn Upgrade	43,500	-	43,500	12	-	12	-	43,488
628 Pouge Plaster/Paint	20,000	-	20,000	5,538	-	5,538	-	14,462
631 Hancock Researcher Cabins	30,000	-	30,000	7,217	2,681	9,898	-	20,102
634 Remote Fire Alarm Monitoring System	15,950	56,850	72,800	8,475	613	9,088	52,825	10,887
636 Elevator Fireman's Service	78,550	-	78,550	4,631	502	5,133	64,044	9,373
637 Faculty Hall Elevator Renovation	300,000	-	300,000	383	11,369	11,752	266,795	21,453
638 Hay Storage Facility - Main Farm	30,000	-	30,000	4,848	-	4,848	-	25,152
641 Renovate Woods Hall	50,000	-	50,000	-	-	-	5,001	44,999
642 Steam & Condensate Lines	128,200	-	128,200	-	544	544	-	127,656
643 Lowry Emergency Generator	16,000	-	16,000	-	-	-	-	16,000
644 Clark Hall - Shower Base Repl	50,000	-	50,000	-	-	-	-	50,000
645 Masonry Defects - Curris Center	5,000	-	5,000	-	-	-	-	5,000
708 Roof Replacement-Gen Serv Bldg	-	33,000	33,000	-	-	-	-	33,000
718 Lovett Stage/Basement Repairs	-	310,000	310,000	-	-	-	283,340	26,660
Total	\$ 22,381,380	\$ 399,802	\$ 22,781,182	\$ 17,659,910	\$ 161,677	\$ 17,821,587	\$ 4,120,675	\$ 838,920

MURRAY STATE UNIVERSITY  
NOTES TO FINANCIAL REPORT  
For the Period July 1, 1994 through September 30, 1994

Note 1. Summary of Significant Accounting Policies

Accounting Basis

The annual financial statements of Murray State University are prepared on an accrual basis of accounting except for depreciation on physical plant and equipment.

Tuition and fee revenues for a semester are recognized upon recording the receivable, normally before or shortly after the semester begins. Revenues of summer school academic terms are reported in the fiscal year in which the programs predominately fall. Therefore deferred tuition revenues are recorded for terms which have not begun at year-end. State appropriations revenues are recognized upon receipt.

Expenditures are generally recognized, for interim reporting, in the period expended rather than the period incurred. Some liability accounts on the Balance Sheet are not adjusted until year-end, at which time all expenditures are accrued.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various activities are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

Current funds are used primarily to account for the transactions affecting the general operations of the University. These resources are expendable for performing the primary and support objectives of the University. Restricted gifts, grants, appropriations, and other restricted resources are accounted for in the appropriate restricted funds.

All gains and losses arising from the sale, collection or other disposition of investments and other noncash assets are accounted for in the funds which owned such assets. Ordinary income derived from investments, receivables, and the like is accounted for in the fund owning such assets.

Note 2. Deposits and Investments

The University currently uses commercial banks and the Commonwealth of Kentucky for its depositories. Deposits with commercial banks are covered by Federal depository insurance or collateral held by the bank in the University's name. At the state, the University's accounts are pooled with other agencies of the state. These state pooled deposits are substantially covered by Federal depository insurance or by collateral held by the state in the state's name. The investments of the University not held in the state investment pool are insured or registered, or are held by the University or by an agent in the University's name.

Note 3. Inventories

Inventories are stated at the lower of cost, using first-in-first-out valuation, or market.

Note 4. Murray State University Foundation, Inc.

Murray State University Foundation, Inc. (the Foundation) is a Kentucky not-for-profit corporation formed to receive, invest, and expend funds for the enhancement and improvement of the University

The Foundation prepares and issues its own financial statements.

MURRAY STATE UNIVERSITY  
NOTES TO FINANCIAL REPORT  
For the Period July 1, 1994 through September 30, 1994

Note 5. Reserve for Revenue Contingency

Carryforward funding of \$180,000 has been designated for the KERS contingent liability.

Note 6. Prior Year Carryovers and Encumbrances

Budget Revisions for Prior Year Carryovers and Prior Year Encumbrance Carryovers are based on actual balances brought forward to date from fiscal year 93/94.

Note 7. Tuition and Fees and Scholarships

Incentive Grants of \$557,694 have been included as both tuition and as scholarship expenditures. The amount of \$557,694 is for Fall 1994.

Note 8. Unrestricted Expenditures

In addition to expenditures, outstanding encumbrances as of September 30, 1994 are \$955,428 for Educational and General and \$22,441 for Auxiliary Enterprises.

Note 9. Non-Mandatory Transfers from/(to) Plant Funds

	Unrestricted Educational and General	Unrestricted Auxiliaries	Restricted Educational and General
I. Transfer from Consolidated Educational Renewal and Replacement Fund:			
a. General Services Roof Replace	\$ 33,000	-	-
b. Lovett-Prelace Steam Lines, Valv	10,000	-	-
c. High Voltage Distribtuion System	50,000	-	-
d. 6/30 CERR balances in renovation	147,365	-	-
Total	\$ 240,365	-	-
II. Transfer (to) Unexpended Plant Fund:			
a. General Services Roof Replace	\$ (33,000)	-	-
b. New Campus Phone Switch	-	-	756
Total	\$ (33,000)	-	756
III. Transfer from Unexpended Plant Fund:			
a. New Campus Phone Switch	\$ 48	-	-
Total	\$ 48	-	-
IV. Transfer to Educational and General from Auxiliaries:			
a. University Bookstore	\$ 77,320	(77,320)	-
Total	\$ 77,320	(77,320)	-
V. Transfer from Educational and General to Auxiliaries:			
a. Housing Services	\$ (24,179)	24,179	-
Total	\$ (24,179)	24,179	-



**Murray State University**

# **Investment Report**

FOR THE PERIOD

July 1, 1994 - September 30, 1994

SUBMITTED TO  
THE PRESIDENT  
AND  
BOARD OF REGENTS

December 3, 1994

# Murray State University

P O BOX 9  
MURRAY KY 42071-0009

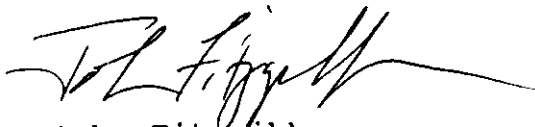
November 11, 1994

President Kern Alexander  
Members of the Board of Regents  
Murray State University  
Murray, KY 42071

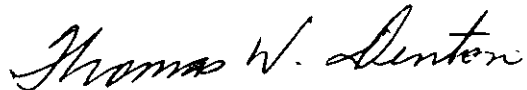
Dear President Alexander and Members of the Board:

Attached is the Investment Report of Murray State University  
for the period July 1, 1994 through September 30, 1994.

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Summary of Investment Earnings by Fund.....	1
Summary of Investment Earnings by Fund and Fund Accounts.....	2
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John Fitzgibbon  
Interim Vice President for  
University Relations  
and Administrative  
Services



Thomas W. Denton  
Treasurer and Director for  
Financial Management and  
Planning

emd

MURRAY STATE UNIVERSITY  
SUMMARY OF INVESTMENT EARNINGS BY FUND  
For the Period July 1, 1994 through September 30, 1994

	Current Funds	Endowment Funds	Plant Funds	Total
	-----	-----	-----	-----
Investment Earnings to Date	\$ 197,832	\$ 18,692	\$ 100,015	\$ 316,539
	=====	=====	=====	=====
Composite Interest Rates	4.53%	5.20%	4.70%	4.62%
	=====	=====	=====	=====



MURRAY STATE UNIVERSITY  
SUMMARY OF INVESTMENT EARNINGS  
BY FUND AND FUND ACCOUNTS  
For the Period July 1, 1994 through September 30, 1994  
With Comparative Figures for Period Ended September 30, 1993

	Earnings To Date 1994-95	Earnings To Date 1993-94
<hr/>		
CURRENT FUNDS		
Local Bank Accounts Interest (Peoples Bank)	\$ 44,850	\$ 30,354
Consolidated Educational Revenue Fund (Frankfort)	140,788	25,449
Housing and Dining Revenue Fund (Frankfort)	12,194	1,879
	<hr/>	<hr/>
Total Current Funds	\$ 197,832	\$ 57,682
	<hr/>	<hr/>
ENDOWMENT FUNDS		
Endowed Chair for Ecosystems Studies	\$ 5,285	\$ 4,632
Smith Scholarship Endowment	13,407	13,757
	<hr/>	<hr/>
Total Endowment Fund	\$ 18,692	\$ 18,389
	<hr/>	<hr/>
PLANT FUNDS		
Consolidated Educational Renewal and Replacement (Frankfort)	\$ 27,094	\$ 13,125
Unexpended Plant (Frankfort)		
Series G Bonds - Capital Construction Clearing	5,285	4,404
Series H Bonds - Capital Construction Clearing	1,556	49,248
Retirement of Indebtedness (Trustee-PNC Bank)		
Consolidated Educational Bond Reserve Sinking Fund	55,685	25,968
Consolidated Educational Series G Arbitrage Rebate Fund	4	4
Housing and Dining Bond Reserve Sinking Fund	6,383	6,877
Housing and Dining Repair and Maintenance Fund	4,008	5,222
	<hr/>	<hr/>
Total Plant Funds	\$ 100,015	\$ 104,848
	<hr/>	<hr/>

MURRAY STATE UNIVERSITY  
CURRENT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITIES  
For the Period July 1, 1994 through September 30, 1994

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1994-95 Earnings
EDUCATIONAL AND GENERAL						
Interest on Local Bank Accounts (Note 4)						
Repurchase Agreement	07/06/94	20 days	6 days	3.150%	716,253	371
Repurchase Agreement	08/08/94	20 days	20 days	3.150%	550,000	949
Repurchase Agreement	09/06/94	20 days	20 days	4.050%	2,443,890	5,423
Repurchase Agreement	10/06/94	19 days	13 days	4.050%	1,341,087	1,935
Peoples Bank		continuous		Daily rate per overnight Peoples Bank balances		
						\$ 36,172
Total Local Bank Accounts interest earnings to date						\$ 44,850
Consolidated Educational Revenue Fund (Frankfort)						
Commercial Paper	10/14/94	142 days	92 days	4.645%	1,502,843	17,913
Treasury Note	06/30/95	392 days	92 days	5.318%	3,995,688	53,559
Commercial Paper	07/15/94	31 days	15 days	4.325%	1,494,510	2,468
Repurchase Agreement	08/15/94	47 days	46 days	4.250%	1,000,000	5,316
Repurchase Agreement	09/12/94	74 days	73 days	4.420%	1,050,000	9,413
Repurchase Agreement	07/15/94	15 days	15 days	4.360%	2,000,000	3,633
Repurchase Agreement	08/11/94	41 days	41 days	4.400%	2,000,000	10,267
Repurchase Agreement	08/29/94	59 days	59 days	4.400%	1,500,000	11,000
Repurchase Agreement	08/29/94	20 days	20 days	4.300%	1,200,000	2,867
Repurchase Agreement	10/15/94	50 days	36 days	4.750%	300,000	1,405
Repurchase Agreement	09/21/94	14 days	14 days	4.700%	1,200,000	2,193
Repurchase Agreement	09/21/94	22 days	22 days	4.700%	2,000,000	5,744
Commercial Note	11/15/94	62 days	17 days	4.824%	991,871	2,247
Commercial Note	11/21/94	68 days	17 days	4.869%	594,605	1,361
Commercial Note	09/20/94	6 days	6 days	4.728%	499,612	388
Commercial Note	09/29/94	15 days	15 days	4.733%	998,058	1,942
Repurchase Agreement	10/18/94	34 days	17 days	4.800%	2,000,000	4,471
Repurchase Agreement	10/28/94	44 days	17 days	4.840%	2,000,000	4,508
Repurchase Agreement	11/15/94	46 days	1 day	4.870%	700,000	93
Total Consolidated Educational Revenue Fund interest earnings to date						\$ 140,788
Total Current Funds Educational and General interest earnings to date						\$ 185,638
AUXILIARY ENTERPRISES						
Housing and Dining Revenue Fund (Frankfort)						
Repurchase Agreement	09/01/94	23 days	23 days	4.300%	500,000	1,374
Repurchase Agreement	10/15/94	50 days	36 days	4.750%	800,000	3,748
Repurchase Agreement	10/15/94	38 days	24 days	4.710%	500,000	1,548
Commercial Note	09/30/94	16 days	16 days	4.754%	2,494,800	5,200
Repurchase Agreement	11/01/94	32 days	1 day	4.870%	900,000	120
Repurchase Agreement	10/20/94	20 days	1 day	4.800%	1,550,000	204
Total Housing and Dining Revenue Fund interest earnings to date						\$ 12,194
Total Auxiliary Enterprises interest earnings to date						\$ 12,194
Total Current Funds interest earnings to date						\$ 197,832

MURRAY STATE UNIVERSITY  
 ENDOWMENT FUNDS  
 SCHEDULE OF INVESTMENT ACTIVITIES  
 For the Period July 1, 1994 through September 30, 1994

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1994-95 Earnings
-----						
ENDOWED CHAIR FOR ECOSYSTEMS STUDIES (Note 7)						
Certificate of Deposit	11/22/94	365 days	92 days	3.750%	180,000	1,701
Certificate of Deposit	11/22/94	365 days	92 days	4.150%	180,000	1,883
Certificate of Deposit	11/22/94	365 days	92 days	3.750%	180,000	1,701
						-----
Total Endowed Chair interest earnings to date						\$ 5,285
						=====

SMITH SCHOLARSHIP ENDOWMENT

Investment	Date Acquired	Gift Value at 01/04/91	Value at 09/30/94	Earnings
-----				
Stocks (Note 7)	01/04/91	\$ 248,608	0	\$ 0
Savings Bonds - Series E	01/04/91	139,807	136,836	2,644
Savings Bonds - Series H	01/04/91	37,000	37,000	555
Foundation Investment Pool	Various	300,397	680,305	10,208
				-----
Total earnings on Smith Endowment				\$ 13,407
				=====
Total Endowment Funds earnings to date				\$ 18,692
				=====

MURRAY STATE UNIVERSITY  
PLANT FUNDS  
SCHEDULE OF INVESTMENT ACTIVITIES  
For the Period July 1, 1994 through September 30, 1994

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1994-95 Earnings
Consolidated Educational Renewal and Replacement (CERR)						
Repurchase Agreement	09/12/94	74 days	73 days	4.420%	2,450,000	21,963
Treasury Note	11/15/94	62 days	17 days	4.600%	2,447,879	5,131
Total Consolidated Educational Renewal and Replacement interest earnings to date						\$ 27,094
=====						
UNEXPENDED PLANT FUND						
Series G Bonds - Capital Construction Clearing - Frankfort (Note 9)						
Repurchase Agreement	09/01/94	90 days	63 days	4.500%	450,000	3,510
Repurchase Agreement	11/29/94	89 days	30 days	4.800%	450,000	1,775
Total Series G interest earnings to date						\$ 5,285
=====						
Series H Bonds - Capital Construction Clearing - Frankfort (Note 10)						
Bond Proceeds Pool	06/30/95	365 days	92 days	Various	532,907	1,556
Total Series H interest earnings to date						\$ 1,556
=====						
Total Unexpended Plant Fund interest earnings to date						\$ 6,841
=====						
RETIREMENT OF INDEBTEDNESS FUND - Invested by Trustee						
Consolidated Educational Bond Reserve Sinking Fund (Note 11)					Carrying Value	
Treasury Note	07/07/94	92 days	7 days	3.800%	3,536,153	1,316
Repurchase Agreement	07/01/04	358 days	85 days	6.500%	3,543,480	53,103
Money Market Securities	06/30/95	365 days	92 days	Various	34,166	1,266
Total Consolidated Educational Bond Sinking Fund interest earnings to date						\$ 55,685
=====						
Consolidated Educational Series G Arbitrage Rebate Fund						
Money Market Securities	06/30/95	365 days	92 days	Various	544	\$ 4
Total Consolidated Educational Series G Arbitrage Fund interest earnings to date						\$ 4
=====						
Housing and Dining Bond Reserve Sinking Fund (Note 12)						
Money Market Securities	06/30/95	365 days	92 days	Various	685,530	\$ 6,383
Total Housing and Dining Bond Reserve Sinking Fund interest earnings to date						\$ 6,383
=====						
Housing and Dining Repair and Maintenance Reserve Fund (Note 13)						
Money Market Securities	06/30/95	365 days	92 days	Various	623,752	\$ 4,008
Total Housing and Dining Repair and Maintenance Reserve Fund interest earnings to date						\$ 4,008
=====						
Total Retirement of Indebtedness Fund interest earnings to date						\$ 66,080
=====						
Total Plant Funds interest earnings to date						\$ 100,015
=====						

**MURRAY STATE UNIVERSITY**  
**NOTES TO INVESTMENT REPORT**  
For the Period July 1, 1994 through September 30, 1994

Note 1. **BASIS OF REVENUE RECOGNITION**

Accrual basis accounting is used to recognize interest earnings on the Investment Report.

Note 2. **INVESTMENT POLICIES AND PROCEDURES**

**POLICIES**

Scope: This investment policy applies to activities of the University with regard to investing the financial assets of all funds, including those maintained by:

- I. the Commonwealth of Kentucky's treasury,
- II. local depositories, and
- III. external trustees and investment managers.

Written procedures will indicate which funds are covered under each of the previously mentioned investment structures.

Goals: Consistent with state statutes and administrative regulations, the goals of the University's investment program are:

- \* preservation and maintenance of the real purchasing power of the principal in the portfolios,
- \* maintenance of sufficient liquidity to meet normal and foreseeable expenditures, and
- \* attainment of the greatest possible dollar return to the University while observing statutory and policy constraints.

Investment Objective: The investment objective is to produce a yield that when compared to the current marketplace, would be described as competitive by investment managers.

Strategy: The University's investment strategy is designed to match the life of the asset with the date liability occurs.

Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

Delegation of Authority:

General: The Treasurer is responsible for investment decisions and activities, under the direction of the Board of Regents. The Treasurer shall develop and maintain written administrative procedures for the operation of the investment program, consistent with these policies. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person shall engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate investment personnel.

Bond Funds: With regard to bond funds, the investment/reinvestment (on instruments authorized by the bond indenture and resolutions) by the trustee(s) shall be directed from time to time by the Treasurer.

Minimal Non-Cash Investment Transactions: In order to correct stock transfer errors or dispose of small non-cash investments, the Treasurer is authorized to sell or otherwise dispose of items less than \$10,000 without specific resolution from the Board of Regents.

Reporting: The Treasurer and the Vice President for University Relations and Administrative Services shall submit quarterly investment reports to the President and Board of Regents. These reports will include investment data for investment securities held at the end of the reporting period.

PROCEDURES

I. Investments with State Treasury

A) Current Funds:

The majority of funds available for investment by Murray State University are included in the Commonwealth of Kentucky's investment pool. State regulations allow the Current Funds contained in the Consolidated Educational (ConEd) Fund and the Housing and Dining (H&D) Fund to be invested at the discretion of the University. These funds may only be invested in the state investment pool.

Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

A designated staff person of the University reviews the cash needs and determines the amount to be invested from each of the aforementioned funds. The staff also determines the length of time, the monies are to be invested. The Treasurer approves the recommended investments. The state investment office in Frankfort reviews the amount and the term, and based on other investments made that day for their pool, determines the best type of security and purchases it in the name of the Commonwealth for the University.

When the security has been purchased, a confirmation is mailed to the University. The purchase is recorded in the University's accounting system per the confirmation. When the security matures, the cash balance in the appropriate fund is increased for the amount of the investment and the interest earned.

II. Investments with Local Depositories

A) Local Receipts

All local receipts, except for appropriations and private contributions, are temporarily deposited (up to 30 days following the end of the month of deposit) with local depositories before transfer to the State treasury.

While temporarily residing in the local depository, these funds earn interest based on the University's local bank contract which provides for interest earnings based on a percentage of the federal overnight funds rate. Available funds may also be invested in short term, usually 20 day, repurchase agreements. The bank transfers interest earnings to the University's accounts on a monthly basis. The interest earnings are retained within Current Funds, except for an allocation to Federal Loan Funds and some restricted Endowment Funds.

B) Endowment Funds Invested by the University:

The Endowment Funds Invested by the University are invested totally at the discretion of the University. These funds are invested following the policies stated below:

- 1) Cash funds available for investment shall, whenever possible, be pooled into amounts of \$100,000 or more.
- 2) Cash funds shall be invested generally in non-speculative financial institutions or government securities.

Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

- 3) Above the \$100,000 insured by FDIC and FSLIC, investments in financial institutions must be secured (collateralized) with appropriate government securities.
- 4) A maximum investment of \$250,000-\$300,000 shall be held in any institution at a given time.
- 5) No investment shall be placed with any institution on the basis of political favor, friendship, or influence by an official, alumnus, or friend of the University.

III. Investment with Trustee or External Investment Manager

This section concerns those fund investments managed by parties outside the University. Currently, external managers are used only for two areas-- those funds invested with the MSU Foundation and those funds related to bond issues.

A) Endowment Funds Invested by the MSU Foundation

The Murray State University Foundation holds and invests a majority of the University's Endowment Funds. Updates by the MSU Foundation, Inc. to its Investment Policies and Procedures will automatically update this section unless it would create a conflict with other sections of the University's investment policies and procedures. The MSU Foundation's policies and procedures are quoted below and are incorporated into these University procedures as follows:

"Purpose:

Investments made by the MSU Foundation are to be managed in such a way that maximizes the Foundation's ability to contribute to the goals of the University. The investment policies and procedures for the investment of monies and securities owned by or under the custodial care of the MSU Foundation are established by a Joint Investments Committee. The Joint Investments Committee is comprised of three trustees of the MSU Foundation, two members of the Board of Regents, and two members of the Murray State University Alumni Council.



Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

The Joint Investments Committee meets twice a year just prior to the regular Board meetings of the MSU Foundation, and at such other times as deemed necessary. A report of invested funds is prepared by the MSU Foundation staff and distributed to members of the Joint Investments Committee, and the Vice President for University Relations and Administrative Services at quarterly intervals and to the full Board of Trustees at semi-annual meetings. Periodic reports are made to the Board of Regents by the Chairman of the Regents Investment Committee. In addition, quarterly earnings reports are given to the Alumni Association and other entities having substantial investments in the Foundation.

Policies Governing Investment Discretion and Authorized/Prohibited Transactions:

The Joint Investment Committee directs the investment manager (specifically, the Chair of the Joint Investment Committee) to make investments as follows:

1. Cash funds available for investment shall, whenever possible, be pooled into amounts of \$100,000 or more.
2. Cash funds shall be invested for periods of three months to seven years generally in non-speculative financial institutions or government securities through a process of competitive bidding. Investments may also be made in Government Securities Funds or Trusts offered by sound, well-managed financial institutions or financial service institutions based on their respective rating and performance records. The MSU Foundation may buy up to 35% of the investment portfolio in Government Agencies and 50% in mortgage-backed securities. In some cases, when deemed advantageous to the Foundation, investments may be negotiated.
3. Above the \$100,000 insured by FDIC and FSLIC, investments in financial institutions must be secured (collateralized) with appropriate government securities. (only MSUF is an affiliated corporation)
4. A maximum investment of \$250,000-\$300,000 shall be held in any institution at a given time. (Exception: A local negotiated arrangement for 14-day investment of checking account funds, as permitted by cash flow requirements.)

Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

5. All scholarship funds matched with Hurley bequest funds shall be held in and invested by the MSU Foundation.

6. No investment shall be placed with any institution on the basis of political favor, friendship, or influence by any officials, alumnus or friend of the University. Competitive, safe and best bids shall be sought for funds invested by MSU Foundation officials.

7. Funds in checking accounts will be invested in negotiated short-term (14-30 days) certificates of deposit, prime accounts, money market accounts or other insured, interest bearing accounts.

8. The purchase of investment securities (stocks and bonds) and investment real estate shall be authorized by the Investment Committee.

Other Policies:

9. Pooled investment earnings shall be pro-rated to the individual investment accounts in accordance with the amount of funds invested.

10. No charges for administrative expenses shall be assessed against any permanent scholarship fund account.

Evaluation Criteria:

Both long and short term investments should produce a yield that when compared to the current marketplace would be described as competitive by investment managers.

Policy Review Cycle:

This policy will be reviewed annually by the Board of Trustees of the Murray State University Foundation.

B) Plant Funds (Bonds only):

The indentures and resolutions of the three bond funds listed below authorize PNC Bank of Louisville to act as Trustee. The Treasurer will direct the Trustee to invest and reinvest funds in instruments authorized within the bond indentures and board resolutions. Minimum reserves are maintained and monitored by the Trustee as directed within the bond indentures.

Note 2. INVESTMENT POLICIES AND PROCEDURES (cont.)

- 1) Consolidated Educational Building Project Bond and Interest Sinking Fund:

This fund was created as a result of the first trust indenture established when the Consolidated Educational Building and Revenue Bonds were sold in the 1960's , to provide a sinking fund to pay debt principal and interest expense on all related CEBRB bonds.

Interest earnings are used to reduce the amount of semi-annual debt service transferred from the University Unrestricted Educational and General Fund to this sinking fund.

- 2) Housing and Dining System Revenue Bonds & Interest Sinking Fund:

This fund was created as a result of the trust indenture established when the first Housing and Dining System Revenue Bonds were sold in the 1960's to provide a sinking fund to pay debt principal and interest expense on related Housing and Dining Revenue Bonds.

Interest earnings are used to reduce the amount of semi-annual debt service transferred from the University Unrestricted Auxiliary Fund to this sinking fund.

- 3) Housing and Dining System Repair and Maintenance Reserve Fund:

This fund was created as a result of the establishment of the trust indenture to provide a fund to pay for extraordinary repairs, not paid from the Auxiliary Fund, to the Housing and Dining System buildings.

Interest earnings are retained in the fund for future use. The use is determined by the Board of Regents resolutions and the bond indenture.

Note 3. DEPOSITS AND INVESTMENTS

The University currently uses commercial banks and the Commonwealth of Kentucky for its depositories. Deposits with commercial banks are covered by Federal depository insurance or collateral held by the bank in the University's name. University funds deposited with the State Treasurer are pooled with funds from other state agencies. These state pooled deposits are substantially covered by federal depository insurance or by collateral held by the bank in the state's name. The investments of the University not held by the state investment pool are insured, registered, or held by the University or by an agent of the University.

Below is a summary of the investments held by the University.

	09/30/94 Carrying Amount	09/30/93 Carrying Amount
U.S. Government Securities	\$ 5,738,708	\$ 8,028,642
Stocks	-	-
Certificates of Deposit	540,000	520,000
Money Market Securities	<u>1,876,899</u>	<u>4,600,452</u>
Subtotal:	\$ 8,155,607	\$13,149,094
Investment in State Investment Pool	<u>\$18,732,886</u>	<u>\$ 8,384,698</u>
Total Investments	<u>\$26,888,493</u> =====	<u>\$21,533,792</u> =====

Note 4. CURRENT FUNDS - LOCAL BANK ACCOUNT

Per banking contract with People's Bank, interest earnings are based on 100% of the overnight federal funds rate. Available funds are invested in short term repurchase agreements.

Interest earnings may be expended in Current Fund.

Note 5. CONSOLIDATED EDUCATIONAL BUILDING AND REVENUE BOND FUND (CEBRB)

This fund was created, as result of the trust indenture established when the first Consolidated Educational Building and Revenue Bonds were sold in the 1960's, as a depository of tuition and fees in order to provide funds to service the principal and interest debt requirements of each series of aforementioned bonds. The fund also supports the Educational and General Fund operations.

Note 5. **CONSOLIDATED EDUCATIONAL BUILDING AND REVENUE BOND FUND (CEBRB)**  
(cont.)

The University Finance and Administrative Services personnel have the authority to instruct the Commonwealth of Kentucky Office of Financial Management and Economic Analysis to invest available funds of the CEBRB into government securities and/or Repurchase Agreements for a particular term.

All interest earnings are transferred to Consolidated Educational Renewal and Replacement (CERR) at the end of each fiscal year according to the Board's approval for renewal and replacement projects.

Note 6. **AUXILIARY FUNDS - HOUSING AND DINING REVENUE FUND**

This fund was created, as a result of the trust indenture established when the first Housing and Dining System Revenue Bonds were sold in the 1960's, as a depository of all auxiliary income in order to provide funds to service the principal and interest debt requirement of each series of aforementioned bonds. The fund also supports the Auxiliary Fund operations.

Note 7. **ENDOWMENT FUND INVESTMENTS**

**ENDOWED CHAIR**

During 1987, the University was awarded \$500,000 by the Commonwealth of Kentucky for an Endowed Chair for Eco-Systems Studies. One of the requirements of the award was that the University secure \$500,000 in matching funds from private sources. In order to meet this requirement on a timely basis, the MSU Foundation pledged the investment earnings from \$500,000 in their Current Unrestricted Funds until such time as private funds are raised for this purpose. University discretion, within the Board Policy, is used to invest these funds. The earnings are matched by the Murray State University Foundation. Ten percent of the total earnings are returned to the investment pool. Ninety percent of the earnings are transferred to the Endowed Chair grant for program expenditures.

Note 7. **ENDOWMENT FUND INVESTMENTS (cont.)**

**SMITH ENDOWMENT**

During the fourth quarter of fiscal year 1991-92 and the first three quarters of fiscal year 1992-93, the University received proceeds from the Laura Smith estate for the Smith Endowment. This endowment, in excess of \$750,000, consisted of cash, Series EE & HH Savings bonds, accumulated bond interest, and various stock. As authorized by the Board of Regents, the stocks with an endowment value of \$248,608 were sold on April 30, 1993 for \$346,610 resulting in a \$96,202 net gain after commission. The proceeds from the sale were deposited with the foundation for investment in the investment pool. Based on the estate's tax returns, the date of death is used to determine the value of investments.

Note 8. **CONSOLIDATED EDUCATIONAL RENEWAL AND REPLACEMENT (CERR)**

As established by the Board of Regents in March 1982, CERR provides a plant fund sub-group so that funds transferred from CEBRB could be accumulated for future projects of repair and renovation.

The University invests the proceeds in the same manner as CEBRB in Note 5.

Interest earnings remain within the fund for future projects.

Note 9. **UNEXPENDED PLANT FUNDS - SERIES G REVENUE BOND**

This capital construction clearing account holds the proceeds from the University's Series G bond sale until such time as they are needed for specific capital construction projects.

The University issued \$14,785,000 in Series G revenue bonds dated December 1, 19987. The proceeds are to be used to pay costs of repair, renovation, construction or addition to buildings on the campus of Murray State University that are and shall be a part of the Consolidated Educational Building Project. This project was established and created by the board of Regents on April 20, 19961.

The University invests the proceeds in the same manner as CEBRB in Note 5.

Interest earnings on Series G can be spent on the Industry and Technology Building project or any other Educational and General project the Board and State approves.

**Note 10. UNEXPENDED PLANT FUNDS - SERIES H REVENUE BOND**

This capital construction clearing account holds the proceeds from the University's Series H bond sale until such time as they are needed for specific capital construction projects.

The University issued \$4,625,000 in Series H revenue bonds dated March 1, 1992. The proceeds are to be used to pay costs of repair, renovation, construction or addition to buildings on the campus of Murray State University that are and shall be a part of the Consolidated Educational Building Project. This project was established and created by the Board of Regents on April 20, 1961.

The Commonwealth of Kentucky invests the proceeds in a pooled account with other state agency bond proceeds.

Interest earnings on Series H can be spent on the renovation of the Old Fine Arts Building and the Underground Steam and Condensate Lines as approved by the Board and State.

**Note 11. RETIREMENT OF INDEBTEDNESS - CONSOLIDATED EDUCATIONAL SINKING FUND (CESF)**

This fund was created, as a result of the first trust indenture established when the Consolidated Educational Building and Revenue bonds were sold in the 1960's, to provide a sinking fund to pay debt principal and interest expense on all related CEBRB bonds. The amount of interest earned is part of the formula for funding CERR annually. (See Note 5)

The trustee invests the funds in money market, government securities and, occasionally, repurchase agreements. The trustee determines the investment policy for this fund.

Interest earnings are used to reduce the amount of semi-annual debt service transferred from University Unrestricted Educational and General Fund to this sinking fund. Bond requirements mandate a minimum reserve of \$3,543,480.

**Note 12. RETIREMENT OF INDEBTEDNESS - HOUSING AND DINING SINKING FUND**

This fund was created, as a result of the trust indenture established when the first Housing and Dining System Revenue Bonds were sold in the 1960's, to provide a sinking fund to pay debt principal and interest expense on related Housing and Dining Revenue Bonds.

The trustee invests the funds in the same manner as CESF in Note 10.

Interest earnings are retained in the fund for future use. Bond requirements mandate a minimum reserve of \$679,823.

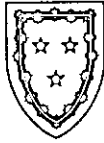
Note 13. HOUSING AND DINING REPAIR AND MAINTENANCE RESERVE FUND

This fund was created, as a result of the establishment of the trust indenture in Note 5, to provide a fund to pay for extraordinary repairs, not paid from the Auxiliary Fund, to the Housing and Dining System buildings.

The trustee invests the funds in the same manner as CESF in Note 10.

Interest earnings are retained in the fund for future use. The use is determined by Board of Regents resolution and the indentures. Bond requirements mandate a minimum reserve of \$550,000.





## **Murray State University**

ADMISSIONS AND REGISTRAR'S OFFICE  
PO BOX 9  
MURRAY KY 42071-0009  
(502) 762-3741 TOLL-FREE 1-800-272-4678

February 24, 1995

Board of Regents  
Murray State University  
Murray, KY 42071

Dear Board Members:

Attached is the list of persons who completed all requirements  
and upon whom degrees were conferred as of December 16, 1994.

Sincerely,

A handwritten signature in cursive script, likely belonging to Phil Bryan.

Phil Bryan  
Dean of Admissions  
and Registrar

Attachment

MASTER OF SCIENCE

Christy Southard Adkins  
Abella Yimer Ali  
Cheewin Amornsingha  
James Henry Armstrong  
Titus O. Awokuse  
Jennifer Lynne Beck  
Brett C. Brandner  
Mark Joseph Brouder  
Karen Wiesen Caldwell  
Ainslie Craft Campillo  
Minggang Chen  
Randy Dean Clark  
Kevin Burt Collins  
Tracy Leigh Cottongim  
Cheryl S. Crouch  
William Gordon Embry  
George Edward Fichter  
George Gregory Fisher  
Derrick Walter Flowers  
Retta Carson Gardner  
James Edward Graves  
Kimberly Michelle Green  
Kimberly Ann Hetrick  
Todd G. Hite  
James G. Hodges  
Kara Kovarik Howard

Jian Huang  
Brent Alan Huffman  
James R. Ivey  
Valerie Linette Jackson  
Michel Jim William Jimerson  
Kimberly Thompson Knotts  
Misa Lee  
Kenneth W. Lewellyn  
Fu Li  
Quang Liu  
Jeffrey Don Mabry  
Joseph A. Morgan  
Lance Gaylin Morris  
Cindy Lee Richard  
Sandra Delores Rutherford  
Terry Philip Sahlin  
Kurt Alan Schadewald  
Brian Dean Sharp  
Russell Patrick Smutz  
James Russell Stallons  
Vella M. Strickland  
Michael Thomas Troutman  
Gregory Mark Watson  
Terri Denise Whitlock  
Lynn D. Wilkinson  
Stephen Craig Winograd

Melissa Lee Wright

MASTER OF ARTS IN EDUCATION

Charlotte G. Barnes  
Christy Lynn Combs  
Cheryl Ann Gilliam  
Christopher Holt Guhy  
Jo Beth Henson  
Lisa Ann Jarrett

Michele McCoy  
Stephanie Michelle McDermott  
Kelly Daniels Puckett  
Cynthia Waldman Rich  
Vicki M. Sims  
Stephanie Dawn Sullivan

William Lee Ward

MASTER OF BUSINESS ADMINISTRATION

Dassakorn Chintanaki  
Jantariga Chonmaitri  
C. Terry Howell  
Chung-Wen Huang  
Dominic Mbugua Mwenja

Arporn Punsuksawad  
Popy Rufaidah  
Apichat Saligupta  
J. Stephen Sparks  
Rungkarn Tangsriwong

Michael Andrew Walden

MASTER OF PUBLIC ADMINISTRATION

John Guilford McCracken

MASTER OF MUSIC EDUCATION

Rondal Scott Tomlison

MASTER OF ARTS

Ted Dotson  
Terri Grief Gipson  
Ricahrd Ivan Jobs  
Matthew Ray Martin

Rick A. Metcalf  
Kayo Mitsuda  
Lana Jill Stembridge  
Kathleen Ann Thornton

MASTER OF SCIENCE IN NURSING

Deborah Lynne Oliver

**Deloitte &  
Touche LLP**

Suite 2100  
220 West Main Street  
Louisville, Kentucky 40202-5313

Telephone: (502) 562-2000  
Facsimile: (502) 562-2073

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH HOUSE BILL 622  
(KRS 164A.555 TO 164A.630) BASED ON THE AUDIT OF FINANCIAL STATEMENTS**

Board of Regents  
Murray State University  
Murray, Kentucky

We have audited the financial statements of Murray State University (the University) as of and for the year ended June 30, 1994, and have issued our report thereon dated September 16, 1994.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller of the United States, and the "Minimum Audit Scope Compliance with House Bill 622 (KRS 164A.555 to 164A.630)", dated August 1983, issued by the Commonwealth of Kentucky Finance and Administration Cabinet.

Compliance with the provisions of House Bill 622 applicable to the University is the responsibility of the management of the University. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the University's compliance with the applicable provisions of House Bill 622. However, the objective of our audit was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the University complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the University had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Regents, management of the University, and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte - Touche LLP*

September 16, 1994

**Deloitte Touche  
Tohmatsu  
International**

# Deloitte & Touche LLP



Suite 2100  
220 West Main Street  
Louisville, Kentucky 40202-5313

Telephone: (502) 562-2000  
Facsimile: (502) 562-2073

September 16, 1994

Board of Regents  
Murray State University  
Murray, Kentucky

In planning and performing our audit of the financial statements of Murray State University for the year ended June 30, 1994 (on which we have issued our report dated September 16, 1994), we developed the following recommendations concerning certain matters related to its internal control structure and certain observations and recommendations on other accounting, administrative, and operating matters. Our comments are presented in Exhibit I.

This report is intended solely for the information and use of the board of regents, management, and others within the organization.

We will be pleased to discuss these comments with you and, if desired, to assist you in implementing any of the suggestions.

Very truly yours,

*Deloitte & Touche LLP*

**1. SELF-INSURANCE CLAIMS LIABILITIES**

The University self-insures medical benefits of its employees. The University accrues expense for self-insurance monthly, based upon an analysis of expected claims experience. However, the University did not prepare an analysis or calculation of estimated self insurance claims payable at June 30, 1994, the University's year end.

Management should prepare an analysis of estimated self-insurance claims payable either at December 31 or at June 30 each year, and adjust the general ledger balance to the calculated amount. The estimate of self-insurance claims payable should include an estimate of claims incurred, but not recorded, in addition to claims reported, but not paid.

**2. ACCOUNTS RECEIVABLE**

Accounts receivable subsidiary ledgers related to Interaccount Accounts Receivable and Food Service Accounts Receivable contain receivables older than one year. We recommend that these accounts be reviewed on a quarterly basis and any old items (over 30 days) be investigated and uncollectible items be written-off.

**3. INVENTORY TAGS**

The physical plant inventory physical count procedures could be improved by using inventory tags. Inventory tags help prevent double counting and provide a means to ensure all items are entered into the inventory compilation.

**4. FIXED ASSETS**

An asset detail of non-building improvements (e.g., steam lines) should be maintained. We recommend Accounting prepare a detail inventory of non-building improvements that is reconciled to the general ledger control account at least quarterly.

**ELECTRONIC DATA PROCESSING RELATED MATTERS****1. PROBLEM LOG INCIDENT REPORT**

Problem logs or incident reports are not being maintained to keep track of hardware and operating system problems and their resolution. As a result, no review is currently being performed on a regular basis to ensure that all hardware and operating system problems encountered have been resolved satisfactorily on a timely basis.

We recommend management establish procedures to log all hardware and operating system problems encountered and their resolution. Periodic review of the system logs should be performed to ensure that the problems have been resolved on a timely basis.

## **2. BACKUP TAPE LOGS**

A backup tape log is maintained for the set of daily backup tapes kept in the Business Building vault. However, a similar log is not available for weekly and month-end backup tapes. This may result in difficulties in accounting for the backup tapes.

We recommend a backup tape log be maintained for all backup tapes, including tapes stored on-site and off-site. This will help account for the availability and the location of the backup tapes.

## **3. DISASTER CONTINGENCY PLAN**

A disaster contingency plan has not been developed for the University EDP and accounting functions. Without a comprehensive contingency plan that is periodically tested, valuable time may be lost attempting to recover from an emergency and normal operations may be significantly disrupted.

We recommend that a comprehensive disaster contingency plan be developed and the plan be tested at least annually. This will help ensure that University management could minimize the impact of an emergency by being able to recover and resume operations in a timely manner.

## **4. PROGRAM CHANGE CONTROL PROCEDURES**

The following concerns were identified during our review of the program change control procedures:

- A standardized program change request form is not being used by the user departments to document their requests.
- Users are not automatically notified by the Information Systems Department when the program change requested is implemented to production. This may increase the risk of errors made by users of the system.
- Procedures for testing program changes have not been documented. In addition, formal user sign-off accepting the test results and approval from the System Analysts are not required before new or modified programs are implemented to production. This may increase the risk of implementing application programs that have not been fully tested or do not properly address users' requirements.
- Documented programming standards and guidelines are currently unavailable. This may result in development of systems that are difficult to maintain, which in turn increases the risk of introducing errors and unreliable processing into the systems.

Management should consider implementing the following:

- Implement a standardized program change request form for the user departments to document their requests. A running change control number should be assigned to each form received. This will facilitate the tracking and monitoring of the requests received.
- Establish appropriate procedures to ensure that users are properly notified when a requested program change is due to be implemented.
- Develop written comprehensive systems development and maintenance procedures that adequately address controls in the following areas:
  - Design Specification
  - Programming
  - Testing
  - Documentation
  - Maintenance

This will help provide proper controls over systems development and maintenance activities and help ensure the continued reliability of the application systems.

## 5. PHYSICAL SECURITY

During our review of the computer center physical security, we identified the following concerns:

- The door to the Operations Area is equipped with a cipher lock. However, it has occasionally been found to be left unlocked. In addition, windows installed allow anyone on the main corridor to have a full view of the Operations Work Area. This increases the risk of unauthorized access into the Operations Area where computer console, tape drive and backup tapes are kept.
- The computer center is not equipped with an Uninterruptible Power Supply (UPS) to allow for an orderly shut down of the computer system in case of power outage. As a result, significant efforts may be required to effectively recover loss or corrupted data.

We recommend management consider implementing the following:

- Keep the door to the Operations Area locked at all times. In addition, install blinds to prevent outsiders from observing the activities in the area.
- Install a UPS to enable an orderly shut down in case of power outage.



## 6. ACCESS CONTROLS

During our review of the user access control procedures, we noted that:

- The CICS Signon Table where CICS user IDs are defined does not contain documentation on users signing the ID's. The CICS ID's thus could not be readily associated with the corresponding users to facilitate security administration.
- Users' access capabilities are not reviewed periodically by user department supervisors. Over time, access capabilities assigned to the users may become incompatible with their job functions.
- User departments are responsible for notifying the security administrator of staff leaving the University or relocating within the University. However, a system user listing is not being printed and compared to an employee list by the user department or IS department on a regular basis to ensure compliance.
- Upon setting up a new user on the system, the security administrator will notify the relevant departmental supervisor through a copy of the original request memo complete with the new users' IDs and passwords. This increases the risk of compromising the confidentiality of the user passwords.
- Procedures requiring user passwords to be changed on a periodic basis have not been established. As passwords may not remain confidential after an extended period of use, this increases the risk of individuals obtaining other valid users' passwords for unauthorized purposes. In addition, certain passwords can be easily guessed and, thus, are inappropriate for use.

We recommend management consider implementing the following:

- Adequate documentation should be prepared in the CICS Signon Table to help associate the IDs with the corresponding users.
- On a periodic basis, user access capabilities should be reviewed and revised to reflect their current access requirements.
- System user listings should be compared periodically to employee lists to ensure that only current University employees have access to the system.
- IDs and passwords should be communicated to the users in sealed envelopes. Knowledge of the password should be limited to only the user and the security administrator.
- All obvious passwords currently in the system should be changed. In addition, procedures should be established to ensure that no obvious passwords will be used and that passwords are changed on a periodic basis.

## **7. OPERATING SYSTEM**

Some operating system software maintenance requests are not submitted to the Senior Systems Programmer for authorization and approval before they are acted upon. This may increase the risk of unauthorized modification of the operating system software.

In addition, procedures for testing operating changes have not been documented. Currently, application programmers who test the modifications are not required to formally sign-off to accept the test results before the modified system programs are implemented to production. This may increase the risk of implementing system programs that have not been fully tested.

We recommend procedures be established to ensure that all operating system maintenance requests are submitted to the Senior Systems Programmer for authorization and approval before they are acted upon. This will help prevent unauthorized modification to the operating system software.

Management should also document procedures for testing operating system program changes. Appropriate monitoring activities should be carried out to ensure proper compliance with the established procedures.

## **COMMENT CARRYING OVER FROM THE PRIOR YEAR**

### **1. PURCHASING AND ACCOUNTS PAYABLE**

Most purchasing and accounts payable functions continue to be performed manually. We recommend management consider obtaining software to better facilitate the management of purchasing and accounts payable function as well as enhancing recordkeeping facilities.



**WKMS-FM RADIO  
(A PUBLIC  
TELECOMMUNICATIONS ENTITY  
OPERATED BY MURRAY STATE  
UNIVERSITY)**

**Financial Statements  
For the Year Ended June 30, 1994  
and  
Independent Auditors' Report**

**Deloitte Touche  
Tohmatsu  
International**



**INDEPENDENT AUDITORS' REPORT**

Board of Regents  
Murray State University

We have audited the accompanying balance sheet of WKMS-FM Radio (a Public Telecommunications Entity operated by Murray State University) as of June 30, 1994, and the related statements of financial activity and cash flows for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WKMS-FM Radio as of June 30, 1994, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

*Deloitte & Touche LLP*

October 28, 1994

WKMS-FM RADIO  
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WKMS-FM RADIO  
BALANCE SHEET  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	Operating Funds	1994 Plant Fund	Total	1993 Total
<b>ASSETS</b>				
Current assets:				
Cash	\$ 255,623	\$ -	\$ 255,623	\$ 167,969
Investments	105,100	-	105,100	104,820
Accounts receivable	12,502	-	12,502	2,536
Inventory, at lower of cost (first-in, first-out) or market	1,745	-	1,745	2,598
Prepaid expenses	14,397	-	14,397	22,885
	<u>\$ 389,367</u>	<u>\$ -</u>	<u>\$ 389,367</u>	<u>\$ 300,808</u>
Equipment	-	300,396	300,396	328,565
Total assets	<u>\$ 389,367</u>	<u>\$ 300,396</u>	<u>\$ 689,763</u>	<u>\$ 629,373</u>
	=====	=====	=====	=====
<b>LIABILITIES AND FUND BALANCES</b>				
Current liabilities:				
Accounts payable and accrued expenses	\$ 16,321	\$ -	\$ 16,321	\$ 13,384
Fund balances:				
Operating	\$ 373,046	\$ -	\$ 373,046	\$ 287,424
Investment in plant	-	300,396	300,396	328,565
Total fund balance	<u>\$ 373,046</u>	<u>\$ 300,396</u>	<u>\$ 673,442</u>	<u>\$ 615,989</u>
Total liabilities and fund balances	<u>\$ 389,367</u>	<u>\$ 300,396</u>	<u>\$ 689,763</u>	<u>\$ 629,373</u>
	=====	=====	=====	=====

The accompanying notes are an integral part of the financial statements.

WKMS-FM RADIO  
STATEMENT OF FINANCIAL ACTIVITY  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	Operating Funds	1994 Plant Fund	Total	1993 Total
Revenue and support:				
Community service grants from Corporation for Public Broadcasting	\$ 104,748	\$ -	\$ 104,748	\$ 105,320
Other grants and support:				
General appropriation from Murray State University	199,971	-	199,971	204,092
Subscriptions and membership income	86,837	-	86,837	75,018
Miscellaneous revenue	75	-	75	368
Business and industry revenue	41,169	-	41,169	42,481
Interest income	9,780	-	9,780	9,153
Donated facilities and administrative support from Murray State University	86,890	-	86,890	94,379
Donated property	8,236	-	8,236	7,308
Services donated from outside sources	64,479	-	64,479	54,894
Services of volunteers	27,178	-	27,178	21,311
Total revenue and support	\$ 629,363	\$ -	\$ 629,363	\$ 614,324
Expenditures:				
Program services:				
Programming and production	\$ 323,038	\$ -	\$ 323,038	\$ 356,707
Broadcasting	35,831	-	35,831	40,680
Program information	11,063	-	11,063	5,929
Total program services	\$ 369,932	\$ -	\$ 369,932	\$ 403,316
Supporting services:				
Management and general	\$ 155,071	\$ -	\$ 155,071	\$ 159,894
Fund-raising	9,884	-	9,884	9,896
Underwriting and grant support	6,949	-	6,949	7,279
Loss on disposal of equipment	-	30,074	30,074	0
Total supporting services	\$ 171,904	\$ 30,074	\$ 201,978	\$ 177,069
Total expenditures	\$ 541,836	\$ 30,074	\$ 571,910	\$ 580,385
Excess (deficiency) of revenue and support over expenditures	\$ 87,527	\$ (30,074)	\$ 57,453	\$ 33,939
Transfer of equipment to Plant Fund	(1,905)	1,905	-	-
Net change in fund balances	\$ 85,622	\$ (28,169)	\$ 57,453	\$ 33,939
Fund balances, beginning of year	287,424	328,565	615,989	582,050
Fund balances, end of year	\$ 373,046	\$ 300,396	\$ 673,442	\$ 615,989

The accompanying notes are an integral part of the financial statements.

WKMS - FM RADIO  
STATEMENT OF CASH FLOWS - OPERATING FUND  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994	1993
Cash flows from operations:		
Excess of revenues and support over expenditures	\$ 87,527	\$ 33,939
Adjustments to reconcile to net cash provided by operations:		
Increase (decrease) in cash due to changes in:		
Accounts receivable	(9,966)	3,008
Inventory	853	(323)
Prepaid expenses	8,488	1,313
Accounts payable and accrued expenses	2,937	838
Net cash provided by operations	\$ 89,839	\$ 38,775
Cash flows from investing activities:		
Purchase of investments	(280)	(375)
Additions to property and equipment	\$ (1,905)	\$ (1,480)
Net cash used in investing activities	\$ (2,185)	\$ (1,855)
Net increase in cash	\$ 87,654	\$ 36,920
Cash, beginning of year	167,969	131,049
Cash, end of year	\$ 255,623	\$ 167,969

The accompanying notes are an integral part of the financial statements.



**WKMS-FM RADIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 1994**

**Note 1. Organization**

WKMS-FM Radio (the "Station") is operated by and receives support from Murray State University (the "University"), Murray, Kentucky. The Station is a component unit of the University.

The Station also receives support from Murray State University Foundation (the "Foundation"), a not-for-profit corporation associated with the University. The Foundation is a fund raising organization which administers certain funds on behalf of the University. The Foundation coordinates the receipt of contributions and proceeds from program sales and the disbursement of those receipts by the Station at no charge to the Station. Accordingly, the accompanying financial statements also include those accounts maintained by the Foundation on the Station's behalf.

**Note 2. Summary of Significant Accounting Policies**

**Fund Accounting**

The Station follows generally accepted accounting principles applicable to a governmental entity. The assets, liabilities and fund balances of the Station are reported in two self-balancing fund groups as follows:

- Operating Funds: includes all resources that are available for support of the Station's operations.
- Plant Fund: includes resources invested in equipment.

**Revenue Recognition**

Contributions, pledges and grants are recorded as revenue in the accompanying statement of financial activity when a legally enforceable contract exists or funds are received, whichever is earlier. The portion of the University's indirect costs attributable to the Station's operations and the value of space provided to the Station by the University are included in the accompanying statement of financial activity as revenue and expenditures and are computed in accordance with guidelines furnished by the Corporation for Public Broadcasting.

Note 2. **Summary of Significant Accounting Policies: (cont.)**

In-kind contributions consist of any significant nonmonetary support received by the Station from external sources. In-kind contributions other than contributions of property are recognized in the accompanying statement of financial activity as revenue at the estimated fair market value at the date of the gift. Total in-kind contributions received in the year ended June 30, 1994 were \$186,783.

**Cash Deposits**

For administrative purposes, cash balances of the Station are included in bank accounts maintained by the University and the Foundation. Details of accounting transactions affecting cash are maintained by each entity.

The University currently uses the Commonwealth of Kentucky and a commercial bank for its depositories. The accounts maintained by the Commonwealth of Kentucky are pooled with those of other agencies of the state. These state pooled deposits are substantially covered by federal depository insurance or by collateral held by the bank in the state's name.

The Foundation's cash is on deposit with commercial banks and is federally insured up to \$100,000 per account.

**Investments**

Investments are stated at cost, net of any unamortized premium or discount, or at fair market value at date of donation.

**Equipment**

Equipment is recorded at cost or, in the case of donated equipment, at estimated fair market value at date of receipt. Consistent with the accounting policies of the University, no depreciation expense is recorded on Station equipment.

**Accrual Basis of Accounting**

Financial statements of the Station are in conformity with generally accepted accounting principles and thus were prepared using the accrual basis of accounting.

Note 3. **Investments**

The Station participates in an investment pool with the Foundation to obtain maximum earnings. Interest is allocated to the Station each calendar quarter based on the Station's balance in the pool at the beginning of the quarter.



**WKMS-RADIO (A PUBLIC  
TELECOMMUNICATIONS ENTITY  
OPERATED BY MURRAY STATE  
UNIVERSITY)**

Corporation for Public Broadcasting  
Annual Financial Report  
For the Year Ended June 30, 1994  
and Independent Auditors' Report



CORPORATION FOR PUBLIC BROADCASTING

# ***Annual Financial Report***

STATION FISCAL PERIOD ENDING June 30 1994  
(or December 31, 1993)

**Call Letters or Network Designation**

Television Station \_\_\_\_\_  
or Radio Station WKMS

City Murray

State Kentucky

**CERTIFICATION SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT**  
ONLY ORIGINALS OF THIS PAGE SHOULD BE FILED WITH CPB

**SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT**

Fiscal Year 1994

1. Direct Income (Schedule A, Line 24)	\$ 337,832
2. Indirect Administrative Support (Schedule B, Line 8)	86,890
3. In-Kind Contributions	
a. Services and Other Intangibles (Schedule C, Line 7)	64,479
b. Property (Schedule D, Line 12)	8,236
4. Sub-total Nonfederal Financial Support (sum of lines 1 through 3)	497,437
5. Donated Personal Services of Volunteers	24,872
6. Total Nonfederal Financial Support	\$ 522,309

**CERTIFICATION BY LICENSEE**

I certify that the above financial information for the fiscal year ending 06/30/94 is fairly stated and, as presented on Schedules A, B, C, D, and E of the CPB Annual Financial Report, can be verified by accounting records and other financial information.

Kate B. Lochter  
Signature of Station Manager or Chief Executive

WKMS-FM Board of Regents  
Murray State University

Call Letters and Licensee

Ellen Dale (502) 762-3141  
Name and Phone Number of Person Completing this Report

Address

**CERTIFICATION BY INDEPENDENT AUDITOR**

See independent auditors' report attached

(See Handbook of Instructions for "Nonfederal Financial Support" and "Certification Requirements for Independent Auditors.")

We have audited the above Schedule of Nonfederal Financial Support (Schedule) for the year ended 06/30/94. This Schedule is the responsibility of WKMS-FM Management. Our responsibility is to express an opinion on this Schedule based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the nonfederal financial support schedules are free of material misstatement. An audit also includes assessing the accounting principles used as well as evaluating the overall Schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

All amounts included in the accompanying schedules are also included in the station's audited financial statements. The amounts of revenue and support included therein conform with the definition in the Communications Act of 1934, as amended, and the relevant criteria established by the Corporation for Public Broadcasting in its Handbook of Instructions for the CPB Annual Financial Report for FY 1994. Noncash support is included in conformity with guidelines in the aforementioned Handbook of Instructions and documentation is on file at the reporting station.

In our opinion, the above Schedule of Nonfederal Financial Support presents fairly, in all material respects, the elements of support and revenue of WKMS-FM for the year ended 06/30/94 in accordance with the definitions and criteria referred to in the preceding paragraph.

Deloitte & Touche LLP

Name or Certifying Organization

220 West Main Street, Suite 2100

Address

See Independent Auditors' Report Following

Authorized Signature

Joe Blitzko

Name of Principal Individual Certifying

(502) 562-2000

Telephone Number

10-28-94

Date

**ANY AUDITOR PREPARING A SEPARATE CERTIFICATION PAGE MUST INCLUDE  
A SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT AS PART OF THAT PAGE.**

## INDEPENDENT AUDITORS' REPORT

Board of Regents  
Murray State University  
Murray, Kentucky

We have audited the Schedule of Nonfederal Financial Support of WKMS-FM (owned and operated by Murray State University) for the year ended June 30, 1994, under the requirements of the Corporation for Public Broadcasting ("CPB"). This schedule is the responsibility of Murray State University's management. Our responsibility is to express an opinion on this schedule based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Schedule of Nonfederal Financial Support is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such schedule of Nonfederal Financial Support presents fairly, in all material respects, the elements of support and revenue of WKMS-FM for the year ended June 30, 1994, in accordance with the definitions and criteria referred to in the note to the schedule.

This report is intended solely for the information and use of the Board of Regents, management of WKMS-FM and the CPB and should not be used for any other purpose.

*Deloitte & Touche LLP*

October 28, 1994  
Louisville, Kentucky

### CERTIFICATION SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT Only originals of this page should be filed with CPB

SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT		Fiscal Year 1994
1.	Direct Income (Schedule A, Line 24)	\$ 337,832
2.	Indirect Administrative Support (Schedule B, Line 8)	86,890
3.	In-Kind Contributions	
	a. Services and Other Intangibles (Schedule C, Line 7)	64,479
	b. Property (Schedule D, Line 12)	<u>8,236</u>
4.	Nonfederal Financial Support (sum of lines 1 through 3)	497,437
5.	Donated Personal Services of Volunteers	<u>24,872</u>
6.	Total Nonfederal Financial Support	<u>\$ 522,309</u>

### NOTE TO SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT

All amounts included in the accompanying Schedule of Nonfederal Financial Support and its supporting schedules are also included in the station's audited financial statements. The elements of revenue and support included therein conform with the definition in the Communications Act of 1934, as amended, and relevant criteria established by the Corporation for Public Broadcasting in its Handbook of Instructions for the CPB Annual Financial Report for FY 1994. Noncash support is included in conformity with guidelines in the aforementioned Handbook of Instructions and documentation is on file at the reporting station.

## CERTIFIER'S QUALIFICATION STATEMENT

1994

CERTIFICATION OF INDEPENDENT AUDITOR  
WHO IS NOT A REPRESENTATIVE OF AN INDEPENDENT CPA FIRM

ONLY ORIGINALS OF THIS PAGE SHOULD BE FILED WITH CPB

Licensee/Station(s) WKMS-FM

I certify that:

1. I qualify to certify this financial report based on the following explanation of my independence from the ( ) licensee and/or ( ) station:

I am not in any way responsible for the accounting operations of the station in either a working or supervisory capacity.

I am not in any way responsible for, or connected with, establishment of the overhead rates or other factors that govern the amounts of indirect or other in-kind contributions included in the station's Schedule of Nonfederal Financial Support.

I was not involved with the operations of the station during the period covered by this Report.

2. I qualify to certify this financial report based on the following explanation of my technical training and experience. (See Certification Requirements, Acceptable Auditors section, *CPB Handbook of Instructions*.)

### CHECK ONE:

\_\_\_\_\_ I am employed by a state audit agency which qualifies as an acceptable independent audit agency. (See pages 14 and 15 of the *Handbook of Instructions*.)

OR

\_\_\_\_\_ I am an internal auditor who is also a:

Certified Public Accountant \_\_\_\_\_, licensed to practice in \_\_\_\_\_ (state)

Licensed Public Accountant \_\_\_\_\_, licensed to practice in \_\_\_\_\_ (state)

\_\_\_\_\_  
Name of Independent Auditor

\_\_\_\_\_  
Title

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Date



## SCHEDULE A - SOURCES OF REVENUE

Fiscal Year 1994  
Round all figures  
to nearest dollar

1. Amounts Provided Directly by Federal Government Agencies.

Name of Agency

A. PTFP (NTIA) Facilities Grants	\$		(1A)
B. Department of Education			(1B)
C. Department of Health and Human Services			(1C)
D. Nat. End. for the Arts and Humanities			(1D)
E. National Science Foundation			(1E)
F. Other Federal Funds (Specify) _____			(1F)
Total Federal Government	\$		(1)

2. Amounts Provided by Public Broadcasting Entities Such As CPB, PBS, NPR, AIT, CTW, FCI, Other Stations and Regional Networks.

Name of Organization

A. CPB - Community Service Grants		77,832	(2A)
B. Annenberg/CPB Project Grants			(2B)
C. CPB - NPPAG		26,916	(2C)
D. CPB - Television Interconnection Grants			(2D)
E. CPB - all other funds			(2E)
F. PBS - All Payments			(2F)
G. NPR - All Payments			(2G)
H. Public Broadcasting Stations - All Payments			(2H)
I. Other (Specify) _____			(2I)
Total Public Broadcasting Entities	\$	104,748	(2)

3. Local Boards and Departments of Education or Other Local Government or Agency Sources.

\_\_\_\_\_ (3)

4. State Boards and Departments of Education or Other State Government or Agency Sources.

\_\_\_\_\_ (4)

5. State Colleges and Universities.

199,971 (5)

6. Other Tax-Supported Colleges and Universities.

\_\_\_\_\_ (6)

7. Private Colleges and Universities.

\_\_\_\_\_ (7)

8. Foundations and Nonprofit Associations (include underwriting).

75 (8)

9. Business and Industry (include underwriting).

41,169 (9)

**SCHEDULE A - SOURCES OF REVENUE**  
(Continued)

Fiscal Year 1994

10. Gross Subscription and Membership Revenue  
(Include miscellaneous contributions from individuals.) 86,837 (10)
- 10a. Total Number of Contributors 1,411 (10A)
11. Revenue from Friends Groups less any revenue included on line 10. \_\_\_\_\_ (11)
- 11a. Total Number of Friends Contributors \_\_\_\_\_ (11A)
12. Revenue from Subsidiary Enterprises and related organizations.  
See Instructions for determining extent of includability. \_\_\_\_\_ (12)
13. Gross Auction Revenue. \_\_\_\_\_ (13)
14. Special Fund Raising Projects. See Instructions for determining  
whether to report gross or net revenue. \_\_\_\_\_ (14)
15. Passive Income (from all sources).  
15A. Interest and Dividends 9,780  
15B. Royalties \_\_\_\_\_  
15C. Copyright Tribunal Distributions \_\_\_\_\_ 9,780 (15)
16. Gains on Sale of Assets. \_\_\_\_\_ (16)
17. Other (Specify).  
Description Amount  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (17)
18. Total Revenue (Sum of lines 1 through 17) \$ 442,580 (18)
- Adjustments to Revenue:
19. Federal Revenue From Line 1. \_\_\_\_\_ (19)
20. Public Broadcasting Revenue From Line 2. 104,748 (20)
21. Specified Fund Raising Costs. \_\_\_\_\_ (21)
22. Other Revenue on Line 18 Not Meeting the Source, Form,  
Purpose, or Recipient Criteria (Line 19, Schedule A-1). \_\_\_\_\_ (22)
23. Revenue on Line 18 that has been Previously Claimed as NFFS. \_\_\_\_\_ (23)
24. Nonfederal Financial Support - Direct Revenue (Line 18 less lines 19  
through 23). Forward to Line 1 of the Schedule of Nonfederal  
Financial Support. \$ 337,832 (24)

**ADDITIONAL INFORMATION REQUIRED**

1. Revenue received as underwriting from foundations and nonprofits (line 8) \$ \_\_\_\_\_
2. Revenue received as underwriting from business and industry (line 9) \$ 41,169

**SCHEDULE A-1 - REVENUE FROM PAYMENTS NOT MEETING CRITERIA  
FOR INCLUSION IN NONFEDERAL FINANCIAL SUPPORT**

Unless payments meet the specific criteria defined in the Communications Act of 1934, as amended, they must be excluded from NFFS. This schedule (A-1) is used to report payments that must be excluded. They are defined as follows:

*Source:* A commercial (profit-making) business enterprise, including a for-profit subsidiary, or any individual.  
*Form:* Payment in exchange for any services or materials.  
*Purpose:* Services or materials for any related activity of the public broadcasting entity.  
*Recipient:* A public broadcasting entity.

List any revenue shown on Schedule A which is from payments from for-profit corporations or individuals for:

Fiscal Year  
1994

- |   |          |      |
|---|----------|------|
| 1. Production, taping, or other broadcast related activities.   | \$ _____ | (1)  |
| 2. Telecasting production/teleconferencing.   | _____    | (2)  |
| 3. Foreign rights.  | _____    | (3)  |
| 4. Rentals of membership lists.   | _____    | (4)  |
| 5. Rentals of studio space, equipment, tower, parking space.  | _____    | (5)  |
| 6. Leasing of SCA, VBI, ITFS channels.  | _____    | (6)  |
| 7. Sale of programs or program rights for public performance.   | _____    | (7)  |
| 8. Sale or rental of program transcripts or recordings for other than public performance including private use. | _____    | (8)  |
| 9. Gains on sale of assets (property, equipment or securities.)   | _____    | (9)  |
| 10. Sale of premiums.   | _____    | (10) |
| 11. Licensing fees reported as royalty income   | _____    | (11) |
| 12. Other (Specify any other excludable revenue not previously itemized.)                                       | _____    | (12) |

List any revenue claimed on Schedule A from:

- |   |          |      |
|---|----------|------|
| 13. A wholly owned or partially owned for-profit subsidiary regardless of the nature of business.   | _____    | (13) |
| 14. A wholly owned or partially owned nonprofit subsidiary engaged in nontelecommunications work.   | _____    | (14) |
| 15. Sale of program guides.   | _____    | (15) |
| 16. Program guide advertising attributable to that percent of total copies distributed that have been sold through normal retail outlets and/or by magazine subscription. | _____    | (16) |
| 17. Refunds, rebates, reimbursements, and insurance proceeds.   | _____    | (17) |
| 18. Other (Specify any other excludable revenue not previously itemized.)   | _____    | (18) |
| 19. Total Excludable Revenue. (Sum of lines 1 through 18).<br>Forward to Schedule A, line 22.   | \$ _____ | (19) |

# **SCHEDULE B - CALCULATION OF INDIRECT ADMINISTRATIVE SUPPORT - INSTITUTIONAL LICENSEES ONLY - 1994**

Round all figures to nearest dollar

	Institutional Support (a)	Physical Plant Operations (b)	Library (c)
1. Per Licensee Financial Statements	\$ <u>6,093,099</u>	\$ <u>6,737,123</u>	\$ <u>2,131,032</u>
2. Less Cost Groups in Support Activities That Do Not Benefit the Operations of the Public Broadcast Station	<u>1,108,489</u>	<u>66,330</u>	<u>39,047</u>
3. Adjusted Balance (line 1 less line 2)	<u>4,984,610</u>	<u>6,670,793</u>	<u>2,091,985</u>
4. Percentage of Allocation (State basis below)*	<u>1.1486%</u>	<u>.3325%</u>	<u>.2154%</u>
5. Portion of Support Activity Benefiting Station (line 3 times line 4)	<u>57,253</u>	<u>22,181</u>	<u>4,506</u>
	(5a)	(5b)	(5c)
6. Total Support Activity (Sum of Lines 5a, 5b, and 5c)		<u>83,940</u>	(6)
7. Occupancy (check one) Basis <input type="checkbox"/> Annual Value - New Figure (Attach all papers.) <input checked="" type="checkbox"/> Annual Value - Filed in 1993 or earlier <input type="checkbox"/> Depreciation (Based on capitalized facilities.)		<u>2,950</u>	(7)
8. Total Indirect Administrative Support (Sum of Lines 6 and 7). Forward to Line 2 of the Schedule of Nonfederal Financial Support.		\$ <u><u>86,890</u></u>	(8)

Basis of Allocation:

State Basis of Percentage Allocations Reported On:

Line 4 (a) Direct Operating Expense  
 Line 4 (b) Assignable Square Feet  
 Line 4 (c) FTE employees of station/FTE total users of library

\* See the *Handbook of Instructions* for illustrative allowable bases of allocation.

NOTE: The licensee's instructional and research indirect recovery rates cannot be used for calculating Indirect Administrative Support.

# SCHEDULE C - IN-KIND CONTRIBUTIONS - SERVICES AND OTHER INTANGIBLES

Type of  
Donor

Fiscal Year  
1994

Round all figures  
to nearest dollar

## 1. PROFESSIONAL SERVICES

- |   |                 |               |
|---|-----------------|---------------|
| (a) Legal   | _____           | \$ _____ (a)  |
| (b) Accounting/Auditing   | _____           | _____ (b)     |
| (c) Computer or Other Engineering Services  | _____           | _____ (c)     |
| (d) Broadcaster   | _____           | _____ (d)     |
| (e) Utilization Specialist or Curriculum Committee Member for ITV or Instructional Radio Services | _____           | _____ (e)     |
| (f) Other (specify exact type)  |                 |               |
| <u>Photographer</u>   | <u>Business</u> | <u>55</u> (f) |

### Total Professional Services

\$ 55 (1)

## 2. GENERAL OPERATIONAL SERVICES

- |  |                 |                |
|--|-----------------|----------------|
| (a) Annual Rental Value of Space (Studios, Offices, or Tower)*                 | _____           | \$ _____ (a)   |
| (b) Annual Value of Land used for Locating a Station-Owned Transmission Tower* | _____           | _____ (b)      |
| (c) Station Operating Expenses   | _____           | _____ (c)      |
| (d) Other (specify exact type)   |                 |                |
| <u>Type writer repair</u>  | <u>Business</u> | <u>116</u> (d) |

### Total General Operational Services

\$ 116 (2)

## 3. PROGRAM SERVICES

- |  |                   |                   |
|--|-------------------|-------------------|
| (a) ITV or Educational Radio                       | _____             | \$ _____ (a)      |
| (b) State Networks                                 | _____             | _____ (b)         |
| (c) Regional Membership Organizations              | _____             | _____ (c)         |
| (d) Donated Programs (attach list)<br>Statement #1 | <u>Broadcasts</u> | <u>46,325</u> (d) |

**SCHEDULE C - IN-KIND CONTRIBUTIONS - SERVICES AND OTHER INTANGIBLES**  
(Continued)

	Type of Donor	Fiscal Year 1994	
3. PROGRAM SERVICES continued.			
(e) Local On-Air Productions (attach list and method of valuation)	_____	_____	(e)
(f) Donated Promotional Items	<u>Business</u>	<u>1,435</u>	(f)
(g) Program Supplements	<u>Business</u>	<u>15,064</u>	(g)
(h) Advertising	_____	_____	(h)
(i) Other (specify exact type)	_____	_____	
_____	_____	_____	
_____	_____	_____	(i)
<b>Total Program Services</b>			\$ <u>62,824</u> (3)
4. FUND RAISING SERVICES			
(a) Space for Warehousing	_____	_____	(a)
(b) Advertising	_____	_____	(b)
(c) Catering Services	<u>Business</u>	<u>916</u>	(c)
(d) Other (specify exact type)	_____	_____	
Flowers	<u>Business</u>	<u>568</u>	
_____	_____	_____	(d)
<b>Total Fund Raising Services</b>			\$ <u>1,484</u>
5. Total in-Kind Contributions - Services and Other Intangibles (Sum of Lines 1 through 4)			\$ <u>64,479</u> (5)
6. In-Kind Contributions from Federal and Public Broadcasting Entities Included in Line 5			_____ (6)
7. Total Nonfederal In-Kind Contributions - Services and Other Intangibles (Line 5 less Line 6) Forward to Line 3a of the Schedule of Nonfederal Financial Support.			\$ <u>64,479</u> (7)

\* Any station claiming support for these categories must file supporting documentation along with this report.

# SCHEDULE D - IN-KIND CONTRIBUTIONS - PROPERTY

	Type of Donor	Fiscal Year 1994	
			Round all figures to nearest dollar
1. Land	_____	\$ _____	(1)
2. Building	_____	_____	(2)
3. Equipment	_____	_____	(3)
4. Furniture	_____	_____	(4)
5. Vehicle	_____	_____	(5)
6. Compact Discs	Company _____	8,236	(6)
7. Records	_____	_____	(7)
8. Tapes/Cassettes	_____	_____	(8)
9. Other (specify) _____ _____	_____ _____	_____ _____	(9)
10. Total In-Kind Contributions - Property (Sum of Lines 1 through 9)		\$ 8,236	(10)
11. In-Kind Contributions from Federal and Public Broadcasting Entities Included in Line 10		_____	(11)
12. Total Nonfederal In-Kind Contributions - Property (Line 10 less Line 11) Forward to Line 3b of the Schedule of Nonfederal Financial Support		\$ 8,236	(12)

## SCHEDULE E - DONATED PERSONAL SERVICES OF VOLUNTEERS

Round all figures to nearest dollar

1. Total for the Year - 1994

	No. Hours
Level I	<u>1,513</u>
Level II	<u>14</u>
Level III	<u>21</u>
Level IV	<u>207</u>
Grand Total	<u><u>1,755</u></u> (1)

2. Total for the Year - 1994

	No. Hours	Total Value
Programming and Production	<u>1,513</u>	\$ <u>25,373</u>
Broadcast Engineering and Technical	<u>14</u>	<u>174</u>
Program Information	<u>21</u>	<u>180</u>
Fund Raising	<u>207</u>	<u>1,451</u>
Management and General Support	<u>          </u>	<u>          </u>
Grand Totals	<u><u>1,755</u></u> (2a)	\$ <u><u>27,178</u></u> (2b)

3. Enter Nonfederal Financial Support from Line 4 of the Schedule of Nonfederal

Financial Support	\$ <u><u>497,437</u></u>
Multiply by .05	\$ <u><u>24,872</u></u> (3)

4. Forward the *smaller* of (2b) or (3) to Line 5 of the Schedule of Nonfederal Financial Support.



## SCHEDULE F - EXPENDITURES

Fiscal Year  
1994  
Round all figures  
to nearest dollar

### PROGRAM SERVICES

1. Programming and Production	\$ 323,038	(1)
2. Broadcasting	35,831	(2)
3. Program Information and Promotion	11,063	(3)

### SUPPORT SERVICES

4. Management and General	155,071	(4)
5. Fund Raising and Membership Development	9,884	(5)
6. Underwriting and Grant Solicitation	6,949	(6)
7. Depreciation and Amortization*		(7)
8. Total Operating Expenditures (Lines 1 to 7)	\$ 541,836	(8)

### ADDITIONAL INFORMATION

9. Cost of Capital Assets Purchased or Donated			
Land and Buildings	\$	1,905	(9a)
Equipment		1,905	(9b)
All Other			(9c)
		1,905	(9)
10. Total Expenditures (Sum of Lines 8 and 9)	\$	543,741	(10)

### ADDITIONAL INFORMATION REQUIRED FROM SCHEDULE F

1. What percent of line 8 is attributed to salaries, wages, and benefits? 45 %

\* If depreciation and amortization are not allocated to the various functional categories, report the full amount on this line.

IN KIND CONTRIBUTIONS - SERVICES AND OTHER INTANGIBLES  
DONATED PROGRAMS

All Things Considered	\$ 8,419
Chicago Symphony	4,683
Car Talk	398
Rotterdam Philharmonic	411
Grant Park Indy Program	570
Detroit Symphony	2,662
Voices of An Illness	300
Montreal	608
Morning Edition	9,591
Music from H. O. S.	369
Performance Today	5,571
RCA Victor Preview	398
ITT Orchestra of Paris	1,067
Weekend All Things Considered	3,237
Weekend Edition - Saturday	3,887
Weekend Edition - Sunday	3,914
Terrapin Station Product	240
	-----
	\$ 46,325
	=====

**Deloitte &  
Touche LLP**Suite 2100  
220 West Main Street  
Louisville, Kentucky 40202-5313Telephone: (502) 562-2000  
Facsimile: (502) 562-2073**INDEPENDENT AUDITORS' REPORT**

To the Board of Regents  
of Murray State University

We have audited the accompanying balance sheet of Murray State University (the "University") as of June 30, 1994, and the related statements of changes in fund balances and current funds revenues, expenditures, and other changes for the year then ended. These financial statements are the responsibility of the management of the University. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Murray State University as of June 30, 1994, and the changes in its fund balances, and its current funds revenues, expenditures, and other changes for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules contained in pages 20 through 52 are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of the University's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

*Deloitte & Touche LLP*

September 16, 1994

**Deloitte Touche  
Tohmatsu  
International**

MURRAY STATE UNIVERSITY  
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MURRAY STATE UNIVERSITY  
BALANCE SHEETS  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	-----Current Funds-----		Loan Funds	Endowment Funds	Plant Funds	Agency Funds	-----Totals-----	
	Unrestricted	Restricted					1994	1993
-----								
ASSETS								
Cash	\$ 2,848,531	\$ 520,281	\$ 565,525	\$ 6,237	\$ 1,597,332	\$ 51,007	\$ 5,588,913	\$ 14,780,631
Investments	9,043,041	-	-	599,100	12,123,932	-	21,766,073	10,195,467
Inventories	1,082,314	-	-	600	-	-	1,082,914	1,105,583
Prepaid expenses	89,176	-	-	-	-	-	89,176	145,123
Accounts and loans receivable, net	1,048,217	718,226	4,037,492	-	425,000	-	6,228,935	5,931,356
Interest receivable	26,886	29,186	-	83,423	50,352	-	189,847	176,760
Discount on bonds payable	-	-	-	-	433,194	-	433,194	376,434
Due from other funds	655,944	-	-	-	-	-	655,944	1,326,127
Assets held by MSU Foundation	-	212,534	-	911,697	-	-	1,124,231	1,126,729
Property, plant and equipment	-	-	-	-	141,565,183	-	141,565,183	138,038,768
Total assets	\$ 14,794,109	\$ 1,480,227	\$ 4,603,017	\$ 1,601,057	\$ 156,194,993	\$ 51,007	\$ 178,724,410	\$ 173,202,978
=====								
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 737,547	\$ 56,289	\$ 2,146	\$ -	\$ -	\$ -	\$ 795,982	\$ 877,877
Payroll related accruals	2,733,880	-	-	-	-	-	2,733,880	3,298,414
Accrued expenses and other liabilities	1,359,546	10,634	-	-	-	-	1,370,180	560,284
Interest payable	-	-	-	-	-	-	354,877	425,156
Deposits	205,991	-	-	-	-	51,007	256,998	206,134
Deferred revenues	677,028	-	-	-	-	-	677,028	714,075
Due to other funds	-	655,944	-	-	-	-	655,944	1,326,127
Notes payable	-	-	-	-	197,601	-	197,601	384,242
Bonds payable	-	-	-	-	36,029,175	-	36,029,175	37,592,964
Obligations under capital leases	-	-	-	-	45,319	-	45,319	9,353
Total liabilities	\$ 5,713,992	\$ 722,867	\$ 2,146	\$ -	\$ 36,626,972	\$ 51,007	\$ 43,116,984	\$ 45,394,626
-----								
Fund balance:								
Current unrestricted funds:								
Allocated for:								
Working capital	\$ 1,934,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,934,922	\$ 1,737,777
Prior year carryovers:								
Renovation and maintenance	2,365,103	-	-	-	-	-	2,365,103	1,669,178
Other	2,749,016	-	-	-	-	-	2,749,016	1,734,725
Encumbrances	467,077	-	-	-	-	-	467,077	581,873
Reserve for general contingency	913,999	-	-	-	-	-	913,999	540,566
Reserve for self insurance	650,000	-	-	-	-	-	650,000	650,000
Unallocated	-	-	-	-	-	-	-	149,196
Current restricted funds	-	757,360	-	-	-	-	757,360	776,106
Loan funds - restricted	-	-	4,600,871	-	-	-	4,600,871	4,495,757
Endowment funds - restricted	-	-	-	1,601,057	-	-	1,601,057	1,587,405

The accompanying notes are an integral part of these financial statements.

MURRAY STATE UNIVERSITY  
BALANCE SHEETS (cont.)  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	-----Current Funds-----		Loan Funds	Endowment Funds	Plant Funds	Agency Funds	-----Totals-----	
	Unrestricted	Restricted					1994	1993
LIABILITIES AND FUND BALANCE (cont.)								
Fund balance (cont.):								
Plant funds:								
Unexpended	\$ -	\$ -	\$ -	\$ -	\$ 1,388,910	\$ -	\$ 1,388,910	\$ 1,706,958
Renewal and replacement	-	-	-	-	3,843,225	-	3,843,225	3,052,689
Retirement of indebtedness	-	-	-	-	4,163,159	-	4,163,159	4,266,077
Net investment in plant	-	-	-	-	110,172,727	-	110,172,727	104,860,045
Total fund balance	\$ 9,080,117	\$ 757,360	\$ 4,600,871	\$ 1,601,057	\$ 119,568,021	\$ -	\$ 135,607,426	\$ 127,808,352
Total liabilities and fund balance	\$ 14,794,109	\$ 1,480,227	\$ 4,603,017	\$ 1,601,057	\$ 156,194,993	\$ 51,007	\$ 178,724,410	\$ 173,202,978

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES  
For the Year Ended June 30, 1994

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment In Plant
REVENUES AND OTHER ADDITIONS:								
Current funds revenues	\$ 70,884,925	\$ 7,623,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private gifts	-	127,555	-	8,770	-	-	-	-
Contribution from Foundation	-	-	-	-	-	-	-	-
Endowment income	-	150,313	-	4,276	-	-	-	-
Expenditures for plant facilities (including \$1,832,022 charged to current fund expenditures)	-	-	-	-	-	-	-	6,411,658
Retirement of indebtedness	-	-	-	-	-	-	-	2,794,578
Bond proceeds	-	-	-	-	856,582	-	-	-
Interest income - restricted	-	-	110,522	-	298,328	92,845	151,708	-
Federal and state contributions	-	-	4,149	-	-	-	-	-
Reduction in lease obligations	-	-	-	-	-	-	-	19,248
Adjustment in allowance for bad debts	-	-	19,338	-	-	-	-	-
Other additions	-	3,541	29,758	606	869	-	-	-
Total revenues and other additions	\$ 70,884,925	\$ 7,905,314	\$ 163,767	\$ 13,652	\$ 1,155,779	\$ 92,845	\$ 151,708	\$ 9,225,484
EXPENDITURES AND OTHER DEDUCTIONS:								
Educational and general expenditures	\$ 53,816,034	\$ 7,816,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary enterprises expenditures	9,909,489	52,908	-	-	-	-	-	-
Refund to grantors	-	13,988	-	-	-	-	-	-
Loan cancellations and write-offs	-	-	60,577	-	-	-	-	-
Administration, collection, litigation costs	-	-	76,609	-	-	-	-	-
Expended for plant facilities (including non-capitalized expenditures of \$367,813)	-	-	-	-	1,444,905	-	-	-
Retirement of indebtedness	-	-	-	-	-	-	2,794,578	-
Interest on indebtedness	-	-	-	-	-	-	1,824,270	-
Debt increase from refunding	-	-	-	-	-	-	-	80,690
New bond indebtedness	-	-	-	-	-	-	-	849,158
Deletions and disposals	-	-	-	-	-	-	-	2,918,378
Other deductions	-	-	-	-	-	-	78,534	57,538
Total expenditures and other deductions	\$ 63,725,523	\$ 7,883,640	\$ 137,186	\$ -	\$ 1,444,905	\$ -	\$ 4,697,382	\$ 3,905,764

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES (cont.)  
For the Year Ended June 30, 1994

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment In Plant
<b>TRANSFERS AMONG FUNDS:</b>								
Mandatory:								
Bond principal and interest	\$ (4,114,763)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,114,763	\$ -
Note payable principal and interest	(209,312)	-	-	-	-	-	209,312	-
SEOG match	(99,908)	99,908	-	-	-	-	-	-
Owen loan fund	-	(77,800)	77,800	-	-	-	-	-
Perkins match	(733)	-	733	-	-	-	-	-
Total mandatory transfers	\$ (4,424,716)	\$ 22,108	\$ 78,533	\$ -	\$ -	\$ -	\$ 4,324,075	\$ -
Nonmandatory:								
Transfer from unrestricted current to renewal and replacement funds	\$ (697,691)	\$ -	\$ -	\$ -	\$ -	\$ 697,691	\$ -	\$ -
Transfer from current funds to unexpended plant funds	(20,193)	(62,528)	-	-	82,721	-	-	-
Transfer from investment in plant to unexpended plant funds	-	-	-	-	7,038	-	-	(7,038)
Transfer from unexpended plant funds to retirement of indebtedness funds	-	-	-	-	(118,681)	-	118,681	-
Total non-mandatory transfers	\$ (717,884)	\$ (62,528)	\$ -	\$ -	\$ (28,922)	\$ 697,691	\$ 118,681	\$ (7,038)
Net increase (decrease) for the year	\$ 2,016,802	\$ (18,746)	\$ 105,114	\$ 13,652	\$ (318,048)	\$ 790,536	\$ (102,918)	\$ 5,312,682
Fund balance at beginning of year	\$ 7,063,315	\$ 776,106	\$ 4,495,757	\$ 1,587,405	\$ 1,706,958	\$ 3,052,689	\$ 4,266,077	\$104,860,045
Fund balance at end of year	\$ 9,080,117	\$ 757,360	\$ 4,600,871	\$ 1,601,057	\$ 1,388,910	\$ 3,843,225	\$ 4,163,159	\$110,172,727

The accompanying notes are an integral part of the financial statements.



MURRAY STATE UNIVERSITY  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			
	Unrestricted	Restricted	Total	1993
<b>REVENUES:</b>				
Educational and general:				
Tuition and fees	\$ 18,155,412	\$ -	\$ 18,155,412	\$ 16,663,461
State appropriations	37,629,749	-	37,629,749	36,699,723
Grants and contracts	-	7,879,272	7,879,272	8,100,665
Indirect and administrative cost recoveries	192,702	-	192,702	220,638
Sales and services of educational activities	1,400,346	-	1,400,346	1,307,369
Other sources	2,685,082	-	2,685,082	2,250,012
Total educational and general	\$ 60,063,291	\$ 7,879,272	\$ 67,942,563	\$ 65,241,868
Auxiliary enterprises	\$ 10,821,634	\$ 52,908	\$ 10,874,542	\$ 10,660,146
Total revenues	\$ 70,884,925	\$ 7,932,180	\$ 78,817,105	\$ 75,902,014
<b>EXPENDITURES AND MANDATORY TRANSFERS:</b>				
Educational and general:				
Instruction	\$ 24,059,931	\$ 1,808,213	\$ 25,868,144	\$ 25,574,423
Research	625,255	344,275	969,530	1,029,492
Public service	2,678,837	349,703	3,028,540	3,012,652
Libraries	2,066,159	64,873	2,131,032	2,082,018
Academic support	2,861,815	116,872	2,978,687	2,931,687
Student services	5,023,449	199,162	5,222,611	5,032,927
Institutional support	6,041,476	51,623	6,093,099	5,990,680
Operation and maintenance of plant	6,734,558	2,565	6,737,123	6,733,287
Student financial aid	3,724,554	4,879,458	8,604,012	8,682,733
Educational and general expenditures	\$ 53,816,034	\$ 7,816,744	\$ 61,632,778	\$ 61,069,899
Mandatory transfers for:				
Bond principal and interest	\$ 3,477,701	\$ -	\$ 3,477,701	\$ 3,703,124
Note payable principal and interest	209,312	-	209,312	209,311
SEOG matching grant	99,908	(99,908)	-	-
Owen loan fund	-	77,800	77,800	-
Perkins fund matching grant	733	-	733	387
Total mandatory transfers	\$ 3,787,654	\$ (22,108)	\$ 3,765,546	\$ 3,912,822
Total educational and general	\$ 57,603,688	\$ 7,794,636	\$ 65,398,324	\$ 64,982,721
Auxiliary enterprises:				
Expenditures	\$ 9,909,489	\$ 52,908	\$ 9,962,397	\$ 9,659,490
Mandatory transfers for principal and interest	637,062	-	637,062	620,013
Total auxiliary enterprises	\$ 10,546,551	\$ 52,908	\$ 10,599,459	\$ 10,279,503
Total expenditures and mandatory transfers	\$ 68,150,239	\$ 7,847,544	\$ 75,997,783	\$ 75,262,224

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			1993
	Unrestricted	Restricted	Total	
OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS):				
Excess (deficiency) of restricted receipts				
over transfers to revenues	\$ -	\$ (26,866)	\$ (26,866)	\$ 440,472
Refunded to grantors	-	(13,988)	(13,988)	(61,045)
Nonmandatory transfers and other changes:				
Transfer to plant funds from				
unrestricted educational and general	(806,944)	(62,528)	(869,472)	(337,025)
Transfer from (to) plant funds to				
unrestricted auxiliary enterprises	89,060	-	89,060	(19,195)
Other changes				56,074
Total other transfers				
and additions (deductions)	\$ (717,884)	\$ (103,382)	\$ (821,266)	\$ 79,281
Net increase (decrease) in fund				
balance	\$ 2,016,802	\$ (18,746)	\$ 1,998,056	\$ 719,071
	=====	=====	=====	=====

The accompanying notes are an integral part of the financial statements.

**MURRAY STATE UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 1994**

**Note 1. Summary of Significant Accounting Policies**

**Nature of Entity**

Murray State University is a state supported institution of higher education located in Murray, Kentucky and is accredited by the Southern Association of Colleges and Schools. The University awards graduate and undergraduate degrees and serves a student population of approximately 8,000. The Institution is a component unit of the Commonwealth of Kentucky.

**Accrual basis**

The financial statements of Murray State University (the University) (a Commonwealth of Kentucky (the State) supported institution of higher education) have been prepared on the accrual basis of accounting. The statement of current funds revenues, expenditures, and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory interest and equipment renewal and replacement; and (3) transfers of a non-mandatory nature for all other cases.

**Fund accounting**

To ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various activities are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined and reported as five balanced fund groups: current funds, loan funds, endowment funds, plant funds, and agency funds. Accordingly, all financial transactions have been recorded and reported by fund group.

Note 1. **Summary of Significant Accounting Policies (cont.)**

Within each group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes by action of the University's Board of Regents. Externally restricted funds may be utilized only in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the University retains control to use in achieving its institutional purposes.

Current funds are used primarily to account for the transactions affecting the general operations of the University. These resources are expendable for performing the primary and support objectives of the University. Restricted gifts, grants, appropriations, and other restricted resources are accounted for in the appropriate restricted funds.

Restricted current funds are reported as revenues and expenditures when expended for current operating expenses.

The loan funds group is used to account for loan programs available to students and financed primarily by the Federal government.

Endowment funds are those for which donors or other external agencies have stipulated, under the terms of the instrument creating the fund, that the principal is not expendable. That is, it is to be maintained inviolate and in perpetuity and is to be invested for the purpose of producing current and future income which may be expended or added to principal.

Plant fund groups are used to account for the transactions relating to investment in University property. Plant fund subgroups include (1) unexpended plant, (2) renewals and replacements, (3) retirement of indebtedness, and (4) investment in plant subgroups. The unexpended plant subgroup consists of funds to be used for the acquisition and/or construction of physical properties for institutional purposes but unexpended at the reporting date. The renewals and replacements subgroup consists of funds to be expended for renewals and replacements of plant fund assets, including some renewals and replacements of a type not ordinarily capitalized in the investment in plant subgroup. The retirement of indebtedness subgroup consists of funds set aside for debt service reserves and charges, and for retirement of indebtedness on institutional properties. The investment in plant subgroup consists of funds expended for and thus invested in institutional properties and the bond indebtedness incurred to finance plant acquisitions and construction. Physical plant and equipment are stated at cost at the date of acquisition or at fair market value at the date of donation for gifts. Depreciation on physical plant and equipment is not recorded.

Note 1. **Summary of Significant Accounting Policies (cont.)**

Agency funds are used to account for assets held by the University as custodian or fiscal agent for others and used for certain organized activities.

All gains and losses arising from the sale, collection or other disposition of investments and other noncash assets are accounted for in the funds which owned such assets. Ordinary income derived from investments, receivables, and the like is accounted for in the fund owning such assets, except for income derived from investments of endowment funds, which income is accounted for in the fund to which it is restricted.

**Investments**

The University values investments at cost if purchased or, if received as a gift, at market value at the date of the gift.

**Inventories**

Inventories are stated at the lower of cost, (first-in-first-out method) or market.

**Pledges Receivable**

The University's policy is to recognize pledges as revenue only when received because, in management's opinion, it is not practical to estimate the net realizable value of such pledges.

**Deferred Revenue**

Revenues of summer school academic terms are reported in the fiscal year in which the programs predominantly fall. Therefore, deferred tuition revenue is recorded for terms which have not begun at fiscal year end.

Note 2. **Deposits and Investments**

The University currently uses commercial banks and the Commonwealth of Kentucky for its depositories. Deposits with commercial banks are covered by Federal depository insurance or collateral held by the bank in the University's name. At the state level, the University's accounts are pooled with other agencies of the State. These State pooled deposits are substantially covered by Federal depository insurance or by collateral held by the bank in the State's name. The investments of the University not held in the State investment pool are insured or registered, or are held by the University or by an agent in the University's name.

Note 2. Deposits and Investments (cont.)

Below is a summary of the investments held by the University:

	June 30, 1994		June 30, 1993	
	Carrying Amount (At Cost)	Market Value	Carrying Amount (At Cost)	Market Value
U.S. government securities	\$ 59,100	\$ 59,100	\$ 62,599	\$ 62,599
Short term investments	5,100,688	5,100,688	5,441,926	5,441,926
Certificates of deposit	540,000	540,000	520,000	520,000
Subtotal	\$ 5,699,788	\$ 5,699,788	\$ 6,024,525	\$ 6,024,525
Investment in state investment pool	16,066,285	16,098,932	4,170,942	4,186,897
Total	<u>\$21,766,073</u>	<u>\$21,798,720</u>	<u>\$10,195,467</u>	<u>\$10,211,422</u>

The University has been named as the beneficiary, or co-beneficiary, of certain estate trusts. Stipulated amounts of the trusts' investment earnings are regularly distributed to the University. At June 30, 1994 the market value of the University's pro-rata share of the trusts' assets was approximately \$1,149,000. The University received approximately \$62,000 in trust distributions during the year ended June 30, 1994.

Note 3. Inventories

Inventories at June 30 consisted of:

	1994	1993
Current unrestricted funds-		
Inventories:		
Central stores - supplies	\$ 80,980	\$ 87,992
Central stores - furniture and equipment	5,883	7,124
Food and food service supplies	91,038	77,270
Physical plant	290,372	286,875
University bookstore	614,041	644,447
Subtotal	<u>1,082,314</u>	<u>1,103,708</u>
Endowment fund-		
Inventories:		
Folke Tegetthoff - books	600	1,875
Total	<u>\$ 1,082,914</u>	<u>\$ 1,105,583</u>

Note 4. **Accounts and Loans Receivable**

A summary of accounts and loans receivable at June 30 follows:

	<u>1994</u>	<u>1993</u>
Current unrestricted funds -		
Accounts receivable:		
Student	\$ 792,418	\$ 746,596
Employee:		
Travel advances	130,680	151,940
Computer loans	23,477	19,459
Outside sales	408,479	433,169
Murray State University		
Foundation, Inc		6,408
State agencies	23,435	3,514
Allowance for doubtful accounts	<u>(330,272)</u>	<u>(295,495)</u>
Subtotal	1,048,217	1,065,591
Current restricted funds -		
Accounts receivable		
Grants and contracts	718,226	492,169
Loan funds -		
Advances to students	4,268,293	4,198,736
Allowance for doubtful accounts	<u>(230,801)</u>	<u>(250,140)</u>
Subtotal	4,037,492	3,948,596
Plant funds -		
Advance to Commonwealth of		
Kentucky	<u>425,000</u>	<u>425,000</u>
Total	<u>\$6,228,935</u>	<u>\$5,931,356</u>
	=====	=====

Note 5. **Property, Plant, and Equipment**

A summary of property, plant, and equipment at June 30 follows:

	<u>1994</u>	<u>1993</u>
Land	\$ 2,550,893	\$ 2,495,653
Buildings	92,206,406	91,890,035
Improvements other than		
buildings	7,649,802	6,848,382
Equipment	21,896,724	19,820,048
Library holdings	15,770,723	14,984,435
Construction in progress	<u>1,490,635</u>	<u>2,000,215</u>
Total	<u>\$141,565,183</u>	<u>\$138,038,768</u>
	=====	=====

Note 6. Employee Benefits

A. Kentucky Teachers Retirement System:

All faculty and exempt employees required to hold a degree and occupying full-time positions, defined as seven-tenths (7/10) of normal full-time service on a daily or weekly basis, are required by state law to participate in the Kentucky Teachers Retirement System (KTRS). KTRS, a cost sharing, multiple-employer, public employee retirement system, provides retirement benefits based on employee and state contributions and investment earnings. Benefits are subject to certain reductions if the employee retires before reaching age sixty, unless the employee has twenty-seven or more years of participation in the plan. Vesting occurs after five years of service. The plan also provides for disability, retirement, death and survivor benefits and medical insurance.

Funding for the plan is provided from eligible employees who contribute 6.16% of their salary through payroll deductions and the Commonwealth of Kentucky, which also indirectly contributes 13.84% of current eligible employees' salaries to the KTRS through appropriations to the University. Payroll for KTRS participating employees during the year ended June 30, 1994 was \$21,893,445, while payroll for all University employees was \$35,403,881. Contributions to KTRS during the year ended June 30, 1994 were:

	Amount	Percentage of Covered KTRS Payroll
Employee payroll deductions	\$1,348,631	6.16%
University match	\$3,030,043	13.84%

The amount shown below as "pension benefit obligation" is a standard disclosure measure of the present value of pension benefit for the entire KTRS, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess KTRS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. The measure is independent of the actuarial funding method used to determine contributions to the system. The annual report of KTRS includes historical trend information which provides information about progress made in accumulating sufficient assets to pay benefits when due.



Note 6. Employee Benefits (cont.)

The unfunded pension benefit obligation was \$1,697,184,000 at June 30, 1993 as shown below:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	\$2,461,531,000
Current members:	
Accumulated employee contributions including allocated investment income	1,463,724,000
Employer-financed vested	1,685,389,000
Employer-financed nonvested	<u>1,242,099,000</u>
Total pension benefit obligation	\$6,852,743,000
Net assets available for benefits, at cost	<u>5,155,559,000</u>
Unfunded pension benefit obligation	\$1,697,184,000
	=====

The University's contributions constitute less than 1% of the contributions made to KTRS by all employees.

B. Kentucky Employee Retirement System:

Substantially all other full-time University employees are required by law to participate in the Kentucky Employee Retirement System (KERS), a cost sharing, multiple-employer, public employee retirement system. KERS provides retirement benefits based on a employee's final compensation and number of years of service. Benefits are subject to reduction if the employee retires before reaching age sixty-five or less than twenty-seven years of service. Vesting occurs after one month. A fully vested interest occurs after sixty months of service. The plan also provides for disability, retirement, death and survivor benefits and medical insurance.

Funding for the plan is provided from eligible employees who contribute 5.00% of their salary through payroll deductions and the Commonwealth of Kentucky, which also indirectly contributes 7.65% of current eligible employees' salaries to the KERS through appropriations to the University. University contribution rates are determined by the Board of Trustees of the Kentucky Retirement Systems each biennium. The rates are intended to fund the plan's normal cost plus 1% of unfunded past service costs. Payroll for KERS participating employees during the year ended June 30, 1994 was \$8,668,060, while payroll for all University employees was \$35,403,881.

Note 6. Employee Benefits (cont.)

Contributions to KTRS during the year ended June 30, 1994 were:

	<u>Amount</u>	<u>Percentage of Covered KERS payroll</u>
Employee payroll deductions	\$ 433,406	5.00%
University match	\$ 662,952	7.65%

The amount shown below as "pension benefit obligation" is a standard disclosure measure of present value of pension benefits for the entire KERS, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess KERS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. The measure is independent of the actuarial funding method used to determine contributions to the system. The annual report of KERS includes historical trend information which provides information about progress made in accumulating sufficient assets to pay benefits when due.

The unfunded pension benefit obligation was \$234,247,541 at June 30, 1993 as shown below:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	\$1,032,182,911
Current members:	
Accumulated employee contributions including allocated investment income	485,652,787
Employer-financed vested	929,320,538
Employer-financed nonvested	<u>38,464,311</u>
Total pension benefit obligation	2,485,620,547
Net assets available for benefits, at cost	<u>2,251,373,006</u>
Unfunded pension benefit obligation	\$ 234,247,541
	=====

The University's contributions constitute less than 1% of the contributions made to KERS by all employees.

Note 6. **Employee Benefits (cont.)**

C. **Kentucky Employee Retirement System Legal Dispute:**

Due to a legal dispute over contribution rates assessed for the two fiscal years ended June 30, 1994, KERS is proceeding through the judicial system to collect additional contributions from all state agencies. If the court system rules in KERS' favor, the University's total liability would be \$176,445. This amount has been allocated within the fund balance of the Unrestricted Current Fund.

D. **University Self-Insurance Program:**

The University maintains a self-insurance program for employees' health and accident insurance. The University funds the entire plan for all permanent full-time employees and their families. Expenses incurred to cover claims paid by the University under the plan totaled \$3,581,268 and \$3,448,748

Note 7. **Notes Payable**

During 1991, the University borrowed \$557,000 from a commercial bank to finance the purchase of equipment which collateralizes the note. The note bears an effective rate of interest of 5.9% and the University is required to make annual payments of principal and interest through July, 1994. Principal payments amount to \$197,601 for the year ended June 30, 1995.

Note 8. **Bonds Payable**

Bonds payable at June 30, 1994 consist of the following:

	<u>Outstanding</u>
Consolidated Educational Buildings Revenue bonds, issued 1963 to 1994, with maturities to 2012, interest rates 3.0% to 8.0%.	\$26,418,000
Consolidated Housing and Dining System Revenue Bonds, issued 1965 to 1968, with maturities to 2008, interest rates 2.75% to 7.0%.	6,192,000
Other, issued 1989 to 1994, with maturities to 2013, interest rates 5.6% to 6.38%.	<u>3,419,175</u>
Total	<u>\$36,029,175</u> =====

Note 8. Bonds Payable (cont.)

Revenues from student housing and dining facilities, certain other auxiliary enterprises and student fees are pledged for the retirement of the bonds. All bonds are collateralized by land and buildings.

During the fiscal year ended June 30, 1994, the State issued bonds, the partial proceeds of which went to the Council on Higher Education on behalf of the University for the purpose of funding life safety projects on University property and the purchase of a High Rise Fire and Rescue Apparatus. Bond proceeds and interest earnings in the amount of \$856,582 have been transferred to the University from the Council. Bonds payable in the amount of \$849,157 were assigned to the University. The University is required to make semi-annual payments of principal and interest in varying amounts through September, 2013. These bonds bear an effective rate of 2.60% to 5.00%.

During the fiscal year ended June 30, 1994 the University was a party to the following bond defeasances:

<u>Bond Issue</u>	<u>Principal Amount of New bonds</u>	<u>Principal Amount of Defeased Bonds</u>
Consolidated Educational Building Revenue Bonds, Series F refunding bonds	\$7,955,000	\$7,780,000
Commonwealth of Kentucky bonds shared by the University	<u>564,732</u>	<u>544,732</u>
Total	<u>\$8,519,732</u> =====	<u>\$8,324,732</u> =====

The amount placed on deposit with the trustees will provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements.

The refunding of the defeased bonds decreased the University's total debt service payments over the next 7 years by approximately \$370,000, representing an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$328,000.

Note 8. Bonds payable (cont.)

A schedule of the mandatory principal payments for the next five fiscal years and thereafter is presented below:

Year Ending June 30	Consolidated Educational Building Revenue Bonds	Housing and Dining System Revenue Bonds	Asbestos/ PCB Removal Bonds	Life Safety Bonds	Total
1995	\$ 2,220,000	\$ 480,000	\$ 96,241	\$ 63,571	\$ 2,859,812
1996	2,255,000	495,000	102,426	70,071	2,922,497
1997	2,410,000	510,000	109,162	62,723	3,091,885
1998	2,528,000	525,000	116,613	72,318	3,241,931
1999	2,650,000	545,000	104,505	69,524	3,369,029
Thereafter	<u>14,355,000</u>	<u>3,637,000</u>	<u>1,223,599</u>	<u>1,328,422</u>	<u>20,544,021</u>
Total	\$26,418,000 =====	\$6,192,000 =====	\$1,752,546 =====	\$1,666,629 =====	\$36,029,175 =====

The required minimum reserves of \$3,543,480 and \$679,823 for the Consolidated Educational Sinking Fund and the Housing and Dining Sinking Fund, respectively, are on deposit with the trustee and are included in the "Cash" and "Investments" amounts in Plant Funds in the accompanying balance sheets.

Note 9. Litigation

The University has been named as defendant in several lawsuits. It is the opinion of management and its legal counsel, based in part of the doctrine of sovereign immunity and other statutory provisions, that the ultimate outcome of litigation will not have a material effect on the future operations or financial position of the University.

Note 10. Murray State University Foundation, Inc.

Murray State University Foundation, Inc. (the Foundation) is a Kentucky not-for-profit corporation formed to receive, invest, and expend funds for the enhancement and improvement of the University. Accordingly, it operates the Francis E. Miller Golf Course as a separate enterprise, and manages certain endowments and investments on behalf of the University.

The Foundation has a Board of Trustees separate from that of the University, however, the President and certain other officers of the University are also officers of the Foundation.

The University provides office space and pays certain operating expenses of the Foundation at no charge to the Foundation. The Foundation prepares and issues its own financial statements. Expenditure of the Foundation for the fiscal year ended June 30, 1994 were \$1,797,086.

**Note 11. National Scouting Museum**

The National Scouting Museum of the Boy Scouts of America, Inc. (the "Museum") operates a museum on the campus of the University. Under an agreement that expires on September 30, 2030, the University provides a building on the University's campus to house the Museum at no cost to the Museum and provides \$85,000 of direct support to the Museum annually. The University also provides office space and certain administrative services to the Museum at no charge.

**Note 12. Subsequent Events**

On July 16, 1994, while under renovation, the Old Fine Arts building was destroyed by fire. Ancillary damage included the Lovett Auditorium and the new Price Doyle Fine Arts building. The financial impact of this situation is uncertain at this time.

MURRAY STATE UNIVERSITY  
BALANCE SHEET SCHEDULE  
CURRENT UNRESTRICTED FUNDS  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	1994			1993
	Educational and General	Auxiliary Enterprises	Total	
<b>ASSETS</b>				
Cash	\$ 1,906,795	\$ 941,736	\$ 2,848,531	\$ 9,383,741
Investments	9,043,041	-	9,043,041	-
Inventories	377,235	705,079	1,082,314	1,103,708
Prepaid expenses	89,176	-	89,176	145,123
Accounts and loans receivable, net	716,468	331,749	1,048,217	1,065,591
Interest receivable	26,886	-	26,886	4,175
Due from other funds	655,944	-	655,944	1,092,603
Total assets	\$ 12,815,545	\$ 1,978,564	\$ 14,794,109	\$ 12,794,941
=====				
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 680,953	\$ 56,594	\$ 737,547	\$ 810,920
Payroll related accruals	2,566,664	167,216	2,733,880	3,298,414
Accrued expenses and other liabilities	1,336,092	23,454	1,359,546	513,396
Deposits	955	205,036	205,991	161,297
Deferred revenues	660,513	16,515	677,028	714,075
Due to other funds	-	-	-	233,524
Total liabilities	\$ 5,245,177	\$ 468,815	\$ 5,713,992	\$ 5,731,626
=====				
<b>Fund Balance:</b>				
Allocated for:				
Working capital	\$ 1,120,589	\$ 814,333	\$ 1,934,922	\$ 1,737,777
Prior year carryovers:				
Renovation and maintenance	1,713,425	651,678	2,365,103	1,669,178
Other	2,749,016	-	2,749,016	1,734,725
Encumbrances	423,339	43,738	467,077	581,873
Reserve for general contingency	913,999	-	913,999	540,566
Reserve for self insurance	650,000	-	650,000	650,000
Unallocated	-	-	-	149,196
Total fund balance	\$ 7,570,368	\$ 1,509,749	\$ 9,080,117	\$ 7,063,315
Total liabilities and fund balance	\$ 12,815,545	\$ 1,978,564	\$ 14,794,109	\$ 12,794,941
=====				

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS REVENUES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL REVENUES				
Tuition and fees:				
Fall	\$ 7,616,291	\$ -	\$ 7,616,291	\$ 6,934,971
Spring	7,112,286	-	7,112,286	6,447,525
Summer II	415,501	-	415,501	403,676
Summer I	926,290	-	926,290	816,315
Miscellaneous tuition	1,151	-	1,151	1,889
Student activity fees	1,673,604	-	1,673,604	1,657,513
Other course fees	410,289	-	410,289	401,572
Total tuition and fees	\$ 18,155,412	\$ -	\$ 18,155,412	\$ 16,663,461
State appropriations	\$ 37,629,749	\$ -	\$ 37,629,749	\$ 36,699,723
Total state appropriations	\$ 37,629,749	\$ -	\$ 37,629,749	\$ 36,699,723
Government grants and contracts:				
College work study	\$ -	\$ 373,567	\$ 373,567	\$ 391,228
PELL	-	3,588,969	3,588,969	4,027,320
SEOG	-	411,887	411,887	326,455
Grants and contracts - federal	-	1,807,397	1,807,397	1,527,259
Grants and contracts - state	-	1,329,705	1,329,705	1,447,712
Grants and contracts - other	-	367,747	367,747	380,691
Total government grants and contracts	\$ -	\$ 7,879,272	\$ 7,879,272	\$ 8,100,665
Indirect and administrative costs recovered:				
Federal/State grant cost	\$ 97,415	\$ -	\$ 97,415	\$ 131,655
Financial aid cost reimbursement	95,287	-	95,287	88,983
Total indirect and administrative costs recovered	\$ 192,702	\$ -	\$ 192,702	\$ 220,638
Sales and services - educational departments:				
Animal Health Technology income	\$ -	\$ -	\$ -	\$ 608
Archeology Service Center	25,570	-	25,570	64,669
Art cash sales	23,828	-	23,828	19,866
Art workshops	9,415	-	9,415	3,293
Biology Station Income	2,157	-	2,157	13,324
Breathitt Vet Center	235,910	-	235,910	249,877
Chemical services	3,000	-	3,000	110
Child Development Center	9,300	-	9,300	-
Clinical services	30,312	-	30,312	40,238
English Language Institute	191,515	-	191,515	2,980
Environmental Education	64	-	64	935
Environmental Education	-	-	-	-
Pre-service workshop	5,355	-	5,355	5,660
Fall Business Education Conference	915	-	915	3,911
Farm	211,148	-	211,148	212,123
High school journalism workshop	1,304	-	1,304	1,492
Jesse Stuart collection	-	-	-	970
KHS Consortium	483,252	-	483,252	529,946
Keyboard Recruiting	409	-	409	290
MARC Service Center	1,957	-	1,957	-
Murray State News advertising	88,486	-	88,486	71,230
Murray State X-ray lab	4,500	-	4,500	4,980
Music workshop	7,389	-	7,389	3,630
Office Systems Service Center	1,403	-	1,403	397
Pediatric Assessment	4,860	-	4,860	-



MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS REVENUES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL REVENUES (cont.)				
Sales and services - educational departments (cont.)				
Recording studio	\$ 833	\$ -	\$ 833	\$ 231
Safety Engineering and Health Workshop	600	-	600	38
Shield	39,906	-	39,906	46,615
Speech and Hearing workshop	320	-	320	450
TV studio	1,758	-	1,758	2,856
Travel Study tours	-	-	-	7,341
University Theatre	12,003	-	12,003	17,051
Waterfield Business and Government Center	2,877	-	2,877	2,258
Total sales and services	\$ 1,400,346	\$ -	\$ 1,400,346	\$ 1,307,369
Other sources:				
Air Products Symposium	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
Alumni income	-	-	-	22,004
Athletics	314,720	-	314,720	254,883
Athletics - concessions	72,883	-	72,883	59,348
Athletics - Guarantees	102,650	-	102,650	36,600
Athletics - NCAA revenue	113,972	-	113,972	120,269
Athletics - OVC Basketball Tournament	7,000	-	7,000	7,200
Athletics - marketing	13,089	-	13,089	-
Athletics - programs	16,122	-	16,122	15,667
Bad debt expense recovery	5,634	-	5,634	5,619
Black Student Leadership Council	1,357	-	1,357	1,492
Boar Test Unit	13,485	-	13,485	14,429
Camps				
Baseball clinic	7,773	-	7,773	6,190
Men's Basketball	67,676	-	67,676	41,875
Ladies' Basketball	10	-	10	12,026
Golf	13,025	-	13,025	23,835
Tennis	64,992	-	64,992	72,700
Campus Lights	3,100	-	3,100	3,837
Center for Economic Education Council	8,887	-	8,887	11,325
Central Stores	47,304	-	47,304	38,884
Chemistry breakage fees	4,083	-	4,083	855
Christmas in Germany	-	-	-	13,470
Community education	79,959	-	79,959	106,804
Conferences and workshops	16,456	-	16,456	10,253
Consolidated Educational revenue fund interest	316,543	-	316,543	306,713
Contract residuals	3,442	-	3,442	5,920
Cooperative Education/Placement	4,949	-	4,949	5,379
Counseling and testing	12,333	-	12,333	10,335
Environmental Consortium of Mid-America	2,250	-	2,250	1,000
Faculty Resource Center	6,734	-	6,734	7,273
Faculty Resource Center Copier	-	-	-	348
Festival of Champions	22,019	-	22,019	23,774
Forensics Team income	-	-	-	104
Fort Campbell	-	-	-	47,457
Freedom Fest concessions	-	-	-	4,328
Friends of Oakhurst	-	-	-	989
Graphic arts technology	10,126	-	10,126	16,015
Hazardous Waste and Material Training	153,960	-	153,960	94,806
Honors Children Chorus	-	-	-	3,503

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS REVENUES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL REVENUES (cont.)				
Other sources (cont.)				
International Student Orientation	\$ 3,306	\$ -	\$ 3,306	\$ -
Intramurals income	6,226	-	6,226	6,593
Kentucky Honors Roundtable	2,819	-	2,819	4,193
Library - census microfilm	1,609	-	1,609	1,647
Library - copy service	55,288	-	55,288	53,526
Library - fines	16,629	-	16,629	12,353
Library - interlibrary loan	781	-	781	1,029
Library - other income	7,651	-	7,651	6,283
Livestock and Exposition Center	86,019	-	86,019	79,478
Locker rental	-	-	-	(105)
Magic Silver Show	1,783	-	1,783	794
Math tournament	463	-	463	434
Meal Management Luncheons	840	-	840	-
Music recital income	1,336	-	1,336	1,942
National student exchange	383	-	383	1,150
New Madrid	-	-	-	91
Operating fund interest income	91,979	-	91,979	91,667
Other income	17,663	-	17,663	17,718
OVC concessions	22,298	-	22,298	8,022
Perkins loan recovery	7,717	-	7,717	9,015
Post Office box rent	4,838	-	4,838	4,810
Post Office contract	8,000	-	8,000	8,000
Printing	17,267	-	17,267	10,531
Psychology copy account	869	-	869	772
Quad State	15,589	-	15,589	10,261
Racer Card income	-	-	-	573
Recycling program	1,654	-	1,654	351
Regensburg exchange	74,182	-	74,182	46,486
Regional tournaments				
Boys'	7,381	-	7,381	7,056
Girls'	10,468	-	10,468	9,834
Rentals	13,416	-	13,416	10,375
Residence halls fees	20,080	-	20,080	21,204
Rodeo income	11,132	-	11,132	10,388
ROTC Equipment	546	-	546	-
Sale of surplus property	143,357	-	143,357	11,939
Scottish Heritage	-	-	-	1,349
Senior breakfast	402	-	402	952
String Prep Program	5,508	-	5,508	-
Student Government Association	61,309	-	61,309	14,139
Summer Challenge	-	-	-	4,105
Summer Chess Camp	16,670	-	16,670	20,400
Summer Computer Science workshop	350	-	350	-
Summer Orientation	61,948	-	61,948	60,018
Super Saturdays	5,915	-	5,915	6,825
Tae Kwon Do Camp	350	-	350	-
Technology center	19,794	-	19,794	15,249
Telecommunications commissions	315,613	-	315,613	234,230
Welcome Home	-	-	-	588
Wellness Center	395	-	395	-
West Kentucky Dance Festival	75	-	75	371
West Kentucky Environmental Education consortium	3,201	-	3,201	4,920
Wickliffe Mounds gift shop	5,566	-	5,566	6,614
Wickliffe Mounds research center	25,106	-	25,106	23,333
Young Authors camp	1,778	-	1,778	-
Total other sources	\$ 2,685,082	\$ -	\$ 2,685,082	\$ 2,250,012
Total educational and general	\$ 60,063,291	\$ 7,879,272	\$ 67,942,563	\$ 65,241,868

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS REVENUES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			
	Unrestricted	Restricted	Total	1993
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AUXILIARY ENTERPRISES REVENUES				
Food services	\$ 3,735,117	\$ -	\$ 3,735,117	\$ 3,770,474
Housing services	4,078,723	-	4,078,723	4,059,474
Bookstore	2,422,995	-	2,422,995	2,324,281
Curris Center	193,323	-	193,323	86,301
Parking				
Fines	149,980	-	149,980	111,590
Permits	82,335	-	82,335	80,125
Other	1,402	-	1,402	4,817
Racer Card administration	50,555	-	50,555	54,955
Vending & manual commissions	107,204	-	107,204	107,221
Miscellaneous auxiliary revenue	-	-	-	4,000
College workstudy student wages	-	52,908	52,908	56,908
	-----			-----
Total auxiliary enterprises	\$ 10,821,634	\$ 52,908	\$ 10,874,542	\$ 10,660,146
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Total current revenues	\$ 70,884,925	\$ 7,932,180	\$ 78,817,105	\$ 75,902,014
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MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994		Total	1993
	Unrestricted	Restricted		
<b>EDUCATION AND GENERAL -</b>				
<b>Instruction:</b>				
College of Business and Public Affairs:				
Accounting and Finance	\$ 640,386	\$ -	\$ 640,386	\$ 604,935
Computer Studies	691,899	-	691,899	665,401
Economics and Finance	764,867	-	764,867	723,380
Management and Marketing	782,650	-	782,650	825,794
Office Systems and Business				
Education	344,099	-	344,099	349,562
Office System Service Center	106	-	106	111
Political Science and Legal Studies	624,656	-	624,656	603,297
MBA program	5,803	-	5,803	5,725
Owensboro MBA	9,003	-	9,003	8,440
Fall Business Education Conference	1,031	-	1,031	1,523
Summer Computer Science Workshop	198	-	198	-
Other instruction	(3,257)	-	(3,257)	250
Total College of Business and Public Affairs	\$ 3,861,441	\$ -	\$ 3,861,441	\$ 3,788,418
College of Fine Arts and Communication:				
Art	\$ 829,102	\$ -	\$ 829,102	\$ 857,407
Art cash sales	30,924	-	30,924	16,321
Art workshops	8,144	-	8,144	7,754
Journalism, Radio and Television	594,250	-	594,250	534,784
High school journalism and broadcasting workshop	1,179	-	1,179	1,032
Music	934,715	-	934,715	965,278
Keyboard Recruiting	344	-	344	324
Speech, Communication and Theatre	574,508	-	574,508	533,143
String Prep Program	4,926	-	4,926	-
Television Studios	20,551	-	20,551	22,344
Other instruction	1,500	-	1,500	1,000
Total College of Fine Arts and Communication	\$ 3,000,143	\$ -	\$ 3,000,143	\$ 2,939,387
College of Science:				
Nursing	\$ 714,516	\$ -	\$ 714,516	\$ 698,680
Nursing - Continuing Education	157	-	157	450
Biological Sciences	910,988	-	910,988	831,214
Biological Station	10,664	-	10,664	10,910
Chemistry	677,136	-	677,136	615,809
Geosciences	418,258	-	418,258	441,405
Mathematics	973,849	-	973,849	947,019
Physics and Astronomy	527,153	-	527,153	618,792
Other Instruction	-	-	-	13
Total College of Science	\$ 4,232,721	\$ -	\$ 4,232,721	\$ 4,164,292
College of Education:				
Elementary and Secondary Education	\$ 1,069,683	\$ -	\$ 1,069,683	\$ 1,019,610
Environmental Education Center	6,338	-	6,338	5,912
Environmental Education Preservice	5,144	-	5,144	5,771
West Kentucky Environmental Education Consortium	3,794	-	3,794	4,380
Educational Leadership and Counseling	390,980	-	390,980	494,536
American Humanities	70,772	-	70,772	69,138
Health, Physical Education and Recreation	614,075	-	614,075	580,820
Special Education	461,715	-	461,715	443,716
Speech and Hearing workshops	526	-	526	529

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Instruction (cont.)				
College of Education (cont.)				
Office of Field Services	\$ 266,381	\$ -	\$ 266,381	\$ 251,380
Other instruction	21,030	-	21,030	20,099
Indirect Cost	62	-	62	-
Total College of Education	\$ 2,910,500	\$ -	\$ 2,910,500	\$ 2,895,891
College of Humanistic Studies:				
Christmas in Germany	\$ -	\$ -	\$ -	\$ 14,012
English	1,373,923	-	1,373,923	1,322,202
English computer lab	7,948	-	7,948	13,320
ESL Program	139,804	-	139,804	3,526
Foreign Languages	451,399	-	451,399	448,790
Foreign Language lab	3,268	-	3,268	1,588
History	705,108	-	705,108	659,939
Philosophy and Religious Studies	171,213	-	171,213	227,419
Psychology	548,453	-	548,453	491,586
Regensburg Exchange	58,929	-	58,929	48,609
Sociology and Anthropology	472,750	-	472,750	467,529
Kentucky Institute for International Studies	456,837	-	456,837	550,854
Humanistic Studies copy account	294	-	294	(518)
Ohio Valley History Conference	-	-	-	22
Other instruction	65,728	-	65,728	22,339
Notations	36	-	36	770
Total College of Humanistic Studies	\$ 4,455,690	\$ -	\$ 4,455,690	\$ 4,271,987
College of Industry and Technology:				
Graphic Arts Technology	\$ 210,464	\$ -	\$ 210,464	\$ 205,866
The Technology Center	16,093	-	16,093	14,242
Industrial Education and Technology	980,478	-	980,478	975,473
Safety Engineering and Health	548,911	-	548,911	489,803
Safety Engineering and Health workshops	1,011	-	1,011	414
Military Science	32,134	-	32,134	35,884
Agriculture	675,202	-	675,202	663,338
Animal Health Technology	114,672	-	114,672	112,916
Rodeo	37,600	-	37,600	27,929
Home Economics	362,548	-	362,548	359,491
Home Economics travel study tours	-	-	-	6,745
Child Development	9,593	-	9,593	-
Indirect costs	-	-	-	300
Other instruction	101	-	101	2,554
Total College of Industry and Technology	\$ 2,988,807	\$ -	\$ 2,988,807	\$ 2,894,955
Other instruction:				
Bowling Course Fees	\$ 5,025	\$ -	\$ 5,025	\$ 5,956
Communication across the Curriculum	15,791	-	15,791	16,549
Computer for instruction and research	250,000	-	250,000	250,000
Fort Campbell	-	-	-	68,419
Academic assessment and consultants	11,782	-	11,782	11,081
Area Health Education System	57,767	-	57,767	62,446
Bachelor of Independent Study degree	121,246	-	121,246	119,684
Center for Economic Education	9,216	-	9,216	3,935
Center for International Programs	133,109	-	133,109	138,550
Continuing Education	14,733	-	14,733	-
Conferences and Workshops	75,974	-	75,974	123,576
Correspondence Study	307	-	307	1,860
Extended Campus programs	458,326	-	458,326	521,221
Festival of Champions	23,699	-	23,699	20,023

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Instruction (cont.)				
Other instruction (cont.)				
Golf Course green fees	\$ 2,500	\$ -	\$ 2,500	\$ 2,695
Hazardous waste	1,930	-	1,930	3,053
Honors program	29,428	-	29,428	33,759
Indirect costs - VPAA	11,224	-	11,224	19,363
Instructional support	45,433	-	45,433	15,634
Jesse Stuart Fellowship	62	-	62	4,500
Kentucky Academic Decathlon	4,018	-	4,018	3,556
Math Tournament	382	-	382	426
New Madrid	-	-	-	18
Quad State Festivals	13,868	-	13,868	9,467
SAT activities	-	-	-	15
Special Ed Multi-Media and Assistive Technology Center	11,080	-	11,080	11,603
Storycrafting	(22)	-	(22)	780
Summer Challenge	(4)	-	(4)	5,569
Summer leaves and salaries	577,984	-	577,984	715,853
Super Saturdays	4,170	-	4,170	6,309
Tae Kwan Do Camp	-	-	-	687
Trumpet Workshop	6,200	-	6,200	-
Unallotted academic programs	55,755	-	55,755	25,843
Upward Bound concessions	-	-	-	991
West Kentucky Dance Festival	-	-	-	1,109
Young Authors Camp	276	-	276	-
Instruction accrued compensation expense	2,188	-	2,188	10,573
Instruction workstudy	-	184,459	184,459	177,209
Matching grants and contracts	-	1,623,754	1,623,754	1,522,730
Total other instruction	\$ 1,943,447	\$ 1,808,213	\$ 3,751,660	\$ 3,915,042
Community education:				
Center for Continuing Education	\$ 268,434	\$ -	\$ 268,434	\$ 281,022
Community education	85,576	-	85,576	130,866
The Paducah Center	107,193	-	107,193	107,409
Total community education	\$ 461,203	\$ -	\$ 461,203	\$ 519,297
Preparatory/remedial instruction:				
Learning Center	\$ 205,979	\$ -	\$ 205,979	\$ 185,154
Total preparatory/remedial instruction	\$ 205,979	\$ -	\$ 205,979	\$ 185,154
Total instruction	\$ 24,059,931	\$ 1,808,213	\$ 25,868,144	\$ 25,574,423
Research:				
Institutional sponsored research	\$ 22,306	\$ -	\$ 22,306	\$ 16,232
Center of Excellence and Ecosystems Studies	398,514	-	398,514	421,560
Mid-America Remote Sensing Center	143,942	-	143,942	153,459
Research accrued compensation expense	1,518	-	1,518	464
Research workstudy	-	2,196	2,196	2,164
Matching grants and contracts	58,975	342,079	401,054	435,613
Total research	\$ 625,255	\$ 344,275	\$ 969,530	\$ 1,029,492

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Public Service:				
Community service:				
Environmental Consortium of Mid-America	\$ 3	\$ -	\$ 3	\$ 18
Foreign languages services	-	-	-	92
School Services office	3,645	-	3,645	6,807
Archeology service center	20,328	-	20,328	51,585
Chemical services	68	-	68	-
Conferences and workshops	19,938	-	19,938	17,123
Celebrate Women	2,618	-	2,618	3,248
Breathitt Veterinary Center:				
Administrative services	551,552	-	551,552	548,820
Clinical pathology	105,873	-	105,873	106,340
DNA Diagnostics	71,092	-	71,092	-
Diagnostic and research capital	10,519	-	10,519	39,167
Histology	70,674	-	70,674	108,138
Seaboard Farms	30,969	-	30,969	8,219
Serology	121,390	-	121,390	147,434
Virology	183,567	-	183,567	168,682
Microbiology	280,577	-	280,577	243,947
Pathology	410,014	-	410,014	446,947
Therapy and Field services	300	-	300	50,165
Toxicology	136,512	-	136,512	140,408
Graphic Arts video	10,465	-	10,465	22,199
National Boy Scout Museum	85,987	-	85,987	85,932
Psychology Center	17	-	17	-
Waterfield Center	3,456	-	3,456	3,836
Livestock and Exposition Center	130,140	-	130,140	122,819
MSU X-Ray lab	4,763	-	4,763	4,155
Small Business Development Center	66,827	-	66,827	68,890
Clinical services	39,203	-	39,203	39,606
Total community service	\$ 2,360,497	\$ -	\$ 2,360,497	\$ 2,434,577
Public broadcasting services:				
WKMS - radio station	\$ 163,506	\$ -	\$ 163,506	\$ 165,715
Total public broadcasting services	\$ 163,506	\$ -	\$ 163,506	\$ 165,715
Other public service:				
Baseball Clinic	\$ 6,949	\$ -	\$ 6,949	\$ 1,770
Biological station facilities	2,576	-	2,576	2,622
Boar test unit	12,328	-	12,328	16,414
Hazardous materials worker training project	147,271	-	147,271	89,224
Public service accrued compensation expense	(14,290)	-	(14,290)	10,059
Public service workstudy	-	7,347	7,347	8,328
Matching grants and contracts	-	342,356	342,356	283,943
Total other public service	\$ 154,834	\$ 349,703	\$ 504,537	\$ 412,360
Total public service	\$ 2,678,837	\$ 349,703	\$ 3,028,540	\$ 3,012,652
Libraries:				
Library	\$ 2,027,803	\$ -	\$ 2,027,803	\$ 2,003,069
Census microfilm program	1,914	-	1,914	1,644
Library copy service	46,149	-	46,149	30,491
Interlibrary loan	809	-	809	671
Library accrued compensation expense	(10,516)	-	(10,516)	3,606
Library workstudy	-	39,885	39,885	42,537
Matching grants and contracts	-	24,988	24,988	-
Total libraries	\$ 2,066,159	\$ 64,873	\$ 2,131,032	\$ 2,082,018

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Academic support:				
Museums, galleries, and theatre:				
Clara Eagle Art Gallery	\$ 7,848	\$ -	\$ 7,848	\$ 8,041
Recording studio	132	-	132	43
University Theatre	32,111	-	32,111	27,831
Wrather West Kentucky Museum	52,062	-	52,062	49,771
Wickliffe Mounds	46,506	-	46,506	46,913
Wickliffe Mounds gift shop	3,726	-	3,726	3,695
Wickliffe Mounds Welcome Center	21,794	-	21,794	22,324
Total museums, galleries, and theatre	\$ 164,179	\$ -	\$ 164,179	\$ 158,618
Educational media services:				
Faculty Resource Center	\$ 154,397	\$ -	\$ 154,397	\$ 132,937
Total educational media services	\$ 154,397	\$ -	\$ 154,397	\$ 132,937
Ancillary support:				
Academic Council	\$ 235	\$ -	\$ 235	\$ 835
Farms	212,749	-	212,749	222,735
Horticulture	6,944	-	6,944	5,888
Horses	66,671	-	66,671	50,423
Faculty Senate	9,333	-	9,333	9,743
Total ancillary support	\$ 295,932	\$ -	\$ 295,932	\$ 289,624
Academic administration:				
Dean - Business and Public Affairs	\$ 355,093	\$ -	\$ 355,093	\$ 398,955
Dean - Fine Arts and Communication	277,890	-	277,890	280,047
Dean - Science	423,557	-	423,557	421,803
Dean - Education	362,284	-	362,284	339,609
Dean - Humanistic Studies	172,506	-	172,506	161,874
Dean - Industry and Technology	292,727	-	292,727	289,386
Office of Grants Development - Sponsored Programs	105,531	-	105,531	80,736
Total academic administration	\$ 1,989,588	\$ -	\$ 1,989,588	\$ 1,972,410
Academic personnel development:				
Faculty recruitment and travel	\$ 74,438	\$ -	\$ 74,438	\$ 65,324
Minority faculty recruitment	65,500	-	65,500	67,892
Total academic personnel development	\$ 139,938	\$ -	\$ 139,938	\$ 133,216
Course and curriculum development:				
Accreditations	\$ 16,853	\$ -	\$ 16,853	\$ 29,378
SACS Re-accreditation	48,798	-	48,798	45,583
Curriculum development	6,797	-	6,797	7,309
Unit plan and program development	11,320	-	11,320	11,616
Total course and curriculum development	\$ 83,768	\$ -	\$ 83,768	\$ 93,886
Other academic support:				
Special programs	\$ 2,205	\$ -	\$ 2,205	\$ 2,700
Archeology lab	7,296	-	7,296	3,999
Facility Rental	-	-	-	158



MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Academic support (cont.)				
Other academic support (cont.)				
Student advising center	\$ 11	\$ -	\$ 11	\$ 1,732
Academic support accrued compensation expense	5,120	-	5,120	(5,558)
Academic support workstudy	-	28,099	28,099	28,500
Matching grants and contracts	19,381	88,773	108,154	119,465
Total other academic support	\$ 34,013	\$ 116,872	\$ 150,885	\$ 150,996
Total academic support	\$ 2,861,815	\$ 116,872	\$ 2,978,687	\$ 2,931,687
Student Services:				
Student service administration:				
School Relations	\$ 506,499	\$ -	\$ 506,499	\$ 421,142
Recruitment and retention	19,145	-	19,145	283
African-American recruitment	13,007	-	13,007	-
Student Government Association	211,159	-	211,159	134,872
Curris Center administration	174,467	-	174,467	155,331
Office of University Scholarships	76,350	-	76,350	14,315
Total student services administration	\$ 1,000,627	\$ -	\$ 1,000,627	\$ 725,943
Social and cultural development:				
The Shield	\$ 51,023	\$ -	\$ 51,023	\$ 55,355
Murray State University News	87,546	-	87,546	119,876
Total social and cultural development	\$ 138,569	\$ -	\$ 138,569	\$ 175,231
Counseling and career guidance:				
Counseling and Testing Center	\$ 211,393	\$ -	\$ 211,393	\$ 205,016
Career Services	172,067	-	172,067	187,254
Catalogs and bulletins	9,202	-	9,202	67,534
Total counseling and career guidance	\$ 392,662	\$ -	\$ 392,662	\$ 459,804
Student financial aid administration:				
Student Financial Aid Office	\$ 343,005	\$ -	\$ 343,005	\$ 314,394
Total student financial aid administration	\$ 343,005	\$ -	\$ 343,005	\$ 314,394
Student health services:				
Health Services	\$ 284,554	\$ -	\$ 284,554	\$ 271,595
Total student health services	\$ 284,554	\$ -	\$ 284,554	\$ 271,595
Intercollegiate athletics:				
Athletic director	\$ 224,451	\$ -	\$ 224,451	\$ 223,938
Sports information director	28,714	-	28,714	58,052
Athletic trainer	122,320	-	122,320	122,695
Athletic concessions	35,136	-	35,136	18,835
Athletic marketing	8,749	-	8,749	-
Athletic photography	1,001	-	1,001	-
Athletic programs	11,224	-	11,224	9,854
Athletic ticket office	41,924	-	41,924	44,779
Basketball referee	2	-	2	73
Football	490,457	-	490,457	544,709
Football Summer Clinic	425	-	425	-
Men's basketball	303,429	-	303,429	280,314

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Student Services (cont.)				
Intercollegiate athletics (cont.)				
OVC Basketball Tournament	\$ 10,539	\$ -	\$ 10,539	\$ 7,199
OVC concessions	6,049	-	6,049	6,954
NIT Travel	15,646	-	15,646	6,911
Baseball	92,228	-	92,228	98,065
Track	81,576	-	81,576	83,468
Men's tennis	41,300	-	41,300	41,340
Men's golf	26,557	-	26,557	27,028
Racer Basketball camp III	56,412	-	56,412	28,272
Athletic compliance	74,039	-	74,039	71,580
Women's basketball	115,369	-	115,369	105,724
Womens's golf	26,063	-	26,063	-
Women's tennis	37,190	-	37,190	29,438
Women's volleyball	47,385	-	47,385	42,464
Rifle team	30,717	-	30,717	17,757
Cheerleaders	12,690	-	12,690	10,711
Total intercollegiate athletics	\$ 1,941,592	\$ -	\$ 1,941,592	\$ 1,880,160
Student admissions and records:				
Admissions and records	\$ 573,220	\$ -	\$ 573,220	\$ 539,406
Degree audit system	36,814	-	36,814	30,305
Commencement expense	7,940	-	7,940	7,882
Total student admissions and records	\$ 617,974	\$ -	\$ 617,974	\$ 577,593
Other student services:				
Co-Curricular Education	79,453	-	79,453	78,033
Minority student services	46,877	-	46,877	40,710
Campus Lights	2,621	-	2,621	2,422
Freedom Fest Concessions	4,689	-	4,689	4,328
Forensic team	10,625	-	10,625	8,822
Indirect costs	21,193	-	21,193	590
Locker and furniture rent	-	-	-	14
National student exchange	2	-	2	3,139
Regional tournaments	19,730	-	19,730	17,466
Residence Hall Association	4,954	-	4,954	4,760
Residence halls	17,819	-	17,819	21,488
Senior breakfast	3,373	-	3,373	2,990
Summer Orientation	65,639	-	65,639	61,483
University Judicial Affairs	6	-	6	118
University Forum	13	-	13	-
Veterans Affairs	35	-	35	1,166
Welcome Back	-	-	-	1,010
Wellness Center	15,307	-	15,307	-
Women's Center	402	-	402	1,729
Student services accrued compensation expense	3,290	-	3,290	10,430
Student Life Improvement	3,263	-	3,263	-
Student services workstudy	-	50,752	50,752	56,347
Matching grants and contracts	5,175	148,410	153,585	311,162
Total other student services	\$ 304,466	\$ 199,162	\$ 503,628	\$ 628,207
Total student services	\$ 5,023,449	\$ 199,162	\$ 5,222,611	\$ 5,032,927

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Institutional support:				
Executive management:				
Board of Regents	\$ 15,228	\$ -	\$ 15,228	\$ 8,684
President's Office	291,700	-	291,700	269,232
Vice President for Academic Affairs	329,854	-	329,854	323,934
Vice President for Student Development	189,480	-	189,480	225,466
Vice President for Finance and Administrative Services	201,015	-	201,015	206,442
Institutional Planning and Research	128,849	-	128,849	127,017
Legal Services	145,426	-	145,426	162,541
Military Leave Benefits	-	-	-	5,329
Overtime	(28)	-	(28)	(398)
Total executive management	\$ 1,301,524	\$ -	\$ 1,301,524	\$ 1,328,247
Fiscal operations:				
Office of the Budget	\$ 111,190	\$ -	\$ 111,190	\$ 129,673
Accounting and Financial Services	754,607	-	754,607	737,271
Bad debt expense	43,106	-	43,106	54,431
Bank service charge	38,403	-	38,403	32,741
Total fiscal operations	\$ 947,306	\$ -	\$ 947,306	\$ 954,116
General administration and logistical services:				
Accountability	\$ 15,038	\$ -	\$ 15,038	\$ 1,621
Budget cut Clearing	-	-	-	(23,600)
Purchasing and General Services	440,637	-	440,637	458,056
Sale of surplus property	360	-	360	-
Central stores revolving fund	40,614	-	40,614	28,883
Personnel Services	216,877	-	216,877	172,258
Campus Safety	530,227	-	530,227	534,271
Microcomputer repair	67,923	-	67,923	62,382
Motor Pool	262,961	-	262,961	124,080
Postal services	149,534	-	149,534	154,044
Recycling Program	25	-	25	3,674
Rental Property	2,183	-	2,183	-
Workers compensation	207,431	-	207,431	197,666
Scottish Heritage	804	-	804	1,907
Unemployment compensation	50,220	-	50,220	94,816
Flex Spending	11,724	-	11,724	-
Public address system	4,970	-	4,970	6,241
Telecommunications Support	380,686	-	380,686	405,915
Total general administration and logistical services	\$ 2,382,214	\$ -	\$ 2,382,214	\$ 2,222,214
Public relations and development:				
Office of Development & Alumni Affairs	\$ 449,033	\$ -	\$ 449,033	\$ 490,034
Marketing and Public Relations	109,590	-	109,590	86,332
News Bureau	96,231	-	96,231	102,861
Photography	6,121	-	6,121	49,530
Radio/ Television	34,577	-	34,577	33,641
Office of Publications	152,401	-	152,401	135,565

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Institutional support (cont.)				
Public relations and development (cont.)				
University publications	25,534	-	25,534	19,752
University wide events	3,410	-	3,410	-
Total public relations and development	\$ 876,897	\$ -	\$ 876,897	\$ 917,715
Administrative computing support:				
Computing and Information Systems	\$ 680,369	\$ -	\$ 680,369	\$ 684,833
Total administrative computing support	\$ 680,369	\$ -	\$ 680,369	\$ 684,833
Other institutional support:				
Other	4,390	-	4,390	3,248
MSU Staff Congress	4,827	-	4,827	6,268
MSU Staff Congress awards	7,928	-	7,928	7,713
Employee scholarship	70,029	-	70,029	62,119
Friends of Oakhurst	853	-	853	883
Miscellaneous institutional support	159,332	-	159,332	136,747
Presidential search	44,524	-	44,524	-
Institutional support allocation to auxiliary	(431,052)	-	(431,052)	(376,384)
Accrued compensation expense	(7,665)	-	(7,665)	(9,187)
Institutional support workstudy	-	51,623	51,623	52,148
Total other institutional support	\$ (146,834)	\$ 51,623	\$ (95,211)	\$ (116,445)
Total institutional support	\$ 6,041,476	\$ 51,623	\$ 6,093,099	\$ 5,990,680
Operation and Maintenance of Plant:				
Physical plant administration:				
Administration	\$ 342,651	\$ -	\$ 342,651	\$ 348,558
Engineering and Architectural Services	97,809	-	97,809	100,327
Seasonal labor	49,868	-	49,868	45,515
Total physical plant administration	\$ 490,328	\$ -	\$ 490,328	\$ 494,400
Building maintenance:				
Building and Equipment Maintenance	\$ 1,746,413	\$ -	\$ 1,746,413	\$ 1,628,791
Grounds Maintenance	489,216	-	489,216	440,807
Property insurance	207,754	-	207,754	200,722
Total building maintenance	\$ 2,443,383	\$ -	\$ 2,443,383	\$ 2,270,320
Other operation and maintenance of plant:				
Custodial Maintenance	\$ 1,084,603	\$ -	\$ 1,084,603	\$ 1,106,391
Environmental Safety and Health	136,410	-	136,410	140,940
Utilities	2,208,192	-	2,208,192	2,121,650
Warehouse inventory	(4,650)	-	(4,650)	(827)
Chemical hazardous waste disposal	31,963	-	31,963	-
Major repairs and renovation	349,850	-	349,850	596,578

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	1994		1993	
	Unrestricted	Restricted	Total	
EDUCATION AND GENERAL (cont.)				
Operation and Maintenance of Plant (cont.)				
Other operation and maintenance of plant (cont.)				
Operation and maintenance of plant				
accrued compensation expense	\$ (5,521)	\$ -	\$ (5,521)	\$ 1,245
Operation and maintenance of plant				
workstudy	-	2,565	2,565	2,590
Total other operation and maintenance				
of plant	\$ 3,800,847	\$ 2,565	\$ 3,803,412	\$ 3,968,567
Total operation and maintenance of				
plant	\$ 6,734,558	\$ 2,565	\$ 6,737,123	\$ 6,733,287
Student financial aid:				
Scholarships and fellowships	\$ 2,646,045	\$ 537,562	\$ 3,183,607	\$ 3,366,088
Athletic grants-in-aid	1,078,509	-	1,078,509	926,197
Pell, SEOG and KHEAA grant awards	-	4,341,896	4,341,896	4,390,448
Total student financial aid	\$ 3,724,554	\$ 4,879,458	\$ 8,604,012	\$ 8,682,733
Total educational and general				
expenditures	\$ 53,816,034	\$ 7,816,744	\$ 61,632,778	\$ 61,069,899
Mandatory Transfers:				
Bond principal and interest	\$ 3,477,701	\$ -	\$ 3,477,701	\$ 3,703,124
Note payable principal and interest	209,312	-	209,312	209,311
SEOG matching grant	99,908	(99,908)	-	-
Owen loan fund	-	77,800	77,800	-
Perkins fund matching grant	733	-	733	387
Total mandatory transfers	\$ 3,787,654	\$ (22,108)	\$ 3,765,546	\$ 3,912,822
Non-mandatory transfers:				
From auxiliary enterprises	\$ (77,320)	\$ -	\$ (77,320)	\$ (77,320)
To (from) renewal and replacement	877,691	-	877,691	(619,763)
To (from) unexpended plant fund	(70,747)	62,528	(8,219)	956,786
Total non-mandatory transfers	\$ 729,624	\$ 62,528	\$ 792,152	\$ 259,703
Total educational and general				
expenditures and transfers	\$ 58,333,312	\$ 7,857,164	\$ 66,190,476	\$ 65,242,424

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			
	Unrestricted	Restricted	Total	1993
-----				
AUXILIARY ENTERPRISES EXPENDITURES AND TRANSFERS:				
Food service	\$ 3,524,707	\$ -	\$ 3,524,707	\$ 3,373,272
Housing	3,269,022	-	3,269,022	3,276,579
Bookstore	2,222,832	-	2,222,832	2,167,135
Curris Center	532,266	-	532,266	491,343
University Parking	172,291	-	172,291	86,215
Racer Card Administration	82,037	-	82,037	57,497
Vending & Manual commissions	106,334	-	106,334	149,881
Other auxiliary services	-	-	-	660
Auxiliary enterprises workstudy	-	52,908	52,908	56,908
-----				
Total auxiliary enterprises expenditures	\$ 9,909,489	\$ 52,908	\$ 9,962,397	\$ 9,659,490
-----				
Mandatory transfers of principal and interest	\$ 637,062	\$ -	\$ 637,062	\$ 620,013
-----				
Non-mandatory transfers				
To educational and general fund	\$ 77,320	\$ -	\$ 77,320	\$ 77,320
To unexpended plant fund	90,940	-	90,940	19,197
From renewal and replacement fund	(180,000)	-	(180,000)	-
-----				
Total non-mandatory transfers	\$ (11,740)	\$ -	\$ (11,740)	\$ 96,517
-----				
Total auxiliary enterprises expenditures and transfers	\$ 10,534,811	\$ 52,908	\$ 10,587,719	\$ 10,376,020
-----				
Total current funds expenditures and transfers	\$ 68,868,123	\$ 7,910,072	\$ 76,778,195	\$ 75,618,444
=====				

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES  
AND TRANSFERS BY MAJOR OBJECT  
For the Year Ended June 30, 1994  
With Comparative Figures as of June 30, 1993

	1994			1993
	Unrestricted	Restricted	Total	
<b>EDUCATIONAL AND GENERAL-</b>				
Expenditures:				
Instruction:				
Personnel services	\$ 21,885,930	\$ 1,193,128	\$ 23,079,058	\$ 22,888,366
Current operating expenses	2,001,497	534,589	2,536,086	2,450,312
Capital outlay	172,504	80,496	253,000	235,745
Total	\$ 24,059,931	\$ 1,808,213	\$ 25,868,144	\$ 25,574,423
Research:				
Personnel services	\$ 426,636	\$ 191,835	\$ 618,471	\$ 620,490
Current operating expenses	153,760	119,910	273,670	319,607
Capital outlay	44,859	32,530	77,389	89,395
Total	\$ 625,255	\$ 344,275	\$ 969,530	\$ 1,029,492
Public service:				
Personnel services	\$ 2,173,789	\$ 193,745	\$ 2,367,534	\$ 2,259,368
Current operating expenses	326,422	147,041	473,463	661,732
Capital outlay	178,626	8,917	187,543	91,552
Total	\$ 2,678,837	\$ 349,703	\$ 3,028,540	\$ 3,012,652
Libraries:				
Personnel services	\$ 1,138,780	\$ 42,285	\$ 1,181,065	\$ 1,197,809
Current operating expenses	888,332	22,588	910,920	870,836
Capital outlay	39,047	-	39,047	13,373
Total	\$ 2,066,159	\$ 64,873	\$ 2,131,032	\$ 2,082,018
Academic support:				
Personnel services	\$ 1,924,468	\$ 56,035	\$ 1,980,503	\$ 2,017,065
Current operating expenses	695,738	38,108	733,846	636,619
Capital outlay	241,609	22,729	264,338	278,003
Total	\$ 2,861,815	\$ 116,872	\$ 2,978,687	\$ 2,931,687
Student services:				
Personnel services	\$ 3,371,364	\$ 196,694	\$ 3,568,058	\$ 3,495,687
Current operating expenses	1,592,243	903	1,593,146	1,486,122
Capital outlay	59,842	1,565	61,407	51,118
Total	\$ 5,023,449	\$ 199,162	\$ 5,222,611	\$ 5,032,927
Institutional support:				
Personnel services	\$ 5,314,565	\$ 51,623	\$ 5,366,188	\$ 5,671,692
Current operating expenses	425,576	-	425,576	183,255
Capital outlay	301,335	-	301,335	135,733
Total	\$ 6,041,476	\$ 51,623	\$ 6,093,099	\$ 5,990,680
Operation and maintenance of plant:				
Personnel services	\$ 3,585,497	\$ 2,565	\$ 3,588,062	\$ 3,514,124
Current operating expenses	3,082,732	-	3,082,732	3,001,179
Capital outlay	66,329	-	66,329	217,984
Total	\$ 6,734,558	\$ 2,565	\$ 6,737,123	\$ 6,733,287

MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES  
AND TRANSFERS BY MAJOR OBJECT (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures as of June 30, 1993

	1994		
	Unrestricted	Restricted	Total
			1993
EDUCATIONAL AND GENERAL (cont.)			
Expenditures (cont.)			
Student financial aid:			
Personnel services	\$ 11,750	\$ -	\$ 11,750
Current operating expenses	3,712,804	4,840,434	8,553,238
Capital outlay	-	39,024	39,024
Total	\$ 3,724,554	\$ 4,879,458	\$ 8,604,012
Mandatory transfers for:			
Bond payable principal and interest	\$ 3,477,701	\$ -	\$ 3,477,701
Note payable principal and interest	209,312	-	209,312
SEOG matching grant	99,908	(99,908)	-
Owen loan fund	-	77,800	77,800
Perkins fund matching grant	733	-	733
Total	\$ 3,787,654	\$ (22,108)	\$ 3,765,546
Non-mandatory transfers:			
From auxiliary enterprises	\$ (77,320)	\$ -	\$ (77,320)
To renewal and replacement fund	877,691	-	877,691
From unexpended plant fund	(70,747)	62,528	(8,219)
Total	\$ 729,624	\$ 62,528	\$ 792,152
Total educational and general general	\$ 58,333,312	\$ 7,857,164	\$ 66,190,476
AUXILIARY ENTERPRISES-			
Expenditures:			
Personnel services	\$ 3,733,301	\$ 52,908	\$ 3,786,209
Current operating expenses	6,052,824	-	6,052,824
Capital outlay	123,364	-	123,364
Total	\$ 9,909,489	\$ 52,908	\$ 9,962,397
Mandatory transfers for:			
Principal and interest	\$ 637,062	\$ -	\$ 637,062
Non-mandatory transfers:			
To educational and general fund	\$ 77,320	\$ -	\$ 77,320
To unexpended plant fund	90,940	-	90,940
From renewal and replacement fund	(180,000)	-	(180,000)
Total	\$ (11,740)	\$ -	\$ (11,740)
Total auxiliary enterprises	\$ 10,534,811	\$ 52,908	\$ 10,587,719
Total expenditures and transfers	\$ 68,868,123	\$ 7,910,072	\$ 76,778,195



MURRAY STATE UNIVERSITY  
SCHEDULE OF CURRENT FUNDS EXPENDITURES  
AND TRANSFERS BY MAJOR OBJECT (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures as of June 30, 1993

	-----1994-----			-----
	Unrestricted	Restricted	Total	1993
	-----			-----
SUMMARY BY MAJOR OBJECT-				
Expenditures:				
Personnel services	\$ 43,566,080	\$ 1,980,818	\$ 45,546,898	\$ 45,665,854
Current operating expenses	18,931,928	5,703,573	24,635,501	23,417,787
Capital outlay	1,227,515	185,261	1,412,776	1,645,748
Total	\$ 63,725,523	\$ 7,869,652	\$ 71,595,175	\$ 70,729,389
Mandatory transfers for:				
Bond principal and interest	\$ 4,114,763	\$ -	\$ 4,114,763	\$ 4,323,137
Note payable principal and interest	209,312	-	209,312	209,311
SEOG matching grant	99,908	(99,908)	-	-
Owen loan fund	-	77,800	77,800	-
Perkins fund matching grant	733	-	733	387
Total	\$ 4,424,716	\$ (22,108)	\$ 4,402,608	\$ 4,532,835
Non-mandatory transfers:				
To renewal and replacement fund	\$ 877,691	\$ -	\$ 877,691	\$ (619,763)
To unexpended plant fund	20,193	62,528	82,721	975,983
From renewal and replacement fund	(180,000)	-	(180,000)	-
Total	\$ 717,884	\$ 62,528	\$ 780,412	\$ 356,220
Total expenditures and transfers	\$ 68,868,123	\$ 7,910,072	\$ 76,778,195	\$ 75,618,444
	=====	=====	=====	=====

MURRAY STATE UNIVERSITY  
SCHEDULE OF CHANGES IN FUND BALANCES  
LOAN FUNDS  
For the Year Ended June 30, 1994

	Student Emergency Loans	Student Nurse Loan Program Fund	Perkins Student Loan Fund	Norris Loan Program Fund	Owen Student Loan Fund	Total
Fund balance at beginning of year	\$ 1,365	\$ 274,723	\$ 4,194,003	\$ 25,666	\$ -	\$ 4,495,757
additions:						
Interest	\$ -	\$ 8,931	\$ 98,865	\$ 1,547	\$ 1,179	\$ 110,522
Federal contributions	-	-	4,149	-	-	4,149
Other contributions	-	-	-	655	-	655
Other additions	-	222	28,866	15	-	29,103
Mandatory transfer -						
Perkins match	-	-	733	-	-	733
Restricted fund	-	-	-	-	77,800	77,800
Adjustment in allowance for bad debts	-	619	20,498	(795)	(984)	19,338
Total additions	\$ -	\$ 9,772	\$ 153,111	\$ 1,422	\$ 77,995	\$ 242,300
Deductions:						
Cancellations - Teaching	\$ -	\$ -	\$ 25,580	\$ -	\$ -	\$ 25,580
Cancellations - Death	-	-	2,497	-	-	2,497
Cancellations - Disability	-	-	14,067	-	-	14,067
Cancellations - Bankruptcy	-	-	6,901	-	-	6,901
Cancellations - Default	-	110	11,103	-	-	11,213
Cancellations - Law	-	-	319	-	-	319
Administrative costs	-	-	62,371	-	-	62,371
Collection costs	-	249	13,561	428	-	14,238
Total deductions	\$ -	\$ 359	\$ 136,399	\$ 428	\$ -	\$ 137,186
Fund balance end of year	\$ 1,365	\$ 284,136	\$ 4,210,715	\$ 26,660	\$ 77,995	\$ 4,600,871

MURRAY STATE UNIVERSITY  
SCHEDULE OF CHANGES IN FUND BALANCES  
ENDOWMENT FUNDS  
For the Year Ended June 30, 1994

Fund balance at beginning of year	\$ 1,587,405
Additions:	
Gifts and donations	8,770
Investment income	4,276
Transfer from agency fund	606
	-----
Total additions	\$ 13,652
	-----
Fund balance at end of year	\$ 1,601,057
	=====

MURRAY STATE UNIVERSITY  
 SCHEDULE OF CHANGES IN FUND BALANCE  
 UNEXPENDED PLANT FUND BALANCE  
 For the Year Ended June 30, 1994

Fund balance at beginning of year	\$ 1,706,958
	-----
Additions:	
Transfers from current funds	\$ 169,316
Interest earnings	298,328
Transfer of debt to investment in plant	7,038
Bond proceeds - Council on Higher Education	856,582
Other additions	869
	-----
Total additions	\$ 1,332,133
	-----
Deductions:	
Current expenditures	\$ 1,444,905
Transfers to current funds	86,595
Transfer of interest to retirement of indebtedness fund	118,681
	-----
Total deductions	\$ 1,650,181
	-----
Fund balance at end of year	\$ 1,388,910
	=====

MURRAY STATE UNIVERSITY  
SCHEDULE OF PROJECT ALLOTMENTS  
UNEXPENDED PLANT FUND  
For the Year Ended June 30, 1994

	State Appro- priation	Trust and Agency Fund	Investment Income	Other State Funds	Revenue Bond Proceeds	Other	Total
100 Clearing	\$ 343	\$ -	\$ 56	\$ -	\$ 60,797	\$ -	\$ 61,196
131 Land Acquisitions	-	844,423	356,267	-	-	-	1,200,690
251 Industry and Technology Building	-	-	1,250,000	-	12,500,000	-	13,750,000
300 Con Ed Series E & F Clearing	-	-	173,805	-	815,911	-	989,716
403 Steam/Condensate Lines Replacement	-	-	-	-	413,208	-	413,208
405 Renovate Old Fine Arts Building	-	-	330,616	-	3,619,384	-	3,950,000
410 National Boy Scout Museum Phase IV	-	36,814	-	-	-	-	36,814
420 On-Line Library Computer System	-	260,623	-	-	-	-	260,623
427 Regents Ceiling Tiles and Lights	-	26,494	-	-	-	-	26,494
501 E & G Sprinkler Systems	-	-	-	512,483	-	-	512,483
503 Hazardous Waste Storage	-	-	-	85,000	-	-	85,000
514 New Campus Phone Switch	-	871,994	-	-	-	-	871,994
528 Emergency Generators & Lighting	-	-	(2,723)	156,130	-	-	153,407
531 Old Fine Arts Asbestos Removal	-	-	84,000	12,000	-	-	96,000
534 Fire Alarm Repl & Compr Gas Storage	-	-	-	67,500	-	-	67,500
535 Asbestos Abatement Blackburn, etc.	-	-	-	78,639	-	-	78,639
537 Underground Fuel Tank Replacement	-	62,000	-	75,000	-	-	137,000
538 Flammable Storage Cabinets	-	-	-	15,538	-	-	15,538
539 Renovate Security & Information Office	-	73,502	-	-	-	-	73,502
542 Parking Lot Waldrop & Chestnut Streets	-	50,626	-	-	-	-	50,626
543 Serum Chemistry Analyzer - BVC	-	80,000	-	-	-	-	80,000
547 Update Campus Master Plan	-	170,305	-	-	-	-	170,305
549 Hancock Bio Station Roof Replacement	-	-	-	-	78,683	-	78,683
551 Hancock Bio St. Cabins, Bathhouse	-	90,000	-	-	-	-	90,000
609 High Rise Fire & Rescue Apparatus	-	-	-	-	598,514	-	598,514
619 Central Plant Roof Replacement	-	-	-	-	93,506	-	93,506
620 Asbestos Abatement Various Buildings	-	-	59,212	-	-	-	59,212
621 HVAC Curris Center Ballroom	-	7,700	-	-	-	-	7,700
622 BVC HVAC System	-	149,070	-	-	-	-	149,070
623 Expo/South Farm Inventory	-	90,000	-	-	-	-	90,000
624 Shower/Eyewash Station	-	-	-	31,500	-	-	31,500
625 Generator General Services Bldg	-	-	-	13,751	-	-	13,751
626 E&G Fire Horn Upgrade	-	-	24,945	18,555	-	-	43,500
627 Wrather Auditorium Roof	-	23,139	-	-	-	-	23,139
628 Pogue Plaster/Paint	-	20,000	-	-	-	-	20,000
629 Emergency Generator & Lights	-	-	29,616	7,205	-	-	36,821
631 Hancock Researcher Cabins	-	30,000	-	-	-	-	30,000
632 Remove Underground Storage Tank/Expo Ctr	-	7,521	-	-	-	-	7,521
633 Unit B Trio Roof Replacement	-	64,880	-	-	-	-	64,880
634 Remote Fire Alarm Monitoring System	-	-	13,000	2,950	-	-	15,950

MURRAY STATE UNIVERSITY  
SCHEDULE OF PROJECT ALLOTMENTS  
UNEXPENDED PLANT FUND (cont.)  
For the Year Ended June 30, 1994

	State Appro- piation	Trust and Agency Fund	Investment Income	Other State Funds	Revenue Bond Proceeds	Other	Total
635 Simpson Child Dev Ctr Roof Replacement	\$ -	\$ 34,137	\$ -	\$ -	\$ -	\$ -	\$ 34,137
636 Elevator Fireman's Service	-	-	78,550	-	-	-	78,550
637 Faculty Hall Elevator Renovation	-	-	-	-	300,000	-	300,000
638 Hay Storage Facility	-	30,000	-	-	-	-	30,000
639 Oakhurst Exterior Paint	-	14,500	-	-	-	-	14,500
640 Recycling Building	-	44,527	-	-	-	-	44,527
641 Renovate Woods Hall	-	50,000	-	-	-	-	50,000
642 Steam and Condensate Lines	-	128,200	-	-	-	-	128,200
643 Lowry Emergency Generator	-	-	16,000	-	-	-	16,000
644 Clark Shower Base Replacement	-	50,000	-	-	-	-	50,000
645 Masonry Defects - Curris Center	-	5,000	-	-	-	-	5,000
Total	\$ 343	\$ 3,315,455	\$ 2,413,344	\$ 1,076,251	\$18,480,003	\$ -	\$25,285,396

MURRAY STATE UNIVERSITY  
SCHEDULE OF PROJECT ACCOUNTS  
UNEXPENDED PLANT FUND  
For the Year Ended June 30, 1994

	Allotments			Expenditures			Outstanding Encum- brances	Balance June 30, 1994
	Prior to July 1, 1993	Received 1993-94	Total	Prior to July 1, 1993	Expendi- tures 1993-94	Total		
100 Clearing	\$ 61,195	\$ 1	\$ 61,196	\$ -	\$ -	\$ -	\$ -	\$ 61,196
131 Land Acquisitions	1,200,690	-	1,200,690	1,192,796	-	1,192,796	-	7,894
251 Industry and Technology Building	13,750,000	-	13,750,000	13,730,151	19,849	13,750,000	-	-
300 Con Ed Series E & F Clearing	989,716	-	989,716	882,764	-	882,764	-	106,952
400 Con Ed Series G Clearing	-	-	-	83,542	-	83,542	-	(83,542)
403 Steam/Condensate Lines Replacement	414,600	(1,391)	413,209	412,406	803	413,209	-	-
405 Renovate Old Fine Arts Building	266,500	3,683,500	3,950,000	55,893	121,190	177,083	3,387,652	385,265
410 National Boy Scout Museum Phase IV	36,814	-	36,814	28,064	-	28,064	8,750	-
420 On-Line Library Computer System	266,000	(5,377)	260,623	208,498	52,125	260,623	-	-
427 Regents Ceiling Tiles and Lights	35,554	(9,060)	26,494	26,494	-	26,494	-	-
500 Project 48 Bonds Clearing	-	-	-	79,707	-	79,707	-	(79,707)
501 E & G Sprinkler Systems	512,483	-	512,483	512,483	-	512,483	-	-
503 Hazardous Waste Storage	85,000	-	85,000	57,810	25,302	83,112	-	1,888
514 New Campus Phone Switch	837,613	34,381	871,994	859,332	870	860,202	-	11,792
528 Emergency Generators & Lighting	156,130	(2,723)	153,407	151,980	1,427	153,407	-	-
531 Old Fine Arts Asbestos Removal	96,000	-	96,000	47,456	24,829	72,285	1,565	22,150
534 Fire Alarm Repl & Compr Gas Storage	67,500	-	67,500	23,089	23,561	46,650	-	20,850
535 Asbestos Abatement Blackburn, etc.	90,000	(11,361)	78,639	77,794	845	78,639	-	-
537 Underground Fuel Tank Replacement	137,000	-	137,000	111,020	-	111,020	1	25,979
538 Flammable Storage Cabinets	42,500	(26,962)	15,538	15,538	-	15,538	-	-
539 Renovate Security & Information Office	73,502	-	73,502	73,502	-	73,502	-	-
542 Parking Lot Waldrop & Chestnut Streets	50,626	-	50,626	42,569	8,057	50,626	-	-
543 Serum Chemistry Analyzer - BVC	-	80,000	80,000	-	80,000	80,000	-	-
545 BVC HVAC Renovation	10,000	(10,000)	-	-	-	-	-	-
547 Update Campus Master Plan	175,000	(4,695)	170,305	163,316	6,989	170,305	-	-
549 Hancock Bio Station Roof Replacement	78,683	-	78,683	78,683	-	78,683	-	-
551 Hancock Bio St. Cabins, Bathhouse	90,000	-	90,000	11,274	69,253	80,527	-	9,473
609 High Rise Fire & Rescue Apparatus	600,000	(1,486)	598,514	-	598,514	598,514	-	-
619 Central Plant Roof Replacement	8,000	85,506	93,506	6,636	86,870	93,506	-	-
620 Asbestos Abatement Various Buildings	93,000	(33,788)	59,212	360	58,852	59,212	-	-
621 HVAC Curris Center Ballroom	7,700	-	7,700	6,167	208	6,375	-	1,325
622 BVC HVAC System	16,720	132,350	149,070	4,550	7,143	11,693	129,250	8,127
623 Expo/South Farm Inventory	30,000	60,000	90,000	27,995	12,761	40,756	42,132	7,112
624 Shower/Eyewash Station	31,500	-	31,500	-	3,549	3,549	-	27,951
625 Generator General Services Bldg	15,000	(1,250)	13,750	-	13,750	13,750	-	-
626 E&G Fire Horn Upgrade	43,500	-	43,500	-	12	12	-	43,488
627 Wraether Auditorium Roof	23,139	-	23,139	23,139	-	23,139	-	-
628 Pogue Plaster/Paint	20,000	-	20,000	-	5,538	5,538	-	14,462
629 Emergency Generator & Lights	38,296	(1,475)	36,821	5,332	31,489	36,821	-	-
631 Hancock Researcher Cabins	-	30,000	30,000	-	7,217	7,217	-	22,783
632 Remove Underground Storage Tank/Expo Ctr	15,000	(7,479)	7,521	-	7,521	7,521	-	-

MURRAY STATE UNIVERSITY  
SCHEDULE OF PROJECT ACCOUNTS  
UNEXPENDED PLANT FUND  
For the Year Ended June 30, 1994

	Allotments-----			Expenditures-----			Outstanding Encum- brances	Balance June 30, 1994
	Prior to July 1, 1993	Received 1993-94	Total	Prior to July 1, 1993	Expendi- tures 1993-94	Total		
633 Unit B Trio Roof Replacement	\$ 5,000	\$ 59,880	\$ 64,880	\$ -	\$ 64,880	\$ 64,880	\$ -	\$ -
634 Remote Fire Alarm Monitoring System	15,950	-	15,950	-	8,475	8,475	2,825	4,650
635 Simpson Child Dev Ctr Roof Replacement	40,000	(5,863)	34,137	-	34,137	34,137	-	-
636 Elevator Fireman's Service	12,925	65,625	78,550	-	4,631	4,631	1,544	72,375
637 Faculty Hall Elevator Renovation	3,500	296,500	300,000	-	383	383	277,748	21,869
638 Hay Storage Facility - Main Farm	-	30,000	30,000	-	4,848	4,848	-	25,152
639 Oakhurst - Exterior Painting	-	14,500	14,500	-	14,500	14,500	-	-
640 Recycling Building	-	44,527	44,527	-	44,527	44,527	-	-
641 Renovate Woods Hall	-	50,000	50,000	-	-	-	5,001	44,999
642 Steam & Condensate Lines	-	128,200	128,200	-	-	-	-	128,200
643 Lowry Emergency Generator	-	16,000	16,000	-	-	-	-	16,000
644 Clark Hall - Shower Base Replacement	-	50,000	50,000	-	-	-	-	50,000
645 Masonry Defects - Curriss Center	-	5,000	5,000	-	-	-	-	5,000
Total	\$20,542,336	\$ 4,743,060	\$25,285,396	\$19,000,340	\$ 1,444,905	\$20,445,245	\$ 3,856,468	\$ 983,683



MURRAY STATE UNIVERSITY  
SCHEDULE OF CHANGES IN FUND BALANCES  
RENEWAL AND REPLACEMENT  
For the Year Ended June 30, 1994

	Consolidated Education Renewal and Replacement =====	Housing and Dining Repair and Maintenance =====	Total =====
Fund balance at beginning of year	\$ 2,276,637	\$ 776,052	\$ 3,052,689
Additions:			
Interest income	\$ 69,154	\$ 23,691	\$ 92,845
Transfer from current funds	484,325	-	484,325
Total additions	\$ 553,479	\$ 23,691	\$ 577,170
Deductions:			
Transfers to current funds	\$ (393,366)	\$ 180,000	\$ (213,366)
Fund balance at end of year	\$ 3,223,482	\$ 619,743	\$ 3,843,225

MURRAY STATE UNIVERSITY  
SCHEDULE OF CHANGES IN FUND BALANCES  
RETIREMENT OF INDEBTEDNESS  
FOR THE ENDED JUNE 30, 1994

	Consolidated Education Bond and Interest Sinking Fund	Housing and Dining Bond and Interest Sinking Fund	Asbestos and PCB Fund Project 48 and 54 Fund	Consolidated Education Series G Arbitrage Rebate Fund	Life Safety Project 50 and 55 Fund	Notes Payable- Phone Switch	Total
Fund balance at beginning of year	\$ 3,498,379	\$ 855,143	\$ (44,566)	\$ 525	\$ (21,603)	\$ (21,801)	\$ 4,266,077
Additions:							
Investment earnings	\$ 127,140	\$ 24,553	\$ -	\$ 15	\$ -	\$ -	\$ 151,708
Transfer from current unrestricted fund	3,313,470	665,728	70,045	-	65,520	209,312	4,324,075
Transfer from unexpended plant fund	-	-	92,661	-	26,020	-	118,681
Total additions	\$ 3,440,610	\$ 690,281	\$ 162,706	\$ 15	\$ 91,540	\$ 209,312	\$ 4,594,464
Deductions:							
Bonds paid	\$ 2,025,000	\$ 465,000	\$ 89,694	\$ -	\$ 28,242	\$ 186,642	\$ 2,794,578
Interest paid	1,480,772	202,147	59,021	-	70,249	12,081	1,824,270
Premium amortization	78,534	-	-	-	-	-	78,534
Total deductions	\$ 3,584,306	\$ 667,147	\$ 148,715	\$ 0	\$ 98,491	\$ 198,723	\$ 4,697,382
Fund balance at end of year	\$ 3,354,683	\$ 878,277	\$ (30,575)	\$ 540	\$ (28,554)	\$ (11,212)	\$ 4,163,159
	=====	=====	=====	=====	=====	=====	=====

MURRAY STATE UNIVERSITY  
SCHEDULE OF CHANGES IN FUND BALANCES  
INVESTMENT IN PLANT  
For the Year Ended June 30, 1994

Fund balance at beginning of year	\$ 104,860,045
	-----
Additions:	
Buildings	\$ 358,370
Construction in progress	1,559,982
Equipment	2,806,400
Improvements other than buildings	801,420
Land	55,240
Library books	830,246
Payment on bond principal	2,794,578
Reduction in lease obligations	19,248
	-----
Total additions	\$ 9,225,484
	-----
Deductions/Deletions/Disposals/Transfers:	
Buildings	\$ 42,000
Construction in progress	2,069,561
Equipment	729,724
Library books	43,958
Other assets (leases)	33,135
Transfer to unexpended plant	7,038
New bond indebtedness	849,158
Debt increase from refunding	80,690
Cost of issuance on bonds	8,918
Amortization of bond discount and issuance costs	48,630
Other deductions	(10)
	-----
Total deductions	\$ 3,912,802
	-----
Fund balance at end of year	\$ 110,172,727
	=====

MURRAY STATE UNIVERSITY  
SCHEDULE OF INVESTMENTS BY FUND GROUPS  
As of June 30, 1994

	U.S. Government Securities	Certificates of Deposit	Investments in State Investment Pool	Short Term Investments	Total
Unrestricted funds	\$ -	\$ -	\$ 9,043,041	\$ -	\$ 9,043,041
Endowment funds	59,100	540,000	-	-	599,100
Renewal and replacement	-	-	2,450,000	617,942	3,067,942
Retirement of indebtedness funds	-	-	-	4,482,746	4,482,746
Unexpended plant	-	-	4,573,244	-	4,573,244
Total investments	\$ 59,100	\$ 540,000	\$ 16,066,285	\$ 5,100,688	\$ 21,766,073

MURRAY STATE UNIVERSITY  
SCHEDULE OF BONDS PAYABLE  
For the Year Ended June 30, 1994

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/94	Interest Expense Current Year	Bonds Maturing 1994-95	Interest Due 1994-95
HOUSING AND DINING SYSTEM REVENUE BONDS							
Series A bonds dated 9/1/65 with an interest rate of 2 3/4%. Final principal payment date 9/1/95. Woods Hall.	\$ 705,000	\$ 30,000	\$ 665,000	\$ 40,000	\$ 1,237	\$ 30,000	\$ 504
Series B bonds dated 9/1/65 with an interest rate of 2 7/8%. Final principal payment date 9/1/97. Student Union Building.	605,000	25,000	490,000	115,000	3,425	25,000	2,683
Series C bonds dated 9/1/65 with an interest rate of 3 1/8%. Final principal payment date 9/1/00. Richmond Hall.	635,000	25,000	445,000	190,000	6,067	25,000	5,286
Series D bonds dated 9/1/65 with an interest rate of 3 1/8%. Final principal payment date 9/1/00. Clark Hall.	760,000	25,000	535,000	225,000	7,135	30,000	6,249
Series E bonds dated 9/1/65 with an interest rate of 3 1/2%. Final principal payment date 9/1/01. College Court I.	387,000	15,000	262,000	125,000	4,462	15,000	3,937
Series F bonds dated 9/1/65 with an interest rate of 3 1/2%. Final principal payment date 9/1/01. Franklin Hall and Winslow Cafeteria.	1,290,000	50,000	815,000	475,000	16,915	50,000	15,136
Series G bonds dated 9/1/65 with an interest rate of 3 3/8%. Final principal payment date 9/1/00. College Court II.	400,000	15,000	260,000	140,000	4,781	20,000	4,162
Series H bonds dated 9/1/65 with an interest rate of 3 3/8%. Final principal payment date 9/1/03. Elizabeth Hall and Springer Hall.	1,845,000	70,000	1,065,000	780,000	26,717	70,000	24,326
Series I bonds dated 9/1/65 with an interest rate of 3 5/8%. Final principal payment date 9/1/04. Hart Hall.	2,250,000	70,000	1,338,000	912,000	33,481	70,000	30,913
Series J bonds dated 9/1/65 with an interest rate of 3 3/4%. Final principal payment date 9/1/04. College Court III.	510,000	15,000	305,000	205,000	7,781	15,000	7,218
Series K bonds dated 9/1/65 with an interest rate of 3%. Final principal payment date 9/1/02. Hester Hall and White Hall.	3,280,000	95,000	1,775,000	1,505,000	45,622	95,000	42,722
Series L bonds dated 9/1/68 with an interest rate of 3%. Final principal payment date 9/1/08. Regents Hall.	2,000,000	30,000	520,000	1,480,000	44,524	35,000	43,499
Total Housing and Dining System Revenue Bonds	\$ 14,667,000	\$ 465,000	\$ 8,475,000	\$ 6,192,000	\$ 248,635	\$ 480,000	\$ 186,635

MURRAY STATE UNIVERSITY  
SCHEDULE OF BONDS PAYABLE  
For the Year Ended June 30, 1994

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/94	Interest Expense Current Year	Bonds Maturing 1994-95	Interest Due 1994-95
<u>CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS</u>							
Series A bonds dated 5/1/61 with interest rates from 3% to 4 1/8%. Final principal payment date 5/1/86. Business Education Building.	\$ 1,400,000	\$ -	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -
Series B bonds dated 11/1/63 with interest rates from 3 1/4% to 3 7/8%. Final principal payment date 5/1/94. Applied Science, Child Dev Ctr, Maint Bldg, Etc.	2,360,000	190,000	2,360,000	-	6,132	-	-
Series C bonds dated 4/1/66 with an interest rate of 3%. Final principal payment due 5/1/96. Nursing, Admin, Bio Stat, Broadcast Ctr.	2,721,000	140,000	2,486,000	235,000	10,548	145,000	6,323
Series D bonds dated 4/1/66 with interest rates from 4 1/4% to 4 1/2%. Final principal payment due 5/1/94. Same as Series C.	5,280,000	315,000	5,280,000	-	11,806	-	-
Series E bonds dated 5/1/71 with an interest rate of 3%. Final principal payment due 5/1/98. Gen Classroom, Acad-Ath Fac, Bus Serv, Fine Arts Add, Pedestrian Improvements.	2,733,000	130,000	2,165,000	568,000	20,288	135,000	16,363
Series F bonds dated 5/1/71 with interest rates from 6 1/2% to 7 1/4%. Final principal payment originally due 5/1/00. All bonds called in fiscal 1981-1982.	12,500,000	-	12,500,000	-	-	-	-
Series F refunding bonds dated 5/1/81 with interest rates from 5 3/10% to 5 7/8%. \$7,780,000 refunded on 9/30/93. Final principal payment 5/1/94. Same as Series D.	11,770,000	7,780,000	11,770,000	-	152,158	-	-
Series F (second series) refunding bonds dated 9/01/93 with interest rates from 2.60% to 4.15%. Final principal payment due on 5/1/94. Same as Series D.	7,955,000	495,000	495,000	7,460,000	245,122	1,135,000	277,435
Series G bonds dated 12/1/87 with interest rates from 5.75% to 7.25%. Final principal payment due 5/1/07. Industry & Technology Bldg.	14,785,000	470,000	12,540,000	2,245,000	194,722	510,000	151,689
Series G(2nd Series) dated 3/1/93 with interest rates of 3.10% to 5.60%. Final principal payment due on 5/1/07. Industry & Technology Bldg.	11,660,000	145,000	145,000	11,515,000	581,254	145,000	598,514

MURRAY STATE UNIVERSITY  
SCHEDULE OF BONDS PAYABLE  
For the Year Ended June 30, 1994

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/94	Interest Expense Current Year	Bonds Maturing 1994-95	Interest Due 1994-95
Series H bonds dated 03/01/92 with interest rates from 3 1/2% to 6 2/10%. Final principal payment due 05/01/12. Fine Arts Renovation & Underground Steam/Condensate Lines	\$ 4,625,000	\$ 140,000	\$ 230,000	\$ 4,395,000	\$ 258,742	\$ 150,000	\$ 252,950
Total Consolidated Educational Buildings Revenue Bonds	\$ 77,789,000	\$ 9,805,000	\$ 51,371,000	\$ 26,418,000	\$ 1,480,772	\$ 2,220,000	\$ 1,303,274
OTHER BONDS							
Asbestos and PCB removal bonds (Project 48 partially refunded by project 54) dated 12/1/87 with an interest rate of 6.20% to 7.30%. Final principal payment due 8/1/98.	\$ 1,660,000	\$ 53,582	\$ 1,367,606	\$ 292,394	\$ 11,539	\$ 57,346	\$ 18,234
Asbestos and PCB removal bonds (Project 54 refunding a portion of project 48) dated 9/1/92 with an interest rate of 2.40% to 6.0%. Final principal payment due 9/1/08	1,516,032	36,123	55,880	1,460,152	47,482	38,895	40,002
Life Safety bonds (Project 50) dated 2/1/91 with an interest rate of 5.60% to 6.70%. \$544,732 refunded on 9/1/93. Final principal payment due 2/1/01.	875,445	572,974*	622,706	252,739	20,254	29,938	22,086
Life Safety bonds (Project 55 including partial refunding of Project 50) dated 9/1/93 with an interest rate of 2.60% to 5%. Final principal payment due 9/1/13.	1,413,890	-	-	1,413,890	49,995	33,633	63,948
Total Other Bonds	\$ 5,465,367	\$ 662,679	\$ 2,046,192	\$ 3,419,175	\$ 129,270	\$ 159,812	\$ 144,270
Total all bond issues	\$ 97,921,367	\$ 10,932,679	\$ 61,892,192	\$ 36,029,175	\$ 1,812,189	\$ 2,859,812	\$ 1,634,179

\* Principal maturities on these two bonds include \$8,324,732 of principal defeased by the issuance of refunding bonds.



**MURRAY STATE UNIVERSITY**

**Financial Statements  
for the Year Ended June 30, 1994  
and Independent Auditors' Report  
and  
Schedules and Reports Required  
by the Single Audit Act**

**Deloitte Touche  
Tohmatsu  
International**



# MURRAY STATE UNIVERSITY

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**PART I**  
**FINANCIAL SECTION**



**INDEPENDENT AUDITORS' REPORT**

To the Board of Regents  
of Murray State University

We have audited the accompanying balance sheet of Murray State University (the "University") as of June 30, 1994, and the related statements of changes in fund balances and current funds revenues, expenditures, and other changes for the year then ended. These financial statements are the responsibility of the management of the University. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Murray State University as of June 30, 1994, and the changes in its fund balances, and its current funds revenues, expenditures, and other changes for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules contained in pages 20 through 52 are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of the University's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

*Deloitte & Touche LLP*

September 16, 1994

**Deloitte Touche  
Tohmatsu  
International**

MURRAY STATE UNIVERSITY  
BALANCE SHEETS  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	-----Current Funds-----		Loan Funds	Endowment Funds	Plant Funds	Agency Funds	-----Totals-----	
	Unrestricted	Restricted					1994	1993
<b>ASSETS</b>								
Cash	\$ 2,848,531	\$ 520,281	\$ 565,525	\$ 6,237	\$ 1,597,332	\$ 51,007	\$ 5,588,913	\$ 14,780,631
Investments	9,043,041	-	-	599,100	12,123,932	-	21,766,073	10,195,467
Inventories	1,082,314	-	-	600	-	-	1,082,914	1,105,583
Prepaid expenses	89,176	-	-	-	-	-	89,176	145,123
Accounts and loans receivable, net	1,048,217	718,226	4,037,492	-	425,000	-	6,228,935	5,931,356
Interest receivable	26,886	29,186	-	83,423	50,352	-	189,847	176,760
Discount on bonds payable	-	-	-	-	433,194	-	433,194	376,434
Due from other funds	655,944	-	-	-	-	-	655,944	1,326,127
Assets held by MSU Foundation	-	212,534	-	911,697	-	-	1,124,231	1,126,729
Property, plant and equipment	-	-	-	-	141,565,183	-	141,565,183	138,038,768
Total assets	\$ 14,794,109	\$ 1,480,227	\$ 4,603,017	\$ 1,601,057	\$ 156,194,993	\$ 51,007	\$ 178,724,410	\$ 173,202,978
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 737,547	\$ 56,289	\$ 2,146	\$ -	\$ -	\$ -	\$ 795,982	\$ 877,877
Payroll related accruals	2,733,880	-	-	-	-	-	2,733,880	3,298,414
Accrued expenses and other liabilities	1,359,546	10,634	-	-	-	-	1,370,180	560,284
Interest payable	-	-	-	-	354,877	-	354,877	425,156
Deposits	205,991	-	-	-	-	51,007	256,998	206,134
Deferred revenues	677,028	-	-	-	-	-	677,028	714,075
Due to other funds	-	655,944	-	-	-	-	655,944	1,326,127
Notes payable	-	-	-	-	197,601	-	197,601	384,242
Bonds payable	-	-	-	-	36,029,175	-	36,029,175	37,592,964
Obligations under capital leases	-	-	-	-	45,319	-	45,319	9,353
Total liabilities	\$ 5,713,992	\$ 722,867	\$ 2,146	\$ -	\$ 36,626,972	\$ 51,007	\$ 43,116,984	\$ 45,394,626
<b>Fund balance:</b>								
<b>Current unrestricted funds:</b>								
<b>Allocated for:</b>								
Working capital	\$ 1,934,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,934,922	\$ 1,737,777
Prior year carryovers:								
Renovation and maintenance	2,365,103	-	-	-	-	-	2,365,103	1,669,178
Other	2,749,016	-	-	-	-	-	2,749,016	1,734,725
Encumbrances	467,077	-	-	-	-	-	467,077	581,873
Reserve for general contingency	913,999	-	-	-	-	-	913,999	540,566
Reserve for self insurance	650,000	-	-	-	-	-	650,000	650,000
Unallocated	-	-	-	-	-	-	-	149,196
Current restricted funds	-	757,360	-	-	-	-	757,360	776,106
Loan funds - restricted	-	-	4,600,871	-	-	-	4,600,871	4,495,757
Endowment funds - restricted	-	-	-	1,601,057	-	-	1,601,057	1,587,405

The accompanying notes are an integral part of these financial statements.

MURRAY STATE UNIVERSITY  
BALANCE SHEETS (cont.)  
As of June 30, 1994  
With Comparative Figures as of June 30, 1993

	-----Current Funds-----						-----Totals-----	
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Plant Funds	Agency Funds	1994	1993
<b>LIABILITIES AND FUND BALANCE (cont.)</b>								
Fund balance (cont.):								
Plant funds:								
Unexpended	\$ -	\$ -	\$ -	\$ -	\$ 1,388,910	\$ -	\$ 1,388,910	\$ 1,706,958
Renewal and replacement	-	-	-	-	3,843,225	-	3,843,225	3,052,689
Retirement of indebtedness	-	-	-	-	4,163,159	-	4,163,159	4,266,077
Net investment in plant	-	-	-	-	110,172,727	-	110,172,727	104,860,045
Total fund balance	\$ 9,080,117	\$ 757,360	\$ 4,600,871	\$ 1,601,057	\$ 119,568,021	\$ -	\$ 135,607,426	\$ 127,808,352
Total liabilities and fund balance	\$ 14,794,109	\$ 1,480,227	\$ 4,603,017	\$ 1,601,057	\$ 156,194,993	\$ 51,007	\$ 178,724,410	\$ 173,202,978

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES  
For the Year Ended June 30, 1994

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment In Plant
REVENUES AND OTHER ADDITIONS:								
Current funds revenues	\$ 70,884,925	\$ 7,623,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private gifts	-	127,555	-	8,770	-	-	-	-
Contribution from Foundation	-	-	-	-	-	-	-	-
Endowment income	-	150,313	-	4,276	-	-	-	-
Expenditures for plant facilities (including \$1,832,022 charged to current fund expenditures)	-	-	-	-	-	-	-	-
Retirement of indebtedness	-	-	-	-	-	-	-	6,411,658
Bond proceeds	-	-	-	-	856,582	-	-	2,794,578
Interest income - restricted	-	-	110,522	-	298,328	92,845	151,708	-
Federal and state contributions	-	-	4,149	-	-	-	-	-
Reduction in lease obligations	-	-	-	-	-	-	-	19,248
Adjustment in allowance for bad debts	-	-	19,338	-	-	-	-	-
Other additions	-	3,541	29,758	606	869	-	-	-
Total revenues and other additions	\$ 70,884,925	\$ 7,905,314	\$ 163,767	\$ 13,652	\$ 1,155,779	\$ 92,845	\$ 151,708	\$ 9,225,484
EXPENDITURES AND OTHER DEDUCTIONS:								
Educational and general expenditures	\$ 53,816,034	\$ 7,816,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary enterprises expenditures	9,909,489	52,908	-	-	-	-	-	-
Refund to grantors	-	13,988	-	-	-	-	-	-
Loan cancellations and write-offs	-	-	60,577	-	-	-	-	-
Administration, collection, litigation costs	-	-	76,609	-	-	-	-	-
Expended for plant facilities (including non-capitalized expenditures of \$367,813)	-	-	-	-	1,444,905	-	-	-
Retirement of indebtedness	-	-	-	-	-	-	2,794,578	-
Interest on indebtedness	-	-	-	-	-	-	1,824,270	-
Debt increase from refunding	-	-	-	-	-	-	-	80,690
New bond indebtedness	-	-	-	-	-	-	-	849,158
Deletions and disposals	-	-	-	-	-	-	-	2,918,378
Other deductions	-	-	-	-	-	-	78,534	57,538
Total expenditures and other deductions	\$ 63,725,523	\$ 7,883,640	\$ 137,186	\$ -	\$ 1,444,905	\$ -	\$ 4,697,382	\$ 3,905,764

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CHANGES IN FUND BALANCES (cont.)  
For the Year Ended June 30, 1994

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment In Plant
TRANSFERS AMONG FUNDS:								
Mandatory:								
Bond principal and interest	\$ (4,114,763)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,114,763	\$ -
Note payable principal and interest	(209,312)	-	-	-	-	-	209,312	-
SEOG match	(99,908)	99,908	-	-	-	-	-	-
Owen loan fund	-	(77,800)	77,800	-	-	-	-	-
Perkins match	(733)	-	733	-	-	-	-	-
Total mandatory transfers	\$ (4,424,716)	\$ 22,108	\$ 78,533	\$ -	\$ -	\$ -	\$ 4,324,075	\$ -
Nonmandatory:								
Transfer from unrestricted current to renewal and replacement funds	\$ (697,691)	\$ -	\$ -	\$ -	\$ -	\$ 697,691	\$ -	\$ -
Transfer from current funds to unexpended plant funds	(20,193)	(62,528)	-	-	82,721	-	-	-
Transfer from investment in plant to unexpended plant funds	-	-	-	-	7,038	-	-	(7,038)
Transfer from unexpended plant funds to retirement of indebtedness funds	-	-	-	-	(118,681)	-	118,681	-
Total non-mandatory transfers	\$ (717,884)	\$ (62,528)	\$ -	\$ -	\$ (28,922)	\$ 697,691	\$ 118,681	\$ (7,038)
Net increase (decrease) for the year	\$ 2,016,802	\$ (18,746)	\$ 105,114	\$ 13,652	\$ (318,048)	\$ 790,536	\$ (102,918)	\$ 5,312,682
Fund balance at beginning of year	\$ 7,063,315	\$ 776,106	\$ 4,495,757	\$ 1,587,405	\$ 1,706,958	\$ 3,052,689	\$ 4,266,077	\$104,860,045
Fund balance at end of year	\$ 9,080,117	\$ 757,360	\$ 4,600,871	\$ 1,601,057	\$ 1,388,910	\$ 3,843,225	\$ 4,163,159	\$110,172,727

The accompanying notes are an integral part of the financial statements.

MURRAY STATE UNIVERSITY  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			
	Unrestricted	Restricted	Total	1993
<b>REVENUES:</b>				
Educational and general:				
Tuition and fees	\$ 18,155,412	\$ -	\$ 18,155,412	\$ 16,663,461
State appropriations	37,629,749	-	37,629,749	36,699,723
Grants and contracts	-	7,879,272	7,879,272	8,100,665
Indirect and administrative cost recoveries	192,702	-	192,702	220,638
Sales and services of educational activities	1,400,346	-	1,400,346	1,307,369
Other sources	2,685,082	-	2,685,082	2,250,012
Total educational and general	\$ 60,063,291	\$ 7,879,272	\$ 67,942,563	\$ 65,241,868
Auxiliary enterprises	\$ 10,821,634	\$ 52,908	\$ 10,874,542	\$ 10,660,146
Total revenues	\$ 70,884,925	\$ 7,932,180	\$ 78,817,105	\$ 75,902,014
<b>EXPENDITURES AND MANDATORY TRANSFERS:</b>				
Educational and general:				
Instruction	\$ 24,059,931	\$ 1,808,213	\$ 25,868,144	\$ 25,574,423
Research	625,255	344,275	969,530	1,029,492
Public service	2,678,837	349,703	3,028,540	3,012,652
Libraries	2,066,159	64,873	2,131,032	2,082,018
Academic support	2,861,815	116,872	2,978,687	2,931,687
Student services	5,023,449	199,162	5,222,611	5,032,927
Institutional support	6,041,476	51,623	6,093,099	5,990,680
Operation and maintenance of plant	6,734,558	2,565	6,737,123	6,733,287
Student financial aid	3,724,554	4,879,458	8,604,012	8,682,733
Educational and general expenditures	\$ 53,816,034	\$ 7,816,744	\$ 61,632,778	\$ 61,069,899
Mandatory transfers for:				
Bond principal and interest	\$ 3,477,701	\$ -	\$ 3,477,701	\$ 3,703,124
Note payable principal and interest	209,312	-	209,312	209,311
SEOG matching grant	99,908	(99,908)	-	-
Owen loan fund	-	77,800	77,800	-
Perkins fund matching grant	733	-	733	387
Total mandatory transfers	\$ 3,787,654	\$ (22,108)	\$ 3,765,546	\$ 3,912,822
Total educational and general	\$ 57,603,688	\$ 7,794,636	\$ 65,398,324	\$ 64,982,721
Auxiliary enterprises:				
Expenditures	\$ 9,909,489	\$ 52,908	\$ 9,962,397	\$ 9,659,490
Mandatory transfers for principal and interest	637,062	-	637,062	620,013
Total auxiliary enterprises	\$ 10,546,551	\$ 52,908	\$ 10,599,459	\$ 10,279,503
Total expenditures and mandatory transfers	\$ 68,150,239	\$ 7,847,544	\$ 75,997,783	\$ 75,262,224

The accompanying notes are an integral part of the financial statements.



MURRAY STATE UNIVERSITY  
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES (cont.)  
For the Year Ended June 30, 1994  
With Comparative Figures for the Year Ended June 30, 1993

	-----1994-----			1993
	Unrestricted	Restricted	Total	
OTHER TRANSFERS AND ADDITIONS (DEDUCTIONS):				
Excess (deficiency) of restricted receipts				
over transfers to revenues	\$ -	\$ (26,866)	\$ (26,866)	\$ 440,472
Refunded to grantors	-	(13,988)	(13,988)	(61,045)
Nonmandatory transfers and other changes:				
Transfer to plant funds from				
unrestricted educational and general	(806,944)	(62,528)	(869,472)	(337,025)
Transfer from (to) plant funds to				
unrestricted auxiliary enterprises	89,060	-	89,060	(19,195)
Other changes	-	-	-	56,074
Total other transfers and additions (deductions)	\$ (717,884)	\$ (103,382)	\$ (821,266)	\$ 79,281
Net increase (decrease) in fund balance	\$ 2,016,802	\$ (18,746)	\$ 1,998,056	\$ 719,071
	=====	=====	=====	=====

The accompanying notes are an integral part of the financial statements.

**MURRAY STATE UNIVERSITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 1994**

**Note 1. Summary of Significant Accounting Policies**

**Nature of Entity**

Murray State University is a state supported institution of higher education located in Murray, Kentucky and is accredited by the Southern Association of Colleges and Schools. The University awards graduate and undergraduate degrees and serves a student population of approximately 8,000. The Institution is a component unit of the Commonwealth of Kentucky.

**Accrual basis**

The financial statements of Murray State University (the University) (a Commonwealth of Kentucky (the State) supported institution of higher education) have been prepared on the accrual basis of accounting. The statement of current funds revenues, expenditures, and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory interest and equipment renewal and replacement; and (3) transfers of a non-mandatory nature for all other cases.

**Fund accounting**

To ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various activities are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined and reported as five balanced fund groups: current funds, loan funds, endowment funds, plant funds, and agency funds. Accordingly, all financial transactions have been recorded and reported by fund group.

Note 1. Summary of Significant Accounting Policies (cont.)

Within each group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes by action of the University's Board of Regents. Externally restricted funds may be utilized only in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the University retains control to use in achieving its institutional purposes.

Current funds are used primarily to account for the transactions affecting the general operations of the University. These resources are expendable for performing the primary and support objectives of the University. Restricted gifts, grants, appropriations, and other restricted resources are accounted for in the appropriate restricted funds.

Restricted current funds are reported as revenues and expenditures when expended for current operating expenses.

The loan funds group is used to account for loan programs available to students and financed primarily by the Federal government.

Endowment funds are those for which donors or other external agencies have stipulated, under the terms of the instrument creating the fund, that the principal is not expendable. That is, it is to be maintained inviolate and in perpetuity and is to be invested for the purpose of producing current and future income which may be expended or added to principal.

Plant fund groups are used to account for the transactions relating to investment in University property. Plant fund subgroups include (1) unexpended plant, (2) renewals and replacements, (3) retirement of indebtedness, and (4) investment in plant subgroups. The unexpended plant subgroup consists of funds to be used for the acquisition and/or construction of physical properties for institutional purposes but unexpended at the reporting date. The renewals and replacements subgroup consists of funds to be expended for renewals and replacements of plant fund assets, including some renewals and replacements of a type not ordinarily capitalized in the investment in plant subgroup. The retirement of indebtedness subgroup consists of funds set aside for debt service reserves and charges, and for retirement of indebtedness on institutional properties. The investment in plant subgroup consists of funds expended for and thus invested in institutional properties and the bond indebtedness incurred to finance plant acquisitions and construction. Physical plant and equipment are stated at cost at the date of acquisition or at fair market value at the date of donation for gifts. Depreciation on physical plant and equipment is not recorded.

**Note 1. Summary of Significant Accounting Policies (cont.)**

Agency funds are used to account for assets held by the University as custodian or fiscal agent for others and used for certain organized activities.

All gains and losses arising from the sale, collection or other disposition of investments and other noncash assets are accounted for in the funds which owned such assets. Ordinary income derived from investments, receivables, and the like is accounted for in the fund owning such assets, except for income derived from investments of endowment funds, which income is accounted for in the fund to which it is restricted.

**Investments**

The University values investments at cost if purchased or, if received as a gift, at market value at the date of the gift.

**Inventories**

Inventories are stated at the lower of cost, (first-in-first-out method) or market.

**Pledges Receivable**

The University's policy is to recognize pledges as revenue only when received because, in management's opinion, it is not practical to estimate the net realizable value of such pledges.

**Deferred Revenue**

Revenues of summer school academic terms are reported in the fiscal year in which the programs predominantly fall. Therefore, deferred tuition revenue is recorded for terms which have not begun at fiscal year end.

**Note 2. Deposits and Investments**

The University currently uses commercial banks and the Commonwealth of Kentucky for its depositories. Deposits with commercial banks are covered by Federal depository insurance or collateral held by the bank in the University's name. At the state level, the University's accounts are pooled with other agencies of the State. These State pooled deposits are substantially covered by Federal depository insurance or by collateral held by the bank in the State's name. The investments of the University not held in the State investment pool are insured or registered, or are held by the University or by an agent in the University's name.

Note 2. Deposits and Investments (cont.)

Below is a summary of the investments held by the University:

	June 30, 1994		June 30, 1993	
	Carrying Amount (At Cost)	Market Value	Carrying Amount (At Cost)	Market Value
U.S. government securities	\$ 59,100	\$ 59,100	\$ 62,599	\$ 62,599
Short term investments	5,100,688	5,100,688	5,441,926	5,441,926
Certificates of deposit	540,000	540,000	520,000	520,000
Subtotal	\$ 5,699,788	\$ 5,699,788	\$ 6,024,525	\$ 6,024,525
Investment in state investment pool	16,066,285	16,098,932	4,170,942	4,186,897
Total	\$21,766,073	\$21,798,720	\$10,195,467	\$10,211,422

The University has been named as the beneficiary, or co-beneficiary, of certain estate trusts. Stipulated amounts of the trusts' investment earnings are regularly distributed to the University. At June 30, 1994 the market value of the University's pro-rata share of the trusts' assets was approximately \$1,149,000. The University received approximately \$62,000 in trust distributions during the year ended June 30, 1994.

Note 3. Inventories

Inventories at June 30 consisted of:

	1994	1993
Current unrestricted funds-Inventories:		
Central stores - supplies	\$ 80,980	\$ 87,992
Central stores - furniture and equipment	5,883	7,124
Food and food service supplies	91,038	77,270
Physical plant	290,372	286,875
University bookstore	614,041	644,447
Subtotal	1,082,314	1,103,708
Endowment fund-Inventories:		
Folke Tegetthoff - books	600	1,875
Total	\$ 1,082,914	\$ 1,105,583

**Note 4. Accounts and Loans Receivable**

A summary of accounts and loans receivable at June 30 follows:

	<u>1994</u>	<u>1993</u>
Current unrestricted funds -		
Accounts receivable:		
Student	\$ 792,418	\$ 746,596
Employee:		
Travel advances	130,680	151,940
Computer loans	23,477	19,459
Outside sales	408,479	433,169
Murray State University		
Foundation, Inc		6,408
State agencies	23,435	3,514
Allowance for doubtful accounts	<u>(330,272)</u>	<u>(295,495)</u>
Subtotal	1,048,217	1,065,591
Current restricted funds -		
Accounts receivable		
Grants and contracts	718,226	492,169
Loan funds -		
Advances to students	4,268,293	4,198,736
Allowance for doubtful accounts	<u>(230,801)</u>	<u>(250,140)</u>
Subtotal	4,037,492	3,948,596
Plant funds -		
Advance to Commonwealth of		
Kentucky	<u>425,000</u>	<u>425,000</u>
Total	<u>\$6,228,935</u>	<u>\$5,931,356</u>
	=====	=====

**Note 5. Property, Plant, and Equipment**

A summary of property, plant, and equipment at June 30 follows:

	<u>1994</u>	<u>1993</u>
Land	\$ 2,550,893	\$ 2,495,653
Buildings	92,206,406	91,890,035
Improvements other than		
buildings	7,649,802	6,848,382
Equipment	21,896,724	19,820,048
Library holdings	15,770,723	14,984,435
Construction in progress	<u>1,490,635</u>	<u>2,000,215</u>
Total	<u>\$141,565,183</u>	<u>\$138,038,768</u>
	=====	=====

Note 6. Employee Benefits

A. Kentucky Teachers Retirement System:

All faculty and exempt employees required to hold a degree and occupying full-time positions, defined as seven-tenths (7/10) of normal full-time service on a daily or weekly basis, are required by state law to participate in the Kentucky Teachers Retirement System (KTRS). KTRS, a cost sharing, multiple-employer, public employee retirement system, provides retirement benefits based on employee and state contributions and investment earnings. Benefits are subject to certain reductions if the employee retires before reaching age sixty, unless the employee has twenty-seven or more years of participation in the plan. Vesting occurs after five years of service. The plan also provides for disability, retirement, death and survivor benefits and medical insurance.

Funding for the plan is provided from eligible employees who contribute 6.16% of their salary through payroll deductions and the Commonwealth of Kentucky, which also indirectly contributes 13.84% of current eligible employees' salaries to the KTRS through appropriations to the University. Payroll for KTRS participating employees during the year ended June 30, 1994 was \$21,893,445, while payroll for all University employees was \$35,403,881. Contributions to KTRS during the year ended June 30, 1994 were:

	Amount	Percentage of Covered KTRS Payroll
	-----	-----
Employee payroll deductions	\$1,348,631	6.16%
University match	\$3,030,043	13.84%

The amount shown below as "pension benefit obligation" is a standard disclosure measure of the present value of pension benefit for the entire KTRS, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess KTRS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. The measure is independent of the actuarial funding method used to determine contributions to the system. The annual report of KTRS includes historical trend information which provides information about progress made in accumulating sufficient assets to pay benefits when due.

Note 6. Employee Benefits (cont.)

The unfunded pension benefit obligation was \$1,697,184,000 at June 30, 1993 as shown below:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	\$2,461,531,000
Current members:	
Accumulated employee contributions including allocated investment income	1,463,724,000
Employer-financed vested	1,685,389,000
Employer-financed nonvested	<u>1,242,099,000</u>
Total pension benefit obligation	\$6,852,743,000
Net assets available for benefits, at cost	<u>5,155,559,000</u>
Unfunded pension benefit obligation	\$1,697,184,000
	=====

The University's contributions constitute less than 1% of the contributions made to KTRS by all employees.

B. Kentucky Employee Retirement System:

Substantially all other full-time University employees are required by law to participate in the Kentucky Employee Retirement System (KERS), a cost sharing, multiple-employer, public employee retirement system. KERS provides retirement benefits based on an employee's final compensation and number of years of service. Benefits are subject to reduction if the employee retires before reaching age sixty-five or less than twenty-seven years of service. Vesting occurs after one month. A fully vested interest occurs after sixty months of service. The plan also provides for disability, retirement, death and survivor benefits and medical insurance.

Funding for the plan is provided from eligible employees who contribute 5.00% of their salary through payroll deductions and the Commonwealth of Kentucky, which also indirectly contributes 7.65% of current eligible employees' salaries to the KERS through appropriations to the University. University contribution rates are determined by the Board of Trustees of the Kentucky Retirement Systems each biennium. The rates are intended to fund the plan's normal cost plus 1% of unfunded past service costs. Payroll for KERS participating employees during the year ended June 30, 1994 was \$8,668,060, while payroll for all University employees was \$35,403,881.



Note 6. Employee Benefits (cont.)

Contributions to KTRS during the year ended June 30, 1994 were:

	<u>Amount</u>	<u>Percentage of Covered KERS payroll</u>
Employee payroll deductions	\$ 433,406	5.00%
University match	\$ 662,952	7.65%

The amount shown below as "pension benefit obligation" is a standard disclosure measure of present value of pension benefits for the entire KERS, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess KERS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. The measure is independent of the actuarial funding method used to determine contributions to the system. The annual report of KERS includes historical trend information which provides information about progress made in accumulating sufficient assets to pay benefits when due.

The unfunded pension benefit obligation was \$234,247,541 at June 30, 1993 as shown below:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	\$1,032,182,911
Current members:	
Accumulated employee contributions including allocated investment income	485,652,787
Employer-financed vested	929,320,538
Employer-financed nonvested	38,464,311
Total pension benefit obligation	2,485,620,547
Net assets available for benefits, at cost	2,251,373,006
Unfunded pension benefit obligation	\$ 234,247,541
	=====

The University's contributions constitute less than 1% of the contributions made to KERS by all employees.

**Note 6. Employee Benefits (cont.)**

**C. Kentucky Employee Retirement System Legal Dispute:**

Due to a legal dispute over contribution rates assessed for the two fiscal years ended June 30, 1994, KERS is proceeding through the judicial system to collect additional contributions from all state agencies. If the court system rules in KERS' favor, the University's total liability would be \$176,445. This amount has been allocated within the fund balance of the Unrestricted Current Fund.

**D. University Self-Insurance Program:**

The University maintains a self-insurance program for employees' health and accident insurance. The University funds the entire plan for all permanent full-time employees and their families. Expenses incurred to cover claims paid by the University under the plan totaled \$3,581,268 and \$3,448,748

**Note 7. Notes Payable**

During 1991, the University borrowed \$557,000 from a commercial bank to finance the purchase of equipment which collateralizes the note. The note bears an effective rate of interest of 5.9% and the University is required to make annual payments of principal and interest through July, 1994. Principal payments amount to \$197,601 for the year ended June 30, 1995.

**Note 8. Bonds Payable**

Bonds payable at June 30, 1994 consist of the following:

	<u>Outstanding</u>
Consolidated Educational Buildings Revenue bonds, issued 1963 to 1994, with maturities to 2012, interest rates 3.0% to 8.0%.	\$26,418,000
Consolidated Housing and Dining System Revenue Bonds, issued 1965 to 1968, with maturities to 2008, interest rates 2.75% to 7.0%.	6,192,000
Other, issued 1989 to 1994, with maturities to 2013, interest rates 5.6% to 6.38%.	<u>3,419,175</u>
Total	<u>\$36,029,175</u> =====

Note 8. Bonds Payable (cont.)

Revenues from student housing and dining facilities, certain other auxiliary enterprises and student fees are pledged for the retirement of the bonds. All bonds are collateralized by land and buildings.

During the fiscal year ended June 30, 1994, the State issued bonds, the partial proceeds of which went to the Council on Higher Education on behalf of the University for the purpose of funding life safety projects on University property and the purchase of a High Rise Fire and Rescue Apparatus. Bond proceeds and interest earnings in the amount of \$856,582 have been transferred to the University from the Council. Bonds payable in the amount of \$849,157 were assigned to the University. The University is required to make semi-annual payments of principal and interest in varying amounts through September, 2013. These bonds bear an effective rate of 2.60% to 5.00%.

During the fiscal year ended June 30, 1994 the University was a party to the following bond defeasances:

<u>Bond Issue</u>	<u>Principal Amount of New bonds</u>	<u>Principal Amount of Defeased Bonds</u>
Consolidated Educational Building Revenue Bonds, Series F refunding bonds	\$7,955,000	\$7,780,000
Commonwealth of Kentucky bonds shared by the University	<u>564,732</u>	<u>544,732</u>
Total	<u>\$8,519,732</u> =====	<u>\$8,324,732</u> =====

The amount placed on deposit with the trustees will provide for all future debt service payments of the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements.

The refunding of the defeased bonds decreased the University's total debt service payments over the next 7 years by approximately \$370,000, representing an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$328,000.

Note 8. Bonds payable (cont.)

A schedule of the mandatory principal payments for the next five fiscal years and thereafter is presented below:

Year Ending June 30	Consolidated Educational Building Revenue Bonds	Housing and Dining System Revenue Bonds	Asbestos/ PCB Removal Bonds	Life Safety Bonds	Total
1995	\$ 2,220,000	\$ 480,000	\$ 96,241	\$ 63,571	\$ 2,859,812
1996	2,255,000	495,000	102,426	70,071	2,922,497
1997	2,410,000	510,000	109,162	62,723	3,091,885
1998	2,528,000	525,000	116,613	72,318	3,241,931
1999	2,650,000	545,000	104,505	69,524	3,369,029
Thereafter	14,355,000	3,637,000	1,223,599	1,328,422	20,544,021
Total	\$26,418,000 =====	\$6,192,000 =====	\$1,752,546 =====	\$1,666,629 =====	\$36,029,175 =====

The required minimum reserves of \$3,543,480 and \$679,823 for the Consolidated Educational Sinking Fund and the Housing and Dining Sinking Fund, respectively, are on deposit with the trustee and are included in the "Cash" and "Investments" amounts in Plant Funds in the accompanying balance sheets.

Note 9. Litigation

The University has been named as defendant in several lawsuits. It is the opinion of management and its legal counsel, based in part of the doctrine of sovereign immunity and other statutory provisions, that the ultimate outcome of litigation will not have a material effect on the future operations or financial position of the University.

Note 10. Murray State University Foundation, Inc.

Murray State University Foundation, Inc. (the Foundation) is a Kentucky not-for-profit corporation formed to receive, invest, and expend funds for the enhancement and improvement of the University. Accordingly, it operates the Francis E. Miller Golf Course as a separate enterprise, and manages certain endowments and investments on behalf of the University.

The Foundation has a Board of Trustees separate from that of the University, however, the President and certain other officers of the University are also officers of the Foundation.

The University provides office space and pays certain operating expenses of the Foundation at no charge to the Foundation. The Foundation prepares and issues its own financial statements. Expenditure of the Foundation for the fiscal year ended June 30, 1994 were \$1,797,086.

**Note 11. National Scouting Museum**

The National Scouting Museum of the Boy Scouts of America, Inc. (the "Museum") operates a museum on the campus of the University. Under an agreement that expires on September 30, 2030, the University provides a building on the University's campus to house the Museum at no cost to the Museum and provides \$85,000 of direct support to the Museum annually. The University also provides office space and certain administrative services to the Museum at no charge.

**Note 12. Subsequent Events**

On July 16, 1994, while under renovation, the Old Fine Arts building was destroyed by fire. Ancillary damage included the Lovett Auditorium and the new Price Doyle Fine Arts building. The financial impact of this situation is uncertain at this time.



**INDEPENDENT AUDITORS' REPORT  
ON SCHEDULE OF FEDERAL AWARDS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of June 30, 1994, and have issued our report thereon dated September 16, 1994. These financial statements are the responsibility of the management of the University. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the University taken as a whole. The accompanying Schedule of Federal Awards, which is also the responsibility of the management of the University, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

This report is intended for the Board of Regents, management and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte & Touche LLP*

September 16, 1994

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>MAJOR PROGRAMS</b>		
Student Financial Aid:		
U.S. Department of Education:		
Pell Grant Program	84.063	\$3,588,969
SEOG Program	84.007	311,979
CWS Program	84.033	426,475
Perkins Loan Program	84.038	<u>4,149</u>
Total Student Financial Aid		<u>4,331,572</u>
Research and Development:		
National Science Foundation:		
Evaluation of a Reduced Pressure Inductively Coupled Plasma	47.076	11,027
Freshwater Systems II	47.051	21,050
Relationships between Gut Capacity Thyroid Hormone & Energy	47.076	3,760
Pine Creep	47.046	670
Bacterial Succession in the Sediments of Kentucky Lake	47.074	758
Design & Development of an Interface for Graphite Rod Atomiz	47.076	9,181
Effects of Plant Flavonoids & Other Allelochemicals	47.076	13,821
Freshwater Systems	47.051	1,042
Nitrogen Laser Pumping of an Iodine Photodissociation Laser	43.001	<u>3,294</u>
		<u>64,603</u>
Tennessee Valley Authority:		
Mist Netting Surveys for Bat Species on TVA LBL	62.005	3,644
Manganese Accumulation & Toxicity in Mussels of Kentucky Lake	62.005	12,285
TVA Urban Non-Point Source Project	47.050	2,783
Analysis of Dursban Insecticide	62.005	27,385
Lyme Disease Surveillance: Borrelia Burgdorfei	62.005	<u>6,282</u>
		<u>52,379</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>MAJOR PROGRAMS</b>		
U.S. Department of Health and Human Services:		
1992 - 95 Characterization of a Transposon in Streptococcus	93.390	\$ 22,825
Biochemical Interactions in Chloropropane Toxicity	93.143	3,850
Characteristics of a Murine MHC Hotspot of Recombination	93.390	13,153
Molecular Characterization of Bacterial Luciferase	93.390	<u>6,575</u>
		<u>46,403</u>
U.S. Department of Interior:		
Land Cover Classification of Eastern & Western Coalfields	15.250	<u>33,351</u>
Federal Carl D. Perkins Vocational Education Act:		
1993 - 94 Voc Ed: Impact of More Effective & Equitable Workshop	84.048	<u>29,104</u>
U.S. Army Corps of Engineers:		
MARC: Construction Engineering Research Lab	12.113	24,959
1988 - 89 Bald Eagles/Cross Creek	12.100	<u>37</u>
		<u>24,996</u>
U.S. Department of Agriculture:		
An Investigation of Compression Creek in Oriented Strand BD	10.206	20,084
MARC/USDA: SCS - North Fork of Panther Creek	10.063	<u>439</u>
		<u>20,523</u>
U.S. Department of Fish and Wildlife:		
Mapping of Past & Present Swamp Rabbit Habitat in Western Kentucky	15.611	9,465
Indiana Bat Population	15.610	<u>5,962</u>
		<u>15,427</u>

(Continued next page)



# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>MAJOR PROGRAMS</b>		
U.S. Environmental Protection Agency:		
Water Quality Assessment of Kentucky Lake Embayments & Other Lakes	66.435	\$ 9,757
MARC: Vegetation Stress Analysis	66.701	<u>4,460</u>
		<u>14,217</u>
U.S. Disaster and Emergency Service:		
Western Kentucky Access Route Prioritization Year II	83.521	<u>8,896</u>
National Aeronautics and Space Administration:		
Nitrogen Laser Pumping of an Iodine Photodissociation	43.001	<u>4,841</u>
U.S. Department of Energy:		
Transport, Accumulation, and Utilization of Organic Carbon	81.049	<u>2,689</u>
Federal Emergency Management Agency:		
Western Kentucky Access Route Prioritization	83.521	<u>761</u>
Total Research and Development		<u>318,190</u>
Other:		
U.S. Department of Education		
Upward Bound	84.047A	306,354
Talent Search	84.044	<u>193,842</u>
Total Major Programs		<u>\$5,149,958</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>NONMAJOR PROGRAMS</b>		
U.S. Department of Education:		
1993 - 94 Student Support Services	84.042	\$ 111,664
1992 - 93 Student Support Services	84.042	<u>31,003</u>
		<u>142,667</u>
National Science Foundation:		
New Visiting Scientist Facilities at Hancock Biology Station	47.074	58,236
Laser Demonstration and Experiment Laboratory	47.074	17,489
Acquisition of a Scanning Densitometer/Gel Reader & Software	47.071	98
A Conservator's Evaluation of the Wickliffe Mounds Collection	47.041	1,620
Kentucky Middle Grades Mathematics Teacher Network	47.076	36,255
1993 - 94 PRISM: Science Resource Specialist II	47.066	38,239
Partnership for Reform Initiatives in Science and Math (PRISM)	47.066	39,270
PRISM: University of Kentucky	47.066	7,649
PRISM: Western Kentucky University	47.066	105
PRISM: University of Kentucky	47.066	22,341
PRISM: Science Resource Specialist	47.066	8,924
1990 - 93 Kentucky K-4 Mathematics Program	47.067	1,021
PRISM: University of Louisville	47.066	1,249
PRISM: Union College	47.066	419
PRISM: University of Kentucky	47.066	3,547
PRISM: Expanding Kentucky K-4 Math Specialist Program	47.049	<u>504</u>
		<u>236,966</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>NONMAJOR PROGRAMS</b>		
Federal Carl D. Perkins Vocational Education Act:		
1993 - 94 VOC ED: Gender Equity Resource Center	84.048	\$ 24,988
1993 - 94 VOC ED: Technical Preparation	84.048	23,013
1993 - 94 VOC ED: Teacher Education Enrichment	84.048	4,423
1993 - 94 VOC ED: AG Education Enrichment	84.048	6,000
1993 - 94 VOC ED: Marketing Education Enrichment	84.048	629
1993 - 94 VOC ED: Field Based Education for Industrial Education	84.048	14,687
1993 - 94 VOC ED: Home Economics Enrichment	84.048	3,195
1993 - 94 VOC ED: Integration of Academics & Voc Education	84.048	15,454
1993 - 94 VOC ED: Home Economics Enrichment	84.048	182
1992 - 93 VOC ED: Administration & Coordination	84.048	500
1993 - 94 VOC ED: Restructuring of Industrial Ed Programs	84.048	(52)
1992 - 93 VOC ED: Gender Equity Resource Center	84.048	(32)
1992 - 93 VOC ED: Program Development	84.048	<u>58,992</u>
		<u>151,979</u>
Small Business Administration:		
1992 - 93 Small Business Development Center: Federal	59.037	44,635
1993 - 94 Small Business Development Center: Federal	59.037	<u>100,642</u>
		<u>145,277</u>
U.S. Information Agency:		
USIA Presidents University Student Program		<u>118,760</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>NONMAJOR PROGRAMS</b>		
Title II Eisenhower Act Program:		
Math Science Alliance Region I: Year 7	84.164	\$ 514
Primary School Science Resource Specialists	84.164	3,982
Primary Plus Grade 4 Robotics	84.164	29,402
Math Science Alliance Region I: Year VIII	84.164	2,918
Grades 4 - 5 Instructional & Curriculum Development	84.168	3,201
Thematic Approach to Modeling Math & Science Integration	84.164	13,154
Environmental Specialist Pilot: Integrating Math & Science	84.164	<u>4,349</u>
		<u>57,520</u>
U.S. Department of Health and Human Services:		
1992 - 93 NIOSH TPG Directors Meeting	92.263	2,500
1993 - 94 OSHA: Program Improvement	92.263	47,451
1992 - 93 OSHA: Program Improvement	92.263	<u>1,069</u>
		<u>51,020</u>
Individuals with Disabilities Education Act:		
Proposed Birth - Kindergarten Certification Phase I	82.024	4,958
Birth to Primary II Implementation Project	84.024	<u>18,784</u>
		<u>23,742</u>
National Park Service:		
Archaeological Mapping, Testing, and Metal Detecting	15.904	5,672
Thematic Survey of Civil War - Related Sites in Kentucky Jackson Purchase	15.904	<u>11,517</u>
		<u>17,189</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

Federal Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>NONMAJOR PROGRAMS</b>		
Tennessee Valley Authority:		
1990 - 93 TVA/MSU Environmental Education Center	62.005	\$ 14
Effect of 1990 Census on Economic Status of TVA Region	62.004	3,000
TVA Environmental Education Center Phase II	62.005	3,534
TVA Environmental Education Center	62.005	6,893
Production of an Unrectified Landsat TM Image of LBL	62.005	<u>1,026</u>
		<u>14,467</u>
National Writing Project:		
National Writing Project	84.994	<u>13,336</u>
Commission on National and Community Service:		
TEACH/WRITE/READ: An Approach to Literacy	94.001	5,018
Campus Connection	94.001	<u>2,593</u>
		<u>7,611</u>
National Endowment for the Humanities:		
1993 Archaeology Weekend	15.904	2,778
KHC Focus on Africa	45.129	837
KHC: Healthcare Roundtable: Ethics & Reform	45.129	<u>404</u>
		<u>4,019</u>
U.S. Department of Agriculture:		
Enhancing UG Programs: Dev of an Educ Model for Environmental Concept	10.063	<u>3,721</u>
National Aeronautics and Space Administration:		
KSGC Campus Objectives Chart	43.001	<u>738</u>
Total Federal Financial Awards		<u>\$6,138,970</u>

(Continued next page)

# MURRAY STATE UNIVERSITY

## NOTES TO SCHEDULE OF FEDERAL AWARDS YEAR ENDED JUNE 30, 1994

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Presentation* - The accompanying Schedule of Federal Awards includes the federal grant transactions of Murray State University (the "University") recorded on the accrual basis of accounting.

### 2. RECONCILIATION OF THE SCHEDULE OF FEDERAL AWARDS TO THE STATEMENT OF CURRENT FUND REVENUES, EXPENDITURES AND OTHER CHANGES

The following schedule is a reconciliation of total expenditures as shown on the Schedule of Federal Awards to the revenue item shown as Grants and Contracts on the Statement of Current Fund Revenues, Expenditures and Other Changes, which is included as part of the University's basic financial statements:

Expenditures per Schedule of Federal Awards	\$6,138,970
Plus:	
State grants and contracts	1,329,704
Other grants and contracts	367,747
Institutional capital contributions	99,908
Less:	
Perkins Loan Program disbursements included in the Loan Fund	(4,149)
College Work Study Program disbursements included in auxiliary enterprises	<u>(52,908)</u>
Grants and contracts as shown on the Statement of Current Funds Revenues, Expenditures and Other Changes	<u>\$7,879,272</u>

### 3. LOAN PROGRAMS

The University has advanced \$665,913 to students for the Perkins Loan Program (CFDA #84.038) for the year ended June 30, 1994. The University processed \$9,834,905 of new loans under the Federal Family Education Loan Program (which includes Stafford Loans, Parents Loans for Undergraduate Students, and Supplemental Loans for Students).

(Continued next page)

# MURRAY STATE UNIVERSITY

## NOTES TO SCHEDULE OF FEDERAL AWARDS - (CONTINUED) YEAR ENDED JUNE 30, 1994

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### 4. INDIRECT COSTS

Predetermined fixed indirect cost rates have been approved as follows:

Period covered	7/1/93 - 6/30/96
Based on financial information for fiscal year	1992
Predetermined rate	50%

These rates are applied to direct salaries and wages, excluding all fringe benefit costs, for on-campus programs.

\* \* \* \* \*



**INDEPENDENT AUDITORS' REPORT ON THE  
INTERNAL CONTROL STRUCTURE BASED ON THE  
AUDIT OF FINANCIAL STATEMENTS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of and for the year ended June 30, 1994, and have issued our report thereon dated September 16, 1994.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the basic financial statements of the University for the year ended June 30, 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the University is responsible for establishing and maintaining the internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.



**PART II**

**REPORTS ON INTERNAL CONTROLS**

Board of Regents  
Murray State University

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Accounting Applications:

- Billing
- Receivables
- Cash receipts
- Purchasing
- Accounts payable
- Cash disbursements
- Payroll
- Property and equipment
- General ledger

Controls Used in Administering Compliance with Regulations

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

We also performed procedures on the internal control structure and its operation used to administer federal award programs which we reported to management of the University in a separate report dated September 16, 1994.

This report is intended for the information of the Board of Regents, management of the University and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte & Touche LLP*

September 16, 1994



**INDEPENDENT AUDITORS' REPORT ON THE  
INTERNAL CONTROL STRUCTURE USED IN  
ADMINISTERING FEDERAL AWARDS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of and for the year ended June 30, 1994, and have issued our report thereon dated September 16, 1994. We have also audited the University's compliance with requirements applicable to major federal programs and have issued our report thereon dated September 16, 1994.

We conducted our audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133 *Audits of Instruction of Higher Education and Other Nonprofit Institutions*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the University complied with laws and regulations, noncompliance with which would be material to a major federal awards program.

In planning and performing our audit for the year ended June 30, 1994, we considered the University's internal control structure and assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinions on the University's financial statements and on its compliance with requirements applicable to major programs, and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal awards programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated September 16, 1994.

The management of the University is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations.

**Deloitte Touche  
Tohmatsu  
International**

**Board of Regents  
Murray State University**

Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal programs in the following categories:

**General Requirements**

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free workplace
- Administrative requirements

**Specific Requirements**

- Types of services allowed
- Eligibility
- Cost sharing or matching
- Reporting
- Claims for advances and reimbursements
- Amounts claimed or used for matching

**Accounting Applications**

- Billing
- Receivables
- Cash receipts
- Purchasing
- Accounts payable
- Cash disbursements
- Payroll
- Property and equipment
- General ledger

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1994, the University expended 84% of its total federal awards under major federal award programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements and general requirements that are applicable to each of the University's major programs, which are identified in the accompanying Schedule of Federal Awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Board of Regents  
Murray State University

Our consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal award program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure used in administering federal award programs that we consider to be material weaknesses as defined above.

However, we noted other matters involving the internal control structure and its operation that we have reported to the management of the University in a separate letter dated September 16, 1994.

This report is intended for the information of the Board of Regents, management of the University and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Delbert A. Touche LLP*

September 16, 1994

**PART III**  
**REPORTS ON COMPLIANCE**



**INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE BASED ON THE AUDIT  
OF FINANCIAL STATEMENTS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of and for the year ended June 30, 1994, and have issued our report thereon, dated September 16, 1994.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the University is the responsibility of the management of the University. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the University's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on the overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the University complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the University had not complied, in all material respects, with those provisions.

We also tested compliance with laws and regulations related to federal awards which we reported to the University's management in our reports dated September 16, 1994 on general requirements and on specific requirements for major programs.

This report is intended for the information of the Board of Regents, management of the University and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte & Touche LLP*

September 16, 1994



**INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE WITH SPECIFIC REQUIREMENTS  
APPLICABLE TO MAJOR FEDERAL AWARD PROGRAMS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of and for the year ended June 30, 1994, and have issued our report thereon, dated September 16, 1994.

We have also audited the University's compliance with the requirements governing eligibility, cost sharing or matching, reporting, type of services allowed, claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of its major federal programs, which are identified in the accompanying Schedule of Federal Awards for the year ended June 30, 1994. The management of the University is responsible for the University's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, *Audits of Institutions of Higher Education and Other Nonprofit Institutions*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.



Board of Regents  
Murray State University

In our opinion, the University complied, in all material respects, with the requirements governing eligibility, cost sharing or matching, reporting, type of services allowed, claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of its major federal award programs for the year ended June 30, 1994.

This report is intended for the information of the Board of Regents, management of the University and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte & Touche LLP*

September 16, 1994



**INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE WITH THE GENERAL REQUIREMENTS  
APPLICABLE TO FEDERAL AWARDS**

Board of Regents  
Murray State University

We have audited the financial statements of Murray State University (the "University") as of and for the year ended June 30, 1994, and have issued our report thereon, dated September 16, 1994. We have also audited the University's compliance applicable to requirements of major federal award programs and have issued our report thereon dated September 16, 1994.

We have applied procedures to test the University's compliance with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1994:

- |                      |                                   |
|----------------------|-----------------------------------|
| • Political activity | • Federal financial reports       |
| • Davis-Bacon Act    | • Allowable costs/cost principles |
| • Civil rights       | • Drug-free workplace             |
| • Cash management    | • Administrative requirements     |

Our procedures were limited to the applicable procedures described in Office of Management and Budget's *Compliance Supplement for Audits of Institutions of Higher Learning and Other Non-Profit Institutions*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the University's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the University had not complied, in all material respects, with those requirements.

We also reported on compliance with laws and regulations related to our audit of the financial statements and with specific requirements related to major federal award programs which we reported to the management of the University in our reports dated September 16, 1994.

This report is intended for the information of the Board of Regents, management of the University and officials of the Commonwealth of Kentucky. However, if this report is a matter of public record, its distribution is not limited.

*Deloitte & Touche LLP*

September 16, 1994

**Deloitte Touche  
Tohmatsu  
International**

**PART IV**  
**INFORMATIONAL DATA**



Suite 2100  
220 West Main Street  
Louisville, Kentucky 40202-5313

Telephone: (502) 562-2000  
Facsimile: (502) 562-2073

**INDEPENDENT AUDITORS' COMMENTS ON  
RESOLUTION OF PRIOR YEAR FINDINGS**

The University has taken corrective action on all findings from the prior year's audit report prepared in accordance with OMB Circular A-133.

**INFORMATIONAL DATA**

**MURRAY STATE UNIVERSITY  
SECOND FLOOR, SPARKS HALL  
MURRAY, KENTUCKY 42071**

**AUDITOR:** Deloitte & Touche LLP  
220 West Main Street, Suite #2100  
Louisville, Kentucky 40202

**LEAD AUDITOR:** Joseph A. Blitzko, CPA

**TELEPHONE NO.:** (502) 562-2000

The audit was performed between the months of June 1994 and September 1994 at the University's facilities as follows:

<b>Location</b>	<b>Description of Facility</b>	<b>Dates Visited</b>
Murray State University Second Floor, Sparks Hall	Accounting and Financial Services and Student Financial Aid Office	June 1994 through October 1994

**Institution's Accrediting Organization:** Southern Association of Colleges and Schools

**Records for the accounting and administration of the SFA programs are located at:**

Murray State University  
Accounting and Financial Services and  
Student Financial Aid Office  
Above address

ADDITIONAL 1% APPROPRIATION -- 1994/95

REVENUE

\$348,900

EXPENDITURES:

LIBRARY HOLDINGS

\$100,000

TECHNOLOGY:

--STARS GRANT MATCH

\$60,000

--Student Computing Facilities, Residence Halls

60,000

--Touchtone Registration, System

85,000

--Touchtone Registration, Payment by Credit Card

8,000

--Faculty Support

7,900

--Student Lab Terminal Replacement (Business Building)

8,000

Total Technology

228,900

CAPITAL OUTLAY -- Miscellaneous

20,000

TOTAL EXPENDITURES

\$348,900