

11-14-1992 12:00 AM

1992-11-14

Board of Regents, Murray State University

Follow this and additional works at: <https://digitalcommons.murraystate.edu/borminutes>

Recommended Citation

Board of Regents, Murray State University, "1992-11-14" (1992). *Board of Regents Meeting Minutes*. 447.
<https://digitalcommons.murraystate.edu/borminutes/447>

This Article is brought to you for free and open access by the Digitized Collections at Murray State's Digital Commons. It has been accepted for inclusion in Board of Regents Meeting Minutes by an authorized administrator of Murray State's Digital Commons. For more information, please contact msu.digitalcommons@murraystate.edu.

MINUTES OF THE BOARD OF REGENTS
Murray State University
November 14, 1992

The Board of Regents of Murray State University met on November 14, 1992, in quarterly session in the Board of Regents Room, Wells Hall, Murray State University. With a quorum present, the meeting was called to order at 9:00 a.m. by Chairman James O. Butts.

Chairman Butts welcomed the guests. Regent Wells Lovett gave the invocation.

Upon roll call, the following were present: Mrs. Marilyn Buchanon, Mr. James O. Butts, Mr. Sid Easley, Mrs. Beverly Ford, Mrs. Arlivia Gamble, Dr. Frank Julian, Mr. Todd Logsdon, Mr. Wells Lovett, Mr. Robert Matthews, and Mrs. Virginia Strohecker.

Present for the meeting were: Dr. Ronald J. Kurth, President of the University; Mrs. Sandra M. Rogers, Secretary of the Board; Mr. Don Kassing, Treasurer and Vice President for University Relations and Administrative Services; Dr. James Booth, Provost and Vice President for Academic and Student Affairs; Mr. James O. Overby, General Counsel; Former Regents Tommy Sanders, James Hammack and Dean Akridge; Coopers and Lybrand representatives Mr. Sam Strader and Mr. Steve Cody; members of the faculty, staff, news media and visitors.

Agenda

The following agenda for the meeting was presented:

AGENDA

Board of Regents Meeting
Murray State University
November 14, 1992
9:00 a.m.

1. Roll Call
2. Minutes of the Meeting of the Board of Regents held on September 12, 1992
3. Report of the President Dr. Kurth
4. Report of the Chairman Mr. Butts
5. Report of the Treasurer Mr. Kassing
(Financial and Investments Reports for the period of July 1, 1992 through September 30, 1992)
6. Briefing on Audit Report for 1991-92 Coopers & Lybrand
7. Report of the Alumni Association Mr. Mack Bushart
8. Personnel Changes Dr. Kurth
 - A. Staff Leaves of Absence Without Pay
 - B. Recommendation on Appointment of Service Veterinarian, Breathitt Veterinary Center
 - C. Recommendation on Appointment of Interim Director, Wrather West Kentucky Museum
 - D. Sabbatical Leave
9. Report of the Dean of Admissions and Records Dr. Kurth
December 1992 Graduates

10. Gift Acceptances

Dr. Kurth

A. Anonymous Gift

11. Committee Reports/Recommendations

A. Academic Affairs

Mrs. Gamble

- 1) Adoption of Revised Faculty Handbook
- 2) Approval of Department Name Changes:
 - a. Department of Computer Studies to Department of Computer Science and Information Systems
 - b. Department of Office Systems and Business Education to Department of Business Administration, Office Systems and Business Education
- 3) Renewal of Exchange Agreement with Lincoln International Business School
- 4) Report on Sponsored Programs
- 5) Update on Institutional Self-study for the Southern Association of Colleges and Schools (SACS)

B. Athletic

Mr. Butts

c. Buildings and Grounds

Mrs. Ford

D. Development/Investments

Mr. Lovett

- 1) Regional Special Events Center Fundraising Report

E. Faculty/Staff Affairs

Mrs. Strohecker

- 1) Revisions to the Personnel Policies and Procedures Manual

F. Finance/Audit

Mr. Easley

- 1) Audit Reports for 1991-92
- 2) Management Letter
- 3) Parking Fee
- 4) Health Care Update
- 5) Historical Review of Faculty/Staff FTE (Fiscal Year 1990 through Fiscal Year 1992)
- 6) Update on State Revenues and their Impact on the MSU Budget
- 7) Approval of the MSU Investment Policies and Procedures

G. Student Life

Mr. Logsdon

H. Governmental Relations

Mr. Matthews

- 1) Report from the President's Legislative Coordinating Group (PLCG)

12. Appointments to the University Appeals Board

Dr. Kurth

13. Affirmative Action Office Changes

Dr. Kurth

Presentation of Pogue Print to Former Regents

President Kurth stated that at the first meeting of the newly appointed Board there was a motion passed to direct a Resolution of Appreciation to the former members of the Board and to present them with a tangible token of appreciation for their service to the University. Framed prints of Pogue Library were presented to former Regents James W. Hammack, Tommy Sanders, and Dean Akridge with a brass plaque indicating years of service to the University. Former Regents who could not attend included Kerry B. Harvey, Bart Schofield, Randy Hutchinson, and Willie Kendrick. The Resolutions adopted by the Board were mailed to the former Regents.

Minutes of the Meetings of the Board of Regents held on September 12, 1992, Approved

Mr. Matthews moved that the Minutes of the Board meeting held on September 12, 1992, be approved as received. Mrs. Strohecker seconded and the motion carried.

Report of the President

The President's Report was mailed with the Board Notebooks on November 6.

President Kurth presented highlights of the report and the addendum.

(See Attachment #1)

Report of the Treasurer

Mr. Don Kassing presented and reviewed the Financial Report and the Investment Report for the period ending September 30, 1992.

Mr. Kassing pointed out that under the Endowment Funds, there is a new endowment, the Smith Estate Gift of about \$500,000. An additional \$200,000 will be received from the estate and new interest earnings will be received on the endowment from that gift.

(See Attachments #2 and #3)

Audited Financial Statements for 1991-92

Mr. Sam Strader of Coopers and Lybrand of Louisville presented the Audited Financial Statements for 1991-92 for Murray State University, WKMS and NCAA, and the Audit Management Letter.

Mr. Strader presented orally highlights of the reports stating, "We have rendered an unqualified opinion on the financial statements of Murray State University as of June 30, 1992, and for the year then ended." The unqualified opinion is the highest level of report that an independent CPA can issue.

Personnel Changes, Approved

President Kurth recommended the following personnel changes:

Mr. Easley 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:

<u>Name</u>	<u>Department</u>	<u>Effective Date</u>
Peggy Carraway	Residence Hall Receptionist	8/17/92 - 8/15/93
Sherri Gibson	College of Humanistic Studies	1/11/93 - 1/11/94
Janet Hansen	Learning Center	8/14/92 - 5/31/93
Elaine Nimmo	Residence Halls (Custodian)	1/27/92 - 9/15/92

Mrs. Ford seconded and the motion carried.

Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. John B. Rosenberg as Service Veterinarian/Assistant Professor, Therapy and Field Services, Breathitt Veterinary Center, effective September 15, 1992, at an annual salary of \$44,000.

Mrs. Ford seconded and the following voted: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Sally Alexander as Interim Director of the Wrather West Kentucky Museum, effective July 1, 1992, at an annual salary of \$18,145.

Mrs. Ford seconded and the following voted: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Mrs. Ford moved that the Board of Regents, upon the recommendation of the President of the University, grant the following request for a sabbatical leave to complete research for a case book on the Law of Physical Education and Sport which has been undertaken in collaboration with James Overby, General Counsel:

<u>Name/Department</u>	<u>Dates</u>	<u>Salary</u>
Dianne O'Brien, Health, Physical Education & Recreation	1/1/93 - 5/31/93	full salary/ 1 semester

Mr. Easley and the following voted: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Report of the Alumni Association

Mr. Bill Rayburn, Executive Secretary/Treasurer of the MSU Alumni Association, presented the report of the Alumni Association. His report included information on the reorganization of the Development, Alumni Affairs and Alumni/Development Records offices into one Development and Alumni Affairs office; a study of the annual alumni dues, life-time memberships, the Constitution and Bylaws, alumni functions and programs, as well as alumni activities on campus; and, a review of the alumni activities scheduled for the current year.

Report of the Dean of Admissions and Records

Mrs. Strohecker moved that, upon the recommendation of the President of the University and completion of all requirements, the individuals recommended by the Dean of Admissions and Records be awarded the respective degree effective December 18, 1992. Mr. Logsdon seconded and the motion carried.

(See Attachment #4)

Gift, Accepted

President Kurth recommended that the Board accept the following gift:

The anonymous gift of the Irvin S. Cobb manuscripts, newspaper clippings, letters and portraits valued at \$125,000. The gift was donated to the University Libraries for research and academic program support.

Mr. Easley moved to accept the above gift to the University. Mrs. Ford seconded the following voted: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Committee Reports/Recommendations

A. Academic Affairs - Mrs. Gamble.

Mrs. Gamble reported that the following recommendations were approved by the Academic Affairs Committee.

The committee reviewed Chapter 2 of the Faculty Handbook and recommended that Section 2.3.4 Employment of Relatives, last paragraph, be changed to read: "Such an appointment should not exceed 18 months."

For the Academic Affairs Committee, Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, approve the Faculty Handbook, as revised and amended, effective July 1, 1993. Dr. Julian seconded and the motion carried.

For the Academic Affairs Committee, Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, approve changing the name of the Department of Computer Studies to the Department of Computer Science and Information Systems, effective July 1, 1993. Mrs. Ford seconded and the motion carried.

For the Academic Affairs Committee, Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, approve changing the name of the Department of Office Systems and Business Education to the Department of Business Administration, Office Systems and Business Education, effective July 1, 1993. Mr. Logsdon seconded and the motion carried.

Mrs. Gamble stated that in 1988 Murray State University and the Lincoln International Business Education School of Paris, France, entered into an exchange agreement which provided for exchange of faculty, students and professional staff. To date, two Murray State students have studied in France and Murray State has hosted four students from France. The renewal is for an indefinite time period.

The committee directed Dr. Booth to develop and pursue plans to obtain scholarships from businesses that are specifically designed to bring foreign students to Murray State.

For the Academic Affairs Committee, Mrs. Gamble moved that the Board of Regents, upon the recommendation of the President of the University, renew the attached cooperative agreement between Murray State University and the Lincoln International Business School, Paris, France.

Dr. Julian seconded and the roll was called with the following voting: Mrs. Buchanan, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

(See Attachment #5)

The committee received a report by Dr. Allan Beane, Interim Director, of the Office of Sponsored Programs. During the past four months, Murray State has received \$664,000 in grants. Currently, about 90 faculty are involved in 150 active grants. Last year the grants brought about \$130,000 of indirect cost money to the University, 25 percent of which goes to the host dean, 35 percent to the University General Fund, and 40 percent to the Vice President.

The committee received an update of the institutional self-study for the Southern Association of Colleges and Schools (SACS). Every unit on campus has completed its self-study, which will be analyzed by the principal committees to ensure compliance with SACS criteria. Regent Beverly Ford will represent the Board of Regents during the SACS re-accreditation process. SACS will be on campus in February 1993.

B. Athletic Committee - Mr. Butts. No report.

C. Buildings and Grounds Committee - Mrs. Ford. No report.

D. Development/Investments Committee - Mr. Lovett.

Mr. Lovett reported that the Development/Investments Committee met briefly on Friday. The Regional Special Events Center campaign is approximately 10 percent short of the goal, a little bit less than \$400,000. There is a general expression of confidence that the goal will be met.

E. Faculty/Staff Affairs Committee - Mrs. Strohecker.

Mrs. Strohecker reported that the Faculty/Staff Affairs Committee had one action item for the Board which included revisions to the Personnel Policies and Procedures Manual.

Mrs. Strohecker stated that changes were suggested in five sections of the Personnel Policies and Procedures Manual - Nepotism, Sick Leave, Family Leave, Workers' Compensation and Tax Sheltered Annuities. The committee recommended that Section II.F, Nepotism, be changed to indicate that temporary employment of relatives should not exceed 18 months rather than 24 months.

For the Faculty/Staff Committee, Mrs. Strohecker moved that the Board of Regents, upon the recommendation of the President of the University, approve the revisions to the Personnel Policies and Procedures Manual, as amended and stated below:

1. II.F Nepotism. This policy should be changed to agree with policy 2.3.4., Employment of Relatives, in the Faculty Handbook. "Temporary employment of relatives should not exceed 18 months." Minor clarification/changes involved.
2. IV.C Sick Leave. Change made to reflect the 180 maximum sick leave days that can accrue, as approved by the Board in 1991.

An additional change in the sick leave policy states that "If a faculty or staff member exhausts his/her accumulated vacation and sick leave, the University will continue to cover his/her basic life and health insurance benefits for a maximum period of three (3) months." Currently, there is no provision for an extension of coverage.
3. IV.M Family Leave. Policy renamed from Parental Leave Without Pay to coordinate with Faculty Handbook. Leave time is changed from four to six months. New policy also would allow an employee to have his/her basic life and health insurance benefits covered for up to six months after exhausting accrued leave time.
4. V.E.3 Workers' Compensation. Statement should be added for clarification as follows: "Tenured faculty refer to Faculty Handbook." Change in policy also reflects proposed change in Sick Leave policy.
5. V.H.2 Tax-sheltered Annuities. Revision of procedures established by Insurance and Benefits Committee should replace section 2. a., b. and c. Basic change is an increase from five to twenty the number of employees who must be enrolled in a 403(b) plan for it to be approved by Murray State.

Mr. Logsdon seconded and the motion passed.

F. Finance/Audit Committee - Mr. Easley.

Mr. Easley stated that the following actions were recommended by the Finance/Audit Committee.

For the Finance/Audit Committee, Mr. Easley moved that the Investment Policies and Procedures be approved. Mr. Matthews seconded and the motion carried.

(See Attachment #6)

For the Finance/Audit Committee, Mr. Easley moved that the Board of Regents accept and approve the audit reports and the management letter. Mrs. Strohecker seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

(See Attachments #7, #8, #9, #10, and #11)

The committee discussed the increase in the parking fees; however, no action was taken.

Informational items received included a Historical Review of Faculty/Staff FTE (Fiscal Year 1990 through Fiscal Year 1992), an update on State Revenues and their impact on the MSU Budget, and a health care update, which was discussed extensively.

In an effort to clearly define the direction in which the Board wants the administration to go with regards to the Health Care Plan, Mr. Easley directed attention to individual issues as stated in the materials provided.

1. Wellness Program

Mr. Matthews moved that the Wellness Program be studied and the necessary cost involved to complete that study so the Board can be advised on it. Dr. Julian seconded and the motion passed.

2. Dependent Coverage

Mrs. Gamble encouraged the University to study other options as she does not believe it is financially feasible to continue to provide 100 percent dependent coverage. She stated that it was her belief that the University and the Board are wasting time trying to justify the 100 percent coverage and requested that instead the time be spent to explain, inform, and educate people to understand the reasons for the changes in the coverage. She further emphasized that the intent is not to take anything away, but rather to protect the entire program.

Regent Julian urged the Board not to foreclose the possibility of dependent care.

Mr. Easley moved that the institution continue to study the subsidizing of dependent coverage. Dr. Julian seconded.

Discussion followed and Mr. Lovett disagreed on further discussion, emphasizing that the involvement of actuaries, the time of the executive staff support team, and all the studies are costing the University money. In addition, he added that he was ready to vote on the health care issue.

Mr. Matthews agreed with Mr. Lovett and encouraged the University and the Board to face reality that Murray State cannot continue to spend millions of dollars for health care each year. He further suggested that the administration develop a recommendation and present it to the Board in February as to the direction the University should take regarding health care.

Mrs. Gamble expressed support of the direction the University has presented; however, there may be stronger measures that must be taken. She stressed that more information is required before direction can be given by the Board.

Regent Ford requested figures on dollars that would come from paychecks based on salaries. There has not been enough information provided to say that the University cannot afford dependent coverage.

Upon call for the question, nine voted yes and one voted no. The motion carried. Mr. Lovett explained that his negative vote was on the continuation of a study.

3. Opt Out Provision

The next area discussed was the opt out provision.

Mrs. Gamble cautioned that there is a reasonable liability involved. She added that it could prove to be discriminatory if all employees did not have the opportunity to take that option.

Mr. Easley moved that the institution continue to study the opt out provision if legally feasible. Dr. Julian seconded and the motion carried.

4. Preferred Provider Provision

Mr. Easley moved that the institution continue to study the preferred provider provisions to see whether or not that's preferable and look at all cost containment measures.

Upon call for the vote, the motion carried.

Continuation of Study on Health Care

Mr. Easley moved that the institution continue to explore the options and to refine the structure that was presented to the Finance Committee on Friday and report back to the Board at the February meeting. In addition to that, there needs to be communication with the Board in the interim.

Mrs. Strohecker seconded.

Discussion followed. In response to Mr. Matthews' question involving an overall recommendation to come to the Board in February which would involve more than health care, Mr. Easley stated that the health care issue is a very integral part of the financial picture of the institution.

Vice President Kassing stated that the administration will seek from the Board in February guidelines for the preparation of the next budget and health care would be a component of that. The financial impact of the health care plan, salary considerations, tuition considerations, and other components of the entire financial plan will be brought to the Board in February. Following the approval of the guidelines, the administration will draft a budget to be presented for approval by the Board in May.

Mr. Lovett emphasized the importance of receiving information from the administration during the interval between November and February, not on the day of the meeting.

Mr. Easley commented that the health care issue has more than a ten-year history and the process takes time. He reminded the Board that there are 1,100 employees who are affected by the change in health care.

After substantial discussion regarding a Retreat for the Board, President Kurth stated that he would send to Regents a calendar requesting available dates in January for a Retreat to present preliminary recommendations from the university administration to the Board on the form of a proposed health care plan and other subjects as needed.

Regents Lovett and Matthews expressed disinterest in a special meeting of the Board in January to give attention to the health care plan only.

Mr. Kassing added the Council on Higher Education may combine the February and March meetings and the University may have some information on tuition to share. However, he emphasized that it is not finalized until possibly mid February or early March, but the possibility of the ranges of tuition considerations could be identified.

Upon call for the vote on the motion to continue to explore the options and to refine the structure that was presented to the Finance Committee on Friday and report back to the Board in February with communication to the Board during the interim time, the motion passed.

G. Student Life Committee - Mr. Logsdon.

Mr. Logsdon presented an overview on some of the activities of the students, which included a rally in Frankfort against budget cuts. The Student Government Presidents spoke with Governor Jones, who offered encouragement, but no promises.

The students are considering holding a forum of local legislators on the topic of the budget for the students for clarification on questions they may have.

With regard to the Council on Higher Education's tuition policy, Mr. Logsdon stated that representatives of the students of the Commonwealth are fundamentally opposed to utilizing a tuition policy that excludes per capita personal income as consideration as it would ignore the accessibility factor. He emphasized that for students in Kentucky, and particularly those at Murray State, cost is the main factor in attendance, not accreditation.

H. Governmental Relations - Mr. Matthews. No report.

Appointments to the University Appeals Board

Mr. Matthews 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 below:

Faculty: Three-year term (1992-95)

Sally DuFord, College of Industry and Technology
(reappointment)
Roy Helton, College of Humanistic Studies

Students: One-year term (1992-93)

Jason Hawkins
Roslyn White
Bridgette Burnett

Dr. Julian seconded and the motion carried.

Affirmative Action Office Changes, approved

President Kurth stated that the change has been recommended to more accurately reflect the broad range of activities performed by the Affirmative Action Office. The assigned duties of the office are not changed by this action.

Dr. Julian moved that the Board of Regents, upon the recommendation of the President of the University, approve changing the name of the Affirmative Action Office to the Office of Equal Opportunity and the position now known as Director of Affirmative Action to Director of Equal Opportunity effective November 16, 1992.

Mrs. Gamble seconded and the motion passed.

Association of Governing Boards, membership terminated

President Kurth requested guidance with regard to membership in the Association of Governing Boards, as the annual dues for the university is \$2,350.

Mr. Lovett moved, as evidence of the Board's self sacrifice, that the University terminate membership in the Association of Governing Boards. Mr. Easley seconded the motion.

Discussion followed and Mr. Easley stated that he would like to receive the Chronicle on Higher Education.

President Kurth expressed that the University's fundamental commitment is to AASCU and recommended membership to be represented on a national basis and further emphasized that the nature of the university properly puts Murray State in AASCU.

Upon call for the question, the motion carried.

Executive Session

Mr. Logsdon moved that the Board convene into Executive Session for the purpose of discussion of a particular individual's contract. Dr. Julian seconded and the motion carried. Executive Session began at 11:00 a.m. and ended at 11:40 a.m.

Public Session

The Board reconvened in Public Session at 11:41 a.m.

Mr. Matthews moved that the Board of Regents approve the action taken by the President Kurth with regard to Football Coach Mike Mahoney.

Dr. Julian seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Policy Statement of the Board of Regents, adopted

Mr. Easley stated that the Board had discussed the new policy and the direction of the Board. He added that the present Board had some concerns about the specificity of the Strategic Plan adopted by the previous Board.

He added that the second environment inherited by the Board was a financial environment that was less than desirable. Based upon that, members felt that the administration should know how the Board collectively feels with regard to the direction of the University and that the Board and the administration should be perceived as united.

He further emphasized that the policy represents the Board exercising its function as a policy-making body and permits the administration to react accordingly. Hopefully, time spent on projects not consistent with the policy will be saved. The intended thrust of the policy is to demonstrate the Board's genuine concern that the University has quality classroom teaching, strong student advisement and, hence, retention of students, and that we make a special effort to recruit students to the university. It permits the administration to control centrally the budget and offers a matter of direct accountability to the Board in a very central way. The policy permits financial rewards which should encourage quality teaching, encourage student advisement and also recruiting. It also permits the university, if it desires, to reverse its previous policy on block budgeting and across the board raises. He pointed out that the Board is united on the policy.

Mr. Easley moved to accept the Policy Statement of the Board of Regents as stated below:

POLICY STATEMENT OF THE BOARD OF REGENTS

November 14, 1992

It is the position of the Board of Regents that the President and the Administration of this institution should be aware of the general direction toward which this Board expects this institution to be moving in the coming years. That general direction along with specific minimum targets are expressed below.

We believe that the gap between the percentage of the E & G budget expended on "instruction" versus "administration" should decrease. That decrease should consist of a minimum of 5 per cent reduction in "administration" as defined below. This would permit additional sums for instruction where feasible. This target should be reached in the next three years.

For purposes of this item, "instruction" should be defined strictly as total salary and benefits of full-time faculty members and total instructional department operating accounts. Chairs, Deans and direct support personnel should be counted only to the extent of their teaching loads. "Administration" should be broadly defined as all other portions of the E & G Budget except instruction as above defined, scholarships and School Relations.

E & G and student fee expenditures for athletics should be decreased by 10 per cent in the next three years but we favor retaining membership in the Ohio Valley Conference (or its logical successor) and remaining competitive with most of the Kentucky teams within the conference.

A vigorous effort should be made by all employees to recruit more full-time students. All policies should reflect the importance of a growing full-time student body. In this connection we expect the number of full-time students to increase by 600 in the next three years. Further, we expect an increase of at least 300 students living on campus so that the residence halls are consistently filled to capacity. Likewise a vigorous effort should be made to retain the students we recruit. Faculty and staff evaluation and reward structures should reflect this university priority.

A special effort should be made to further diversify the student body via the recruitment of additional African American and other minority students. The minority population should reach 6 1/2 percent of the student body within three years.

We encourage innovation and creativity, flexibility in governance, diminished regulation and paperwork requirements, reorganizations aimed at streamlining the university, quality oriented services, a significant increase (minimum 15 percent over the next three years) in student employment opportunities, centralized budgeting and financial control, and the use of incentives to encourage performance at all faculty and staff levels.

We strongly encourage efforts to create in this university a "student centered" (consumer-oriented) campus climate. Additionally, we favor becoming more competitive in the areas of student fees and costs incurred in attending this university.

We favor the immediate implementation of an equitable system of evaluation and salary and other rewards to be based on those evaluations.

We favor strict purchasing controls, very little new construction with University funds, unified efforts to cut utility costs; however, we would be very hesitant to spend fewer dollars in the housing and dining area.

In the event of decreased funding, we would expect the reconstituted budget to reflect the above priorities and targets. Finally, we expect to see a reasonably detailed plan to implement the board expectations no later than the February 1993 meeting of the Board.

For purposes of clarification the baseline budget is to be the 1992-93 operating budget and the student baseline numbers are those enrolled in September 1992. The goals targeted should finally be reflected in the 1995-1996 operating budget and the September 1995 enrollment. Increases in state funding should be calculated in measuring these targets; i.e., if we receive a 3 percent increase in state funding, that sum would be added to the base "administration" figure before calculating the 5 percent decrease.

Mr. Logsdon seconded the motion.

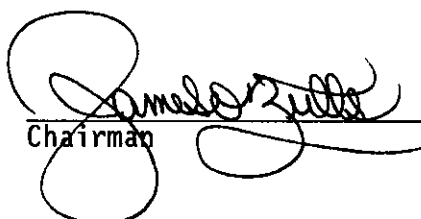
Discussion followed with President Kurth pointing out that he had no problem with the goals set forth in the document. He stated that he wanted to make certain that the Board understood the steps along the way in terms of expenditures and in terms of the way the administration interprets the Policy.

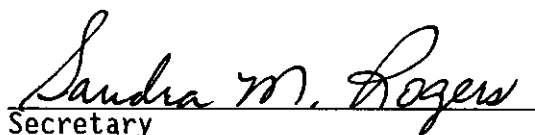
In response to President Kurth's concerns, Chairman Butts assured him that the Board is open for the administration's response and suggested discussion at a future Retreat. He re-emphasized that the Board is united with regard to the Policy Statement.

Upon call for the vote regarding the Policy Statement of the Board of Regents, November 14, 1992, the roll was called with the following voting: Mrs. Buchanon, yes; Mr. Easley, yes; Mrs. Ford, yes; Mrs. Gamble, yes; Dr. Julian, yes; Mr. Logsdon, yes; Mr. Lovett, yes; Mr. Matthews, yes; Mrs. Strohecker, yes; and Mr. Butts, yes. Motion carried.

Meeting Adjourned

Mr. Matthews moved and Mrs. Gamble seconded that the meeting be adjourned. Adjournment was at 12 noon.


Chairman


Secretary

PRESIDENT'S REPORT
TO THE
BOARD OF REGENTS

November 14, 1992

NEW MAILING SCHEDULE

In response to a request from a member of the Board of Regents, the President's Report is now being prepared for distribution to Board members the week before the scheduled quarterly meeting. At the meeting I will provide an update to this report indicating significant issues which have developed or actions or events which have taken place during the interim.

ENROLLMENT

The final enrollment figures for the 1992 fall semester have been submitted to the Council on Higher Education (CHE). Headcount enrollment of 8,190 is the fourth highest in Murray State history. There are 138 fewer students enrolled than last fall, when we had the second largest MSU enrollment.

Dean of Admissions and Records Phil Bryan reports that two all-time records were set this semester. We have the largest junior class ever, 1,476, and the largest senior class, 1,884. Both figures exceed records set last fall and reflect success in our retention efforts.

In other figures, we show progress second only to fall 1991, including full-time enrollment (6,498), full-time equivalent enrollment (6,834), undergraduate enrollment (7,073), and undergraduate credit hours generated (99,360).

Early projections of fall 1992 enrollment were off the mark because projection procedures had not been adjusted to reflect changes in off-campus registration. Off-campus students can now register by telephone in the same time period as on-campus students, so the increases previously expected one or two weeks into the semester did not materialize.

POTENTIAL DECREMENT IN CURRENT STATE APPROPRIATION

Kentucky, in keeping with its Constitution, resolves state revenue shortfalls through current year decrements in the appropriations of state agencies which are designated by the Governor. Thus monitoring the health of the Kentucky economy and working to convince the Governor of the importance of maintaining current levels of higher education funding have been important concerns of mine since the beginning of the current academic year. I have made it my goal to do everything possible to avoid a situation like that of last year, when mid-year cuts by the outgoing Wilkinson administration caught us off guard. In fiscal

year 1992, Murray State suffered a \$1.4 million mid-year decrement to its appropriation. The subsequent cut in the first year of this biennium amounted to \$3.1 million, when taking into consideration fixed costs. As I will describe later in this report, I have sought out opportunities to present the case for shielding higher education from similar cuts this year to Governor Jones and Finance Secretary Joseph Prather. The possibility of current year decrements remains a major new concern of the University, as shown by recent developments.

On October 21, 1992, Murray State and all other agencies of state government received a memorandum from three officials of the executive branch: Kevin Hable, Secretary of the Governor's Executive Cabinet; Joseph Prather, Secretary of the Finance and Administration Cabinet; and Claude Vaughn, State Budget Director of the Governor's Office for Policy and Management. This memorandum was a response to executive branch projections of a potential \$70 million shortfall in state revenue in fiscal year 1993.

The memorandum directed all state agencies, including universities, to delay major discretionary expenditures, deny discretionary spending where possible, and identify and reserve unbudgeted agency funds until further notice. It also asked that each agency submit by November 6, 1992, a plan for addressing a mid-year decrement of 2 percent of its fiscal year 1993 appropriation. The memorandum emphasized that the call for such plans was a cautionary measure and was not based on an executive branch determination that such a cut would be necessary.

Murray State received additional information from the Council on Higher Education (CHE) regarding the plan for a 2 percent decrement, including the specific amount to be addressed: \$676,800. CHE Executive Director Gary Cox, in a memorandum on October 22, 1992, stated that the request was not intended as an attempt to "micromanage" the institutions. Cox asked universities to submit their plans to the CHE on November 5, 1992, and requested that any non-recurring reductions indicated in the plan be identified as such, with additional information provided about the recurring reductions that would support them.

Murray State was represented by Budget Director Paul Bylaska and Coordinator of Economic Development Buddy Buckingham at the meeting of the Joint Interim Committee on Appropriations and Revenue (A & R) in Frankfort on October 22, 1992. Legislative economic consultant Larry Lynch is now predicting a shortfall in state revenue of \$136 million, and legislative leaders on the A & R Committee remain more pessimistic about the prospects for avoiding decrements this year.

The Provost, the Vice President, the President's Cabinet, the Deans' Council, and administrative directors have been

involved in discussions to determine the plan for identifying a reduction of \$676,800 in the current budget year. We have a back-up plan, should the decrement exceed 2 percent. I plan to brief the Board on the plan submitted during the November 13, 1992, Board meeting.

On Thursday, October 1, 1992, I joined other university presidents in a meeting in Frankfort with Governor Brereton Jones. The meeting was cordial, positive, and informative. We were successful, I believe, in making a good case for sparing higher education from further cuts in the current fiscal year, our chief concern in requesting the meeting. We reminded him that on two recent occasions -- the mid-year decrement in fiscal year 1992 and the reduced state budget for the current biennium -- the state drained higher education funding to meet other priorities. The Governor indicated that he is aware that recent cuts have hurt universities. Although he made no firm commitment to shield higher education if a shortfall occurs this year, he did indicate his support for taxing higher education only as a last resort. The Governor also agreed to consult with the university presidents before imposing decrements on higher education.

My visit to the Governor was the second meeting with an administration official since the possibility of a mid-year decrement was announced on August 28, 1992, by legislative economist Larry Lynch. With the aim of making the case for higher education before the crisis hits, on September 14, 1992, I visited with Finance Secretary Joe Prather in a meeting in Frankfort arranged by Murray businessman Bob Jackson. At that time Secretary Prather was cautiously optimistic about state revenues.

MURRAY STATE FOOTBALL COACH

A small panel of senior university officials, including representation of the Board of Regents, have been meeting with me periodically this fall to continue our evaluation of the University's football program. A portion of this evaluation involved the future of Coach Mike Mahoney at Murray State University. In response to consensus among us, I met with Coach Mike Mahoney on Monday, October 26, 1992. Coach Mahoney and I reached an amicable agreement concerning his employment status. A copy of that agreement was previously furnished to the Regents. We have formulated the plans for a search for a successor which should preclude any interruption to our recruiting efforts this winter.

COUNCIL ON HIGHER EDUCATION

The Kentucky Council on Higher Education (CHE) met on Sunday, September 13, 1992, in Lexington. Among other business,

the CHE approved the "Kentucky Plan for Implementing the Higher Education Accountability Process," an overview document setting forth the response of the higher education community to Senate Bill 109, accountability legislation passed in the 1992 General Assembly. The plan was drafted by the Kentucky Accountability Committee (KAC), a group of CHE staff, and institutional representatives. The KAC is now tasked to bring to the CHE in November a more detailed report indicating precisely what data will be collected and how it will be reported. Dr. Anita Lawson, Assistant to the President for Institutional Planning, is the Murray State representative on the KAC.

In conjunction with the September meeting, the CHE sponsored the Governor's Conference on Higher Education Trusteeship, a meeting for CHE members and institutional trustees or regents. Eight Murray State Regents attended, including Chairman James Butts, Mr. Sid Easley, Mrs. Beverly Ford, Mrs. Arlivia Gamble, Mr. Wells Lovett, Mr. Robert Matthews, Faculty Regent Frank Julian, and Student Regent Todd Logsdon. Dr. James Booth, Mr. Don Kassing, Dr. Anita Lawson, and I also represented Murray State at the meeting and conference.

The CHE also met on November 9, 1992, and a report from that meeting is forthcoming.

PRESIDENT'S ACTIVITIES

As a part of my reports to the Board of Regents, I provide from time to time a summary of my activities in fulfillment of my role as President. Activities since July 1, 1992, include trips outside and within the state and numerous meetings and other functions on the Murray State campus and at Oakhurst.

Out-of-town activities include the Retreat of Ohio Valley Conference Presidents on September 1-2, 1992, in Nashville, Tennessee. Following the CHE meeting in Lexington on September 13-14, 1992, I travelled to Frankfort to meet with Secretary Prather on September 15 and returned to Frankfort to meet with Governor Jones on October 1, 1992, as indicated earlier. On October 13-14, 1992, I attended meetings of the Board of Directors of the Boy Scouts of America in Dallas, and then travelled to the Highland Games at Stone Mountain, Georgia, to join MSU representatives gathered to further develop contacts with Murray State's Scottish heritage. I have been in Paducah on three occasions: to deliver the keynote address to the North Central Region Convention of the Fleet Reserve Association on August 7, 1992; to formally accept the Biederwell endowment at a luncheon on August 21, 1992; and to meet with Dr. Shirley Menendez, the MSU representative on the Council on Higher Education, on October 27, 1992.

Several guests, including elected officials and state agency representatives, have visited Murray State during this period. On October 19, 1992, I welcomed Senator Wendell Ford to campus and discussed University issues with him. In keeping with the legislative plan established for the upcoming biennium, I have invited state legislators from this region to Oakhurst on two occasions for luncheon meetings to discuss issues of importance to the University. On August 10, 1992, I met with Senator Jeff Green and Senatorial electee Joey Pendleton. On October 23, 1992, Senator Green and Representatives Freed Curd and Richard Lewis were special guests at a luncheon meeting which also included Board Chairman James Butts, Board Governmental Relations Committee Chairman Robert Matthews, Vice President for University Relations and Administrative Services Don Kassing, Economic Development Coordinator Buddy Buckingham, and me.

Other campus guests have included CHE Executive Director Gary Cox on August 11 and CHE Assistant to the Director for Educational Attainment Roy Peterson on October 22, 1992. I have also met with teams from accreditation agencies evaluating Murray State programs, including a team from the Accrediting Board for Engineering and Technology on October 19 and the American Speech, Language, and Hearing Association on October 27, 1992. On October 2, 1992, I took part in the MSU Foundation Board of Trustees meeting. I met with the architects and a state executive branch representative on the Regional Special Events Center on October 20, reviewed progress on the Master Campus Plan on October 28, and on November 1, 1992, welcomed the Hungarian visitors on campus for the agribusiness seminar.

I have delivered formal presentations or short remarks to various groups of Murray State faculty, staff, and students, including the annual address to the faculty and professional staff on August 2, 1992, and an overview of fiscal planning concerns to the Faculty Senate on October 6, 1992. I welcomed participants to the mini-orientation for late-registering students and the workshop for graduate teaching assistants, both on August 24, 1992. I met with the Intercollegiate Athletics Council on August 18, 1992, took part in the Planning Retreat on August 28-29, 1992, chaired the bi-monthly meeting for deans and chairs on August 23, and spoke with the Racer Club on September 28, 1992.

On August 20 I was a guest on the WSJP "Good Morning Show," and on August 29, 1992, I took part in ceremonies recognizing the 10 millionth engine produced by Briggs and Stratton. Special events on campus during this period at which I have formally represented the University include the Founder's Day ceremony and Oakhurst reception on September 16, 1992, the Athletic Hall of Fame Banquet on October 1, and Homecoming events on October 3, 1992, including the parade, the Dedication of the Japanese Garden, Tent City, the pre-game festivities, and the Oakhurst reception.

In addition to those already mentioned, events hosted at Oakhurst since July 1, 1992, have included luncheons for members of the Board of Regents on July 8 and July 28 and a dinner on September 11, 1992, a cookout for the President's office staff on August 11, 1992, a luncheon for Russian visitor Andrey Shopoval on September 8, and a cookout for WKMS staff on October 8, 1992. Receptions at Oakhurst have included those for new faculty and professional staff on August 21, the MSU Women's Society on August 23, the Friends of Oakhurst on October 9, the MSU Honors Program on October 20, and Omicron Delta Kappa Leadership Honor Society on October 22, 1992.

INVITATIONS TO DISPLAY PHOTOGRAPHY

Two invitations have been extended to me for gallery displays of my photography. The Wrather West Kentucky Museum has asked to show my photographs of the West Kentucky dark-fired tobacco industry this winter, and in the spring Western Kentucky University wants to display my photographs of the Soviet Union. Depending on the time available to me in the next few months for making the necessary preparations, I hope to comply with both requests.

FOUNDATION BOARD OF TRUSTEES

The quarterly meeting of the Murray State University Foundation Board of Trustees was held October 2, 1992. During the meeting, Mr. Michael S. Peek, a Nashville, Tennessee, lawyer, assumed the chairmanship of the Board of Trustees. Mr. Peek, who received a Murray State baccalaureate degree in political science and history in 1970, served as MSU Alumni Association President in 1979-80.

Three new members of the Board of Trustees also assumed their duties during the meeting. Mr. George E. Long II of Benton, Kentucky, a 1968 graduate of Murray State, is a partner in the law firm of Long and Perry in Benton. Mr. Long served as President of the Murray State Alumni Association in 1985-86. Mr. Steve Story of Mayfield, Kentucky, a 1969 graduate of Murray State, is President of Liberty Bank and Trust Company in Mayfield. He served as president of the MSU Alumni Association in 1991-92. Dr. John Thompson, Dean of the College of Business and Public Affairs, served previously on the MSU Foundation Board of Trustees from 1983-86.

ALUMNI EXECUTIVE COUNCIL

The Alumni Executive Council met on Saturday, September 19, 1992. Among other business, the Board named Bill Rayburn as Executive Secretary-Treasurer of the MSU Alumni Association. Mr. Rayburn, who has been a member of the Murray State staff since 1988, recently assumed the position of Assistant Director of Alumni Programs and Athletic Giving. He is a 1961 graduate of Murray State.

AFFIRMATIVE ACTION

Dr. Doreen Rauch, Director of Affirmative Action, reports that two in-house workshops on discrimination were held on the Murray State campus October 6 and October 28, 1992. An additional workshop concerning sexual harassment is scheduled for November 18, 1992.

Dr. Rauch was keynote speaker for the Paducah River City Business and Professional Women's Awards Luncheon on October 10, 1992, with women's issues being the topic of her presentation. On October 27, 1992, Dr. Rauch met with the Deans to discuss progress toward Murray State's goals as set forth in the Desegregation Plan. Work in progress includes internal evaluation of affirmative action procedures pursuant to federal standards and drafting of the American's with Disabilities Act (ADA) Policy.

INTERNATIONAL AGRIBUSINESS GRANT

In keeping with its strategic planning emphasis on expanding the international dimension of the University, Murray State has pursued several opportunities which would strengthen the nations that made up the former Soviet Union while increasing international expertise and understanding among MSU faculty, staff, and students. One of these, a collaborative effort to provide educational opportunities for business managers in Eastern Europe struggling to acquire skills to facilitate the transition to a consumer-oriented market economy, has already resulted in grant funding for a specific project.

On November 1, 1992, 38 Hungarian agribusiness managers arrived on the Murray State campus for a week of training funded by a joint grant from the U.S. Agency for International Development and Pioneer Hi-Bred International. Before they traveled to the United States, the Hungarians had already participated in a week of training in the principles of free enterprise economics and business management.

The week of study and field trips at Murray State was designed to build on that foundation. Faculty from the MSU Departments of Agriculture, Management and Marketing, Economics and Finance, and Journalism and Radio-Television provided the training, with support from the West Kentucky Small Business Development Center. Community farmers and agribusiness firms providing field trip experiences included the Port of Murray, Hutson Agricultural Service, Jim and Judy Stahler, and Tripp and Sharon Furches.

The Hungarians departed on November 6, 1992, to spend a week at Pioneer Hi-Bred headquarters in Johnston, Iowa, before returning to Hungary to begin the selling season. Participants

in the grant program will continue to provide consultation and technical advice after the training period is over.

The program of training was developed in response to questions posed by the chief executive officers of 13 Hungarian agribusinesses. Dr. Bill Payne, Assistant to the Provost and Professor of Agriculture, represented Murray State in setting up the grant program. He travelled to Hungary in September at the invitation of Pioneer Hi-Bred International to make arrangements for the project.

OFFICE OF SPONSORED PROGRAMS

The Office of Sponsored Programs reports that during the months of September and October 1992, Murray State personnel submitted 41 grant proposals to external funding sources for a total amount over \$1.2 million. During that same period, 16 proposals were funded, bringing the University \$291,489. Since July 1, 1992, the University has received grants/contracts worth \$664,704.

Particularly noteworthy among recent awards are a grant of \$192,891 to Dr. Gary Boggess, Dean of the College of Science, from the National Science Foundation through the Kentucky Department of Education for an undergraduate math/science component (PRISM); \$151,200 to Mr. Mickey Johnson, District Director of the Murray State Small Business Development Center District, from the Kentucky Office of SBDC, for 1992-93 operations; and \$125,000 to Dr. Nancy Huffstutter, Director of School Services in the College of Education, from the Council on Higher Education to support CampusServe activities. A full list of proposals submitted and proposals funded during September and October is attached to this report.

HOMECOMING

"Cheers to 60 Years" was the theme for Murray State University's 60th annual Homecoming, October 2-4, 1992. Highlights of the celebration included a parade and a football victory over Austin Peay State University. Mr. Tommy Walker, a 1947 graduate of Murray State, served as Grand Marshal, and Miss Bethany Hall, a senior pre-medicine major from Murray, was crowned Homecoming Queen during half-time activities.

DRUG AND ALCOHOL BROCHURE

Enclosed with this report is a brochure, "Information Regarding the MSU Policy on Controlled Drugs and Alcohol." This brochure is distributed to all students and employees of Murray State at the beginning of each academic year as required by federal law.

LETTER CONCERNING SBDC OFFICE

Also enclosed with this report is a copy of a letter from Mr. Joseph Ballard, II, President and General Manager of Kentex, Incorporated in Paducah praising the support of the Murray State Small Business Development Center. He particularly notes the help provided to him by Ms. Rosemary Miller, Director of the Murray office.

ACHIEVEMENTS

Dr. Roger Reichmuth, Assistant Dean of the College of Fine Arts and Communication and Associate Professor of Music, has been named President-elect of the Kentucky Arts Administrators organization.

Dr. James McCoy, Associate Professor of Economics, has been awarded a prestigious Fulbright grant to study, teach, and conduct research in international economics at the University of the West Indies in Kingston, Jamaica, during the spring 1993 semester.

Six Murray State faculty members have been chosen to teach in Scotland, England, and Ireland by the Cooperative Center for Study in Britain (CCSB), a Kentucky-based consortium of universities conducting study programs in Great Britain and Ireland. Those participating include; Dr. Dannie Harrison, Assistant Dean of Business and Public Affairs; Dr. Bill Payne, Assistant to the Provost; Ms. Judy Payne, Instructor of Home Economics; Dr. Kenneth Tucker, Professor of English; Dr. John Dressler, Assistant Professor of Music; and Dr. Gene Garfield, Chair and Professor, Department of Political Science, Criminal Justice, and Legal Studies.

ATHLETICS

The Murray State basketball team kicked off the 1992-93 season during "Midnight Madness" on November 1, 1992. Designed to generate interest among the University and Murray community, the celebration commemorated the first official basketball practice of the season.

The Murray State football team was defeated by Tennessee Tech on October 31, 1992, bringing their record to 2-6 overall and 1-5 in the Ohio Valley Conference (OVC). On November 7, 1992, the Racers will play Eastern Kentucky University in Richmond.

The men's and women's cross country teams participated in the OVC Cross Country Championships at Fort Campbell October 31 - November 1, 1992. The men's team placed 4th, with Chris Barrigar being Murray State's top finisher with a 3rd place overall

finish. The women's team placed 5th, with Lasenna Powell being MSU's top finisher with a 12th place overall finish.

The women's tennis team participated in the Memphis State University Invitational October 24-25, 1992. Players Lana Allcock competed in No. 4 singles and Amy Hall competed in No. 5 singles; both earned 4th place finishes.

The Lady Racer volleyball team swept St. Louis with three games on November 1, 1992. The Lady Racers have a season record of 17-7 and a 11-2 record in the OVC. The Lady Racers travel to Martin, Tennessee, November 5, 1992, and will play their final game of the season against Southeast Missouri State University on November 10, 1992.

UPCOMING EVENTS

November

9-13	Advanced Registration for Spring 1993, Curris Center
25-30	Thanksgiving Holiday -- administrative offices closed

PRESIDENT'S REPORT
TO THE
BOARD OF REGENTS

November 14, 1992

ADDITIONAL INFORMATION

POTENTIAL DECREMENT IN APPROPRIATION

On November 5, 1992, Murray State University submitted to the Council on Higher Education (CHE) the plan for a 2 percent reduction in the current state appropriation requested by the Governor's Office and described in the President's Report distributed earlier. As submitted, the plan calls for Murray State to meet the potential cut by hiring to fill only the most critical vacant lines, by curtailing expenses in the Travel and Miscellaneous categories, by delaying all capital equipment replacement, and, if necessary, by making other across-the-board reductions based on current budgets. A copy of my letter to Dr. Gary Cox, CHE Executive Director, outlining the plan is in your folder.

On Wednesday, November 11, 1992, an article in the Louisville **Courier-Journal** reported an announcement by Cabinet Secretary Kevin Hable that an increase of 11 percent in state revenues in October lessened the likelihood of a budget cut this year. The General Fund is now .03 percent above the same period one year ago. Meeting the 1992-93 state budget, however, requires a General Fund growth of 5.6 percent over the entire year. Therefore cost-cutting measures remain in effect. A copy of the newspaper story is in your packet.

COUNCIL ON HIGHER EDUCATION

The Kentucky Council on Higher Education met on Monday, November 9, 1992, on the campus of Eastern Kentucky University in Richmond. Among other business, the CHE:

- * approved the allocation of \$10 million of bond pool funds for specific life-safety projects, including two requested by Murray State, \$600,000 for a high-rise fire truck for the Murray Fire Department and \$240,000 for new elevator controls in Faculty Hall;
- * reviewed three options for setting tuition rates:
 - 1) keeping the formula currently in use, which sets resident tuition rates for the colleges and universities each biennium based on a percentage of Kentucky per-capita personal income (PCPI). Non-resident rates are based on the resident rates; 2) keeping the current formula, but calculating tuition annually, using the latest

year's figures. This method would generate about \$20 million extra statewide in 1993-94; and 3) utilizing the median of the rates of the institutions' benchmarks, not Kentucky PCPI, as the basis for rates. This method would generate about \$37 million extra in 1993-94. In remarks to the Finance Committee, the university presidents urged the CHE to establish new tuition rates for the 1993-94 academic year by following the second option. The CHE has agreed to address the issue at their February meeting;

- * approved guidelines for carrying out the mandates of Senate Bill 398. Under this legislation, the approval by the CHE of new degree programs at a state university is linked with that institution's success at meeting the eight goals set for it in the CHE's **Kentucky Plan for Equal Opportunities**. Under the guidelines, program proposals will be considered only if the institution is demonstrating sufficient progress according to a formula in six of its eight goals. Requests for one-year, non-renewable waivers may be granted by the CHE under two sets of circumstances: a) when sufficient progress is being made in five of the eight goals, or b) when extraordinary efforts are made in a given year toward improving the representation of African-Americans leads the CHE Equal Opportunities Committee to recommend a waiver. A waiver cannot be granted in two consecutive years. A preliminary draft of Murray State's Equal Opportunities progress report for last year has been shared with us privately. It indicates that the University has a long way to go to meet the formula determination of sufficient progress. It was announced that only two of the eight universities do meet the full expectations of the guidelines at this time;
- * received information on a college-credit course in Animal Science offered at state high schools by Kentucky Educational Television. Agriculture faculty from several Kentucky institutions participate in the televised course instruction, including Dr. Jim Rudolph, Associate Professor of Agriculture at Murray State;
- * received copies of plans for the possible 2 percent decrement submitted to the Governor's Office by each institution;
- * reviewed a report which indicated that the state of Kentucky has 300 more dentists than are needed at present. The report presented various options for

meeting current needs while reducing the cost to the state of supporting two dental schools. The formula calculation for the dental schools in the current fiscal year added approximately \$7.5 million to the University of Kentucky budget request and \$9 million to that at the University of Louisville. Reducing the portion of the state higher education appropriation that goes to support dental schools would make additional funds available for distribution among the universities; and

- * received information on mandatory student fees at the state institutions. Murray State's annual fee of \$130 is exceeded by the \$145 fee at Morehead and the \$159 fee at UK.

PACKET MATERIALS

In addition to the items noted above, your packet contains a sample folder of materials from the Adults Belong in College workshops conducted by the Center for Continuing Education and Academic Outreach for potential returning students and a newsletter from the Chemical Services Laboratory.



Murray State University

Financial Report

FOR THE PERIOD

July 1, 1992 – September 30, 1992

**SUBMITTED TO
THE PRESIDENT
AND
BOARD OF REGENTS
November 13-14, 1992**

Murray State University

Murray, Ky. 42071

October 23, 1992

President Ronald J. Kurth and
Members of the Board of Regents
Murray State University
Murray, KY 42071

Dear President Kurth and Members of the Board:

Attached is the Financial Report of Murray State University for the period July 1, 1992 through September 30, 1992.

Contents	Page
Current Unrestricted Funds - Balance Sheet.....	1
Current Unrestricted Funds - Summary of Changes and Allocations in Fund Balance.....	2
Current Unrestricted Funds - Summary of Budget Adjustments.....	3
Current Unrestricted Funds - Schedule of Revenues by Source, Expenditures by Function, and Other Changes.....	4-5
Current Restricted Funds - Revenues by Source and Expenditures by Function.....	6
Current Unrestricted Funds - Schedule of Revenues.....	7-9
Plant Funds - Balance Sheet.....	10
Plant Funds - Statement of Changes in Fund Balance.....	11
Plant Funds - Schedule of Revenues and Expenditures.....	12
Plant Funds - Schedule of Revenues and Expenditures by Project.....	13
Notes to Financial Report.....	14-16

Don W. Kassing

Don W. Kassing
Vice President for
University Relations
and Administrative Services

Thomas W. Denton

Thomas W. Denton
Director for
Financial Management
and Planning

nch

cc: James L. Booth, Provost and Vice President for Academic
and Student Affairs

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED BALANCE SHEET
As of September 30, 1992
With Comparative Figures as of September 30, 1991

	-----1992-93-----			
	Educational and General	Auxiliaries	Total	1991-92
	-----	-----	-----	-----
ASSETS				
Cash (Note 2)	\$ 2,901,451	\$ (68,245)	\$ 2,833,206	\$ 1,536,305
Investments (Note 2)	9,699,688	2,714,929	12,414,617	14,877,520
Inventories and prepaid expenses (Note 3)	429,505	708,996	1,138,501	877,808
Accounts and loans receivable, net	1,803,025	165,944	1,968,969	1,595,183
Interest receivable	21,706	2,290	23,996	53,618
Due from other funds	14,667	-	14,667	495,864
	-----	-----	-----	-----
Total assets	\$ 14,870,042	\$ 3,523,914	\$ 18,393,956	\$19,436,298
	=====	=====	=====	=====
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 373,421	\$ -	\$ 373,421	\$ 400,447
Accrued expenses	355,979	-	355,979	351,949
Accrued compensated absences	1,053,083	78,490	1,131,573	1,150,780
Other liabilities - Racer Card	-	170,220	170,220	194,553
Other liabilities	417,563	6,017	423,580	-
Deposits	510	180,645	181,155	193,011
Due to other funds	40,000	-	40,000	-
	-----	-----	-----	-----
Total liabilities	\$ 2,240,556	\$ 435,372	\$ 2,675,928	\$ 2,290,740
	-----	-----	-----	-----
Fund Balance:				
Beginning fund balance - July 1	\$ 5,827,467	\$ 943,443	\$ 6,770,910	\$10,104,812
Additions/(deductions) - year to date	6,802,019	2,145,099	8,947,118	9,027,941
	-----	-----	-----	-----
Total fund balance	\$ 12,629,486	\$ 3,088,542	\$ 15,718,028	\$19,132,753
	-----	-----	-----	-----
Total liabilities and fund balance	\$ 14,870,042	\$ 3,523,914	\$ 18,393,956	\$21,423,493
	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED SUMMARY OF CHANGES AND ALLOCATIONS IN FUND BALANCE
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	-----1992-93-----			
	Educational and General	Auxiliaries	Total	1991-92
	-----	-----	-----	-----
Fund Balance - Beginning July 1				
Working capital	\$ 1,238,304	\$ 449,263	\$ 1,687,567	\$ 1,130,167
Reserve for self insurance	650,000	-	650,000	650,000
Reserve for revenue contingency	136,281	-	136,281	563,541
Encumbrances	385,837	41,286	427,123	736,271
Carryovers	3,417,045	452,894	3,869,939	4,595,422
Unallocated	-	-	-	442,216
	-----	-----	-----	-----
Total fund balance - beginning July 1	\$ 5,827,467	\$ 943,443	\$ 6,770,910	\$ 8,117,617
Increase/(decrease) - year to date				
Revenues	\$ 20,500,011	\$ 4,793,511	\$ 25,293,522	\$ 25,361,475
Expenditures	(13,757,253)	(2,164,164)	(15,921,417)	(16,169,634)
Mandatory transfers				
Debt service	(130,589)	(325,078)	(455,667)	(408,733)
Loan match	-	-	-	-
Non-Mandatory transfers				
To CERR	(20,000)	-	(20,000)	-
From CERR	382,000	-	382,000	839,852
To plant funds	(257,327)	(84,400)	(341,727)	(595,019)
From plant funds	-	(2,450)	(2,450)	-
To educational and general	72,320	(72,320)	-	-
Other changes	12,857	-	12,857	-
	-----	-----	-----	-----
Total year to date increase/(decrease) in fund balance	\$ 6,802,019	\$ 2,145,099	\$ 8,947,118	\$ 9,027,941
Fund Balance - ending September 30				
Working capital	\$ 2,280,338	\$ 874,940	\$ 3,155,278	\$ 2,556,328
Reserve for self insurance	650,000	-	650,000	650,000
Reserve for revenue contingency	136,281	-	136,281	563,541
Encumbrances	385,837	41,286	427,123	1,122,819
Carryovers	3,417,045	452,894	3,869,939	4,595,422
Unallocated	5,759,985	1,719,422	7,479,407	7,657,448
	-----	-----	-----	-----
Total fund balance - ending September 30	\$ 12,629,486	\$ 3,088,542	\$ 15,718,028	\$ 17,145,558
	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED SUMMARY OF BUDGET ADJUSTMENTS
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	-----1992-93-----			1991-92
	Original Budget	Adjustments/ Revisions	Current Budget Per Report	Budget Per Report

REVENUES				
Educational & General	\$57,708,252			
Prior year carryovers (Note 5)		\$ 3,417,045		
Prior year encumbrances (Note 5)		385,837		
Various account adjustments		435,438		
Total Educational & General	\$57,708,252	\$ 4,238,320	\$ 61,946,572	\$ 64,059,329
Auxiliary Enterprises	\$11,342,161			
Prior year carryovers (Note 5)		\$ 601,926		
Prior year encumbrances (Note 5)		41,286		
Various account adjustments		200		
Total Auxiliary Enterprises	\$11,342,161	\$ 643,412	\$ 11,985,573	\$ 12,027,460
Total revenues	\$69,050,413	\$ 4,881,732	\$ 73,932,145	\$ 76,086,789
	=====	=====	=====	=====
EXPENDITURES				
Educational & General	\$57,708,252			
Prior year carryovers (Note 5)		\$ 3,417,045		
Prior year encumbrances (Note 5)		385,837		
Various account adjustments		435,438		
Total Educational & General	\$57,708,252	\$ 4,238,320	\$ 61,946,572	\$ 64,059,329
Auxiliary Enterprises	\$11,342,161			
Prior year carryovers (Note 5)		\$ 601,926		
Prior year encumbrances (Note 5)		41,286		
Various account adjustments		200		
Total Auxiliary Enterprises	\$11,342,161	\$ 643,412	\$ 11,985,573	\$ 12,027,460
Total Expenditures	\$69,050,413	\$ 4,881,732	\$ 73,932,145	\$ 76,086,789
	=====	=====	=====	=====

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, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	-----1992-93-----			-----1991-92-----	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
REVENUES					
Tuition and fees (Note 6)	\$16,789,789	\$ 8,373,589	50%	\$ 7,834,583	51%
State appropriation	37,484,400	11,220,000	30%	11,941,700	30%
Indirect cost reimbursement	159,339	30,222	19%	42,200	21%
Sales and services of educational departments	1,135,362	364,412	32%	274,312	31%
Other sources	2,582,469	511,788	20%	646,871	21%
Prior year carryovers and encumbrances (Note 5)	3,802,882	-	N/A	-	N/A
Total revenues	\$61,954,241	\$20,500,011	33%	\$20,739,666	32%
EXPENDITURES (Note 7)					
Instruction	\$24,543,119	\$ 5,330,038	22%	\$ 5,548,993	22%
Research	730,350	153,572	21%	134,245	14%
Public service	2,863,600	721,042	25%	670,593	25%
Academic support	3,010,253	625,739	21%	737,332	24%
Library	2,129,402	812,182	38%	836,057	39%
Student services	4,636,249	1,056,578	23%	1,065,910	23%
Institutional support	6,607,750	1,703,809	26%	1,816,091	22%
Operation and maintenance of plant	8,848,053	1,641,431	19%	1,566,914	16%
Scholarships	3,854,844	1,712,862	44%	1,924,178	53%
Total expenditures	\$57,223,620	\$13,757,253	24%	\$14,300,313	24%
TRANSFERS AND OTHER CHANGES					
Mandatory transfers					
Consolidated educational bond sinking fund (Note 8)	\$(3,730,577)	\$ (130,589)	N/A	\$ (105,083)	N/A
Loan fund match	(23,649)		N/A	-	N/A
Non-mandatory transfers					
Transfers to CERR (Note 9)	(700,000)	(20,000)	N/A	-	N/A
Transfers from CERR (Note 9)	22,000	382,000	N/A	839,852	N/A
Transfers to unexpended plant fund (Note 9)	(370,882)	(257,327)	N/A	(274,744)	N/A
Transfers from unexpended plant fund (Note 9)			N/A	-	N/A
Transfers from auxiliaries	72,487	72,320	N/A	-	N/A
Other changes	-	12,857	N/A	-	N/A
Total transfers and other changes	\$(4,730,621)	\$ 59,261	N/A	\$ 460,025	N/A
Total expenditures, transfers and other changes	\$61,954,241	\$13,697,992	22%	\$13,840,288	22%
Net change in fund balance		\$ 6,802,019		\$ 6,899,378	

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS - AUXILIARIES
UNAUDITED SCHEDULE OF REVENUES BY SOURCE, EXPENDITURES BY FUNCTION, AND OTHER CHANGES
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	-----1992-93-----			-----1991-92-----	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
REVENUES					
Food services	\$ 4,330,408	\$ 1,657,158	38%	\$ 1,607,251	38%
Housing services	4,290,677	2,001,253	47%	1,873,437	47%
Bookstore	2,280,000	964,205	42%	955,146	42%
Curris Center	100,000	20,488	20%	22,250	26%
University parking	150,876	84,445	56%	93,867	65%
Racer Card administration	25,000	36,052	144%	34,145	91%
Interest revenue	75,000	15,705	21%	19,980	12%
Manual commissions	200	12,631	6316%	12,553	14%
Vending	90,000	1,492	2%	-	4%
Miscellaneous	-	82	100%	3,180	7%
Prior year carryovers and encumbrances (Note 5)	643,212	-	N/A	-	N/A
Total revenues	\$11,985,373	\$ 4,793,511	40%	\$ 4,621,809	38%
EXPENDITURES (Note 7)					
Food services	\$ 4,124,609	\$ 539,836	13%	\$ 454,021	11%
Housing services	3,408,682	474,236	14%	357,593	11%
Bookstore	2,069,876	891,387	43%	820,451	38%
Curris Center	520,864	101,215	19%	85,247	17%
University parking	151,077	23,556	16%	17,302	12%
Racer Card administration	45,500	37,836	83%	32,382	89%
Manual commissions	19,448	2,724	14%	3,220	16%
Miscellaneous	13	218	1677%	1,505	3%
Vending	191,969	25,722	13%	16,744	9%
Renovation and maintenance	477,047	31,389	7%	59,107	11%
Scholarships	107,880	36,045	33%	21,749	39%
Total expenditures	\$11,116,965	\$ 2,164,164	19%	\$ 1,869,321	17%
TRANSFERS AND OTHER CHANGES					
Mandatory transfers					
Housing and dining bond sinking fund (Note 8)	\$ (620,238)	\$ (325,078)	N/A	\$ (303,650)	N/A
Non-mandatory transfers					
Transfers to unexpended plant fund (Note 9)	(84,400)	(84,400)	N/A	(320,275)	N/A
Transfers from unexpended plant fund (Note 9)	(91,283)	(2,450)	N/A	-	N/A
Transfers to educational and general	(72,487)	(72,320)	N/A	-	N/A
Total transfers and other changes	\$ (868,408)	\$ (484,248)	N/A	\$ (623,925)	N/A
Total expenditures, transfers and other changes	\$11,985,373	\$ 2,648,412	22%	\$ 2,493,246	21%
Net change in fund balance		\$ 2,145,099		\$ 2,128,563	
		=====		=====	

MURRAY STATE UNIVERSITY
CURRENT RESTRICTED FUNDS
UNAUDITED SCHEDULE OF REVENUES BY SOURCE, EXPENDITURES BY FUNCTION, AND OTHER CHANGES
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	-----1992-93-----			-----1991-92-----	
	Current Budget	Fiscal Year Actual	Actual % Budget	Fiscal Year Actual	Actual % Budget
REVENUES					
Federal funds					
Pell	\$ 2,033,016	\$ 1,897,988	93%	\$ 1,840,224	98%
SEOG	310,241	158,700	51%	170,450	57%
Workstudy	459,682	46,603	10%	52,544	10%
Grants and contracts	1,697,874	419,425	25%	287,850	25%
Total federal funds	\$ 4,500,813	\$ 2,522,716	56%	\$ 2,351,068	61%
State grants and contracts	782,954	676,031	86%	537,595	62%
Other grants and contracts	140,894	30,345	22%	89,173	24%
Total current restricted revenues	\$ 5,424,661	\$ 3,229,092	60%	\$ 2,977,836	59%
	=====	=====	=====	=====	=====
EXPENDITURES					
Educational and general					
Instruction	\$ 1,442,777	\$ 391,629	27%	\$ 372,223	31%
Research	385,832	107,846	28%	142,439	28%
Public service	238,041	60,323	25%	38,460	17%
Library	-	4,547	100%	4,765	189%
Academic support	143,694	10,721	7%	17,768	20%
Student services	495,904	223,004	45%	21,228	52%
Institutional support	-	5,892	100%	6,916	200%
Operation and maintenance of plant	-	436	100%	249	100%
Scholarships and other financial aid	2,718,413	2,419,310	89%	2,369,600	79%
Total educational and general	\$ 5,424,661	\$ 3,223,708	59%	\$ 2,973,648	59%
Auxiliary enterprises	\$ -	\$ 5,384	100%	\$ 4,188	426%
Total current restricted expenditures	\$ 5,424,661	\$ 3,229,092	60%	\$ 2,977,836	59%
	=====	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED SCHEDULE OF REVENUES
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	1992-93	1991-92
EDUCATIONAL AND GENERAL		
Tuition and fees		
Fall tuition	\$ 6,966,879	\$ 6,950,304
Summer II tuition	406,250	402,049
Miscellaneous tuition	625	1,402
Student activity fees	851,282	357,767
Other fees	148,553	123,061
Total tuition and fees	\$ 8,373,589	\$ 7,834,583
State appropriations	\$ 11,220,000	\$ 11,941,700
Total state appropriations	\$ 11,220,000	\$ 11,941,700
Indirect cost reimbursements		
Federal and state indirect cost reimbursements	\$ 30,222	\$ 42,200
Total indirect cost reimbursements	\$ 30,222	\$ 42,200
Sales and services of educational departments		
Art cash sales	\$ 5,903	\$ 4,511
Biology Station income	11,189	994
Chemical services	-	10,600
Clinical services	4,616	4,106
Environmental Education income	2,342	126
Fall Business Education Conference	1,221	-
Graphic Arts video	5,925	-
High school journalism workshop	9	8
Kentucky Institute of International Studies (KIIS)	244,179	176,095
Keyboard recruiting	50	-
MSU News advertising	4,282	8,015
MSU X-Ray lab	1,100	800
Office Systems Service Center	58	-
Recording studio	-	20
Shield	44,485	42,622
Theatre revenue	1,950	1,409
TV studio	877	170
University farms	36,108	24,728
Waterfield Center	118	108
Total sales and services of educational departments	\$ 364,412	\$ 274,312
Other Sources		
Air Products Symposium	\$ 1,000	\$ 1,000
Alumni Affairs	788	-
Archeology Services Center	6,236	8,778
Athletics	13,060	40,280
Athletics - Academic Advising	-	25,000
Athletics - Concessions	7,626	9,479
Athletics - NCAA Basketball Tournament	4,588	5,357
Athletics - OVC Basketball Tournament	-	-
Athletics - Marketing	-	670
Athletics - Programs	1,135	2,003
Bad debt expense recovery	30,059	-
Boar Test Unit	6,469	10,890
Breathitt Veterinary Center	36,761	28,625
Camps - basketball	21,610	(135)
Camps - football	-	(175)
Camps - golf	10,450	10,050
Camps - tennis	17,775	11,730

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED SCHEDULE OF REVENUES (cont.)
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	1992-93	1991-92
	-----	-----
Educational and General (cont.)		
Other Sources (cont.)		
Center for Economic Education Council	\$ -	\$ 55,092
Chemistry breakage fees	15	-
Community education	49,679	-
Conferences and workshops	3,270	12,647
Consolidated Educational revenue fund interest	68,964	153,151
Contract residuals	752	-
Cooperative Education/Placement income	1,331	3,434
Counseling and testing	2,474	837
Environmental Consortium of Mid-America	1,000	2,450
Faculty Resource Center	1,991	1,282
Faculty Resource Center copier	188	536
Festival of Champions	1,050	1,000
Forensics team income	4	-
Fort Campbell	44	17,209
Freedom Fest concessions	4,328	-
Friends of Oakhurst	225	-
Hazardous Materials Training	29,815	4,602
Honors Children Chorus	1,476	1,657
Intramurals income	1,191	1,681
Kentucky Honors Roundtable	450	-
Library - census microfilm	132	75
Library - copy service	12,075	10,721
Library - fines	(567)	2,659
Library - interlibrary loan	413	102
Library - other income	2,691	3,994
Livestock and Exposition Center	3,027	1,334
Locker rental	(10)	(15)
Magic Silver Show	800	-
Music recital income	322	501
New Madrid	74	-
Operating fund interest	15,076	58,806
Other revenue	19,486	76,797
Post Office box rental	2,720	2,992
Post Office contract	1,333	2,014
Printing	3,441	2,281
Psychology copy account	212	-
Quad State	1,576	1,728
Recycling program	-	181
Regensburg exchange	32,935	-
Rentals	3,400	4,585
Residence Hall fees	18,878	20,853
Rodeo income	3,844	-
Rural Social Conference	-	560
Sale of surplus property	1,986	8,794
Student Government Association	1,057	3,538
Summer Orientation	15,519	22,386
Super Saturdays	-	(60)
Technology Center	5,125	2,750
Telecommunications commission	30,832	-
Welcome Back	300	-
Wickliffe Mounds Gift Shop	2,136	2,328
Wickliffe Mounds Research Center	7,171	7,837
	-----	-----
Total other sources	\$ 511,788	\$ 646,871
	-----	-----
Total educational and general	\$ 20,500,011	\$ 20,739,666
	-----	-----

MURRAY STATE UNIVERSITY
CURRENT UNRESTRICTED FUNDS
UNAUDITED SCHEDULE OF REVENUES (cont.)
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for the Period Ended September 30, 1991

	1992-93	1991-92
AUXILIARY ENTERPRISES		
Food services	\$ 1,657,158	\$ 1,607,251
Housing services	2,001,253	1,873,437
Bookstore	964,205	955,146
Curris Center	20,488	22,250
University parking - fines	14,225	24,045
University parking - permits	70,220	69,822
Racer Card administration	36,052	34,145
Vending revenue	15,705	19,980
Interest revenue	12,631	12,553
Manual commissions	82	-
Miscellaneous auxiliary revenue	1,492	3,180
Total auxiliary enterprises	\$ 4,793,511	\$ 4,621,809
 Total current unrestricted revenues	 \$ 25,293,522 =====	 \$ 25,361,475 =====

MURRAY STATE UNIVERSITY
PLANT FUNDS
UNAUDITED BALANCE SHEET
As of September 30, 1992
With Comparative Figures As of September 30, 1991

	-----1992-93-----					
	Unexpended Plant	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant	Total	1991-92
ASSETS-						
Cash (Note 2)	\$ 2,258,653	\$ 3,103	\$ -	\$ -	\$ 2,261,756	\$ 2,965,492
Investments	4,031,992	2,813,217	4,437,145	-	11,282,354	7,566,025
Interest receivable	63,375	6,090	110,107	-	179,572	194,061
Accounts receivable	-	425,000	-	-	425,000	425,000
Discount on bonds	114,142	-	-	249,277	363,419	288,593
Due from other funds	-	40,000	-	-	40,000	-
Land	-	-	-	2,569,931	2,569,931	2,485,134
Improvements other than buildings	-	-	-	6,705,347	6,705,347	6,623,406
Buildings	-	-	-	91,732,438	91,732,438	91,607,268
Equipment	-	-	-	18,956,956	18,956,956	18,072,408
Construction in progress	-	-	-	1,393,740	1,393,740	942,194
Assets acquired - capital leases	-	-	-	83,257	83,257	83,257
Library books	-	-	-	14,715,610	14,715,610	13,283,817
Total assets	\$ 6,468,162	\$ 3,287,410	\$ 4,547,252	\$ 136,406,556	\$ 150,709,380	\$ 144,536,655
LIABILITIES AND FUND BALANCE-						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interaccount payables	-	-	-	-	-	-
Interest payable	-	-	365,881	-	365,881	277,687
Due to other funds	14,667	-	-	-	14,667	495,394
Notes payable	-	-	-	-	-	-
Bonds payable	5,401,116	-	-	32,032,605	37,433,721	34,877,826
Obligations capital leases	-	-	-	28,834	28,834	371,225
Other obligations	-	-	-	413,129	413,129	596,585
Total liabilities	\$ 5,415,783	\$ -	\$ 365,881	\$ 32,474,568	\$ 38,256,232	\$ 36,618,717
Fund balance						
Beginning fund balance - July 1	\$ 1,318,795	\$ 3,646,390	\$ 4,172,415	\$ 102,511,649	\$ 111,649,249	\$ 108,988,961
Additions/(deductions) - Year to date	(266,416)	(358,980)	8,956	1,420,339	803,899	(1,071,023)
Total fund balance	\$ 1,052,379	\$ 3,287,410	\$ 4,181,371	\$ 103,931,988	\$ 112,453,148	\$ 107,917,938
Total liabilities and fund balance	\$ 6,468,162	\$ 3,287,410	\$ 4,547,252	\$ 136,406,556	\$ 150,709,380	\$ 144,536,655

MURRAY STATE UNIVERSITY
PLANT FUNDS
UNAUDITED STATEMENT OF CHANGES IN FUND BALANCE
As of September 30, 1992
With Comparative Figures As of September 30, 1991

	-----1992-93-----					
	Unexpended Plant	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant	Total	1991-92
REVENUES AND OTHER ADDITIONS-						
Expenditures for plant facilities	\$ -	\$ -	\$ -	\$ 804,584	\$ 804,584	\$ 598,989
Donated assets	-	-	-	-	-	-
Retirement of indebtedness	-	-	-	665,396	665,396	456,212
Interest income	32,055	23,020	72,770	-	127,845	149,374
Reduction in lease obligations	-	-	-	-	-	-
Reduction in installment obligations	-	-	-	-	-	-
Other additions	-	-	-	-	-	91,690
Total revenues and other addition	\$ 32,055	\$ 23,020	\$ 72,770	\$ 1,469,980	\$ 1,597,825	\$ 1,296,265
EXPENDITURES AND DEDUCTIONS-						
Expended for plant facilities	\$ 642,721	\$ -	\$ -	\$ -	\$ 642,721	\$ 2,017,647
Retirement of indebtedness	-	-	665,396	-	665,396	456,212
Interest on indebtedness	-	-	59,416	-	59,416	53,442
Deletions and disposals	-	-	-	5,888	5,888	-
New bond indebtedness	-	-	-	43,753	43,753	3,887
Other deductions	-	-	3,888	-	3,888	-
Total expenditures and deductions	\$ 642,721	\$ -	\$ 728,700	\$ 49,641	\$ 1,421,062	\$ 2,531,188
TRANSFERS AMONG FUNDS-						
Mandatory						
Principal and interest	\$ -	\$ -	\$ 664,959	\$ -	\$ 664,959	\$ 408,733
Non-mandatory						
Transfer from unrestricted current to unexpended plant	344,177	-	-	-	344,177	596,019
Transfer from unrestricted current to renewal and replacement	-	-	-	-	-	-
Transfer from unexpended plant to unrestricted current	-	-	-	-	-	(1,000)
Transfer from renewal and replacement to unrestricted current	-	(382,000)	-	-	(382,000)	(839,852)
Transfer from unexpended plant to retirement of indebtedness	-	-	-	-	-	-
Transfer from unexpended plant to investment in plant	-	-	-	-	-	-
Transfer from retirement of indebtedness to unexpended plant	73	-	(73)	-	-	-
Transfer from investment in plant to unexpended plant	-	-	-	-	-	-
Total transfers	\$ 344,250	\$ (382,000)	\$ 664,886	\$ -	\$ 627,136	\$ 163,900
Net increase(decrease) - year to date	\$ (266,416)	\$ (358,980)	\$ 8,956	\$ 1,420,339	\$ 803,899	\$ (1,071,023)
Fund balance - beginning July 1	\$ 1,318,795	\$ 3,646,390	\$ 4,172,415	\$ 102,511,649	\$ 111,649,249	\$ 108,988,961
Total fund balance - ending June 30	\$ 1,052,379	\$ 3,287,410	\$ 4,181,371	\$ 103,931,988	\$ 112,453,148	\$ 107,917,938

MURRAY STATE UNIVERSITY
PLANT FUNDS
UNAUDITED UNEXPENDED REVENUES AND EXPENDITURES
For the Period July 1, 1992 through September 30, 1992

	Revised Budget	Fiscal Year to Date	Project Year to Date	Encumbrances	Balance Available
REVENUES					
Revenue bond proceeds	\$ 14,070,308	\$ -	\$ 17,699,180	\$ -	\$ (3,628,872)
Local funds	2,866,931	344,177	2,866,931	-	-
Investment income	1,780,128	32,127	2,662,761	-	(882,633)
Other State funds	1,128,559	-	1,446,889	-	(318,330)
Other	-	-	-	-	-
State appropriations	343	-	343	-	-
Total revenues	\$ 19,846,269	\$ 376,304	\$ 24,676,104	\$ -	\$ (4,829,835)
EXPENDITURES					
Architect and engineering fees	\$ 1,417,418	\$ 19,806	\$ 925,684	\$ 93,096	\$ 398,638
General construction	12,603,357	347,343	11,839,939	513,754	249,664
Movable equipment/furniture	3,270,750	215,918	3,164,762	-	105,988
Land/right of way	1,142,910	-	1,139,410	-	3,500
Legal and administrative costs	157,606	-	153,212	-	4,394
Transfer for debt service	782,938	-	782,938	-	-
Miscellaneous expense	6,500	268	6,489	-	11
Agency labor	118,162	6,854	51,570	-	66,592
Agency materials	178,480	17,237	109,497	-	68,983
Arbitrage rebate transfer	-	-	163,249	-	(163,249)
Contingency	168,148	-	-	-	168,148
Total expenditures	\$ 19,846,269	\$ 607,426	\$ 18,336,750	\$ 606,850	\$ 902,669

MURRAY STATE UNIVERSITY
PLANT FUNDS
UNAUDITED SCHEDULE OF UNEXPENDED REVENUES AND EXPENDITURES
For the Period July 1, 1992 through September 30, 1992

PROJECT	Revised Budget	Fiscal Year to Date	Project Year to Date	Encumbrances	Balance Available
100 Clearing	\$ 61,196	\$ -	\$ -	\$ -	\$ 61,196
131 Land acquisitions	1,200,690	-	1,192,796	-	7,894
251 Industry and Technology building	13,750,000	7,420	13,728,641	-	21,359
300 Con Ed Series E and F clearing	989,716	-	882,764	-	106,952
400 Con Ed Series G clearing	-	-	83,542	-	(83,542)
403 Steam/condensate lines replacement	414,600	234,904	325,042	67,861	21,697
405 Renovate old fine arts building	186,000	-	21,726	41,775	122,499
410 National Boy Scout Museum Phase IV	36,814	-	28,064	8,750	-
420 On-line Library computer system	266,000	208,498	208,498	-	57,502
427 Regents Hall ceiling tiles and lights	35,554	-	26,494	-	9,060
500 Project 48 bonds clearing	-	-	79,707	-	(79,707)
501 E & G sprinkler systems	534,821	78,627	457,205	54,136	23,480
502 PCB removal - 1990-92	101,608	21,750	98,842	991	1,775
503 Hazardous waste storage	41,000	797	872	-	40,128
514 New campus phone switch	837,613	(35,294)	837,531	-	82
528 Emergency generators and lighting	156,130	-	15,452	133,696	6,982
529 College Court roof replacement	95,000	49,278	84,024	9,951	1,025
531 Old fine arts asbestos removal	12,000	-	4,935	1,565	5,500
533 Parking lot expansion - 13th and Payne	85,000	433	433	63,342	21,225
534 Fire alarm replacement and compressed gas storage	67,500	1,870	8,942	-	58,558
535 Asbestos abatement - Blackburn, etc.	90,000	5,298	77,793	846	11,361
537 Underground fuel tank replacement	137,000	241	92,021	19,000	25,979
538 Flammable storage cabinets	42,500	-	-	-	42,500
539 Renovate Security and Information Office	42,000	19,615	56,518	-	(14,518)
541 Parking lot - 16th and Olive Streets	55,000	420	420	23,200	31,380
542 Parking Lot - Waldrop and Chestnut Streets	75,000	-	-	-	75,000
545 BVC HVAC renovation	10,000	-	-	3,101	6,899
546 Sparks Hall roof	82,000	4,192	4,192	70,341	7,467
547 Update Campus Master Plan	175,000	-	5,000	1	169,999
549 Hancock Biological Station roof replacement	85,000	5,969	6,969	68,459	9,572
550 Dorm generators/lighting	42,827	442	442	39,835	2,550
551 Hancock Biological Station - cabins, bathhouse	90,000	2,606	7,525	-	82,475
600 Project 50 Bonds clearing	-	-	-	-	-
601 Project 50 interest clearing	-	-	-	-	-
619 Central Plant Roof Replacement	8,000	-	-	-	8,000
620 Asbestos Abatement - various buildings	8,000	360	360	-	7,640
621 HVAC Curris Center Ballroom	7,700	-	-	-	7,700
622 BVC HVAC system	10,000	-	-	-	10,000
623 Expo/South Farm inventory	15,000	-	-	-	15,000
700 Con Ed Series H clearing	-	-	-	-	-
Total	19,846,269	607,426	18,336,750	606,850	902,669

MURRAY STATE UNIVERSITY
NOTES TO FINANCIAL REPORT
For the Period July 1, 1992 through September 30, 1992

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 (cont.)
For the Period July 1, 1992 through September 30, 1992

Note 5. 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 from fiscal year 91/92.

Note 6. Tuition and Fees and Scholarships

Incentive Grants of \$752,263 have been included as both tuition revenue and as scholarship expenditures. The amounts are \$30,437 for Summer II 1992 and \$721,826 for Fall 1992.

Note 7. Unrestricted Expenditures

In addition to expenditures, outstanding encumbrances as of September 30, 1992 are \$738,191 for Educational and General and \$2,936 for Auxiliary Enterprises.

Note 8. Bond Sinking Funds

Additional debt service has been paid from reserves held by the Trustee. The amount is \$14,633 for Housing and Dining.

Note 9. Transfers from/(to) Plant Funds

	Unrestricted Educational and General	Unrestricted Auxiliaries
	-----	-----
I. Transfer from Consolidated Educational Renewal and Replacement Fund:		
a. Compliance survey - American Disability Act	\$ 50,000	\$ -
b. Wells Hall - repair and replace exterior windows	70,000	-
c. Ordway Hall - replace central air conditioning units	40,000	-
d. Miscellaneous sidewalk repairs	30,000	-
e. Curris Center Ballroom air conditioning	50,000	-
f. Business Building - replace corridor HVAC units	40,000	-
g. Central heating and cooling plant - roof replacement	80,000	-
h. Sparks Hall - roof repair	22,000	-
Total	\$ 382,000	\$ -
	=====	=====
II. Transfer to Unexpended Plant Fund:		
a. Parking lot - 13th and Payne	\$ -	\$ (84,400)
b. Sparks Hall - roof repair	(76,800)	-
c. Update Campus Master Plan	(145,000)	-
d. Curris Center Ballroom air conditioning	(7,700)	-
e. Residence halls - emergency generators and lighting	(2,827)	-
f. BVC HVAC system	(10,000)	-
g. Expo/South Farm site investigation	(15,000)	-
h. College Courts - roof repair	-	(2,450)
Total	\$ (257,327)	\$ (86,850)
	=====	=====

MURRAY STATE UNIVERSITY
NOTES TO FINANCIAL REPORT (cont.)
For the Period July 1, 1992 through September 30, 1992

Note 9. Transfers from/(to) Plant Funds (cont.)

	Unrestricted Educational and General	Unrestricted Auxiliaries
	-----	-----
III. Transfer from Unexpended Plant Fund:		
a. Chemistry analyzer - payment #1 of 3	\$ (20,000)	\$ -
Total	\$ (20,000)	\$ -
	=====	=====
IV. Transfer to Educational and General from Auxiliaries:		
a. University Bookstore	\$ 72,320	\$ (72,320)
Total	\$ 72,320	\$ (72,320)
	=====	=====



Murray State University

Investment Report

FOR THE PERIOD
July 1, 1992 - September 30, 1992

SUBMITTED TO
THE PRESIDENT
AND
BOARD OF REGENTS
November 13-14, 1992

Murray State University

Murray, Ky. 42071

October 23, 1992

President Ronald J. Kurth and
Members of the Board of Regents
Murray State University
Murray, KY 42071

Dear President Kurth and Members of the Board:

Attached is the Investment Report of Murray State University for the period July 1, 1992 through September 30, 1992.

Contents	Page
Summary of Investment Earnings by Fund.....	1
Summary of Investment Earnings by Fund and Fund Accounts.....	2
Schedule of Investment Activity.....	3-5
Notes to Investment Report.....	6-9

Don W. Kassing
Don W. Kassing
Vice President for
University Relations
and Administrative Services

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

nch

cc: Dr. James L. Booth, Provost and Vice President for Academic
and Student Affairs

MURRAY STATE UNIVERSITY
SUMMARY OF INVESTMENT EARNINGS BY FUND
For the Period July 1, 1992 through September 30, 1992

	Current Funds	Endowment Funds	Plant Funds	Total
	-----	-----	-----	-----
Investment Earnings to Date	\$ 111,991	\$ 17,779	\$ 123,958	\$ 253,728
	=====	=====	=====	=====
Composite Interest Rates*	4.12%	4.00%	4.62%	4.36%
	=====	=====	=====	=====

*Computation does not include money market earnings.

MURRAY STATE UNIVERSITY
SUMMARY OF INVESTMENT EARNINGS
BY FUND AND FUND ACCOUNTS
For the Period July 1, 1992 through September 30, 1992
With Comparative Figures for Period Ended September 30, 1991

	Earnings To Date 1992-93	Earnings To Date 1991-92
	-----	-----
CURRENT FUNDS		
Local Bank Accounts Interest (Peoples Bank)	\$ 35,048	\$ 91,721
Consolidated Educational Revenue Fund (Frankfort)	68,964	220,767
Housing and Dining Revenue Fund (Frankfort)	7,979	8,218
	-----	-----
Total Current Funds	\$ 111,991	\$ 320,706
	=====	=====
ENDOWMENT FUNDS		
Endowed Chair	\$ 5,241	\$ 10,209
Smith Endowment	12,538	-
	-----	-----
Total Endowment Fund	\$ 17,779	\$ 10,209
	=====	=====
PLANT FUNDS		
Consolidated Educational Renewal and Replacement (Frankfort)	\$ 17,089	\$ 44,787
Unexpended Plant (Frankfort)		
Series G Bonds	5,817	48,341
Series H Clearing	26,238	-
Asbestos/PCB Bonds (Frankfort)	-	25,240
Retirement of Indebtedness (Trustee-Citizens Fidelity)		
Consolidated Educational Sinking Fund	61,938	64,695
Consolidated Educational Series G Arbitrage Rebate Fund	792	1,776
Housing and Dining Sinking Fund	6,152	20,263
Housing and Dining Repair and Maintenance Fund	5,932	13,507
	-----	-----
Total Plant Funds	\$ 123,958	\$ 218,609
	=====	=====

MURRAY STATE UNIVERSITY
CURRENT FUNDS
SCHEDULE OF INVESTMENT ACTIVITIES
For the Period July 1, 1992 through September 30, 1992

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1992-93 Earnings

EDUCATIONAL AND GENERAL						

Interest on Local Bank Accounts						

Peoples Bank		continuous		Daily rate per overnight Peoples Bank balances		\$ 35,048
Total Local Bank Accounts interest earnings to date						\$ 35,048
						=====
Consolidated Educational Revenue Fund (Frankfort)						

Repurchase Agreement	07/15/92	30 days	15 days	3.810%	\$ 1,500,000	\$ 2,222
Repurchase Agreement	07/24/92	39 days	24 days	3.810%	5,225,000	12,718
Commercial Paper	08/14/92	37 days	37 days	3.432%	2,299,887	8,113
Repurchase Agreement	08/14/92	30 days	30 days	3.320%	1,500,000	4,150
Commercial Paper	08/24/92	31 days	31 days	3.430%	2,991,165	8,835
Commercial Paper	08/24/92	31 days	31 days	3.309%	799,721	2,279
Commercial Paper	09/14/92	31 days	31 days	3.309%	2,774,892	7,908
Repurchase Agreement	09/25/92	32 days	32 days	3.330%	5,350,000	15,836
Repurchase Agreement	10/15/92	31 days	17 days	3.050%	1,850,000	2,665
Commercial Paper	10/23/92	28 days	6 days	3.258%	5,499,812	2,987
Commercial Paper	11/16/92	52 days	6 days	3.195%	2,349,876	1,251
Total Consolidated Educational Revenue Fund interest earnings to date						\$ 68,964
						=====
Total Current Funds Educational and General interest earnings to date						\$ 104,012
						=====
AUXILIARY ENTERPRISES						

Housing and Dining Revenue Fund (Frankfort)						

Repurchase Agreement	07/15/92	30 days	15 days	3.810%	\$ 525,000	\$ 778
Repurchase Agreement	08/14/92	30 days	30 days	3.321%	525,000	1,453
Commercial Paper	09/14/92	31 days	31 days	3.309%	849,967	2,422
Repurchase Agreement	09/25/92	32 days	32 days	3.330%	350,000	1,036
Repurchase Agreement	10/15/92	31 days	17 days	3.050%	915,000	1,318
Commercial Paper	10/23/92	28 days	6 days	3.258%	1,299,956	706
Commercial Paper	11/16/92	52 days	6 days	3.195%	499,974	266
Total Housing and Dining Revenue Fund interest earnings to date						\$ 7,979
						=====
Total Auxiliary Enterprises interest earnings to date						\$ 7,979
						=====
Total Current Funds interest earnings to date						\$ 111,991
						=====

MURRAY STATE UNIVERSITY
ENDOWMENT FUND
SCHEDULE OF INVESTMENT ACTIVITIES
For the Period July 1, 1992 through September 30, 1992

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1992-93 Earnings

ENDOWED CHAIR						
Certificate of Deposit	11/09/92	182 days	92 days	4.100%	\$ 170,000	\$ 1,757
Certificate of Deposit	11/17/92	182 days	92 days	3.950%	250,000	2,489
Certificate of Deposit	11/17/92	182 days	92 days	3.950%	100,000	995
Total Endowed Chair interest earnings to date						-----
						\$ 5,241
						=====

SMITH ENDOWMENT

Investment	Date Acquired	Endowment Value	Market Value per Share	# of Shares	Value at 09/30/92	Earnings

Stocks						
Allied-Signal Inc.	01/04/91	\$ 444	\$ 52.000	16	\$ 832	\$ 4
Amoco Corp.	01/04/91	4,000	52.750	80	4,220	44
Ashland Oil, Inc.	01/04/91	27,141	24.875	996	24,776	249
Atlanta Gas Light Co.	01/04/91	3,233	37.625	106	3,988	55
Champion International Corp.	01/04/91	612	99.500	24	2,388	1
Chevron Corp.	01/04/91	29,962	74.125	422	31,281	348
Cincinnati Gas & Electric Co. (4% PFD)	01/04/91	1,320	52.000	30	1,560	30
Cyprus Minerals Co.	01/04/91	113	31.500	6	189	1
Holnam, Inc.	01/04/91	84	2.875	25	72	-
Inland Steel Industries, Inc.	01/04/91	728	18.500	30	555	-
Ipalco Enterprises, Inc.	01/04/91	806	35.125	30	1,054	15
Kansas City Power & Light Co. (4.5% PFD)	01/04/91	485	23.125	10	231	11
LG & E Energy Corp.	01/04/91	19,778	34.000	744	25,296	365
LTV Corp. (1.25% PFD)	01/04/91	9	0.625	18	11	-
LTV Corp.	01/04/91	51	0.625	90	56	-
Praxair, Inc.	07/01/92		16.000	75	1,200	5
Sears, Roebuck and Co.	01/04/91	38,437	44.750	1,500	67,125	750
USX-U.S. Steel Group	05/07/92		24.625	45	1,108	11
USX-Marathon Group	01/04/91	6,469	18.750	225	4,219	-
Union Carbide Corp.	01/04/91	1,266	13.125	75	984	14
Union Electric Co. (4.5% PFD)	01/04/91	500	96.625	10	966	11
Walgreen Co.	01/04/91	201,500	38.250	4,000	153,000	520
Westinghouse Electric Corp.	01/04/91	12,420	16.250	480	7,800	87
Total dividends earned on Smith Endowment						-----
						\$ 2,521
						=====
Bonds						
Savings Bonds - Series E	01/04/91	\$ 139,807	N/A	N/A	\$ 166,513	\$ 9,282
Savings Bonds - Series H	01/04/91	37,577	N/A	N/A	37,000	735
Total interest earned on bonds from Smith Endowment						-----
						\$ 10,017
						=====
Total earnings on Smith Endowment						-----
						\$ 12,538
						=====
Total Endowment Funds earnings to date						-----
						\$ 17,779
						=====

MURRAY STATE UNIVERSITY
PLANT FUNDS
SCHEDULE OF INVESTMENT ACTIVITIES (cont.)
For the Period July 1, 1992 through September 30, 1992

Type of Investment	Maturity	Term	Days Interest Earned	Effective Yield	Cost	1992-93 Earnings
Consolidated Educational Renewal and Replacement (CERR)						
Commercial Paper	09/18/92	91 days	79 days	3.850%	\$ 1,063,548	\$ 9,074
Repurchase Agreement	09/18/92	64 days	64 days	3.280%	980,000	5,715
Repurchase Agreement	12/18/92	125 days	13 days	3.100%	2,055,000	2,300
Total Consolidated Educational Renewal and Replacement interest earnings to date						\$ 17,089
=====						
UNEXPENDED PLANT FUND						
Series G Bonds						
Commercial Paper	09/18/92	91 days	79 days	3.850%	\$ 603,073	\$ 5,145
Repurchase Agreement	12/18/92	91 days	13 days	3.100%	600,000	672
Total Series G interest earnings to date						\$ 5,817
=====						
Series H Clearing						
State Pool	Unknown	Unknown	92 days	3.060%	\$ 3,431,992	\$ 26,238
Total Series H Clearing interest earnings to date						\$ 26,238
=====						
Total Unexpended Plant Fund interest earnings to date						\$ 32,055
=====						
RETIREMENT OF INDEBTEDNESS FUND						
Consolidated Educational Sinking Fund						
Treasury Note	10/31/92	653 days	92 days	7.056%	\$ 3,237,335	\$ 58,499
Money Market Securities	06/30/93	365 days	92 days	Various	439,333	3,439
Total Consolidated Educational Sinking Fund interest earnings to date						\$ 61,938
=====						
Consolidated Educational Series G Arbitrage Rebate Fund						
Money Market Securities	06/30/93	365 days		Various	\$ 101,574	\$ 792
Total Consolidated Educational Series G Arbitrage Fund interest earnings to date						\$ 792
=====						
Housing and Dining Sinking Fund						
Money Market Securities	06/30/93	365 days		Various	\$ 685,230	\$ 6,152
Total Housing and Dining Sinking Fund interest earnings to date						\$ 6,152
=====						
Housing and Dining Repair and Maintenance Reserve Fund						
Money Market Securities	06/30/93	365 days		Various	\$ 758,218	\$ 5,932
Total Housing and Dining Repair and Maintenance Reserve Fund interest earnings to date						\$ 5,932
=====						
Total Retirement of Indebtedness Fund interest earnings to date						\$ 74,814
=====						
Total Plant Funds interest earnings to date						\$ 123,958
=====						

MURRAY STATE UNIVERSITY
NOTES TO INVESTMENT REPORT
For the Period July 1, 1992 through September 30, 1992

Note 1. BASIS OF REVENUE RECOGNITION

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

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. 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 state in the state's name. The investments of the University not held in the state investment pool are insured, registered, or held by the University or by an agent of the University.

Below is a summary of investments held by the University.

	09/30/92 Carrying Amount	09/30/91 Carrying Amount
U.S. Government Securities	\$ 3,414,719	\$ 3,236,559
Stocks	349,357	-
Certificates of Deposit	520,000	520,000
Money Market Securities	1,984,354	1,482,570
Repurchase Agreements	600,000	1,276,540
Subtotal:	\$ 6,868,430	\$ 6,515,669
Investment in state investment pool	\$ 17,901,610	\$ 16,477,520
Total Investments	\$ 24,770,040	\$ 22,993,189

Note 3. CURRENT FUNDS - LOCAL BANK ACCOUNT

Per banking contract with People's Bank, interest earnings are based on 100% of the overnight federal funds rate.

Interest earnings may be expended in Current Fund.

Note 4. 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, to deposit tuition and fees in order to provide funds to service the principal and interest debt requirements of each series of

MURRAY STATE UNIVERSITY
NOTES TO INVESTMENT REPORT
For the Period July 1, 1992 through September 30, 1992

Note 4. CONSOLIDATED EDUCATIONAL BUILDING AND REVENUE BOND FUND (CEBRB)
(cont.)

aforementioned bonds. The fund also supports the Educational and General Fund operations.

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 Board of Regents policy dated March 1982. The earnings are then used according to the Board's approval for renewal and replacement projects.

Note 5. 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, to deposit 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.

Invested earnings may be expended in Current Unrestricted Auxiliary Fund.

Note 6. ENDOWMENT FUND INVESTMENTS

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.

During the last quarter of fiscal year 1991-92, the University received the Laura Smith Endowment. The endowment is composed of \$139,807 in Series E bonds and interest, \$37,577 in Series H bonds and interest, and \$349,357 in various stocks. The valuation date of the assets of the endowment is the date of death, the date of valuation used on the estate tax returns.

Note 7. 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 4.

MURRAY STATE UNIVERSITY
NOTES TO INVESTMENT REPORT
For the Period July 1, 1992 through September 30, 1992

Note 8. 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, 1987. 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 University invests the proceeds in the same manner as CEBRB in Note 4.

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 9. UNEXPENDED PLANT FUNDS - SERIES H 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 \$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.

The University invests the proceeds in the same manner as CEBRB in Note 4.

Interest earnings on Series H can be spent on the old Fine Arts building and the repair and replacement of steam condensate lines.

Note 10. 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 4)

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 \$3,646,378.

Note 11. RETIREMENT OF INDEBTEDNESS - HOUSING AND DINING SINKING 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.

MURRAY STATE UNIVERSITY
NOTES TO INVESTMENT REPORT
For the Period July 1, 1992 through September 30, 1992

Note 11. RETIREMENT OF INDEBTEDNESS - HOUSING AND DINING SINKING FUND
(cont.)

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

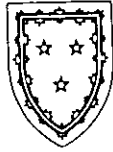
Interest earnings are retained in the fund for future use. Bond requirements mandate a minimum reserve of \$672,273.

Note 12. 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 indenture. Bond requirements mandate a minimum reserve of \$550,000.



Murray State University

Office of Admissions and Records
Murray, Kentucky 42071-3308
Telephone (502) 762-3741
In-state call Toll free: 1-800-592-3977

February 5, 1993

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 18, 1992.

Sincerely,

A handwritten signature in dark ink, appearing to read "Phil Bryan". The signature is fluid and cursive, with the first and last names being clearly legible.

Phil Bryan
Dean of Admissions
and Registrar

Attachment

DECEMBER 1992 ASSOCIATE OF ARTS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Darnell	Angela	J.		AA	921
Guill	Melissa	Dawn		AA	921
Higgs	James	Carl		AA	921
Newton	Susan	Lynn		AA	921
Reeves	Suzanne	M.		AA	921
Thompson	Lisa	Dean		AA	921
West	June	M.		AA	921

Count: 7

. DECEMBER 1992 ASSOCIATE OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Gold	Robert	E.		AS	921
Hargrove	Ronnie	Ray		AS	921
Smith	Richard	W.		AS	921

Count: 3

DECEMBER 1992 BACHELOR OF ARTS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Barrera	Jezabel			BA	921
Chiang	Louise	Jean		BA	921
Dalton	Ronda	M.		BA	921
Dempsey	Beth	Eyer		BA	921
Diderik	Corine			BA	921
Eakins	Lee	Ann		BA	921
Hatton	John	S.		BA	921
Hawkins	Kristin	Rae		BA	921
Lage	Gina	Marie		BA	921
Lawrence	Janet	A.		BA	921
Marshall	Richard	Gordon	Jr.	BA	921
Sanders	Leonard	Hugh		BA	921
Shain	Lori	Ann		BA	921
Snow	David	Barton		BA	921
Suchman	Elizabeth	Rena		BA	921
Whitaker	Mark	James		BA	921
Winiger	Kristina	Jane		BA	921
Wright	Carla	Kae		BA	921

 Count: 18

DECEMBER 1992 BACHELOR OF ARTS IN BUSINESS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Alexander	Carey	Tyler		BAB	921
Cottingham	Kimberley	Hundley		BAB	921
Miller	Michelle	Angela		BAB	921
Unyi	William	J.		BAB	921

 Count: 4

DECEMBER 1992 BACHELOR OF FINE ARTS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Atchison	Colvin	C.		BFA	921
Baxter	Mary	Michele		BFA	921
Lanier	Lisa	Ann		BFA	921
Polsgrove	Candace	Key		BFA	921
Straub	James	Rau		BFA	921

 Count: 5

DECEMBER 1992 BACHELOR OF INDEPENDENT STUDIES DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Curl	Larry			BIS	921
Douglas	Walter	E.		BIS	921

 Count: 2

DECEMBER 1992 BACHELOR OF MUSIC EDUCATION DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Gaietta	Patricia	Elizabeth		BME	921
Sims-Groves	Amanda			BME	921

 Count: 2

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Adams	Bryan	Tillman		BS	921
Alexander	Mary	Lynn		BS	921
Allen	Otis	G.		BS	921
Anderson	Duane	Lewis		BS	921
Anderson	Tammy			BS	921
Askins	Jill	Maureen		BS	921
Barber	Gretchen	Jaco		BS	921
Barnett	Treasa	G.		BS	921
Benton	Gary	Wayne		BS	921
Black	Brian	Joseph		BS	921
Boling	Gary	Eugene		BS	921
Bottoms	Jason	Michael		BS	921
Brown	Emily	Margaret		BS	921
Brown	Julie	Marie		BS	921
Brumbaugh	Lisha	Lynne		BS	921
Buntin	Dawn	Denise		BS	921
Burton	Jeannie	L.		BS	921
Campbell	Tammye	Michelle		BS	921
Capo	Leisa	Carol		BS	921
Carr	Allison	Faye		BS	921
Champion	Penny	Lynn		BS	921
Chaney	Rhonda	Michelle		BS	921
Chester	Deborah	Ann		BS	921
Christ	Aaron	C.		BS	921
Cole	Leslie	C.		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Collier	Cathie	J.		BS	921
Cothran	William	Mitchell		BS	921
Council	Thad	Eric		BS	921
Cownie	William	H.		BS	921
Cox	James	Andrew		BS	921
Crady	James	Harold	II	BS	921
Croxton	Jennifer	G.		BS	921
Cunningham	Rebecca			BS	921
Davis	Paul	W.		BS	921
Davis	Thomas	C.		BS	921
Dodd	Rebecca	Lynn		BS	921
Dodson	Kevin	James		BS	921
Draper	William	Reid		BS	921
Driver	Donna	Elizabeth		BS	921
Dudley	Lisa	Estelle		BS	921
Dunbar	Harold	Ray		BS	921
Edelen	Jill	A.		BS	921
Eli	Dewan	M.		BS	921
Elliott	Holly	Lynn		BS	921
Ervin	Robert	Bernard		BS	921
Ferrell	Melinda	Gail		BS	921
Fitzgerald	L.	Diane		BS	921
Flamm	Valerie	Gail		BS	921
Fletcher	Paul	Taylor		BS	921
Fletcher	Tamara	M.		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Franklin	Phillip	Cary		BS	921
Freeland	John	Joseph		BS	921
Freeman	Thomas	L.		BS	921
Futrell	Amy	Pyle		BS	921
Gafford	William	Ray		BS	921
Gavner	Michael	F.		BS	921
Gibbons	Troy	G.		BS	921
Goad	Valarie	Suzanne		BS	921
Goodaker	Amanda	Ruth		BS	921
Gordon	Robyn	Leigh		BS	921
Graham	Kerry	Kristiane		BS	921
Grant	Elizabeth	J.		BS	921
Green	Sheila	Gail		BS	921
Green	Tania	Brett		BS	921
Green	Traci	Dianne		BS	921
Gregory	Kelly	Marie		BS	921
Gunn	Shannon	Danielle		BS	921
Guy	William	M.		BS	921
Hanson	Elizabeth	Gay		BS	921
Hardison	Elise	Carol		BS	921
Harper	Richard	Scott		BS	921
Harris	Herbert	Edwin	III	BS	921
Harris	Roberta	Jean		BS	921
Hayes	Dale	B.		BS	921
Heath	Lorie	Ellen		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Henry	Holly	Susanne		BS	921
Herndon	Joan	Denise		BS	921
Higgins	Kimberly	L.		BS	921
Hill	Troy	Zane		BS	921
Holland	Lisa	Carol		BS	921
Hopkins	Lisa	Michele		BS	921
Howell	Laura	Beth		BS	921
Hunt	Robert	J.		BS	921
Iddings	Scott	M.		BS	921
Jaco	Greg	C.		BS	921
Jameson	Jay	Wilson		BS	921
Jessup	Nancy	Y.		BS	921
Johnson	Angela	Lee		BS	921
Johnson	Lisa	Anne		BS	921
Johnson	Steven	Kent		BS	921
Jones	Fleta	Michelle		BS	921
Jones	Gregory	Wilson		BS	921
Jones	Kathy	Ray		BS	921
Keith	Monte	Wade		BS	921
Kendall	Laura			BS	921
Koch	Amy	Lynette		BS	921
Lawson	James	Chadwick		BS	921
Leach	Patricia	Darlene		BS	921
Leet	Julie	Renee		BS	921
Leverenz	Kevin	Theodore		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Liberti	Patricia	Ann		BS	921
Lovall	Gina	Christine		BS	921
Luttrell	Tiffiny	Chantelle		BS	921
Mabry	Jeffrey	Don		BS	921
Martin	Dyan	Gale		BS	921
Martin	Jennifer	L.		BS	921
Martin	Matthew	Ray		BS	921
Mattingly	Cynthia	Ann		BS	921
Mattingly	Dawn	Michelle		BS	921
Matucci	Tomi	Joyce		BS	921
Maxie	Shawn	D.		BS	921
Mayne	Carrie	E.		BS	921
McClure	Cary	J.		BS	921
McCormick	Patrick	A.		BS	921
McCurdy	Christopher	Alan		BS	921
McCurdy	Saundra	Gail	Ball	BS	921
McDonald	Jodi	Carol		BS	921
McElroy	Ronda	Lee		BS	921
McKinney	Traci	L.		BS	921
McLean	Joe	F.		BS	921
McLeod	Donna	Jean	Dill	BS	921
Mefford	Monte	Lutz		BS	921
Messmer	Angela	Huddleston		BS	921
Mitchell	Carolee			BS	921
Moore	Esteva	Denise	Bargo	BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Moore	Richard	Stephen		BS	921
Morehead	Sherry	Denise		BS	921
Morgan	Dottie			BS	921
Motz	Layne	C.		BS	921
Nussbaum	Lisa	Renee		BS	921
Oden	Elaine	D.		BS	921
Oldham	Kennita	Ruth		BS	921
O'Nan	Juliet	Lynn		BS	921
Page	Michael	T.		BS	921
Paulk	Angela	Lee		BS	921
Perry	Amber	Christine		BS	921
Phipps	Stacey	Kaye		BS	921
Ploetner	Lori	Ann		BS	921
Pryor	Jeffrey	Scott		BS	921
Pursley	Darrin	Scott		BS	921
Qualls	Deborah	H.		BS	921
Rankin	Sheri	Lynn		BS	921
Redman	Kelly	Dawn		BS	921
Riley	Ken	Wade		BS	921
Rinks	Rebecca	J.		BS	921
Rose	Margaret	A.		BS	921
Rowe	Janet	Melinda		BS	921
Rucker	Jamie	Lynn		BS	921
Rudd	Holly	Clark		BS	921
Russell	Mitchell	Dee		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Scott	Julie	Annette		BS	921
Scott	Teresa	Lynn		BS	921
Seibert	Suzanne	Marie		BS	921
Short	Lesley	Francine		BS	921
Smith	Grady	Allen		BS	921
Smith	Rebecca	Lee		BS	921
Smith	Tamra	Lynn		BS	921
Spencer	Brenda	Marie		BS	921
Stagner	Amy	Elizabeth		BS	921
Stahr	Will	Dee	Gallman	BS	921
Stephens	Barbara	Ann		BS	921
Stewart	David	Coleman		BS	921
Stinnett	Debra	Rawlins		BS	921
Stovall	Natalie	Nix		BS	921
Stubblefield	Jennifer	Geurin		BS	921
Sullivan	Richard	Maxell		BS	921
Summers	Forest	Eugene	Jr.	BS	921
Taylor	Kenneth	O.	Jr.	BS	921
Thomas	Julie	M.		BS	921
Thompson	Brent	Dwight		BS	921
Thompson	Kimberly	J.		BS	921
Troutman	Michael	Thomas		BS	921
Tynes	Carol	Bryant		BS	921
Tyrie	Marsha	M.		BS	921
Vincent	Barry	Bruce		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Wadlington	Chad	Richard		BS	921
Waldrop	Mark	Edward		BS	921
Wall	Deana	Michele		BS	921
Wall	Jamie	Zasada		BS	921
Wallis	Laura	Lee		BS	921
Walsh	Debra	Lynn		BS	921
Ward	Michelle	E.		BS	921
Warnecke	Mary	Beth		BS	921
Watkins	Chad	Alan		BS	921
Weatherspoon	Lee	Anne		BS	921
West	Sheri	L.		BS	921
Whittington	Christy	Beyon		BS	921
Wickham	Jeffrey	D.		BS	921
Williams	Daniel	R.		BS	921
Williams	John	Nathan		BS	921
Willoughby	Brian	A.		BS	921
Wilson	Matthew	Albert		BS	921
Witte	John	Jay		BS	921
Witzel	David	Shane		BS	921
Wood	Bridgett	Ann		BS	921
Woods	Debra	Jane		BS	921
Woods	Stacey	Renae		BS	921
Workman	Mark	Anthony		BS	921
Wright	Melissa	Lee		BS	921
Wurth	Stacey	Carol		BS	921

DECEMBER 1992 BACHELOR OF SCIENCE DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Young	Mark	Alan		BS	921
Young	Samuel	Jackson		BS	921

Count: 202

DECEMBER 1992 BACHELOR OF SCIENCE IN AGRICULTURE DEGEES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Brooks	Hampton	M.		BSA	921
Chastain	Jan	J.		BSA	921
Courtney	Stacey	Thomas		BSA	921
Ezell	William	J.		BSA	921
Howe	Dina	Kaye		BSA	921
McCartney	Timothy	Allan		BSA	921
Rideout	Paul	Andrew		BSA	921
Skaggs	Tresa	Uvon		BSA	921
Suver	Leigh	Ann		BSA	921

 Count: 9

DECEMBER 1992 BACHELOR OF SCIENCE IN BUSINESS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Altepeter	John	V.		BSB	921
Banks	Robert	Presley		BSB	921
Barrow	Dorothy	Ann		BSB	921
Beach	Jeffrey	Clayton		BSB	921
Beardsley	Markus	Dean		BSB	921
Billington	Cheryl			BSB	921
Block	Cheryl	M.		BSB	921
Boehm	Brenda	Lyn		BSB	921
Broom	Darren	John		BSB	921
Bryant	Christopher	Allen		BSB	921
Burkhead	Brian	Keith		BSB	921
Byrd	Terry	L.		BSB	921
Carson	Robert	Lee		BSB	921
Coursey	Ray	Gene	Jr.	BSB	921
Davis	Ricky	L.		BSB	921
Dowdy	Steven	Lee		BSB	921
French	Shannon	Smith		BSB	921
Garland	Tammy	G.		BSB	921
Graves	Brian	Chester		BSB	921
Griffith	Margaret	Annette		BSB	921
Guillerman	Stephen	F.		BSB	921
Guinn	Cathy	B.		BSB	921
Hack	Darren	Blaine		BSB	921
Hensley	Clay	Ellis		BSB	921
Henson	Craig	Allen		BSB	921

DECEMBER 1992 BACHELOR OF SCIENCE IN BUSINESS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Hill	Chad	Hamilton		BSB	921
Horn	Heidi	Ann		BSB	921
Hunter	George	W.	III	BSB	921
Jenkel	Kimberly	Dawn		BSB	921
Jones	Sheri	P.		BSB	921
Knowles	Tamara	Lee		BSB	921
Ledford	Kimberly	Kaye		BSB	921
Maeser	Walter	Wayne	Sr.	BSB	921
McCallon	Terry			BSB	921
McDowell	David	Anthony		BSB	921
Miller	Theresa	Kay	Baker	BSB	921
Minton	Tina	M.		BSB	921
Morrison	Amanda	Kay		BSB	921
Norris	Jonathan	G.		BSB	921
Perkins	Dana	Carter		BSB	921
Reynolds	Doreen			BSB	921
Ritter	Beth	Michelle		BSB	921
Rohrer	Janice	Ann		BSB	921
Rudolph	Eric	Lee		BSB	921
Sims	Sabrina	Kay		BSB	921
Sosna	Steven	Alan		BSB	921
Staples	Kellie	Ann	Rickard	BSB	921
Strow	Carol	J.		BSB	921
Stubblefield	Chad	Dallas		BSB	921
Tinsley	Alisa	Alene		BSB	921

DECEMBER 1992 BACHELOR OF SCIENCE IN BUSINESS DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Turner	Kyle			BSB	921
Yates	Amy	Denise		BSB	921
Zaneski	Deborah	Ann		BSB	921

 Count: 53

DECEMBER 1992 BACHELOR OF SCIENCE IN HOME ECONOMICS
DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Cox	Traci	Jane		BSHE	921
McCarty	Karen	Amanda		BSHE	921
Waldon	Anjanette	Marie		BSHE	921
Wiles	Janet	Kay		BSHE	921
Williams	Kimberly	Jenice		BSHE	921

Count: 5

DECEMBER 1992 BACHELOR OF SCIENCE IN NURSING DEGREES CONFERRED

<u>LNAME</u>	<u>FNAME</u>	<u>MNAME</u>	<u>2NAME</u>	<u>DEGREE</u>	<u>SEMESTER</u>
Alderdice	Eva	Wilson		BSN	921
Andrews	Sara	Virginia		BSN	921
Bedwell	Sondra	A.		BSN	921
Corneliuson	Elizabeth	A.		BSN	921
Derouen	Elizabeth	Sue		BSN	921
Friebel	Elizabeth	A.		BSN	921
Gregory	Cheri	Dawn		BSN	921
Hamilton	Jennifer	Rae		BSN	921
Holt	Paul	Kelly		BSN	921
Huber	Courtney	Elise		BSN	921
Justice	Julie	Anne		BSN	921
Keeling	Julia	B.		BSN	921
McCord	DeAnna	Renee		BSN	921
Parnell	Richard	Lynn		BSN	921
Porter	Barbara	A.		BSN	921
Prescott	Pamela	D.		BSN	921
Ridley	Diana	C.		BSN	921
Sanders	Charla	Ann		BSN	921
Shelp	Laura	Diane		BSN	921
Stephens	Theresa	M.	*Bremer	BSN	921
Stephenson	Kristy	J.		BSN	921
Stilwell	Sioux-Zanne	D.	Kilbourne	BSN	921

Count: 22

Master of Arts in Education

Mary Christine Bergdolt
Kathy Delaine Bowley
John Curtis Brown
Lea Ann Cornell
Cherry Lee Davidson
Joni W. Duke
Stephanie Anne Edwards
Rose Ross Elder
Thomas Troy Gavin
Douglas Guy Hearn

Nina Gail Hendricks
Pamela Ann Hight
Cecelia Sims Hostilo
Karen Harris Nasser
Michelle L. O'Brien
Phyllis Linzy O'Neal
Susan Frances Outland Ray
Kaye Guier Stewart
Sherri Lynn Thomas
Binkie Graham Whitnell

Master of Business Administration

Donna M. Bouvier
Jamie L. Buskill
Hon Lam Chow
Diana Johnson Dassing
Melinda Sue Drennan
David B. Goodman
Douglas Lee Holt
Mei-Fun Cynthia Lee
Ching-Yi Sunny Lu
Tammy Atherton Lytle
Sompol Rackchart

Antti Juhani Rajala
Gail M. Ruud
C. Fredrik Skoglund
Brenda Sue Stephens
Takaki Terai
Katherine G. Thalmann
King Chung Tsui
Alan George Ward
Kevin Ronald Willoughby
Dianne Marguerite Woodside
Chaur-Ming Yang

Master of Public Administration

Lori Jo Payne

Craigie D. Sanders

Master of Science

Bryan Douglas Bacon
Judith W. Beard
Richard Alan Bivins
Sherry Jane Bone
Wellin Chen
Clara Jean Cole
Mark A. Cook
Peter W. Cooper
Teresa Jacqueline Cooper
James Richard Cox
Robert Eugene Crosby
Robert Franklin Danner Jr.

John Eric Doerge
Donald Wayne Ellis
Mimi Kay English
Debra Bone Fannin
Martha Ridgely Faulkner
Robert Kenneth Feeney
Sandra Stephenson Friend
Daniel William Frisk
Amanuel Karlo Gano
Janice Lee Grimes
Rosemary Virden Hannan
Joseph E. Harrison

Stacy Wade Hastie
Julie Kay Hileman
Brian Henry Hinton
Nancy Davenport Hunt
Ronnie L. Hutson
Linda Elizabeth Jackson
Joseph Vincent Jefferies
Diana Lynn Johnston
Wendy Weiran Liu
Glenn John Longey
John Edwards Lykins Jr.
Harry S. Marsh
Tonia Dale McCoy
Raymond Gerard Midkiff
Thomas Paul Milley
James Alan Millsap
Julie Marie Mitchell
Susan Leotha Montgomery
Belinda Elaine Morgan
Maureen Elaine Neukirch
Denise Dawn Nicholson
Richard L. Niemeier

Daphne Culver Parker
Malinda Washer Powell
Robert J. Quigley
Paula Ann Richards
Lori Laquinda Ridgeway
Connie Riley
David Brock Sargeant
William Thomson Shadoan
John B. Snodgrass
Ali Mekhaiber Soujod
Nancy Charest St. Hilaire
Deborah Lynne Stoner
Pamela Ann Overall Swayne
Staci Ann Thomason
Pamela Taylor Threatt
Edward Thomas Thweatt
Kristen Marie Vollmer
Lori Beth Weaver
LaRe Wilson
Randal Hugh Wilson
William Richard Winders
Cynthia Sue Wyatt

Master of Arts

Stacie Whaley McIntosh
Sandra Sanders

Shari Ann Shields-Dzurny
Mark R. Whittington

AGREEMENT BETWEEN

MURRAY STATE UNIVERSITY
Murray, Kentucky 42071

AND

LINCOLN INTERNATIONAL BUSINESS SCHOOL
75015 Paris, France

INTRODUCTION

Murray State University and Lincoln International Business School, recognizing the value of educational interchange and the benefits of collaboration renew, through this agreement, a commitment to cooperation and the development of cooperative programs.

OBJECTIVES

The objectives of this cooperative relationship are to improve the educational programs of both institutions through a systematic exchange of academic and professional staff and students and through collaboration in instruction, research, and other scholarly activities.

SECTION 1: GENERAL TERMS AND CONDITIONS

Article 1

Both institutions will work to promote cooperative enterprises in all areas of common interest.

Article 2

The terms and conditions of specific cooperative projects will be negotiated between the two institutions.

Article 3

In general, programs between the two institutions will be based on the principle of reciprocity.

Article 4

This agreement, as well as changes in the agreement, will be undertaken based on mutual consent.

Article 5

This agreement will become effective when it is signed by the authorized representatives of both institutions and approved by the governing councils of the institutions.

Article 6

This agreement shall continue for an indefinite period, but may be terminated by either LIBS or MSU by official, written notification duly signed by the presiding officer of the notifying party.

Article 7

Each institution will receive a signed, original copy of the agreement.

Article 8

At Murray State University, programs under the agreement will be coordinated through the Center for International Programs, and at Lincoln International Business School by the Director of International Studies, approved by the governing council.

Article 9

The coordinating unit of each institution will designate representatives to plan and organize a program of activities implementing the agreement. These representatives will have the broadest possible latitude in drawing up the terms of the exchange, which terms shall then be subject to review and acceptance of the governing board of each institutions.

SECTION 2: EXCHANGE OF ACADEMIC AND PROFESSIONAL STAFF

Article 10

At least three months prior to a staff exchange, the authorized representative of the host institution must approve the exchange, in writing, including the responsibilities of the exchange participants, the period of the exchange, and any other conditions governing the terms of the exchange.

Article 11

The home institution will pay staff their usual salary while they are participants in the exchange program.

Article 12

Costs of travel/transportation for exchange participants will be effected under the following conditions:

- a. Participants will be responsible for the costs of travel, insurance, board, housing, and other personal expenses.
- b. The host institution will attempt within the limits of its budget to assist visiting staff in covering the costs of attending relevant professional meetings and activities in the vicinity of the host institution.
- c. The host institution will not be responsible for the personal travel costs of visiting staff.

Article 13

All exchange participants must obtain comprehensive medical insurance, including coverage for accidental death or dismemberment. Documentation of insurance coverage must be submitted before exchange visits are approved.

Article 14

The host institution will assist visiting staff in getting visa and locating housing. Costs of board and lodging will be borne by the exchange participant. Whenever possible, direct exchange of housing by participants will be encouraged.

Article 15

Host institutions will not be responsible for personal expenses of visiting staff.

SECTION 3: EXCHANGE OF STUDENTS

Article 16

At least three months prior to a student exchange, the authorized representative of the host institution must approve, in writing, the exchange, including the responsibilities of the exchange participant, the period of exchange, and any other conditions governing the terms of the exchange.

Article 17

The institution receiving student exchangees must submit a written assessment of the student's work (transcripts, grade report), including description of courses taken, and level and quality of performance, within 30 days after the student's exchange experience is completed.

Article 18

Exchanges will be effected on a one-for-one basis, plus or less one.

Article 19

Students will pay the costs of tuition at the university where they normally study and will have tuition covered at the host university at no additional cost. The cost of room and board will be paid directly by the student to the host institution or to the housing agency.

Article 20

Students will be notified in writing by the authorized representative of the host institution of their (the students') responsibility for their personal expenses, medical insurance, travel, and other incidental expenses.

Article 21

All exchangees must submit, in writing, evidence of comprehensive medical insurance including coverage for accidental death or dismemberment. This documentation must be received at each host institution at least one month prior to arrival.

SECTION 4: SPECIAL TERMS AND CONDITIONS

Article 22

Special efforts will be undertaken to arrange cooperative ventures beyond the direct exchange of staff, including educational research projects, exchange of teaching resources, and cooperative curriculum development efforts.

Article 23

The designated representatives at each institution will develop a plan of activity for special activities that are undertaken.

SIGNED:

For Lincoln International



Signature

A. KLEINSINGER
Name (Please Print)

Director
Title

12 August 1992
Date

For Murray State University

Signature

Name (Please Print)

Title

Date

**MURRAY STATE UNIVERSITY
INVESTMENT POLICIES AND PROCEDURES**

The majority of funds available for investment by Murray State University are included in the Commonwealth of Kentucky's investment pool. The only state held funds allowed by Kentucky state law to be invested by the University are the current funds contained in the Consolidated Educational fund and the Housing and Dining fund. These funds may only be invested in the state investment pool.

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 Director of Financial Management and Planning approves the recommended investments. The state investment office in Frankfort, Kentucky then chooses the best type of security and purchases the security in the name of the Commonwealth of Kentucky 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, a pay-in-voucher increases the cash balance in the appropriate fund from which the investment was made for the amount of the investment and the interest earned.

The investment earnings of the Consolidated Educational fund are transferred at the end of the fiscal year to Consolidated Educational Renewal and Replacement. These earnings are used on projects approved by the Board of Regents of Murray State University. The investment earnings of the Housing and Dining fund are pro-rated to the applicable auxiliary accounts in accordance with the percentage contribution to the overall net income of the auxiliary departments. The percentage is updated each fiscal year based on the previous year's contribution to net income.

The endowment funds held 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.
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 any official, alumnus or friend of the University.
6. The purchase of investments shall be authorized by the Director of Financial Management and Planning who reports directly to the Treasurer of Murray State University.

Coopers
& Lybrand

certified public accountants

To the Board of Regents of
Murray State University
and
the Secretary of Finance and
Administration Cabinet of
the Commonwealth of Kentucky

We have audited the financial statements of Murray State University for the year ended June 30, 1992 and have issued our report thereon dated September 4, 1992.

In planning and performing our audit, we considered the University's internal control structure in order to determine the auditing procedures necessary for the purpose of expressing our opinion on the financial statements. Our audit procedures included those tests of internal accounting and administrative control procedures of the University that we considered necessary to evaluate the internal control structure, as required by generally accepted auditing standards, and the criteria established by the Finance and Administration Cabinet, Commonwealth of Kentucky, as set forth in the minimum audit scope for compliance with House Bill 622, issued August 1983. Our tests of compliance with such procedures covered the period July 1, 1991 through June 30, 1992.

The management of Murray State University is responsible for establishing and maintaining a system of internal accounting and administrative controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system 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 properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, errors or irregularities may occur and not be detected. Also, projection or any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in condition, or that the degree of compliance with the procedures may deteriorate.

Our audit procedures made for the purpose described in the second paragraph were more limited than would be necessary to express an opinion on the internal control structure taken as a whole. Accordingly, we do not express an opinion on the internal control structure of Murray State University taken as a whole. However, we understand that internal accounting control and administrative procedures that conform to the criteria established by the Secretary of Finance as set forth in the Minimum Audit Scope for Compliance with the provisions of House Bill 622 are considered to be adequate for the purpose of determining compliance with the provisions of House Bill 622 and related regulations. Based on this understanding and our study, we did not become aware of any conditions that were not adequate for complying with House Bill 622.

This report is intended for the information of the Board of Regents of Murray State University and the Finance and Administration Cabinet of the Commonwealth of Kentucky and should not be used for any other purpose.

Coopers & Lyland

Louisville, Kentucky
September 4, 1992

**Coopers
& Lybrand**

Certified Public Accountants

MURRAY STATE UNIVERSITY

REPORT ON AUDIT OF FINANCIAL STATEMENTS

for the year ended June 30, 1992

MURRAY STATE UNIVERSITY
TABLE OF CONTENTS

	<u>Pages</u>
Financial Statements as of June 30, 1992:	
Balance Sheet	2-3
Statement of Changes in Fund Balances	4-5
Statement of Current Funds Revenues, Expenditures, and Other Changes	6-7
Notes to Financial Statements	8-17
Supplemental Schedules:	
Schedule of Current Funds Revenues	18-21
Schedule of Current Funds Expenditures and Transfers	22-31
Schedule of Current Funds Expenditures and Transfers by Major Object	32-34
Schedule of Changes in Fund Balances - Loan Funds	35
Schedule of Changes in Fund Balance - Endowment Fund	36
Schedule of Changes in Funds Balance - Unexpended Plant Fund	37
Schedule of Project Allotments - Unexpended Plant Fund	38-39
Schedule of Project Accounts - Unexpended Plant Fund	40-41
Schedule of Changes in Fund Balance - Renewals and Replacements	42
Schedule of Changes in Fund Balance - Retirement of Indebtedness	43
Schedule of Changes in Fund Balance - Investment in Plant	44
Schedule of Investments by Fund Groups	45
Schedule of Bonds Payable	46-48

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Regents
of Murray State University

We have audited the accompanying balance sheet of Murray State University as of June 30, 1992 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 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 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, 1992 and the changes in its fund balances, and 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 data contained in pages 18 through 48 of this report for the year ended June 30, 1992 are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Coopers & Lybrand

Louisville, Kentucky
September 4, 1992

MURRAY STATE UNIVERSITY
BALANCE SHEETS
As of June 30, 1992
With Comparative Figures as of June 30, 1991

	-----Current Funds-----		Loan Funds	Endowment Funds	Plant Funds	Agency Funds	-----Totals-----	
	Unrestricted	Restricted					1992	1991
ASSETS								
Cash	\$ 1,283,020	\$ 275,416	\$ 516,949	\$ 14,441	\$ 3,920,177	\$ 48,094	\$ 6,058,097	\$ 6,333,033
Investments	7,250,000	-	-	936,657	10,531,081	-	18,717,738	18,480,307
Inventories and prepaid expenses	1,241,650	-	-	-	-	-	1,241,650	930,610
Accounts and loans receivable, net	1,189,162	510,698	3,817,456	-	425,000	-	5,942,316	5,686,122
Interest receivable	12,277	49,363	-	111,507	86,736	-	259,883	106,275
Discount on bonds payable	-	-	-	-	363,420	-	363,420	288,594
Due from other funds	463,141	-	-	-	60,000	-	523,141	839,665
Assets held by MSU Foundation	-	-	-	224,973	-	-	224,973	-
Property, plant and equipment	-	-	-	-	135,358,581	-	135,358,581	132,498,493
Total assets	\$ 11,439,250	\$ 835,477	\$ 4,334,405	\$ 1,287,578	\$ 150,744,995	\$ 48,094	\$ 168,689,799	\$ 165,163,099
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 1,356,269	\$ 32,222	\$ -	\$ -	\$ 35,024	\$ -	\$ 1,423,515	\$ 2,185,167
Accrued expenses	947,097	8,409	-	-	-	-	955,506	886,283
Interest payable	-	-	-	-	545,661	-	545,661	429,903
Accrued compensated absences	1,131,573	-	-	-	-	-	1,131,573	1,150,780
Other liabilities	391,196	-	-	-	28,887	-	420,083	295,183
Deposits	167,211	-	-	-	-	48,094	215,305	253,979
Deferred revenues	614,994	-	-	-	-	-	614,994	555,200
Due to other funds	60,000	445,406	-	-	17,735	-	523,141	835,459
Notes payable	-	-	-	-	557,000	-	557,000	557,000
Bonds payable	-	-	-	-	37,882,605	-	37,882,605	35,334,038
Obligations under capital leases	-	-	-	-	28,834	-	28,834	371,225
Total liabilities	\$ 4,668,340	\$ 486,037	\$ -	\$ -	\$ 39,095,746	\$ 48,094	\$ 44,298,217	\$ 42,854,217
Fund balance:								
Current unrestricted funds:								
Allocated for:								
Working capital	\$ 1,687,567	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,687,567	\$ 1,130,167
Prior year carryovers:								
Renovation and maintenance	1,861,156	-	-	-	-	-	1,861,156	2,182,427
Other	2,008,783	-	-	-	-	-	2,008,783	2,412,995
Encumbrances	427,123	-	-	-	-	-	427,123	736,271
Reserve for general contingency	136,281	-	-	-	-	-	136,281	563,541
Reserve for self insurance	650,000	-	-	-	-	-	650,000	650,000
Unallocated	-	-	-	-	-	-	-	442,216
Current restricted funds	-	349,440	-	-	-	-	349,440	312,226
Loan funds - restricted	-	-	4,334,405	-	-	-	4,334,405	4,358,728
Endowment funds - restricted	-	-	-	1,287,578	-	-	1,287,578	531,350

The accompanying notes are an integral part of these balance sheets.

MURRAY STATE UNIVERSITY
BALANCE SHEETS (cont.)
As of June 30, 1992
With Comparative Figures as of June 30, 1991

	-----Current Funds-----		Loan Funds	Endowment Funds	Plant Funds	Agency Funds	-----Totals-----	
	Unrestricted	Restricted					1992	1991
LIABILITIES AND FUND BALANCE (cont.)								
Fund balance (cont.):								
Plant funds:								
Unexpended	\$ -	\$ -	\$ -	\$ -	\$ 1,318,795	\$ -	\$ 1,318,795	\$ 2,614,221
Renewal and replacement	-	-	-	-	3,646,390	-	3,646,390	3,388,963
Retirement of indebtedness	-	-	-	-	4,172,415	-	4,172,415	3,872,061
Net investment in plant	-	-	-	-	102,511,649	-	102,511,649	99,113,716
Total fund balance	\$ 6,770,910	\$ 349,440	\$ 4,334,405	\$ 1,287,578	\$ 111,649,249	\$ -	\$ 124,391,582	\$ 122,308,882
Total liabilities and fund balance	\$ 11,439,250	\$ 835,477	\$ 4,334,405	\$ 1,287,578	\$ 150,744,995	\$ 48,094	\$ 168,689,799	\$ 165,163,099

The accompanying notes are an integral part of these balance sheets.

MURRAY STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES
For the Year Ended June 30, 1992

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment In Plant
REVENUES AND OTHER ADDITIONS:								
Current funds revenues	\$ 68,403,734	\$ 7,704,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private gifts	-	28,129	-	753,103	-	-	-	-
Endowment income	-	46,322	-	3,125	-	-	-	-
Expenditures for plant facilities (including \$2,723,841 charged to current fund expenditures)	-	-	-	-	-	-	-	5,155,941
Donated plant facilities	-	-	-	-	-	-	-	414,740
Retirement of indebtedness	-	-	-	-	-	-	-	2,076,432
Interest income - restricted	-	-	108,111	-	100,094	114,424	307,465	-
Federal and state contributions	-	-	3,487	-	-	-	-	-
Reduction in lease obligations	-	-	-	-	-	-	-	342,391
Reduction in installment purchase obligations	-	-	-	-	-	-	-	10,698
Other additions	120,116	26,215	16,952	-	-	-	-	-
Total revenues and other additions	\$ 68,523,850	\$ 7,805,540	\$ 128,550	\$ 756,228	\$ 100,094	\$ 114,424	\$ 307,465	\$ 8,000,202
EXPENDITURES AND OTHER DEDUCTIONS:								
Educational and general expenditures	\$ 55,242,170	\$ 7,760,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auxiliary enterprises expenditures	9,772,799	-	-	-	-	-	-	-
Refund to grantors	-	56,656	-	-	-	-	-	-
Loan cancellations and write-offs	-	-	55,006	-	-	-	-	-
Administration, collection, litigation costs	-	-	91,993	-	-	-	-	-
Expended for plant facilities (including non-capitalized expenditures of \$1,289,388)	-	-	-	-	3,578,925	-	-	-
Retirement of indebtedness	-	-	-	-	-	-	2,076,432	-
Interest on indebtedness	-	-	-	-	-	-	2,156,649	-
Bond issuance costs	-	-	-	-	-	-	97,120	-
Deletions and disposals	-	-	-	-	-	-	-	2,710,593
Other deductions	-	-	6,261	-	15,364	-	15,467	17,674
Total expenditures and other deductions	\$ 65,014,969	\$ 7,817,200	\$ 153,260	\$ -	\$ 3,594,289	\$ -	\$ 4,345,668	\$ 2,728,267
TRANSFERS AMONG FUNDS:								
Mandatory:								
Perkins match	\$ (387)	\$ -	\$ 387	\$ -	\$ -	\$ -	\$ -	\$ -
SEOG match	(48,874)	48,874	-	-	-	-	-	-
Principal and interest	(3,838,577)	-	-	-	-	-	3,838,577	-
Total mandatory transfers	\$ (3,887,838)	\$ 48,874	\$ 387	\$ -	\$ -	\$ -	\$ 3,838,577	\$ -

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

MURRAY STATE UNIVERSITY
STATEMENT OF CHANGES IN FUND BALANCES (cont.)
For the Year Ended June 30, 1992

	-----Current Funds-----				-----Plant Funds-----			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment In Plant
TRANSFERS AMONG FUNDS (cont.)								
Nonmandatory:								
Transfer from unrestricted current to renewal and replacement funds	\$ (143,003)	\$ -	\$ -	\$ -	\$ -	\$ 143,003	\$ -	\$ -
Transfer from unrestricted current funds to unexpended plant funds	(824,747)	-	-	-	824,747	-	-	-
Transfer from unexpended plant funds to retirement of indebtedness	-	-	-	-	(499,980)	-	499,980	-
Transfer to unexpended plant funds from investment in plant	-	-	-	-	1,874,002	-	-	(1,874,002)
Total non-mandatory transfers	\$ (967,750)	\$ -	\$ -	\$ -	\$ 2,198,769	\$ 143,003	\$ 499,980	\$ (1,874,002)
Net increase(decrease) for the year	\$ (1,346,707)	\$ 37,214	\$ (24,323)	\$ 756,228	\$ (1,295,426)	\$ 257,427	\$ 300,354	\$ 3,397,933
Fund balance at beginning of year	\$ 8,117,617	\$ 312,226	\$ 4,358,728	\$ 531,350	\$ 2,614,221	\$ 3,388,963	\$ 3,872,061	\$ 99,113,716
Fund balance at end of year	\$ 6,770,910	\$ 349,440	\$ 4,334,405	\$ 1,287,578	\$ 1,318,795	\$ 3,646,390	\$ 4,172,415	\$102,511,649

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

MURRAY STATE UNIVERSITY
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			
	Unrestricted	Restricted	Total	1991
	-----	-----	-----	-----
REVENUES:				
Educational and general:				
Tuition and fees	\$ 15,566,122	\$ -	\$ 15,566,122	\$ 13,880,767
State appropriations	38,366,000	-	38,366,000	37,649,100
Grants and contracts	-	7,699,609	7,699,609	6,905,818
Indirect and administrative cost recoveries	225,022	-	225,022	181,296
Sales and services of educational activities	854,917	-	854,917	1,023,313
Other sources	2,904,348	-	2,904,348	3,238,810
Total educational and general	\$ 57,916,409	\$ 7,699,609	\$ 65,616,018	\$ 62,879,104
Auxiliary enterprises	\$ 10,487,325	\$ 60,935	\$ 10,548,260	\$ 10,522,511
Total revenues	\$ 68,403,734	\$ 7,760,544	\$ 76,164,278	\$ 73,401,615
EXPENDITURES AND MANDATORY TRANSFERS:				
Educational and general:				
Instruction	\$ 24,288,120	\$ 1,615,199	\$ 25,903,319	\$ 24,314,322
Research	732,487	486,792	1,219,279	844,567
Public service	2,580,445	252,035	2,832,480	2,899,623
Libraries	2,139,322	43,981	2,183,303	2,061,945
Academic support	2,979,745	132,179	3,111,924	3,105,097
Student services	4,886,784	150,974	5,037,758	5,053,351
Institutional support	6,406,185	60,181	6,466,366	6,545,661
Operation and maintenance of plant	7,180,798	4,374	7,185,172	7,036,721
Student financial aid	4,048,284	4,953,894	9,002,178	8,216,500
Educational and general expenditures	\$ 55,242,170	\$ 7,699,609	\$ 62,941,779	\$ 60,077,787
Mandatory transfers for:				
Principal and interest	\$ 3,240,694	\$ -	\$ 3,240,694	\$ 3,162,164
Perkins fund matching grant	387	-	387	331
SEOG matching grant	48,874	(48,874)	-	-
Total mandatory transfers	\$ 3,289,955	\$ (48,874)	\$ 3,241,081	\$ 3,162,495
Total educational and general	\$ 58,532,125	\$ 7,650,735	\$ 66,182,860	\$ 63,240,282
Auxiliary enterprises:				
Expenditures	\$ 9,772,799	\$ 60,935	\$ 9,833,734	\$ 9,992,109
Mandatory transfers for:				
Principal and interest	597,883	-	597,883	579,532
Total auxiliary enterprises	\$ 10,370,682	\$ 60,935	\$ 10,431,617	\$ 10,571,641
Total expenditures and mandatory transfers	\$ 68,902,807	\$ 7,711,670	\$ 76,614,477	\$ 73,811,923

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, 1992
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			
	Unrestricted	Restricted	Total	1991

OTHER TRANSFERS AND ADDITIONS(DEDUCTIONS):				
Excess of restricted receipts over transfers to revenues	\$ -	\$ 44,996	\$ 44,996	\$ 45,478

Nonmandatory transfers and other changes:				
Transfer to plant funds	\$ (967,750)	\$ -	\$ (967,750)	\$ (1,338,169)
Refunded to grantors	-	(56,656)	(56,656)	(9,329)
Other changes	120,116	-	120,116	(247,040)

Total nonmandatory transfers and other changes	\$ (847,634)	\$ (56,656)	\$ (904,290)	\$ (1,594,538)

Net increase (decrease) in fund balance	\$ (1,346,707)	\$ 37,214	\$ (1,309,493)	\$ (1,959,368)
	=====	=====	=====	=====

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

MURRAY STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1992

Note 1. Summary of Significant Accounting Policies

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 except for depreciation on physical plant and equipment. 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.

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.

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

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. In accordance with generally accepted college and university accounting practices, depreciation on physical plant and equipment is not recorded.

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

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

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.

Other significant accounting policies

The University is affiliated with the Murray State University Foundation, Inc., a not-for-profit corporation. The operations of the Foundation are not consolidated in the accompanying financial statements, however, certain summary financial information has been included in Note 13.

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 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.

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

	<u>June 30, 1992</u>		<u>June 30, 1991</u>	
	<u>Carrying Amount (At Cost)</u>	<u>Market Value</u>	<u>Carrying Amount (At Cost)</u>	<u>Market Value</u>
U.S. Government Securities	\$ 5,493,340	\$ 5,654,292	\$ 4,943,952	\$ 4,971,646
Stocks	349,357	339,568	-	-
Certificates of Deposit	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>	<u>520,000</u>
Subtotal	\$ 6,362,697	\$ 6,513,860	\$ 5,463,952	\$ 5,491,646
Investment in state investment pool	<u>12,355,041</u>	<u>12,371,420</u>	<u>13,016,355</u>	<u>13,090,003</u>
Total	<u>\$18,717,738</u>	<u>\$18,885,280</u>	<u>\$18,480,307</u>	<u>\$18,581,649</u>

Note 3. National Scouting Museum

The National Scouting Museum of the Boy Scouts of America, Inc. 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 to the Museum.

Note 4. Inventories and Prepaid Expenses

Inventories are stated at the lower of cost, using first-in-first-out valuation, or market. Inventories and prepaid expenses at June 30 consisted of:

	<u>1992</u>	<u>1991</u>
Inventories:		
Central stores - supplies	\$ 95,194	\$ 97,500
Central stores - furniture and equipment	19,578	17,925
Food and food service supplies	87,012	115,779
Physical Plant	314,718	-
University Bookstore	621,984	642,664
Prepaid expense:		
Insurance	49,662	11,613
Other expenses	<u>53,502</u>	<u>45,129</u>
Total	<u>\$1,241,650</u> =====	<u>\$ 930,610</u> =====

Note 5. Accounts and Loans Receivable

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

	<u>1992</u>	<u>1991</u>
Current unrestricted funds -		
Accounts receivable:		
Student receivables	\$ 590,422	\$ 629,062
Employee receivables		
Travel advances	249,525	180,503
Computer loans	30,690	16,026
Outside sales	464,428	281,722
Murray State University Foundation, Inc.	41,468	3,184
State agencies	50,881	7,673
Other receivables	1,400	1,709
Allowance for doubtful accounts	<u>(239,652)</u>	<u>(220,445)</u>
Subtotal	<u>\$1,189,162</u>	<u>\$ 899,484</u>

Note 5. Accounts and Loans Receivable (cont.)

Current restricted funds -

Accounts receivable:

Grants and contracts	\$ 510,698	\$ 561,383
----------------------	------------	------------

Loan funds -

Advances to students less
allowance for doubtful
accounts of \$378,170

\$3,817,456	\$3,800,255
-------------	-------------

Plant funds -

Advance to Commonwealth of
Kentucky
Total

\$ 425,000	\$ 425,000
\$5,942,316	\$5,686,122
=====	=====

Note 6. Property, Plant, and Equipment

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

	<u>1992</u>	<u>1991</u>
Land	\$ 2,569,931	\$ 2,450,633
Building	91,722,657	89,236,300
Improvements other than building	6,705,347	6,623,406
Equipment	18,956,956	15,879,625
Library holdings	14,242,641	13,283,817
Construction in progress	1,077,792	2,748,672
Assets acquired under capital leases	83,257	2,276,040
Total	<u>\$135,358,581</u>	<u>\$132,498,493</u>
	=====	=====

Note 7. Employee Benefits

Substantially all employees of the University are covered under one of two defined contribution pension plans:

A. Kentucky Teachers' Retirement System (KTRS) - Under KTRS the employee's contribution is 6.16% of gross salary and taxable fringe benefits and the State contributes 13.84%. Payments by the University under this plan totaled \$3,064,660 in 1992 and \$2,838,425 in 1991.

B. Kentucky Employee's Retirement System (KERS) - Full-time service personnel are covered under KERS. The employee's contribution is 5% of gross salary and the State's contribution is 7.45%. Payments by the University under this plan totaled \$723,789 in 1992 and \$672,898 in 1991.

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

Note 7. Employee Benefits (cont.)

families. Claims paid by the University under the plan totaled \$2,386,238 and \$2,421,070 for 1992 and 1991, respectively. The estimated amounts of claims incurred but not paid were \$363,549 and \$233,836 as of June 30, 1992 and 1991, respectively. These amounts are reflected in the "Other liabilities" amounts in the current unrestricted funds in the accompanying balance sheets.

Expenditures for all employee benefits are included as expenditures within the appropriate functional area.

Note 8. 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 \$172,757, \$186,642, and \$197,601 for the years ended June 30, 1993, 1994, and 1995, respectively.

Note 9. Bonds Payable

The Consolidated Educational Buildings Revenue Bonds, Series A through E and F Refunding, were sold to construct or renovate certain academic and service buildings on campus. Series A matured May 1986; Series B, C, D, E, and F Refunding bonds mature in varying amounts through May 1, 2000, with interest payable at rates ranging from 3.0% to 5.875%. Student registration fees are pledged for debt service on these bonds.

The University issued \$14,785,000 in Series G revenue bonds dated December 1, 1987, with state interest rates ranging from 5.75% to 8.00% due serially from 1989 to 2007. The proceeds are being used to pay costs of repair, renovation, construction, or addition to buildings on the campus of the University that are and shall be a part of the Consolidated Educational Building Project established and created by the Board of Regents on April 20, 1961.

The University issued \$4,625,000 in Series H revenue bonds dated March 1, 1992, with stated interest rates ranging from 3.5% to 6.2 % due serially from 1992 to 2012. The proceeds are being used to pay costs of repairs and renovation to a building and the replacement of steam lines on campus that are and shall be a part of the Consolidated Educational Building Project established and created by the Board of Regents on April 20, 1961.

Housing and Dining System Revenue Bonds, Series A through L, were sold to construct or renovate certain housing and dining facilities on campus. The bonds mature in varying amounts through September 1, 2008, with interest payable at rates

Note 9. Bonds Payable (cont.)

ranging from 2.75% to 3.75%. Revenues from student housing and dining facilities and other auxiliary services, as well as student fees, are pledged for the retirement of the bonds.

During 1990, the State issued bonds, the partial proceeds of which, went to the University for the purpose of funding the removal of asbestos and polychlorinated bipheynols (PCB's) from University property. Cash and bonds payable in the amount of

\$1,660,000 were assigned to the University. The University is required to make semi-annual payments of principal and interest in varying amounts through August 2008. These bonds bear an effective interest rate of 6.18%.

During 1991, the State issued bonds, the partial proceeds of which, went to the University for the purpose of funding life safety projects on University property. Cash and bonds payable in the amount of \$875,445 were assigned to the University. The University is required to make semi-annual payments of principal and interest in varying amounts through August 2010. These bonds bear an effective interest rate of 6.38%.

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
1993	\$ 1,745,000	\$ 450,000	\$ 46,776	\$ 26,733	\$ 2,268,509
1994	1,880,000	465,000	50,593	28,261	2,423,854
1995	1,985,000	480,000	54,653	29,958	2,549,611
1996	2,035,000	495,000	58,950	31,740	2,620,690
1997	2,210,000	510,000	63,710	33,650	2,817,360
Thereafter	18,573,000	4,707,000	1,220,477	702,104	25,202,581
Total	\$28,428,000 =====	\$7,107,000 =====	\$1,495,159 =====	\$852,446 =====	\$37,882,605 =====

The required minimum reserves of \$3,646,378 and \$672,273 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 10. Leases

The University leases various equipment under capital leases. The following is a schedule of future minimum lease payments under capital leases together with the present value of the net minimum lease payments:

Note 10. **Leases** (cont.)

<u>Year ending June 30</u>	<u>Amount</u>
1993	\$ 18,704
1994	10,886
1995	8,280
1996	-
1997	-
Thereafter	-
Total minimum lease payments	\$ 37,870
Less: Amount representing interest	(9,036)
Present value of minimum lease payments	\$ 28,834
	=====

The University leases various equipment under operating leases with terms from one to ten years. Many of these leases contain renewal options. Rent expense was \$106,535 in 1992 and \$155,462 in 1991. Approximate annual rentals required under operating leases with terms in excess of one year at June 30, 1992 are:

<u>Year ending June 30</u>	<u>Amount</u>
1993	\$ 77,235
1994	68,722
1995	64,778
1996	63,805
1997	62,655
Thereafter	111,873
Total	\$ 449,068
	=====

Note 11. **Current Unrestricted Fund Balance**

Current unrestricted fund balances at June 30 consist of the following:

	<u>1992</u>	<u>1991</u>
Allocated:		
Allocation for working capital	\$1,687,567	\$1,130,167
Prior year budget carryovers		
Renovation and Maintenance	1,861,156	2,182,427
Other	2,008,783	2,412,995
Encumbrances	427,123	736,271
Reserve for revenue contingency	136,281	563,541
Reserve for self insurance contingency	650,000	650,000
Total allocated	\$6,770,910	\$7,675,401
Unallocated	-	442,216
Total	\$6,770,910	\$8,117,617
	=====	=====

Note 12. **Litigation**

The University has been named as defendant in several lawsuits. It is the opinion of management and its legal counsel, based in

Note 12. **Litigation** (cont.)

part on 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 13. **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 operates the Frances E. Miller Memorial 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.

A summary of significant financial information of the Foundation is presented below as of and for the year ended June 30, 1992.

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowment Funds</u>	<u>Life Income Funds</u>	<u>Plant Funds</u>
Assets:					
Cash and					
Investments	\$ 2,636,178	\$ 120,053	\$5,863,263	\$ 85,000	\$ -
Other assets	<u>243,715</u>	<u>1,486,225</u>	<u>1,137</u>	<u>-</u>	<u>1,877,429</u>
Total assets	<u>\$ 2,879,893</u>	<u>\$1,606,278</u>	<u>\$5,864,400</u>	<u>\$ 85,000</u>	<u>\$ 1,877,429</u>
	=====	=====	=====	=====	=====
Liabilities and fund balances:					
Liabilities	\$ 1,601,266	\$ 135,209	\$ 1,004	\$ -	\$ 125,373
Fund balances	<u>1,278,627</u>	<u>1,471,069</u>	<u>5,863,396</u>	<u>85,000</u>	<u>1,752,056</u>
Total liabilities and fund balances	<u>\$ 2,879,893</u>	<u>\$1,606,278</u>	<u>\$5,864,400</u>	<u>\$ 85,000</u>	<u>\$ 1,877,429</u>
	=====	=====	=====	=====	=====
Revenue and support	\$ 925,106	\$1,633,128	\$ 486,329	\$133,165	\$ 201,096
Expenditures	<u>726,482</u>	<u>1,039,606</u>	<u>-</u>	<u>180,876</u>	<u>243,360</u>
Excess (Deficit) of revenue and support over expenditures	\$ 198,624	\$ -	\$ 486,329	\$ (47,711)	\$ (42,264)

Note 13. Murray State University Foundation, Inc. (cont.)

Other changes:

Excess of restricted receipts over transfers to revenues	-	593,522	-	-	-
Transfers among funds	<u>(41,228)</u>	<u>(434,271)</u>	<u>436,271</u>	<u>-</u>	<u>39,228</u>
Net change in fund balances	\$ 157,396	159,251	922,600	(47,711)	(3,056)
Fund balances at July 1, 1991	<u>1,121,231</u>	<u>1,311,818</u>	<u>4,940,796</u>	<u>132,711</u>	<u>1,755,092</u>
Fund balances at June 30, 1992	<u>\$ 1,278,627</u>	<u>\$1,471,069</u>	<u>\$5,863,396</u>	<u>\$ 85,000</u>	<u>\$ 1,752,056</u>
	=====	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS REVENUES
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			
	Unrestricted	Restricted	Total	1991

EDUCATIONAL AND GENERAL REVENUES-				
Tuition and fees:				
Fall	\$ 6,896,399	\$ -	\$ 6,896,399	\$ 6,096,346
Spring	6,460,347	-	6,460,347	5,662,477
Summer II	398,789	-	398,789	348,081
Summer I	807,679	-	807,679	775,634
Miscellaneous tuition	2,608	-	2,608	4,008
Student activity fees	688,331	-	688,331	671,729
Other course fees	311,969	-	311,969	322,492
	-----			-----
Total tuition and fees	\$ 15,566,122	\$ -	\$ 15,566,122	\$ 13,880,767
	-----			-----
State appropriations	\$ 38,366,000	\$ -	\$ 38,366,000	\$ 37,649,100
	-----			-----
Total state appropriations	\$ 38,366,000	\$ -	\$ 38,366,000	\$ 37,649,100
	-----			-----
Government grants and contracts:				
College work study	\$ -	\$ 392,174	\$ 392,174	\$ 322,460
PELL	-	3,923,563	3,923,563	3,299,626
SEOG	-	325,825	325,825	288,790
Grants and contracts - federal	-	1,390,825	1,390,825	1,156,380
Grants and contracts - state	-	1,264,015	1,264,015	1,505,780
Grants and contracts - other	-	403,207	403,207	332,782
	-----			-----
Total grants and contracts	\$ -	\$ 7,699,609	\$ 7,699,609	\$ 6,905,818
	-----			-----
Indirect and administrative costs recovered:				
Federal/State grant cost	\$ 130,692	\$ -	\$ 130,692	\$ 93,956
Financial aid cost reimbursement	94,330	-	94,330	87,340
	-----			-----
Total indirect costs recovered	\$ 225,022	\$ -	\$ 225,022	\$ 181,296
	-----			-----
Sales and services - educational departments:				
Animal Health Technology income	\$ 125	\$ -	\$ 125	\$ 297
Art cash sales	16,983	-	16,983	15,883
Art workshops	8,370	-	8,370	6,455
Biology Station Income	1,596	-	1,596	8,928
Chaykin CPA Review	-	-	0	734
Chemical services	11,100	-	11,100	20,480
Clinical services	48,643	-	48,643	55,059
Environmental Education				
Pre-service workshop	4,339	-	4,339	2,907
Fall Business Education Conference	1,840	-	1,840	945
Farm	189,805	-	189,805	208,917
Foreign language service	25	-	25	-
High school journalism workshop	1,252	-	1,252	1,047
KIIS Consortium	419,165	-	419,165	544,775
Keyboard Recruiting	445	-	445	410
Murray State News advertising	66,367	-	66,367	63,368
Murray State X-ray lab	3,500	-	3,500	4,500
Music workshop	2,450	-	2,450	1,550
Office Systems Service Center	293	-	293	1,068
Recording studio	290	-	290	190

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS REVENUES
For the Year Ended June 30, 1992 (cont.)
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			
	Unrestricted	Restricted	Total	1991

EDUCATIONAL AND GENERAL REVENUES (cont.)				
Sales and services - Educational				
Departments (cont.)				
Safety Engineering and				
Health workshop	\$ 789	\$ -	\$ 789	\$ 1,000
School service office	500	-	500	7,850
Shield	45,432	-	45,432	51,253
Speech and Hearing workshop	649	-	649	1,832
TV studio	1,234	-	1,234	800
Travel Study tours	5,865	-	5,865	7,348
University Theatre	22,076	-	22,076	13,493
Waterfield Business and				
Government Center	1,784	-	1,784	2,224
	-----	-----	-----	-----
Total sales and services	\$ 854,917	\$ -	\$ 854,917	\$ 1,023,313
	-----	-----	-----	-----
Other sources:				
Air Products Symposium	\$ 1,000	\$ -	\$ 1,000	\$ 937
Alumni income	7,967	-	7,967	5,855
Archeology service center	63,811	-	63,811	83,539
Athletics	292,523	-	292,523	395,343
Athletics - academic advising	25,000	-	25,000	-
Athletics - concessions	69,637	-	69,637	53,687
Athletics - NCAA Basketball Tournament	233,048	-	233,048	188,109
Athletics - OVC Basketball Tournament	11,597	-	11,597	58,025
Athletics - marketing	4,837	-	4,837	-
Athletics - programs	14,939	-	14,939	17,465
Bad debt expense recovery	5,958	-	5,958	-
Black Student Leadership Council	966	-	966	-
Boar Test Unit	18,172	-	18,172	15,602
Breathitt Veterinary Center	252,561	-	252,561	230,539
Camps				
Basketball	52,401	-	52,401	81,419
Football	2,405	-	2,405	3,400
Golf	17,835	-	17,835	17,195
Soccer	-	-	0	6,290
Tennis	47,962	-	47,962	64,313
Campus Lights	3,337	-	3,337	2,847
Center for Economic Education Council	500	-	500	17,565
Community education	155,730	-	155,730	91,960
Conferences and workshops	24,519	-	24,519	21,321
Consolidated Educational revenue				
fund interest	550,568	-	550,568	924,103
Contract residuals	69,321	-	69,321	27,175
Cooperative Education/Placement				
income	5,891	-	5,891	4,577
Counseling and testing	9,711	-	9,711	9,171
Duplicate Racer Cards	-	-	-	10,598
Environmental Consortium of				
Mid-America	2,450	-	2,450	2,806
Faculty Resource Center	5,848	-	5,848	8,164
Faculty Resource Center Copier	1,192	-	1,192	1,393
Festival of Champions	19,061	-	19,061	29,831
Forensics Team income	808	-	808	-
Fort Campbell	89,950	-	89,950	61,390
Friends of Oakhurst	2,869	-	2,869	-
Grants equipment revolving	-	-	-	600
Graphic arts technology	259	-	259	-
Grow conference	2,130	-	2,130	-

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS REVENUES
For the Year Ended June 30, 1992 (cont.)
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL REVENUES (cont.)				
Other sources: (cont.)				
H.A.P.P.Y.	\$ 225	\$ -	\$ 225	\$ 1,200
Hazardous Waste and Material Training	42,520	-	42,520	30,465
Honors Children Chorus	3,599	-	3,599	-
Intramurals income	6,138	-	6,138	5,591
Kentucky Honors Roundtable	2,400	-	2,400	-
Library - census microfilm	1,423	-	1,423	887
Library - copy service	57,088	-	57,088	45,998
Library - fines	18,521	-	18,521	15,073
Library - interlibrary loan	719	-	719	818
Library - other income	8,014	-	8,014	4,533
Livestock and Exposition Center	62,729	-	62,729	58,064
Locker rental	(175)	-	(175)	-
Magic Silver Show	3,265	-	3,265	-
Music recital income	3,155	-	3,155	4,761
National student exchange	1,560	-	1,560	245
Nursing continuing education	397	-	397	30
Operating fund interest income	141,801	-	141,801	224,339
Other income	80,932	-	80,932	120,682
Perkins loan recovery	6,802	-	6,802	2,645
Personnel fringes - AMEX	-	-	-	1,480
Post Office box rent	4,308	-	4,308	4,464
Post Office contract	8,681	-	8,681	7,333
President's inauguration	-	-	-	5,347
Printing	13,890	-	13,890	11,200
Psychology copy account	17	-	17	-
Quad State	12,640	-	12,640	17,976
Racer Card interest	-	-	-	4,710
Recycling program	1,088	-	1,088	948
Regensburg exchange	16,886	-	16,886	-
Regional tournaments				
Boys'	9,235	-	9,235	-
Girls'	9,935	-	9,935	-
Rentals	9,363	-	9,363	11,817
Residence halls fees	21,517	-	21,517	29,319
Rodeo income	1,011	-	1,011	11,293
Rural Social Conference	560	-	560	49
Sale of surplus property	24,446	-	24,446	18,727
Senior breakfast	1,202	-	1,202	1,257
Special education technology center	48	-	48	-
Special Events Center	-	-	-	1,464
Student Government Association	110,056	-	110,056	45,127
Summer Challenge	1,700	-	1,700	4,570
Summer Orientation	72,135	-	72,135	77,087
Super Saturdays	9,095	-	9,095	4,020
Technology center	3,440	-	3,440	-
Telecommunications commissions	29,863	-	29,863	-
WKMS radio income	417	-	417	238
West Kentucky Dance Festival	484	-	484	128
West Kentucky Environmental Education consortium	4,113	-	4,113	3,851
Wickliffe Mounds gift shop	6,856	-	6,856	4,884
Wickliffe Mounds research center	23,486	-	23,486	20,971
Total other sources	\$ 2,904,348	\$ -	\$ 2,904,348	\$ 3,238,810
Total educational and general	\$ 57,916,409	\$ 7,699,609	\$ 65,616,018	\$ 62,879,104

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS REVENUES
For the Year Ended June 30, 1992 (cont.)
With Comparative Figures for the Year Ended June 30, 1991

	1992		
	Unrestricted	Restricted	Total
			1991
AUXILIARY ENTERPRISES REVENUES-			
Food services	\$ 3,707,390	\$ -	\$ 3,707,390
Housing services	3,793,070	-	3,793,070
Bookstore	2,397,100	-	2,397,100
Curris Center	88,192	-	88,192
Parking			
Fines	142,665	-	142,665
Permits	80,392	-	80,392
Racer Card administration	52,210	-	52,210
Manual commissions	18,928	-	18,928
Vending revenue	110,222	-	110,222
Miscellaneous auxiliary revenue	5,520	-	5,520
College workstudy student wages	-	60,935	60,935
Interest income - auxiliary enterprises	91,636	-	91,636
Total auxiliary enterprises	\$ 10,487,325	\$ 60,935	\$ 10,548,260
Total current revenues	\$ 68,403,734	\$ 7,760,544	\$ 76,164,278

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL -				
Instruction:				
College of Business and Public Affairs:				
Accounting and Finance	\$ 629,503	\$ -	\$ 629,503	\$ 601,225
Computer Studies	674,812	-	674,812	588,188
Economics and Finance	712,460	-	712,460	666,669
Management and Marketing	835,433	-	835,433	774,796
Office Systems and Business				
Education	338,099	-	338,099	348,028
Office System Service Center	274	-	274	643
Political Science and Legal Studies	600,910	-	600,910	548,686
MBA program	3,345	-	3,345	5,016
Owensboro MBA	12,124	-	12,124	10,366
Fall Business Education Conference	1,244	-	1,244	884
Other instruction	-	-	-	-
Total College of Business and Public Affairs	\$ 3,808,204	\$ -	\$ 3,808,204	\$ 3,544,501
College of Fine Arts and Communication:				
Art	\$ 836,684	\$ -	\$ 836,684	\$ 788,320
Art cash sales	14,544	-	14,544	14,296
Art workshops	9,030	-	9,030	6,804
Journalism, Radio and Television	555,981	-	555,981	486,894
High school journalism and broadcasting workshop	1,464	-	1,464	706
Music	972,141	-	972,141	945,964
Music workshops	-	-	-	100
Keyboard Recruiting	293	-	293	639
Speech, Communication and Theatre	544,026	-	544,026	516,233
Television Studios	18,436	-	18,436	21,633
Other instruction	500	-	500	1,254
Total College of Fine Arts and Communication	\$ 2,953,099	\$ -	\$ 2,953,099	\$ 2,782,843
College of Science:				
Nursing	\$ 723,422	\$ -	\$ 723,422	\$ 694,064
Nursing - Continuing Education	-	-	0	96
Biological Sciences	923,954	-	923,954	899,243
Biological Station	15,019	-	15,019	12,468
Chemistry	657,666	-	657,666	604,979
Geosciences	431,250	-	431,250	400,716
Mathematics	967,275	-	967,275	841,158
Physics and Astronomy	627,846	-	627,846	583,380
Indirect cost	1,050	-	1,050	-
Total College of Science	\$ 4,347,482	\$ -	\$ 4,347,482	\$ 4,036,104
College of Education:				
Elementary and Secondary Education	\$ 1,046,795	\$ -	\$ 1,046,795	\$ 982,407
Environmental Education Center	4,271	-	4,271	3,488
Environmental Education Preservice	4,653	-	4,653	4,579
West Kentucky Environmental Education Consortium	3,784	-	3,784	3,024
Educational Leadership and Counseling	528,150	-	528,150	471,164
American Humanics	70,453	-	70,453	67,393
Health, Physical Education and Recreation	585,899	-	585,899	572,418
Special Education	473,449	-	473,449	437,159
Special Education Awards Banquet	536	-	536	629
Speech and Hearing workshops	544	-	544	406

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			
	Unrestricted	Restricted	Total	1991
EDUCATIONAL AND GENERAL (cont.)				
Instruction (cont.):				
College of Education (cont.):				
Office of Field Services	\$ 275,283	\$ -	\$ 275,283	\$ 249,049
Other instruction	10,927	-	10,927	2,669
Total College of Education	\$ 3,004,744	\$ -	\$ 3,004,744	\$ 2,794,385
College of Humanistic Studies:				
English	\$ 1,341,077	\$ -	\$ 1,341,077	\$ 1,240,951
English computer lab	4,958	-	4,958	5,002
Foreign Languages	451,919	-	451,919	392,009
Foreign Languages competition	188	-	188	119
Foreign Language lab	100	-	100	1,913
History	644,621	-	644,621	651,097
Philosophy and Religious Studies	224,182	-	224,182	211,812
Psychology	533,098	-	533,098	466,605
Sociology and Anthropology	478,555	-	478,555	443,312
Kentucky Institute for International Studies	429,853	-	429,853	488,134
Humanistic Studies copy account	(172)	-	(172)	1,150
Other instruction	6,195	-	6,195	-
Total College of Humanistic Studies	\$ 4,114,574	\$ -	\$ 4,114,574	\$ 3,902,104
College of Industry and Technology:				
Engineering Technology	\$ 632,307	\$ -	\$ 632,307	\$ 557,568
Graphic Arts Technology	222,546	-	222,546	209,777
The Technology Center	3,344	-	3,344	-
Industrial Education and Technology	417,456	-	417,456	390,332
Safety Engineering and Health	492,892	-	492,892	458,246
Safety Engineering and Health workshops	749	-	749	2,041
Military Science	28,253	-	28,253	29,416
Agriculture	672,890	-	672,890	696,544
Animal Health Technology	124,695	-	124,695	109,806
Rodeo	14,129	-	14,129	38,192
Home Economics	393,644	-	393,644	359,010
Home Economics travel study tours	5,899	-	5,899	7,128
Indirect costs	289	-	289	939
Other instruction	54,632	-	54,632	67,297
Total College of Industry and Technology	\$ 3,063,725	\$ -	\$ 3,063,725	\$ 2,926,296
Other instruction:				
Bowling Course Fees	\$ 5,080	\$ -	\$ 5,080	\$ 4,795
Computer for instruction and research	250,000	-	250,000	250,000
Fort Campbell	124,333	-	124,333	164,315
Academic assessment and consultants	16,514	-	16,514	8,503
Academic enhancement	-	-	-	16,327
Area Health Education System	49,593	-	49,593	48,487
Athletic Academic Advising	15,406	-	15,406	3,961
Bachelor of Independent Study degree	126,251	-	126,251	105,033
Center for Economic Education	4,099	-	4,099	15,134
Center for International Programs	129,298	-	129,298	98,399
Chaykin CPA Review course	-	-	-	1,310
Conferences and Workshops	170,800	-	170,800	173,215
Correspondence Study	3,088	-	3,088	2,432
Extended Campus programs	457,590	-	457,590	320,311
Festival of Champions	24,399	-	24,399	30,372
Golf Course green fees	3,056	-	3,056	2,160

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Instruction (cont.):				
Other instruction (cont.):				
Hazardous waste	\$ 4,784	\$ -	\$ 4,784	\$ 31,126
Hearing impaired student services	124	-	124	255
Honors program	35,795	-	35,795	31,581
Indirect costs - VPAA	9,299	-	9,299	376
Instructional support	1,875	-	1,875	-
Jesse Stuart Fellowship	4,500	-	4,500	4,500
Kentucky Academic Decathlon	115	-	115	-
New Madrid	40	-	40	3
Quad State Festivals	12,737	-	12,737	18,610
SAT activities	-	-	-	48
Special Ed Multi-Media and Assistive Technology Center	11,860	-	11,860	68
Summer Challenge	5,406	-	5,406	4,754
Summer leaves and salaries	690,213	-	690,213	650,666
Super Saturdays	6,690	-	6,690	3,653
Unallotted academic programs	62,165	-	62,165	89,864
Upward Bound concessions	(1,515)	-	(1,515)	-
West Kentucky Dance Festival	536	-	536	-
Instruction accrued compensation expense	(5,706)	-	(5,706)	12,185
Instruction workstudy	-	191,353	191,353	161,206
Matching grants and contracts	14,617	1,423,846	1,438,463	1,445,159
Total other instruction	\$ 2,233,042	\$ 1,615,199	\$ 3,848,241	\$ 3,698,808
Community education:				
Center for Continuing Education	\$ 281,675	\$ -	\$ 281,675	\$ 269,283
Community education	145,626	-	145,626	83,484
The Paducah Center	141,378	-	141,378	110,688
Total community education	\$ 568,679	\$ -	\$ 568,679	\$ 463,455
Preparatory/remedial instruction:				
Learning Center	\$ 194,571	\$ -	\$ 194,571	\$ 165,826
Total preparatory/remedial instruction	\$ 194,571	\$ -	\$ 194,571	\$ 165,826
Total instruction	\$ 24,288,120	\$ 1,615,199	\$ 25,903,319	\$ 24,314,322
Research:				
Institutional sponsored research	\$ 23,874	\$ -	\$ 23,874	\$ 74,563
Center of Excellence and Ecosystems Studies	492,762	-	492,762	267,849
Mid-America Remote Sensing Center	148,297	-	148,297	137,583
Research accrued compensation expense	64	-	64	(2,904)
Research workstudy	-	3,701	3,701	2,260
Matching grants and contracts	67,490	483,091	550,581	365,216
Total research	\$ 732,487	\$ 486,792	\$ 1,219,279	\$ 844,567
Public service:				
Community service:				
Environmental Consortium of Mid-America	\$ 4,750	\$ -	\$ 4,750	\$ 213
Foreign languages services	244	-	244	76
School Services office	11,178	-	11,178	5,482
Archeology service center	65,693	-	65,693	90,259
Chemical services	14,762	-	14,762	22,193
Conferences and workshops	38,582	-	38,582	30,627
Celebrate Women	3,980	-	3,980	3,253

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Public service (cont.):				
Community service (cont.):				
Breathitt Veterinary Center:				
Administrative services	\$ 506,381	\$ -	\$ 506,381	\$ 497,479
Clinical pathology	30,149	-	30,149	-
Diagnostic and research capital	17,293	-	17,293	55,484
Histology	12,792	-	12,792	-
Seaboard Farms	8,492	-	8,492	16,317
Serology	150,702	-	150,702	130,128
Virology	180,736	-	180,736	163,711
Microbiology	255,179	-	255,179	212,423
Pathology	554,179	-	554,179	549,350
Therapy and Field services	1,261	-	1,261	65,599
Toxicology	133,134	-	133,134	146,351
Grow Conference	2,121	-	2,121	-
Graphic Arts video	14	-	14	-
National Boy Scout Museum	85,000	-	85,000	87,963
Waterfield Center	3,649	-	3,649	4,351
Livestock and Exposition Center	112,429	-	112,429	135,291
MSU X-Ray lab	4,012	-	4,012	3,521
Small Business Development Center	62,225	-	62,225	56,048
Clinical services	43,336	-	43,336	55,448
Total community service	\$ 2,302,273	\$ -	\$ 2,302,273	\$ 2,331,567
Public broadcasting services:				
WKMS - radio station	\$ 203,385	\$ -	\$ 203,385	\$ 197,537
Total public broadcasting services	\$ 203,385	\$ -	\$ 203,385	\$ 197,537
Other public service:				
Air Products Symposium	\$ (102)	\$ -	\$ (102)	\$ 792
Biological station facilities	2,040	-	2,040	4,687
Boar test unit	27,718	-	27,718	28,904
Hazardous materials worker training project	36,466	-	36,466	23,663
Public service accrued compensation expense	8,257	-	8,257	14,201
Public service workstudy	-	7,789	7,789	9,536
Matching grants and contracts	408	244,246	244,654	288,736
Total other public service	\$ 74,787	\$ 252,035	\$ 326,822	\$ 370,519
Total public service	\$ 2,580,445	\$ 252,035	\$ 2,832,480	\$ 2,899,623
Libraries:				
Library	\$ 2,103,736	\$ -	\$ 2,103,736	\$ 1,973,727
Census microfilm program	1,598	-	1,598	1,104
Library copy service	37,389	-	37,389	43,657
Interlibrary loan	919	-	919	929
Library accrued compensation expense	(4,320)	-	(4,320)	6,448
Library workstudy	-	43,981	43,981	36,080
Matching grants and contracts	-	-	-	-
Total libraries	\$ 2,139,322	\$ 43,981	\$ 2,183,303	\$ 2,061,945

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			
	Unrestricted	Restricted	Total	1991
EDUCATIONAL AND GENERAL (cont.)				
Academic support:				
Museums, galleries, and theatre:				
Clara Eagle Art Gallery	\$ 10,310	\$ -	\$ 10,310	\$ 9,884
Recording studio	467	-	467	137
University Theatre	22,368	-	22,368	22,799
Wrather West Kentucky Museum	55,966	-	55,966	51,664
Wickliffe Mounds	49,909	-	49,909	46,076
Wickliffe Mounds gift shop	5,280	-	5,280	4,358
Wickliffe Mounds Welcome Center	21,162	-	21,162	17,813
Total museums, galleries, and theatre	\$ 165,462	\$ -	\$ 165,462	\$ 152,731
Educational media services:				
Faculty Resource Center	\$ 164,719	\$ -	\$ 164,719	\$ 198,576
Total educational media services	\$ 164,719	\$ -	\$ 164,719	\$ 198,576
Ancillary support:				
Academic Council	\$ 1,382	\$ -	\$ 1,382	\$ 5,064
Farms	193,910	-	193,910	230,240
Horses	60,369	-	60,369	58,024
Horticulture	7,750	-	7,750	7,327
Faculty Senate	11,182	-	11,182	7,103
Total ancillary support	\$ 274,593	\$ -	\$ 274,593	\$ 307,758
Academic administration:				
Dean - Business and Public Affairs	\$ 372,893	\$ -	\$ 372,893	\$ 335,506
Dean - Fine Arts and Communication	291,003	-	291,003	269,446
Dean - Science	550,983	-	550,983	596,390
Dean - Education	360,540	-	360,540	355,425
Dean - Humanistic Studies	173,798	-	173,798	195,310
Dean - Industry and Technology	296,442	-	296,442	273,676
Office of Grants Development - Sponsored Programs	34,442	-	34,442	26,298
Total academic administration	\$ 2,080,101	\$ -	\$ 2,080,101	\$ 2,052,051
Academic personnel development:				
Faculty recruitment and travel	\$ 86,830	\$ -	\$ 86,830	\$ 100,587
Minority faculty recruitment	71,220	-	71,220	72,677
Total academic personnel development	\$ 158,050	\$ -	\$ 158,050	\$ 173,264
Course and curriculum development:				
Accreditations	\$ 45,921	\$ -	\$ 45,921	\$ 33,088
SACS re-accreditation	16,895	-	16,895	-
Curriculum development	5,717	-	5,717	12,210
Unit plan and program development	5,469	-	5,469	11,076
Total course and curriculum development	\$ 74,002	\$ -	\$ 74,002	\$ 56,374
Other academic support:				
Special programs	\$ 2,847	\$ -	\$ 2,847	\$ 4,384
Aquaculture research project	-	-	-	4,160
Archeology lab	10,279	-	10,279	5,874
Student advising center	3,599	-	3,599	-

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	-----1992-----			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Academic support (cont.):				
Other academic support (cont.):				
Academic support accrued compensation expense	\$ (12,195)	\$ -	\$ (12,195)	\$ 2,427
Academic support workstudy	-	30,982	30,982	25,625
Matching grants and contracts	58,288	101,197	159,485	121,873
Total other academic support	\$ 62,818	\$ 132,179	\$ 194,997	\$ 164,343
Total academic support	\$ 2,979,745	\$ 132,179	\$ 3,111,924	\$ 3,105,097
Student services:				
Student service administration:				
School Relations	\$ 469,095	\$ -	\$ 469,095	\$ 395,106
Student Government Association	263,761	-	263,761	213,868
Curris Center administration	138,541	-	138,541	139,844
Total student services administration	\$ 871,397	\$ -	\$ 871,397	\$ 748,818
Social and cultural development:				
The Shield	\$ 61,548	\$ -	\$ 61,548	\$ 65,789
Murray State University News	98,829	-	98,829	142,776
Total social and cultural development	\$ 160,377	\$ -	\$ 160,377	\$ 208,565
Counseling and career guidance:				
Counseling and Testing Center	\$ 220,020	\$ -	\$ 220,020	\$ 222,103
Cooperative Education and Placement	199,085	-	199,085	188,822
Catalogs and bulletins	45,280	-	45,280	79,964
Total counseling and career guidance	\$ 464,385	\$ -	\$ 464,385	\$ 490,889
Student financial aid administration:				
Student Financial Aid Office	\$ 303,534	\$ -	\$ 303,534	\$ 289,595
Total student financial aid administration	\$ 303,534	\$ -	\$ 303,534	\$ 289,595
Student health services:				
Health Services	\$ 268,196	\$ -	\$ 268,196	\$ 277,360
Total student health services	\$ 268,196	\$ -	\$ 268,196	\$ 277,360
Intercollegiate athletics:				
Athletic director	\$ 275,533	\$ -	\$ 275,533	\$ 223,753
Sports information director	81,398	-	81,398	73,506
Athletic trainer	129,502	-	129,502	125,143
Athletic concessions	23,588	-	23,588	25,613
Athletic marketing	4,828	-	4,828	-
Athletic programs	9,540	-	9,540	11,000
Athletic ticket office	51,200	-	51,200	46,255
Basketball coach	6,894	-	6,894	-
Basketball referee	4,610	-	4,610	-
Football	403,454	-	403,454	453,408
Football recruiting	15,380	-	15,380	-
Men's basketball	326,336	-	326,336	343,110
OVC Baseball Tournament	-	-	-	213
OVC Basketball Tournament	9,962	-	9,962	57,833
OVC concessions	7,331	-	7,331	-
NCAA Tournament travel	65,403	-	65,403	77,607

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Student services (cont.):				
Intercollegiate athletics (cont.):				
Baseball	\$ 99,697	\$ -	\$ 99,697	\$ 123,118
Baseball concessions	553	-	553	-
Men's track	53,382	-	53,382	44,907
Men's tennis	41,979	-	41,979	40,470
Men's golf	26,870	-	26,870	26,025
Women's track	81,996	-	81,996	95,178
Women's basketball	110,382	-	110,382	119,732
Women's tennis	26,146	-	26,146	30,899
Women's volleyball	43,180	-	43,180	45,854
Rifle team	30,345	-	30,345	17,885
Cheerleaders	14,752	-	14,752	15,792
Total intercollegiate athletics	\$ 1,944,241	\$ -	\$ 1,944,241	\$ 1,997,301
Student admissions and records:				
Admissions and records	\$ 546,742	\$ -	\$ 546,742	\$ 576,175
Degree audit system	41,985	-	41,985	-
Recruitment and retention	2,154	-	2,154	13,906
Commencement expense	7,202	-	7,202	9,667
Total student admissions and records	\$ 598,083	\$ -	\$ 598,083	\$ 599,748
Other student services:				
Co-Curricular Education	\$ 101,411	\$ -	\$ 101,411	\$ 94,451
Minority student services	43,698	-	43,698	43,706
Campus Lights	3,681	-	3,681	2,561
Forensic team	10,135	-	10,135	17,802
Indirect costs	5,853	-	5,853	-
Locker and furniture rent	104	-	104	2,979
National student exchange	3,503	-	3,503	1,660
Regional tournaments	20,560	-	20,560	-
Residence Hall Association	5,375	-	5,375	12,878
Residence halls	14,707	-	14,707	16,949
Senior breakfast	3,374	-	3,374	2,920
Summer Orientation	76,619	-	76,619	82,113
University center programming	41	-	41	103
Workshops	4	-	4	-
Miscellaneous	467	-	467	-
Student services accrued compensation expense	(17,415)	-	(17,415)	26,231
Veterans Affairs	443	-	443	1,766
Student services workstudy	-	52,813	52,813	40,673
Matching grants and contracts	4,011	98,161	102,172	94,283
Total other student services	\$ 276,571	\$ 150,974	\$ 427,545	\$ 441,075
Total student services	\$ 4,886,784	\$ 150,974	\$ 5,037,758	\$ 5,053,351
Institutional support:				
Executive management:				
Board of Regents	\$ 6,419	\$ -	\$ 6,419	\$ 8,959
President's Office	263,755	-	263,755	213,514
Vice President for Academic Affairs	327,387	-	327,387	320,281
Vice President for Student Development	224,384	-	224,384	167,576
Vice President for University Relations and Development	273	-	273	17,687
Vice President for Finance and Administrative Services	160,606	-	160,606	70,676

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Institutional support (cont.):				
Executive management (cont.):				
Institutional Planning and Research	\$ 106,654	\$ -	\$ 106,654	\$ 139,327
Legal Services	169,648	-	169,648	147,074
Total executive management	\$ 1,259,126	\$ -	\$ 1,259,126	\$ 1,085,094
Fiscal operations:				
Office of the Budget	\$ 140,945	\$ -	\$ 140,945	\$ 125,635
Accounting and Financial Services	839,755	-	839,755	824,255
Bad debt expense	75,714	-	75,714	116,727
Bank service charge	27,720	-	27,720	20,844
Total fiscal operations	\$ 1,084,134	\$ -	\$ 1,084,134	\$ 1,087,461
General administration and logistical services:				
Purchasing and General Services	\$ 478,798	\$ -	\$ 478,798	\$ 476,081
Sale of surplus property	878	-	878	1,440
Central stores revolving fund	26,968	-	26,968	29,126
Personnel Services	163,683	-	163,683	153,314
Campus Safety	495,485	-	495,485	441,634
Insurance premiums	-	-	-	155,000
Microcomputer repair	9,062	-	9,062	1,014
Motor Pool	301,697	-	301,697	208,853
Office machine repair	65,277	-	65,277	85,334
Upholstery shop	58,679	-	58,679	69,137
Postal services	159,401	-	159,401	162,231
Workers compensation	130,350	-	130,350	143,838
Unemployment compensation	33,253	-	33,253	19,783
Public address system	9,453	-	9,453	6,117
Grants equipment revolving fund	-	-	-	(3,219)
Racer Card administration	(225)	-	(225)	166,046
Telecommunications Support	532,343	-	532,343	577,551
Wordperfect administration	-	-	-	43
Total general administration and logistical services	\$ 2,465,102	\$ -	\$ 2,465,102	\$ 2,693,323
Public relations and development:				
Office of Development	\$ 135,526	\$ -	\$ 135,526	\$ 141,647
University Information Services	222,941	-	222,941	211,906
University photographer	6,616	-	6,616	5,877
Radio and TV specialist	5,703	-	5,703	6,772
Office of Publications	238,197	-	238,197	278,894
Alumni Affairs	151,408	-	151,408	137,789
Alumni/Development records	63,005	-	63,005	60,697
University publications	53,191	-	53,191	37,472
University wide events	4,972	-	4,972	20,472
Total public relations and development	\$ 881,559	\$ -	\$ 881,559	\$ 901,526
Administrative computing support:				
Computing and Information Systems	\$ 734,461	\$ -	\$ 734,461	\$ 722,713
Total administrative computing support	\$ 734,461	\$ -	\$ 734,461	\$ 722,713

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Institutional support (cont.):				
Other institutional support:				
Affirmative action officer search	\$ -	\$ -	\$ -	\$ 1,881
Military leave benefits	1,438	-	1,438	6,104
Computer upgrade	12,365	-	12,365	-
Student loans software	31,799	-	31,799	-
Other	15,431	-	15,431	332
MSU Staff Congress	7,056	-	7,056	6,346
MSU Staff Congress awards	8,130	-	8,130	8,869
Employee scholarship	74,632	-	74,632	63,720
Friends of Oakhurst	1,417	-	1,417	-
Miscellaneous institutional support	129,052	-	129,052	173,160
Single year budget contingency	4,554	-	4,554	210
Presidential inauguration	37	-	37	23,688
Vice President for University Relations and Administrative Services search	6,849	-	6,849	8,701
Utilities and required maintenance	14,037	-	14,037	-
Institutional support allocation to auxiliary	(342,090)	-	(342,090)	(326,507)
Institutional support accrued compensation expense	17,096	-	17,096	42,509
Institutional support workstudy	-	57,181	57,181	46,531
Matching grants and contracts	-	3,000	3,000	-
Total other institutional support	\$ (18,197)	\$ 60,181	\$ 41,984	\$ 55,544
Total institutional support	\$ 6,406,185	\$ 60,181	\$ 6,466,366	\$ 6,545,661
Operation and maintenance of plant:				
Physical plant administration:				
Administration	\$ 339,933	\$ -	\$ 339,933	\$ 325,717
Engineering and Architectural Services	125,803	-	125,803	177,962
Seasonal labor	47,808	-	47,808	59,825
Total physical plant administration	\$ 513,544	\$ -	\$ 513,544	\$ 563,504
Building maintenance:				
Building and Equipment Maintenance	\$ 1,756,666	\$ -	\$ 1,756,666	\$ 1,835,380
Grounds Maintenance	509,293	-	509,293	494,308
Property insurance	177,441	-	177,441	197,948
Total building maintenance	\$ 2,443,400	\$ -	\$ 2,443,400	\$ 2,527,636
Other operation and maintenance of plant:				
Custodial Maintenance	\$ 1,143,330	\$ -	\$ 1,143,330	\$ 1,078,347
Environmental Safety and Health	134,535	-	134,535	-
Utilities	2,299,464	-	2,299,464	2,203,396
Warehouse inventory	(3,829)	-	(3,829)	39,540
Major repairs and renovation	653,137	-	653,137	610,973
Operation and maintenance of plant accrued compensation expense	(2,783)	-	(2,783)	12,779
Operation and maintenance of plant workstudy	-	4,374	4,374	546
Total other operation and maintenance of plant	\$ 4,223,854	\$ 4,374	\$ 4,228,228	\$ 3,945,581
Total operation and maintenance of plant	\$ 7,180,798	\$ 4,374	\$ 7,185,172	\$ 7,036,721

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES AND TRANSFERS (cont.)
For the Year Ended June 30, 1992
With Comparative Figures for the Year Ended June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Student financial aid:				
Scholarships and fellowships	\$ 3,074,554	\$ 620,041	\$ 3,694,595	\$ 3,369,775
Athletic grants-in-aid	973,730	-	973,730	935,850
Pell, SEOG and KHEAA grant awards	-	4,333,853	4,333,853	3,910,875
Total student financial aid	\$ 4,048,284	\$ 4,953,894	\$ 9,002,178	\$ 8,216,500
Total expenditures	\$ 55,242,170	\$ 7,699,609	\$ 62,941,779	\$ 60,077,787
EDUCATIONAL AND GENERAL TRANSFERS-				
Mandatory transfers:				
Principal and interest	\$ 3,240,694	\$ -	\$ 3,240,694	\$ 3,162,164
Perkins fund matching grant	387	-	387	331
SEOG matching grant	48,874	(48,874)	-	-
Total mandatory transfers	\$ 3,289,955	\$ (48,874)	\$ 3,241,081	\$ 3,162,495
Non-mandatory transfers:				
From auxiliaries	\$ (72,487)	\$ -	\$ (72,487)	(73,230)
To renewal and replacement	143,003	-	143,003	(17,030)
To unexpended plant fund	438,647	-	438,647	1,097,558
Total non-mandatory transfers	\$ 509,163	\$ -	\$ 509,163	\$ 1,007,298
Total educational and general	\$ 59,041,288	\$ 7,650,735	\$ 66,692,023	\$ 64,247,580
AUXILIARY ENTERPRISES-				
Food service	\$ 3,318,495	\$ -	\$ 3,318,495	\$ 3,991,144
Housing	3,202,328	-	3,202,328	3,000,625
Bookstore	2,166,910	-	2,166,910	2,098,078
Curris Center	457,952	-	457,952	417,270
University Parking	84,601	-	84,601	70,827
Racer Card Administration	159,962	-	159,962	-
Manual commissions	12,370	-	12,370	7,471
Other auxiliary services	22,623	-	22,623	25,167
Vending	100,855	-	100,855	84,138
Renovation and maintenance	192,778	-	192,778	204,149
Scholarships	54,425	-	54,425	51,380
Auxiliary enterprises accrued compensation expense	(500)	-	(500)	5,156
Auxiliary enterprises workstudy	-	60,935	60,935	36,704
Total expenditures	\$ 9,772,799	\$ 60,935	\$ 9,833,734	\$ 9,992,109
Mandatory transfers:				
Principal and interest	\$ 597,883	\$ -	\$ 597,883	\$ 579,532
Total mandatory transfers	\$ 597,883	\$ -	\$ 597,883	\$ 579,532
Non-mandatory transfers:				
To educational and general	\$ 72,487	\$ -	\$ 72,487	\$ 73,230
To unexpended plant fund	386,100	-	386,100	257,641
Total non-mandatory transfers	\$ 458,587	\$ -	\$ 458,587	\$ 330,871
Total auxiliary enterprises	\$ 10,829,269	\$ 60,935	\$ 10,890,204	\$ 10,902,512
Total current funds expenditures and transfers	\$ 69,870,557	\$ 7,711,670	\$ 77,582,227	\$ 75,150,092
	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES
AND TRANSFERS BY MAJOR OBJECT
For the Year Ended June 30, 1992
With Comparative Figures as of June 30, 1991

	1992		
	Unrestricted	Restricted	Total
			1991
EDUCATIONAL AND GENERAL-			
Expenditures:			
Instruction:			
Personnel services	\$ 22,255,661	\$ 1,176,356	\$ 23,432,017
Current operating expenses	1,903,810	384,879	2,288,689
Capital outlay	128,669	53,964	182,633
Total	\$ 24,288,140	\$ 1,615,199	\$ 25,903,339
Research:			
Personnel services	\$ 341,640	\$ 259,259	\$ 600,899
Current operating expenses	185,419	215,617	401,036
Capital outlay	205,428	11,916	217,344
Total	\$ 732,487	\$ 486,792	\$ 1,219,279
Public service:			
Personnel services	\$ 2,177,231	\$ 203,598	\$ 2,380,829
Current operating expenses	382,506	48,437	430,943
Capital outlay	20,708	-	20,708
Total	\$ 2,580,445	\$ 252,035	\$ 2,832,480
Libraries:			
Personnel services	\$ 1,218,116	\$ 43,981	\$ 1,262,097
Current operating expenses	882,263	-	882,263
Capital outlay	38,943	-	38,943
Total	\$ 2,139,322	\$ 43,981	\$ 2,183,303
Academic support:			
Personnel services	\$ 2,056,107	\$ 61,672	\$ 2,117,779
Current operating expenses	670,241	15,157	685,398
Capital outlay	253,397	55,350	308,747
Total	\$ 2,979,745	\$ 132,179	\$ 3,111,924
Student services:			
Personnel services	\$ 3,321,060	\$ 141,211	\$ 3,462,271
Current operating expenses	1,538,333	9,763	1,548,096
Capital outlay	27,391	-	27,391
Total	\$ 4,886,784	\$ 150,974	\$ 5,037,758
Institutional support:			
Personnel services	\$ 5,628,897	\$ 60,181	\$ 5,689,078
Current operating expenses	196,275	-	196,275
Capital outlay	581,013	-	581,013
Total	\$ 6,406,185	\$ 60,181	\$ 6,466,366
Operation and maintenance of plant:			
Personnel services	\$ 3,724,903	\$ 4,374	\$ 3,729,277
Current operating expenses	3,177,495	-	3,177,495
Capital outlay	278,400	-	278,400
Total	\$ 7,180,798	\$ 4,374	\$ 7,185,172

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES
AND TRANSFERS BY MAJOR OBJECT (cont.)
For the Year Ended June 30, 1992
With Comparative Figures as of June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
EDUCATIONAL AND GENERAL (cont.)				
Expenditures (cont.)				
Student financial aid:				
Personnel services	\$ 10,899	\$ 8,420	\$ 19,319	\$ 15,240
Current operating expenses	4,037,385	4,945,474	8,982,859	8,201,260
Capital outlay	-	-	-	-
Total	\$ 4,048,284	\$ 4,953,894	\$ 9,002,178	\$ 8,216,500
Mandatory transfers for:				
Perkins fund matching grant	\$ 387	\$ -	\$ 387	\$ 331
SEOG matching grant	48,874	(48,874)	-	-
Principal and interest	3,240,694	-	3,240,694	3,162,164
Total	\$ 3,289,955	\$ (48,874)	\$ 3,241,081	\$ 3,162,495
Non-mandatory transfers:				
From auxiliaries	\$ (72,487)	\$ -	\$ (72,487)	\$ (73,230)
To renewal and replacement fund	143,003	-	143,003	(17,030)
To unexpended plant fund	438,647	-	438,647	1,097,558
Total	\$ 509,163	\$ -	\$ 509,163	\$ 1,007,298
Total educational and general	\$ 59,041,308	\$ 7,650,735	\$ 66,692,043	\$ 64,247,580
AUXILIARY ENTERPRISES-				
Expenditures:				
Personnel services	\$ 3,540,660	\$ 60,935	\$ 3,601,595	\$ 3,416,817
Current operating expenses	6,102,952	-	6,102,952	6,420,983
Capital outlay	129,187	-	129,187	154,309
Total	\$ 9,772,799	\$ 60,935	\$ 9,833,734	\$ 9,992,109
Mandatory transfers for:				\$
Principal and interest	\$ 597,883	\$ -	\$ 597,883	579,532
Non-mandatory transfers:				
To educational and general	\$ 72,487	\$ -	\$ 72,487	\$ 73,230
To unexpended plant fund	386,100	-	386,100	257,641
Total	\$ 458,587	\$ -	\$ 458,587	\$ 330,871
Total auxiliaries	\$ 10,829,269	\$ 60,935	\$ 10,890,204	\$ 10,902,512
Total expenditures and transfers	\$ 69,870,577	\$ 7,711,670	\$ 77,582,247	\$ 75,150,092
	=====	=====	=====	=====

MURRAY STATE UNIVERSITY
SCHEDULE OF CURRENT FUNDS EXPENDITURES
AND TRANSFERS BY MAJOR OBJECT (cont.)
For the Year Ended June 30, 1992
With Comparative Figures as of June 30, 1991

	1992			1991
	Unrestricted	Restricted	Total	
SUMMARY BY MAJOR OBJECT-				
Expenditures:				
Personnel services	\$ 44,275,174	\$ 2,019,987	\$ 46,295,161	\$ 43,002,481
Current operating expenses	19,076,679	5,619,327	24,696,006	25,149,032
Capital outlay	1,663,136	121,230	1,784,366	1,918,383
Total	\$ 65,014,989	\$ 7,760,544	\$ 72,775,533	\$ 70,069,896
Mandatory transfers for:				
Perkins fund matching grant	\$ 387	\$ -	\$ 387	\$ 331
SEOG matching grant	48,874	(48,874)	-	-
Principal and interest	3,838,577	-	3,838,577	3,741,696
Total	\$ 3,887,838	\$ (48,874)	\$ 3,838,964	\$ 3,742,027
Non-mandatory transfers:				
From renewal and replacement fund	\$ 143,003	\$ -	\$ 143,003	\$ (17,030)
To unexpended plant fund	824,747	-	824,747	1,355,199
Total	\$ 967,750	\$ -	\$ 967,750	\$ 1,338,169
Total expenditures and transfers	\$ 69,870,577	\$ 7,711,670	\$ 77,582,247	\$ 75,150,092

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
LOAN FUNDS
For the Year Ended June 30, 1992

	Student Emergency Loans	Student Nurse Loan Program Fund	Perkins Student Loan Fund	Norris Loan Program Fund	Total
Fund balance June 30, 1991	\$ 1,365	\$ 257,230	\$ 4,075,467	\$ 24,666	\$ 4,358,728
Additions:					
Interest	\$ -	\$ 8,825	\$ 97,875	\$ 1,411	\$ 108,111
Federal contributions	-	-	3,487	-	3,487
Reinstatement of bad debt	-	-	-	300	300
Other contributions	-	-	-	15	15
Other additions	-	90	16,547	-	16,637
Mandatory transfer - Perkins match	-	-	387	-	387
Total additions	\$ -	\$ 8,915	\$ 118,296	\$ 1,726	\$ 128,937
Deductions:					
Cancellations - Teaching	\$ -	\$ -	\$ 19,723	\$ -	\$ 19,723
Cancellations - Death	-	2,000	-	-	2,000
Cancellations - Disability	-	-	2,278	-	2,278
Cancellations - Bankruptcy	-	-	6,085	-	6,085
Cancellations - Default	-	237	24,683	-	24,920
Administrative costs	-	-	76,661	-	76,661
Collection costs	-	225	14,943	164	15,332
Other deductions	-	-	6,261	-	6,261
Total deductions	\$ -	\$ 2,462	\$ 150,634	\$ 164	\$ 153,260
Fund balance June 30, 1992	\$ 1,365	\$ 263,683	\$ 4,043,129	\$ 26,228	\$ 4,334,405

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
ENDOWMENT FUNDS
For the Year Ended June 30, 1992

Fund balance June 30, 1991		\$ 531,350

Additions:		
Gifts and donations	\$ 753,103	
Investment income	3,125	

Total additions		\$ 756,228

Fund balance June 30, 1992		\$ 1,287,578
		=====

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
UNEXPENDED PLANT FUNDS
For the Year Ended June 30, 1992

Fund balance June 30, 1991	\$ 2,614,221
<hr/>	
Additions:	
Transfer from Current funds	\$ 1,051,998
Interest earnings	100,094
Transfer of debt to Investment in Plant	1,907,213
Transfer from Retirement of Indebtedness	32,520
<hr/>	
Total additions	\$ 3,091,825
<hr/>	
Deductions:	
Current expenditures	\$ 3,578,925
Arbitrage rebate to Commonwealth of Kentucky	15,364
Account balances for completed or cancelled	
projects returned to funding source:	
Murray State University current funds	227,251
Transfer of Discount on Bonds to Investment in Plant	33,211
Transfer to Retirement of Indebtedness Fund	532,500
<hr/>	
Total deductions	\$ 4,387,251
<hr/>	
Fund balance June 30, 1992	\$ 1,318,795
	=====

MURRAY STATE UNIVERSITY
SCHEDULE OF PROJECT ALLOTMENTS
UNEXPENDED PLANT FUNDS
For the Year Ended June 30, 1992

	State Appropriation	Trust and Agency Fund	Investment Income	Other State Funds	Revenue Bond Proceeds	Other	Total
100 Clearing account	\$ 343	\$ -	\$ 56	\$ -	\$ 60,797	\$ -	\$ 61,196
131 Land acquisitions	-	844,423	356,267	-	-	-	1,200,690
159 BSA Lab School renovations	-	300,000	-	-	-	732,720	1,032,720
251 Industry and Technology building	-	-	1,250,000	-	12,500,000	-	13,750,000
300 CEBRB anticipation notes E and F	-	-	173,805	-	815,911	-	989,716
403 Steam/condensate lines replacement	-	-	-	-	408,100	-	408,100
405 Old fine arts building - renovation	-	-	-	-	186,000	-	186,000
406 Art Laboratory	-	32,851	-	-	-	-	32,851
410 Boy Scout Museum - Phase IV	-	-	-	-	-	36,814	36,814
420 Waterfield Library on-line computer	-	266,000	-	-	-	-	266,000
426 Franklin Hall - waterline replacement	-	24,679	-	-	-	-	24,679
427 Regents Hall ceiling tiles and lights	-	75,000	-	-	-	-	75,000
438 Doyle Fine Arts - roof replacement	-	76,401	-	-	-	-	76,401
440 Clark Hall - shower base replacement	-	44,051	-	-	-	-	44,051
441 Racer Arena - roof replacement	-	-	-	-	111,706	-	111,706
442 Exposition Center - replace arena fence	-	13,855	-	-	-	-	13,855
443 Blackburn Science - exterior repairs	-	67,564	-	-	-	-	67,564
501 E & G sprinkler systems	-	-	-	534,821	-	-	534,821
502 PCB removal 1990-92	-	-	-	101,608	-	-	101,608
503 Hazardous waste packaging and storage	-	-	-	1,000	-	-	1,000
505 Sprinkler systems - dorms	-	57,525	-	-	-	-	57,525
506 Elizabeth and Hester - Asbestos removal	-	21,975	-	-	-	-	21,975
507 Expo Center - roof replacement	-	10,790	-	-	-	-	10,790
514 New campus phone switch	-	280,613	-	-	-	557,000	837,613
516 New refuse collection truck	-	82,515	-	-	-	-	82,515
521 Tennis courts - repair and resurface	-	51,541	-	-	-	-	51,541
521 Tennis courts - repair and resurface	-	-	-	-	-	-	-
522 Racer Arena - ventilation fans	-	-	-	-	30,934	-	30,934
523 Winslow Cafeteria upgrade - electrical	-	4,766	-	-	-	-	4,766
524 Richmond Hall - roof replacement	-	54,789	-	-	-	-	54,789
525 Business Building - roof replacement	-	-	67,051	-	7,300	-	74,351
526 Richmond Hall - Waterline replacement	-	26,743	-	-	-	-	26,743
527 Wickliffe Mounds - artifact storage	-	31,909	-	-	-	-	31,909
528 Emergency generators and lighting	-	-	-	156,130	-	-	156,130
529 College Courts - roof replacement	-	92,550	-	-	-	-	92,550
530 Springer Hall - roof replacement	-	95,264	-	-	-	-	95,264
531 Old Fine Arts - asbestos removal	-	-	-	12,000	-	-	12,000
533 Parking lot expansion - 13th & Payne	-	600	-	-	-	-	600
534 Fire Alarm replacement and compressed gas storage	-	-	-	67,500	-	-	67,500
535 Blackburn, Ordway - asbestos abatement	-	-	-	90,000	-	-	90,000
536 Chemical identification and disposal	-	-	-	62,863	-	-	62,863

MURRAY STATE UNIVERSITY
SCHEDULE OF PROJECT ALLOTMENTS
UNEXPENDED PLANT FUNDS (cont.)
For the Year Ended June 30, 1992

	State Appro- priation	Trust and Agency Fund	Investment Income	Other State Funds	Revenue Bond Proceeds	Other	Total
537 Underground fuel tank replacement	\$ -	\$ 62,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 137,000
538 Flammable storage cabinets	-	-	-	42,500	-	-	42,500
539 Security and Information Office - renovation	-	42,000	-	-	-	-	42,000
540 Carr Health - roof replacement	-	-	-	-	-	-	-
541 Parking lot - 16th and Olive	-	55,000	-	-	-	-	55,000
542 Parking lot - Waldrop and Chestnut	-	75,000	-	-	-	-	75,000
544 Breathitt Vet Center - energy conservation technical assistance report	-	3,000	-	-	-	-	3,000
545 Breathitt Vet Center - HVAC renovation	-	10,000	-	-	-	-	10,000
546 Sparks Hall - roof replacement	-	5,200	-	-	-	-	5,200
547 Update campus master plan	-	30,000	-	-	-	-	30,000
549 Hancock Biological Station - roof replacement	-	-	-	-	85,000	-	85,000
550 Emergency lighting and generator upgrade	-	40,000	-	-	-	-	40,000
551 Researcher cabins and bath/shower house	-	90,000	-	-	-	-	90,000
Total	\$ 343	\$ 2,968,604	\$ 1,847,179	\$ 1,143,422	\$14,205,748	\$ 1,326,534	\$21,491,830

MURRAY STATE UNIVERSITY
SCHEDULE OF PROJECT ACCOUNTS
UNEXPENDED PLANT FUNDS
For the Year Ended June 30, 1992

		Allotments			Expenditures			Outstanding Encum- brances	Balance June 30, 1992
		Prior to July 1, 1991	Received 1991-92	Total	Prior to July 1, 1991	Expendi- tures 1991-92	Total		
100	Clearing account	\$ 61,196	\$ -	\$ 61,196	\$ -	\$ -	\$ -	\$ -	\$ 61,196
131	Land acquisitions	1,122,190	78,500	1,200,690	1,118,060	74,736	1,192,796	-	7,894
159	BSA Lab School renovations	1,032,841	(121)	1,032,720	1,032,720	-	1,032,720	-	-
251	Industry and Technology building	13,750,000	-	13,750,000	12,551,108	1,170,112	13,721,220	-	28,780
300	CEBRB anticipation notes E and F	989,716	-	989,716	882,764	-	882,764	-	106,952
400	Consolidated Educational Series G Bonds Clearing (Notes 1 and 2)	-	-	-	83,542	-	83,542	-	(83,542)
403	Steam/condensate line replacement	43,000	365,100	408,100	-	90,139	90,139	302,497	15,464
405	Old fine arts building - renovation	-	186,000	186,000	-	21,726	21,726	41,775	122,499
406	Art laboratory	10,000	22,851	32,851	-	32,851	32,851	-	-
410	Boy Scout Museum - Phase IV	36,814	-	36,814	28,064	-	28,064	8,750	-
420	Waterfield Library - on-line computer	-	266,000	266,000	-	-	-	-	266,000
426	Franklin Hall - waterline replacement	50,000	(25,321)	24,679	24,679	-	24,679	-	-
427	Regents Hall - ceiling tiles and lights	75,000	-	75,000	50,144	15,796	65,940	-	9,060
438	Doyle Fine Arts - roof replacement	83,000	(6,599)	76,401	75,972	429	76,401	-	-
440	Clark Hall - shower base replacement	38,300	5,751	44,051	-	44,051	44,051	-	-
441	Racer Arena - roof replacement	124,800	(13,094)	111,706	12,002	99,704	111,706	-	-
442	Expo Center - replace arena fence	15,000	(1,145)	13,855	13,655	200	13,855	-	-
443	Blackburn Science - exterior repairs	75,000	(7,436)	67,564	782	66,782	67,564	-	-
500	Asbestos/PCB bonds proceeds clearing (Notes 1 and 2)	-	-	-	64,343	15,364	79,707	131,261	(210,968)
501	E & G sprinkler systems	337,946	196,875	534,821	30,491	348,086	378,577	22,741	133,503
502	PCB removal - 1990-92	1,000	100,608	101,608	323	76,770	77,093	-	24,515
503	Hazardous waste packaging and storage	-	1,000	1,000	-	75	75	-	925
505	Dorms - sprinkler systems	12,000	45,525	57,525	-	57,525	57,525	-	-
506	Elizabeth and Hester - asbestos removal	11,000	10,975	21,975	-	21,975	21,975	-	-
507	Expo Center - roof replacement	16,000	(5,210)	10,790	-	10,790	10,790	-	-
514	New Campus Phone Switch	837,613	-	837,613	83,661	753,870	837,531	-	82
516	New refuse collection truck	-	82,515	82,515	-	82,515	82,515	-	-
521	Tennis courts - repair and resurface	54,500	(2,959)	51,541	341	51,200	51,541	-	-
522	Racer Arena - ventilation fans	50,000	(19,066)	30,934	441	30,493	30,934	-	-
523	Winslow Cafeteria - upgrade electrical	20,000	(15,234)	4,766	-	4,766	4,766	-	-
524	Richmond Hall - roof replacement	59,300	(4,511)	54,789	4,174	50,615	54,789	-	-
525	Business Building - roof replacement	78,800	(4,449)	74,351	6,038	68,313	74,351	-	-
526	Richmond Hall - waterline replacement	50,000	(23,257)	26,743	13,458	13,285	26,743	-	-
527	Wickliffe Mounds - artifact storage	20,000	11,909	31,909	-	31,909	31,909	-	-
528	Emergency generators and lighting	14,000	142,130	156,130	-	15,452	15,452	4,000	136,678
529	College Courts - roof replacement	6,500	86,050	92,550	-	34,746	34,746	50,933	6,871
530	Springer Hall - roof replacement	10,000	85,264	95,264	-	95,264	95,264	-	-
531	Old Fine Arts - asbestos removal	12,000	-	12,000	220	4,715	4,935	1,565	5,500
533	Parking lot expansion - 13th and Payne	600	-	600	-	-	-	-	600
534	Fire alarm replacement and compressed gas storage	67,500	-	67,500	-	7,072	7,072	-	60,428

MURRAY STATE UNIVERSITY
SCHEDULE OF PROJECT ACCOUNTS
UNEXPENDED PLANT FUNDS (cont.)
For the Year Ended June 30, 1992

		-----Allotments-----			-----Expenditures-----			Outstanding Encum- brances	Balance June 30, 1992
		Prior to July 1, 1991	Received 1989-90	Total	Prior to July 1, 1991	Expendi- tures 1991-92	Total		
535	Blackburn and Ordway - asbestos abatement	\$ 15,000	\$ 75,000	\$ 90,000	\$ -	\$ 72,496	\$ 72,496	\$ 6,143	\$ 11,361
536	Chemical identification and disposal	-	62,863	62,863	-	62,863	62,863	-	-
537	Underground fuel tank replacement	62,000	75,000	137,000	-	91,780	91,780	1	45,219
538	Flammable storage cabinets	42,500	-	42,500	-	-	-	-	42,500
539	Security and Information Office - renovation	35,000	7,000	42,000	-	36,904	36,904	-	5,096
540	Carr Health - roof replacement	50,000	(50,000)	-	-	-	-	-	-
541	Parking lot - 16th and Olive	-	55,000	55,000	-	-	-	-	55,000
542	Parking lot - Waldrop and Chestnut	-	75,000	75,000	-	-	-	-	75,000
544	Breathitt Vet Center - conservation technical assistance report	-	3,000	3,000	-	3,000	3,000	-	-
545	Breathitt Vet Center - HVAC renovation	-	10,000	10,000	-	-	-	3,101	6,899
546	Sparks Hall - roof replacement	-	5,200	5,200	-	-	-	701	4,499
547	Update campus master plan	-	30,000	30,000	-	5,000	5,000	1	24,999
549	Hancock Biological Station - roof replacement	-	85,000	85,000	-	1,000	1,000	7,500	76,500
550	Emergency lighting and generator upgrade	-	40,000	40,000	-	-	-	-	40,000
551	Researcher cabins and bath/shower house	-	90,000	90,000	-	4,919	4,919	-	85,081
Total		\$19,370,116	\$ 2,121,714	\$21,491,830	\$16,076,982	\$ 3,669,288	\$19,746,270	\$ 580,969	\$ 1,164,591

Note 1: This project is disclosed as a project but the Commonwealth of Kentucky has never authorized Allotments for this project to date.

Note 2: Expenditures shown are for arbitrage rebate required per the Tax Reform Act of 1986.

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
RENEWALS AND REPLACEMENTS
For the Year Ended June 30, 1992

	Consolidated Education Renewal and Replacement	Housing and Dining Repair and Maintenance	Total
Fund balance June 30, 1991	\$ 2,669,769	\$ 719,194	\$ 3,388,963
Additions:			
Interest income	\$ 77,542	\$ 35,441	\$ 112,983
Gain on investment	-	1,441	1,441
Transfer from current funds	896,055	-	896,055
Total additions	\$ 973,597	\$ 36,882	\$ 1,010,479
Deductions:			
Transfer to current funds	\$ 753,052	\$ -	\$ 753,052
Total deductions	\$ 753,052	\$ -	\$ 753,052
Fund balance June 30, 1992	\$ 2,890,314	\$ 756,076	\$ 3,646,390

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
RETIREMENT OF INDEBTEDNESS
For the Year Ended June 30, 1992

	Consolidated Education Bond and Interest Sinking Fund	Housing and Dining Bond and Interest Sinking Fund	Asbestos And PCB Fund	Consolidated Educational Series G Arbitrage Rebate Fund	Life Safety Project 50 Fund	Notes Payable	Total
Fund balance June 30, 1991	\$ 3,006,499	\$ 842,967	\$ (49,404)	\$ 96,786	\$ (24,787)	\$ -	\$ 3,872,061
Additions:							
Investment earnings	\$ 259,329	\$ 42,041	\$ -	\$ 4,501	\$ -	\$ -	\$ 305,871
Gain on investments	-	1,594	-	-	-	-	1,594
Transfer from current unrestricted fund	2,973,313	627,986	162,821	-	74,457	-	3,838,577
Transfer from unexpended plant funds	532,500	-	-	-	-	-	532,500
Total additions	\$ 3,765,142	\$ 671,621	\$ 162,821	\$ 4,501	\$ 74,457	\$ -	\$ 4,678,542
Deductions:							
Bonds paid	\$ 1,575,000	\$ 435,000	\$ 43,433	\$ -	\$ 22,999	\$ -	\$ 2,076,432
Interest paid	1,722,764	231,693	117,992	-	48,906	35,294	2,156,649
Premium amortization	15,467	-	-	-	-	-	15,467
Bond issuance costs	97,120	-	-	-	-	-	97,120
Transfer to unexpended plant funds	32,520	-	-	-	-	-	32,520
Total deductions	\$ 3,442,871	\$ 666,693	\$ 161,425	\$ -	\$ 71,905	\$ 35,294	\$ 4,378,188
Fund balance June 30, 1992	\$ 3,328,770	\$ 847,895	\$ (48,008)	\$ 101,287	\$ (22,235)	\$ (35,294)	\$ 4,172,415

MURRAY STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
INVESTMENT IN PLANT
For the Year Ended June 30, 1992

Fund balance June 30, 1991	\$ 99,113,716
<hr/>	
Additions:	
Buildings	\$ -
Construction in progress	2,087,150
Equipment	2,447,966
Improvements other than buildings	22,164
Land	-
Library books	1,013,401
Payment on bond principal	2,076,432
Reduction in installment purchases obligations	10,698
Reduction in lease obligations	342,391
Transfer of bond discount from Unexpended Plant	33,211
	<hr/>
Total additions	\$ 8,033,413
<hr/>	
Deductions/deletions/disposals/transfers:	
Buildings	\$ 34,700
Construction in progress	140,080
Equipment	2,481,236
Library books	54,577
Transfer of debt from Unexpended Plant	1,907,213
Amortization of bond discount and issuance costs	17,674
	<hr/>
Total deductions	\$ 4,635,480
<hr/>	
Fund balance June 30, 1992	\$102,511,649
	<hr/>

MURRAY STATE UNIVERSITY
SCHEDULE OF INVESTMENTS BY FUND GROUPS
As of June 30, 1992

	U.S. Government Securities	Certificates of Deposit	Investments in State Investment Pool	Stocks and Bonds	Total
Current unrestricted funds	\$ -	\$ -	\$ 7,250,000	\$ -	\$ 7,250,000
Endowment funds	67,300	520,000	-	349,357	936,657
Renewals and Replacements	753,878	-	1,063,548	-	1,817,426
Retirement of Indebtedness funds	4,672,162	-	-	-	4,672,162
Unexpended Plant	-	-	4,041,493	-	4,041,493
Total investments	<u>\$ 5,493,340</u>	<u>\$ 520,000</u>	<u>\$ 12,355,041</u>	<u>\$ 349,357</u>	<u>\$ 18,717,738</u>

MURRAY STATE UNIVERSITY
SCHEDULE OF BONDS PAYABLE
For the Year Ended June 30, 1992

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/92	Interest Expense Current Year	Bonds Maturing 1992-93	Interest Due 1992-93
<u>HOUSING AND DINING SYSTEM REVENUE BONDS</u>							
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	\$ 605,000	\$ 100,000	\$ 2,887	\$ 30,000	\$ 2,062
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	440,000	165,000	4,863	25,000	4,144
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	395,000	240,000	7,630	25,000	6,848
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	485,000	275,000	8,723	25,000	7,942
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	232,000	155,000	5,512	15,000	4,987
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	715,000	575,000	20,415	50,000	18,665
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	230,000	170,000	5,821	15,000	5,315
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	65,000	930,000	915,000	31,245	65,000	29,023
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	65,000	1,203,000	1,047,000	38,344	65,000	35,958
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	275,000	235,000	8,906	15,000	8,343
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	80,000	1,585,000	1,695,000	51,173	95,000	48,473

MURRAY STATE UNIVERSITY
SCHEDULE OF BONDS PAYABLE (cont.)
For the Year Ended June 30, 1992

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/92	Interest Expense Current Year	Bonds Maturing 1992-93	Interest Due 1992-93
HOUSING AND DINING SYSTEM REVENUE BONDS (cont.)							
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	\$ 25,000	\$ 465,000	\$ 1,535,000	\$ 46,174	\$ 25,000	\$ 45,399
Total Housing and Dining System Revenue Bonds	\$ 14,667,000	\$ 435,000	\$ 7,560,000	\$ 7,107,000	\$ 231,693	\$ 450,000	\$ 217,159
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS							
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. Various Buildings.	2,360,000	175,000	1,990,000	370,000	19,985	180,000	13,172
Series C bonds dated 4/1/66 with an interest rate of 3%. Final principal payment due 5/1/96. Various Buildings.	2,721,000	130,000	2,211,000	510,000	18,548	135,000	14,623
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. Various Buildings.	5,280,000	295,000	4,655,000	625,000	39,181	310,000	25,794
Series E bonds dated 5/1/71 with an interest rate of 3%. Final principal payment due 5/1/98. Various Buildings.	2,733,000	125,000	1,905,000	828,000	27,963	130,000	24,188
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%. Final principal payment due 5/1/00. Various Buildings.	11,770,000	430,000	3,535,000	8,235,000	504,847	455,000	479,339
Series G bonds dated 12/1/87 with interest rates from 5 3/4% to 8%. Final principal payment due 5/1/07. Industry and Technology Building and Various Other Buildings.	14,785,000	420,000	1,550,000	13,235,000	1,031,651	445,000	1,004,853

MURRAY STATE UNIVERSITY
SCHEDULE OF BONDS PAYABLE (cont.)
For the Year Ended June 30, 1992

	Original Issue	Matured Current Year	Funded to Date	Not Matured 06/30/92	Interest Expense Current Year	Bonds Maturing 1992-93	Interest Due 1992-93
CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS (cont.)							
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.							
Various Buildings	\$ 4,625,000	\$ -	\$ -	\$ 4,625,000	\$ 80,588	\$ 90,000	\$ 247,539
Total Consolidated Educational Buildings Revenue Bonds	\$ 58,174,000	\$ 1,575,000	\$ 29,746,000	\$ 28,428,000	\$ 1,722,763	\$ 1,745,000	\$ 1,809,508
OTHER BONDS							
Asbestos and PCB removal bonds dated 12/1/87 with an interest rate of 6.18%. Final principal payment due 8/1/08.							
	\$ 1,660,000	\$ 43,434	\$ 164,841	\$ 1,495,159	\$ 117,992	\$ 46,776	\$ 114,426
Life Safety bonds (Project 50) dated 2/1/91 with an interest rate of 6.38%. Final principal payment due 2/1/10.							
	875,445	22,999	22,999	852,446	48,907	26,733	53,470
Total Other Bonds	\$ 2,535,445	\$ 66,433	\$ 187,840	\$ 2,347,605	\$ 166,899	\$ 73,509	\$ 167,896
Total all bond issues	\$ 75,376,445	\$ 2,076,433	\$ 37,493,840	\$ 37,882,605	\$ 2,121,355	\$ 2,268,509	\$ 2,194,563

Coopers
& Lybrand

certified public accountants

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

President Ronald J. Kurth
Murray State University

We have audited the financial statements of Murray State University ("MSU") and Murray State Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 1992, and have issued our unqualified reports thereon dated September 4, and September 2, 1992, respectively. At your request, we have also applied certain agreed-upon procedures, as discussed below, to the accounting records and systems of internal accounting control of MSU and the Foundation as of June 30, 1992, solely to assist the University in complying with NCAA Bylaw 6.2.3.1. It is understood that this report is solely for your information and is not to be referred to or distributed for any purposes to anyone who is not a member of management of MSU, the Foundation or an authorized representative of the National Collegiate Athletic Association. Our procedures and findings are as follows:

Statement of Revenues and Expenditures - Agreed-Upon Substantive Procedures:

- a) We obtained a schedule of athletic department revenues and expenditures for MSU for the year ended June 30, 1992, as prepared by accounting personnel. We recalculated the addition of the amounts on the schedule, traced the amounts on the schedule to the supporting worksheets prepared by accounting personnel and agreed the amounts on the worksheets to the appropriate accounts in the University's general ledger. We noted no differences between the amounts on the general ledger and the amounts on the worksheets. We discussed the nature of the worksheet adjustments with accounting personnel and are satisfied the adjustments are appropriate.
- b) We obtained, from Foundation personnel, a schedule of expenses made on behalf of the athletics program by the Foundation. We recalculated the addition of the amounts on the schedule, noting no exceptions.
- c) We obtained a reconciliation of total restricted expenses for Student Services to total expenses made on behalf of the athletics program as prepared by Foundation personnel. We agreed the amount of total restricted expenses for Student Services to the Statements of Current Funds Revenues, Expenditures and Other Changes in the Foundation's audit report for the year ended June 30, 1992. We agreed the amounts of the reconciling items to the specified general ledger accounts, discussed the nature of such items with Foundation personnel and determined that the reconciling items are appropriate. We agreed the amount of total expenses made on behalf of the Athletics department to the schedule obtained in procedure (b). No exceptions were noted.

- d) We determined through inquiry of Foundation personnel that the Foundation maintains the accounting records of the Racer Club (which we were informed by Foundation personnel is MSU's only booster organization) and accordingly determined that the activity of the Racer Club was included in the schedule obtained in procedure (b).
- e) We obtained the accompanying Combined Statement of Current Revenues and Expenditures for the year ended June 30, 1992 (Exhibit I) from accounting personnel. This statement represents the combined athletic program revenue and expenditures of MSU and the Foundation and was compiled from the schedules obtained in procedures (a) and (b) above. We recalculated the addition of the amounts on the statement and recalculated the amounts based on the aforementioned schedules.
- f) We obtained the accompanying Statement of Changes in Athletic Program Fund Balance of Murray State University Foundation, Inc. for the year ended June 30, 1992 (Exhibit II) from accounting personnel.

We traced the totals to a supporting worksheet obtained from Foundation personnel and agreed the amounts on the worksheet to the appropriate accounts in the Foundation's general ledger. We noted no differences between the amounts in the general ledger and the amounts on the worksheet.

- g) We determined through inquiry of accounting personnel that it is the University's policy that expenditures for the athletics program are subject to the same budgetary controls as other institutional expenditures.

University administrators are allowed the discretion to transfer excess funds from departments within their control to departments with deficit accounts. This practice was not followed in the last two fiscal years. This resulted in net expenditures over the budget of approximately \$302,000 for the year ended June 30, 1992 and \$301,000 for the year ended June 30, 1991, per the revised budgets provided to us by accounting personnel.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with procedures referred to above, however, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. Had we performed additional procedures or had we performed an audit of any financial statements of the intercollegiate athletics department of MSU in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to the financial statements of MSU, the Foundation or the University's intercollegiate athletics department taken as a whole.

Internal Accounting Controls Related to Intercollegiate Athletics
- Agreed-Upon Procedures:

The management of MSU and the Foundation are responsible for establishing and maintaining systems of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system of internal accounting control 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 system of internal accounting control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate. Our procedures and findings are as follows:

- h) We selected 20 cash disbursements for the athletics department of MSU and performed the following procedures:

We obtained the invoice packages for each disbursement and noted that the invoice agreed to the purchase order. We also examined each invoice for evidence of receipt of goods or services (where applicable) and noted the invoice was properly approved for payment. We agreed the amount per the invoice to the amount per the purchase order and noted the account distribution was reasonable and the respective check had been properly cancelled. No exceptions were noted.

- i) We made certain inquiries of management and personnel regarding control consciousness, competence of personnel and protection of records and equipment. The control procedures relative to the intercollegiate athletics department are the same as those utilized by the University.
- j) We reviewed the report to the management of the Foundation regarding recommended improvements in internal controls in connection with the audit for the year ended June 30, 1992. We noted no comments that would indicate necessary changes in the Foundation's accounting for expenses made on behalf of the Athletics Program.

President Ronald J. Kurth - 4

Agreed-upon procedures (h) through (j) applied to certain aspects of MSU and the Foundation's systems of internal accounting control were more limited than would be necessary to express an opinion on the systems of internal accounting control taken as a whole. Because our study and evaluation was limited to applying agreed-upon procedures (h) through (j) to certain aspects of the systems of internal accounting control, we do not express an opinion on whether the systems of internal accounting control of MSU and the Foundation in effect for the year ended June 30, 1992, taken as a whole, were sufficient to meet the objectives stated above.

Coopers & Lybrand

Louisville, Kentucky
October 9, 1992

MURRAY STATE UNIVERSITY ATHLETICS
COMBINED STATEMENT OF CURRENT REVENUES AND EXPENDITURES
For the Year Ended June 30, 1992

Operating Revenues:	Football	Basketball	Other Sports	Non-Program Specific	Total
Ticket Sales	\$ 55,291	\$ 145,288	\$ 1,003	\$ -	\$ 201,582
Concessions	-	-	-	70,191	70,191
Programs	-	-	-	14,939	14,939
Student Activity Fees	-	-	-	300,302	300,302
Support Provided by the Murray State University Foundation	50,574	63,695	42,829	21,748	178,846
Guarantees	-	31,000	2,500	1,550	35,050
Tournament Revenue	-	76,130	-	-	76,130
NCAA Revenue Distribution	-	-	-	164,112	164,112
Other Revenue	350	13,618	21,557	26,277	61,802
Total Current Revenue	\$ 106,215	\$ 329,731	\$ 67,889	\$ 599,119	\$ 1,102,954
Operating Expenses:					
Salaries and Benefits	\$ 319,939	\$ 239,973	\$ 351,325	\$ 416,921	\$ 1,328,158
Films, Books and Subscriptions	50	3,609	1,621	602	5,882
Travel:					
Recruiting	23,906	34,753	4,229	595	63,483
Team	21,354	77,041	97,109	8,597	204,101
Other	1,650	13,578	8,640	7,496	31,364
Financial Aid	371,200	87,832	403,725	115,707	978,464
Athletic Subsistence	33,004	28,013	14,150	3,884	79,051
Maintenance and Administration	5,905	20	107	5,270	11,302
Equipment Purchases	29,586	20,028	37,048	22,415	109,077
Athletic Medical Expense	-	-	-	32,701	32,701
Athletic Officials	14,432	17,114	16,485	5,456	53,487
Athletic Guarantees	-	6,100	1,500	-	7,600
Miscellaneous Expense	3,037	24,959	13,631	15,406	57,033
Moving Expense	4,961	1,307	-	5,343	11,611
Association Dues	-	-	-	22,800	22,800
Entertainment and Promotions	-	-	445	-	445
Publicity	-	-	-	9,539	9,539
Car Leases	1,046	3,048	200	6,098	10,392
Awards and Trophies	-	-	-	-	-
Insurance	2,616	1,992	625	19,015	24,248
Office Equipment and Supplies	7,814	5,093	5,940	27,937	46,784
Concession Food Resale	-	-	-	27,176	27,176
Total Current Expenditures	\$ 840,500	\$ 564,460	\$ 956,780	\$ 752,958	\$ 3,114,698
Excess (Deficiency) of Revenues over Expenditures	\$ (734,285)	\$ (234,729)	\$ (888,891)	\$ (153,839)	\$ (2,011,744)

Note: Complimentary tickets totaling \$15,898 were provided to other University departments for the use of University guests, student recruits, and administrative use. These tickets have not been recorded as revenue above, nor were they charged to other University departments.

MURRAY STATE UNIVERSITY FOUNDATION, INC.
 STATEMENT OF CHANGES IN ATHLETIC PROGRAM FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 1992

Beginning Athletic Fund Balance	Cash Receipts	Contributions to or in Behalf of Program (1)	Transfers (2)	ENDING ATHLETIC FUND BALANCE		
				Deficit	Available for Future Use (3)	Total
\$66,129	\$193,793	(\$178,848)	\$5,112	(\$99,156)	\$185,342	\$86,186

(1) Contributions to or in behalf of the University's Athletic Program have been included as revenues and expenditures in Exhibit 1.

(2) Transfers are from the Current Unrestricted Fund.

(3) Fund balance available for future use consists of certain endowments, the principal of which cannot be expended. However, subject to the terms of the endowments, the income from investing the principal is available for support of the applicable athletic program.

Note: The above amounts are included in and derived from the Current Restricted Fund and the Endowment Funds related to the Murray State University Athletic Department.

**Coopers
& Lybrand**

Certified Public Accountants

WKMS-FM RADIO

**A Public Telecommunications Entity
Operated By Murray State University**

REPORT ON AUDIT OF FINANCIAL STATEMENTS

for the year ended June 30, 1992

C O N T E N T S

	<u>Pages</u>
Report of Independent Accountants	1
Financial Statements:	
Balance Sheet	2
Statement of Financial Activity	3
Statement of Cash Flows	4
Notes to Financial Statements	5-6

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Regents
of 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, 1992, 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 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 WKMS-FM Radio as of June 30, 1992, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Coopers & Lybrand

Louisville, Kentucky
October 21, 1992

WKMS-FM RADIO

BALANCE SHEET, as of June 30, 1992

(with comparative totals as of June 30, 1991)

ASSETS	1992			1991 Total
	Operating Funds	Plant Fund	Total	
Current assets:				
Cash	\$235,494		\$235,494	\$221,595
Accounts receivable	5,544		5,544	3,190
Inventory, at lower of cost (first-in, first-out) or market	2,275		2,275	5,800
Prepaid expenses	<u>24,198</u>		<u>24,198</u>	<u>24,894</u>
	267,511	-	267,511	255,479
Equipment	<u>-</u>	<u>\$327,085</u>	<u>327,085</u>	<u>330,761</u>
Total assets	<u>\$267,511</u>	<u>\$327,085</u>	<u>\$594,596</u>	<u>\$586,240</u>
LIABILITIES AND FUND BALANCES				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 12,546	-	\$ 12,546	\$ 15,708
Fund balances:				
Operating	254,965	-	254,965	239,771
Investment in plant	<u>-</u>	<u>\$327,085</u>	<u>327,085</u>	<u>330,761</u>
	<u>254,965</u>	<u>327,085</u>	<u>582,050</u>	<u>570,532</u>
Total liabilities and fund balances	<u>\$267,511</u>	<u>\$327,085</u>	<u>\$594,596</u>	<u>\$586,240</u>

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

STATEMENT OF FINANCIAL ACTIVITY
for the year ended June 30, 1992
(with comparative totals for June 30, 1991)

	1992		1991
	Operating Funds	Plant Fund	Total
Revenue and support:			
Community service grants from Corporation for Public Broadcasting	\$108,838		\$108,838
Other grants:			
General appropriation from Murray State University	219,999		219,999
Subscriptions and membership income	67,974		67,974
Miscellaneous revenue	1,611		1,611
Business and industry revenue	41,836		41,836
Interest income	11,327		11,327
Donated facilities and administrative support from Murray State University	103,968		103,968
Donated property	7,937		7,937
Services donated from outside sources	40,827		40,827
Services of volunteers	23,048		23,048
Total revenue and support	627,365	-	627,365
Expenditures:			
Program services:			
Programming and production	343,340		343,340
Broadcasting	48,636		48,636
Program information	12,272		12,272
Total program services	404,248	-	404,248
Supporting services:			
Management and general	178,220		178,220
Fund raising	16,393		16,393
Underwriting and grant support	11,610		11,610
Loss on disposal of equipment	-	\$ 5,376	5,376
Total supporting services	206,223	5,376	211,599
Total expenditures	610,471	5,376	615,847
Excess (deficiency) of revenue and support over (under) expenditures	16,894	(5,376)	11,518
Transfer of equipment to Plant Fund	(1,700)	1,700	-
Net change in fund balances	15,194	(3,676)	11,518
Fund balances, beginning of year	239,771	330,761	570,532
Fund balances, end of year	\$254,965	\$327,085	\$582,050

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

STATEMENT OF CASH FLOWS
for the year ended June 30, 1992

Cash flows from operating activities:	
Excess of revenue and support over expenditures	\$ 11,518
Adjustments to reconcile excess of revenue and support over expenditures to net cash provided by operating activities:	
Loss on disposal of equipment	5,376
Increase (decrease) in cash due to changes in:	
Accounts receivable	(2,354)
Inventory	3,525
Prepaid expenses	696
Accrued liabilities	<u>(3,162)</u>
Net cash provided by operating activities	<u>15,599</u>
Cash flows used in investing activities - additions to property and equipment	<u>(1,700)</u>
Net increase in cash	13,899
Cash, beginning of year	<u>221,595</u>
Cash, end of year	<u>\$235,494</u>

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

1. Organization:

WKMS-FM Radio (the "Station") is operated by and receives support from Murray State University (the "University"), Murray, Kentucky. Certain of the financial activities of the Station included in the accompanying financial statements are recorded in the restricted funds in the financial records 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.

2. Summary of Significant Accounting Policies:

Fund Accounting:

The assets, liabilities and fund balances of the Station are reported in two self-balancing fund groups as follows:

- . Operating Funds: include 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 revenues and expenditures and are computed in accordance with guidelines furnished by the Corporation for Public Broadcasting.

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 and expenditures at the estimated fair market value at the date of the gift. In-kind 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, 1992 were \$175,780.

Continued

NOTES TO FINANCIAL STATEMENTS, Continued

2. Summary of Significant Accounting Policies, continued:

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.

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 in such a manner as to ensure an appropriate segregation of amounts 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 state 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.

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.

MURRAY STATE UNIVERSITY

REPORT TO MANAGEMENT

June 30, 1992

Coopers
& Lybrand

September 4, 1992

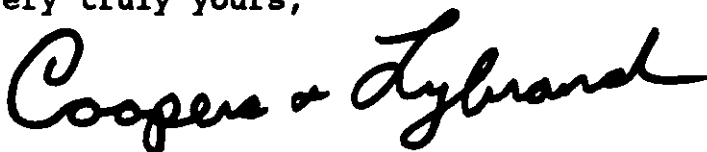
Board of Regents
Murray State University

In planning and performing our audit of the financial statements of Murray State University for the year ended June 30, 1992, we considered the University's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. Although our audit was not designed to provide assurance on the internal control structure, we noted certain matters involving the internal control structure and its operation, and are submitting for your consideration related recommendations designed to help the University make improvements and achieve operational efficiencies. Our comments reflect our desire to be of assistance to the University.

The accompanying comments and recommendations are intended solely for the information and use of the Board of Regents, management, and others within the organization.

We would like to acknowledge the courtesy and assistance extended to us by University personnel. If you have any questions or desire additional information or assistance regarding the attached comments, please contact us.

Very truly yours,



HSS:jkh
SC

C O N T E N T S

Recommendations:	<u>Pages</u>
1. Department of Education Data Retention and Accessibility Requirements Should Be Considered When Archiving Student Financial Aid Information Off Line	1
2. User Responsibility in Securing System Data Should Be Evaluated	1
3. Update of CIS Policy and Procedures Manual Should Be Completed	2
4. Computer Enhancements in Purchasing and Accounts Payable Departments Should Be Considered	2
5. Certain Series E Bonds in the Endowment Funds Should Be Redeemed	2
6. Accounting for Library Additions Should Be Improved	3
7. Building Fixed Asset Detail Should Be Updated Based on Reconciliation to the General Ledger	3
8. Communication With the Accounting Department Regarding Leases Should Be Improved	3
Status of Prior Year Recommendations	4-5

1. Department of Education Data Retention and Accessibility Requirements Should Be Considered When Archiving Student Financial Aid Information Off Line:

Since the implementation of the student financial aid system in 1989, all student financial aid data has remained on line. This means that all the information is readily accessible through the financial aid system on the mainframe. It is our understanding that plans are being made to archive the older student financial aid information off line, or to an external source (i.e. tape reels). Archiving off-line would free up additional mainframe processing resources, but still allow the data to be accessed when necessary.

Consideration should be given to the Department of Education data retention requirements, as well as the accessibility of archived data, when implementing archiving features in the financial aid system. At the time the student financial aid data is stored to an external source from the mainframe, the student financial aid programs which access this data must also be saved. This ensures that off loaded data can still be accessed (perhaps by the saved programs) regardless of more recent changes which may have been implemented to the financial aid programs.

2. Users Responsibility in Securing System Data Should Be Evaluated:

As noted in our previous report to management, computer passwords are not required to be changed periodically and department managers are not periodically notified of the current user access to the files over which they are responsible for requesting assignment and termination of end user access. Additionally current procedures allow programmers to perform end user transactions on programs for which they are responsible. We understand that policies and procedures are currently being developed which will require users to change their passwords every six months and will periodically notify department managers of all individuals who have access to files for which they are responsible. We also understand that the University has not restricted the access of programmers to the production environment on the grounds that such restrictions would limit the ability of Information Systems to provide assistance to end users when difficulties arise.

We recommend that policies and procedures under development be completed and implemented as soon as is practicable. We again recommend that programmers' access to the production environment be restricted to "read only" so that they may still efficiently assist end users but not be able to perform application transactions.

3. Update of CIS Policy and Procedures Manual Should Be Completed:

As noted in our previous report to management the Computer and Information Systems ("CIS") Policy and Procedures Manual is still in the process of being updated to cover all information systems.

We recommend that efforts be made to complete the update for the remaining CIS functions. After initial completion, the manual should continue to be revised as policies and procedures change. These steps will help prevent the loss of technical knowledge which could be caused by turnover, or prolonged absences of employees in CIS, and insure that the system is being properly operated and maintained.

4. Computer Enhancements in Purchasing and Accounts Payable Departments Should Be Considered:

As noted in our previous report to management, the capability of the purchasing and accounts payable computer system is limited. As a result of this, many of the accounts payable functions must be performed manually and there is some duplication of effort. It is our understanding that the University is conducting a study to gather the information needed to implement enhancements to this system.

We recommend that enhancements to the computer system be written (or purchased) and implemented as soon as practicable.

5. Certain Series E Bonds in the Endowment Fund Should Be Redeemed:

Several Series E Bonds received in the Laura Smith Endowment Fund are now, or soon will be, forty years old at which point interest ceases to accrue on these bonds.

We recommend that this endowment portfolio be reviewed and that matured bonds be redeemed and the proceeds reinvested. Additionally, future maturities should be reviewed and plans made for timely redemption and reinvestment of these funds.

6. Accounting for Library Additions Should Be Improved:

As noted in our previous report to management, library personnel maintain and update the inventory records for library holdings. Accounting personnel reconcile and update the general ledger to the inventory records only at year-end. In addition, there is no written policy regarding capitalization of library additions. It is our understanding that the library and accounting staffs will begin updating the general ledger on a quarterly basis and will formulate a capitalization and writeoff policy for library holdings during fiscal year 1993.

We concur with these actions and recommend that changes be implemented as soon as practicable.

7. Building Fixed Asset Detail Should Be Updated Based on Reconciliation of the General Ledger on a Regular Basis:

During our review of the Plant Funds we noted that the building fixed asset detail had not been updated for previous years' reconciling entries.

We recommend that the building fixed asset detail be updated regularly for reconciling adjustments.

8. Communication with the Accounting Department Regarding Leases Should Be Improved:

As noted in our previous report to management, the University has entered into a number of new leasing agreements over the past several years. During our review of leases, we noted that various departments enter into and maintain their respective leases; however, the terms of these leases are not communicated to the University's accounting department on a timely basis. We understand that the University plans to develop a formal procedure to eliminate the communication delay.

We recommend that this plan be developed and implemented as soon as practicable.

MURRAY STATE UNIVERSITY
STATUS OF PRIOR YEAR RECOMMENDATIONS

The status of recommendations made in our prior year report to management is summarized below:

1. Budgets Should Be Prepared for Certain Funds

The University has indicated that the difficulties in budgeting certain funds, especially the Restricted and Plant Funds, do not justify the potential benefits.

2. Inventory Procedures Over Moveable Assets Should Be Improved

The University recognizes the need to improve inventory procedures over moveable assets, but finds the costs too prohibitive to implement this recommendation.

3. Accounting for Library Additions Should Be Improved

The University plans to implement the recommendation in fiscal year 1993. This recommendation has been included in the current year report as Comment No. 6.

4. Communication with the Accounting Department Regarding Leases Should Be Improved

The University has indicated that it intends to implement this recommendation. This recommendation has been included in the current year report as Comment No. 8.

5. Automation of Loan Processing Should Be Considered

This recommendation has been implemented; loan processing software has been purchased and placed in service.

6. Computer Enhancements in Purchasing and Accounts Payable Departments Should Be Considered

The University acknowledges the need to make computer enhancements in purchasing and accounts payable and is currently conducting a study to gather the information needed to write and implement the computer program needed to provide such a system. The project is expected to be completed in two years. This recommendation is included in the current year report as Comment No. 4.

STATUS OF PRIOR YEAR RECOMMENDATIONS, Continued

7. Internal Audit Position Should Be Considered

Recommendation is being implemented. An internal auditor has been selected and will begin functioning in this position early in fiscal year 1993.

8. Self Insurance Medical Accruals Should Be Adjusted Based on Reasonable Methods of Estimation

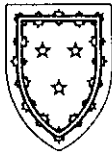
Recommendation has been implemented. The accrual is reviewed and updated in light of claim history on a quarterly basis.

9. Users Responsibility in Securing Systems Data Should Be Evaluated

The University plans to implement certain aspects of this recommendation. The University plans to implement a new operating system with enhanced security features. The remaining recommendations for improved data systems security are included in the current year report as Comment No. 2.

10. Microcomputing Guidelines for Users Should Be Updated

This recommendation has not been implemented due to the costs involved.



Murray State University

Murray, Ky. 42071

October 26, 1992

President Ronald J. Kurth and
Members of the Board of Regents
Murray State University
Murray, KY 42071

Dear President Kurth and Members of the Board:

Attached is the Response to the Audit Management Letter for
the year ended June 30, 1992.

Don W. Kassing
Don W. Kassing
Vice President for
University Relations
and Administrative Services

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

RESPONSE TO AUDIT MANAGEMENT LETTER

For the Year Ended June 30, 1992

1. Department of Education Data Retention Requirements and Data Accessibility Should Be Considered When Archiving Student Financial Aid Information Off Line:

FINDING:

Since the implementation of the student financial aid system in 1989, all student financial aid data has remained on line. This means that all the information is readily accessible through the financial aid system on the mainframe. It is our understanding that plans are being made to archive the older student financial aid information off line, or to an external source (i.e. tape reels). Archiving off-line would free up additional mainframe processing resources, but would still allow the data to be accessed when necessary.

Consideration should be given to the Department of Education data retention requirements, as well as the accessibility of archived data, when implementing archiving features in the financial aid system. At the time the student financial aid data is stored to an external source from the mainframe, the student financial aid programs which access this data must also be saved. This ensures that off loaded data can still be accessed (perhaps by the saved programs) regardless of more recent changes which may have been implemented to the financial aid programs.

RESPONSE:

Information Systems, as standard operating procedure, archives both the existing student financial aid data and a copy of the applicable version of the SAFE system software whenever an updated version of SAFE is received. It should be noted that American College Testing (ACT), the publisher of the SAFE software, is currently engaged in a process of establishing formal archiving procedures and capabilities within the SAFE system software itself.

2. Users Responsibility in Securing System Data Should be Evaluated:

FINDING:

As noted in our previous report to management, computer passwords are not required to be changed periodically and department managers are not periodically notified of the current user access to the files over which they are responsible for requesting assignment and termination of end user access. Additionally current procedures allow programmers to perform end user transactions on programs for which they are responsible. We understand that policies and procedures are currently being developed which will require users to change their passwords every six months and will periodically notify department managers of all individuals who have access to files for which they are responsible. We also understand that the University has not restricted the access of programmers to the production environment on the grounds that such restrictions would limit the ability of Information Systems to provide assistance to end users when difficulties arise.

We recommend that policies and procedures under development be completed and implemented as soon as is practicable. We again recommend that programmers' access to the production environment be restricted to "read only" so that they may still efficiently assist end users but not be able to perform application transactions.

RESPONSE:

Information Systems anticipates completing development of the policies and procedures manual at or before the end of the current fiscal year. The applicable policy/procedure statement regarding security will restrict programmers' normal access to the production environment to a "read only" basis. However, in cases where programmers must have access to production files (e.g., in order to effect corrective action), the access will be performed in the presence of the appropriate representative of the primary user. It should be noted that this will, in some cases, cause delays in facilitating assistance to the primary user group.

3. Update of CIS Policy and Procedures Manual Should Be Completed:

FINDING:

As noted in our previous report to management the Computer and Information Systems ("CIS") Policy and Procedures Manual is still in the process of being updated to cover all information systems.

We recommend that efforts be made to complete the update for the remaining CIS functions. After initial completion, the manual should continue to be revised as policies and procedures change. These steps will help prevent the loss of technical knowledge which could be caused by turnover, or prolonged absences of employees in CIS, and insure that the system is being properly operated and maintained.

RESPONSE:

Information Systems anticipates completing development of the policies and procedures manual at or before the end of the current fiscal year. As with any document of this type, but especially in an information resources and technology environment subject to exceptionally rapid progress and change, a policy and procedures manual must be organic and evolutionary in nature to be useful and contemporaneous.

4. Computer Enhancements in Purchasing and Accounts Payable Departments Should Be Considered:

FINDING:

As noted in our previous report to management, capability of the purchasing and accounts payable computer system is limited. As a result of this, many of the accounts payable functions must be performed manually and there is some duplication of effort. It is our understanding that the University is conducting a study to gather the information needed to implement enhancements to this system.

We recommend that enhancements to the computer system be written (or purchased) and implemented as soon as practicable.

RESPONSE:

The needs analysis, feasibility and scope of work identification phase of this project is well under way. This project is currently and will in all probability continue to be affected by the University's budgetary problems. Hiring freezes have had direct effects by limiting replacement of personnel that were assigned to this project. In a broader context, funding restrictions (either University or at the state level) that would impair the University's ability to proceed with campus-wide networking would have obvious consequential effects relative to this project.

5. Certain Series E Bonds in the Endowment Fund Should Be Redeemed:

FINDING:

Several Series E Bonds received in the Laura Smith Endowment Fund are now, or soon will be, forty years old at which point interest ceases to accrue on these bonds.

We recommend that this endowment portfolio be reviewed and that matured bonds be redeemed and the proceeds reinvested. Additionally, future maturities should be reviewed and plans should be made for timely redemption and reinvestment of these funds.

RESPONSE:

The need has been recognized by Financial Management and Planning to redeem the Series E Bonds on which interest has ceased to accrue. The bonds that have matured through October have been redeemed. The principal has been transferred to the Murray State University Foundation, Inc. for investment in the Foundation's investment pool. The interest has also been transferred to the Foundation to cover awards made from the Smith Endowment.

Financial Management and Planning is reviewing the remaining bonds and investing options to determine the best plan to redeem and invest the remaining maturing bonds.

6. Accounting for Library Additions Should Be Improved:

FINDING:

As noted in our previous report to management, library personnel maintain and update the inventory records for library holdings. Accounting personnel reconcile and update the general ledger to the inventory records only at year-end. In addition, there is no written policy regarding capitalization of library additions. It is our understanding that the library and accounting staffs will begin updating the general ledger on a quarterly basis and will formulate a capitalization and writeoff policy for library holdings during fiscal year 1993.

We concur with these actions and recommend that changes be implemented as soon as practicable.

RESPONSE:

Quarterly updates to the general ledger have been implemented as of July 1, 1992. A capitalization and writeoff policy will be jointly developed by the library and accounting staffs during the fiscal year 1993.

7. **Building Fixed Asset Detail Should Be Updated Based on Reconciliation of the General Ledger on a Regular Basis:**

FINDING:

During our review of the Plant Funds we noted that the building fixed asset detail had not been updated for previous years' reconciling entries.

We recommend that the building fixed asset detail be updated regularly for reconciling adjustments.

RESPONSE:

Financial Planning and Management has notified the appropriate personnel in the physical plant and the building fixed asset detail will be updated during the fiscal year 1993 to reflect the reconciling items.

8. **Communication with the Accounting Department Regarding Leases Should Be Improved:**

FINDING:

As noted in our previous report to management, the University has entered into a number of new leasing agreements over the past several years. During our review of leases, we noted that various departments enter into and maintain their respective leases; however, the terms of these leases are not communicated to the University's accounting department on a timely basis. We understand that the University plans to develop a formal procedure to eliminate the communication delay.

We recommend that this plan be developed and implemented as soon as practicable.

RESPONSE:

Appropriate Purchasing personnel have been informed in writing that copies of any leases effected by the University will be provided to the Director of Financial Management and Planning for proper distribution within the accounting area of responsibility.