

November 2008

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Board of Regents, Murray State University

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**Minutes of the Quarterly Board of Regents Meeting
Murray State University
Friday, November 14, 2008
1 p.m. – Jesse Stuart Room – Pogue Library**

The Board of Regents of Murray State University met on Friday, November 14, 2008, in quarterly session in the Jesse Stuart Room of Pogue Library on the main campus of Murray State University. Chair Alan Stout called the meeting to order at 1:15 p.m. and welcomed all members of the campus community and general public and announced the meeting is being streamed via the Internet.

1. Roll Call

The roll was called and the following members were present: William Adams, Marilyn Buchanan, Peg Hays, Laxmaiah Manchikanti, Kara Mantooth, Jay Morgan, Alan Stout, Jeff Taylor, Vickie Travis and Gina Winchester. Absent: Beverly Ford.

Others present were Randy J. Dunn, President; Jill Hunt Lovett, Coordinator for Board Relations, Executive Assistant to the President and Secretary to the Board of Regents; Tom Denton, Vice President for Finance and Administrative Services and Treasurer of the Board of Regents; Gary Brockway, Provost and Vice President for Academic Affairs; Don Robertson, Vice President for Student Affairs; Jim Carter, Vice President for Institutional Advancement; Bob Jackson, Associate Vice President for Institutional Advancement; John Rall, University Counsel; and members of the faculty, staff, students, news media and visitors.

**AGENDA
MEETING OF THE BOARD OF REGENTS
Murray State University
Jesse Stuart Room – Pogue Library
November 14, 2008
1 p.m.**

1. Roll Call

2. Minutes of the Special Board of Regents Meeting – Annual Planning Retreat and Work Session September 5, 2008; Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents September 12, 2008; and Minutes of the Special Meeting of the Board of Regents Tuition Task Force October 29, 2008*

3. Public Participation

4. Report of the President Dr. Dunn

**5. MSU “Spotlight:” Campus Emergency Response Team Mr. Steen/
Mr. Devoss**

6. Report of the Chair Mr. Stout

7. Report of the Treasurer* Mr. Denton

**8. Report of the Registrar* Ms. Kerr
(December 2008 Graduates)**

9. Enrollment Report for 2008-09 Ms. Marshall

10. Gifts* Dr. Dunn

- A. 2006 F250 Ford Pickup Truck
- B. 2008 Kiefer Built 24' Deluxe Stock Trailer

11. University Student Appeals Board Appointments* Dr. Dunn

12. Personnel Changes* Dr. Dunn
A. Faculty Early Retirement Contract

B. Staff Leaves of Absence Without Pay

13. Committee Reports/Recommendations (Action Items Only Listed)

A. Academic Affairs **Dr. Morgan**
1) **Creation of New Academic Program – Athletic Training**

B. Athletic **Mr. Stout**

C. Audit **Mr. Adams**
1) **Audited Financial Statements – General**
a. **Independence Letter**
b. **House Bill 622 Compliance Report for the Year Ended 6/30/08**
c. **Kentucky Lease Law Compliance Report for the Year Ended 6/30/08**
d. **General Financial Statement for the Year Ended 6/30/08**
e. **Management Letter and Management Representation Letter**
2) **Audited Financial Statements – Federal Funds**
a. **A-133**
3) **Audit Contract Renewal**

D. Buildings and Grounds **Ms. Hays**

E. Development/Investments **Mr. Stout**

F. Equal Opportunity/Affirmative Action **Mrs. Ford**

G. Faculty/Staff Affairs **Mrs.**
Winchester

**NOTE: Chair Winchester will present summary findings of the
Staff Perspective Survey 2008 as part of this committee
report during the Board’s plenary session.**

H. Finance **Mr. Taylor**
1) **Approval of Comprehensive University Excellence Trust Fund**

I. Governmental Relations **Mrs. Travis**

J. International Relations **Mrs. Travis**

K. Student Life **Ms.**
Mantooth

L. Ad Hoc Policy Manual Committee **Dr. Dunn/
Mr. Jacobs**
1) **Sections 2.20 and 5.1.1**
2) **Section 3.3**
3) **Section VI – The Governance Units**

M. Committee of the Whole **Dr. Dunn**
1) **University of Kentucky (UK) College of Medicine/MSU
Partnership**
2) **Operating Procedure for Presidential Evaluation** **Mr. Stout**
3) **Report of the Tuition Task Force** **Mr. Taylor**

14. Other Business

15. Closed Session

**A. Appointment, Discipline or Dismissal of an Individual Employee,
Member or Student**

(*Indicates Board Action Item)

2. Minutes of the Board of Regents Meetings, approved

Chair Stout reported that the minutes of the special meeting of the Board of Regents Tuition Task Force on October 29, 2008, were provided for information purposes. Mrs. Buchanon moved that the minutes of the special Board of Regents Meeting – Annual Planning Retreat and Work Session September 5, 2008, and minutes of the quarterly meeting and committee meetings of the Board of Regents September 12, 2008, be approved as submitted. Dr. Manchikanti seconded and the motion carried.

3. Public Participation

Chair Stout announced that there were no signees for the Public Participation portion of the Board of Regents meeting

Report of the President

Announcements

• Major Gifts Update

Dr. Dunn reported discussions have taken place on campuses around the country that are considering capital campaigns regarding how they should proceed from this point forward. Those same discussions have taken place internally at the University and with the MSU Foundation. Alarm bells are not sounding at this point with respect to large donors but the administration is watching developments closely throughout the current economic crisis and will follow the lead of other universities also one year away from publicly announcing a capital campaign.

At Dr. Dunn's request, Mr. Jackson provided a report on the status of Murray State's Capital Campaign and was asked by Chair Stout to combine that report with the Development and Investments Committee report. Mr. Jackson stated that the work of the Office of Development is challenging given the current economic situation and announced the following:

- BB&T Foundation (MSU College of Business and Public Affairs)
 - Dr. Tim Todd, Dean of the College of Business and Public Affairs (BPA), and his chairs, faculty, staff and Ms. Sue Fenske, BPA Director of Development, have worked closely with the BB&T Foundation to secure a \$1 million gift to the College announced earlier this week. Representative Tommy Thompson from Owensboro, Kentucky, played a key role in securing this gift. He serves on the BB&T Corporate Board, is a great friend of the University and helped advance this gift through the proper channels. Mr. Jackson expressed appreciation to Representative Thompson for his assistance on behalf of Murray State.
- Garnett Endowed Scholarships
 - The Garnett Endowed Scholarships (\$356,000) represent one of the largest endowments for a single high school and is now in place for Graves County High School. He thanked Ms. Alison Marshall, Interim Executive Director for Enrollment Management; Mr. Shawn Smeed, Director, Office of Recruitment; their staff and Dr. Dunn for their assistance in this endeavor.
- Dallas, Texas – Donor Trip
 - Recently Dr. Dunn, Mr. Jackson, Mr. Carter and Ms. Fenske traveled to Dallas, Texas, to visit with a number of major donors in the Dallas metro area. There are approximately 400 Murray State alumni in the Dallas metro area, including Mr. James Flener who is originally from Butler County. He started a \$50,000 endowment approximately one year ago which has now grown to a \$100,000 endowment. Initially, Mr. Flener indicated he would like to grow the endowment to \$250,000 but is now considering doubling the amount to \$500,000 to be used to benefit students from Butler County.

• Kiplinger's "100 Best Values in Public Colleges" Recognition

Dr. Dunn stated during the past few weeks the University received an unexpected distinction from *Kiplinger Magazine* and for the fourth consecutive year MSU has been recognized as one of the "100 Best Values in Public Colleges" for this year. This distinction was particularly compelling for Dr. Dunn because it is driven more by quality issues than by price and makes a positive statement about what the University has been able to accomplish in that regard.

• Recent Appointments

Dr. Dunn introduced Tom Hoffacker, Director of Human Resources, who comes from the coastal area of Georgia and has valuable experiences acquired in a number of university settings. Mr. Hoffacker stated it has not taken long for him to become a fan of Murray State and he is thrilled to be working at the University and looks forward to working with the members of the Board.

- **MSU Hosting 2009 Town and Gown Best Practices Conference**

Dr. Dunn announced that Murray State University will host the 2009 national *Town and Gown Best Practices Conference* and thanked Ms. Kim Griffio, Coordinator of Advancement Services in the Office of Development, for her work to bring the conference to Murray State.

- **ESL Enrollment Largest in Kentucky**

Dr. Dunn reported that the English as a Second Language (ESL) Program at Murray State University is the largest in the Commonwealth of Kentucky this year. The ESL Program is housed within the Institute for International Studies (IIS) and is a non-degree program where students come to the University and receive English language skills training so they are then able to take the TOEFL exam and gain entry into an academic degree program. A number of these students come from around the world to study at Murray State and staff work diligently to convince these students to remain at the University and complete a degree program, increasing enrollment in the process. There are currently 219 students in the Murray State ESL program and there are 60 students at the University of Kentucky (UK) and 25 students at Eastern Kentucky (EKU).

- **Report of the President's Delegation to Turkey and Germany**

Dr. Dunn stated that Board members received in their supplemental packets a report on the recent presidential delegation trip to Turkey and Germany which included not only Dr. Dunn but Dr. Mike Basile, Director, IIS, and Dr. Fred Miller, Coordinator of Global Studies and Professor of Management, Marketing and Business Administration. During the two-week visit there were a number of objectives the delegation hoped to accomplish by visiting current and potential partners in Turkey and Germany to discuss both undergraduate and graduate opportunities for partnerships, exchanges and study abroad programs. The time in Germany was spent with the University of Regensburg, MSU's oldest and most notable partner among the European universities and opportunity exists to expand graduate education there.

Points of Pride

- **Adam Murray – American Library Association's *Emerging Leaders Program***

Dr. Dunn announced that Adam Murray, Interim Dean of University Libraries, was recently selected to participate as a fellow in the American Library Association's (ALA) *Emerging Leaders Program*. Mr. Murray competed among a group of hundreds of applicants for this national signature distinction from the ALA and is one of approximately 25 emerging library leaders who will participate in the *Emerging Leaders Program* over the course of the next year.

- **Nicky Beer – Poetry Foundation Lily Fellow**

Dr. Dunn stated that Nicky Beer, MSU Visiting Poet in the Creative Writing Program, has been designated as a Lily Fellow by the Poetry Foundation.

- **Mike D'Ambrosio – ASCAPLUS Award Recipient**

Dr. Dunn reported Mike D'Ambrosio teaches composition in the MSU Department of Music and has been named as an award recipient by the American Society of Composers, Authors and Publishers in recognition for his work as an outstanding composer of original compositions.

- **Mike Bokeno – Emerald Publishing 2009 *Outstanding Paper Award***

Dr. Dunn stated Emerald Publishing is a scholarly publishing company and while MSU is a teaching and service University, there are areas on campus where researchers are undertaking work to create new knowledge for their disciplines and the fields in which they serve. Dr. Bokeno is one such individual and has been recognized by this well-known publishing house as an outstanding scholarly researcher.

Program Issues

- ***Preparedness Planning Project***

Dr. Dunn reported Murray State has received \$91,000 in U.S. Homeland Security grant money for the *Preparedness Planning Project*. Following the Virginia Tech and Northern Illinois shootings, a campus group has worked to review safety and security issues at the University and instigated a number of changes that have already been implemented on campus particularly with communications, including text messaging, outdoor warning systems and student alerts. There were requests exceeding \$70 million submitted for the \$7 million in available Homeland Security grant money in Kentucky alone and the fact that the MSU group was able to secure this

grant speaks particularly well for the work they have undertaken. He expressed appreciation to all members of this work group for their accomplishment.

- **American Humanics 25th Anniversary at MSU**

Dr. Dunn announced the American Humanics Program recently celebrated its 25th Anniversary on the Murray State campus. American Humanics is a stand-alone signature national program for youth and non-profit leadership activities with an academic program attached. MSU has the largest American Humanics program in the country in terms of total number of student membership and Dr. Kala Stroup, former MSU President and Executive Director of the American Humanics organization, visited campus in October to honor the Murray State American Humanics program. Dr. Dunn congratulated all involved in this successful program.

Policy Issues

- **Budget**

Dr. Dunn reported Governor Steve Beshear has announced publicly there is a severe situation with regard to revenue in the Commonwealth of Kentucky. Revenue estimates that supported the budget for this year are about \$300 million less than anticipated. Although it is not yet known what that means for the Commonwealth, the Governor has asked a consensus forecasting group, a bipartisan commission that can verify this situation, to provide him with final figures to determine whether this is the status of the revenue picture in Kentucky and the Governor will begin formulating a plan around those results. If Murray State faces another rescission then current thought is that carryforwards could be used as a way to address that giveback although Dr. Dunn cautioned the amount or percentage of the giveback is not yet known. Utilizing carryforwards will also depend on whether the cut is recurring. If the rescission is recurring then the use of carryforwards to cover the giveback must be reexamined. He will keep the Board informed as new developments arise but the University administration is conducting preliminary work to determine where necessary funds will come from if the rescission occurs. In August the Interim Joint Committee on Education publicly communicated that postsecondary education would be held harmless but it now looks as though that may not be the case.

- **International Education Week**

Dr. Dunn reported that as part of International Education Week the campus will host Mr. He Xiangdong, Senior U.S. Diplomatic Counselor for Congressional Affairs of the Chinese Embassy from Washington, D.C. Mr. Xiangdong will give remarks on Wednesday evening, November 19, 2008, at 7 p.m. in the Curris Center Theatre to discuss economic issues and the rise of China. He encouraged as many Board members as possible to attend the event.

4. MSU “Spotlight”: Campus Emergency Response Team

Chair Stout introduced Mr. David DeVoss, Chief of Police and Director of Public Safety and Emergency Management, and Mr. Jeff Steen, Environmental Coordinator for Emergency Management. Mr. DeVoss stated that in April 2008 President Dunn announced Murray State Public Safety would include Emergency Management and Environmental Safety and Health in order to bring emergency responses and preparations under one umbrella. During the summer of 2008 additional training on campus was planned and implemented. Crisis intervention teams and campus emergency response teams were formed, enhancements to the building coordinator program took place, a behavioral assessment group was formed by the Office of Student Affairs to address potentially violent and disturbed individuals and a workplace violence video was acquired. Much was accomplished in a very short period of time to prepare for the potential for disruptive behavior. Mr. DeVoss thanked the members of the Board, Dr. Dunn and Mr. Denton for their foresight in approving the new Public Safety facility and outlined the following highlights of the new building:

- Emergency Operations Center with communication and data resources, centrally located for visitors and the campus community, improved first impression of the University to prospective students and parents and areas to separate individuals and conduct police operations without disruptions, according to standards and requirements
- Mr. DeVoss stated an additional resource that has been acquired is office and classroom versions of the nationally-recognized *Shots Fired* video which is located on the MSU Homepage under “Emergency Information.”
- University police officers have been trained in rapid deployment to provide immediate police response to shots fired scenarios by utilizing first available law enforcement officers arriving on the scene. All Public Safety personnel participated in standardized interagency QUAD response training exercises with the Calloway County Sheriff’s Department, Murray Police Department and Kentucky State Police and these agencies were invited to train on the Murray State campus

with MSU police officers. Two MSU officers became Certified Rapid Deployment Instructors, all officers were trained in active shooter response and a F.B.I. instructor taught optional techniques.

- Recent safety initiatives include the acquisition of infrastructure to support IP camera installations, the replacement of 31 emergency call boxes and equipping each patrol vehicle with breaching tools.
- Mr. Steen reported that a new outdoor notification system has been installed to provide a campus-wide warning system, both siren and voice, that can be immediately activated by Public Safety Dispatch. An indoor notification system has also been installed to provide alarm and voice warnings via the VOIP phone system which will allow for immediate notification in the event of an emergency by providing specific information through audio and visual alerting.
- The MSU Building Coordinator Program has been in place for some time but upgraded training has been provided to faculty and staff for incidents of fire, severe weather, earthquake and violent situations and to keep the University in compliance with OSHA regulations.
- A Campus Emergency Response Team has been formed and includes faculty and staff volunteers trained in the areas of first aid, search and rescue, fire suppression and disaster response organization. Outreach training programs are being conducted to provide emergency services training to respond to hazardous material release, fire, terrorism tactics and severe weather.
- The University has received several grants, including \$91,000 from the Office of Homeland Security provided for mobile data terminals in patrol vehicles and a FEMA campus flood control grant in the amount of \$750,000 to address flooding issues.

5. Report of the Chair

Chair Stout commended the School of Agriculture for the presentation and reception that was held on campus on Monday, November 10, 2008, in honor of Dr. Pearse Lyons who is President, CEO and Chairman of the Board of All Tech, a \$400 million company based out of Lexington, Kentucky. The event focused particularly well on the MSU School of Agriculture and Equestrian Program and the potential exists for partnerships to develop with All Tech as the University continues to explore the *Margins of Excellence* program. He expressed appreciation to Regent Morgan, Dr. Tony Brannon, Dean of the School of Agriculture, and Mr. Paul Radke, Associate Director of Gift Planning/ School of Agriculture who planned the event. Dr. Lyons and his entourage were very impressed with the reception they received at Murray State. All Tech is an international company and as the University moves into International Education Week the opportunities to partner with that company holds a great deal of potential for the future.

Chair Stout stated December marks Dr. Dunn's second anniversary at Murray State and his style of leadership is very open and transparent. He has provided regular reports to the Board of Regents and Chair Stout expressed appreciation to Dr. Dunn for those efforts. Dr. Dunn brought forward his vision for the University and the three imperatives of fostering excellence, creating community and building partnerships and these imperatives complement the three symbolic stars of the Murray State shield – hope, endeavor and achievement. Dr. Dunn has established himself particularly well and is very highly regarded with the CPE, throughout the Commonwealth and within the higher education community. He expressed appreciation to Dr. Dunn and applauds his work coming into the completion of his second year of service to Murray State University. Dr. Dunn thanked Chair Stout for his kind remarks.

6. Report of the Treasurer, approved

Treasurer Tom Denton presented and reviewed the financial and investment report for the period July 1, 2008, through September 30, 2008, and highlighted the following:

- Cash and cash equivalents are \$5 million less than last year at this time.
- Net assets – revenue and expenditures from the General Fund – state appropriations revenues are down approximately \$1 million from last year at this time.
- Net student tuition and fees – gross tuition less any waivers or scholarships is up \$1.7 million and represents approximately 52 percent of the budget which last year at this time was 53 percent. There is significant actual net tuition over budget and while not quite at last year's level the University will meet its net tuition budget.
- Investment income of \$343,000 compared to \$842,000 in the prior period
- Overall increase in net assets of \$20 million, approximately \$800,000 less than the prior year
- Auxiliary fund – The three largest units Food Services, Housing and Bookstore are all slightly above this point in time last year. Each unit is making good progress on budgeted revenues with the percentage on each being slightly higher than last year.
- Investments – overall current funds have an average percentage of 3.18 which is down significantly from last year due to the current market situation. This includes the MSU Foundation and that the equities market has dropped significantly from one year to the next.

- Overall the University currently has \$417,000 in the General Fund and with a \$700,000 budget will meet its budget on investments but it will not be as high as the previous year.

Judge Taylor inquired as to why on the balance sheet with regard to unrestricted net assets the budgeted number through June 30, 2008, for working capital was \$6,090,289. This number was shown as \$4,981,311 for the year prior but through the first quarter of this year it is \$6,090,289. He asked why the audited statement shows unrestricted net assets in 2008 as being higher as opposed to the comparative chart presented. Mr. Denton stated the normal process is the working capital number is adjusted at June 30 or year end. In the prior year the number was not adjusted although that would have been the normal sequence. As of June 30, 2008, \$6,090,289 has been allocated out of the \$34 million in unrestricted assets in working capital but that is not reflected on the balance sheet. Mr. Denton stated this number is included in last year's quarterly report and had not been adjusted as of June 30 but by the time the audit was conducted the number was adjusted. The balance sheet was prepared before the audit report was finalized. Judge Taylor indicated that some of the numbers on the balance sheet are different than what is presented in the audit and that creates some confusion for him personally regarding what the actual numbers are versus unaudited numbers. Mr. Denton indicated with regard to allocation of net assets as of June 30 the University does not have complete information at the time the Board's quarterly report is prepared and by the time the audit is prepared the University does have final numbers. Judge Taylor indicated as a Board member he wants to know the most accurate statement of the University's position and asked if the audit is a more accurate statement than the balance sheet and Mr. Denton indicated that to be the case. Judge Taylor asked if the 2009 numbers are reflective through September 30 and Mr. Denton indicated the numbers are still the audited figures. Dr. Dunn stated that the University will receive an adjustment from the auditor and asked if that adjustment will be made to the \$6,090,000 before the next meeting or whether it would sit until June 30 and be made at that time. Mr. Denton reported the adjustment normally does not get made until June 30. There are two different ways to handle this situation but either way will require an adjustment to the audit. What the University has been doing is leaving the number as it is for the entire year and as the audit number is received that is plugged in. The University could make its adjustment in the fourth quarter and that will be closer to what the actual number should be but until the audit is completed there may be additional adjustments. Dr. Dunn asked when the \$6,090,000 figure will be different on the balance sheet for working capital and Mr. Denton indicated if the same process that is currently being followed continues it would be adjusted during the first quarter of the next fiscal year.

Judge Taylor asked if even though the June 30, 2008, audit is final whether the University basically goes for a year before it adjusts the audit that was just completed and Mr. Denton stated the audit report trumps the financial and investment report. Judge Taylor asked since that is the case how the 2009 numbers can be given any credence and Mr. Denton reported he is viewing the situation from a fine perspective and is looking at the segments within net assets but the University is more concerned about net assets as a whole. The University is looking at it from an overall net asset perspective and not trying to adjust the line item on a quarterly basis. This is an interim report but if the Board requests the report be fine tuned that request can be accommodated.

Ms. Hays moved, seconded by Mr. Adams, that the Treasurer's Report be accepted as presented. Motion carried.

(See Attachment #1)

7. Report of the Registrar, approved

Dr. Manchikanti moved, seconded by Mrs. Travis, that the Board of Regents ratify the awarding of degrees to individuals on December 13, 2008, as recommended by the Registrar. Motion carried.

(See Attachment #2)

8. Enrollment Report for 2008-09

Dr. Dunn introduced Ms. Alison Marshall, Interim Executive Director for Enrollment Management, and Mr. Shawn Smeed, Director of Recruitment, to provide the official enrollment report for 2008-09. Ms. Marshall reported that many activities have taken place over the last

several months in regard to overall enrollment at Murray State, especially in the areas of admissions and recruitment. She reported the following:

- Fall 2008 undergraduate enrollment is down 182 students and overall graduate numbers are up by 48 students.
- Overall enrollment is down by 134 students compared to this period last year but this number does not reflect new student recruitment efforts and is a reflection of what has been happening over the last 12 months with the economy, retention issues with juniors and seniors and two large graduating classes.
- In terms of new enrollment overall first-time freshmen enrollment has increased by 129 students. The total increase for first-time freshmen is 8.8 percent and there was an increase of 4.2 percent in total first-time freshmen in the 18-county service region. An enrollment breakdown by county of the 18-county service region was provided showing significant enrollment increases in a number of those counties.
- First-time transfer enrollments increased by 25 new students, representing a 4 percent increase due to a number of new transfer recruitment initiatives which have been implemented, including:
 - Created new Transfer Center
 - Assigned Transfer Center Director and Assistant Director - Dr. John Yates and Ms. Christian Cruce
 - Implemented new recruitment software
 - Built new transfer prospect pool with enrollment lists from the Kentucky Community and Technical College System (KCTCS)
 - Created new transfer brochures
 - Implemented new admission initiatives with Madisonville Community College and West Kentucky Community and Technical College (WKCTC)
- Total African-American enrollment has increased by 22 students, representing a 3.6 percent increase and total Kentucky African-American enrollment has increased by 21 students, representing an increase of 5.4 percent. Fall 2008 Kentucky first-time freshmen African-American enrollment has increased by 28 for a total overall African-American enrollment increase of 47 students.
- International student enrollment has also experienced growth, most significantly in undergraduate enrollment, with an increase of 16.2 percent. International graduate enrollment experienced a decrease of six students.
- Graduate recruitment initiatives have also been very effective and include the following:
 - Increased overall graduate enrollment by 2.6 percent
 - Increased domestic, out-of-state graduate enrollment by 15.4 percent
 - Assigned full-time Recruitment Coordinator – Ms. Amber DuVentre
 - Implemented new recruitment software
 - Revised graduate recruitment materials.

Mr. Smee reported the following recruitment initiatives:

- New automatic scholarship awarding procedures in place – 162 scholarship award letters were mailed this week, months before this has ever been done in the past.
- Moved scholarship deadline to January 15 with notification of awards being made earlier in the spring semester.
- Built prospect pool by purchasing additional ACT names in some new counties and in Indiana and Ohio.
- Implemented new recruitment software (CRM).
- Increased emphasis in Indiana and Ohio through College Fairs, individual high school visits and other programs, particularly in Indianapolis and Cincinnati – both cities seeing tremendous growth in the number of high school students.
- Increased emphasis in Chicago, Nashville and Huntsville
- Expanded recruitment receptions in target areas/backyard – Hopkinsville; Evansville, IN; Owensboro, Louisville, Lexington, Collinsville, IL, Paducah; St. Louis, MO; and Murray/Calloway County. In early spring a recruitment reception is planned in Nashville, TN.
- Increased on-site admissions – to date there have been on-site admissions at Marshall and Graves counties, Murray High, Calloway County and Mayfield. Groups were also bused in from Breckenridge County and Paducah Tilghman to participate in the on-site admissions process. This initiative has been widely successful and a few weeks ago at Murray High School out of a class of 130 MSU processed 84 high school seniors. During both Racer Days this fall over 40 on-site admissions were processed.

Mrs. Buchanon indicated that in reviewing recent enrollment numbers reported in newspapers and the most recent *Kiplinger Magazine* she is troubled because in 2007 total enrollment at MSU was 10,156 and extended campus enrollment was 2,741. In reviewing extended campus and web-based numbers it appears as though enrollment numbers over the last two years are down on the main campus by about 900 students. It is very important that enrollment numbers on the main campus remain strong and she believes this issue demands attention. Mrs. Buchanon also stated that according to *Kiplinger Magazine* Murray State's graduation rate has decreased from 57.4 percent to 50.7 percent. Dr. Dunn cautioned these percentages may not be accurate because

the University does not supply the data to *Kiplinger*. Mrs. Buchanon indicated these figures were on the website and the University has dropped from 77th to 99th and that is troublesome because extended campus and web-based programs are only as strong as the quality at the main institution. If the University is headed in that direction it will not be long before it will be faced with difficult faculty and staff personnel decisions.

Ms. Marshall reported there are a number of issues involved and enrollment at Murray State has been flat for approximately six years which has affected both on-campus and extended campus programming and the University must address certain issues regarding what is being offered on the extended campuses, including web-based enrollment opportunities. Due to the economy many individuals are not able to travel to the main campus to attend classes. Mrs. Buchanon indicated she understands that but traditionally when economic times are bad that is when college enrollments are at their highest. Ms. Marshall reported this is true at the graduate level and many times individuals will return to school when the economy is having difficulty which is reflected somewhat in the University's graduate numbers. Because the economy has been so volatile, the part-time and full-time numbers have been affected which is the reverse of what would normally be the case. The University is also dealing with some retention issues and is taking steps to address those issues. Dr. Dunn cannot speak to what the impact will be on increased extended campus enrollment versus the main campus enrollment until the actual numbers are known. The only data available from the extended campuses is the total number of course registrations and how many actual students the 1,065 enrollment in Paducah represents will not be known until it is manually computed. The phenomenon Mrs. Buchanon is referring to could be taking place to some degree and this is why he has tried to articulate investing in the extended campuses because this is where increased enrollment is going to come from for the University.

Dr. Dunn added that the Office of Recruitment is working on undergraduate admissions in particular and the University is trying to ensure all the ships in the harbor rise. When these initiatives start to get traction and until there is some success – and the harbingers are there with new freshmen and transfers – these efforts will likely result in increased enrollment. The University administration has indicated for some time that enrollment growth is going to come from the extended campus sites and that will be the case until the University develops new and innovative ways to build the flagship campus. Mrs. Buchanon stated that total enrollment for 2007 was 10,156 students, less web-based students, which leaves a balance between the main campus and extended campuses of 8,665 students. If the extended campus enrollment is subtracted from that figure then it is pretty close to the number of students on the main campus. If the University continues to let these numbers slide and not identify why this is happening – and she does not believe it is solely due to demographics or the economy – then there is a quality issue. The quality the University depends on comes from students who come to the main campus. Dr. Dunn indicated that is why Ms. Marshall and Mr. Smee are implementing new initiatives. The Recruitment Office is working to attract students to the flagship campus but the majority of enrollment growth for Murray State is going to come from the extended campuses and through online courses. The numbers bear this out and he does not believe it is a judgment on quality as much as because all institutions are scrambling for a lesser number of students in Kentucky and Ms. Marshall and Mr. Smee are trying to determine why Murray State is not getting those students. One reason is the University was late on getting answers to students on admission and they were not informed of their scholarship awards until late May. Prospective students are also not happy with the state of the residential colleges and the amenities provided in those colleges. The University is addressing these issues as well as determining what else can be done to make Murray State attractive to students and keep the flagship campus strong. Part of this effort is moving out into other areas because increased enrollment is not going to come from Kentucky. Mrs. Buchanon stated that the flagship campus must carry the weight due to the number of faculty and staff dependent on that happening and if enrollment on the flagship campus continues to decline, the University will be forced to make personnel cuts.

Dr. Robertson reported that high school graduation rates in Kentucky have leveled off or are down which is why the University has expanded efforts significantly in some of these other areas, including Illinois, St. Louis, Nashville and Huntsville. There is more competition for high school students and Murray State is considering making an even greater investment in its scholarship program. The timeliness of award notifications and responses back to students from the time they apply are all part of efforts to restructure the recruitment and admission offices. From a retention standpoint the Board must keep in mind that while the number of returning students is down that is partly good news because the University recently graduated two very large classes. The Student Affairs Office is following up with students who have not returned to

the University and many seniors have indicated they are not returning due to scheduling conflicts. The type of students being recruited for the main campus are those who will live on campus and the University is up 129 freshmen students which is reflected in the housing numbers.

Judge Taylor reported that Ron Crouch of the Kentucky State Data Center will make a presentation to the Tuition Task Force at its next meeting and information available on the CPE website illustrates that what Murray State is facing is the same situation a number of other institutions are facing. The number of high school graduates is declining substantially and in this part of the state the number is down even more. During a presentation at the Owensboro Chamber WKU's President, Gary Ransdell, announced that total enrollment at WKU is over 19,700 but that number includes substantial extended campus growth and WKU is also down in terms of their main campus enrollment. WKU is using increased enrollment at the extended campus sites to meet the CPE 2020 numbers as well. Campus enrollment is down because there are fewer high school graduates which are the traditional students that come to the main campuses and the University must market itself toward this group. This will be the responsibility of the University, the Board, alumni, students and everyone involved with MSU to market the University to encourage enrollment growth. Mrs. Buchanon agreed that the University must think outside the box because traditional students are out there and the University must go after those students. Judge Taylor stated MSU is reviewing alternative delivery options and one of the greatest concerns MSU has right now is that enrollment has flat lined over the last four to five years. He believes the extended campuses must grow but the University must also maintain the push to implement these new strategies to attract traditional students. Ms. Marshall reported that these new initiatives must be implemented in new territories and urban areas that are experiencing large growth in their high school populations.

Dr. Dunn reported that Ms. Marshall and Mr. Smee are targeting students in these urban areas to convince them to come to the Murray State campus but it will take time to see if there can be success with these new approaches. Mr. Smee indicated that his office recently completed one of the most aggressive fall semesters in terms of recruitment and held a record number of recruitment receptions. The office has conducted over 600 individual school visits and college fair programs and he constantly visits these schools, in addition to those in Murray State's backyard, talking to students to determine how to make MSU their college of choice but there are new players, such as Mid Continent, in close proximity to MSU. Mrs. Buchanon asked if a county-by-county service area breakdown is available and Ms. Marshall indicated it was provided in the supplemental materials.

Judge Taylor added the CPE website has a map of all institutions in the state and if a line is drawn from Henderson to Todd County, over to Fulton and back through Paducah up to Henderson, in that triangle there are about 24 counties and MSU is the only game in town in this area. On the other side of that triangle there are eight other public universities clustered on top of one another. It is important for Murray State to build a wall in this triangle between the extended campuses and the main campus and the University has not done an adequate job of informing Kentuckians what a gem Murray State is and if it begins to do so it should not lose any student from this corner of the state. Mrs. Buchanon stated with regard to *Kiplinger Magazine* and *U.S. News and World Report* it is important that Murray State remains highly ranked in those publications because that indicates quality and is what attracts students. If the University continues on its current course it will not be ranked in either publication. Judge Taylor rates quality in terms of the value of a degree and MSU had the smallest increase in tuition of any public institution in the state last year but is above budget on tuition paid this semester which says a lot about the University and what it is trying to do and what it is selling – a quality product at a quality price during hard economic times.

Mr. Adams complemented Ms. Marshall and Mr. Smee for their efforts and those of their staff. They are addressing an issue that has concerned him for some time and are out there meeting students and traveling to places that are not necessarily convenient. Students know in advance what is available to them in terms of scholarship dollars and exactly how much their college education will cost. Over a long period of time he has heard many examples where individuals in the local area have complained they received recruitment letters from every university east of Murray in February and simply received a postcard from Murray. Ms. Marshall reemphasized that these problem areas, which in some ways have been admission-based, are being addressed. Information is being disseminated to students in a timely manner and scholarship issues are being addressed, including getting award notifications out early and everyone realizes how critical this is to confirming these students and getting them to commit to the University instead

of to other schools they may be contemplating. Mrs. Winchester added that admissions and recruitment staff are accomplishing this in addition to taking time out of their regular schedules to train on the Banner system. Ms. Marshall reported staff are training all day on Banner and coming in after hours to do their regular jobs. She asked the Board to send their thanks to these individuals for their hard work. Mr. Adams congratulated Ms. Marshall and her staff for their efforts and is anxiously awaiting the fruits of their labor.

Mrs. Travis also expressed appreciation and indicated there was a time when the Board received enrollment numbers for classes offered for employees that increased enrollment numbers. She was told this practice was done across the entire state and was normal procedure so enrollment numbers would appear higher. She asked if universities across the state are continuing this practice, specifically Murray State. Dr. Dunn stated that he believes Mrs. Travis is referring to the HEA 189 class offered for employees and if a staff member takes the class it is legitimate for it to be included in the University's enrollment numbers. The current administration is not pushing this initiative and if a faculty or staff member desires to take HEA 189 they can do so but there is no push taking place on campus for this to happen. He believes enrollment in such courses needs to settle out to determine what the real enrollment numbers are. In terms of setting up a structure whereby people are encouraged to take these courses, that is not being done and he does not want it to be done. In fact, he put a stop to the situation when he arrived at the University. Mrs. Travis thanked him for discontinuing the practice because even though she was told it was done across the entire state to help with enrollment numbers she felt very uncomfortable with the practice. If not requiring employees to take this course affected 100 people that would comprise a large percentage of the 900 student decrease referred to earlier. Dr. Dunn indicated part of the process has been determining the base enrollment at MSU and believes that number to be around 10,000 students. Staff must be given time to see where they are able to go and today's recruiting situation geared toward 17 or 18 year olds is not the same as what the Board may be accustomed to. There are many recruitment initiatives being undertaken now that unless someone is a parent they may not even be aware of. Signs are positive and it appears enrollment initiatives are leading the University in the right direction. Ms. Marshall stated that the goal is to make sure no student in Murray State's backyard ever has reason to say the University did not put forth enough effort with regard to recruitment and is a priority. Mrs. Buchanon stated her comments were not meant to place blame on anyone but were intended to share a fact she felt needed to be addressed and she commended the work that is taking place.

Chair Stout added making contact with potential students and informing them of their acceptance to Murray State in a timely manner are critical issues that are being addressed. In the past, potential students had to wait much too long to receive notification of their acceptance and scholarship confirmation. In regard to quality concerns that were expressed, maintaining quality is critical but considering the current budget environment for the University and that the 6 percent tuition increase was the most conservative in the state of Kentucky, and there was even discussion of a tuition freeze, when the Board talks about potential effects on faculty and staff, a tuition freeze would have been incredibly detrimental to the quality of services Murray State is able to offer. When polled during a public forum Murray State students even indicated they did not want the University to cut quality or services. The Board must weigh the affordability of the University while also maintaining quality. He thanked all for their efforts and indicated he has been hearing very positive comments from the various school systems.

9. Gifts, accepted

Ms. Hays moved, seconded by Mrs. Buchanon, that the Board of Regents, upon the recommendation of the President of the University, accept the donation of a 2006 F250 Ford Pickup valued at \$15,885 which was donated by the Murray State Rowing Team of Murray, Kentucky, and the donation of a 2008 Kiefer Built 24' Deluxe II Stock Trailer valued at \$15,022.36 which was donated by Midway Trailer Sales of Murray, Kentucky. Motion carried.

10. University Student Appeals Board Appointments, approved

Dr. Dunn stated he is bringing this action to the Board of Regents on behalf of the Provost. According to KRS 164.670 the Board of Regents may invest in a joint faculty-student committee the authority to suspend or expel any student for disobedience, contumacy, insubordination or immoral conduct. Pursuant to that authority, the Board in 1978 established a nine-member University Student Appeals Board consisting of six faculty and three students. The six faculty positions are staggered with two expiring each year and student terms are for one year.

Dr. Manchikanti moved, seconded by Dr. Morgan, that the Board of Regents, upon the recommendation of the President of the University, appoint the following faculty and students to the University Student Appeals Board for the terms indicated:

Faculty: Three-year term (2008-2011)

Crystal Coleman, Senior Lecturer
Department of Organizational Communication - College of Business and Public Affairs

Joyce Shatzer, Assistant Professor
Department of Early Childhood and Elementary Education - College of Education

Students: One-year term (2008-2009)

Jessica Grogan, Jonathan Jones, Megan Whitt

Motion carried.

11. Personnel Changes

A. Faculty Early Retirement Contract, approved

Judge Taylor moved that the Board of Regents, upon the recommendation of the President of the University, approve the following application for early retirement:

Effective with the 2009-2010 academic year contract:
Thomas Holcomb (Effective 7/1/09 to June 2011)
Professor, Department of Educational Studies, Leadership and Counseling
College of Education
2009-2010 (\$39,639.09 plus salary increments for future years)
2010-2011 Salary determined in accordance with University policies and procedures

Ms. Hays seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Ms. Hays, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes, exclusive of KRS with regard to salary; Judge Taylor, yes; Mrs. Travis, yes; Mrs. Winchester, yes; and Chair Stout, yes. Motion carried.

B. Staff Leaves of Absence Without Pay, approved

Mrs. Winchester moved, seconded by Mrs. Travis, 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 Dates</u> |
|---------------------|---------------------------------|-------------------------------|
| Alanda, Amanda | University Scholarships | 12/08/08-01/09/09 |
| Byassee, Travis | Procurement Services | 09/22/08-10/31/08 |
| Gallegos, Deborah | Food Service | 05/10/08-11/16/08 |
| Harper, Shara | Registrar's Office | 06/24/08-12/16/08 |
| Hopkins, John | Facilities Management | 10/01/08-11/08/08 |
| Hussman, Kara | English/Second Language Program | 10/06/08-04/06/09* |
| Lindsey, Della | Food Service | 10/01/08-11/10/08* |
| Miller, Norma | Food Service | 09/10/08-09/15/08 |
| Nored, Chantee | Food Service | 07/01/08-12/31/08 |
| Ronchetti, Jennifer | Facilities Management | 09/24/08-12/24/08 |
| Smart, Michelle | Health Services | 08/15/08-05/15/09 |
| Taylor, Steve | Facilities Management | 10/01/08-12/31/08 |

*Intermittent Leave

Motion carried.

The Board of Regents adjourned for a break beginning at 3:05 p.m. and ending at 3:25 p.m.

12. Committee Reports

A. Academic Affairs- Dr. Morgan

Creation of New Academic Program – Athletic Training, approved

On behalf of the Academic Affairs Committee, Dr. Morgan moved, seconded by Mrs. Buchanon, that the Board of Regents, upon the recommendation of the President of the University, approve adding the Bachelor of Science degree in Athletic Training (CIP 51.0913) undergraduate program, housed in the Department of Wellness and Therapeutic Sciences, to Murray State University's program inventory. Motion carried.

Dr. Morgan stated that he had one additional announcement regarding the College of Education which successfully completed the first stage of the National Council for Accreditation of Teacher Education (NCATE) accreditation process. NCATE is the national accrediting body for colleges authorized by the U.S. Department of Education to determine which colleges meet rigorous national standards in preparing teachers and other school specialists for the profession. It is especially important to note that the accrediting agency cited no areas for improvement.

B. Athletic – Chair Stout

Chair Stout introduced Athletic Director Allen Ward who reported the following:

- Jay Pyron from Campbell University has been hired as the new MSU Softball Coach. Twenty-one young ladies from Kentucky, Illinois, Indiana, North Carolina, Washington and California have officially visited the University with 9 committing to the program.
- The MSU Women's Soccer Team won their first ever Ohio Valley Conference (OVC) regular season Championship. Coach Beth Acreman was named OVC Coach of the Year, an MSU player was named Defensive Player of the Year and the team started five new freshmen.
- Academic Progress Rate (APR) scores have been reported to the National Collegiate Athletic Association (NCAA) and those scores will officially be released in March. Preliminary numbers indicate that Murray State's football APR score will be 965, up from 962 last year. These scores reflect the penalties imposed associated with the loss of scholarships. The Academic Improvement Plan is obviously working and the University hopes to receive full release from NCAA sanctions this year. The average APR score for men's sports was 968 and the average APR score for women's sports was 962.
- The University recently completed the NCAA Recertification process with a Peer Review Team visit to campus. Four individuals assigned by the NCAA spent two days on campus reviewing the University's Self-Study Report. The visit was positive as was expressed in the Exit Interviews with team members who interviewed 68 different individuals and/or groups. Mr. Ward commended the work of Drs. Brockway and Robertson and Mr. Rall for their role as chairs of the various subcommittees. He also recognized Dr. Judy Brookhiser, Associate Professor of Wellness and Therapeutic Sciences, who served as Chair of the Steering Committee and Mr. Josh Jacobs, Chief of Staff, who served as liaison with the President's Office. He anticipates a favorable recertification decision from the NCAA Committee which will most likely be delivered in February. Chair Stout reported he was interviewed by the NCAA Recertification Committee and this is such a highly regulated and technical area and he believes in Mr. Ward the University has an Athletic Director who embraces and understands the complexities of the regulatory environment that college athletics operates under today. He commended Mr. Ward and his staff for their work on this initiative. Mrs. Buchanon stated the news regarding APR scores is wonderful and Mr. Ward credited his staff and coaches for the success of the process.
- Judge Taylor reported that *Sports Illustrated* ranked the Murray State Basketball Team as one of the final 64 teams. Mr. Ward reported that Coach Billy Kennedy has signed what he considers to be his best class and is excited about the season. The Women's Basketball Team also signed seven new players, including a local product from Calloway County.

C. Audit – Mr. Adams

Mr. Adams reported that the Audit Committee met during the morning committee meetings and all members were present with the exception of Mrs. Ford. The Committee reviewed the General Audited Financial Statements; Audited Financial Statements, Federal Funds; Audit Contract Renewal and Unaudited Financial Schedules. He expressed appreciation to members of the Audit Committee and the other Board members for their input, study and interest in the documents presented.

Audited Financial Statements - General, accepted

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following reports for 2007-08:

- 1) Independence Letter
- 2) House Bill 622 Compliance Report for the Year Ended 6/30/08

- 3) Kentucky Lease Law Compliance Report for the Year Ended 6/30/08
- 4) General Financial Statements for the Year Ended 6/30/08
- 5) Management Letter and Management Representation Letter

Mrs. Travis seconded and the motion carried.

Audited Financial Statements – Federal Funds, accepted

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2007-08:

- 1) U.S. Office of Management and Budget Circular A-133 for the year ended 6/30/08 (federal funds)

Ms. Hays seconded and the motion carried.

Contract for Fiscal Year 2008-09 Audit, authorized

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, authorize the renewal of the final year of the contract with BKD LLP for the performance of the University's financial and compliance audits for the fiscal year ending June 30, 2009, at a maximum total cost of \$150,500. Dr. Manchikanti seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Ms. Hays, yes; Dr. Manchikanti, yes; Ms. Mantooh, yes; Dr. Morgan, yes; Judge Taylor, yes; Mrs. Travis, yes; Mrs. Winchester, yes; and Chair Stout, yes. Motion carried.

D. Buildings and Grounds – Ms. Hays

Agriculture Planning Task Force, discussed

On behalf of the Buildings and Grounds Committee, Ms. Hays moved that the Board of Regents establish a special Board of Regents Task Force to study long-term planning of farms and facilities and programs and relationships for the MSU School of Agriculture and to make recommendations to the Board of Regents by reporting its findings and recommendations at the February 2009 Board meeting. Mrs. Buchanon seconded and discussion followed.

Ms. Hays further indicated that Task Force membership would include:

- Ms. Peg Hays (Regent and Buildings and Grounds Committee Chair)
- Mr. Bill Adams (Regent and Buildings and Grounds Committee Member)
- Dr. Tony Brannon (School of Agriculture Administrator)
- Mrs. Marilyn Buchanon (Regent and Buildings and Grounds Committee Member)
- Mr. Will Ed Clark (Agribusiness Association General Manager and Executive Committee Member of Original Long-Range Planning Committee)
- Mr. Bob Hargrove (Banker with Agribusiness Background and Executive Committee Member of Original Long-Range Planning Committee)
- Mr. Doug Lawson (Bank President, Former Land Bank Lender, Treasurer of MSU Agriculture Alumni Association)
- Dr. Jay Morgan (Faculty Regent and Member of Original Long-Range Planning Committee)
- Mr. Jim Stahler (Calloway County Farmer and Executive Committee Member of Original Long-Range Planning Committee)
- Staff and student representatives to be added
- Mr. Tom Denton (MSU Administrative Representative) (Ex-officio)

Ms. Hays reported that prior to 2005 President King Alexander established a Long-Range Farm Planning Committee to study the past, present and future of the Murray State University farm laboratories and to make recommendations for their advancement. After a long and in-depth study the Committee established the need for a new farm laboratory for the School of Agriculture. During the May 19, 2006, Board of Regents meeting the Board was apprised of the possibility of purchasing a new farm laboratory and asked options be considered at that time and determine how to fund the purchase of the property (a track of land was identified at the time). In July 2006 it was relayed that during a meeting the Chair and Vice Chair of the Board of Regents had established the purchase of a farm as a priority for the University and tasked several

members of the University administration to move forward with negotiations on the purchase of the identified track of land.

Ms. Hays stated that due to a number of issues the Long-Range Farm Planning Committee has been dormant for a number of years. The objective of the newly-formed Agriculture Task Force will be to study farms and facilities and possible land acquisition but that will not be its only objective. It will also study long-term planning with regard to educational and programmatic opportunities and relationships with facilities like the Breathitt Veterinary Center (BVC). Chair Stout indicated it sounds as if this Task Force has a pretty large charge to come back at the February 2009 quarterly Board meeting with findings and wished Ms. Hays good luck. Ms. Hays indicated she plans for the Task Force to meet during December and January to be able to provide a report at the February 2009 quarterly Board of Regents meeting. This will not mark the end of the Task Force and simply represents a first reporting and other issues will take longer to review. The Task Force will complete the work started by the Long-Range Farm Planning Committee and do not plan to start a new project.

Judge Taylor asked whether Ms. Hays is proposing the Task Force will be a free-standing committee that reports back to the Buildings and Grounds Committee and questioned whether the report should be presented to the Buildings and Ground Committee in advance of presenting it to the full Board. Ms. Hays indicated the option could be explored but the majority of the Buildings and Grounds Committee would also serve on the Task Force. Chair Stout indicated as the motion currently stands the Task Force will make recommendations directly to the Board of Regents and that the Buildings and Grounds Committee is represented on that Task Force with the exception of Ms. Mantooth and Judge Taylor. Ms. Hays asked if the Paducah Task Force reported back to any committee and Chair Stout indicated it reported directly to the Board but was created by the Board with a charge from the Board to report back to the full Board. Ms. Hays indicated she understands the distinction and the final decision would depend on the pleasure of the Board. Judge Taylor questioned whether there was protocol regarding this issue and Dr. Dunn stated that the only protocol is typically what the Board establishes to do at any given point in time. Any meetings of the Task Force would be subject to Open Meetings Law, including public noticing. Judge Taylor asked what has been done in the past and Mrs. Buchanon indicated special task forces have always reported back to the full Board.

Chair Stout indicated that he has a motion and a second on the table and asked if there was further discussion. Dr. Dunn indicated additional information had been provided to each Board member regarding the Agriculture Task Force, including the motion from Ms. Hays, the latest report from the Long-Range Farm Planning Committee and Minutes from the May 2006 Board of Regents meeting where the issue was discussed. He is pleased the Task Force is taking a broader approach to their work and minutes from meetings of the Long-Range Farm Planning Committee clearly indicate the group was very much focused on the question of acquiring an additional farm. He believes the reason the Committee's work came to a halt is because it had run the course for what that group had recommended. In an earlier report they had identified a particular farm for purchase and from that point work went forward to see if the property could be acquired. The Committee was limited in scope and had accomplished what the Board requested. During negotiations for the particular piece of property identified the desire was not there to complete the transaction. Dr. Dunn stated during his first Foundation Board of Trustees meeting in October 2006 the land purchase was discussed and spirited discussion took place around the issue. However, at that time the Board of Trustees took no action as far as committing funding to purchase the property and that in essence brought the process to a halt. The family that owned the farm also indicated they were not interested in selling the property at that point in time which is yet another reason the process came to a standstill. Dr. Dunn believes the wider scope proposed for the Agriculture Task Force is wise and applauds what Ms. Hays has related around the facilities and programming issues in the larger sense because there are a number of topics that the University must start thinking through in advance of the 2010 legislative session. Discussion has taken place on these issues with Mr. Jackson and various advocates particularly in Washington, DC, regarding University needs and a number of questions have surfaced specifically related to facilities for the School of Agriculture.

Mr. Jackson suggested that Ms. Hays include an individual from Facilities Management as a member of the Task Force. Meetings have recently taken place regarding the BVC project and also the farm. The cost of constructing a new facility for BVC continues to escalate and if what has been planned is built today the cost will be considerably more than when the project was first initiated and there is a process the University must go through this spring to address the difference in cost. He suggested Mr. Kim Oatman, Chief Facilities Officer and Director of

Facilities Design and Construction, be included as a member of the Task Force to address any cost increase issues. Dr. Dunn added that the University has faced challenges on securing funding for capital projects and the challenge for 2010 may be simply holding on to the base. A new BVC facility in Hopkinsville has been part of the legislative agenda for some time but because the University has had to scramble to simply hold on to operational funding from the state for the BVC – and capital is going to be challenged all the way around for some number of years – one of the things that needs to be considered is how to reopen that discussion and determine if there is a way to do something with federal funding or pooled funding sources from both the Ag Development Board and federal funds. Senators Jim Bunning and Mitch McConnell have been open to listening to the needs that exist at BVC and working with the University and there may be a way to pool several sources of funding to secure perhaps not a new building but at least a lab to handle Level III biological safety needs that currently exist at the facility. This is one legislative priority of about four that must be discussed prior to the 2010 legislative session. If this is the only project the University determines it needs to advance then it could be that MSU will end up with nothing. If other funding options could be identified the BVC could have a solid addition to the existing building that will enable the Center to meet current needs but the Board must address these issues prior to the 2010 legislative session.

Mr. Jackson added that discussions have taken place in Frankfort regarding the UK Diagnostic Lab being built with agriculture development funds and if UK can pursue that means of funding then Murray State might be able to do so as well and utilizing general appropriation funds versus agriculture development funds should be discussed. A meeting is being held today in Frankfort and Dr. Brannon and Dr. Wade Northington, Director, BVC, are attending to discuss this issue. Dr. Dunn added that the legislature most likely will not provide funding for a new lab but they may consider treating Murray State as they have UK with regard to their lab and provide significant support and figure out a way to access federal money given the continued desire for the University's political friends to keep the lab project moving forward.

Agriculture Planning Task Force, approved

Chair Stout stated there is a motion and a second to establish a special Board of Regents Agriculture Task Force to study the long-term planning of farms and facilities and programs and relationships for the MSU School of Agriculture and to make recommendations to the Board of Regents by reporting its findings and recommendations at the February 2009 Board meeting. Motion carried.

E. Development/Investments – Chair Stout

Chair Stout indicated that Mr. Jackson reported Development/Investment issues during the President's Report portion of the meeting.

F. Equal Opportunity/Affirmative Action – Mrs. Ford

Chair Stout reported that Mrs. Ford is not present today and did not provide a report to him as Chair of the Board of Regents. No other Committee members wished to present a report.

G. Faculty/Staff Affairs – Mrs. Winchester

Mrs. Winchester reported the Faculty/Staff Affairs Committee did not meet during the morning committee meetings but would like to present the Board with the results of the recent Staff Perspective Survey. She asked Mr. Phil Schooley, Staff Congress President, to assist in the presentation of the report. Mrs. Winchester thanked Chair Stout and President Dunn for suggesting that the results of the Staff Survey be presented to the Board during the plenary session instead of during the committee meetings or via e-mail. This marks the third year that the survey has been conducted and through the utilization of technology and streaming capabilities the results can now be distributed to staff across campus in a timely manner. Information obtained from the survey has been shared with the President and Staff Congress leadership and significant improvements, changes and positive decisions have been made as a result. The Staff Perspective Surveys were distributed in August to 959 staff members and they were given three months to respond and there was a 42 percent response rate.

Mrs. Winchester reported a copy of the survey was provided to Board members in their supplemental packets. The survey is divided into three sections, including demographics, weighted scale and open response. With regard to demographics there is very diverse representation among those who responded in terms of years of service and among employment

categories. Three specific questions were asked and 91 percent of staff indicated they expect to be working at MSU in one year. This number was down somewhat from last year due mainly to several employees anticipating retirement. The second question pertained to whether compared to one year ago working conditions were better, the same or worse. Only 15 percent responded that working conditions were worse and the remainder indicated working conditions were the same or better. A third question was added this year as a direct result of a request from staff (when gas prices increased and the Board elected to not give an across-the-board percentage increase in salaries). Staff members were asked if the University should consider a rotating, extended four-day work week. Although the responses were varied among employment categories, the majority (77 percent) indicated that they were interested in this possibility. She encouraged the administration to review this option to determine if this is viable for some staff employment categories.

The second survey section involved weighted questions and one question most all staff agreed on was whether Murray State University is highly regarded in the community (89 percent). Another question centered on whether staff members are proud to work for MSU (88 percent). Staff disagreed on whether raises are given adequately and fairly based on job performance and this is directly tied to salary increases being given as a stipend rather than across-the-board. Staff members were completely divided on overall satisfaction with salary and benefits (48 percent) and the current performance review system (46 percent). Mrs. Winchester stated that the responses to these questions varied among employment categories with lower paid staff members being less satisfied with salary and benefits than those in the executive/managerial category.

In the third section of the survey staff were asked to comment on three questions and were given free reign with regard to those comments. The first question asked what the best thing about working at Murray State is and the number one overwhelming response was centered on benefits, including insurance, tuition waivers, sick leave, discounts and vacation. She asked the Board to take into consideration many employees choose to work at Murray State because of the benefit package that is available to them. Staff also commented on their satisfaction with the quality of people they work with and many comments centered on the fact that everyone on campus works as a team. Staff commented on the atmosphere at Murray State, especially the safety and security of campus, job security and the location of campus and take pride in working at an institution of higher learning. A second question focused on services and working conditions and minor changes included revising the staff orientation guidebook, discontinuing the typing test currently required for employment and the need to purchase new equipment. Major changes for staff focused on equity of pay, hiring and training staff, employee recognition and providing flexible work hours. Overall challenges for the University included providing a clearer vision/direction, upgrading buildings and improving communication. A third question centered on suggestions for the Staff Regent and responses varied from specific directives to general words of encouragement and support. The top general themes were improving wages and working conditions and representing the staff. A complete list of comments is available if requested.

Mr. Schooley indicated Staff Congress is working to address comments received from the Staff Perspective Survey, including:

- Hourly compensation job audit review
- Insurance and benefit provisions
- Sick Leave Policy wording change
- Staff Survey being provided online next year

Two suggestions that were made on last year's survey that are being implemented this year include the establishment of a quarterly staff recognition award called the "Way to Go Award" and the creation of two \$500 book scholarships for staff members to be presented at the December Staff Congress meeting. Staff Congress has been busy and by this time next year hopes to have implemented many more of the staff suggestions. Staff are extremely pleased that the parking situation on campus has been resolved.

Dr. Manchikanti asked for explanation with regard to overall organization impression and that staff comments were directed toward the division on the Board and the negative impact it has on the institution. Mrs. Winchester stated it is important to note that staff members are sensitive to public Board discussions and it makes them uncomfortable when the Board does not agree on issues even though those discussions need to take place. Specific comments related to that question can be found on the website. Dr. Manchikanti indicated it is not good if this is having a negative impact on the institution and asked how the Board can improve in this area. Chair Stout stated he has served on boards where there is very little discussion and decisions were basically a

rubber stamp and he does not think anyone would accuse this Board of being that way. The fact that the Board has discussions and there are sometimes split votes on issues is acceptable. The Board may disagree on issues from time to time but each member speaks their piece and all are driven by what they believe to be in the best interest of the University. The fact that there is not necessarily a unanimous vote on every issue should not be characterized as a division so much as being people who feel strongly about their positions and will advocate for those positions but after the Board takes action, those actions are fully supported by the entire Board.

H. Finance – Judge Taylor

Comprehensive University Excellence Trust Fund (CUEFT), approved

On behalf of the Finance Committee, Judge Taylor moved that the Board of Regents, upon the recommendation of the President of the University, approve the University's request for \$1,580,000 (\$1,281,500 for endowments and \$298,500 for capital) in matching funds from the Comprehensive University Excellence Trust Fund (CUEFT) for the 2008-10 Biennium. Dr. Manchikanti seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Ms. Hays, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Judge Taylor, yes; Mrs. Travis, yes; Mrs. Winchester, yes; and Chair Stout, yes. Motion carried.

I. Governmental Relations – Mrs. Travis – No report.

J. International Relations – Mrs. Travis – No report.

K. Student Life – Ms. Mantooth

Ms. Mantooth reported that the Student Government Association (SGA) recently held a mock election and had the third largest turnout in the state among public and private universities. A large number of students completed voter registration forms, indicating the majority plan to vote.

Ms. Mantooth stated in order for the SGA Constitution to change there must be a vote before the student body that must then go before the Board of Regents for approval. The student body will vote next week on whether to recommend to the Board that the required grade point average for the executive officers of SGA (President, Vice President, Secretary and Treasurer) be changed from a 2.0 grade point average (gpa) to 2.7 gpa and a flyer was distributed which indicated reasons for this change, including the Executive Council is a group of students with a high level of responsibility on the MSU campus and students in these positions must be able to successfully balance school work and extracurricular activities and responsibilities. In addition, the position of President in particular has especially high demands placed on it since this individual also serves as Student Regent. The SGA has not voted to change the Constitution since 1995 which shows changing the document is not taken lightly.

Ms. Mantooth stated that Dr. Robertson and the presidents of the Residential College Association, the International Student Organization and the Black Student Council will sponsor a tailgate party on November 22 and these groups provide student representation from across campus. The Board of Student Body Presidents will meet on the MSU campus December 5-6, 2008, and Dr. Dunn will host a dinner for the group.

L. Ad Hoc Policy Manual Committee – Dr. Dunn

Board Policy Manual Revisions – Section 2.20 and Section 5.1.1, approved

Ms. Hays moved, seconded by Dr. Morgan, that the Board of Regents, upon the recommendation of the President of the University, approve the following amendments to the *Board of Regents Policy Manual* and communicate these changes to the University's constituency bodies for any necessary amendments to their governance documents.

- 1) Addition of clarifying language to previously approved *Section II – The University* (Section 2.20) as attached.
- 2) Deletion of the first bullet point in *Section V – The Students* (Section 5.1.1) as attached. (In addition to other changes as presented at the September 12, 2008, meeting.)

Mr. Adams clarified whether the motion should read “as corrected” based on the decision of the Committee during the morning meeting. Chair Stout clarified that the motion is to approve the

recommendation of the Committee which contains an amendment.

Motion carried.

(See Attachments #3 and #4)

Board Policy Manual Revisions – Section 3.3, tabled

Chair Stout reported as a result of the morning Committee meeting, revisions to Section 3.3 of the *Policy Manual* were tabled.

Board Policy Manual Revisions: Section VI – The Governance Units, approved

Dr. Morgan moved, seconded by Mrs. Travis, that the Board of Regents, upon the recommendation of the President of the University, approve changes proposed on behalf of the Ad Hoc *Policy Manual* Committee for changes to *Section VI – The Governance Units* as attached.

Motion carried.

(See Attachment #5)

M. Committee of the Whole – Dr. Dunn

University of Kentucky (UK) College of Medicine/MSU Partnership, approved

Ms. Hays moved that the Board of Regents, upon the recommendation of the President of the University, endorse and support Murray State University's partnership with the University of Kentucky College of Medicine and Murray-Calloway County Hospital for execution of an agreement to establish the *Murray Regional Site Educational Project* as part of UK's *Rural Physician Leadership Program*. Mr. Adams seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Ms. Hays, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Judge Taylor, yes; Mrs. Travis, yes; Mrs. Winchester, yes; and Chair Stout, yes. Motion carried.

Presidential Evaluation Procedure and Instrument, approved

Dr. Morgan moved, seconded by Mrs. Winchester, that the Board of Regents, upon the recommendation of the Chair of the Board, approve the attached *Operating Procedure for Presidential Evaluation* and evaluation instrument. Motion carried.

(See Attachments #6 and #7)

Report of the Tuition Task Force

Judge Taylor reported that the Tuition Task Force held an organizational meeting on October 29, 2008, and will meet on a regular basis over the next couple of months in order to make a recommendation to the full Board. The scheduled meeting dates for the Task Force are November 20 and December 3, 2008, with both meetings beginning at 6 p.m. in the Jesse Stuart Room at Pogue Library. The meetings are open to the public, faculty and staff.

13. Other Business

Judge Taylor offered as an observation that the Board unanimously passed all recommendations today. Mrs. Buchanon left the quarterly meeting of the Board of Regents at 4:20 p.m.

14. Closed Session

Mrs. Travis moved, seconded by Dr. Morgan, that the Board of Regents convene in Closed Session for discussion of business that might lead to the appointment, discipline or dismissal of an individual employee, member or student pursuant to KRS 61.810 1(f). Motion carried.

Chair Stout reported that the Board will convene in Open Session at the conclusion of Closed Session and thanked everyone for attending the quarterly meeting. The Board of Regents convened in Closed Session beginning at 4:25 p.m.

Open Session

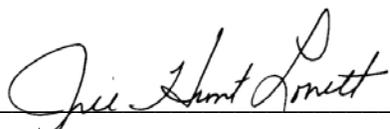
Dr. Morgan moved, seconded by Ms. Hays, that the Board of Regents convene in Open Session. Motion carried and Open Session began at 4:53 p.m. Chair Stout reported no action was taken during Closed Session. There being no further business before the Board, by taking no action the Board has taken the position that Dr. Dunn's contract shall automatically be extended one year to the year 2012.

Adjournment

Ms. Hays moved, seconded by Dr. Morgan, that the Board of Regents Quarterly meeting adjourn and the motion carried. Adjournment was at 4:55 p.m.



Chair



Secretary

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