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Board of Regents, Murray State University

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**Minutes of the Board of Regents Committee and Quarterly Meetings
Murray State University
August 28, 2014**

Call to Order

Chair Harry Lee Waterfield II called the Quarterly Committee Meetings of the Murray State University (MSU) Board of Regents (BOR) to order at 8 a.m. and reported all members were present with the exception of Regent Jenny Sewell. Also present are two new Board members –Dan Kemp, Mayor of Hopkinsville, Kentucky, and Student Regent Michael Dobbs and they will be sworn in during the afternoon Board meeting. He also welcomed Murray State’s new President – Dr. Bob Davies.

Academic Affairs Committee

**Jerry Sue Thornton, Chair
Michael Dobbs
Renee Fister
Phil Schooley
Stephen Williams**

Dr. Thornton called the Academic Affairs Committee to order at 8 a.m. and reported all Committee members were present.

MSU Thoroughbred Academy – Main Campus, endorsed

Dr. Thornton reported all are aware of the *Thoroughbred Academy* which was started in Hopkinsville, Kentucky, but the University has also been working to establish a similar program to be offered on campus. Jay Morgan, Provost and Vice President for Academic Affairs, reported that the Board is being asked to endorse the expansion of the *Thoroughbred Academy* to campus. The University currently has in place the *Racer Academy* which is typically taught either in the high school by a qualified instructor and/or online. The *Thoroughbred Academy* was started a little over a year ago and was piloted on the *Hopkinsville Regional Campus*. The program was aimed at high- achieving high school students from Hopkinsville and Trigg, Christian and Todd counties and has been very successful to date.

Rena Duncan, Associate Provost for Undergraduate Education, manages the portfolio for this work for the University. She has done a wonderful job with all the *Racer Academies* and the *Thoroughbred Academies*. Dr. Duncan reported that the *Thoroughbred Academy* in Hopkinsville was created when the Superintendents from Trigg, Christian and Todd counties approached the University and requested that they be allowed to set up a program where students could come to Murray State’s *Hopkinsville Regional Campus* to take classes. The Superintendents thought it was important to be able to provide these students with a more enriched college experience than they would receive if taking classes on their home campuses. Shortly before the program was scheduled to start in Fall 2013 Todd County pulled out of the initiative because the travel logistics were too difficult for that particular school. The program continued with high schools in Hopkinsville City and Trigg and Christian counties and has been tremendously successful. The schools bus students to the Murray State campus one day a week and the students take two MSU classes taught by Murray State instructors. These students began the program as juniors and it has represented a wonderful experience for the participants. The students have realized they can be successful in college and have before them a good career as a college student and can complete college and compete in their local economies. The juniors are now seniors and there is a new class of juniors joining the program this year. This has represented such a tremendously successful program that there is a desire to extend it to the main campus in Murray, Kentucky. This would allow the University to make this program available to high school students from within the institution’s closer regions, including Murray City, Mayfield City and Calloway, Graves and Marshall counties. This program will also be made available to the four river counties and one of their benefactors is very supportive of the program and would ensure those students could come to campus and take courses free-of-charge. The students selected to participate in the *Thoroughbred Academy* are carefully screened and are chosen by the high schools so only students who are mature and have academic capability to succeed in the program are chosen to participate. The University will be bringing a very large number of highly capable high school students to campus and provide them with an enriching college experience. There is also the added benefit of having these students on campus during their lunch hour so the University can provide additional programming to further help them understand what the college experience and college life are about, examine potential careers and meet with the various academic colleges where their areas of

interests lie. It is believed this program will help these students be more successful in college as well as provide an opportunity to make them future Racers on a full-time basis when they graduate from high school. Confirmation was provided that the plan is for the *Thoroughbred Academy – Main Campus* to begin in Fall 2015. Individual meetings have taken place with the vast majority of involved superintendents and they are very excited about this endeavor. This does represent a logistically tricky program for the schools and once there is endorsement from this Board work will be undertaken with the Superintendents, Principals and Counselors to work out the logistics of getting the students to the main campus. Dr. Morgan indicated the Board's endorsement of the program today would provide one full year for this work to occur both within the involved school systems and on campus. This does not represent a new model but is a proven model the University desires to expand. There has not yet been a graduating class from the *Thoroughbred Academy* but it is anticipated that the percentage of students who come to Murray State from the academy will be significantly higher because it has represented such an intensive program. It is known that for *Racer Academy* students who take classes on the Murray State campus practically 100 percent of those students enroll at MSU although they may have earlier indicated another college choice. It is anticipated the same thing will occur with *Thoroughbred Academy* participants because they are physically on the Murray State campus and experiencing what it is like to be on a college campus. It is also anticipated that the percentage of *Thoroughbred Academy* students matriculating to the campus will be even larger than the number of *Racer Academy* students where they are taking courses within their own high schools. Confirmation was provided that students who participate in this program for two full years will have completed the course requirements for their first semester of college and those students who take additional *Racer Academy* courses will enter the University with even more credit hours. This represents not only an academic enterprise but also a recruitment enterprise because it allows the University to touch the best and brightest students from the surrounding counties at a very early age. In response to whether these represent university studies courses or if students can take specialized courses, it was reported that one of the most important aspects in setting up the courses in the program is that those courses must also satisfy the high school curriculum requirements and there would be a very small number of students who would be able to take a specialized class. The advantage to having the students on campus is that the University can provide more variety of course offerings for the students to choose from which is unlike what occurs in Hopkinsville where courses are limited by faculty available to teach those courses. The majority of courses offered will be those targeted at satisfying both Murray State and the high school requirements.

In response to a question regarding whether scholarships will be available for these students, it was reported that there is a small amount of scholarship dollars for *Racer Academy* students targeted specifically for high need students. Robbie Rudolph is a benefactor for the four river counties and he is currently funding the entire college experience for those student participants and is very excited about the possibility of bringing those students to campus and has indicated he would be willing to fund that endeavor. Confirmation was provided that Trigg County Rotary has been phenomenal to work with and they are paying for tuition and books, has purchased iPads and is paying for the busses (fitted with WiFi) to bring students to campus. Trigg County has been very careful in selecting the students to participate in this initiative. Once students are nominated by the school Rotary then holds an interview with both the student and their parents. This represents a very stringent process but the Trigg County students selected have outperformed their classmates and are doing tremendously well.

Confirmation was provided that students will not have to purchase a parking sticker or a city sticker unless they are driving themselves to campus. The agreement with Hopkinsville does not allow students to come to campus independently and they must travel on the bus to ensure they are supervised the entire time they are away from their home campus. It is anticipated other schools will also want that same level of supervision. Students will want to purchase a Murray State ID card which will allow them to take advantage of services on campus accessible only with an ID card. Discussion has not occurred with regard to whether these students will be assigned a residential college and agreement was reached to take that suggestion into consideration. An effort must be made to ensure the students have a rich experience but that they are not distracted from their coursework. Dr. Morgan indicated he had a prior discussion with former Regent Jeremiah Johnson in terms of whether these students could participate in some type of club activity and it was agreed some limited club activities could be beneficial for the students. The time students will arrive on campus is dependent upon the busses and has represented one of the biggest logistical challenges in Hopkinsville. MSU classes would have to be scheduled around the high school bus schedules but students would likely arrive on campus at 8:30 a.m. and depart about 3 p.m. All recognize that these students likely participate in other activities at the high school such as band, cheerleading and sports and an effort is being made to coordinate the visit to campus so they are able to be back in time for practices for these various events. Dr. Morgan clarified that this effort does not affect local K-12 seed funding and the University is not utilizing seed funding from any of the schools.

Confirmation was provided that the schools pay for the busses and it is anticipated they will also provide lunch for the students and they will not be required to purchase a meal plan. In response to a question regarding an SGA concern about the ability of these students to vote, Dr. Duncan indicated if that concern does exist there would likely be a way to restrict their access to voting but this represents a conversation that must be held with SGA.

On behalf of the Academic Affairs Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, endorse the expansion of the Murray State University non-residential *Thoroughbred Academies* to the main campus to be known as the *Thoroughbred Academy – Main Campus*. Mr. Schooley seconded and the motion carried.

Adjournment

The Academic Affairs Committee adjourned at 8:21 a.m.

Audit and Compliance Committee

Daniel Kemp, Chair
Constantine Curris
Jenny Sewell
Harry Lee Waterfield II

Mr. Kemp called the Audit and Compliance Committee to order at 8:22 a.m. and reported all Committee members were present with the exception of Jenny Sewell.

2014-15 Annual Audit Plan, approved

Michelle Saxon, Internal Auditor, presented the following with regard to the 2014-15 Annual Audit Plan:

- The Annual Audit Plan requires approval by the Audit and Compliance Committee and outlines the work the Internal Auditor is to perform each year. Input is provided by the President, Vice Presidents and through risk assessment activities which are underway to identify those efforts management needs to focus on for the year. This year's Audit Plan is more aggressive because there are some administrative-type items which were removed from the plan from last year so more focus could be placed on those issues that really matter to the University.
- Typical, recurring, year-to-year reviews include the President's Office and Board of Regents financial accounts. A review of each transaction is undertaken to ensure policies are being followed and expenses are appropriate.
- Compliance audits include cash counts, tax shelter compliance and a review of the National Collegiate Athletic Association (NCAA) Special Assistance funds that is required by the Ohio Valley Conference and NCAA every year.
- A more aggressive listing of departments to be audited this year was provided to ensure everything is being done properly as well as identify areas which need improvement and ways the Internal Auditor can assist the departments to be more efficient and effective. A follow-up review of an audit which was undertaken last year will be done to ensure any recommendations which were made are being followed and are working as intended.
- Specific projects will also be undertaken and are targeted to specific areas while others involve the entire University to ensure it remains in compliance with guidelines. Recurring items include audit assistance for Accounting and Financial Services and assistance provided to the external auditors (100 audit hours required as part of the audit contract).
- Unplanned activities represent Whistleblower claims, any special projects which might be requested by the President or Board to be investigated and consulting assistance requested by the departments, especially if policies are being changed, to ensure departments are acting in the best interests of the University and policies and procedures are outlined correctly.

Dr. Curris noted the President's Office and Board accounts are audited on a quarterly basis and his experience has been this audit takes place more frequently than at other institutions. He asked whether this particular audit needs to continue to occur more frequently than once per year or once every six months. Ms. Saxon indicated these accounts are currently audited quarterly but she is actually reviewing the accounts on a monthly basis to scan transactions and determine what expenses have been incurred. Dr. Curris stated that most of the work of the Internal Auditor is done on an annual basis and to his knowledge there has not been any discrepancy in these two areas. Under those circumstances, if the Internal Auditor does not feel an audit needs to be done this often then her time could be spent on conducting other audits. Agreement was reached that the Internal Auditor would continue to monitor President's Office and Board expenses on a monthly basis but would prepare an audit report every six months instead of quarterly.

Confirmation was provided that the Internal Auditor attended training at the University of Kentucky and was able to talk with peers from other institutions to get a better idea of some of the audits they are undertaking which indicated they are performing essentially the same type of audits which are being conducted at Murray State.

On behalf of the Audit and Compliance Committee, Mr. Waterfield moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2014-15 Internal Audit Plan as presented. Dr. Curris seconded and the motion carried.

Internal Audit Charter Revision, approved

Ms. Saxon reported the following:

- The Internal Audit Charter was originally approved by the Board of Regents in 1993 and a small revision was made in 2012 to add a section regarding communication with the Board. She compared the University Internal Audit Charter with that of the Institute of Internal Auditors Model Charter and discovered there were many areas which needed to be revised in Murray State's Charter to keep it in line with the current standard for internal auditors. The Institute of Internal Auditors is the governing body that sets the standards for the way an Internal Auditor practices. It lists all standards and practice advisories the Internal Auditor must use to ensure compliance with their rules and for an Internal Auditor to keep their license.
- A proposed revised Internal Audit Charter was presented and included all new areas which need to be added (highlighted in red text). Highlights include with regard to professionalism a more detailed outline of what the responsibilities of the Internal Auditor are as far as staying in compliance with the Institute of Internal Auditors and where that individual should seek guidance.
- The organization section includes additional responsibilities of the Board, including appointment and removal of Internal Audit and the setting of wages.
- As requested by Dr. Curris, a section was included to signify that the Audit and Compliance Committee is delegated with the responsibilities identified for the Board and will regularly report its work to the full Board.
- There is also a section that stresses independence and objectivity. In order to maintain independence the Internal Auditor must be separate and not hindered by anyone from the University. For that reason the Internal Auditor does not have any managerial responsibilities.
- A section has also been added regarding professional objectivity and how the Internal Auditor needs to ensure they are not being unduly influenced by anyone and has the best interests of the University at hand.
- A section has been included on responsibilities which outlines what the Internal Auditor needs to review. Confirmation was provided that the University is currently following these guidelines but there is a need for the information to be clearly outlined in the Internal Audit Charter.
- A new requirement the University must follow includes the Quality Assurance and Improvement Program and confirmation was provided that the process of developing the assurance improvement plan is underway. The internal audit activity will maintain quality assurance and the improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the *Standards* and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of internal audit activity and identified opportunities for improvement. The Internal Auditor will communicate to senior management and the Board on the internal audit activity's quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years. Confirmation was provided that RubinBrown could undertake this assessment and there is no stipulation on the company which must perform this work. The Internal Auditor can undertake an initial assessment which would then be reviewed by the external auditors. Agreement was reached that RubinBrown should be asked whether they would feel qualified to undertake this work and all understand this could represent an additional cost. Confirmation was provided that RubinBrown also reviewed the proposed Internal Audit Charter to ensure there were no items included to which they objected.

On behalf of the Audit and Compliance Committee, Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the revised Internal Audit Charter for Murray State University as submitted and in compliance with the standards for the internal audit profession established by the Institute of Internal Auditors. Mr. Waterfield seconded and the motion carried.

Adjournment

The Audit and Compliance Committee adjourned at 8:35 a.m.

Buildings and Grounds Committee

Constantine W. Curris, Chair
Michael Dobbs
Susan Guess

Phil Schooley
Harry Lee Waterfield II

Dr. Curris called the Buildings and Grounds Committee to order at 8:35 a.m. and reported all Committee members were present.

Resolution to Raze 603 North 16th Street and Resolution to Raze 605 North 16th Street, approved

Mr. Oatman reported there are two structures located on the 603 North 16th Street property and the recommendation is being made to raze both properties. The University recently purchased the property which will be utilized mainly for parking. Located adjacent to this property is 605 North 16th Street which has one structure and the recommendation is also being made to raze this building.

On behalf of the Buildings and Grounds Committee, Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the Resolution as presented authorizing the disposition of structures located at 603 North 16th Street in Murray, Kentucky, and approve the Resolution as presented authorizing the disposition of the structure located at 605 North 16th Street in Murray, Kentucky. Mrs. Guess seconded and the motion carried.

Resolution to Raze 1611 Ryan Avenue, approved

Mr. Oatman reported a recommendation to purchase the property located at 1611 Ryan Avenue will be presented to the Board shortly and contingent on the Board's approval to purchase that property, the recommendation is being made to raze a structure located on that property. The property is located between two existing parking lots.

On behalf of the Buildings and Grounds Committee, Mrs. Guess moved that, contingent upon the approval of the property acquisition, the Board of Regents, upon the recommendation of the President of the University, approve the Resolution as presented authorizing the disposition of the structure located at 1611 Ryan Avenue in Murray, Kentucky. Mr. Schooley seconded and the motion carried.

Resolution to Raze 203 North 16th Street, Approved

Mr. Oatman reported 203 North 16th Street represents a property recently purchased by the University and the recommendation is being made to dispose of a structure located on the property. The intended use for this property would be for parking.

On behalf of the Buildings and Grounds Committee, Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the Resolution as presented authorizing the disposition of the structure located at 203 North 16th Street in Murray, Kentucky. Mr. Dobbs seconded and the motion carried.

Deferred Maintenance Update – Waterfield and Pogue Libraries, received

Mr. Oatman reported the following:

- At the June 6, 2014, meeting the Board authorized utilizing \$590,000 for deferred maintenance needs in Waterfield Library. Plans are underway to perform this work but due to a very busy summer and being somewhat shorthanded, the work has not yet begun. The goal remains to have this work completed by the end of July 2015. The current plan includes ADA renovations and improving electrical systems.
- At the June 6, 2014, meeting the Board authorized utilizing \$590,000 for deferred maintenance needs in Pogue Library. The current plan includes ADA renovations but work will mainly focus on HVAC upgrades. An effort must be made to better protect the special collections contained within Pogue Library and this includes the installation of window film. The target date for completion of this project is also the end of July 2015.
- Work has been underway for some time on Library initiatives to determine what work could be undertaken at Waterfield Library to improve the facility to meet current needs. A consultant was hired, under the guidance of former Regent and Chair of the Buildings and Grounds Committee Marilyn Buchanon and former President Tim Miller, which provided some ideas of the work the University could undertake at Waterfield Library. It is known that there are issues which must be addressed first before undertaking this work, including deferred maintenance, infrastructure and HVAC and electrical needs. The \$590,000 approved by the Board will allow a small step to be made toward addressing these needs but additional major improvements will also be required.
- Per the consultant's recommendation \$19 million would be necessary to construct a 10,000 square foot addition to Waterfield Library. Different possibilities in terms of how to add on to the current facility were considered and if the addition is too small the building will not look right. The 10,000 square foot recommendation provided by the consultants represented a good fit as a footprint and would also meet programming needs. The

Board received an update on the Master Plan last year which included a component for academic needs on campus. While the Council on Postsecondary Education (CPE) shows Murray State as having surplus of space, there is a deficiency in the number of classrooms of a certain size and type. An effort was made to respond to this concern by programming in some study areas and classrooms that would be fully connected to the existing building. The proposed addition is included in the \$19 million figure as well as renovations to the main level. Many of the Regents were able to attend the Grand Opening of the 3rd Floor Quiet Floor at Waterfield last evening and were able to see that not a great deal of work remains to be done on the third floor. Approximately 10 years ago a renovation was undertaken on the bottom floor of Waterfield Library and compact shelving was installed. Approximately one-half of the bottom floor has compact shelving while the other one-half has fixed shelving. The \$19 million would include a great deal of work on this lower level. Confirmation was provided that the \$19 million figure represents a 10,000 square foot addition plus infrastructure improvements and some renovations to the main level.

Dr. Curris indicated there was some consideration of a proposal to build an entirely new Library building and the Board was unsure it felt this was appropriate especially since the means of financing this work would be through a student fee. The Student Government Association opposed this student fee very strongly and the Board likewise felt that any building should not be financed in this manner. Although the Board rejected this proposal it also indicated it was genuinely interested in improving and enhancing the University Libraries and associated services. This represents the resuscitation of this effort.

Dean Adam Murray, University Libraries, indicated he believes the addition being proposed would help meet the consistent and numerous requests received from faculty for classroom space of a certain size to hold semester-long classes within the Library, particularly if these are writing, research or technology intensive courses. He would like to be able to accommodate these requests but, unfortunately, Waterfield Library currently has only two classrooms which are limited to 20 seats. Over the course of one year, 700 to 800 instruction sessions are held in the Library and this is in addition to the requests for normally-scheduled classes. Currently Waterfield Library is not able to provide the necessary classroom space that is being requested. This need was identified in the Master Plan and is why it was added to the menu of options which should be available in any plans for the Board to consider for an annex to the Library. As work was undertaken with the consultants all were clear to ensure that an addition was not perceived as a separate classroom building. There continues to be a desire for this to be part of the Library where students still enter through the main lobby and through that lobby filter into these classrooms to further provide connection to the Library and academic instruction. This project includes some renovations to the main level which was last renovated approximately ten years ago but with the amount of computer usage by students and the increasing number of students wanting to work together at a computer station the current computer lab is not serving the purposes that are needed. Second monitors have been added which does allow for some students to work together but the computer stations are really designed as individual work stations. There are 60 computers within the lab but 50 laptops are also available for students to check out, along with Chromebooks and iPads and they stay checked out all of the time. There is a huge computing need that the Library helps fulfill and part of the renovation will include an expansion of the computer lab and designing a different layout to better facilitate student needs.

Dr. Curris indicated by virtue of his background Dr. Murray is aware of what is happening in libraries across the country and asked if the University is fortunate enough to move in this direction – and knowing it would be several years before anything further could be done – whether there is anything the University is missing out on in terms of future trends which are currently unfolding. Dr. Murray indicated many believe the need for computer labs will die out over time and become outdated but he does not see evidence to support this line of thought at Murray State. Students will continue to need computer access in some format. The current lab is PC-based and there are no Mac machines available. There are smaller Mac labs across campus but those are limited to the hours of the academic building in which they are housed whereas the Library is open more hours throughout the day than it is closed. Regardless of how technology evolves, there will be a need for students to be able to sit down at whatever type of terminal is offered to be able to do their work. The Library must also plan for a student's increasing ability to produce their own research and content. Rather than the Library being a pass-through for students to access and absorb content, with YouTube, video production and blogging being so easy the Library – as well as the faculty as a whole – has a responsibility to educate students about responsible production of content and research. There is a great opportunity to add a video production suite on the bottom level of the Library to allow students an opportunity to work with this type of technology but that space is currently not included in the \$19 million figure.

Confirmation was provided that the proposed expansion would take place on the south side of Waterfield Library at the old Ordway Hall site and preliminary designs contain two floors. Confirmation was also provided that discussions are underway in terms of setting up a small Mac lab within existing Library

space but this work is proving to be difficult. Despite the fact that the University was closed for several days this past winter for snow and ice and inclement weather, Waterfield Library saw 21,000 more visitors in the past year than it did the year before and currently averages 580,000 visitors per year. This does include some repetition in terms of several visits by the same individual but approximately 7,200 individuals throughout the course of the year came into the Library and logged into a computer.

Dr. Davies asked Dr. Murray to explain the connection between a student entering the Library and retention and graduation rates. Dr. Murray reported the university libraries were accepted by the Association of College Research Libraries as the first cohort of 75 libraries worldwide to participate in an assessment in action project which represents a highly competitive initiative. Among colleagues involved in this program, most of the other institutions were research institutions and Murray State was one of few regional comprehensive institutions represented. The University's particular project was to review library use at the individual level and correlate that with retention to determine if there were any correlations. Findings showed that students who used the Library at least once in any capacity were two times more likely to be retained than those students who did not utilize the Library. It was also discovered that the instructional role of the Library represents a pass through to that use. Over the past year a plan has been implemented where an effort has been made to reach research, writing and technology intensive courses across the different disciplines and all academic programs. Through that plan instruction sessions were conducted for 77 percent of last year's freshman class. Of that 77 percent of last year's freshman class 88 percent went on to use the Library in some way and that had a perfect correlation with retention. Of the 23 percent of students who were not reached through instruction approximately 66 percent did not use the Library in any way and were at risk for not returning to Murray State in the spring. Interesting correlations with regard to retention were discovered confirming that the instructional role is very important to the University Libraries. Agreement was reached that this represents a fiscally responsible plan but must be programmatically centered in terms of the functionality it is trying to achieve.

Dr. Curris asked whether architectural planning is the next step if funding was available to undertake this work in Waterfield Library. Mr. Oatman indicated this to be the case but the preliminary architectural study which has already been done would need to be revisited. If the University is able to garner funds to move to the next level an effort would be made to undertake this work before the next Capital Plan is due on April 15, 2015. Early next year this work should be restarted to determine how to move to the next level and develop a more detailed cost analysis so the University is in good shape to submit a solid project for the Capital Plan. All need to be thinking about how this project would be ranked in the Capital Plan.

Olive Street Closing, discussed

Mr. Oatman reported that Olive Street needs to be closed to allow for construction of the Engineering and Physics Building. The University has made petition to the City to close Olive Street. The City sent out over 100 letters to residents in the zone of influence and only two negative comments were received. The City has indicated there is consensus to close Olive Street and it is their intent to close the road. The City has sent another letter to the individuals affected to allow for time for the appeal of the closure and the deadline was yesterday. The City has provided no information to Mr. Oatman at this point but indicated they wanted to wait until next week to get final feedback because one of the individuals in opposition is from out-of-town. The University will address the City Council on September 11, 2014, which will hopefully lead to the road closure. No major issues are foreseen.

This report was presented for informational purposes only and required no action.

Adjournment

The Buildings and Grounds Committee adjourned at 9:02 a.m.

Enrollment Management and Student Success Committee

Sharon Green, Chair
Michael Dobbs
Phil Schooley
Harry Lee Waterfield II

Ms. Green called the Enrollment Management and Student Success Committee to order at 9:02 a.m. and reported all Committee members were present.

2014-15 Enrollment Management Update, received

Fred Dietz, Associate Vice President for Enrollment Management, gave a preliminary update on Fall enrollment and reported the following:

- Final Fall enrollment numbers are reported to the CPE on October 25, 2014, so the numbers being presented today are very fluid and could change. Total enrollment is currently at 10,751 students versus 10,426 students last year. Last year official enrollment totaled 10,943 students.
- First-time freshman numbers are down (4 percent) versus last year. Last year official first-time freshman numbers totaled 1,581 students and the current number of 1,522 is relatively solid.
- Confirmation was provided that this represents the first year students from McCracken County can attend the community college for free but other communities are also offering this benefit to any freshman student – not just need-based students – and it is becoming a trend which affects Murray State enrollment. Mr. Kemp reported that in Christian County if a student has a 2.5 grade point average, 95 percent attendance and good conduct they are entitled to a free ride at the community college courtesy of Rotary Club. There are currently 141 students enrolled in the program for this Fall which is comprised of 104 first-time freshman students with the remainder being second year students.
- The landscape for freshman students has changed somewhat and they are more consumer oriented and, along with their parents, are really looking at the bottom dollar and how that will impact them when they attend college.
- First-time freshman numbers for the 18-county service region are basically flat compared to the same period last year (down 3 students). There were approximately 140 fewer high school graduates in the service region this year so the University has actually made up some ground. Extensive efforts continue within the 18-county service region and significant resources and time are devoted to this population. These efforts will continue moving forward.
- First-time transfer enrollment is solid and is currently up by 80 students over this period last year and first-time transfer student enrollment for the 18-county service region has also increased.
- Preliminary first-time graduate enrollment is strong and Dr. Morgan and Bob Pervine, Associate Provost for Graduate Education and Research, have played an instrumental role in turning around enrollment for this population.
- Optimistically, enrollment is likely to exceed 11,000 students this year which represents quite an accomplishment for Murray State. The official enrollment report will be presented to the Board at the December meeting and will provide a great deal more detail, including information on diversity and minority issues.

Dr. Thornton indicated she is trying to get a sense of the direction the University would like to go in terms of the increase in first-time new graduate students and the actual number that equates to in terms of a goal. Mr. Dietz indicated enrollment target calculations include a 2 percent growth in first-time graduate student enrollment. Dr. Thornton indicated it may be desirable for Mr. Dietz to not solely focus on first-time freshmen but also begin reporting out on the junior class and it was asked whether transfer students are mostly entering the University as juniors or sophomores. Confirmation was provided transfer students represent both sophomores and juniors. Agreement was reached that in the future the junior class may become as important as the freshman class in terms of transfer students. Dr. Davies agreed and the way the institution will begin thinking about admissions will change dramatically and the current definition of a first-time freshman will become outdated very quickly. Mr. Dietz confirmed an Enrollment Management Plan is in place which addresses how the University will move forward.

In response to a request to speak about scholarships, Mr. Dietz provided a handout on the University's Academic Grid Scholarship. This represents guaranteed money for students who enter the institution with a minimum grade point average (GPA) and ACT score. The scholarship is awarded at the point of those students applying for admission. One challenge is "tweaking" the grid somewhat to pursue students who are in the higher tier and are a little stronger. A student who has a 32 ACT score is exceptionally strong and if they have a 4.0 GPA, assuming they are a Kentucky resident, they receive \$6,000 per year. This equates to \$3,000 per semester which indicates they would pay approximately \$1,000 per semester for their tuition at Murray State. This does not include any additional Foundation awards or endowed scholarships. This type of student is receiving stronger tuition offers from other institutions. A student with a 32 ACT score and 4.0 GPA will likely receive full tuition offers at most other institutions. A revised grid will be presented to the administration to determine whether additional dollars can be dedicated to scholarships for these top students. This represents a delicate balance between offering the right scholarship and also looking at tuition revenue and there is no desire to continue to discount and discount. This work will also be part of the study which is being undertaken with Maguire Associates. Dr. Thornton indicated as this work is undertaken consideration might be given to attracting students who are in the next level down because they represent strong students and it would be beneficial to be able to attract even more students who fall within this population.

This report was presented for informational purposes only and required no action.

Adjournment

The Enrollment Management and Student Success Committee adjourned at 9:15 a.m.

Finance Committee

Stephen Williams, Chair
Constantine Curris
Renee Fister
Daniel Kemp
Jerry Sue Thornton

Mr. Williams called the Finance Committee to order at 9:15 a.m. and reported all Committee members were present.

State Endowment Match Program Annual Report, approved

Mr. Williams indicated that the State Endowment Match Program Annual Report summarizes the programmatic and financial results of this program at Murray State during fiscal year 2013-14. Murray State has received all of its state matching funds and received additional private matching funds of \$7,831 which resulted in the liquidation of its last outstanding pledge. Since the inception of the program in 1998, Murray State has received \$10,070,787 in state matching funds and \$10,070,787 in private matching funds for a total endowment increase of \$20,141,574. With these endowment funds two Endowed Chairs and five Endowed Professorships have been established and all positions are currently filled. In addition to the chairs and professorships, the University has been able to create 29 endowed scholarships and five mission support endowments. Twenty-seven of the 29 endowed scholarships reported expenditure activity during the year. Agreement was reached that there is much progress to be made in terms of minority and gender participation in this endeavor. Both chairs and four of the professorship occupants are non-Hispanic white individuals. One professorship is occupied by an African American male. The relatively small number of awards given to minority recipients from these scholarship endowments likely resulted from the availability of two other scholarship funds devoted to minority students. Confirmation was provided that the Provost has initiated several efforts to recruit faculty and the University has its first ever Minority Faculty Fellow on campus due to these efforts. Assurance was provided that all will continue to advance these opportunities for the minority faculty and student populations.

Investment earnings last year amounted to more than \$1 million and total expenditures for the endowment operations for 2013-14 equaled \$767,521. As of June 30, 2014, the total market value of the 41 endowment accounts established under the Endowment Matching Program was approximately \$24 million.

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the Endowment Match Program Report for the period ended June 30, 2014, as presented and as required by the Kentucky Council on Postsecondary Education. Dr. Fister seconded and the motion carried.

MSU Federal Credit Union Lease, tabled

Ms. Dudley reported the following:

- The MSU Federal Credit Union is located in the *Hogancamp General Services Building* occupying about 1,900 square feet. The Credit Union was started many years ago to benefit Murray State employees but has expanded since that time. It now offers membership to the local city and county school districts as well as to Murray-Calloway County Hospital employees. The Credit Union no longer provides exclusive membership to University employees.
- Last year during budget discussions the Board asked the administration to review its leases in an effort to establish fair market value for those properties.
- Discussions began with the Credit Union which has been paying no rent over the years. The Credit Union Board was rather resistant to starting to pay rent so Dr. Miller discussed the issue with the Board about agreeing to pay \$250 per month for their lease which is what is being presented to the Board for approval. The hope is the University can work with the Credit Union over the next few years to move that amount to a fair market value for the University. Murray State currently provides utilities and a certain number of maintenance items.

Board members were flabbergasted the Credit Union has been allowed to be on campus while paying no rent and confirmation was provided that the current lease will expire in two years.

- Confirmation was provided that this space is located on Chestnut Street and the University's value for office space of this type is usually \$9 per square foot and the lease value being proposed would average just over \$2 per square foot.
- Conversations have been undertaken with the Credit Union Board and there is a great deal of resistance because there are a number of employees and retirees on that Board. An effort is being made to pursue this work in an incremental fashion.
- Confirmation was provided that this space could be otherwise utilized by the University. In response to a question regarding if the Credit Union decides to move out to another space within the community whether that would create undue problems for the University with reference to the building and services provided, Ms. Dudley confirmed the area could be utilized for office space.
- The University does not have access to the financial statements of the Credit Union nor is it privy to their revenue base which creates a disadvantage for the University in terms of being able to negotiate. The University has not directly asked the Board for this information because they are not free-flowing with that information.
- In response to whether the MSU Foundation rents from the University, Dr. Jackson indicated the University owns the Nash House where the Foundation resides. There is a contractual arrangement where services provided by the Foundation to the University offsets any rent payment and other associated costs and this represents a quid-pro-quo situation.
- A statement was made that this represents a very small amount to request for rent especially since the Credit Union has expanded from solely serving Murray State to now serving other entities within the community. A desire to get closer to market value was expressed and while that may be incremental there should be a clear plan in place to accomplish this work. The Credit Union must be made aware that by such and such year the lease will be at the rate of market value and if they wish to make other decisions in terms of location they are free to do so. Included in this work would be whether utilities and other costs continue to be included as part of the lease arrangement. Agreement was reached that the Credit Union needs to be an independent entity because it is a competitive entity with other financial institutions. Some subsidization can be justified when an entity provides a service solely to the University but when the Credit Union has expanded membership far beyond the University this represents a different situation.
- Confirmation was provided that the University has costed out the value of the square footage which is around \$26,000 per year which includes space, utilities, parking and maintenance services the University provides. It was indicated that the recommendation before the Board will provide the Credit Union with an opportunity for planning.
- It was suggested that a fair market value be determined and then divided by three or five years to reach the point where the University needs to be in terms of Credit Union lease payments per year.
- It was suggested that if this is approved by the Board the Credit Union should be informed this is how the University will proceed starting at the end of their lease to allow them to undertake appropriate planning.
- Agreement was reached that this current arrangement is not fair for other local businesses.
- In terms of the laws of the Commonwealth and as they relate to a state entity supporting a competitive business, Mr. Rall reported there is no specific statute related to this situation but this is an entity created years ago that was approved by the Board of Regents. The arrangement was approved with the idea of providing support for a limited amount of time. As long as the Credit Union is paying its own way there should not be a great deal of concern about providing space but comments here today suggest it is not paying its own way. It has been noted that the reach of the Credit Union has been expanded beyond the University and this may represent a question which also came before the Board. Since the Credit Union has expanded its reach it would likely be in the University's best interest to deal with it at arms' length. This represents a business which has expanded beyond providing services to the University.
- Dr. Curris confirmed the Credit Union was started under his presidency and its services were limited to the University community but there was also a recognition – and action by the Board – that this business was starting up and the University would help support the entity until it was able to function on its own. He does not recall any particular timeframe being set for this to occur. Ms. Dudley confirmed there are a number of entities which do pay fair market value to lease from the institution.
- Dr. Davies agreed that the University must be fiscally responsible and there is a fair market value of \$26,000 which has been determined. The Credit Union provides a service to University employees so developing a plan to bring the lease up to fair market value makes sense. He asked what the political liabilities would be of tabling this agenda item with the goal of going much higher in terms of lease payments. Ms. Dudley indicated there is no doubt the Credit Union will restructure their current fee structure and there will be an impact on employees. A number of employees bank at the Credit Union and represent the majority of its customers. Their Board would likely have a proposed increase in fee structure that MSU employees could consider to be a reduction in benefits. The important point to note is the Credit Union is a for-profit entity but these discussions with their Board will be difficult and while there is a desire to work on a plan over a number of years she also does not want to miss the opportunity to be able to start getting this lease in place now since the Credit Union Board has already voted on it.

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents table this agenda item until the next Board meeting to allow time to determine fair market for the Credit Union's use of this

space along with a plan to achieve this level on a very specific timeline not to exceed three years. Dr. Thornton seconded and the motion carried.

Property Acquisition, 1611 Ryan Avenue, authorized

On behalf of the Finance Committee, Dr. Fister moved that the Board of Regents, upon the recommendation of the President of the University, authorize the University to purchase the property located at 1611 Ryan Avenue in Murray, Kentucky. Dr. Thornton seconded and the motion carried.

Pending Contracts, approved

Mr. Williams indicated with regard to pending contracts information was included in the eBoard books on current pending contracts – the majority of which relate to athletics.

On behalf of the Finance Committee, Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the contracts as listed and as presented to the Board. Mr. Kemp seconded and the motion carried.

Adjournment

The Finance Committee adjourned at 9:43 a.m.

Constituency Regent Reports

Faculty Regent Report, received

Dr. Fister reported the following:

- The *Arthur J. Bauernfeind College of Business* Master of Business Administration which is offered 100 percent online was once again ranked first in Kentucky and 46th in the United States. Two gold-standard accreditations in Business and Journalism and Mass Communications (AACSB) are in place. The College is ranked 104 out of the top 500 business schools on the Social Sciences Research Network. In the last four years faculty produced over 300 intellectual contributions at regional, national and international levels.
- The Elementary Education Program in the College of Education and Human Services is ranked first in Kentucky and 47th nationally out of 1,400 National Council on Teacher Quality (NCTQ) institutions. The Secondary Education Program is ranked second in the state and 57th nationally. The Ed.D. program was launched successfully with the first cohort of 24 doctoral students admitted for Fall 2014.
- The *Jesse D. Jones College of Science, Engineering and Technology (JCSET)* was named the lead institution in Kentucky for AmericaView which is a national consortium promoting the use of satellite data for remote sensing research, K-12 and postsecondary STEM education, workforce development and technology transfer. Haluk Cetin, Professor of Geosciences, serves as Murray State's Director for the consortium. The College also received reaffirmation of accreditation from the American Chemical Society for the Department of Chemistry. The Department of Occupational Safety and Health now offers the Master of Science degree completely online. The Watershed Studies Institute and Hancock Biological Station celebrated the 25th anniversary of monitoring of Kentucky Lake watershed.
- The College of Humanities and Fine Arts submitted a proposal for a new Ed.D. degree in English Pedagogy and Technology and is beginning implementation of ideas from the University's college-wide Project 20/20 Strategic Planning process.
- The *Hutson School of Agriculture* has added an online Master of Science in Agriculture and the Veterinary Management Certificate Program has been implemented. *Racer Academy* for Agriculture has been expanded and in fiscal year 2014 the dual credit agriculture classes were delivered to over 50 schools and 450 students across the Commonwealth. This initiative is supported by the USDA Capacity Building Grant.
- The School of Nursing and Health Professions achieved full accreditation for the Doctor of Nursing Practice and the reaccreditation for the Bachelor of Science in Nursing and Master of Science in Nursing degrees. The Health Information Administration program has received approval from the CPE.
- The University Libraries concluded participation in the first cohort of the highly selective Assessment in Action Project as reported earlier. The Library also became the first academic library in the state to provide library services through an app. The app – myMSULib – is available for both Apple and Android devices and provides mobile access to library databases, subject guides and archives and special collections.
- The Center for Continuing Education and Academic Outreach successfully launched the *Thoroughbred Academy* in Hopkinsville as reported earlier.
- The following faculty and student recognitions were outlined:
 - Constance Alexander, adjunct faculty in Humanities and Fine Arts, is the recipient of the Governor's Award for the Arts (Media Award). She is an award-winning poet, playwright, columnist and radio producer.

- David Kraemer, recently retired Chair in the Department of Occupational Safety and Health, received the American Society of Safety Engineers' Foundation Distinguished Service Award.
- Howard Whiteman, Professor of Biological Sciences and Director of Watershed Studies Institute, received a \$460,000 Research at Undergraduate Institution grant in conversation biology and ecology.
- A student team from the Institute of Engineering won first place in national competition to design, build and operate a chainless hydraulic bicycle. Team leaders included Jim Benson, Associate Professor, Industrial and Engineering Technology and Institute of Engineering, and Sanjeev Chitikeshi, Assistant Professor, Telecommunications Systems Management, with special assistance from Jim Barnett, Instrument Maker (*JCSET*). The student team included Bryan McCoil, Colby White, Dustin Patton, Moe Magharbi and Bryant Harrison.
- Faculty Senate initiatives with regard to adjunct roles and compensation are still being discussed. Faculty Senate President Rory Goggins will bring forward a proposal to Faculty Senate next week. Discussion continues on moving full-time adjuncts to Lecturer lines and involvement of faculty and staff within University budget procedures. A document has already been developed and Staff Congress has been involved in discussions.
- MSU faculty and staff received 120 grant awards totaling over \$7.225 million in 2013-14 and this represents an increase of over \$700,000 from the previous year. The amount submitted for this year is approximately \$3 million above this time last year and information has been provided in the supplemental Board materials on those areas submitting various grant applications.
- Faculty, staff and students all participate in *Great Beginnings* activities, including residential college move-in and a link to a video students put together about move-in was provided. The residential colleges are undertaking many initiatives to interact with faculty, staff and students and social media provides an ideal way to undertake this work.
- All at Murray State University thoroughly welcome the 13th President and his family and a photo of the Davies family with Dunker was shown.
- The University hosted the Commonwealth Honors Academy (CHA) as well as Governors Scholars Program over the summer. The Commonwealth Honors Academy represents a three-week program which provides six credit hours of opportunity for students while they are on campus and they also have the opportunity to take three hours in the Fall and the Spring semesters. These students are offered a four-year \$2,000 housing scholarship. Since 2001 to 2013 there have been 1,138 CHA students and those who have matriculated to Murray State comprise 47 percent of this group. This represents a highly successful program in terms of involving students, many faculty and staff interact with the students while they are on campus and the program has also received numerous honors.

Update on Regional Campuses, received

Dr. Davies reported that as part of the regional rollout effort time was spent on all four regional campuses and meetings were held with the Community College Presidents and area Superintendents. In each of the communities there is amazing support for Murray State and the community colleges are looking to the University to fine tune transfer agreements to ensure they are more robust and partnerships are continuing to grow. Madisonville received money for a facility by dedicating .5 percent of funding to construct that facility and a positive announcement will be released this next week. Dr. Jackson indicated that for Madisonville there was approval in the last Legislative Session budget to build a new postsecondary education center and Murray State University and Madisonville Community College joined together in this endeavor. The budget allocated \$20 million for this project with \$15 million provided through a bond issue in the Commonwealth and \$5 million raised through private funds. The University has been assisting Madisonville Community College with their fundraising efforts over the last several months. Announcements with regard to the \$5 million will be made very soon and the desire is to complete the private fundraising work by year end with construction to begin early in 2015. The new facility will allow the University to offer wonderful new programs it could not offer in the past. In Henderson and Madisonville, due to lack of necessary space, the University must use facilities on the community college campuses in those locations. This building will be located on the Madisonville Community College campus and will represent a shared facility with the University. Judy Rhoads, President of Madisonville Community College, had a very positive meeting with Dr. Davies last week. Dr. Davies reported that the administration would be bringing forth a *Memorandum of Understanding (MOU)* with Madisonville soon and this will represent a long-term agreement which will tie Murray State and Madisonville Community College together in strong and positive ways.

Brian Van Horn, Dean for Continuing Education and Academic Outreach, reported the following:

- The *Paducah Regional Campus* opened in January 2014. The most successful Master of Business Administration cohort the University has ever had at an extended campus site was run through the Paducah Regional Campus over the past two years. Dean Tim Todd in the *Arthur J. Bauernfeind College of Business* did a great job and of that cohort 42 students graduated this past Spring.
- When cohorts are considered an ebb and flow in enrollment is typically observed. There was concern regarding enrollment for the Fall Semester because a large number of students in that cohort graduated. In actuality, the

loss has been offset and there is actually a net gain. The numbers are preliminary but as of right now enrollment numbers are up over 9 percent at the *Paducah Regional Campus*. When this is considered in terms of the number of students lost, this represents a significant increase in student enrollment for the *Paducah Regional Campus*.

- The University is working closely with West Kentucky Community and Technical College to develop and revise articulation agreements so students can simply cross the I-24 Corridor and seamlessly continue their educational pursuits with Murray State.
- The Supply Chain Management/Logistics program represents one curriculum developed by Dean Todd and the *AJBCOB* faculty and staff and there is now one new faculty member housed in Paducah. This degree program will be offered at all four regional campus sites. With the introduction of the I-69 Corridor in several of the University's service areas it is believed there will be a strong need for logistical degrees with the warehousing and distribution companies that may follow a major interstate corridor.
- The *Hopkinsville Regional Campus* hosts *Thoroughbred Academy* students every Wednesday. This represents a unique program which was earlier outlined in detail and represents a great partnership between the public schools and Murray State University.
- Dr. Davies has spent a great deal of time in the Hopkins County and Madisonville area where the *Madisonville Regional Campus* is located. Dr. Jackson is currently working on fundraising initiatives for the new postsecondary education center. This will be a Kentucky Community and Technical College System building on the Madisonville Community College campus but it is viewed as the Murray State building. Murray State will occupy roughly one-half of the facility and Madisonville Community College will be offered in the other half. The University continues to enjoy a great relationship with Madisonville Community College and President Judy Rhoads and this has represented a high point for outreach efforts at this University. This building will provide additional opportunities for access because Murray State is at maximum capacity in its current location due to limited space availability. The majority of funding for this project is tied to the Governor's Build Smart Program and will represent a \$20 million facility. The community college and Murray State must raise \$5 million privately in order to match the 75 percent funding provided by the state. Original funding for this project was provided in 2006 so this has represented a long-term goal which is now coming to fruition.
- The *Henderson Regional Campus* has experienced a normal year and numbers are stable. Colleagues within the community college system in the University's service area are reporting enrollment numbers are actually down in most cases. The report which was provided earlier in terms of transfer enrollment numbers means Murray State is getting a larger percentage of the pie and a lot of hard work has transpired to reach this point.
- Murray State has operated an office at Ft. Campbell for many years. A former Major in the U.S. Army has now been hired to work in this location. This individual previously ran the Murray State ROTC Program over the past five years – Major Paul Denson. Major Denson lives very close to the Ft. Campbell Army Base, was stationed there and many of the Lieutenants are products of the Murray State ROTC Program so hopes are high that the University will be able to grow graduate-level education at Ft. Campbell. All will recall that as per the current *Memorandum of Understanding* which was signed many years ago Murray State is only allowed to offer a graduate-level education at Ft. Campbell. According to this agreement the community college offers the first two years, Austin Peay State University offers the third and fourth years and Murray State offers graduate-level education. Confirmation was provided that the current Hopkinsville facility is utilized to offer the graduate-level courses and a great deal of marketing is conducted at Ft. Campbell and in the surrounding region. Two special degree programs offered at Ft. Campbell include the new Occupational Safety and Health Engineering degree program which represents a need which was identified by the military and Emergency Management Technology courses which are offered. A needs assessment is currently being undertaken for additional degree programs.
- In response to whether in the future there will be an opportunity for Murray State to offer third and fourth year courses, Dr. Van Horn indicated under the current *MOU* this is not allowed. The timeline for the *MOU* is negotiated with the military and the federal government and would be an interesting process to attempt to change. A couple of areas where the University has been allowed to "break" this policy are those areas in which the other schools do not provide a particular degree.
- The Bachelor of Integrated Studies represents a unique baccalaureate degree program administered by Continuing Education and Academic Outreach. Similar unique programs are beginning to be offered at the Ft. Campbell site but as a whole the University is not able to offer third and fourth year courses. Confirmation was provided that current programs are offered in the Educational Center on base but Austin Peay does have their own facility on the Ft. Campbell Army base. Land was given to that institution which, in turn, constructed a facility in that location. Dialogue has taken place with regard to the downsizing of Ft. Campbell which could cut their numbers in half which would absolutely change the entire region. Mr. Kemp does not expect this to happen but confirmed there is review currently taking place and a decision will be made during Spring 2015. Under Sequestration Legislation the Army is required to downsize by a rather large number but it is not believed the reduction will be as severe based on what occurred during the first round of downsizing. During that process, instead of losing 4,000 troops Ft. Campbell actually gained 300 in number and work at the legislative and governmental level is underway in Kentucky and Tennessee to hopefully prevent the cuts from being so severe.
- Confirmation was provided that the Murray State website contains information on every program offered at each of the regional campus sites, along with the courses required to complete those programs. This changes each semester but every regional campus has its own website to accommodate the change. A prospective student can click on that website to see what is being offered in totality.

- Dr. Curris indicated the decision to locate the Breathitt Veterinary Center on land where the *Hopkinsville Regional Campus* is located represents a sound one. The State Department of Finance approved using a portion of the \$4 million originally allocated for architectural services and land acquisition to reimburse the regional educational center for the land which was taken from them. The plan which has been conveyed is for these funds to be used to complete the second floor of the *Hopkinsville Regional Campus* and an update on that process was requested.
- Dr. Jackson reported he and Dr. Davies recently met with the Finance Cabinet and the State Budget Director to discuss the mechanism of the first \$4 million which was allocated and how that funding would be spent with regard to BVC. They have approved utilizing this funding for the purpose of finishing out the second floor of the Hopkinsville facility. Through the BVC appropriation the University would be required to purchase the land at fair market value for the property where the new BVC would be located. The next step is to secure an appraisal for the actual footprint of the land that is being set aside for the new Breathitt Veterinary Center to determine what the actual numbers are. Dr. Davies had an opportunity to tour the facility on the *Hopkinsville Regional Campus* and agrees the facility needs to be completed. This space is needed programmatically but it would also be fiscally prudent to complete this space. Because this space has not been completed the University's heating bill is extremely high and this also creates a public perception issue. The *Hopkinsville Regional Campus* facility is highly used and represents a robust center but because there are areas which are unfinished this leaves an impression the University is only half committed to the area.
- Dr. Fister previously requested figures from Mr. Oatman which confirm that money is literally going out the roof because there is not a lot of insulation and this situation has existed for over 15 years. An appraisal of the property was undertaken but there was some question and debate in terms of the property values which were used. The plan has been to wait until bids are received on the project and then having appraisals undertaken will be revisited. Dr. Jackson agreed that a preliminary appraisal was done but what caused some issue was there is actually some property the Foundation owns near and around this property which appraised at a very different price than the preliminary appraisal which was undertaken for the BVC parcel. The Foundation is in the process of selling a piece of that property at a substantially different price. Work is currently underway with the Finance Cabinet to ensure all are on the same page with regard to the fair market value utilized in the appraisal process. Dr. Curris indicated this approval was given late last Fall and nine months later the University continues to waste money in terms of electricity for the facility so expediting the process makes sense. Dr. Jackson confirmed this is exactly why discussions have taken place in Frankfort. Dr. Davies confirmed that a Groundbreaking Ceremony will be held soon and in two weeks bids will be opened and all want to ensure these processes are in alignment. As soon as the University receives those bids it will be able to move expeditiously on the project. Mr. Kemp agreed that if Murray State completes the second floor of the Hopkinsville facility this will go a long way toward correcting a misperception in the Pennyriple area that Murray State is not fully committed to that facility.
- Dr. Van Horn added that distance learning continues to be an important part of Murray State University and web enrollments continue to grow and represent significant access to education within the University's service region.

The Board adjourned for a break beginning at 10:15 a.m. and ending at 10:35 a.m.

Constituency Regent Reports, continued

Staff Regent

Mr. Schooley showed a PowerPoint presentation with the following highlights:

- A listing of the 2014-15 membership in Staff Congress, as well as a photograph, was presented. The 2014-15 officers are President Laura Lohr, Vice President Marion Hale, Treasurer Sheri Riddle, Past-President John Young and Staff Regent Phil Schooley.
- Staff Excellence Awards were established in 1986 and this year's winners include Heather Roy, Coordinator, Madisonville Regional Campus; Dickie Turner, Associate Director for Transportation Services; Scott Thile, Instrument Technician in the Department of Music; David Jeffress, Director for Strategic Initiatives, Information Systems; Amy Waters, International Admissions Sponsored Student Counselor, Institute for International Studies; Janie Mason, Starbucks Cashier; Marty Anderson, Electrician II, Building and Equipment Maintenance and Susan Yarbrough, Administrative Assistant I, Registrar's Office. The *President's Award for Diversity and Inclusion* was presented to Carruth Kitrell, Administrative Assistant II, Dean's Office, *Jones College of Science, Engineering and Technology*.
- The President's Cup Award is presented each year and over the past seven years \$1.9 million has been raised from faculty and staff which represents a tremendous level of support. Last year 415 faculty and staff members donated close to \$278,000. Winners in the administrative division were the offices of the President and Provost and Vice President for Academic Affairs. Miscellaneous Support Services took 2nd place while Athletics finished in 3rd place.
- Retiring employees were recognized and Years of Service Certificates were presented for 5, 10, 15, 20, 25 and 30 years of service to Murray State University. Appreciation was expressed to Chair Waterfield for providing a letter to be read at the Staff Recognition Luncheon. There are 31 members of Staff Congress and 26 attended the Staff Recognition Luncheon.

- Work is currently underway on the Staff Survey with the goal of distributing it soon so the results can be reported at the December Board meeting.
- Confirmation was provided that staff are either in KERS or KTRS but as of 1996 are able to choose whether they want to be part of one of those systems or the Optional Retirement System.

Student Regent

Mr. Dobbs gave a PowerPoint presentation with the following highlights:

- *Great Beginnings* is a program designed to help mostly freshman and transfer students transition into college life, specifically Murray State, and the event presents a unique culture where there is always something going on.
- Saturday was *Move-In Day* and roughly 1,600 students participated in the first event offered that day which was *Explore Murray* held in the CFSB Center where 99 local businesses and vendors set up and gave away coupons, free backpacks, flip flops and pizza. This represents one of the most well-attended events.
- On Sunday evening the *Myths and Legends Tour* was offered with approximately 250 students in attendance. Students are divided into groups and given clues to different campus highlights. Students are asked to find clues and at each station someone is there to explain the significance of the location.
- On Monday *Realities on Campus* was held, in partnership with the Women's Center and First-Year Leaders who are students selected to be counselors and role models for new students. Approximately 500 students participated in this event which focused on various scenarios ranging from sexual assault to completing homework assignments on time to where different University services are located.
- Tuesday was the first day of classes and a relatively new campus tradition – a water balloon fight – was organized by the Campus Outreach student organization. Over 30,000 water balloons were on the field at Roy Stewart Stadium and an estimated 2,000 students, particularly international students, participated in the event.
- On Wednesday the Student Government Association and Campus Activities Board sponsored Hypnotist Tom Luca, marking his 20th year performing at Murray State, and approximately 2,200 students and alumni attended.
- On Thursday a Pep Rally was held in front of Winslow Dining Hall and Men's Head Basketball Coach Steve Prohm and Head Football Coach Chris Hatcher attended and students were informed about the upcoming football and basketball schedules and met some of the players. Approximately 500 students attended and the 262-member Racer Band performed, led by John Fannin.
- A new initiative offered on Friday was the Welcome Back Concert and Ryan Kinder performed in the Quad with approximately 300 students in attendance.
- The Greek Life system at Murray State is very successful. This year 230 women accepted bids to join a sorority which raised the average chapter size from 137 members last year to 143 members this year. The grade point average for members of Greek organizations is slightly higher than that for those who are not involved in campus Greek life.
- The residential college system at Murray State is very successful. Hester College has recently been renovated and houses 308 students and \$9.9 million in upgrades have been completed in that facility.
- Student Government Association goals include efforts to continue to serve the students of Murray State University which range from getting a particular cereal in Winslow Dining Hall to lobbying students on their thoughts about a new Library facility.
- The SGA opened a 25-year old time capsule last year in Pogue Library. The time capsule was created by Eddie Allen – the only other three-term SGA President besides Jeremiah Johnson – both agriculture majors and Alpha Gamma Rho members. Soon items will be collected from student organizations across campus, academic areas and residential colleges to compile a new time capsule.
- Consideration is also being given to moving the SGA elections up so they are held before Spring Break. This would allow students to know whether they are elected before scheduling classes. According to the SGA
- *Constitution*, the election timeframe is determined by the Election, Ways and Means Committee but it is hoped a change can be implemented this year. Most other institutions hold elections before students are required to register for classes.
- A broad goal for SGA is to measure and encourage student participation across campus and to involve commuter students and those who take courses online.

Report of the Chair

Mr. Waterfield has enjoyed his time so far as Chair of the Board of Regents, especially increased communication with the President. Dr. Curris, while serving as Chair of the Board, appointed him as Chair of the Presidential Transition Committee. Membership on the Committee includes Regents Green and Dobbs; Dina Byers, Associate Professor, School of Nursing; Roslyn White, Associate Director/Coordinator for Multicultural Recruitment; Don Chamberlain, Chair and Professor of Accounting; Bob Jackson, MSU Foundation President and Director of Planned Giving; and Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board. While still in Oregon Dr. Davies indicated it would be helpful to have a group in place to serve in an advisory role for the first six to 12 months of his presidency and that is when the Presidential Transition Committee was formed and began its work. To this point the Committee has assisted with determining Dr. Davies' schedule in terms of traveling throughout the service region to ensure he met

with individuals in certain regions sooner rather than later. When Dr. Davies was being considered as a candidate, one of the key attributes the Search Committee wanted in the successful candidate was an individual with a regional outlook. The Committee was convinced Dr. Davies possessed this attribute and he has certainly taken on this work within the first few months. All are convinced these efforts will continue under Dr. Davies' administration and this Board desires for that work to continue.

The Board had a very good Retreat yesterday and there was full participation on a number of topics. All recognize that during a short period of time Dr. Davies has learned a lot about this University, the various constituencies and the people out in the regions it serves. He is obtaining an understanding of the work which needs to be done and the Board can see the formulation of a plan being developed. All are encouraged and looking forward to those efforts as they are implemented.

Report of the President

Dr. Davies reported the following:

- The Transition Committee has been extremely thoughtful and thorough in their work and in their advice to him as President. A schedule of public events was provided to the Board to highlight those events and activities in which he has and will be participating. This represents approximately 1/20th of what requests have been. Ever since he was named President of Murray State Ms. Hunt has been receiving five to six requests per day for his presence at various events. The Transition Committee has been diligent in balancing between internal efforts and external requests.
- Visits have taken place throughout the 18-county service region and meetings have been held with Superintendents and community leaders, including Mayors and Judges, as well as other stakeholders. He has visited the various high schools and K-12 schools to continue to build on those relationships. He gave credit to Dr. Miller for establishing those bridges to the elementary schools and the school districts which allow him to visit those venues and he intends to continue this work.
- It is also very important to continue to develop partnerships with the community colleges. The University currently has solid relationships with the community colleges but with a new President and inherent changes improving those partnerships will always be part of the discussion.
- As a review of enrollment is undertaken and consideration is given to new students coming to Murray State, there will be a shift. He just received an email which indicated there are 1,517 first-time freshmen (as of today) and this represents a decrease from last year of 77 students (4.8 percent). On the positive side, new transfer student numbers increased (81 students) and these individuals are transferring into Murray State with 30 or more credit hours (750 students enrolled) which represents a 11.9 percent increase over last year.
- In terms of the make-up of students entering the University, freshmen numbers total 106, sophomores total 185 (2.2 percent increase), juniors number 343 students (42 students above previous year and a 79 student increase over two years) which represents a 14 percent year-over-year increase for this year and when compared to two years ago (nearly a 30 percent increase). There were 125 seniors who transferred to the University and the fact that transfer student numbers are increasing highlights the need for the University and the Board to focus on those changes which will need to be considered and reinforces the notion that the agreements with the community colleges must be strengthened. This work must occur not only in the University's service area but in all areas from which the University attracts students, including Tennessee, Indiana and throughout the entire Commonwealth. Other universities are talking to students within Murray State's 18-county service region and the University will also undertake this work within their service regions.
- Meetings have occurred with Legislators directly within the University's service region but also with many others from across the state. Having those interactions and being the legislative advocate is very important. Conversations have taken place with other stakeholders – donors and alumni – representing individuals who extend beyond the University's natural borders of the 18-county service region and throughout the entire nation. Dr. Jackson began planning private visits early during Dr. Davies' tenure to solidify and secure private support for this institution which will be very important to this University.
- He has met with every single Dean and during those meetings the Deans set their own agenda. These meetings were encouraging because all took them seriously and talked specifically about opportunities, challenges, what they are looking for in the leadership of the institution and where they see their opportunities to grow which will enable them to serve additional students. This effort also included a tour of the various collegiate facilities.
- Discussions with the Deans have allowed Dr. Davies to think about Murray State in a very different light. Murray State has an amazing cadre of Deans and he is ecstatic the Deans are willing to collaboratively work together across the various colleges to identify amazing opportunities and support one another not only in terms of budget, time and energy but in terms of ideas and developing programs that expand across collegiate borders. The Deans have healthy competition among one another but they also understand their role to move Murray State forward. They are an amazing set of professionals and he looks forward to working with each of them to advance this institution.
- Students coming back to campus present new opportunities and Regent Dobbs did a wonderful job outlining *Great Beginnings* activities. Although he has been at several institutions he has never seen a program like *Great Beginnings* take off so well and be engaging and well thought out from start to finish. On Saturday faculty and staff assisted over 1,600 students moving into their respective residential colleges. Dr. Davies and his family enjoyed taking part in Move-in day.

- He undertakes “walkabouts” on campus which provide an opportunity for dialogue with students which allows him to hear their stories and why they chose to attend Murray State as either a first-time freshman or first-time transfer student. Murray State students have some amazing stories and Dean Brannon sent out an email about one of his students who was recently named as an outstanding intern for a major company where she was employed. This student came to Murray State from humble beginnings and was not a “stellar” student but was the solid B+ or A- student and this represents the type of student the University is able to take and groom to allow them to think critically and be able to communicate and bring out new ideas. This is what Murray State is all about.
- As the institution moves forward the Board and administration have a lot on the agenda as was discussed yesterday during the Retreat. Enrollment will always be at the forefront and a determination will be made on how to continue to move forward in those areas. Physical programs and capital projects are moving ahead and community engagement efforts are springing forth, including expanding and extending the regional effort to ensure the University is able to provide educational and economic opportunities as well as partnerships with area schools.
- The institution has many opportunities and through those opportunities priorities must be set and the Board’s help and guidance will be instrumental in that process. He is excited about those opportunities before the institution because any good leader must surround themselves with a very good team to be able to capitalize on potential opportunities.
- The Board will be asked to approve the appointment of a permanent Vice President for Finance and Administrative Services later today. A search was conducted and a phenomenal candidate rose to the forefront. During the interview serious discussion occurred regarding the diversity of the area, fiscal integrity, leadership, succession planning, goals and objectives, strategic planning and all other efforts in which this individual will be involved. It will be his privilege and honor to recommend to the Board that the title of Vice President for Finance and Administrative Services be extended to Jackie Dudley who has been serving in this position in an interim capacity.
- A search is also underway for a Senior Presidential Advisor for Strategic Initiatives which represents a revamping of the former Chief of Staff position. He changed the title for multiple reasons and the job description has also been changed to reflect the needs of the President as well as the needs of the institution. Many times a new President will bring in an individual they already know and trust to fill such a position but he felt it was important to fill the position with someone from the inside that the institution already knew and trusted. An internal search is being conducted for this reason. The application acceptance period closes tomorrow and this does represent a second go-around for that particular search. During the first search some advice and wisdom was brought to his attention. He is always willing to learn and adjust where necessary and as a result made some adjustments in this process. On the advice of the Director of Human Resources it was determined the wisest course of action would be to follow University policy and procedures and in the interest of transparency the first search was closed. Applicants in the first search automatically rolled over to the new search and additional candidates were allowed to apply. This search will proceed quickly and the successful candidate will be on board very soon.
- An additional search has been initiated for a Director for Governmental Relations. This position will assist the President and the University with its legislative agenda. Dr. Jackson is a phenomenal individual with great political acumen and respect and the individual hired to fill this position will have a dual reporting responsibility to the President and Dr. Jackson. This individual will provide day-to-day field research analysis and groundwork – work Dr. Jackson in his new position with the Foundation does not have time to do. Confirmation was provided that Dr. Jackson’s expertise will continue to be utilized as this work is undertaken. An attempt is not being made to hire an individual at Dr. Jackson’s level which has allowed for some salary savings but the Director for Governmental Relations will grow into that role under the guidance and leadership of Dr. Jackson specifically, with additional guidance provided from Dr. Davies.
- Discussion at the Retreat in and of itself was phenomenal. The openness and candor of the conversations allowed for a clear understanding of the expectations of the Board in terms of the direction in which the University is heading and what the administration must do to continue to move this institution forward. This set the groundwork and established a solid foundation in terms of the relationship between the President and the Board as well as between the University and the Board.
- The discussion which occurred with regard to the Delegation of Authority document set solid expectations. This document represents the guiding principles and allows the University administration to operate and manage and all to perform their respective jobs. At the same time the document provides the governance structure, the strategic visioning and fiscal and fiduciary accountability to mitigate risk and ensures all are following the direction of the Board. An action plan for the administration is to review the Delegation of Authority document, change or add new wording, and present the document to the Board for further discussion in December.
- A robust discussion occurred with regard to risk management which is a new concept for universities across the country. The creation of a Risk Management Council will be undertaken and plans will be developed, working with the Deans, to conduct risk assessment for their efforts as well as for all other divisional units. A report will be presented to the Board at the December meeting on progress in this area and an annual report will be presented to the Board at the Spring meeting.
- Discussion occurred with regard to Title IX and Cami Duffy, Executive Director for Institutional Diversity, Equity and Access (IDEA) and Mr. Rall, General Counsel, provided guidance throughout the presentation. This represents another macro issue which is shaping how the University operates because non-compliance can severely affect an institution’s reputation. He is pleased with where the University currently stands and where

the institution is heading. He is also pleased the University understands that even though it is in a good place there is still a long way to go to ensure the safety of all University members – faculty, staff, students and visitors to campus. The Board will be kept informed as these processes move forward.

- A solid conversation occurred with regard to a Salary Compensation Plan for faculty and staff moving forward. The insight, wisdom and guidance provided by the Board is appreciated and helped formulate a very solid plan for the institution. The University will focus on cost-of-living (COLA) increases to ensure salaries are competitive as possible at this point in time. The merit discussion will be delayed for some time so as to not set up false expectations. There is currently a Board policy in place with regard to compensation and the Board directed the administration to follow that policy which has not been followed in recent years for various reasons. Once the University is able to follow that policy it will do so by blending COLA and merit pay. The Board made it very clear that the initial impetus of the compensation thought process should be fair wages and compensation increases based on COLA, specifically at this time. As the institution gains additional financial footing discussion regarding the implementation of a merit plan can resume which follows the policy already in existence.
- A great deal of time was spent discussing admission policies and practices which includes the way students are admitted, how the University attracts and recruits students and the means by which discounting and tuition discounts are applied. All recognize the market has shifted tremendously and dramatically and the University must respond to those needs to ensure every student admitted to Murray State is assured a pathway toward graduation. If the University is not providing that pathway for students it must review its own ethical value system and not worry about quantity and instead place a focus on providing appropriate student success pathways to graduation. This does not represent a process the University can jump into next year and a plan will be developed to advance these efforts moving forward. Once developed, that plan will be submitted to the Board for final approval. This work is not solely about admissions but also enrollment management, retention and graduation rates. Many efforts to address this work are already in place – including MAP-Works – and such measures allow the University to engage students to ensure they have a clear pathway toward graduation and student success. The institution needs to further these efforts in order for graduation and retention rates to continue to increase.
- Discussion occurred regarding changing the structure and format of the Board and Committee meetings. The full Board will now come into session in the morning and the Committee meetings will be imbedded within the full Board meeting. This allows for a more efficient and effective use of time. Live streaming will be available for the entire day which will provide additional transparency and connection from this Board to the University community.
- Discussion occurred with regard to the vision for Murray State and the strategic planning process which will enable that vision to occur. Murray State is the “University of Choice” and that message is being shared with both internal and external audiences. This has been established as a priority of the Board through the *Strategic Directions Statement* which was adopted several years ago. Murray State is the University of Choice for students and faculty who had numerous offers from other institutions but chose Murray State. Dr. Davies was not looking for another presidency but when this opportunity presented itself he chose Murray State. This is a phenomenal regionally-based university with a national reputation. Murray State is the University of Choice. As the Strategic Plan process develops the University must live up to that model of Murray State being the University of Choice. As efforts move forward there are four themes where efforts will be directed which include:
 - Academic excellence and quality along all academic fronts and how the institution builds academic programs which meet those efforts.
 - Student Success can range from graduation rates, getting the job to attending graduate school but it is also about a student’s experience at Murray State. The residential college system is an example of a shining star and is a unique measurement of Murray State.
 - Furthering the breadth and depth of knowledge through scholarship, research and creative activities is of utmost importance.
 - Community engagement involves ensuring the University remains the hub of educational, civic and cultural activity in this region.
- As work continues to further the vision of being the University of Choice, over the next six months a Strategic Planning Task Force will be developed and will be representative of the University community with a focus on the four pillars mentioned above.
- Dr. Rainey T. Wells started this University 92 years ago with three ideals: Achievement, Endeavor and Hope. As efforts along the various themes are considered all must also keep in mind how they overlap with ensuring that a focus is always on the achievement of faculty and staff, how the University endeavors to answer the big questions that loom across society and how the institution creates hope to ensure students are enrolled in an institution which is living up to the ideals of a public university. These represent the action steps which will be undertaken over the next year as part of the visioning process and building the Strategic Plan.

Mr. Kemp reported Dr. Davies made a great impression in Hopkinsville and Christian County and was very well received. He is off to an excellent start. Chair Waterfield echoed this sentiment for Dr. Davies’ visit to Hickman County. Dr. Thornton confirmed Dr. Davies has already touched a lot of bases and is undertaking the appropriate work as the institution’s new leader. His presence in these communities speaks well for Murray State.

Adjournment

The Board adjourned for lunch at 11:30 a.m.

Call to Order

The Board of Regents of Murray State University met on Friday, August 28, 2014, in Quarterly Session in the Jesse Stuart Room in Pogue Library on the main campus of Murray State University. Chair Harry Lee Waterfield II called the meeting to order at 1 p.m.

The roll was called and the following members were present: Constantine Curris, Michael Dobbs, Renee Fister, Sharon Green, Susan Guess, Daniel Kemp, Phil Schooley, Jerry Sue Thornton, Harry Lee Waterfield II and Stephen Williams. Absent: Jenny Sewell.

Others present were: Robert O. Davies, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; Jackie Dudley, Interim Vice President for Finance and Administrative Services and Treasurer to the Board; Jay Morgan, Provost and Vice President for Academic Affairs; Don Robertson, Vice President for Student Affairs; Jim Carter, Vice President for Institutional Advancement; Bob Pervine, Associate Provost for Graduate Education and Research; Renae Duncan, Associate Provost for Undergraduate Education; Bob Jackson, President, MSU Foundation and Associate Vice President for Institutional Advancement; Fred Dietz, Associate Vice President for Enrollment Management; John Rall, General Counsel; Kim Oatman, Chief Facilities Officer; Michelle Saxon, Internal Auditor; and members of the faculty, staff, students, news media and visitors.

AGENDA

Roll Call

Secretary Hunt

Swearing-in Ceremony – J. Daniel Kemp and Michael Dobbs

Sid Easley

Election of Vice Chair and Secretary

Chair Waterfield

Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents June 6, 2014*

Chair Waterfield

Public Participation

Report of the Chair

Chair Waterfield

Report of the President

President Davies

Report of the Constituency Regents

**Regent Fister
Regent Schooley
Regent Dobbs**

Report of the Treasurer*

(Quarterly Financial and Investment Reports)

Vice President Dudley

Policy Action*

A. *Board of Regents Policy Manual Section 2.24 – Sexual Assault*

**B. **Office of Institutional Diversity, Equity and Access (IDEA)
Grievance Procedures****

C. **Student Disciplinary Proceedings**

Vice President Dudley

Tenure, Rank and Collegiate Affiliation for Dr. Robert O. Davies*

Provost Morgan

Personnel Changes***President Davies**

- A. **Appointment of Vice President for Finance and Administrative Services – Jackie Dudley**
- B. **President Emeritus Designation for Thomas I. Miller**
- C. **Salary Roster**
- D. **Staff Leaves of Absence Without Pay**

Committee Reports/Recommendations

- A. **Academic Affairs** **Regent Thornton**
 - 1) **MSU Thoroughbred Academy – Main Campus***
 - B. **Audit and Compliance** **Regent Kemp**
 - 1) **2014-15 Annual Audit Plan***
 - 2) **Internal Audit Charter Revision***
 - C. **Buildings and Grounds** **Regent Curris**
 - 1) **Raze 603 North 16th Street***
 - 2) **Raze 605 North 16th Street***
 - 3) **Raze 1611 Ryan Avenue***
 - 4) **Raze 203 North 16th Street***
 - 5) **Deferred Maintenance Update – Waterfield Library**
 - 6) **Deferred Maintenance Update – Pogue Library**
 - D. **Enrollment Management and Student Success** **Regent Green**
 - 1) **2014-15 Enrollment Management Update**
 - E. **Finance** **Regent Williams**
 - 1) **State Endowment Match Program Annual Report (CUETF)***
 - 2) **MSU Federal Credit Union Lease***
 - 3) **Property Acquisition – 1611 Ryan Avenue***
 - 4) **Pending Contracts Approval***
 - F. **Institutional Advancement** **Regent Guess**
 - G. **Regional Services** **Regent Sewell**
- Closed Session** **Chair Waterfield**
- A. **Personnel Matter**

Supplemental Materials**Other Business****Adjournment****(*Requires Board of Regents Action)****Swearing In Ceremony – J. Daniel Kemp and Michael Dobbs**

In keeping with Section 164.321 of *Kentucky Revised Statutes (KRS)*, Governor Steve Beshear, on July 26, 2013, appointed J. Daniel Kemp, 605 Deepwood Drive, Hopkinsville, Kentucky, as a member of the Murray State University Board of Regents. Mr. Kemp shall serve for a term ending June 30, 2020. Mr. Kemp is the second-term Mayor for the City of Hopkinsville and is a native of Murray, Kentucky, and a graduate of Murray State University. The students of Murray State University elected Michael Dobbs to serve as Student Regent on April 16, 2014. His term will be July 1, 2014, through June 30, 2015. Mr. Dobbs is from Winchester, Kentucky, and is majoring in Agriculture. Sid Easley, Calloway County Attorney and Former First District Judge for Calloway and Marshall counties, administered the Oath of Office to Mr. Dobbs. Mr. Easley reported that the very semester he became President of the Student Government Association at Murray State he was also doing his student teaching at the Training School. One of his brightest students was Dan Kemp and he has followed his career in law and now his career in politics and it has been an outstanding career. Dan Kemp loves his Alma Mater which is a prerequisite for serving on this Board. The Oath of Office was administered to Mr. Kemp as per the requirements of *KRS Section 164.321*. Mr. Kemp indicated it is an honor for him to serve on this

Board but it is quite an honor to be sworn in by Mr. Easley for whom he has enormous respect and has served as a mentor for him throughout his career.

Election of Officers – Vice Chair and Secretary, elected

In accordance with the *Bylaws* of the Board of Regents, all officers are elected annually at the Spring Quarterly Meeting and shall serve for one year, commencing July 1 following their election. The *Bylaws* further state that an election for Vice Chair and Secretary shall be held at the organizational meeting required within 30 days of the appointment of a new member (KRS 164.430).

Chair Waterfield declared nominations for Vice Chair of the Board of Regents are in order. In accordance with the *Bylaws* of the Board each member will be recognized for the purpose of making a nomination. Recognition of members shall be in the same order as roll call and nominations require no second. If a Regent is nominated for any office they may withdraw their name from consideration. After each member has had a roll call opportunity to make a nomination if only one name has been placed in nomination for that office the person will be declared elected by unanimous consent. If more than one name is placed in nomination for an office a vote shall be taken and should this occur additional information will be provided at that time.

The Secretary called the roll for nominations for Vice Chair of the Board of Regents and Dr. Curris nominated Sharon Green. All other members passed. Chair Waterfield indicated that there being only one nomination for Vice Chair Sharon Green is elected Vice Chair by majority consent, according to the *Bylaws* of the Murray State University Board of Regents.

Chair Waterfield opened the floor for nominations for Secretary. The Secretary called the roll for nominations for Secretary to the Board of Regents. Dr. Curris nominated Jill Hunt. All others passed. Chair Waterfield indicated there being only one nomination for Secretary Jill Hunt is elected Secretary by majority consent, according to the *Bylaws* of the Murray State University Board of Regents.

Minutes of the Quarterly Board of Regents Meeting and Committee Meetings on June 6, 2014, approved

Mr. Williams moved that the minutes of the Quarterly Board of Regents Meeting and Committee Meetings on June 6, 2014, be approved as submitted. Mr. Schooley seconded and there being no further discussion the motion carried.

Public Participation

Chair Waterfield reported there is one signee for the Public Participation portion of the meeting – Dan Douglass – with Junior Achievement of West Kentucky. Mr. Douglass presented the following:

- Murray State University has partnered with Junior Achievement of West Kentucky not only this past year but for the past three years as Junior Achievement programs have been expanded throughout the Murray State footprint. Programs have been expanded by 197 percent over the last three years and MSU has been a big part of fueling that expansion with financial and volunteer support. Programs are now being offered in Hopkinsville and in nine counties within the University's footprint. It is hoped that Murray is pleased with the return on investment through this partnership.
- For the second consecutive year Murray State is being presented with an award from the White House and the President of the United States – the *Presidential Volunteer Service Award*. This award is being extended to Murray State for volunteer involvement with Junior Achievement of West Kentucky and going into local schools to arm students with work readiness, financial literacy and entrepreneurship programs and better preparing them for college and career with the hope of sending many of these student participants to Murray State to continue their education.
- He updated Dr. Davies on Junior Achievement last week and work which is taking place as a result of this partnership. Dr. Davies is actually a Junior Achievement alumni member and wrote his senior thesis on an entrepreneurial project. On behalf of the White House, Mr. Douglass presented the 2014 *Presidential Volunteer Service Award* to President Davies and Chair Waterfield.
- Appreciation was expressed to the Regional Outreach Board and Gina Winchester, MSU Executive Director for Regional Outreach, for assistance in this endeavor. Ms. Winchester is a very strong advocate not only for Murray State but also for Junior Achievement and her leadership is appreciated.
- A three-year report was presented to Chair Waterfield outlining the partnership with Murray State and Ms. Hunt will distribute copies to all members of the Board.

Chair Waterfield indicated the reports from the Chair, President and Constituency Regents were made during the morning Committee meetings.

Report of the Treasurer, accepted

Ms. Dudley reported the following with regard to the Quarterly Financial and Investment Reports:

- The audit numbers being presented today are not final and may vary slightly from those the Board will be asked to approve in December.
- The University budgeted net tuition and fees at \$69.1 million. Actual performance to date is \$69.8 million. The institution gained \$670,000 over budget which was slightly shy of the projection of \$955,000 over budget because Summer I enrollment did not materialize as anticipated. The \$955,000 was committed for the repair of the generator but action the Board approved contained a contingency that if the University did not meet this figure any additional necessary funding would be taken from reserves. The difference will come from reserves and if the added cost for the second generator is needed it will also come from reserves.
- Gross tuition is over by approximately \$1 million but the discount rate will affect this number. The discount rate this year is 34.4 percent and, as Dr. Davies pointed out during the Retreat, discount rates have been growing. As of June 30, 2011, the University's discount rate was 28.4 percent and for the current year the University has budgeted for a discount rate of 34.7 percent. If the University meets budget this year, it will again have a higher discount rate. The Board needs to be aware of this information as it approves tuition rates and discounts.
- Tuition and fees represent the focal point in the financial reports and in terms of year-end performance the University met budget but did not perform as well as anticipated.
- The University budgeted for .9 percent in enrollment growth for fiscal year 2015. This increase was not across-the-board but was for targeted programs, including the *Paducah Regional Campus*, other select programs and online enrollment.
- Approximately \$1.5 million was also budgeted for unbudgeted revenue from the financial statement presented to the Board. In terms of gross tuition this year there was a \$1 million gain. The University budgeted for \$1.5 million this fiscal year which means there is risk which must be managed in terms of ways to recover this loss through summer school enrollments. As of today the University is slightly over budget but it is very early in the Fall semester and final numbers are not available. As discount rates increase there are risk factors which must be managed to ensure net is adequate to meet budget projections. For the Fall semester the University is approximately \$1 million gross over budget but discount numbers for Fall are not yet available. It is not being reported that there is \$1 million net because discount numbers are not yet known.
- In terms of overall performance and the Statement of Revenue, Expenses and Changes, there was an increase in net position which represents how the University performed overall this year. For 2013-14 there was an increase in net position of \$3.8 million. There was a loss of \$1.2 million in E&G but a gain of \$1.4 million in auxiliaries. Auxiliary rates were slightly higher this year to accommodate for Hester Hall debt but principle payments have not yet started so there is slightly more gain in auxiliaries than can be expected next year.
- There was a nominal change in restricted funds. These represent federal, state and private grants and contracts and there has been very little change for those revenues and expenditures. Plant funds include bond proceeds which have not yet been expended for Hester Hall.
- The information just presented represents the components for the overall gain for fiscal year 2014 and it is anticipated what will be reported on the final financial statements will be the same.
- The Board has taken action on a number of initiatives this year to be covered through the use of reserves and the \$1.2 million loss was likely anticipated. The Board funded the Waterfield Library infrastructure needs project (\$590,000) as well as similar needs in Pogue Library. Approximately \$1.8 million of carryover money (reserves) was transferred to debt service. Last year reserves were also utilized to balance the budget (\$1.2 million) for fiscal year 2014. The transfers out of reserves have caused a loss in E&G this year. The audit reflects a gain of \$3.8 million but the E&G fund is the University operating fund and is what tuition, operating dollars and salaries and wages are paid from. A loss is being reflected in this area this year primarily due to the transfer of reserve funds for the various projects. Confirmation was provided that the \$1.2 million loss was anticipated and in prior year there was an \$11 million gain overall and in E&G there was a \$6 million gain. The University has not experienced a loss in this area for a number of years but this particular loss was not due to operations but instead represents a conscious decision to fund the projects outlined earlier.
- Investments performed well this year compared to prior year and current funds are .9 percent compared to .09 percent from prior year. The amount invested was very much the same although the University did receive slightly more in interest earnings.
- In terms of Endowment funds, even though the interest rate is slightly lower, last year these funds had slightly over 9 percent but this year are \$470,000 over in interest earnings which is an improvement although rates are still very low. Most of the University's funds are invested with the state so the institution does not have significant control over those funds and there is not a great deal of ability to invest in anything other than Endowment funds (primarily Foundation funds).

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the quarterly unaudited Financial and Investment Reports for the period of July 1, 2013, through June 30, 2014, as presented. Mr. Kemp seconded and the motion carried.

(See Attachment #1)

Policy Changes, approved

Mr. Rall indicated that last year a statute was passed which amended part of the Cleary Act which was rendered applicable to the University. The three policies related to enacting the Violence Against Women policy relate to amendments to the Grievance Procedures the Board adopted last year in terms of discrimination claims involving employees against employees and also claims involving students. The regulations to implement the statute will not be final until November or later. The U.S. Department of Education expects schools to proceed with making a good faith effort to comply with the statute. The policy being presented prohibits certain acts on campus and those acts are defined in Appendix A to the policy. There is an education component and also requirements which are included in the University's Grievance Procedures. It is recommended that the Board approve the policy as presented. In conjunction with all of the policies the Board is being asked to approve there is also a request for the administration to be allowed to amend those policies so they remain in compliance with legislation as it is passed. This is not being done to change the fundamental decision making process. The reason the request is being made is to be able to respond to any regulatory change. A request is also being made to include these policy changes in existing University publications and on websites and this includes current Board policy relating to sexual assault. The Cleary Act now addresses issues beyond sexual assault and contains additional provisions, including the requirement that this information be distributed appropriately across campus. Chair Waterfield indicated that a thorough discussion on this subject occurred during the Retreat and while this represents a national issue the Board wants to ensure all Regents are aware of current policy, what it entails and the importance of keeping the policy up-to-date.

Board of Regents Policy Manual, Section 2.24 – Sexual Assault – Revised to Reflect New Board of Regents Policy Section 2.24 – Sexual Violence and Misconduct, Relationship Violence and Stalking

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached *Board of Regents Policy Manual Section 2.24 – Sexual Violence and Misconduct, Relationship Violence and Stalking* as replacement for current Board policy. It is further recommended that, in order for this policy and related policies to comply with law, the President of the University should be authorized to make such amendments and include additional or supplementary information or provisions thereto as specified in the policy. The policy should also appear in the University's publications. Dr. Curris seconded and the motion carried.

(See Attachment #2)

Office of Institutional Diversity, Equity and Access (IDEA) Grievance Procedures

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the revisions to the Office of Institutional Diversity, Equity and Access (IDEA) "Reporting Allegations of Discrimination and Discrimination Grievance Procedures" as proposed. It is further recommended that the President be authorized to make amendments and modifications to the procedures as needed in order to maintain the procedures so they are compliant with law. Dr. Curris seconded and the motion carried.

Dr. Fister indicated concerns have been expressed about a Vice President having to take time and effort to address these issues. Considering that these individuals have many other professional duties, the question was asked whether there is another policy maker who could undertake this work and this is a question the Board may need to address. Mr. Rall confirmed that before this policy was adopted a different procedure was in place where a particular office would receive an initial complaint, conduct an investigation and render a decision. This policy amended the former policy but there may be other models to be utilized in facilitating this work and he would be willing to explore other options if that is the desire of the Board. Dr. Fister indicated she would like to see if there is interest in considering other options. The Vice Presidents already

have a full workload but individuals below the Vice Presidents may be intimidated to make such reports especially if the Vice President is financially responsible for that individual. Mr. Rall confirmed that the policy does make clear there is an ability to make a report and it is the University's responsibility to take some action. He cannot discount that an employee may be concerned about how a decision maker may act but it is important for the message to be remembered that regardless of whether an individual wants to file a formal complaint or not there are still things the University can review. He would be glad to proceed however the Board directs. Chair Waterfield indicated as this process unfolds if issues develop with this process the Board will revisit the topic.

(See Attachment #3)

Student Disciplinary Proceedings

Mr. Rall indicated the Board is being asked to approve procedures which are to be followed in the event of a claim being filed against a student. In the past this work has been handled through the Office of Student Affairs as per Board policy at the time. Due to recent changes the Board had expressed an interest in approving Grievance Procedures and Codes of Conduct. What is being presented is essentially the process which has historically been used by the University Judicial Board and Student Affairs. The policy will be included in the *Student Handbook*. Dr. Davies confirmed that the Student Disciplinary Committee is already empaneled.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached procedures for use with Student Disciplinary Proceedings. It is further recommended that the President be authorized to make amendments and modifications to the procedures, as needed, in order to maintain the policy so that it is compliant with law. Dr. Curris seconded and the motion carried.

(See Attachment #4)

Tenure, Rank and Collegiate Affiliation Recommendation for Dr. Robert O. Davies, approved

Dr. Morgan reported relative to Dr. Davies' employment contract with the Board of Regents and the University it was stated within that Dr. Davies would become a tenured full Professor in his appropriate disciplinary department by separate action of the Board of Regents. In response to this language, it is his honor to recommend that Dr. Davies hold tenure and a joint professorship between the *Arthur J. Bauernfeind College of Business* Department of Management and Marketing and the Department of Educational Studies, Leadership and Counseling in the College of Education and Human Services. Subject to the Board's approval of this recommendation plans are in place to admit Dr. Davies to graduate status for both faculties. On behalf of the academic academy this recommendation is being offered for tenure, rank and affiliation.

Mr. Williams moved that the Board of Regents, upon the recommendation of the Provost and Vice President for Academic Affairs, and consistent with his employment contract, approve Dr. Robert O. Davies as a tenured professor with a joint faculty affiliation between the Department of Management and Marketing in the *Arthur J. Bauernfeind College of Business* and the Department of Educational Studies, Leadership and Counseling in the College of Education and Human Services. Dr. Fister seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

Personnel Changes, approved

Appointment of Vice President for Finance and Administrative Services

Dr. Davies reported that last spring President Miller empaneled a small group to review the Vice President for Finance and Administrative Services position. The group made several recommendations in terms of changes to the job description, scope, skills and talents in an effort to provide the incoming President with several ideas and objectives on suggestions in terms of how to proceed. One of the key suggestions was to initiate a search as soon as possible due to the stability needed heading into the next fiscal year as well as to handle the many personnel changes occurring within the divisions of Finance, Human Resources and Information Systems.

It was also highly suggested that the individual be a Certified Public Accountant and hold other certificates in addition to a bachelor's degree. He accepted the Committee's recommendations seriously and empaneled the Search Committee. Dr. Morgan served as Chair and an internal search process was initiated based on the likelihood that an individual who could perform these duties was already within the University's ranks. The cost associated with an internal search is also much less than the cost associated with conducting a national search. Through the search process an outstanding individual was identified and she has a stellar record at Murray State University – Ms. Jackie Dudley. She started her career in 1985 in grants and contracts, was promoted the following year to Accounting Manager and from 1997-2010 served as the Accounting Director for Financial Services. In 2010 Ms. Dudley was promoted to Senior Director of Accounting and Financial Services and since 2013 to the present time she has served as the Interim Vice President for Finance and Administrative Services while maintaining the title of Senior Director of Accounting and Financial Services. During this time she has managed the budget, dealt with contracts and had clear audits throughout the process. She worked on very vast and large construction projects and performed this work in a stellar manner. After the Search Committee made their recommendation in terms of who the President should hire to fill this position Dr. Davies interviewed Ms. Dudley and they had good discussion regarding many aspects of Murray State, including financial conditions and the role of a Vice President for Finance and Administrative Services. In specific areas this Vice President is not just the one who ensures the University has clear audits but is part of the strategic direction to ensure resources are being utilized where they will realize the best return. It is also important for there to be trust between the University and the financial world and this is anchored by the Vice President for Finance and Administrative Services. As President he must also have an undying trust in this individual to ensure the University is doing things the right way and at the right time. Fiduciary responsibility is one role of the Board which is of paramount importance and the individual in this role must be trustworthy and knowledgeable of the industry and have a detailed understanding of the University's own finances and he believes Ms. Dudley possesses these qualities. Consistent with Board policy for senior leadership, he would like to offer Ms. Dudley a one-year contract at a salary level reflective of the duties, responsibilities and fair market value for this position as well as the salaries of the other Vice Presidents. The proposed salary is also reflective of the salary of the incumbent preceding Ms. Dudley.

Mr. Williams indicated that as Chair of the Finance Committee he has had numerous opportunities to work with Ms. Dudley and agrees with everything President Davies said. Ms. Dudley is fully qualified for the position, is totally committed to the organization and is tireless. She has performed this work with professionalism and class and with a number of empty positions on her bench. Mr. Waterfield added that he believes the Board is making the right choice in appointing Ms. Dudley to this position.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Ms. Jackie Dudley as Vice President for Finance and Administrative Services at an annual salary of \$160,000, effective immediately. Mr. Schooley seconded and the role was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

President Emeritus Designation for Thomas I. Miller

Dr. Davies reported that Dr. Miller has had a distinguished career at Murray State for many years as a Professor, a leader and as Director of the University Foundation, Interim President and as the 12th President of this University. He has talked to numerous alumni and friends who attended Murray State and every accounting student with the exception of last year's graduates have had Dr. Miller as a Professor. They all speak glowingly of his talents, time, personality and his commitment to this great University as well as to them as students and graduates. In his short time knowing Dr. Miller and his wife Patsy it is clear they have a passion for Murray State and all that she stands for. It is his pleasure, honor and privilege to make this recommendation.

Dr. Fister moved that the Board of Regents, upon the recommendation of the President of the University, bestow the title of *Professor Emeritus* upon Dr. Thomas I. Miller, effective August 1, 2014. Mr. Schooley seconded and the motion carried.

Personnel Changes – Salary Roster

Ms. Dudley reported that the Salary Roster being presented to the Board for approval is for the period ending June 30, 2014, and represents a ratification of salaries. Although this is a routine approval, one item she would like to point out is that at the Board's request the Salary Roster now includes dollar amounts which employees have received that is considered to be extra pay (labeled as non-recurring cumulative salary). This represents cumulative salary payments which have been made in addition to base pay and could be for summer school, grant work or summer projects and does not include overtime for hourly staff (unless they are working in an area which is not their home department).

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the Salary Roster as of June 30, 2014, which includes new employment, retirements, resignations and terminations. Dr. Thornton seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes (exclusive of salary as per *KRS*; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

Staff Leaves of Absence Without Pay

Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the Staff Leaves of Absence Without Pay that have been processed as of July 31, 2014, as listed below:

<u>Name</u>	<u>Department</u>	<u>Effective Date</u>
Justin Bearsby	Dining Services	7/16/2014-7/18/2014
Carolyn Byrd	University Store	7/18/2014-7/22/2014
Wesley Bolin	University Libraries	6/3/2014-11/14/2014
Sharon Crouch	Industrial and Engineering Technology	6/6/2014-6/26/2014* 7/2/2014-7/2/2014
Tina Flener	Procurement Services	7/1/2014-8/12/2014
Joyce Gordon	Human Resources	7/21/2014-7/25/2014
Allison Graham	Human Resources	6/4/2014-6/20/2014*
LaDonna Hamontree	University Libraries	2/6/2014-2/13/2014
Brook Helfert	Dining Services	7/3/2014-7/9/2014
Sarah Kerrick	University Counseling Services	5/7/2014-5/30/2014
Matthew LeFrancois	Facilities Management	5/12/2014-5/12/2014 5/14/2014-5/14/2014
Louanne McMinn	Undergraduate Admissions	4/22/2014-5/16/2014*
Susan Spier	Human Resources	7/14/2014-7/17/2014
Thomas Sherwood	Dining Services	7/10/2014-7/11/2014
Meaghan Teal	Center for Continuing Education	4/17/2014-7/15/2014
Mary Wells	Facilities Management	4/24/2014-7/18/2014

*Intermittent Leave

Mr. Schooley seconded and the motion carried.

Committee Reports/Recommendations

Academic Affairs – Dr. Thornton

MSU Thoroughbred Academy – Main Campus, endorsed

Dr. Thornton reported that during the Committee meeting the Board received an in-depth report on the *MSU Thoroughbred Academy – Main Campus* which is being presented for endorsement. This action will help expand a program which started on the *Hopkinsville Regional Campus* in Fall 2013 and bring the program to the main campus. The program will service local high schools adjacent to the Murray State University main campus. Students will be bused to campus one day each week where they will be enrolled in courses each semester. This represents a quality academic program that will not only enhance learning for high school students but also expose them to the main college campus.

On behalf of the Academic Affairs Committee, Dr. Thornton moved that the Board of Regents, upon the recommendation of the President of the University, endorse the expansion of the Murray State University non-residential *Thoroughbred Academies* to the main campus and to be

known as the *Thoroughbred Academy – Main Campus*. Mr. Schooley seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

Audit and Compliance – Mr. Kemp

2014-15 Annual Audit Plan, approved

Mr. Kemp reported that Michelle Saxon, Internal Auditor, presented the 2014-15 Annual Audit Plan to the Board during the Audit and Compliance Committee meeting.

On behalf of the Audit and Compliance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2014-15 Internal Audit Plan as presented. Dr. Curris seconded and the motion carried.

(See Attachment #5)

Internal Audit Charter Revision, approved

Mr. Kemp reported that Mrs. Saxon presented proposed revisions to the Internal Audit Charter to the Board during the Audit and Compliance Committee meeting. The University's Audit Charter needed to be updated based on a national model and the Audit Charter was previously reviewed by Committee members and some changes were made.

On behalf of the Audit and Compliance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the revised Internal Audit Charter for Murray State University as submitted and in compliance with the standards for the internal audit profession established by the Institute of Internal Auditors. Dr. Thornton seconded and the motion carried.

(See Attachment #6)

Buildings and Grounds – Dr. Curris

Resolutions, approved

On behalf of the Buildings and Grounds Committee, Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the following attached Resolutions:

Resolution to Raze 603 North 16th Street

Resolution authorizing the disposition of structures located at 603 North 16th Street in Murray, Kentucky.

Resolution to Raze 605 North 16th Street

Resolution authorizing the disposition of the structure located at 605 North 16th Street in Murray, Kentucky.

Resolution to Raze 1611 Ryan Avenue

Contingent upon Finance Committee approval of the property acquisition, Resolution authorizing the disposition of the structure located at 1611 Ryan Avenue in Murray, Kentucky.

Resolution to Raze 203 North 16th Street

Resolution authorizing the disposition of the structure located at 203 North 16th Street in Murray, Kentucky.

Mr. Williams seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

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

The Buildings and Grounds Committee and the Board received a full report regarding deferred maintenance in Waterfield and Pogue Libraries earlier today.

Enrollment Management and Student Success – Ms. Green

2014-15 Enrollment Management Update, received

Ms. Green reported the Enrollment Management and Student Success Committee received a fluid report from Associate Vice President for Enrollment Management Fred Dietz. Enrollment numbers are changing every day but total enrollment is currently 10,751 students (3.1 percent increase). First-time freshmen total 1,522 students, freshmen in the 18-county service region total 574 students, first-time transfer students total 748, first-time transfer students from within the University's 18-county service region total 460 students and first-time graduate students increased and number 419 students. These numbers will not be locked into the CPE until late October.

This report was presented for informational purposes only and required no action.

Finance – Mr. Williams

State Endowment Match Program Annual Report, approved

Mr. Williams reported that the Finance Committee received a report on the State Endowment Match Program. There is currently approximately \$20.1 million in the program and the University has been able to create two Endowed Chairs and five Endowed Professorships, all of which are filled. There are 29 endowed scholarships and five mission support endowments. The report did raise some concerns regarding the demographics in terms of continuing efforts to have minorities in those endowed positions.

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached Endowment Match Program Report for the period ended June 30, 2014, as required by the Kentucky Council on Postsecondary Education. Mr. Kemp seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

(See Attachment #11)

MSU Federal Credit Union Lease, tabled

Mr. Williams reported that the Finance Committee reviewed the issue of a potential lease for the MSU Credit Union and tabled action for further review by the administration and the Committee before bringing it back to the Board for action at a later date.

Property Acquisition, 1611 Ryan Avenue, authorized

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, authorize the University to purchase the property located at 1611 Ryan Avenue in Murray, Kentucky. Mr. Kemp seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

Pending Contracts, approved

Mr. Williams reported that the Finance Committee received a report on pending contracts the majority of which pertained to athletics. On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the contracts as listed in the attached document. Dr. Fister seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Dr. Fister, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Schooley, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried.

(See Attachment #12)

Institutional Advancement – Mrs. Guess

Mrs. Guess reported that the Regional Services Committee did not meet but there has been a very successful rollout and introduction for Dr. Davies across the region. Appreciation was expressed to all involved in putting these visits together, including Institutional Advancement, Alumni Affairs and University Communications. Dr. Davies indicated the time and energy which was expended for planning all these visits is greatly appreciated. All reports received to date have indicated the visits were positive and beneficial.

Closed Session

Chair Waterfield solicited a motion for the Board of Regents to go into Closed Session pursuant to *Kentucky Revised Statute* 61.810 (1)(c) to discuss proposed or pending litigation against or on behalf of the public agenda and *KRS* 68.810 (1)(f) to discuss matters which might lead to the appointment of an employee. Mr. Kemp so moved. Mr. Schooley seconded and the motion carried.

Closed Session began at 2:10 p.m.

Open Session

Mr. Kemp moved that the Board of Regents reconvene in Open Session. Mr. Schooley seconded and the motion carried. The Board reconvened in Open Session at 3:05 p.m. Chair Waterfield reported that no final action was taken during Closed Session.

Constantine Curris, honored

Mr. Waterfield reported the following:

- Dr. Curris was appointed to the Murray State University Board of Regents by Governor Steve Beshear on July 2, 2009.
- Dr. Curris was unanimously elected Chair of the Board of Regents in June of 2010 and served continuously in that capacity until he decided to pass the gavel in June 2014. During this period he presided over 22 Quarterly and Special Board of Regents meetings.
- Dr. Curris has also provided service on the Academic Affairs, Audit and Compliance, Buildings and Grounds, Finance and Regional Services committees.
- He also served as Chair of the Board Presidential Evaluation Committee and the Ad Hoc Contract Review Committee.
- Dr. Curris also serves as one of two representatives from the Board of Regents serving on the MSU Foundation Board of Trustees in an ex-officio capacity.

A plaque was also presented to Dr. Curris with the following wording:

“In grateful recognition for leadership, exemplary service and dedication as Chair – Murray State University Board of Regents – June 2010 – June 2014.”

Chair Waterfield indicated that Dr. Curris has done an outstanding job running a smooth Board and keeping all in harmony and it has been refreshing to work with him. This Board is fortunate to have two members – Dr. Curris and Dr. Thornton – who have been in higher education and know the ins and outs of education and can provide a higher education perspective to other members of the Board. Dr. Curris did a great job as Chair.

Adjournment

Mr. Williams moved that the Quarterly Board of Regents Meeting adjourn. Dr. Thornton seconded and the motion carried. Adjournment was at 3:10 p.m.

Chair



Secretary



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