

June 2015

**2015-06-05**

Board of Regents, Murray State University

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**Minutes of the Quarterly Board of Regents Meeting and Committee Meetings  
Murray State University  
June 5, 2015**

**Call to Order**

The Board of Regents (BOR) of Murray State University (MSU) met on Friday, June 5, 2015, in Quarterly and Committee 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 8 a.m.

**Roll Call**

The roll was called and the following members were present: Constantine Curris, Michael Dobbs, Sharon Green, Susan Guess, Martin Jacobs, Daniel Kemp, Phil Schooley, Jenny Sewell, Jerry Sue Thornton, Harry Lee Waterfield II and Stephen Williams. Absent: none.

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

**AGENDA**

<u>Roll Call</u>	Ms. Hunt
<u>Minutes of the Special Board of Regents Meeting and Committee Meetings February 27, 2015*</u>	
<u>Public Participation</u>	Chair Waterfield
<u>Report of the Chair</u>	Chair Waterfield
<u>Report of the President</u>	President Davies
<u>Report of the Constituency Regents</u>	Regents Jacobs/ Schooley/Dobbs
<u>Report of the Treasurer*</u> (Quarterly Financial and Investment Reports)	Vice President Dudley
<u>Report of the Registrar*</u> (May 2015 Conferral of Degrees)	Ms. Roberts
<u>Committee Reports/Recommendations</u>	
A. Audit and Compliance	Regent Kemp
1) Auditor Communications (For Information Only)	
2) Department of Athletics – Admissions and National Collegiate Athletic Association (NCAA) Rules Compliance Review (For Information Only)	
<u>Closed Session</u>	Chair Waterfield
A. Personnel Matter	
<u>University Mission Statement Reaffirmation and Strategic Plan Approval*</u>	Drs. Fister/Jackson/Todd

Title IX Update/Report (For Information Only)

Vice President Dudley/  
Dr. Fister

Committee Reports/Recommendations (continued)

- B. Institutional Advancement Regent Guess  
1) Naming Proposal:  
a. *Carter Memorial Plaza – Easley Alumni Center Gardens\**  
b. Gift-in-Kind – Digital LED Videoboard for CFSB Center\*
- C. Academic Affairs Regent Thornton  
1) Regents Teaching Excellence Awards\*  
2) New Minors and Certificates Report (For Information Only)  
3) Honors College Update Report (For Information Only)  
4) Summer Classroom Renovations and New Desk Initiative (For Information Only)  
5) Honorary Doctorate Committee Recommendation\*
- D. Buildings and Grounds Regent Curris  
1) Major Projects Update (For Information Only)
- E. Enrollment Management and Student Success Regent Green  
1) Final Spring 2015 Enrollment Report (For Information Only)  
2) Financial Literacy Program Report (For Information Only)  
3) Maguire Associates – Pricing and Tuition Update (For Information Only)  
4) Tuition Rates and Discount Modeling Review (For Information Only)  
5) New Freshmen Admission Standards\*
- F. Finance Regent Williams  
1) 2015-16 Housing Rates\*  
2) 2015-16 Dining Rates\*  
3) 2015-16 University Budget with Executive Summary\*  
4) Contracts\*
- G. Regional Services Regent Sewell

NOTE: Full Board action will follow all Committee action.

Personnel Changes

President Davies

- A. Memorandum of Agreement with Council on Postsecondary Education\*  
B. Appointment of Interim Provost and Vice President for Academic Affairs\*  
C. Appointment of Interim Dean – *Arthur J. Bauernfeind College of Business\**  
D. Appointment of Interim Dean – College of Humanities and Fine Arts\*  
E. Two-Year Faculty Transitional Retirement Contract\*  
F. *Professor Emeritus* Designations\*  
G. Academic Administrative Appointments (For Information Only)  
H. Reappointment of Internal Auditor\*  
I. Reappointment of General Counsel\*  
J. Amendment of Director of Athletics' Contract\*  
K. Staff Leaves of Absence without Pay\*

Policy Changes

President Davies

- A. *Faculty Handbook* Revisions\*  
a. Sections 2.1.2.1/2.1.2.2 Special Appointment Faculty (Lecturer/Senior Lecturer)  
b. Sections 2.6.2.3/2.7.4.1.3 Academic Promotion Policy Guidelines (Item #3)/MSU  
Tenure Policy – Faculty Performance (Item #3)

2015-16 Faculty Promotion Recommendations\*

President Davies

2015-16 Faculty Tenure Recommendations\*

President Davies

### Resolutions of Appreciation

- A. Constantine W. Curris\*
- B. Michael Dobbs\*
- C. Faculty and Staff Retirees\*

Chair Waterfield/  
President Davies

### Board Organizational Issues

- A. Meeting Dates for 2015-16\*
- B. Election of Officers for 2015-16\*

Chair Waterfield

### Supplemental Materials

- A. *News Beyond Campus* (For Information Only)
- B. Campus Major Projects Update – Quarterly Status Report (For Information Only)
- C. Capital and Other Projects Report (For Information Only)
- D. Sponsored Programs – Grants and Contracts Report (For Information Only)

President Davies

### Other Business

### Adjournment

(\*Requires Board of Regents Action)

### **Minutes of the Special Meeting and Committee Meetings on February 27, 2015, approved**

Mr. Williams moved that the minutes of the Special Board of Regents Meeting and Committee Meetings on February 27, 2015, be approved as submitted. Mr. Kemp seconded and the motion carried unanimously.

In reference to a section of the minutes, Chair Waterfield asked whether Murray State requires students to take a course in Shakespeare. Staci Stone, Interim Dean of the College of Humanities and Fine Arts, indicated all English majors are required to take a three-hour course in Shakespeare and all other students are required to take a humanities course. Most humanities sections require at least one Shakespeare play, so it is likely all Murray State students will be exposed to Shakespeare during their college career.

### **Public Participation**

Chair Waterfield reported there were no signees for the Public Participation portion of the meeting.

### **Report of the Chair, received**

Chair Waterfield indicated the following:

- Appreciation was expressed to the Board for the help, cooperation and hard and progressive work members have offered to accomplish much over the past year. It has been a great year and this is a delightful group to work with. He appreciates the efforts of all members to help contribute to the success of the new President and this has been critical to Dr. Davies getting off to a successful start.
- He is sorry he was unable to attend Commencement and participate in bestowing the Honorary Doctorate degree on Governor Steve Beshear. He congratulated Mr. Dobbs and his fellow graduates. It was impressive that Governor Beshear shook each of the graduate's hands as they walked across stage.
- He also regrets that business obligations prevented him from attending the Faculty Recognition Banquet.
- Dr. Davies will be a member of this year's Leadership Kentucky class that begins at the end of this month. This will provide him with an opportunity to learn a great deal more about the state and meet individuals who have an interest in the future of Kentucky. He believes this will prove to be a valuable experience for the President and is glad Dr. Davies is willing to participate.
- Regent Susan Guess received her second Kentucky Volunteer of the Year award which was presented for her work with anti-bullying. She and her daughter Morgan will be on Kentucky Educational Television beginning tonight with an interview on the issue of bullying in the state and the country. The work she has done is exceptional and appreciated and receiving the Volunteer of the Year award twice is very unusual. He presented her with a small token of his appreciation.

## Report of the President, received

Dr. Davies indicated the following:

- Appreciation was expressed to Jay Morgan for his role as Provost and Vice President for Academic Affairs over the past few years. Dr. Morgan played an instrumental role through the last two presidential transitions and has been an advocate for Murray State for academic programs, students and the University as a whole. Fortunately, the institution is not necessarily losing him as he is going to the Council on Postsecondary Education (CPE) as an administrator on loan. All are excited about Dr. Morgan serving in the role of Vice President for Academics at the CPE to address academic programs on a statewide basis as well as lead the strategic planning process that body is currently undertaking. All applauded Dr. Morgan for a job well done and wished him well at the CPE.
- With Dr. Morgan's advancement to the CPE, later today the Board will be asked to approve the appointment of Dr. Tim Todd as Interim Provost and Vice President for Academic Affairs for the next academic year. Dr. Todd has been serving as Dean of the *Arthur J. Bauernfeind College of Business (AJBCOB)* and has done an amazing job in that position advancing the college in many ways. Dr. Todd has been instrumental in leading the Murray State strategic planning process, along with Drs. Jackson and Fister. He welcomed Dr. Todd as the Interim Provost, pending Board approval.
- Since December two outstanding programs at Murray State have received reaffirmation of accreditation – the Department of Theatre and the Veterinary Tech Program – and both are very powerful and influential programs for Murray State. This continues the University's process and procedure of having programs receive all the accreditations at the programmatic level that they are able to attain. Murray State has more program accreditations, per capita, than any other university in the Commonwealth. That means all programs that are able to receive program accreditation are either pursuing or are on track to receive their successful accreditations. This represents a standard with regard to the quality of Murray State programs.
- Dr. Bommanna Loganathan, Professor in the Department of Chemistry and Watershed Studies Institute, has worked diligently to secure the Commonwealth's only National Chemical Historical Marker here on campus and this work further highlights Murray State's accomplishments.
- Over the past six months the University has signed five reverse transfer agreements with the four partner community colleges, as well as with Owensboro Community College. This represents an amazing accomplishment where students can begin their college experience in the community college but, before they earn the Associate of Arts, transfer to Murray State. As they progress toward a baccalaureate degree and earn credit they will then transfer back to the community college to earn the Associate of Arts while they are at Murray State. This represents a great win for the students and the community colleges and helps the University tremendously in terms of recruiting.
- Murray State is partnering with Madisonville Community College (MCC) for the Higher Education Center. MCC received a \$20 million grant from the state under the *Bricks for Brains* concept. MCC will receive \$15 million from the state if they are able to raise \$5 million. The community college is closing in very quickly to the required \$5 million match and should, with the help of Dr. Jackson and Tina Bernot, Interim Executive Director for Development, be able to secure the necessary funding by calendar year end and construction can begin. The facility will be "home" to Murray State University and Madisonville Community College and will be located at the entrance to their campus.
- The Murray State Master of Business Administration (MBA) online program has been ranked 27<sup>th</sup> nationally in the country based on quality, student support and cost. It is the highest ranked online MBA program in the Commonwealth.
- In terms of faculty research and scholarly activities, over the past six months over 20 books have been authored by Murray State faculty. One of the books – *Applied Public Relations* – was sent to him with a footnote indicating that page 129 highlights Regent Susan Guess as an outstanding public relations professional in the financial community, outlines her efforts and is being used as a teaching guide for Murray State students.
- Dr. Renee Fister was named a Distinguished Alumnae from her Alma Mater – Transylvania University.
- Appreciation was expressed to all involved with the Presidential Investiture and the Engineering and Physics Groundbreaking in April. This represented an amazing day for the University to celebrate amazing accomplishments.
- The Groundbreaking was held inside due to the weather but participants walked across 16<sup>th</sup> Street for the actual shoveling part of the ceremony. While crossing 16<sup>th</sup> Street he noticed the number of cars passing and the number of pedestrians trying to cross. He believes 16<sup>th</sup> Street is an important element of the Murray State campus and represents a major thoroughfare literally running through campus. As the Engineering and Physics Building comes online, and with the expansion of STEM programs and the great job Dean Steve Cobb is doing attracting an even greater number of students to the campus, this issue is only going to worsen. There have been several near misses this year and such incidents are an every year occurrence. Several students and one faculty member were actually hit by a vehicle and so far the University has been very fortunate injuries have not been too severe or life threatening. He has major concerns about 16<sup>th</sup> Street and work is currently taking place with Mayor Jack Rose to determine how best to handle the situation because the street is owned by the city.

Approximately one year ago the Board was presented with the over/under roadway concept and having overpasses and tunnels for pedestrians. He has concerns about that plan and while it is a good plan it is not a great plan. Students are like water and will go wherever they can to cross the street. He is concerned about the cost of such a project, the magnitude of the project and the time it would take to complete. There is also an interesting situation in regard to the current design of the Engineering and Physics Building and where the proposed tunnel goes would depend on how deep the footers for the building need to go. Good discussions have occurred with the Mayor regarding the best solution for this situation and a Request for Proposals (RFP) will be distributed soon. The RFP will be conducted by the city because it received a grant of \$800,000 to study the project. The over/under concept will be considered but, moreover, all will try to determine what the best course of action for 16<sup>th</sup> Street is not only now but in the future. This could involve closing the street, the over/under concept or a host of other opportunities. The RFP is being directed by the city but this work is being undertaken closely with Jason Youngblood, Assistant Director for Facility Design and Construction, and Mr. Burdette. Safety for the community is the primary motive and directives for this work will be feasibility, cost, traffic flow (vehicles, pedestrians and bicycles), aesthetics and tying the project to the Murray State ten-year Master Plan. The city's future physical plans with regard to growth patterns will also be taken into consideration. He is a proponent of reviewing what would happen if 16<sup>th</sup> Street were closed permanently or during the prime time of the work day for the campus. Confirmation was provided that the study being conducted by the city is expected to conclude by the end of the calendar year.

- At the last meeting the Board requested an update on the *Paducah Regional Campus*. The *Memorandum of Understanding* with the Paducah City and McCracken County officials was provided in the Resource Center in the eBoard book. The agreement states if Murray State has an enrollment count of 2,000 or more for four consecutive years the facility will revert to the University. Campus enrollment for this current year includes Summer 2014 (257 enrollments), Fall 2014 (1,202 enrollments) and Spring 2015 (1,030 enrollments) for a total of 2,489. Dr. Morgan and his team put together a Master Plan for that campus and projected enrollment would exceed the 2,000 mark in about four years and this represents the first year of the four-year timeframe to meet that enrollment goal. Enrollment at the *Paducah Regional Campus* is already looking strong for the next year and it is believed the University will be able to meet the 2,000 enrollment goal during the second year as well. Confirmation was provided that the campuses in Paducah, Henderson, Madisonville and Hopkinsville are all growing and expanding. Clarification was provided that the course enrollments presented for Paducah are not Full-Time Equivalent (FTE) numbers or individual headcounts but represent one student per class so a student taking three courses would count as three enrollments. The FTE goal for Paducah for four years is approximately 534 students. All are very proud of the Paducah campus and will continue to move forward to ensure Murray State remains successful in this area.
- The Board authorized the President to negotiate and sign a contract with Men's Basketball Head Coach Steve Prohm and, as reported at the last Board meeting, Coach Prohm and the President have signed such an agreement in an effort to secure his presence at Murray State in the future but also be respective of mid-major university contracts. The contract which was signed increases Coach Prohm's salary to \$500,000 annually (\$490,000 base and \$10,000 radio contract). In addition, bonuses contained within his previous contract (number of National Collegiate Athletic Association – NCAA – appearances, Ohio Valley Conference (OVC) Championships, OVC Tournament wins and ranked in the Top 25) were increased slightly. Most similar contracts include monetary inducements from the NCAA which would be provided to the University for Coach Prohm. The contract includes a buy-out provision (\$490,000 for the first two years and \$200,000 for subsequent years). This represents a four-year contract with a one-time automatic rollover at this time next year. Given the media reports of late, conversations have been held with Coach Prohm who indicated he has no interviews at other schools set up at this time. The media outlets are speculating and it is fully expected Coach Prohm will be Murray State's Head Men's Basketball Coach next year.
- The Campus Tobacco Policy is being implemented as approved and directed by the Board at the last meeting. Certain changes are being made now and include moving the smoking zones 25 feet away from every building and eliminating smoking in front of Waterfield Library and in the Zen Garden. There has been a great deal of communication across campus to implement this initiative which is being promoted as "Murray State University supports a clean and healthy campus. Please refrain from personal tobacco use." This work will continue until the campus is completely tobacco-free. The University has received a grant from the Health Department to help with marketing, signage and advertising and the campus is being prepared for the new policy to fully take effect on August 5. A letter will be delivered to all homeowners who have property surrounding campus making them aware of the change and asking them to contact the University if they are negatively affected by this new policy. Work is also taking place with Mr. Burdette and Facilities Management personnel so if "pockets of cigarette butts" are discovered on a neighbor's sidewalk they will be cleaned up as quickly as possible. Summer Orientation was held yesterday and 280 new Racers and their families were on campus. He received at least 75 comments on how pleased students and families were that the campus is now non-smoking and he also received a couple of comments from individuals who were surprised and indicated smoking is a personal right. The Campus Tobacco Policy will be implemented as smoothly as possible but some bumps along the road are anticipated. Two days ago a

National Public Radio station announced New Orleans has now gone non-smoking. If New Orleans can do it Murray State can also make some changes.

- Also included in the Resource Center of the eBoard books are the 2015-16 organizational charts. A lot of changes were made over the past year and he wanted to ensure the Board was aware of those changes. There may be a few additional adjustments made as individuals are reassigned or leave the institution. The search for the new Vice President for Marketing and Outreach is well underway and is moving along spectacularly. He has taken a very hands-off approach to allow the Search Committee to undertake its work with due diligence. Dr. Jackson serves as Chair of the Search Committee which had a very deep pool of candidates. Many candidates have already obtained credible experience in the marketing, branding and outreach area. The Search Committee has narrowed the pool to six semi-finalists who were interviewed via Skype last week and they are now in the process of narrowing the pool to three finalists who will visit campus soon. Candidate names are not public at this time due to ongoing discussions with these individuals.
- The universities have been working with the CPE on a key initiative that is moving toward a performance funding model for state funding allocations. This process is interesting in that it is changing a significant resource allocation model and that brings in consternation and politics and everyone is trying to position their particular university in the best light. It is important to protect the individual institutions as all prepare for a new Governor and a new legislative and budgeting process. Performance funding is the “buzz” word – the cliché – and it is foreseen that the CPE and universities will be moving in this direction. The “sticky wicket” is that two institutions – Northern Kentucky University (NKU) and Western Kentucky University (WKU), based on the viewpoint of state allocation per FTE, feel that compared to the other institutions they are woefully underfunded. These two institutions are arguing diligently and aggressively for an equity settlement. Dr. Davies believes consideration should be given to total revenue per student (tuition and state appropriation) and a review should be undertaken on this basis because it would show all institutions fare about the same in this regard. This represents a very strong point of contention between the Presidents and the CPE and if these two institutions are granted an equity adjustment that would mean NKU would receive an increase in state funding of 30 percent while Murray State would receive a 5.5 percent increase. When this is compared to total revenue per student that would give a significant financial advantage, unless tuition is adjusted in some way, to these two institutions, Northern Kentucky in particular. Whatever happens in the end, nobody is going to be happy because the discussion is about resources and how to divvy those up. The Board needs to be aware of this process and the underlying issues.
- Dr. Davies is supportive of performance funding based on certain metrics. He does not fully buy into the equity issue when total revenue per student is compared. The difference between tuition for Murray State and tuition for NKU is approximately \$1,300. The difference between tuition for Morehead State and NKU is approximately \$3,000. The state appropriation for Northern Kentucky is 72 percent of total revenue per student and comes from student tuition with 28 percent coming from the state. For Murray State 55 percent of total revenue per student comes from student tuition and 45 percent comes from the state. This information was provided to inform the Board that there are some discrepancies if state appropriations are taken into consideration. On average, total revenue per student is \$13,500 per FTE at all institutions with the exception of Kentucky State (\$17,000) and Morehead (\$11,500). Depending upon the angle and the focal point, there are different aspects which must be considered as this work is undertaken. Discussions will continue through August and the CPE will then make a final recommendation which will be advanced through the state legislative process. He will keep the Board informed of this work as it moves forward but for him the ultimate question is how to balance state appropriations and tuition to ensure all institutions are funded as equitably as possible. None of the institutions agree that they have enough money.
- In response to a question regarding where the University of Kentucky (UK) and the University of Louisville (UofL) fit into this work, Dr. Davies reported that the CPE developed a formula based on various metrics and this is how a discrepancy in equity was revealed. The CPE separated out UK and UofL and placed the comprehensive universities in a different bucket. When applying the formula to these two institutions the numbers were almost identical in terms of where they should be and showed no equity issues. UK and UofL do not believe the CPE formula to move forward in funding allocations is appropriate and these institutions are moving to a much different set of performance funding metrics than what the CPE has put forward. Most of the comprehensive universities agree with the methodology being proposed which is basically choosing five key indices of quality and having three of those be standard between all the universities with two having indices specific to UK and UofL. The targets each university should achieve to meet those standards will then be measured. This means instead of competing against the other universities institutions are competing against themselves. UK believes its graduation rate is a key indicator of success. They also believe their graduation rate is too low for the type of students they attract and will identify what their graduation rate goal will be over the next two years. Dr. Davies is advocating for being able to identify metrics within an institution’s own spectrum on which to be evaluated. If retention rates are a metric this would be detrimental to Murray State because the retention rate is already very high and to increase it further would be difficult. Confirmation was provided that the community colleges fall within a different category with regard to this issue.
- In response to a Regent question regarding whether tuition caps will be established, Dr. Davies indicated one of the key things the CPE is looking at in terms of equity adjustments, if those are

provided to the two institutions mentioned earlier, is that their tuition increases would have to be much smaller than those for the remaining comprehensive universities. His concern is that this is state policy driven and not market driven or a strategic enhancement. If the University is expected to maintain its relative position by increasing tuition by 5 percent, as opposed to a 2 percent increase at the other two institutions, this will lead to an interesting position with current students. Also, it is not good policy to encourage tuition increases and proceeding in this fashion is not market focused or market driven. He has argued with the CPE that the elasticity for NKU may be a lot different than that for Murray State. NKU has not had any significant enrollment declines and has experienced the same growth rate of other institutions in the Commonwealth even with a higher tuition rate. Such elasticity issues should be taken into consideration by the other universities and the CPE. This will represent an ongoing, complicated and contentious discussion. Carl Prestfeldt, Director for Fiscal Planning and Analysis, has been instrumental in these efforts and knows the numbers backwards and forwards and has the key insights of a well-honed accountant. Mr. Prestfeldt has offered, and the President indicated he has begrudgingly accepted, his intent to retire. Appreciation was expressed for his work toward this effort. This issue must be resolved by the CPE meeting in August and from there the decision will be put into the motion for the budget request submitted to the newly-elected Governor in October/November.

- Dr. Davies expressed appreciation to Regent Dobbs for his hard work representing the students of Murray State University. He has worked with many student body presidents and Mr. Dobbs is among the best. His focus on what is best not only for the students but for the overall University is inspiring. There are many times when Mr. Dobbs could have taken the sole student rallying perspective and he chose to instead look at what is best for the institution while still representing the students. Congratulations were expressed for a job well done.
- Dr. Davies expressed appreciation to Regent Curris for his insights, wisdom and great advice and indicated they have shared many great emails and phone calls not only since he arrived on campus on July 14 but even during the transition. His insights, ideas, thoughts and passion for this institution are unparalleled and Dr. Davies thanked him for his leadership and service.
- Dr. Davies indicated this has been an amazing first of many years at Murray State and it has been a great year. He wants to acknowledge all of the significant achievements and accomplishments over the past year, working with the Vice Presidents and an amazing cadre of Deans and Directors. There is an amazing administrative team in place and, more so, an incredible faculty that drives this institution. For these reasons Murray State is able to recruit the best and finest students from throughout the Commonwealth and the region. Important changes have been made over the course of the past year and significant progress is being made toward making a fine institution even better. Dr. Davies thanked the Board for the incredible support they have offered both professionally and personally and expressed appreciation to all for welcoming his family – Cindy and Katie – to this wonderful community and this fine university. He looks forward to working here for many, many years, if not scores.

## **Report of the Constituency Regents, received**

### **Faculty Regent**

Dr. Jacobs reported the following:

- An effort is being made to highlight faculty activities which cut across programs and the institution. Pertinent data provided by Dr. Guangming Zou, Director of the Institute for International Studies, shows the following:
  - The total number of international students currently on campus is 1,194, including 933 university students and 261 English as a Second Language (ESL) students. Confirmation was provided that international student enrollment is strong and continues to increase each year.
  - Currently 60 countries are represented on campus.
  - There are 93 institutional partnerships in place with overseas universities.
  - The top ten countries sending students to Murray State, in order, include: Saudi Arabia, China, India, South Korea, Brazil, Mexico, Belize, Germany, Japan and Taiwan.
- International initiatives include increasing the number of enrolled international students by 8 to 10 percent per year, increasing ESL enrollment and revenue by 5 percent per year, reaching a total enrollment of 1,400-1,500 by the end of the five-year plan (currently ahead of schedule), increasing study abroad participation by 5 percent per year and also increasing and diversifying program types and adding two to three new active institutional partnerships per year.
- Appreciation was expressed to Melanie McCallon Seib, Director for Study Abroad, for her leadership and for providing the details being outlined.
- The national average for students participating in study abroad programs is 14.3 percent while the Murray State average is 16.6 percent. MSU has endeavored to maintain and encourage increased study abroad participation and through partnerships with faculty and staff across campus has been able to:
  - Provide study abroad opportunities from every academic college.
  - Increase faculty participation in teaching abroad by 60 percent between 2009 and 2014.



- Offer upper-level courses to Murray State students abroad, making every study abroad course count toward degree completion at the University.
- Develop programming abroad that is specifically designed for students with disabilities
- Experiential study abroad courses from each of the academic colleges and schools are being offered in Belize, Paris, London, Prague, Hungary, Italy, Regensburg, Scotland, Austria, Europe, Panama, Ireland and more. This represents an incredible set of experience opportunities for Murray State students.
- Programs historically revolved around courses with partners such as the Kentucky Institute for International Studies (KIIS) and the Cooperative Center for Study Abroad (CCSA) could provide for students. These courses were often not vital to a student's major or degree plan. Over the last eight years a shift has occurred and the University has now provided training to faculty and directors on safety, itinerary development and academic integrity abroad (in keeping with Southern Association of Colleges and Schools Commission on Colleges – SACSCOC – and field standards). There has also been a development of upper-level experiential courses abroad which attracts students from across the curriculum.
- The growth in faculty-led programs created a shift in student participation from providers to programs for which Murray State sets the content and itinerary. Once the University was equipped to provide support for these programs a seismic shift occurred within two years. In Summer 2008 there were 31 faculty-led student participants and in Summer 2010 there were 136 faculty-led student participants.
- Faculty outreach and partnership is crucial to the success of study abroad. Prior to 2010 Murray State sent an average of 18 faculty abroad annually to teach with KIIS and CCSA for summer and winter programs. Through increased marketing to faculty, the University began to see a marked rise in the leadership of both faculty and professional staff in 2010.
- The introduction of International Professional Development (IPD) programs, inviting faculty and professional staff to travel with one another for cultural engagement with a partner university abroad, encouraged faculty to develop their own study abroad programs and staff to incorporate their experience abroad into their position at the University. This has led to curricular and co-curricular integration of intercultural sensitivities and greater collaboration with the Institute for International Studies through such avenues as food service, housing, recruitment and financial aid. Currently IPD opportunities exist in China, South Korea, Germany and Scotland. Faculty involvement will have a direct impact on students over time.
- Reaching students remains a priority, with quality participants in quality programs guiding the mission for education abroad annually. One example of how Education Abroad targets students is working with Pell-eligible students to provide assistance through the national Benjamin A. Gilman Scholarship, which is touted as more competitive than the Fulbright Scholarship.
- "Writing Across the Curriculum (WAC)" represents a campus-wide effort to improve student writing skills. Dr. Jeff Osborne, Associate Professor of English and Philosophy, serves as Coordinator for the WAC program, and provided the following:
  - WAC provides four workshops for faculty across campus that focus on becoming more skilled teachers of writing.
  - This year WAC workshops focused on helping students bridge from ENG 105 to other courses, working with students from other cultures whose first language is not English, running effective writing workshops for students and engaging students in reflective writing assignments.
  - With Dr. Mike Morgan, Associate Professor of English and Philosophy, he co-directs the Purchase Area Writers Workshop, a one-week creative writing residency for high school students in the service region (sponsored by Town & Gown, Office for Regional Outreach, Department of English and Philosophy and the College of Humanities and Fine Arts).
- Dr. Staci Stone provides an annual workshop on preparing *Undergraduate Research and Scholarly Activity Fellowship* applications and provides feedback for any student who attends the session. She also gives a presentation once a year on writing a personal statement and this is open to any Murray State student applying for graduate school.
- Constance Alexander, an adjunct faculty member, conducted poetry writing workshops for 7<sup>th</sup> graders at Murray Middle School in February, inspired by images from the Picturing America collection from the National Endowment for the Humanities. Samples of the students' poems related to African American History were on view in the Picturing America Gallery during African American History Month and are still on view in honor of April, National Poetry Month.
- Dr. Carrie Jerrell, Associate Professor of English and Philosophy, sponsors *Notations* which is an annual, student-run literary journal that publishes 60-70 pages of poetry, fiction and creative nonfiction written by Murray State students. The editing staff, comprised of Murray State students, collaborate on the layout of each year's issue with students from the Department of Art and Design, under the supervision of Faculty Sponsor Jim Bryant, Professor of Art and Design. Dr. Jerrell also coordinates the Murray State Reading Series (sponsored by the Department of English and Philosophy) which brings four visiting writers of national reputation to campus to give a public reading from their work and speak to classes about the craft and profession of writing. For many student writers the reading series represents their first exposure to a living, working author. She also helps supervise undergraduate student editors for *New Madrid*, the literary journal published by the Murray State Master of Fine Arts Program and regularly distributes information on publishing and

professional development opportunities for undergraduate students through a listserve she created for creative writing majors and minors.

- English faculty also teach, as service courses, the writing-intensive courses for several departments, a grammar class required of some middle school education majors, occupational safety majors and health majors. The department also offers an additional required English course for accounting majors.
- The Racer Writing Center, in addition to providing traditional consultations with highly-trained tutors, also offers at least four themed seminars each semester for the campus community. These seminars range from basic skills workshops to presentations on advance argumentation. Dr. Joshua Adair, Associate Professor of English and Philosophy, serves as Racer Writing Center Director.

### Staff Regent

Mr. Schooley reported the following

- The Breathitt Veterinary Center (BVC) staff instituted a cross-training program between the departments in the laboratory to help prepare for instances of outbreaks, high case volume or unexpected absences.
- The Registrar's Office attended a statewide workshop at Fort Campbell Military Base. In addition to learning how to better serve Murray State's veteran population, staff also completed open side repels from a 34-foot tower used for Air Assault School training.
- The University Library staff hosted *Waterfield Wired* with 450 student participants. In the Fall and Spring staff also offered extended study hours prior to finals week.
- WKMS Radio Station produced an hour-long documentary titled, "West Kentucky: A Birthplace of Steel" which explored the history and mystery of western Kentucky's early 19<sup>th</sup> Century iron industry and how one of the men behind it – William Kelly – developed the process of refining iron into steel that kick-started America's rise to industrial might. The documentary was inspired by information from Dr. Loganathan whose work resulted in Kentucky's first National Historic Chemical Landmark.
- Following this year, Dining Services will be able to provide funding for several initiatives outside of that area, including sharing the cost for Curris Center improvements, new desks for classrooms, renovating spaces for Counseling Services and ongoing support for new positions in the Counseling Services and Student Disabilities offices. Dining Services also continued to co-fund an annual student scholarship and provide goods and services in excess of \$100,000 in donations and sponsorships for student organizations and university departments.
- The Branding, Marketing and Communication Web Management Team assured that the change to the new web content management system would be as timely and efficient as possible while implementing the University's first-ever responsive website to accommodate all mobile devices. The new design was completely created in house, saving the University money. While transitioning the entire website the team also trained 150 web agents across campus.
- The Retention Office created a "Parent Referral" form which provides parents and family members with a means of contacting the office directly to express concerns about their student. MapWorks presented Murray State with an Excellence Award during their Mastering MapWorks Conference in recognition of staff innovation.
- Due to the work of the Alumni Affairs staff there was a tremendous increase in Alumni Watch Party participation across the United States. Included in that season was the largest pre-game event in the history of Murray State during the OVC Tournament with over 450 alumni and students in attendance.
- The Office of International Enrollment and Retention in IIS received a record number of applications and was able to admit over 300 new international students for Fall 2014 and over 200 new students for Spring 2015 and both represent record numbers.
- The Office of Multicultural Affairs created an event called "Racial Legacies and Learning: Race and Ethnicity Symposium." Approximately 200 students, faculty, staff and community members participated in this day-long event to promote positive discourse relative to issues of race and ethnicity in the community.
- Staff in the MSU Post Office continue to go above and beyond with service by making stops at locations extra times during the day and assist students with picking up packages.
- Staff in the Curris Center opened the *Racers Helping Racers* food pantry in partnership with the Murray-Calloway County Needline. This food bank assists students and is open three days a week with help from volunteers. All food is donated from the campus community.
- The Network and Telecommunications Services group recognized the impending network congestion issues that streaming services such as Netflix would cause and found an innovative solution. A video caching solution was implemented on the campus network which dramatically improved the streaming video experience quality for users while also reducing internet bandwidth consumption by 30-40 percent. This saves the University thousands of dollars per month.
- Education Abroad has been more involved this year with experiential learning as an integral part of the University Quality Enhancement Plan (QEP). Faculty and staff have created new hands-on learning experiences for Murray State students abroad, including English teaching internships in

China, nursing and Telecommunications Systems Management in Belize and an upcoming program in Germany with the Institute of Engineering.

- The Transfer Center increased Transfer Student Orientation participation by 24 percent from 2013-14. Transfer Orientation is not mandatory for transfer students so the Center is constantly striving to improve communication and marketing the program to attract as many students as possible.
- Staff in Finance and Administrative Services completed the certification process for compliance with Payment Card Industry standards to save the University from significant fines from credit card providers. They also implemented an online Human Resources benefits open enrollment process and several other projects while beginning the management of the largest number of capital construction projects that Murray State has had at any one time (BVC, Franklin College and Engineering and Physics).
- In September 2014, due to the work of the CFSB Center staff, Murray State triumphed over an assortment of reputable universities to win Country Music Television's (CMT) "Hot 20 Countdown Campus Invasion." CMT visited campus in November and Chase Bryant, Joe Nichols and Big & Rich performed a free concert to a full house of Murray State students and community members. On November 22, 2014, the Hot 20 Countdown show aired to 87 million homes across the U.S., centered on the traditions, excitement and spirit of Murray State.
- Staff Congress elections were held and staff elected in the four categories include:
  - Secretarial/Clerical
    - Ann Matheny – Regional Academic Outreach
    - John Young – Center for Telecommunications Systems Management
  - General/Facilities Management
    - Jerry O'Bryan – Transportation
    - Kenny Sanford – Central Plant
  - Executive/Managerial/Professional
    - Dana Howard – Branding, Marketing and Communication
    - Sheri Riddle – Technology Support and Consulting Services
  - At-Large
    - Jessica Evans – Office of Institutional Effectiveness
    - Orville Herndon – Journalism and Mass Communications
    - Robyn Pizzo – Education Abroad Office
    - Logan Stout – Transfer Center

### Student Regent

Mr. Dobbs reported the following:

- Appreciation was expressed to Dr. Fister for serving as a phenomenal co-host for this year's Senior Breakfast. Photos of President Davies during various stages of his life were shown.
- Murray State has had 13 amazing Presidents but the students are truly excited about having Dr. Davies as their President. They finally know who their President is and he knows who they are. As a student, he expressed thanks to Dr. Davies for everything that he does for the students. It does not go unnoticed and it is truly phenomenal how involved he is. Summer Orientation yesterday is a prime example. He gave his cell phone number to over 180 students and 700-800 parents and not many university Presidents would do this.
- There are numerous student-centered events which have been offered on campus by many different offices but a few highlights include Move-In Day, *All Campus Sing*, the Homecoming Parade and the Presidential Lecture. Appreciation was expressed to Dr. Jackson for helping to secure Chuck Todd as the Presidential Lecture Keynote Speaker and for the MSU Foundation's help in this regard. The Investiture Ceremony represented another phenomenal event as were the various musical performances which have been offered. A Senior Night was held for athletes and Miss Murray State represents a long-running tradition sponsored by the Student Government Association. Other successful events included *All Greek Assembly*, the White Out Basketball Game and international students participating in many Flash Mob performances.
- At the time of Senior Breakfast it was ten days until graduation and was especially meaningful this year with Governor Steve Beshear being present to receive an Honorary Doctorate.
- Murray State has been ranked in *U.S. News & World Report – America's Best Colleges* as one of the Top 9 Schools in the South. Appreciation was expressed to the many faculty, staff, students and the administration who helped make this possible.
- Eight Strategic Plan Town Hall meetings were held over the course of several months. One was focused on students and held solely for student participation.
- There were seven "snowmageddon" days with the winter storm which caused havoc on the Murray State campus. All made the most of the situation from Dr. Davies' impromptu snowman building competitions on the front lawn of Oakhurst to skating across campus.
- Allen Ward was complimented for his excellent work as Athletic Director which was evidenced by the performance of student athletes. Men's Basketball was the OVC season champions and the team participated in National Invitational Tournament (NIT) post-season play. The Volleyball Team won the OVC regular season and were Tournament champions and participated in the post-season NCAA

Tournament. The Women's Softball Team also participated in OVC postseason play and the Rifle Team participated in the NCAA post-season competition. The Women's Tennis Team won the OVC regular season and were Tournament champions and participated in NCAA Tournament post-season play. The Women's Outdoor Track Team participated in NCAA post-season competition.

- Three major building projects are underway and include the Engineering and Physics Building, New Franklin College and Breathitt Veterinary Center. There have been five phenomenal Presidents since those three projects have started – Dr. Davies, Dr. Tim Miller, Dr. Randy Dunn, Dr. King Alexander and Dr. Kern Alexander. Appreciation was expressed to these individuals for their many combined years of service and for making Murray State what it is today.
- “Take Your Place” photos were shown and credit was given to Allie Douglass, Public Relations Specialist, for taking many of these pictures.
- There were too many #RacersDeserveABid pleas to count and it was an exciting time even though the Racers did not make it into the NCAA Tournament. There was an outpouring of support and the love for the Murray State athletic program was continued for the national coverage that the University received. Everyone is well aware the Racers did deserve a bid to the NCAA Tournament.
- Ultimately all these efforts boil down to one University of Choice – Murray State University – and his time here has been very, very rewarding. Appreciation was expressed for allowing him to serve on this Board and for the other Regents treating him as an equal. It has truly been a rewarding experience and he hopes he has been able to put into it what he has gotten out of it.

Chair Waterfield indicated that Mr. Dobbs has been great to work with on this Board and it is nice to have a central Kentucky man on the Board representing the students.

### **Report of the Treasurer, accepted**

Ms. Dudley reported the following with regard to the quarterly unaudited Financial and Investments Reports for the period of July 1, 2014, through March 31, 2015:

- As of March 31 the University has received the majority of Spring tuition and actual gross tuition is very close to budget (\$430,000 less), representing a good position at this time. At this point, \$3,898 has been earned for Summer I tuition, with the remainder of the semester to be collected by June 30. There is \$3.8 million budgeted for Summer I and it is expected \$3.4 million will be generated. This will still put the University in a very good position to be over budget as of June 30 from a gross tuition standpoint.
- Total gross tuition and mandatory fees were budgeted at \$112 million and currently the institution is approximately \$300,000 to \$400,000 shy of budget, representing a good position at this time.
- Tuition discounts total \$39.6 million as of the Spring Semester and represents a 35.2 percent discount rate. Discounts are slightly over budget because of growth factors and gross tuition for the University will fare pretty well. Net tuition is currently \$400,000 to \$500,000 short of budget and it is anticipated – as projected all year – for the University to be approximately \$1.8 to \$2 million over budget from a net perspective. This growth was included in the fiscal year 2016 budget that has been reviewed by the Board.
- With regard to the Statement of Net Position and the unrestricted portion, a section is now being added which identifies plant reserves which will be pulled out instead of being included in general contingency. These funds have been designated as plant reserves and represent housing and dining reserves and deferred maintenance money. Board-designated funds represent items the Board acted on, not necessarily funds the University can restrict permanently, such as the transformer last year (approved to be funded utilizing reserves), Pogue and Waterfield Libraries (also funded from reserves) and various other projects which have come before this body for action. Capital projects and renovation and maintenance projects have also been identified. This simply represents a new section of this report that helps break out some unrestricted reserves in greater detail.
- Dr. Curris indicated that a year from now Kentucky will have a new Governor. Across the country an increasing number of Governors have taken a pretty hardline stance against tax increases and have favored tax reductions. In the process, reserve dollars have been swept. He is concerned about a possible contingency, even in this state, where some of the University's unrestricted reserves make it to Frankfort as opposed to staying here. He wants to alert everyone that this represents a real possibility. Ms. Dudley indicated this is why these items are now being broken out to show they are committed dollars and work will continue to identify other similar projects which require commitments. These funds cannot be restricted unless they come from outside the University but they can be listed as designated and this practice will continue. Although specific projects have not yet been identified, a review of projects and utilizing reserves for such initiatives is being considered. This will not occur by June 30 but the work is in progress. Dr. Curris knows appropriate language for the accounting world must be utilized but the University is also dealing with the political world and he suggested the administration look at key projects and ask this Board to commit dollars for those projects so that the administration has the weight of this Board that 'x' amount of money will be used for a particular purpose. If this issue surfaces politically the University will be able to take the stance that these dollars are not “free” but are restricted. Mr. Williams agreed that this would represent a

good exercise for the Board to engage in and this would represent a discussion to occur at the Board Retreat.

- The Education and General Fund (E&G) represents the fund the University operates out of for the entire year. This fund pays for salaries, supplies, service contracts, etc. Total actual revenues have reached 79 percent of the budget and last year were 77 percent of budget. The administration looks at budget versus actual to ensure the institution is trending in the same manner and those percentages are very close to the same and are a good indication that nothing out of line or unexpected has been incurred this year.
- Expenditures are 60 percent of budget and are the same percentage as this time last year. Although there have been some unexpected expenses throughout the year nothing is out of line from an operating standpoint.
- There is \$7.2 million in transfers recorded. This includes the \$5 million transfer out of reserves as the University's commitment for the Engineering and Physics Building. The \$5 million is to be funded from donor dollars and as those are received they will be used to reimburse the General Fund, if needed. The \$5 million has already been moved out so that it can be listed as designated and statute dictates that the institution will match this amount for the project. This may result in a loss in E&G this year but there will not be a loss overall on the financial statements. This is nothing to be alarmed about because the funds were simply moved to another funding group.
- There is a net change in fund balance for auxiliaries of \$8.2 million (\$700,000 above last year). This indicates auxiliaries are trending similar to last year as well.

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, 2014, through March 31, 2015, as presented. Mr. Schooley seconded and the motion carried unanimously.

(See Attachment #1)

### **Report of the Registrar, approved**

Dr. Davies indicated one of the most enjoyable roles he has as President is being able to confirm and show the success of students through the conferral of degrees. Before the Board today is the list of all students who have applied for graduation for May 2015, as submitted by the Registrar's Office.

Ms. Green moved that the Board of Regents ratify the awarding of degrees to May 2015 graduates on May 9, 2015, as recommended by the Office of the Registrar. Mrs. Sewell seconded and the motion carried unanimously.

(See Attachment #2)

### **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 9:20 a.m. and reported all members were present.

### **Auditor Communications, received**

Jeff Winter, Primary Engagement Partner with RubinBrown, expressed appreciation to the Board, the President and other members of management for the opportunity to make this presentation today. RubinBrown appreciates the opportunity to be of service to the University and all involved take their job very seriously because it is a good feeling to be associated with such a fine institution. The following was presented:

- This represents the second year of a three-year contract with the University. RubinBrown is hopeful when the opportunity comes for another bid that it has a chance to continue its relationship with Murray State. Ms. Dudley clarified this represents the sixth year overall of the contract with RubinBrown. The first contract was for four years and there was a three-year extension.
- The Viewpoints document to be discussed has been presented to the Board. The purpose of this discussion is to have "give and take" to the degree that can happen in such a setting. It is not simply

RubinBrown providing information to the Board but is also a tool to be used to help with planning the audit. No procedures have been started for the June 30, 2015, audit and that work begins now.

- A summary of the scope and services and deliverables which was provided represents an extensive engagement and in excess of 1,200 audit hours will be incurred. The engagement for the University includes an audit of the main University financial statements.
- The designations or commitments of net position that do not qualify as restricted are disclosed in the financial statements in footnote form so that information is provided in the audited report. RubinBrown also conducts a single audit which is an audit of federal financial assistance – those programs that qualify as “major.” Student Financial Aid is always classified as a major program because it is quite significant and must be audited every year. Based on a risk assessment – which includes the size of the program, if it has been audited in the past and whether there were prior findings or it is generally a high-risk program – additional programs are chosen to be audited based on this formula. The Research and Development cluster, which is quite significant, will likely be the other programs audited this year. The auditors have not received a preliminary schedule of federal awards so this analysis has not yet been undertaken. Based on history two to three programs will likely be audited this year. RubinBrown also conducts an audit of the radio station’s financial statements and agreed-upon procedures with regard to reporting to the Corporation for Public Broadcasting.
- The state of Kentucky requires some ancillary reports as part of the audit engagement dealing with statutory compliance primarily over accounting-related matters as well as certain rules and regulations over leases the University enters into. These will also be part of the engagement.
- RubinBrown also conducts work on behalf of the state auditors because the University’s financial statements are included in the financial statements of the Commonwealth. For this reason the state auditors rely on RubinBrown for certain information to assist them in their audit process. Quality control reports are issued to the state and represent a testimony to RubinBrown’s procedures internally and what the firm does to comply with professional standards to ensure quality in every document issued. A subsequent events report is also prepared which informs the state that up to a certain date nothing has come to the attention of the auditors which would affect the University’s financial statements issued back in early October when they were due.
- Communication of any internal control issues is required of RubinBrown. Internal control is not audited and no opinion is expressed but the auditors do have an obligation to report to the Board, as a governing body, any reportable conditions which are material weaknesses or significant deficiencies. There will be other communications reported to the Board when RubinBrown reports in December at the conclusion of the audit. The audit firm is also charged with preparation of Form 990-T which is an unrelated business income report most universities are required to file.
- The auditors have responsibilities with regard to the audit process and management also has responsibilities. The auditors’ main goal is to issue a clean opinion on the financial statements for the University and WKMS. In order for a clean opinion to be issued the auditors have the responsibility of conducting the audit in accordance with their professional standards as well as obligations to communicate to the Board those required communications mentioned earlier. There are limitations on the work the auditors undertake and every single transaction is not audited. A clean opinion means the financial statements are fairly presented in all material respects and provides reasonable, but not absolute, assurance that the financial statements are free of any material misstatement whether through error or fraud. This process is not designed to detect immaterial instances or errors or fraud and is not designed to provide any assurance on the effectiveness of the internal controls.
- The financial statements are not RubinBrown’s financial statements but represent the University’s financial statements. This is why a report letter provides the assurance or opinion and management has responsibility for selecting and applying proper accounting policies, maintaining good internal controls, identifying and ensuring that compliance with laws and regulations are being made, designing and implementing controls to prevent and detect fraud and cooperating thoroughly with the internal auditors throughout the entire audit process.
- The single audit and the financial audit are an expression of opinion. For the single audit the auditors do opine for each major program that is audited on whether, in all material respects, the University complied with the rules and regulations associated with that particular grant. The auditors also look at internal controls over the administration of grants. They do not provide assurance but do provide a report as to any reportable item. A careful audit is undertaken for the Schedule of Federal Awards to ensure it includes all federal awards and is presented in accordance with the proper regulations.
- The NCAA Agreed-Upon Procedures Report is not an opinion but represents prescribed procedures mandated by the NCAA for the auditors to perform and issue a report with regard to any findings relative to those procedures, primarily on the Statement of Revenue and Expenses related to the Athletic Program.
- The Compliance Report represents the auditors opining on whether the University is in compliance with those regulations. The Management Letter and required communications are informational only.
- The engagement timeline presented is standard with how the auditors have proceeded in the past. The audit procedure starts today and RubinBrown plans to start interim procedures which include planning the entire audit approach, assessing risk, documenting new transactions which have been entered into. This work will continue from June 15 through July 10, along with significant federal grant work which will also be undertaken at this time. The financial field work will be conducted

over three to four weeks starting in mid-August through early to mid-September. This year RubinBrown is making a significant effort to issue the Single Audit Report simultaneously with the financial statements audit. RubinBrown has not been asked to do this but the firm is making every effort to be able to proceed in this fashion this year. The firm will also adhere to the state-mandated due date so the institution's financial statements can be included in the state's financial statements in early October.

- The NCAA and WKMS audits are undertaken after the audit of the University's financial statements and will be issued in November. RubinBrown will meet with the Board to discuss the results of the audit in December.
- Matt Finke, Assurance Partner, reported on areas of focus for the audit and the A-133 procedures (single audit). The preliminary assessment of risk is based upon the auditors' understanding of the University's operations and RubinBrown's previous history with the institution. The high, moderate and low risk areas represent areas where the auditors spend the majority of their time analyzing transactions and compliance requirements. High risk areas relate to student financial aid and other federal programs, tuition, receivables and net position. Moderate risk areas include cash, payroll accruals, insurance, pensions, capital assets, bonds payable, etc. The auditors look at these areas through confirmation from third parties but also test various transactions down to source documentation. Low risk areas include other assets and state appropriation revenue and the auditors will confirm those assets do exist.
- When asked, no Regents indicated an awareness of any significant 2015 transactions the auditors should incorporate into these areas of assessment and focus. Mr. Kemp confirmed that he and management have looked into this and are not aware of any such issues at this time. If any such items arise Regents should not hesitate to bring those to the attention of the auditors.
- The Board of Regents Audit and Compliance Committee is responsible for meeting prior to the audit, as well as at the conclusion of the audit, in order to discuss the audit plan and results, review audited financial statements and other reports, review weaknesses in internal control and follow-up on actions taken to resolve auditor recommendations and monitor management's policies with respect to any unethical or illegal activities. Confirmation was provided that the Internal Auditor is also involved in this work and although that individual reports directly to the President they should have some communication and responsibilities to the Audit and Compliance Committee.
- Any allegations or suspicion of fraud or any known non-compliance issues should also be brought to the attention of the auditors, although all realize this may not be the appropriate setting for that to occur. These discussions will be held with all involved parties as the audit process is designed.
- Trends in the audit industry include the FAST Act proposal in relation to the Higher Education Act which is being reauthorized in September 2015. The FAST Act proposal is being designed to eliminate the Free Application for Financial Student Aid (FAFSA) by reducing the currently cumbersome 10-page form into a postcard with two questions – what is your family size and what is your income level. This represents a drastic shift from what is currently required from students and their families. RubinBrown is unsure how likely it will be that this will happen but clients are following the movement very closely because it would reduce the burden on students. This proposal is currently built into the Higher Education Act authorization. Access to PLUS loans – which are supplemental federal loans – were subjected to increased scrutiny beginning in March 2015. Applicants will be scrutinized in terms of whether they have an adverse credit history and borrowers will be given more access to loan counseling. The draft framework of the Department of Education college ratings system is being reviewed to determine how best to present information about access, affordability and outcomes in a way that increases transparency and meaningfully informs students about choice. The Office of Management and Budget (OMB) Uniform Grant Guidance (UGG) is also an initiative clients are closely following. The UGG relates to the single audit requirements (not revised since the 1980s) to simplify those regulations in order to have less of an overall cumbersome effect on the application process as well as on the auditors. This will have an impact on the 2016 audit as those regulations are phased in.
- Significant accounting pronouncements that are forthcoming include GASB Statement No. 68 which significantly changes accounting and financial reporting for governments participating in defined benefit pension plans. Among other provisions, it requires governments participating in a cost-sharing multiple employer plan to report a net pension liability representing the government's proportional share of the underfunded status of the plan. This statement will be effective for the University's June 30, 2015, financial statements and work has been undertaken with Ms. Dudley and her team over the past couple of months regarding this issue. Meetings are currently being scheduled to facilitate the University receiving this information so management has time to analyze it and determine to best reflect it in the financial statements. RubinBrown will make every effort to have a representative present at these meetings. Nothing economical changes but the net position discussed earlier by the Board will whittle away. Ms. Dudley confirmed that discussions have been held with both retirement systems and currently dollar amounts for Murray State are not known but are expected to be rather significant. The concern might be the effect on the University's rating with Moodys or Standard and Poor's and the University's score could change somewhat. There is information which exists pertaining to the University that has never been communicated or shared before.

- GASB Statement No. 72 was issued in February 2015 and clarifies how governments are to measure fair value and introduces various new disclosure requirements related to investments and other assets and liabilities reported at fair value. This statement will be effective for the University's June 30, 2016, financial statements. This requirement will not change the value of anything that currently exists but it will provide clarification on how value is determined and involve additional disclosures. This requirement already exists in the commercial and not-for-profit world.
- In addition to Mr. Winter and Mr. Finke, the RubinBrown Engagement Team includes Pat Miller, Engagement Manager and Hillary Ravellette (MSU alumnus) who will serve as the Engagement In-Charge. This represents the second year the firm will be utilizing a Murray State student as an intern throughout the audit process and Kimberly Taylor from the Louisville area will serve in this capacity.

This agenda item was presented for information only and required no action.

### **Department of Athletics – Admissions and National Collegiate Athletic Association (NCAA) Rules Compliance Review, received**

Mr. Ward introduced Dr. Dave Gesler who serves as the Faculty Athletic Representative (FAR) and Brad Corbin who serves as the Assistant Athletic Director for Compliance and the following was presented:

- The NCAA has now established four different levels of infractions or violations for athletics and those include Levels I through IV.
- Level I is the most significant and represents a severe breach of conduct and includes a lack of institutional control, academic fraud, failure to cooperate, etc. Murray State does not want to be involved in any Level I violations.
- Level II infractions still represent a very significant breach of conduct. The NCAA considers Level I and Level II infractions as representing those issues that are systemic in nature and show a pattern of failure to operate appropriately and have control of the athletic program.
- Level III and Level IV infractions represent what were once called secondary violations. New this year is that more emphasis is being placed on the responsibility of head coaches. The Head Coach is now responsible for the actions of all their assistant coaches, directly or indirectly, and not knowing about an incident will no longer be acceptable. Secondary violations are isolated but it is still important for the athletic program to recognize these infractions do occur and all must continue to monitor the program in an effort to identify any such instances. It is a goal for the monitoring team to be able to uncover any infractions at Level III or Level IV and that is where Murray State's programs currently stand.
- The University self-reported seven violations over the past year which include a miscalculation of the recruiting season start for volleyball, a football student athlete competing while enrolled less than full-time, a student athlete tweeting comments about recruits, some travel expenses being provided to a men's basketball student athlete, a student athlete from softball being provided with a fee for lesson and various boosters contacting prospective student athletes via Twitter. This resembles a healthy compliance program because if these different types of secondary violations are uncovered that means Murray State has a good monitoring system in place, especially considering the small number of staff leading this effort. Dr. Davies indicated with regard to the student athlete who was enrolled less than full-time that the student dropped a class on Friday with the intention of registering for another class on Monday. The student needed an advisor's signature to add the class and that was not received until Monday. Technically the student was below full-time status for 48 hours and this simply represented a timing issue. The key is that the violation was discovered and the University self-reported it which is what the NCAA wants institutions to do.
- For these Level III violations the University identified the penalty precedent for such violations and self-imposed those penalties. For the violation in volleyball the University self-imposed a 2-for-1 reduction in pre-season practices. A full-time status report is now provided daily which helps avoid similar situations as what occurred with football. A great deal of rules education was provided for members of all the athletic teams involved. The softball violation required a restitution of the fees and that money was given to charity. A cease and desist letter was required to be provided to various donors for their actions on Twitter. The monitoring team was able to identify the five or six donors who were contacting prospects on Twitter which was not easy because a lot of times Twitter users are not using their own name. In this case an individual outside the athletic program contacted Athletics to inform them a booster is communicating with a prospective student athlete on Twitter. Further investigation by Athletics was conducted and revealed the additional donors who were also contacting prospective student athletes and confirmation was provided that this is difficult to monitor.
- The NCAA has indicated to the University that the penalties Athletics put in place were satisfactory, the student athletes were reinstated and no further action was necessary. It is beneficial for Murray State that there is no troublesome pattern and no repeated offenses and there is not a collection of Level III or Level IV violations that at some point could work their way up to Level II. Athletics typically ranges from seven to 12 violations each year. The larger institutions will certainly have more violations because they have more student athletes and coaches.



- Between 1993 and 2011 the University of North Carolina ran a shadow curriculum program that provided student athletes with academic fraud instruction. They were motivated to offer these classes to help student athletes, primarily those who were underprepared. The program existed for 18 years and involved 188 different lecture classes. There were inflated grades and student athletes accounted for a disproportionate high percentage of enrollment in these classes (47.4 percent when student athletes were only 4 percent of the North Carolina student body). A good number of those student athletes were steered toward these classes primarily by their counselors for their revenue sports. They often submitted papers with original introductions and conclusions and nothing but “fluff” in the middle because these students knew those papers were not going to be read and graded accordingly. There were certainly university employees with varying degrees of knowledge this was occurring. They took a very loosely centralized approach to management of these departments and the findings were just received yesterday and have been reported on ESPN. It will also be determined whether there is evidence that higher levels of administration tried to obscure the facts. As a result of what occurred at the University of North Carolina, those involved with the athletic program at Murray State initiated a review of academic integrity and Dr. Gessler is serving as Chair of the committee undertaking that work. No findings are anticipated but as incidents such as that at North Carolina (and Syracuse) occur that presents an opportunity to strengthen athletics at Murray State. A review of all practices associated with tutoring will also be undertaken for the for-hire tutors. A review of student athlete advising, class enrollment, oversight of grade assignment, percentage of student athletes in courses and academic checks and balances and safeguards which are in place will also be undertaken.
- Dr. Gessler reported currently the completion date for this work is June 30, 2015. This work is being undertaken with three other members of the Intercollegiate Athletics Council. At this point interviews have been conducted with tutors and a sample of student athletes. Some of the questions being asked include:
  - For a take-home exam, how do the tutors help you with that? What is the process for a take-home exam?
  - What is the process when you go to a tutor and ask for help?
- The same types of questions are also being asked of the tutors. The next step in the process will be to interview academic staff and ask the same type of questions regarding the process being used with regard to student athletes.
- This represents a proactive review and no issues are expected to surface. The goal of this process is to ensure everything is running the way it should but also to find areas which need improvement. Some tutors have indicated they know the general rules but it might be helpful to provide a booklet outlining all the rules and this may represent a recommendation advanced by the committee.
- The committee is two-thirds of the way through the process and is reviewing data from the Registrar about grades, enrollments and percentage of student athletes in certain classes to ensure these students are not being funneled into a specific class.
- Dr. Gessler indicated his job is easy due to the work of the Athletic Department administration, especially Mr. Ward and his Assistant Athletic Directors. This particularly comes to light in discussions with Faculty Athletic Representatives from other universities.
- Mr. Ward indicated when he came to Murray State he was aware there were a number of coaches who taught classes and because of that they have student athletes in their classes. From the start he has asked for a report of grades and who has oversight of those grades and checks the validity of the grade given. He has never evidenced anything with regard to athlete grades outside of what the regular student body is receiving.
- The Registrar’s Office provides student athlete eligibility reports and that data does not come from athletics. It is very important that athletics does not have any type of special access to or control of this information.
- Dr. Curris asked Dr. Gessler whether he has ever had any undue pressure put on him to certify eligibility for someone he felt was ineligible. Dr. Gessler replied that he has not and learning the process of being the Faculty Athletic Representative has been very interesting. The role of the FAR is NCAA-mandated and every university has to have an individual serving in this capacity. The role of the FAR is determined by the University itself and there is not really a standard. When the Faculty Athletic Representatives from all the schools get together it is interesting to see the differences and nuances associated with what each FAR does for their home institution. He has never felt any undue pressure from coaches, staff or boosters. He receives an Athlete Eligibility Sheet which contains a great deal of data and when he signs that sheet, which is also signed by the Registrar, he is not indicating all the grades listed are correct. He is signing off on the process and verifying that the information is being provided by the Registrar and not athletics. The Athletic Director is also required to sign the Athlete Eligibility Sheet and represents the last signature required in the process.
- Dr. Curris asked Mr. Corbin whether he has received full cooperation from the Athletic Department. Mr. Corbin confirmed that he has received full cooperation from the Athletic Department and any issue requiring investigation has been addressed by talking to anyone necessary to secure the information needed. There is great cooperation among the various offices involved in this process, including Financial Aid and the Registrar. For any issue that may arise he has an individual in those offices he can go to directly to secure the necessary information. All involved in this process are very forthcoming and most of the violations he receives are reported by the coaches themselves. The

process is very conversational and cooperative in nature. Dr. Gessler indicated he is a Professor of Organizational Communication and as such talks a great deal about organizational culture. This represents a great example of organizational culture – as Mr. Corbin indicated – with coaches approaching them indicating they may have made a mistake. This is indicative of the culture which exists within athletics with the current administration and support staff. Mr. Ward added that sometimes coaches will ask before doing something and a great deal of professional development has been offered so coaches understand it is okay to ask these questions as well as let the administration know if a mistake has been made. In response to a question from Mrs. Guess regarding whether any education is offered to donors, Mr. Ward confirmed that quite a bit of education is offered. A compliance brochure is provided to all season ticketholders. Weekly tips are sent out via email to a listserv and there are opportunities to talk with donors directly. The Twitter incident presented a good educational tool to educate those donors involved. It is made known to donors that want to be involved that they are not helping the program by contacting prospective student athletes directly and, in fact, they are hurting the program. If the donor does not stop contacting the prospective student athlete the program will not be able to sign that individual.

- Graduation rates which will be released this Fall shows the overall student body at a 52 percent graduation rate and the graduation rate for student athletes will be at 74 percent for this next year. The benchmark for the Academic Progress Rate is 930 for the NCAA and every single Murray State athletic team is above that benchmark. The cumulative team grade point average for 2014-15 is 3.12 (highest ever). These accomplishments illustrate that the program is certainly trending in the right direction.

This agenda item was presented for information only and required no action.

### **Adjournment**

The Audit and Compliance Committee adjourned at 10:09 a.m.

Chair Waterfield indicated the Board is ahead of schedule and a Closed Session has been scheduled to occur during lunch. When the Board comes back into Open Session it will continue with the next agenda items.

The Board of Regents adjourned for a break beginning at 10:10 a.m. Chair Waterfield reconvened the Quarterly Board of Regent Meeting and Committee Meetings at 10:25 a.m.

### **University Mission Statement Reaffirmation and Strategic Plan, discussed**

Dr. Fister reported that with the formation of the Strategic Plan, many individuals have worked to outline a roadmap to ensure Murray State is the University of Choice. Appreciation was expressed to many faculty, staff and students who have participated in the process via texts, emails, Town Hall meetings, the Committee Chairs who coordinated their teams beautifully and Dr. Jackson and Dean Todd for their talents in this effort and helping ideas become realities. Working as a team is critical and all will continue to build relationships to implement a plan that is a living, breathing and fluid document. Currently the University is at the juncture where it can strive for results and make a positive difference for Murray State students. Good leaders come up with answers but great leaders ask the right questions. All were thanked for their insights and appreciation was expressed to Dr. Thornton for participating in a special conference call and to Mr. Waterfield, Dr. Curris, Dr. Jacobs, Mr. Schooley, Mr. Dobbs and all Regents for their pertinent questions which led the team down this path. Dr. Davies and Board members asked the right questions to encourage the Strategic Plan leadership to develop a fluent, relevant and aspirational plan. The Strategic Plan is being presented to the Board for approval today to make a positive difference for this University and its communities.

Dr. Davies' comments with regard to the Strategic Plan included:

- The Strategic Plan truly represents a living document. The importance of a strategic planning process is the process itself but also creating a means to continue that process.
- Over the past year, through the eight Town Hall meetings highlighted, numerous committee and focus group meetings and through ongoing discussion this has represented a very iterate, inclusive and intensive process focused on how to increase the academic quality and the co-curricular activities of a very, very good university to determine how to make it even better and stronger.
- The tagline he has come to appreciate is "Rigor, Relevance and Excellence." In all of the activities and measures a focus will be placed on moving this notion forward. With this, and keeping in mind that this is a living document, all have purposely focused in on the four pillars and have been very mindful of what those pillars say about the institution now and, most importantly, in the future. A

deliberate focus has been placed on academic quality, student success, community engagement and research activities.

- A strategic planning process cannot have an unreasonable number of initiatives to strive for because that will not accomplish anything. Narrowing the focus to four pillars was a very important part of the planning process for Murray State.
- The next step in determining how to move forward on these elements is represented by the objectives listed below the pillars. It is very important to remain tight on the control of those measurements. All must be very mindful of what those metrics and measurements will add up to and it is important for the Board and the upper-level administration to focus in on that control. All want to see these elements, metrics and objectives continue moving forward.
- The strategies listed in the current formation are not exclusive and do not represent a comprehensive list. They are more ideas that have percolated up through the process to determine how to start achieving some of the objectives. An important part of a living document will be that as the process is reviewed annually and progress toward the measures, objectives and pillars is measured those strategies will change based on suggestions from those individuals at the ground level undertaking this work. Lack of progress will also cause strategies to change.
- An Advance is scheduled for July that will involve all of the stakeholders or owners of the various measures. Expectations will be laid out on how to advance the institution along these factors. The Board was provided with a table which lists each measure and an associated timeline. The individual stakeholders for each measure will eventually be included in the matrix presented so all are aware who the key facilitator is because that individual will be responsible for developing strategies and having them approved through the appropriate process with the clear expectation of where those outcomes should go.
- With the Strategic Plan being presented there is an absolute need to focus on the vision and mission for the University and whether all agree the four pillars will help achieve that vision and mission and whether the metrics make sense in achieving the four pillars. All should not lose sight of the strategies. He has already received good suggestions on how to enhance the strategies and a focus will be placed on moving some of these elements forward. This work will be part of the next iteration of the Strategic Plan as it is updated moving forward.
- One of the pillars is a well-functioning University both financially and administratively. Some asked for this to be part of the Strategic Plan but for him it represents a “given.” The University is also not going to be able to achieve any of the metrics without an innovative thought process.

Mrs. Guess asked how Murray State intends to enhance recruiting efforts and increase the percentage of students enrolling by 20 percent. It was reported there is a new recruiter in place in the Lexington and Louisville area to assist the University with the diversity aspect of this work that the institution is currently missing out on. Mr. Dietz indicated additional components of this work are contained in the tuition pricing model to be presented later but this does include a new scholarship proposal to make awards more attractive to top students to encourage them to come to the University. The Honors College will also entice these students to choose Murray State. Direct marketing and direct mail initiatives are also being considered to pursue students from this area more aggressively and reach out to these students much earlier in the process than what is currently being done. Confirmation was provided that when referring to increasing scholarships the University plans to be bold. Dr. Jackson added that the focus will be placed on top performing students and it is important for the University to be bold with these students. Murray State hosts the Commonwealth Honors Academy and the Governor’s Scholars Program (GSP) on campus. All believe there is room for additional recruitment and the plan is to double the numbers for these populations. As soon as Dr. Davies arrived on campus he began a planning process and literally a few hundred individuals have been involved in discussions, debates, data gathering and analysis over the course of the last year and this work has included members of this Board. Dr. Fister indicated that this summer the University has been allowed to undertake more recruiting aspects with the GSP students while they are on the Murray State campus to encourage them to matriculate to the University. Dr. Davies reported that GSP represents an important recruiting concept and the bids were up this year. Murray State submitted an aggressive bid to be the successful host campus for these students over the next three years. The third year of the first contract with GSP is currently being completed and Murray State was one of three successful campuses to receive the program for the next three years. Interestingly, the other two universities are Northern Kentucky University and Morehead State University. Dr. Curris indicated this represents the most ambitious aspect of the Strategic Plan and the strategies that were originally enumerated did not suggest boldness. Since he has been on the Board the University has had two marketing plans and the first recommendation was for a third marketing plan. Marketing is a key component of this work especially for attracting students who are the furthest away from Murray State. The concept of brand is also important and Maguire Associates have provided a very good report which included recommendations on restructuring financial aid. Their reports which have been reviewed at previous meetings have

shown that Murray State's brand is not distinctive and the further one is away from Murray the less distinction it has. The brand goes to substance, not to a marketing plan, and the brand has to be emphasized and relate back to the distinctiveness of the academic programs. If there is a desire to increase enrollment from the Louisville area by 50 percent – and there has been a retrenchment in enrollment from these areas – the University must have something distinctive to attract students to Murray. For most of the population of Kentucky it is farther to come to Murray than any other university. If the institution is eighth in terms of distance it must be first in several other areas. This represented the weakest part of the strategy originally presented because the strategies presented represented what has been discussed for the past several years. Dr. Jackson indicated this is a fair comment and one of the strategies outlined includes the development of a comprehensive marketing plan. Those who have worked on developing the Strategic Plan over the past several months interpret that developing a brand concept will be an important component of a comprehensive marketing plan. The study conducted by Maguire Associates represents the basic bottom line of metrics in regard to where the University stands today. The study outlined the work which needs to occur moving forward and as a comprehensive marketing plan is developed, as part of that process, excellence work will occur to identify key programs that are part of Murray State University's brand. The University offers high quality academics, is affordable and is personable. Murray State is the highest performing comprehensive university in the Commonwealth and needs to tell its story better and in different ways utilizing multiple facets. The intention was for the strategies presented to speak to this need – identifying key programs and promoting those programs – to help determine Murray State's brand.

Mr. Williams indicated he endorses everything encompassed within the Strategic Plan and believes the conversation regarding the establishment of a comprehensive marketing plan and brand for Murray State are right on target. There is also room for – and a need for – additional programmatic strategies that take the University to another level of boldness. Initiatives which have proven to be successful at other universities should be considered as well as creating a feeder system from the community colleges – very, very specific programmatic things that are meaningful and build on, and are dependent upon, the brand. He looks forward to this type of discussion and identifying distinctive academic degree programs and how the brand and marketing is maximized for those programs for specific targeted groups.

Dr. Thornton indicated this represents a good, solid Strategic Plan that covers a lot of different areas. The kind of boldness contained within the Strategic Plan will likely require a cultural change. The University is not going to have a lot of new money to implement the new plan and this process will involve reallocating current resources. The buy-in for this plan from all constituencies on campus is critical. Sometimes a university or organization can become complacent but boldness will include involvement and big buy-in. Dr. Davies agreed and indicated one advantage the University has is a cadre of Deans who are extremely entrepreneurial and innovative. Hopefully all will agree on the four pillars to which the University will strive to achieve and upon which the success of this institution and the President will be measured against. The four pillars will also be utilized to measure the success of the Vice Presidents, Deans and Directors of the major units on campus. As bold programmatic efforts are made in each of the areas and are linked to the individual colleges, it must be determined how best to move those bold efforts forward. The majority of the University's budget is dispersed to the individual colleges and the Deans have a great deal of autonomy and flexibility with those resources. The administration will allow the Deans to be Deans but with the expectations as outlined to move the agenda forward. A focus will need to be placed on how resources are allocated. One of the key things this work brings to the table is a focus and a bold statement in terms of those initiatives the University is going to value – with the tightness of expectations and outcomes – and allowing the various units to develop the necessary strategies. Bold strategies need to be developed under each of the four pillars but it is important to empower the individuals at the ground level who understand and can make those differences to undertake this work. Some past initiatives may not have gone as well as planned because of a lack of accountability measures and no ownership of the outcome. The Advance to be held in July will make these expectations clear and will mark the start of the implementation process. In some cases this does represent a cultural change but to some on campus this work is also exciting and they can see how their unit fits into a particular area and that they have the flexibility to be bold. Failure is even an option because the University must be innovative and by knowing where the yardstick will be all know whether progress is being made and strategies are working. Dr. Kelley Wezner, Director of Institutional Effectiveness, will be instrumental throughout this

process because it is, and will continue to be, data driven. She is currently working with Ms. Dudley and General Counsel John Rall to prepare an RFP for an integrated data management system to provide a dashboard that can show and articulate success while utilizing the same data across all areas on campus.

Mrs. Sewell asked whether incorporating strategies with alumni has been considered. Data on alumni who have children should be taken into consideration because these individuals have already said yes to Murray State once and would listen. It would be important to have this data – where are they located and whether they have children. Dr. Jackson indicated this is a very good point and alumni have been considered. There are some strategies, as well as directives, contained within the Strategic Plan that address this component. Focus must be placed on Murray State hiring its own students through internships and utilizing a pool of 65,000 plus alumni all over the world for this purpose. Alumni could also be used to assist with recruitment of students because approximately one-half of alumni are currently located within a 200 mile radius. Consideration must be given to utilizing alumni in the markets of St. Louis, Louisville, Nashville and Memphis, etc. for this purpose which represents a new and different approach. Alumni are also great in providing financial resources to the University. Discussions have occurred at great length in terms of how to utilize alumni in new and better ways. Dr. Fister added that the plan includes an objective for every Murray State graduate to complete an internship or service learning experience, etc. That component also includes community engagement where alumni with business opportunities will be actively engaged to provide those internships and service learning experiences. The Academic Excellence component also includes opportunities related to recruiting efforts and provides an avenue for the Office of Development to connect with new alumni and other potential alumni through LinkedIn and other mechanisms to close the gap for resources for hiring and recruitment efforts. While the alumni initiative may not be included in one spot in the Strategic Plan it is culturally throughout the plan in multiple locations. Dr. Todd reported he and Provost Morgan, along with Dr. Gerry Muuka, Assistant Dean of the *AJBCOB*, have shared with this Board that it has the biggest Master of Business Administration program in Kentucky and it is larger than UK and UofL combined. Forty percent of the MBA students are located in China so the college needs to do a better job of engaging that alumni base just from the MBA perspective and making them feel part of Murray State and what it means to be a Racer.

Dr. Thornton indicated the plan presented shows that all are hungry and passionate and are going to be aggressive. She looks forward to seeing how this work plays out. Mr. Williams agreed and congratulated all for their visioning, indicating he believes the plan is spot on in terms of the priorities and pillars. There has obviously been excellent leadership provided throughout the process to date. It has represented an inclusive process which has led to passion and ownership and the reference to the Strategic Plan as not being a product but a dynamic, living document is what will make it successful. Congratulations were expressed to all for their work.

### **University Strategic Plan, approved**

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the University Strategic Plan – Achievement, Endeavor and Hope: The Murray State Plan – as presented, with the effective date of July 1, 2015. Mr. Schooley seconded and the motion carried unanimously.

(See Attachment #3)

### **University Mission Statement, reaffirmed**

Dr. Davies reported that per the guidelines of accreditation from the Southern Association of Colleges and Schools, on a regular basis the Board of Regents must approve the mission of the institution. The University Mission Statement is part of the overall Strategic Plan.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, reaffirm the Murray State University Mission Statement as presented below:

Murray State University serves as a nationally-recognized residential comprehensive university, with a strong extended campus and online presence, offering high-quality associate, baccalaureate, masters, specialist and doctorate degrees. Academic programs are offered in the

core areas of arts and sciences, agriculture, business, health and human services, teacher education, communications, engineering and applied technologies and nursing. Teaching, research and service excellence are core values and guiding principles that promote economic development and the well-being of the citizens of the Commonwealth of Kentucky and the region.

Murray State University places a high premium on academic outreach, collaborative relationships with alumni, the public schools, business and industry, governmental agencies and other colleges and universities at home and abroad. Murray State University prepares graduates to function in a culturally diverse, technologically oriented society and increasingly interdependent world. The University is committed to international education as an integral dimension of the university experience.

Murray State University emphasizes student-centered learning and educational experiences that include first-year experience, the Honors Program, internships, study-abroad programs, service learning, research and creative projects, residential colleges and student organizations.

In sum, Murray State University fosters an exciting and challenging learning environment.

Dr. Jacobs seconded and the motion carried unanimously.

### **Title IX Update/Report, received**

The following was reported by Dr. Davies, Ms. Dudley, Dr. Fister and Ms. Duffy:

- Three months ago Dr. Davies, Dr. Curris and Chair Waterfield attended the Association of Governing Boards National Conference on Trusteeship in Phoenix, Arizona. This was a four-day conference and every single day of the conference at least two to three hours of the day was spent discussing Title IX, mainly sexual assault and harassment. This was not a surprise and Title IX discussion on university campuses across the country is at an all-time high. There is a preponderance of change and a magnifying glass on this issue that many would not believe.
- At the Board Retreat last August discussions were held about Title IX and where Murray State currently stands in terms of policies and procedures. All acknowledged that the University needed to take a harder look at Title IX. Over the past year Cami Duffy, Executive Director for Institutional Diversity, Equity and Access (IDEA), and her team have undertaken the process of reviewing current policies and procedures and they have provided excellent recommendations, thoughts and ideas.
- In her role of Vice President for Finance and Administration and with her Certified Public Accountant background, Ms. Dudley was asked to be very specific in reviewing the University's policies and procedures to determine where gaps exist so all understand clearly where the institution stands in this regard. Dr. Davies also asked Dr. Fister to represent the President's Office in this process due to the overall importance of the issue for the institution. They were asked to not only identify the gaps but also determine where the University has lapsed in terms of best practices throughout the country. In many areas the University is on target with what it needs to be doing but areas which need improvement were also discovered. Areas were also discovered where the University has not kept up with best practices but work is moving forward to rectify those situations.
- Training is a key area with regard to Title IX and the University must become a lot stronger in this regard. Communication between and among the various units that handle Title IX needed to dramatically improve and mechanisms have already been established to accomplish this. The goal is to have a process that is not just case specific but overall specific.
- Gaps between policy and procedure have also been identified and those occurrences are being rectified so they are in agreement. Those undertaking this work have done a phenomenal job which has been on point and on target. They are coming forward with some recommendations that do have budget implications, including hiring two individuals to fill additional Deputy Title IX Coordinator and Investigator positions. It must be acknowledged that Murray State is a small campus and care must be taken to not create situations where there is conflict of interest. The work group has developed a plan that addresses this issue in the best way possible.
- Approving the Mission Statement and Strategic Plan for the University is one of the Board's most paramount duties. The fiduciary responsibility of the Board is also paramount. Dr. Davies would add Title IX to the list of paramount Board duties. There is nothing that can harm the reputation of an institution quicker and be more damning than a full-blown Title IX issue. A significant and substantial effort is being made to put the University in the best position possible not to have a Title IX issue occur at Murray State.
- Dr. Fister commended Ms. Duffy for her work with regard to Title IX. Campus training has been conducted both online and face-to-face with specific groups as well as with faculty, staff and students. She and Ms. Dudley have been asked to work with individuals from different areas on campus, including Title IX, Public Safety, Counseling, Student Affairs, Athletics, General Counsel, Housing and Human Resources. Some of the discussions have been very interesting and an effort is being

made to ensure best practices are being followed with regard to Title IX. Everyone has come to the table willingly and have been very forthright.

- Ways to enhance Title IX efforts have been identified in order for all units to work collectively in this area. Training is definitely the most significant component of this process. Ms. Duffy will assist with communicating any new procedures and information regarding the responsibility of reporting of key elements. Confidentiality is also key. One recommendation was to create an easy to understand process. This is sometimes challenging given all the rules and regulations which are in place.
- Ms. Dudley reported that generally the overall Title IX review showed the University is in very good shape. Some of the ways this work can be enhanced, and the institution strengthened as a result, is to document any such incident to be able to determine exactly what has occurred. Everyone on the team must be well informed. Ms. Duffy has done a good job conducting Title IX work but she is just one person and additional staff are needed to assist within this area. A structure has been developed which will allow for oversight and two Title IX Deputy positions have been created. These individuals will receive most of the claims and will undertake a great deal of the investigative work which can then be passed along to the decision making party. The structure being proposed represents a good start but should also be reviewed in two to three years. This represents an attempt to strengthen the Title IX process and provide staffing to assist with this work. Training and programming responsibilities will be added to the duties for existing staff, as well as for the Title IX Deputies, and will help strengthen employee and student knowledge. The Information Technology Department is working to identify ways to track training so that it can be made mandatory for employees and students. Training was offered this year but the process needs to be changed slightly to ensure monitoring is available to identify everyone who is either taking the training or identify those who are not.
- The Sexual Assault Response Team represents an initiative which was already in the works so this group is already underway and is being further developed by Public Safety and others on campus.
- Ms. Duffy echoed the comments made earlier and confirmed that a review of the framework has been undertaken and the approach will continue to be unified for everyone in the University community.

Dr. Thornton asked, in terms of the process in place and whether those responsible for it will be able to carry it out, what thought has been given to communicating this information to incoming students as well as to the University community so all know the University is intolerant in this regard. Ms. Duffy indicated Student Affairs has communicated this message during Summer Orientations so students are aware of the concern and how the University intends to address it. Dr. Robertson added that parent sessions have also been conducted where the University has shared the importance of this issue and the University's stance. Materials are being provided to students but also to parents. Confirmation was provided that work is underway with Human Resources to provide this information to new faculty, staff and student hires and this will be done as part of the training module discussed earlier.

Ms. Dudley indicated an effort is being made to take a large number of University policies and pare those down into something that is easy for a student, employee or parent to read. What other universities are doing is also being taken into consideration. Dr. Fister added that recently several individuals tasked with this work were able to attend a Title IX presentation which was very informative and offered potential tools which could be used to successfully convey the necessary information. These types of processes will be utilized throughout Great Beginnings within the residential colleges. Many students may not know the meaning of consent, sexual assault, stalking and other words and an effort is being made to educate the student body with regard to Title IX issues. Individuals are working diligently to determine the best format in which to accomplish this effort in the most useful setting.

Chair Waterfield indicated that at last year's planning session this Board discussed the importance of this very topic. The University does have a plan in place with all the right intentions. Dr. Davies has been very good at calling him when an incident occurs to explain the situation. He is calling not because he is worried about the story hitting the press but because he is concerned over the incident itself. Dr. Davies had moved to campus but had not yet officially taken office when such an incident occurred. This represented the first conversation the two of them had about an actual incident. Discussions have also occurred on an incident or two over the course of the past year and there is no doubt a plan is in place and Ms. Duffy and others are very diligent in trying to follow that plan. A plan does not work in every situation and the appropriate approach will depend on various factors. This includes the victim being embarrassed or whether the event occurs on or off campus. The work currently being undertaken to tighten up the University's plan is very important.

Dr. Davies reported that each case has many different elements to it and there is no one way to plan for everything. An attempt is being made to build an educational foundation and a framework to work within and be consistent with the communication and the work that is undertaken through these efforts. In a way this represents a change in culture and a means of ensuring the foundation and safety of individuals who have been assaulted or infringed upon to encourage them to come forward and feel safe in doing so. It also represents a change in culture for the entire campus to understand the process and the culture of intolerance toward these acts and to know how to move forward purposely and sensibly within the various different elements. There must also be an understanding that there are multiple dimensions to every aspect. Another university is currently being sued by both the alleged victim and the alleged perpetrator. This represents a civil case that places the university in a no-win situation. Recently another university had a Title IX accusation of a violation against a professor for writing a column in a newspaper on an activity. The professor was recently cleared but universities are in uncharted territory when it comes to Title IX incidents. This brings in ambiguity for all involved. The work that is currently taking place with education, training and communication must include a determination of how the University provides, as clearly as possible, definitions and practices to move forward. Most offices on campus do have on hand a flip card for instances such as a tornado or bomb threat so individuals know exactly what to do in a particular situation. The University does not yet have a flip card for a Title IX infraction but neither does any other university. At a recent conference a national leader in the Title IX field was asked whether she could provide an example of a university which has a good flip card and the response was, "Not yet but one is being developed and currently stands at 17 pages." The primary purpose of this discussion is to make the Board aware that the administration is doing everything possible to reach the point where it can clearly inform the campus community of how to handle Title IX issues. This work is necessary in order for the University to remain a student-centered institution.

Ms. Green indicated she has been somewhat confused regarding what has recently been reported in the newspapers. She has worked for a prosecutor for 25 years and knows all sexual assaults that are reported are prosecuted by the Commonwealth of Kentucky. She asked if what is being said is that when a student reports a sexual assault that it is not necessarily reported to Murray Police, the State Police or the Calloway County Sheriff. Ms. Duffy indicated this is dependent upon the Commonwealth Attorney and the various definitions for criminal activity are much different than a preponderance of the evidence that would be utilized on a university campus. In addition, the involved parties may or may not want to advance the incident forward in that fashion. Ms. Green agreed that the victim has the choice of whether to pursue charges and asked if even though an incident happens on campus the victim can still bypass the University and go directly to other law enforcement agencies. Dr. Davies confirmed that to be the case and if the University receives a claim of sexual assault, either on or off campus, it is reported to the appropriate jurisdiction. Whether that jurisdiction follows through with the report or not represents a separate discussion. Ms. Duffy confirmed that the two processes move concurrently and the individual involved can choose one process or the other.

Dr. Davies added that if a victim chooses to go pursue the Student Code of Conduct process through the Student Judicial Board the case has likely also gone through some part of the criminal side of investigation. The Police Department or prosecutor may not pursue the case to the fullest extent but the incident is at least reported to those authorities. There are also different levels of guilt or of the verdict between civil and criminal cases. Someone could be acquitted criminally but be found guilty in a civil court and this is similar to the situation the University is facing. Confirmation was provided that students are not discouraged from pursuing the criminal route and this represents one of the cultural changes that must occur. Reporting of sexual assault has increased significantly over the past year and this does not mean more instances are occurring but, instead, more instances are now being reported. Ms. Duffy confirmed that the various offices on campus associated with this work are, by law, required to share with victims the option of pursuing the offense criminally and an effort is made to supply victims with the information needed to make the appropriate decision that is best for them personally.

Mrs. Guess indicated the White House Task Force on Campus Assault Report that was released indicates that on college campuses one of five students will face sexual assault by the time they graduate. This study also found that students are not coming forward and reporting these instances. Dr. Davies stated there is a great deal of debate about a lot of reports similar to this one which have been released. The answer to the fundamental statement of whether sexual



assaults are under-reported on university campuses would be unequivocally, yes. However, he is not sure he agrees with the statistics being released. Reporting is part of the cultural change and the training and communication efforts which are being undertaken on the Murray State campus. The easier and safer the University makes it to report sexual assault incidents the better. There is currently an app available where an incident can be reported with three simple clicks and instituting tools such as this are being considered. Mrs. Guess added that in terms of the University's brand there is nothing more important than the safety of students. Dr. Fister confirmed that as a result of efforts which are already underway the number of incidents on campus – not just sexual assault – which have been reported have doubled. This is a positive move in the right direction but has also increased significantly the workload on the individual having to investigate such claims.

Dr. Thornton agrees with Dr. Davies that the topic is very complex. One of the last activities she was involved in before she retired as President was a false accusation by a young lady which demoralized the young man involved – in the media and everywhere else – and it turned out to be a false accusation. This is a complex issue and is not as cut and dry and black and white as it would appear. She applauded all for the work that is being undertaken and confirmed this represents a risk factor in many different ways. Dr. Davies agreed that this represents a complex issue but when campus police are notified of an incident they do follow through diligently and adhere to all policies and procedures as closely as possible. Some gaps have been identified which had previously caused confusion but communication is being tightened among the multiple offices involved in this work. Some barriers to communication have been removed and this will help not only with single cases but multiple cases.

Typically at other institutions there is a Title IX Officer for Student Affairs that deals only with student-type complaints. The University is proposing having two individuals who are well versed in handling both sides of the equation. Murray State is a small campus and all want to ensure they are able to back each other up so if one person is involved with another case or is on vacation the second person can step in and provide the assistance needed. The Sexual Assault Response Team represents a new group for the University that will handle all cases and function on an ongoing basis to ensure there is a smooth transition and all people involved are being supported. This group will also identify trends in key areas. The app just mentioned will maintain all the statistics and will show geographic areas where there may be issues that the University does not realize. Ms. Duffy indicated when students come to the IDEA Office, and this includes both parties, information is provided on the consequences of false reporting.

This agenda item was presented for information only and required no action.

#### **Institutional Advancement Committee**

**Susan Guess, Chair**  
**Sharon Green**  
**Marty Jacobs**  
**Jenny Sewell**  
**Jerry Sue Thornton**  
**Stephen Williams**

Mrs. Guess called the Institutional Advancement Committee to order at 11:28 a.m. and reported all members were present.

#### **Naming Proposal – Carter Memorial Plaza – Easley Alumni Center Gardens, approved**

Mark Welch, Director for Community Relations and Alumni Affairs, reported it is his pleasure and honor to bring forward this naming proposal in memory of Jim Carter. Mr. Carter provided 27 years of outstanding service to this institution which included almost 15 years as Vice President for Institutional Advancement (VPIA). The VPIA office has been housed in the *Easley Alumni Center* since 2002 when the building was constructed. The proposal to name the *Carter Memorial Plaza* at the *Easley Alumni Center* received the unanimous endorsement of the Alumni Association Board of Governors.

On behalf of the Institutional Advancement Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University and the Committee on

Naming of Facilities, Programs and Activities, approve the naming of the *Easley Alumni Center* garden area as the *Carter Memorial Plaza*, as an ongoing tribute to Jim Carter's impact on Alumni Affairs and Murray State University. Dr. Thornton seconded and the motion carried unanimously.

#### **Gift-in-Kind – Digital LED Videoboard for CFSB Center, accepted**

Mr. Ward reported that in February Community and Financial Services Bank (CFSB) approached the University with an offer to purchase and install a LED videoboard on the exterior of the CFSB Center (located at Entrance A). Jeremy Rose, Vice President for Marketing, and Betsy Flynn, President, for CFSB bank approached the University with this gift and have been working with Dennis Smith with Pinnacle and Paul King of Peck-Flannery to secure the architectural and engineering plans. The videoboard will be configured with an approximate 16x9 aspect ratio that will support most of the common HD formats used today. The controls will be housed at the CFSB Center, although easy web interface will be available to individual users designated as content managers. CFSB will be investing approximately \$200,000 for the benefit of the University. The cost for the University for necessary electrical and data links is expected to be minimal. The new videoboard will provide a valuable new revenue source for the Athletic Program as inventory will be made available for use in corporate sponsorship solicitation. The videoboard could also be used for Commencement and during various athletic competitions. All appreciate CFSB's willingness to step up and show their commitment to the University.

On behalf of the Institutional Advancement Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift-in-kind from Community Financial Services Bank of a state-of-the-art digital LED videoboard to be installed on the exterior of the CFSB Center (Entrance A as per the rendering presented). Dr. Jacobs seconded and the motion carried.

#### **Adjournment**

The Institutional Advancement Committee adjourned at 11:30 a.m.

#### **Institutional Advancement Committee – Full Board Action**

##### **Naming Proposal – *Carter Memorial Plaza – Easley Alumni Center Gardens, approved***

On behalf of the Institutional Advancement Committee, Ms. Green moved that the Board of Regents, upon the recommendation of the President of the University and the Committee on Naming of Facilities, Programs and Activities, approve the naming of the Easley Alumni Center garden area as the *Carter Memorial Plaza*, as an ongoing tribute to Jim Carter's impact on Alumni Affairs and Murray State University. Mr. Williams seconded and the motion carried unanimously.

#### **Gift-in-Kind – Digital LED Videoboard for CFSB Center, accepted**

On behalf of the Institutional Advancement Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift-in-kind from Community Financial Services Bank (CFSB) of a state-of-the-art digital LED Videoboard to be installed on the exterior of the CFSB Center (Entrance A see attached rendering). Mrs. Guess seconded and the motion carried unanimously.

(See Attachment #4)

#### **Closed Session**

Chair Waterfield solicited a motion that the Board of Regents go into Closed Session pursuant to Kentucky Revised Statute (KRS) 61.810(1)(f) to discuss matters which might lead to the appointment, discipline or dismissal of an employee. Mr. Kemp so moved. Dr. Jacobs seconded and the motion carried unanimously.

Chair Waterfield indicated that Closed Session would occur in the *Wells T. Lovett Grand Reading Room* during lunch. Closed Session began at 11:34 a.m.

### **Open Session**

Chair Waterfield solicited a motion that the Board of Regents reconvene in Open Session. Mr. Kemp so moved. Mrs. Guess seconded and the motion carried unanimously. Open Session began at 1:03 p.m. Chair Waterfield reported no action was taken by the Board of Regents during Closed Session.

### **Academic Affairs Committee**

**Jerry Sue Thornton, Chair**  
**Michael Dobbs**  
**Marty Jacobs**  
**Phil Schooley**  
**Stephen Williams**

Dr. Thornton called the Academic Affairs Committee to order at 1:03 p.m. and reported all members were present. On behalf of the Committee, she thanked Mr. Dobbs for his service and indicated all have appreciated his tenure as Student Regent. Last evening, in addition to herself, Regents Green, Dobbs, Jacobs and Schooley were able to attend the WKMS Grand Supper Club Dinner, along with the President, and this represented a wonderful event.

### **Regents Teaching Excellence Awards, approved**

Dr. Morgan reported the Regents Teaching Excellence Awards were established in 1985 as a way to honor faculty, particularly those who are known as great teachers around campus. There is a great faculty body at Murray State and this represents one of several ways to recognize their accomplishments and dedication to students.

On behalf of the Academic Affairs Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the following faculty recipients as Regents Teaching Excellence Awardees for 2015:

- |                        |  |
|------------------------|--|
| ➤ Glynn Mangold        | <i>Arthur J. Bauernfeind College of Business</i>                     |
| ➤ Mi-Hwa Park          | College of Education and Human Services                              |
| ➤ Christopher Mitchell | College of Humanities and Fine Arts                                  |
| ➤ Daniel Wann          | College of Humanities and Fine Arts                                  |
| ➤ Michael Flinn        | <i>Jesse D. Jones College of Science, Engineering and Technology</i> |
| ➤ Kevin Miller         | <i>Jesse D. Jones College of Science, Engineering and Technology</i> |
| ➤ Nancy Armstrong      | School of Nursing and Health Professions                             |

Mrs. Guess seconded and the motion carried unanimously.

### **Academic Affairs Committee – Full Board Action**

### **Regents Teaching Excellence Awards, approved**

On behalf of the Academic Affairs Committee, Dr. Thornton moved that the Board of Regents, upon the recommendation of the President of the University, approve the following faculty recipients as Regents Teaching Excellence Awardees for 2015:

- |                        |  |
|------------------------|--|
| ➤ Glynn Mangold        | <i>Arthur J. Bauernfeind College of Business</i>                     |
| ➤ Mi-Hwa Park          | College of Education and Human Services                              |
| ➤ Christopher Mitchell | College of Humanities and Fine Arts                                  |
| ➤ Daniel Wann          | College of Humanities and Fine Arts                                  |
| ➤ Michael Flinn        | <i>Jesse D. Jones College of Science, Engineering and Technology</i> |
| ➤ Kevin Miller         | <i>Jesse D. Jones College of Science, Engineering and Technology</i> |
| ➤ Nancy Armstrong      | School of Nursing and Health Professions                             |

Dr. Jacobs seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley,

yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

### **Academic Affairs Committee (continued)**

#### **New Minors and Certificates Report, received**

Dr. Morgan indicated the Board is being presented with information on the diversification of the academic curriculum developed and adopted in Spring 2015, although a number of doctorates, masters and baccalaureate programs have been instituted in recent years. Five new certificate programs have been implemented during the Spring Semester, along with two new concentrations, one new minor in Chinese Studies and a number of new tracks. These have all been added for the express purpose of diversifying the academic curriculum to ensure the University is staying up-to-date and reacting to the marketplace and what students are interested in pursuing.

This agenda item was presented for information only and required no action.

#### **Honors College Update Report, received**

Dr. Morgan reported that at a previous meeting the Board approved the creation or redevelopment of the current Honors Program into an Honors College. Work was undertaken during the Spring Semester and, working with Ms. Dudley's office, the financial background for this work has been created. This summer Drs. Duncan and Robertson, along with Warren Edminster, Honors College Director, will be working on the residential component of this initiative.

Dr. Duncan reported that Dr. Edminster and the Committee have worked very hard over the course of the Spring Semester to make the Honors College begin to happen and meetings have been held with the Institute for International Studies to begin development of the international honors track. In the past it has been difficult to attract very bright students from other countries into the Honors Program so an international honors track is being developed and will be presented to the Academic Council for approval in the Fall. Work is being undertaken with the Branding, Marketing and Communication Office on developing a new logo to use in brochures and flyers which will be ready for distribution during the Governor's Scholars Program this summer. Over the summer work will be undertaken to explore the residential component of the Honors College. Drs. Edminster and Robertson will visit universities in Texas and Arkansas that have a residence hall specifically for honors students. There is a desire to see how other schools are undertaking this work to determine whether there are best practices Murray State should utilize and also be aware of any potential issues which may arise. As work was underway to make these changes, it was realized that some of the staffing which was proposed needed to change somewhat. The Honors College requires more sophistication than initially projected and instead of hiring a new admin in the summer to begin working in the Honors College in the Fall a switch is now being made to hire a new admin next year and instead hiring the new development person in the Fall because that individual will be focused on recruitment, outreach, the development of the students and a variety of other areas. Dr. Thornton indicated this work is critical and expressed appreciation to all for their efforts to bring this initiative to fruition. The Honors College is also a significant component of the Strategic Plan moving forward which makes it a critical element to continued success.

This agenda item was presented for information only and required no action.

#### **Summer Classroom Renovations and Desk Initiative Report, received**

Dr. Morgan reported the summer classroom renovations and desk initiative project began approximately two months ago and will continue into July and possibly early August. This represents a collaborate process where Academic Affairs, Finance and Administrative Services, Student Affairs and Facilities Management teamed up to work on some of the instructional classroom environments. The belief is that the classroom atmosphere is essential to learning. The goal for this project was to replace approximately 2,100 student desks in various classrooms across campus. A number of student desks across campus are 30 to 45 years old and some were broken while others were simply worn out. Some of the new desks will be handicap accessible

and some will accommodate larger students, those who are pregnant and others with special circumstances. A second component of this work is for Facilities Management to remodel a number of academic classrooms. Dr. Pervine indicated that over the course of the summer this project will touch in some way approximately 47 classrooms in different buildings across campus. Thirty-three of those classrooms will receive new desks which were installed yesterday in the first of those classrooms undergoing renovation. This process will play out over the course of the next several weeks. Another 14 classrooms in Faculty Hall, Applied Science North and South and Mason Hall will receive more extensive work in addition to the new desks being installed. These rooms will be painted and new ceiling tiles, lighting, window coverings and lecterns will be installed. These classrooms will basically be redone to become showplaces for different departments to bring in prospective students and actually show them where they will be learning in the Fall. Interior design students were solicited for advice on style and color for the new seating. Mr. Burdette has been very good to work with on the room renovations and those are currently underway. Demolition is currently taking place in Applied Science and Faculty Hall to accomplish this work. Dr. Thornton expressed appreciation for efforts which are being devoted to remodeling these classrooms and making these learning environments much better. Dr. Robertson added that a lot of the funding for this work came from Dining Services and expressed appreciation to Director Paula Amols for her good stewardship which provided this funding.

Dr. Curris indicated that kudos were expressed by the Board at the very beginning but he especially wanted to express his appreciation. Over the last two years significant improvements have occurred, including initiatives to expand the University's curriculum and bring it up-to-date and revitalize the teaching and learning environment. As former Chair of this Board, he would like to thank Dr. Morgan for his leadership in addressing the difficulty at the *Paducah Regional Postsecondary Education Center* with Murray State not having an academic plan in place for this facility. Much of the success the President referred to earlier is in large measure due to his planning efforts. He also expressed appreciation to Dr. Morgan for his leadership during the SACS reaccreditation process in which the University received commendation with no problem areas identified. This reaccreditation occurred under some difficult challenges that Dr. Morgan had to deal with but he did so very well. All are very indebted to Dr. Morgan for the University's success in this effort. Dr. Thornton indicated the entire Committee dittoes what Dr. Curris just stated.

This agenda item was presented for information only and required no action.

### **Honorary Doctorate Committee Recommendation, approved**

Dr. Thornton indicated she would like to add one item to the Academic Affairs Committee agenda for action and apologized for not including this on the agenda earlier. Historically the awarding of Honorary Doctorates has fallen under the discretion of the Commencement Committee and recommendations were then submitted to the Provost. This Board approved a policy change that allows this body to directly handle the awarding of Honorary Doctorates differently. The Honorary Doctorate Degree is bestowed upon distinguished individuals who have exemplified their leadership, commitment and love for Murray State University. At the Quarterly Board of Regents Meeting on December 4, 2014, the Board approved the Murray State University Honorary Doctorate Degree Policy and the Chair appointed an Honorary Doctorate Committee comprised of two members of the Board of Regents – Mr. Kemp and Dr. Thornton, one senior faculty member appointed by the Provost – Dr. Holly Rudolph, Professor of Accounting and the President. This Committee met on May 7, 2015, and unanimously approved the action item currently being advanced. The Resolution is being distributed by Ms. Hunt for Board consideration. The Honorary Doctorate Committee unanimously agreed on this recommendation and the individual being brought forward has certainly met all of the criteria necessary for receiving the Honorary Doctorate Degree from Murray State University. Words cannot express the feelings that the Committee had about this recommendation.

On behalf of the Academic Affairs Committee, Dr. Thornton moved that the Board of Regents, upon the recommendation of the Honorary Doctorate Degree Committee, approve the awarding of a Murray State University Honorary Doctorate of Education to Dr. Constantine W. Curris at an appropriate University ceremony to be determined at a later date. Mr. Kemp seconded and the motion carried.

Dr. Curris indicated this honor is totally unexpected but is appreciated and he is very grateful.

### **Academic Affairs Committee – Full Board Action**

#### **Honorary Doctorate Committee Recommendation, approved**

On behalf of the Academic Affairs Committee, Dr. Thornton moved that the Board of Regents, upon the recommendation of the Honorary Doctorate Degree Committee, approve the awarding of a Murray State University Honorary Doctorate of Education to Dr. Constantine W. Curris at an appropriate University ceremony to be determined. Mr. Kemp seconded and the motion carried by a declaration of Cheers!

#### **Adjournment**

The Academic Affairs Committee adjourned at 1:22 p.m.

### **Buildings and Grounds Committee**

**Constantine Curris, Chair**  
**Michael Dobbs**  
**Susan Guess**  
**Phil Schooley**  
**Harry Lee Waterfield II**

Dr. Curris called the Buildings and Grounds Committee to order at 1:22 p.m. and reported all members were present.

#### **Major Projects Update Report, received**

Mr. Burdette reported that Jason Youngblood, Assistant Director for Facilities Design and Construction, and his small staff have handled a record amount of capital dollars this year with regard to the Engineering and Physics Building. They designed the project and put it out for bid which was successfully awarded. Former Chief Facilities Officer Kim Oatman was also recognized for his work on this project. There are currently 31 active capital projects (\$50,000 and over) and more than 80 additional minor projects are underway. This represents a record number of capital projects occurring on the Murray State campus.

Mr. Youngblood indicated the following:

- The Engineering and Physics Building is now under construction which began on May 18. The project was awarded to A&K Construction and is currently under budget and on schedule to open for classes in Spring 2017. The goal is to begin occupying the building in October 2016.
- The Franklin Residence Hall is under construction which began on April 6. The project was awarded to A&K Construction and is on schedule to open for students in Fall 2016.
- Construction of the new Breathitt Veterinary Center began in November 2014 and A&K Construction is also building that facility.
- A&K bid on and was awarded the three top major capital construction projects. The company employs several University alumni and provides many internship opportunities.
- Work is still taking place with the consultants for the second floor of the *Hopkinsville Regional Postsecondary Education Center* finish-out project. There is not an exact schedule but completion is anticipated in time for classes in Fall 2016.
- The parking lot addition at the *Paducah Regional Postsecondary Education Center* has been completed and was much needed to accommodate the extra student enrollment. Some regrading work is being undertaken due to damage caused by the harsh winter and this work is expected to conclude before classes begin in August.
- The first electrical transformer was rebuilt and reinstalled last November. The second electrical transformer is currently out for bid and it is anticipated it will be rebuilt and reinstalled by Thanksgiving 2015.
- Brian Van Horn, Director for Regional Academic Outreach, presented a rendering of the new *Madisonville Postsecondary Education Center* which will be constructed on the Kentucky Community and Technical College System (KCTCS) campus in Madisonville, Kentucky. All are excited about this project and many individuals have been involved, including Facilities Management; the President; Dr. Jackson; Tina Bernot, Interim Executive Director for Development; and Dr. Judy Rhoads, President of Madisonville Community College. This facility is part of the *Build Smart* campaign across the state of Kentucky. Last year the Governor set up a campaign for each of the

KCTCS schools to receive a building with a stipulation that a portion of the necessary funding would have to be provided by private donors. This represents a \$20 million project and Murray State must raise \$5 million by the end of this year. To date the University has raised approximately \$4.8 million. Only one campus so far in Kentucky has raised the amount needed privately and MSU hopes to be the second with the goal of raising all funds necessary by the end of August. The new building will have 11 classrooms and six interactive television (ITV) rooms and at the last meeting the Board approved a *Memorandum of Understanding* with Madisonville Community College. At this time approximately 75 percent of the facility is being appropriated for Murray State use. The programs to be offered in that facility will be complementary and will represent articulation programs between the community college and Murray State. Confirmation was provided that there will be a seamless transfer process in place for these students to matriculate to the University.

With regard to the Engineering and Physics Building, Dr. Curriss asked if bids were within budget and confirmation was provided that the construction bids did come in below budget and the amount awarded was \$25,198,000. Dr. Curriss questioned whether there was any concern about A&K Construction undertaking three construction projects simultaneously in terms of their capacity. Mr. Youngblood confirmed there were some questions to this effect asked of the company but the University was reassured the staff and equipment necessary to bring all three projects to fruition were available for the project to proceed on schedule.

This agenda item was presented for information only and required no action.

### **Adjournment**

The Buildings and Grounds Committee adjourned at 1:30 p.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 1:30 p.m. and reported all members were present.

### **Final Spring 2015 Enrollment Report, received**

Mr. Dietz reported the following:

- Spring enrollment numbers are good and represent one of the largest spring enrollments in history. Winter enrollment, which is counted within these numbers, is also quite strong in terms of undergraduate and graduate numbers and FTEs.
- First-time student enrollment for Spring represents no surprises but does show a great deal of growth in terms of international enrollment (almost double). This increase also helps in terms of the transfer and graduate populations. Dr. Zou continues to do great things in terms of international student enrollment.
- The University is slightly ahead on undergraduate and graduate FTE numbers as well as for total overall FTEs. An FTE comparison from Spring last year to Spring 2015 further illustrates the University is trending ahead and is doing well in terms of FTE counts.

This agenda item was presented for information purposes only and required no action.

### **Financial Literacy Program Report, received**

Christian Cruce, Director of Scholarships, presented the following regarding student financial literacy:

- A video was shown which supports the need for financial literacy education among Murray State University students.
- A logo has been developed for the program and the name “Financial Responsibility Empowers Everyone” is being used. This name was developed by the Student Advisory Committee which has been established.
- Work began in earnest on this project in 2013-14 and a student worker who was a Finance major was engaged to begin looking at research and planning, including researching what other schools are doing and what Murray State students were interested in. A Committee was also developed and

included representatives from Enrollment Management, Bursar's Office, Financial Aid and the Scholarship Office and this group developed a vision and mission.

- Workshops – one on credit and one on scholarships – were held.
- During the Spring semester Ms. Cruce applied for a QEP scholarship and received one for the 2014-15 year. A financial literacy website was also established.
- During 2014-15 the Committee was expanded to also include representatives from Career Services, Development, University Libraries, Student Support Services, Retention and the Department of Economics and Finance.
- Ms. Cruce attended an Academic Impressions Conference – A Proactive Approach to Building Student Financial Literacy – which detailed how to establish a financial literacy program step-by-step from freshman to senior to graduate students and the types of programs these students need. A great deal of momentum has resulted from what was learned at this conference.
- Work was undertaken with Steve Lacewell, Professor of Economics and Finance, to establish a Student Advisory Committee to secure student support at the onset of the program. The Student Advisory Committee not only created a name for the program but planned programs for National Money Smart Week in April which included information on life after college and how to be financially successful, student loans and a program on budgeting, student discounts and savings. Resources were further developed on the website to include information about budgeting and credit, identity theft, student loans, credit reports and other tools students can utilize.
- A meeting was held with Dave Ramsey Foundations to explore utilizing the academic curriculum in the future to provide financial literacy information.
- For 2015-16 the Student Advisory Committee will continue to be developed. Social media accounts have been established to reach the student population and these venues provide smart tips and promote programs and resources.
- More programming will continue to be offered and the desire is to have at least one program per month. Students have shown a definite interest in obtaining this information and during National Money Smart Week over 100 students participated in the programs. Students were excited about the program, asked many questions and it was encouraging that they wanted to obtain the information being offered.
- Work will be undertaken with Student Success Seminars to incorporate financial literacy into the curriculum.
- Students were asked to provide one word that they use to describe money. Words which came to the forefront included both positive and not so positive words but this effort supported where students are coming from and the themes they have learned about money management.
- The address for the website which contains this information was provided, as well as the Facebook page and Twitter account.
- Mr. Dietz confirmed that entrance and exit counseling is currently provided to students regarding all the questions which were asked on the video. This revealed that another avenue is necessary to successfully reach students with the necessary information so they are fully aware of what their circumstances will be when they graduate.

This agenda item was presented for information purposes only and required no action.

### **Maguire Associates – Pricing and Tuition Update, received**

Mr. Dietz reported the following:

- This time last year the University launched into a marketing, branding and pricing study through Maguire Associates. Two components of that study have been provided for the undergraduate level in terms of marketing and branding and what is being presented today represents the third component of this work.
- The Committee which has undertaken this work was launched by President Davies and the late Jim Carter and included Catherine Sivills, Assistant Vice President for University Communications; Ms. Dudley; Dr. Pervine and himself. As of late, Ms. Dudley and Mr. Dietz, along with the Scholarship Office and the Bursar, have been the most involved in this work in terms of the pricing component.
- Maguire Associates observed that Murray State has the most complex tuition structure (over 20 tuition options) in the market which is difficult for students to understand and difficult to manage internally. Many undergraduate students were surveyed and results showed there is some elasticity in moving on price whether that is at the in-state, regional or out-of-state level. There is some flexibility to move tuition costs. It is important to note that there are risks involved and as the University considers changing its pricing and scholarship model these risks should be managed through other activities such as recruiting and marketing. The pricing component has represented the most complex aspect of the report moving forward.
- Maguire Associates recommended that the University consider having only three tuition structures – an in-state Kentucky rate, a regional rate (Alabama, Indiana, Illinois and Tennessee) and an out-of-state and international rate. Clarification was provided that Alabama was added approximately two years ago and is included because of its proximity to Murray and the strength of students in the STEM fields. This Fall approximately 40 students from Alabama were enrolled at Murray State.



Dean Steve Cobb, *Jones College of Science, Engineering and Technology*, reported he has family in Alabama and they recently communicated to him data from one of the largest high schools in the state. The Huntsville area has a very high percentage of families who value higher education and approximately one-third of the senior class had ACT composite scores above 30 in a graduating class of 900 students. This represents one high school among several high-performing high schools in Alabama. One can be in Huntsville, Alabama, in a little over 3½ hours which represents a reasonable commute for those students and he hopes recruitment efforts can be maintained for this area, primarily for students in the STEM fields. There is also a very strong alumni base in this area.

- Numerous factors were taken into consideration when making this recommendation including:
  - Comparative tuition structures and price points in the market
  - Market facing reactions to potential changes in pricing
  - Institutional mission to serve the 18-county service region as a distinct population
  - Institutional desire to have more leverage to attract quality students with merit aid
  - Institutional desire to drive its value identity with quality slightly preferenced to cost
- There is a strong desire for the Murray State tuition rate to signify that the University is a value and while students may pay more it is worth the investment. If the move is made to a higher “sticker price” it will signal to the market that Murray State is worth the investment. The branding and marketing study revealed that the institution has done a very good job of promoting affordability and was first in the state compared to the University of Kentucky, University of Louisville and Western Kentucky University. There is a desire to shift this slightly and begin discussing a value proposition indicating Murray State is worth the investment and why.
- A change will be made to the discounting philosophy moving forward to focus on individual merit which is on point with the value proposition. The structure will still provide regional students with merit aid but it also awards students who are stronger academically. There is a desire to award students based on merit and not where they live. The current model does this to a degree and if a student is in a regional state they are receiving a discount because of where they live. The focus is to shift this practice so high quality students receive a higher award and this represents a cultural shift for the institution.
- Maguire Associates has proposed a merit grid based on an academic achievement model where students with an ACT of 33 or above would receive full tuition opportunities. Some consideration is being given to shifting those awards down slightly for students in the 24 to 32 ACT range to make these awards more competitive because currently these students are receiving stronger awards elsewhere.
- Residency status for current students entering the University determines their tuition rate. What is being considered is that academic standards and quality be utilized instead to determine tuition rates. Murray State has traditionally been low cost based on where a student lives and is transitioning to where high quality students will have a lower cost.

This agenda item was presented for information purposes only and required no action.

### **Tuition Rates and Discount Modeling Review, received**

Mr. Dietz presented the following:

- Consideration is being given to an 18-county service region tuition rate, a Kentucky rate, a regional rate and an out-of-state/international rate. Instead of the three different tuition rates proposed by Maguire Associates the administration is considering possibly four different tuition rates due to the mission of the University to serving the 18-county service region.
- Consideration is also being given to a guaranteed tuition rate where freshmen would pay the same tuition rate for four years. An hourly tuition rate has also been discussed. Data is being reviewed to identify all potential impact on the institution from enrollment and tuition revenue standpoints.

Dr. Thornton asked whether discussion has occurred regarding the difference between out-of-state and international tuition in terms of the fact that the institution does receive federal support which could account for some of the out-of-state tuition but not international tuition. Mr. Dietz indicated there has not been a great deal of discussion in regard to this aspect. Confirmation was provided that whether the Council on Postsecondary Education has to approve the tuition structure change depends on where the University makes the rate change. If the change is made to regional tuition CPE approval may not be required but if it is an in-state tuition change that would require CPE approval. Dr. Davies indicated this is a good time to be having this discussion because he has already alerted the CPE that Murray State is studying its entire tuition structure. A gentleman’s agreement was made which would provide the University with some flexibility in terms of tuition after this next year.

Mr. Dietz reported the following with regard to the current model of awarding scholarships:

- Scholarships are awarded on a fixed dollar amount but consideration is being given to making these awards based on a percentage of tuition. Awarding scholarships based on a percentage of tuition also helps the student because as tuition increases their scholarship would also increase. Awarding scholarships based on a percentage of tuition does represent the “norm.”
- Consideration is being given to moving in the direction of offering merit opportunity for students based on a percentage for a 3.0 grade point average or higher and a 21 ACT score or higher, up to full tuition.
- At larger research institutions students who are very strong – 33 to 36 ACT range – are not only being offered full tuition but they are also being provided with a stipend to be used on campus. Consideration is being given to adding other types of opportunities, such as a National Merit Scholarship. These students are exceptionally strong and it might be desirable for the institution to offer them a full tuition opportunity. Confirmation was provided that Governor’s Scholars Program students are offered full tuition at Murray State if they have a minimum 3.5 grade point average and a 25 ACT score. If GSP students have scores lower than these minimums they receive \$1,000.
- These options are being reviewed for new freshmen and transfer students entering the institution and consideration is not being given to changing the model for currently enrolled students.
- A transfer grid that is being considered would be very similar and could potentially be beneficial to the University. Review of offering a percentage of tuition is being considered and would protect students against any type of rate increase while awarding high-achieving students and placing a focus on quality and merit.
- A review of how financial aid is awarded and actual dollars is being undertaken to potentially adopt a new approach. Currently institutional aid is applied first and at the end federal and state aid will be applied to a student’s account. Consideration is being given to reversing this process and applying federal and state aid first and adding institutional support toward the end of the process leveraging their other federal and state aid dollars versus what the institution provides to potentially make an award go further.
- Retention scholarships are being considered. Many students enter the institution without a scholarship and there is a desire to reward returning students based on their performance and high achievements. Dr. Davies confirmed that when new freshmen and transfer students enter the University with a scholarship that is what they are locked into. These students are not currently rewarded for improving their standing and it is his belief that in order to keep their scholarships students need to perform and continue to progress toward degree completion.

Mr. Kemp reported he and Ms. Dudley had a discussion earlier this week about Western Kentucky University and the fact that the university raised tuition but also raised their student aid. This arrangement is actually not working out for the institution as anticipated and it is running in the red this year. Ms. Dudley stated that when a student is awarded aid the institution has made a four-year commitment to that individual if they maintain their grades. WKU has made a commitment to a number of students at very high scholarship levels and through some decline in enrollment the institution is having difficulty budgeting to maintain those scholarship levels. Murray State is making an effort to develop a model which will be the most sustainable.

Dr. Curris commended the progress which is being made in this effort and the concept of gearing the University’s tuition levels more toward not where a student lives but to their ability. This could potentially generate additional revenue.

This agenda item was presented for information purposes only and required no action.

### **New Freshmen Admissions Standards, discussed**

Dr. Davies reported the following:

- At the Fall Retreat the Board of Regents discussed challenges in terms of brand perception and reality. Murray State prides itself as being a University that is focused on student success and being student centered. The Board empowered him to fully investigate changing the freshmen admissions standards because at the Retreat a segment of the student population was highlighted that the institution does not serve well because they are not graduating. These are students coming to Murray State without the academic statistics behind them, specifically ACT scores, and the ability to enter the University as a regular, fully-admitted student.
- This empowered the administration over the last year to utilize a number of experts on campus who truly have their feet on the ground to review the data in detail. These individuals were diligent in identifying predictors for student success, as measured by retention and ultimately graduation. Through these efforts there was a desire to ensure the institution could move forward and pride itself on student success with a focus on students, ensure that resources are being applied appropriately, build on Murray State’s strengths as a high quality academic institution and also ensure when a student is admitted that the high probability of their success is understood.

- As this process was underway it was important to look at long-term and short-term sustainability. There was no desire to make drastic changes which would significantly alter the budget. Through these efforts a tiered structure has been prepared for admissions. It follows what some other universities have done in terms of the type of student admitted. This also required the University to work diligently with its community college partners not only within the region but throughout the Commonwealth and throughout the greater region in other states.
- A defining factor which was identified is an ACT score of 18. When a student comes to the University with an ACT score of 18 or above there is a significant gap between their likelihood of graduation when compared to a student with an ACT score of 17 and below. Coupled with this is a correlation with the number of remedial classes required. The majority of students with an ACT score of 18 or above generally require only one remedial course, if any, although a few require two or three remedial courses. Very few students with an ACT score of 21 or above require any remedial courses. The likelihood of success for students with an ACT score of 18 or above is greatly enhanced and this has been set as the baseline for Murray State. The University will work with those students having an ACT score of 17 or below to help them identify opportunities to prove their ability to succeed at a community college and hopefully have them transfer to Murray State after they have obtained the necessary skills.
- If students possess an ACT score of 18 or above they will fall within one of four tiers. The top tier – Tier I – represents those students with an ACT score of 23 or above (or equivalent SAT). This represents the elite cadre of students that the University wants to provide with special privileges and opportunities in terms of registration and financial aid consideration.
- Tier II represents those students with an ACT score between 18 and 23 who do not require any remedial courses. These represent solid working students that are entering the University fully prepared.
- Tier III represents those students who need a little bit of help. These students scored an 18 on the ACT and do require one remedial course but have a high probability of success, are graduating at a rate of 51 percent or above and are performing well.
- Tier IV represents students who need one or two remedial courses and, especially in rural areas, may not have had access to the full college preparation curriculum.
- Data collected over the last five years reveals that among students with an ACT score of 18 or higher only 2 percent were required to take three or more remedial courses. These students may need a little coaching but they also have a high probability of success. The graduation rate for this cohort is in the high 30s while the graduation rate for students with a 17 ACT or below is only in the high 20s.
- Tier IV represents a one-year chance and these students will work with systems the University already has in place to ensure they are focused and have the skills necessary to succeed. If they are able to succeed over the course of one year they will be fully admitted to Murray State and be able to proceed along a trajectory that will be complimentary to helping them achieve success. This cohort is very important to maintaining the University's commitment to the region. If this criteria was applied to this year's freshman class it would involve approximately 130 students and the class before would include 160 students. This year's class would involve 262 students. Other universities have adopted this strategy and data suggests the number of Tier IV students will decline and students will elevate up into different tiers.
- In order to take the first step and also ensure the University remains financially sound these are the four tiers which are being proposed. Confirmation was provided that math, English and reading represent the most prominent remedial areas. This move will also reduce the total number of remedial classes the University will need to offer on an annual basis. This represents an ethical balance between admitting students knowing that their probability of success is low, having them accrue debt and allocating resources to these students when they could be allocated for other opportunities on campus. This also represents a revenue issue and the amount of resources being allocated to remedial courses must be taken into consideration.
- Enrollment numbers may decline in the first few years but the quality of students will increase, along with retention and graduation rates. This will also enable the University to recruit more students that it is currently losing because of an academic perception issue. When he was in Mayfield, Kentucky, some of the guidance counselors indicated that Murray State is losing some of their top students because they are receiving the same admittance letter as fellow students they know are not prepared for college and these top students do not want to spend another four years studying with the same group of classmates. There must be a shift in mentality in this regard. Confirmation was provided that the ACT, SAT and GPA are CPE requirements but the University is also taking performance into consideration with the model being proposed.

Dr. Duncan was instrumental in the design of the tiers and reported the following:

- As this work was underway there was a desire to ensure students who are admitted into Tier IV do have the best likelihood for success and their experience will be designed in a way that will enhance

their ability to succeed. If it is known students do not possess the skills or ability to earn a degree in a particular major it is essential that they receive proper advising and assessment so they take vocational inventories and receive career and academic advice in ways that help them make sound decisions about their academic and future careers. The advising will be conducted by skilled advisors in a broad sense but the added component of assessment will help students make wise and beneficial decisions.

- Consideration is also being given to mandating that these students meet with mentors or coaches to help them be successful.
- The idea is to put in place as many support systems as possible within the student's major or through the *Pathways to Success* program. An effort is being made to ensure students who might be a bit weaker but have the ability to succeed receive the support they need to be successful in college. These students will be in the *Pathways to Success* program for a minimum of one year, potentially two years. For students who have a clear career projector, team advising within the major will also be conducted.
- Confirmation was provided that remedial courses are offered at the community colleges. Dean Van Horn reported that last Fall there were 600 to 650 students at the community colleges and typically 45 to 50 percent of the freshman class needed at least one remedial class. Dr. Duncan added that this number will decrease with the new admissions standards.
- Dr. Davies indicated that Retention Specialist Jamie Mantooth estimates retention rates will increase by 2 to 3 percent by adopting the new admission standards. The program being adopted is extremely innovative and Murray State will be among the first to adopt a program of this caliber. He believes the program will significantly increase retention rates as well as graduation rates.

Dr. Curris indicated this is one of the most significant policy changes this University has done in recent years. He expressed appreciation to President Davies and staff not only for the proposal but for the outstanding research which was undertaken and supports the specific recommendations. Very clearly it recognizes that Murray State cannot do all things for all people. The day of having enough money to even try to do this has long past and the institution must focus on its strengths, take advantage of the excellent community college system in the region and, most importantly, do justice to these students. One of the great injustices that has been done in this country is saddling students with excessive debt. The most recent figures indicate that cumulative student educational debts is greater than credit card debt for all Americans. A new debtor class has in essence been created in this country. One thing that this University is doing right now is saying we are not going to continue moving in the direction of saddling debt upon a group of students whose likelihood of success is so small that it is an injustice to them. That may mean a decline in enrollment for a year or so but it is better for these students and with the articulation agreements and reverse transfer initiatives that are being considered the opportunity will be there for these students to succeed. All were commended for this work.

### **New Freshmen Admissions Standards, approved**

On behalf of the Enrollment Management and Student Success Committee, Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposed new Freshmen Admission Standards as submitted, effective with the Fall 2016 entering class. Mr. Waterfield seconded and the motion carried.

### **Enrollment Management and Student Success Committee – Full Board Action**

#### **New Freshmen Admissions Standards, approved**

On behalf of the Enrollment Management and Student Success Committee, Ms. Green moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposed new Freshmen Admission Standards as attached, effective with the Fall 2016 entering class. Mr. Williams seconded and the motion carried unanimously.

(See Attachment #5)

### **Adjournment**

The Enrollment Management and Student Success Committee adjourned at 2:32 p.m.

The Board adjourned for a break beginning at 2:32 p.m. and ending at 2:44 p.m.

**Finance Committee**

**Stephen Williams, Chair**  
**Constantine Curris**  
**Marty Jacobs**  
**Daniel Kemp**  
**Jerry Sue Thornton**

Mr. Williams called the Finance Committee to order at 2:44 p.m. and reported all members were present.

**2015-16 Housing Rates, approved**

Dr. Robertson reported that a residential room rate increase of 5 percent for the 2015-16 year is being requested. This request is based on several factors, including providing additional funding for Franklin Hall 20-year bonds, increasing dollars for routine maintenance and cleaning supplies and staff, budgeting for student scholarships in excess of \$700,000 and funding salary and benefit increases. No increase is being recommended for College Courts. The University has differentiated housing rates depending on where an individual chooses to live and the 5 percent rate increase results in a range of \$104 to \$195 which is also dependent on whether they have chosen single or double occupancy. A room rate comparison with other universities was provided and indicates Murray State will remain in the middle to lower range in terms of housing cost.

On behalf of the Finance Committee, Dr. Jacobs moved that the Board of Regents, upon the recommendation of the President of the University, approve the following room rate increases for the residence halls, effective Fall Semester 2015:

		<b>2014-15</b>		<b>2015-16</b>
		<b><u>Rates</u></b>	<b><u>Increase</u></b>	<b><u>Rates</u></b>
<b>Franklin, Springer &amp; Old Richmond</b>				
	Double Room	\$2,080	\$104 (5%)	\$2,184
	Double as a Private Room	\$3,120	\$156 (5%)	\$3,276
<b>Hart, White &amp; Regents</b>				
	Double Room	\$2,288	\$114 (5%)	\$2,402
	Double as a Private Room	\$3,328	\$166 (5%)	\$3,494
<b>Elizabeth &amp; Hester</b>				
	Double Room	\$2,496	\$125 (5%)	\$2,621
	Double as a Private Room	\$3,536	\$177 (5%)	\$3,713
<b>Lee Clark and James H. Richmond</b>				
	Double Room	\$2,860	\$143 (5%)	\$3,003
	Designed Private Room	\$3,380	\$169 (5%)	\$3,549
	Double as a Private Room	\$3,900	\$195 (5%)	\$4,095
<b>College Courts</b>				
	One Bedroom	\$2,250	\$ 0 (0%)	\$2,250
	Two Bedroom	\$2,700	\$ 0 (0%)	\$2,700

Mr. Kemp seconded and the motion carried.

**2015-16 Dining Rates, approved**

Dr. Robertson reported that a 2 percent increase in dining rates is being proposed. No increase is being requested for the commuter meal plans. Factors which led to the requested residential meal plan rate change include:

- The cost of food has been increasing on average by 4-5 percent per year but Dining Services has kept price increases to a select few items over the past two years, did not ask for a rate increase last year and has not increased door prices at Winslow Dining Hall in more than three years.
- To fund salary and benefit increases.
- Dining is continuing to save for a renovation of Winslow Dining Hall (last renovated in 2003) so that no bond debt is required.
- Institutional support increase of more than 25 percent to cover the recurring expense of new staff in Student Affairs (primarily in the Counseling Center and Student Disability Services).

The unlimited plan would increase by \$33, the 175/400 plan would also increase by \$33 and the 150/300 plan would increase by \$32.

On behalf of the Finance Committee, Dr. Jacobs moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2015-16 meal plan rate increase of 2 percent for residential meal plans as outlined below, effective Fall Semester 2015:

**Residential Meal Plans**

<u>Plan Type</u>	<u>Meals</u>	<u>Flex</u>	<u>Price</u>	<u>Increase</u>	<u>Amount</u>
Unlimited Use*		75**	\$1,701	2%	\$33
*this plan also receives 8 guest meals					
**students will have option to purchase an additional 75 Flex for \$65					
175/400	175	400	\$1,701	2%	\$33
150/300	150	300	\$1,639	2%	\$32

No increase is being recommended for commuter plans.

Dr. Curris seconded and the motion carried.

**Finance Committee – Full Board Action**

**2015-16 Housing Rates, approved**

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 following room rate increases for the residence halls, effective Fall Semester 2015:

		<b>2014-15</b>		<b>2015-16</b>
		<b><u>Rates</u></b>	<b><u>Increase</u></b>	<b><u>Rates</u></b>
<b>Franklin, Springer &amp; Old Richmond</b>				
	Double Room	\$2,080	\$104 (5%)	\$2,184
	Double as a Private Room	\$3,120	\$156 (5%)	\$3,276
<b>Hart, White &amp; Regents</b>				
	Double Room	\$2,288	\$114 (5%)	\$2,402
	Double as a Private Room	\$3,328	\$166 (5%)	\$3,494
<b>Elizabeth &amp; Hester</b>				
	Double Room	\$2,496	\$125 (5%)	\$2,621
	Double as a Private Room	\$3,536	\$177 (5%)	\$3,713
<b>Lee Clark and James H. Richmond</b>				
	Double Room	\$2,860	\$143 (5%)	\$3,003
	Designed Private Room	\$3,380	\$169 (5%)	\$3,549
	Double as a Private Room	\$3,900	\$195 (5%)	\$4,095
<b>College Courts</b>				
	One Bedroom	\$2,250	\$ 0 (0%)	\$2,250
	Two Bedroom	\$2,700	\$ 0 (0%)	\$2,700

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

**2015-16 Dining Rates, approved**

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 2015-16 meal plan rate increase of 2 percent for residential meal plans as outlined below, effective Fall Semester 2015:

**Residential Meal Plans**

<u>Plan Type</u>	<u>Meals</u>	<u>Flex</u>	<u>Price</u>	<u>Increase</u>	<u>Amount</u>
Unlimited Use*		75**	\$1,701	2%	\$33
*this plan also receives 8 guest meals					
**students will have option to purchase an additional 75 Flex for \$65					

175/400	175	400	\$1,701	2%	\$33
150/300	150	300	\$1,639	2%	\$32

No increase is being recommended for commuter plans.

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

The Finance Committee reconvened to consider the remaining agenda items.

### **2015-16 University Budget with Executive Summary, approved**

Mr. Williams indicated that Ms. Dudley can provide any Regents with a paper copy of the University Budget or any particular portions of that document. Ms. Dudley, her staff and numerous others throughout the University have done a yeoman's job in putting together a budget of \$131.4 million. The budget presented certainly recognizes the fiscal realities that the University faces but it is a very responsible budget which allows the institution to move forward with the initiatives outlined earlier today. All were commended for their hard work to be able to present the University Budget to the Finance Committee and Board today.

Ms. Dudley reported the following:

- Appreciation was expressed to President Davies, the Vice Presidents of the respective areas for contributing to the budgeting process and a dedicated staff in the Accounting and Human Resources offices who helped pull this work together.
- The Education and General budget this year, in total, is \$169.2 million and is the total University Budget the Board is being asked to approve. This budget represents a \$6 million (3.7 percent) increase over 2014-15.
- Primary assumptions included in the Budget are:
  - Tuition and mandatory fee rates increases of 3 percent which were approved at the February 2015 Board meeting (\$108 per semester increase for full-time resident undergraduate students)
  - Employee cost-of-living adjustment based on the model of a 1.5 percent increase for base salaries less than or equal to \$25,000 and a 1 percent increase for base salaries greater than \$25,000
  - Contingency of \$2 million (revenues over expenditures as requested by the Board when raises were approved in December 2014 to cover some portion of risks the University might have such as an enrollment decline or reduction in state appropriation)
  - Dining rate increases of 2 percent
  - Residence halls rate increase of 5 percent
- Gross tuition is increasing by \$6.9 million (6 percent) and includes the following:
  - \$4.2 million from a 3 percent rate increase
  - \$2.9 million from revenue earned in FY 15 over budget (\$1.8 million net)
  - (\$0.2 million) due to specific program enrollment changes with the primary factors described below
    - \$123,000 from Paducah campus growth
    - \$158,000 from growth in specific programs
    - (\$151,000) from decrease in English Support Program enrollment
    - (\$274,000) from changes in the post 9/11 veteran's tuition benefits
- Net growth in enrollment has not been included in the budget. A small net decrease is actually included due to the factors listed above.
- Net tuition and fee revenues increased by \$4.4 million (5.8 percent). The \$4.4 million represents the General Fund available to fund the budget this year. All other priorities and initiatives which were addressed have been done through departmental revenue generation or reallocation. Mr. Williams pointed out this represents a significant difference in approach undertaken this year that is very responsible but was very difficult to achieve.
- Scholarships and discounts increased by \$2.5 million (6.5 percent). This results in an overall discount rate of 38 percent, up from 37.8 percent in FY15.
- The increase in scholarships and discounts is attributable to the following:
  - \$1.1 million due to increased FY15 enrollment from regional states
  - \$0.8 million due to increased FY15 enrollment of international students
  - (\$0.8) million due to FY15 savings in recruitment scholarships
  - \$1.4 million due to the 3 percent tuition rate increase
- Total scholarships/discounts are \$41.9 million and regional discounts represent over \$20.1 million of that total. This will be the largest pool that is utilized to fund merit scholarships and merit aid which

are part of the new model outlined earlier by Mr. Dietz. The University contributes \$1.75 million for legislatively-mandated tuition waivers and \$5.48 million in international scholarships/discounts.

- Confirmation was provided that the discount rate would be higher if scholarships provided by the MSU Foundation were included in the figures presented.
- The University typically utilizes an across-the-board approach in terms of salary increases but this year changed that approach in an attempt to move to a cost-of-living adjustment (COLA). Several analyses were undertaken over the course of the past year in terms of COLA and the Consumer Price Index (CPI). The CPI for Murray State has been tracked back 11 years and in 2004 there was a deficit in meeting the COLA of 1.39 percent which means cumulatively that is as far behind the University is in meeting a cost-of-living adjustment. The CPI is based on a fiscal year index because the University operates under a fiscal year budget. On the same basis, five years ago the University was over the COLA by 1.29 percent and it is important for all to understand where the institution falls in terms of COLA and CPI in cumulative terms. Different constituencies on campus – such as the Faculty Senate – have reviewed the CPI and numerous discussions have been held with these groups to ensure a comparison of apples to apples is being utilized. The numbers provided by the Faculty Senate have been analyzed closely but were a little off because they were comparing a calendar year CPI to a fiscal year salary basis. Assurance was provided that work has been undertaken with the various constituency groups to ensure they understand CPI and how it is being calculated by the administration.
- A 1.5 percent raise is being recommended for all salaries \$25,000 and under. For an individual making \$40,000 annually they would receive a 1.5 percent raise on the first \$25,000 (\$375) and 1 percent on the remaining \$15,000 (\$150) for a total raise of \$525 and this represents a marginal approach which has helped to even out raises.
- In addition to the COLA model, strategic salary increases have been provided and involve 24 faculty and three professional staff. These adjustments were made late in the process and once it was discovered these necessary changes could be addressed through reallocations the Vice Presidents were allowed to identify those individuals requiring such adjustments.
- The hourly pay grade scale was reviewed and an increase was made to the minimum amount for those hourly rates (approximately 1.5 percent) in an attempt to raise the minimum wage rate for starting employees.
- COLA adjustments average 1.2 percent overall for faculty and exempt and non-exempt staff. Other adjustments which have been made include faculty awards, promotions, salary increases for individuals who have assumed additional duties and strategic raises, amounting to a 2.1 percent overall adjustment. The total average salary increase is 3.3 percent. Clarification was provided that the averages being presented represent the total raise amount divided by all salaries in each employee category. Dr. Curris indicated faculty received an average increase of 3.9 percent while non-exempt staff who are typically those on the lower end of the pay scale received an increase of 1.9 percent. Confirmation was provided that the information being presented applies only to salaries and does not include fringe benefits.
- Information on FTE changes for each area was provided. Total net FTEs in auxiliaries and the General Fund increased by 10.28. The units did an exceptional job this year of funding their own needs and the General Fund covered only two of these FTEs – the Title IX Deputy positions – with the remaining FTE increases being covered by departmental resources.
- Fixed costs items, particularly health insurance, retirement matching costs, other fringe benefits and property insurance continue to increase. Fixed cost increases for these items are expected to be approximately \$1.5 million.
- Retirement benefits represents almost \$500,000 of the \$1.5 million. Although there are not significant rate increases they do warrant a \$500,000 increase in the University's budget. Health insurance claims are expected to increase by 7 percent and an increase in utilities is budgeted for \$483,000 which includes \$400,000 as a contingency for the Tennessee Valley Authority (TVA) rate contract. A \$150,000 increase is included in the FY16 budget for property insurance due to the size of losses the state pool has incurred over the last few years.
- Other priorities funded include those initiatives which were significant in helping to support the University's Strategic Plan as well as needs within each unit. Increased support was provided for additional Presidential Scholarships (from 10 to 20 scholarships), Commonwealth Honors Academy (allowing for approximately 20 additional students), student counseling and disability services, diversity efforts (advertising for minority job applicants and LGBT functions) and Title IX staffing/training. The budget also includes continued funding for capital renewal and replacement of 5 percent building depreciation, recurring funding for the *Jones Oral Communications Center*, start-up funding for the Honors College and additional undergraduate recruitment staff.
- There is \$5.3 million in new revenues and \$4.4 million represents the change in total tuition and fees. The total E&G budget is \$5.3 million and with auxiliaries of \$700,000 there is a \$6 million total increase in revenue. Services and materials changes under E&G of \$2.9 million represents the contingency which is built into the budget as mentioned earlier and services and materials did not actually increase by that amount.
- Charts were provided to illustrate where changes were made in the budget this year and how the total \$136 million E&G budget is allocated. The largest portion of this funding is dedicated to instruction and includes faculty and staff salaries. Salaries deviate significantly according to each program and



degree. Charts were also presented on how the \$5.3 million increase is budgeted by program and degree, with instruction being the area receiving the largest percentage of institutional support.

- For total costs within the budget, salaries comprise 76 percent (\$104.5 million) of the \$136 million budget. Health insurance makes up 9 percent (\$9.9 million) of salaries and benefits and retirement costs represent 12 percent (\$12.3 million) of the total budget. In addition to salaries, a substantial budget has been provided for fringe benefits which makes up the entire benefits package for employees.
- A schedule of changes in revenues and expenditures was provided and it was confirmed that the contingency amount is recurring in nature.
- A Venn diagram was presented that contained the four overall Strategic Plan initiatives and to identify all of the new funding sources and expenditures and where those expenditures fall and how they support the Strategic Plan. Some expenses cross over initiatives and in such cases the same dollars are being expended but in support of more than one initiative.
- Regent Guess indicated a great deal of discussion has occurred with regard to marketing and branding and asked where funding to enhance those efforts is reflected in the diagram. Dr. Davies confirmed that operational funding is being built into the actual marketing efforts but there is also an idea of a potential freeing of funds if the TVA contract is provided. Although there is currently a budget of \$100,000, once a marketing plan has been developed those funds could be leveraged more efficiently. Departments and colleges have typically tried to invest in some marketing efforts and the goal is to be able to eventually pool those funds together. A contingency is built into the utilities budget for the TVA contract and if the University decides not to pursue this option, or it is not made available, additional monies have been included in the budget to cover this cost. If the University does pursue a TVA contract there will be additional monies available which could be used to address marketing or other essential needs.
- A chart was presented which compares Murray State tuition and fees to other schools in the state. Murray State is second lowest in this category even with the proposed increases. The University increased tuition and fees by 5 percent last year (maximum allowed by the CPE). Almost all of the other Kentucky universities also increased tuition and fees by this 5 percent maximum and are limited to a 3 percent increase this year.
- A graph was presented illustrating the cost of attendance at benchmark schools and these figures are used to calculate the University's regional tuition rate. Tuition and rate increases for 2015-16 for Murray State were compared to 2014-15 tuition and fees for benchmarks and sister institutions. In this comparison Murray State still ranked as the 6<sup>th</sup> lowest cost even before the other four institutions raised their rates for 2015-16. Confirmation was provided that the information presented represents resident and graduate tuition for Murray State which was compared to the same information for the other schools.
- Dr. Curris stated this represents a very good summary and is exactly what the Board needs to see.
- Dr. Jacobs indicated that work which took place with the Faculty Senate and other groups was very positive, productive and transparent. Appreciation was expressed to Dr. Davies and Mr. Williams for their openness to various communications. The CPI has been the focus of ongoing discussion and it says a lot about the Faculty Senate in terms of their buy-in to the notation that Dr. Davies is looking at a consistent cost-of-living approach to salary increases. It is fair to say – and he needs to say – that based on what the Faculty Senate communicated in the recommendation that looking at a COLA percentage increase of what would be an average of 1.2 percent (varies by faculty member) is an issue of concern but what is being proposed represents a positive first step, certainly as it pertains to process. As strategic initiatives are considered all must continue to take a careful look and develop a comprehensive plan over time to examine not only inflation but also what is occurring at other institutions. His guess – and all could argue over the percentage increase – is the University will continue to lag behind when one looks at the COLA percentage increase. Mr. Schooley echoed this sentiment on behalf of the staff but indicated all appreciate the COLA increase being implemented.

On behalf of the Finance Committee, Dr. Jacobs moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2015-16 University Budget, Executive Summary and Salary Roster, as presented. Mr. Schooley seconded and the motion carried.

### **Contracts, approved**

Ms. Dudley reported that service contracts over \$10,000 require Board approval. Assurance was provided that each contract has been vetted through the appropriate Procurement processes and nothing out of the ordinary is represented in these contracts.

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 contracts as submitted per the requirements of the Delegation of Authority. Dr. Jacobs seconded and the motion carried.

### **Presidential Compensation Review, authorized**

As an amendment to the University Budget, Mr. Williams indicated he brings before the Finance Committee a recommendation that recognizes the extraordinary work of the new President over the last year – his first year. Dr. Davies is to be commended for these efforts and the leadership he has provided.

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents include in the budget for this next year (2015-16) a salary increase of 1.25 percent for President Davies – the same as the raise being received by other faculty. In addition, the Chair of the Board will appoint a small ad hoc committee that will conduct an appropriate review over the next several months of compensation and benefits for this position, comparing those to similar positions and bring any recommendations that group might make back to the Board for consideration at the appropriate time.

Dr. Jacobs clarified that the amount being proposed is a \$3,125 pay increase, although he does not know how that equates percentage wise. Mr. Waterfield indicated he contacted Ms. Dudley earlier in contemplation of Dr. Davies receiving the same raise faculty and staff are receiving and this was the dollar amount provided. Ms. Dudley confirmed the \$3,125 increase follows the model approved earlier for all pay increases (1.5 percent on the first \$25,000 and 1 percent on the remaining salary). Mr. Kemp seconded and the motion carried.

### **Presidential Compensation Review, authorized with amendment**

Dr. Curris indicated he would encourage the committee appointed to look at a deferred compensation plan. There have been deferred compensation plans in the past so there is precedent for such a plan. Dr. Curris was Chair of the Board of Regents at the time the negotiation process was underway to bring Dr. Davies to Murray State but there was no discussion regarding a deferred compensation plan. This represents a component of Dr. Davies' contract that is missing and is a benefit most university presidents receive. He asked that the committee consider this component during their review.

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents amend the presidential compensation review action just approved to include a review of benefits, including a potential deferred compensation plan and other benefits by determining the appropriate group of other universities to utilize for comparison purposes, as well as considering market standards. Mr. Kemp seconded and the motion carried.

### **Adjournment**

The Finance Committee adjourned at 3:30 p.m.

### **Full Board Action – Finance Committee**

#### **2015-16 University Budget with Executive Summary, approved**

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 2015-16 University Budget, Executive Summary and Salary Roster. Dr. Thornton seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

(See Attachments #5, #6 and #7)

### **Contracts, approved**

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 per the requirements of the Delegation of Authority. Mrs. Guess seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs.

Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

(See Attachment #8)

### **Presidential Compensation Review, authorized**

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents include in the University Budget for this next year a salary increase in the amount of \$3,125 for President Bob Davies – the same as the raise being received by other faculty and staff (1.5 percent for the first \$25,000 and 1 percent for the remaining salary). In addition, the Chair of the Board will appoint a small ad hoc committee that will conduct an appropriate review over the next several months of compensation and benefits for this position, comparing to other similar positions, and bring any recommendations that group might have to the Board for consideration at the appropriate time. Further, the ad hoc committee will undertake a review of benefits, including a potential deferred compensation plan and other benefits by determining the appropriate comparison group of other universities as well as market standards. Mr. Kemp seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

Mr. Williams expressed appreciation to Ms. Dudley who is one of the most organized individuals he knows and thanked her for putting up with him asking a lot of questions. A great deal of work went into not only the mechanics of the University Budget but in formulating the assumptions and considerations that had to be memorialized through the budget and from the results it appears as though everyone did an extremely good job in a very timely fashion so that a special meeting of the Board was not required. He thanked Ms. Dudley and her staff for their work. Mr. Kemp echoed that sentiment and thanked Ms. Dudley for her patience with him as a new Board member and for her willingness to explain various elements of the budget he needed to understand.

Dr. Thornton indicated that the action just approved with regard to the President's contract is indicative of the alignment and collegiality between the President and faculty and staff at this University. Chair Waterfield stated this is a very good observation and statement. In conversations with other Board members he has shared the fact that he has never had so many compliments on the right hire from faculty and staff than those he received during Investiture Week. This showed that things were headed in the right direction in Murray and this makes the Board feel very good about the presidential hiring decision it made. He expressed appreciation to President Davies for how he operates.

Mr. Williams stated that as the Board begins to wrap up on a very full day it should take a moment and realize the significance of all of the actions cumulatively that have come before the Board today for action. The Board recommitted to a Mission Statement and approved a very progressive Strategic Plan. The Board also approved a new curriculum and moving forward on establishing an Honors College. All are excited about a record number of construction, renovation and refurbishment projects in terms of facilities. The Board also took action today toward increasing the University's Freshmen Admission Standards and tuition structures to improve the quality of students and committed to not only meet compliance standards in areas such as Title IX and the NCAA but to pursue best practices and this represents a real commitment. The Board passed a very responsible financial budget that still allows the University to move forward with various initiatives. The Board is obviously looking forward but it is also important to look back and recognize those who have brought the institution to this point. Dr. Curris, who all on this Board know and love so well, was recognized for his extraordinary accomplishments and contributions toward Murray State University. Finally, he recognized the Board for its management and for working as a team which makes it an enjoyable endeavor for everyone. This is a cohesive Board that is working well together and it is a privilege to serve. Chair Waterfield indicated this was well stated and there is no doubt it is true. Governor Beshear appointed the Regents currently serving on this Board and he has done a great job naming individuals who have no personal agendas. Dr. Curris managed to orchestrate this Board masterfully – about that there is absolutely no doubt. It has been a pleasure to work with this group.

## **Regional Services Committee**

**Jenny Sewell, Chair**

**Michael Dobbs**

**Sharon Green**

**Daniel Kemp**

**Phil Schooley**

Mrs. Sewell reported there is not a great deal to be added to the excellent report provided earlier by President Davies and supported by Dr. Van Horn. Initiatives are happening because a lot of hard work is taking place throughout these regions. There have been education meetings, including the Spotlight on Education in Hopkins County/Dawson Springs, Kentucky. To mirror what is being done at the University level, they are talking about their graduation rates and improving ACT scores and this represents a complimentary effort between what they are saying and what Murray State University is saying. In both of the meetings she attended Dr. Van Horn focused on the fact that 25 percent of the national average of people have some type of a Bachelor of Arts or Bachelor of Science degree and this is important for any region as it looks to recruit business and industry. It is very important that all regions within the state attain this level of education. This is especially important for this region where mining is seen as a failing industry. These various regions need a four-year institution if they are going to stand a chance of surviving and this is how Kentucky will move forward. What is being said out in the region is being heard and that is what is drawing the private dollars to help meet this challenge and build these buildings. Dr. Jackson has been working with all individuals involved to speak to those he is trying to touch. All are doing an excellent job.

### **Personnel Changes**

#### **Memorandum of Agreement with Council on Postsecondary Education, approved**

Dr. Davies reported that due to his hard work and his reputation, Dr. Morgan has been presented with an opportunity with the Council on Postsecondary Education to be on temporary loan to serve in the capacity of Vice President for Academic Affairs, beginning July 1, 2015. This represents a common practice with the CPE and they have quite a few executives “on loan” from different universities. Dr. Morgan’s salary and appointment as a faculty member within the *Hutson School of Agriculture* are included within the University Budget. The *Memorandum of Agreement* provides an opportunity for Dr. Morgan to work at the CPE and the University would pay his salary, benefits, etc. with a reimbursement for those expenditures from the CPE forthcoming. He will be on a full-time, twelve month contract with the CPE. At the end of next year at this Board meeting the administration will propose a similar memorandum that will continue the relationship with the CPE. If at some point in the future Dr. Morgan decides to return to Murray he would return as a faculty member within the *Hutson School of Agriculture* and the *Memorandum of Agreement* from the CPE would not be executed. All faculty rights – rank, tenure, etc. are protected in this mechanism and Dr. Morgan would return to the University as a full Professor with tenure.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached *Memorandum of Agreement* between Murray State University and the Council on Postsecondary Education as it pertains to Provost Jay Morgan. Upon Dr. Morgan’s return to Murray State University, he will retain tenure and the rank of full Professor of Agricultural Science in the *Hutson School of Agriculture*, as well as a joint appointment in the Department of Educational Studies, Leadership and Counseling in the College of Education and Human Services, at his retreat salary as included in the University Budget. Mr. Williams seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

(See Attachment #9)

#### **Appointment of Interim Provost and Vice President for Academic Affairs, approved**

Dr. Davies indicated it is with great pride, privilege and pleasure that he recommends the appointment of Dr. Tim Todd to serve as Interim Provost and Vice President for Academic

Affairs. Dr. Todd is currently Dean of the *Arthur J. Bauernfeind College of Business* and is being asked to step into this new role, effective July 1, 2015. When Dr. Morgan announced this opportunity with the CPE, Dr. Davies received many phone calls, emails, words of wisdom and discussion in support of Dr. Todd filling this role. Dr. Todd has been an amazing Dean and the College of Business has received many accolades during his tenure. He is an excellent administrator and university-wide leader and has been integrally involved in the strategic planning process and bringing this knowledge to the Interim Provost position will prove to be integral to the institution. A national search will be conducted over the course of the next year to fill the position on a permanent basis. This process will be undertaken starting in the Fall with the goal of identifying semi-finalists in January, having finalists visit campus in March and the selection of the successful candidate following soon thereafter.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. Timothy Todd as Interim Provost and Vice President for Academic Affairs at an annual salary of \$158,882, effective July 1, 2015. Mrs. Guess seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

#### **Appointment of Interim Dean – *Arthur J. Bauernfeind College of Business*, approved**

Dr. Davies reported that Dr. Todd has fully recommended Dr. Gerry Muuka to serve as Interim Dean of the *Arthur J. Bauernfeind College of Business* and the Provost has endorsed this appointment. Since 2007 Dr. Muuka has been the Associate Dean, Coordinator of Graduate Programs and Director of the Association to Advance Collegiate Schools of Business (AACSB) accreditation and maintenance for the college. Prior to this he was Senior Assistant Dean and Interim Chair of the Department of Management, Marketing and Business Administration. From 2000-06 he was Assistant Dean and Director and led the AACSB accreditation process for the Master of Business Administration Program. Dr. Muuka is a phenomenal individual and Dr. Davies has enjoyed meeting and working with him over the past year.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. Gerry Muuka, as Interim Dean of the *Arthur J. Bauernfeind College of Business*, effective July 1, 2015, at a fiscal year salary of \$155,990. Mrs. Guess seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

#### **Appointment of Interim Dean – College of Humanities and Fine Arts, approved**

Dr. Davies reported that Dr. Ted Brown has admirably served in this leadership role for many years and has done amazing work in leading the College of Humanities and Fine Arts, advocating for the University and helping to provide art and culturally-related events for the community. He has made the decision to return to the faculty as a member of the Department of English and Philosophy and all wish him well. Dean Brown and Provost Morgan have recommended that Dr. Staci Stone be named as Interim Dean. Dr. Davies has had numerous conversations with Dr. Stone over the past year and she has been a faculty member since 2000. She has served as Chair of the Department of English and Philosophy and is currently Assistant Dean of the college. A national search will be conducted to fill this position on a permanent basis and that work will begin this Fall.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Dr. Staci Stone, Associate Professor of English, as Interim Dean of the College of Humanities and Fine Arts, effective July 1, 2015, at a fiscal year salary of \$117,048 plus salary increments for 2015-16. Mrs. Guess seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

## **Two-Year Faculty Transitional Retirement Contract, approved**

Dr. Davies indicated that at the December meeting the Board approved offering Faculty Transitional Retirement Contracts to assist faculty members with their transition into retirement. Several faculty members did take advantage of this option but most of those individuals elected to pursue a one-year contract while Dr. William Payne opted to pursue a two-year contract. The current Delegation of Authority requires Board approval for all multi-year employment contracts. The one-year contracts were approved as part of the University Budget. The recommendation being advanced is in compliance with the guidelines the Board approved in December for this type of contract.

Dr. Jacobs asked how many faculty have gone to a one-year transitional contract and how the process seems to be going overall. Dr. Davies reported that six faculty members have taken advantage of the Faculty Transitional Retirement Contract – five were one-year contracts and Dr. Payne opted for a two-year contract. The timeline for faculty to submit information for a transitional retirement contract was very short and it is believed the number of faculty pursuing this option will increase in future years. Dr. Morgan confirmed that the Board approved Faculty Transitional Contracts in early December 2014 but the timeline for submitting retirement information was soon after that. While it would not be desirable for a large number of faculty to take advantage of this option all at one time, there will likely be an uptick next year. Dr. Jacobs asked with regard to the incentive of accrued sick leave and a Faculty Transitional Retirement Contract when a decision needs to be made, based on Board approval, and Dr. Morgan indicated that date is December 15, 2015, to take effect June 30, 2016.

Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached two-year Faculty Transitional Retirement Program contract for Dr. William F. Payne, effective July 1, 2015. Dr. Jacobs seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

(See Attachment #10)

## **Professor Emeritus Designations, approved**

Dr. Jacobs moved, seconded by Mr. Williams, that the Board of Regents, upon the recommendation of the President of the University, approve extending the honorary title of *Professor Emeritus* to the following retiring faculty members, effective July 1, 2015:

- Robert Andrew Batts, Associate Professor – Computer Science and Information Systems
- Charlotte Beahan, Professor – History
- Ann Beck, Associate Professor – Political Science and Sociology
- Leon Bodevin, Associate Professor – Modern Languages
- Charles Dwayne Driskill, Professor – Agricultural Sciences
- Roy Helton, Associate Professor – English and Philosophy
- William Lyle, Assistant Professor – Computer Science and Information Systems
- Fred Miller, Professor – Management, Marketing and Business Administration
- Wade Northington, Professor – Breathitt Veterinary Center
- William Payne, Professor – Agricultural Sciences
- Allie Jo Robertson, Professor - Early Childhood and Elementary Education

The motion carried unanimously.

## **Academic Administrative Appointments Update, received**

Chair Waterfield asked Vice Chair Sharon Green to fill in for him as Chair.

Dr. Morgan reported that appointments for the following administrative positions have been approved for the 2015-16 fiscal year:

### ➤ **Assistant Provost for International Studies - Dr. Guangming Zou**

Dr. Zou currently serves as Executive Director of the Institute for International Studies. He has been with Murray State University since 1995, where he previously served as Coordinator and Director of the English as a Second Language Program and as an Assistant Professor in the Department of English and Philosophy. He has traveled extensively throughout China, Japan, Korea, Taiwan and

Thailand developing agreements with partner universities and recruiting students to come to Murray State to study English as a Second Language or to earn undergraduate or graduate degrees. Presently, international student enrollment is leading the way in growth for the University and this appointment will further those efforts. The new title is consistent with other institutions and also assists Dr. Zou as he travels internationally. The position title change does not include any additional salary or benefits.

- **College of Education and Human Services – Dr. Robert Lyons (Assistant Dean)**  
*Dr. Renee Campoy requested to return to a 9-month faculty position.*
- **Department of Organizational Communication – Dr. Michael Bokeno (Chair)**  
*Dr. Bokeno served as Interim Chair for 2014-15.*
- **Department of Community Leadership and Human Services – Dr. Paul Lucko (Chair)**  
*Dr. Kelly Rogers requested to return to a 9-month faculty position.*
- **Department of Educational Studies, Leadership and Counseling – Dr. Susanna Bloomdahl (Chair)**  
*Dr. Robert Lyons assumed the position of Assistant Dean for the College.*
- **Department of English and Philosophy – Dr. Sue Sroda (Chair)**  
*Dr. Sroda served as Interim Chair for 2014-15.*
- **Department of History – Dr. Kathy Callahan (Chair)**  
*Dr. Callahan served as Interim Chair for 2014-15.*
- **Department of Political Science and Sociology – Dr. Choong-Nam Kang (Interim Chair)**  
*Dr. William Cassie stepped down from the position.*
- **Department of Psychology – Dr. Paula Waddill (Chair)**  
*Dr. Waddill served as Interim Chair for 2014-15.*
- **Department of Agricultural Sciences – Dr. Brian Parr (Head)**  
*Dr. Dwayne Driskill retired from the University.*

This agenda item was presented for information only and required no action.

#### **Reappointment of Internal Auditor, approved**

Dr. Davies indicated over the past year he has enjoyed working with Internal Auditor Michelle Saxon who has done excellent work and has handled several very difficult and delicate whistleblower complaints. She has done so not only with grace and professionalism but with a keen insight into doing what is right and that is what one would want from their Internal Auditor.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the reappointment of Mrs. Michelle Saxon as Internal Auditor for fiscal year 2015-16 at an annual salary of \$63,473, effective July 1, 2015. Mrs. Guess seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; and Mr. Williams, yes. Mr. Waterfield was not present to vote. The motion carried unanimously.

#### **Reappointment of General Counsel, approved**

Dr. Davies indicated he has enjoyed working with John Rall over the past year. It is difficult for him to read an email over two paragraphs and when he receives an email from Mr. Rall he immediately knows it will be more than two paragraphs. Although they may not always agree, Dr. Davies does respect Mr. Rall's opinion and he has always provided excellent counsel to him as President as well as to the Board of Regents. Mr. Waterfield returned to the Board Room.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the reappointment of Mr. John Rall as General Counsel for fiscal year 2015-16 at an annual salary of \$132,526, effective July 1, 2015. Mr. Kemp seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

#### **Amendment of Director of Athletics' Contract, approved**

Dr. Davies indicated he has worked with many Athletic Directors in multiple venues across the country and Allen Ward is one of the finest he has come across. His integrity is intact, his commitment to the student athlete is paramount, his commitment to excellence is present at all levels both in terms of championships on the field and, more importantly, with grades and graduation rates and what student athletes do within the community. It is hard to have a national

caliber championship athletic department and not have issues but that is not true at Murray State due to the culture and leadership Mr. Ward has set forward. Dr. Davies does not want to lose him and the Board does not want to lose him.

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve a one-year extension for Mr. Allen Ward, Director of Athletics, with a new base salary of \$150,000 and incentives based upon annual performance. The one-year extension will cause the Revised Employment Agreement to terminate June 30, 2019. Mr. Williams seconded and the roll was called with the following voting: Dr. Curris, yes; Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. The motion carried unanimously.

**Staff Leaves of Absence without Pay, approved**

Mr. Williams 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 May 1, 2015, as listed below:

<b><u>NAME</u></b>	<b><u>DEPARTMENT</u></b>	<b><u>EFFECTIVE DATE</u></b>
Lacey Baker	Accounting and Financial Services	4/1/2015-4/3/2015 4/6/2015-5/18/2015*
Ray Chapman	Dining Services	3/5/2015-4/15/2015
Logan Corbett	West KY Expo Center	6/1/2015-6/30/2015 7/1/2015-7/31/2015
Nicole Courtney	Facilities Management	1/29/2015-1/31/2015
Vanessa Davis	Facilities Management	11/19/2014-12/31/2014
Rebecca Easley	Facilities Management	1/28/2015-2/2/2015
Ambie Gilbert	Undergraduate Admissions	4/6/2015-5/22/2015
John Hopkins	Facilities Management	11/17/2014-12/22/2014*
Ginny Pratt	Registrar	2/27/2015-5/27/2015*
Homer Pritchett	Facilities Management	1/21/2015-1/21/2015
William Reynolds	Facilities Management	1/30/2015-1/31/2015 2/23/2015-2/24/2015
Amanda Rice	Bursars Office	3/30/2015-4/10/2015 4/13/2015-4/24/2015
Angela Richerson	Dining Services	2/13/2015-2/13/2015
Kelsea Roberts	Facilities Management	12/4/2014-12/5/2014 1/6/2015-2/18/2015
Renee Schultz	Accounting and Financial Services	5/15/2015-5/18/2015
Ethan Thomason	University Store	5/29/2015-6/1/2015
Rhonda Vandiver	Center for Continuing Ed	2/1/2015-4/30/2015*
Chen Yang	Dining Services	2/26/2015-2/26/2015

\*Intermittent Leave

Mr. Schooley seconded and the motion carried unanimously.

**Policy Changes, approved**

Dr. Davies reported that the two *Faculty Handbook* revisions being recommended represent housekeeping issues dealing with the title of Lecturer and Senior Lecturer and also for academic promotion guidelines.

**Faculty Handbook Revisions**

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the following revisions as listed in the *Faculty Handbook*:

Compliant with the University procedure for the revision of the Murray State University *Faculty Handbook*, changes to the following sections are recommended for the academic year 2015-16 (attached):



- Section 2.1.2.1/2.1.2.2 – Special Appointment Faculty (Lecturer/Senior Lecturer) – Updates to contractual rights and responsibilities.
- Section 2.6.2.3/2.7.4.1.3 – Academic Promotion Policy Guidelines (Item #3)/ MSU Tenure Policy – Faculty Performance (Item #3) – Amendment regarding residential college service as a component in relation to applications for tenure and promotion.

Dr. Thornton seconded and the motion carried unanimously.

(See Attachments #11 and #12)

**2015-16 Faculty Promotion Recommendations, approved**

Dr. Davies reported the proposed faculty promotion recommendations have been vetted fully through the appropriate committees at the departmental and collegiate levels. They also have approval from the Provost. It is with great pride and privilege that this list is composed of individuals who are excellent teachers and researchers and are involved in exemplary scholarship activities. They provide numerous services to Murray State University and, moreover, they are excellent citizens not only of the University but of the community and it is with great pride that he is presenting to the Board these promotion recommendations.

Dr. Jacobs moved that the Board of Regents, upon the recommendation of the President of the University, approve the faculty named below for promotion, effective with the 2015-16 contracts:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>PROMOTE TO</u>
<b>Eran Guse</b>	Economics & Finance	Associate
<b>*Simone Silva</b>	Economics & Finance	Associate
<b>*Heath Keller</b>	Management, Marketing & Business Administration	Associate
<b>Marcie Hinton</b>	Journalism & Mass Communications	Associate
<b>Meagan Musselman</b>	Adolescent, Career & Special Education	Associate
<b>Lynn Patterson</b>	Early Childhood & Elementary Education	Associate
<b>*Kelly Kleinhans</b>	Center for Communication Disorders	Associate
<b>Kala Chakradhar</b>	Community Leadership & Human Services	Associate
<b>*Joshua Adair</b>	English & Philosophy	Associate
<b>*Carrie Jerrell</b>	English & Philosophy	Associate
<b>*Juyoung Song</b>	English & Philosophy	Associate
<b>*Marjorie Hilton</b>	History	Associate
<b>*Choong-Nam Kang</b>	Political Science & Sociology	Associate
<b>Kevin Miller</b>	Biological Sciences	Associate
<b>*Rachel Allenbaugh</b>	Chemistry	Associate
<b>*Gary Morris</b>	Occupational Safety & Health	Associate
<b>*Katy Garth</b>	School of Nursing & Health Professions	Associate
<b>Squire Babcock</b>	English & Philosophy	Professor
<b>Eric Swisher</b>	Music	Professor
<b>Jim Clinger</b>	Political Science & Sociology	Professor
<b>Lissa Graham</b>	Theatre	Professor
<b>Kate He</b>	Biological Sciences	Professor
<b>Alexey Arkov</b>	Chemistry	Professor
<b>James Hereford</b>	Institute of Engineering	Professor
<b>Abdul Yarali</b>	Institute of Engineering	Professor

\*Faculty also being recommended for tenure.

Mr. Williams seconded and the roll was called with the following voting: Mr. Dobbs, yes; Ms. Green, yes; Mrs. Guess, yes; Dr. Jacobs, yes; Mr. Kemp, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Dr. Thornton, yes; Mr. Williams, yes; and Mr. Waterfield, yes. Dr. Curris was not present to vote. The motion carried.

**2015-16 Faculty Tenure Recommendations, awarded**

Dr. Davies indicated it is his pleasure to present the list of faculty being recommended for tenure. Likewise with those individuals who have received promotion, these individuals are excellent scholars and wonderful teachers and provide an exemplary service to this institution and,

moreover, are wonderful citizens that he is very proud to have as part of this University and the community.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, award tenure to the faculty named below, effective with the 2015-16 contracts:

<u>NAME/DEPARTMENT</u>	<u>PRESENT RANK</u>
* <b>Simone Silva</b> , Economics & Finance	Assistant
* <b>Heath Keller</b> , Management, Marketing & Business Administration	Assistant
* <b>Kelly Kleinhans</b> , Center for Communication Disorders	Assistant
* <b>Joshua Adair</b> , English & Philosophy	Assistant
* <b>Carrie Jerrell</b> , English & Philosophy	Assistant
* <b>Juyoung Song</b> , English & Philosophy	Assistant
* <b>Marjorie Hilton</b> , History	Assistant
* <b>Choong-Nam Kang</b> , Political Science & Sociology	Assistant
* <b>Rachel Allenbaugh</b> , Chemistry	Assistant
* <b>Sung-Ho Hong</b> , Geosciences	Assistant
* <b>Gary Morris</b> , Occupational Safety & Health	Assistant
* <b>Katy Garth</b> , School of Nursing & Health Professions	Assistant
<b>Michael Kalinski</b> , Applied Health Sciences	Professor

\*Faculty also being recommended for promotion to the next highest rank.

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

### Resolutions of Appreciation

#### Constantine W. Curris Resolution of Appreciation, approved

Mr. Kemp moved that the Board of Regents approve the Resolution of Appreciation below for Dr. Constantine W. Curris as read aloud by President Bob Davies.

**MURRAY STATE UNIVERSITY  
BOARD OF REGENTS  
RESOLUTION OF APPRECIATION**

**CONSTANTINE W. CURRIS**

**WHEREAS**, Constantine W. Curris was appointed by the Governor of Kentucky Steven L. Beshear to the Board of Regents of Murray State University and served with distinction from July 2, 2009, through June 30, 2015; and

**WHEREAS**, he has exemplified outstanding leadership on the Board of Regents as Chair from June 2010 through June 2014; member of the Buildings and Grounds Committee in 2009-10 and as Chair of that Committee in 2014-15; member of the Academic Affairs Committee in 2009-10; member of the Audit and Compliance and Finance committees since 2009-10; member of the Regional Services Committee in 2010-14; and member of the former Governmental Relations and International Relations committees for 2009-10; serving as a Board of Regents ex-officio member to the Murray State University Foundation; and having served as Chair of the Ad Hoc Presidential Contract Review Committee and as Chair of the Ad Hoc Presidential Evaluation Committee; and

**WHEREAS**, Constantine W. Curris has been involved in many initiatives for the improvement and advancement of the University in its efforts to serve the educational needs of the citizens of the Commonwealth; and

**WHEREAS**, his leadership has been strong, inclusive and encouraging, leading to a cohesive and cooperative forward looking Board; and

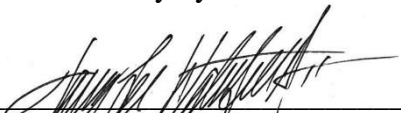
**WHEREAS**, Constantine W. Curris' service has often required the sacrifices of valuable time and the contribution of many hours of difficult work; and

**WHEREAS**, his work was rendered selflessly, without reference to personal inconvenience, without a personal agenda and always for the public good; and

**WHEREAS**, it has been unanimously approved by this Board of Regents to award Constantine W. Curris an Honorary Doctorate of Education from Murray State University;

**NOW, THEREFORE, ON THIS 5<sup>TH</sup> DAY OF JUNE, TWO THOUSAND AND FIFTEEN, BE IT RESOLVED** that we mark this milestone reverently with words Constantine W. Curris will hear again at the last milestone, "Well done, good and faithful servant."

**AND BE IT FURTHER RESOLVED** by the Murray State University Board of Regents that this recognition of the contribution and dedication of Constantine W. Curris be preserved in the Minutes of the Board after having been read aloud and passed unanimously by the Board on this, the 5<sup>th</sup> day of June 2015.

  
\_\_\_\_\_  
Harry Lee Waterfield II  
Chair, Board of Regents

Mr. Williams seconded. Chair Waterfield indicated that all know how outstandingly Dr. Curris had led this Board and he has been a big help to him over the course of this past year. He has said to him many times during the five years he has been on this Board how fortunate all are to have two individuals on the Board that know higher education – Dr. Curris and Dr. Thornton. This could be an uncomfortable situation were these not the right individuals but both are excellent. He is amazed by Dr. Thornton all the time and meets people throughout various venues who know of her work. Dr. Curris has done a magnificent job. Chair Waterfield has known him since 1961 when he was a freshman at the University of Kentucky and Dr. Curris was a sophomore or junior and a student leader. They did not see one another a lot during the intervening years from college until five years ago but while serving on another college Board from 2000-04 the first thing he did was pick up the phone and call Dr. Curris for advice. He has been a wonderful help and has done a great job at Murray State and deserves all the credit for making this a cohesive Board. In addition, the Board is comprised of individuals who want to cooperate and although they may not agree on everything they are not disagreeable and that is the way to run a railroad. Appreciation was expressed to Dr. Curris for his good work.

All in favor exclaimed Cheers! and the motion carried.

Dr. Curris stated that Mr. Waterfield's words were far too kind and he appreciates the vote being unanimous here but it is not necessarily unanimous everywhere. He is going to miss the Board because this is a great group of people. This is a great university so he is very optimistic about its future and he will follow Murray State's progress. He may even throw in a word or two via email since he still has those addresses. He was really shocked and overwhelmed by the awarding of the Honorary Degree and when Jerry Sue started he thought she was obviously talking about Walter Bumphus, knowing the Board had already approved awarding an Honorary Doctorate to Dr. Bumphus, but rationalized she had missed that meeting. Dr. Curris indicated there was no one any more shocked than him and he thanked all for their kindness for both honors today.

**Michael Dobbs Resolution of Appreciation, approved**

Mr. Williams moved that the Board of Regents approve the Resolution of Appreciation below for Mr. Michael Dobbs as read aloud by President Bob Davies.

**MURRAY STATE UNIVERSITY  
BOARD OF REGENTS  
RESOLUTION OF APPRECIATION**

**MICHAEL DOBBS**

**WHEREAS**, Michael Dobbs was elected by the student body of Murray State University to serve as the President of the Student Government Association and accordingly served as the student member of the Murray State University Board of Regents for 2014-15;

**WHEREAS**, Michael demonstrated that he possesses maturity, sound judgment and strong moral values as he contributed to the discussion of various issues that came before the Board of Regents and provided service to the Board of Regents' Academic Affairs, Buildings and Grounds, Enrollment Management and Student Success and Regional Services committees as well as serving as a member of the Presidential Transition Committee; and

**WHEREAS**, during Michael's tenure he demonstrated characteristics of a keen intellect, courage, common sense and independent thinking; and

**WHEREAS**, he has served as a strong leader of the Student Government Association, always representing the best interests of the students of Murray State University both as a member of the Board of Regents and as the President of the Student Government Association; and

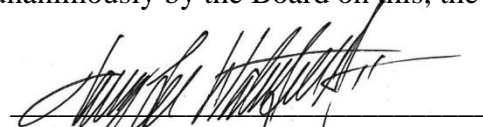
**WHEREAS**, the Student Government Association engaged in many activities throughout the tenure of Michael's leadership which benefitted all students of Murray State University, including traditional and nontraditional students, as well as those students enrolled at the regional campuses; and

**WHEREAS**, he was an extremely active student at Murray State University engaging in numerous extracurricular activities all of which enhanced the student life on campus;

**NOW, THEREFORE, BE IT RESOLVED** that this Board of Regents, on behalf of the faculty, staff and students, as well as the citizens of the Commonwealth of Kentucky, extend to Michael Dobbs sincere gratitude for outstanding service rendered to the Commonwealth of Kentucky and Murray State University; and

**BE IT FURTHER RESOLVED** that the Board of Regents extends to Michael our best wishes in his career endeavors and a life filled with good health and continued honorable service to his fellow man; and

**BE IT FINALLY RESOLVED** by the Murray State University Board of Regents that this recognition of the contributions and dedication of Michael Dobbs be preserved in the Minutes of the Board after having been read aloud and passed unanimously by the Board on this, the 5<sup>th</sup> day of June 2015.

  
\_\_\_\_\_  
Harry Lee Waterfield II  
Chair, Board of Regents

Mrs. Guess seconded and the motion carried unanimously.

Chair Waterfield indicated that Mr. Dobbs has been an excellent Regent and continued the tradition at Murray State University of having outstanding Student Regents. The year just flew by and his work is greatly appreciated. Michael served on the Presidential Transition Committee that was set up to help transition Dr. Davies. Last summer his job was taking him around the state quite a bit and on a couple of occasions he even called into Committee meetings while located in the middle of a lake. The Board wishes him well.

Mr. Dobbs stated it has been a pleasure to serve as a member of this Board and he hopes he was able to give back what he got out of serving in this role. It has truly been a pleasure and he has enjoyed his time.

#### **Retired Faculty and Staff Resolution of Appreciation, approved**

Mr. Williams moved that the Board of Regents approve the Resolution of Appreciation below for Murray State University faculty and staff who are retiring or have retired during the 2014-15 academic year as read aloud by President Davies.

**BOARD OF REGENTS  
MURRAY STATE UNIVERSITY  
RESOLUTION OF APPRECIATION**

**MURRAY STATE UNIVERSITY FACULTY AND STAFF**

**WHEREAS**, the faculty and staff members of Murray State University listed in this Resolution are retiring or have retired during the 2014-15 academic year;

Andrew Batts, Computer Science and Information Systems, 40 years  
Charlotte Beahan, History, 35 years  
Ann Beck, Political Science and Sociology, 11 years  
Leon Bodevin, Modern Languages, 16 years  
Dwayne Driskill, Agricultural Sciences, 31 years  
Thomas Glover, Political Science and Sociology, 10 years  
Roy Helton, English and Philosophy, 48 years  
William Lyle, Computer Science and Information Systems, 34 years  
Fred Miller, Management, Marketing and Business Administration, 35 years  
Wade Northington, Breathitt Veterinary Center, 16 years  
Judith Payne, Adolescent, Career and Special Education, 38 years  
William Payne, Agricultural Sciences, 39 years  
George Rice, Telecommunications Systems Management, 15 years  
Jo Robertson, Early Childhood and Elementary Education, 17 years  
Linda Thomas, Nursing, 3 years

Mark Belva, Information Systems, 13 years  
James F. Carter, Vice President for Institutional Advancement, 18 ½ years  
Patricia Cole, Health Services, 37½ years  
Elizabeth Collins, Dining and Racer Hospitality, 22 years  
Rebecca Conner, CFSB Center, 10½ years  
Gary Dyer, Dining and Racer Hospitality, 29 years  
Bonita Hale, Center for Continuing Education, 34½ years  
Rebecca Henderson, Dining and Racer Hospitality, 32½ years  
Geraldine Hester, Center for Continuing Education, 15 years  
Kelsie Hooks, Dining and Racer Hospitality, 25 years  
Luella Humphrey, Dining and Racer Hospitality, 19 years  
Judith Lyle, Health Services, 29½ years  
Inez Lyon, Dining and Racer Hospitality, 12 years  
Jerry Majors, Facilities Management, 6 years  
Mary Mays, Human Resources, 7 years  
Linda Miller, Information Systems, 25 years  
Mamie Padgett, College of Education and Human Services, 27 years  
Anna Page, Dining and Racer Hospitality, 20½ years  
Stephen Pember, Susan E. Bauernfeind Recreation and Wellness Center, 8 years  
Anita Poynor, Bursar's Office, 33 years  
Judith Shearer, Department of Art and Design, 21 years  
Mark Shearer, Facilities Management, 21½ years  
Louie Sieting, Facilities Management, 26 years  
Cheryl Skinner, Dining and Racer Hospitality, 32½ years  
Jeff Steen, Public Safety and Emergency Management, 27½ years  
Katherine Thweatt, WKMS-FM, 33½ years  
Larry Thurman, Curris Center Administration, 14½ years  
Robert Turner, Facilities Management, 7 years  
Ken Ulrich, Facilities Management, 24 years  
Shirley Washer, Department of English and Philosophy, 42½ years  
Rebecca Wilder, Dining and Racer Hospitality, 26 years  
Melody Nall, Center for Continuing Education, 8½ years  
Mary Hodges, Kentucky Center for Mathematics, 10 years

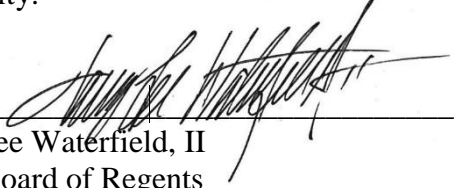
**WHEREAS**, they have served Murray State University faithfully, loyally and professionally; and

**WHEREAS**, the University is cognizant and appreciative of the vital support and services of these members; and

**WHEREAS**, they have served the students of Murray State University on a daily basis with warmth, understanding and concern and have performed their responsibilities in a dedicated manner;

**NOW, THEREFORE, BE IT RESOLVED** that the University recognize these individuals and their collective total of 1,107 years of service to Murray State University; and

**BE IT FURTHER RESOLVED** that the Board of Regents expresses its deep and heartfelt appreciation to these faculty members for their loyalty and devotion to the institution and their contributions to the betterment of the University.

  
\_\_\_\_\_  
Harry Lee Waterfield, II  
Chair, Board of Regents  
June 5, 2015

Mr. Schooley seconded and the motion carried unanimously. Chair Waterfield expressed appreciation to these individuals for their service to Murray State University.

### **Board Organizational Issues**

#### **Meeting Dates for 2015-16, approved**

The Board of Regents Quarterly Meeting dates for 2015-16 were scheduled as follows:

Thursday, August 27, 2015 (Board of Regents Advance)  
Friday, August 28, 2015 (Quarterly Board of Regents Meeting)  
Friday, December 11, 2015 (Quarterly Board of Regents Meeting – with Commencement following on December 12)  
Friday, February 26, 2016 (Quarterly Board of Regents Meeting)  
Friday, June 10, 2016 (Quarterly Board of Regents Meeting)

Ms. Hunt will distribute these dates to the Board.

#### **Officers for 2015-16 – Chair, Vice Chair and Secretary, elected**

Chair Waterfield turned the gavel over to Vice Chair Sharon Green. She stated that 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, and a separate election will be conducted to elect each of the officers: Chair, Vice Chair and Secretary. The Treasurer is appointed by the Board, serves at the pleasure of the Board and shall not be a member of the Board.

Regent Green declared that nominations for 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 he/she may withdraw his/her 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 Chair of the Board of Regents and Dr. Curris nominated Harry Lee Waterfield II. Regent Dobbs and Green passed; Regents Jacobs and Kemp seconded the nomination of Harry Lee Waterfield II and all other members passed with the exception of Mrs. Guess who had left the meeting. Vice Chair Green indicated that there being

only one nomination for Chair Harry Lee Waterfield II is elected Chair by majority consent, according to the *Bylaws* of the Murray State University Board of Regents.

Mr. Waterfield thanked the Board for their confidence and for electing him Chair.

Chair Waterfield indicated the election for Vice Chair would be undertaken following the same procedure and opened the floor for nominations. The Secretary called the roll for nominations for Vice Chair of the Board of Regents. Dr. Curris and Mr. Dobbs passed. Ms. Green nominated Mr. Williams. Dr. Jacobs passed and Mr. Kemp seconded the nomination of Mr. Williams. All others passed with the exception of Mrs. Guess who had left the meeting. Mr. Waterfield indicated there being only one nomination for Vice Chair Stephen Williams is elected Vice Chair by majority consent, according to the *Bylaws* of the Murray State University Board of Regents.

Chair Waterfield expressed appreciation to Ms. Green for serving as Vice Chair over the past year and indicated he looks forward to working with her during the upcoming year. At the Board of Regents Advance – because of the Strategic Plan and some things that may change – the Board will establish the committees it wants to have and the appropriate names for those committees.

Chair Waterfield opened the floor for nominations for Secretary. The Secretary called the roll for nominations for Secretary of the Board of Regents. Dr. Curris nominated Jill Hunt and Mr. Kemp, Mr. Schooley and Mr. Williams seconded that motion. Dr. Jacobs replied with “here here” and all other Regents passed with the exception of Mrs. Guess who had left the meeting. 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.

Chair Waterfield indicated – and as Dr. Curris was aware – how valuable Ms. Hunt is to this Board. She has learned that he has Murray State on one computer and his business on another. When he starts looking for something and does not find it as quickly as he would like he has learned it is easier to email Jill who is able to immediately provide the requested information.

#### Treasurer, reappointed

Chair Waterfield stated it is the desire of the Board of Regents to reappoint Jackie Dudley as Treasurer to the Board. Mr. Williams so moved, seconded by Ms. Green. There being no objection the motion carried.

#### Supplemental Materials

Board members were provided with supplemental quarterly reports in the eBoard book, including *News Beyond Campus*, Campus Master Projects Update – Quarterly Status Report, Capital and Other Projects Report and Sponsored Programs – Grants and Contracts Update and the Litigation Status Report. These reports were provided for informational purposes only and required no action.

#### Other Business/Adjournment

There being no further business to come before the Board, Mrs. Sewell moved that the Quarterly Meeting and Committee Meetings of the Board of Regents adjourn. Dr. Thornton seconded and there being no further discussion the motion carried. Adjournment was at 4:22 p.m.

  
Chair

  
Secretary