Minutes of the Quarterly Board of Regents Meeting
Murray State University
Friday, February 19, 2010
1 p.m. – Jesse Stuart Room – Pogue Library

The Board of Regents of Murray State University (MSU) met on Friday, February 19, 2010, in quarterly session in the Jesse Stuart Room of Pogue Library on the main campus of Murray State University. Chair Alan Stout called the meeting to order at 1:05 p.m. and welcomed members of the University community, news media, general public and those viewing the proceedings via the Internet.

Roll Call

The roll was called and the following members were present: William Adams, Marilyn Buchanon, Constantine Curris, Sharon Green, Laxmaiah Manchikanti, Kara Mantooth, Jay Morgan, Phil Schooley, Alan Stout, Vickie Travis and Stephen Williams. Absent: none.

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

AGENDA
Meeting of the Board of Regents
Murray State University
Jesse Stuart Room – Pogue Library
February 19, 2010
1 p.m.

1.	**Roll Call**	
2.	**Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents December 4, 2009***	
3.	**Public Participation**	
4.	**Report of the President**	**Dr. Dunn**
5.	**MSU Spotlight: Women's Center**	**Mrs. Etheridge**
6.	**Report of the Chair**	**Mr. Stout**
7.	**Report of the Treasurer***	**Mr. Denton**
8.	**Enrollment Update Report**	**Ms. Marshall/ Mr. Smee**
9.	**Gifts in Kind*** **A. Twelve-year-old Bay Quarter Horse Mare** **B. Nineteen-year-old Brown Quarter Horse Mare and Thirteen-year-old Sorrell Quarter Horse Mare**	**Dr. Dunn**
10.	**Naming Proposals*** **A. Bill and Merry Garrett Farm** **B. The Betsy and Jerry Shroat Stage**	**Dr. Dunn**
11.	**Changes to *Personnel Policies and Procedures Manual****	**Dr. Dunn**

A. **Overtime and Exceptional Compensation Policy – Breathitt Veterinary Center (BVC) and Extended Campus Administrative Closing**
B. **Temporary Employment Status**
C. **Family Medical Leave Act (FMLA) – Military Caregiver**

12. <u>Personnel Changes</u>* **Dr. Dunn**
A. **Salary Roster**
B. **Appointment of Registrar**
C. **Appointment of Head Football Coach**
D. **Faculty Early Retirement Contracts**
E. **Staff Leaves of Absence Without Pay**
F. **Sabbatical Leaves**

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

A. Academic Affairs **Dr. Morgan**
1) **Bachelor of Arts Degree – Japanese Language and Literature**

B. Athletic **Mr. Stout**

C. Audit **Mr. Adams**
1) **WKMS-FM Audits**
   a. **Management Letter and Representation Letter**
   b. **Audited Financial Statements**
2) **Athletics Audits**
   a. **NCAA Agreed-Upon Procedures**
   b. **Athletic Foundation Compilation**
3) **Kentucky Institute for International Studies (KIIS) Audits**
   a. **Management Letter and Representation Letter**
   b. **Program Audit**
4) **Auditing Services Contract**

D. Buildings and Grounds **Mr. Adams**

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

F. Equal Opportunity/Affirmative Action **Ms. Green**

G. Faculty/Staff Affairs **Mr. Schooley**

H. Finance **Mr. Williams**
1) **Energy-Saving Projects**
   a. **Electrical Generation Project Scope Reduction**
   b. **Master Lease Financing for Electrical Generation Project**
2) **2010-11 Budget Preparation Guidelines**

I. Governmental Relations **Mrs. Travis**

J. International Relations **Mrs. Travis**

K. Student Life **Ms. Mantooth**

14. <u>Other Business</u> **Mr. Stout**

(*Indicates Board Action Item)

Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents December 4, 2009, approved

Mr. Williams moved, seconded by Mr. Schooley, that the Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents on December 4, 2009, be approved as submitted. Motion carried.

Public Participation

Chair Stout announced there was one signee for the Public Participation portion of the meeting – Hickman County Judge-Executive Greg Pruitt, representing the Regional Stewardship Advisory Council.

Mr. Pruitt thanked the Board for the opportunity to address the group and indicated three years ago he was invited to serve on the MSU Regional Stewardship Advisory Council and has served as Chair during this time. The regional stewardship initiative was developed by the Council on Postsecondary Education (CPE) to provide grant money to the six regional Kentucky public universities to develop a mechanism to connect the resources of the institutions to the needs of the region. Murray State, through the leadership of President Dunn, embraced the initiative and not only created an office to accomplish this work but built regional stewardship into the culture of the University by utilizing three imperatives – fostering excellence, creating community and building partnerships – that are integral to Dr. Dunn's vision for MSU and the region. Significant work has been undertaken in the region and will continue with Board support. The college deans have worked closely with the Regional Stewardship Advisory Council and much of what has been accomplished to further educational attainment throughout the region would not have been possible without their assistance. On behalf of the Regional Stewardship Advisory Council, Mr. Pruitt submitted a letter of support signed by the 21 members. Budgets are limited and state funding continues to be cut and it will be this Board's leadership in endorsing future funding for the regional stewardship initiative which will allow all to move forward in a united fashion. The Advisory Council requests the Board's partnership to provide continued budgetary support to allow the Council to continue serving Murray State's 18 county service region which has benefitted greatly from the work of this body. Board support has been much appreciated in the past and continued assistance is requested to move the region forward and further expand MSU services.

On behalf of the Board, Chair Stout expressed appreciation to Mr. Pruitt and members of the Regional Stewardship Advisory Council for their commitment to the initiative. Under the leadership of Director Gina Winchester regional stewardship at MSU has been extremely successful and substantially helps fulfill the University's regional mission.

President's Report

Dr. Dunn reported the following:

People

- **Major Gifts**

The University received a $320,000 estate gift from Dr. and Mrs. Thomas Weems (alumni from New Jersey) for scholarships in the College of Science, Engineering and Technology.

- **Recent Appointments**

Slone Cansler, Hopkinsville Regional Campus Director, was introduced and stated she is excited to represent Murray State in Hopkinsville and Ft. Campbell, particularly as a two-time graduate of MSU. Because of groundwork already in place, Murray State has been established as a trusted ally of the Hopkinsville community and strives to improve the area's educational system which includes increased enrollment and community involvement. Ms. Cansler represents the University on the Pennyrile Region P-16 Council, Workforce Education Development Partnership, Christian County Education Coalition and Community Vision Task Force and is committed to enrollment growth in these areas as well as an increased presence at Ft. Campbell.

- **Presidential Lecture**

Archbishop Desmond Tutu will deliver the Presidential Lecture on Monday, February 22, 2010, at 7 p.m. in the Regional Special Events Center (RSEC).

- **Provost Search Update**

Dr. Dunn indicated Dean Ted Brown, College of Humanities and Fine Arts, serves as Chair of the Provost Search Committee and will provide an update on the process but as planning progresses for candidates to visit campus over the next month the Board should consider whether it desires to meet with these individuals during constituency group receptions or more formally.

Dr. Brown reported there were 67 applications for the position of Provost and Vice President for Academic Affairs. The Screening Committee, comprised of faculty and staff and one MSU student, has selected ten semi-finalists for 90-minute interviews in Nashville, Tennessee. All interviewees are currently in positions at the dean level or above. Following the initial interviews the Committee will likely narrow the list to three finalists to visit campus as follows: March 11-12; March 15-16 and March 18-19. There will be an Open Forum for each candidate in addition to evening activities which would provide an opportunity for Board participation. Once the finalists for campus interviews have been identified the names will be announced publicly. Dr. Brown thanked Dr. Dunn and staff for their assistance in the search process, indicating Chief of Staff Joshua Jacobs, Executive Assistant to the President Jill Hunt Lovett and Executive Secretary Melissa Outland provided invaluable assistance to the Search Committee.

Chair Stout suggested the role of the Board should be for interested members to attend the Public Forum and possibly an evening reception. Dr. Dunn indicated there is schedule flexibility and the Board can be provided with opportunities for as much interaction with the candidates as desired. It was agreed the Board would be invited to each of the public forums and would be able to interact more closely with each candidate at the constituency receptions.

- **MSU Rifle Team**

The MSU Rifle Team won its 9th Ohio Valley Conference (OVC) Championship but it is not yet known whether the team will qualify for the National Collegiate Athletic Association (NCAA) Tournament – which includes the top eight teams – and MSU is currently ranked 7th.

- **Norton Healthcare**

Norton Healthcare – under the direction of Regent Steve Williams as President and Chief Executive Officer – was recently listed in *Best Places to Work in Kentucky 2010*.

- **Men's Basketball Team**

The MSU Men's Basketball Team won its 21st OVC Conference regular season championship.

<u>Programs</u>

- **Automatic Degree Program Eligibility**

Murray State University has earned "automatic" degree program eligibility status for 2010 under the *Kentucky Plan for Equal Opportunities* by meeting six of eight criteria related to African-American faculty, staff and students. The Commonwealth considers factors such as percentage of enrollment, retention of first-year and all-year students and involvement of faculty and staff as a percentage of overall employees. If the University does not annually meet these standards it loses the ability to automatically move forward with new degree program requests.

- **Study Abroad**

The MSU Study Abroad Program was highlighted in the February 7 issue of *The Chronicle of Higher Education* and was featured in *Online Chat* on February 12. The study also featured Melanie McCallon, Study Abroad Director, Institute for International Studies, and Associate Provost Bonnie Higginson.

- ***Graduate Kentucky Summit***

MSU recently sponsored a *Graduate Kentucky Summit* to address drop-out prevention which was hosted by the First Ladies of Kentucky and MSU (Jane Beshear and Ronda Dunn, respectively) as well as the Office of Regional Stewardship. The summit represented a follow-up to work which had taken place statewide in the fall to examine specific regional strategies which could be utilized to address drop-out rates. Dr. Dunn thanked Jane Beshear and Ronda Dunn for hosting the Summit, stating an enormous amount of work was involved in the planning process.

- **Doctorate of Nursing Practice**

Dr. Dunn reported the nursing profession is moving in the same direction as some other health care professions – most notably physical therapy – by eliminating the Master of Science in Nursing degree for a Nurse Anesthetist, Clinical Nurse Provider or Nurse Practitioner and moving the standard to a doctorate. By 2015, for accreditation purposes the Master of Science in Nursing will become a Doctorate of Nursing Practice (DNP). However, there is currently no authority within Kentucky for comprehensive universities to offer doctoral degrees. It must first be determined how state authority for the DNP can be established and changes which must occur within the MSU Nursing Program need to be identified. The DNP would represent the University's first doctoral program which has implications for staffing, resources and the Library. A Bill has been filed in the General Assembly to grant comprehensive universities with nursing programs authority to offer the DNP. There is considerable discussion by various constituencies in the health care field whether this is a worthwhile initiative or if it warrants additional consideration. In the past few months the initiative has gained momentum and must be addressed if the University desires to maintain a viable nursing program.

Mr. Williams believes the University should continue to explore planning toward this initiative which clearly represents the future direction of the nursing field. Nursing is already one of Murray State's top programs and delivers an extraordinary product that is well-known throughout the state and region. There are over 6,000 nurses within Norton Healthcare which depends on the MSU nursing program and considers it to be one of the best in the region. Making this move would also build on the University's leadership at the forefront of nursing with the state's only Nurse Anesthetist Program.

- **Four Rivers Scholarship Program**

MSU has joined the Four Rivers Scholarship Program involving Hickman, Fulton and Carlisle County schools as well as the Fulton Independent School District. The initiative is related to the desire to support college attendance for students from these school systems if they meet certain criteria – grade point average, attendance, behavior – by offering mentoring toward college attendance with the communities providing financial support for these students to matriculate from high school to a postsecondary education experience either at West Kentucky Community and Technical College (WKCTC) or with the four-year partners – Murray State or the University of Tennessee-Martin.

- **Social Work Program**

The MSU Social Work Program in the College of Health Sciences and Human Services was recently reaccredited for an eight-year period by the *Council for Social Work Education*. No deficiencies were cited in the reaccreditation process.

<u>Policy</u>

- **President Obama's Budget**

President Barack Obama has moved forward with the Federal Fiscal Year 2011 Budget and it is being monitored closely, particularly as it pertains to higher education. There is an overall 5.8 percent decrease for higher education due to the reduction or elimination of two major programs (excluding Pell Grants). In the proposed budget Pell Grant awards would increase by $160 to $5,710 which is important for 30 to 40 percent of MSU students who are Pell Grant eligible. There is also a continued call to move all campuses to a Direct Loan Program. An internal University group is working on the assumption – if not for next year then within one year – that all universities would be moved to direct loan status through their financial aid programs which will involve significant changes around staffing, departmental roles and the ERP system. The American Graduation Initiative is a community college program but would provide $10 billion in grant opportunities for institutions with two-year programs (MSU offers through the Community College). This initiative represents an effort to increase graduates nationally by 5 million and further revamps support for P-12 education.

<u>Point of View</u>

Dr. Dunn provided the following quote from *Sonic Boom: Globalization at Mach Speed* by Gregg Easterbrook (and excerpted in *Newsweek* magazine's February 22 issue):

> "College is our secret weapon – college is more valuable to the future economy than petroleum. America leads the world in many areas – economics, military power, loud music – but nowhere is the lead more important than higher education.

The United States has more great colleges than the rest of the world combined. Yet California, Texas and other states are cutting back their public-university systems. This is a terrible mistake. In the long run, extra college may even cost society less, because people with college educations are better suited to look after themselves in a turbulent economy, rather than asking the government to subsidize them."

MSU Spotlight: Women's Center

Jane Etheridge, Director of the MSU Women's Center, reported the following:

- The Women's Center is home to the service organization *Students Promoting Activism, Rights and Knowledge (SPARK)*. Information was provided in the supplemental notebook on the mission, purpose and goals of the Center and a DVD was shown.
- Since 1992 the Women's Center has served women and those interested in issues relevant to women where their concerns can be voiced, handled directly and/or referred to other resources within the institution or the surrounding community. The Center maintains a commitment to improving lives with respect for the diversity of women's identities and experiences and promotes a supportive, safe and equitable environment for female students which comprise a considerable percentage of the MSU student population.
- The Center recognizes and affirms women's abilities, accomplishments, challenges and potential; helps remove barriers which would interfere with an MSU female student reaching her full potential and strives to create a strong voice for positive change both on campus and in the surrounding community. It maintains a student-centered focus and is part of the Division of Student Affairs which is responsible for engaging and educating students outside the classroom. The resources provided – as well as educational programs, advocacy and support – help students be academically successful and better prepared for the future.
- Programming is at the heart of the Women's Center. National statistics and media provide a reminder and awareness of issues prevalent on a college campus. Information and education is provided on issues that disproportionately affect women on college campuses across the U.S. and globally, such as relationship violence, rape, sexual assault, sexual and peer harassment, stalking and disordered eating. Through creative and engaging awareness and prevention programs the Center helps keep students safe, healthy and productive.
- The Center could not function without student volunteers, University scholars, practicum students and interns. Ms. Etheridge is the only professional staff member but during 18 years of operation the Center has provided more than 500 students with an opportunity to use their talents, strengths and desire to make a difference.
- MSU students Amber Marable and Lauren Bauer provided further insight on the Women's Center. Ms. Marable indicated programming provides an opportunity for students to see real issues – including those people sometimes do not want to talk about – and helps them view things from a different perspective. Ms. Bauer reported the Women's Center helped determine her career path, the ability to make a difference on campus has had a lasting impact and coordinating a new campus program has further enhanced her leadership skills.
- Ms. Etheridge indicated the Women's Center has a responsibility to the surrounding community and works to serve locally and develop partnerships with other agencies and civic groups to strengthen individuals and create a healthier, safer and more productive community. The Center has affiliated with the Merryman House Domestic Violence Crisis Center, the Purchase Area Sexual Assault and Child Advocacy Center, Calloway County United Benevolent Services, Needline and the Murray-Calloway County Hospital and Wellness Center.
- Each year the Growing Into Respected Outstanding Women (GROW) mentoring program pairs a select group of college women with a select group of middle school girls believed to possess unrealized potential. There are currently programs at both Calloway County and Murray Middle schools and additional information was included in the supplemental notebook.
- Regents were invited to visit the Women's Center in Ordway Hall and attend the 22nd Annual Celebrate Women Luncheon on Wednesday, March 17, 2010, in honor of the 30th anniversary of Women's History Month.

On behalf of the Board, Chair Stout thanked Ms. Etheridge for the Women's Center presentation.

Report of the Chair

Chair Stout stated the Athletic Committee report and the Report of the Chair would be merged and indicated the following:

- Head Football Coach Chris Hatcher has "hit the ground running," is currently on the road recruiting and Regents should make every effort to meet the impressive new coach.
- Accolades for the Men's Basketball Team are well deserved but the Lady Racers are also having a great season and are "in the hunt" for the OVC Tournament.

- MSU Softball Coach Jay Pyron was present with three student athletes. Coach Pyron reported when he is recruiting, individuals frequently indicate how thankful they are MSU now has a Softball Team. Team members who addressed the Board were Jenna Bradley (Matoon, Illinois), Center Field; Taylor Wilson (Evansville, Indiana) Left Field; and Chelsey Sullivan (Shelbyville, Illinois), Pitcher. The first game is February 26 against Southern Illinois University-Edwardsville, followed by a second game against Ole Miss. The first home game will be March 3 against the University of Evansville.
- *Hold Thy Banner High (HTBH) Comprehensive Campaign* is underway and Regents, members of the University community, friends and family were encouraged to assist through their own personal commitment, promoting the campaign in individual communities and those areas within an individual's sphere of influence among colleagues, business, family, alumni and friends. The campaign is critical to the future of the University and for student success as the institution continues to face declining state support.

Report of the Treasurer, accepted

Mr. Denton highlighted the following with regard to the Financial and Investment Reports for six months ended December 31, 2009:

- Cash and cash equivalents increased by $12 million compared to December 31, 2008, due to an operations increase plus limited endowment funds.
- Investments decreased by about $4 million in comparison to prior year when the market also decreased.
- Capital assets are $14 million above this time last year with an additional $10 million being capitalized on the Chemistry Building as part of the Science Complex.
- Bonds, notes payable and capital leases increased by $4.5 million. The University issued $7.6 million in Series A Bonds in April 2009 which pertained to the housing and dining system for various renovation projects.
- With regard to revenue and expenses from the General Fund, the bottom line increased over the prior year but includes timing differences. Net tuition and fees are currently $58 million (actual) compared to $52 million budgeted. The $58 million figure is $71.7 million in gross tuition less $13.7 million in tuition and waivers. There is $900,000 in housing and meal waivers paid from the General Fund and $2.6 million in financial aid expenditures. Once these amounts are subtracted from $58 million it leaves approximately $54.4 million which is what was recognized in revenue for gross tuition minus scholarships and waivers.
- With regard to expenses, a fund balance transfer of $550,000 for the Kentucky Institute for International Studies (KIIS) Program has been moved to Western Kentucky University, with an additional $332,000 to be added next quarter.
- Dr. Curris asked for an explanation regarding student aid expense and why expenditures listed are in excess over budget. Mr. Denton explained it is difficult to budget the student aid line within the General Fund. The University has over $20 million budgeted for tuition and waivers but the only way of reporting this amount would be to move the entire $20 million to student aid and budget. Since 2003 the University has been required to list this financial aid expense as an offset to the second line of revenues which includes gross tuition minus waivers. There is $71.7 million in gross tuition and fees, less $13.7 million in discounts and allowances, which results in $58 million in actual net tuition and fees. An attempt was made to show the budget as it pertained to those specific line items – $52 million budgeted with $58 million in net tuition and fees – and there is a positive number for revenue and a negative number for expenditures reflected in one section. There is $769,000 budgeted for student aid and in the past the full $20 million was shown in this line. What must be reported now are only those financial aid items not applied against account balances – student aid over and above what is owed. The University must split financial aid expenditures into two different sections and while it appears there is $769,000 in student aid, there is actually $20 million budgeted for this purpose.

Dr. Curris is unsure of the most appropriate way to handle student aid – inasmuch as tuition waivers, etc. are becoming a significant part of the budget and have been increasing – but it might be beneficial for the administration to provide the Board with supplemental information to illustrate what is occurring with discounts (perhaps by providing a trend line). Dr. Dunn indicated there may be need for a Special BOR Meeting between now and the May 21 quarterly meeting when the Board adopts the budget. The Regents must take action to set tuition, mandatory fees and housing and dining rates in advance of the budget and it is likely a Special Meeting will be called for that purpose. During this meeting the Board could be presented with the type of document being proposed to determine whether it provides the level of detail desired. If Board sentiment is this type of support should be decreased that will lead to necessary adjustments to the budget. The *Budget Preparation Guidelines* refer to an even greater increase in this area as the Fiscal Year 2011 budget is prepared (particularly discounting). A special

meeting would provide an opportunity to review and make adjustments to the budget prior to it being submitted to the Board for approval. Mr. Denton further reported:

- With regard to auxiliaries there are some substantial differences this year compared to last year primarily due to timing and by the end of the physical year the dollar amounts will be approximately the same as prior year. The Food Services unit continues to bring in substantial revenue and is significantly ahead of the same period last year. While it appears housing is substantially ahead of last year, a bond payment remains to be made in the last half of the fiscal year and approximately $400,000 in room waivers have not been recorded for spring. The Bookstore is down compared to prior year and this issue is being reviewed. Although renovations (approximately $100,000) were undertaken at the Bookstore, other variables are also involved in decreased revenue. Auxiliaries are promising at this point but with account timing differences the figures will look different when next presented.
- As of December overall interest rates are down compared to one year ago with the exception of endowment funds – primarily those held by the Foundation – where market adjustments are beginning to return.

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 July 1, 2009, through December 31, 2009, as presented. Dr. Morgan seconded and the motion carried.

(See Attachment #1)

Enrollment Update Report

Dr. Dunn reported when the Board met in December the University was unable to provide disaggregated fall enrollment data due to Banner implementation issues. Alison Marshall, Interim Executive Director for Enrollment Management, provided an enrollment update with the following highlights:

- An enrollment comparison breakdown by 18 county service region for all students was provided for fall 2006 through fall 2009. The University experienced increased enrollment from Calloway, Christian, Hickman, Livingston, Marshall, Trigg and Union counties with total enrollment for both fall 2008 and fall 2009 being 5,477 students.
- First-time freshmen slightly increased from fall 2008 to fall 2009.
- An overview of the University's special market areas with regard to all students and first-time freshmen was included in the supplemental notebook with increases noted in the counties of Breckenridge, Muhlenberg and Oldham (Kentucky), Massac (Illinois), St. Louis City/County (Missouri); Henry and Montgomery (Tennessee); and Vanderburgh (Indiana).
- The number of undergraduate degrees conferred in December 2009 was 512 and the number of graduate degrees conferred was 217 for a total of 729.
- Information for spring 2010 indicated headcount enrollment is up by 197 students (2.1 percent) and represents the highest increase since spring 2006. The increase is reflected in undergraduate part-time numbers, full and part-time graduate students and international student enrollment. These increases are attributed to additional efforts in local high schools through offering on-site classes and continued relationship building.
- Due to increased retention efforts which have been initiated the University retained 90 percent of the freshman class from fall to spring. Carmen Garland, Assistant Vice President for Retention, and Mike Young, Assistant Vice President, Office of Student Affairs, have worked diligently to improve retention.

Shawn Smee provided an update on the following recruitment initiative for fall 2010:

- Honors Day (formerly Presidential Fellowship/Presidential Scholars Interview Day) provided an opportunity for approximately 170 students and their families to visit campus. Last year 35 students and parents participated in the event but this year Honors Day provided a venue for 400 individuals to visit campus and presented an opportunity to convince these students why Murray State should be their college of choice by allowing them to interact with faculty and staff and discuss study abroad opportunities. A group of 32 students emerged from the larger group and these individuals will participate in Presidential interviews with faculty, staff and students.

In response to a Regent question regarding residency for Presidential Scholars, Mr. Smee indicated the group scheduled for interviews is more diverse than ever before with students coming from Missouri, Illinois, Tennessee, Arkansas, Kentucky, Michigan and Florida. Confirmation was provided that several students are from Murray State's 18 county service area as well as from Jefferson County. Interestingly, all 32 students accepted the invitation to return to Murray State and participate in the interview process. Interviews will be held on the same day

as the Presidential Lecture to provide an opportunity for students to attend the Archbishop Tutu lecture. Mr. Smee further reported:

- The Office of Recruitment has targeted specific efforts toward admitted students and an increased and concerted effort has been made to communicate with these individuals through mailings and email. The Office of Publications has provided assistance in this effort by producing many new publication pieces for the University – with new information being mailed to admitted students every 15 days. Open houses targeting admitted students have been scheduled and the February Admitted Student Open Houses attracted 350 students and their families for a total of over 800 guests on campus. Working in conjunction with area alumni, targeted admitted student receptions will be held in St. Louis and Owensboro to provide an opportunity for students to interact with staff from the Office of Recruitment and area alumni.
- A part-time Coordinator of Alumni Student Recruitment has been hired to focus, with assistance from the Alumni Affairs Office, on working with alumni to recruit MSU students. Over 20 alumni have indicated a willingness to write congratulatory notes to admitted students and provide assistance in making the college transition easier.

Ms. Marshall reported the following with regard to fall 2010 admitted students:

- Admitted in-state student numbers are up 7.5 percent and out-of-state freshmen numbers are up 5 percent. Including international students, the University is up 170 students (6.8 percent overall).
- Overall out-of-state freshmen numbers from Illinois, Indiana, Missouri and Tennessee are up 5 percent.
- Overall undergraduate transfer students (freshman through senior categories) are up 10 percent.
- Out-of-state transfer student numbers increased in Illinois and Tennessee. Indiana and Missouri numbers are currently flat.
- In Murray State's 18 county service region the University is up 61 students (7.6 percent).
- Full-time admitted graduate student numbers are up but part-time numbers are down slightly.
- International applications are up approximately 20 percent.
- Jim Black, Enrollment Management Consultant from SemWorks, will be on campus next week to work with staff to explore enrollment management strategies which will provide information on utilizing time and resources in the best way possible to ensure the University focuses efforts on students most likely to matriculate from admitted to enrolled status.

Mr. Williams stated the numbers presented are encouraging and asked how they compare with the trend line relative to the University's 12x12 goals. Ms. Marshall indicated a large number of students apply and are admitted to Murray State but the challenge is increasing the number of students who actually enroll in order to move the University closer to reaching 12x12 enrollment goals. Fortunately MSU sells itself and convincing students to apply is not the biggest challenge. Helping students get over the hurdle of where the University is located in the state, the economy and other factors come into play and affect their final college decision. Over the past year applicant numbers have been high but yield has not materialized. Initial work taking place through the Office of Recruitment, including continual contact with students and implementation of new enrollment management strategies, should result in a higher yield. If the yield from last year's preliminary numbers had materialized the University would be on trajectory for meeting 12x12 enrollment goals. There is not just one strategy to be utilized to increase enrollment and the University is attempting to simultaneously make progress on a number of fronts.

Dr. Dunn indicated an internal Enrollment 2.0 Issues Management Team (EMT) – led by Associate Provost Jim McCoy – has been working to identify other changes which must take place in enrollment services with regard to not only technical and tactical work already underway but also to review more programmatic elements which will result in enrollment growth (including certificate programs and international growth). Another component to this work is online enrollment growth where there is tremendous ability to increase numbers through the University's online presence. This work is taking place through the Center for Continuing Education and Academic Outreach and the Transfer Center, under the direction of Dean Brian Van Horn, and in conjunction with the Center for Teaching and Learning Technology (CTLT). In response to a Regent statement that enrollment at Murray State's sister institutions is up significantly, Dr. Dunn indicated this is especially true at the community colleges but the situation is not unusual during difficult economic times. The administration has paid particular attention to those four-year institutions which have experienced growth and is now offering appropriate entry-level courses in the high schools as one strategy to increase enrollment. This past fall the initiative was implemented at Calloway County and Murray High schools and met with some success. The 2.0 EMT recommended expanding the program into other area schools and that possibility is being considered. Some sister institutions have as much as 1,000 students (headcount) through offering similar high school courses. MSU should not necessarily attempt

to increase enrollment from this group to 1,000 (due to quality and staffing issues) but it is one element which should be considered.

Dr. Curris stated the report for the spring semester is encouraging and he is pleased the University is implementing activities geared toward improving yield. In response to the question of why international part-time undergraduate enrollment increased from 19 to 122 students (increasing headcount by 103 undergraduate part-time students), Dr. McCoy reported each fall international students complete International Student Orientation – whether they are regular university students or enrolled in the English as a Second Language (ESL) Program. For the past several years the University has not registered ESL orientation course students in an organized class. This past fall semester the decision was made to identify ESL students who intended to enroll at MSU in the spring semester (meeting all admission requirements) and provide those individuals with an opportunity to obtain credit for the international orientation course. This accounted for an increase of approximately 100 part-time students and led to consistency between fall (475 total headcount) and spring (478 total headcount) enrollments because the Institute for International Studies (IIS) and ESL staff identified the right students to participate in the initiative. Dr. Dunn indicated a very conscious and well thought out approach was utilized but a question remains in determining how to handle the Health 189 course open to all University employees. At one point thinking was to do everything possible to encourage individuals to enroll in the course to increase enrollment but he did not want to take action which would inhibit natural enrollment in Health 189. If employees desire to enroll in the course as part of the overall University wellness program that effort will be supported but MSU does not produce an announcement regarding the course other than to indicate the option is available. The same principle applies to ESL students and the EMT 2.0 team determined if students intend to matriculate to a degree program and could pass the TOEFL they would be provided with credit for the orientation course that would count toward a degree program.

Dr. Curris indicated this represents an excellent strategic move but he is also concerned about full-time students, which are the core of a residential college campus, and in particular for faculty staffing which serves as the basis for auxiliary operations. Undergraduate full-time students for fall decreased by 112 and first-time freshmen decreased by 35 (3.5 percent). Based on fall data there are genuine concerns to be identified as to why the number of full-time students is decreasing. Focus must be placed on full-time freshmen in particular because they represent the University's market share and the area where Murray State is losing these students – whether they are staying home, attending community colleges or entering institutions competitive with MSU. The University must analyze why there is a problem in this area – and yield has been identified as one aspect. Students will frequently apply to more than one institution and the assumption could be they received a better financial aid package at another institution but there may also be other reasons why a student chooses to attend college elsewhere. Dr. Curris is concerned, based on data provided for the fall, whether the administration understands why this is happening and once that is known there are creative minds in place at the University to address the issue. Dr. Dunn indicated staff have good ideas why this is occurring and Ms. Marshall added the majority of admitted students who chose not to attend Murray State indicated they wanted to attend school closer to home due to economic reasons or attend a community college even though they were strong academic students well suited for a four-year university. Others chose to attend another institution because they were offered a better financial aid and scholarship package. Two Kentucky schools noted in the survey results as having better award packages than MSU were the University of Kentucky (UK) and Western Kentucky University (WKU). A number of students chose to attend Murray State but also decided to reside at home due to their family's economic situation and in past years these individuals would normally have chosen to live on campus. This is further evidenced by the fact that one residence hall was not filled to capacity and auxiliary dollars decreased.

Mr. Smee indicated one issue SemWorks will carefully review is the University's regional tuition structure. Murray State has lost several students from Illinois – the University's most expensive regional tuition state – and in the past could convince these students to drive three hours to Murray. Considering the current cost for an Illinois student to attend Murray State, these students can attend college in their home state for less money and the enticement to drive to Murray no longer exists. The same situation holds true for students from Tennessee due to the state providing lottery money for college attendance ($4,000 per family for up to five years). Convincing families to forego lottery money to attend Murray State is a hard sell and other similar issues which exist must be taken into consideration. Missouri recently announced its

second year with no college tuition increase which means enrollment at MSU's satellite campuses in the "boothill" will be even less because the University simply cannot compete against per credit hour rates being offered in Missouri or the added benefit of the student being able to maintain a part-time job at home while living with family.

Dr. Curris asked if Murray State is a commodity subject to the market or whether it is a brand. Dr. Dunn reported the University being a brand has allowed enrollment to remain steady, otherwise there would have been even more erosion. In the marketplace of higher education there is commodity shopping and while a great brand can overcome this it takes other enticements to convince students to attend a particular college – such as the financial aid package and the condition of the residential colleges. The University is located in a regionally isolated area in a small town which creates marketing issues. It will continue to sell the brand but individuals will also continue to enter the college marketplace viewing the University as a commodity. Follow-up work regarding financial aid packages provided to students will certainly be undertaken.

Mrs. Buchanon questioned whether the University being "off the charts" in the national rankings is an issue and Dr. Dunn indicated rankings are part of the University's brand but the only ranking that has dropped is the University is no longer among the Top 100 with regard to pricing and the same argument can be made with regard to tuition. Board thinking for some years was if tuition remained low and pricing remained in the bottom quartile it would cause students to come to Murray but this has been disproven and a BOR task force came to the same conclusion last spring. Two years ago the administration's tuition proposal was reduced by the Board because it was concerned if tuition increased MSU would lose a large number of students. The goal in submitting the tuition proposal was for MSU to be able to model other institutions by turning additional tuition revenue into institutional aid. Instead, the Board approved a tuition increase which amounted to only enough to "keep the wheels on" and accomplish very few new objectives. There are many issues which come into play which keep pushing the brand out of the way. To the premise the brand is going to be what causes Murray State to get where it needs to go, Dr. Dunn agrees and has invested a great deal of effort both tangibly and intangibly but there are some commodity issues in the marketplace – and not simply low tuition – which must be addressed, especially student aid and campus amenities.

Mr. Williams questioned if financial aid is a negative differentiator – as was indicated compared to UK and WKU – and if it is an issue of endowments whether the University can strategically narrow the gap. Dr. Dunn reported the *Hold Thy Banner High Comprehensive Campaign* will place over 48 percent of money raised back into scholarship endowments to help the institution position itself to some degree for the future. WKU has aggressively priced just behind UK and the University of Louisville (UofL) and enrollment continues to increase steadily. WKU turns a significant portion of tuition increases into institutional aid and President Gary Ransdell should be applauded for the initiative. WKU considers residual tuition and if class size increases from 15 to 18 the University does not have to find a new classroom, hire a new professor or build new dorms and the residual growth can be considered as revenue overage and reinvested in institutional aid and support. Murray State has not had those margins to work with. Until one year ago automatic financial aid awards were not done and recruitment staff could not tell a student where they stood in this regard until sometimes as late as May or June after the University budget was completed. MSU has some ground to make up and continues to work to address these issues. If the University is able to start positioning itself in certain areas it might be able to secure the core group of students. Dr. Robertson reported MSU has also reallocated resources and substantially increased scholarship funds provided to Governor's Scholars so the University is now in line with what is being offered by UK, UofL and WKU as the fall 2010 recruitment period begins. MSU will house the Governor's Scholars Program over the next three summers which involves 1,200 to 1,500 students of the highest quality being on campus and the University might be able to capitalize on some of these students. This work is being undertaken while making an effort to not sacrifice on quality indicators which allow the University to continue to maintain high rankings.

The Board adjourned for a break beginning at 3 p.m. Chair Stout called the quarterly Board of Regents meeting back to order at 3:15 p.m.

Gifts in Kind, accepted

In response to a Regent question, Dean Tony Brannon, School of Agriculture (SOA), indicated horses are not accepted as gifts if they do not fit with the needs of the School of Agriculture. With regard to the true value of horses being donated to the University, the value of each animal is determined by the donor in conjunction with a qualified appraiser. If the University sells a horse it reports the sale amount and the donor would be responsible for reporting any difference between the sale price and the appraisal. The three horses being considered for acceptance today will be used for breeding purposes. The Equine Program focuses on riding and breeding (or reproduction) and the value of gift horses must be weighed against the value of enrolling additional students in the program. The number of horses on hand has decreased from 78 two years ago to 64 currently and the goal is to continually maintain a sufficient number of horses to serve students in the program.

In response to a Regent question regarding the nature of the breeding program and its importance to the School of Agriculture, Dr. Brannon reported MSU has an Animal and Equine Science Program and animal reproduction is part of that curriculum. It is important to not only have riding horses but also to provide students with the live birthing experience. Very few horses are committed for the breeding purpose and the 48 horses committed strictly for riding purposes were ridden 2,200 times during the fall semester alone. It is important to have breeding stock on hand for the reproduction lab. In response to a question of whether there are restrictions on the University selling gift horses, Dr. Brannon indicated the University can sell gift horses but if it elects to do so within a two-year timeframe information must be provided on any difference in the sale price and appraised value provided by the donor. Clarification was provided that additional funding required to sustain these animals comes entirely from SOA proceeds and any inventory it elects to keep must be supported through the SOA budget.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following donations:

1) 12-year-old Bay Quarter Horse Mare valued at $15,000 which was donated by John Gant Yost, Jr. of Girard, Kansas; and
2) 19-year-old Brown Quarter Horse Mare valued at $15,000 and 13-year-old Sorrel Quarter Horse Mare valued at $20,000 which were donated by Grady Sparks of Doniphan, Nebraska.

Mr. Schooley seconded and the motion carried.

Naming Proposals, approved

- **Bill and Merry Garrett Farm**

In response to a Regent question regarding designating a facility which does not yet exist and whether action needs to be taken now opposed to when the research and laboratory farm is actually acquired, Mr. Jackson indicated Mr. Garrett will provide a gift that benefits the School of Agriculture in addition to seed money for a major part of the SOA campaign. The gift will be used to raise an additional $1 million for the *HTBH* comprehensive campaign. Dr. Dunn indicated this was specifically listed as a gift item within the campaign and is included in the Case Statement. It will obviously be the lead gift on the farm purchase and Mr. Garrett will serve as Honorary Chair of the initiative. Mr. Denton reported the University has authorization in the state biennial budget to purchase the property and no further state agency approval is required.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University and the University Committee on Naming of Facilities, Programs and Activities, approve the permanent naming of the future research and laboratory farm the "Bill and Merry Garrett Farm" in honor of their commitment to Murray State University. Permanent signage and other recognition will occur upon completion of the acquisition and establishment of a new research and laboratory farm. Mrs. Buchanon seconded and the motion carried.

- **Betsy and Jerry Shroat Stage**

Dr. Morgan moved that the Board of Regents, upon the recommendation of the President of the University and the University Committee on Naming of Facilities, Programs and Activities, approve the permanent naming of the Johnson Theatre Stage, "The Betsy and Jerry Shroat

Stage," in honor of their commitment to Murray State University as well as dedicating the first performance each year to Betsy and Jerry Shroat. Permanent signage and other recognition will occur in the spring of 2010. Mr. Williams seconded and the motion carried.

Changes to *Personnel Policies and Procedures Manual*, approved

Dr. Dunn reported all proposed changes affect policies contained in the *Personnel Policies and Procedures Manual* which is a University operating document. Tom Hoffacker, Director for Human Resources, reported the first proposed policy change would allow Breathitt Veterinary Center and the extended campus sites to close independently from the main campus. The second policy change relates to temporary employees in response to new policies implemented by the Kentucky Retirement System. Temporary employees can currently work for six consecutive months and can immediately be renewed for continuous cycles of six-month periods. The policy change would extend the length of time temporary employees can work to nine months with a one month break in service required before an employee can be rehired for another nine months. The third proposed policy change relates to federal changes in the Family and Medical Leave Act (FMLA). Approximately one year ago Congress introduced military caregiver leave terminology to the FMLA and the Board approved a policy allowing for expansion of the University's FMLA policy to include military caregiver leave. This past December the FMLA was expanded to include exigency and military caregiver leave and the policy being proposed will ensure the University is in compliance with federal policy. In response to a Regent question regarding temporary employees being eligible for unemployment benefits, Mr. Hoffacker reported federal regulation requires any individual employed for three months or more be entitled to unemployment benefits. Temporary employees are hired for specific, short-term projects and clarification was provided that adjunct professors are not temporary employees.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the following changes to the *Personnel Policies and Procedures Manual*:

1) Grant the Director of the Breathitt Veterinary Center and the Director of each extended campus the discretion to close their respective facility due to weather conditions, emergencies or other operational conditions;
2) Approve the change in length of service for temporary staff employees in KERS positions to nine months, renewable after a one calendar month break in service, effective July 1, 2010. In addition, approve the change in length of service for temporary staff employees in KTRS positions to nine months, renewable with no break in service; and
3) Approve the proposed Family and Medical Leave Act policy changes to include the federally-mandated revisions for exigency and caregiver leave for military families.

Mr. Schooley seconded and the motion carried.

(See Attachments #2, #3 and #4)

Personnel Changes, approved

Salary Roster

Dr. Dunn reported the Salary Roster was previously submitted to the Board as three separate reports. In consideration of reporting changes and the way in which information is accessed through Banner, the report will be presented on a biennial basis after June 30 and December 31. The Salary Roster has been extensively reworked in order to present the Board with one report for approval. Additional information has been added in response to an earlier Regent request indicating a desire to have a means of tracking new positions created over the course of a reporting period and this information is contained on a separate page at the end of the document. Chair Stout indicated information contained in the report is sensitive in nature and should remain confidential.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the Salary Roster as of December 31, 2009, which includes new employment, retirements, resignations and terminations. Mrs. Travis seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, abstain (due to KRS and

salary being included); Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

(See Attachment #5)

Appointment of Registrar

Dr. Dunn reported Tina Collins was not able to be present for the Board meeting but holds two degrees from Austin Peay State University and is currently pursuing the doctoral degree at Vanderbilt. She has served as Registrar at the University of North Texas-Dallas as well as Director of Records and Registration at Southern Illinois University-Carbondale.

Mrs. Travis moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Ms. Tina Collins as Registrar of Murray State University, effective February 1, 2010, at a fiscal year salary of $80,000. Mr. Schooley seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

Appointment of Head Football Coach

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the appointment of Chris M. Hatcher as Head Football Coach, effective January 1, 2010, through December 31, 2013, at a minimum salary of $125,000 and pursuant to such other terms and conditions, including terms and conditions for contract extension, as determined by the University President to be in the best interest of Murray State University. MSU is authorized to hire such assistants (William Ashley Anders, Patrick Shawn Bostick, Keith Hatcher, Edward Faulkner, Kenny Parker, David Mitchell Stewart) as are necessary on a calendar year basis. Ms. Green seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

Faculty Early Retirement Contracts

Dr. Manchikanti moved that the Board of Regents, upon the recommendation of the President of the University, approve the following faculty applications for early retirement:

Effective with the 2010-11 academic year contract:

Timothy Miller (Effective August 15, 2010, through May 15, 2014)
Professor Emeritus, Department of Accounting, College of Business

Dr. Miller's base salary will be calculated on teaching one three-hour course per semester/six hours per fiscal year at an annual salary of $39,000 if he retains the ability to be employed by the Murray State University Foundation. In the event he teaches six hours per semester/12 hours per fiscal year, his annual salary will be $78,000, and he will be unable to be employed in an administrative capacity. For the next succeeding academic years the salary will be determined in accordance with University policies and procedures.

Dr. Dunn indicated typically Faculty Early Retirement contracts are considered two-year, part-time contracts which is now the standard for consideration as long as the department can demonstrate need. Dr. Miller's contract would be for a four-year term and was proposed in conjunction with the needs of the Foundation which expressed a desire for Dr. Miller to continue in his role as Executive Director for the length of time noted.

Effective with the 2010-11 academic year contract:

Steven Bishop (Effective August 15, 2010, through May 15, 2012)
Professor Emeritus, Department of Art and Design, College of Humanities and Fine Arts
2010-11 - $33,645 for half-time appointment plus salary increments for the next succeeding academic year

Mr. Williams seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr.

Morgan, abstain (due to KRS and salary being included); Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

Staff Leaves of Absence Without Pay

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 as listed below:

Name	**Department**	**Effective Dates**
Lees, Connie	Dining Services	12/20/09-01/27/10
Mitchell, David	BVC Administration	02/18/10-02/25/10
Mott, Kelly	Ctr for Teaching, Learning & Tech	01/20/10-02/22/10
Olive, Ronnie	Facilities Management	12/01/09-03/07/10
Stone, John	CEAO-Hopkinsville	12/18/09-03/15/10
Tharpe, Horace	Facilities Management	12/07/09-03/01/10
Turner, Gregory	Facilities Management	11/23/09-01/15/10
Wells, Mary	Facilities Management	12/02/09-02/01/10

Mr. Schooley seconded and the motion carried.

Sabbatical Leaves

Mrs. Buchanon moved that the Board of Regents, upon the recommendation of the President of the University, grant the requests for sabbatical leave for the individuals and periods indicated below:

NAME / DEPARTMENT	**EFFECTIVE**	**SALARY**
JUDY BROOKHISER, Wellness & Therapeutic Sciences	8/15/10-12/31/10	full salary/1 semester

- Continue research and work on a biography of Dr. Betty van der Smissen, whose recreation career paralleled the growth and development of the profession.

CYNTHIA GAYMAN, English & Philosophy	1/01/11-5/15/11	full salary/1 semester

- Prepare and revise articles in anticipation of completing a book-length project.

HOWARD WHITEMAN, Biological Sciences	8/15/10-12/31/10	full salary/1 semester

- Analyze data and write manuscripts based on current research and complete work on a book.

JAMES HEREFORD, Engineering & Physics	1/01/11-5/15/11	full salary/1 semester

- Collaborate with a colleague in Barcelona, Spain, to apply a technique called "Swarm Intelligence" to the analysis of data from irregularly spaced sensors.

JAMES MCCOY, Economics & Finance	8/15/10-12/31/10	full salary/1 semester

- Preparation for return to the classroom after 13 years as an administrator. Update teaching skills in content and delivery and begin work on upcoming scholarly activity.

Dr. Morgan seconded and the motion carried.

Committee Reports/Recommendations

A. Academic Affairs – Dr. Morgan

Bachelor of Arts Degree – Japanese Language and Literature, approved

On behalf of the Academic Affairs Committee, Dr. Morgan moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposal for a new degree program – Bachelor of Arts Degree in Japanese Language and Literature. Mr. Schooley seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

Chair Stout indicated the Academic Affairs Committee and the full Board should begin thinking about communication received from a Murray State alumnus requesting consideration be given to dedicating the Nursing Program as a separate School of Nursing. Board discussions have taken place regarding the program and the topic was also approached in recent conference calls

with senators and congressmen regarding new program initiatives being considered by the University. Dr. Dunn reported offering the Doctorate of Nursing Practice is gaining considerable attention and nursing represents Murray State's largest undergraduate degree program and has attracted considerable donor interest.

B. Athletic – Chair Stout

Chair Stout indicated the Athletic Committee report was presented during the Report of the Chair.

C. Audit – Mr. Adams

WKMS-FM Audits, accepted

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following reports for 2008-09:

a. WKMS-FM Audit Committee Management Letter and Representation Letter
b. Audited Financial Statements for WKMS-FM for the Year Ended June 30, 2009

Mr. Williams seconded and the motion carried.

(See Attachments #6 and #7)

Athletic Audits, accepted

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following athletic reports for 2008-09:

a. NCAA Independent Accountant's Report on Application of Agreed-Upon Procedures for Intercollegiate Athletics for the Year Ended June 30, 2009
b. Murray State University Athletic Foundation (Racer Foundation) Compilation for the Year Ended June 30, 2009

Mr. Williams seconded and the motion carried.

(See Attachments #8 and #9)

Kentucky Institute for International Studies (KIIS) Audits, accepted

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, accept the following audited financial reports:

a. KIIS Program Audit Committee Management Letter and Representation Letter
b. KIIS Program Audit for the Nine Months Ending September 30, 2009

Ms. Green seconded and the motion carried.

(See Attachments #10 and #11)

Auditing Services Contract, approved

On behalf of the Audit Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, authorize the University to issue a contract in compliance with the terms and conditions set forth in the request for proposal for audit services dated November 4, 2009 (RFP-239D-10) to RubinBrown for the performance of the University's financial and compliance audits for the fiscal year ending June 30, 2010, at a cost of up to $113,500 and further authorize the University to enter into three subsequent one-year contract renewals based upon mutual consent at the following rates:

Audits for FYE June 30, 2011	$117,690
Audits for FYE June 30, 2012	$121,980
Audits for FYE June 30, 2013	$126,370

Dr. Manchikanti seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

D. Buildings and Grounds – Mr. Adams

Mr. Adams reported the Buildings and Grounds Committee received a report from Mr. Oatman on space utilization changes taking place on the Murray campus which involves relocation of various University offices. The report was presented for information purposes only and no Board action was required.

E. Development/Investments – Chair Stout

Chair Stout reported the Development/Investments Committee received a report from Mr. Jackson, Mr. Denton and Dr. Dunn on MSU Foundation development and investment policies. Dr. Dunn indicated the information provided resulted from a Regent request at the last quarterly meeting. The group which reviewed the current policies offered the opinion that no revisions or additions are necessary to any MSU policies at this time. Foundation policies were also examined but no findings warranted a recommendation for any changes to the MSU Foundation development and investment policies.

F. Equal Opportunity/Affirmative Action – Ms. Green – No report.

G. Faculty/Staff Affairs – Mr. Schooley

Mr. Schooley reported the Faculty/Staff Affairs Committee received the findings of the Staff Survey that is conducted annually by Staff Congress. A full copy of the survey results was provided to the Board for information purposes only and no Board action was required. The results will be posted to the MSU website.

H. Finance – Mr. Williams

Energy-Saving Projects, 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:

a. Reduction in scope for the electrical generation project to $1,500,000.
b. The attached Resolution approving a Master Lease-Purchase Agreement with a financial institution or finance provider in a principal amount not to exceed $1,500,000 for the financing of the acquisition, construction and installation of electrical generation facilities on the campus of the University; authorizing the execution of various documents related to such Master Lease; making certain designations regarding such Master Lease; authorizing and directing the Vice President for Finance and Administrative Services (VPFAS) to act on behalf of the Board of Regents in soliciting proposals from a financial institution or finance provider for financing under the Master Lease; authorizing and directing the VPFAS to further evaluate proposals heretofore given to state universities in the Commonwealth for similar facilities which may be available on similar terms to the University; and authorizing and directing the VPFAS to act on behalf of the Board in selecting the proposal with the most favorable terms to the University.

Mrs. Buchanon seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Chair Stout, yes; Mrs. Travis, yes; and Mr. Williams, yes. Motion carried.

(See Attachment #12)

***Budget Preparation Guidelines and Priorities FY 10/11*, 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 *Budget Preparation Guidelines and Priorities FY 10/11* as presented in the attached document. Mrs. Travis seconded and the motion carried.

(See Attachment #13)

Dr. Dunn announced a Special Call Meeting will likely be needed to allow for a richer discussion of discounts, waivers and financial aid provided to students, as discussed earlier in committee. The CPE will not set parameters until its April 23 meeting but there is some concern that date could change. Mrs. Lovett will contact Regents shortly to check schedule availability. While all agreed it would be best to set the date for the Special Call Meeting as soon as possible, a reminder was issued that the University cannot take action on tuition and fees until it is known how the CPE will proceed with parameters. Dr. Curris suggested an option for the Board would be to take action on this issue by setting tuition at a rate as determined appropriate, with the authority provided to reduce that amount to the top of the parameter set by the CPE. Dr. Dunn indicated this approach would be acceptable if the Board is willing to proceed in this fashion. Board members agreed to proceed in this manner – with tuition and fees and housing and dining rates being addressed during one meeting.

I. Governmental Relations

Mrs. Travis reported the Governmental Relations Committee received a report from Mr. Jackson and Dr. Dunn regarding federal advocacy efforts and state legislative developments. The report was provided for information purposes only and no Board action was required. Mrs. Buchanon inquired whether there have been questions or repercussions regarding the letter received from the Attorney General's Office about a Board member's letter of complaint concerning the investigation of a legislator. Mr. Jackson indicated the subject has not been broached in either Frankfort or Washington.

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

K. Student Life – Ms. Mantooth

Ms. Mantooth reported the following:

- The Student Government Association (SGA) is in the process of creating a lecture series for next year. Lectures are held across campus but are not always organized in a manner where all students know they are taking place. SGA is compiling a calendar which contains all lecture dates and on September 14 will host Blake Mycoskie, founder of TOMS Shoes.
- Students are excited about the turning lane which has been added in the Regents Residential College parking lot.
- The Student Senate has implemented the "Professor of the Month" award to acknowledge professors and their efforts on campus. Students can nominate a professor and provide information on why the individual should be selected for this honor. In January 2010 Dr. Stephanie Carpenter, Department of History, was selected as the Professor of the Month and was presented with a certificate to indicate student support of her accomplishments.
- Last week's Student Higher Education Rally was postponed due to weather and has been rescheduled for next week. Because the SGA presidents were already in Frankfort they met with the Governor and CPE President Robert King to discuss various higher education issues. The student body presidents also discussed finding creative ways to help students save money and an example of this type of initiative is being considered by the MSU Bookstore – through implementation of a textbook rental program for next year.
- The Haiti Fundraiser has been taking place over the past two weeks and will be extended for an additional week due to recent inclement weather. The SGA, along with the entire study body, is sponsoring the "Hot Cakes for Haiti" fundraiser breakfast tomorrow beginning at 9 a.m. in the Regional Special Events Center. Tickets are $5 each and 100 percent of proceeds will go to the American Red Cross.

Other Business

Dr. Dunn indicated the customary quarterly update reports were provided to the Board in the supplemental notebook.

Adjournment

There being no further business before the Board, Mrs. Buchanon moved that the Quarterly Board of Regents Meeting adjourn. Dr. Morgan seconded and the motion carried. Adjournment was at 4:15 p.m.

Chair

Secretary