

**Minutes of the Quarterly Board of Regents Committee Meetings
Murray State University
Friday, February 25, 2011
Jesse Stuart Room – Pogue Library**

Chair Constantine Curris called the committee meetings of the Murray State University (MSU) Board of Regents (BOR) to order at 8:10 a.m. and reported all members were present.

Academic Affairs Committee

**Jerry Sue Thornton, Chair
Kirby O'Donoghue
Jack Rose
Phil Schooley
Stephen Williams**

Master of Arts Degree – Library Media Education, approved

Dr. Thornton, Chair of the Academic Affairs Committee, called the meeting to order at 8:10 a.m. and reported all members were present. Provost and Vice President for Academic Affairs Bonnie Higginson introduced Jay Morgan, Associate Provost for Graduate Education, and Johan Koren, Associate Professor of Early Childhood and Elementary Education, who provided the following information regarding the Master of Arts Degree – Library Media Education:

- MSU currently offers a variety of master's degree and post-baccalaureate certificate programs serving approximately 2,000 students. Previous BOR meetings highlighted the Doctor of Nursing Practice which should be fully implemented by fall 2012.
- The Master of Arts in Library Media Education – together with the Praxis II licensure process in Library Media – will qualify students for certification as school media librarians in Kentucky. According to information from the Kentucky Education Professional Standards Board, Library Media has been identified numerous times over the past two decades as a critical shortage area in Kentucky's public schools.
- The current MSU Rank I program is a non-degree program above a master's degree. As a non-degree program, the MSU Library Media Rank I does not qualify for national recognition by the American Association of School Librarians. A master's degree would be a more appropriate program to offer by providing an actual degree and, at the same time as a second master's degree, making it possible for students with a prior master's degree to obtain a Rank I. The proposed program also includes an option not present in the current Rank I program for candidates not previously certified in any educational area, increasing potential recruitment opportunities.
- The program will predominately be offered online with three faculty members providing instruction but an additional faculty member will need to be hired to assist with the new program.
- Today the application of a School Librarian is much broader – especially with the advent of Senate Bill 1 (SB1) and the requirements for college readiness – which involve the ability to know how to use information and analyze reading content.

On behalf of the Academic Affairs Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposal for a new degree program – Master of Arts Degree – Library Media Education. Dr. Rose seconded and the motion carried unanimously.

Adjournment

The Academic Affairs Committee adjourned at 8:20 a.m.

Audit and Compliance Committee

**Harry Lee Waterfield II, Chair
Bill Adams
Constantine Curris**

Mr. Waterfield, Chair of the Audit and Compliance Committee, called the meeting to order at 8:20 a.m. and reported all members were present.

WKMS Audited Financial Statements, discussed

Tom Denton, Vice President for Finance and Administrative Services, indicated with regard to the Murray State University WKMS-FM Radio *Auditor Communications* report there are no

specific findings or disagreements with management. The Board was presented with WKMS-FM Audited Financial Statements as of June 30, 2010, which represents a clean, unqualified audit with one notable transaction involving the purchase of transmitters. Station Manager Kate Lochte reported last year a tower was completed on the Madisonville Community College campus which put 90.9 FM on the air. Antennae equipment was added to an existing tower in Water Valley, Kentucky, which put 89.5 FM on the air to provide coverage to Fulton, Martin and Union City. Of the total cost \$331,000 was provided from the Public Telecommunications Facilities Program of the U.S. Department of Commerce and \$116,000 was provided through an MSU match. The projects are completed and operational and WKMS is advancing outreach and fundraising programming in those communities. Mr. Denton reported the following with regard to the audited financial statements:

- Cash and cash equivalents increased by approximately \$40,000 and receivables are up \$330,000. Of that amount the most significant item is the transmitter grant. Federal grants for transmitters totaled \$332,750 as of June 30, 2010. MSU funded the project internally through a temporary loan and once the grant was received the funds were returned to the University.
- Noncurrent assets – restricted cash and cash equivalents – decreased from \$444,431 to zero – representing the institutional advance.
- Capital assets increased from \$379,186 to \$835,685 and net assets increased by \$418,000, again, as a result of the transmitters.
- Total operating revenue increased by \$30,000, services and expenses were up \$68,000 and federal nonoperating grants amounted to \$347,089.
- Net assets at the end of the year increased from approximately \$700,000 to \$1,046,640 primarily due to the transmitter purchase.

A statement was made that the University currently provides over one-third of the WKMS budget through direct appropriations and donates \$240,000 for facilities. Contributions, subscriptions and memberships are down and over 10 percent of the WKMS budget comes from the Corporation for Public Broadcasting (CPB). In response to an inquiry regarding the station's plan if CPB funding is reduced or deleted, Mrs. Lochte reported programming would change substantially. Current discussion centers on utilizing a significant portion of news time for music and automating programming but these represent preliminary ideas on how to address a funding reduction. The management team is identifying ways WKMS can continue current operations and there is a desire to preserve the morning and afternoon news due to the number of individuals dependent on these services. WKMS could operate without some of the subscription programming during the day and that is being considered first, in addition to recruiting additional volunteers. The decrease in contributions may reflect a collections issue because the station had a significant receivables carryover with many contributions being paid on a cyclical basis and donors pledging in installments and through payroll deductions but not necessarily within an arbitrary fiscal year. The station has remained steady in terms of individual contributions and business and industry contributions continue to be robust.

Dr. Dunn clarified the community service grant for FFY11 appears to be secure and this provides time to review the issue but at some point the topic must be addressed. The ebb and flow on the collection of pledges responds in part to the decrease in contributions but discussion will occur at the Retreat regarding necessary development initiatives for WKMS. A community advisory board was recently convened in preparation for building a case statement for a fall campaign. WKMS management realizes a major giving program is necessary and Vice President for Institutional Advancement Jim Carter and Associate Vice President for Institutional Advancement Bob Jackson have instructed station personnel on becoming major gift officers for the University (specifically WKMS). A year-long project with the CPB is also nearing completion and staff members have been mentored by major giving specialists to develop a program that is more customer relationship friendly. Confirmation was provided the station continues to ask individuals from across the University to raise funds over the radio.

WKMS Audited Financial Statements, approved

On behalf of the Audit and Compliance Committee, Mr. Waterfield moved that the Board of Regents, upon the recommendation of the President of the University, accept the following reports for 2009-10:

- WKMS-FM *Auditor Communications*
- Audited Financial Statements for WKMS-FM for the year ended June 30, 2010

Mr. Adams seconded and the motion carried unanimously.

Internal Auditor, discussed

It was agreed the Audit and Compliance Committee must determine how frequently it will meet with the Internal Auditor and Dr. Dunn confirmed this issue is on the Retreat agenda.

Adjournment

The Audit and Compliance Committee adjourned at 8:30 a.m.

Buildings and Grounds Committee

Bill Adams, Chair
Marilyn Buchanon
Susan Guess
Harry Lee Waterfield II

Mr. Adams, Chair of the Buildings and Grounds Committee, called the meeting to order at 8:30 a.m. and reported all members were present.

Renovation/Razing of Ordway Hall, discussed

Chief Facilities Officer Kim Oatman reported during the December 2010 quarterly meeting the Board requested information regarding the cost of renovating Ordway Hall. During 2006-07 the state hired a consultant – VFA – to assess buildings on the higher education campuses across the state. As a result of this work, VFA identified Ordway Hall as a facility with numerous issues, including extensive water damage, fire code violations, structural issues and HVAC electrical concerns. VFA essentially determined the cost of renovating Ordway would be substantial, the location of the building (adjacent to major academic buildings) suggested a better land use opportunity and recommended demolition be seriously considered. As a result, the demolition of Ordway Hall was included in the 2008-14 Capital Plan.

Facility photographs were presented showing the existence of significant structural rust and corrosion which has already necessitated framing and shoring work. A large percentage of the infrastructure is intertwined with the structure which further complicates renovation. A concrete pylon coming from below grade and progressing to an upper steel frame represents the center structure. The level of analysis necessary to determine whether this structure is reinforced has not been undertaken but it likely is not. Definite issues exist in terms of seismic design and if renovated the facility would require structural upgrades. A majority of the windows would need to be replaced due to rotting wood and failing plaster and the stairways do not meet code. A determination was made that if the building was renovated it should be retained for office space although in the 1930s it was originally constructed as a dormitory with renovation to office space occurring in the 1950s. Basic layout plans for renovation of all three floors were provided for cost estimation purposes and include maintaining the front lobby entrance areas – a significant architectural feature of the facility. The basement is large but the ceilings are not at full height prohibiting this area from being developed into finished space.

The total cost to renovate Ordway Hall (38,100 square feet) is estimated to be \$7,991,000 (without structural updates) which amounts to \$210 per square foot. This estimate includes gutting the rotten wood and plaster and building back to new interior codes (but not structural codes). A sizable amount of material in the building must be abated (at a significant cost) if it is demolished. Old piping and electrical conduits would need to be removed and site and utility work represent other substantial financial commitments. Electrical service for the building is provided through Waterfield Library which would have to be changed if the facility is renovated and service from another location would become necessary – either directly from Murray Electric or the University's system in the area of the new Fine Arts building. The steam system for Woods Hall runs through Ordway Hall and if the building is renovated that would need to be changed and a new feed established. Also included in the estimate were roofing and waterproofing, a new elevator and lift, exterior window and door replacements, interior finishes and mechanical, electrical, plumbing and communication systems and life safety issues, including fire alarms. A Geotech structural engineer inspected Ordway Hall and offered observations regarding the condition of the facility. If the facility is maintained for its same use the University might be able to avoid upgrading to meet current codes but it does not make sense to renovate a building and not bring it up to structural code. If structural changes are not made Ordway Hall would remain a hazard for occupants in the event of a seismic event.

The total project cost to renovate the building with structural upgrades would be approximately \$9,434,900 (\$248 per square foot). This estimate includes the same work as the estimate without structural upgrades but also removing the plaster on all exterior load-bearing walls and replacing it with structured, fiber-reinforced panels which provides an added structural value (\$1,242,100 additional cost) and additional work required on the selective demolition portion of the project. It is difficult to place a dollar value on historical buildings but it would certainly be beneficial in terms of acquiring new office space and this must be considered in comparison to new construction which could be more cost effective. In response to a question regarding the cost of constructing a new facility with 25,000 square feet (assuming the same usage) Mr. Oatman reported the *Means Manual* construction cost for an administrative building for the University would be \$150 per square foot (representing only construction costs) and with soft costs added in would be close to \$175 per square foot to meet all structural codes.

In response to a question regarding building needs across campus, specifically the need for additional office space and related seminar type rooms as opposed to large classrooms and where those needs rank in terms of the future of the institution, Dr. Dunn indicated there is a need for those types of spaces on campus and an attempt is being made to address this need by moving as many offices as possible out of Ordway Hall into Blackburn as science programs move to the new Science Campus. If the University is successful in securing new Library construction that creates the possibility of turning Waterfield Library into a Student Services Center. The Board must consider the historical and traditional value of Ordway Hall and what it means to the campus. If a decision is ultimately made to keep the building it will not likely be due to the criticality of having that square footage to house offices and seminar rooms but rather for historical purposes.

In response to an inquiry whether the same scenario would be true for Woods Hall, Mr. Oatman indicated because of the structure of the facility and it being a completely load-bearing masonry the situation with Ordway would not necessarily hold true for Woods. Confirmation was provided if Ordway Hall is demolished the University would not be required to build a new structure to accommodate the offices currently housed there. The process to relocate all administrative units housed in Ordway Hall has been underway for some time and within six months all offices, with the exception of Student Affairs executive offices, will be completely out of the facility. Discussion continues on where to house the Student Affairs executive offices so the building can be totally vacated but that would need to occur whether the building was being razed or renovated. The Capital Plan submitted to the state lists all possible capital projects and includes both razing and renovation of Ordway Hall. Over the next six to nine months as the Board begins discussing the 2012-18 Capital Plan it may need to make a decision on either renovation or razing and proceed accordingly. The University is not prohibited from continuing to list both options on the Capital Plan priorities listing.

VFA evaluated the square footage on campus and determined the per capita square footage per MSU student was high compared to other universities in the state. The VFA study did not represent a comprehensive evaluation of all facilities but part of the challenge the University faces is how to decrease existing square footage. While the Board will need to make this decision and weigh competing values that does not become the sole determining factor in whether to demolish Ordway Hall. The state determined MSU has too much square footage and discussions continue about future capital funding being tied to whether the University is able to shed some of that square footage. Woods Hall represents a building with a great deal of square footage but it does not represent usable space. The Institute for International Studies is located on the majority of the first floor, in addition to classrooms for the English as a Second Language program. The second floor is being utilized by Department of Art and Design students for studio space and the building is also used for storage. Approximately 30 percent of the building is being used but that has not been easy to accomplish due to heating and cooling challenges. There is not a great deal that can be done with the cinder block walls to create better space and it is difficult to make the current space work. Renovating the facility would be a daunting challenge and the structure should ultimately be demolished. A Regent indicated Woods Hall should also be considered for future demolition.

In response to an inquiry regarding whether there are preservation issues associated with demolishing the facility, Dr. Dunn indicated that to be the case which leads to the question of what action will be taken to memorialize the structure. If a named building is demolished, language in the BOR *Policy Manual* indicates there should be a proper memorial or monument created in honor of the named individual.

Regent Adams indicated this presentation was for informational purposes only and no Board action is required.

Adjournment

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

Enrollment Management and Student Success Committee

Marilyn Buchanon, Chair
Sharon Green
Kirby O'Donoghue
Phil Schooley
Harry Lee Waterfield II

Mrs. Buchanon, Chair of the Enrollment Management and Student Success Committee, called the meeting to order at 9 a.m. and reported all members were present.

Spring Enrollment Report and Related Information, discussed

Executive Director for Enrollment Management Fred Dietz reported the following with regard to spring 2011 enrollment:

- Total enrollment is currently 9,492 – an increase of 48 students over spring 2010 – but final numbers will not be submitted to the CPE until March 25.
- Total full-time equivalent (FTE) is 7,825, representing a continuing increase evidenced over the past couple of years. It is anticipated this number could surpass spring 2008 making it one of the largest FTE for a spring semester at MSU for some time.
- With regard to first-time students, freshman numbers increased by 10 students and transfers are up by 54. The international student population was down somewhat but this group is fluid and numbers ebb and flow each semester. First-time graduate student numbers have been fairly consistent over the past year and were down by only 9 while overall graduate numbers are up.
- An Enrollment Management Committee was formed and includes Deans, faculty and staff who are integrally involved with enrollment. The committee meets monthly and has developed a plan for 2011 which includes the following goals:
 - Grow University enrollment to 10,800 for fall 2011 through enrollment planning and effective student recruitment initiatives.
 - Increase the number of new freshmen for fall 2011 to 1,500 students.
 - Increase African-American enrollment from 7 percent to 8 percent of the student body.
 - Improve the awarding process for academic achievement scholarships.
 - Implement a tracking system to monitor scholarships and financial aid awards so administrators can determine how many freshmen and returning students have applied for financial aid compared to the number of applications for admission and students actually admitted. If freshman admission applications are up but there is not a corresponding increase in financial aid requests this could represent an issue which should be reviewed. This tracking system will also be beneficial in identifying trends.

Dr. Robertson provided the following fall 2010 residence hall capacity and occupancy highlights:

- Residence hall occupancy has been at 90 percent but capacity decreased due to an increase in the number of special accommodation requests that are being filled – such as for private rooms. Traditionally during spring semesters occupancy will be lower due to smaller class size and over the past five years has ranged between 82 to 90 percent.
- Mid-year cancellations and lower occupancy in the residence halls result from students not returning to MSU, in large part due to graduation, but also because these students transferred to another school. Students sign a one-year contract but may elect to pay the 25 percent liquidation fee to be released from that contract. Some students chose to commute from home (for economic or academic reasons), are studying abroad or request a housing exemption for a variety of reasons. The number of students commuting from home has increased over the last five years in large part due to the economy. Seniors receiving the regional tuition discount are also choosing to live off campus.
- Surrounding states have made scholarship changes to become more attractive to students and this has enticed some to attend their in-state institution.
- The number of affordable off-campus housing options in Murray has increased significantly which amounts to a great deal of competition, particularly for junior, senior and graduate students.
- In order to combat the decrease in occupancy the University has constructed two new residence halls – Clark (fall 2007) and Richmond (fall 2009) to compete with available off-campus venues.

Plans have also been made to renovate all high rise residence halls with work scheduled to begin during summer 2011 in Elizabeth Hall.

- An aggressive marketing campaign – “Live Murray” – will be targeted toward students to convince them to choose to live on campus and the advantages associated with doing so will be highlighted, including becoming more involved in campus life and thus increasing the likelihood of graduating and the ability to interact and work more closely with faculty.
- Research continues with student focus groups and through the Residence Life Survey soliciting information on initiatives that would convince students to live on campus, including free cable and laundry.

Dr. Higginson reported the federal definition of the six-year graduation rate is the percentage of first-time, full-time bachelor’s or equivalent degree seeking freshmen who earn a bachelor’s or equivalent degree within six years from the institution where they originally enrolled during the fall semester. The Graduation Rate Survey results which were displayed in the December 10, 2010, issue of the *Chronicle of Higher Education* included institutions where graduation rates had increased and those experiencing a decline. It appeared in this article and the accompanying chart that Murray State experienced a decrease in its graduation rate. Until fall 2007, however, MSU counted only unconditionally admitted students in its cohort. Following that semester the CPE asked MSU (as well as another Kentucky institution) to count all admitted students although for many years there had been a separate category to classify students not meeting the University’s standard admission requirements. These individuals do not have an ACT score of 18, are not in the top half of their class or did not complete the pre-college curriculum and are considered “at risk” students. Counting only those students most likely to succeed resulted in an MSU six-year graduation rate of 56.2 percent. The following year when the condition/pre-baccalaureate/restricted students were included the six-year graduation rate dropped to 50.7 percent. Unconditionally admitted statistics illustrate a steady graduation rate increase from 56.2 percent in fall 2000 to 61.7 percent in fall 2004. If the University had been allowed to stay the course it had been on for a number of years this steady increase would have continued. Even including conditionally admitted students shows a slight drop for the 2008 cohort which was the one included in the *Chronicle* comparison. The *Chronicle* compared the 1997/2003 cohort (56.3 percent) to the 2002/2008 cohort (49.1 percent). Also included in the article was an indication of whether a change in admission requirements had occurred and the *Chronicle* indicated MSU lowered admission requirements, thus leading to the lower six-year graduation rate, but requirements at the University have not been lowered and have remained essentially the same for many years. The main difference was the change in the definition of the cohort so the same types of students were not being compared and resulted in what appeared to be a dramatic decrease. A six-year graduation rate comparison among Kentucky public universities for 2009 revealed Murray State ranks second only to the University of Kentucky – which has higher admission requirements than the other regional institutions. The 2010 six-year graduation rate for MSU is 53.8 percent but information on the remaining regional universities is not yet available for comparison purposes.

A review of African-American six-year graduation rates was also conducted and ranges from the lowest rate of 11 percent at Northern Kentucky University to the highest rate of 42.9 percent at Western Kentucky University, with Murray State having a 36.7 percent six-year graduation rate among African-American students. Graduation rate trend lines for this population were requested and confirmation was provided this information would be compiled and shared with the Board. MSU has remained relatively stable under the *Kentucky Plan for Equal Opportunities* and while the University has met its objectives this does not necessarily represent growth.

Dr. Robertson reported the University is not content with current graduation or retention rates and continually strives for improvement. The *President’s Commission on Student Retention and Graduation* was created to undertake an in-depth review of retention and graduation initiatives to develop a more comprehensive, strategic and cohesive plan. All campus entities working to accomplish these objectives have now been brought together to undertake a more focused approach, maximize strategies and generate more synergy. The *Commission* is charged with identifying best practices and programs not only taking place at MSU but on university campuses across the country. The *Commission* wanted to address and remedy any emerging needs and concerns in order to develop more effective retention initiatives that would be sustainable and have a long-term impact on enhancing retention and graduation efforts. The *Commission* is composed of representatives from the academic and student affairs areas and includes students, faculty, staff and administrators tasked with strategic plan development. Retention from freshman to sophomore year is important but the true test is whether students graduate. Confirmation was provided that students close to graduation who have left the University are contacted in an effort to convince those individuals to return to college. These students are contacted to discuss different alternatives – such as completing a degree online or pursuing the

Bachelor of Integrated Studies. Dr. Dunn reported a statewide plan – Project Graduate – required every public institution to identify students possessing 90 hours of college credit but have not earned a degree. Although state funding has not been provided to accomplish this task MSU has worked diligently and in a more focused manner to identify and contact these students.

The *Commission* is co-chaired by Associate Provost for Undergraduate Education Renee Duncan and Carmen Garland, Assistant to the Vice President for Student Affairs for Retention, and consultations have taken place with a number of individuals across campus to determine institutional emphasis over the next few years to significantly improve retention rates. Data has been gathered from within the institution and beyond and faculty, staff and students have been surveyed. One priority issue identified from this work was student advisement. A need exists to train advisors to ensure advisement entails more than simply telling students which courses to take. Advisement is a counseling process and in order to assist students within an academic program, particularly those having difficulty making a decision or thinking about changing majors, being able to put those individuals in contact with the appropriate advisor is critical. Another area of emphasis involves access to data and communication pertaining to advising and academic programs. One idea being considered is a centralized information system involving not only technology but also “real people” available for students to access through an “advising kiosk.” Highly trained individuals will be available to assist students and faculty with questions about advising, university studies or graduation requirements which will provide much easier access to information. Another identified issue with regard to faculty advising is access. Faculty teach at regional campus sites, conduct research or are in class and it is difficult for students to actually meet with the faculty member. The kiosk would provide a central location for students to receive accurate information to help them be successful in their college career. Students have been instrumental in providing suggestions and recommendations in this regard.

Mr. Dietz confirmed increasing the number of transfer students is included as one of the goals within the strategic plan for Enrollment Management. With respect to the decrease in first-time international student numbers, Associate Director for International Enrollment Mark Galloway indicated last spring a cohort of international students participated in the University’s Disney Program (25 individuals) but the program did not exist this year. The program is being reinstated – possibly beginning in the fall – and will add a cohort of approximately 20 students. Dr. Dunn reminded the Board approximately three years ago an enrollment growth program for international students was initiated and until that point this group comprised 3 to 3.5 percent of the total student population. The Associate Provost and the International Studies Director at the time developed a plan to increase scholarship support for this group of students with the goal of growing overall international enrollment to 5 percent – a goal that was not only reached but has the potential for further growth.

In response to a question regarding whether there is motivation to increase the housing liquidation fee to discourage students from moving off campus or to bring in additional revenue, Director of Residence Life and Housing David Wilson reported policy changes are being considered. MSU has the least expensive liquidation fee of any University in the state – 25 percent of the semester obligation of the contract – with most institutions charging 40 to 50 percent and some not even providing liquidation as an option. This semester approximately 63 students chose to liquidate their housing contracts, amounting to \$120,000 in lost revenue. Residence hall capacity changes each year based on special accommodation requests and last year capacity dropped further due to one entire floor being taken off line. In 2006 residence hall capacity was 2,975 and occupancy was 2,898; in 2007 capacity was 3,029 due to Clark Residential College coming on line and occupancy was 2,881; in 2008 capacity was 3,032 and occupancy was 2,967; in 2009 capacity increased to 3,055 due to Richmond Residential College coming on line and occupancy was 2,778; and in 2010 capacity was 2,947 and occupancy was 2,656. Paper copies of this information will be provided to all Regents. Confirmation was provided that a variety of incentives to entice students to live on campus are being considered but Dr. Wilson cautioned providing any incentive will cost money and cited a loss of \$65,000 to \$70,000 if the University instituted the free laundry program. Other less expensive ideas are being reviewed such as purchasing parking decals for upperclassmen, assisting with book costs and a raffle for free housing (which benefits the person who wins but does not satisfy the larger student population). Dr. Robertson reported the “Live Murray” program will be announced shortly and will begin with the incoming fall class.

Dr. Dunn confirmed housing financials are extremely challenged and the reasons why will be discussed further during the Retreat. The administration must develop a long-term plan because the University cannot sustain what it is currently doing in terms of housing revenue and

expenditures. Each year as tuition rate and fee setting takes place the University ranks at the bottom but is at the top with regard to housing rates.

In response to a comment that it is encouraging freshmen and transfer student enrollment is up 24 percent and likely a large part of this increase represents students within the 18-county service region, Dr. Dunn reported a great deal has been invested institutionally to improve the Transfer Center and increase efforts in this area. A decision was made to allow students from regional tuition discount states who have reached senior status to live off-campus but a determination was made not to exempt juniors from the housing requirement because the University could not sustain the loss in revenue. This continues to represent a recruitment and truth-in-advertising issue because as regional tuition rates are advertised and students come to MSU with junior status – having lived in an apartment while attending a community college – they are then told they must live in the residential colleges. Dr. Robertson confirmed the University is extremely flexible with the housing requirement for transfer students and denial of an exemption request would never be a reason for a transfer student to decide not to attend MSU. With regard to auxiliary units the University would prefer it be the student's choice of whether to purchase a meal plan or live in the residence halls instead of those decisions being mandated by the institution. It is believed through services being offered, in addition to an enhancement of current facilities, that this objective can be accomplished. Dr. Wilson indicated with regard to housing finances the unit has been in the black until the past two years. Housing plays a major role in the retention of students which is why freshman and sophomore students are required to live on campus. Dr. Dunn indicated as housing revenue has been challenged ways to match expenses to revenue have been increasingly more difficult to find and Dr. Wilson has handled the situation well. In response to a question regarding how the University accommodates veteran students returning to the region, it was reported the current housing exemption allows individuals with two years of military service to exempt out and live off-campus. This group has special needs and it was suggested Veterans Services be designated for the spotlight at a future Board meeting.

In response to a question regarding the CPE tying graduation rates to formula funding, Dr. Dunn indicated there has been discussion about some portion of CPE funding being tied to performance and certainly within their strategic planning process will be reviewed in greater detail. Current budget and formula discussions for the 2012-14 biennium will likely have a performance element attached and graduation rates could be the metric used to determine whether the University receives a portion of performance funding.

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

Adjournment

The Enrollment Management and Student Success Committee adjourned at 10 a.m.

The Board adjourned for a break beginning at 10:05 a.m. and ending at 10:20 a.m.

Finance Committee

Stephen Williams, Chair

Bill Adams

Marilyn Buchanon

Constantine Curris

Jack Rose

Mr. Williams, Chair of the Finance Committee, called the meeting to order at 10:20 a.m. and reported all members were present.

Property Acquisition – 914 and 916 North 16th Street, approved

Mr. Denton reported a diagram of the property under consideration for purchase was provided as an attachment to the recommendation. The property is located across the street and west of Richmond College – adjacent to the University's tennis courts and property that has already been purchased (912 North 16th Street) – and which is being turned into a parking lot. The two lots are owned by one individual and Board approval is requested to purchase the property to construct an additional parking lot for the residence hall area. The source of funds will primarily be bond funds remaining from one year ago from bonds issued for housing and dining projects.

On behalf of the Finance Committee, Dr. Rose moved that the Board of Regents, upon the recommendation of the President of the University, authorize the University to purchase the property located at 914 and 916 North 16th Street, Murray, Kentucky. Mrs. Buchanon seconded and the motion carried unanimously.

Hutson School of Agriculture Course Fees, approved

Mr. Denton reported a similar fee is already being assessed to horsemanship courses and in order to maintain the University’s horse herd (65-70 horses) it has become necessary to assess a fee for the additional courses outlined in the recommendation. The proposed fees of \$53 for six one-hour courses and \$159 for one three-hour class generates total revenue of \$5,090 which will be applied toward feed and veterinary care for the entire horse herd.

On behalf of the Finance Committee, Mrs. Buchanon moved that the Board of Regents, upon the recommendation of the President of the University, approve implementation of the following course fees, effective with the fall 2011 semester:

AGR 102	Beginning Hunt Seat Equitation (1 credit hour)	\$53
AGR 103	Intermediate Hunt Seat Equitation (1 credit hour)	\$53
AGR 104	Advanced Hunt Seat Equitation (1 credit hour)	\$53
AGR 106	Beginning Stock Seat Equitation (1 credit hour)	\$53
AGR 107	Intermediate Stock Seat Equitation (1 credit hour)	\$53
AGR 108	Advanced Stock Seat Equitation (1 credit hour)	\$53
AGR 109	Beginning Horsemanship (new course) (3 credit hours)	\$159

Dr. Rose seconded and the motion carried unanimously.

FY 2011-12 Budget Preparation Authorization, discussed

Dr. Dunn reported that each year the *Budget Preparation Guidelines* are utilized as budget preparation authorization which essentially sets parameters and provides an idea of the level of Board support for potential changes. The goal is for there not to be a large number of Budget changes introduced at the May quarterly meeting which would represent an inappropriate time to make large-scale determinations about salary levels and priority spending. The document presented attempts to provide the Finance Committee, as well as the full Board, with a broad budget outline for the upcoming fiscal year. The *Budget Preparation Guidelines* outline overall priorities and goals and includes meeting inflationary and fixed cost increases, ensuring academic quality and increasing enrollment capacity. A history of the revenue cuts suffered by the University was provided and entails an approximate \$5 million decrease in state appropriations with 1 percent occurring as the University moves into FY12. In order to account for this reduction to the MSU annual operating budget, a net appropriations loss will be reflected as follows:

General Operations	<\$455,582>
Regional Stewardship	< 4,500>
Breathitt Veterinary Center (BVC)	< 28,499>
Telecommunications Systems Management (TSM)	< 10,985>
Faculty Development	< 710>
Action Agenda	< 17,024>
Total	<\$517,300>

These reductions have been assigned proportionately in terms of their share of appropriations. In terms of tuition and operating funds for the University, there is no schedule from the CPE with regard to setting tuition parameters and securing final approval to accommodate MSU budget adoption. The current recommendation – bearing in mind no clarity has been provided by the CPE regarding tuition ceilings – is that this Board consider (and a budget will be built around) the maximum rate of tuition increase allowed by the CPE. It is currently believed this will be in the vicinity of 5 percent but that is not yet known with any certainty. Consensus was reached that the timing of the decision of the CPE for making tuition parameters available is late in the campus budget cycles and is likely due to a desire to wait for the legislature to adjourn before making tuition parameter decisions.

An inquiry was made regarding whether the administration feels comfortable that the designated amount of state appropriation for next fiscal year will remain as it has been indicated earlier. Dr. Dunn stated while it is not prudent to make a prediction on whether a further rescission could

occur, every signal from the Governor to the presidents indicates he will do everything possible to prevent another rescission and replacement of stimulus money has specifically been mentioned. During this biennium the University has suffered two cuts but the Governor has indicated the loss of federal stimulus funding will be made up which was a major concern. Everything which has occurred to this point has been indicative of the Commonwealth trying to be true to its word by not implementing another rescission. For budget assumption purposes if the University was faced with another rescission there will likely not be sufficient reserves to address that issue without affecting operations. Indications have been good on both the federal stimulus side and in terms of revenue growth. A new incentive model for online courses is expected to significantly grow enrollment and revenue as follows:

- Flat enrollment at 5 percent and previously FY11 unbudgeted tuition growth \$4.8 million
- Projected online enrollment increases \$1.4 million
- Total \$6.2 million

Information presented on expenditures included goal area drivers for this year’s budget, including fixed costs, academic quality, salaries and enrollment to outline the major areas of priority spending increases. It is known employee health care costs and Kentucky Educational Retirement System (KERS) rates will increase and ongoing areas of concern are outlined below:

- Employee Health Insurance \$ 937,000
- KERS Rate Increase (per state statute) \$ 650,000
- Other Estimated Fixed Cost Increases \$ 200,000
- Total \$1,787,000

The sick leave buyback initiative also has a cost attached – from \$150,000 to \$200,000 – but this has already been built into the FY11 budget.

In order to maintain and enhance the quality of instruction and service to the region and remain competitive in the market place, salaries for faculty and staff must be ranked high among the institution’s priorities. In light of the continued decrease in state appropriations and dramatic fixed cost increases, providing raises beyond 1 percent will require offsetting budget cuts or reallocations. All vice presidential areas, including the President’s Office, were required to identify a 1 percent reallocation to cover a portion of the increase to salaries and benefits. In order to secure the remaining funds necessary for a 3.5 percent salary increase the administration proposes centrally sweeping all faculty and professional staff lines which are entering a third year of vacancy in FY12. Taking third year vacancies does not mean those positions will never be replaced and although they are being removed from vice presidential control a record will be kept of what those lines are and the purpose for which they had been filled. As opportunities exist to bring in additional revenue – when the University is able to grow enrollment – consideration will be given to returning those positions to the appropriate vice presidential area. This discussion illustrates the following commitments:

- Overall across-the-board salary increases of 3.5 percent (3 percent=\$1,550,000) \$1,810,000
- Fringe benefit increase due to raises of 3.5 percent (3 percent = \$380,000) \$ 445,000
- Promotion and reclassifications:
 - Full, associate and assistant promotion stipends \$ 93,000
 - Other position reclassifications \$ 20,000
- Hourly Staff Compensation Study Adjustments \$ 400,000
 (\$200,000 for a full fiscal year of increase started in FY11, along with an additional \$200,000 for FY12)
- Total \$2,768,000

It is within Board purview to recommend higher salary increases but doing so would necessitate administrative staff utilizing a combination of the following measures:

- Make additional offsetting reallocations or cuts to the current operational budget
- Access additional funding from University reserves to cover excess expenditures above the budgeted revenues (FY12 parameters assume application of approximately \$500,000 from E&G reserves, representing 1.2 percent of total E&G reserves).
 - Assumes future recurring revenue increases over budgeted amounts (such as tuition revenue resulting from enrollment growth) because reserve funds are non-recurring
 - Presents a potentially adverse impact on future salary increases due to present budget obligations
- Eliminate a majority of program support priorities with the exception of Kellogg Foundation grant matching and the Dill Distinguished Professor Match (\$114,000) and the increase for bad

debt/debit card discount/payment card program (\$318,000). Priority spending in programmatic areas does not represent significant new initiatives but sustains those already in place which must continue in order for the University to be successful in a variety of programmatic areas and fulfill its obligation to maintain certain support levels. Southern Association of Colleges and Schools (SACS) reaccreditation is an initiative where work must begin in visible ways for the upcoming reaffirmation process.

- With regard to overall recruitment and retention, an investment is required in terms of a means of support within Enrollment Management which will enable the names of potential students to be collected earlier in the process. Additional support is being provided to the Office of Recruitment as the catchment area is expanded with the extension of regional discounts to Alabama in FY12. As pricing increases, scholarships and waivers must also increase and this is reflected in the *Budget Preparation Guidelines*.
- A great deal of funding will be dedicated to technology in FY12 with the budget balance available from the myGate account established three years ago serving as the source of funds.
- Qualifying language regarding additional priorities which could be included if the situation warrants was provided although there is currently no available funding.

University administrators would like to proceed with the budget calendar option for a special meeting in April 2011 which is included in the wording of the recommendation and unless the Board signifies otherwise this is the timeline which will be followed. Appreciation was expressed to Senior Director for Accounting and Finance Jackie Dudley and Director of Fiscal Planning and Analysis Carl Prestfeldt for their work over the past couple of weeks to finalize these figures. Dr. Curris inquired whether a tuition increase of approximately 5 percent could be considered, if the Board is so inclined and that is also the parameter (or ceiling) set by the CPE (within 1 percent) for the comprehensive universities. Given these parameters the administration would have approval to proceed with building the University Budget with the understanding these assumptions would be approved by the Board at the time it approves the entire budget, thus eliminating the necessity for a special meeting. Dr. Dunn indicated proceeding in this fashion would certainly be possible and the Board is not prohibited from adopting rates and fees at the time the Budget is adopted. However, if the Board does not support the administration's recommendation at that time this will result in the need for a special meeting in June to approve a revised Budget. As information becomes available it will be shared with the Board and if objectionable to any member discussion should occur immediately through the Chair to the President. Consensus was reached that the parameters which the Board will approve will be general in nature to provide the administration with guidance in the budget process. If the CPE sets a tuition parameter beyond 5 percent, which has been the percentage discussed at this point, information will be shared with the Board so discussion can occur to determine whether there is a desire to proceed in a different fashion. The Board was reminded a 5 percent tuition increase, after taking into consideration that 40 percent is provided as waivers, actually amounts to approximately a 3 percent increase.

Additional comments included:

- MSU tuition is currently the second lowest among Kentucky institutions and likely the other comprehensive institutions will also increase tuition by the parameter set by the CPE so the University will remain at the bottom in terms of cost.
- Predicted tuition increases for online enrollment in the amount of \$1.4 million seems extremely high. Mr. Denton reported the University's online programs were reviewed from the perspective of increasing the number of courses offered and incentives are being provided to departments and areas participating in the initiative. Many institutions share this revenue with their departments and have experienced growth from doing so. Dr. Higginson and Dean for Continuing Education and Academic Outreach Brian Van Horn developed a plan to initiate this program by using internal funding from the institution – with the expectation the University will break even over a two to three-year period. The \$1.4 million in projected online enrollment increase is based on the rate increase on web courses (over a five-year period) in addition to a growth factor of 15 percent annually. It is believed the initiative will generate additional interest and the University has already experienced growth in this area. It could become necessary for more to be budgeted for the project but it is also the case the University will receive more revenue as a result of the program. In fall 2006, spring 2007 and summer 2007, the number of students taking online courses was 3,650. In fall 2008, spring 2009 and summer 2009, there were 4,949 students taking online courses. Confirmation was provided that at least one-half of the 10,400 students currently enrolled at MSU are taking at least one online course.
- Regarding the University's campaign and the number of scholarships which will be provided, Mr. Jackson reported approximately one-half of the campaign is dedicated toward scholarships any student would be eligible to receive – whether taking courses online or traditional classroom courses. In the current year the number of scholarships has doubled from five years ago with the actual dollar amount more than doubling (approximately \$2 million per year). Endowed scholarships are budgeted through the MSU Foundation and are not reflected in the University's E&G budget.

- Regarding the effect a reduction in Pell Grants will have on enrollment, Dr. Dunn reported each year approximately one-third of MSU students are supported in some part by Pell Grants. The University is concerned about the possibility of these awards being reduced but also about the College Access Program – the main need-based grant for public institutions in the Commonwealth. That funding is not provided in FY12 which amounts to approximately \$1,900 to \$2,000 per student.

Appreciation was expressed to Dr. Dunn and the administration for recognizing the need for faculty and staff salary increases and for advancing the KTRS sick leave buyback recommendation. In reviewing budgets over the past few years one Regent has noticed an interesting phenomenon in that revenue is underestimated and expenditures are overestimated with the variance level sometimes being significant. Most reserve funds are accumulated over a period of time from recurring funds transferred as excess. Utilizing some of those accumulated funds this year and adding them to the budget next year would be a positive move. In determining where MSU stands in terms of salaries – with the focus being placed primarily on faculty – IPEDS and limited CPE data was reviewed and a case could be made for salary increases up to 10 percent. The University could likely provide a 5 percent salary increase without undertaking drastic measures. When salaries are used as an object to do other things – in this instance budget reductions for the colleges – it is a concern. If a certain percentage of salary increases comes from the unit budgets it is possible next year when a faculty member requests travel funds to make a presentation at an off campus location the Dean will be forced to indicate they are unable to help the faculty member because that person received a raise and would be expected to pay travel costs out of their own pocket. MSU has higher rankings than any regional university in Kentucky and a significant percentage of those ratings come from having an outstanding faculty and staff. If coaches and athletic staff have a successful season they are rewarded accordingly and it should be no different for faculty and staff.

In response an inquiry regarding how the administration would fund a 5 percent across-the-board salary increase, Dr. Dunn indicated if the Board so instructs the administration will find a way to carry out that directive and it certainly would not cripple University operations. A portion of reserves could be utilized for this purpose or another scrubbing of the budget could be undertaken but additional reallocation within the units is not anticipated at this time. The revenue projection based on enrollment will also be considered although it is dangerous to budget enrollment growth because the first year the University does not make its goal it would be thrown into chaos from which it would likely never recover. Drawing down reserves for recurring expenses is a major policy issue the Board must also address. Regent Rose requested the Board ask the administration to consider the feasibility of a 5 percent salary increase which will send a strong message to faculty and staff that their efforts are appreciated. Dr. Dunn reported the administration arrived at the proposed 3 to 3.5 percent salary increase because it is the percentage which could be funded from various sources as outlined in the narrative. Also taken into consideration was where the University stands in regard to salaries overall and the economy. The prominence and notoriety the University enjoys is due to faculty and staff efforts and 98 percent of what has been achieved results from the work of these individuals. Understanding the Board reflects a variety of sentiments regarding what is appropriate for salary growth for one year within the current economic environment was another element taken into consideration. A customized IPEDS data report was prepared and a comparison undertaken between MSU and other Kentucky public universities and Ohio Valley Conference schools. Murray State is not out of line in terms of salaries and Professor, Associate Professor and Lecturer salaries were greater than those for comparison schools but the institution is somewhat behind at the Assistant Professor and Instructor levels. Keeping beginning salaries up is important for recruitment purposes and MSU currently is not where it should be for these two faculty categories. Also taken into consideration was what the economy would support. The last time a “real” raise was provided was during the 2007-08 school year (2.5 percent across-the-board and 1 percent merit increase). The Consumer Price Index (CPI) since January 2008 has been 4.3 percent but from July 2008 until now is 0.12 percent. University salaries are not drastically out of line either on the static comparison basis or in terms of the economy. Peer institutions the University is competing with for faculty – both in-state and out-of-state – include Kentucky public institutions and OVC public schools. A number of faculty searches are underway and confirmation was provided MSU is frequently turned down for salary reasons, location and family issues. Often the University desires to hire a faculty member who also has a spouse who is an academic and the institution is not always able to employ both individuals. The ability to do so is critical to the effort to attract these individuals because MSU competes with similar institutions across the country for these faculty.

A statement was made that money has been set aside in each budget since Dr. Dunn became President for the purpose of addressing salary needs for individuals at the lower end of the pay

scale and these adjustments have continued leading up to and following the *Compensation Study* and together could amount to additional significant adjustments for certain individuals. Some employees could receive a 25 percent raise in one year and this could affect morale for those not receiving any type of adjustment. Dr. Dunn confirmed that, although rare, this could be the case particularly if an employee's salary was far off the market target from the beginning.

Regent Curris reported over the past year the Board has indicated increasing salaries should be the number one priority in the expenditure of University funds. The Board cannot be exactly sure what salaries should be but knows there is not money sitting around being wasted and if funding is directed toward one endeavor something else is denied. He would like to see as large an increase in salaries as the Board can reasonably approve but reliance must be placed on the President who has responsibility for balancing all priorities. If the Board's position is salaries should be the number one priority it must let the administration determine the appropriate raise percentage. If the administration provides more than the 3 to 3.5 percent recommended salary increase there would be no complaint from the Board but there would be an expectation the President and key staff will decide how best to balance other institutional priorities. Additional Regent comments included:

- Based on the last three years a 3.5 percent salary increase would also make a major statement. It is ultimately up to the President to make the final recommendation and support exists for what has been projected, but if the administration can fund a higher percentage increase it should certainly pursue that route. An attempt is being made to enhance the institution by supporting faculty and staff and the University should suffer no consequences from doing so. The hourly staff *Compensation Study* could complicate the issue and may need to be toned down.
- An inquiry was made regarding how private industry is handling the salary issue and scenarios range from no raise in 2009 to small percentage increases over the last two years. It is important for the Board to act on faculty and staff salaries but a 5 percent increase could send the wrong message, particularly if tuition is also increased by 5 percent.
- There is agreement with the 5 percent tuition increase/5 percent salary increase comparison but over the last three years the Board has increased tuition while salaries have not kept pace with those increases. Dr. Dunn added it also must be taken into consideration the University has been faced with state appropriation cuts amounting to almost 9 percent over a short period of time and all Kentucky public universities have been facing the same scenario.
- In response to a question regarding recruitment and retention and the student search firm contract (\$260,000), Chief of Staff Joshua Jacobs reported the University put out a Request for Proposals for student search firms to assist in the identification and targeting of students who would fit Murray State's profile and would be likely to attend and succeed at the University. Efforts are being expanded to identify target environments for MSU which will allow the institution to move forward and increase enrollment through name and list purchases, e-communication and direct mail. This represents a comprehensive plan to include target identification, marketing and follow-up until students enter the MSU pipeline as enrolled students. Recruiters will continue to recruit students on the road but the firm selected will review yield rates from across the various markets to assist the University in identifying those areas which produce the greatest student numbers and determine where recruiters should physically be traveling.

FY 2011-12 Budget Preparation Authorization, approved

On behalf of the Finance Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, approve the *Budget Preparation Guidelines* so that tuition, fees and housing rates can be set at the time of budget adoption. The administration and the Board have an agreement that the administration has Board authority to increase tuition at the maximum rate set by the CPE – up to 5 percent. If the CPE approves a tuition ceiling for the regional universities which differs significantly, additional Board discussion will be necessary. Dr. Thornton seconded and the motion carried unanimously.

Adjournment

The Finance Committee adjourned at 11:50 a.m.

Regional Services Committee

Sharon Green, Chair
Constantine Curris
Susan Guess
Kirby O'Donoghue
Phil Schooley
Stephen Williams

Mrs. Green, Chair of the Regional Services Committee, called the meeting to order at 11:50 a.m. and reported all members were present.

Regional Campus Overview, discussed

Dr. Van Horn presented the following information:

- MSU has four primary regional campuses located in Paducah, Hopkinsville, Madisonville and Henderson (with a site also at Ft. Campbell) that serve nontraditional student populations (defined as individuals 25 years of age or older). Most nontraditional students are part-time (64 percent in the semester polled) but degree programs which lend themselves to full-time status are also available. There is a fairly equal distribution between graduate and undergraduate enrollment on the regional campuses but it is heavily skewed toward the female population. Many students attending classes at the regional campus sites are place bound and do not have the opportunity to travel back and forth to the flagship campus in Murray and the majority work two or more part-time jobs.
- The University has served the Paducah area since 1989 and currently has 989 students taking classes in the Crisp Center, an 18,000 square foot facility (former Pepsi Cola warehouse). There are four full-time employees, six traditional classrooms, four Interactive Television (ITV) rooms and two computer labs (31 computers). Nine bachelor's and nine master's degree programs are offered at this site and while some are full-time, most are part-time. The most successful undergraduate degree program is elementary education and represents a full-time program. Assuming students have the required prerequisites they could complete a degree program at this regional campus in two years. Business Administration continues to be a strong degree program at this location and the Social Work program (added approximately five years ago) continues to grow. Degree programs offered at the Paducah campus which are most successful correspond to fields where jobs are available locally. Fall 1997 enrollment on the Paducah campus was 410 students and in fall 2010 this number has grown to 989 (evenly divided between graduate and undergraduate students – which is true at all the regional campuses – plus or minus 10 percent). It is a natural phenomenon for substantial enrollment growth to occur when a campus is first opened and as new programs are offered and since 2006 enrollment numbers have stabilized. As students graduate they find jobs locally and once those jobs are filled new programs are offered to address changing regional needs.
- The Hopkinsville regional campus is the only campus with a new facility built specifically for the University's purposes. MSU has been serving students in this area since 1977 and opened the West Regional Postsecondary Education Center in 2002 (36,000 square feet with approximately 6,000 square feet of shell space to address future needs), five full-time employees, one part-time employee, nine traditional classrooms, four ITV rooms and one computer lab (29 computers). Nine bachelor's and nine master's degree programs are offered at this location and currently there is sufficient facility space to meet area needs. The greatest demand for the facility is during the evening hours from 4 to 9 p.m. For fall 1997 enrollment was 41 students and in fall 2010 increased to 516. Recent military deployments factor into enrollment because this represents a transient military community. Enrollment increases at the regional campuses are also due to cohort programs being offered at those locations over a period of time which inflates enrollment and once completed the program moves to another location which leads to a decrease in numbers. The initiation of the Social Work Program has led to increased daytime facility usage.
- MSU has been housed on the Madisonville Community College (MCC) campus since 1995 but began serving students in that area in the 1970s. The 1,500 square foot building contains office space, four full-time employees, classrooms (borrowed as needed), four ITV rooms and one computer lab (4 computers). The MCC President has been and continues to be loyal to Murray State and is extremely supportive of the University's efforts. Nine bachelor's and 11 master's degree programs are offered at this location and MCC does not charge MSU for the space utilized to deliver these programs. The Middle School Education (Math/Science) degree program was initiated at this regional campus approximately five years ago and addressed a pressing need for the public schools. Most MSU courses are offered in the Brown-Badgett Building and work continues to collaborate on engineering and technology programs which could be offered. In fall 1997 there were 190 students enrolled at MCC and in fall 2010 that number increased to 865. A large part of enrollment growth is due to the Bachelor of Integrated Studies degree – a flexible degree which provides students with the ability to obtain skills needed to succeed in their jobs. Among all MSU regional campuses MCC is most likely to have more students attending classes during the day –although they would still be considered nontraditional in terms of their needs – and the population is younger than at the other regional campuses. There is also a sufficient industrial base in Madisonville which supports students going back to school to obtain a baccalaureate degree. The Badgett family has provided scholarships enabling approximately 36 students per year to attend college at this location. The campus is unique in terms of location and while other regional campuses are situated on state lines close to competing institutions, the MCC campus is more isolated and there is less competition, although a regional university located close by has started to push into the area.
- MSU has served students at the Henderson regional campus since the late 1970s although its location has moved five times within the last ten years. Murray State has been in its current location since 2008 but pays rent to the community college to utilize space located in the

basement of the administration building. Due to the number of times the MSU regional campus in Henderson has moved it has been difficult to establish an identity within that community. The 1,000 square feet of office space houses two full-time employees, two part-time employees, four ITV rooms, 14 laptop carts, eight desktop computers and classrooms are borrowed as needed. Eight bachelor's and six master's degree programs are offered at MCC. In fall 1997 eight students were enrolled and by fall 2010 that number increased to 251 students. HCC has traditionally been heavily skewed toward graduate education, more so than the other regional campuses, particularly with College of Education programs and courses. Henderson is located furthest away from the MSU flagship campus and due to changes enacted by the state the University is also changing the way it operates at this location.

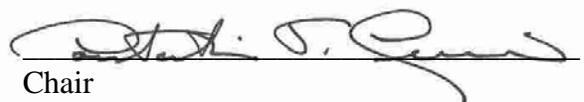
- Fort Campbell is considered to be a secondary extended campus and MSU has been serving students at this location since 1972. The 400-square foot office is located at the Fort Campbell Army Education Center and houses one full-time employee with classrooms being borrowed as needed. A Memorandum of Understanding signed some time ago remains in effect and allows MSU to offer only graduate-level courses at this location, significantly reducing a potentially large population to which MSU could provide services. The local community college has been mandated to offer 100 and 200-level courses with other institutions being allowed to offer 300 and 400-level courses. The University is attempting to be more aggressive at Fort Campbell, particularly with regard to the Bachelor of Integrated Studies degree. The Fort Campbell office is located approximately 15 miles from the Hopkinsville facility and in fall 1997 there were 156 students enrolled but currently there are 44 students. One reason for the decline is because in 1997 there was not a facility in Hopkinsville and now that the new facility has been constructed many students simply make the drive over. The University is undertaking work to increase the number of online courses offered for this population.
- Many opportunities for growth exist at the regional campuses and facility needs include a new campus in Paducah and Madisonville Community College is advocating with the legislature for a new building. The University is extremely supportive of the initiative because it would allow MSU to take advantage of more facility space and the significant enrollment growth at this location. The University must continue to address new undergraduate and graduate degree program options, the sequencing of courses and programs, adding additional course offerings to equal full-time and enhancing accelerated/distance learning educational opportunities.
- Murray State is not the only institution offering four-year or graduate programs in its service region. Western Kentucky University has a building in Paducah and offers a Master of Social Work Degree because MSU does not. The University of Kentucky Engineering School is located in Paducah and MSU faculty members teach in that facility. Confirmation was provided that in instances where Murray State is located on the community college campus an effort is made to identify a curriculum which is already in place that would lend itself to baccalaureate degrees.
- All MSU regional campus locations offer the Registered Nurse (RN) to BSN program. Michael Perlow, Interim Dean of the School of Nursing, reported an RN-BSN Coordinator/ Advisor is housed on the Madisonville campus and the Nurse Anesthesia Program is located in the Regional Medical Center. Enrollment in nursing programs has been approximately 50 students per semester across the four regional campus sites. Being able to provide sufficient clinical sites is as much an inhibitor on growth as the need for faculty and laboratory space.
- The extended campus sites are stand-alone locations and undertake individual recruitment and advertising and provide extensive advising services for nontraditional students.

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

Adjournment

The Regional Services Committee adjourned at 12:30 p.m.

The committee meetings of the Murray State University Board of Regents adjourned at 12:30 p.m.


Chair


Secretary

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