# Minutes of the Special Meeting of the Board of Regents Finance Committee Murray State University Thursday, March 14, 2013 Jesse Stuart Room – Pogue Library

Stephen Williams, Chair Marilyn Buchanon Constantine Curris Jack Rose

#### Call to Order/Roll Call

Constantine Curris called the Special meeting of the Murray State University (MSU) Board of Regents (BOR) Finance Committee to order at 3 p.m. in the Jesse Stuart Room in Pogue Library on the main campus of Murray State University and reported all Committee members were present. Regents Sharon Green, Susan Guess, Jeremiah Johnson, Phil Schooley and Jenny Sewell were also present and Harry Lee Waterfield II earlier indicated he would be late. Absent: Jerry Sue Thornton.

Also present were Randy J. Dunn, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; Tom Denton, Vice President for Finance and Administrative Services and Treasurer to the Board; Bonnie Higginson, Provost and Vice President for Academic Affairs; Don Robertson, Vice President for Student Affairs; Jim Carter, Vice President for Institutional Advancement; John Rall, General Counsel; Joshua Jacobs, Chief of Staff, and members of the faculty, staff, students and news media.

#### **AGENDA**

#### Call to Order/Roll Call

**Budget Planning and Review Team Recommendations**(For Information Only)

Dr. Dunn

### **Adjournment**

### **Budget Planning and Review Team Recommendations, discussed**

Mr. Williams reported since BOR endorsement of the Budget Planning and Review process on June 1, 2012, 12 teams were formed and included 157 faculty, students and staff from across the institution to provide an opportunity for input throughout the entire campus and to better assist the University and the Finance Committee in prioritization and identification of opportunities by which the financial circumstance of budgets moving forward could be improved. The full Board has been kept apprised of the work of these groups and great leadership has been provided by the teams. This work has culminated in the recommendations provided to the Board in the new eBooks being utilized today. The Finance Committee and the full Board are not required to take action today or tomorrow during the Quarterly meeting but action will need to be taken at the May meeting if timely implementation of the recommendations is expected. If there are recommended items on the list the Board is comfortable acting on there is nothing which would prohibit such action and doing so would provide a head start in the budget process as well as allow implementation this year for the next academic year. Time will not allow for discussion of each recommended item but those listed can be discussed in groups and if Board members have any objections or questions pertaining to certain recommendations they will have an opportunity to obtain additional necessary information. He suggests such items be identified and placed aside – not saying they will or will not be passed – and that group of recommendations will be handled as necessary during the Quarterly meeting either tomorrow or in May.

Dr. Dunn thanked Chair Williams for this overview and indicated he believes the Board has a good idea of the work which has taken place on campus during this past academic year. He publicly thanked the 157 plus individuals who carried out this work. The process was inclusive and as the deliberations of the 12 teams were followed it was clear this work was taken seriously. Many staff members were asked to prepare background information, collect data and give

testimony in support of the work of the teams and all were quick to respond to such requests. The constituency Regents divvied up work to ensure monitoring occurred and this represented a great deal of effort, particularly when all of the teams were in the thick of their meetings. Discussion can certainly occur on the merits of the various recommendations but nothing can be said in terms of the spirit which went into providing the list of recommendations for Board review. Appreciation was expressed to all involved in the process. In every forum which took place with the various entities across campus Dr. Dunn expressed appreciation to the Board for allowing the institution to have one year to work through this process. There was no requirement for the Board to provide the administration with one year to carry an approximate \$2 million deficit and the Board's willingness and confidence in the campus to undertake this work is valued and did not go unnoticed. All have read how institutions across the country are dealing with similar financial struggles and he has tried to be as gracious as possible in extending appreciation to the Board for the luxury which it provided. It is his hope this work serves the University well.

Dr. Dunn indicated in terms of the recommendations he will defer to Chair Williams regarding the level of detail and the grouping of how those items will be discussed but there are approximately 80 recommendations which have been provided (60 being for immediate implementation and 20 suggested for deferred study). The over 190 recommendations received can be made available to the Board if so desired. Those recommendations were posted on the website created for this work so the entire campus had an opportunity to access this information. The recommendations were submitted in raw original form from the teams but the administration's concentration has been on the recommendations being presented to the Board. Chair Williams made a great point about thinking through the timing of implementation and deferring to the May meeting items which the Board is not comfortable moving forward with today. To the extent the Board has priority around certain recommendations it is ready to approve, an indication to that effect would provide a head start on implementation. If the Board desires to take action on the recommendations – while not required or expected – such indication would also be appreciated.

Dr. Dunn reported approval is requested for those recommendations which have been included as deferred items. Once approved, the administration would conduct further study and analysis in the coming fiscal year, through 2013-14, centered on those recommendations, although this work will not be as broadly-based as the work undertaken by the individual teams over the course of this past year. Due to the technical nature of some of the work that would need to take place those teams would be populated by individuals with expertise in a particular background. There is potential for a broader steering committee to oversee, review and monitor the work of these smaller teams on specific items which have been deferred for study. It is important to address these recommendations because if there is no Board support for a certain deferred item it would be helpful to know that now so time, effort and resources are not devoted toward undertaking the study of an item the Board does not intend to approve.

### Item #117 – Only one full-time staff member to advise Greek Affairs, Student Government Association and registered student organizations, removed

Dr. Dunn removed this recommendation from the list. Two positions in this area did not exist until approximately two years ago when the Greek Advisor position was added. The purpose of having the reviews and forums was to ensure voices were heard and the implication and impact of these recommendations were understood. There is no doubt the students spoke clearly, articulately and concretely about the fact there is particular concern this recommendation could backslide, particularly in Greek Affairs. One of the points the students made very well, as the issue was discussed at length in SGA meetings and campus forums, is since a Greek Advisor has been in place there has been increased development (including growth in Greek numbers), work is underway to expand the number of sororities on campus, the grade point average is going up and there are increased efforts focusing on philanthropy and service. The argument was made that this progress could be put in danger by not continuing at the current staffing level. In trying to go with the spirit of what the hearings were intended to do, he would like to alter the recommendation list by removing this item.

Mr. Williams appreciates Dr. Dunn's reference to the issue of the budget the Board passed last year in that it was an unusual circumstance of passing a deficit budget and discussion which occurred indicated that rather than undertaking immediate, knee-jerk actions which might result

in unintended consequences the BOR passed a deficit budget but would be very uncomfortable doing so two years in a row. If there are recommendations the Board can get comfortable with, either this month or in May at the latest, those could be included in the budget process for the next academic year. Mr. Williams opened the floor for management comments or Board questions and concerns.

Dr. Curris indicated there are several recommendations which relate to the campus housing system and on the agenda for tomorrow is the study which was conducted. The study includes major capital expenditures, increases in housing rates (projected over a period of time) and detailed financial analyses of the impact of this work. Several items included on the list of recommendations could impact occupancy and the residential college program and he asked whether these recommendations had been considered by the consultants when making projections in preparation of the housing plan. Dr. Dunn reported the consultants were not asked to do vetting or analysis of the recommendations which came up through the final draft. Staff reviewed the housing recommendations, taking into account the report from MGT consultants, and it is believed they do not interfere and are not mutually exclusive and what is being recommended can comport with the recommendations that will be advanced for all housing areas.

One recommendation contained in the consultant's report is to reinvigorate the residential college system. The issue would then become whether a change in stipend for the Residential College Heads is necessary (so funding is not rolled into base salaries) and whether this would inhibit the ability to reinvigorate the system. No one knows the answer but it is not believed making this type of change would also mean the institution could not move forward with the consultant's proposal. Dr. Curris stated Dr. Dunn has addressed the issue in broad terms but he is concerned about the recommendation to reduce housing scholarships by \$80,000 per year for three years (maximum of \$240,000). The assumption is that the \$80,000 is essentially General Fund dollars that are going into the Housing and Dining system. The question that is more important to him than the stipend for Residential College Heads is whether this will impact either revenue or student occupancy in the housing system and, taking that into account, whether those are separate issues which must be addressed. Dr. Dunn reported it is believed with the removal of the housing scholarships that numbers in housing will not decrease to the point where it would be difficult to move the plan forward. The concern is more about how this recommendation would impact recruitment and University enrollment generally given the roughly 15 different groups which access some level of housing support. Many housing scholarships are not full-ride scholarships and a students' housing cost is not covered completely. Only a portion of the housing cost will be reduced through scholarships for most of these groups. Dr. Robertson confirmed very few of these represent full-ride scholarships, the amounts vary a great deal and what is being considered is not removing an entire scholarship from a student but a certain percentage. Mrs. Guess asked whether there are other opportunities – through the Foundation or otherwise – to provide scholarships and Dr. Dunn indicated there would be potential opportunities in the future for a donor desiring to endow a housing scholarship. Although this opportunity always exists it does not represent the bulk of the business undertaken at the University.

### Item #64 – Reduce the number of cell phone and data stipends provided by one-half

Mrs. Buchanon asked how many different stipends are currently subsidized and Dr. Dunn reported approximately 250 individuals receive some level of cell phone stipend. The argument for the concept is that certain personnel are required to be available in their jobs – many times beyond the workday – on an as-needed basis to handle issues or emergencies which arise. In reviewing the list of individuals receiving cell phone stipends and utilizing the notion of those stipends only being provided to critical, 24/7 staff, this number could be reduced by one-half. It had been suggested that no cell phone stipend be provided because it is believed everyone will have a cell phone anyway. Mrs. Buchanon asked if the idea is to decrease from 250 stipends to 125 stipends and Dr. Dunn indicated the number would be reduced by undertaking a careful "scrub" of the list to determine only those individuals needing assistance through a cell phone stipend because they are deemed "essential" personnel. In response to a question from Dr. Curris regarding whether consideration had been given to eliminating cell phone stipends entirely, Dr. Dunn indicated there absolutely was such discussion but it is speculation if the stipends are totally eliminated whether everyone will continue to have a cell phone. Dr. Rose reported some years ago a memo was distributed to campus indicating, according to Internal

Revenue Service regulations, if the University provided a cell phone stipend that phone could only be utilized for certain purposes. He had a hard time figuring out how he would be able to use a phone under these guidelines without getting in trouble. It was suggested to him that some individuals carry two cell phones – one University phone and one for personal use. When he tallied up how much he had actually spent for non-university business calls this amounted to about \$10 so he wrote a check to MSU for \$100 and turned in his University cell phone. He believes this might be a good idea for a lot of people on this campus. This service can be justified for individuals the administration needs to be able to contact immediately, including campus police, but now might be the time to level the field even more than what is being proposed. Dr. Dunn indicated this is a good point and if the recommendation is to discontinue all cell phone stipends it would be helpful to allow a little "wiggle room" to make some administrative judgments. One area that concerns him is recruitment. Most student recruitment is text-based and recruiters, as they are on the road, are constantly doing text work and it is necessary for them to have a data package to carry out this work. Mr. Williams indicated what is being said is rather than reducing arbitrarily by one-half the number of cell phone stipends the Board is saying the benefit would be limited to only critical access personnel and those individuals would be identified through a developed policy and by defined category. Consensus was reached that all are comfortable moving forward with the recommendation as amended.

### Item #66 – Eliminate institutional support for employees pursuing terminal degrees (except in the case for increasing diversity of the teaching faculty)

Mrs. Buchanon asked if this represents a recent University initiative and Dr. Dunn indicated the program was well underway when he came to MSU. Units have been allowed to use their own funds to support faculty and professional staff doctoral study. Individuals are required to sign an agreement and, since his arrival, a commitment to work at the University for a certain period of time following attainment of the doctoral degree was added. This does not represent a great deal of money but the administration would prefer for some option to remain, particularly where it provides an opportunity to increase faculty diversity.

## Item #60 – Eliminate the Racer Routes contract for a route service provided by the Murray-Calloway County Transit Authority, while exploring opportunities for services to be provided to students, faculty and staff with disabilities

Mr. Johnson stated that international students utilize Racer Routes as their only form of transportation and while on-campus routes are not the major issue, discontinuing weekend routes to Wal-Mart and other area businesses is causing concern. He suggested instead of eliminating the Racer Routes consideration be given to reducing the services offered. Dr. Dunn indicated funding (approximately \$20,000) remains which could be used for this purpose. International students utilize the service – as do Agricultural students going to Carmen Pavilion – and there is some merit to maintaining a skeleton route for high use periods. Consensus was reached to approve this recommendation with the proviso that a plan will be developed to provide this service for a limited number of students requiring it most.

## Item #61 – University subsidy to Regional Stewardship for operational support will be reduced \$40,000; Town and Gown will utilize \$15,000 revenue from fundraising and memberships as operational support

Dr. Curris asked with a reduction of \$40,000 to Regional Stewardship how much would remain in the account and Dr. Dunn indicated base funding for the program is approximately \$480,000.

### Item #75 – Alumni Affairs operations will be self-supporting, funded from donations, memberships and cost recovery programming

Mrs. Guess asked how the operations of Alumni Affairs will be changed by becoming a self-sufficient operation. Dr. Dunn indicated Alumni Affairs is being asked to take one year to develop a self-support plan. An Affinity Credit Card Program existed in Alumni Affairs for some number of years which allowed that entity to "bank" slightly over \$1 million which has been used for investment purposes (utilizing interest earned). The recommendation would portend accessing the \$1 million to fund Alumni Affairs operations for 2013-14. Staff would be retained and operations would continue and the year would be used to provide the University with a business plan on the types of initiatives that could be undertaken for the Alumni Affairs

operation to become self-sustaining. Staff changes or a different approach could become part of this plan. Currently the Alumni Association does not charge dues for membership and a premium package could be considered. Greater revenue on cost recovery could be undertaken for various events and consideration has been given to insurance packages which could be offered through Alumni Affairs. The recommendation would provide one year to develop a business plan for the unit to become self-funded. Staff would be maintained into 2014-15 and the plan would be monitored to determine whether it is feasible to continue to proceed in this fashion. Mr. Carter indicated this to be the case and potential revenue programs must immediately be considered. The \$1 million produces good interest but Alumni Affairs does not want to utilize that in its entirety. Insurance and car rental plans, as well as other initiatives, exist but have not been undertaken before because Alumni Affairs did not have to proceed in this fashion. This work would include a review of other universities to determine how they structure dues paying models to identify the type of services that are important and for which an individual would be willing to pay dues. In 1994 the Alumni Association stopped charging dues because staff seemed to be spending most of their time collecting dues instead of providing necessary alumni services. Cost recovery will change the way Alumni Affairs operates in terms of charging for attendance at events, the ability to give away free merchandise, being able to continue to offer many services which are currently provided free-of-charge and reviewing the fee structure for Tent City. Dr. Dunn indicated discussions have taken place with the incoming Alumni Association President and while this change represents a challenge it is worthy of pursuing and the process will be monitored closely.

### Item #97 – Gated parking (139) spaces at the Curris Center parking lot to charge \$1 per hour Monday through Friday, 6 a.m. to 9 p.m.

Mrs. Guess asked why \$1 was chosen and Dr. Dunn indicated the amount was randomly selected but he has been on many campuses and it is not unusual for this to be the standard rate for parking. Guest tickets for the offices of Recruitment and Enrollment Management would need to be discussed and the ability to provide free parking also exists with the use of better signage. Currently individuals can park in the Industry and Technology Building parking lot for free and it is a short walk to the Curris Center. In response to Mr. Williams' question regarding whether this will in fact be a revenue producer and whether all are sure the University won't end up with an empty parking lot, Dr. Dunn indicated as the recommendation has been vetted out all are comfortable the parking lot will continue to be utilized and \$1 per hour will not be an issue for some students and others. This will be monitored closely because it represents sizable revenue. Those using the parking lot will pay at a credit card machine similar to those utilized at airports and the cost for implementing necessary machinery would be covered from initial revenue. Discussion has taken place on utilizing other methods for monitoring the parking lot until full implementation of machinery is possible but no additional personnel would be required.

Mr. Johnson reported that throughout the week every space is taken in the Curris Center parking lot and there is some concern among students that the University is beginning to charge for everything. At 3 p.m. when classes from Calloway County High School let out traffic will be backed up from Five Points all the way back to the entrances for Regents and White residential colleges. It is difficult for students in that lot at that time to get out onto Chestnut Street now and if a gate is put up it will be nearly impossible to exit the lot. Dr. Dunn indicated this concern lead to discussion of having a spike entrance but review must be undertaken in terms of how to design appropriate access to the lot to ensure the University does not add to the traffic issue which already exists. Mr. Johnson indicated the majority of students expressing concern over this issue have indicated they will choose to park elsewhere and just walk a little further. Dr. Dunn indicated that could certainly happen but it cannot be predicted with certainty and it is believed the recommendation is worth exploring.

#### Item #93 – Double the amount of the parking fines for on-campus parking violations

In response to Mr. Williams' question about current fines and what they are being increased to, Dr. Dunn indicated there are fines for 12 to 15 violations which range from \$15 to \$50, depending on the severity, and those would increase to \$30 to \$100.

Item #99 – Expand University Catering Services to apply for a liquor license to service external contracted events (e.g. weddings, fundraisers and other special events)

Dr. Dunn reported quite a bit of discussion took place concerning this issue during the Board of Regents Retreat in 2011. The BPR teams made three recommendations which were included in the original submission pertaining to the sale of alcohol and because the desire was clearly expressed, the administration felt it should reflect the fact that there is some magnitude of support from the University community – or at least from the teams – for allowing University Catering Services to apply for a liquor license. The Board should at least know the recommendation was made to determine whether there is a desire to review the issue again. All are aware of where the Board stands generally in terms of this issue but previous Board discussions also revealed the door was not closed to potentially reviewing the issue in the future. On that basis, a determination was made to advance the recommendation as the least objectionable or smallest "dipping of the toe" on this subject. He has been honest in meetings with the budget planning and review teams in terms of the Board's thinking on this issue and an indication has been made that the Board may not be ready to address the issue at this point. Confirmation was provided that this recommendation would not pertain to University events, at least at this point, unless reviewed later as a policy issue.

Dr. Rose has no interest in serving certain types of beverages at football and basketball games although that may be down the pike. A law has just been passed in Murray leading to a lot of people scrambling for various kinds of liquor licenses. As the Board considers this issue they should remember that students and parents who come to Murray State are generally from this region. The entire structure has changed over the last several years and more rapidly so in the past few months than before in different counties and communities. If this is a recommendation the entire Board is comfortable with it represents a way for the University to dip its toe in the water. Businesses have secured licenses and are opening and the University would not be perceived as jumping too quickly into a competitive arena. If this represents a service the University can provide which would generate revenue it could be a modest start in this arena. Mr. Schooley has talked with Catering on several occasions and they confirmed the loss of business for numerous events due to not being able to provide alcohol. Resulting revenue could even exceed the projection provided.

### Item #102 – Combine the current Summer Orientation Fee (\$130) and Graduation Fee (\$30) into a one-time Matriculation Fee (\$150) paid by all new students

Mr. Johnson expressed concerned because the University started charging for Summer Orientation, effective March 1, 2013. A letter will need to be sent to those who have already paid for Summer Orientation indicating they owe the University even more money before they can attend Summer O and that could be a bad public relations move for MSU. He would suggest delaying this recommendation for one year. Dr. Dunn indicated after receiving input from the Registrar there may be another approach which could be taken by utilizing a larger graduation fee for all incoming students instead of charging this fee when students sign up for graduation. This is a recommendation the administration is inclined to revisit. If the Board will allow for continued review this could represent a better approach. Consensus was reached this is how the administration should proceed.

Mr. Schooley indicated the same situation is occurring with regard to scholarships which are currently being awarded. Notifications have been sent to students indicating their award amount and to send out another communication reducing that amount may not be desirable and should be delayed until Fall 2014.

Mr. Waterfield joined the Special meeting of the Finance Committee at 3:57 p.m.

## Item #120 – Each Vice President area will have 10 percent of next year's carry forwards retained centrally for record keeping and administration of funds; self-supporting accounts will be evaluated in future years

Dr. Curris indicated there needs to be a better understanding of the \$1.85 million figure provided, including whether this represents one-time or recurring funds. Dr. Dunn reported the University currently follows a decentralized budgeting model that allows every budget unit to carry over into the next fiscal year any unused operational money. Instead of rushing to spend any available money at the end of the year units can carry funds over to use in the next fiscal year. Many times units will proceed accordingly to be able to make large purchases or pay for certain things they are not able to pay for within an existing year budget. Although true for everyone,

budget managers on the academic side have not seen lines for travel, services, materials, etc. change in many years – they have remained flat. The units are able to do the extra that is required because they have been allowed to build a pool of carried money to pay for such expenditures. Currently the level of those monies is approximately \$18.5 million and this recommendation would take 10 percent of those funds for use by the General Fund, representing a large revenue source for the institution. There is a philosophical argument that can be made about the University retaining \$18.5 million in operating money (one-sixth of the General Fund budget). It could be viewed as a "tax" and determining a greater use for those carryforwards should be considered because the University has to provide accounting and record keeping for these funds and this represents a reasonable request. In terms of whether this is a recurring or a one-time reduction, it would work like a cigarette tax and every year as the University continues to take 10 percent there will be a draw down. There will be more use of this money and there will be no reward for units to continue to build up carryforward pools. Over time the amount of carryforwards will decrease but the University has been very consistent in terms of the amount carried forward from year to year. As 10 percent of carryforward monies is taken each year that will pull this number down so the University will not be able to proceed in this fashion forever and availability of these funds would be monitored closely over time. Taking 10 percent represents sizable revenue moving forward over the next two to four years. It is hoped over time there will also be continued enrollment growth and increased tuition dollars which will allow for absorption of monies which may be lost as carryforwards decrease.

Dr. Curris indicated under the budget model currently followed there is the concept of vacancy credit in which unfilled positions – either for the given year or on a recurring basis – come back to a central pool and that can sometimes be factored into the budgeting process. It is known 'x' amount of money is allocated and roughly 4 percent will not be spent as positions are not filled and those funds are placed into the central budget. Dr. Dunn reported that the budget model has not been changed and vacancies stay with the colleges and are not swept centrally. All should remember that two years ago to pay for the salary increase at the University he swept certain vacancies that had not been filled going into a second year. If nothing has happened to fill these positions – and the Deans were allowed to make a case on hard-to-fill lines – \$750,000 was swept two years ago and similar action has not been taken since that time.

Dr. Rose stated the anxiety which exists relates to the unknown more so than what is known but the potential is there for funding to be available which could be used to backfill any holes that are critical to maintaining academic program quality. It has also been the case that some have accumulated funds to keep technology upgraded which is an issue across campus. Travel funds are already low and the 2 percent reduction included in the recommendation will not likely keep an individual from making a required trip. There has been no additional revenue added to such lines in over a quarter of a century. All the care the Board can provide needs to be directed toward not letting academics slip. Although these are listed as non-academic items they could potentially affect academics. It was suggested that the administration proceed with caution with some reserves put back to address potential issues. Dr. Dunn indicated the budgeting model could be changed which would solve current fiscal concerns but the Deans are very savvy in terms of how they manage these funds although other ways to undertake this work exist.

### Item #116 – Add a main-campus only, per semester fee of \$25 to support Student Health Services

Mr. Johnson stated it is really beginning to look like the University is "beaning" students for everything and, especially with the economy and the way students are coming to the University, he does not believe this should be a charge placed on students. Even though it is just \$25 per semester that still builds up quickly. He does not like to see extra fees being placed on students when it can be made up elsewhere. Mrs. Buchanon agreed and Mrs. Green asked what students pay now for the service. Dr. Dunn indicated students currently pay nothing specifically for health services on campus and while there is a mandatory fee which is part of their tuition billing, there is no line item for student health services. Mr. Denton reported that in the past a separate fee was charged for student health services but was eliminated some time ago. Dr. Dunn reported a student health services fee is not unusual and although a study was not undertaken to determine how many campuses utilize such a fee it has existed at Murray State in the past. This issue is tied to deferred Item #188 – Examine the possibility to contract with a provider for on-campus health services; Examine possibility to accept family provided health insurance at Health Services. If the Board decides to hold on recommendation #116 until the

study on student health services can be completed that is certainly an option. Part of the bid would be for Health Services to be operated onsite and then a determination made whether this would provide any savings. Currently student insurance carriers are not billed for services which are provided. There is some debate in terms of whether the University has the ability to administer this and staff would be required to carry out that work. This process could be put in place and represent a revenue source. If the Board decides not to enact the fee it could indicate the administration should undertake the study to determine whether a third-party provider could come in, collect insurance, and have that infrastructure in place to enable the University to achieve savings this way instead of through a student fee. All must remember that tuition at Murray State is among the lowest in the Commonwealth and the institution does not undertake an aggressive pricing model – which has been the position of the Board since he has been here – and he is convinced there is some elasticity in pricing. On many campuses this service is feebased. This represents a recommendation which arose from the work of the Budget Planning and Review Teams, although there may be a way to offset it. It is difficult for him to agree that the University is being unfair in terms of pricing and even with additional fees overall pricing at MSU still positions the institution in the bottom of the pack in terms of cost.

Mrs. Guess inquired whether this could be an optional fee so students have a choice to not pay the fee and utilize their private doctor. Dr. Dunn indicated a typical way to handle this – which could suppress the amount of revenue – is if a student provides proof of coverage under a parent's insurance (or their own) the fee could be waived. Data is not yet available on the percentage of students in this category. Mr. Schooley reported the original recommendation was to charge this fee for 10,000 plus students, including those on the extended campuses, and a revision was made to include students on the main campus only. Dr. Dunn indicated if it is the Board's decision to move away from the fee recommendation it may be worth discussion to determine what the market offers in terms of a third-party provider with restrictions (services offered onsite, etc.) and this could represent an alternative approach.

Mr. Williams indicated there are three different directions the Board could take: 1) leave the recommendation as it stands, 2) take out the recommendation altogether or 3) make the recommendation part of the study on student health services to review options. Mrs. Sewell stated if the University chooses to go with a third-party provider it is likely the cost to the students would exceed the \$25 fee and there are many students on campus who would not know a physician to call if they were ill. There is definite need for this service, the \$25 fee does not seem outlandish and it is not a bad recommendation because any changes made will be painful. Information was requested on how many student health visits occur each year and Dr. Dunn indicated this information could be researched. Consensus was reached that this recommendation would be deferred for further study and discussion.

### Item #118 – Student Government Association appropriation will match the original mandatory fee allotment adjusted for inflation increases since 1999-2000 (\$199,235)

Mr. Johnson is not happy about a reduction to the Student Government Association budget for obvious reasons. This funding is used to bring programs, activities and different educational opportunities to campus for students to help with retention. This work also engages students in different areas of interest on campus. The reduction of approximately \$42,000 out of the budget will hurt in terms of being able to provide necessary programming. The original SGA budget in 1999 was \$176,000 and the reason \$199,235 has been indicated is because – as was explained by Dr. Jacobs – this represents a proportionate increase to the student government portion of the fee for the current year. The salary and benefits for the advisor are actually billed to the Curris Center and he believes they should not be included in the calculation. The SGA line in the budget shows \$176,000 and includes scholarships for the officers (mandated by the Board) and funding for student workers which could be reduced if necessary but would create a hardship especially during Homecoming and at different events throughout the week. Mrs. Buchanon indicated the more students become attached to Murray and remain in the area to participate in planned activities the better the chance of MSU being able to retain those students which eventually results in an increased graduation rate.

Dr. Dunn reported when the mandatory fee structure was established in the late 1990s there was a collapsing of all types of fees (being charged on a discrete basis) and those were combined together into one mandatory fee. At the time of that combining, the Student Government Association Fee was \$5 which was the amount going toward funding SGA operations. All will

recall every time tuition increases this includes the same percentage increase to mandatory fees and taking the initial \$5 student activity fee and adding in the percentage increases since the new model was started amounts to approximately \$10.90 (representing growth over those years). For full-time students this equates to approximately .89 cents per hour that supports SGA, raising approximately \$200,000. The budget the administration is working from is \$241,000. Staffing costs which were applied in terms of analysis for both 1999 and this year are legitimate costs to review for student government and the administration is asking this unit to live within its means just like all units on campus are being asked to do. Another approach is to determine whether it would be feasible to go from .89 cents to \$1 per credit hour if one wants to have the ability to not change anything in the offering then this could become the consideration. This work is being applied across campus to every unit to live with what they raise or raise more and this rationale forms the basis of the recommendation.

Mr. Johnson indicated he could live with this cut but the majority of the reason he is worried is because this funding must be split between concerts, lectures and different activities on campus and some of these events are not highly attended due to other activities taking place. One recommendation that did not make the final list was to streamline and coordinate all campus activities. If this is coordinated – whether through the Campus Activities Coordinator who also serves as the SGA Advisor or the Student Life Coordinator – it would allow for the different organizations utilizing the same University monies to not duplicate services. An overall service calendar could be maintained to show what events are going on, where, when and why so activities are not double-booked. There needs to be centralization of campus activities instead of this work being divided up among units all across campus. He can handle a budget reduction but this is not just SGA blowing money. There was a lecture held by an organization last fall in Lovett Auditorium and less than 50 individuals were in attendance because the event was held on the same night as a Rush Week event. Mr. Waterfield inquired about who would make the decision as to which events would get booked and Mr. Johnson indicated it would depend on the organization but in the past these requests came through SGA. He is not suggesting SGA control all events on campus but it could maintain a calendar which includes all events taking place at the University. Dr. Dunn indicated there is some difference of opinion in terms of this centralization and discussions have been held over the past three years on the topic. He is willing to proceed in this fashion but also does not want to get beat up for trying to tell the students what they have to do or when they have to do it and this is one aspect to consider with the suggested coordination. When Mr. Carter has an opportunity to host Bob Dylan on campus and is given the date for that appearance, something already on the calendar cannot take precedence. An attempt has been made to coordinate some of this work and efforts to make the system better will continue.

Dr. Curris indicated when making cutbacks everyone has to sacrifice and he recognizes the difficulty of developing a plan but he also recognizes this Board must have a limited role in making managerial decisions. He is sympathetic to one key point – irrespective to the rationale – and that is when considering discretionary funds available to student government \$42,000 represents a cut of roughly 25 percent and among all the recommendations he does not see any other unit on campus being asked to cut discretionary spending by that amount. He thinks this is an excessive request given what SGA does for students – although he does not know what the fair amount would be. Dr. Dunn indicated this is a policy question of whether the Board wants to subsidize SGA and by not making the recommended cut the BOR is agreeing to subsidize SGA as opposed to having that student entity supported by fees. SGA is doing good things but is being supported over and above. Dr. Curris indicated if one looks at the big picture over onehalf of the University's budget comes from student tuition and fees. It is not either/or when Dr. Dunn says the Board is subsidizing SGA because one-half of the subsidization comes from students in the first place. To him it is only a question of being fair in the process and the students made a persuasive argument that this recommendation is not fair. Dr. Dunn indicated the same argument just presented by SGA can be made by numerous other units across campus being asked to make cuts. Consensus was reached that this recommendation would be moved to the "parking lot" list.

#### **Item #127 – Eliminate graduate tuition waivers for spouses and dependents**

Mrs. Buchanon inquired whether the other comprehensive institutions in the state offer this benefit and confirmation was provided that not all of the institutions offer graduate tuition waivers for spouses and students. Agreement was reached that additional information would be

provided to the Board. Dr. Rose indicated this recommendation has been challenged in open forums but indications have also been made independently by faculty that they are not interested in subsidizing the benefit of graduate tuition for spouses and dependents (although some had a sympathetic ear for spouses). Concerns were expressed in terms of how much money the University utilizes for these types of programs that benefit very few but at a very high level. Agreement was reached that this is a nice benefit if the University could afford it.

### Item #128 – Reduce the regional state tuition discount waiver by \$100 per semester

Mr. Schooley requested this recommendation to be delayed until 2014 because letters are currently being sent out which could cause public relations issues. Dr. Dunn reported pricing for 2013-14 has not been set so no one knows what they will be paying for tuition next year, while this is not the case in terms of scholarships where award letters have already been mailed. For each regional state where the University discounts tuition there is a formula calculation based on the average tuition for state institutions in that region. MSU discounts regular out-of-state pricing down accordingly based on this average and this can vary across states depending on pricing at the various institutions. The formulas would remain as they are but for regional discount students \$100 per semester would be added to their tuition cost. It is not believed pricing is so tight that MSU will lose students for this reason because the institution already offers a healthy regional state tuition discount. Confirmation was provided that out-of-state tuition changes every year depending on tuition approved for the following year and the formula calculation. Mr. Schooley withdrew his concern based on this information.

## Item #133 – Reorganize within the College of Education to place the Teacher Quality Institute (TQI) under Teacher Education Services, capture salary savings due to the retirement of the TQI Director and reduce the TQI operations account (by \$200,000)

Dr. Rose reported that two to three years ago Dr. Dunn reviewed vacant lines within the colleges which could provide additional revenue. At that time over \$1 million was identified and about \$900,000 that was not being utilized for teacher quality as intended was captured. From the remaining \$200,000 taking \$100,000 back would be relatively easy but the extra \$100,000 proposed in the recommendation will reduce the potential of elevating TQI to the level of where it should have been from the start. On this basis, the recommended reduction should be changed to \$100,000 rather than \$200,000. Dr. Dunn agreed this is an important point and it was not a good outcome for the unit to have \$1 million that was not being used to service the needs for which the institute was formed. Many in the college – as well as the new Dean – are working to rectify the situation and re-establish the Teacher Quality Institute. Consensus was reached that the Board would proceed according to the recommendation made by Dr. Rose.

### **Item #177 – Uncap the graduate tuition rate calculation**

Mr. Johnson requested a more thorough explanation of the recommendation and Mr. Denton indicated this pertains to billing for every credit hour per graduate course taken above 12 hours. MSU is the only comprehensive institution in the state that does not charge per credit hour at the graduate level. If a graduate student takes more than 12 hours the University stops billing at the 12 hour mark. Approximately 17,400 credit hours were taken in Fall 2011 and 2012 and of those credit hours 17, 341 were billed. Approval of this recommendation will enable the University to follow the same path as the other state schools and will allow the institution to better account for revenues on a per hour basis and effectively consider costing per graduate course. Very few students take above 12 graduate hours but charging per hour assists a great deal within the accounting process.

#### Item #187 – Reduce the Racer Advantage Grant internal scholarship support

Dr. Dunn indicated the Racer Advantage Grant was started approximately five years ago and represents a "last dollar fund" that is available – after every other source has been tapped to assist toward keeping a student in school – so Dr. Robertson and his staff have access to this fund (on a mid-semester basis) and can utilize funds to ensure a student does not have to drop out of school and can instead complete the semester with credit. This fund has previously been budgeted at approximately \$300,000 and is typically used in its entirety every year. Dr. Dunn has indicated to Dr. Robertson if this fund is reduced he will use President's Office contingency

funds to backstop the Racer Advantage Grant so the University does not start to lose those students.

Item #190 – Reduce Legacy waiver to one-half of the difference between in-state and outof-state tuition rates starting with new students (grandfather existing Legacies); For Regional State Legacies, continue to apply regional discount first, then add up to \$1,000 capping the addition of Legacy add-on at the in-state tuition rate

Mr. Schooley suggested this recommendation be deferred until 2014 because some awards have already been made. Dr. Dunn reported existing Legacy waiver students have been grandfathered in and this will start with new students (affecting 12 to 15 students accessing Legacy money). It is unlikely the University will lose all these students due to this change. For students who have been admitted the award letters have been mailed with the Legacy waiver having been applied for 2013-14. A new award letter would be required indicating those students will receive less assistance. Consensus was reached that this recommendation would be approved but implementation would be deferred for one year.

### Item #193 – Reduce non-federal, non-grant student work accounts by 10 percent (Note: President's Office may backfill essential coverage in lab science, helpdesk, etc.)

Dr. Curris asked how much the University currently spends for the institutional student work program and Dr. Dunn reported the amount to be approximately \$2.5 million. There are certain areas, particularly in the sciences, Help Desk and with farm workers for the Hutson School of Agriculture where this reduction will create issues and a request was made for such situations to be considered individually. The individual units will determine how to reduce the student workforce by 10 percent – either by reducing the number of student workers or reducing hours overall – and proceeding in this fashion could allow the units to maintain the same number of student workers. He proposes moving forward with the 10 percent reduction and if student worker funds become exhausted specific needs could be addressed with contingency funding (assuming a compelling case can be presented by the respective Dean). The budget for 2014-15 would then be adjusted to reflect the actual situation which occurred in 2013-14 in terms of student workers. Dr. Rose is concerned about the percentage of Murray State students who need or have applied for federal funds and whether they actually have a job on campus. If there are students with a real need and they are not being employed – especially when he sees students with parents who can afford college occupying campus jobs – this is a concern. If the University has an opportunity to help students with real need he would be in favor of proceeding in this fashion because MSU should help those with the greatest need first. Dr. Dunn indicated there is no needs-based student work and all students must apply and go through the interview process. Many students qualify for federal work study but there is simply no money to support the program at its current level of need. Dr. Rose would like for the discussion of how these funds are handled to be put on the table for future consideration as a policy issue. In response to whether the University can legally undertake a needs-based approach to student employment, Dr. Dunn indicated that likely can be done for at least a portion of student worker positions on campus. Consensus was reached to advance this recommendation but, as a separate matter for management to consider at a later date, the policy of potential needs-based prioritization of student work on campus should be considered.

### <u>Academic Areas – immediate implementation</u>

#### Item #19 – Eliminate the open lab in the Arthur J. Bauernfeind College of Business

Mrs. Guess asked if this recommendation is being advanced because the lab does not receive a great deal of use and Dr. Dunn reported the lab is staffed by the College of Business. Many students utilize tablets and laptops (with full wireless coverage on campus) which means this lab does not receive the use necessary to warrant continued staffing. The lab is not closing but operating staff and support will no longer be provided.

### Item #172 – Commonwealth Honors Academy will utilize fee support (\$195)

Mrs. Buchanon inquired whether Commonwealth Honors Academy (CHA) students currently pay a fee and Dr. Dunn indicated they do not. There are 65 to 75 students in this program which could yield approximately \$15,000. This program currently represents a significant expenditure

for the University. Dr. Rose reported the CHA program was started because the University was unable to attract Governors Scholars students and the initiative represented an effort to capture some of those top students from throughout the region. Discussions occurred and will continue regarding MSU now hosting the Governors Scholars Program and how much the University can still afford to dedicate toward the Commonwealth Honors Academy. Dr. Dunn confirmed the CHA represents a significant expenditure for the University because a three-week, full-time residential experience is provided with full room and board in one of the residential colleges, six hours of college credit while on campus for the CHA and six hours of college credit online during the time the participants are in high school. These students are then provided with housing scholarships when they come to campus. Operations and waivers for the Commonwealth Honors Academy – not including the housing scholarships – total approximately \$372,000 which is a significant amount of money to expend for a small number of participants. At the same time, 60 to 65 percent of CHA students choose to enroll at Murray State and prior to hosting the Governors Scholars Program, the University was able to attract four out of 1,000 GSP students although that number is now growing. Dr. Robertson confirmed the competition is stiff because these students receive significant scholarship packages for any school they choose to attend in Kentucky. The Commonwealth Honors Academy scholarship is valid only at MSU.

Item #110 – Merge the Department of Engineering and Physics with the Department of Industrial and Engineering Technology to capture salary and benefit savings from the reduction of an administrative chair stipend and capture salary and benefit savings due to the departure of a faculty member in the Department of Engineering and Physics

Dr. Curris asked why one would want to merge a Department of Engineering and Physics with a Department of Technology. Dr. Dunn indicated this recommendation came from a Budget Review Team and the Dean of the College of Science, Engineering and Technology – Steve Cobb. Dr. Cobb reported it is believed there are several advantages associated with the consolidation of these two departments, including those which are financial in nature and are mentioned as part of the recommendation. He is more excited about the efficiencies which will be realized in the consolidation. The new Engineering and Physics Building has not yet materialized but that space is desperately needed and, especially since the College does not have the space necessary to expand, this change will enable more efficient use of current space by eliminating a duplication of effort that has perhaps existed in the past. Each of these two departments is part of the spectrum of engineering activities and both require surface labs and material science labs. All in the College intend to ensure a better job is done utilizing space to meet these needs and this work can be better accomplished if the departments are housed under one administrative unit. The main advantage of consolidating the two departments will be in student recruitment. Currently when a student comes to campus and indicates they are interested in engineering, the Recruitment Office does not know where to send that student. This recommendation will move all engineering and engineering-related activities into one department so they are administratively housed in one unit making it easier for the College to place those students in the curricular path that fits their needs and career goals and helps them achieve. This change will assist with recruitment and retention by identifying students who may be struggling so they can more quickly be moved into a more appropriate engineering-related pathway. This change will also allow for better utilization of faculty and will result in a very strong department with over 500 students and 30 faculty members.

Dr. Curris indicated for savings of \$12,500 he believes Dr. Cobb is basically degrading his own field of physics by tying it in with technology. Engineering Physics at one time – although it may not still be the case – was one of the premiere programs at this institution and it was distinguished from technology. He is not suggesting how Dr. Cobb should run the college but for \$12,500 he thinks he should look not so much at internal efficiencies but the message that is being sent beyond the University. There is another option of having two different departments with the same Chair heading both departments. He is not trying to suggest how to accomplish this but is asking all to look at the impact and message this sends beyond Murray State. Dr. Cobb pointed out that the Engineering and Physics curriculum does not change and there is no blending or diminishment of the current program curriculum. Dr. Curris' point is well taken and assurance was provided that it has been a point of discussion.

Mr. Williams asked if Dr. Curris is suggesting the Board put this recommendation on hold and whether it should be moved to the "parking lot" and Dr. Curris indicated management can

undertake this recommendation but he is not persuaded it is worth \$12,500 to make this change. He has made his point and all can consider it.

### Item #132 – Reduce the "Other Instruction" budget line by 5 percent for all academic colleges

Mrs. Guess requested a definition of "other instruction" and Dr. Dunn reported a majority of academic colleges have an account with this title which contains funding being used to undertake a wide variety of activities, including hiring adjuncts, purchasing technology, providing additional travel monies for travel-related expenses (including conference fees) and for a variety of other purposes. On occasion there are add-on events that need to be handled and there is no other way to fund those projects than through the other instruction budget line. This account was also accessed in 2008-09 when budget cuts were undertaken and it is believed there is enough "flex" within these accounts to capture the recommended 5 percent. Dr. Dunn and Mr. Denton reviewed every "other instruction" account within the colleges, including every single transaction for three years. The balance available in those accounts at the end of each year was reviewed and it is believed the 5 percent reduction is affordable. Dr. Rose believes this recommendation fits with what the University is trying to accomplish by identifying necessary cost savings and the institution does not want to be in the position of not being able to hire an adjunct or lose services. When the final recommendation is made Dr. Rose requested particular attention to be paid to this issue. Dr. Dunn does not mean to imply the uses for this funding are not good because they are primarily used for technology needs, adjuncts and travel support but over three years, considering the budget balance available, there has been adequate cushion to allow for the 5 percent reduction without causing harm.

Mr. Williams indicated when the Board gave the charter for this process it wanted the work of the teams to be as thorough and aggressive as reasonably possible while ensuring no academic programs were harmed and it is hoped the budget review process accomplished that goal. The items included under academic programs total less than \$400,000 and this could lead one to say the process might not have been as robust as could have been envisioned or expected but all have gone through a very important process. He is making this comment in the context of the current recruitment process for a new Provost. He hopes the new Provost would not be recruited thinking the coast is clear as far as budgeting is concerned and – particularly in Kentucky and for any state entity – one year is one year. He imagines as the new Provost begins their tenure this Board would expect that within the first year or two there would be a strong review of academic programs resulting in budgeting recommendations – not necessarily looking for huge cuts – but reviewing academic programs to determine whether any changes should be made and, working with the Deans, either increase or decrease programs accordingly. He would not want the search process to give candidates the assumption that work has taken place this year and nothing else will be mentioned for the next ten years. Dr. Rose reported the Provost search is currently in the stage of the final four candidates coming to campus and they will get a good sense of that while on campus. Dr. Higginson indicated what the Board is not seeing, but which was a significant part of the process on the academic side, was the review of all programs undertaken with the Deans last summer to develop a matrix and conduct an evaluation of academic programs. Some changes were made but those changes did not necessarily result in dollar savings. For instance, the College of Education is eliminating the Rank I Program (non-degree program) but they are repurposing positions in anticipation of developing an Ed.D. Program. This has happened in several instances where a program has been suspended and a review of developing new programs has also taken place. All agree more remains to be done. Mr. Williams agreed the review work and assessment which has been undertaken is extremely important and the process has value and provides a baseline of assessment for the new Provost. He is not being critical of the process but since the Provost search is currently underway it is important for the right tone and expectations to be set and it is known budget review represents a process which will remain over the next few years. Dr. Rose reported interviews conducted via Skype with the first pool of candidates for the Provost position included two or three questions regarding how that individual would proceed if funding continues to decrease. He is pleased the Board is together on this critical issue. Mr. Williams clarified his statement was not just within the context of cutting expenses but also generating new revenue programs.

This concludes the items that have been presented as recommendations for implementation (when approved by the Board) and what follows is a listing of deferred recommendations. Dr. Dunn indicated the administration believes these recommendations have merit and could amount

to considerable savings. A level of technical expertise is needed with individuals highly versed in the nuts and bolts of this work coming together to think through the recommendations and consider the same type of things that have been dealt with on other recommendations, including implications, pros and cons, how difficult implementation would be and the cost attached. The administration would suggest going into the next academic year with small work groups around each one of these recommendations undertaking study and analysis and coming back to the Board – not in one big mass but as this work gets done – for consideration.

Mr. Williams indicated the role of the Board is to provide direction to management and he believes these recommendations are within the purview of management to undertake the necessary homework in anticipation of bringing back recommendations as appropriate. At the same time, if there are recommendations the Board will not approve such should be indicated to management so staff energy and time are not expended on studying a recommendation that ultimately would not be approved.

#### Item #176 – Examine the ability to sell the WKMS radio station through a brokerage firm

Dr. Rose indicated this recommendation will receive a great deal of attention and discussion because WKMS has been in existence for so long and is an integral part of the institution and this could bring about some anxiety. Consensus was reached that this work should proceed with caution.

#### Item #191 – Examine contracting out Financial Aid services to an outside provider

Mr. Schooley asked for clarification on this recommendation and whether other institutions proceed in a similar fashion. Dr. Dunn indicated not a lot of institutions operate in this fashion but there are firms that will handle an institution's financial aid function. Staff would be contracted through the firm with some being on-site but the majority of the work would be handled online. Whether there is any money to be saved in terms of this recommendation must be determined because the University's current financial aid staff do a very good job and are not highly compensated. Utilizing an outside firm (considering their percentage of profit) may not result in a great deal of savings. Another concern would be the level of service that could be provided, including the requisite support for students which MSU currently does well. This is unknown and the question is whether discussions should begin with a company about how this would work (pricing, level of service and staffing) and what is offered online versus on-site. Mr. Schooley indicated with an outside provider and eliminating staff on campus the personal touch will likely be lost and Mrs. Buchanon agreed, adding this is what Murray State is all about. Dr. Jacobs reported there are a variety of ways to structure such an arrangement which could include having a familiar face on campus to provide the personal touch. There are many different models and a request is being made for an opportunity to explore those options. Dr. Dunn indicated specifications for the bid can be set up in multiple ways. During the vetting process it was determined there is now a good working relationship between Development and the Scholarship Office. Matching current endowed scholarships with students who meet the criteria has been turned into a finely-tuned operation due to the efforts of Bob Jackson, Associate Vice President for Institutional Advancement; Christian Cruce, Associate Director for Scholarships and others within the offices managing these scholarships. The University wants to keep this process strong and these are the type of service needs that will be conveyed to potential vendors.

Dr. Curris has serious reservations about outsourcing the student financial aid function. A truly effective office does a great deal of personal counseling with students and that is not done over a telephone. This recommendation would be at the bottom of his priority list. Dr. Dunn indicated this is good to know because if the support is not there staff time does not need to be spent studying the option and removing the recommendation from the list could also alleviate anxiety which would occur within the unit as they wait for a year while the study takes place. Consensus was reached that this is not a priority for the Board and maintaining personal service for students and parents is important.

 $Item \ \#124-Examine \ all \ Division \ I \ sports \ and \ athletic \ services \ presently \ offered \ by \ the \ Department \ of \ Athletics \ for \ potential \ savings \ while \ maintaining \ Division \ I \ eligibility$ 

Dr. Rose reported a recommendation developed by one of the non-academic groups was to eliminate the Football program, saving the University \$2 million. He requested this be considered when the recommendation is reviewed further.

In response to a comment that 22 items represent a lot of recommendations to be studied, Dr. Dunn indicated this work will be undertaken by smaller teams comprised of individuals with backgrounds in pertinent fields. They will be charged with studying the recommendation and providing the administration with alternatives and associated costs. The results of this work would then be presented to the Board.

### Item #90 – Examine the feasibility of a Request for Proposals (RFP) to lease the Stables in the Curris Center to a for-profit enterprise

Mr. Johnson is concerned with this recommendation because the Curris Center Stables represent one room frequently utilized by the students. The Student Government Association has held its meeting every Wednesday at 5 p.m. in the same location for years but for the past five to six weeks SGA has had to move the meeting location because the University has allowed other entities to come on campus and use meeting space in the Curris Center. Every time he walks through the Curris Center it is filled with club meetings and it bugs him that another space in the building would be taken away from students and turned into a restaurant (or whatever). Due to the amount of programming students do and the number of club meetings held it would be a terrible asset for the students to lose. Currently SGA utilizes storage space located behind the Office for Enrollment Management in the Curris Center and found out a few days ago that everything in storage must be moved because another office entity – a book recycling center – is being located in that space. Space is at maximum capacity in this facility and students do not need to lose the ability to use the Stables for club meeting space. Mrs. Buchanon and Mrs. Sewell indicated this request sounds reasonable.

On behalf of the Finance Committee and the entire Board, Mr. Williams expressed appreciation to Dr. Dunn and the University leadership and staff involved in this process over the last year. No one expects there to be 100 percent unanimity on every recommendation which has come through the pipeline but he applauds the process, apparent transparency and attempted inclusiveness so everyone could be engaged or have the opportunity to opine on the ultimate recommendations. A huge amount of work has been undertaken by a large number of individuals in a very responsible fashion. In terms of process, the Board will take the night to think about the proposed changes and in the morning when the group reassembles for the Finance Committee meeting the recommendations can be discussed further. A few items were left on the "parking lot" list and a determination needs to be made on how to handle those items. For the remainder of the items the Committee and Board can discuss whether to give the green light for those approvals or defer all or part of those items until the May meeting. This would represent the agenda for the Finance Committee in the morning if all agree proceeding in this fashion sounds reasonable. Mr. Williams thanked the Board for being very attentive and patient as the Finance Committee covered a lot of territory.

#### Adjournment

The Special meeting of the Murray State University Board of Regents Finance Committee adjourned at 5:26 p.m.

Chair

Secretary Lhint

