

**Minutes of the Quarterly Board of Regents Meeting
Murray State University
Friday, September 7, 2012
Jesse Stuart Room – Pogue Library**

The Board of Regents (BOR) of Murray State University (MSU) met on Friday, September 7, 2012, in quarterly session in the Jesse Stuart Room of Pogue Library on the main campus of Murray State University. Chair Constantine Curris called the meeting to order at 1:20 p.m.

Roll Call

The roll was called and the following members were present: Marilyn Buchanon, Constantine Curris, Susan Guess, Jeremiah Johnson, Jack Rose, Phil Schooley, Jenny Sewell, Harry Lee Waterfield II and Stephen Williams. Absent: Sharon Green and Jerry Sue Thornton.

Others present were: Randy J. Dunn, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board of Regents; Tom Denton, Vice President for Finance and Administrative Services and Treasurer to the Board of Regents; Bonnie Higginson, Provost and Vice President for Academic Affairs; Jim Carter, Vice President for Institutional Advancement; Jay Morgan, Associate Provost for Graduate Education and Research; Renae Duncan, Associate Provost for Undergraduate Education; Bob Jackson, Associate Vice President for Institutional Advancement; John Rall, General Counsel; Joshua Jacobs, Chief of Staff; and members of the faculty, staff, students, news media and visitors.

(Insert Agenda)

Minutes of the Quarterly and Committee Board of Regents meetings June 1, 2012, approved

Mr. Williams moved that the minutes of the quarterly and committee Board of Regents meetings on June 1, 2012, be approved as submitted. Dr. Rose seconded and the motion carried.

Public Participation

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

Report of the President

Dr. Dunn reported the following:

- **Current Rankings**
- Military Friendly School – 2012 (awarded recognition for 2013) – *G.I. Jobs*
- “Great Colleges to Work For” 2012/Professional/Career Development Programs, Respect and Appreciation and Teaching Environment categories – *The Chronicle of Higher Education*
- A “Top Tier” university in academic quality for 21 consecutive years – 1992-2012 (2013 rankings to be released shortly) – *U.S. News and World Report*
- Murray State at the top of 10-school list for merit aid awards (percentage of undergraduate students receiving non-need based aid) – 2012 – *U.S. News and World Report*
- “America’s Best Colleges” list (MSU top ranked Kentucky public university) and named one of “America’s Top 100 Best Buy Colleges “ (MSU only Kentucky public) – 2012 – *Forbes*
- 2012 “Yellow Ribbon School” – U.S. Department of Veterans Affairs

People

- **Recent Appointments**
- Academic Affairs
- Dr. William Cassie – Chair – Government, Law and International Affairs
- Dr. Reika Ebert – Interim Chair – Modern Languages
- Colin Nesbit – Director – University Galleries
- Dr. David Whaley – Dean – College of Education
- Student Affairs:
- Abigail French – Interim Director – Women’s Center
- Jamie Mantoosh – Director – Retention Services
- Kim Paschall – Interim Director – Health Services
- Angie Trzepacz – Director – University Counseling Services

Points of Pride

• Recognition

- MSU Print Media unit highlighted by *In-Plant Graphics* magazine for Wide-Format Graphics Work
- MSU Police Department (Public Safety and Emergency Management) received full 5-year accreditation by the Kentucky Association of Chiefs of Police

• Honors

- MSU Low-Residency Master of Fine Arts (MFA) Program in Creative Writing (English and Philosophy signature graduate program) ranked 20th nationally by *Poets & Writers Magazine* 2013 MFA Index
- MSU's chapter of Alpha Sigma Phi selected "Best in the Nation" at 52nd Biannual Conference

• Achievements

- Dr. Martin Milkman (Economics and Finance) chosen as Editor of *Journal of Economics and Economic Education*
- Dr. Murphy Smith, Dill Distinguished Professor (Accounting), chosen as Editor of *Journal of Legal, Ethical and Regulatory Issues*
- All ten MSU Engineering Physics students taking the 2012 *National Fundamentals of Engineering Examination* (required for future licensure) achieved a 100 percent pass rate
- Two major U.S. Department of Agriculture (USDA) grants supporting the *West Kentucky Ag Bioworks Initiative* (Office of Rural Development) and *Racer Academy of Agriculture* (National Institute of Food and Agriculture) awarded to the Hutson School of Agriculture
- McNair Postbaccalaureate Achievement Program funded by U.S. Department of Education for new 5-year cycle to support graduate-level work for underrepresented groups
- Adventures in Math and Science program funded

Point of View

Dr. Dunn reported the press covered a story on a recent graduate from Murray State University – Billy Ted Lowry from McKenzie, Tennessee – who attended college at MSU but left the University due to service commitments then transitioned directly into the workforce. Mr. Lowry kept his original MSU degree application for 51 years and re-established contact with the University through the Provost. Through the efforts of Dr. Higginson, Registrar Tracy Roberts and program consultants in the Arthur J. Bauernfeind College of Business, the University was able to award his degree. A small ceremony took place in Wells Hall and the story was featured on *Roundabout U* which can be viewed on You Tube.

Report of the Chair

Chair Curris reported the Regents met for the Annual Planning Retreat and Work Session yesterday – September 6, 2012 – and received reports from the academic deans. No action was taken during the Retreat but the reports provided were extremely informative.

Report of the Constituency Regents

Faculty Regent

Dr. Rose introduced Faculty Senate President Kevin Binfield, Professor of English. On behalf of the Faculty Senate, Dr. Binfield expressed gratitude to Dr. Dunn and the Board for including faculty in the budget planning and review process. This represents the most significant engagement of faculty by the administration since he came to Murray State in 1997. The process has reshuffled priorities for Faculty Senate for the year but they want to live up to the trust Dr. Dunn and the Board have placed in that body to demonstrate shared governance. Dr. Rose echoed this sentiment because there is a level of excitement and enthusiasm among faculty, countered with some anxiety which can be expected when undertaking extensive budget review.

Dr. Rose believes the University is off to a great start in terms of the campus atmosphere and increased enrollment. Veterans have space in the College of Education and he has had an opportunity to interact with a nontraditional Veteran student. Discussion with this individual has revealed how helpful everyone on the Murray State campus has been in terms of assisting him with returning to a college campus after a 25 year absence. This reflects what the Board has heard before and represents the quality of MSU. Dr. Rose is pleased with reports received from the Deans during the Retreat because they represented the greatest level of collaboration between colleges and academic units he has experienced. The Deans have worked together before but

there was evidence from one college to another on how they were exchanging ideas, programs and personnel. This collaboration speaks well for the Deans, faculty and staff across the institution. It is positive to see a greater emphasis being placed on securing additional resources through grants and external funding.

Staff Regent

Mr. Schooley was also impressed with the Dean presentations at the Retreat yesterday. Staff Congress President John Young was introduced and expressed appreciation for an opportunity to address the Board on behalf of Staff Congress. In the spring he was elected to a second three-year term as a member of that body and then had the honor of being elected President for the upcoming academic year. He introduced Staff Congress officers Laura Lohr, Vice President (University Libraries) and Debbie Plummer, Treasurer (Biological Sciences). Staff Congress is comprised of 30 members elected to represent four different MSU staff categories: secretarial/clerical, facilities management, professional/managerial and at-large. The members of Staff Congress provide a voice for those performing the day-to-day operations of the University to develop a better understanding of the challenges facing the University and convey those challenges (as well as plans to address concerns) to fellow employees. The Staff Congress voice is heard by the administration and this Board – whether through the Staff Regent, Faculty/Staff Leadership Council or through meeting and talking casually on campus. Their questions are answered and concerns are addressed and although the answer is not always, “yes,” this is certainly understood and the important point is this body is being listened to. Staff Congress provides a voice in the MSU budget planning process with six members serving on Budget Planning and Review teams. Additional staff members serve on each of the nine collegiate committees and three non-collegiate committees. The members of Staff Congress also serve on other university-wide committees and are always willing to go the extra mile. Staff Congress supports the staff through various programs and offerings such as the Staff/Faculty Children’s Christmas Party, the Staff Holiday Reception, Staff Recognition Luncheon and the Staff Excellence Awards. Staff furthering their education through the University by utilizing tuition waivers can apply for the *Marie Jones Book Scholarship* which is named for the first Staff Regent to serve on this Board. The initiative is financially supported entirely through funds raised by members of Staff Congress. Staff Congress is aware and appreciative of the support provided to that body by Murray State and believes this is the best place in Murray to work, has been for 90 years and is one of the great colleges to work for in this country. Mr. Young expressed appreciation to the Board for allowing him to appear before them today and for the support they provide to Murray State staff.

Student Regent

Mr. Johnson gave a PowerPoint presentation highlighting semester kick-off activities as part of “Racer Week” (formerly “Great Beginnings”) which included the following:

- Residential college move-in
- *Myths and Legends* campus tour to provide students with a history of MSU. Approximately 45 to 50 students were expected but 276 participated in the event.
- *Waterfield Wired* event in the Library featuring various games
- Annual performance of hypnotist Tom Deluca (sponsored by the Student Government Association (SGA) and Campus Activities Board) with over 1,900 students attending
- *Explore Murray/MSU Video Shoot* filmed with the freshman class surrounding the entire second level railing at the CFSB Center
- Residential College meetings to provide students with an opportunity to meet faculty, Resident Advisors and other housing staff
- *Realities on Campus* – an interactive play covering violent crimes and where to seek assistance on campus if necessary
- *Men In Black III* movie sponsored by SGA with approximately 213 students in attendance
- *Saturday Night Live!* – with an average of 90 to 100 students participating in a party-type atmosphere with a band in the Curris Center Stables and X-box on random TVs throughout the building (included a trip to Wal-Mart)
- 2012-13 Racer Band has approximately 315 members making it the largest in school history. The band will perform in the *Bands of America* competition in Indianapolis, Indiana.
- Alpha Phi Alpha Fraternity, Incorporated, rededicated a monument on campus this week to honor Dr. Martin Luther King, Jr.
- Future events include SGA hosting the founder of *To Write Love on Her Arms* – a nonprofit movement dedicated to presenting hope and finding help for people struggling with depression, addiction, self-injury and suicide. The program is designed to encourage, inform, inspire and invest

directly into treatment and recovery. Founder Jamie Tworkowski will speak at 7 p.m. in the Curris Center Ballroom on September 11, 2012.

- In conjunction with the Women's Center, SGA will sponsor *Take Back the Night* beginning at 5:45 p.m. on Cutchin Field on September 25 to illustrate MSU takes a stand against violence for both men and women. Appreciation was expressed to Dr. Dunn, Regents Schooley and Rose and Don Robertson, Vice President for Student Affairs, for agreeing to take part in the men's pledge to stop violence on campus.
- SGA is partnering with University Communications to create *Social Media Week* to discuss professional content on Facebook and what potential employers are looking for.
- This year marked a successful "pre-package" party in the University Bookstore.
- T-Room is now serving Jasmine sushi that students can purchase with Flex dollars and there is a Mongolian Grill in Winslow Dining Hall. Appreciation was expressed to Paula Amols, Director of Dining Services, for greatly expanding dining options for students.
- Over the next year SGA will undergo reconstruction because some priorities have fallen by the wayside and now is the time to review the work of this body and identify innovative ways to reach out to students. Utilizing social media more effectively must be considered and a determination made on how to accomplish this. Work will occur to develop additional partnerships across campus with different entities to bring a variety of lectures and events to campus.
- At the December Board meeting Mr. Johnson plans to introduce the SGA Executive Board.
- The SGA Retreat will be held tomorrow – Saturday, September 8, 2012.

MSU Spotlight: Men's Basketball Team

Dr. Dunn introduced Men's Basketball Head Coach Steve Prohm who expressed appreciation for being invited to speak before the Board and reported the following:

- It is exciting to be involved with Racer Basketball and see student athletes further their careers. Players and staff understand that making contact with individuals who can provide opportunities for senior players is a priority and possibilities are continually pursued. If graduates are not productive in society within three to five years after leaving the University, the Basketball Program has not been successful. They must be able to raise and lead a family and chase their own goals and dreams.
- Success provides opportunities to speak and as a leader it gives him a platform to impact more individuals within the community and the University and make a difference in their lives.
- In a small community where the Basketball Program means everything individuals of various ages come to watch players practice and support the team and bonds are often formed between these individuals and the players.
- Messages discussed with the team include: 1) Don't Seek Honor – honor will find you; 2) Twitter and Social Media, "Eyes Up" and staying totally focused and committed to the goals for the team and players, regardless of distractions and media attention and 3) Stay on Your Wall – determine your passion and purpose which includes representing the MSU program in the appropriate way. Commitment is stressed so the team remains hungry and humble. The team gave back to the community last year by being incredibly selfless with their time and with one another on the playing floor. An individual's priorities must be in order for them to be able to chase their true passion.
- *The Handbook to Leadership* provides information about individuals maintaining a great attitude and remaining committed enough to pay the price regardless of the payback. One cannot say they will be committed "if" because then they are making a deal and this does not represent true commitment. True commitment is committing everything one has to a goal or cause and only total commitment can create and facilitate true success.

Report of the Treasurer

Mr. Denton provided the following highlights from the unaudited Financial and Investment Reports:

- Cash and cash equivalents increased by \$11 million over prior year and investments (general) were approximately \$5 million less than previous year. This amounts to a \$6 million net increase in cash compared to this time last year. One major item contributing to the increase the refinancing of housing and dining bonds which released the University from the obligation of having several reserves. There was also an increase in net assets of over \$5 million and several things contributed to this increase, including the online incentive program where departments received a portion of tuition income, utility savings due to the new rate structure implemented and unexpended funds in the Library improvement account.
- Total liabilities increased \$2.8 million due to more accounts payable as a result of construction projects underway (including Elizabeth Hall).
- Net assets increased by \$5.5 million for a total of over \$225 million.
- Overall unrestricted general funds represent a net increase of slightly over \$5 million and total revenues are \$130 million. Within the \$130 million, without state appropriations (\$15.3 million), gross student tuition and fees total \$93.3 million. This figure was monitored closely throughout the year and the institution brought in approximately \$500,000 over budget (utilized in the current year).

- Sales, services and other income amounted to \$10.8 million over budget due to a number of restricted funds that are budgeted conservatively, with the English-as-a-Second-Language Program and the parking account being cited as examples.
- Auxiliaries experienced a good financial year with a net change in fund balance of \$1,031,000. Funding is being set aside in auxiliaries to address future new residence halls or facility renovations. A review with the Housing Consultant will take place and a determination made on the best approach to undertake regarding the residence halls. This fund will provide one-time money to assist with bond issuance or cash renovation. Housing performed approximately \$300,000 better this year than last with a significant portion of funds being shifted to reserves to address future needs.
- With regard to investments, current funds total \$890,000 which is approximately \$90,000 over last year and endowment funds total \$435,000 which is significantly less than last year. Overall interest rates are slowly improving.
- In response to a request to refresh the Board on the state investment pool, Mr. Denton indicated the University has 30 days to transfer any collections (primarily tuition and fees) to the state pool. Those funds (plus capital funds) are held at the state level in different accounts and the state invests these monies for the institution. Generally this produces a better earning rate than can be secured locally.
- A report was provided on University expenditures greater than \$25,000 with most expenses relating to facilities or technology. Approximately ten Personal Service Contracts per year are over \$10,000 and a list for the entire prior year was provided.
- In response to an observation about tuition discounts and allowances and gross tuition and fees increasing by approximately \$7.6 million and discounts increasing by \$5.25 million producing an increase in net student tuition and fees of \$2,376,000, Mr. Denton indicated this represents a disproportionate increase in discounts. Most new scholarship programs start with incoming freshmen and students are built into the program each year so by the second year scholarships and waivers double for that particular program and this continues for four to five years before topping out. He would need to review this particular increase but regional state waivers vary substantially and should also be considered. Consensus was reached that Mr. Denton would review this information and report back to the Board.
- An observation was made that the gross calculation for this past year indicates the increase represented a 70 percent discount rate and even though the University is taking additional students it does not receive any additional money from the state and is really getting less money from the state. The question which surfaces is where the money to educate these students is coming from and 70 percent is an extremely high discount rate for any public institution. Clarification was provided that the figure includes private Foundation scholarship funds. Mr. Denton agreed to provide additional information regarding this observation and a request was made for the topic to be included on the Finance Committee agenda at the December meeting.

Dr. Rose moved that the Board of Regents, upon the recommendation of the President of the University, accept the quarterly unaudited Financial and Investment Reports for the period July 1, 2011, through June 30, 2012, as presented. Mr. Williams seconded and the motion carried.

(See Attachment #1)

Gifts, accepted

Dr. Dunn reported three gifts require Board action. An estate gift from Hilda Jones, a 1940 graduate of Murray State University, will be used to purchase acquisitions and materials in support of Waterfield Library.

Hilda Jones Estate Gift – Waterfield Library

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift from the Hilda Jones estate in honor of her parents Fred and Grace Jones. The gift has a current balance of \$640,000 which will benefit Waterfield Library. Mr. Waterfield seconded and the motion carried.

Gift-in-Kind – Texts, Journals and Handbooks – Department of Engineering and Physics and Waterfield Library

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the donation of texts, journals and handbooks valued at \$18,815 which were donated by Betty J. Williams of Murray, Kentucky. Mrs. Guess seconded and the motion carried.

Gift-in-Kind – Adtran Netvanta Voiceover IP Phone Systems – Department of Industrial and Engineering Technology and Telecommunications Systems Management (TSM) Program

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, accept the donation of two Adtran Netvanta Voiceover IP Phone Systems valued at \$5,275 which were donated by Adtran Incorporated of Huntsville, Alabama. Mr. Schooley seconded and the motion carried.

Policy Actions

New Board of Regents (BOR) Policy Manual Section 2.28 and Revised BOR Policy Manual Section 5.3, approved

John Rall, General Counsel, reported adding a new *Section 2.28* to the *Board of Regents Policy Manual* related to weapons and dangerous materials is being proposed. The impetus for this action is a decision from the Kentucky Supreme Court in April 2012 dealing with the presence of firearms on the University of Kentucky (UK) campus. Although the Court ruled that universities have some authority to limit and regulate the presence of weapons on campus, ultimately there is a limit on the University's ability to control the presence of weapons in vehicles. Murray State has two policies covering this topic – one in the *Personnel Policies and Procedures Manual* (applies to staff employees) with a second provision contained within the *Student Code of Conduct* (also a Board policy) – *Section 5.3 in the BOR Policy Manual* (pertains specifically to firearms). In light of the UK decision, those two MSU policies must be modified to have one uniform policy applicable to all University employees, students and visitors.

Chair Curris reported the decision which resulted from the UK appeal was a weapon in a locked car is permissible and the University cannot preclude such. Mr. Rall indicated this to be the case and is generally true as long as the weapon is inside a vehicle. If an individual is a concealed weapons permit holder – apparently anywhere in the car is okay – but if an individual is not a concealed weapons permit carrier the weapon can only be in certain locations such as the glove compartment. Clarification was provided that aside from this new policy the University will continue to follow current policies – now folded into one – which prohibit weapons elsewhere on campus (except for uniformed personnel and other approved exceptions).

Mr. Williams moved, seconded by Mr. Schooley, that the Board of Regents, upon the recommendation of the President of the University, adopt the attached *Policy on Weapons and Dangerous Materials* as the new *Section 2.28* to the *Board of Regents Policy Manual* and appropriate inclusion of and reference to the policies be made in the *Faculty Handbook*, *Personnel Policies and Procedures Manual* and the *Student Handbook/Student Life Policies Manual*. *Section 5.3* of the *BOR Policy Manual*, as it relates to “firearms, weapons and dangerous substances,” *Policy VI C(2)(g)* of the *Personnel Policies and Procedures Manual* and any inconsistent policy or statement should be supplanted by the new policy. The motion carried.

(See Attachment #2)

Faculty Handbook, discussed

Dr. Jacobs reported the second policy before the Board pertains to the *Faculty Handbook*. These changes are being made with leadership provided by Dr. Morgan in preparation for the Southern Association of Colleges and Universities Commission on Colleges (SACSCOC) reaffirmation of institutional accreditation visit. Significant changes include a revision to the *University Intellectual Property Policy (Copyright Policy)*, routine amendments in language resulting from office relocations and collegiate/school reorganizational issues and general updates. In response to a Regent request additional background information was included in the Supplemental Notebook and provides greater detail. Updating the various handbooks is handled through a shared governance process with the vice presidential offices and others, including Faculty Senate and Staff Congress and their officers and members. Appreciation was expressed to both bodies for their cooperation throughout the process.

The most substantial change to the *Faculty Handbook* is a complete amendment of the *Intellectual Property Policy (Copyright Policy)* that has been vetted through a special committee

which received input from the Faculty Senate and both inside and outside counsel possessing intellectual property policy expertise. Another substantial change in the policy as it relates to the Board is how new academic program approval occurs. Program approval previously went from the University Board of Regents to the Council on Postsecondary Education (CPE). The process has now been modified by the CPE to where the University must undertake a pre-approval process through that body with new programs then having to be affirmed by the respective institutional Board of Regents.

Chair Curris reported a 170-page document has been presented and he would like to handle the key policy issue on *Intellectual Property Policy* as a separate action because it is a separate Board policy. The Board was provided with a one-page summary which outlined current policy and provided the substantive changes to that policy.

Dr. Morgan introduced Leigh Johnson, a faculty member in the Department of Accounting and also an attorney, who assisted in drafting this policy in accordance with federal guidelines and applicable policies. The one-page document provided outlines current University policy contained in the *Faculty Handbook* and what is being proposed as the constituent bodies have amended the language to date. This work was divided into five categories, including subjects covered, ownership, income distribution, defining traditional academic works that employees retain ownership to and administration of policy. Clarification was provided that income distribution remains the same with the University receiving 65 percent and the inventor or co-inventors receiving 35 percent – ensuring University expenses are paid first. In regard to a question about how this policy could apply to a student, Dr. Johnson indicated the policy recognizes a student who independently develops intellectual property retains the rights which is consistent with how other institutions are proceeding. The policy applies to students conducting research under faculty guidance using University resources or undertaking research under the scope of the institution. Students in these circumstances are covered by the *Intellectual Property Policy*. Recognizing that faculty have not been incentivized to engage students in research, in order for students to retain rights to intellectual property a separate agreement governing their rights would need to be developed – which is the approach being undertaken by other regional universities. Students also retain rights to their thesis copyright, although the Library would retain the right to license and reproduce the thesis.

Intellectual Property Policy, approved

Mr. Waterfield moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached amendments to the Murray State University *Intellectual Property Policy (Copyright Policy)*. Mr. Williams seconded and the motion carried.

(See Attachment #3)

In regard to the *Faculty Handbook* in its entirety, Dr. Curris has no quarrels with the new CPE policy regarding degree program approval because it is better for the institution to know up front whether Council staff will recommend for or against the development of a new program. If the President and Provost receive negative feedback from the CPE with regard to a new program they believe is needed at Murray State University, he asked whether the changes the Board is being asked to approve will permit the administration to bring the proposed new program before this Board – and have the Board take action – although the CPE has previously indicated it would turn the new program proposal down. He wants to ensure the President has this privilege under what has been provided in the policy. Dr. Morgan reported throughout last fall and spring the University introduced to the CPE a master's degree program in the College of Education. Another regional university voiced opposition so MSU spent the better part of three to four months negotiating with the CPE to push its program through and efforts were eventually successful. The process, as viewed by the CPE, is more of a complementary 45-day posting where the proposed program is posted on the CPE website and other regional universities (as well as UK and the University of Louisville) have an opportunity to respond to questions specifically related to duplication of programs, abnormal resources and/or no resources being applied to the program or accreditation issues. Occasions could arise in the future where this Board might need to take action to convince the CPE of the need for a particular degree program and nothing precludes this Board from taking such action and reasserting the need for a new program (even past the 45-day posting date).

Faculty Handbook, approved

Mr. Williams moved, seconded by Mr. Johnson, that the Board of Regents, upon the recommendation of the President of the University, approve the attached amendments to the Murray State University *Faculty Handbook*. The motion carried.

(See Attachment #4)

Staff Congress Handbook, approved with amendment

Dr. Jacobs reported Staff Congress played an active role in evaluating the content of their handbook to ensure it would become a resource for staff to access policies needed to complete daily activities on campus and all involved are applauded for their efforts. Many policies contained in the *Staff Congress Handbook* are hyperlinked to content contained in documents from other areas on campus – such as the *Personnel Policies and Procedures Manual* – and an effort has been made to eliminate the necessity for the administration to bring policies before the Board every meeting to synch these University policies with previously-approved Board policies.

Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the amendments to the Murray State University *Staff Congress Handbook* as presented. It was further requested that the recommendation be amended so Staff Congress and the institutional units are provided with the authority to include the *Intellectual Property Policy*, as approved earlier, in the *Staff Congress Handbook* and other campus policy manuals. Mr. Johnson seconded and the motion carried as amended.

(See Attachment #5)

**National Collegiate Athletic Association (NCAA)/Ohio Valley Conference (OVC)
Governing Board Certification, adopted**

Dr. Dunn reported the NCAA and OVC require that certification be approved by the Board of Regents indicating the Board designates the President of the University – as Chief Executive Officer – as having administrative and institutional control over athletics.

Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, adopt the attached NCAA/OVC Governing Board Certification Form for athletics for academic year 2012-13. Mrs. Guess seconded and the motion carried.

(See Attachment #6)

Personnel Changes, approved

Salary Roster

Dr. Dunn reported that two times per year the Board is asked to approve the Salary Roster to fulfill its statutory responsibility to take action on hires, separations, salary changes or things of that nature occurring over the course of the year. Formatting changes have been added to the document, including notes regarding FTEs. Dr. Rose indicated he was somewhat disappointed with some increases and is inquisitive about some decreases, particularly in one non-academic area. He cannot vote on this recommendation as per state statute but wanted to offer this comment.

Mr. Waterfield moved that the Board of Regents, upon the recommendation of the President of the University, approve the Salary Roster as of June 30, 2012, which includes new employment, retirements, resignations and terminations. Mr. Williams seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs. Guess, yes; Mr. Johnson, yes; Dr. Rose, abstain; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

(See Attachment #7)

Faculty Retirements – Professor Emeritus Designation

Dr. Dunn reported it has been a tradition of the Board to extend the Professor Emeritus designation to professors who have ten years or more of distinguished service and have limited their responsibilities or separated from the University.

Dr. Rose moved that the Board of Regents, upon the recommendation of the President of the University, approve the Professor Emeritus designation for the following faculty members upon their retirement from Murray State University, effective May 15, 2012:

- Stephen Brown, Professor – Department of Music (30 years)
- Larry Guin, Professor – Department of Economics and Finance (34 years)
- Steve Jones, Associate Professor – Department of Social Work, Criminal Justice and Gerontology (35 years)
- William Koenecke, Assistant Professor – Department of Adolescent, Career and Special Education (11 years)
- Ann Landini, Associate Professor – Department of Journalism and Mass Communications (27 years)
- Alysia Ritter, Professor – Department of Psychology (23 years)
- Camille Serre, Professor – Department of Art and Design (27 years)
- Brenda Wilson, Associate Professor – Department of Computer Science and Information Systems (17 years)

Mr. Johnson seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs. Guess, yes; Mr. Johnson, yes; Dr. Rose, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

Staff Leaves of Absence Without Pay

Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the Staff Leaves of Absence Without Pay as listed below:

<u>Name</u>	<u>Department</u>	<u>Effective Date</u>
Keith Black	Dining Services	7/18/12-8/10/12
Ray Chapman	Dining Services	1/6/12-8/6/12
Matthew Cox	Facilities Management	6/25/12-7/29/12
Michael Eaves	Curris Center	3/7/12-4/16/12
Jennifer Gates	Breathitt Veterinary Center	8/10/12-9/17/12
Gerald Harris	Facilities Management	3/2/12-3/2/12
James Hounshell	Facilities Management	7/9/12-7/11/12
Matthew LeFrancois	Facilities Management	2/21/12-6/25/12
Nathan McPhail	Facilities Management	4/9/12-4/11/12
Michael Pace	Facilities Management	6/28/12-7/2/12
Clover Paradise	Office of Recruitment	5/31/12-8/10/12
Jason Phelps	Facilities Management	3/20/12-3/25/12
Meryem Rhioui	International Studies	7/28/12-8/20/12
Mattie Smith	Facilities Management	5/11/12-11/10/12
Gerald Sons	Facilities Management	4/18/12-6/3/12
Wendy Tudor	Registrar's Office	6/21/12-7/2/12
Timothy Washum	Facilities Management	7/27/12-7/27/12
Jessica Womack	Breathitt Veterinary Center	4/24/12-6/6/12
Susan Yarbrough	Registrar's Office	6/26/12-7/6/12

Dr. Rose seconded and the motion carried.

Committee Reports/Recommendations

Academic Affairs – Dr. Thornton

Bachelor of Science in Music Business, approved

On behalf of the Academic Affairs Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposal from the University Academic Council for a new degree, Bachelor of Science in Music Business. Mr. Johnson seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs.

Guess, yes; Mr. Johnson, yes; Dr. Rose, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

Audit and Compliance – Mr. Waterfield

Internal Audit Plan, 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, approve the Internal Audit Plan as presented. Mr. Johnson seconded and the motion carried.

(See Attachment #8)

Internal Audit Charter Amendment, 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, approve the revised Internal Audit Charter as presented. Mr. Johnson seconded and the motion carried.

(See Attachment #9)

Athletics Compliance Officer and Athletic Faculty Representative Presentation, received

Mr. Waterfield reported the Audit and Compliance Committee received a report from Associate Athletics Director for Compliance and Administrative Affairs Steve Harrell and Athletic Faculty Representative Dave Gesler. The report was informative in terms of outlining activities undertaken by each of those offices and no Board action was required.

Whistleblower Process, discussed

Mr. Waterfield reported another item brought before the Audit and Compliance Committee was the Whistleblower process at Murray State University. The last two audits conducted by RubinBrown contained a recommendation that a Whistleblower Policy be developed at MSU. In response to this finding, the Committee directed the University administration to internally draft a recommendation for a Whistleblower process at Murray State that would be presented to the Board for potential adoption. The policy should allow for the University administration to quickly be informed if fraudulent action is reported.

Buildings and Grounds Committee – Dr. Rose

Property Acquisition – 913 Waldrop, authorized

Dr. Rose believes it is important to purchase the property located at 913 Waldrop because it leaves only one piece of land on the west side of Waldrop between Chestnut Street and Highway 121 which the University does not own. Purchase of this property will provide flexibility in terms of future traffic control through the residential colleges and Winslow Dining Hall. Dr. Dunn indicated there is no reference made to tearing down the house currently on this property because the administration will review the feasibility of utilizing that building for needed purposes. One of the outcomes of waiting in terms of Library options was knowing a determination must be made with regard to student services and housing. Moving those units to the house currently on this property may be considered as will relocating the Housing Office to that location. Maintaining the house currently on the property allows for flexible use of that space to meet pressing needs.

On behalf of the Buildings and Grounds Committee, Dr. Rose moved that the Board of Regents authorize the University to purchase the property located at 913 Waldrop. Mr. Schooley seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs. Guess, yes; Mr. Johnson, yes; Dr. Rose, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

Property Transfers and Easements for Highway 121 Improvements, approved

Dr. Rose reported that Kim Oatman, Chief Facilities Officer, provided him with an overview of the entire project to outline exactly what is being proposed. It is believed everyone in the Murray community will be proud of the final product the Kentucky Transportation Cabinet has proposed. During the improvement process some easements and a certain amount of property have been requested in order to provide expansion of Highway 121 off Highway 641 to five lanes for approximately one quarter of a mile and then narrowing to four lanes past 16th Street (improvement will include a median). When lighting and telephone poles are taken into consideration coming into Murray from Highway 641 North and looking straight ahead, the light fixtures are nice but down Highway 121 there are telephone poles and a variety of utilities. During the Buildings and Grounds Committee meeting discussion occurred and action was taken to provide the administration with the authority to review making additional improvements to the area in question which will result in a much more attractive site and be in accordance with what is already in place along Highway 641.

On behalf of the Buildings and Grounds Committee, Dr. Rose moved that the Board of Regents enter its order authorizing the President or his designee, the Vice President for Finance and Administrative Services, to take all steps to effectuate the following property transfers and easements to facilitate needed improvements along Highway 121 as depicted on the attached:

Parcel #35 – Temporary Easement

Parcel #36 – Fee simple transfer, temporary easements and permanent easements

Parcel #40 – Fee simple transfer, temporary easements and permanent easements

Parcel # 74 – Fee simple transfer and temporary easement

Mrs. Buchanon seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs. Guess, yes; Mr. Johnson, yes; Dr. Rose, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

(See Attachment #10)

Dr. Rose reported action taken by the Buildings and Grounds Committee resulted in the necessity for a second motion which follows.

Permission to Pursue Highway 121 Project Enhancements, approved

On behalf of the Buildings and Grounds Committee and in accordance with discussions held during the morning Committee meeting, Dr. Rose moved that the Board of Regents authorize the administration to pursue enhancing the Highway 121 project with lighting and other improvements as appropriate, utilizing non-recurring funding sources and/or additional funding from agencies or offices in Kentucky State Government. Mrs. Buchanon seconded and the roll was called with the following voting: Mrs. Buchanon, yes; Mrs. Guess, yes; Mr. Johnson, yes; Dr. Rose, yes; Mr. Schooley, yes; Mrs. Sewell, yes; Mr. Waterfield, yes; Mr. Williams, yes; and Dr. Curris, yes. The motion carried.

Enrollment and Student Success Committee – Mrs. Buchanon

Mrs. Buchanon reported the Enrollment Management and Student Success Committee met earlier and no agenda items required action. The Committee received a report from Fred Dietz, Executive Director for Enrollment Management, which indicated first-time freshmen enrollment is up 5 percent and residence hall occupancy is up 36 to 40 first-time freshmen students (up 82 students overall).

Finance Committee – Mr. Williams

State Endowment Match Program Report, approved

On behalf of the Finance Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached Endowment Match Program Report for the period ended June 30, 2012, as required by the Kentucky Council on Postsecondary Education. Dr. Rose seconded and the motion carried.

(See Attachment #11)

Institutional Advancement Committee – Mrs. Guess

Mrs. Guess reported the Institutional Advancement Committee received a presentation from Mr. Carter and Catherine Sivills, Assistant Vice President for University Communications, regarding the University’s award-winning marketing team and the goals and strategies being utilized to build the Murray State brand. No agenda items required action.

Regional Services Committee – Mrs. Green – no report.

Mrs. Green was unable to attend the quarterly meeting and there was no report from the Regional Services Committee.

Other Business

Chair Curris reported the next quarterly Board of Regents meeting is scheduled for Friday, December 14, 2012. The Board customarily has a holiday dinner the evening prior and Regents were asked to note the potential event accordingly on their calendars. There were no additional items to be brought before the Board.

Adjournment

Dr. Rose moved that the Murray State University Board of Regents quarterly meeting adjourn. Mr. Schooley seconded and adjournment was at 3:12 p.m.



Secretary



Chair

(The remainder of this page intentionally left blank to allow for inclusion of attachments.)