The Board of Regents of Murray State University (MSU) met on Friday, September 25, 2009, in quarterly session in the Jesse Stuart Room of Pogue Library on the main campus of Murray State University. Chair Alan Stout called the meeting to order at 10:10 a.m.; welcomed members of the University community, news media and general public; announced the meeting is being streamed via the Internet and issued a special welcome to new Regents Constantine Curris, Sharon Green and Phil Schooley.

Roll Call

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

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

AGENDA
Meeting of the Board of Regents
Murray State University
Jesse Stuart Room – Pogue Library
September 25, 2009
10 a.m.

1. Roll Call

2. Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents May 29, 2009; Minutes of the Special Meeting of the Board of Regents July 27, 2009; and Minutes of the Special Meeting of the Board of Regents – Annual Planning Retreat and Work Session August 17, 2009*

3. Public Participation

4. Report of the President Dr. Dunn

5. MSU Spotlight: WKMS WKMS Staff

6. Report of the Chair Mr. Stout

7. Report of the Treasurer* Mr. Denton

8. Gift in Kind* Dr. Dunn
   A. Enfocus PitStop Software Licenses – Department of Graphic Communication Management

9. Naming Proposals* Dr. Dunn
   A. College of Business
   B. David and Ashley Dill Distinguished Professor in Accounting
   C. Tom and Theo Tuck Rodeo Practice Arena
   D. Phil Bryan Conference Room

(*Indicates Board Action Item)
10. NCAA Governing Board Certification*  
   Dr. Dunn/  
   Mr. Stout  

11. Personnel Changes*  
   A. Personnel Reports  
      1. Report of Resignations and Terminations  
      2. Report of New Employment  
      3. Salary Roster  
   B. Staff Leaves of Absence Without Pay  
   Dr. Dunn  

12. Policy Changes*  
   A. Board of Regents Policy Manual - Section II: The University  
      - Addition of Section 2.27 – “Email Communication Policy”  
   B. Murray State University Student Loan Code of Conduct  
   C. Amendment to Information Technology: Acceptable Use Policy  
      - Addition of Section III – “Copyright and the Use of MSU’s Information Technology Resources”  
   Mr. Jacobs  

13. Committee Reports/Recommendations (Action Items Only Listed)  
   A. Academic Affairs  
      Dr. Morgan  
   B. Athletic  
      Mr. Stout  
   C. Audit  
      Mr. Adams  
   D. Buildings and Grounds  
      1) 2010-2016 Capital Plan  
      Mr. Adams  
   E. Development/Investments  
      Mr. Stout  
   F. Equal Opportunity/Affirmative Action  
      Ms. Green  
   G. Faculty/Staff Affairs  
      Mr. Schooley  
   H. Finance  
      1) David and Ashley Dill Professor of Accounting Comprehensive University Excellence Trust Fund (“Bucks for Brains”) Designation  
      2) Endowment Report  
      Mr. Adams  
   I. Governmental Relations  
      Mrs. Travis  
   J. International Relations  
      Mrs. Travis  
   K. Student Life  
      Ms. Mantooth  

(*Indicates Board Action Item)  

Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents  
May 29, 2009; Minutes of the Special Meeting of the Board of Regents July 27, 2009; and Minutes of the Special Meeting of the Board of Regents – Annual Planning Retreat and Work Session August 17, 2009, approved  

Mrs. Buchanon moved, seconded by Dr. Manchikanti, that the Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents May 29, 2009; Minutes of the Special Meeting of the Board of Regents July 27, 2009; and Minutes of the Special Meeting of the Board of Regents – Annual Planning Retreat and Work Session August 17, 2009, be approved as submitted. Motion carried.
Public Participation

Chair Stout announced Joseph Fuhrmann registered to address the Board and, in accordance with Public Participation Guidelines, would be allotted five minutes for his presentation. Dr. Fuhrmann is Professor Emeritus at MSU and spoke on behalf of the “Friends of Classical Music,” stating the group is concerned WKMS-FM, the local National Public Radio (NPR) station, has dropped all classical music from primary station programming. There is an HD station which broadcasts classical music 24 hours a day but very few people in this area possess the necessary radio to receive this channel and the station is often problematic. Although the channel can also be streamed via computer, this is not an appropriate substitute for “real” programming on a primary station. The Regents should be concerned about this issue because many individuals are offended and upset because classical music has been removed from the WKMS programming schedule. The “Friends of Classical Music” request a compromise where the station agrees to restore some classical music programming. WKMS claims to take seriously the views of its listeners and wants to respond to their concern and he would like to see that carried out in this situation. Many donors are being told to “go away” and, unfortunately, that is exactly what they are doing. This programming change betrays the public mission of Murray State to bring culture and learning to west Kentucky and other public universities are doing a much better job of serving their constituencies. Several students have indicated to Dr. Fuhrmann the way they became interested in classical music was by listening to the morning news on WKMS and just happening to hear classical music – and the more they heard the more they liked. That will never again happen to an MSU student which is unfortunate. Dr. Fuhrmann suggested an acceptable compromise would be for WKMS-FM to restore a significant amount of classical music to its programming schedule. Chair Stout indicated a handout was also provided to Board members and thanked Dr. Fuhrmann for his remarks.

President’s Report

Dr. Dunn presented PowerPoint slides for the President’s Report – a change from the previous presentation format as a result of discussion which occurred at the Annual Planning Retreat and Work Session in August.

People

- **Major Gifts**
  - Harold Dean Willis donated a life insurance policy to the University in 2008 to create a scholarship endowment and with a recent additional estate gift the total value of the gift to the University is $550,000 and will be used to provide scholarship support.
  - Billie B. Garrett donated commercial property to the University in response to a recent mailing from the Office of Development seeking charitable remainder trusts and estate gifts related to major giving. Property in Alabama which was donated to the University has now been received and the MSU Foundation will auction the property which appraised at over $600,000. Mr. Garrett desires for this gift to support MSU agriculture efforts. The proceeds from the real estate sale (approximately $500,000) will be applied toward the purchase of farm property for the School of Agriculture (SOA) – a cost estimated to be at least $1 million. As the University enters the public phase of the comprehensive campaign, the case statement will contain a request for donors to help secure the remaining funding needed (at least $500,000) to acquire land for the SOA.

- **Recent Appointments**
  - Luis Canales – Director, Institute for International Studies
  - Renee Campoy – Assistant Dean, College of Education
  - George Kipphut – Chair, Department of Geosciences
  - Tina Franke – Director of Development (Humanities and Fine Arts, Education and University Libraries)

- **2009 Kentucky Super Lawyers**
  - Chair Stout was recently named one of the 2009 Kentucky Super Lawyers in the Bankruptcy Practice area.
Programs

- **University Libraries**
  - Record usage of University Libraries with 379,227 visits in 2008-09 (93,000 increase from previous year) and 178,649 computer log-ins (6,812 unique log-ins)
  - 914,722 electronic database searches (235,669 increase from previous year) which illustrates the shift in library usage taking place, reframes library services and confirms the need for a library facility at MSU envisioned around this change.
  - Largest one-day volume of student visits to the Library – 3,800 – earlier this week.

- **Accreditation**
  - The University received final notice of reaccreditation for the Dietetics Program at the Bachelor of Science level (Department of Wellness and Therapeutic Sciences) from the Commission on Accreditation for Dietetics Education – the American Dietetic Association’s accrediting agency for education programs which prepare students for careers as registered dieticians.

- **Enrollment Information**
  - Final enrollment report for fall 2009 will be presented to the Board at the December meeting and official enrollment numbers will be submitted to the Council on Postsecondary Education (CPE) at the end of October.
  - The BOR supplemental notebooks contained a preliminary fall 2009 enrollment report and Dr. Robertson noted the following highlights:
    - Although enrollment numbers are not yet finalized, a review of comparative data from last year can be provided and the preliminary report compares September 24, 2008, to September 23, 2009.
    - Total University enrollment has increased by 61 students and enrollment is up in the freshman, graduate full-time and international student categories. There will be additional movement in both directions as a result of second semester classes, off-campus enrollments and withdrawals between now and the final reporting date.
  - Dr. Dunn added this information will be analyzed in more detail in the December report. While it was hoped overall enrollment numbers would be stronger, this is an issue other college campuses are also facing. Enrollment at the community colleges, however, is strong and in some cases has actually increased. Where the University has concentrated efforts – first-time freshman and international enrollment – there has been progress but overall there has been some difficulty with retention and this is also an issue a number of institutions are also experiencing.
  - Dr. Robertson reported the University is following up with applicants who enroll at other institutions to determine what university they chose over Murray State and why. A concerted effort is also being made to contact seniors who have “stopped out” to not only determine what caused them to do so but also how the University can develop a strategy to ensure they are able to complete their college education.

Policy

- **SAFRA**
  - Dr. Dunn reported the Student Aid and Financial Responsibility Act passed the U.S. House of Representatives which resulted in:
    - Pell Grant increases of Consumer Price Index plus 1 percent over previous year maximum ($4,860 baseline).
    - Perkins Loan adds $5 billion with loan fully serviced by the federal government (direct lending) – as opposed to independent banks financing student loans.
    - *College Access and Completion Initiative* - $600 million per year to increase the number of graduates.
    - *American Graduation Initiative* – Support for all two-year programs which is helpful for MSU, especially the community college unit within the Center for Continuing Education and Academic Outreach where focus is placed on associate degrees.

Point of View

- Dr. Dunn indicated there is an increasing focus for higher education – particularly public, state-assisted universities – where the institutions will be asked to review efficiency, productivity, accountability and transparency in greater detail. Discussion on these issues is taking place in significant ways and more information can be found in the President’s column in this week’s *Roundabout Murray*. The University must begin to consider this issue in more tangible ways as budget discussions move forward.
Dr. Dunn reminded Regents that at the summer Retreat a request was made for a presentation from WKMS to address recent programming changes. WKMS-FM Station Manager Kate Lochte, Program Director Mark Welch and News Director Chad Lampe gave a PowerPoint presentation with the following highlights:

- WKMS received two awards over the summer, including the Best Small Business of the Year Award from the Murray-Calloway County Chamber of Commerce and an award from the Murray-Calloway County Economic Development Corporation.
- With regard to the role of the Board of Regents in licensure for the station, the name of each Board member is listed in an ownership report submitted to the Federal Communications Commission (FCC). Dr. Dunn acts as the Board’s agent to the FCC and delegates responsibility to staff to operate the station according to FCC rules and regulations.
- The WKMS coverage area will expand soon but currently includes almost 30 counties in southern Illinois, western Kentucky and northwest Tennessee. In spring 2008 the WKMS weekly audience was estimated to be 25,500 listeners. There have been 106 expressed reactions to programming changes, evenly divided between those enjoying the change and those who prefer classical music.
- In order to receive grants from the Corporation for Public Broadcasting (CPB) which are essential to operations, the WKMS schedule must be primarily devoted to quality programming that serves community needs of an educational, informational and cultural nature within the primary service area (intended for a general audience). CPB requires the station to originate a significant, locally-produced program service designed to educate and serve the community of licensure. Locally-produced programs now comprise 26 hours per week of programming on WKMS (16 percent of total air time).
- Listeners pledged an additional $10,000 to the $100,000 spring fundraising goal allowing WKMS to apply for Federal Emergency Management Association (FEMA) Hazard Mitigation and Homeland Security Grants to fund an emergency generator at the Land-Between-the-Lakes (LBL) tower and this grant proposal will be submitted next week.
- WKMS has increasingly been recognized by the Kentucky Associated Press and is expanding the hour-long weekly news magazine, “The Front Page,” and other partnerships. WKMS has expanded the 24-hour classical channel to other means beyond HD and while HD can be problematic, this is a nationwide issue. WKMS is part of the national rollout of emerging technology mandated by the U.S. Congress and CPB was instructed to strongly encourage public broadcasters to adopt this technology and lead the nation in opening up more spectrum – exactly what WKMS is doing. The HD transmission system was damaged in the ice storm and the State Risk Department took approximately six months to reimburse the station for necessary repairs.
- The Board has been involved in the priority expenditure for developing 90.9 WKMD in Madisonville (on air by the end of the year). This signal should fill coverage deficits in Madisonville (Hopkins County) and areas not served in Webster, McLean, Daviess and Muhlenberg counties. 89 FM WKMT in Fulton should also be on air by the end of the year and will reach Union City and Martin, Tennessee, as well as improvement reception to Fulton and Water Valley. An engineering coverage increase estimate indicates WKMS will have a significant number of new listeners as a result of these efforts.
- When 90.9 FM goes on the air in Madisonville, the current translators broadcasting the main signal (105.1) will convert to the classical service. This will cost $2,100 and that funding must be secured through fundraising from the region. 92.1 Paducah has been interfered with by a new station in Fredonia so the decision has been made for that channel to offer classical service on a different frequency. This will cost approximately $4,000 that will also need to be raised. There will then be two 24-hour-a-day signals via HD and online at www.wkms.org which represents an expansion – not a retraction – of services.
- Recent research from the Music Business Program in the MSU Department of Music indicates most students will access music in any form online and there is tremendous growth in the area of online listening among all sectors of the population, especially student-aged listeners.
- Mr. Welch reported the programming change process began in 2000 and the station’s mission over the years has evolved to become more public service oriented. In 2000 a listener-contributor mail survey was conducted by a national consultant and data revealed most new WKMS listeners were attracted by news and information programming. In 2000-01 the station participated in a two-year project with the National Federation of Community Broadcasters which was designed to assist rural stations such as WKMS in developing their listener base. The project included a CPB-funded telephone survey and consultants urged WKMS and other participating stations, based on audience data, to consider an all talk/information schedule. In 2001 WKMS, along with many other public radio stations, aired NPR’s wall-to-wall coverage of events after 9-11 which resulted in an increase in the number of listeners and contributions.
- In 2007 a second listener-contributor survey was conducted and data confirmed listeners utilize WKMS primarily for news and information programming. In 2008 the station commissioned a national consultant to conduct an analysis of 2007 audience estimate data and the results
identified a significant drop in overall listening beginning at 9 p.m. and another decrease in listening at 12 noon – previously 9 p.m. marked the time when the station switched from news to classical music programming. The consultant recommended a more homogenous schedule to maintain listeners between the “Morning Edition” show, which ends at 9 a.m., and “Talk of the Nation” which begins at 1 p.m.

- In 2008 another national consultant was hired to lead the WKMS staff retreat and conduct an analysis of the station’s on-air performance and programming strategy. The consultant recommended a more consistent daytime schedule to increase the station’s public service and audience growth. WKMS has received a great deal of recognition for its news and information programming during and after the ice storm coverage in early 2009.

- In spring of 2009 an online survey was conducted to gather listener input regarding the station’s 9 a.m. to 1 p.m. programming. The survey was heavily promoted and was managed by Ashley Lochte, MSU Reference Librarian. 292 respondents completed the survey. 49.6 percent of respondents felt a change from classical music to news talk and information programming would be favorable; 41.2 percent thought the change would be worse and 8 percent had no opinion.

- After the WKMS programming changes were made in July, WKYU in Bowling Green, Kentucky, and WPLN in Nashville, Tennessee, made similar changes and removed classical music from the “day” part of their weekday schedule. WKMS is adding a new program “Friday Night Live” as a showcase for live performance in the area. The program will debut this evening with a broadcast of the September 12 concert of the Paducah Symphony Orchestra. The performance of the MSU Ensembles in Paducah will likely be showcased on the broadcast next week. The station also continues to offer over 50 hours of diverse genre of music not offered by other radio stations.

- Mr. Lampe reported with regard to the station’s growing commitment to regional news, involving the local community and the 30 counties in the WKMS listening area, in 2007 the station operated with two full-time staff and two student workers and in 2009 the station operates with two full-time staff members, four student workers and two professional part-time reporters.

- WKMS has received and continues to receive many accolades, including National Pilot Editing Project; scholarship to NPR Southern Fly-In in Chapel Hill, North Carolina; and growing recognition among the Kentucky Associated Press Broadcasters, with an increase from seven awards in 2007 to 17 awards in 2009. Most of these awards have been earned by student reporters in competition against professional reporters. This increase in the number of awards WKMS has received is a result of an increase in the amount of news offered through the station and production of an hour-long weekly news magazine called “The Front Page.”

- WKMS meets the MSU Strategic Imperative of Building Partnerships through Kentucky public radio with a consortium of reporters sharing information and together funding a reporter in Frankfort. As part of that partnership WKMS also offers training through “Journalism Training Days” which will be hosted in Murray in the spring and will include public radio reporters.

- WKMS meets the Strategic Imperative of Creating Community through ice storm broadcasts and the pilot community correspondents program where volunteer reporters from different parts of the listening area contribute their service directly to the airwaves. WKMS is also meeting the Fostering Excellence Strategic Imperative by promoting a teaching and learning atmosphere, offering professional experience and teaching students about the surrounding communities.

- WKMS News will diligently follow the Swine Flu outbreak, profile heated debates on alcohol legalization in two counties and closely watch the upcoming U.S. Senate race.

- Mrs. Lochte indicated WKMS has resumed negotiations for a cellular installation at LBL which may provide income needed to meet additional expenses for the Madisonville and Fulton repeater operation. The station has received $10,000, representing the first major gift, and plans to expand fundraising efforts in new signal areas in 2010. Listeners have contributed over $41,000 toward the $100,000 goal which is above the response level for the same period last fall. The station is also celebrating the 40th anniversary as Voice of MSU in 2010 and is pursuing “A Prairie Home Companion” to celebrate the station’s anniversary in 2010.

On behalf of the Board, Chair Stout thanked WKMS representatives for their presentation.

Report of the Chair

Chair Stout congratulated the MSU Department of Music for the ensemble performances last evening at the Carson Center in Paducah. Within the course of one hour the Wind Ensemble, University Orchestra, Concert Choir, Trumpet Ensemble, University Choral, Percussion Ensemble, Jazz Orchestra and the entire Racer Marching Band performed to perfection. The event, which had underwriting support from Independence Bank, was also well attended.

Enrollment is being carefully monitored and Chair Stout has asked Dr. Dunn and staff to review closely identifying new and alternative ways to address a potential salary increase. A number of Board members are determined to find a way to provide employee raises, especially considering
the University is entering its third year with no salary increases. This issue will likely be addressed during the quarterly Board meeting in December.

Murray State’s Homecoming Weekend is October 9-11, 2009, and the Kick-Off for the comprehensive campaign will begin with a luncheon at 12 noon on October 9 in the Curris Center Ballroom. He encouraged all Regents to attend the luncheon and stressed the importance of the Regents, in conjunction with the Board of Trustees, showing support for the campaign. The capital campaign becomes even more important as the University attempts to address budgetary cutbacks while continuing to operate during these challenging economic times and a well-endowed Foundation becomes critical for the institution from the standpoint of funding scholarships which enable students to attend Murray State.

Report of the Treasurer, accepted

Mr. Denton stated the report being presented is preliminary and unaudited and highlighted the following for the period ended June 30, 2009:

- Total investments of $23.3 million compared to $28.1 million in 2008 due to an unrealized loss in investments and $1 million realized loss – which will likely be recouped as the stock market recovers.
- Capital assets, net of accumulated depreciation, increased by over $20 million – Richmond College was completed for $11 million and $10 million was provided for Phase II of the Science Complex.
- Bonds increased by approximately $4.6 million (net) which is a $7.6 million issuance on Series A bonds for roof repairs, residence hall projects and paying off some smaller bond issuances.
- Total unrestricted net assets increased from $188.4 million to $200.6 million.
- Non-mandatory transfers included a $10 million transfer to plant funds which was used for capital items such as renovation, construction and debt service or bond payments. Dr. Curris requested a breakdown be provided to the Board on how the $10 million plant fund transfers were used.
- With regard to revenue the largest variance between budget and actual expenses is in student tuition and fees on a net basis and the University is about $3.6 million over actual expense in the budget (positive occurrence for the University’s bottom line) but there is uncertainty regarding the amount of variance (excess) in the current year budget.
- There was $105 million in expenditures with a $125 million budget which includes prior year carryovers and encumbrances of almost $15 million. The University is within budget for the current year on expenditures but there is also a larger expenditure budget due to carryovers.
- Increase in net assets of $6.2 million with $3.6 million being net tuition. There is also about another $1 million (for this particular year) contributed by fringe benefits because there was a decrease in health insurance costs and other fringe savings. Impending changes to the health insurance program will result in increased cost for the University.
- In the prior year there was $9.3 million in transfers out of the General Fund which included $7.4 million for the ERP/Banner project.
- The University is in good shape for the period just ended with regard to auxiliary revenue and expenditures. Food Services had a good revenue year raising over $1 million; housing a little over $122,000 and Bookstore revenue of $456,895. Some of these funds are being used for upgrades and improving services. Auxiliaries were used for housing renovation, particularly in the high rise residential colleges, which will require bond payments and an increase in debt service payments. It is hoped increases in auxiliary revenue will continue into the current year.
- Dr. Dunn clarified for each quarterly meeting the Board will be provided with information through the most recent quarter and the unaudited figures presented today are through the end of the fourth quarter of the previous fiscal year.

Mrs. Travis moved that the Board of Regents, upon the recommendation of the President of the University, accept the unaudited quarterly Financial and Investment Reports for the period of July 1, 2008, through June 30, 2009, as presented. Mr. Adams seconded and the motion carried.

(See Attachment #1)

Gift in Kind, accepted

Ms. Green moved that the Board of Regents, upon the recommendation of the President of the University, accept 25 Enfocus Pitstop Software Licenses valued at $17,475 which were donated by Enfocus/Esko Artwork Company in Vandalia, Ohio. Mr. Adams seconded and the motion carried.
Naming Proposals, approved

College of Business Name Change

Dr. Dunn reported the first proposal represents a name change for the College of Business and Public Affairs to the College of Business and this recommendation emerged from within the college to be reflective of the academic units contained therein. The Department of Political Science changed its name and has moved to the College of Humanities and Fine Arts and this further supports renaming the College to reflect current disciplines. Dean Tim Todd reported the name change would also lend itself to a naming opportunity which could become a major initiative during the comprehensive campaign. A leadership team comprised of the Dean and the departmental chairs presented the name change proposal to faculty and staff and also conducted an electronic poll. During the College of Business “welcome back” session in August a vote was taken on the name change and there was not one dissenting vote. Dr. Dunn added the name change also has the support of the Academic Council and Provost’s Office.

Dr. Manchikanti moved that the Board of Regents, upon the recommendation of the President of the University, approve the collegiate name change from the College of Business and Public Affairs to the College of Business to more accurately reflect the current mission of the college. Dr. Morgan seconded and the motion carried.

David and Ashley Dill Distinguished Professor in Accounting

Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University and the University Committee on Naming of Facilities, Programs and Activities, approve the establishment and naming of the David and Ashley Dill Distinguished Professor in Accounting. Mrs. Travis seconded and the motion carried.

Tom and Theo Tuck Rodeo Practice Arena

Dr. Morgan moved that the Board of Regents, upon the recommendation of the President of the University and the University Committee on Naming of Facilities, Programs and Activities, approve the naming of the Rodeo Practice Arena the Tom and Theo Tuck Rodeo Practice Arena. Mrs. Buchanon seconded and the motion carried.

Phil Bryan Conference Room

Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University and the University Committee on Naming of Facilities, Programs and Activities, approve the naming of the new undergraduate student recruiting conference room in the Curris Center the Phil Bryan Conference Room. Chair Stout seconded and the motion carried.

National Collegiate Athletic Association (NCAA) Governing Board Certification, approved

Dr. Dunn reported the NCAA requires the Governing Board of member institutions to attest that responsibility for athletics has been delegated and rests with the Chief Executive Officer of the institution which for Murray State is the President.

Dr. Manchikanti moved, seconded by Mr. Schooley, that the Board of Regents, upon the recommendation of the President of the University, adopt the attached National Collegiate Athletic Association/Ohio Valley Conference Governing Board Certification Form for athletics for academic year 2009-10. Motion carried.

(See Attachment #2)

Personnel Changes, approved

Personnel Reports

Dr. Dunn reported there is one recommendation for the Board to approve the personnel reports collectively but there are a total of three underlying reports. These reports were provided in the supplemental notebook and contain a reporting change requested by a member of the Board. Mr.
Denton thanked Tom Hoffacker, Director of Human Resources, and Jackie Dudley, Senior Director for Accounting and Financial Services, for their work in compiling these reports. The change involves an additional column which shows an employee’s salary as of July 1 and any change which has occurred since that time. The Salary Roster also contains a section at the end of the report listing externally-funded personnel.

Mrs. Buchanon moved that the Board of Regents, upon the recommendation of the President of the University, approve the Report of Resignations and Terminations for the period of January 1, 2009, through August 14, 2009; the Report of New Employment for the period of January 1, 2009, through August 14, 2009; and the Salary Roster as of August 15, 2009. Mr. Adams seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, abstain (due to KRS and the Salary Roster being included); Mr. Schooley, yes; Mrs. Travis, yes; and Chair Stout, yes. Motion carried.

Staff Leaves of Absence Without Pay

Mrs. Travis moved that the Board of Regents, upon the recommendation of the President of the University, approve the following Staff Leaves of Absence Without Pay:

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
<th>Effective Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Binkley, Jennifer</td>
<td>KATE</td>
<td>07/31/09-09/21/09</td>
</tr>
<tr>
<td>Butler, Pamela</td>
<td>University Store</td>
<td>06/06/09-07/31/09</td>
</tr>
<tr>
<td>Cathcart, Kelly</td>
<td>English as Second Language</td>
<td>06/26/09-07/28/09</td>
</tr>
<tr>
<td>Flener, Tina</td>
<td>Accounting and Finance</td>
<td>06/23/09-06/26/09</td>
</tr>
<tr>
<td>Flener, Tina</td>
<td>Accounting and Finance</td>
<td>09/09/09-11/26/09</td>
</tr>
<tr>
<td>Foster, J.W.</td>
<td>Food Services</td>
<td>07/11/09-08/04/09</td>
</tr>
<tr>
<td>Gates, Jennifer</td>
<td>BVC-Lab Operations</td>
<td>05/19/09-06/07/09</td>
</tr>
<tr>
<td>Lees, Connie</td>
<td>Food Services</td>
<td>08/07/09-12/19/09</td>
</tr>
<tr>
<td>Thurmond, Natalie</td>
<td>CEAO Distance Learning/Telecomm</td>
<td>08/19/09-10/31/09</td>
</tr>
</tbody>
</table>

*Intermittent Leave

Ms. Green seconded and the motion carried.

Policy Changes, approved

Board of Regents Policy Manual, Section II: The University – Addition of Section 2.27 – “Email Communication Policy,” discussed

Mr. Jacobs reported the requested changes involve the transition from “hard copy” print material to e-communication. Email is currently the predominate form of communication at the University and should be recognized as one of the official forms of communication for Murray State to communicate with faculty, staff and students on a daily basis. All employees and students are expected to recognize and be responsible for checking email for communication on billings, financial aid announcements, pay stubs and direct deposit information. The Policy Manual changes being proposed will recognize email as a communication option and is not intended to move the institution only to email or e-communication as the official method of communication. By making email a recognized means of communication the University will be able to hold employees and students relatively accountable for knowing the University provides information in this fashion and it is their individual responsibility to check for information that has been sent via email. Discussions with faculty leadership, particularly Dr. Steve White as Faculty Senate President and Dr. Morgan as Faculty Regent, have taken place regarding the appropriate wording for the policy change to include an indication there is an expectation faculty members will be responsible for checking email as an official form of University communication while not interfering with faculty expectations regarding contracts and the policy change language reflects this effort.

Dr. Curris indicated the recommendation states the purpose of the policy change is to add email as an official form of communication for the University to transmit routine, but necessary, information but the policy itself does not use the word “routine” and he believes this is a significant omission. Certain non-routine information should not be communicated via email
and the policy should specify what is being referenced is only that information which is routine in nature. Mr. Jacobs indicated he prefers not to add the word “routine” to the policy because email is an integral part of the University’s response to emergency situations which are not considered routine in nature. The institution is attempting to make a slight shift in culture to indicate email can be used in a routine manner, as well as for emergency situations, and individuals across campus should familiarize themselves with and routinely check this form of communication. Dr. Curris does not want to put in place a policy which would authorize notifying a faculty member of non-reappointment or a student receiving notice they are being dropped from school via email. Mr. Jacobs indicated the background provided in the recommendation states email would be recognized as an official communication option for the institution but also states email is not always the most appropriate form of communication. In those instances where email may not be the most appropriate form of communication that will be addressed and the University does not intend to move solely to electronic communication. The University is simply recognizing email as a communication avenue while understanding utilizing print media will be required in some instances. Dr. Curris indicated if a policy in any way puts the University at risk it could be utilized in that matter during a lawsuit and he believes this policy could be clearer on the issue of what type of information may be transmitted via email.

Dr. Dunn added one driver for this policy change involves risk management which was discussed during the Retreat. If the policy contains language indicating email communication would only be used for routine items and there is an emergency on campus and notification of that emergency is sent via email the University would be open to a lawsuit or challenge. The University must be able to use email as an official form of communication to make emergency announcements as well as provide other notification that may fall outside the realm of being routine. Mr. Jacobs added the last paragraph of the policy states as issues arise and are brought to the attention of the administration the President has the authority to amend the policy accordingly – with the understanding any required changes would be presented to the Board prior to full implementation. The language being presented is the same as that contained in the “Outdoor Use Policy” previously approved by the Board. Dr. Dunn confirmed General Counsel is consulted when issues arise and are of the nature which Dr. Curris has described. Virtually every such situation is processed through that office in some form or fashion, especially if it involves dismissal of an employee or student. The administration will take its lead from the University Attorney with regard to legal requirements, as well as other counsel that may serve Murray State in this role. It must be clear the policy is intended to recognize email as an official form of communication so that an individual cannot later declare they were not informed of something because they did not know to check their email. For issues rising to the magnitude of dismissal the University would continue its current practice with General Counsel indicating how such issues should be handled, in consultation with appropriate unit administrators.

Mr. Rall indicated there is an element of convenience to email and it is routinely used in his office. The proposed policy recognizes the President’s ability to revise the policy if necessary. Disciplinary matters will not be handled by email and this includes terminations because they rise to the level of action which cannot be handled through email. Dr. Dunn recommends passage of the policy as presented and assured the Board (given discussion that has taken place) the identified issues will be addressed. Dr. Morgan expressed appreciation to Mr. Jacobs for consulting with faculty leadership to clarify terminology specifically related to contracts, personnel action forms and the letter of employment but stated Dr. Curris has raised some good points. As discussion on the policy takes place he requested faculty leadership continue to be included as it relates to non-renewal of faculty contracts and how such action would be communicated to a faculty member.

Board of Regents Policy Manual – Section II: The University – Addition of Section 2.27 – “Email Communication Policy,” approved (with condition)

Dr. Curris moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached “Email Communication Policy” which will be added to Section II: The University of the Board of Regents Policy Manual as Section 2.27 titled “Email Communication Policy” with the condition the policy is being approved with the understanding the University administration will review the type of notifications which can be delivered electronically. Mr. Adams seconded and the motion carried.

(See Attachment #3)
Murray State University Student Loan Code of Conduct, approved

Mrs. Lori Mitchum, Director of Financial Aid and Scholarships, reported it was necessary to develop a Student Loan Code of Conduct to allow Murray State to continue receiving Title IV funding. The Code of Conduct must address how lenders are promoted to students and while the University does not have a preferred lender list, it does provide students with the name of lenders and encourages them to personally contact different lenders to secure the best interest rate and repayment plan. Every employee in the offices of Financial Aid and Scholarships and the Bursar will sign the Code of Conduct (and have already signed a preliminary Code of Conduct) and the Board will enforce the provision that individuals at the University cannot receive any type of gain from a lender even though they may be loaning money to MSU students. Mr. Rall reported the Code of Conduct was derived directly from statute.

Mrs. Travis moved, seconded by Dr. Manchikanti, that the Board of Regents, upon the recommendation of the President of the University, approve the attached Student Loan Code of Conduct. Motion carried.

(See Attachment #4)

Amendment to Information Technology: Acceptable Use Policy, approved

Dr. Dunn reported a corporate policy already existed which addressed the issue of acceptable use for information technology but it was necessary to add a section regarding copyright. Mr. Rall stated the reference to copyright and the Student Financial Aid Code of Conduct both stem from legislation regarding student financial aid. The thrust of the change in the policy involves the federal government’s concern with file sharing which led to the obligation of universities to “warn” students about illegal downloading and the associated consequences. The Acceptable Use Policy adopted by the Board in May 1997 contained brief language addressing copyright infringement and a relevant issue at the time – software copying – but the University is taking this opportunity to enact a policy that meets the requirements of the amendments to the student financial aid statutes dealing with the need to notify the student body of the consequences of illegal file sharing.

Dr. Curris moved, seconded by Mr. Schooley, that the Board of Regents, upon the recommendation of the President of the University, approve the attached Information Technology: Acceptable Use policy to which has been added a new Section III titled, “Copyright and the Use of MSU’s Information Technology Resources.” Motion carried.

(See Attachment #5)

Committee Reports/Recommendations

A. Academic Affairs – Dr. Morgan – No report.

B. Athletic – Chair Stout – No report.

C. Audit – Mr. Adams – No report.

D. Buildings and Grounds – Mr. Adams

2010-16 Capital Plan, approved as amended

On behalf of the Buildings and Grounds Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2010-16 Capital Plan and Capital Budget Requests for the 2010-12 State Biennial Budget with one amendment. Priority No. 2, “Construct Science Resource and Sustainability Center,” should be removed from the 2010-2012 Capital Projects List. Discussion followed. Dr. Dunn indicated he would not repeat verbatim the presentation from the morning committee meeting but wanted to briefly share the PowerPoint presentation with the audience and those joining the meeting via live stream. The adjusted priority order for the overall list of new projects (after deletion of Priority No. 2) is:
1) Science Complex
2) Library
3) Electrical Distribution Center
4) Paducah Regional Campus
5) Breathitt Veterinary Center (BVC)

Slides were shown which provided background on the third building for the Science Complex. The Engineering and Physics Building would complete that campus and a rendering of the proposed facility was provided. The second project priority is to construct new space for all Library functions currently housed in Waterfield and Pogue libraries. Waterfield Library has been listed as one of the top 10 worst facilities on campus as a result of the statewide study undertaken on all public university campuses a couple of years ago by the Governor’s Office of Agricultural Policy. Funding was provided by the MSU Foundation to undertake a feasibility study as part of the work of the New Library Task Force, led by Interim Dean Adam Murray, and a rendering was shown which resulted from that study. The rendering has not been finalized, the project is not site specific and the design could change depending on the desire of the Board, funding available for the project and a host of other factors. The third capital project is an Electrical Substation to assist with distribution of electrical power - the current substation was also listed among the top 10 worst facilities on campus. The fourth capital project priority is construction of the Paducah Regional Campus facility, specifically building on land the Board acquired at the intersection of Interstate-24 and U.S. Highway 62 across from West Kentucky Community and Technical College (WKCTC) in Paducah, Kentucky. A facility with approximately 50,000 square feet is being considered and will house not only extant programs offered at the Crisp Center but will allow for program growth in the vicinity of three to four programs which are now being researched. Money was not available to fund conceptual design work for this facility so what has been presented is a plot of the land already purchased and an illustration of where a building might be sited. The University will hopefully be able to secure funding from the legislature to begin planning work at the site with the project eventually being phased. The final capital project priority recommended by the Buildings and Grounds Committee is construction of the new Breathitt Veterinary Center in Hopkinsville. Although the BVC is currently listed as a General Fund project, the University is also working diligently to secure funding from other areas. The project is listed as a General Fund project because the University must have in place authorization to construct the facility but is also seeking other means to advance the BVC project and not to have it count against MSU as a General Fund project. The University wants to show its dedication to this project, which has certainly been the Board’s historic dedication with the project appearing on five previous plans, but the BVC will also be advanced in numerous other ways that could eventually lead to project completion.

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

E. Development/Investments – Chair Stout – No report.

While there was no formal Development/Investments Committee report, Chair Stout reiterated the capital campaign Kick-Off Luncheon will held on Friday, October 9, 2009, in the Curris Center Ballroom and emphasized the importance of all Regents being present.


G. Faculty/Staff Affairs – Mr. Schooley – No report.

H. Finance – Mr. Adams

David and Ashley Dill Distinguished Professor of Accounting Comprehensive University Excellence Trust Fund (“Bucks for Brains”) Designation, approved

On behalf of the Finance Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, approve the University’s designation of the anonymous donation of $1 million and of $250,000 for matching funds from the Comprehensive University Excellence Trust Fund to establish the David and Ashley Dill Distinguished Professor of Accounting endowment.
Ms. Green seconded and the roll was called with the following voting: Mr. Adams, yes; Mrs. Buchanon, yes; Dr. Curris, yes; Ms. Green, yes; Dr. Manchikanti, yes; Ms. Mantooth, yes; Dr. Morgan, yes; Mr. Schooley, yes; Mrs. Travis, yes; and Chair Stout, yes. Motion carried.

**Endowment Report, approved**

On behalf of the Finance Committee, Mr. Adams moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached Endowment Match Report for the period ended June 30, 2009, as required by the Kentucky Council on Postsecondary Education. Dr. Manchikanti seconded and the motion carried.

(See Attachment #6)

I. Governmental Relations – Mrs. Travis – No report.

J. International Relations – Mrs. Travis

Mrs. Travis reported Murray State has experienced success with regard to international students on campus. Due to the international student tuition policy change approved less than two years ago, international student enrollment on campus has increased significantly. In fall of 2007 there were 265 international students at MSU and in fall 2009 preliminary figures indicate there will be 357 international students. Dr. Dunn added when the international student tuition policy was passed it included the requirement that within two years the University would conduct a follow-up review of cost effectiveness and whether further updates to the tuition policy are required and this will most likely be considered at the December Board meeting.

K. Student Life – Ms. Mantooth

Ms. Mantooth reported Freshman Senate elections were held recently and there are two new freshmen senators. Students will also vote soon for Homecoming King and Queen. The Student Government Association is hosting a major concert on November 2 – Maroon 5 – which is the most exciting upcoming event on campus.

**Adjournment**

Chair Stout reminded all the next quarterly Board of Regents meeting is December 4, 2009.

Dr. Manchikanti moved, seconded by Mr. Schooley, that the quarterly Board of Regents meeting adjourn. The motion carried and adjournment was at 12 noon.