

**Minutes of the Special Board of Regents Meeting
Annual Planning Retreat and Work Session
Murray State University
Monday, August 17, 2009
8 a.m. – Miller Memorial Golf Course – Clubhouse Conference Room**

The Board of Regents of Murray State University met on Monday, August 17, 2009, in Special Session for the Annual Planning Retreat and Work Session in the Clubhouse Conference Room at Miller Memorial Golf Course, 2814 Pottertown Road, Murray, Kentucky. Chair Alan Stout called the meeting to order at 8:15 a.m. and welcomed all present, including new Regents Constantine Curris, Sharon Green and Phil Schooley.

Roll Call

The roll was called and the following members were present: William Adams, Marilyn Buchanan, Constantine Curris, Sharon Green, Kara Mantooh, Jay Morgan, Phil Schooley and Alan Stout. Absent: Laxmaiah Manchikanti, Jeff Taylor and Vickie Travis.

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; Gary Brockway, Provost and Vice President for Academic Affairs; Tom Denton, Vice President for Finance and Administrative Services; Don Robertson, Vice President for Student Affairs; Jim Carter, Vice President for Institutional Advancement; Bob Jackson, Associate Vice President for Institutional Advancement; Joshua Jacobs, Chief of Staff; Tim Miller, Executive Director, Murray State University (MSU) Foundation; Allen Ward, Athletics Director and Angela Hatton, WKMS Radio Station.

Chair Stout indicated the 2009-10 Board of Regents (BOR) Committee assignments and a BOR contact information sheet were also provided in the meeting packet. He encouraged all to contribute to the conversation during the Retreat and added the meeting would adjourn by approximately 3 p.m. to allow attendance at the New Student Convocation on the main campus.

**AGENDA
SPECIAL MEETING OF THE BOARD OF REGENTS
Murray State University
Miller Memorial Golf Course – Clubhouse Conference Room**

**Monday, August 17, 2009
8 a.m.**

**ANNUAL BOARD OF REGENTS
PLANNING RETREAT AND WORK SESSION**

1. **Roll Call**
2. **Preparation for Comprehensive Campaign**
3. **Future Operational Challenges by Vice Presidential Area**
4. **Regents' Initiatives and Issues**
5. **Board Operational Issues, Meeting Management and Other Expectations**
6. **Future Direction for University Strategic Imperatives**
7. **Preparation for Presidential Evaluation Process**
8. **Final Thoughts**
9. **Adjournment**

Preparation for Comprehensive Campaign

Mr. Jackson reported the Quiet Phase of the Comprehensive Campaign began on January 1, 2005. During the first two years of the Campaign changes in Office of Development personnel and operating procedures were implemented. The consulting firm of Gonser, Gerber, Tinker and Stuhr (GGTS) was hired and Dr. Alan Zacharias, a Murray State alumnus, serves as consultant for the Comprehensive Campaign and has worked closely with the University over the last few years. Many Regents participated in a Readiness Study which was completed in July 2008. Individuals interviewed throughout the Readiness Study process were asked their opinion of the University and all aspects of the Campaign. Approximately 55 individuals participated and among those interviewed 82 percent ranked scholarships in the top two categories of importance.

This was also the case during the first University Capital Campaign conducted a few years ago, indicating scholarships remain vitally important to Murray State. Readiness studies are also important from the standpoint of identifying new donors and Mr. Jackson reported a concerted effort has been made over the last few years to expand the donor base by making more visits and identifying potential new donors. Five new donors were discovered through this process and have pledged gifts of \$1 to \$4 million each for the Comprehensive Campaign. Fifteen new planned gifts were identified and \$7.5 million in total gifts were pledged through individual interviews. The consultant and an internal core group then reached consensus the University would undertake a \$60 million Comprehensive Campaign.

The original intention was to “go public” with the Comprehensive Campaign last October which, due to the economy, ended up not being a good time to launch a Capital Campaign. The Campaign launch was put on hold while work already underway continued and included making additional potential donor visits and continuing fundraising efforts. A public launch of the Comprehensive Campaign will now take place in October 2009 and Regents will receive additional information regarding the Kick-Off Luncheon on October 9. The official ending date for the Campaign is scheduled for December 31, 2012. Currently \$39.6 million has been received in gifts, pledges and recorded planned gifts and by the October launch date it is anticipated the Campaign will have recorded \$40 million in gifts. The first (and only) Capital Campaign Murray State participated in approximately ten years ago had a \$25 million goal but raised \$30 million. Dr. Dunn added the Quiet Phase of the Campaign was extended and a pause was taken when there was a change in presidents. The process was put on hold for a short period of time and the MSU Foundation discontinued payments to GGTS. This provided time for the transition in leadership to occur and allowed the new President to meet potential donors prior to the Readiness Study being undertaken. The economy also played a major role in the decision to delay the “official” start of the Comprehensive Campaign.

Mr. Jackson indicated new initiatives implemented in the Office of Development include a formal and technical prospect research process to reach more alumni in the University database of over 60,000 alumni and friends in an attempt to identify new donors. A successful planned giving program was initiated in May 2005 and a planned giving newsletter has been developed and a copy was provided to Regents. Bequest gifts, realized bequests, trusts, gift annuities, life insurance policies and other non-cash gifts have increased substantially over the last few years due to these initiatives. More information is also being provided on the Internet and more email-driven programs are being utilized – both efforts have paid dividends as have “specialty” initiatives being utilized in the various departments. The planned giving portfolio for the University as of June 30, 2005, contained \$4.5 million in gifts and as of June 30, 2009, totaled \$23.1 million. These gifts come from large trusts the University is holding and managing as a result of the planned giving programs implemented over the last few years. Selected major gifts since July 1, 2006, include:

- Jesse D. Jones (LA) - \$3.6 million current gifts and pledges
- Mr. Benson “Bud” Blackie (KY) - \$1.6 million CRAT
- Tom and Theo Tuck (KY) - \$1.5 million CRAT
- Johnny Russell (KY) - \$1.2 million
- Jeff and Sally Clarke Estate (IL) – approximately \$1 million
- BB&T Bank (NC) - \$1 million
- Badgett Foundation (KY) - \$625,000
- Harold Dean Willis Estate (TN) - \$575,000

- Howell and Rebecca Clark (KY) - \$516,000 CRAT
- Gyndel Garnett Estate (KY) - \$356,000
- Dr. C. C. Lowry Estate (KY) - \$200,000
- Mr. James Flener (TX) - \$150,000

The *Bucks for Brains* program has also been an important component of development efforts and has been in place since higher education reform. Murray State's appropriation for *Bucks for Brains* in the last state budget was \$1.58 million and under the program 50 percent of funding must be matched in the areas of science, technology, engineering and mathematics (STEM). This work has now been completed at Murray State and all dollars have been matched or are being held against a pledge with Mr. Jones providing an early and substantial lead match gift in the amount of \$557,000 toward STEM initiatives and *Bucks for Brains* funding.

Mr. Jackson reported "Hold Thy Banner High: The Campaign for the Students of Murray State University" will be the new tagline for the University and the development of a Case Statement is underway. The leadership structure for the Comprehensive Campaign will include Honorary Chairs, Executive Committee, Campaign Cabinet, College/School/Initiative Chairs and Committees, Alumni Association Staff, Senior Gift Campaign and the Foundation Board of Trustees and University Board of Regents. The process is currently underway to identify individuals to serve on the various components of the leadership structure. The Campaign is being structured differently from the previous one to reflect current practices. Campaigns at public universities today are becoming staff-driven versus consultant-driven and the Campaign MSU undertook ten years ago was consultant-driven and these types of campaigns are generally more expensive. The current Campaign is very much staff energized and the University is fortunate to have an extremely capable staff in place in the Office of Development.

MSU faculty and staff members were recently recognized at two different luncheons and even considering the current economic environment there has been an 18 percent increase in giving from this group. Last year faculty and staff donated \$147,000 which increased to \$172,000 this year, representing nearly 400 faculty and staff who give to MSU in some form or fashion. The College of Humanities and Fine Arts (HFA) has nearly a 50 percent giving rate and Dean Ted Brown understands the importance of supporting this effort which is evidenced by this being the second consecutive year the College of HFA has earned this distinction. The Foundation Board of Trustees and members of the Board of Regents will play key leadership roles in the Comprehensive Campaign. If a BOR member wants to take an active role in the Campaign, this can be accomplished through a variety of initiatives and they were encouraged to let Mr. Jackson know of their interest. Faculty, staff and alumni look to the Board for guidance and participation by this group can significantly impact major gifts to the institution. Potential donors often ask about participation rates for faculty and staff as well as for institutional leadership, including the Trustees and Regents.

Mr. Jackson distributed a draft Campaign Case Statement for Board review, indicating the publication will highlight Murray State's successes and about one-half of the Comprehensive Campaign will focus on student scholarships, including study abroad opportunities. A few major gifts have already been established for study abroad scholarships which are becoming more important in a student's academic life. Production on the Comprehensive Campaign Video is underway with interviews being conducted over the next couple of weeks. The Office of Development will work with student leaders from across campus in an attempt to establish the Senior Gift Campaign as a vital component of the overall Comprehensive Campaign. More gift activity has taken place at the University within the last three months than has occurred over the last 12 months and could be an early indicator the economic environment is changing. Several gifts are pending and one such gift comes from a donor who has never given to the institution before but called in response to one of the newsletters mailed from the Office of Development. Last Friday a large pledge (charitable trust) was signed for a \$1 million gift to the University which will be announced soon and next week Mr. Jackson will visit with donors to discuss large estate gifts and bequests which are now being realized. As a result of major gifts to the institution, two naming opportunities will be presented to the Board for approval at the September quarterly meeting.

Mr. Jackson confirmed planned gifts include estate planning and bequests through a Will, trust or potential life insurance and during the Comprehensive Campaign such gifts are "booked." With the planned giving program initiated a few years ago the University has assumed an active role

as estate financial advisor to alumni and the Development Office consistently sends out information and receives calls requesting direction on how to initiate a gift annuity or trust or how to structure a life insurance policy. The University is helping donors, alumni and friends with this work and the effort is beginning to pay off. If the institution receives a \$1.5 million charitable trust, it is booked as part of this Capital Campaign which is normal procedure for this type of gift. If notice is received that an individual made such a gift as part of their Will or named the University as part of a life insurance policy – even though these funds may not be received for some number of years – the gifts are counted in a separate category of planned gifts and are included in the final total for the Comprehensive Campaign. A portfolio is maintained detailing the type of planned gift but if an individual simply indicates the University will be included in their Will that is not included because there must be a documented, known bequest before it can be counted as part of the Campaign. Dr. Dunn clarified within philanthropy there is a set of standards for giving which have been adopted on an institutional basis and MSU follows those standards in undertaking this work. Mr. Jackson reported recorded gifts and pledges total \$39.6 million and, in response to a Regent question, stated a breakdown could be provided on how much represents outright gifts versus planned giving from insurance policies, bequests or charitable remainder trusts and this information could be prepared for Board review within the next few weeks. It was requested when the breakdown for pledges is provided the length of those pledges also be included. Mr. Jackson stated donors are typically encouraged to make gifts for no longer than five years but in the current economic environment some donors are requesting longer and the University is accommodating those requests.

Chair Stout suggested the leadership structure of the Comprehensive Campaign should contain a component that encourages promotion of the Campaign for specific geographic areas. If donors want to provide assistance earmarked for a particular area – perhaps the one they currently reside in as well as help their Alma Mater – there should be a mechanism in place to help accomplish this and donors should be made aware of the possibility. Mr. Jackson confirmed Campaign efforts encourage reaching out as much as possible across the country and region and much of this work occurs during discussions and negotiations with potential donors in determining their interests and how to best accomplish their goals. Development staff, through their relationships with donors, will often have knowledge of donor intent and the Badgett family is an example of this type of work occurring in Hopkins County and the surrounding area in an effort to attract teachers to the region. Dr. Dunn added the structure of the Campaign is not as much anchored to the geographic base as much as it is to notable donors and disciplinary relationships. If a donor expresses an interest in the University addressing a particular geographical need then work to develop a plan to respond to that request will be undertaken. Mr. Jackson reported while this work is currently underway it is also vitally important for the University to secure as many unrestricted gifts as possible. Chair Stout added as the University continues to experience budget cutbacks from the state the importance of the MSU Foundation and a successful Comprehensive Campaign becomes even more critical. Endowments are important because students need scholarship assistance and for many students this assistance makes the difference in whether they will be able to attend college.

Future Operational Challenges by Vice Presidential Area, Athletics and MSU Foundation

Student Affairs

Dr. Robertson reported the current focus in Student Affairs is on retention and graduation rates and a brief outline was provided in Board packets. MSU students are aggressively recruited but once they are on campus the focus changes to retention in an effort to ensure successful college completion. The University faces challenges with retention even though graduation and retention rates compare favorably with other institutions in the state. Murray State's freshman to sophomore year retention rate is 73 percent for 2008-09 but has been as high as 78 percent. Challenges which must be considered in terms of retention and graduation rates must include why students leave college (including financial pressures), academic issues (including academic disqualification) and poor fit where students do not feel as though they are part of the campus. National data shows these factors are real and other reasons students leave college relate to mental health or emotional pressures. There is a need for more retention-based scholarships (scholarships for upper-class students) and the tendency has been to "front load" scholarships for freshmen, placing focus on the student during their first year of college, which can result in a shortage of funding for students in their remaining college years. To address this issue an attempt is being made to create more four-year renewable scholarships with both University

dollars and through the Office of Development so scholarship assistance is not only provided on the front end but awarded on a four-year basis. The feasibility of providing assistance to students who may not have initially received a scholarship when they entered the University is also being considered, especially for those students where scholarship dollars could make a difference by allowing them to remain in school. Dollars for scholarships (particularly four-year retention scholarships) and money to assist students who did not have a scholarship upon arrival at the University (but have performed well) are challenges being reviewed. If students work on campus this is another way for them to attach to the University and help finance their college education. The minimum wage increase means there are fewer dollars available for student jobs on campus even though an effort has been made to retain the same number of student jobs by reducing the number of hours worked. An effort is made to place students in jobs connected to their majors to foster the development of mentor relationships and play a positive role in overall student success.

Students often take out a short-term loan to try to make it through the initial part of the school year and while there are several loans available for this purpose, including the Norris Loan, this money tends to be depleted quickly. The student must repay a short-term loan within 30 days so this funding source is available to a wider number of students. More financial aid counseling is also being provided through the Office of Financial Aid and Scholarships. If a student reaches the point where their only option is to take out a loan there is sometimes reluctance from students and their families to borrow money. While this is understandable, the University is attempting to educate students and families (particularly first generation families) that there is no better investment than a college education. Students are also counseled so the amount of money borrowed is kept in proper perspective and graduates do not leave the institution with insurmountable debt.

Dr. Robertson indicated Student Affairs and the Provost's Office work to address the challenges of academic intervention and academic learning assistance and support. A larger number of students are arriving on campus with remedial or developmental coursework needs and Council on Postsecondary Education (CPE) data has shown approximately 30 percent of incoming students have one or more developmental needs. This number will potentially grow with the increase in ACT standards effective next year. Financing the additional but necessary remedial courses is another challenge the University must address. Dr. Curris questioned why the number of students requiring remedial assistance is increasing and asked whether students are simply less prepared. Dr. Robertson responded the number of students with remedial needs increases each year partly because students are arriving less prepared (which has been a trend). Dr. Curris inquired whether data from Murray State's service region indicates the average ACT scores of high school juniors and seniors has been declining or whether MSU's pool of potential students is less prepared. Dr. Robertson indicated there has been a decline in ACT scores which can be related to the service region but ACT scores have been declining in general for high school graduates nationally. The state is attempting to address the issue by requiring all high school juniors to take the ACT earlier in addition to making curriculum changes designed to improve student performance on the ACT. Dr. Dunn confirmed Murray State mirrors closely the Commonwealth average in terms of students needing at least one remedial course and CPE data shows MSU's percentage of students who require at least one remedial course is 29.6 percent which is lower than that of the other regional universities in the state. Mrs. Buchanon asked whether students recruited from the Louisville area (Jefferson and Oldham counties) scored higher on the ACT and Dr. Robertson reported Murray State recruits and attracts a large number of students with high ACT scores and those students are reflected in the areas mentioned but also in other areas across the state. The University also attracts students with lower ACT scores but the two numbers average out so the University has an overall strong average ACT score. In response to a question from Mrs. Buchanon, Dr. Dunn reported the number of students recruited from Louisville is strong and Dr. Robertson added student enrollment has even increased significantly from Louisville and the surrounding area.

Dr. Robertson stressed the importance of ensuring adequate resources are available to Murray State students with remedial needs and efforts already in place must be strengthened even further. Mr. Adams asked whether there are grant or gift programs available to provide remedial support and Dr. Robertson reported there are grant programs available and MSU has experienced some success in securing these grants but the University's TRIO programs address many of these needs. Dr. Dunn added the University must look at reallocation to ensure it is able to serve these students and other in-house programs are offered through a division of the University called the

Community College (housed under Continuing Education and Academic Outreach) which assists students taking remedial courses by preparing them to enroll in courses for credit. These programs are currently located in the Lowry Center but as more students enter MSU with these needs adequate space and other necessary resources must be in place to accommodate the increased numbers. Mr. Adams asked if as the University strives to increase enrollment whether a consequence is there are more students who need remedial courses. Dr. Dunn agreed conventional wisdom is as the University pushes for numbers and as more students are brought into the institution it should expect more students will be in need of remedial courses but he does not believe quality and enrollment growth are exclusive entities. Focus in Enrollment Services has been to push out on the “catchment” area the University recruits within to attract more high quality students to help offset this to some degree. The University is instituting new initiatives – one of which is reworking scholarships to help mitigate the effect of increased enrollment on student quality. Some students being recruited would not currently be required to take remedial or developmental courses but would be required to take these courses after the new ACT standards become effective.

Mrs. Buchanon asked whether students going through the community college unit for remediation can be counted toward the enrollment numbers reported to the CPE and Dr. Robertson confirmed that to be the case. Ms. Green asked if studies have been conducted to determine which high schools are producing students with low ACT scores so the University can work with these schools to improve performance. Dr. Robertson reported this data is available but public schools are aware of the issue and are working to address the situation. The University is also investigating developing performance contracts with students with developmental needs to determine the type of assistance needed which takes time and resources to accomplish. Remedial courses do not count toward graduation and are instead preparatory classes to help students be successful in for-credit courses. These students are provided with financial aid for remedial courses but institutions are recognizing there is a heavy need for remedial coursework which means students are depleting financial aid on the front end for non-credit-bearing courses which results in these students struggling to complete college. Remediation is also provided through summer bridge programs which prepare students to undertake the regular curriculum during the fall semester. Capacity in summer programs is limited and additional financial assistance will be required for program expansion.

Dr. Robertson reported another critical area, particularly for undeclared students, is academic advising and an attempt is being made to consolidate effort and provide more resources through an Academic Advising Center. There is also an issue with regard to retention into the sophomore year that is often referred to as the “sophomore slump.” Students complete their freshman year and if they have not declared a major continuing into the sophomore year can be challenging. Development of programs similar to the First-Year Experience Program, but which will focus on the sophomore year, is being reviewed. Students leave college for a number of reasons but the University is increasing the number of student involvement opportunities so they feel they are part of the campus and community, including activities which take place on the weekends. Increasing the number of learning communities on campus, such as the residential colleges, is being considered as is block scheduling where freshmen take certain classes as a group which creates a natural learning community and support system. The need for a “one-stop” student services building remains and although the University is attempting to consolidate services, there are still times when students must run around campus to take care of various needs. Most campuses are moving toward this trend and an ideal location on the MSU campus would be Waterfield Library – once the University has successfully built a new Library. The challenge is whether the University can wait that long to establish a “one-stop” center critical to retention needs.

An additional challenge is meeting the mental health needs of students because more students are coming to college with stress and signs of depression. A *New York Times* article recently indicated 85 percent of incoming freshmen self-reported stress and 42 percent show signs of depression. Murray State is challenged in this area because it does not have a psychiatrist associated with the Counseling Center, although efforts are underway to develop a relationship with one, and there are times when students need help beyond the counseling resources currently in place. There is also the potential of an increase in the number of returning veterans with specific mental health issues and the University must also be able to address those needs.

Athletics

Mr. Ward reported the Board packets contain a handout which provides a snapshot of Athletics and highlighted the following:

- There are currently six men's sports (football, basketball, tennis, golf, baseball and cross country) and nine women's sports (basketball, soccer, volleyball, tennis, golf, indoor track, outdoor track, cross country and softball) and the mixed sport of rifle.
- Division I membership currently requires a minimum of 14 sports and Murray State meets that requirement. As potential budget cuts and cost reallocations have been considered, the University has not had the option of eliminating sports.
- Title IX initiatives required the additional women's sport of softball to ensure the University met federal law regarding Title IX and gender equity and MSU is one sport over the minimum.
- All sports currently compete for championships in the Ohio Valley Conference (OVC) which simplifies scheduling and competition issues.
- Key senior staff members include Matt Kelly (Associate Athletic Director (AD) for Internal Operations – Academic Services), Paul Bubb (Associate AD for External Affairs), Steve Harrell (Assistant AD for Compliance), Dave Winder (Assistant AD for Media Relations), Mike Thieke (Assistant AD for Facilities Management) and Janet Futrell (Business Manager).
- Current Head Coaches include Billy Kennedy (Men's Basketball), Matt Griffin (Football), Rob Cross (Women's Basketball), Beth Acreman (Women's Soccer), David Schwepker (Volleyball), Eddie Hunt (Men's Golf), Velvet Milkman (Women's Golf), Mel Purcell (Men's Tennis), Connie Keasling (Women's Tennis), Rob McDonald (Baseball), Jay Pyron (Softball), Dereck Chavis (Women's Indoor and Outdoor Track and Men's and Women's Cross Country) and Alan Lollar (Rifle). Chair Stout indicated Coach Pyron is already making an impact in the area and parents of high school seniors have commented how impressive he is. Mr. Ward reported softball will have some competitions in the fall as part of the non-championship segment which will provide an opportunity for spectators to watch the new coach and team.
- The current Athletic Department budget is \$8.8 million and scholarships total \$3.2 million.
- The handout provided included a listing of facility improvements and notable achievements in the Department of Athletics. Facilities are essential to recruitment efforts and emphasis has been placed on this initiative. The most recent facility improvement in the Regional Special Events Center (RSEC) is the addition of new OVC banners, two new video boards (with new branding logos) and a new basketball tournament court.
- The Department of Athletics successfully completed the 10-year National Collegiate Athletic Association (NCAA) recertification process and was recertified without conditions. The department also received the 2008-09 OVC Commissioners Cup (all-sports trophy) for the first time in 18 years for 10 of 16 sports finishing in the top three in conference standings.

There are challenges facing the Department of Athletics but one of the most critical is the need for indoor practice space. In addressing athletic priorities in the Capital Campaign process, an emphasis will be placed on meeting this need but options to be considered depend on funding generated through the Campaign. There are also upkeep needs which must be addressed in Stewart Stadium and although it is one of the best FCS (formerly Division I-AA) football facilities in the country there are lighting, leakage, spectator seating, Press Box, restroom and concession area needs.

Significant progress has been made to date with regard to Title IX through Dr. Dunn's leadership and support of the Board of Regents. Exposure and liability for the University is much less now and progress must continue in this area. A consultant, Lamar Daniel, conducted a review three years ago but has since retired and his associate, Helen Grant, has taken over his duties and will visit campus in the fall to conduct another review to determine the University's progress with regard to Title IX and what work must still be accomplished.

The final challenge facing athletics is discussion taking place at the NCAA Leadership Council Level regarding Division I membership requirements. This discussion is centered on the definition of "meaningful financial commitment" and moving grant-in-aid minimums to a higher level, from 50 percent to 75 percent, is being considered. This would affect some members of the OVC although it most likely would not affect Murray State. Whether the number of sponsored sports should remain at 14 or be increased to 15 or 16 will also be considered. How this will affect Murray State's conference membership and makeup is not known because Mr. Ward does not know the details about all the different members of the OVC but knows there are a few member schools that could be in trouble. MSU is currently in good shape. The Conference will continue to be strong with Beth DeBauche as the new OVC Commissioner and she will help determine what needs to be done to solidify Division I members. These discussions

will be critical to Murray State as it desires to remain a Division I school, particularly in basketball.

Dr. Curris asked if the Athletic Department has had any major violations within the last few years and Mr. Ward reported there had been no major violations, although there have been approximately eight secondary violations, and some think of secondary violations as being a barometer of a good and effective compliance program. Secondary violations are those that are minimal violations where the University may have broken a rule but it is not significant enough to advance to the NCAA level. The Volleyball Program recently started practice two days early but the rules had changed and there had been a transition period between Compliance Coordinators. The new Coordinator audited the process, discovered the violation, and the Coach will be faced with a two-for-one penalty. He started practice two days early, which is four practices, and must now give back eight practices throughout the course of the year. The secondary violation was discovered and reported which shows from a compliance standpoint necessary monitoring is being carried out. A list of secondary violations can be provided to the Board if requested.

Chair Stout added this is the first year Murray State has offered Women's Softball and it has been a major undertaking to start this program from scratch. MSU was the only OVC institution without a softball program and is located in an area where softball is strong in the high schools in western Kentucky, southern Illinois and Tennessee. He believes softball will help equalize sports among genders and will be a strong program for MSU. Mrs. Buchanon asked whether this marks the first year without diminished scholarships in football and Mr. Ward confirmed with regard to Academic Progress Rate (APR) scores the University has experienced two consecutive positive years and has received full relief from any sanctions.

Murray State University Foundation

Dr. Miller indicated the Foundation was formed in 1944 and is separate and independent from the University with the mission of providing services for faculty, alumni and staff. The Foundation had not been very active prior to 1973 when Deno Curris became President of the University. Total assets in 1970 were \$358,000 but today the Foundation has grown significantly. Dr. Miller became Interim Director of the Foundation in 1990 and in 1995 placed its first investments with Capital Guardian. Prior to this the Foundation was investing in CDs and other conservative investments. The Foundation currently has \$64,397,174 in total assets (not investments). In addition to investments, the Foundation owns Miller Memorial Golf Course, the Pullen Farms, the sorority suites and a house in Canterbury due to construction of the Science Campus. Assets have grown from \$358,945 in 1970 to \$75,271,256 in 2008 to \$64,397,174 as of June 30, 2009. The decrease in assets is due to the market collapse and as of today the Foundation is at approximately \$69 million in total assets. With regard to the investment pool, in 2000 the Foundation had invested \$20 million (with a market value of \$22.5 million) and in 2005 this amount increased from \$45 million to a market value of \$51.6 million, in 2008 from \$56.7 million to a market value of \$60 million and in 2009 from \$55 million to \$49.6 million – again due to market conditions. As of August 13, total investments are \$55 million with a market value of \$53 million. In 2003 the Foundation established a reserve fund which has saved the Foundation during these unfavorable economic times. With the market downturn the Foundation lost 21 percent in 2009 but, fortunately, is still able to pay scholarships due to the reserve fund. The Foundation paid \$2 million for 1,900 scholarships this past year (even though the Foundation lost \$3.6 million in earnings) but cannot withstand many more years of unfavorable market conditions.

Dr. Miller reported fund managers include Capital Guardian, CGM Focus Fund, Loomis Sayles and Certificates of Deposit. There are equities, fixed income and a money market cash account with Capital Guardian. The CGM Focus Fund is a firm from Boston, Massachusetts, and investments with that entity were \$7 million and – although investments decreased to \$4.5 million due to the market downturn – they have recovered to about \$6 million. Loomis Sayles is a bond fund currently at \$7.8 million and Certificates of Deposit amount to \$250,000. A total of \$53,144,441 is invested through fund managers. Current policy regarding investment allocation is the Board of Trustees determines the appropriate combination between stocks and fixed income. Trustees may choose to invest up to 70 percent or as low as 40 percent of available funds in common stocks as deemed appropriate. The Foundation has 58 percent (\$30,694,239) in equities and 42 percent (\$22,450,202) in fixed income. Out of total investments of

\$53,144,411, MSU has \$14,700,000 (about 28 percent) and the Alumni Association has approximately \$744,000 (1 percent). Most gifts are given to the MSU Foundation directly but are used to benefit Murray State and if the Foundation no longer existed the money would be returned to the University.

Dr. Miller indicated he cannot stress enough the importance of keeping the Foundation separate from the University. When he was appointed Interim Director in 1990, there were five University employees on the Foundation payroll, there was no budget in place and the Foundation did not know what assets or investments it had and was spending restricted money. This occurred because a vice president was the Director of the Foundation and took his direction from the President which should never happen. Since that time the Foundation has remained a separate entity which the Board should remember during the search for the next Director of the MSU Foundation.

Chair Stout indicated it has been a difficult year for anyone involved in investments and expressed appreciation to Dr. Miller for his efforts and for the important role of the Foundation. In response to a Regent question, Dr. Miller reported the ideal range from fixed income to equities is from 40 to 70 percent but the members of the Foundation regularly vote on such issues. Dr. Art Bauernfeind serves as Chair of the Board of Trustees and has done an excellent job for the University and the Foundation.

The Board adjourned for a break beginning at 9:55 a.m. and ending at 10:05 a.m.

Finance and Administrative Services

Mr. Denton reported Board packets contain a handout with facility data for the residential colleges. One overriding issue affecting the entire residential complex is the appropriate size for Murray State. Past thinking was to build as many units as possible to house as many students on campus as possible but this decision must be considered in terms of cost because other housing options are now available within the community. Data was presented on capacity in the high rise residential colleges (1,903), low rises (1,176) and College Courts (144) for a total of 3,223 students that can be housed on campus. With the current bond issue, the University is making progress on renovations, repairs and improvements, including heating and air unit replacement and boiler and roof repairs. Although a \$7.6 million bond issue was recently initiated for repairs in the high rise facilities and for boiler needs in Springer and Franklin, funding is not sufficient to address all residential college needs and extensive renovation in the high rise facilities will eventually be required.

The new Clark and Richmond low rise residential colleges have been completed and require bond issues of almost \$16 million each. Old Clark College was razed a few weeks ago but a decision must be made with regard to old Richmond College and whether the University should consider using that facility for overflow housing. There is substantial cost associated with keeping these facilities on-line for limited purposes but the building cannot simply remain unoccupied. Ten years ago the University competed with small housing units but there are now two multi-unit facilities (The Chase and Campus Suites) located not far from campus and this has made a significant difference in how the University views housing. Consideration must be given to whether more dollars should be put into bond issues for high rise renovation, which will pass more cost on to students, but the housing auxiliary budget must also be taken into account to determine if there is a way to subsidize cost within the existing housing system. When a new facility is constructed students pay a premium to live in these facilities above and beyond the standard housing rate but this in no way covers the full cost associated with the units. Instead, the entire housing system is covering the cost of these new facilities and costs will continue to increase as the University pursues building more of these facilities – they simply are not paying for themselves. With regard to subsidization, whether general resources of the University should be applied to support housing, most particularly housing debt for renovation of the high rises and reconstruction of the low rises, must be considered. These units are intended to be self-sustaining to operate in the same manner as the Bookstore and Dining Services but the question becomes whether there is a need to consider subsidy from the University's general fund, which departs from the self-sustaining practice.

Dr. Dunn reported University parameters and bond indentures must both be considered with regard to subsidization. The University has a 1970s bond indenture (which does not allow for

competing housing entities on campus) but is considering a Request for Proposals (RFP) for College Courts where a private company would demolish the old facility and construct a new one. While many universities have utilized this type of arrangement, MSU's bond indenture is outmoded and inflexible which makes it difficult for such work to be undertaken. Dr. Curris stated bond indentures last as long as the building is financed and questioned why the payment period has not already expired. Mr. Denton responded the bond payment period expired but the University constructed other buildings and a few years ago issued bonds to address fire safety needs and these projects extended the original indenture. The balance on the bond indenture is several million dollars and refunding these outstanding bonds would require the University to pay a premium in excess of \$1 million and the right time to make this decision must be determined. A market study was conducted to determine whether this type of arrangement is feasible with College Courts and consultants are having a difficult time making a case regarding the feasibility of a public-private partnership at College Courts considering housing options currently available in Murray's market area. With only 144 units (customers) the critical mass does not exist that would allow the building to pay for itself – a result of the old bond indenture – and the University cannot allow the remainder of the housing system to subsidize one area.

In response to a Regent question regarding total outstanding bond obligations, Mr. Denton reported there are different types of bonds but with housing and dining bonds there is \$16 million each for Clark and Richmond. The University also issued bonds to install sprinklers in the residential colleges and recently issued \$7 million in bonds to undertake renovations mentioned earlier. There are consolidated educational bonds for non-housing and dining and infrastructure needs throughout the main campus but these bonds have almost paid out. Some underground condensate lines were installed in the Fine Arts Building and represent a fairly small bond issue and bonds for the Industry and Technology Building were the last to mature. The state uses a different method for issuing bonds for consolidated education facilities by issuing in bulk (along with bond issues to fund facilities on other campuses). The University is not required to record this as a liability because the state is actually taking on the liability. Non-housing and dining bond obligations are around \$40 million and there is \$1.6 million in consolidated education bonds. The University pursued a different route with the Wellness Center and the City of Murray used their authority to issue bonds and makes payments on the bond issue with the University making payments to the City – approximately \$9.7 million remains on that bond issue. There is no specific dollar amount associated with bond capability but the University's housing and dining earnings take into account certain revenues and expenditures and the balance left over, in addition to any revenues which might be brought in by the new issuance, must be at least 1.2 times debt service. Also, beginning this fall MSU seniors from regional discount states will no longer be required to live on campus because the University is attempting to provide students with more flexibility (if the budget is able to withstand the change) and would like to proceed in the same fashion with juniors from regional tuition discount states in fall 2010.

Dr. Robertson reported after the first two days of class 2,600 students have checked into the residential colleges. The occupancy rate during the fall typically runs at almost 95 percent but drops during the spring to 80 to 85 percent and this is offset by offering more private rooms. Occupancy numbers may be down this year due in part to the residency requirement for regional tuition seniors but also because local students are deciding to live at home due to economic conditions. The University anticipates approximately 2,800 students overall with maximum occupancy closer to 90 percent this fall. Students living on campus have the added benefit of identification with a group through the residential colleges, convenience of living on campus, better safety and these benefits do have value.

Mr. Denton reported additional information was provided on renovation costs for the high rise colleges over the next biennium. An architectural study was undertaken to determine the fastest way to accomplish renovations while still being able to absorb the cost within the University's fee structure. Under this plan renovation of Elizabeth College would begin in fiscal year 2011 (\$8.7 million); \$9.4 million for Hester College in 2012; \$10.6 million for Regents College in 2013; \$9 million for White College in 2014 and \$18.2 million for Hart College in 2015. Renovations would include electrical, heating and air, plumbing, lighting, carpet, paint, finishes, vanities, wardrobe units and lobbies. There would be an annual housing fee increase but in comparison to other universities, even with past increases, the University has consistently remained in the middle. There is concern about aging facilities and unless extensive renovation work can be undertaken it is unclear how much the University can continue charging students to cover renovation costs.

Mr. Adams reported several years ago when the state conducted an audit of buildings on the various campuses MSU was deemed to have more square footage per student than any other university in the state and he questioned the impact of continuing to add square footage without taking any space off-line. He also asked how proceeding in this fashion can be maintained from an expense standpoint and whether the institution will eventually overextend itself on fixed costs. Mr. Denton agreed some buildings should come off-line because they are not efficient from a space utilization standpoint (Ordway and Woods). Dr. Dunn indicated one challenge the University faces is during the last biennium the legislature passed Senate Bill 189, which led to the study mentioned by Mr. Adams, and consideration must be given, as a policy measure on the part of the Commonwealth, to differentiate new money for capital construction and rewarding schools taking unusable space off-line. The University could be penalized on capital support if some space which currently exists is not taken off-line. Student Affairs could be moved from Ordway Hall and locations throughout campus could be identified for each of the offices but this brings the institution no closer to providing a “one-stop” shop for student services. The current plan is for these offices to remain in Ordway while work continues to gain traction on the new Library. A plan would then be developed to retrofit Waterfield Library to house all Student Affairs offices but it is not known whether the University can wait this long to move these offices. Space is certainly an issue and, with the passage of SB 189, could become even more critical if this metric is tied to unused space and penalizing future institutional appropriations.

Dr. Robertson added housing is a complex issue because of the value of a residential campus but the residential college facilities are aged and most are difficult to maintain. When more students are living elsewhere the campus becomes commuter in nature and lengthy discussions on this issue have occurred. Dr. Dunn supported exempting seniors from regional tuition states from the on-campus residency requirement because data supported it was detrimental to recruitment and enrollment efforts. MSU is also not marketing itself truthfully when it indicates a student can come to Murray State on a regional discount and pay less than they would at Southern Illinois, only to then require those students to pay for on-campus housing they will not use, and there must be truth in advertising on this issue. Due to the impact on revenue the residency requirement cannot be eliminated all at once but the University must be honest and not have students who are coming to the University on regional tuition discounts be surprised when they reach their junior year. Students and their parents are informed of the residency requirement during the recruitment process but it tends to be overlooked and this must be addressed.

Vice President for Institutional Advancement

Mr. Carter reported this year could be a landmark year from an external and advancement standpoint. The Capital Campaign is poised for success and there is a great deal of activity underway in athletics competitively and also with events scheduled at the Regional Special Events Center and Lovett Auditorium. WKMS performed extremely well during the ice storm and received several Associated Press and other local awards and has undertaken a significant programming change. There has also been an expansion in Kentucky Educational Television (KET) partnerships and when *U.S. News and World Report* rankings are released the University will hopefully be ranked in that publication for the 19th consecutive year.

This year marks the first time the University has undertaken a branding and imaging exercise in a methodical fashion but the University of Kentucky (UK) and the University of Louisville (UofL) have gone through this exercise twice since Mr. Carter has been at MSU. All are excited about the rebranding effort and a handout was provided to the Board that shows sample logo and tagline applications. Kelsch Wilson Design conducted the rebranding study and indicated they have never seen a school with a more unified message – academic excellence, family and school spirit – but also have never seen a school with more logos – 42 different shields were in use at the University. From a budget perspective the University does not have the benefit of replacing all stocks of letterhead, etc. and departments will be allowed to continue to use their current supplies until depleted and “Your World To Explore” will continue to be developed as the University’s official tagline.

Murray State, along with most other universities, is trying to determine how to get in the game as online and social media usage significantly increases and the following updates were provided:

- The fastest growing demographic on Facebook are users 35 and older with the fastest growing component being women age 55 and over.
- 73 percent of active online users have read a blog, 45 percent started their own blog, 39 percent subscribe to an RSS feed, 57 percent joined a social network, 55 percent uploaded photos, 83

percent watched video clips, 50 percent of the top 25 websites are user-generated, 64 percent of teens create and post content and 65,000 videos are posted on YouTube daily.

- Facebook provides over 50 translations and over 70 percent of users are from outside the U.S. Conversations about MSU occur whether the University encourages these discussions or not and the immediate challenge is for all online resources to be as up-to-date as possible and the entire campus must become involved in this non-traditional way of advancing the University.

An RFP was awarded to undertake a makeover of the University's website and the process should be completed by November 2009. MSU will spend only \$80,000 on this process which means a majority of the work to migrate data to the MSU site will be performed internally. UK is spending \$350,000 to redesign their website and Arkansas State, while not a competitor but certainly warranting review, is spending \$1.2 million for website redesign. The Alumni Board of Governors felt strongly about social media tools and platforms and at their last meeting agreed to invest in restructuring the alumni site. The new site will be launched in conjunction with Homecoming weekend and will include pages for the Comprehensive Campaign with videos, donor profiles, Facebook Connect, calendars and online communities – all things the University must offer to serve groups savvy with social media processes. MSU already participates in Facebook and has 3,455 friends (users). There are over 500 Murray State groups in existence which can include the Student Government Association (SGA) to residential college groups to spontaneous groups. A copy of the current alumni page on Facebook was provided as were Twitter and YouTube user statistics.

Changes are also occurring among public relations staff and as new individuals are hired the University's approach is changing. There is now access to impressive backend analytics which helps the University zero in marketing efforts by identifying where money is being spent to ensure the right initiatives are being funded. The University must use these available mechanisms to push information out – everything from donor profiles to *U.S. News* information – but also to gather information on where individuals are discussing Murray State. In next year's budget cycle a request will be made for a Media Specialist to assist in these efforts and to begin to build the University's YouTube site. Emphasis will continue to be placed on regional and national significance where University staff review "big" news items and advance those items via a project-oriented approach. The University can no longer spend time producing press releases to send to newspaper or radio mediums that may not even use the information and utilizing online resources is a much more efficient use of resources to distribute and pull in news.

There is a Banner platform which will provide the University with an opportunity to do a much better job recruiting electronically which also allows for better and more efficient use of resources. The challenge facing Institutional Advancement is a marketing budget of only \$113,000 and – while the unit stretches this funding as far as possible – it must also seek funding from other areas and considering what other universities are spending on similar initiatives this limited budget puts MSU at somewhat of a disadvantage. As new staff members are recruited an attempt will be made to hire those individuals who have this new media skill set and efforts will continue to encourage current employees to embrace the new MSU marketing world. Traditional media cannot be ignored even though the University has become more thoughtful about how it is deployed and – because some populations expect this type of communication – will continue. The University's external website is www.murraystate.edu and myGate is the internal site.

Chair Stout stated from a recruitment standpoint it is feasible potential students have already studied the University online and know more about the institution when they come to campus for a visit than has been the case in the past. Dr. Robertson agreed there is no doubt students are more informed due to information they were able to obtain from the University's website. Dr. Dunn stated as the University moves in this direction all must understand it creates an entirely different dialog and includes not only the fact potential students have viewed the University online but conversation groups have formed and the University must let go of these conversations and allow them to unfold which sometimes includes hearing negative comments but which helps determine what the University does well and where it may need improvement. The Board was directed to a YouTube video generated by the MSU Department of Mathematics and Statistics which illustrates what students are viewing and UK's website "Blue on YouTube" is an example of another recruitment perspective.

Provost and Vice President for Academic Affairs

The Board packets included the 2009-2011 *Undergraduate Bulletin* and Dr. Brockway indicated the publication represents the core of what is accomplished within Academic Affairs and the entire University to prepare students for various professions. There are 135 program options students can pursue at the undergraduate level and this particular catalog contains more changes than any in the history of the University – with 709 proposals going through the various committee structures to the Academic Council for final approval. While some changes were minor, others represent major new programs which required approval from the Board of Regents and the CPE. The *Bulletin* outlines the different undergraduate degree programs, organized by college and then by departments, and also contains faculty credentials. There are five Murray State colleges, the School of Agriculture and the Bachelor of Integrated Studies (BIS) Program (offered through Continuing Education and Academic Outreach). A list of University accreditations is also contained in the *Bulletin* and these accreditations are crucial for the University to receive financial aid through Southern Association of Colleges and Schools (SACS) accreditation. Beyond the SACS accreditation requirement, pursuit of program accreditation is an option but in order for students to become certified or licensed, some degree programs must be accredited. Accreditations create and establish professional standards and Dr. Brockway stated one of the things which attracted him to Murray State was the fact its business programs were nationally accredited by the American Association of Collegiate Schools of Business (AACSB). He has worked at universities where business programs were not accredited and there is a substantial difference in terms of faculty quality, the curriculum and resources designated toward programs. He expressed appreciation to Dr. Dunn for his continued support for the accreditation of every program where program accreditation can be achieved, adding some presidents do not support accreditation efforts because they believe they are too expensive. Additional discipline accreditations are pursued as opportunities arise but not every program has an associated accrediting body.

Chair Stout inquired whether there are programs on the cusp of accreditation or if there are any programs targeted for accreditation within the next five years. Dr. Brockway reported the Theatre Program does not have full accreditation (currently at associate status) and all necessary work has been done to advance the program. Work toward this initiative began about five years ago, because the area was identified as one without professional accreditation, and by increasing faculty and upgrading facilities the program is now close to full accreditation. During accreditation visits outside agencies verify the quality of University programs and these examinations are extremely thorough. Over the past ten years the University has had only one program – Speech Pathology – which did not receive accreditation on the first visit because the visit occurred shortly after several faculty members in that department left the University. A new Director was subsequently hired and within one year the situation was rectified and the program was fully accredited. Accrediting bodies are generally very complimentary of MSU faculty, students, facilities and administrative support. The challenge is to ensure the University maintains current accreditations and continues to support programs pursuing new accreditations. Dr. Dunn added another issue the University faces is implementing a program review process for those academic units that do not have access to accreditation.

Dr. Brockway reported the *Undergraduate Bulletin* also contains a listing of the “Characteristics of a Murray State University Graduate” (revised 2004) which represents a unique way of expressing the University’s educational outcomes necessary for SACS accreditation and that of other accrediting bodies. These ten characteristics form the basis of what the University accomplishes within the academic program area and include developing effective written and oral communication skills and understanding and applying critical and scientific methodologies. The themes include science and technology; historical, literary, philosophical and artistic traditions; economic and political systems; moral and ethical issues; responsible citizenship; healthy lifestyle; continuous learning and demonstrating a mastery of the chosen field. These characteristics are achieved through the academic program (majors and minors) and the University Studies Program (general education). One major change reflected in the *Undergraduate Bulletin* is an updating of the University Studies Program based on these characteristics. The majority of undergraduate degree programs lead to the Bachelor of Science degree and courses students are required to take revolve around these characteristics. Starting this fall every student at Murray State will be required to take basic public speaking. Resources were shifted to that area to ensure they were adequate to cover the number of students now required to take this class. Speaking and writing intensive courses will also be required

throughout the curriculum and as students progress this characteristic will continually be reinforced through their majors, minors and other areas. Courses students are required to take represent a progressive and forward-looking University Studies Program and will clearly set Murray State graduates apart. Faculty members are fully behind this concept and all courses have been approved through the University Studies Committee.

It is also important to note in recent years the University has moved toward degree programs requiring 120 hours for completion to meet the requirements of SACS and other accrediting bodies. Historically as new requirements were added to degree programs at the direction of accrediting bodies, the University would simply create a new course and add it to the curriculum. As a result, program requirements increased to between 128 and 135 hours which would take five years for students to complete. The new requirements have now been integrated into the curriculum and more than half of Murray State programs now require 120 hours for degree completion and 84 percent of programs have less than 125 hours required. SACS requires 120 hours for degree completion and this also meets the requirements of most accrediting bodies.

A further challenge is the curriculum is evolving and the University must be able to not only develop new program offerings but deliver current program offerings to the regional campuses. This work does not happen easily or without additional resources and Dr. Dunn has been very supportive in exploring opportunities to deliver programs to the regional campuses. Some 2+2 programs at the regional campuses include education, organizational communication and social work. For each of these programs a proposal was submitted to the administration indicating the resources it would take to offer the program at the regional campus and of paramount concern was incremental enrollment. MSU is the first university in Kentucky with a Japanese Language Program as a major and the program has great potential. For some number of years the University has worked (through grants) with the public schools to offer Japanese at the elementary and high school levels. It is believed a Japanese Language degree would also work especially well in combination with business, engineering and a number of other areas. Tremendous opportunities exist within the health care field and there is potential for Physical Therapy and Physician Assistant programs. There is a demonstrated need for such programs and even though they are expensive to launch and maintain such initiatives will certainly be considered as the University moves forward.

Dr. Brockway reported with online courses the University was a pioneer in interactive television but that technology is now being replaced by web-based technology and the University has moved aggressively to address this trend. Some programs and many courses are offered online but focus must be placed on more entire programs being available online in addition to offering programs at the regional campus sites. Brian Van Horn, Dean of Continuing Education and Academic Outreach, has been tasked with accomplishing this work and in order for the University to realize the enrollment growth it has set as a target, a large part of this increase will come from online enrollment, and how to move forward in this area over the next year must be determined.

Dr. Brockway reported the CPE informed the University that it has met the first requirement toward establishing a Professional Science Master's Degree Program in Chemical Manufacturing Management – a new area which universities are pushing forward. The Professional Science Degree Program blends a technical master's degree, such as chemistry, with industrial management and business programs. Faculty will continue to review these types of opportunities and the program will require Board approval once all preliminary work has been completed.

Dr. Curris stated Senate Bill 1 restructured Kentucky higher education and each of the comprehensive institutions were asked to identify an area of excellence and inquired about Murray State's area of expertise. Dr. Brockway reported MSU's program of national distinction is Telecommunications Systems Management (TSM) and is a joint program between the colleges of Science, Engineering and Technology (SET) and Business and Public Affairs (BPA). The program is offered online, is unique, there are approximately 200 students currently pursuing a TSM degree. This undergraduate degree program provides students with the technical background in the telecommunications industry but also with a foundation which will facilitate career advancement.

Chair Stout asked whether the University has addressed issues which have existed with transfers so there is now a seamless transfer process in place. Dr. Brockway reported Dr. Dunn

established a Transfer Center on the Murray State campus as part of the reorganization of recruitment and admissions. Work continues to bring all of the pieces together but meetings are taking place with community college counterparts to map out the articulation agreement for specific programs, particularly now that the University's curriculum has been revised, to ensure all requirements match. Transferability is a statewide issue but the MSU Transfer Center will eventually be a "one-stop" shop with the goal of making it a seamless process for students. Dr. Dunn reported there has been a virtual Transfer Center in the sense of undertaking this work over the past year but the Center needs a physical space which led to discussions on other space needs and moves that have already taken place. There will be a second phase of moves to identify a physical space for the Transfer Center and address other needs. The state is taking a much more visible role in the transfer issue and more statewide initiatives are forthcoming. MSU is well positioned with articulation agreements already in place and relationships which exist with the feeder community colleges. Chair Stout indicated while it is important to have a Transfer Center on the main campus there should also be centers at the community colleges and Dr. Dunn responded there are entities at the community colleges undertaking this work but a "one-stop" shop also needs to be located on the main MSU campus. Dr. Brockway reported Mike McCall, President of the Kentucky Technical and Community College System, recently cited the relationship between Murray State and Madisonville Community College as an example of the positive partnership which can exist between transfer centers in two different locations.

Lunch Adjournment

The Board adjourned for lunch beginning at 11:35 a.m. and ending at 12:25 p.m. Chair Stout called the BOR Annual Planning Retreat and Work Session back to order at 12:25 p.m.

Regents' Initiatives and Issues

Economic Stimulus Funding/Grants/Earmarks

In response to a Regent question regarding whether a decision has been made on how economic stimulus funding would be utilized, Dr. Dunn reported the Office of Sponsored Programs is monitoring grant announcements to determine if any could potentially result in successful funding for the University. In their sentinel role Sponsored Programs will send announcements to individuals if the grant falls within their area of interest. To date three to four applications have been submitted for grants, with a competitive grant for a spectrometer being successfully funded through stimulus funding provided to the University. Mr. Jacobs reported some past applications not previously funded have now been successfully funded due to pressure from the federal government on the various agencies to distribute stimulus money. These agencies are reviewing the pool of applications which came close to being funded during the first cycle to determine if any can now be funded with economic stimulus money. The most recent example is the McNair Scholars Program which had not been funded for this year but through stimulus funding has now been refunded to continue work with disadvantaged students.

The CPE coordinated the preparation of approximately 50 papers focused on opportunities for the various campuses to work together on joint projects where there could be a statewide application for stimulus funding and Murray State was represented in this effort. In-house work is being handled through Sponsored Programs and the statewide effort centering on these papers is being undertaken at the Commonwealth level. The third piece being undertaken is what the University could receive through the earmark process. In federal fiscal year 2009, MSU received earmarks for the Breathitt Veterinary Center and it seems this was driven in part by some stimulus support, and in 2010 \$750,000 in funding for the University has been recommended in committee. This is the approach the University is pursuing and the Deans have done an excellent job ensuring they follow up with staff when opportunities are identified by Sponsored Programs. Any comprehensive, mid-major institution will be challenged to secure its share of economic stimulus funding because research operations are not as refined as they are on a flagship research university campus.

The Commonwealth of Kentucky is utilizing state stabilization funding from the stimulus money being provided to backfill the budget for the Commonwealth. The University will receive about \$3.7 million in stimulus money but this simply represents a "swap" for state funding no longer available. The University's state appropriation is approximately \$50.1 million – which will be reduced by \$3.67 million – to support other needs of the state – and state stabilization money will

be used to backfill the loss in funding. Rigorous reporting requirements accompany this funding and while the administration is still reviewing the issue with the goal of funding one initiative with state stabilization money to simplify reporting requirements, the area being considered pertains to scholarships the University funds internally. Dr. Dunn summarized with regard to economic stimulus funding the University is participating in competitive grants identified through the Office of Sponsored Programs and competitive grants through the state, in addition to utilizing stimulus funding from the state stabilization package.

Faculty and Staff Salaries

Chair Stout attended the Staff Recognition and Faculty/Professional Staff luncheons and indicated to both groups at the May meeting the Board of Regents discussed faculty and staff salary issues but at that time could not justify raises given the budget situation. He expressed to each group the Board is aware of the importance of addressing salaries and plans to revisit the issue at the December meeting. If enrollment remains strong and the University is not faced with further budget cuts, while not speaking for the Board collectively, the issue will be revisited at the December meeting. Most Board members support some type of increase to be applied to base salaries, especially considering it has been over two years since MSU employees have been provided with any sort of raise. Mrs. Buchanon reminded all that last year in either September or November the University was told by the state it would not be faced with additional budget cuts which turned out not to be the case and last month's sales tax receipts for Kentucky are 45 percent lower than anticipated. Mr. Adams thanked Chair Stout for addressing this issue at both luncheons and the fact the issue was even mentioned has been very well received. Chair Stout wants to ensure faculty and staff know the Board is aware it has been an unprecedented time for the national economy, the Commonwealth and Murray State.

For the benefit of the new Regents, Dr. Dunn added if the University is able to offer additional compensation this effort would be driven by an increase in enrollment above what is presently budgeted for. The University must wait until final enrollment numbers are in to determine what any overage in revenue additional enrollment could provide. Other institutions are also having this discussion, because CPE President Robert King has to some degree lectured the Presidents, indicating he does not believe it is a good time for Boards to be taking this action and is concerned about the message it sends politically. All Presidents are in agreement this is an issue which must be reviewed. Ms. Green asked how much a 1 percent salary increase would cost the University and Dr. Dunn reported with benefits the amount is approximately \$778,000. Dr. Morgan indicated a question was posed by faculty whether individuals employed effective August 1 would immediately, within three to four months of arrival on campus, receive an across-the-board raise and how this issue would be handled if the raise was retroactive to May. Dr. Dunn indicated this decision has not yet been made but when the \$400 stimulus payment was issued there were rules as to who qualified for the increase. Once these guidelines have been determined they will be presented to the Board with a cost analysis.

In response to a question from Mr. Schooley, Dr. Dunn reported for the last two years the University has provided separate budget funding to address salaries for the lowest paid staff in an attempt to raise their salaries to the market level (per capita) for Calloway County (across various skill areas). Where University salaries are lower than the per capita income for Calloway County, additional money has been provided to increase salaries for staff on the lower end of the pay scale. The University is committed to conducting a full-scale staff salary study to review equity across categories of positions at the University and externally. This study will cost between \$50,000 and \$75,000 and is budgeted for, but due to Banner implementation the University is waiting to conduct the study until a significant portion of the system is implemented. The two offices that will be integrally involved in the study – Accounting and Human Resources – simply do not have the bandwidth to take on this work now because they are heavily involved with Banner. Undertaking this study has been promised for a number of years and since it will not be conducted until Banner implementation is further along, the University has been distributing \$50,000 per year among the base salaries of staff at the lower end of the pay scale, above and beyond the \$400 stimulus payment or promotions. Whether this practice continues will depend on where the University stands in regard to the salary study but hopefully the study can be undertaken this year and in 2010-11 money can be placed into a fund to address the results. Mrs. Buchanon asked if the study is being conducted internally and Dr. Dunn indicated consultants would undertake this work because the initiative is too large to be handled internally. If the University was challenged on a pay equity situation it would also be better for

experts to have conducted the study. An RFP has been submitted, some proposals have been received and the Director of Human Resources hopes to complete the study prior to the spring budget process.

Enrollment

In response to a Regent question regarding enrollment over the next few years, Dr. Dunn reported the University is following enrollment targets set by the CPE around the “double the numbers” goals and this information can be made available to the Board. Current indications are the University is 16 percent above admissions compared to last year but there is no way to say for sure all these students will actually come to MSU. If they do, the University will be on track to meet freshman enrollment targets under “double the numbers” but these students cannot be counted until they are actually on campus. The information currently available pertains to applicants and admits but the “double the numbers” metric is based on actual bodies and how this matriculates to number of degrees produced. Until Murray State’s metric of applications turns into actual bodies it is difficult to respond to the question. Dr. Curris indicated total enrollment is based on retention and other issues but in terms of the entering class he asked how numbers look in terms of students showing up for Freshman Orientation and Chair Stout and Dr. Dunn indicated freshmen numbers are strong and it was even necessary to add additional sections of Freshman Orientation to handle the increase. Although applications were up by 15 to 16 percent this did not play out for orientation sessions and the number of housing applications anticipated did not materialize, which also caused some concern. It is believed this is due mainly to the economy and students making the decision to live at home. The harbingers are good but actual numbers will start to become apparent after the first few days of classes and as bills are paid.

Risk Assessment

Mr. Adams stated through audits and financial reports the Board must be made aware of the risks the University is facing and this has been mentioned during Trusteeship conferences and also at Board meetings. He requested at some point a presentation be made on what risks the University potentially faces. Dr. Dunn indicated he and Mr. Denton would like to hire an individual to undertake risk assessment work on a full-time basis for the University and it is also necessary to hire a property manager because Mr. Denton spends too much time doing property management work for the University. He has hesitated to hire a risk assessment staff person due to the additional cost involved and the fact it would add another individual in administration. Currently some risk management information comes from Public Safety and Emergency Management. Jeff Steen who works within that unit has as part of his duties, in addition to emergency management, to take on risk management issues within his area of expertise. The University accountants, insurance carriers and General Counsel also undertake some of this work for the University. Mr. Denton coordinates the effort but many others undertake risk assessment work based on their areas of expertise. The University does not have a plan or person in place to consistently and continually review all units of the University to address this initiative but if it did this could also result in savings on property, casualty and liability insurance.

Mr. Adams asked whether there is someone looking at future birth rates, etc. to determine what can be expected with regard to enrollment. Dr. Dunn indicated this work occurs for the entire Commonwealth (through the CPE) but the most insightful data results from bond issues. When the University undertakes bond sales the underwriters conduct a thorough analysis which provides the most insightful information on the future and risk factors as they relate to overall operational issues. This is especially true if the University is purchasing revenue bonds – bonds backed by what students are paying – because underwriters review closely what the future entails. The *Moody’s Report* probably provides the most insightful reading and while Dr. Dunn offered to send a copy of the report to the Regents some time ago, he can still provide a copy if requested because the report offers compelling analysis about future population growth and development. Dr. Curris suggested periodically engaging the University’s executive officers in a retreat-type setting to consider risk assessment might be helpful. These individuals could identify and discuss major threats to the University and Dr. Dunn agreed, stating one issue as the University figures out how to address this, assuming a risk manager will not be hired, is identifying a way to implement a written and documented plan to be provided to senior leadership to ensure they are monitoring risks and undertaking appropriate record keeping within individual units.

Comprehensive Campaign

Chair Stout encouraged all Regents to participate and make a commitment to the Comprehensive Campaign. It is very important to be able to indicate there is 100 percent participation in the Campaign among the MSU Board of Regents and Foundation Board of Trustees.

WKMS

Chair Stout reported WKMS-FM Radio Station made a programming change and moved to a much more news-oriented format with less classical music. As a Regent he received a letter from a faculty member writing in support of classical music. Mrs. Buchanon indicated she has received six calls from individuals in Grand Rivers which surprised her. Dr. Dunn reported altogether approximately 50 individuals have registered some sort of complaint or issue – but only three complaints have been sent directly to him. For WKMS a significant donor is someone who donates over \$1,000 per year and two such individuals have indicated they may not continue to support the station at that level. WKMS had done their homework on this issue before making this change which represents the current trend with national public radio (NPR) stations throughout the country and the number of complaints in terms of total WKMS listenership is relatively low. Three individuals have contacted Dr. Curriss expressing displeasure over the programming change and while he does not believe the Board should be involved in micromanaging the institution, he would be interested to know how the format change decision was made because the license during his tenure as President was issued to the Board and Dr. Dunn confirmed this is still the case. Dr. Curriss stated under these circumstances the Board has more responsibility for the radio station if something goes awry. He is concerned at the time the public radio station was established at Murray State the concept was there would be alternate broadcasting which would provide to the populous a form of radio programming different from what would normally be received. In a world where so much news is offered on every cable channel and on many radio stations with associated commentary, he questions whether the original mission of providing alternate programming is being fulfilled. Dr. Dunn reported the issue of licensure was reviewed as part of the programming change and was vetted out internally and consideration was given to whether the University was within the requirements of licensure by making this programming change. WKMS staff would be willing to make a presentation to the Board to outline the process undertaken and share survey work as well as decision making which played a role in the process. Chair Stout indicated the difference between this area and metropolitan areas such as Lexington or Louisville is FM radio is saturated with country music, rock and oldies music. There is currently one news-based station and the WKMS change balances programming needs.

Tuition Uncapping

Dr. Dunn reported the CPE has pledged to work toward putting a group together this year to develop a statewide proposal on uncapping tuition for any hour above 15 and consensus among institutions is that 15 hours is the level where uncapping tuition should be considered.

Board Operational Issues, Meeting Management and Other Expectations

Chair Stout reported 2009-10 BOR quarterly meeting dates as well as a listing of various campus events was provided in the Board packets and encouraged all to attend the Governor's Conference on Trusteeship on September 11, 2009, in Bowling Green, Kentucky. After the quarterly BOR meeting dates had been set, it was discovered the May 2010 CPE meeting will be held on Monday, May 24, which follows the Murray State BOR quarterly meeting scheduled for Friday, May 21, 2010, and concern was raised whether the MSU meeting date should be changed. Dr. Dunn suggested waiting until closer to time so there is a more accurate picture of the CPE's trajectory but asked Regents to keep in mind that moving the May 2010 Board meeting is a possibility. Chair Stout reminded Regents Mrs. Hunt Lovett is the Board contact person from the President's Office and if Regents have an inquiry but are unable to speak with Dr. Dunn, they can certainly speak with her. When issuing a response to individual Board member inquiries the President's Office will direct its response to the full Board.

If any Board member would like to change the way meetings are managed or address any operational issue they were encouraged to let Dr. Dunn know. Examples include the amount of

information contained on agendas, additional time allotted for work sessions, satisfaction with committee structures, the process utilized for compiling agendas and how Board meeting notebooks are delivered. After Chair Stout has an opportunity to review the tentative meeting agendas Dr. Dunn will send an annotated version to the Board for review. With previous agendas Board members did always have the necessary briefing materials to fully understand what is being considered and an annotated agenda will provide background information. The CPE has started holding work sessions and this could also be implemented for the MSU Board if desired. Dr. Dunn wants all to be aware there are many ways to structure Board governance work and the Retreat presents an opportunity for the Board to consider whether such changes in structure should be instituted. Mrs. Buchanon enjoys the “Spotlight” portion of the meeting and it is informative but she also feels sometimes too much time is spent on this particular area. Dr. Dunn agreed it takes about one hour to complete the Public Participation, Spotlight and President’s Report portions of the Board meetings and will take her suggestion into consideration.

Chair Stout subscribes to the corporate model and with regard to instituting work sessions similar to what the CPE has done, he believes the Board of Regents committee meetings develop into work sessions. If a Board member has an item to be discussed during committee they simply need to forward that information to him, Dr. Dunn or Mrs. Lovett to ensure the topic is added to the appropriate committee agenda. Committee meetings begin in the morning with approximately one-half hour allotted for each meeting. At the end of the individual committee meetings, and after in-depth discussion, a decision will have been made regarding recommendations to advance to the full Board during the afternoon Plenary Session. Mrs. Buchanon added there are occasions when the Board has items to discuss which are not addressed during the committee meetings but are instead left for discussion during the Plenary Session. Dr. Dunn stated he can cut back or eliminate the President’s Report but has some concern about making unit accomplishment announcements in any other way because many times the units or individuals enjoy being highlighted during the President’s Report at a Board of Regents meeting. Presenters for the “Spotlight” portion of the meeting are limited to five to seven minutes for their presentation but sometimes these individuals exceed that time limit and he agrees this is a concern. Mrs. Buchanon suggested presenting the additional reports at the end of the meeting so the most substantive issues can be addressed first and Dr. Dunn agreed to keep working to identify a way to address this concern.

In response to a question from Dr. Curris, Chair Stout indicated the Board meets in quarterly session on a Friday with committee meetings starting early in the morning. Not all eleven committees meet during every Board meeting and these meetings are not streamed via the Internet. The committees which usually meet include Academic Affairs, Audit, Buildings and Grounds, Faculty/Staff Affairs, Finance and Governmental Relations and the remaining committees meet as warranted by agenda and discussion items. Parallel committee meetings are not currently held and all Board members are invited to attend and participate in each committee meeting, with only members of a committee able to vote on an agenda item and the committee actions are then referred to the full Board.

During the afternoon Plenary Session, which is streamed live via the Internet, the committee Chairs provide the full Board with a condensed version of discussions which occurred during the morning sessions with the expectation the Board will then vote on each recommendation. Previous discussions have taken place about the possibility of holding committee meetings the afternoon prior to a full Board meeting and all agreed Board meetings should continue to be limited to one day and the opportunity to participate in all committee meetings should continue to be extended to Board members. Chair Stout further explained there is an opportunity for “Public Participation” at the beginning of each Plenary Session which allows any member of the public to address the Board – which should occur since the Board is a public agency. Individuals are required to register, are limited in the amount of time allotted to speak and the entire public comment portion of the meeting is limited to 30 minutes.

Dr. Dunn encouraged Regents to let him know if they are aware of other practices boards may be using that would be applicable for Murray State. Mrs. Buchanon suggested holding Board meetings at a different location once a year and Dr. Dunn believes this warrants discussion because the suggestion was also mentioned last year but there could be some logistical concerns. If a meeting was held off campus the Board must understand there will be significantly increased costs to the University because the same individuals who attend meetings on campus will incur

travel costs to attend meetings at off-campus locations and this includes staff members who are required to attend, the streaming team, audience members who deem it necessary to attend as well as presenters. Mrs. Buchanon moved to table her request because at this point the Board must be aware of the extra costs involved in holding a Board meeting off campus. All agreed the concept is desirable but the logistics and costs are a major factor given the current economy. Dr. Curris stated if the meetings are held at the extended campus centers the University could benefit from the additional public relations exposure by demonstrating Murray State serves this region and the Board is willing to periodically hold meetings at its extended campus sites and all agreed this would send a powerful message.

Dr. Morgan inquired about the possibility of holding a webinar for Board members to receive updates on a specific topic and how Open Meetings Law affects the feasibility of doing so. Chair Stout indicated there is no provision for such an arrangement in Kentucky law and Dr. Dunn added there is certainly no provision for voting. Dr. Morgan clarified he is referring to a purely informational webinar and Dr. Dunn responded if this was the case it would not be an issue if the webinar was made available to everyone. General Counsel can undertake a review of the issue if requested.

Future Direction for University Strategic Imperatives

Dr. Dunn reported discussion needs to occur over the coming year on the next generation of strategic imperatives for the University and asked the Board to begin thinking about engaging in discussion around two or three “big ideas” that could serve as the new strategic imperatives which will advance the University over the next three to four years. Current focus has been on the imperatives of fostering excellence, creating community and building partnerships but the University cannot rest on these same imperatives indefinitely. The article “*Gremlins of Governance*” was provided to Board members and illustrates one role a university Board must undertake is determining which ideas will be introduced to the University community as the next strategic imperatives for the institution. These new imperatives should revolve around quality factors and innovation which will move Murray State into the top tier of public master’s level institutions throughout the country. Dr. Dunn suggested if the Board desires to have a more concrete approach to strategic planning this can be accomplished. Strategic thinking in large organizations is moving in the direction where “simplicity is better” and having ideas emerge from the various units around this work is highly desirable. If the Board wants to implement a more traditional strategic planning process that is certainly an option but he favors the strategic imperatives approach which is becoming the standard for large-scale organizations. Mr. Adams has committed the strategic imperatives to memory but never committed the *Strategic Plan* to memory. Dr. Dunn indicated this is a valid point because a test of good strategic working in an organization is if employees can cite the three or four main goals of the organization and illustrate ways they and the institution are advancing this work. Murray State is passing this test and individuals understand in order to receive resources for new endeavors and latitude to work on special projects they must be able to tie this work to the strategic imperatives. Dr. Dunn attended many of the opening meetings for the academic colleges last week and previewed his remarks for the Faculty/Professional Staff Luncheon, stating that quality issues would be addressed in greater detail. All were in agreement that over the last three years new initiatives have been implemented and now would be the appropriate time to take a year to improve on these endeavors. The message was very well received in the college meetings, especially in light of Banner implementation and the current budget environment.

Mr. Adams asked how Murray State is addressing STEM education with regard to teacher preparation in the field and whether the University is encouraging and training individuals from the workforce with math and technical backgrounds and placing them in the school systems. Dr. Dunn reported the University offers an alternative certification program through the College of Education which targets such individuals, indicating they can participate in the MSU alternative certification program to become certified to teach. The number of individuals registered for these programs is currently at capacity and traditionally those who come through the alternative certification program have experience in the STEM fields. The University, through the extended campuses, is working with local school systems to offer traditional certification, particularly in the field of mathematics. Such projects have been conducted in Graves County (Mayfield) and Hopkins County (Madisonville) and work is underway in Christian County (Hopkinsville) to offer both math and science certification through a master’s degree program. The University has been responsive to school systems when they indicate a need exists for traditional certification

but has not actively solicited schools to determine whether such needs exist. The College of Education is struggling to meet the needs of the school systems that have already asked for help in filling this need. When the University offers programs in alternative locations it requires participation from 20 to 25 teachers on the front end in order to be feasible. The University is undertaking a lot of this work through alternative certification programs and by responding to specific school system requests but there is no program in place to market alternative certification programs to individuals or school districts.

Mr. Adams suggested assigning an individual to identify persons who may be retired but have the ability or training to teach in the STEM areas. Dr. Dunn indicated the University has reached the point where it must expand alternative certification capacity within the College of Education which will require at least one additional employee and more class sections but could also result in increased enrollment. Funding to undertake this work can be identified but all must remember there are competing demands for limited resources. Alternative certification program information will be compiled and shared with the Board and will include the number of individuals in STEM fields who successfully completed alternative certification programs. Mrs. Buchanon indicated all are aware of what has been undertaken at Western Kentucky University (WKU) with math and science programs for high school students and many are also aware of the “middle college” initiative underway at West Kentucky Community and Technical College (WKCTC). She asked if MSU has reviewed the impact these initiatives may have on freshman enrollment at Murray State or whether the University can offer a program to complement these initiatives. Dr. Dunn responded the University cannot recreate the state-funded Math and Science Academy at WKU – unless the Board is willing to designate millions of dollars to do so – and is partially filling this need through camps, summer experiences and outreach initiatives. Outreach efforts in the College of Science, Engineering and Technology (SET) are impressive and could represent one of the best outreach programs in the country in terms of the amount of outreach work undertaken. Extensive work is undertaken to offer individual experiences to pre-college students to help them become connected to a particular field and to Murray State, whether through a robotics camp, *Project Lead the Way* or engineering camps. There is no one program called “middle college” but (particularly out of SET) outreach work is being undertaken which matches efforts taking place at universities similar to Murray State. Mrs. Buchanon agreed outreach work in the College of SET is impressive but asked whether similar initiatives are taking place across the curriculum. Dr. Dunn indicated an initiative on the scale of what is offered by WKU or WKCTC has not been reviewed and efforts at MSU are more driven by outreach efforts in the individual colleges. The potential of offering such a program can be reviewed but currently there is not enough bandwidth to address the issue. Mrs. Buchanon indicated the “middle college” initiative may hurt Murray State and Dr. Dunn stated it could also help the University over time with an increased number of transfer students. The “middle college” is basically a program where WKCTC places students who have had challenges completing a regular high school curriculum into a “middle college” setting to undertake coursework that also counts toward college credit. Students in this program complete their high school diploma through entry-level college courses and the program is currently being offered in Marshall and McCracken counties.

Dr. Dunn indicated while not a lot of discussion today has taken place with regard to transfers, MSU’s numbers are not strong in this area and this issue must be corrected. A Transfer Center was formed over the last year but the challenge is to find physical space for the Center and to this point it has been serving as a “virtual” Transfer Center. Dr. Van Horn has responsibility for overseeing the work of this office but there were numerous issues which arose over the past year that led to disappointing transfer numbers. The Transfer Center must produce better numbers and if it is unable to do so the entire initiative will be revisited. The Transfer Center infrastructure is in place and although the Center has not yet produced significant numbers, it is expected that will change over the coming year. Mrs. Buchanon supports efforts geared toward enrolling more transfer students but does not want the University to lose sight of the importance of attracting and retaining full-time freshman residential students. Dr. Dunn reported these numbers remain solid and the University is attempting to push out into the catchment area so the feeder line remains strong.

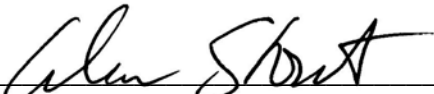
Preparation for Presidential Evaluation Process

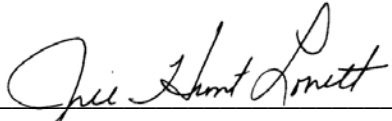
Chair Stout reported last year the presidential evaluation process was undertaken and the evaluation instrument used was one recommended by the Association of Governing Boards

(AGB). This instrument allowed individual Board members to evaluate the President on a number of factors and as Chair he coordinated the effort by distributing evaluation packets to each Board member and requesting the evaluations be returned to him once completed. He compiled information received from the Regents into a summary and returned the original evaluation forms to each respective Regent. He then reviewed the evaluation summary, including every Regent comment verbatim, with Dr. Dunn. This marked the first year such an extensive process had been utilized for presidential evaluation and the Board agreed it will be the process utilized again this year. Mrs. Buchanon requested the entire Board be provided with a copy of the completed compilation report presented to the President and Dr. Dunn indicated the compilation report was made available last year for Regents to review, although only a couple of Regents actually asked for a copy of the document, and cautioned the summary should remain an internal Board document. There is still an open court case in Kentucky regarding superintendent evaluations and the Board will be kept apprised of where the case stands as the court reaches a decision. The Board will recall it did not go into Closed Session when the evaluation was discussed (either with or without Dr. Dunn) because of this open case regarding superintendent evaluation. General Counsel John Rall has indicated this case would be applicable to Murray State as a public university and once the case is decided, and depending on the outcome, for Dr. Dunn the optimal situation would be for the compilation document to be reviewed and discussed (between the Board and the President) in Closed Session. At this point it is clear any discussion regarding presidential evaluation must take place during Open Session. All agreed the same presidential evaluation process will be followed this year as was utilized last year unless it becomes necessary to modify the process as a result of the court decision.

Adjournment

Chair Stout reminded all the next quarterly BOR meeting is Friday, September 25, 2009. The Murray State University Board of Regents Annual Planning Retreat and Work Session adjourned at 2:20 p.m.

Chair 


Secretary