

**Minutes of the Special Meeting of the Board of Regents  
Murray State University  
April 24, 2020**

**Call to Order/Roll Call**

The Murray State University Board of Regents and the Board of Regents Academic Excellence and Scholarly Activities, Enrollment Management and Student Success and Finance committees met in Special Session on Friday, April 24, 2020, via video conferencing (ZOOM). Chair Dan Kemp called the meeting to order at 8:30 a.m. The roll was called and the following Board members were present: Trey Book, Eric Crigler, Virginia Gray, Sharon Green, Dan Kemp, Leon Owens, Jerry Rhoads, Lisa Rudolph, Phil Schooley, Melony Shemberger and Don Tharpe. Absent: none.

Others present were: Robert L (Bob) Jackson, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; Tim Todd, Provost and Vice President for Academic Affairs; Jackie Dudley, Vice President for Finance and Administrative Services and Treasurer to the Board; Don Robertson, Vice President for Student Affairs and Enrollment Management; Robert Miller, General Counsel; Jordan Smith, Director of Governmental and Institutional Relations; Renee Fister, Director of Institutional Effectiveness and Strategic Planning; Shawn Touney, Executive Director of Marketing and Communication; David Looney, Executive Director of Auxiliary Services and Information Technology staff who were monitoring the technology component of the meeting. The meeting was also streamed live to provide access to the general public.

**AGENDA**

<b><u>Call to Order</u></b>	<b>Chair Kemp</b>
<b><u>Roll Call</u></b>	<b>Secretary Hunt</b>
<b><u>Report of the Chair (For Information Only)</u></b>	<b>Chair Kemp</b>
<b><u>Report of the President (For Information Only)</u></b>	<b>President Jackson</b>
<b><u>Committee Reports/Recommendations</u></b>	
<b>A. Academic Excellence and Scholarly Activities Committee</b>	<b>Regent Shemberger</b>
<b>1) Academic Affairs Update Report (For Information Only)</b>	
<b>B. Enrollment Management and Student Success Committee</b>	<b>Regent Rudolph/ Regent Book</b>
<b>1) Summer and Fall 2020 Enrollment/Recruiting Update (For Information Only)</b>	
<b>C. Finance Committee</b>	<b>Regent Rhoads</b>
<b>1) Fiscal Year 2019-20 Budget Update (For Information Only)</b>	
<b>2) Fiscal Year 2020-21 Budget Update (For Information Only)</b>	
<b>3) State Budget/Legislative Session Update (For Information Only)</b>	
<b>4) Federal Stimulus Package Update (For Information Only)</b>	
<b>5) Kentucky Employees Retirement System Pension Update (For Information Only)</b>	
<b>6) Authorization of 2020-21 Tuition and Mandatory Fee Rates*</b>	
<b>7) Approval of 2020-21 Housing Rates*</b>	
<b>8) Approval of 2020-21 Dining Rates*</b>	

**Full Board Action Follows Committee Action.**

**Adjournment**

**Report of the Chair, received**

Chair Kemp expressed appreciation to Secretary Hunt and the Information Technology staff for making this meeting possible via ZOOM in order to continue the important work of Murray State

University. He also expressed appreciation on behalf of the entire Board to President Jackson, faculty, staff and students for working diligently to make the necessary adjustments to keep the semester operating under the extreme circumstances caused by the world pandemic. President Jackson's leadership has been exemplary and so has the work of faculty and staff. The student move-out went smoothly, as did the conversion to online classes, all while maintaining the University's focus on recruitment and enrollment. The fact the University staff and faculty made an effort to call and send notes to all current students, as well as those admitted for this fall, is above and beyond the norm. This is what makes the Murray State community special and he could not be more proud of everyone. As announced on Monday, this will be his last meeting as Chair because he has resigned, effective May 15, 2020, six weeks before his term would have expired. He did so in order to facilitate Senate confirmation of Regent Leon Owens who he knows will be an outstanding member of this Board. It has been an honor to serve as a Regent and it has been a particular honor and pleasure to serve as Chair this year. He has enjoyed working with President Jackson and his outstanding team. Chair Kemp made special mention of his thanks and appreciation to Secretary Hunt who has done a super job throughout his entire time on the Board. He thanked every member of the Board for their friendship and service to Murray State. This is an outstanding group of men and women whom he deeply admires and respects. He will cherish the memory of all the good times the group has enjoyed together and will leave the Board knowing that Murray State is in good hands.

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

### **Report of the President, received**

Dr. Jackson expressed appreciation to Chair Dan Kemp who has served nearly six years on this Board. The commitment he made to this University says a great deal about his character and, most importantly, his selfless act of service in making the decision to resign six weeks early in order to accommodate the confirmation of another excellent Regent – Leon Owens. All appreciate Chair Kemp for his service and friendship. Over the last eight weeks he has leaned on Chair Kemp near daily as many changes were made within a quick timeframe. He is a rock and a wonderful counselor and appreciation was expressed on behalf of Murray State University.

Dr. Jackson expressed appreciation to students, faculty and staff, as well as the Board of Regents. Everyone has been supportive, helpful and adjusted well during these uncertain times. There is no rule book with regard to all the truly unprecedented decisions that had to be made over the last many weeks. He expressed special appreciation to Provost Todd and Associate Provost Bob Pervine, Vice President Dudley, Vice President Robertson, Ms. Hunt, Mr. Smith, Mr. Touney, the Deans, General Counsel Miller and others for their efforts to keep this University moving forward. He is also proud of how students have adapted and adjusted to online and alternative class delivery. He is proud of faculty and staff who have adjusted to issues they have never had to think about in the past. All have adjusted and responded well.

In February, a Coronavirus Work Group was formed to begin the process of determining how the University would respond to changes necessary to keep the Spring Semester on track. Changing courses to an online or alternative format required quite an adjustment for some and appreciation was expressed to Dean of University Libraries Ashley Ireland, Dr. Shemberger and the Information Technology staff for their work in this regard because the transition process has been carried out extremely well. The Online Champions group helped train up faculty, enabling them to make the necessary changes within one week's time. These individuals were also fundamental to making the pass/fail grading system changes and the process represented a true model of shared governance. Only ten percent of the student body opted for the pass/fail option for some of their spring courses. Appreciation was expressed to Mr. Looney and his staff who played an instrumental role in the residence halls move-out process. They did a masterful job ensuring this was carried out safely, thoughtfully and in an organized manner. The University received numerous compliments from parents and families who were part of the process. They felt safe while on campus and believe the process was handled extremely well. Appreciation was expressed to Vice President Dudley and Student Financial Services staff who have processed approximately \$4.5 million in financial aid credits and refunds for housing and dining. Student Financial Services staff have also worked to determine financial implications the University will have to address for Fiscal Year 2020 (FY20) and Fiscal Year 2021 (FY21). This has truly represented a night-and-day effort over the last few weeks.

Over 95 percent of faculty and staff are working remotely and that transition has also been carried out well. Appreciation was expressed to Vice President Robertson and the Enrollment Management team for their work related to summer and fall enrollment. An important component of this work has involved retention and student success efforts led by Director of Student Engagement and Success Peggy Whaley and others, under Dr. Robertson's leadership. The most difficult part of this work will be determining how to transition for the Fall Semester and this work is currently underway. The advice and counsel of Board members as part of this process is also appreciated because exactly what the transition will entail remains unknown. Dr. Robertson, and staff and others – including Executive Director of Development Tina Bernot, Director of Alumni Relations Carrie McGinnis and Athletics Director Kevin Saal – have helped make calls to check on every current student and get feedback related to technology, scholarships and financial aid. Phone calls are also being made to check on newly-admitted students by Director of Recruitment Shawn Smee, Director of Undergraduate Admissions and Transfer Center Maria Rosa, Senior Associate Director of Recruitment Roslyn White and their staffs.

Dr. Jackson reported that the Board would be presented with information relative to the FY20 and FY 21 budgets and decisions which have been made in this regard since the beginning of this crisis, as well as those that will be put in place for FY21. At the June 5, 2020, Quarterly Meeting more detailed discussion will occur relative to the FY21 budget. A record number of scholarships were awarded this year but students and their families are indicating a great need for even more scholarship assistance moving forward and this must be addressed for recruitment and retention purposes. The University is doing everything it can to assist these students and their families, as many have lost their job due to the pandemic. Appreciation was expressed to the MSU Foundation that has provided \$100,000 from unrestricted reserves for retention and need-based scholarships for the Fall Semester. The University has been asked to put a plan in place to match this contribution to further assist students and their families. The *Racers Give* campaign has been established in order to accomplish this objective. As of last night, over \$150,000 has been raised to assist students and their families for the Fall Semester and appreciation was expressed to alumni, friends and faculty and staff who have contributed as part of this effort.

Approximately 71 percent of the University's budget is enrollment driven and efforts must continue to be focused in this regard. Preliminary reports in regard to this work are positive. Summer enrollment is currently up and this is a tribute to those who have worked diligently to make this happen because it is crucial for the FY20 budget. Registration opened for the Fall Semester a few weeks ago and numbers look good, indicating the University is moving in a positive direction.

Relative to state legislative action, the Senate has confirmed the appointment of Regent Leon Owens. Appreciation was expressed to Mr. Smith for his work in this area. The state also passed a flat, one-year budget. This is the first time in recent history that only a one-year budget has been passed as the state normally passes a biennial (two-year) budget. Due to the Performance Funding Model, which is based on volume, the University will lose approximately 2 percent of funding (\$825,000). A work group comprised of university Presidents, legislative leaders and the Council on Postsecondary Education (CPE) will continue to work to determine how the Performance Funding Model can be improved moving forward. Murray State and other smaller institutions have not benefitted in any way from the current model – while larger universities have – and critical changes are needed.

Given the current environment, no tuition increase will be recommended because it is the right thing to do for Murray State students and their families. The CPE is meeting today to determine the actual tuition cap that will be set for the universities. The Finance Committee for that body has also recommended a zero percent tuition cap, although that could be amended to a two percent increase to provide some flexibility for institutions. Any housing and dining rate increases will also be minimal to help meet the University's financial obligations related to housing and contractual obligations to Sodexo.

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

## **Committee Reports/Recommendations**

### **Academic Excellence and Scholarly Activities Committee**

Melony Shemberger – Chair  
Trey Book  
Virginia Gray  
Dan Kemp  
Leon Owens

Dr. Shemberger called the Academic Excellence and Scholarly Activities Committee to order at 8:55 a.m. and reported all members were present.

#### **Academic Affairs Update Report, received**

Provost Tim Todd reported that the University is approximately three months away from the official launch of Murray State's collaboration with Academic Partnerships to offer five online graduate degree programs to coincide with the start of the Fall Semester. These include the Master of Business Administration (eight concentrations), Master of Public Administration (six concentrations), Master of Science in Cybersecurity, Master of Science in Information Systems (business analytics concentration) and Master of Science in Mass Communications (public relations concentration). The University received the first iteration of marketing materials approximately ten days ago and these were branded with Murray State colors and guidelines and were reviewed by the appropriate campus entities. An adjusted academic calendar has been created for the delivery of seven-week courses within the existing terms to ensure the traditional start and end dates for the semesters are accommodated. Faculty teaching these courses have completed instructional design training hosted by Academic Partnerships. Processes have been implemented to streamline admissions and enrollment ensuring that interested students will have decisions more quickly. Changes have been made to full-time graduate status so that students are eligible for financial aid even when they are taking only one class per seven-week term, ensuring compliance with federal financial aid guidelines per Bursar and Director of Student Financial Services Wendy Cain. A successful launch of these programs in August is important now more than ever. Many faculty and staff have been involved in this work and those individuals were recognized.

Faculty did a fantastic job of turning the academic ship on a dime and converting courses to an online or alternative delivery format and individuals integral to this work were recognized. The Online Champions were identified by name and recognized for their efforts in this regard. A pass/fail option was also implemented for students in select courses and Deans, Chairs and faculty led these efforts. The policy changes for the Spring Semester accomplished three important things. First, through shared governance, it allowed faculty to own the curriculum to decide which courses they would approve for optional pass/fail grading. Second, it allowed autonomy for each student to make the request to change to pass/fail grading or not make the request based upon a list of faculty-approved courses. Third, the policy changes allowed faculty advisors to utilize their expertise and serve as the final approvers on action which would provide for the best student outcome. This represented a shared governance perspective that involved choice on all three levels. The process also involved veto power at the end if a student requested a pass/fail option when it would actually harm them – providing further checks and balances. During the Spring Semester, 1,417 courses have been converted to the pass/fail option. The deadline is today but as of last evening 823 students have submitted a request for at least one course to be converted to pass/fail. Over the next two weeks communication will continue with faculty, advisors and students to finalize the process. Appreciation was expressed to Deans; Chairs; faculty; Faculty Senate; the Registrar and Branding, Marketing and Communication and Provost Office teams as all played a key role to ensure a timely transition.

During the last academic year, many have been involved in streamlining the *Racer Academy* dual credit program. Dr. Fister and her team led a significant study on yield and based on that data, the vision is to positively reposition and enhance *Racer Academy* by offering a credential, a certificate, to ensure a success pathway for collegiate points of focus to yield more students to Murray State. The details of *Racer Academy* dual credit changes were outlined relative to a five-course pathway for Nursing and Health Professions; business and entrepreneurship; Humanities and Fine Arts; Science, Engineering and Technology; Education and Human Services;

University Studies (including undeclared students) and agriculture. Appreciation was expressed to Mrs. Rudolph and her family for all they do for students in the Four Rivers region. Appreciation was also expressed to President Jackson and faculty and staff involved in bringing this initiative to fruition. Mrs. Rudolph expressed appreciation to Drs. Jackson, Todd and Pervine for their work in revamping *Racer Academy* and for their collaboration with the Four Rivers Foundation.

Summer lecture classes have been transitioned to an online format. In summer 2019, there were 236 courses offered online. This summer there are over 380 online courses and 721 total courses which include independent studies, co-ops and internships. Significant activity for online training and advising has also been conducted due to the importance of this work. Appreciation was expressed to all faculty and staff involved in this effort.

On behalf of the division of Academic Affairs, Provost Todd expressed appreciation to Chair Kemp for his leadership. He will be greatly missed.

Dr. Shemberger expressed appreciation to all Racer faculty for their work and cooperation throughout the transition process. Many faculty have now identified what works for them and all understood the need to persevere through challenges presented and are to be commended for their efforts. Appreciation was expressed to the Faculty Development Center which represents a valuable resource for faculty and the University. Director Firm Faith Watson was commended for her work. Appreciation was expressed to President Jackson and Provost Todd for listening to faculty and to Chair Kemp for his service to Murray State University.

On behalf of the Board, Chair Kemp expressed appreciation to the faculty of Murray State University who helped make this successful transition.

Mr. Rhoads thanked Chair Kemp for his dedication to Murray State and for including him in his work as Chair. Mr. Rhoads has been made to feel a large part of governance and leadership due to the leadership of Chair Kemp. The University has been blessed over the past several years to have a series of strong Board Chairs and that plays a key role in where the institution is today. Chair Kemp certainly carried on this tradition in a very strong manner, especially during this difficult time. He has been an anchorman to help navigate the process and all who have been mentioned today have one thing in common – doing what is best for students. Appreciation was expressed for Chair Kemp's selfless action to facilitate the permanent appointment of Regent Leon Owens.

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

### **Adjournment**

The Academic Excellence and Scholarly Activities Committee adjourned at 9:12 a.m.

### **Enrollment Management and Student Success Committee**

Lisa Rudolph and Trey Book – Co-Chairs  
Virginia Gray  
Sharon Green  
Melony Shemberger

Mrs. Rudolph called the Enrollment Management and Student Success Committee to order at 9:15 a.m. and reported all other members were present.

### **Summer and Fall 2020 Enrollment/Recruiting Update, received**

Drs. Robertson and Fister reported the following:

- For Fall 2020 with regard to admitted students, first-time freshmen (FTF) numbers are trending positively. The number of FTF applications is up (16.6 percent) and more students have been admitted when compared to Fall 2019 (7.6 percent). The number of first-time freshmen is up in the 18-county region (11.9 percent) but is down slightly for other Kentucky counties. Summer Orientation registrations are up slightly over 4 percent (59 students). Housing applications for new students are up 5.6 percent. The number of campus visits is expectedly down but an aggressive

virtual campus visit program has been developed and implemented and numbers are beginning to increase.

- Transfer student numbers are up and are especially strong relative to graduate enrollment.
- International student enrollment remains an unknown because embassies are not issuing visas at this time. Prior to the pandemic, the University was positioned well in terms of international enrollment. Confirmation was provided that the University remains in contact with international student applicants.
- Summer 2020 preliminary registration reports indicate total headcount is up 8 percent and total credit hours are up 15.7 percent. Undergraduate headcount is down slightly but graduate headcount is up significantly (33.3 percent). In-state and out-of-state registrations are up, 4 percent and 5.2 percent, respectively. Graduate credit hours are up approximately 4 percent over last year and undergraduate credit hours are down by 4 percent.
- Fall 2020 preliminary total enrollment based on registrations as of this point show total headcount is down by less than 1 percent from last year (15 students). This is trending in the right direction as a result of Recapture Campaign efforts to help students with potential issues related to registration. This work has represented a collaborative effort among Deans, Chairs and faculty and staff and all are doing a great job following up with these students. Undergraduate total credit hours and headcount are behind last year but graduate headcount is up significantly. These numbers do not include any students who will register for the Academic Partnership online graduate courses. In-state registrations are down slightly and out-of-state are up by 3 percent.
- New freshmen retention and recruitment initiatives were outlined, including the virtual campus tour and Summer Orientation sessions (with August pre-semester component). Confirmation was provided that services offered by the Student Financial Services Office are also available online to students and families. The scholarship acceptance deadline has not been changed and remains May 1. Calls are being made to students to remind them of the deadline but if a student chooses not to attend Murray State it is important for the University to be able to offer the scholarship to an alternate recipient. Confirmation was provided that this work is also being focused on the regional campuses. The University has identified 234 students who stopped-out but were a semester or less away from earning their degree and these individuals are being contacted. Retention efforts have focused on both current and prospective students and appreciation was expressed to those offices assisting in this effort. Every week a newsletter is sent to students, along with one for parents and families. Efforts continue to ensure there are as many virtual programs and services available to students and families as possible. The virtual Senior Breakfast was cited as an example of such efforts. Appreciation was expressed to Dr. S. G. Carthell, Executive Director of the Office of Multicultural Initiatives, Student Leadership and Inclusive Excellence, for his efforts relative to the *Marvin D. Mills Multicultural Center* and providing access to activities and programs available to students.

President Jackson expressed appreciation to Dr. Robertson and his team. The groundwork they have laid over the past many months is expected to pay dividends and their tireless efforts are appreciated. Appreciation was also expressed to Dr. Fister for her predictive analysis work because it has proved to be invaluable to the University and the entire enrollment and recruitment process. The Yield Marketing Plan being carried out by Mr. Touney and the Branding, Marketing and Communication team is also essential to this work, in close coordination with the Office of Enrollment Management. This work is not easy in this environment but is expected to pay dividends. Dr. Robertson echoed the great partnership that the office of Enrollment Management and Branding, Marketing and Communication now share. This has, without a doubt, made a significant impact.

Dr. Robertson expressed appreciation to Chair Kemp for his leadership and the student-focused, student-oriented approach he has adopted. His willingness to participate in activities and programs when requested has been invaluable. Mrs. Rudolph expressed appreciation to all for their hard work. Numbers are positive because all are working twice as hard and putting in a significant number of hours to accomplish positive enrollment trends. The Board very much appreciates the work of all involved. There are slightly over 100 students who have remained on campus and the University is also monitoring the well-being of those students. Chair Kemp expressed appreciation for the good work of Dr. Robertson and everyone on his team. The hard work of all is obvious and will pay dividends for Murray State for many years to come.

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

### **Adjournment**

The Enrollment Management and Student Success Committee adjourned at 9:38 a.m.

## **Finance Committee**

Jerry Rhoads – Chair  
Eric Crigler  
Leon Owens  
Lisa Rudolph  
Phil Schooley

Mr. Rhoads called the Finance Committee to order at 9:38 a.m. and reported all other members were present. President Jackson expressed appreciation to Ms. Dudley and her team for their work related to the financial stability of Murray State. This period of time will define Murray State institutionally and others individually. All are trying to make the right decisions in every respect.

### **Fiscal Year 2019-20 Budget Update, received**

Ms. Dudley thanked Chair Kemp for his service to Murray State University. He previously served as Chair of the Finance Committee and has worked closely with her regarding financial issues. She has very much appreciated his advice and counsel over the years. He will be missed.

Ms. Dudley reported that Budget Advisory Council meetings have been held, in addition to routine meetings with President Jackson, Provost Todd and Vice President Robertson. The information being presented with regard to the FY20 preliminary year-end budget estimates represent a collaborative effort to fill the revenue gap. This work will require assistance from all areas on campus in terms of monitoring expenditures. For FY20, a summary of the expected outcomes was presented with the following highlights:

- Housing and dining credits issued due to COVID-19 were presented. Student accounts were prorated by the number of days into the semester before they were required to move off campus. This represented a fair and consistent process for all students. Credits were issued to student accounts and federal financial aid issues were addressed as some of those federal dollars also had to be refunded. Murray State scholarships also apply toward housing and dining fees and approximately \$500,000 was returned in this regard for a net impact of housing and dining credits of \$4 million, significantly impacting the bottom line for FY20. In addition to these credits, housing, dining and the bookstore – all auxiliary services – have been greatly impacted. These units generate revenues and support the student population. Summer camps will also not be held on campus and this represents a revenue loss of \$98,000. Dining services are operated under contract with Sodexo and this represents a revenue-based arrangement. Sodexo is on campus to generate revenue and cover costs but the University shares in that revenue. Currently revenue is not being generated because dining operations are closed – which means the University is not receiving any revenue. Fast Tracks remains open to provide limited services for the 100 students still residing on campus. Mr. Looney has worked with Sodexo to negotiate what expenditures will be for the summer when there are no revenues. The University is still responsible for payments to Sodexo for some level of their employees, although most of those employees have been laid off. Sodexo continues to have insurance and other costs to bear and the University must share that cost for the summer (approximately \$663,000). These represent net expenditures the University will be paying as a result of the contract with Sodexo but it is significantly less than it could have been if different arrangements had not been negotiated.
- The contract with SSC for custodial and grounds services is different from the Sodexo arrangement in that there is no associated revenue. It is entirely a cost-based contract. The University is simply paying SSC for the services they provide. SSC was planning for a big April 13 start but instead had to adjust and only brought on one-half of the employees they intended to because campus buildings are closed due to the pandemic. SSC is able to get into the residence halls to undertake necessary work due to these facilities not being occupied at the present time. Savings (lesser cost) from this contract are expected and there will be budget remaining at the end of the year. Although the final amount is not known, it is estimated it will be one-third less than anticipated. SSC came online and purchased a significant amount of equipment which the University must begin to amortize. This shows that the contracts with Sodexo and SSC must be viewed differently throughout this process.
- The bookstore generates significant revenues during the summer due to Summer Orientation sessions, Racer Days and other events normally held on campus. The projected loss in revenue for the bookstore is \$434,000 through June 30, 2020. The student print program in the residence halls has a projected loss in revenue of \$5,700. The information represents what is projected for auxiliary units through June 30.
- For Education and General (E&G) Fund activities, a known revenue loss for Athletics is \$309,000. Athletics has also been notified by the National Collegiate Athletic Association (NCAA) regarding their losses (change in revenue) which totals \$542,000. This means the University will not share in revenue from the NCAA and this represents a pure loss that the Athletic Department budgets for

operations. Athletics budgeted expenditures are paid for from NCAA revenues and significant changes are now required in this regard. The remaining total loss from NCAA revenues (\$233,000) will have to be covered in Fiscal Year 2021 and the Athletic budget is being adjusted to accommodate this loss.

- There has been a projected interest income loss due to market declines (\$450,000) from investments at the state level. This represents funds held with the State Treasurer – E&G dollars. As required, the University holds funds with the State Treasury, typically \$100 million. So far there have not been losses related to state investments through March but an allowance for this is being projected in the amount indicated to help carry the University through these projections for June 30. The Board was reminded that all other University investments are held with the MSU Foundation which has experienced some change in yield, although not significant due to their investment managers. For FY20, significant revenue changes from a University revenue perspective are not anticipated.
- Estimates were also provided for additional instructional costs, over and above current budget, for moving to online/alternative course delivery formats, supplies and materials to manage COVID-19 on campus and Education Abroad revenue lost and refunds made to students (\$650,000 total). Confirmation was provided that no Murray State students remain abroad and appreciation was expressed to Director Melanie McCallon Seib and Education Abroad staff for their efforts in this regard.
- Some differentiation in net tuition is being projected (\$2.8 million) and after applying the budget contingency of \$2 million, this amounts to a loss of \$800,000. Total estimated gross loss for the University is approximately \$7.3 million for operations (revenues minus expenditures) this fiscal year. Last year the University had a positive balance of \$1.1 million but that was further reduced due to pension costs that had to be added at the end of the year.
- Approximately \$2.6 million in carryovers is being estimated and those will be held back to help address the deficit. This amount represents travel costs that are not being incurred, reducing allowable overtime work, purchasing less supplies from an operational perspective, decreasing printing costs due to moving to an electronic format and utility savings. The federal CARES Act will provide funding to help address this deficit – 50 percent for student financial need-based aid (over \$3.1 million) and 50 percent for University COVID-19 related costs (over \$3.1 million). Of this total of approximately \$6.3 million provided through the CARES Act, one-half (over \$3.1 million), combined with appropriation/tuition funded carryover balances (over \$2.6 million), will help reduce the \$7.3 million total estimated gross loss for the University to \$1.5 million and this shortfall will be covered utilizing reserves. There are three months remaining in the fiscal year where bills must be paid but it is believed what has been presented represents a conservative estimate and is being monitored constantly. Final financial reports for FY20 will be presented at the next Quarterly Meeting.
- Assumptions which have been made include late spring and summer instruction moving to online/alternative formats, cancelling Education Abroad programs for spring and summer 2020, cancelling or postponing all summer 2020 camps and campus activities, freezing open positions and requiring Vice President and President approval to fill, continuing to pay all regular employees at this time, eliminating University-sponsored travel, employing minimal student workers and temporary employees over the summer, incurring severely limited overtime costs, closing campus buildings to the public, minimizing operating expenditures to only what is essential, closing the residence halls (March 22), allowing students unable to leave campus to remain in residence halls (primarily College Courts) and enhancing recruitment, retention and Enrollment Management efforts for Summer and Fall semesters.
- Confirmation was provided that utility savings will be used to help address the budget deficit in FY21 and the two outsourcing contracts that are currently in place have served the University well.

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

### **Fiscal Year 2020-21 Budget Update, received**

Ms. Dudley reported the following with regard to FY21 preliminary budget estimates:

- Data was presented on revenue that would have been generated from different tuition increases ranging from 1 to 2 percent, although the decision has been made not to raise tuition.
- Uses of funding for FY20 include reducing the budget to account for a flat enrollment assumption, the new tuition model which begins for the Fall Semester and fee increases. Revenues that will be budgeted for FY21 are the same as actual revenues that were generated from FY20, with the exception of international students. A 25 percent decline in international enrollment has been projected. The net tuition and mandatory fee decrease of approximately \$3.5 million is anticipated, in addition to the performance funding 2 percent stop-loss reduction of \$827,600 (due to the model being volume driven). No across-the-board employee raises are budgeted and the Kentucky Employees Retirement System (KERS) adjustment will remain at 49.47 percent. Routine academic promotions and faculty/staff awards will be included in the budget, in addition to an increase due to the working days per year change. An increase for general property and liability insurance will be included in the budget but there will be no increases for utilities or the employee health/wellness plan.



Recruitment, academic, diversity and financial priorities (software, scholarships, etc.) total \$290,000 for overall total funding needs of \$5 million to balance the FY21 budget.

- In terms of sources of funding, potential position and vacancy eliminations and fringe benefits savings are expected to amount to almost \$1.5 million. This leaves a total estimated balance that funding must be identified to cover of \$3.5 million. Savings expected from the SSC contract will be realized in FY20 but not in FY21.

The Board was reminded that difficult decisions will still need to be made in order to cover the budget deficit for FY20 and also present a balanced budget for FY21. Confirmation was provided that this will continue to represent a collaborative campus process moving forward. Meetings will continue with faculty, staff and student leadership groups, as well as the Budget Advisory Council. Transparency will be maintained and advice and counsel are welcome to further illustrate the administrations' commitment to shared governance. All work being undertaken will allow for future growth after the current crisis passes.

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

### **Adjournment**

The Board adjourned for a break at 10:20 a.m.

### **Reconvene**

Chair Kemp reconvened the Special Meeting of the Board of Regents Finance Committee at 10:40 a.m.

### **State Budget/Legislative Session Update, received**

Mr. Smith provided a Legislative Session update with the following highlights:

- The passage of Senate Resolution 277 was a win for the University as it confirmed the appointment of Regent Leon Owens to the Murray State University Board of Regents.
- The State Budget was passed for one year only and included a KERS pension rate freeze at 49.47 percent. Appreciation was expressed to President Jackson and Vice President Dudley for their engagement throughout the process. Appreciation was also expressed to Chairman Steve Rudy, Representative Larry Elkins and Senator Stan Humphries. All three are Murray State alumni and were dedicated to ensuring the pension rates remained frozen. Chairman James Tipton was also in regular contact with the Murray State team. It was noted that President Jackson was named as the Convener and official representative for Kentucky public universities relative to the current KERS pension situation and he was so recognized throughout the state for his leadership in this regard.
- Two agriculture bills included House Bill 214 related to veterinarian contract spaces and House Bill 236 which allowed the Breathitt Veterinary Center lab to be used by the Department of Agriculture for hemp testing. Both of these bills were signed into law and were included in the Bill Watch provided in the eBoard book.
- During the Legislative Session, student disciplinary, sanctuary city and several additional tuition waiver bills represented challenges for all public universities. Fortunately, the majority of these problematic bills did not make it through the process as they would have been particularly detrimental to the universities.
- Senate Bill 115 (SB115) passed the Legislature and waives graduate tuition for 150 graduate credit hours for foster and adoptive children. The Bill passed despite Murray State, the CPE and others educating the Legislature on the cost to the institutions. SB115 has been with Governor Andy Beshear for nine statutory days since it was passed by the General Assembly and it is anticipated to become law either through the Governor's signature or by default if he chooses not to act.

President Jackson expressed appreciation to Mrs. Gray who made several phone calls to legislators and was in Frankfort often on behalf of her other job because she also made sure everyone heard Murray State's voice. She cleared the path for staff for meetings and her work is very much appreciated. Chair Kemp, Vice Chair Rhoads and many other Regents also made calls and their work was invaluable. Appreciation was expressed to Senator Stan Humphries who is retiring from the State Senate as he has been a stalwart in regard to efforts for Murray State. Also recognized was Senator Danny Carroll, a Murray State alum, who worked very hard for this institution. These gentlemen – along with Senate President Robert Stivers – were instrumental in helping Murray State in particular during the Legislative Session, as were Representative Larry Elkins and Chairman Richard Heath in helping all higher education. Mrs. Gray thanked President Jackson and Mr. Smith for their work during this period of time in particular. She has heard from many legislators regarding the class with which both have

handled situations before them, as well as their work to educate legislators on the issues at hand, all while communicating effectively. Vice Chair Rhoads reported that he has received similar feedback from the Governor's Office and others in the Executive Branch. Included in the University's state budget that had to be approved is \$66 million for public-private partnerships for residence halls. This work will move forward in the weeks and months ahead. This represents a significant change as future housing options are considered for this University. Additional information regarding the opportunities this legislation presents will be shared with the Board at the June Quarterly Meeting.

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

### **Federal Stimulus Package Update, received**

Ms. Dudley reported that as a result of the CARES Act Murray State will receive almost \$6.3 million in federal stimulus money. The first 50 percent of these funds has been received and work is underway to finalize guidelines on how the funding will be distributed to students. The federal Department of Education has provided strict guidelines for the disbursement of these monies and it is hoped they can be distributed as quickly as possible. The criteria for students to receive this money include the preference that they be Pell-eligible. It is also required that students use this money for expenditures incurred as a result of the pandemic – such as food, shelter, healthcare, childcare and technology needs. Students will be required to certify they are using these funds for those types of expenditures. The University is working to develop an application process and the option will be made available to all students, ensuring they have adequate time to complete the necessary paperwork, but priority will be given to Pell-eligible students (approximately 34 percent of Murray State students). Another important component being considered is whether these Pell-eligible students lost a job as a result of the pandemic. There will also be some students who were not Pell-eligible during the Spring Semester but their circumstances have changed substantially and there will be a process to provide some level of consideration for these individuals. A committee will evaluate applications to confirm need but this must be done to ensure compliance with Department of Education guidelines as these funds will be subject to the University's federal audit this year.

Mr. Smith publicly thanked Congressional Leader Mitch McConnell and Congressman James Comer and their Field Representatives who have continuously kept the University in the loop with conference calls and asking questions to the Department of Education on behalf of Murray State to provide clarity. In particular, Martie Wiles was recognized and appreciation expressed for her willingness to recruit on behalf of Murray State. All these individuals have been very helpful throughout this entire process.

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

### **Kentucky Employees Retirement System Pension Update, received**

Ms. Dudley reported that one reason this Special Meeting was scheduled was for the Board and administration to make a decision relative to KERS. In early April, Governor Beshear signed Senate Bill 249 and most significant for Murray State and all Kentucky public institutions is that the window institutions have to make a decision of whether to remain in KERS or get out of the system has been extended from the end of April to December 31, 2020. Data was included in the eBoard books regarding the financial impact of this decision for Murray State under four different options based on the pension estimates provided by the retirement system in January. If Murray State decides to get out of KERS today, the hard freeze option would involve all employees coming out of the system (\$108 million lump sum payment). The soft freeze option would allow Tier 1 and 2 employees to remain in the system, with Tier 3 employees coming out (\$150 million lump sum payment). If buying out of the system is financed with KERS, the hard freeze option would cost \$125 million and the soft freeze option would cost \$162 million. These last two options are more expensive because of the interest components over a 30-year period. It is not anticipated that any universities will be able to pursue the opt out options due to the magnitude of cost. President Jackson confirmed that placing this magnitude of debt on the University's balance sheet would be crippling.

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

**Authorization of 2020-21 Tuition and Mandatory Fee Rates, approved**

Ms. Dudley reported that information was included in the eBoard book reflecting tuition and mandatory fee rates being recommended for 2020-21, effective Fall Semester 2020. These rates do not reflect any increases in undergraduate and graduate rates.

The Council on Postsecondary Education establishes tuition rate parameters that universities must follow. The CPE Finance Committee met on April 20, 2020, and approved a recommendation to their full Board that tuition and mandatory fees remain at 2019-20 levels. This is a one-year recommendation only, due to the General Assembly approving only a one-year (2020-21) Budget of the Commonwealth. This Council on Postsecondary Education Finance Committee recommendation will be made to the full CPE Board today. This action will apply to all Kentucky research and comprehensive universities. A graphical depiction of the rates of all Kentucky state universities was also included in the eBoard book.

On behalf of the Finance Committee, Mr. Crigler moved that the Board of Regents, upon the recommendation of the President of the University, approve the undergraduate, graduate and doctoral tuition and mandatory fee rates for the 2020-21 academic year as presented, effective Fall Semester 2020. Mr. Rhoads seconded and the motion carried.

**Full Board Action – Authorization of 2020-21 Tuition and Mandatory Fee Rates, approved**

On behalf of the Finance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, approve the undergraduate, graduate and doctoral tuition and mandatory fee rates for the 2020-21 academic year, effective Fall Semester 2020.

	Students Admitted Prior to Summer 2016 Students		Students Admitted Summer 2016 or After		Rates @ 0% Rate Increase					
	2019-2020		2020-2021		Students Admitted Prior to Summer 2016 Students		Students Admitted Summer 2016 to Spring 2020		Students Admitted Summer 2020 or After	
	RATES(\$)	RATES(\$)	DOLLAR INCREASE	RATES(\$)	DOLLAR INCREASE	RATES(\$)	DOLLAR INCREASE	RATES		
<b>UNDERGRADUATE</b>										
<b>RESIDENT FULL-TIME</b>										
Tuition	3,738.00	3,984.00	0.00	3,738.00	0.00	3,984.00	0.00	3,984.00		
Mandatory Fee	564.00	564.00	0.00	564.00	0.00	564.00	0.00	564.00		
Subtotal	4,302.00	4,548.00	0.00	4,302.00	0.00	4,548.00	0.00	4,548.00		
Wellness Center Fee	36.00	36.00	0.00	36.00	0.00	36.00	0.00	36.00		
TOTAL	4,338.00	4,584.00	0.00	4,338.00	0.00	4,584.00	0.00	4,584.00		
<b>RESIDENT PART-TIME</b>										
Tuition	311.50	332.00	0.00	311.50	0.00	332.00	0.00	332.00		
Mandatory Fee	47.00	47.00	0.00	47.00	0.00	47.00	0.00	47.00		
Subtotal	358.50	379.00	0.00	358.50	0.00	379.00	0.00	379.00		
Wellness Center Fee	3.00	3.00	0.00	3.00	0.00	3.00	0.00	3.00		
TOTAL	361.50	382.00	0.00	361.50	0.00	382.00	0.00	382.00		
<b>REGIONAL FULL-TIME</b>										
Tuition		8,574.00			0.00	8,574.00				
Mandatory Fee		564.00			0.00	564.00				
Subtotal		9,138.00			0.00	9,138.00				
Wellness Center Fee		36.00			0.00	36.00				
TOTAL		9,174.00			0.00	9,174.00			N/A	
<b>REGIONAL PART-TIME</b>										
Tuition		714.50			0.00	714.50				
Mandatory Fee		47.00			0.00	47.00				
Subtotal		761.50			0.00	761.50				
Wellness Center Fee		3.00			0.00	3.00				
TOTAL		764.50			0.00	764.50			N/A	
<b>NON-RESIDENT FULL-TIME</b>										
Tuition	11,202.00	11,796.00	0.00	11,202.00	0.00	11,796.00		8,574.00		
Mandatory Fee	564.00	564.00	0.00	564.00	0.00	564.00		564.00		
Subtotal	11,766.00	12,360.00	0.00	11,766.00	0.00	12,360.00		9,138.00		
Wellness Center Fee	36.00	36.00	0.00	36.00	0.00	36.00		36.00		

TOTAL	11,802.00	12,396.00	0.00	11,802.00	0.00	12,396.00	9,174.00
<u>NON-RESIDENT PART-TIME</u>							
Tuition	933.50	983.00	0.00	933.50	0.00	983.00	714.50
Mandatory Fee	47.00	47.00	0.00	47.00	0.00	47.00	47.00
Subtotal	980.50	1,030.00	0.00	980.50	0.00	1,030.00	761.50
Wellness Center Fee	3.00	3.00	0.00	3.00	0.00	3.00	3.00
TOTAL	983.50	1,033.00	0.00	983.50	0.00	1,033.00	764.50
<u>ONLINE DEGREE PROGRAMS</u>							
Tuition	332.00	332.00	0.00	332.00	0.00	332.00	332.00
Mandatory Fee	47.00	47.00	0.00	47.00	0.00	47.00	47.00
Subtotal	379.00	379.00	0.00	379.00	0.00	379.00	379.00
Wellness Center Fee	3.00	3.00	0.00	3.00	0.00	3.00	3.00
TOTAL	382.00	382.00	0.00	382.00	0.00	382.00	382.00

\*Undergraduate regional students will pay an hourly rate based on their residency for all hours over 15.

\*The formula for the regional discounts for undergraduate students admitted prior to Summer 2016 is based on the average of benchmark

\*The formula for the regional discounts for new undergraduate students is based on a fixed rate for the respective state.

DOLLAR	Rates @ 0% Rate Increase	
	2019-2020	2020-2021
GRADUATE	RATES (\$)	INCREASE RATES (\$)
<u>ALL GRADUATE PROGRAMS EXCEPT THOSE SPECIFICALLY LISTED BELOW</u>		
<u>RESIDENT PART-TIME</u>		
Tuition	494.00	- 494.00
Mandatory Fee	47.00	- 47.00
Subtotal	541.00	- 541.00
Wellness Center Fee	3.00	- 3.00
TOTAL	544.00	- 544.00
<u>REGIONAL PART-TIME</u>		
Tuition	494.00	- 494.00
Mandatory Fee	47.00	- 47.00
Subtotal	541.00	- 541.00
Wellness Center Fee	3.00	- 3.00
TOTAL	544.00	- 544.00
<u>NON-RESIDENT PART-TIME</u>		
Tuition	750.00	- 750.00
Mandatory Fee	47.00	- 47.00
Subtotal	797.00	- 797.00
Wellness Center Fee	3.00	- 3.00
TOTAL	800.00	- 800.00
<u>ONLINE</u>		
Tuition	494.00	- 494.00
Mandatory Fee	47.00	- 47.00
Subtotal	541.00	- 541.00
Wellness Center Fee	3.00	- 3.00
TOTAL	544.00	- 544.00
<u>EDUCATION</u>		
<u>RESIDENT PART-TIME</u>		
Tuition	325.00	- 325.00
Mandatory Fee	47.00	- 47.00
Subtotal	372.00	- 372.00
Wellness Center Fee	3.00	- 3.00
TOTAL	375.00	- 375.00
<u>REGIONAL PART-TIME</u>		
Tuition	494.00	- 494.00
Mandatory Fee	47.00	- 47.00
Subtotal	541.00	- 541.00
Wellness Center Fee	3.00	- 3.00
TOTAL	544.00	- 544.00
<u>NON-RESIDENT PART-TIME</u>		
Tuition	750.00	- 750.00
Mandatory Fee	47.00	- 47.00
Subtotal	797.00	- 797.00
Wellness Center Fee	3.00	- 3.00
TOTAL	800.00	- 800.00
<u>ONLINE</u>		
Tuition	494.00	- 494.00
Mandatory Fee	47.00	- 47.00
Subtotal	541.00	- 541.00
Wellness Center Fee	3.00	- 3.00
TOTAL	544.00	- 544.00

Rates @ 0% Rate Increase	
2019-2020	2020-2021
DOLLAR	INCREASE RATES (\$)
RATES (\$)	

GRADUATE

OCCUPATIONAL THERAPY, SPEECH PATHOLOGY (CDI) AND APPLIED ENGINEERING AND TECHNOLOGY MANAGEMENT (AETM)

RESIDENT PART-TIME

Tuition	550.00	-	550.00
Mandatory Fee	47.00	-	47.00
Subtotal	597.00	-	597.00
Wellness Center Fee	3.00	-	3.00
TOTAL	600.00	-	600.00

REGIONAL PART-TIME

Tuition	550.00	-	550.00
Mandatory Fee	47.00	-	47.00
Subtotal	597.00	-	597.00
Wellness Center Fee	3.00	-	3.00
TOTAL	600.00	-	600.00

NON-RESIDENT PART-TIME

Tuition	750.00	-	750.00
Mandatory Fee	47.00	-	47.00
Subtotal	797.00	-	797.00
Wellness Center Fee	3.00	-	3.00
TOTAL	800.00	-	800.00

ONLINE

Tuition	494.00	-	494.00
Mandatory Fee	47.00	-	47.00
Subtotal	541.00	-	541.00
Wellness Center Fee	3.00	-	3.00
TOTAL	544.00	-	544.00

MASTER OF BUSINESS ADMINISTRATION ONLINE, MASTER OF SCIENCE CYBERSECURITY MANAGEMENT ONLINE, MASTER OF SCIENCE MASS COMMUNICATIONS WITH A CONCENTRATION IN PUBLIC RELATIONS, AND MASTER OF SCIENCE IN INFORMATION SYSTEMS WITH A CONCENTRATION IN BUSINESS ANALYTICS ONLINE

ONLINE

Tuition	483.00
Mandatory Fee	47.00
Subtotal	530.00
Wellness Center Fee	3.00
TOTAL	533.00

MASTER OF PUBLIC ADMINISTRATION

ONLINE

Tuition	365.00
Mandatory Fee	47.00
Subtotal	412.00
Wellness Center Fee	3.00
TOTAL	415.00

Rates @ 0% Rate Increase

DOLLAR	2019-2020	2020-2021	
	RATES (\$)	INCREASE	RATES (\$)

DOCTORAL

DOCTOR OF EDUCATION

Tuition	540.00	-	540.00
Mandatory Fee	47.00	-	47.00
Subtotal	587.00	-	587.00
Wellness Center Fee	3.00	-	3.00
TOTAL	590.00	-	590.00

DOCTOR OF ENGLISH

Tuition	540.00	-	540.00
Mandatory Fee	47.00	-	47.00
Subtotal	587.00	-	587.00
Wellness Center Fee	3.00	-	3.00
TOTAL	590.00	-	590.00

DOCTOR OF NURSING PRACTICE - NURSING

Tuition	540.00	-	540.00
Mandatory Fee	47.00	-	47.00
Subtotal	587.00	-	587.00
Wellness Center Fee	3.00	-	3.00
TOTAL	590.00	-	590.00

DOCTOR OF NURSING PRACTICE - FAMILY NURSE PRACTITIONER

Tuition	540.00	-	540.00
Mandatory Fee	47.00	-	47.00
Subtotal	587.00	-	587.00
Wellness Center Fee	3.00	-	3.00
TOTAL	590.00	-	590.00

DOCTOR OF NURSING PRACTICE - NURSE ANESTHETIST

Tuition	650.00	-	650.00
Mandatory Fee	47.00	-	47.00
Subtotal	697.00	-	697.00
Wellness Center Fee	3.00	-	3.00
TOTAL	700.00	-	700.00

**ONLINE**

Tuition	494.00	-	494.00
Mandatory Fee	47.00	-	47.00
Subtotal	541.00	-	541.00
Wellness Center Fee	3.00	-	3.00
TOTAL	544.00	-	544.00

Mrs. Rudolph seconded and the roll was called with the following voting: Mr. Book, yes; Mr. Crigler, yes; Mrs. Gray, yes; Ms. Green, yes; Mr. Owens, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Shemberger, yes; Dr. Tharpe, yes and Mr. Kemp, yes. The motion carried unanimously.

**2020-21 Housing Rates, approved**

Mr. Looney reported that Murray State has analyzed the 2020-21 budget and an increase for facilities furniture and bedding and deferred maintenance funding is necessary for the University’s residence halls. The current budget for deferred maintenance is \$741,324 (less than 1 percent of the replacement value of the buildings), which is not adequate to maintain facilities. Housing will experience a reduction in debt service totaling \$379,600 from retired debt and refinancing and a \$26,766 savings from reallocation of a vacant position. At this time, the University feels it is necessary to recommend a residence hall rate increase of .5 percent, effective Fall 2020. The revenue from the increase is estimated to be \$73,509 annually. A comparison of the Kentucky university rates for the comparable housing configuration was provided in the materials presented, in addition to the proposed FY21 rates for residence halls.

On behalf of the Finance Committee, Mr. Owens moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2020-21 housing rates as outlined, effective Fall Semester 2020. Mrs. Rudolph seconded and the motion carried.

**Full Board Action – 2020-21 Housing Rates, approved**

On behalf of the Finance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2020-21 housing rates provided below, effective Fall Semester 2020.

Residence Hall	FY 20	Rate Change	FY 21
<b>Springer II</b>			
Double Room	\$ 2,457	\$ 13	\$ 2,470
Private Room	\$ 3,650	\$ 18	\$ 3,668
<b>White and Regents</b>			
Double Room	\$ 2,702	\$ 13	\$ 2,715
Private Room	\$ 2,892	\$ 14	\$ 2,906
<b>Hart</b>			
Double Room	\$ 2,755	\$ 14	\$ 2,769
Private Room	\$ 3,970	\$ 20	\$ 3,990
<b>Elizabeth and Hester</b>			
Double Room	\$ 3,007	\$ 15	\$ 3,022
Private Room	\$ 4,219	\$ 21	\$ 4,240
<b>Franklin, Clark and JH Richmond</b>			
Double Room	\$ 3,445	\$ 17	\$ 3,462
Designed Private Room	\$ 3,877	\$ 19	\$ 3,896
Double as Private Room	\$ 4,652	\$ 23	\$ 4,675
<b>College Courts</b>			
1 Bedroom Apt - Monthly	\$ 487	\$ 2	\$ 489
2 Bedroom Apt - Monthly	\$ 590	\$ 3	\$ 593
The \$10 residence hall activity fee will be added for all halls, excluding College Courts, approved May 2018.			

Mrs. Rudolph seconded. Mr. Book indicated he will vote no on this recommendation but wanted to state he understands the reasoning behind it. Dr. Shemberger stated that the proposed rate increase of .5 percent generates approximately \$73,000 and asked whether there is no other means the University can identify to use as a source of funding for these projects. Mr. Looney reported that over the past several years housing has worked to address facility repairs and maintenance but the budget is extremely limited. Work undertaken to make an appropriate recommendation included the review and elimination of vacant positions and examining the entire housing budget in detail. After that work was undertaken, the recommendation represents the minimal amount required to stay afloat with regard to residence hall maintenance. Dr.

Tharpe reminded all that this represents a marketing investment as well for students and guests to campus.

The roll was called with the following voting: Mr. Book, no; Mr. Crigler, yes; Mrs. Gray, yes; Ms. Green, yes; Mr. Owens, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Shemberger, no; Dr. Tharpe, yes and Mr. Kemp, yes. The motion carried by a vote of nine (9) to two (2).

**2020-21 Dining Rates, approved**

Mr. Looney reported that approximately a year and a half ago the University entered into a contract with Sodexo to operate dining facilities on campus. Sodexo has brought to campus Chick-fil-A, Einstein Bros. Bagels and Starbucks (scheduled to open after Spring Break). The Steak ‘n Shake project is also underway. A 3.09 percent increase for residential meal plans and no increases for flex plans are being recommended to the Board of Regents for approval. This increase is compliant with the Sodexo contract agreement which is tied to the Consumer Price Increase-Food Away from Home. Additional revenue will assist with increasing costs of utilities, scholarships, insurance and operational costs. A comparison of the other Kentucky university rates for the comparable meal plan to All Access Meal Plan was provided in the materials presented, in addition to the proposed FY21 rates for dining services meal plans.

On behalf of the Finance Committee, Mrs. Rudolph moved that the Board of Regents, upon the recommendation of the President of the University, approve the Fiscal Year 2020-21 rates for dining services meal plan increases as outlined, effective for the 2020 Fall Semester. Mr. Crigler seconded and the motion carried.

**Full Board Action – 2020-21 Dining Rates, approved**

On behalf of the Finance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, approve the Fiscal Year 2020-21 rates for dining services meal plan increases below, effective for the 2020 Fall Semester.

	2019-20		Increase	2020-21	
Meal Plan	Price	Flex	3.09%	Price	Flex
All Access	\$1,930	\$75	\$57.00	\$1,987	\$75
All Access Premium	\$2,036	\$75	\$61.00	\$2,097	\$75
175 Block	\$1,912	\$400	\$47.00	\$1959	\$400
8 Meals Per Week	\$1,807	\$550	\$39.00	\$1846	\$550

Mr. Owens seconded.

Mr. Book indicated he will vote no on this recommendation but wanted to state he understands the reasoning behind it in order to be compliant with the Sodexo contract.

The roll was called with the following voting: Mr. Book, no; Mr. Crigler, yes; Mrs. Gray, yes; Ms. Green, yes; Mr. Owens, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Shemberger, no; Dr. Tharpe, yes and Mr. Kemp, yes. The motion carried by a vote of nine (9) to two (2).

Vice Chair Kemp expressed appreciation to Ms. Dudley and members of her staff for their important work relative to Finance Committee information presented and action taken today. This work will continue as budget preparation is underway for approval at the June 5, 2020, Quarterly Meeting. Appreciation was expressed to Mr. Looney for his good stewardship of housing and dining and efforts to hold costs down to accommodate students, particularly in the current climate.

## Adjournment

The Finance Committee adjourned at 11:20 a.m.

Chair Kemp thanked all members of the Board for their participation and President Jackson and his administration and their staffs for all of the work that has been undertaken for this meeting. Appreciation was again expressed to Secretary Hunt for all her great work and assistance to the Board not only for this meeting but for all meetings – job well done.


Mr. Schooley stated he has been approached by several staff members who have heard about other universities that are furloughing employees and asked where Murray State stands in this regard. Dr. Jackson reminded the Board there will be significant budget deficits which must be addressed in both FY20 and FY21. The University administration is already working to identify ways to address these deficits while still trying to determine how it can protect every job at Murray State. A review of unfilled positions on campus is being undertaken and this includes identifying whether a search has been started. It is anticipated the University will be able to make it through FY20 without having to furlough employees (through June 30, 2020). For FY21, widescale furloughs or similar measures are not anticipated at this time. The team undertaking this review will have to make strategic decisions and confirmation was provided that this work is underway. Unfilled positions will likely be eliminated and strategic changes in the operations of the institution will be needed. This work will impact people but likely will not amount to mass furloughs.

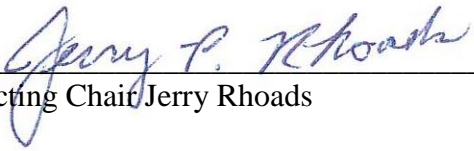
Dr. Jackson expressed appreciation to the Board for a good meeting. Even in this environment, the University is making progress and is moving forward and he very much appreciates the work of all involved. Chair Kemp will be missed in his role as Chair and for his service on the Board. He has served and served well and should take pride in that service. When the Board is able to meet again in person he will be appropriately recognized and a Resolution presented.

On behalf of the student body, Mr. Book thanked Chair Kemp for his many years of service to this institution. After he lost the recent SGA President election, Chair Kemp called offering words of wisdom and counsel. He has become a mentor and role model and that is very much appreciated not only by the student body – but by him personally.

## Adjournment

Dr. Shemberger moved that the Special Meeting of the Board of Regents adjourn. Mrs. Rudolph seconded and the motion carried unanimously. Adjournment was at 11:25 a.m.

  
\_\_\_\_\_  
Secretary Jill Hunt

  
\_\_\_\_\_  
Acting Chair Jerry Rhoads

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