Minutes of the Quarterly Board of Regents Meeting and Committee Meetings
Murray State University
June 8, 2018

Call to Order/Roll Call

The Board of Regents (BOR) of Murray State University (MSU) met on Friday, June 8, 2018, in Quarterly and Committee Session in the *Jesse Stuart Room* in Pogue Library on the main campus of Murray State University. Chair Stephen Williams called the meeting to order at 8:34 a.m. and welcomed those present. The roll was called and the following Board members were present: Katherine Farmer, Sharon Green, Susan Guess, Daniel Kemp, Jerry Rhoads, Lisa Rudolph, Phil Schooley, Don Tharpe, Stephen Williams and Tori Wood. Absent: Walter Bumphus.

Others present were: Robert O. Davies, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; Mark Arant, 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; Adrienne King, Vice President for University Advancement; Bob Jackson, President, Murray State Foundation and Director of Planned Giving; Allen Ward, Athletic Director; Renee Fister, Chief of Staff; John Rall, General Counsel; Joyce Gordon, Director of Human Resources; Michelle Saxon, Internal Auditor; Cami Duffy, Executive Director for Institutional Diversity, Equity and Access (IDEA)/Title IX Coordinator; Kevin Jones, Interim Director of Facilities Management and Associate Director of Facilities Operations; Jason Youngblood, Associate Director of Facilities Design and Construction; the Collegiate Deans and members of the faculty, staff, students, news media and visitors.

AGENDA

Roll Call — **Secretary Hunt**

Closed Session (Approximately 8:30 a.m.) — **Chair Williams**

a. Kentucky Revised Statute 61.801(1)(f) – Personnel Matter

Consent Agenda (Approximately 9 a.m.) — **Chair Williams/ President Davies**

A. Minutes*
- **1) Special Joint Meeting of the Board of Regents Buildings and Grounds and Finance Committees on March 8, 2018**
- **2) Quarterly Meeting and Committee Meetings of the Board of Regents on March 9, 2018**
- **3) Special Meeting of the Board of Regents on May 1, 2018**
- **4) Special Meeting of the Board of Regents on May 11, 2018**
- **5) Special Meeting of the Board of Regents on May 29, 2018**

B. Report of the Registrar (May 2018 Conferral of Degrees)*

C. Finance Committee – Personal Services Contracts – Schedule of Expenditures (For Information Only)

D. Personnel Changes*
- **1) *Professor Emeritus* Designations**
- **2) Staff Leaves of Absence without Pay**

Public Participation — **Chair Williams**

Board Development – Accelerate U! Partnership* — **Provost Arant**

Report of the Chair — **Chair Williams**

Report of the President — **President Davies**

Report of the Constituency Regents — **Regent Farmer**
Regent Schooley
Regent Wood

Report of the Treasurer* — **Vice President Dudley**
(Quarterly Financial and Investment Reports)

Revised University Strategic Plan* — **Chief of Staff Fister**

Education Cooperative Agreement with Shandong Technology and Business University (People's Republic of China)* — **Provost Arant/ Vice President Robertson**

Health Services Update (For Information Only) — **Vice President Robertson**

Dining Services Outsourcing* — **Vice President Dudley**

Committee Reports/Recommendations

A. Academic Excellence and Scholarly Activities — **Regent Bumphus**
- **1) Board of Regents Teaching Excellence Awards***
- **2) 2017-18 Academic Curriculum Changes***
- **3) Spring 2018 Commencement Ceremonies Update (For Information Only)**
- **4) Academic Administrative Appointments Update (For Information Only)**
- **5) *Faculty Handbook* Revisions (For Information Only)**

B. Audit and Compliance — **Regent Tharpe**

C. Buildings and Grounds — **Regent Green**
- **1) Disposition of Structure – West Farm Pole Barn (Building #0213)***
- **2) Campus Electrical System Project Update (For Information Only)**

D. Enrollment Management and Student Success — **Regent Rudolph**
- **1) Final Spring 2018 Enrollment Report (For Information Only)**
- **2) Student Engagement and Success Report (For Information Only)**

E. Finance — **Regent Kemp**
- **1) 2018-19 University Summary Budget with Executive Summary and Budget Salary Roster***
- **2) Projects Approved by Board of Regents Chair***
- **3) Personal Services Contracts***

F. Legislative and Economic Development — **Regent Rhoads**

G. Marketing and Community Engagement — **Regent Guess**
- **1) University Advancement Report (For Information Only)**

NOTE: Full Board action will follow Committee action.

Policy Changes — **President Davies**
- **A. University Nondiscrimination Statement Revisions***
- **B. *Board of Regents Policy Manual* Revisions***
  - **1) *Section 3.8.1* – Personal Computer Loan Program**
  - **2) *Section 3.8.2* – Personal Bicycle Loan Program**
- **C. *Personnel Policies and Procedures Manual* Revisions***
  - **1) *Policy IV O* – Sick Leave Bank**
  - **2) *Policy V E* – Workers' Compensation**
  - **3) *Policy V K* – Education Tuition Waivers**
  - **4) *Policy VII A* – Employee Assistance Program**
  - **5) *Policy VII B* – Health Services**

Personnel Changes — **President Davies**
- **A. Athletic Contracts***
  - **1) Contract of Employment Amendment – Director of Track and Field/Cross Country Coach – Adam Kiesler**
  - **2) Contract of Employment Extension – Director of Athletics – Allen Ward**

3) **Contract of Employment Extension – Head Women's Golf Coach/Senior Woman Administrator – Velvet Milkman**
4) **Contract of Employment Extension – Head Men's Basketball Coach – Matt McMahon**

B. Reaffirmation of General Counsel Appointment – Robert L. Miller*
C. Reappointment of Internal Auditor – Michelle Saxon*

2018-19 Faculty Promotion Recommendations* — **President Davies**

2018-19 Faculty Tenure Recommendations* — **President Davies**

Resolutions of Appreciation* — **Chair Williams/ Vice Chair Guess**
A. Retiring Faculty and Staff
B. Stephen A. Williams
C. Walter G. Bumphus
D. Tori L. Wood

Board Organizational Materials* — **Chair Williams**
A. 2018-19 Board of Regents Meeting Dates
B. 2018-19 Election of Officers

Supplemental Materials — **President Davies**
A. Quarterly Risk Management Report (For Information Only)
B. Quarterly Status Report – Campus Major Projects Update (For Information Only)
C. "Good News" Report – March 2018
D. Quarterly Branding, Marketing and Communication Report – January – March 2018 (For Information Only)
E. Sponsored Programs – Grants and Contracts Report (For Information Only)

Other Business

Adjournment

(*Requires Board of Regents Action)

Closed Session

Chair Williams solicited a motion for the Board to go into Closed Session pursuant to Kentucky Revised Statute 61.810(1)(f) for the purpose of discussions or hearings which might lead to the appointment, discipline or dismissal of an individual employee, member or student. Dr. Tharpe so moved. Mrs. Rudolph seconded and the motion carried. Closed Session began at 8:35 a.m.

Open Session

Chair Williams solicited a motion for the Board to reconvene in Open Session. Ms. Green so moved. Mrs. Rudolph seconded and the motion carried. Open Session reconvened at 9:15 a.m.

Chair Williams reported no action was taken in Closed Session.

Consent Agenda Items, approved/accepted

The following action and "For Information Only" items were placed on the Consent Agenda for approval/acceptance (action items are denoted with an asterisk):

- Minutes of the Special Joint Meeting of the Board of Regents Buildings and Grounds Committee and Finance Committee on March 8, 2018*
- Quarterly Meeting and Committee Meetings of the Board of Regents on March 9, 2018*
- Special Meeting of the Board of Regents on May 1, 2018*
- Special Meeting of the Board of Regents on May 11, 2018*
- Special Meeting of the Board of Regents on May 29, 2018*
- Report of the Registrar (May 2018 Conferral of Degrees)*

- Finance Committee – Personal Services Contracts – Schedule of Expenditures (For Information Only)
- Personnel Changes – *Professor Emeritus* Designations as follows:

According to the Murray State University *Faculty Handbook*, the rank of *Professor Emeritus* is assigned to Assistant Professors, Associate Professors or Professors who have limited or terminated their responsibilities as ranked faculty members after ten or more years of distinguished service to Murray State University. The following faculty are being recommended to receive the rank of *Professor Emeritus*:

- James Duane Bolin, Professor – History
- Michael Bowman, Professor – Computer Science and Information Systems
- Susan Edington, Assistant Professor – Early Childhood and Elementary Education
- Sharon Gill, Professor – Early Childhood and Elementary Education
- Cheryl Guyer, Assistant Professor – Breathitt Veterinary Center
- Sharon Hart, Assistant Professor – Adolescent, Career and Special Education
- Dennis Johnson, Associate Professor – Music
- Dale Leys, Professor – Art and Design
- William Palmer, Assistant Professor – Institute of Engineering
- Louis Pittman, Assistant Professor – Breathitt Veterinary Center
- Holly Rudolph, Professor – Accounting
- Dayle Saar, Associate Professor – Biological Sciences
- David White, Professor – Biological Sciences

These appointments have the support of the Provost and Vice President for Academic Affairs.

- Personnel Changes – Staff Leaves of Absence without Pay* (processed as of May 4, 2018, for the time period indicated):

Murray State University offers a variety of excused staff leaves without pay such as family medical leave, military leave, educational leave, a personal leave or a general leave of absence. Conditions and requirements of the specific types of leaves are defined in the Board-approved *Personnel Policies and Procedures Manual*. Board approval of Staff Leaves of Absence without Pay is requested for the following individuals:

Name	Department	Effective Date
Linda Adams	Facilities Management	11/06/2017-12/13/2017
Donovan Alexander	University Parking	05/02/2018-07/17/2018
Janet Balok	Enrollment Management	01/01/2018-06/30/2018*
Rebecca Billington	University Libraries	02/07/2018
		02/19/2018
Meagan Blagg	University Libraries	04/17/2018-04/23/2018
Dwain Caldwell	Dining Services and Racer Hospitality	01/02/2018-05/11/2018
Chad Cavitt	Facilities Management	03/19/2018-06/18/2018
Anna Clayton	Facilities Management	10/31/2017-11/07/2017
Jessica Evans	Institutional Effectiveness	02/22/2018-02/26/2018
Teresa Feldhaus	Office of Recruitment	03/13/2018-04/13/2018*
Louisa Ferstle	Dining Services and Racer Hospitality	03/31/2018
Tina Haley	Dean-Hutson School of Agriculture	02/20/2018-08/20/2018*
Rebecca Lilly	University Libraries	12/04/2017-12/05/2017
		01/03/2018
Elizabeth Malone	University Store	02/09/2018-03/27/2018
Collin Mazurek	Facilities Management	12/11/2017-12/14/2017
		01/09/2018-01/10/2018
Kyle Payne	Dining Services and Racer Hospitality	03/13/2018-03/14/2018
Christopher Pritchett	Facilities Management	11/28/2017-12/01/2017
Oscar Thomason	Dining Services and Racer Hospitality	12/06/2017-03/30/2018
Cassandra Vann	Dining Services and Racer Hospitality	01/11/2018-01/14/2018

*Intermittent Leave

No Regents asked to remove any items from the Consent Agenda.

Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, approve/accept the items on the Consent Agenda as submitted. Mrs. Guess seconded and the motion carried.

Public Participation

Chair Williams announced that there were no individuals signed up for the Public Participation portion of the agenda.

Board Development – Accelerate U! Partnership, approved

Dr. Arant reported that the Accelerate U! (AU!) partnership with West Kentucky Community and Technical College (WKCTC) will help to serve underprepared students who want to attend college. Dr. Anton Reece, President and Dr. David Heflin, Vice President for Academic Affairs, WKCTC, were also present. Dr. Reece reported that his entire leadership team visited the Murray State campus shortly after he became President of WKCTC. The Murray State leadership team also reciprocated and visited the WKCTC campus. All have developed a strong working relationship designed to ensure student success. Enrollment is a concern for any university President as evidenced by recent articles in the Paducah Sun which have highlighted the declining population in the city of Paducah and in the western region. Factors such as this make it even more important for Murray State and WKCTC to work together and identify new ways of providing educational platforms.

Dr. Arant reported that the goal for both institutions is to serve western Kentucky as best as possible. Through the AU! Program, students who are denied because they do not meet the admission entrance standards at Murray State will be able to work toward their associate or bachelor's degrees while receiving the intense academic and personal support they need to be successful in college. The University is fortunate to have the opportunity to work with WKCTC – a great community college partner that has vision, energy and a record of success. Murray State will work jointly with WKCTC to reach as many students as possible while providing an exceptional educational experience. Dr. Heflin reported that WKCTC is an open access institution and all recognized that some unprepared students would be coming to the community college. To assist these students, WKCTC developed the Accelerate You! Program for transitional students who were not meeting the placement score necessary to take a college-level course. These students also came to the realization that the remedial courses that they were taking did not actually count toward a degree. This led to a lack of motivation and self-efficacy on the part of the students. Dr. Tyra Henderson, Associate Professor of English at WKCTC, will serve as the Director of the WKCTC-MSU Accelerate U! Program and was also present. She also serves as the Accelerate You! Director on the WKCTC campus. Shawna Mullins, Director of Community College Remediation in the Center for Academic Success will serve as the contact for Murray State for this initiative.

A preset schedule with specific Murray State and WKCTC courses during the Fall and Spring semesters have been developed to include this student population. The courses selected will fill general education and transfer needs and will help students achieve an Associate of Arts or Associate of Science degree from WKCTC. Academic support will be provided in key areas along the way. Multiple faculty on both campuses will work with these students. Students will pay WKCTC tuition for WKCTC courses which will be taught by faculty who are paid by the community college. Students will also take one Murray State class each semester taught by University faculty. Students will pay Murray State tuition for these courses.

Students participating in the program will be counted as WKCTC students but will eventually matriculate to Murray State as Racers. This will allow students to take college-level courses that will count toward a pathway in which they may be interested. This represents a co-requisite model where additional support time is being provided to these students taking college-level courses. Student participants will actually be taking classes on the Murray State campus, living in the residence halls and eating in the dining hall. These students will be placed into regular Murray State courses where the professors have been trained on how to teach to this student population within the context of a college-level course. This experience will be almost indistinguishable to that of a Murray State student and will further enhance their ability to be successful in a University program.

One of the key components of this model will be a Success Coach. This individual will be in the classroom with the faculty member helping the AU! students navigate and acquire the ability to understand what is occurring. This person is not a faculty member but will be able to help the students work through any challenges they may experience with faculty instruction. The credentials for the Success Coach include preferably a bachelor's degree and the ability to understand to meet the student on their level. The desire is to create a feeling of community among these students so they can rely on the resources provided but also on one another. Accelerate U! Summer Orientation is June 18 and all faculty and staff training will be conducted during July on both campuses. AU! Students will move in with other Murray State students in August and all classes will follow the University calendar to mitigate any logistical challenges. Dr. Arant added that these students will have the additional support of residential life programs and will be engaged in activities occurring on campus. The Accelerate U! Program is special because it provides student access to a full university campus experience not previously available and the University is reaching students it was not attracting in the past. Enrollment benefits will result for both institutions because the program breaks down barriers between the two institutions and maximizes the unique skill sets of different types of higher education institutions.

Accelerate U! also creates a model that can be replicated elsewhere. One of the first areas where the program will be replicated is with Pathway to Success students who have lower grade point averages and ACT scores and tend to struggle and not matriculate at the same rate as other students. What has been learned through the AU! Program can be implemented for Pathway students to help them be more successful. Many times when students do no succeed in college it is not due to academic preparedness but self-efficacy – the ability to make sure that they know they can do it – and this is the premise upon which the entire AU! platform is built. The AU! Program is currently in the model stage. Unfortunately, the two institutions – Murray State and WKCTC – were unable to accept all students who wanted to take part in the program. Expansion, in terms of capacity in the future, will be planned once the initial program model has proven to be successful. The initial AU! cohort will involve 40 to 50 students.

Confirmation was provided that the students will participate in the AU! Program for one year but the University's Office of Student Engagement and Success will monitor their progress moving forward. The goal is for these students to have at least 24 college-level credit hours for a degree at both WKCTC and Murray State. After completing one year in the AU! Program these students will then be admitted to Murray State. They will be required to opt out of an articulation agreement for transfer students because if they enroll in the AU! Program they are automatically enrolled in a degree program at WKCTC. As they earn credit at Murray State, those courses transfer back to WKCTC to apply toward an associate degree while also counting toward the completion of a bachelor's degree at Murray State.

Another rationale for this program is the state performance funding model and ensuring students reach completion and have a credential in hand. Confirmation was provided that for the second year these would become transfer students for Murray State. The AU! Program represents a "do no harm" model and reduces the time to degree by helping these students break out of the developmental cycle. Confirmation was provided that Council on Postsecondary Education (CPE) approval is not required to offer this program.

Mrs. Rudolph moved that the Board of Regents, upon the recommendation of the President of the University, approve the partnership for the Accelerate U! cohort model between Murray State University and West Kentucky Community and Technical College as presented. Mrs. Guess seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes.

Report of the Chair, received

Chair Williams stated the following with regard to the Report of the Chair for the President's Four-Year Review:

"This report of the Chair is made in accordance with Board of Regents policy dated November 14, 2008, which prescribes the procedure for the four-year review of the President. The policy requires a comprehensive review of performance over the last four years, to include at least:

- Academic Management and Leadership
- Administrative Management and Leadership
- Budget and Finance
- Fundraising
- External Relationships, and
- Personal Characteristics

Our objective was to facilitate a fair, balanced and thorough review. As well, it is important to note that this review process is also a proxy for the organization's performance, to review the data and to solicit assessments, comments and concerns – both positive and negative – so that this Board can best do our job of setting policy and overseeing the President.

Internal participants of the review included the Board of Regents, Vice Presidents and administrative staff, Deans, Provost, representatives of the Foundation and alumni, Student Government Association, Faculty Senate and Staff Congress. External participants included local and state government officials, School Superintendents and Community College Presidents from throughout the 18-county service area, as well as business leaders locally and throughout the region. A total of 149 individuals participated in the process which has been completed over the last three months. I especially want to thank Regents Guess, Schooley, Rhoads and Rudolph and Board Secretary Hunt, for their assistance in overseeing and administering the surveys and interviews. And I thank each individual on campus and throughout the region who participated in this important process. All feedback was pooled, thus protecting anonymity.

To all those who participated in this review, we thank you. And most importantly, we heard you. We have learned much and we take it very seriously as does the President. The review has led us to clarify and, in some cases, substantially modify our direction and expectations of President Davies.

The following is the Summary of the Four-Year Review:

Areas of Accomplishments and Strengths:

1. The Board of Regents acknowledges the accomplishments and strengths of Murray State and of President Davies over the last four years. This includes:
   - The recruitment of our outstanding Provost Dr. Mark Arant.
   - Developing a Strategic Plan.
   - Defining and communicating a more distinctive identity for Murray State University.
   - Facilities development including the new facilities on the home campus such as Engineering and Physics and new Franklin Hall, expansion of *Madisonville Regional Campus* and the new Breathitt Veterinary Center (BVC) in Hopkinsville.
   - Fostering an environment of inclusion and diversity.
   - Attaining some significant legislative goals in Frankfort.
2. Murray State University continues to enjoy accreditations from a considerable list of organizations.
3. Likewise, Murray State University continues to receive excellent rankings from a number of nationally-recognized organizations, including *U.S. News and World Report*, the Chronicle of Higher Education and Forbes and continues to be listed as Top Tier in Quality Academics for 24 years and in the top 20 of regional universities in the south.
4. In the area of finance, we are pleased to report that we have continued to have complimentary financial audits with no material or unaddressed weaknesses noted in our financial systems.
5. And in the area of Fundraising, we applaud the continued year-to-year increases in fundraising and development.
6. As to more personal characteristics, the Board and all constituencies recognize President Davies for his commitment to and passion for Murray State, for his well-known reputation for his relationships, visibility and engagement with students. Other attributes for which he is given high marks include: being tireless, enthusiastic and approachable.

Areas of Priority and Focus going forward:

While we recognize President Davies' strengths and accomplishments over the last year and for four years, the Board of Regents is also well aware that we have significant challenges at Murray State University. Therefore, this Board has delineated specific expectations of President Davies, and commensurately for this Board, for this coming year.

1. First, the Board of Regents recognizes that financial stewardship is a fundamental fiduciary duty of this Board and of the President. The last two years or more have been a so-called "perfect storm" of financial pressures and challenges, given the continuing declines in state appropriations and increases in pension costs (both over which we have no control) and the decreases in revenue from declining enrollment. While our overall financial status continues to be stable, the Board of Regents recognizes that we have limited ability to withstand further significant reductions in our revenues or to endure significantly increased expenses, without jeopardizing our financial stability. These realities then point to tuition revenue as the key variable. This Board is committed to keeping tuition increases as low as we can but still meet our fiduciary responsibilities and we acknowledge that tuition increase ceilings are regulated by the Council on Postsecondary Education as well. With all that said, increased enrollment is the single greatest and by far the most desired solution towards a sound financial footing for the University.
2. In that context, this four-year review clearly revealed that Murray State's decline in enrollment in recent years is the major concern of all constituencies, internal and external, and of this Board of Regents. While we realize there are declines in enrollment in many universities in the Commonwealth and across the nation, the responsibility of this Board and of this President is to focus on only Murray State's academic and financial success. We all want to make Murray State the university of choice for those in our 18-county service area and well beyond, wherever we recruit, who want a four-year degree or graduate degree and to make it accessible and affordable for those students to come to Murray State.

   As a result of recent discussions, President Davies has set in motion a special *Commission on Strategic Enrollment Management*, co-chaired by Provost Arant and Vice President Robertson. Concurrently, Dean Todd is chairing the national search for a new Associate Vice President of Enrollment. Obviously, this is a key search and we're glad to hear that we have a very robust list of applicants.

   Now, we all know all too well that just appointing another committee or group doesn't guarantee solutions. So, the Board of Regents is being quite explicit in defining its expectations:

   First, there will be a complete analysis of all policies (including admission policies), processes and procedures pertaining to recruitment, application, admitting and enrollment processes on campus and regionally. It will include all applicable administrative and academic departments. This review will include the strengths, weaknesses, opportunities and threats (SWOT), as applicable, as well as reviewing best practices in comparison to how we are doing at Murray State. We want to know what is working well and what isn't, where more or different resources or leadership is needed or needs to be reallocated; where more training is needed, where more or different marketing is needed; where better coordination is needed; where our strengths are, so they can be built upon and where the gaps are, so they can be filled.

   The results of this thorough review are to be provided by President Davies and Co-Chairs Arant and Robertson to the Board of Regents as soon as reasonably possible but no later than its annual planning Advance in late August.

   Based on this review, this Board of Regents is requiring a comprehensive, integrated strategic plan for enrollment expansion to be developed. The Comprehensive Enrollment Expansion Plan shall:

   - Include very specific goals, and for each goal, very specific tactical plans on implementing each goal, with assigned timelines, measurable metrics and

designated accountabilities, including coordinated financial and human resources that will be required.

- It shall include any recommendations for policy changes, including admissions policies.
- It shall include plans and activities of both administrative areas as well as the academic colleges.
- It shall include specific recommendations for strengthening and coordinating resources in areas of recruitment, admissions and enrollment, marketing, scholarships/financial aid policies and processes, academic programs, recruitment plans, activities on campus for prospective students, outreach programs and processes for all service area school systems, and all other applicable activities in regards to enrollment expansion opportunities for all qualified students within the 18-county service area and well beyond who are desirous of pursuing an undergraduate or graduate degree offered by Murray State.
- And it shall include a specific communications plan for internal and external constituencies.
- Once approved, the Comprehensive Enrollment Expansion Plan shall become an integral component of the Strategic Plan.
- Relatedly, all changes in the Strategic Plan (regarding enrollment and otherwise) will come to the Board of Regents for approval.

The Board of Regents is requesting that this Comprehensive Enrollment Expansion Plan be completed as soon as reasonably possible. At the August Board Advance, in addition to hearing and discussing the results of the complete review (the SWOT analysis), the Board would like to hear at least preliminary conclusions and potential recommendations. Based on the findings from the review, discussion and preliminary report of conclusions, the Board will expect the final report no later than the October Board meeting. The Board recognizes that this comprehensive effort will require leadership and direction by President Davies, but also teamwork by leaders throughout Murray State. We thank each participant in this process in advance.

The Board has agreed to meet as often and/or as long as necessary to provide appropriate oversight and policy guidance to administration regarding the enrollment strategy or other key issues. The Board of Regents August/September Advance and meeting will be dedicated primarily to these matters, to hear the results of the SWOT analysis and the recommended Strategic Plan for Enrollment Expansion. Once the Plan is approved, the Board of Regents will be increasing its meeting schedule and revising meeting agendas so as to meet with President Davies, Provost Arant, Vice President Robertson and others as applicable, at least every three months over the next year to consider recommendations for policy issues and to provide monitoring and oversight of the Plan's implementation.

3. With continued declines in state funding allocations, the success of our <u>fundraising and friend-raising</u> will be of increasing importance. Thus, it is the Board's expectation that President Davies will spend more time in this area of responsibility.

4. The Board of Regents is asking President Davies to develop specific plans and provide regular reports to the Board regarding the <u>improving, and/or expanding relationships and communications with external constituencies in our 18-county area and beyond</u>, including high school Principals, Superintendents, legislators, local government leaders and business leaders. President Davies is often referred to as perhaps Murray State's greatest advocate, marketer and cheerleader. So, we are asking him to direct those strengths to best address our strategic needs, especially regarding enrollment expansion in the region.

5. The Board of Regents has likewise requested President Davies to <u>enhance relationships, communications and transparency</u> with internal constituencies, including academic leaders, faculty and staff. This shall include regular communication of specific status reports on enrollment as well as other key strategic activities of the University and in closing the loop in communications where opportunities have been provided to gain input from various constituencies before decisions are made. We understand that perhaps the greatest contribution that the Board of Regents and the President can provide to address

concerns and improve morale and the fear of uncertainty, is to provide clarity to plans and progress in achieving those plans. Transparency with clarity will be an expectation.

6. Similarly, the Board of Regents reaffirms its commitment to the academic underpinning and agenda of Murray State. Protecting and promoting the academic agenda is fundamental to our Mission and must always be seen as a solid and consistent commitment by the Board of Regents and the President.

7. As mentioned, the Board of Regents is directing that for Dr. Davies to spend much more of his time on planning and implementing an aggressive enrollment expansion strategy, as well as in the other expectations as previously mentioned, to do so will require a considerable reallocation of the President's time. Thus, while he will still be very involved with student events, he will likely be seen less out on campus over the coming months than previously. This should not be interpreted as any less commitment to being student-centered, but rather, as redirecting his time to meet the strategic needs of the University, and thus, the long-term needs of our current and future students.

8. Finally, Dr. Davies has committed to addressing some perceptions about administrative and/or personal style, including broadening his inner circle of advisers, use of social media, presidential demeanor, decisiveness and clarity of messaging.

I am pleased to report that Dr. Davies has responded affirmatively to findings of the four-year review. He has renewed his commitment to Murray State University and to meeting the expectations of the Board of Regents as clarified or modified following this review. He has already begun a number of actions to respond to items covered in this report.

In closing, this review has identified a number of significant accomplishments and successes over the last four years which warrant recognition and celebration. It has also identified or confirmed issues which must and will be addressed and that Dr. Davies has already acknowledged and begun to address.

I would remind our entire campus community and those throughout the region we serve, that Murray State University continues to be a strong university, with a proud legacy, and one which will continue on in the decades to come. But just as with all postsecondary educational institutions throughout the Commonwealth and beyond, we must continuously re-examine our circumstances and make adjustments as needed: strategically, operationally, financially and academically. This means change, and some of those changes are hard, as we have already seen. But that is where our commitment to the values of Murray State become so very, very important. Upholding those values, as tough decisions are made and implemented, along with unwavering commitment to our Mission and Vision, is the responsibility of this Board of Regents, this President and all of the leaders throughout our University.

This next year will certainly be a year of heightened expectations, for the President, but also for the Board itself as it fulfills its role of governance and oversight. There is much work to do by all and the Board will be tracking performance of the institution and of its leadership in a more frequent and more disciplined fashion and those performance results will be reported clearly and transparently. Please be assured this Board is committed to taking whatever actions necessary to assure Murray State continues its proud legacy and has a successful future.

Thank you for your most courteous attention to this report."

Stephen A. Williams
Chair, Board of Regents
June 8, 2018

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

Report of the President, received

President Davies indicated that a Report of the President was included in the eBoard book. Appreciation was expressed to Chair Williams for leading the Four-Year Review and to all Board members and individuals within the community who participated and provided feedback.

Dr. Davies reported that over the past four years Murray State has achieved, and surpassed, many goals and aspirations. This was accomplished with the reaffirmation and commitment to academic quality and setting high expectations of leadership and students. The community has also been engaged in this work in numerous ways and the Accelerate U! Program is just one example. At the same time, the University has dealt with, and continues to deal with, some of the most significant financial challenges within its history, as well as many other changes within the higher education realm which has created the "perfect storm." For all involved, the last four years have been both exhilarating and intensely challenging on both ends of this spectrum. Even with this perfect storm Dr. Davies provided assurance that all will continue to work diligently for the betterment of Murray State and, particularly, for students and the communities the University serves. He remains committed to building on the strengths and leveraging the incredible assets of Murray State University, addressing the areas of focus as well as building on successes and enrollment is one of the key components of this work.

In order to address the University's enrollment challenges, the *President's Commission on Strategic Enrollment Management* was formed and the first meeting was held on June 5. At that meeting Dr. Davies charged the *Commission* to assist in developing a long-range multi-year enrollment plan that focuses on efforts to recruit, retain and graduate students. This work is to be focused on undergraduate, graduate and international students. The basic question involves how to adhere to the University academic rigor and integrity while maintaining the goals of reaching and then maintaining 10,500 to 11,500 students. Over the last 15 years, average enrollment at Murray State has been 10,407 students. A determination must be made of how to maintain at least 9,000 undergraduate students (average for the last 15 years is 8,638) and how to recruit and maintain 1,500 graduate students (average for the last 15 years is 1,759). How to maintain 500 international students must also be part of this work. On an annual basis, it must be determined how to reach a freshman class size of 1,550 to 1,650 students (average for the last 15 years is 1,468). Consideration must be given in terms of how to recruit 700 transfer students and 450 new graduate students on an annual basis and 100-150 new international students while at the same time ensuring the University adheres to its academic standards of quality by reaching and maintaining at least a 78 percent retention rate and achieving a 58 percent graduation rate. Most importantly, it must be determined how the University reaches a 20 percent market share of the college-going students in each of its 18-county service regions and ensuring Murray State is the top four-year institution in each of these areas. Special attention must be focused on underrepresented minorities; low-income and first-generation students and adult learners. The *Commission* has been charged with undertaking a SWOT analysis with the goal of presenting the preliminary findings to the President on June 30, with final findings to follow by July 30.

During the inaugural meeting of the *Commission*, various committees were developed as follows (with committee Chairs designated):

- 18-County Service Region – Dean Dave Whaley, College of Education and Human Services
- Admission Standards – Dean Tony Brannon, *Hutson School of Agriculture*
- Discount Rates – Dr. David Eaton, Professor of Economics and Finance and Wendy Cain, Bursar and Interim Director of Student Financial Services
- Graduate Recruitment – Chair Susana Bloomdahl, Department of Educational Studies, Leadership and Counseling and Matt Jones, Coordinator, Domestic Graduate Recruitment and Retention
- Undergraduate Recruitment – Shawn Smee, Director of Recruitment
- Minority and First-generation Recruitment – Roslyn White, Associate Director-Coordinator, Multicultural Recruitment and Dr. Robertson
- International Recruitment – Tyson Manering, Director of International Recruitment and Operations Manager
- Scholarship Applications – Christian Cruce, Director of Scholarships
- Marketing – Dr. Adrienne King
- Retention – Peggy Whaley, Director, Office of Student Engagement and Success
- Academic Advising – Dr. Barbara Cobb, Professor of English and Philosophy
- Academic Programs – Dr. Arant
- Low-Income Student Retention – Dr. Robertson

These individuals will be leading their own committee to develop the SWOT analysis as well as action plans moving forward. The University has also retained the services of Anika Olsen, Principal and Consultant with EAB, the company that has worked with the University over the last five years. Confirmation was provided that Dr. King is aggressively seeking out marketing opportunities throughout the 18-county service region. The *President's Commission on Strategic Enrollment Management* has set a schedule to meet weekly on Tuesdays at 3:30 p.m. in Room 118 Wells Hall and all were invited to attend.

The Murray State Road Scholars (Racer Roundup) program is also being revamped and advanced. Dr. Davies indicated he has received preliminary draft recommendations from the Committee which include a two-year phase-in for this initiative and funds have been designated in the budget for this purpose. The Murray State Foundation has designated $30,000 and the University is matching this amount. In addition to funding for travel and scholarships, a key staff person has been identified and will be responsible for this particular initiative.

Last year there were 4,668 individuals at the undergraduate level from the 18-county service region attending Murray State and this includes 515 first-time freshmen. To date, there are 510 first-time freshmen from the 18-county service region who have either enrolled in classes or signed up for a Summer Orientation session, compared to 460 students at this time last year. Enrollment numbers from high schools in the 18-county service region are up in many counties/ cities such as Calloway (15), Murray (17), McCracken (15), Marshall (20) and Paducah (10). Enrollment numbers in Henderson and Hickman counties are down by 11 and Carlisle and Union counties are down by 9. Last year the University attracted 52 students from McCracken County and that number to date is 66 first-time freshmen who have enrolled or signed up for Summer Orientation. Last year the University attracted 118 students from Calloway County and that number to date is 130. A Summer Orientation session was held yesterday in which 287 students enrolled at Murray State. Students who did not show up for their Summer Orientation session were contacted and five have rescheduled for an alternate date while the remaining four students are in the process of rescheduling their campus visit. Last year at this time there were 894 first-time freshmen students signed up for classes and/or a Summer Orientation session and to date that number is 1,002.

With regard to the community colleges, currently 183 students from WKCTC are admitted (compared to 138 last year). There are 34 students from Henderson Community College who have been admitted and last year at this time the number was 20. Currently 62 students from Hopkinsville Community College are admitted (compared to 57 last year). There are 96 students admitted from Madisonville Community College and last year this number was 64. There are 11 students admitted from Owensboro Community College (compared to 12 at this time last year). There were a total of 17 students from other community colleges last year but 25 individuals have been admitted for this upcoming academic year.

Dr. Davies presented the following additional highlights:

- The search process is currently underway for the Associate Vice President for Strategic Enrollment Management. Dean Todd is serving as Chair of the Search Committee and has indicated the candidate pool has been narrowed down to a group of semi-finalists who will be interviewed early next week. The finalists are expected to visit campus in July with the goal of having this person on campus and working in this capacity by mid-August.
- Peggy Whaley is in charge of student success and retention efforts and at the last meeting it was reported that Murray State's retention rate was 76 percent from freshman to second year. Due to the efforts of Ms. Whaley and her team, the current retention rate is 77 percent. This represents an historic high for the retention of freshmen.
- Last night on WPSD there was discussion about Greek Life on the Murray State University campus. The special Greek Life Committee tasked with reviewing the social activities policy is currently meeting, gathering information and is on task to provide a recommendation to the President by this Summer or early Fall. The Committee is comprised of students, advisors and alumni leaders and is being co-Chaired by Dean Todd and Dr. Kathy Callahan, Professor of History, both of whom have a solid background to lead this effort. Dr. Davies is encouraged by the support the University has received from numerous national organizations in regard to decisions made to this point. The goal and focus of this work is to continue to have a strong, vibrant and responsible Greek Life system on the Murray State campus and Dr. Davies is positive the work of this Committee will allow for this to occur.
- Next week the University will host Cabinet for Economic Development Secretary Terry Gill on campus to discuss economic development opportunities for Murray State throughout the western region. Secretary Gill will also meet with Economic Development Corporation officers from

throughout the county. Appreciation was expressed to Chris Wooldridge, District Director of the Murray State Small Business Development Center for his tireless efforts in coordinating Secretary Gill's visit to west Kentucky.

- Next week the College of Education and Human Services will host over 1,000 teachers from 310 schools, nearly 80 school districts and seven states during the annual *College Readiness Summit*. Appreciation was expressed to Dean Whaley and faculty and staff within the college for their efforts in this regard. Dr. Whaley reported that this represents the fourth year the college has sponsored the *Summit* and all are pleased with the response from teachers and other educators. Numerous presentations are being made available to these teachers, educators and administrators during the two-day event and all Regents were invited to attend.
- John Rall is retiring at the end of June and was recognized for his diligent service to the University since 1997. Mr. Rall, who has served Murray State nobly, ethically and legally, was recognized by a round of applause.
- Dean Steve Cobb, *Jones College of Science, Engineering and Technology*, joined the University in 1988 as a faculty member. He served 14 years as a Department Chair and has served as Dean since 2007. Dr. Cobb is a two-time Fulbright Scholar awardee (1995 in Russia and 2013 in the United Kingdom). During his leadership he has overseen Accrediting Board for Engineering Technology accreditations, created the phenomenal Institute of Engineering and oversaw the construction of the new Science Campus. Dr. Cobb will be returning to the classroom. He was recognized by a round of applause.

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

(See Attachment #1)

Reports of the Constituency Regents, received

Faculty Regent

Ms. Farmer indicated that the report of the Faculty Regent was included in the eBoard book and she did not have any additional information to add.

(See Attachment #2)

Staff Regent

Mr. Schooley also indicated that the report of the Staff Regent was included in the eBoard book and he did not have any additional information to add.

(See Attachment #3)

Student Regent

At the Chair's request, Ms. Wood reported that she is participating in an internship over the summer at a public relations firm in New York. Ms. Wood expressed appreciation for her time on the Board and for always being made to feel as though she can voice her opinion. She is very appreciative of this and has always felt comfortable talking to the members of the Board and having open and transparent conversations. She is grateful for being allowed to do this and serve in this capacity. She stated it has been a pleasure representing the student body at Murray State University and was recognized with a round of applause. Appreciation was expressed to Ms. Wood for her service and for making the trip from New York to attend the meeting today.

Report of the Treasurer, accepted

Ms. Dudley reported that an Executive Summary to the quarterly unaudited Financial and Investment Reports was included in the eBoard book and highlighted the following:

- The University is two-thirds of the way through the fiscal year and the financial statements included in the eBoard book are as of the end of March. A significant amount of activity will occur during the last three months of the fiscal year.
- During the current year there was a 1 percent rescission in the state appropriation ($458,000) and this is included in the financial statements.
- Challenges with regard to enrollment, tuition revenues and discounts continue. A detailed schedule was provided in the summary that projects tuition to be approximately $7.2 million short of revenue budget projections. This is not compared to last year but instead represents a comparison of actual to revenue projections for fiscal year 2018.

- The University began to take action in October 2017 to address the anticipated shortfall of $7.2 million. The shortfall will be covered on a one-time basis by utilizing the $2 million budget contingency and the $1.1 million pension contingency. In addition, savings from very deliberate departmental and unit management of the budget will help generate one-time savings of approximately $2 million. This leaves a $2 million shortfall that will be covered by the Revenue Contingency portion of Net Position (reserves) at this point in time. All were cautioned that these continue to be estimated numbers until final amounts are known for June 30, 2018. All were reminded with regard to net assets, as reported in the financial statements, the University always carries 5 percent of the state appropriation as a revenue contingency (approximately $2.3 million).
- The components associated with how to address the $7.2 million shortfall were included in the gross tuition and fees and discount analysis. The University is projected to be down $9.7 million overall as of March but this does not include Summer I revenues. Summer I revenues, less discounts, are estimated to be between $2.6 and $2.8 million and would reduce the $9.7 million deficit to $7.1 or $7.2 million as mentioned in the previous bullet. A detailed chart was provided in the eBoard book outlining how the $7.2 million estimate was reached.
- Additional pressures include the pension liability. Historically these numbers are not provided by the retirement system until their audit has been completed. Last year the University was required to report an additional $20 million of expense due to the increased pension liability. The shortfall does not include any additional expense the University may have to record as a result of increased pension liabilities again. These liabilities are being recorded on the financial statements as an estimated number and slightly over $8 million is included through March. What this figure will be, pending final year-end numbers from the pension system, is unknown. This is not a cash flow item but a recorded liability and expense that affects the University's net position.
- Information was included in the eBoard book on the total Education and General (E&) Fund through March. The numbers on the report, without the pension liability, show there is $19.3 million to the positive in terms of revenues over expenditures. There are transfers of slightly over $4 million. Of this amount, $3 million was transferred out at the beginning of the year – as approved by the Board – to begin some renovations in Blackburn Science Building. There were funds left over last year that were designated at June 30 and this funding was placed into reserves. On July 1 those funds were allocated to the Blackburn Science Building project. The financial statements reflect this allocation of reserves as a result. If the $3 million allocation had not been made, the University's increase in net position would be $22.5 million which is short of prior year at $27 million. Based on expenditure management it is projected the University will be within $2 million of that amount, without the pension adjustment.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, accept the quarterly unaudited Financial and Investment Reports for the period of July 1, 2017, through December 31, 2017, as presented. Mrs. Guess seconded and the motion carried.

(See Attachment #4)

Revised University Strategic Plan, approved

Dr. Fister reported that the University Strategic Plan – Achievement, Endeavor and Hope: The Murray State Plan – has been through a reassessment year that began in May 2017 and included a reassessment of the metrics. The University Community has been involved in the restructuring of the Strategic Plan with opportunities through attending listening sessions, discussion at constituency groups meetings and survey completions. Regular meetings also occurred with the Strategic Initiative Teams, Initiative Chairs and the Strategic Plan Executive Team. The title of the restructured plan is: Advancing the Tradition of Excellence: Achievement, Endeavor and Hope: Murray State University Strategic Plan.

The initial Strategic Plan had 63 initiatives and those have been tailored down significantly in the new Plan. The focus of the Plan remains to recruit, retain and graduate students while also recruiting and retaining the best staff possible. Measure 3 – Promoting a Dynamic and Diverse University Community Committed to Student Success – has very explicit achievement metrics in the Enrollment Strategic Plan, with the following specific components listed: 1,600 first-time, full-time freshmen students, 700 first-time transfer students, 500 international degree-seeking students, 450 first-time graduate students and 8,600 undergraduate students and 1,700 graduate students. All components will be measured by Fall Semester headcount with the exception of international degree-seeking students which will be measured according to annual unduplicated headcount. Once the Enrollment Strategic Plan is developed and in place it will connect to the full Strategic Plan. The metrics listed have been devised carefully so that they can be updated if necessary.

Reassessed Strategic Plan metrics and a dashboard were included in the eBoard book and all were asked to provide input. Key changes include a refocus on Honors College student retention, specific components related to enrollment, scholarly activity and enhancement of opportunities with K-12 and industry partnerships. The Board did not make any recommendations in response to whether there were any items within the reassessed Strategic Plan that need to be changed or addressed.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the revised Murray State University Strategic Plan – Advancing the Tradition of Excellence: Achievement, Endeavor and Hope, effective June 8, 2018, with the understanding that updated measures may be presented to the Board for future consideration. Mrs. Rudolph seconded and the motion carried.

(See Attachment #5)

Chair Williams recognized Robert Miller who has joined the meeting and will serve as the University's new General Counsel, effective July 1, 2018.

Adjournment

The Board adjourned for a break beginning at 10:31 a.m.

Reconvene

Chair Williams reconvened the Quarterly and Committee meetings of the Board of Regents at 10:52 a.m.

Education Cooperative Agreement with Shandong Technology and Business University (People's Republic of China), authorized

Dr. Davies reported that over the last 20 years Murray State University has developed a significant international reputation in terms of establishing partnerships with universities throughout the globe. In the last two to three years specifically, in visiting various universities in China, discussions have shifted in terms of how universities can become even more integrated and begin offering programs jointly – both in China and in the United States. The proposed agreement with Shandong Technology and Business University is the first such partnership being advanced. This will present an opportunity to not only expand enrollment but also the University's global footprint.

Dr. Robertson indicated that in addition to himself, Provost Arant; Dean Tim Todd and Assistant Dean Joy Humphreys, *Bauernfeind College of Business (AJBCOB)* and Guangming Zou, Assistant Vice President for International Studies, have worked on developing and advancing the cooperative agreement with Shandong University. Recognizing the importance of international partnerships and the opportunities they provide to impact student recruitment and enrollment as well as faculty and staff exchanges, an Education Cooperative Agreement will establish the opportunity for Murray State (through the *AJBCOB*) to offer dual bachelor's degrees in Accounting and Finance to students at the international business college at Shandong Technology and Business University. The curriculum will be jointly taught by faculty from both universities. This Education Cooperative Agreement could also lead to other degree opportunities in the future. Shandong is a highly-accredited university located in the Yantai province of China and has a current enrollment of 21,000 students. Under the proposed agreement, Murray State University would teach one-third of the classes leading toward degrees at Shandong University during their school term between December and January and also during the summer. The goal is to begin teaching classes for Winter Term 2018. There will be an initial cohort of 150 new students enrolled in this program with new cohorts of 150 students each year moving forward. Shandong University will provide housing for Murray State faculty teaching these courses.

Work is currently underway to finalize the agreement with Shandong Technology and Business University. The Board at Shandong University has already approved the agreement and the Murray State Board is being asked today to provide the President with the authority to finalize the Education Cooperative Agreement. Once this has been accomplished the University will seek approval from the Southern Association of Colleges and Schools (SACS) and a prospectus is currently being prepared by Bob Pervine, Associate Provost for Graduate Education and

Research, in this regard. SACS approval is required because this represents a substantive change and as additional agreements are put in place this process will become easier because a model will already exist. No issues are anticipated because other universities across the country are also forming such agreements. Once this work has been accomplished the Education Cooperative Agreement will be sent to the Chinese Ministry of Education for final approval. The Ministry has already tentatively approved the agreement and are simply awaiting the final document.

This Fall faculty from Shandong Technology and Business University will visit Murray State for two to three weeks to meet with faculty who will be teaching these programs in China and determine the structure for classroom instruction. Shandong University will also send English Language teachers to shadow Murray State's professors in that program. It is believed this agreement will set the stage for additional degree opportunities in the future. Within the *AJBCOB* there are three additional degrees Shandong University would like for Murray State to address once the current agreement is in place. There is opportunity to move this agreement to other disciplines outside of the *AJBCOB*. Murray State is also working with the Qingdao University School of Agriculture to establish a similar agreement. Agreements such as this will also lead to an enhancement of the diversity of Murray State faculty recruited to teach specifically in such programs. It was stated that it is not unusual for colleges and universities in the United States to have such agreements but there are not many – and Murray State could certainly be the first – in Kentucky. The University has a strong reputation in China and there is even potential for three-way partnerships on the horizon. Only five percent of universities in the country have Association to Advance Collegiate Schools of Business (AACSB) accreditation and Murray State was recently reaffirmed. The *AJBCOB* has held AACSB accreditation since 1976 and this is very attractive to international universities.

Mr. Kemp moved that the Board of Regents authorize the President of the University to negotiate and finalize the Education Cooperative Agreement between Shandong Technology and Business University (People's Republic of China) and Murray State University. Mrs. Guess seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

Health Services Update (For Information Only), received

Dr. Davies reported that the University administration has been discussing and considering health services options over the course of the past year so that this service is not part of the overall budget. Two Requests for Proposals (RFPs) were issued for the outsourcing of health services. No viable bids were received for vendors that met the expectations of the RFPs. The University was approached by Fast Pace Urgent Care with a very innovative opportunity to continue to have health services on campus for faculty, staff and students.

Dr. Robertson and Ms. Dudley provided an update on this health services option for 2018-19 with the following highlights:

- Fast Pace Urgent Care has proposed renting space on campus to provide health services. A rental agreement is being negotiated and will be based on market value. Murray State will provide no guidance in the operation of Fast Pace and is simply renting space in the current Health Services location.
- Fast Pace is proposing to provide Fast Pace Connect which represents virtual medicine or telehealth. Fast Pace will provide a medical cart, operated by a Registered Nurse (RN), which allows for a virtual appointment with audio and video with a Physician or Nurse Practitioner in another location to determine the appropriate treatment for the patient. That treatment can then be performed by the Registered Nurse in most cases. If it is determined that the treatment needed is beyond the capability of the RN and the resources in the clinical location, the patient could be directed to go to the actual Fast Pace location on 12th Street at no additional charge if the visit occurs on the same day.
- The service will be available for faculty, staff and students but they must now use insurance or pay a fee for service. This would have been the case even if a viable RFP had been received.
- If negotiations can be finalized, Fast Pace would begin offering services at the end of July and they are proposing hours of operation such as 8 a.m. to 6 p.m. which represents an expansion of hours over the current structure. Based on the volume of individuals utilizing this service, Fast Pace could bring in additional virtual units and RNs to address patient needs. Individuals could still choose to directly visit the main Fast Pace location and will be informed of other options as well.
- This type of service is unique to colleges and universities in this area and represents a new initiative for Fast Pace. Similar operations exist in some pharmacies and in public schools.

Confirmation was provided that this option would be at virtually no cost to the University and the arrangement represents a facility lease agreement. Fast Pace will provide their own cleaning services, utilities, internet and the telephone system. In terms of whether there will be a difference in the level of services based on what is currently provided, it was indicated that Fast Pace has already asked what services have been offered in the past in an effort to retain as many of those services as possible. In some cases the RNs may be able to perform some procedures – because they have instant virtual access to a Physician – that could not be accomplished in the current clinic. The RFPs issued earlier specifically defined the services the University wanted to offer but there was no successful bid received. The University has not defined for Fast Pace the services which will be offered but it is anticipated services could be enhanced. Confirmation was provided that students do not have to use their parent's insurance if they elect to pay the $85 visit fee by another means.

Dining Services Outsourcing, approved

Dr. Davies reported that consideration has been given over the past 18 months to outsourcing Dining Services. The Board is being asked today to make a specific decision with regard to whether Dining Services should be outsourced. In prior discussions consideration has been given to whether this represents a service that is a core strength and critical to the institution. Quality and expertise attributes a company specializing in this work has were also taken into consideration, in addition to the ability to hire individuals to undertake the work related to the services needed – and perhaps even enhance current operations. Economies of scale, costing relationships and the financial liabilities of the University were also considered as this work progressed. The facts and figures being presented today are not related to any one RFP received. At the conclusion of the discussion the Board will be asked to make a decision on whether the University should outsource Dining Services. If the decision is made to outsource, the Board will be asked to authorize the President or his designee(s) to negotiate a contract with one of the organizations that submitted a Request for Proposal (RFP). Upon successful negotiation of the contract, that will be brought back to the Board to either as a whole through a Special Meeting or to a subcommittee of the Board for final authorization before execution.

Ms. Dudley; David Looney, Executive Director for Auxiliary Services and Joyce Gordon, Director of Human Resources reported the following:

- The issue of outsourcing was discussed generally by the Board's Finance Committee at its meeting on November 21, 2017. At that time, the Committee expressed the need for management to begin to explore potential outsourcing options and provide information to the Board at a later date. Consistent with this directive, the Board received a presentation regarding outsourcing Dining Services.
- The presentation related to the necessity of and intended goals for Dining Services, any issues and inefficiencies which exist within current service operations and whether Dining Services can be efficiently provided by Murray State University. As Dr. Davies has stated, "Outsourcing would allow the University to focus resources on the academic mission and operations of the institution. This enables the University to employ specific technologies to ensure increased program quality and, in doing so, increase customer satisfaction. As part of this, outsourcing plans have built-in accountability measures to ensure the vendor fulfills its obligations to the institution."
- After the November 21, 2017, meeting, an RFP was developed to gauge interest among vendors in the event Dining Services was outsourced. Consequently, the presentation also included the evaluation criteria listed in the RFP which reflect matters of particular interest to, and the expectations of, the University. As this work progressed the uniqueness of Murray State – in terms of academic success and a welcoming atmosphere – was at the forefront of efforts and all understood the importance of maintaining that combination. Making Murray State feel like home to students and their families is an important part of the University's culture which must be maintained.
- A Dining Services RFP Committee has been charged with reviewing vendor responses but no vendor has been selected, pending majority vote from that body. Based upon the University's current operations, the Committee recommended that Murray State proceed with pursuing outsourcing as an option for offering effective and efficient Dining Services. If a contract can be negotiated, the final version would be submitted to a special committee of the Board for final approval prior to its execution. The goal of this work is to ensure the University has a solid fiscal foundation for the Dining Services operation that is sustainable with a focus on maintaining certain cultural aspects and control mechanisms. It is important to maintain the University's reputation as the best student-centered university with a focus on recruitment, retention and graduation. Agreement was also reached that consideration must also be given to how other universities in the state have successfully negotiated outsourcing options so any decision can be made on solid analysis.
- The role dining services plays on campus related to recruitment, retention, student engagement and academic success is crucial. When students are making a choice to attend a university they are

looking for a place where they feel welcome and comfortable. When they think about dining services they are thinking about national brand recognition – places that make them feel comfortable. Students connect with brands such as Starbucks and Chic-fil-A and having these types of facilities on campus resonates with current and potential students and play an important role in the decision-making process.

- Dining Services initiatives specifically related to recruitment, retention and graduation have been employed. When students are on campus for a tour the dining hall was not one of the facilities visited. Lisa Potter, Manager of Dining Services, and her team of supervisors took an opportunity to be intentional about their engagement with students as part of this process. The tour groups are now invited into the dining hall and they are provided with an explanation of how dining services works and that includes how individual student needs can be met. This includes providing nutritional information, outlining how staff handle vegan and vegetarian meal preparation and the services provided to address food allergies. The staff also took the opportunity to redesign the dining hall. There were North and South dining areas which were open and closed at different times during the day. These areas have now been redesigned to provide two different cultural aspects. One area represents a very "live" space with televisions, gaming stations and music. The other dining area is more like a library to allow for studying, reading, etc. These two different spaces were intentionally created to ensure students have the opportunities they need. Through offering these various options, students will leave their rooms and come into the dining hall due to the engagement component provided. Research shows that the more students are engaged in activities outside the classroom the more successful they are in the academic process. Every week dining services staff meet with the Residential College Association and the Student Government Association (SGA) to develop relationships and listen to what students have to say. As a result, students are participating in more events. One example is providing a meal plan destination in the Curris Center for students living in Regents and White residential colleges due to the location of these facilities. This has brought new life into the Curris Center and the option has truly been appreciated by students. This helps illustrate that dining services are relevant, important and play a key role in the recruitment, retention and graduation processes about which all are concerned.
- Through this process a review of current inefficiencies was undertaken. Dining Services is facing the same financial reductions as other units and this means choices must be made. Identified inefficiencies included employee recruitment, onboarding, training, termination, payroll services, accounts payable and receivable, procurement, facilities design, general services, residential life involvement, marketing and assessment. The unit generally hires 25 full-time employees on an annual basis to fill vacated positions. The time required to advertise, recruit and interview candidates and eventually train the individual hired is significant in terms of resources needed from Human Resources. This resource could instead be used in other areas on campus. Dining Services processes approximately 3,000 invoices per year and this places stress on the accounts payable and receivable systems. This means Dining Services is competing for these resources against the academic component of the University. In terms of facilities design, Dining Services is competing for resources that might need to be used elsewhere to repair classrooms.
- Alternative funding options compared to outsourcing were considered for the operation of Dining Services. The best estimate to date is that the Kentucky Employee Retirement System (KERS) changes will impact Dining Services by an additional $515,000 (84 percent contribution expected next year). With outsourcing this amount would be zero. Dining Services currently provides Education and General support to the University of approximately $700,000 per year. If this subsidy is reduced, it translates into a 1 percent tuition increase (above what has already been approved) or another $515,000 budget reduction which will likely involve people. Neither of these options appear to be consistent with the desire of the Board. The second option involves reducing the amount by which Dining Services subsidizes housing. If the subsidy is reduced, this translates into a 4 percent housing rate increase (above what has already been approved) in order for this unit to subsidize the budget shortfall. This is also not consistent with the message that has been shared earlier today. A final option considered is for Dining Services to absorb the additional KERS expense and this would require a 6 percent dining and meal plan rate increase (above what has already been approved).
- Over the last five years Dining Services has averaged approximately $2.5 million in revenue. This amount is reduced by in-kind contributions ($75,000) which is money Dining Services contributes to student programming and activities and $1.6 million in University support. If the unit were to absorb the KERS increased contribution, this would result in net revenue of $310,000 that Dining Services utilizes for deferred maintenance (building and equipment repair) with essentially no increase in capital. Projected financial information associated with outsourcing includes the $2.5 million in revenue, an increase to $125,000 for in-kind contributions for student programming, no KERS expense and maintaining the $1.6 million obligation to the University. This results in net revenue of $900,000 for deferred maintenance. Outsourcing would also result in additional capital and an estimate of $7.5 million is projected to be used to invest in building the types of facilities on campus that will continue to attract students. The Board was cautioned that this represents a simple financial calculation and everything remains negotiable. Clarification was provided that the contract with the vendor would likely be structured in a way so that in-kind contributions will be proportioned out to the units currently utilizing them. The vendor will not define what programs in-kind contributions will fund. The net figures provided are on an annual basis and the capital number is based on a ten-

year contract.

- In response to a question related to a name brand franchise not resonating on campus and the amount of time the vendor would be given to move to a different franchise, confirmation was provided that the University will protect itself in this regard. By signing an agreement with a dining partner, the University is not handing them the keys and walking away from the operation. Instead, the University will define a set of rules under which the vendor will operate and be accountable for and solid research will support any such decision. Potential vendors would also conduct the same research because they are providing capital and do not want to make an uninformed decision. Part of this discussion will involve the appropriate location on campus for any such franchise.
- Outsourcing represents a customized process that will accurately capture the culture of Murray State and this is the purpose of the negotiation process. The requirements set forth by the Board included having a solid financial foundation that is sustainable and would result in a reduction in costs to the University. There is also a desire to increase program quality and customer satisfaction – all aimed at the goals of recruitment, retention and graduation. The RFP evaluation criteria grading includes 35 percent for financial plan/investment in Murray State (includes meal plan options, costs and pricing of all items), 25 percent for program alignment with the vision and goals for the University and Dining Services, 25 percent for philosophy of company and proposed method for operating on campus (includes proposed management team for Murray State), 5 percent for references and campus visits, 5 percent for healthy and fresh choices on campus and 5 percent for social responsibility and sustainability on campus.
- With regard to the financial investment in Murray State, vendors were asked to provide an estimate on the amount of funding they would make available for capital projects. The University agreed to consider ideas and suggestions for national brands or other concepts which meet student demand. Additional consideration will be given for creative ideas and funding assistance that improve the student dining experience. Vendors were asked about in-kind scholarships and services for student activities/groups, support for the Food Bank, holiday meals, Midnight Breakfast, etc. The vendors were asked to present on what they would propose in terms of commissions for retail activity (includes catering/special event activities/concessions). The vendors were asked about establishing a fund for maintenance and repair of equipment and facilities.
- With regard to alignment with the vision and goals of the University and dining, it was explained that the successful vendor would be expected to perform contracted dining services at a level of quality that consistently meets or exceeds the University's expectations, providing the best value to the consumer and supporting the University mission and vision of becoming the best student-centered university in America. There are also goals to become the #1 ranked dining program in Kentucky, #1 ranked dining program among peer institutions and one of the Top 50 dining programs on a nationally-recognized rating system such as NICHE.com. In addition, the vendor would be required to establish and implement a meal plan program consistent with the University's goals for recruiting and retaining students.
- With regard to the philosophy of the company and their proposed methods for operating on campus, vendors were asked how they would add value, what size or level of impact that value would have and how the level of added value will be measured during the course of the service in terms of impact on recruitment and retention of students and/or overall University satisfaction. The vendors were asked to provide a roadmap for creating an exciting atmosphere and impact for meal plan offerings, including programming to maximize satisfaction along with enhancing and supporting the University's mission and vision. The vendors were also asked to outline their expertise, efforts and processes in delivering effective, well-administered student employment opportunities.
- With regard to offering healthy, fresh choices on campus, vendors were asked whether they could provide accommodations for students with special dietary requirements. They were also asked to share their expertise and experience with assisting students with food allergies and providing vegan, vegetarian, kosher, halal and gluten-free dining needs.
- With regard to references, campus visits were made by Committee members to schools already utilizing these particular vendors.
- With regard to social responsibility and sustainability on campus, the vendors were asked how they would support and enhance sustainability efforts through programs such as Kentucky Proud. They were asked about their interest in the food waste composting infrastructure and related training at each Dining Services location and how they would support campus and community food security (Racers Helping Racers Food Bank) and reduce solid waste by upstream elimination of disposables and recycling. Vendors were asked whether they have an interest in establishing an internship program for students who will be responsible for the development and execution of peer awareness and engagement programming related to sustainable dining initiatives.
- In terms of contract controls, a contract compliance database has been established and any deliverable item has been assigned to a person and a schedule. Meal plan rate approvals will remain under the responsibility of this Board. Meetings will continue with the Residential College Association and SGA to identify student needs and ensure their voices are being heard. A Secret Shopper Program will be implemented and relevant metrics will be developed with specific and measurable goals to ensure Murray State is in line with what other schools are delivering (benchmarking Key Performance Indicators).
- A timeline of actions taken to date was presented for this work which officially began with the first

RFP Committee meeting on February 26, 2018. As part of a pre-bid meeting, vendors were asked to identify how they differentiate from their competitors and were provided with all Murray State requirements and expectations. The RFP Committee included representatives from Student Affairs, Residential College Heads, Human Resources, Finance and Administrative Services, Athletics, Auxiliary Services, Student Government Association, Faculty Senate and Procurement.

- Information was presented on outsourcing within Kentucky. Murray State and Kentucky State University are the only two universities that continue to have self-operating dining services operations. The information presented included information for the other state universities such as the company they are outsourcing with and the associated pricing per semester (what the student actually pays). The same analysis was undertaken for Council on Postsecondary Education benchmark schools for Murray State and the majority also outsource dining services. In terms of pricing Murray State is relatively in the middle of the group.
- NICHE.com is a rating system that evaluates dining programs at the various universities. Murray State Dining Services is ranked #2 in the 2018 Best College Food in Kentucky by NICHE. These ratings are based on financial criteria, vision, philosophy, reference, healthy options and locally-sourced/sustainability programs. Outsourcing Dining Services is being considered because of the increased liability the University will face due to the changes being made in the KERS retirement system and is not a reflection on the performance of current employees. In addition to the KERS changes, an effort is being made to realize campus efficiencies and streamline operations in an effort to do more with less and this is the overriding driver of the outsourcing discussion.
- Staffing challenges have existed in Dining Services for a number of years but there has been significant turnover in the last three years (35 percent). There are currently seven exempt positions and four of those are vacant. Staffing these upper-level positions and keeping them staffed has also been a challenge. There are 74 non-exempt positions and 18 are vacant. The average number of part-time student positions is 201 and this includes international students which are not typically allowed to work off-campus. It was clarified that the industry will allow the vendor to hire international students. Maintaining a stable workforce in this area is critically important overall for students. All are aware of the impact this change would have on current employees and discussions with prospective vendors have included keeping positions filled with the appropriate individuals. Some key positions remain vacant and some positions that have been filled were advertised as many as four times during this time period. This does not represent a sustainable staffing model. A third-party vendor will bring resources from other campuses and employees on the Murray State campus will be exposed to other opportunities that may not currently be available.

Confirmation was provided that dining services outsourcing companies want to embrace the culture of the market they are entering. If a company constructs or invests in a facility on campus the University owns that operation. If the relationship gets to the point where it is not working and the vendor desires to leave, they will amortize the remaining value of the facility or a new vendor may agree to pick up that balance. The University must also consider how to make the vendor "whole" based on the unamortized remaining value of the facility. All must keep in mind that the University will be part of the decision-making process prior to a facility being constructed. It was reported that the Flex Program includes the capability to make purchases outside of the dining hall and consideration will be given to supplementing and enhancing this program. Confirmation was provided that the University does not intend to enter into any type of program which requires students to participate in the Flex Program. Any decision related to meal plans remains with this Board, including pricing. The contractor will make a recommendation in terms of pricing and the administration has requested that this information be provided in mid-December each year. Mr. Looney would then negotiate any proposed increase and provide a recommendation to Ms. Dudley and the President to advance to the Board for final approval.

In terms of the anticipated timeline for decision making, a Regent indicated concern regarding litigation between another state university and the KERS retirement system. Confirmation was provided that this has been taken into consideration in conversations related to the timeline for this work at Murray State. Ongoing discussions with the KERS system and Murray State will ensure any such change is made appropriately and within their guidelines. Changing dining services operations must be accomplished when there is not a lot of business – such as Fall Break or Christmas Break – and employees must be provided with ample notice. A timeframe is not being delivered at this time pending whether the decision will be made by the Board to outsource and also the outcome of discussions being held with KERS. Due to KERS regulations the University cannot require the vendor to hire current employees but it is known that all of the companies the University has worked with wants to maintain current employees because they are skilled in particular areas. These companies also know current benefits offered by the University and will be committed to proposing a comparable package.

Mrs. Guess moved, based upon the preceding, that the Board of Regents, upon the recommendation of the President of the University, 1) approve the outsourcing of Dining Services, subject to the evaluation of factors indicated by law and the provisions which follow; 2) upon receipt of a recommended vendor by the Committee Chair, factors indicated by law related to privatization including those considered here will be evaluated by the Vice President for Finance and Administrative Services, with such consultation as she deems appropriate, and will be reported in writing to the President; 3) if the President, after review of the evaluation from the Vice President for Finance and Administrative Services and consultation with appropriate offices, including Human Resources, determines that negotiations should proceed, it authorizes the President and/or his designee(s) to negotiate a contract for outsourcing Dining Services. If it is determined that no satisfactory outsourcing arrangement is available, the President shall so report to the Board and 4) that if the President and/or his designee(s) is able to negotiate a contract with the proper vendor, the agreement will be presented to a Special Board Subcommittee for final approval consistent with applicable factors before execution. Mr. Kemp seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

Mr. Rhoads further moved that the Board of Regents designate the Subcommittee that has the authority of the Board to approve said contract with the following membership: Dan Kemp, Chair; Sharon Green; Phil Schooley; Tori Wood or J. T. Payne and Katherine Farmer. Mrs. Guess seconded and the motion carried.

Adjourn

The Board adjourned for lunch at 12:15 p.m.

Reconvene

Chair Williams reconvened the Quarterly and Committee meetings of the Board of Regents at 1:16 p.m.

Committee Reports/Recommendations

Academic Excellence and Scholarly Activities Committee

Walter Bumphus – Chair
Katherine Farmer
Susan Guess
Lisa Rudolph
Tori Wood

In the absence of Dr. Bumphus, Mrs. Guess called the Academic Excellence and Scholarly Activities Committee to order at 1:16 p.m. and reported all other members were present.

Board of Regents Teaching Excellence Awards, approved

On behalf of the Academic Excellence and Scholarly Activities Committee, Ms. Farmer moved that the Board of Regents, upon the recommendation of the President of the University, approve the following faculty as Regents Teaching Excellence Awardees for 2018:

- Frances Smith — *Arthur J. Bauernfeind College of Business*
- Brian Bourke — College of Education and Human Services
- Deborah Bell — College of Humanities and Fine Arts
- Yoko Hatakeyama — College of Humanities and Fine Arts
- Rebecca Williams — College of Humanities and Fine Arts
- Elizabeth Donovan — *Jesse D. Jones College of Science, Engineering and Technology*
- Sterling Wright — *Jesse D. Jones College of Science, Engineering and Technology*
- Cheryl Porr — *Hutson School of Agriculture*

Mrs. Rudolph seconded and the motion carried.

Full Board Action – Board of Regents Teaching Excellence Awards, approved

On behalf of the Academic Excellence and Scholarly Activities Committee, Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the following faculty as Regents Teaching Excellence Awardees for 2018:

➢ Frances Smith	*Arthur J. Bauernfeind College of Business*
➢ Brian Bourke	College of Education and Human Services
➢ Deborah Bell	College of Humanities and Fine Arts
➢ Yoko Hatakeyama	College of Humanities and Fine Arts
➢ Rebecca Williams	College of Humanities and Fine Arts
➢ Elizabeth Donovan	*Jesse D. Jones College of Science, Engineering and Technology*
➢ Sterling Wright	*Jesse D. Jones College of Science, Engineering and Technology*
➢ Cheryl Porr	*Hutson School of Agriculture*

Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

2017-18 Academic Curriculum Changes, approved

Dr. Arant reported that information regarding academic curriculum changes related to new certificates and minors, suspensions/deletions (approved by Academic Council and pending approval) was provided in the eBoard book and have the approval of the Provost and Vice President for Academic Affairs.

On behalf of the Academic Excellence and Scholarly Activities Committee, Ms. Farmer moved that the Board of Regents, upon the recommendation of the President of the University, approve the academic curriculum updates as presented. Ms. Wood seconded and the motion carried.

Full Board Action – 2017-18 Academic Curriculum Changes, approved

On behalf of the Academic Excellence and Scholarly Activities Committee, Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the academic curriculum updates as listed below:

The following academic certificates and academic minors were added to the University's academic curriculum during the 2017-18 academic year by the Academic Council.

New Certificates

- Community-Based Art Education Undergraduate Certificate
- Fine Art Photography Undergraduate Certificate
- Game Design Undergraduate Certificate
- Career and Technical Education Undergraduate Certificate
- Unmanned Aerial Systems Undergraduate Certificate
- Career and Technical Education Graduate Certificate

New Minors

- Fine Art Photography Minor
- Cell Biology Minor
- Game Development Minor
- Community Health Coordinator Minor
- Holistic Senior Living Minor
- Humanities Minor
- TESOL Minor
- Unmanned Aerial Systems Minor

The following academic degrees and certificates were suspended or deleted during the 2017-18 academic year by the Academic Council.

Suspensions/Deletions

- Bachelor of Arts in French – Suspended
- Bachelor of Arts in German – Suspended
- Master of Science in Nonprofit Leadership Studies – Suspended
- Gifted and Talented – Suspended
- Master of Science in Athletic Training – Deleted
- Gerontology Undergraduate Certificate – Deleted
- Registered Dietitian Certificate – Deleted
- Faith-based Social Work Undergraduate Certificate – Deleted
- Substance-related and Addictive Disorders Undergraduate Certificate – Deleted

These academic curriculum changes have been approved by the Academic Council and the Office of the Provost and Vice President for Academic Affairs.

Suspensions (Pending Academic Council Approval)

- Masters in Economics
- Master of Fine Arts in Creative Writing
- Surveying
- Master of Arts in Elementary Education in Teacher Leadership
- Master of Arts in Childhood Education in Teacher Leadership
- Teacher Leader Masters in Secondary Education

These academic curriculum changes are awaiting approval by the Academic Council.

Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

Spring 2018 Commencement Ceremonies Update (For Information Only), received

Dr. Arant reported that changes were made to the Spring 2018 Commencement Ceremony. Two ceremonies were held in order to accommodate the growing number of graduating participants and their families. The Undergraduate Commencement Ceremony was held at 9 a.m. on Saturday, May 12, 2018, and the Doctoral and Graduate Ceremony began at 2 p.m. – both in the CFSB Center. There were 864 undergraduate students who crossed the stage during the first ceremony and 143 participants (includes 21 doctoral graduates) in the second ceremony. The University had been forced to require tickets for guests (at no cost) for the three previous Commencement ceremonies due to the large number of graduates and attendees and concerns cited by the State Fire Marshal. Tickets were not required for these ceremonies under the new format. Feedback has been positive related to this change. Appreciation was expressed to Mary Ann Gardner, Executive Assistant, for her efforts toward ensuring successful Commencement ceremonies and for her 30 years of service to Murray State University. This report was presented for informational purposes only and required no Board action.

Academic Administrative Appointments Update (For Information Only), received

Dr. Arant stated that appointments for the following academic administrative positions have been approved and have his support for the 2018-19 fiscal year:

- College of Humanities and Fine Arts – Professor Nicole Hand (Assistant Dean)
  Dr. Staci Stone resigned from Murray State University and Professor Hand-Bryant is her replacement.
- Department of Management, Marketing and Business Administration – Dr. Heath Keller (Chair)
  Dr. Keller served as Interim Chair during Fiscal Year 2017-18.
- Department of Animal and Equine Science – Dr. Cheryl (Shea) Poor (Head)
  Professor O.L. Robertson retired from the University.
- Department of Applied Health Sciences – Dr. Miranda Terry (Interim Chair)
  Dr. Amelia Dodd served as Chair during Fiscal Year 2017-18. She will assume a 9-month faculty contract, effective August 2018.

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

Faculty Handbook Revisions (For Information Only), report received

Dr. Arant reported that the *Faculty Handbook* has undergone a series of edits to update language, titles, etc. but no new policies have been made and no policy changes were undertaken at this point. As a result of this work it is anticipated that several policy changes and adjustments will need to be made in the future. This report was presented for informational purposes only and required no Board action.

Adjournment

The Academic Excellence and Scholarly Activities Committee adjourned at 1:22 p.m.

Audit and Compliance Committee

Don Tharpe – Chair
Susan Guess
Stephen Williams

There being no business to address, the Audit and Compliance Committee was not officially called to order but Dr. Tharpe reported that on May 3, 2018, he met with Directors of Assurance Services Lance Mann and Simon Keemer with the auditing firm Dean Dorton. Information was provided that auditors were beginning the University's audit and meeting with staff. They do not anticipate any issues of which the Board needs to be aware but will keep management informed as the process progresses.

Buildings and Grounds Committee

Sharon Green – Chair
Daniel Kemp
Jerry Rhoads
Phil Schooley
Tori Wood

Ms. Green called the Buildings and Grounds Committee meeting to order at 1:23 p.m. and reported all members were present.

Disposition of Structure – West Farm Pole Barn (Building #0213), approved

Dean Brannon brought to the attention of management that there is a pole barn on the West Farm that is in disrepair and beyond the point of being useful. The building has a book value of $30,191 and will be replaced at some point in time.

On behalf of the Buildings and Grounds Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the Resolution authorizing the disposition of the structure known as the West Farm Pole Barn (Building #0213) located on the West Farm off College Farm Road in Murray, Kentucky. Mr. Rhoads seconded and the motion carried.

Full Board Action – Disposition of Structure – West Farm Pole Barn (Building #0213), approved

On behalf of the Buildings and Grounds Committee, Ms. Green moved that the Board of Regents, upon the recommendation of the President of the University, approve the Resolution authorizing the disposition of the structure known as the West Farm Pole Barn (Building #0213) located on the West Farm off College Farm Road in Murray, Kentucky. Ms. Farmer seconded and roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #6)

Campus Electrical System Project Update (For Information Only), received

Ms. Dudley and Mr. Jones reported that what is being presented today represents a phased project. Over the last few years the administration has continually kept the campus electrical system project before the Board and it has also been a priority with the state. All have been working to identify how best to address this issue working within the University's current financial constraints and this has been challenging. Information was provided in the eBoard book on electrical system work that has been undertaken to date. This included replacing two transformers and a project to undertake additional grounding work that has significantly helped with system stability. The investment in the electrical project at this point is $1.5 million.

It was indicated that work cannot be undertaken routinely throughout the semester because these projects must be accomplished when the power to campus can be shut off. In response to this, the electrical system project has now been divided into four phases. The first phase is for those projects which are considered urgent and need to be started immediately and up to a two-year period. The estimated cost to accomplish the first phase is $2.2 million. Potential internal funding sources to accomplish this work were also identified in the information provided. Funding had already been allocated to address electrical system needs and has been utilized to accomplish some of these smaller projects. There is $400,000 remaining in this funding source. There is also $3.2 million that has been accumulated over a period of years for emergency situations. Ms. Dudley proposed that the University begin using some of these funds to continue to work toward completion of the electrical system project. These funding sources will allow the University to continue to address those projects deemed to be the most urgent to accomplish but, again, how much can be accomplished will depend on the amount of down time there is within the next two years.

The second phase is for medium to high need projects which must be undertaken within the next two to four years. These projects would also total $3.2 million and a portion of this has been funded. The Board is not being asked to approve the funding sources because they have already been designated to the Plant Fund. The Board must be aware that the projects which need to be undertaken are being funded internally. The third phase is for medium to low projects within the next four to five years. One of the larger projects is $4.3 million. The entire project, excluding what has already been funded, is estimated to be $10.4 million in today's dollars. It is likely as the phases are completed in the future this amount will increase based on cost factors. Confirmation was provided that this plan was developed in consultation with Marcum Engineering consultants and this represents the result of the study of the electrical system that was undertaken.

Dr. Davies confirmed that as part of the budgeting and prioritization process the campus electrical system represents a critical need for the institution and is the University's sole capital project priority that has been advanced to the Legislature. No capital projects were approved this year through the legislative process. This report was provided to inform the Board that efforts are being made to address the need in a fiscally responsible manner through a phase-in approach. As the next biennium approaches this project will continue to be put forward to the Legislature as a capital priority and it is hoped state funding will be available at some point to assist with this critical work.

Ms. Dudley confirmed that the electrical system project was part of the $32 million project request presented to the state. The other two projects included in that request were the steam electrical system and building controls. The one-time funding sources outlined above will only be utilized to begin addressing electrical system needs and are not included in the budget the Board will be asked to approve later today. It is likely that budgeted sources for these projects will not be available and the University will instead have to pool one-time funding sources. Confirmation was provided that the Deferred Plant Maintenance fund has been depleted and is not automatically funded each year. There is deferred maintenance funding included in the budget that is used to cover the cost of routine replacements such as boilers. Instead of carrying these funds over they have been placed in the Plant Fund over the last several years in an attempt to build up a pool to be utilized for emergency projects and not having to use restricted reserves. At year end it is not expected that there will be a significant amount of funding to move to the Plant Fund but over the next few years an attempt will be made to set aside one-time monies to continue the phases related to the campus electrical system. Some projects included in each phase may also be accomplished separately from other projects, meaning all projects may not be

completed at the same time as part of a particular phase. As items are completed they can be costed out of the associated phase. The Board will start seeing some of these projects as they are included on the quarterly project report.

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

Adjournment

The Buildings and Grounds Committee adjourned at 1:34 p.m.

Enrollment Management and Student Success Committee

Lisa Rudolph – Chair
Walter Bumphus
Katherine Farmer
Sharon Green
Don Tharpe

Mrs. Rudolph called the Enrollment Management and Student Success Committee to order at 1:35 p.m. and reported all members were present with the exception of Dr. Bumphus.

Final Spring 2018 Enrollment Report (For Information Only), received

Dr. Robertson reported the following:

- The final Spring 2018 enrollment report indicated enrollment dropped by 4.4 percent. Final overall enrollment was 8,637 students which is a decline of 401 students from the Spring 2017 Semester.
- Undergraduate enrollment dropped by 2.5 percent and graduate enrollment dropped by 14.3 percent.
- First-time enrollment for Spring 2018 compared to Spring 2017 included relatively the same number of freshmen, seven less transfer students and 18 fewer graduate students.
- The focus for Fall 2018 has been on yield activities in terms of students who attended Summer Orientation and even those who signed up but did not attend to follow up with these individuals and their parents. Several initiatives such as calls, texts and emails have been employed in this regard.
- Students who are in the University's database but have not signed up for a Summer Orientation session are also aggressively being pursued to determine how Murray State can provide assistance.
- A focus is also being placed on students who have been awarded scholarships but have not yet accepted. Through this process some students have been identified as not attending Murray State and those scholarship dollars have been repurposed for other students.
- The University is also reaching out to transfer students by various means to determine why they have not registered, signed up for classes or completed their application for admission.
- The Whitney Young Scholars are currently on campus. These represent rising high school seniors and the University is focusing on these individuals for the 2019 class.
- An additional focus is being placed on redeveloping the Road Scholars Program.

Confirmation was provided that this is the last year of the contract with the Governor's Scholars Program but participants will be on campus beginning in a couple of weeks for a period of five weeks. The Commonwealth Honors Academy students will arrive this Sunday and will be on campus for three weeks (with an approximate 45 percent yield rate). The Institute for Future Agriculture Leaders Program also begins this week and the University normally experiences a high yield for this population. TRIO Program students (middle school students and high school juniors) will also arrive on campus on Sunday and other camp visits are beginning. This also represents the last year of the Governor's Minority Student College Preparation (middle school students) because it was not funded by the state beyond this year.

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

Student Engagement and Success Report (For Information Only), received

Dr. Robertson; Peggy Whaley, Assistant Director for Student Engagement and Success and Dr. S. G. Carthell, Senior Director of Diversity Initiatives reported the following:

- As of pre-week 11, retention has increased in all class levels and the percentage retained for first-time freshmen increased to 77 percent. Efforts with the Recapture Campaign have resulted in this significant increase. Twice a week throughout the summer information is shared with the academic departments which are encouraged to reach out to their students and provide pertinent information back to the Office for Student Engagement and Success which also reaches out via email and phone

calls. The Recapture Campaign represents a collaborative partnership with the Office of Student Engagement and Success, the academic departments and Student Affairs staff working to increase retention.

- The Student Success Seminars have had a positive impact on first-time freshmen retention. Since 2014 the retention and persistence rates for those students in the combined 100 transitions (100T) and success seminars have been consistently higher than for those in 100T only courses. The difference in retention and persistence rates is close to 10 percentage points higher for students participating in the Student Success Seminars. The Student Success Seminar will be implemented in all 100T classes by this Fall.
- Great Beginnings Leaders (GBLs) for the Fall Semester will involve 90 upperclassmen who will be paired with first-year new students to help them make the transition. The primary goals of the GBLs are to welcome new students, advocate for Great Beginnings events, help students navigate campus and available resources and promote the residential college system and the Murray State community. Training for GBLs will take place August 8-10, 2018. Confirmation was provided that students are grouped by residential college. Agreement was reached that this initiative should be widely promoted.
- In terms of when students are notified who their roommate will be, it was reported this occurs in early July and efforts are dedicated to making room assignments based on a student's first choice.
- Efforts to support the graduation of low-income (LI) and underrepresented minority (URM) students in the 2015-16 cohort are underway. The focus team represents an effort with a two-prong emphasis as part of the 2021 Graduation Initiative focused on LI freshmen and sophomores and URM from the 2015-16 cohort. Many times once these students are successful in their first year of college they can be successful in the remaining years. One major concern cited by these students moving forward is finances. Efforts are also underway to develop a financial literacy course and a great deal of work has been undertaken in this regard in partnership with TRIO programs.
- Contact has been made with freshmen and sophomore students who have not attained junior status to assist them in getting on track for graduation by 2021. Contact will also be made with LI and URM juniors and seniors who are not enrolled and/or not making satisfactory progression towards graduation in 2021.
- The primary focus of the Academic Skills Program is to provide students with good study habits. For those students who cannot handle all the rigors of assignments presented this at least provides some structure to address any issues.
- The Fall to Spring Recapture Campaign, in collaboration with many faculty, staff and offices on campus, supported the registration of 67 percent of undergraduate students and 73 percent of graduate students.
- This Fall Recapture Campaign is now underway and as of May 14, 2018, the percentage of students registered for Fall is 44.1 percent undergraduates and 30.2 percent graduate students. Calls, emails and texts have been sent to students by Deans, Chairs and advisors. Updated lists will be shared with Academic Affairs on a bi-weekly basis through August and the Office of Student Engagement and Success will email, call and text students throughout the summer.
- Confirmation was provided that efforts to enhance and improve retention of international students are underway. The International Student Retention Committee will be reconvened and will include Dr. Robertson; Bill McKibben, Director of International Enrollment and Retention, Ms. Whaley and international faculty and student leaders.
- As mentioned previously, the Accelerate U! Program has been developed for students who were not previously admitted to Murray State but have a 15 ACT score. These students typically tend to be high-risk and have remedial coursework needs. Accelerate U! is made possible by participation of staff and faculty from both Murray State and West Kentucky Community and Technical College. An initial orientation and browsing fair was hosted on May 8 for these students and their families. The goal is to support these individuals to become degree-seeking Murray State students. These students are concurrently enrolled in Murray State and WKCTC courses and by being on campus they can take full advantage of available programming and resources.

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

Adjournment

The Enrollment Management and Student Success Committee adjourned at 2:03 p.m.

Finance Committee

Daniel Kemp – Chair
Walter Bumphus
Katherine Farmer
Jerry Rhoads
Phil Schooley

Mr. Kemp called the Finance Committee to order at 2:03 p.m. and reported all members were present with the exception of Dr. Bumphus.

2018-19 University Summary Budget with Executive Summary and Budget Salary Roster, approved.

Dr. Davies reported that the University Leadership Resource and Planning Committee has been enacted and is comprised of the President, Vice Presidents and Deans. The Committee meets every two to three weeks to discuss the University's current fiscal realities and priorities. Every two weeks the President's Executive Council meets to facilitate similar discussions. Multiple Town Hall meetings have been held throughout the year and in November a Financial Summit was held in conjunction with the Budget Advisory Committee and representatives from the Faculty Senate, Staff Congress and Student Government Association. Several Board meetings have been held which have included significant detailed discussion involving information with regard to the budget. In addition, the Insurance and Benefits Committee has been provided with an avenue for input on many aspects of the budget that impact faculty and staff.

Over the last month Dr. Davies has received numerous communications personally from individuals who are presenting their ideas and thoughts. As has been discussed, this year's budget is tight but is built on realistic expectations with no enrollment growth predicted and the tuition increases previously approved by the Board have been included. The budget was presented to the Board at the last Special Meeting and remains relatively unchanged in terms of what is being presented today. Changes include that Enrollment Management will not receive a budget reduction and will actually receive an increase in budget for an additional position and investments in technology. The President also has a fund which can be utilized for strategic initiatives and once the new Associate Vice President for Enrollment Management is on board discussions will occur with that individual regarding additional resources needed in terms of travel and/or new technology. A strong commitment is being made to Enrollment Management. Appreciation was expressed to the Deans and Vice Presidents for their input, suggestions and robust conversation through this process. Ms. Dudley and her team were thanked for tirelessly working to produce the budget being presented today. Appreciation was also expressed to the Campus Community for participating in the process.

Ms. Dudley reported that overall the University's budget is being reduced by $7.6 million (4.5 percent decrease) from the prior year. This is comprised of an $8.6 million decrease (6.4 percent) for the E&G Fund and an increase of $1 million (3.2 percent increase) for Auxiliary Enterprises. The E&G decrease is due to declining enrollments for undergraduate and graduate students, implementation of the third year of the new scholarship model and a new pricing model for graduate and doctoral programs. The revenue schedule, as well as summaries and details of expenditures by area and program, are included in the Regents' Budget. Primary assumptions in the budget include:

- $379,400 decrease in state appropriation
- Undergraduate tuition and mandatory fee rates increase of 3 percent, which equates to $132 per semester for full-time resident undergraduate students admitted under the FY17 tuition model
- New pricing model for graduate and doctoral programs
- New and increased course and online fees
- Increased parking permit fees
- No cost-of-living adjustment for employees
- Elimination of funding for campus Health Services
- Outsourcing of the rental fleet and maintenance of the operational fleet vehicles
- Dining rates increase of 3 percent
- Residence Halls rates increase of 3 percent

State Appropriations

The University's state appropriations have been budgeted at $45 million and this includes the CPE's estimate for Murray State's FY19 portion of performance funding ($470,000). In addition to a total FY19 Commonwealth Budget Appropriation of $45,014,500, the state budget fenced $3.2 million for the Breathitt Veterinary Center and this is included in the University's budget and represents the total budget for BVC (excluding fee revenue generated).

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 2018-19 University Summary Budget with Executive Summary and the Budget Salary Roster. Ms. Farmer seconded and the motion carried.

Tuition and Scholarships/Discounts

For FY17, the University developed and is implementing an aggressive pricing and scholarship model for first-time, full-time enrolled students. This model will continue as originally implemented for FY19 but with this being only the third year, it is too early to predict the overall success. It is important to note, however, that the first-time freshman cohorts have seen increases in retention from 73 percent to a projected 76 percent for the Fall 2017 freshman cohort.

The budget has been adjusted for current year (FY18) enrollment declines, larger graduating classes in the last three academic years and the admission standards used prior to Summer 2016. For these reasons the University is not projecting an overall increase in enrollments for FY19 and a growth factor is not included in tuition and mandatory fee revenues. Total scholarships/ discounts are $44.5 million and information in this regard was included in the eBoard book.

Ms. Dudley reported that there has been at least a partial elimination of the Kentucky Employee Waiver Program for public school employees (includes universities). Community and technical colleges were maintained in the waiver program and employees there can still take classes for free at the public institutions under this program. Scholarships are budgeted this year at $44.5 million and the largest portion is for regional discounts and academic achievement awards (merit scholarships). This year academic achievement awards increased from $8.8 million to $11.3 million primarily due to the third year of the new cohort coming online which requires additional funding into those different types of scholarships.

Salaries and Wages

A cost-of-living adjustment (COLA) for employees has not been budgeted. A non-exempt compensation adjustment had been included for the lowest paid employees for FY17 and FY18 (to advance toward the $10.10 per hour level) but for the third and final year of this model this was not funded because the University was unable to include a COLA increase for all employees and the non-exempt compensation study is scheduled to be undertaken during FY19.

A great deal of work has been accomplished on the faculty compensation review which has been undertaken. A determination of the market level goals was postponed due to significant budget reductions but the decision was made to continue with the schedule for the exempt and non-exempt review. Upon completion of all reviews, market level goals will need to be determined for each group and a funding plan implemented. Approximately $400,000 has been recovered from the overtime pool. A couple of years ago $1.6 million was set aside for changes in the federal Department of Labor Fair Labor Standards Act (FLSA) impacting wage and hour compensation and overtime regulations. This resulted in many changes in non-exempt and exempt employee classifications, but not as many as were anticipated, and the new classifications were implemented in November 2016. Information was presented for each classification of employee – faculty, staff exempt, staff non-exempt, student workers, graduate assistants and extra pay and temporary hiring pools. There were FY19 decreases in each of these pools with the largest being $1.3 million in the extra pay and temporary hiring pool. Discussion will occur on the reduction in Full-Time Equivalents (FTEs) but the $1.3 million decrease has limited flexibility within units. The student worker pool represents the smallest reduction ($139,000) from FY18 to FY19. A stated priority was to protect this student worker wage pool. A graph of FTE changes was presented by executive areas illustrating that 55 positions were

eliminated, 11 of which were filled, but three of these individuals have already been re-employed by the institution. Confirmation was provided that Human Resources has worked with the remaining eight individuals to offer employment in vacant positions for which they were qualified. Some of these employees chose not to seek re-employment with the University. The University also added 5.2 FTE and three of those were funded utilizing E&G dollars (academic positions). The other FTEs that were added were covered utilizing resourced within the units. Total FTE changes this year resulted in a decrease of 4.9.

Fixed Costs

Fixed costs were minimized when the 84.6 percent KERS increase was postponed until FY20 but the University must continue to plan throughout the year for this eventual change into the next fiscal year. There were no significant changes related to other fixed costs this year and the University is very fortunate in this regard.

State Funding Outlook

A summary of the third quarter of 2017-18 Quarterly Economic and Revenue Report from State Budget Director John Chilton was also included in the materials presented to the Board. Ms. Dudley explained the various attachments related to the budget that were included in the eBoard book as follows:

Schedule of Priority Funding Needs (Attachment A)

Revenues decreased by $8.6 million which is different from the $10.8 million reduction reported in May. The difference is what was presented in May represented the amount that the University would need to reduce expenditures. The University was not adding to that amount adjustments that departments might be able to make – such as course fees. What was budgeted included $1.3 million in course fees – which the Board approved – and that associated revenue was budgeted and reduced the $10.8 million figure. Expenditures were also budgeted for specific purposes. The University's need did not change but revenue and expenditures started being budgeted in this process which offset one another. For operations, unit reallocations were $4.6 million net but that figure has been decreased by the budgeted course fee expenditure. Without course fees and other revenue adjustments which were made, the reallocations totaled $6.4 million which is close to the figure presented in May as unit reallocations and this explains the E&G reduction of $8.6 million. This represents inserting into the budget revenue and expenditures which were balanced. Confirmation was provided that the $72,000 budgeted for faculty promotions relates to Assistant Professors being promoted to Associate and Associate Professors being promoted to full Professors.

Statement of Revenues and Expenditures (Attachment B)

Information provided on the Statement of Revenues and Expenditures included Education and General and provides a more functional breakdown of the budget that includes the revenue changes such as general appropriations, change in appropriation, gross tuition and fees and discounts for a total revenue change of $8.6 million. Also included related to E&G are expenditures such as salary and fringe benefits changes and services and utilities and these are also included in the $8.6 million change in the E&G budget. The Statement also includes auxiliaries which had an increase in budget of $1 million due to expenditure changes and revenue increases approved by the Board. These two figures netted together amount to a $7.6 million decrease in the institution's overall budget.

Total Expenditures by Program – E&G Funds Only (Attachment C)

Total Expenditures by Program helps provide the Board with a visual of the changes for each program group and this illustrates graphically the magnitude of instruction versus research, public service and the other program groups. The legend at the bottom of the chart provided illustrates the changes by salary and non-salary items.

Changes in Expenditures by Program – E&G Funds Only (Attachment D)

Although Attachment C provided total expenditures for the categories, the Change in Expenditures by Program illustrates the actual change. Of the total reductions that were made, Attachment D shows how those were appropriated by category.

Expenditures by Type – E&G Funds Only (Attachment E)

Attachment E graphically illustrates Expenditures by Type for E&G funds only.
The Board has been presented with a Summary Budget in condensed form. There is a revenue report that provides details by program group and for each unit. The Salary Roster has also been presented and lists every regular employee who is included in the University Budget and in unit order. The Board approves individuals included on the Salary Roster, their contract term and the fiscal year salary. Hourly employees are also included on the Salary Roster with their associated wage rate and the total amount they would earn for their contract term (based on 1950 hours yearly). The action the Board is taking will include approving these specific wages and contract terms. Confirmation was provided that hourly employees receive an employment letter that informs them of their wage rate for the fiscal year period.

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 2018-19 University Summary Budget with Executive Summary and the Budget Salary Roster. Ms. Farmer seconded and the motion carried.

Full Board Action – 2018-19 University Summary Budget with Executive Summary and Budget Salary Roster, approved

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2018-19 University Summary Budget with Executive Summary and the Budget Salary Roster. Mrs. Guess seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachments #7 - #9)

The Board expressed appreciation for all involved in this arduous process, especially Ms. Dudley.

Projects Approved by the Board of Regents Chair, funding designated

Ms. Dudley reported that Delegation of Authority Item #20 states that "…prior to moving forward, all projects costing over $200,000 and up to the threshold denoted by Kentucky statute should be reviewed by the Board Chair and the President and a determination made in terms of those projects requiring further Board approval." Although these projects do not actually require Board approval, the Board is being asked to take action so funding can be restricted for the projects listed. Ms. Dudley clarified that the Board is being asked to designate funding in a specific amount to a project but the total project scope refers to the total for completion of the project and could include amounts previously approved by the Board in prior year and this is the case for both schedules presented.

Two schedules listing projects initiated since the last Board report were included in the eBoard book. The first was a schedule of projects with estimated costs of $200,000 or less and the second was a schedule of projects with estimated costs over $200,000, which were reviewed by the Board Chair and President. This schedule includes $400,000 for the Blackburn Science Building project but the Board has already designated $200,000 in this regard (eventually will total $3 million). Confirmation was provided that the engineering study has been completed for this facility and estimates are being obtained for updates to the HVAC system and structural changes needed for restroom accommodations in the building. No individuals will be moved into the facility until structural changes have been completed.

In order to secure funding for the completion of these projects, designation of the source of funds by the Board is needed. Funding sources have been identified for these projects and that information was also provided. The over $200,000 projects total over $1.3 million to date. The last project on this schedule is Franklin Hall and indicates the total scope is $27 million for furniture purchases. For clarification, this represents the building project but there were added furniture needs and the budget remained open so funds remaining for that project in the amount of $80,000 were used to purchase furniture. Confirmation was provided that any project over $200,000 is sent to the Board Chair for approval, up to $1 million which is the state limit for capital projects. Institutions are now not required to go back to the state to seek approval for capital projects if they are using their own money to undertake a project over $1 million but this would still require Board approval. Some of these project approvals are retroactive and others have not yet received Board Chair approval and are instead being submitted for full Board approval.

A request was made for an update on Richmond Hall and Ms. Dudley reported that work continues to undertake selective demolition. Work is currently taking place with electrical and plumbing inspectors to determine what they will need to be able to adequately inspect the building. Contracts are still being finalized and Luckett & Farley is continuing to work on the project.

On behalf of the Finance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, designate the funding as outlined for the projects approved by the Board of Regents Chair. Ms. Farmer seconded and the motion carried.

Full Board Action – Projects Approved by the Board of Regents Chair, funding designated

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, designate the funding as outlined for the projects approved by the Board of Regents Chair on the attached listings. Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachments #10 and #11)

Personal Services Contracts, approved

Ms. Dudley reported that Item #11 of the Delegation of Authority stipulates that the Board: "....approve all Personal Services Contracts totaling more than $50,000. The Board will be notified of all Personal Services Contracts between $10,000 and $50,000 before they are submitted to the Legislative Research Commission. Upon review, individual Board members may request that these be held for approval at the next Board meeting." A listing of contracts which require approval by the Board of Regents was included in the eBoard book.

There were two projects included on the schedule and the first is the Request for Proposals to hire a firm to help the University market and manage online course offerings. This Personal Services Contract will be utilized by Academic Affairs to manage online course offerings. The amount is listed as "to be determined" because the final amount is not currently known and will depend on the RFPs received. This would be presented to the full Board for final approval. The second project is contracting with engineering and architectural firms. The maximum amount for any one firm is $150,000 but multiple firms will be included in the PSC. If there are smaller projects which need to be undertaken these firms will already be under contract to complete engineering and architectural work needed before the project can be completed (such as identifying load-bearing walls). The schedules are provided so the Board is aware of projects that are being put out for bid.

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 Personal Services Contracts as listed on the document presented per the requirements of the Delegation of Authority (Item #11). Ms. Farmer seconded and the motion carried.

Full Board Action – Personal Services Contracts, approved

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the Personal Services Contracts as listed on the attached document per the requirements of the Delegation of Authority (Item #11). Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #12)

Annual Employment Contracts – Preparation and Execution Authority (For Information Only)

Regent Kemp reported that the Board received an email earlier this week from General Counsel John Rall pertaining to language in the Contracts of Employment for the University. Following discussion, the decision was made to defer action on this item at this time but it will be presented to the Board at some future date to review current contract language particularly since the decision has been made to pursue outsourcing options. Adjustments in language will be necessary but will be addressed later, likely at the August Quarterly Meeting.

Adjournment

The Finance Committee adjourned at 2:42 p.m.

Legislative and Economic Development Committee

Jerry Rhoads – Chair
Daniel Kemp
Lisa Rudolph
Don Tharpe
Stephen Williams

There being no business to address, the Legislative and Economic Development Committee did not meet.

Marketing and Community Engagement Committee

Susan Guess – Chair
Sharon Green
Phil Schooley
Stephen Williams
Tori Wood

Mrs. Guess called the Marketing and Community Engagement Committee to order at 2:42 p.m. and reported all members were present.

University Advancement Report (For Information Only), received

Dr. King provided a report on University marketing and enrollment support efforts resulting from the second year of the Marketing Plan. One of the major strategic efforts for the second year of the Plan was to review specific academic programs where there was potential for programmatic growth that would produce additional revenue to the University and how these programs can be marketed to generate interest from new markets. Under this model the University would not be required to invest in additional laboratory space or faculty. All of the metrics contained within the Marketing Plan as defined in the University Strategic Plan are looking forward to 2022.

Based on recommendations received from the academic Deans, the President, Provost and Dr. King reviewed several programs which had potential for growth based on market needs throughout the region as well as on the national level and based on capacity of existing programs. The focus this year was placed on two undergraduate programs – the Institute of

Engineering and Telecommunications Systems Management (TSM) – in terms of recruitment. With regard to graduate programs, campus and online promotions were undertaken for the Master of Business Administration (MBA) and the Master of Public Administration, TSM and the online master's degree in agriculture. Promotion began as soon as the economic development master's degree was announced. The Doctor of Arts Degree in English and general graduate recruitment were undertaken through mass media to generate additional inquiries. A total of $170,000 has been spent this year on niche program marketing efforts. The MBA represents the longest-running promotion and approximately $40,000 has been dedicated to marketing for that program this year.

For each program outlined, Shawn Touney, Director of Communication, Dr. King and the entire Branding, Marketing and Communication (BMC) team have developed promotional campaigns for each and every one that is not only specific to the program but also the associated industry. Each campaign has tactical plans and for the MBA program geographic areas were identified that would be good sources for students and these included southern Illinois; Bowling Green, Hopkinsville and Frankfort in Kentucky and Clarksville, Tennessee. Traditional advertising appeared in industry-specific publications, the Kentucky League of Cities magazine and the Illinois Municipal League magazine. The MBA online program was specifically marketed at Ft. Campbell for two months by providing Murray State materials in every soldier's information packet and throughout the area. Efforts are also underway to launch the online TSM program at Ft. Campbell.

Online advertising has been highly successful for the University because it can be targeted to very specific demographics based on geographic location. This is particularly helpful with specific programs and multiple Murray State campaigns are not run at the same time in the same area. Some online advertising opportunities will allow the University to target individuals who already have a bachelor's degree in a particular field and market to those individuals according to the master's degree that would represent the next step in their educational path. Marketing can also be targeted based on professional industry and by age. This targeted marketing helps to stretch limited funding and the University would not be able to market many of these programs on a national level if it was not able to hone in on those demographics. The DA and Economic Development master's degree are unique programs and are drawing students from beyond the region. Online advertising on a national level has been conducted for these two programs in particular and specific areas have expressed interest.

The first stage associated with developing marketing campaigns is to work with the academic unit to overhaul the website so that there is a call to action which directs the students to a landing page that is specific to the particular academic program. Some of the web pages had to be recreated from scratch and the web team has helped work on content to ensure it is relevant and accessible, especially via mobile devices because there has been an increase in potential students accessing the information in this manner.

A comparison graph from August 1, 2017, to May 16, 2018, was provided for each of the programs mentioned. There has been growth in web traffic in all areas and 582 inquiries have been received as of yesterday for the various programs. The MBA has been the most successful campaign but it launched in August while the others did not launch until November, January and February. There is also a dramatic increase in the amount of time individuals are spending on a particular website which means they are engaging. There is a very specific call to action on each of these pages which is to request more information. Efforts have been underway during this period to refine the request information option because it is known the more questions there are on the form the less likely it will be completed. The form now has only five questions but will provide the minimal information needed for the University to contact that prospective student. It is at this point that marketing hands the student information over to the Graduate Recruitment Office.

Dr. Humphreys reported that she serves as the MBA Director and from September 1, 2017, to May 21, 2018, there have been 96 admitted students and this represents a significant increase from two years ago. Half of these students are enrolled for Fall 2018 and it is believed even more will enroll because it takes longer for graduate students to actually enroll in courses even though they have been accepted into the program. A good system is in place to matriculate these students into a Murray State program through the targeted campaigns and revamped websites. The students who request more information in regard to the MBA are directed to Dr. Humphreys

and those who request general graduate education information are directed to Mr. Jones. These two individuals are in constant contact to share inquiries received on either site. Mr. Jones is responsible for tracking student requests outside the academic realm which Dr. Humphreys handles. When on-campus visits are requested Mr. Jones has joined Dr. Humphreys for each of those sessions. Mr. Jones confirmed that he helps students with questions related to completing the application and financial aid and this has represented a very successful team effort. Of the 96 students admitted through the marketing campaigns in the last eight months, 27 are enrolled in summer courses and 47 have registered for classes in the Fall. Inquiries are answered as soon as possible, but at least within 24 to 48 hours, and follow-up is conducted once every five months. Graduate students seem grateful to be reminded about upcoming dates to register, etc. because they are very busy individuals. An effort is made to limit phone calls but it is difficult to talk to these students when they are at work. Mr. Jones confirmed his office also has several communication mechanisms in place from the inquiry process until they actually enroll in courses. They are also reminded about any items which may be missing from their application.

Dr. King added that each one of these campaigns is very specific and Branding, Marketing and Communication does its best to manage all those different efforts but this represents only one-third of the overall effort related to graduate students. An attempt is made to provide the departments with an update on analytics every two weeks and those units are asked to follow-up with BMC to share what additional information the students are requesting so that can be added to the website. Programs deemed to be priorities for the Provost and Deans for next year are currently being identified and those units will be provided with a checklist of what needs to be in place before BMC can begin any advertising. Many faculty have never been asked to serve in a recruitment role such as this and Dr. Humphreys has agreed to help train these individuals based on her experiences. All must understand the importance of continuing to work any leads in order to result in yield.

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

Adjournment

The Marketing and Community Engagement Committee adjourned at 3:04 p.m.

The Board adjourned for a break.

Reconvene

Chair Williams reconvened the Quarterly Board of Regents Meeting at 3:25 p.m.

Policy Changes

University Nondiscrimination Statement Revisions, approved

Dr. Davies reported that President Lyndon B. Johnson issued Executive Order 11246 relating to the administration and enforcement of nondiscrimination policies for government employment with specific sections related to government contractors. On July 21, 2014, President Barack Obama amended this Executive Order adding sexual orientation and gender identity to the list of protected categories. A recipient of certain agreements related to the Federal government will, among other things, be prohibited for discriminating "…against any employee or applicant for employment because of … gender identity…." Murray State has received Federal contracts in the past and would have the ability to secure more in the future by making this change.

Discussions over the course of the last academic year have occurred with a focus on not only the resource aspects of Executive Order 11246, e.g., securing federal contracts, but also on the equity that it denotes. The Ad Hoc Committee which undertook this work involved several areas of campus in the discussions with initial steps to investigate strategies to consider changes if gender identity was added to the University Nondiscrimination Statement. It became apparent in this process that a change in one area could easily affect a different area. Discussion of potential policy and procedural changes and timelines for addressing any changes are in process. The University has reviewed the nondiscrimination policies for other universities and noted that several peer schools (Northern Kentucky University, Eastern Kentucky University, Morehead

State University, University of Kentucky and University of Louisville) have already included language similar to what is being proposed.

Language from the current and proposed University Nondiscrimination Statement was provided in the eBoard book for comparison with the addition of sex and *gender identity* (replaces gender) and other language in the proposed statement.

Current Nondiscrimination Statement Language:

Murray State University endorses the intent of all Federal and state laws created to prohibit discrimination. Murray State University does not discriminate on the basis of race, color, national origin, gender, sexual orientation, religion, age, veteran status or disability in employment, admissions or the provision of services and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford individuals with disabilities equal access to participate in all programs and activities.

Proposed Nondiscrimination Statement Language:

Murray State University endorses the intent of all Federal and state laws created to prohibit discrimination. Murray State University does not discriminate on the basis of race, color, national origin, *sex*, *gender identity*, sexual orientation, religion, age, veteran status or disability in employment *or application for employment*, admissions or the provision of services and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford individuals with disabilities equal access to participate in all programs and activities.

As is evident, changes other than the addition of "gender identity" are proposed. In the original version, the word "gender" was intended to relate to "sex." To avoid confusion in light of the proposed amendment, and to be consistent with the Executive Order, the word "sex" is substituted for "gender" as shown. The phrase "application for employment" has been added consistent with the Executive Order. The proposed amendment reflects Murray State University's commitment to the principles of nondiscrimination and, in order to fully demonstrate a broad and serious commitment, it is recommended that the amended language in the University's Nondiscrimination Statement be approved by the Board of Regents.

Cami Duffy, Executive Director of Institutional Diversity, Equity and Access and Title IX Coordinator, reported that community, family, home and caring are the longstanding hallmarks of Murray State. The University is a home away from home and a great place for students to study and it is also a great place for employees to work. Recruitment, marketing and retention campaigns are built around these themes and the recommendation being advanced today aligns with that sentiment. The recommendation is to update the University's Nondiscrimination Statement so that it aligns not only with the Federal Executive Order but also with the institution's current practices. Dr. Fister confirmed that the group reviewing this issue has been meeting since July 2017. The Ad Hoc Committee considered not only steps which must be taken now but also implications for the future. Representatives across campus have participated in this review to address the many changes which will be required and are working to develop a reasonable timeline for this purpose. Ms. Duffy added that in addition to the survey that was conducted on the systems which would be impacted by making this change, the University will need to look at implementation in the same manner as that undertaken for the Americans with Disability Act changes, understanding that work would occur in phases over time to optimize success. Changes in structures, applications, timelines and unit policies are not instantaneous actions and all must be mindful of technical components that would also be involved. The Committee believes that the recommendation being presented today represents a movement forward while being mindful of the University's budgetary constraints.

A question was asked whether the University has lost Federal contracts due to this language not being included in the University Nondiscrimination Statement. Dr. Robert Pervine, Associate Provost for Graduate Education and Research, reported that the University was recently awarded a $1.3 million contract which could not be accepted due to this language not being included in the Nondiscrimination Statement. Fortunately, the University was able to identify a way to still receive the grant by having it awarded to a state agency which, in turn, awarded the funding to Murray State. In the process $70,000 was lost to the state agency for direct costs. A faculty

member in the Institute of Engineering also had a Federal subcontractor reach out expressing a desire to work with Murray State but the University was unable to take them up on that offer because the Nondiscrimination Statement did not conform with Federal law. This could have represented a six-figure award. Breathitt Veterinary Center has also struggled with United States Department of Agriculture (USDA) contracts because if awardees do not adhere to Federal nondiscrimination statement guidelines the most that can be awarded in one year's time is $10,000. The BVC has testing contracts that are potentially much greater than $10,000. During one of the recent avian flu outbreaks the BVC had to bill the state of Kentucky for services performed because the USDA could not be billed directly. The University has lost valuable funding due to this situation.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the replacement of the language from the current University Nondiscrimination Statement with the proposed Nondiscrimination Statement language, effective June 8, 2018. Once approved, the President, or his designee, is authorized to disseminate the new language in all proper locations. All applicable policies and procedures will also be updated accordingly – regardless of the publication in which they appear. Other wording related to the University Nondiscrimination Statement may come forward in the future. As such, the Board is also being asked to authorize the President to make any necessary changes to the University's Nondiscrimination Statement – in response to future Federal changes which may be made – and only after confirmation from the Board Chair (unless the Board Chair determines that additional information is needed to bring before the Board for discussion). Mrs. Guess seconded and the motion carried.

Board of Regents Policy Manual Revisions

Section 3.8.1 – Personal Computer Loan Program and _Section 3.8.2_ – Personal Bicycle Loan Program, rescinded

Dr. Davies reported that the Personal Computer Loan Program which began in 1986 allowed University employees to take out a maximum loan of $2,000 to purchase a computer. The Personal Bicycle Loan Program was started in 2011. These loan programs are not frequently utilized today and while they do not represent an enormous expense they do affect overhead costs in Human Resources. Ms. Dudley reported that in 2017 there were 13 computer loans issued and two personal bicycle loans. The individuals who have loans outstanding will continue to repay those and no new loans will be issued.

Mrs. Rudolph moved that the Board of Regents, upon the recommendation of the President of the University, rescind the Personal Computer Loan Program and the Personal Bicycle Loan Program referenced in the _Board of Regents Policy Manual – Sections 3.8.1_ and 3_.8.2_ – effective July 1, 2018. Current participants in this program will be allowed to continue with payroll deductions until the loan is repaid. Mrs. Guess seconded and the motion carried.

Personnel Policies and Procedures Manual Revisions, approved

Policy IV O – Sick Leave Bank

Dr. Davies reported that the University has a Sick Leave Bank policy that currently allows an individual to request up to 180 days in sick leave. Employees donate to the Sick Leave Bank and those who need additional days due to catastrophic or other medical reasons are able to request up to 180 sick days from the Sick Leave Bank if they do not have vacation or sick time of their own. The recommendation being advanced today is to decrease the number of allowable days from 180 to 30. Originally the budget allowed for 20 days but the Insurance and Benefits Committee requested that the allowance be increased to 40 days. Following discussion, the recommendation is being made to limit the maximum allowable to 30 days. Confirmation was provided that the Sick Leave Bank is in addition to the one sick day employees earn per month. Voluntary short-term disability is also offered if employees choose to participate.

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the revision of the _Personnel Policies and Procedures Manual – Policy IV O_ – Sick Leave Bank – to cap maximum days available for each injury or illness to 30 days. This policy change will be effective July 1, 2018. Mrs. Rudolph seconded and the motion carried.

(See Attachment #13)

Policy V E – Worker's Compensation

Dr. Davies reported that Murray State is the only public university in Kentucky that continues to have worker's compensation benefits handled through the state. Ms. Dudley indicated that notice has been provided to the state (as required) that the University will be withdrawing from the State Worker's Compensation Plan. The state plan dictated the University's rates over a two-year period and took into consideration claims for all state agencies in Kentucky, not just Murray State. Over the past year Ms. Gordon and Human Resources staff have worked to identify a carrier that can provide the University and employees with much more than is currently offered – including training and additional coverage options. This change to a third-party administrator (TPA) will result in an additional savings to the University of $15,000 and that has been accrued in the budget for FY19. As outsourcing options materialize the worker's compensation premium rates will decrease further. Confirmation was provided that indications from discussions with a brokerage company are the University will be able to become self-insured quickly once it has an experience rating. Ms. Dudley confirmed the University worked with a broker who bid the University's benefits insurance. This work has been accomplished and the broker has provided the best pricing option. The University is not hiring a third-party administrator and is not self-insured. Instead, it will pursue a private insurance carrier. The state is a self-insured plan and the University is simply withdrawing from the state plan and pursuing a private carrier due to the cost savings. Once the University has an experience rating it will have an opportunity to move to become self-insured with a TPA. There are many other benefits associated with making this change in terms of risk management services.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the revision of the *Personnel Policies and Procedures Manual – Policy V E* – Worker's Compensation – to remove references to participation in the state plan. This policy change will be effective July 1, 2018. Mrs. Guess seconded and the motion carried.

(See Attachment #14)

Policy V K – Education Tuition Waivers

Dr. Davies reported that Education Tuition Waivers are currently offered to faculty, staff and retirees. The University offers an Education Tuition Waiver that is equal for all regular employees, full-time and part-time, as well as retirees. The recommendation that has been advanced as part of the budget reduction process is to limit future education tuition waivers to full-time employees. Retirees and part-time employees and their dependents are currently utilizing these waivers to earn degrees. The change will involve a three-year phase-in period for individuals currently receiving waivers to continue to do so and complete their education. On June 30, 2021, the waivers will still be in existence but for full-time employees only. Regent Schooley stated he is not in favor of discontinuing the waivers for part-time employees or retirees. He understands the need to identify ways to balance the budget but over the past three years faculty and staff have lost 12 benefits and those benefits were the main reason a lot of staff came to work at Murray State and stayed. To illustrate how much of a loss this is to employees, the Board should look at the Staff Perspective Survey presented at the March meeting. Waivers are one of the top benefits appreciated by staff. The three-year phase-in is also appreciated but he believes there is a way to maintain this benefit for staff.

Ms. Dudley estimates the savings related to part-time employee waivers (17 individuals and their dependents) at the current level to be between $35,000 to $42,000 and this includes housing. For retirees (5-6 employees on average for the retiree and dependents) that amount would be at approximately $20,000 and does not include housing. Dr. Davies added that this issue was discussed by the Insurance and Benefits Committee and they were unable to offer any alternatives at this particular time. Resident Directors are required to be students and those individuals will no longer receive a tuition waiver as part of their contract. These funds will instead be paid out of housing as part of their compensation package. Although it varies each year, in actuality only eight part-time employees will be affected by this policy change in the current year. In response to whether he is as passionate about maintaining the benefit for dependents or the part-time employees, Regent Schooley indicated he would rather see the benefit remain for dependents because that is the population utilizing it the most. He suggested

options could be reducing the number of courses waived from six to three or requiring a retiree to work for a certain number of years before being eligible for this benefit. He is more concerned about the employees who have worked at Murray State for 20 to 25 years (or some number of years) and then retire. Ms. Dudley cautioned that it is possible that a dependent of an individual who has retired may not start taking college courses for some number of years and this must be taken into consideration and is why the three-year phase-in was suggested so those currently pursuing a college degree would be allowed to complete that degree.

Confirmation was provided that if changes are made the Board would need to address the associated budget impact for this year's budget because the assumption of this savings is included. With the new pricing model for graduate courses waivers will not cost the University as much and will result in savings that will hopefully offset the cost to continue offering the benefit for three years. Confirmation was provided that this is an administrative recommendation but it has been vetted through the Insurance and Benefits Committee to discuss the pros and cons, including the number of individuals that would be affected. Data was provided to the Committee and it was indicated they could opt to continue to offer the benefit but would need to identify changes to other benefits to offset the cost. The Insurance and Benefits Committee was unable to identify alternative funding options they wished to exercise. Confirmation was also provided that financial aid could also help cover a portion of the tuition cost for these individuals taking courses but the current policy will also remain intact for the next three years.

Chair Williams asked for a motion to approve the recommendation. Mr. Kemp asked whether Regent Schooley has a specific recommendation to reach a compromise and he did not. Ms. Gordon reported that according to Murray State policy, in order for an individual to be a retiree from the University they must be of retirement age with five years of service. If the decision is made that an individual must have 20 years of service for this benefit that will become an uneven benefit among retirees. It would be difficult to explain why some retirees are eligible while others are not from a Human Resources perspective. Dr. Davies again stated that the Insurance and Benefits Committee shared concerns and was provided with an opportunity to make a recommendation to reach a compromise but that was not forthcoming. John Young, Administrative Assistant I, serves as Chair of the Insurance and Benefits Committee and reported that at the time this issue came back before the Committee it was offered alternatives but in order to retain the waivers it would have to find alternative sources of revenue. One of the proposals that was offered was to have individuals who have been at Murray State more than 20 years to have to pay for parking when this has been a free benefit for a number of years and this was not an accepted solution. There was an offer to reduce the amount the University provided toward the cost of health insurance which would require employees to pay more for health insurance and that option also was unacceptable. No viable alternatives were presented that the Insurance and Benefits Committee could accept and the group had no alternatives of their own to offer.

Mr. Kemp moved that the Board of Regents approve the revision of the *Personnel Policies and Procedures Manual – Policy V K* – Education Tuition Waivers – as recommended but change the eligibility for retirees to those individuals with over 20 years of service to the University. Ms. Gordon cautioned the Board to adhere to the current definition of retirees otherwise anyone who has worked at the University for 20 years but is not a retiree would be eligible for the benefit and that would result in additional costs. There must be firm distinction made because there are other benefits that would be affected and the one most commonly discussed is discounted basketball tickets. If an individual is a true retiree they are eligible for this benefit but if they were employed by the University and left after 20 years they would not be because they do not meet the definition of a retiree. The definition of a retiree is an individual who has provided at least five years of service to the University and reached the age of 55 (or is eligible to retire without reduction). This does vary dependent on the retirement system but the retirement age has changed in both systems due to House Bill 151, effective July 1, 2019.

Mr. Kemp withdrew his first motion.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the revision of the *Personnel Policies and Procedures Manual – Policy V K* – Education Tuition Waivers – to remove the eligibility for part-time employees and retirees, effective June 30, 2021, and eliminate eligibility for those employees in positions that require

them to be a student. This policy change will be effective July 1, 2018. Mr. Rhoads seconded and the motion carried with Regent Schooley voicing a "nay" vote.

(See Attachment #15)

Policy VII A – Employee Assistance Program

Dr. Davies reported that the Employee Assistance Program is being expanded to include employees and their household members. References to job performance will also be removed.

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve changes to the *Personnel Policies and Procedures Manual – Policy VII A* – Employee Assistance Program – to reflect the current status only. This policy change will be effective July 1, 2018. Mrs. Rudolph seconded and the motion carried.

(See Attachment #16)

Policy VII B – Health Services

Dr. Davies reported that this policy change represents a housekeeping issue in that current policy states the campus community will be provided with information about any on-campus health services which will be made available. Language in this regard is simply being removed.

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposed amendment to the *Personnel Policies and Procedures Manual – Policy VII B* – Health Services. Mrs. Rudolph seconded and the motion carried.

(See Attachment #17)

Personnel Changes

Athletic Contracts

Mr. Ward indicated that each year the Ohio Valley Conference (OVC) member institutions vote on the Student Sportsmanship Award for programs that meet the qualities of the OVC and the National Collegiate Athletic Association. This year the member institutions voted Murray State University as the recipient and the trophy was presented.

Dr. Davies reported that any salary increases associated with the athletic contracts are being funded internally by the Athletic Department and also that coaches are not eligible for any across-the-board raises provided to other employees.

Contract of Employment Amendment – Director of Track and Field/Cross Country Coach – Adam Kiesler, approved

Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, approve the Contract of Employment amendment for Adam Kiesler, Director of Track and Field/Cross Country Coach, for the period September 15, 2017 – June 30, 2020, at an annual salary of $50,530, effective July 1, 2018. Mr. Kemp seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley (had stepped out); Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #18)

Dr. Davies reported that Allen Ward is an exceptional Athletic Director and has as a goal for all students a ring in one hand and a diploma in the other. Also, the Academic Progress Rate (APR) score for student athletes determine how successful they are in reaching graduation. This year in the OVC, even with some of the private schools, Murray State's APR is higher than every other university in the Ohio Valley Conference.

Contract of Employment Extension – Director of Athletics – Allen Ward, approved

Ms. Farmer moved that the Board of Regents, upon the recommendation of the President of the University, approve the Contract of Employment extension for Allen Ward, Director of Athletics, effective July 1, 2018 – June 30, 2022, and pursuant to other terms and conditions determined by the University to be in the best interest of Murray State University. Mr. Kemp seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley (had stepped out); Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #19)

Contract of Employment Extension – Head Women's Golf Coach/Senior Woman Administrator – Velvet Milkman, approved

Dr. Davies reported that Coach Milkman has been at Murray State University for 25 years and her 11th OVC title was secured this year. Her student athletes have a very high grade point average and last year three student-athletes graduated with a perfect 4.0. She was also recognized nationally for her students having a perfect APR score.

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the Contract of Employment extension for Velvet Milkman, Head Women's Golf Coach/Senior Woman Administrator, effective July 1, 2018 – June 30, 2021, at an annual salary of $58,864. Ms. Farmer seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #20)

Contract of Employment Extension – Head Men's Basketball Coach – Matt McMahon, approved

Dr. Davies reported that Coach McMahon lead the team to an overall record of 26-6 last year (16-2 in OVC play). The program finished 48th in the RPI nationally and several players were named to All-OVC and have graduated.

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the Contract of Employment extension for Matt McMahon, Head Men's Basketball Coach, effective July 1, 2018, through May 31, 2022, at an annual salary of $395,000. Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

(See Attachment #21)

General Counsel Appointment – Robert L. Miller, reaffirmed

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, reaffirm the appointment of Mr. Robert L. Miller as General Counsel for fiscal year 2018-19 at an annual salary of $145,000, effective July 1, 2018. Mr. Kemp seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

Reappointment of Internal Auditor – Michelle Saxon, approved

Mrs. Guess moved that the Board of Regents, upon the recommendation of the President of the University, approve the reappointment of Mrs. Michelle Saxon as Internal Auditor for the fiscal year 2018-19 at an annual salary of $64,749, effective July 1, 2018. Mrs. Rudolph seconded and the roll was called with the following voting: Ms. Farmer, yes; Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

2018-19 Faculty Promotion Recommendations, approved

Regent Farmer reported that she would need to recuse herself from the conversation or from voting with regard to faculty promotion and tenure because she was part of the review process. Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, approve the faculty named below for promotion to the respective rank, effective with the 2018-19 contracts.

NAME	DEPARTMENT	PROMOTE TO
***Brian Bourke**	Educational Studies, Leadership and Counseling	Associate
Richard Dodson	Educational Studies, Leadership and Counseling	Associate
Cecil Kuzey	Computer Science and Information Systems	Associate
***Cristina Ferguson**	University Libraries	Associate
***Paul Foote**	Political Science and Sociology	Associate
***Aaron Irvin**	History	Associate
***Naveen Musunuru**	*Hutson School of Agriculture*	Associate
***MeeYoun Park**	Music	Associate
***Ho Ryong Park**	English and Philosophy	Associate
***Rebeccca Pender Baum**	Educational Studies, Leadership and Counseling	Associate
***Dale Ray Phillips**	English and Philosophy	Associate
Melony Shemberger	Journalism and Mass Communications	Associate
***Candace Vance**	University Libraries	Associate
***Leigh Wright**	Journalism and Mass Communications	Associate
Michael D'Ambrosio	Music	Professor
Amanda Grossman	Accounting	Professor
Robert Daniel Johnson	Chemistry	Professor
Barbara Washington	Adolescent, Career and Special Education	Professor
Yuejin Xu	Educational Studies, Leadership and Counseling	Professor

*Faculty also being recommended for tenure.

Mrs. Guess seconded and the roll was called with the following voting: Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

2018-19 Faculty Tenure Recommendations, approved

Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the granting of tenure, effective with the 2018-19 academic year to the following faculty:

NAME/DEPARTMENT	PRESENT RANK
***Brian Bourke,** Educational Studies, Leadership and Counseling	Assistant
Matthew Crider, Global Languages and Theatre Arts	Assistant
***Cristina Ferguson,** University Libraries	Assistant
***Paul Foote,** Political Science and Sociology	Assistant
***Aaron Irvin,** History	Assistant
***Naveen Musunuru,** Hutson School of Agriculture	Assistant
***MeeYoun Park,** Music	Assistant
***Ho Ryong Park,** English and Philosophy	Assistant
***Rebeccca Pender Baum,** Educational Studies, Leadership and Counseling	Assistant
***Dale Ray Phillips,** English and Philosophy	Assistant
Timothy Spier, Biological Sciences	Associate
Wayne Tervo, Accounting	Associate
***Candace Vance,** University Libraries	Assistant
***Leigh Wright,** Journalism and Mass Communications	Assistant

***Faculty also being recommended for promotion to the next highest rank.

Mr. Rhoads seconded and the roll was called with the following voting: Ms. Green, yes; Mrs. Guess, yes; Mr. Kemp, yes; Mr. Rhoads, yes; Mrs. Rudolph, yes; Mr. Schooley, yes; Dr. Tharpe, yes; Ms. Wood, yes and Mr. Williams, yes. The motion carried.

Resolutions of Appreciation, approved

The following Resolution was read aloud:

BOARD OF REGENTS
MURRAY STATE UNIVERSITY
Resolution

WHEREAS, the following faculty and staff members of Murray State University are retiring or have retired during the 2017-18 year.

Gary Atkerson – Department of Animal and Equine Science, 10 years
Ted Belue – Department of History, 24 years
James Duane Bolin – Department of History, 22 years
Michael Bowman – Department of Computer Science and Information Systems, 13 years
Susan Edington – Department of Early Childhood and Elementary Education, 16 years
Sharon Gill – Department of Early Childhood and Elementary Education, 17 years
Cheryl Guyer – Breathitt Veterinary Center, 12 years
John Hart – Institute of Engineering, 19 years
Sharon Hart – Department of Adolescent, Career and Special Education, 21 years
Dennis Johnson – Department of Music, 33 years
Michael Kalinski – Department of Applied Health Sciences, 5 years
Dale Leys – Department of Art and Design, 41 years
William Palmer – Institute of Engineering, 28 years
Louis Pittman – Breathitt Veterinary Center, 24 years
O.L. Robertson – Department of Animal and Equine Science, 16 years
Holly Rudolph – Department of Accounting, 37 years
Dayle Saar – Department of Biological Sciences, 14 years
David White – Department of Biological Sciences, 30 years

Linda Adams – Facilities Management, 9 ½ years
Debbie Barton – Department of Art and Design, 10 years
Robert Bringhurst – Murray State Police Department, 5 years
Audrey Brown – Teacher Education Services, 13 years
William Crowe Jr. – Breathitt Veterinary Center, 18 years
Phyllis Dunn – Dining Services, 17 years
Felecia Elkins – Facilities Management, 20 ½ years
Charletter Ellis – Department of Geosciences, 41 years
Rhonda Felts – Financial Aid, 38 years
Lynn Fromm – Health Services, 8 years
Jan Fuqua – Procurement Services, 13 years
David Gibson – Facilities Management, 30 years
Bonnie Hounshell – University Libraries, 30 years
Laura Jasmon – Dining Services, 13 years
Joan Jenkins – Breathitt Veterinary Center, 27 ½ years
Michelle Lamb – Facilities Management, 29 years
Cynthia Lee – University Libraries, 28 ½ years
Sandra Mathis – Facilities Management, 11 years
Sandra McClure – University Libraries, 35 years
Sharion Meloan – Office of Vice President for Finance and Administrative Services, 36 years
Timothy Pritchett – Procurement Services, 28 years
Howard Rice – Department of Technology Support and Consulting, 25 years
Tammie Riggins – Murray State Foundation, 19 years
Doris Saunders – Center for Academic Success, 18 years
Frank Scott – Facilities Management, 11 years
Leslie Scott – Facilities Management, 10 years
Tonya Simmons – University Libraries, 27 years
Diana Smith – Facilities Management, 11 years

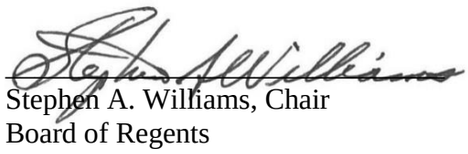
WHEREAS, they have served Murray State University faithfully, loyally and professionally; and

WHEREAS, the University is cognizant and appreciative of the vital support and services of these members; and

WHEREAS, they have served the students of Murray State University on a daily basis with warmth, understanding and concern and have performed their responsibilities in a dedicated manner;

NOW, THEREFORE, BE IT RESOLVED that the University recognize these individuals and their collective total of **964** years of service to Murray State University; and

BE IT FURTHER RESOLVED that the Board of Regents expresses its deep and heartfelt appreciation to these faculty and staff members for their loyalty and devotion to the institution and their contributions to the betterment of the University.



Stephen A. Williams, Chair
Board of Regents

Mrs. Rudolph moved that the Resolution of Appreciation recognizing Murray State University faculty and staff who are retiring or have retired during the 2017-18 year be approved as presented. Ms. Farmer seconded and the motion carried.

The following Resolution was read aloud:

MURRAY STATE UNIVERSITY
BOARD OF REGENTS
RESOLUTION OF APPRECIATION

STEPHEN A. WILLIAMS

WHEREAS, Stephen A. Williams was appointed by the Governor of Kentucky Steven L. Beshear to the Board of Regents of Murray State University and served with distinction from October 23, 2009, through June 30, 2018; and

WHEREAS, he has exemplified outstanding leadership on the Board of Regents as Chair from July 2016 to June 2018. He also served as Chair of the Finance Committee from July 2010 to June 2016. He served as member of the Academic Excellence and Scholarly Activities Committee (formerly Academic Affairs) during 2009 – 2016; member of the Audit and Compliance Committee (formerly Audit) in 2009 and again from 2016 –2018 and member of the Legislative and Economic Development Committee since 2015 and the Marketing and Community Engagement Committee from July 2016 to June 2018. He also served as a member of the former Regional Services Committee from 2010 – 2014 and the former Institutional Advancement Committee in 2014-15. He has also served as Chair of the Presidential Compensation Ad Hoc Review Committee and as the Board of Regents' ex-officio member of the Murray State University Foundation Board of Trustees.

WHEREAS, Stephen A. Williams, a 1972 Murray State alumnus and 2000 Distinguished Alumnus Award recipient, has been involved in many initiatives for the improvement and advancement of the University in its efforts to serve the educational needs of the citizens of the Commonwealth and his leadership has been strong, inclusive and encouraging, leading to a cohesive and cooperative forward-looking Board; and

WHEREAS, he began his career in 1972 as the youngest-ever hospital administrator in Kentucky at a hospital in his native Livingston County; and

WHEREAS, he continued to provide superb leadership when he joined Norton Healthcare in 1977 and served as Executive Vice President and Chief Operating Officer from 1988 – 1993; Vice President of Quality Management from 1986 – 1988; Vice President of Managed Hospitals from 1984 – 1986; administrator of Caldwell County Hospital (managed by Norton Healthcare) from 1980 – 1984; Assistant to the Executive Vice President from 1977 – 1979 and as President and Chief Executive Officer from 1993 until his retirement in 2016; and

WHEREAS, Stephen A. Williams' service has often required the sacrifice of valuable time and the contribution of many hours of difficult work and his work was rendered selflessly, without reference to personal inconvenience, without a personal agenda and always for the public good; and

NOW, THEREFORE, ON THIS 8th DAY OF JUNE, TWO THOUSAND AND EIGHTEEN, BE IT RESOLVED that we mark this milestone reverently with words Stephen A. Williams will hear again at the last milestone, "Well done, good and faithful servant."

AND BE IT FURTHER RESOLVED by the Murray State University Board of Regents that this recognition of the contribution and dedication of Stephen A. Williams be preserved in the Minutes of the Board after having been read aloud and passed unanimously by the Board on this, the 8th day of June 2018

Susan S. Guess
Vice Chair, Board of Regents

Mr. Kemp moved that the Resolution of Appreciation recognizing Stephen A. Williams be approved as presented. Mrs. Guess seconded and the motion carried.

The following Resolution was read aloud:

MURRAY STATE UNIVERSITY
BOARD OF REGENTS
RESOLUTION OF APPRECIATION

WALTER G. BUMPHUS

WHEREAS, Walter G. Bumphus was appointed by the Governor of Kentucky Matthew G. Bevin to the Board of Regents of Murray State University and served with distinction from August 2016 through June 30, 2018; and

WHEREAS, he has exemplified outstanding leadership on the Board of Regents as Chair of the Academic Excellence and Scholarly Activities Committee from 2016 to the present and as a member of the Enrollment Management and Student Success and Finance committees for 2016-17 and 2017-18; and

WHEREAS, Walter G. Bumphus, a distinguished and generous alumnus, has been involved in many initiatives for the improvement and advancement of the University in its efforts to serve the educational needs of the citizens of the Commonwealth; and

WHEREAS, his leadership has been strong, inclusive and encouraging, leading to a cohesive and cooperative forward-looking Board; and

WHEREAS, his national leadership in higher education and his pre-eminent role in the development of community colleges – through his role of President and Chief Executive Officer of the American Association of Community Colleges – have provided valuable insights and perspectives to the Board of Regents and the University community; and

WHEREAS, Walter G. Bumphus' service has often required the sacrifice of valuable time and the contribution of many hours of difficult work; and

WHEREAS, his work was rendered selflessly, without reference to personal inconvenience, without a personal agenda and always for the public good;

NOW, THEREFORE, ON THIS 8TH DAY OF JUNE, TWO THOUSAND AND EIGHTEEN, BE IT RESOLVED that we mark the milestone reverently with words Walter G. Bumphus will hear again at the last milestone, "Well done, good and faithful servant."

AND BE IT FURTHER RESOLVED by the Murray State University Board of Regents that the recognition of the contribution and dedication of Walter G. Bumphus be preserved in the Minutes of the Board after having been read aloud and passed unanimously by the Board on this, the 8th day of June 2018.

Stephen A. Williams
Chair, Board of Regents

Mr. Kemp moved that the Resolution of Appreciation recognizing Walter G. Bumphus be approved as presented. Mrs. Guess seconded and the motion carried.

The following Resolution was read aloud:

MURRAY STATE UNIVERSITY
BOARD OF REGENTS
RESOLUTION OF APPRECIATION

TORI L. WOOD

WHEREAS, Tori L. Wood was elected by the student body of Murray State University to serve as the President of the Student Government Association and accordingly served as the student member of the Murray State University Board of Regents for the 2017-18 academic year; and

WHEREAS, Tori demonstrated that she possesses maturity, sound judgment and strong moral values as she contributed to the discussion of various issues that came before the Board of Regents and provided service to the Board of Regents' Academic Excellence and Scholarly Activities, Buildings and Grounds and Marketing and Community Engagement committees; and

WHEREAS, during Tori's tenure she demonstrated characteristics of a keen intellect, courage, common sense and independent thinking; and

WHEREAS, she has served as a strong leader of the Student Government Association, always representing the best interests of the students of Murray State University both as a member of the Board of Regents and as the President of the Student Government Association; and

WHEREAS, the Student Government Association engaged in many activities throughout the tenure of Tori's leadership which benefitted all students of Murray State University, including traditional and non-traditional students, as well as those students enrolled at the regional campuses; and

WHEREAS, she is an extremely active student at Murray State University engaging in numerous extracurricular activities all of which enhanced student life on campus;

NOW, THEREFORE, BE IT RESOLVED that this Board of Regents, on behalf of the faculty, staff and students extend to Tori L. Wood sincere gratitude for outstanding service rendered to Murray State University and the Commonwealth of Kentucky; and

BE IT FURTHER RESOLVED that the Board of Regents extends to Tori our best wishes in her career endeavors and a life filled with good health and continued honorable service to her fellow man; and

BE IT FINALLY RESOLVED by the Murray State University Board of Regents that this recognition of the contributions and dedication of Tori L. Wood be preserved in the Minutes of the Board after having been read aloud and passed unanimously by the Board on this, the 8th day of June 2018.

Stephen A. Williams
Chair, Board of Regents

Mrs. Guess moved that the Resolution of Appreciation recognizing Tori L. Wood be approved as presented. Mrs. Rudolph seconded and the motion carried.

Board Organizational Issues

Meeting Dates for 2018-19, approved

The Board of Regents meeting dates for 2018-19 were scheduled as follows:

Thursday, August 30, 2018 (Board of Regents Advance)
Friday, August 31, 2018 (Quarterly Board of Regents Meeting)
Friday, October 19, 2018 (Board of Regents Meeting)
Friday, December 7, 2018 (Quarterly Board of Regents Meeting – Commencement, December 8)
Friday, March 1, 2019 (Quarterly Board of Regents Meeting)
Friday, June 7, 2019 (Quarterly Board of Regents Meeting)

The Board was also asked to hold the dates of Friday, May 10 (if limited to tuition setting due to Commencement activities) and Friday, May 24, 2018, in the event special-called meetings are necessary for budget planning purposes. Secretary Hunt will distribute these dates to the Board.

Officers for 2018-19 – Chair, Vice Chair and Secretary, elected

Chair Williams stated that in accordance with the *Bylaws* of the Board of Regents all officers are elected annually at the Spring Quarterly Meeting and shall serve for one year, commencing July 1 following their election. A separate election shall be conducted to elect each of the officers: Chair, Vice Chair and Secretary. The procedural guidelines were outlined in that the Chair will declare that nominations are in order and will recognize each member for the purpose of making a nomination. Recognition of members shall be in the same order as roll call (alphabetical) and nominations require no second. Any member nominated for any office may withdraw his/her name from consideration. However, a member nominated will not be recognized for that purpose until all members have had an opportunity to make nominations. If, after each member has had a roll call opportunity to make a nomination, and only one name has been placed in nomination for that particular office, the Chair shall declare the person elected by unanimous consent. If more than one name is placed in nomination for any particular office a vote shall be taken. Names shall be voted upon in the same manner in which the nomination occurred. The nominee first receiving an absolute majority shall be declared elected. An election for Vice Chair and Secretary shall be held at the organizational meeting required within 30 days of the appointment of a new member (KRS 164.430).

The Treasurer is also appointed by the Board, serves at the pleasure of the Board and shall not be a member of the Board.

Chair Williams declared that nominations are in order for Chair of the Board of Regents. The Secretary called the roll and Ms. Farmer nominated Mrs. Susan Guess. All other members passed. Chair Williams indicated that there being only one nomination for Chair Susan Guess is unanimously elected Chair, according to the *Bylaws* of the Murray State University Board of Regents.

Chair Williams declared that nominations are in order for Vice Chair of the Board of Regents. The Secretary called the roll and Ms. Farmer nominated Mrs. Lisa Rudolph. All other members passed. Chair Williams indicated there being only one nomination for Vice Chair Lisa Rudolph is unanimously elected Vice Chair, according to the *Bylaws* of the Murray State University Board of Regents.

Chair Williams declared that nominations are in order for Secretary of the Board of Regents. The Secretary called the roll and Ms. Farmer nominated Ms. Jill Hunt. All other members passed. Chair Williams indicated there being only one nomination for Secretary Jill Hunt is unanimously elected Secretary, according to the *Bylaws* of the Murray State University Board of Regents.

Chair Williams declared that nominations are in order for Treasurer to the Board of Regents. The Secretary called the roll and Ms. Farmer nominated Ms. Jackie Dudley. All other members passed. Chair Williams indicated there being only one nomination for Treasurer Jackie Dudley is unanimously elected Treasurer, according to the *Bylaws* of the Murray State University Board of Regents.

Supplemental Materials

Regents were provided with supplemental reports in the eBoard book, including the Quarterly Risk Management Report; Status Report – Campus Major Projects Update; "Good News" Report – March 2018; Quarterly Branding, Marketing and Communication Report – January – March 2018 and Sponsored Programs – Grants and Contracts Report. The Litigation Status Report prepared by General Counsel Rall was provided in a separate, confidential eBoard book. These reports were provided for informational purposes only and required no Board action.

Other Business/Adjournment

Dr. Davies reported that in two weeks Springer Hall will be razed and after a 30-day process the area will become green space.

Chair Williams indicated he would like to take a few moments to thank all the individuals who have been kind to him over the last nine years. It truly has been a pleasure to be part of this Board and to reconnect to Murray State University after three decades. He and his wife, Cathy, owe so much to this University. Both are farm kids from rural Livingston County and both are the first in their families to attend college. Murray State University provided the foundation for both of them to have wonderful careers and to do things for themselves and their sons that they never would have been able to imagine possible in their youth. Any contribution they might have made over the past few years has only been a fraction of what they owe to Murray State. His parting message and plea to all those assembled here – and the entire campus community – is to do whatever necessary to keep the proud legacy of Murray State intact. He recognized the Provost and the Deans of each of the colleges who he has learned to admire and appreciate over the last many years. They lead and represent the core mission of Murray State and likely have more clout than they realize or exercise. With the increasing external pressures on higher education today, those challenges will not get smaller – they will get larger. He encourages them to continue their good work and to speak out individually and collectively to always make sure that the academic mission is first and foremost in terms of being protected and promoted by all decision makers at all levels – all the way up to the Legislature. Anyone who does not believe that this is important would only have to look at this last Legislative Session and the school teachers of Kentucky to know how important voices can be. He expressed appreciation to all administrative staff for their hard work and leadership – especially to Dr. Davies for their relationship, Ms. Dudley with whom he worked closely, Mr. Rall, Dr. Robertson, Dr. Fister, Mr. Ward and Dr. King. He expressed appreciation to Ms. Hunt for being so superbly efficient and professional in her position, especially in the care and feeding of the Board Chair. She is a jewel. Finally, he expressed appreciation to this great Board. It has truly been a pleasure getting to know each one of these individuals and to work with them. One of the greatest pleasures of his last 45 years has been working with boards. He has learned that any board can make a good decision occasionally by just blind luck but a board is consistently effective only if it has the right information, exercises fiduciary duties with respect for one another and serves an appropriate governing role as Regents, and not management, with robust dialogue and debate. Every individual must have the singular motive of doing what is best for Murray State. With those attributes this will continue to be a great Board and Murray State will be in great hands. He wished all well and officially handed the gavel over to the new Chair.

Regent Guess indicated that the Board is extremely appreciative of Chair Williams and she has great admiration and respect for him. All wish him well and hope he will come back often. Mr. Rhoads added his praise and stated the Board has been the beneficiary of Chair Williams' leadership experience and he cannot think of anyone better equipped to lead the Board during some very difficult times which could become even more difficult under the hands of incoming Chair Guess. The Board is very fortunate to have had Chair Williams' leadership and appreciation in that regard was expressed – Regents Williams has their gratitude and all wish him well.

There being no further business to come before the Board, Mrs. Guess asked for a motion for the Board of Regents Quarterly and Committee Meetings to adjourn. Ms. Green so moved. Ms. Farmer seconded and the motion carried. Adjournment was at 4:57 p.m.

Susan Guess
Chair Susan Guess

Jill Hunt
Secretary Jill Hunt