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

Dr. Constantine Curris called the Murray State University (MSU) Board of Regents (BOR) committee meetings to order at 9 a.m. in the Jesse Stuart Room in Pogue Library on the main campus of Murray State University.

**Roll Call**

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

Dr. Curris reported the Special Board of Regents Meeting – Annual Planning Retreat and Work Session – was held at Miller Memorial Golf Course yesterday. The Board had a full day of discussion and exploration but no action was taken. Retreat highlights included presentations from each of the nine academic deans outlining activities currently taking place in their colleges and plans for the upcoming year. The BOR found these presentations to be enlightening and informative and appreciation was expressed to the Deans for helping the Board better understand issues facing the academic colleges. Leadership provided by the Deans is very much appreciated by the Board.

**Academic Affairs Committee**

Jerry Sue Thornton, Chair  
    Jack Rose  
    Phil Schooley  
    Jenny Sewell  
    Stephen Williams

In Dr. Thornton’s absence, Mrs. Sewell called the Academic Affairs Committee to order at 9:03 a.m. and reported the remaining members were present.

**Bachelor of Science in Music Business, approved**

Dr. Dunn reported the Bachelor of Science in Music Business represents one program where the focus area is being changed to accommodate students with a background in business so they are not required to possess the level of musical expertise which was initially required to enroll in the program. Sufficient changes were made to the degree program throughout the process for it to be considered a new degree program by the Council on Postsecondary Education (CPE). Board approval is requested on that basis.

Bonnie Higginson, Provost and Vice President for Academic Affairs, and Pam Wurgler, Chair of the Department of Music, reported the following:

- Dr. Wurgler, Dean Ted Brown (College of Humanities and Fine Arts) and Department of Music faculty have worked diligently to expand the Music Business program and create this new track.
- The department currently offers a Bachelor of Science or Bachelor of Arts in Music with a 30 credit hour component in music business. The current program will continue to be offered because it serves students who are already musicians and auditioned in order to be admitted. Over the past five years a need has arisen for a program which has different access for students interested in working in the music industry but desiring to enter the program without having a music audition.
- No other Kentucky university offers a program similar to the one being proposed. Six new courses have been established for the degree, along with a new musicianship series so faculty members working with students do not assume they already read music at a high level. This includes a new series in music theory and a two-semester series in classic piano to provide some functional musicianship. Students will have the option of taking piano, guitar or voice in group lessons because these areas represent where faculty members are already in place to handle additional students. As students become more advanced they could transition into private lessons.
- The history and literature component of the program will involve University Studies courses through the College of Humanities and Fine Arts and other required courses offered through the Arthur J. Bauernfeind College of Business.
This degree is unique because it has a required Business Administration minor which is appealing to current students and their parents to ensure they graduate from MSU with a degree that has a music component but also a Business Administration minor. Both degrees will share the Music Business component currently in place but the new degree program will have extra courses in managerial accounting, finance, business law and economics and the internship periods will be longer. The department will maintain both options because there is a faculty member, a budget line and an Advisory Board already in place to meet the resource requirements of offering two options.

Research has shown demand for this type of program but with broader access. Currently 46 students are enrolled in the music business component of the music major and it is anticipated some students will move to the new degree program.

This program will help the University become more nationally competitive in this area.

On behalf of the Academic Affairs Committee, Dr. Rose moved that the Board of Regents, upon the recommendation of the President of the University, approve the proposal from the University Academic Council for a new degree, Bachelor of Science in Music Business. Mr. Schooley seconded and the motion carried.

Adjournment
The Academic Affairs Committee adjourned at 9:10 a.m.

Audit and Compliance Committee
Harry Lee Waterfield II, Chair
Constantine Curris
Jenny Sewell

Mr. Waterfield called the Audit and Compliance Committee to order at 9:10 a.m. and reported all members were present. Each year the Internal Auditor and the President develop an Internal Audit Plan that must be approved by the Audit and Compliance Committee and the full Board.

2012-13 Internal Audit Plan, approved

Michelle Saxon, Internal Auditor, reported the Internal Audit Plan includes:

- Internal reports and projects – periodic reports of transactions and available budget balances for accounts controlled by the President and Board (includes purchasing card charges and travel). Cash counts are undertaken with oversight from Human Resources checks are conducted to meet tax shelter compliance laws to ensure the University does not allow employees to contribute more to their tax shelter than the Internal Revenue Service allows. Compliance audits are also required to be undertaken and the yearly National Collegiate Athletic Association (NCAA)/Ohio Valley Conference (OVC) special assistance account was cited as an example.
- Departmental reviews
- Renovation/capital construction projects
- Follow-up projects from June 30, 2012, plan
- Specific and other projects
- External audit assistance, including reviewing quarterly reports, year-end inventory testing, miscellaneous audit firm requests and providing 100 hours of service to the external auditors

On behalf of the Audit and Compliance Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the President of the University, approve the Internal Audit Plan as presented. Dr. Curris seconded and the motion carried.

Internal Audit Charter Amendment, approved

Mr. Waterfield reported the current Internal Audit Charter was approved by the Board of Regents in 1993 and has not been revised since that time. Dr. Curris stated a number of changes have occurred in the audit arena. New publications have been released that are more recent than the references and resources contained in the proposed Internal Audit Charter and one was published by the Association of Governing Boards. Agreement was reached that the Audit and Compliance Committee would approve the recommendation today and the Internal Auditor would research more recent publications.

Dr. Curris reported the finding presented in terms of interaction between the Internal Auditor and the Finance and Audit Committee indicates the Internal Auditor will summarize a
Mr. Harrell nationally earned the undergraduate degree from the University of California-Davis, Communication Studies from the University of California-Davis, including his second year in this role. Dr. Gesler is an Associate Professor and Graduate Director in the Department of Organizational Communication. He has no objection to the Internal Auditor Charter amendment. Mrs. Sewell clarified the verbiage would be approved today with the understanding after researching further documents the Audit and Compliance Committee could amend the Internal Auditor Charter. Mr. Waterfield indicated this work could take place directly with the Audit and Compliance Committee, Dr. Dunn and Mrs. Saxon and the Chair of the Audit Committee is required to sign the Audit Plan.

On behalf of the Audit and Compliance Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the President of the University, approve the revised Internal Audit Charter Amendment as presented. Dr. Curris seconded and the motion carried.

Athletic Compliance Officer and Athletic Faculty Representative Presentations, received

Athletic Director Allen Ward expressed appreciation to the Board and introduced Steve Harrell, Associate Athletic Director for Compliance and Administrative Affairs, who is in his fourth year at Murray State and came to the University from North Florida. He graduated from Law School and has earned Sports Law and Legal Writing certificates. Athletic Faculty Representative Dave Gesler has completed his tenth year at Murray State, including his second year in this role. Dr. Gesler is an Associate Professor and Graduate Director in the Department of Organizational Communication. He earned the undergraduate degree from the University of California (UC)-Davis, Master’s Degree in Organizational Communication from MSU and the Ph.D. in Communication Studies from the University of Tennessee. He was a two-year starter for the nationally ranked UC-Davis football team and understands athletics from a player’s perspective.

Mr. Harrell reported the following:

- The NCAA was originally formed to ensure student athlete well-being and provide playing rules for safety purposes. As intercollegiate sports and the governance structure of the NCAA expanded, rules and regulations were adopted to maintain “competitive equity.” The NCAA Manual has well over 400 pages with more than 1,000 specific Bylaws pertaining to personnel, academic requirements, recruiting and playing seasons.
- The NCAA identified the following individuals who must have oversight of NCAA compliance: President, Athletic Director, Athletic Faculty Representative, Senior Woman Administrator and a Senior Compliance Administrator. Anyone involved in athletics in any way is responsible for helping maintain compliance and the University is responsible for the actions of these individuals. It is the responsibility of each member institution to control its athletics program, including the actions of all staff members, student athletes and other individuals or organizations engaged in activities promoting the athletic interests of the institution.
- Institutional control by broad definition means following all NCAA rules, including monitoring and enforcement, policies and procedures, educational initiatives and creating a culture of compliance.
- Murray State’s foundation for institutional control involves creating a culture of compliance, implementing educational initiatives, establishing policies and procedures and monitoring and enforcing those policies. The culture of compliance starts with everyone and if people do not want to follow the rules the enforcement will force them to do so. Creating a culture of compliance starts at the top with support from the President and Athletic Director. When staff and coaches are hired efforts are taken to ensure compliance is also important for those individuals and they understand the importance of NCAA rules.
- A great deal of time is spent building relationships with the coaches so they view compliance officers as an asset and resource. The goal is to educate coaches in advance to avoid potential issues. Head coaches are bound by the NCAA to be responsible for every member of their staff.
- Oversight of individuals outside of athletics is also the responsibility of compliance officers, including offices such as the Registrar, Admissions and Student Financial Aid.
A great deal of emphasis is placed on educational initiatives so coaches see compliance officers as a resource and not a hindrance. This starts with an open door policy to encourage coaches to ask questions to determine the appropriate way to proceed in a given situation while not violating NCAA guidelines. A monthly newsletter is distributed and monthly rules education seminars are held with all coaches being invited to attend seminars. Coaches are required at the minimum to attend two seminars per semester. Compliance officers meet with the Football Team once per week in ten-minute sessions as opposed to the hour-long seminar. These sessions are targeted toward issues which may be occurring during a particular time of year. Other educational initiatives include student athlete compliance meetings, staff compliance seminars, “Tip of the Week,” brochures for season ticket holders and local businesses, GoRacers.com compliance website, Student Athlete Advisory Committee and “Hot Topic” reminders or points of interest.

In terms of policies and procedures, steps must be in place for recruitment and a complete overhaul of the inappropriate recruiting process. The National Association of Athletics Compliance (NAAC) Best Practices and Reasonable Standards. Additional written policies which are not required are also in place.

Monitoring efforts are included in every policy and FrontRush Software was implemented in 2012-13. This is an automatic phone call monitoring system where coaches can call in via smartphone and have that call automatically logged. The system also allows coaches to communicate with each other about recruiting efforts.

An OVC formal compliance review is conducted every four years with the visit to MSU occurring last year.

Department-initiated investigations are undertaken in response to anonymous tips or tips from student athletes. Any violations are self-reported, no matter how small. In 2011-12 seven secondary violations were reported but on average ten to 12 are reported per year. This illustrates that the University monitors for potential violations. When secondary violations are identified compliance officers make a determination whether the violation is a pattern, intentional or an honest mistake.

Compliance is rapidly changing and the current NCAA President has determined the process requires a major overhaul, including reviewing prior and current deregulation (financial aid, recruiting, line-by-line editing for consistency, efficiency and practicality). There likely will be a reduced emphasis on competitive equality, if not a complete removal, which will allow the individual institutions to benefit from geographic or financial advantages as long as it does not lead to improper recruiting. A restructuring of the enforcement model is being undertaken and it is anticipated there will now be four violation levels (increased from two).

A hypothetical question was asked about how compliance officers would proceed if they suspected an individual was violating NCAA rules. Mr. Harrell indicated the first step would be to determine what rule is being violated and the associated severity. If a major area such as practice hours is being violated, before becoming too concerned it must first be established that this behavior has become a pattern. Due to policies in place and monitoring efforts this type of violation would likely be caught before it became a major issue. If it is discovered an individual has been committing a violation for a six-month period, for example, an investigation would be initiated. That individual would be questioned about their behavior and if they do not provide a straightforward answer then interviews would be conducted with staff members and other individuals not on staff who could be involved. If the behavior is determined to be an issue it would then be called to the attention of the Athletic Director to decide how the situation should be handled. All facts must be in order and a complete investigation undertaken before accusing an individual of improper behavior.

A question was asked regarding the procedure which would be followed if compliance officers suspected an MSU booster provided improper benefits to a student athlete. Mr. Harrell indicated this represents one of the most difficult areas to monitor but if inappropriate behavior is identified meetings would take place with the booster and the student athlete to educate them about the inappropriateness of their behavior. This hurts the program because if a booster provided a benefit to a student athlete that individual would become ineligible to play and in some instances the institution could be forced to forfeit previously won contests and/or championships. The highest level of institutional punishment for this type of violation would be for the University to disassociate itself from the booster. The booster would not be allowed to purchase season tickets and access to practice or other occasions where they could interact with student athletes would be strictly monitored. Student athletes would also be made aware that any association with the booster could make them ineligible to compete in athletic events. Mr. Ward provided assurance that potential violations are aggressively investigated.

Dr. Gesler reported the following:

The Faculty Athletic Representative (FAR) represents Murray State and its faculty in the relationship between the NCAA and the institution but also serves as the on-campus liaison between academics
The Audit and Compliance Committee adjourned at 10:08 a.m.

Adjournment

The Audit and Compliance Committee adjourned at 10:08 a.m.
Dr. Rose called the Buildings and Grounds Committee to order at 10:08 a.m. and reported all members were present.

**Property Acquisitions – 913 Waldrop, authorized**

Mr. Denton reported 913 Waldrop represents one of two properties on the west side of Waldrop (between Chestnut Street and Highway 121) not currently owned by the University. The use for this property will remain flexible whether for future parking, green space or utilizing the building currently on the property. It is hoped the University will eventually obtain the remaining property so it owns the entire stretch of land between Chestnut Street and Highway 121. This would provide the capability to work with Waldrop Street in front of the new residential colleges and is included as a high priority purchase in the Campus Master Plan. Dr. Rose toured the property in question with Kim Oatman, Chief Facilities Officer, and this purchase would close the west side of campus – short of the purchase of one additional property. This represents a clean and appropriate purchase and the appropriate appraisal process has been followed.

On behalf of the Buildings and Grounds Committee, Mrs. Guess moved that the Board of Regents authorize the University to purchase the property located at 913 Waldrop. Mrs. Buchanan seconded and the motion carried.

**Property Transfers and Easements for Highway 121 Improvements, discussed**

Mr. Oatman reported the Transportation Cabinet has proposed widening Highway 121 from 12th Street to Bailey Road but the University is concerned about property it owns from 12th Street to 16th Street. The project has been funded and work to obtain the right of way for the property is underway. A map was provided illustrating what property the Transportation Cabinet is proposing to take from the University. Some property will be taken solely for construction purposes meaning once work is completed the property will come back to the University (temporary easement). Also being requested are permanent easements related to utilities and drainage. Fee simple land transfers represent the University transferring property to the Transportation Cabinet which will change the boundary on the property. There are only two locations where this would occur. All entrances to the University (off Highway 121) will be improved with desirable enhancements. Highway 121 will be widened to five lanes from 12th Street to the entrance into the CFSB Center and four lanes added (with divided median) from Gilbert Graves Drive to 16th Street which will be much better for traffic and pedestrian flow and will improve the look of the area. The portion of highway in front of the CFSB Center will be greatly enhanced and will be widened and a turning lane added. A great deal of drainage is located across Highway 121 (directly in front of the CFSB Center) and this area will be significantly improved by removing ditches and changing to an underground drainage system. This represents a permanent easement but will enhance Murray State’s property. Land between the west entrance to the CFSB Center and Waldrop Drive will need to be utilized as a temporary construction easement. Along 16th Street where Heritage Hall is located, the Transportation Cabinet will relocate utilities and widen 16th Street from Highway 121 to Valentine Street (south of the Heritage Hall parking lot) and grading will be done to improve the Heritage Hall entrance. A small parcel of land south of the entrance to the building will be taken for electrical services and this sits beside a large ditch which already limits potential University uses for the property. The Transportation Cabinet is basically taking four parcels of land. Within each parcel a varying price is being provided to the University for the different easements with the largest amount coming from land being taken and to a lesser degree for temporary easements. In total, the Transportation Cabinet proposed paying the University $220,000 for the land and easements necessary to complete this project and the statement below was included in the background information provided.
“Although not included in this recommendation, the University has an opportunity to further enhance the project by the installation of decorative light poles, fixtures and decorative signal poles and fixtures at a cost of up to $350,000. The reimbursement from the state for the mentioned land transactions which could be utilized to offset the cost of the potential lighting enhancement project would range from approximately $150,000 to $190,000.”

Mr. Oatman reviewed the estimated cost for the improvements and currently a determination is being made about how much of the amount the state provides to MSU for these various easements and land will stay with the University which can then be applied to the overall estimated project cost. Dr. Rose reported when Highway 641 improvements were made a white fence and nice lighting were added and the electrical supply was moved underground. Currently as one looks straight ahead down 641 South everything looks nice but when looking to the right down Highway 121 electrical poles that is not necessarily the case. The possibility of including in the agreement lights being provided and the electrical supply being moved underground should be considered. MSU should pursue these improvements in Frankfort and convince the state to help the University complete the project the right way. This is going to be a nice road and what Dr. Dunn, Mr. Denton and Mr. Oatman have worked out with the Transportation Cabinet is to be commended but he would like for the Transportation Cabinet to complete the project appropriately the first time. Dr. Dunn reported this project remains in flux as previously mentioned and Mr. Rall continues to undertake deed work – with one of the deeds to Murray State College found to be from John Carr. Costs to the University are estimated between $150,000 to $190,000 and once all legal analysis has been done the proceeds from the payments made by the Transportation Cabinet would be applied toward this amount but a gap will remain which the University would need to cover in order to make the improvements. If the Committee and Board share Dr. Rose’s sentiment, meaning this is a worthwhile expenditure the University should pursue and there is a desire to authorize that work as part of the motion, this could be helpful. The process will move fairly quickly because the Transportation Cabinet wants to finalize the plans and know whether the University will help with the improvements. This work is expected to be completed within 18 months to two years. Mr. Oatman has urged the Transportation Cabinet to include lighting improvements in the road project but so far has been rejected and the request may need to be taken to a different level. Murray Electric has also tried to convince the Transportation Cabinet to let them move utilities underground but has also been unsuccessful in that effort. The Board is asked to act on the recommendation as presented because the Transportation Cabinet is in the process of obtaining the right of ways and has asked the University for an answer within 60 days. The lighting enhancements could be addressed later if necessary because construction will not begin before the next BOR meeting. Consensus was reached this is how the Board wants to proceed. Agreement was also reached that negotiations with the Transportation Cabinet should involve Bob Jackson, Associate Vice President for Institutional Advancement. From an economic development standpoint it would be wise and less expensive to have lighting and electrical improvements included in the road enhancements planned by the Transportation Cabinet at the same time they undertake this work.

**Property Transfers and Easements for Highway 121 Improvements, authorized**

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

- Parcel #35 – Temporary Easement
- Parcel #36 – Fee simple transfer, temporary easements and permanent easements
- Parcel #40 – Fee simple transfer, temporary easements and permanent easements
- Parcel #74 – Fee simple transfer and temporary easement

Mrs. Guess seconded and the motion carried.

Dr. Rose reported this action taken by the Buildings and Grounds Committee resulted in the necessity for a second motion which follows.
Permission to Pursue Highway 121 Project Enhancements, approved

On behalf of the Buildings and Grounds Committee, Mrs. Buchanan moved that the Board of Regents authorize the administration to pursue enhancing the Highway 121 project with lighting and other improvements as appropriate and as discussed above, utilizing non-recurring funding sources and/or additional funding from agencies or offices within Kentucky government. The Board is willing to support the use of non-recurring funds – and although no fixed amount will be set, $200,000 has been discussed – and the administration should proceed with trying to negotiate an agreement with Murray Electric or the Department of Transportation to make this a first-class project. Mrs. Guess seconded and the motion carried.

Adjournment

The Buildings and Grounds Committee adjourned at 10:37 a.m. and the Board of Regents committee meetings adjourned at 10:38 a.m.

Reconvene

Dr. Curris reconvened the committee meetings of the Murray State University Board of Regents at 10:50 a.m.

Enrollment Management and Student Success Committee

Marilyn Buchanan, Chair
Sharon Green
Jeremiah Johnson
Phil Schooley
Harry Lee Waterfield II

Mrs. Buchanan called the Enrollment Management and Student Success Committee to order at 10:50 a.m. and reported all members were present with the exception of Sharon Green.

Fred Dietz, Executive Director for Enrollment Management, reported the following:

- A decline in summer enrollment from 2011 to 2012 in terms of overall enrollment (approximately 9 percent) although FTEs declined slightly due to the corresponding enrollment decline
- A decline in first-time enrollment during the summer, including first-time freshmen, transfer students and first-time graduate students
- The economy was one contributor to the summer enrollment decline because students are working during the summer and choosing more affordable options (community colleges).
- A fairly substantial change in Pell Grant rules occurred from 2011-12 to 2012-13 which significantly impacted summer enrollment. In 2011-12 students were allowed to receive additional Pell Grant money during the summer but that option was taken away for summer 2012 because the Department of Education cut back on some of the “perks” associated with Pell Grants.
- Additional marketing will be targeted toward current students to ensure they are aware of the benefits associated with summer enrollment and options could be offered which would allow them to enroll in courses over the summer. Students are unable to use Pell Grant funds during the winter term.
- Total enrollment has surpassed 10,700 students with undergraduate enrollment remaining strong. Total enrollment is approximately 4 percent over this point last year.
- First-time freshmen are up 5 percent from last year (1,623), first-time transfers are up slightly and first-time graduate numbers are up.
- The FTE for undergraduate students increased while the FTE for graduate students decreased with the overall total remaining ahead of last year.
- A synopsis of enrollment from the 18-county service region was provided. This marks the third consecutive year first-time freshmen and first-time transfer numbers from the 18-county service region have increased. The University is making gains in the 18-county service region and encouraging those students to enroll at Murray State. Graduate enrollment for the 18-county service region is down slightly but overall enrollment is trending positively.
- Meals plans are up by 195 for the unlimited plan option, the commuter plan option is up 130 and overall dining service auxiliaries are up slightly over $500,000 in terms of revenue ($140,000 over projected). Overall housing numbers are up for first-time enrollees (freshmen and transfers) in the residential colleges by 36-40 students and overall housing numbers are up by 80 students. The bookstore experienced a positive year due in part to prepackaged book sales.
- In terms of the other Kentucky public universities, enrollment at Northern Kentucky is down approximately 7 percent for first-time freshmen, Western Kentucky may not exceed last year’s enrollment figure, Southern Illinois University-Carbondale is in its eighth year of enrollment decline,
Eastern Kentucky is down slightly and overall enrollment at Morehead State is flat. Mr. Dietz will research how these institutions are performing in terms of graduate enrollment and once those numbers are reported to the CPE in October the information can be shared with the Board. Graduate enrollment is flat due in part to the economy. Jay Morgan, Associate Provost for Graduate Education and Research, reported a large part of graduate enrollment being flat involves non-degree seeking students taking one course but then not returning to the University. Additional enrollment information was included in the Supplemental Notebook providing more up-to-date and detailed information.

- The number of high school students within the 18-county service region eligible for college has remained fairly consistent over the past few years and an initial decline has now leveled off. Kentucky is up slightly in terms of high school graduates and is one of few states experiencing any growth. Admitted students deciding not to attend MSU were surveyed and asked why they made the decision not to come to Murray State. The majority chose other institutions based on academics, cost and financial aid. Students not coming to MSU are going to their local community college and those entities are one of the University’s greatest competitors in terms of cost. Many students are also choosing to remain in-state and attend their regional institutions.

- In regard to marketing efforts and whether there is anything new to encourage students to come to Murray State, Mr. Dietz reported his office works closely with University Communications and all have become more aggressive on pursing students earlier in the process representing an area where the institution has become much stronger. Social media is utilized heavily and has helped tremendously. Dr. Dunn reported the Board discussed signature programs during the Retreat and this could represent an approach which would have merit to identify across the University four to six signature academic programs with the potential of being marketed nationally. The Board did not issue an explicit directive but there was significant discussion. Initial thinking centered on identifying four to six distinctive baccalaureate programs that would warrant a national effort. Discussion occurred on how to move forward with this initiative and the Hutson School of Agriculture was cited as an example where two programs – the Equine Program in Animal Science and the Veterinary Technician Program – have potential.

- In response to an inquiry regarding the 36 percent increase in enrollment from Hickman County and whether student participation in the Falcon Academy is the reason for the increase, Mr. Dietz indicated that to be the case. Last year 424 seniors took a class through the Racer Academy and 181 enrolled at Murray State this fall. An observation was made that the University should support efforts such as those underway in Hickman County with the Racer Academy because it serves as a model program.

This agenda item was provided for information purposes only and required no action.

Adjournment

The Enrollment Management and Student Success Committee adjourned at 11:17 a.m.

Finance Committee

Stephen Williams, Chair
Marilyn Buchanon
Constantine Curris
Jack Rose

Mr. Williams called the Finance Committee to order at 11:17 a.m. and reported all members were present.

State Endowment Match Program Report, approved

Mr. Williams reported the Board is required to approve an annual report summarizing Endowment Match Program activity which is due to the CPE by October 15. An analysis of the report was presented and programmatic financial results from the year ending June 30 were provided. In 2011-12 the University received all remaining state matching funds and $69,900 in additional private funds. In terms of programmatic activity, two endowed chairs and five endowed professorships were established and all positions have been filled. Twenty nine endowed scholarships and five mission support endowments have been created.

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

As per previous discussions, the Large Expenditure Schedule will be routinely provided to the Board and has been included with the financial statements. The document ensures the Board meets its fiduciary responsibility to monitor large expenditures.

This agenda item was provided for information purposes only and required no action.

Personal Service Contracts and Memoranda of Agreement Report, received

The Governmental Contract Review Committee in Frankfort has authority and responsibility to review Personal Service Contracts over $10,000 and any Memoranda of Agreement over $50,000. Although these expenditures are subject to review at this level the BOR Finance Committee requested a report be created so there is opportunity to see on a routine basis those expenditures which fall into this category. This information will be included in the financial statements for the institution from this point forward as part of the Treasurer’s Report and the Board should not be hesitant to ask questions about any data provided. Mr. Denton reported the majority of transactions and personal services contracts represent price contracts for services. The difference in a price contract for services and a regular personal service contract is that they are primarily almost entirely for architectural and engineering services and represent cases where the University does not have a specific project in mind but at the beginning of the year receives approval to use various firms so when a project is ready a contract is already in place. The University can receive an authorization up to $100,000 per year on price contracts.

In response to a Regent question Mr. Denton reported Capitol Solutions is based out of Goshen, Kentucky, and Ronny Pryor, Senior Principal, is a long-time lobbyist in Frankfort along with his partner Kelley Abell. Typically one is more attune to Washington while the other is more attune to Frankfort. In response to a question regarding how much these services are needed in Washington, Dr. Jackson reported these two individuals have been extremely helpful. He and President Dunn were in Washington this summer visiting several federal agencies from which the University receives grants. Many of these grants were applied for out of the Office for Sponsored Programs and the institution has had great success. These individuals assist with grants in terms of securing letters of support from the Congressional delegation and basically operating at the direction of the Office of Development or the President. The University must become smarter and more nimble in terms of the post-earmark era in which it now finds itself. Mr. Pryor is an alumnus of Murray State and in Dr. Dunn’s opinion the University is getting more than its money’s worth from both him and Ms. Abell. Dr. Jackson added that about 75 percent of the work these two individuals undertake is state related and 25 to 30 percent is federal. Dr. Dunn further added it is not out of line for an institution the size of Murray State to have a full-time governmental relations employee. Given the University’s distance from Frankfort, it is almost expected the institution will have someone there during the spring session and Mr. Pryor and Ms. Abell serve in this capacity. During the budget session either Dr. Dunn or Dr. Jackson will be on the telephone with one or both of these individuals nearly every day. Part of this contract represents a contracting out of staff in governmental relations whereas there would normally be a person on salary undertaking this work. Dr. Rose reported in 2011-12 the University paid $90,000 for this service and confirmation was provided this amount has not changed for 2012-13. When Dr. Dunn arrived at MSU the institution was paying approximately $75,000 (through the CPE) for this service which at the time was called Washington Research Office in an effort to support combined lobbying efforts. It became apparent most universities were utilizing their own firms whether in Frankfort or Washington, DC (or both) and only about one-half of the schools were making the payment to the CPE. The universities have now shifted course and only one public institution in Kentucky has not hired an outside firm to undertake this work.

This agenda item was provided for information purposes only and required no action.

Adjournment

The Finance Committee adjourned at 11:40 a.m.
Mrs. Guess called the Institutional Advancement Committee to order at 11:40 a.m. and reported all members were present with the exception of Mrs. Green and Dr. Thornton. Marketing and recruitment are key strategic issues for the institution and she is encouraged by the Board’s interest in these areas of emphasis and appreciates the questions which have been raised regarding MSU’s progress toward these initiatives. The presentation today will provide a broad vision and an aerial view of the University’s marketing efforts and highlights the strategies and tools being employed, along with the corresponding results of this work, to market MSU to the region and beyond. The Committee’s commission to the team has been to utilize all tools necessary to achieve the most productive return on investment to advance the MSU brand. Jim Carter, Vice President for Institutional Advancement, and Catherine Stivills, Assistant Vice President for University Communications, presented a video with the following highlights:

- The mission of the University Communications and Marketing unit is to support the advancement of the Murray State University brand through efficient exchange of information via web, print, social and digital mediums.
- The University Communications budget for 2010-11 was $113,865; $113,039 (11-12) and $107,775 for 2012-13. A breakdown of how this funding was utilized was provided for 2011-12. One new sponsorship initiative includes the Bluegrass State Games which put the MSU image in front of 6,700 participants and 27,000 spectators within the University’s desired market. Staff worked closely with the Kentucky High School Athletic Association marketing unit on a half-time promotion during the state basketball finals, reaching 26,000 individuals.
- This unit operates as an agency model with the offices of Enrollment Management, Development, Athletics, Continuing Education and all academic units to support their efforts. It represents a defined and distinct service unit that supports print, social, web and digital media across campus to offer creative “boutique” services to assist units with various projects.
- An award-winning team is in place and was present, including Dana Howard (Social Media Marketing Manager), Jeremy McKeel (Digital Media Services Manager), Sherry McClain (Director of Print Media) and Tony Powell (Web Manager).
- One way to measure success is how the University is ranked by its peers (Council for the Advancement and Support of Education – CASE) and a number of awards have been received. CASE awards touch on all the mediums MSU is addressing from digital media to print pieces to the website to social media.
- In 2008 the rebranding process was undertaken because at that time there were over 50 logos representing Murray State which diluted the University’s brand. A move was made to a cleaner look and numerous focus groups comprised of all constituency bodies were asked what comes to mind when they think of Murray State. The friendliness of the campus, the quality of the MSU education, affordability and a sense of community were all attributes which consistently surfaced. Once a clean brand was established and all were on board utilizing that logo, an initial move to “Your World to Explore,” was completed and the “We Are Racers” campaign was started last year.
- Murray State’s brand will continue to evolve and a great deal of work has already taken place to determine what the next step from “We Are Racers” should be in order to best continue to share the University’s message. A determination was made to move to “Take Your Place in the Murray State Tradition” to focus on students and how they will take their place in Murray State history.
- Many different units make up the marketing and communications area and all have made an effort to remain connected through print, web, digital and social media. This represents one of few nonacademic units which actually prepares students for careers through the use of internships in the areas of public relations, photography, marketing and digital media. Almost 15 percent of television production majors complete their program with career-related experience.
- With regard to print media, the publications and printing unit represents an in-house print shop with two graphic designers and is a 99 percent in-house operation (only 1 percent of work is outsourced). Outside vendor design work would likely cost 160 percent more than what can be provided on campus and printing costs would average 150 percent more than in-house. This operation is responsible for preparing news releases with over 350 being written and distributed per year to media outlets in the 18-county service region and throughout the nation and the world. The award-winning “Blue and Gold” magazine is distributed to approximately 60,000 households and for a number of years NewPage in Wickliffe, Kentucky, has donated paper for one issue per year. “The Review” is a tabloid inserted into newspapers throughout the 18-county service region. The Intern News Network has employed five public relations/journalism students over the past two years.
Managing marks and licensing is under the purview of University Communications with the unit working closely with the University Store Manager to assist that individual and other units selling Murray State gear to ensure the number of businesses carrying MSU products continues to increase. MSU licensing royalties increased from $38,424 in 2009-10 to $66,916 in 2011-12. Two years ago an online store – Team Fan Shop – was launched and sales have increased by 300 percent since October 2010.

With regard to web media, the University has a website that is populated with as much content as possible due to the large number of audiences visiting the website for various reasons. This is considered to be the website for external visitors and is utilized for recruitment purposes. The University follows trends and conducts research but in the most recent Noel-Levitz survey of 2,000 college-bound juniors and seniors, 52 percent responded that a campus website played a significant role in their evaluation of potential colleges. Fifty-eight percent of students used college websites to gather information about the school, programs and culture which is why keeping content on the MSU website fresh and populated with video and blogs is essential. Total visits to www.murraystate.edu number 1,892,588 (812,585 computer visits) with returning visitors comprising 74.82 percent of visits and new visitors making up 25.18 percent (slightly over 400,000 this past year). In August 2011 the MSU Today site was launched and represents a new trend being utilized by a number of universities. This began as an opportunity to connect with all media outlets to have a place to house news and information but has turned into much more and is populated with video and blogs about the University. Roundabout Murray is an internal newsletter which is published every Friday and distributed to anyone with a Murray State email address.

All are proud of the advancements made in Media Services. In 2001 the University was operating a low power station – WQTV – which was challenging to operate in a public environment (considered essentially a private project) and the Kentucky Broadcaster’s Association had put the University under some pressure. This unit is utilized to highlight the University’s mission-related programs but the unit was losing $200,000 to $250,000 per year and those resources (people and equipment) have been redirected to turn it into a full service video production area. A key partnership developed with Kentucky Educational Television (KET) which allowed the University to expand the reach of TV-11. KET partnered with the University and KET2 became the backbone of TV-11 to provide student programming and air Roundabout U which goes out to 50,000 homes but continues to grow. The partnership with KET is extremely valuable and the University’s programming reaches 717,000 viewers per week. Roundabout U airs statewide at no cost to MSU. Public Broadcasting System programming has been syndicated with the Holidays at Murray State program reaching over 20 million households through 225 stations in top markets, including New York, Philadelphia, Tampa, Miami and Denver. The newest partnership with KET is through WKMS-FM to keep listeners in touch with what is occurring statewide through three different programs. All short-form productions are produced on campus, including image spots, athletic and extended campus spots and the Roundabout U half-time report. Long-form productions such as international recruitment videos, campus tours, residential college pieces, Presidential Lecture Series, basketball introductions, recruitment videos and highlight reels are produced by Media Services staff. Feature projects include Festival of Champions (aired on KET) and the Lovett Live Concert Series.

Video social media projects include the MSU anthem (125,000 views), flash mob (34,600 views), racer shuffle (17,600 views), planking (6,300 views), #BringDickieV to Murray (3,200 views) and the MSU holiday card (2,700 views). A conscious effort is made to remain relevant with the MSU audience. Live streaming includes All Campus Sing with an average of over 1,000 unique views (2,000 average views) from all over the world (also provided through Facebook). Other streaming events include Commencement, Board of Regents meetings, Waterfield Lecture Series and Sparks Lecture Series. A “sizzle” video was shown illustrating the relevance, reach and impact of Roundabout U which is a signature television program in its fifth season producing 45 new episodes each year on broadcast and cable outlets and available to more than 2 million households throughout the entire state. Beyond the promotional value of Roundabout U, the program serves as a learning environment for TV production and journalism majors. MSU currently employs nearly 15 percent of TV production majors as student workers. The MSU story is also advanced beyond the main campus to profile academic successes; connect donors, parents and alumni; West Kentucky Night in Frankfort and support the efforts of regional outreach throughout the 18-county service region. Digital Media Services has produced 560 segments over the last two years and the approximate cost per show is $375 (includes placement and expenses).

Goals for the Social Media unit include:

1) Stay visible – Over 48,000 MSU graduates are on Facebook are MSU graduates and live in countries such as the United States, South Korea, India, Germany, Thailand, Taiwan and Indonesia.

2) Tell the MSU story – All Campus Sing was cited as an example because it was broadcast via Live Stream (2,642 views), a Roundabout U show was centered around the event and feedback and video were shared.

3) Adapt to trends – Trends constantly change and reference was made to YOLO – You Only Live Once – which is the new generation’s bucket list. Twitter is a major trend with youth ages 12-18.

4) Build a community on popular platforms and know the MSU audience – One way to do this is to follow what people are saying about Murray State. The media value for the game attended by
DickieV was $255,000. This work is undertaken because research shows teens are online four to six hours per day on Facebook, Flickr, YouTube, Google and Twitter. Research data is studied quarterly and changes rapidly but tracks users based on where they go to connect with schools and they are going to YouTube and social networking sites.

5) Continue to increase engagement and interaction – accomplished through a Facebook Fan Page with the formula of likes + comments + shares / number of fans = average engagement and last year MSU ranked 2nd out of 928 higher education Facebook pages.

6) Partner with the Student Government Association for Social Media Week to discuss smart ways to utilize social media.

7) Evolve University’s brand to “Take Your Place in the Murray State Tradition” with some video and signage already having been released.

8) Feature the MSU regional campuses – Madisonville, Hopkinsville, Henderson and Paducah – on Roundabout U. Not only will the programs being offered at the regional campuses be advanced but discussions will be held with alumni, donors and friends in those areas.

9) Mobile marketing is continuing to advance and the University’s website has been changed to a friendly mobile site but research has shown this will overtake desktop use, including tablets and iPads, by 2014, indicating it is an issue which must be addressed as marketing efforts continue. Youth are on their phones, they are on Facebook, YouTube and Twitter and the University must continue to have a presence in those locations.

10) A new content management system will be researched. In 2009 the University’s website was redone and a switch was made to a new content management system with various upgrades having been added since that time and several individuals across campus have been trained to keep content updated. Transitioning to a new system will likely be proposed but is being delayed until after the Southern Association of Colleges and Schools reaffirmation of institutional accreditation visit.

11) Internal audiences will be surveyed to ensure their needs are being served.

12) Determine success by the level of alumni engagement, capital campaign success, enrollment growth, nationally recognized social media efforts and the fact that the University is a statewide leader in digital, print, web and social initiatives.

Adjournment

The Institutional Advancement Committee and the Murray State University quarterly committee meetings adjourned at 12:30 p.m.

Chair

Secretary

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