Minutes of the Quarterly Board of Regents Committee Meetings
Murray State University
Friday, December 14, 2012
Jesse Stuart Room – Pogue Library

Constantine Curris called the Murray State University (MSU) Board of Regents (BOR) committee meetings to order at 8 a.m. in the Jesse Stuart Room in Pogue Library on the main campus of Murray State University and reported all Board members were present.

Academic Affairs Committee

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

Dr. Thornton called the Academic Affairs Committee to order at 8:02 a.m. and reported all Committee members were present. One action item is being considered for advancement to the full Board – the Affirmative Action Plan.

Cami Duffy, Interim Director for Equal Opportunity, reported the following:

- Developing the Affirmative Action Plan represents a “we” effort and a comprehensive approach to move the University workforce forward.
- The Affirmative Action Plan consists of statistical analyses of the employer’s “underutilization” of individuals from certain protected classes and includes steps that will be taken to improve their representation in the employer’s workforce. Separate plans must be created for women and minorities, Vietnam era and other veterans and disabled individuals. The plan being presented is not about quotas but about balance and making progress. The plan is not about hiring the unqualified because the University wants to attract the most qualified and talented pools that it can garner.
- Misinformation can lead to confusion about the purpose for affirmative action but the University’s Affirmative Action Plan provides access to equal opportunities in recruitment, selection and promotion. This represents the minimum expected by any job applicant regardless of background.
- The Affirmative Action Plan includes steps that will be taken to improve recruitment and retention efforts as they pertain to the institution’s workforce. It is a comprehensive, overall review of the workforce which highlights the numerous laws associated with affirmative action. Although many are aware of existing laws pertaining to this area, that does not make the University immune to an audit. There are two triggers for an audit – compliance agencies and “external factors.” Compliance agencies include the Office for Civil Rights and the Office of Federal Contract Compliance Programs within the United States Department of Labor. President Barack Obama has placed an increased emphasis on nondiscrimination in institutions of higher education, making such audits more of a reality than in the past. External factors include lawsuits or the acquisition of government contracts over the $50,000 threshold.
- The Affirmative Action Plan is being submitted to the Board for approval because it is time to close the gaps which exist in the history of the MSU plan. The first Murray State Affirmative Action Plan was established circa 1975, with the first revision occurring in 1976 with the advent of changes to hiring policies and laws, and this Board adopted a plan in 1985. The University provided a response in 1991 at the time the Commonwealth of Kentucky entered into the statewide partnership agreement for the Kentucky Plan which leads up to today’s proposed update.
- Data presented reveals that institutionally MSU has solid “best practices” and a developmental needs summary was presented with only seven needs having been identified as follows:
  - Executive/Administrative/Managerial – Four females short of being at full utilization as defined by the data set (census data) which includes information about individuals with Ph.Ds within the region.
  - Professorship – Ten females short of full utilization. The University does not generally hire individuals from external universities directly into professorships which is indicative of the institution’s tenure practices and helps determine how professors can be put in the best position to move forward in the tenure and promotion process. MSU is two minorities short in this area.
  - Lecturer – Two minorities short. One must take into consideration where the University is advertising and the fact that there is limited funding available for advertising but there are also initiatives which can be undertaken which cost the institution nothing, such as placing phone calls to other colleges and universities.
  - Senior Professionals – One minority short.
  - Entry Level Clerical/Secretarial – Four minorities short.
  - Mid-Level Maintenance – Two females short in this area which pertains to individuals in Facilities Management – HVAC and heating and cooling – where certain licensures are required.
Dr. Thornton expressed appreciation to Mrs. Duffy for providing a comprehensive analysis of the *Affirmative Action Plan* and indicated she also provided good aspirational directions within a very competitive environment for minorities and females in higher education.

On behalf of the Academic Affairs Committee, Mr. Williams moved that the Board of Regents, upon the recommendation of the President of the University, approve the Murray State University *Affirmative Action Plan* as submitted and to also include workforce data and updates thereafter. Mr. Schooley seconded and the motion carried.

**Adjournment**

The Academic Affairs Committee adjourned at 8:13 a.m.

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**Audit and Compliance Committee**

**Harry Lee Waterfield II, Chair**  
**Constantine Curris**  
**Jenny Sewell**

Mr. Waterfield called the Audit and Compliance Committee to order at 8:13 a.m. and reported all Committee members were present.

Tom Denton, Vice President for Finance and Administrative Services, expressed appreciation to Jackie Dudley, Senior Director for Accounting and Financial Services, and Beth Caldwell, Assistant Director for General Accounting, for their work in preparation of the audits being presented before the Board today.

The Board received a presentation from the RubinBrown management team of Jeff Winter, Partner, Matt Finke, Engagement Manager and Jason Callaham, Accountant. The following highlights were presented with regard to the presentation on results of the Annual Audit for the year ended June 30, 2012:

- Approximately 1,600 hours were devoted to the audit by RubinBrown. The auditors cannot undertake their work without complete cooperation and assistance from management. Appreciation was expressed to Mr. Denton; Ms. Dudley; Ms. Caldwell; Wendy Cain, Assistant Director of Compliance and Internal Auditor Michelle Saxon for their participation throughout the process. There were no limitations placed on RubinBrown’s ability to perform the necessary work and with management assistance the auditors were able to complete all necessary engagements.
- Professional standards require RubinBrown to share the auditor communications with the Audit Committee and other members of the Board as part of its fiduciary responsibility in the financial reporting and audit process. A statement was provided confirming RubinBrown’s understanding that its duty to the Board and University is to provide reasonable assurance that the financial statements prepared by management are free from material misstatements.
- An outline of responsibilities RubinBrown has under U.S. Generally Accepted Auditing Standards, Government Auditing Standards and OMB Circular A-133 were provided. The auditors are required to express an opinion regarding whether the financial statements prepared by management are free from material misstatements and if the University complied in all material respects to the requirements related to federal programs in place at the institution. RubinBrown issued an unqualified or “clean” opinion on the University’s financial statements for the fiscal period ended June 30, 2012.
- The auditors issued a report on compliance and internal control over financial reporting based on an audit of the University’s financial statements in accordance with *Government Auditing Standards*. An unqualified opinion was issued with regard to compliance and internal controls over federal financial assistance in accordance with OMB Circular A-133.
- RubinBrown issued a compilation report on the Athletic Foundation financial statements and no issues were identified. An unqualified opinion was issued for WKMS-FM financial statements.
- A report was issued regarding the University’s compliance with Kentucky House Bill 622 which deals with the auditor’s confirmation of the understanding there are certain University policies and procedures in place that fall under this regulation. A report was issued with regard to the University’s compliance with the Kentucky Lease Law which examines any new or renewed lease to ensure consistency with policies and procedures that are not only in place at the University but also contained in state statute.
- The National Collegiate Athletic Association (NCAA) Agreed-Upon Procedures report contains numerous processes which must be completed with regard to this reporting and detailed results were
provided but do not represent anything of consequence. House Bill 622 and the Kentucky Lease Law reports represent audits and unqualified opinions were rendered for both.

- A Quality Control Letter was issued which confirms the understanding there are policies in place at RubinBrown consistent with Kentucky’s requirements. The Subsequent Event Report will be issued to the state on Monday and details whether anything has arisen subsequent to the report date that needs to be considered for inclusion with Murray State’s information.

- MSU’s 2012 audited financial statements will be included in the financial statements of the Commonwealth of Kentucky and the auditors are not aware of those statements being included in any other document. The University’s audit was performed within the planned scope and timing previously communicated to the Board on June 1, 2012, and in the Engagement Letter dated February 18, 2012, regarding the nature, timing and extent of the audit procedures. No issues were noted within the execution of the planned scope and timing.

- In terms of qualitative aspects of accounting practices, no new accounting policies were adopted and the application of existing policies was not changed. The auditors noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. No significant transactions have been recognized in a different period than when the transactions actually occurred.

- The financial statements have been prepared utilizing management judgments and accounting estimates and the most notable estimates include depreciation and the useful life of capital assets, allowance for uncollectable loans and student accounts receivable and self-insurance revenues. Key factors and assumptions used to develop these estimates were evaluated and the auditors determined they were reasonable in relation to the financial statements as a whole.

- With regard to financial statement disclosures, some disclosures deemed to be more sensitive and have more impact on the users of the financial statements than others include deposits and investments, endowment disclosures, outstanding long-term debt and revenue bonds, notes payable and capital leases and risk management.

- With regard to corrected and uncorrected misstatements identified during the audit, one misstatement was noted that required audit adjustments and increased net assets by $287,059 for the year ended June 30, 2012. The auditors encountered two adjustments which were deemed to be immaterial and not corrected in the financial statements and agreed with management’s determination in this regard. This includes prior year effect – overstatement or ORP sick leave accrual and capitalizable equipment initially expensed.

- No disagreements with management were noted in the results of the audit, the auditors are unaware of any evidence of outside consultations with other accountants in the preparation of the financial statements and there were no other audit findings or issues.

- Current year minor audit recommendations include updating the Board of Regents Policy Manual with the most recent language contained within Kentucky Revised Statutes pertaining to House Bill 622. This does not represent a practice issue and a determination has been made to provide a link in the electronic version of the Policy Manual so current statutes are always accessible.

- An update on prior year recommendations and deficiencies was provided, including:
  - A significant deficiency was recognized in prior year indicating the University should consider implementing procedures or review the workflow in the equipment and inventory control area to ensure records associated with capital assets are reconciled on a timely basis in order to accurately report quarterly and annual balances within the financial statements. Since 2001 procedures have been developed to assist with the timely identification and reporting of equipment assets. The University is currently working to further improve the communication processes related to the accumulation of costs for significant capital projects to ensure they are reported accurately within the financial statements.
  - Other recommendations included considering the implementation of a formal institution-wide whistleblower policy or fraud hotline and management is recommending today for approval. Also cited was enhancing controls in the cash disbursement process, primarily to avoid duplicate payments, by considering implementing a control within the invoice processing system which requires the assignment of a unique invoice number prior to further processing. This recommendation was considered by management and a determination made that the Banner system has several controls in place to prevent duplicate payments.

- One single audit finding from Student Financial Aid involved two students, out of a sample of 40 selected for testing, where it was noted the cost of attendance figures used as a basis for awarding did not match budgeted figures published by MSU. The University took steps to ensure the cost of attendance figures used to award students matched the published figures. Based on the work performed, the auditors noted no similar occurrences in the 2012 fiscal period.

- The single audit report – OMB A-133 – is extremely important and for all major universities student financial aid represents a significant federal grant. A substantial amount of time is expended by management to administer the program and the auditors devote significant time toward auditing the grant. As per federal guidelines, once the number of programs the auditors must review has been determined loans must be “backed out” which leads to the necessity of auditing a large number of programs. There were no findings this year with regard to the single audit report which represents a testament to the administration of this federal grant program – not only student financial aid – but some of the other programmatic programs such as R&D. The auditors did not note any material weaknesses or significant deficiencies in internal controls over the financial reporting process. This is
also a high testament to management and how those individuals are proceeding. The auditor’s goal is to find problems but to analyze procedures and policies which are in place and determine if weaknesses exist. Auditors use this knowledge to determine the extent of the work that will need to be completed in order for them to opine on the numbers. If a good system of policies and controls is in place the auditors can tailor procedures accordingly. If there are weaknesses in controls and other recommendations the auditors observe they are obligated to bring those to the attention of the Board. This year a conscientious effort was made by management to implement prior recommendations and the fact that the auditors did not have any material findings both from federal grants or the financials this year is extremely positive.

A ratio analysis was provided and represents new information since last year’s audit. The ratio analysis is designed to simplify the information contained within the financial statements but also includes an element of benchmarking. The basis for these benchmarks is included within the document entitled, “Strategic Financial Analysis for Higher Education,” which is a collaboration of key KPMGs and higher education practice, in addition to many investment bankers specializing in issuances of public debt for higher education institutions. Based on these benchmarks and ratios the University’s financial position is relatively strong in comparison to its peers.

The primary reserve ratio is designed to analyze the financial strength of an institution, meaning it takes into consideration how efficiently the University utilizes resources as well as how long it can operate without generating any revenue from the assets it already has in service. The data reviewed indicates MSU can operate for more than one-half of a year after it stops generating revenue.

The viability ratio compares expendable net assets to plant related debt (debt to equity ratio) which considers the overall debt management practices of the University. MSU is very well positioned for 2011 and 2012.

The return on net assets ratio represents the change in net assets as a percentage of total net assets. In 2010 and 2011 MSU was above the recommended threshold but in 2012 fell below that threshold. The reasons for this decrease include the fact that between 2011 and 2012 the University experienced a decline in state appropriations and a decrease in investment income for both the University and the MSU Foundation.

The net operating revenues ratio represents excess of unrestricted operating revenues over unrestricted operating expenses as a percentage of total unrestricted operating revenue and helps determine whether the University is living within its means.

A breakdown of major revenues by classification over the last three years was provided. The information indicates tuition revenue represents the main increase and is up $7.6 million mainly due to the 5 percent increase in tuition and fees (with no corresponding increase in student population). State appropriations are down approximately $2 million due to federal and state fiscal stabilization funds which were available in 2011 but are not available in 2012. There was also a decrease in federal grants – government grants and contracts – of about $600,000. The majority of this is due to the academic competitiveness grants not being available in 2012.

An analysis of operating expenses was provided for the past three years indicating the main driver is compensation and benefits which increased approximately $6 million due to the 4 percent salary increase approved in 2012.

Information on the composition of net assets was provided and indicates expendable net assets make up approximately 26 percent of total net assets which places the University in a good financial position. Approximately $1.9 million in general contingency funds were committed within the fiscal year 2013 operating budget.

The WKMS Auditor Communications Letter was provided to the Board and, as stated in their Engagement Letter dated February 18, 2012, the auditors are responsible for expressing an opinion about whether the basic financial statements prepared by management (with the Board’s oversight) are fairly presented in all material respects and in conformity with U.S. Generally Accepted Accounting Principles. The audit was performed according to the planned scope and timing previously communicated to the Board on June 1, 2012.

During the course of the audit accumulated uncorrected misstatements which would have increased net assets by $23,839 were identified and management determined those are not material, both individually and in the aggregate, to the financial statements taken as a whole. RubinBrown agreed with management’s determination and the adjustment relates to the incorrect depreciation being taken on certain capital assets.

The WKMS financial statements illustrate an increase of $60,000 in accounts receivable which is related to additional federal and state grants received specific to the radio station in 2012 that were not received in 2011. Capital assets increased because these grants were specifically for the implementation of capital assets for use within the radio station. There was also an increase of $60,000 to $70,000 within accounts payable specifically related to WKMS paying some expenses on behalf of WKMS.

Within the statement of revenues, expenses and changes in net assets for WKMS, the only major fluctuation is the increase between management and general expenses and supporting expenses which is also related to MSU providing additional assistance to the radio station.

Prior to receiving these capital grants WKMS lost approximately $50,000 in both years. There was $100,000 received in capital grants which are to be used for capital purposes so this year there were positive financial results for the radio station. The balance sheet is also fairly healthy and the radio
station has $359,000 in unrestricted net assets which is over one-half of operating expenses. The station is well positioned to withstand a temporary shortfall of revenue sources because this represents a reserve that can be used in years of budget deficits.

A Regent indicated with regard to grants for the Athletic Foundation it appears as if there are no transactions and what is reflected in the financial statements represents real estate and an inquiry was made whether this can be folded into the MSU Foundation or whether there is a reason it needs to remain a separate entity. Dr. Dunn confirmed this could be liquidated but it would have to be a determination of the Athletic Foundation Board to proceed in that fashion. Mr. Denton attends the Athletic Foundation Board meetings and provides a delicate reminder the option exists if desired by that Board. Recently there has been some indication the Board is willing to consider this option. To wit, there has been some distribution of assets to undertake work within the Athletics Department, particularly on capital work at the stadium. Ongoing discussion suggests that at the point the Athletic Foundation Board may be ready to proceed and the University would be supportive of that action. This decision must be made by the Athletic Foundation Board as an incorporated entity. Mr. Denton added any cash this entity had on hand has already been transferred to the University and the only thing of significance which remains is the land holding and this body has recently indicated it would like to receive appraisals in order to start the process of selling the land. Once the land is sold the Athletic Foundation would have proceeds but they owe the University approximately $400,000 for expenses taken on voluntarily some years ago. Dr. Dunn added the Athletic Foundation Board has some debate with the University on this notion but there is a movement taking place to move ahead and, if possible, sell the property. The University anticipates receiving any proceeds from the sale of that land which would then allow for the closure of the Athletic Foundation. Confirmation was provided that current donations made to athletics go to the MSU Foundation or the University and not to the Racer Foundation.

Audit Financial Statements – General, accepted

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, accept the following reports for 2011-12:

a. Presentation on Results of the Annual Audit Report
b. Independence/Peer Review Letter
e. General Financial Statement for the Year Ended June 30, 2012

Dr. Curris seconded and the motion carried.

Audit Report – Federal, accepted

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, accept the following report for 2011-12:


Dr. Curris seconded and the motion carried.

Audit Reports – Athletic, accepted

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, accept the following reports for 2011-12:

b. Murray State University Athletic Foundation Compilation for the Year Ended June 30, 2012
Dr. Curris seconded and the motion carried.

**Audit Reports – WKMS-FM, accepted**

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, accept the auditor communications and audited financial statement for WKMS-FM for the year ended June 30, 2012.

Dr. Curris seconded and the motion carried.

**University Code of Ethics Revision – Whistleblower Process, approved**

Mr. Waterfield reported that in May the Board approved the *Statement of Ethical Principles and Code of Conduct* and in September recommended a whistleblower process be added to the statement to provide protection in the reporting of wrongdoing as described below.

The proposed process provides for protection of employees who make disclosures of violations of law or any facts or information relative to actual or suspected mismanagement, waste, fraud, abuse of authority, or danger to public safety and health. Concerns for which a reporting process does not already exist may be anonymously reported in one of three ways:

1. Completing and electronically submitting a Whistleblower Reporting Form;
2. Completing and printing the Whistleblower Reporting Form and mailing it to the Office of Internal Audit; and
3. Leaving a message on the University’s dedicated whistleblower “hot line.”

Mr. Denton reported what is before the Board is a revision to the *Statement of Ethical Principles and Code of Conduct* to incorporate the proposed whistleblower provision. A process has been outlined above and will be made available for individuals to utilize to anonymously report any wrongdoing. General Counsel John Rall reported in light of the interest of there being a whistleblower policy in place, instead of having a separate policy the decision was made to incorporate such a policy into the existing *Code of Ethics*. Inasmuch as it was felt the University is subject to the state whistleblower statute, the language presented comes directly from existing state statute. As extracted, the policy gives the President the authority and necessary flexibility to prepare the documents necessary to keep this process up-to-date as laws and University procedures change. Mr. Waterfield reported staff assigned to this project determined how other universities in the state are addressing this issue and MSU had a strong desire to make the process as simple as possible.

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 revision to the *Statement of Ethical Principles and Code of Conduct* as submitted in addition to the forms to be utilized in the whistleblower process.

Dr. Curris seconded and the motion carried.

**Internal Audit Charter Changes, approved**

Mr. Waterfield has proposed two changes to the Internal Audit Charter as follows:

1. The proposed amendment to the AUTHORITY paragraph is to eliminate the wording “if required” that opens the second sentence so the sentence reads: “The Internal Auditor shall have independent access to the Board of Regents Audit and Compliance Committee.”

2. The proposed amendment to the FINDINGS paragraph is to change the wording of the second sentence so it reads: “The Committee will not receive individual audit reports except when the Committee requests a specific audit or whenever there is an audit of the President’s Office.” The first sentence remains unchanged.
On behalf of the Audit and Compliance Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the Chair of the Audit and Compliance Committee, approve two additional changes to the Internal Audit Charter as presented above.

Dr. Curris seconded and added that the Board designates to the President the responsibility to review any internal audit finding at the institution and if corrective action needs is necessary the President is in the position to authorize that. One exception is in the event there is an audit of the President’s Office then the Audit and Compliance Committee should oversee that audit.

Secondly, in rare instances where this Board or the Audit and Compliance Committee request a specific audit be undertaken it should receive any findings. The motion carried.

Mr. Waterfield reported since the last two audits were conducted by RubinBrown they have recommended to the administration and Board that a whistleblower process be established. Staff worked to identify a forthright process which would be appropriate for MSU and appreciation was expressed to all involved. Mr. Williams added that processes such as this are only as effective as people are aware they exist. He asked whether the plan is to have a routine communications process so staff and other employees know on an ongoing basis the process exists and this opportunity has been provided to them – perhaps as part of organizational orientation. Agreement was reached that sending out an annual notice reminding employees of the existence of this process is desirable but the communication should also contain language clarifying the process is not for reporting those issues which already have another system in place for reporting purposes. Dr. Dunn indicated the policy did not contain a specific communications plan but the intent is to give the issue play in a number of venues as it is announced. A website or link to a website will be established so employees can access the necessary reporting information and forms. Information regarding the whistleblower process will also be included in the orientation materials provided to new hires. There are already a number of required communications and this one will simply be added to that list.

Adjournment

The Audit and Compliance Committee adjourned at 9:12 a.m.

Buildings and Grounds Committee

Jack Rose, Chair
Marilyn Buchanon
Susan Guess
Jeremiah Johnson
Harry Lee Waterfield II

Dr. Rose called the Buildings and Grounds Committee to order at 9:12 a.m. and reported all Committee members were present.

Chief Facilities Officer Kim Oatman provided a progress report on construction at the Paducah Campus and Highway 121 improvements and presented a PowerPoint with the following highlights:

- A rendering of the proposed Paducah Campus building was shown representing what the University desires the building to look like in approximately one year.
- The weather to this point has been cooperative and the first foundation is currently being poured. The architectural design for the facility began on January 4, 2012, with Phase I construction beginning on August 10, 2012, and completed on November 10, 2012, by Central Paving in Paducah, Kentucky. On November 14, 2012, Phase II began with the successful bidder – A&K Construction from Paducah – expected to have the contractual work substantially completed by November 13, 2013, with final completion scheduled for December 12, 2013. The anticipated Grand Opening for the facility is January 13, 2014.
- Dr. Rose was pleasantly surprised by the fact bids came in under the approved total construction cost but cautioned any change orders should be monitored carefully. Mr. Oatman reported the University does not allow for a high number of change orders (typically under 2 percent).
- A project cost comparison from May 20, 2011, to January 14, 2012, was presented. The May estimate included a 40,000 square foot building. After a determination was made of what needed to be included in the building to meet programming needs, the result will be 43,000 square foot facility.
- All bids received were close and assurance was provided that the accepted bid includes all versions of the facility which were presented and deemed acceptable.
In regard to furnishings and equipment, confirmation was provided that the University has the option to move furnishings and equipment currently being used in the Crisp Center to the new facility. It is possible some of the furnishings could be moved to the new building but it would be undesirable to move the IT equipment because it is aged and outdated. Dr. Dunn indicated it will likely be the case that a number of sources and options will be utilized to allow for additional furnishings and replacement of IT equipment. Confirmation was provided that there is an opportunity for philanthropy and potential naming possibilities associated with this facility.

Dr. Curris indicated, assuming the project is on target for a January 2014 Grand Opening, at that point there may need to be some discussion regarding how the University handles the lease-purchase arrangement which currently exists with the Crisp Center. A decision will eventually need to be made regarding whether the University moves away from that facility or exercises its option. He wanted to alert the Board that this key issue will need to be addressed over the course of the next year. The administration was asked to begin outlining viable options to address the Crisp Center at the March 2013 meeting, although the Board may not desire to make a decision at that point.

A picture of the existing Highway 121 signal poles and lights compared to those on Highway 641 was provided to illustrate the marked difference between the two. Plans call for relocating the current signal poles and lights on Highway 121 (back by 5 to 35 feet toward Lowes). If the University does not become involved in this project the work undertaken will involve only relocating the current poles and signals. The institution’s goal is to make the project compatible with Highway 641.

On November 28, 2012, Mr. Oatman and Bob Jackson, Associate Vice President for Institutional Advancement, met with Kentucky Transportation Cabinet (KYTC) Secretary Mike Hancock and State Highway Engineer Steve Waddle to discuss the project. During that meeting KYTC advised they cannot use appropriated funds for enhanced decorative lighting. As the discussion continued MSU representatives suggested a potential willingness to share the costs involved with this project. Secretary Hancock stated, “…we always try to help those that want to help advance a project – let us review and work on it…” Therefore, MSU is hopeful some type of cost share arrangement will be possible.

The estimate for the decorative lighting and signals is approximately $388,000 (per Murray Electric). MSU will receive some funding from the use of temporary easements, the sale of land and from CERR which could be utilized to help meet the cost associated with the project. The estimate to relocate overhead lines (also provided by Murray Electric) is $1,200,000 and potential sources could include KYTC and conversations have been held with Murray Electric regarding relocating high voltage lines to eliminate the need to bury those lines.

Dr. Dunn indicated this project entails a scope of work increase by the Transportation Cabinet adding $1.2 million to the project and paying the vendor – Murray Electric. This is the negotiation which must now take place given the willingness of this Board to contribute the University’s share to enable this work to occur.

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

Adjournment

The Buildings and Grounds Committee adjourned at 9:32 a.m. and the Board of Regents Committee meetings adjourned for a break beginning at 9:32 a.m.

Chair Curris reconvened the BOR Committee meetings at 9:45 a.m.

Enrollment Management and Student Success Committee

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

Mrs. Buchanon called the Enrollment Management and Student Success Committee to order at 9:52 a.m. and reported all Committee members were present.

2012-13 Enrollment Update, received

Fred Dietz, Executive Director for Enrollment Management, presented a PowerPoint presentation with the following highlights:

- Overall enrollment is at an all-time high for Murray State with 10,832 students (approximate 2 percent increase over last year).
Total undergraduate full-time enrollment increased over last year while part-time enrollment remained level. Total graduate enrollment is slightly below last year but first-time graduate numbers look positive. Full-time equivalent numbers are approximately 3 percent above last year.

Enrollment is trending upward and over the last few years the University has experienced steady increases in total enrollment, total undergraduate enrollment and first-time freshman enrollment.

Including credit hours generated, the undergraduate full-time equivalent is slightly over 3 percent ahead of last year. The graduate full-time equivalent is up slightly by .5 percent, first-time freshmen (including full- and part-time) increased 5 percent over last year and the number of first-time freshmen increased by almost 2 percent over prior year. Mr. Dietz agreed to provide additional information regarding the total number of first-time full-time freshmen. The University has continued to experience a steady increase in first-time freshmen and over the last two years has increased by 18 percent in this category. This year represented 1,620 first-time freshmen (5 percent increase over last year) and new efforts in terms of search programming and marketing efforts appear to have yielded positive results.

The numbers for first-time enrollment by state and first-time enrollment by 18-county service region tend to fluctuate each year. Enrollment increased from Kentucky (which helps with providing more state aid for these students), Indiana (double from last year), Ohio, Tennessee and Alabama (due to implementation of regional tuition rate) as did first-time international enrollment. Overall numbers for first-time freshmen by 18-county service region increased but there is some concern about McCracken County which experienced a decrease over previous year. Significant effort is already spent recruiting students from the 18-county service region but those efforts have been increased even further this fall with a greater presence in the Paducah Mall and conducting onsite admission programming in the evenings once per month. An application marketing campaign has also been undertaken to target students in the 18-county service region and encourage them to apply to MSU. This year it appears as though McCracken County students are choosing community colleges or the University of Kentucky (UK) as well as other larger flagship institutions. A Regent indicated there was some confusion in terms of the current Murray State facility in Paducah having been closed in anticipation of the opening of the new facility and this misinformation could have contributed to the decrease in numbers from McCracken County. Assurance was provided that considerable effort is consistently devoted toward attracting students within the 18-county service region.

Housing occupancy rates are close to full capacity (99 percent) which is quite strong and will be monitored closely as the institution moves forward to determine whether more housing is necessary or if current policies need to be revised. Dining Services has also reported a significant increase in the purchase of dining plans and revenue.

A couple of years ago the University initiated a dual credit program which has enabled the institution to become more competitive. The program has been successful and MSU is at an all-time high this year in terms of dual credit courses with 550 students participating in a dual credit or MSU course of some kind. The majority of these students are participating in the Racer Academy which encourages high school students to pursue college coursework (at a discounted rate). The trend is positive and within the Racer Academy and dual credit programs the Hutson School of Agriculture has performed in an outstanding manner by significantly increasing their presence in high schools throughout the state. The Arthur J. Bauernfeind College of Business has also experienced success by offering a wide array of coursework.

First-time transfer enrollment is strong, increased slightly this year and has been trending upward for a number of years. A request was made for information regarding how many of the 674 first-time transfer students came from community colleges in Kentucky and Mr. Dietz agreed to provide that information to the Board. First-time transfer enrollment by state increased in Kentucky, Illinois and from other states with the trend being very similar to that for first-time freshmen. First-time transfer enrollment from the 18-county service region is also strong with an increase of 35 students. These numbers have remained fairly consistent.

African-American enrollment is important to the University’s recruiting efforts and although there was a slight drop in first-time freshmen, new transfers and total Kentucky numbers, overall African-American enrollment increased slightly. First-time freshmen African-American students represent an area which must be monitored closely because UK and the University of Louisville (UofL) are expanding a great deal of resources attracting this particular cohort. UofL alone is raising $2 million annually to recruit these students and UK has also dedicated significant resources toward attracting this population. MSU cannot compete with this level of funding so the institution has taken another approach in terms of bringing these students to campus and providing various activities in an attempt to attract them to Murray State. Roslyn White, Associate Director for African-American Recruitment, has also undertaken work with the guidance counselors and helps keep these numbers positive for MSU. Assurance was provided that this population will be monitored closely.

A great deal of time was spent recruiting international students which experienced a positive year with an increase of 102 students (15 percent increase over 2011). The top sending countries, in order, are China, Saudi Arabia, South Korea, Germany and Belize. Last year India and Vietnam were the fourth and fifth top sending countries.

First-time graduate enrollment is down slightly due in part to fewer post-baccalaureate students and non-degree seeking students taking a course and not returning to MSU, although overall graduate numbers remain strong.
Overall enrollment numbers are encouraging and new marketing strategies are being implemented and concerted efforts are being made to more aggressively pursue students who have not yet applied to MSU. A great deal of time is spent visiting high schools and a number of programs and events in place each year continue to help increase enrollment. This work is coordinated by Shawn Smee, Director for Recruitment. Work continues with students who are very savvy about academic programs and financial aid which continue to be the first and second reasons they choose to attend a particular university. Assurance was provided that these two areas are aggressively monitored and reviewed.

MSU is ahead of last year in terms of applications for admission and scholarship applications for Fall 2013.

The signature academic programs initiative involves offering programs that are not available on many campuses at the baccalaureate level and are distinctive for Murray State. These programs are being used to attract students from states different from the University’s typical regional centers and include Occupational Safety and Health, Youth and Nonprofit Leadership, Equine, Pre-Vet and Teaching English-as-a-Second Language. The Board earlier asked the administration to explore what could be done to push on this initiative and that work is being undertaken. Initial discussion included physically staffing fairs at different population centers around the country to highlight these programs. For now a different approach is being undertaken to determine the impact the University might have and a third-party vendor is being utilized to reach these college students. The University is working with Royal and Company in Richmond, Virginia, and they are very involved in MSU’s student search process and identifying (through list serves) students who have taken the ACT and SAT and this work is generating interest for MSU. Approximately 12,000 students who have not applied for admission but are in particular strategic markets have been identified within the University’s inquiry pool. Those students are being pursued through email and regular mail and are being encouraged to apply for admission. An indication has been made to these students that if they apply by a particular date they will be considered for scholarships and this represents a marketing attempt to encourage the students to apply. The program was launched December 5, 2012, and yesterday 433 applications had been received from just one attempt. Of those 433 completed applications, 60 students have paid their application fee and are uploading documents. The remaining students will be added to the University’s communication plan to continue to encourage them to complete the process. Markets were identified which might pay dividends for the University and the initiative seems to be working well although the key is whether these students actually enroll at Murray State. In response to a Regent question, it was indicated the cost of this program was approximately $90,000. The majority of communication with these students is through guidance counselors, email and Facebook, although some do utilize Instagram.

Confirmation was provided that the MSU Honors Program has in place an initiative where MSU honors students communicate with high school honors students and there is connectivity between the programs, particularly around the presidential scholarship process. The Office of Recruitment works closely with the Director of the Honors Program on all recruitment efforts.

Confirmation was provided that MSU hosting the Governor’s Scholars Program has also resulted in an increase in the number of these students choosing to attend Murray State. Out of 1,000 Governor’s Scholars students who have participated in the program, approximately 70 to 90 enrolled at MSU. Prior to hosting the program the institution received three to four Governor’s Scholars students. Centre College and Bellarmine were participants in the program but after Centre made a strategic decision to drop out of the program Morehead State University became the third campus hosting the Governor’s Scholars Program.

The number of students participating in the Commonwealth Honors Academy enrolling at Murray State is quite strong and represents a high percentage of those students choosing to attend MSU.

Transfer Center Director – Maria Rosa – was introduced and has taken on the role of coordinating transfer recruitment.

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

Adjournment

The Enrollment Management and Student Success Committee adjourned at 10:18 a.m.

Finance Committee

Stephen Williams, Chair
Marilyn Buchanan
Constantine Curris
Jack Rose

Mr. Williams called the Finance Committee to order at 10:18 a.m. and reported all Committee members were present.
Budget Planning and Review (BPR) Teams Update, received

Dr. Dunn reported the Board approved moving forward with the budget review plan in June 2012 and at that time expressed a desire to have a mid-course update which the report being presented today represents. Joshua Jacobs, Chief of Staff, has served as point person to provide staff support for the work of the twelve Budget Planning Review Teams. Dr. Jacobs reported the following:

- The Budget Planning and Review Teams have seriously and diligently undertaken this work as charged by the President and Board. The teams were launched in August 2012 and work began immediately. Regents Rose, Schooley and Johnson have attended a number of BPR team meetings, actually attempting to attend every meeting which has represented a Herculean task. The academic and non-academic teams have worked to understand what is expended at the institution and where that revenue comes from. An unintended benefit of this process has been the education that these 157 individuals from across the institution – faculty, staff and students – have obtained and they have been provided with the opportunity to understand what goes into the process of fiscal planning at an institution and will benefit the University moving forward.

- The reports from the Budget Planning and Review Teams were provided to the Board and an attempt was made to provide the BOR with themes the committees are reviewing and not specific recommendations (which will be presented to the Board in Spring 2013). The themes have typically included organizational efficiencies, reductions in spending, alternative revenue options, as well as reviewing fees and charges which currently exist at the institution.

- The deadline for the BPR teams to reach conclusions on their work is the end of February and once recommendations are submitted review will be undertaken by the President, Provost and Vice Presidents and on-campus opportunities for public comment will be provided. Dr. Dunn indicated Chair Williams asked the administration to tie this work into the calendar and that information was provided with dates which have been built into the budget calendar as part of the overall process.

- Mr. Schooley confirmed he has attended a majority of the BPR meetings and the committee members are taking this work very seriously and are doing a good job.

- In response to a Regent question regarding when the teams will present recommendations to the President which address the budget deficit, it was indicated the date is February 25, 2013. The administration will then begin vetting out the recommendations internally and campus forums will be held so by the March Board meetings recommendations can be presented. Individuals will have an opportunity to make their concerns known during the open campus forums. If an item is suggested during the public forums and a campus constituency indicates the recommendation will not work, the administration wants to be able to report that to the Board. There may also be recommendations included in the February 25 submissions that the administration decides to remove from the list because they have been deemed unworkable or information from the hearings leads to the need to revise a particular recommendation.

- Mr. Williams indicated the timeline appears to be appropriate in terms of process and sequencing but the timeframe will be very tight for the administration to see the recommendations at least two to three days ahead of the actual meetings. Dr. Dunn provided assurance this information will be provided to the Board in advance of the Finance Committee meeting scheduled on March 14, 2013, or for the Quarterly meeting on March 15.

- The administration has deliberately kept this process open so if the Board, as they review the recommendations, is not ready to act at the March 15 meeting and instead desire to come back later to take final action that could be handled through a Special meeting (end of March or beginning of April) to act on the recommendations but agreement was reached that the timeframe will be limited so the recommendations can be included in the actual budget.

- Dr. Rose reported the information provided indicates an attempt to undertake a consistent approach by each of the committees but in meetings he has attended he noticed some committees are close to finalizing the recommendations to be presented to President Dunn. The non-academic committees seem to be moving a bit slower due to the large number of units they are tasked with reviewing and Dr. Dunn provided assurance these committees will be reminded of the tight timeframe in which they are working and encouraged to come to convergence on their recommendations. A consistent reporting template will be provided to the teams for the submission of recommendations which will include a synopsis of the recommended action, the cost savings or additional generated revenue, brief pro and con statements and whether the recommendation represents immediate effectuation or would take time to effectuate.

- In regard to a Regent question regarding whether the President anticipates a ranking of recommendations, Dr. Dunn indicated he had not anticipated a ranking and this has not been requested from the teams. The recommendations will be amalgamated for the Board but at this point Dr. Dunn is moving forward with only those recommendations he believes the Board should effectuate. It was earlier indicated to the Board and the campus that non-academic recommendations would be considered before academic ones and that is the only “rankings” type information to be provided.
Mr. Williams indicated after these recommendations are taken into consideration a “delta” will be reached and there could be some pros and cons to ranking recommendations. Mr. Denton agreed that the point will be reached when what has been recommended by the teams and what has been accepted by the Board will need to be reconciled and the administration and Board will then need to fill in any remaining gaps in budget. For now base budget worksheets will be distributed to campus units requesting changes from last year be added and if there are anticipated departmental changes for this year those should also be made so this portion of work is already done and a more accurate picture of the budget can be provided. The regular budget development process will continue and if it is determined there will be a salary pool another distribution of budget worksheets will take place, which involves another tight timeframe following the implementation of the BPR team recommendations. Dr. Dunn indicated following the first budget worksheet solicitation to the units there will be a better sense of where the institution stands and as BPR team recommendations are submitted all will know the amalgamated number which will likely affect what is done in terms of a salary pool and whether that has an impact on the total amount and the recommended list which moves forward. The BPR team recommendations are not driven by trying to get to one particular number but, instead, the process is intended to allow for the undertaking of a full review, scrubbing of the budget, and a comprehensive analysis with many of the stakeholders involved in the campus to see what recommendations develop. This work will eventually result in a number that will be formulated with the larger budget process.

Mr. Williams indicated it is obvious a huge amount of work is being undertaken and a great commitment as well as engagement is being given to the process. The Board needs to be prepared to do its part in this process and there is a reasonably high likelihood a second meeting to accomplish this work will be required and a review of calendars may need to take place. Dr. Dunn added that because the May Quarterly meeting is fairly early in the year it is almost a certainty there will need to be a Special meeting of the Board to adopt the FY14 budget. There is no way – even in a regular year – that the budget will be ready for presentation at the May 10 meeting and this is why the Board was asked to hold June 7 on their calendars for a Special meeting for budget adoption.

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

Adjournment

The Finance Committee adjourned at 10:38 a.m.

Institutional Advancement Committee

Susan Guess, Chair
Marilyn Buchanan
Sharon Green
Jenny Sewell
Jerry Sue Thornton

Mrs. Guess called the Institutional Advancement Committee to order at 10:38 a.m. and reported all Committee members were present.

Bob Jackson, Associate Vice President for Institutional Advancement, reported that the Board was provided with a brochure regarding the Basketball Practice Facility and the Hall of Champions. Three of the naming opportunities being presented to the Board for consideration pertain to this particular facility. The first recommended naming opportunity relates to the entire Basketball Practice Facility, approximately 18,000 square feet, with a Hall of Champions (2,300 square feet) representing a special area in which to recognize Racer athletics – including teams, players and coaches – and the history of athletics at Murray State. Approximately $1 million needed to be raised to complete the Hall of Champions with $825,000 having been raised to date.

The recommendation is being advanced for the practice facility to be named after Dr. Gene W. Ray. Many Regents know Dr. Ray who has been very generous to the University for many years and he and his wife, Taffin, have a family foundation. Dr. Ray is a retired Chief Executive Officer of a major public company, the University has worked with him closely for many years and he currently serves on the MSU Foundation Board of Trustees. Dr. Ray and Taffin recently made a $500,000 commitment to be used for this purpose. Dr. Ray and Taffin have historically – through their corporation and family foundation – gifted several hundred thousand dollars to
seed the University’s Program of Distinction in the Telecommunications Systems Management Program to assist the College of Science, Engineering and Technology and the entire University.

This recent gift is for the Basketball Practice Facility and the monies will be used to help complete the Hall of Champions which will be used to honor all sports at the University. In approximately 18 to 24 months the facility will be completed and all sports from day one of this institution will be recognized and promoted in that facility. Currently there is no centralized location at MSU to recognize Racer athletics and various trophies are now housed throughout campus. This naming was discussed with Regent Guess and was unanimously approved by the University Naming of Campus Facilities Committee.

Naming Proposal – Gene W. Ray Center, approved

On behalf of the Institutional Advancement Committee, Mrs. Green moved that the Board of Regents, upon the recommendation of the President of the University and the University Naming of Campus Facilities Committee, approve the naming of the new Basketball Practice Facility the Gene W. Ray Center in consideration of his gifts, service and unwavering support of Murray State University. Dr. Thornton seconded and the motion carried.

Dr. Jackson reported the next recommended naming is for a conference room inside the Basketball Practice Facility to be known as the Jim Thomas, Beth Williams and Howie Crittenden Conference Room. Mr. Thomas from Burlington, Vermont, is not an MSU alum but watched Mr. Crittenden play basketball many years ago as he was growing up in west Tennessee. He did not forget that experience and approached the University a few years ago and has made additional substantial gifts to the institution, including the Howie Crittenden Scholarship. This particular gift represents an additional $50,000 he and his daughter (Beth Williams, also not an MSU alum) made to honor Howie Crittenden who was a Racer Basketball great. It is important to note that as the University worked with Mr. Thomas over the past several months regarding this particular gift, his granddaughter decided to transfer to MSU this spring from Colorado. This gift has been discussed with Regent Guess and was unanimously approved by the University Naming of Campus Facilities Committee.

Naming Proposal – Jim Thomas, Beth Williams and Howie Crittenden Conference Room, approved

On behalf of the Institutional Advancement Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the President of the University and the University Naming of Campus Facilities Committee, approve the naming of the conference room in the new Basketball Practice Facility the Jim Thomas, Beth Williams and Howie Crittenden Conference Room. Dr. Thornton seconded and the motion carried.

Naming Proposal – Bennie Purcell Men’s and Women’s Basketball Area, approved

Dr. Jackson reported the next recommended naming will be within the Hall of Champions. All MSU sports will be recognized within the 2,300 square foot facility once completed. Jimmy Wilder served as the lead person with Proud to be a Racer Publications which is chronicling Racer Basketball from the beginning through 2012. Mr. Wilder, along with Proud to be a Racer Publications, pledged $25,000 to name the basketball area in the Hall of Champions after Bennie Purcell. There is no one in Racer Basketball history – other than Bennie – more appropriate for this particular naming. Mr. Purcell was named All American and was a star in many areas and a great ambassador for the University. This gift has been discussed with Regent Guess and was unanimously approved by the University Naming of Campus Facilities Committee.

On behalf of the Institutional Advancement Committee, Mrs. Green moved that the Board of Regents, upon the recommendation of the President of the University and the University Naming of Campus Facilities Committee, approve the naming of the men’s and women’s basketball recognition area in the new Hall of Champions the Bennie Purcell Men’s and Women’s Basketball Area in appreciation and honor of Bennie Purcell and funded by Proud to be a Racer Publications. Mrs. Buchanon seconded and the motion carried.
Dr. Jackson reported the next naming being recommended is the *Dave Wilcox Student Plaza* in the Hutson School of Agriculture (HSOA). Mr. Wilcox passed away within the last year and was the owner of Allegro Fine Foods in Paris, Tennessee. His foundation has been extremely supportive of and generous to Murray State and the Hutson School of Agriculture for many years, especially the Rodeo program, scholarship programs and students. Dean of the HSOA Tony Brannon developed this idea and worked with the Office of Development to provide a naming opportunity for a student area at the Hutson School of Agriculture to be named in honor of Dave Wilcox. This gift has been discussed with Regent Guess and was unanimously approved by the University Naming of Campus Facilities Committee.

Dr. Brannon indicated this represents a great honor and memorial for Dave Wilcox who was all about students. He was not a graduate of Murray State – he was actually a graduate of the University of Illinois – but helped the Rodeo Program, FFA students, attended all events associated with the HSOA and hosted picnics and scholarship banquets throughout the years. He was a great man and a great legend and his foundation continues to contribute to HSOA programs and this area will help former and current students understand the importance Dave Wilcox played in the development of the Hutson School of Agriculture.

On behalf of the Institutional Advancement Committee, Mrs. Sewell moved that the Board of Regents, upon the recommendation of the President of the University and the University Naming of Campus Facilities Committee, approve the naming of the student plaza area at the Hutson School of Agriculture the *Dave Wilcox Student Plaza*. Mrs. Buchanan seconded and the motion carried.

Mrs. Guess expressed appreciation to Dr. Jackson for his work and for the work of the University because it is amazing that meeting after meeting these gifts are announced and fundraising is approaching $72 million. It always strikes her how generous alumni are but for individuals who are not alums from this institution to donate to Murray State is impressive.

**Adjournment**

The Institutional Advancement Committee adjourned at 10:50 a.m.

### Regional Services Committee

- **Sharon Green, Chair**
- **Constantine Curris**
- **Susan Guess**
- **Jeremiah Johnson**
- **Phil Schooley**
- **Stephen Williams**

Mrs. Green called the Regional Services Committee to order at 10:50 a.m. and reported all Committee members were present.

Dr. Dunn reported that over the past five years the importance of Regional Outreach and the successes the office has experienced have become a defining element in terms of what Murray State means for the 18-county service region. The work taking place is admirable and the ability to move the needle on a number of quality of life efforts in the Purchase area and beyond is powerful, particularly in terms of what a state university should stand for and appreciation was expressed to the Board for providing a venue for these individuals to tell their story at least once per year.

Gina Winchester, Executive Director for Regional Outreach, reported the following:

- Appreciation was expressed to the Board for providing this opportunity and to Chair Green for her engagement in outreach work.
- This initiative started in 2007 as a rollout from the Council on Postsecondary Education (CPE). The CPE goal was to connect the resources of the state public institutions to a designated service region and MSU’s service region consists of 18 counties. When this initiative began it was called regional stewardship and outreach by the CPE and consisted of one staff member – Mrs. Winchester. Over the years it has evolved and is now known as the Office of Regional Outreach and occupies a newly-
Mrs. Winchester introduced John Rufli, Chair of the Regional Outreach Advisory Council, who reported the following:

- He has served on the Advisory Council since its inception and it is now his privilege and honor to serve as Chair. The original 21 members came together early to conduct a needs assessment for the region and from that work developed a Vision Statement and four strategic goals it hoped to achieve. All felt very strongly about using the monies granted by the state to MSU to impact educational attainment in the 18-county service region.
- With assistance provided by Dr. Long, a grant framework was created to use in determining how the money would be spent. Over the time the Advisory Council has been in existence it continues to review and revise its processes and procedures in terms of how the money obtained through these grants is to be awarded to ensure the most benefit for the money provided to the various grantees.
- The Advisory Council meets on a regular basis to review grant applications and determine how best to utilize the resources of the University to impact the vision for the region. Without the support of Dr. Dunn and his leadership in the region, this initiative would not have enjoyed the level of success it has experienced over the past five years. Dr. Dunn’s initiation of the program and his support has provided an inspiration to continue to move forward.
- If the Board would like additional information they should certainly feel free to contact any member of the Regional Outreach Advisory Council.
- From the inception of this initiative, all participants have retained a strong commitment to the idea that through a strong educational foundation the region will be successful in the future. The goal has been to reach out to the 18-county service region which the University serves and benefit the educational process. If this is accomplished, other identified goals will also be achieved if there is a well-educated and productive population in the 18-county region. This is why the focus to this point has been to utilize projects and programs which will help the region reach a higher level of education for its youth.

Mrs. Winchester expressed appreciation to Mr. Rufli for his involvement in regional outreach. When the Advisory Council began Dr. Dunn selected 21 individuals who came together and created a system in which they serve from one to three years and when they choose to leave the Advisory Council they are responsible for replacing themselves by finding someone from within their community to serve. Mr. Rufli has served for the entire five years of the Advisory Council’s existence.

Mrs. Winchester indicated all appreciate the work of the Advisory Committee and because they were engaged a very unique system of “grant within the granting system” for the state was created. MSU appears to be the only state institution proceeding in this fashion. The other state public universities used the grant money for very specific projects within their region (based on need) but some projects were “one and out” and “one and done” and several universities hired a number of individuals to undertake very specific projects for the University but they did not necessarily allow individuals within their communities to become highly engaged in the process. The “grant within the granting system” has allowed Murray State to leverage and maximize the use of the grant funds provided.

The Office of Regional Outreach continues to receive excellent requests for project funding and although the budget has been cut by the state, approximately $200,000 each year is provided to keep these grants going and many programs which were awarded during the early years have now become self-sustaining. The Committee reviewed this issue heavily and determined it did not want it to become the end all to starting a new program. They considered sustainability and whether the grants could continue after the second or third year. As a result, in terms of regional impact, 58 projects have been funded, 246 regional events held and over 140,000 individuals have been impacted which includes only numbers that can be counted and not all of those things that happen utilizing other sources outside of the knowledge of the Office of Regional Outreach or the Advisory Council. As an example, Dr. Brannon presented the Racer Academy project to Regional Outreach and that initiative is now operating successfully and making a huge impact across the entire state with no funding being provided from regional outreach.

Mrs. Winchester reported the supported projects have been connected to educational attainment. A breakdown of where the funding has impacted education was provided and represents a large
demand in the STEM areas throughout the region, as well as for cultural arts, agriculture and business. As a result of these projects, Dr. Dunn developed K12Connect and an individual is now engaged specifically to undertake projects within the K12 arena throughout schools in the region. A video was shown highlighting the excellent results the program has experienced. Three projects currently taking place throughout the region were featured, including an initiative with United Way agencies, an internal departmental engagement and an outside source through the conservation districts.

The Board was invited to attend the annual Regional Outreach luncheon on April 23, 2013, and Rebecca Feldhaus, Coordinator for Regional Outreach, was introduced. She is responsible for maintaining the Regional Outreach Facebook page and has a goal of receiving 100 “likes” by Christmas break (currently standing at 92).

Dr. Dunn expressed appreciation to Mrs. Winchester and to Mr. Rufli for attending today’s meeting and for providing continuing leadership to the Regional Outreach initiative.

Adjournment

The Regional Services Committee adjourned at 11:10 a.m.

The Board of Regents Committee meetings adjourned at 11:10 a.m.