

**Minutes of the Special Meeting of the Board of Regents
Murray State University
April 5, 2019**

Call to Order/Roll Call

The Murray State University Board of Regents and the Board of Regents Finance Committee met in Special Session on Friday, April 5, 2019, in the Pogue Library *Jesse Stuart Room* on the main campus of Murray State University. Chair Susan Guess called the meeting to order at 8:40 a.m. The roll was called and all Board members were present with the exception of Vice Chair Lisa Rudolph who had a travel conflict and Regent Phil Schooley. All were asked to keep Regent Schooley and his wife Virginia who is currently at Vanderbilt Hospital in their thoughts.

Others present were: Robert L (Bob) Jackson, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; Mark Arant, Provost and Vice President for Academic Affairs; Jackie Dudley, Vice President for Finance and Administrative Services and Treasurer to the Board; Don Robertson, Vice President for Student Affairs; Robert Pervine, Associate Provost for Graduate Education and Research; Renee Duncan, Associate Provost for Undergraduate Education; Robert Miller, General Counsel; Joyce Gordon, Director of Human Resources; Renee Fister, Director of Institutional Effectiveness and Strategic Planning; Kevin Saal, Director of Athletics; Shawn Touney, Director of Communication; David Looney, Executive Director of Auxiliary Services; the collegiate Deans and members of the faculty, staff, students, news media and visitors.

AGENDA

<u>Call to Order</u>	Chair Guess
<u>Roll Call</u>	Secretary Hunt
<u>Committee Reports/Recommendations</u>	
A. Finance Committee (9:30 a.m. 12 noon)	Regent Kemp
1) 2019-20 University Budget Executive Summary (For Information Only)	
2) Authorization of 2019-20 Tuition and Mandatory Fee Rates*	
3) Approval of 2019-20 Graduate and Doctoral Online Course Fees*	
4) Approval of 2019-20 Program Fee Expansion for Doctor of Nursing Practice*	
5) Approval of Asset Preservation Fee for 2019-20*	
6) Approval of 2019-20 Housing Rates*	
7) Approval of 2019-20 Dining Rates*	
8) Online Initiatives Report (For Information Only)	
9) Personal Services Contracts*	
<u>Full Board Action Follows Committee Action.</u>	
<u>Break for Lunch</u> (12 noon)	
<u>Reconvene</u> (1 p.m.)	
<u>House Bill 358 Update</u> (For Information Only)	President Jackson/ VPFAS Dudley
<u>Closed Session</u>	Chair Guess
A. Kentucky Revised Statute (KRS) 61.810(1)(f) Discussions which might lead to the appointment of an individual employee	
Personnel C0.0000091ge	President Jackso*

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- Engineering and Technology**
- B. Contract of Employment
 - C. Contracts of Employment
 - D. Contracts of Employment
Information Only)
 - E. Contract of Employment
Information Only)
- Coach*

Adjournment

(*Requires Board of Regents Action)

Regent Payne introduced the new Student Government Association (SGA) Officers for 2019-20 as follows:

Vice President of Finance Bennett Estes junior Finance major from Paducah, Kentucky, who is looking forward to giving back to a University that has given so much to him. He is looking forward to a year full of changes and new and exciting things for Murray State.

Vice President of Administration Warren Norman Sophomore Agribusiness major from Henderson, Kentucky, who wants to help bridge the gap between SGA and all Murray State students. He is looking forward to hearing from the students of Murray State and seeing how all can help improve their University so that each student has immense satisfaction when they graduate.

Executive Vice President Kailey Bold Sophomore Exercise Science major from Millstadt, Illinois, who will continue to establish a sense of community through innovative and engaging campus activities. She looks forward to boosting campus energy and getting more students involved.

SGA President-elect and Student Regent-elect Trey Book Junior Business Marketing major from Henderson, Kentucky, who wants to give back to the University that has given him everything. He is looking forward to working with and for students and ensuring that student needs are being met and the University continues to place a very high emphasis on recruitment, enrollment and involvement.

SGA Graduate Assistant Christian Barnes and Advisor Jeanie Morgan were also introduced.

On behalf of the Board of Regents, Chair Guess expressed congratulations to all SGA officers and indicated this year represented the largest voter turnout ever with 1,600 total voters. All look forward to Trey joining the Board as Student Regent later this summer.

Committee Rep1 90.02and engaging campus

marketing funding; deferred maintenance pools and the growth and enhancement of online programs. Online programs growth and enhancement will be funded from one-time savings from accumulated online fees for approximately two years with the goals of phasing to recurring funding to come from increased enrollments in online programs and courses.

With regard to FY20 tuition and mandatory fees, it is being recommended that undergraduate tuition and mandatory fee rates be increased by 1 percent. No increase in graduate and doctoral rates is being recommended. This will generate \$740,000 in new net revenues. Information was provided on the tuition and fee rate increases approved by other universities as follows: Kentucky State (0

A chart comparing Murray to other Kentucky institutions shows the University is third from the bottom in terms of lowest cost. This comparison was based on room type and not

what a Kentucky student would pay for their education. In this scenario, Kentucky educates these students but then they go back to their home state. Dr. Jackson indicated that first, the Illinois rate would have to be higher than the rate a Kentucky student would pay and second, research has shown that 40 percent of students who obtain their college education in a certain state remain in that state. For this last reason alone, the CPE is very supportive in terms of importing and hopefully retaining students in the state.

In response to a request for an update on the grounds project adopted earlier by this Board, Ms. Dudley reported a list of such projects has been developed and work is underway. Funds have been restructured within Facilities Management and a third-party company will now be utilized for lawn mowing projects on the perimeter of campus so staff can focus on the interior of campus. Several buildings are being power washed and the Police Department and the Industry and Technology buildings have been completed within the past month. This project is not included as a budget priority funding item but funds are being redirected to accomplish the grounds projects on the list. Regent Guess presented requests from Regent Schooley who was unable to be present as follows: Consideration should be given to a COLA increase of at least 2 percent because no salary increase was provided last year. In addition, the cost of parking was increased, health insurance premiums were raised and the city payroll tax was implemented. If a COLA of at least 2 percent cannot be implemented at this time, consideration should be given to providing an additional raise in December. Clarification was requested on 80 FTEs being cut in Dining Services because 38 positions were previously referenced. Ms. Dudley reported that there are 80 FTEs in the current Dining Services budget and during the outsourcing process many of those positions became vacant as these individuals had secured other positions. A total of 80 positions are being eliminated from the budget in the Dining Services area this year and approximately 30 of those were filled.

In terms of the number of individuals affected by the \$10.10 initiative, Ms. Dudley reported 132

is currently in the budget for deferred maintenance. Regent Farmer expressed concern in terms of this fee being assessed for projects being undertaken by the respective colleges. Also included in budget with regard to revenue is an increase in local bank interest income in the amount of \$10,000. The budget summary includes academic program reductions for FY19 not materializing until FY20 (\$146,945) and the 3 percent overall budget reduction to each executive level (\$3.2 million) which includes the gross position eliminations. All FTEs being eliminated represent vacant positions.

Total revenues and reallocations in the amount of \$2.1 million are available. A list of priority items for this funding (expenditure budget) was provided and includes \$1 million for routine and deferred maintenance, up to a 1 percent COLA salary increase and the third and final year of reaching \$10.10 per hour for minimum pay for regular employees (\$996,000), retention software upgrade (\$78,760), recruitment staffing and applications (\$39,436), data management support (\$15,604) and health services support (\$12,000). Housing (auxiliaries) will also fund residential college support in the amount of \$12,000. Fixed cost expenditures included faculty promotions and awards (\$80,000), staff awards (\$8,000), two additional working days for FY20 (\$103,879), fringe benefit increases due to changes in new hire options and fixed costs (negative \$291,902 at this time), liability and property insurance increase of 3 percent (\$61,800), increase of 3 percent for utilities/facilities leases (\$42,276) and the Paducah building lease/bond payment (\$1,000). All of these items total \$2,147,494 and the University has identified sources of funding to be utilized to cover the associated costs.

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

Authorization of 2019-20 Tuition and Mandatory Fee Rf1 012 Tf1 0 0 1 Z.024601.63 Tm0 g0 G[Auth]-2(or)

Fall 2019 S

future to meet need. Regent Tharpe indicated he looks forward to the plan for College Courts which is one of the oldest housing complexes on campus. Dr. Jackson confirmed that a public-private partnership for College Courts, as well as other options, will be reviewed in greater detail.

On behalf of the Finance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2019-20 housing rate increases as presented, effective for the 2019 Fall Semester. Ms. Farmer seconded and the motion carried.

Full Board Action 2019-20 Housing Rates, approved

On behalf of the Finance Committee, Mr. Kemp moved that the Board of Regents, upon the recommendation of the President of the University, approve the 2019-20 housing rate increases as presented below, effective for the 2019 Fall Semester.

Residence Hall	FY19	Rate Change	FY20
Springer II			
Double Room	\$ 2,457	\$ -	\$ 2,457
Private Room	\$ 3,650	\$ -	\$ 3,650
White and Regents			
Double Room	\$ 2,702	\$ -	\$ 2,702
Private Room	\$ 3,892	\$ -	\$ 3,892
Hart			
Double Room	\$ 2,702	\$ 53	\$ 2,755
Private Room	\$ 3,892	\$ 78	\$ 3,970
Elizabeth and Hester			
Double Room	\$ 2,948	\$ 59	\$ 3,007
Private Room	\$ 4,136	\$ 83	\$ 4,219
Franklin, Clark and JH Richmond			
Double Room	\$ 3,377	\$ 68	\$ 3,445
Designed Private Room	\$ 3,801	\$ 76	\$ 3,877
Double as Private Room	\$ 4,561	\$ 91	\$ 4,652
College Courts			
1 Bedroom Apt - Monthly	\$ 477	\$ 10	\$ 487
2 Bedroom Apartment - Monthly	\$ 579	\$ 11	\$ 590
The \$10 residence hall activity fee will be added for all halls, excluding College Courts, approved May 2018.			

Mr. Crigler seconded and the roll was called with the following voting: Mr. Crigler, yes; Ms. Farmer, yes; Mrs. Gray, yes; Ms. Green, yes; Mr. Kemp, yes; Mr. Payne, no; Mr. Rhoads, yes; Dr. Tharpe, yes and Mrs. Guess, yes. The motion carried by a vote of 8 to 1.

2019-20 Dining Rates, approved

Ms. Dudley reported that a 2.63 percent increase for residential meal plans and no increase for flex plans are being recommended to the Board for approval. Sodexo has recommended discontinuing the Unlimited Plus and 150 block plans and replacing them with new all Access Premium and eight meals per week options. This provides students with more options and flexibility by giving them meal equivalencies at all dining venues such as Chick-fil-A and Einstein Bros. Bagels. Students will give up the unlimited option but will gain additional flexibility. Regent Green expressed concern that freshmen are being required to purchase a seven-day meal plan when they may not be utilizing it because they go home on the weekends. Mr. Looney reported the unlimited plan is just that and the meal equivalency plan provides up to five meals per week and is not defined by the day of the week in terms of utilization. Regent Green stated if students pay \$1,883 for a meal plan and eat three meals a day and are on campus seven days a week that averages out to \$17 per day but if they are on campus just five days that amounts to \$24 per day. Ms. Dudley indicated the idea is that if students are on the unlimited plan it will not just be for three meals a day as students do eat multiple times throughout the day

million were exclusively taking distance education courses and this represents 13 percent of total undergraduate enrollment in the country. Approximately 1.3 million were enrolled at institutions located in their state of residence, while 774,000 were enrolled at institutions in a different state. Enrollment in postsecondary degree-granting institutions of 25-34 year old students increased 51 percent between 1997 and 2011 and is projected to increase by 20 percent between 2011 and 2022. Enrollment in postsecondary degree-granting institutions of 35 years and over students increased 26 percent between 1997 and 2011 and is projected to increase 23 percent between 2011 and 2022. The University must maintain proper standing with its accrediting body the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC). This means that online offerings must be of the same quality and provide the same experience as those offered face-to-face. The institution is also required to demonstrate this requirement is being met as per SACSCOC guidelines. As the University moves deeper into online offerings this requirement will enhance face-to-face courses offered. SACSCOC also requires an institution offering significant distance and correspondence education to reflect that in its mission. As part of this process, faculty assume the primary responsibility for and exercise oversight of distance and correspondence education, ensuring both the rigor and quality of instruction. In addition, an institution offering distance or correspondence learning courses/programs must ensure that there is a sufficient number of faculty qualified to develop, design and teach those courses/programs. In terms of the online programs initiative timeline, in late Spring/early Summer, a Request for Proposals will be issued to engage a fee-for-service firm that will lead the development and implementation of a three-year plan to create an online campus element. The firm will assess the strengths and identify areas of strength and weakness. The estimated cost for the development of phase two of the plan is up to \$50,000. In Fall 2019, the comprehensive three-year plan will address the organizational structure for the academic online program initiative; selection of online programs, courses and certificates; curriculum and course development; instructional delivery methods and templates; student recruitment/marketing, student retention and student success; faculty compensation/incentive structure; modification of existing and/or creation of new support services and the development of a business plan with enrollment goals and estimated revenue and expenses. There are a large number of student services which must also be provided along with online instruction in order to be successful. As an example, online students will need access to mental health counseling that is regularly provided and on a 24-hour basis. The company will help the University develop appropriate protocols on how such services are offered. As the University reaches out to a more diverse student population it must also connect those students to more diverse services and all these factors must be considered as the model is constructed. The programs that are already online will be absorbed as part of this workste-4(soonl)-4(i(i)-4i.10 G(e)9(ao)11(f(bn1

Personnel Changes

Appointment of Dean

winning. It was about who these players and coaches are as human beings and how they have represented themselves and this University as a team. They also shared what it means to be a Racer, especially for those who have never been exposed to Murray State University. It has been about the current student base as she witnessed excitement in the student section at the CFSSB Center that she has not seen in many years. The season has also been about high school students who have seen that Murray State student enthusiasm which makes them want to become Racers. The season has also been about recruitment more than can really be quantified. Appreciation was expressed to the entire team, coaching staff and all individual players are wished great success in the future. It was also indicated that this represents the first time Murray State has had a First-Team All-American in program history Ja Morant and he has been a role model on and off the court.

Contracts of Employment
granted

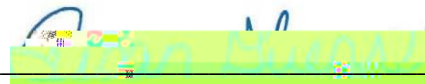
Mr. Crigler moved that the

Adjournment

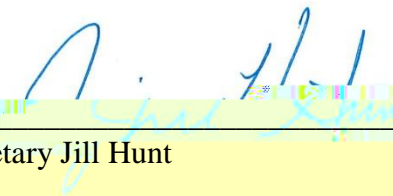
Dr. Tharpe moved that the Special Meeting of the Murray State University Board of Regents adjourn. Mr. Payne seconded and the motion carried. Adjournment was at 2:48 p.m.



Daniel Kemp, Chair
Board of Regents Finance Committee



Chair Susan Guess
Board of Regents



Secretary Jill Hunt

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