

Approval of 2020-25 Strategic Plan*

President Jackson/Provost Todd

Committee Reports/Recommendations

A.

1) Gifts-

Senator David Givens (architect of performance funding in the Commonwealth) and Chair James Tipton (higher education leader in the House), has also been meeting. The group unanimously agreed to advance the recommendation to the Legislature that the appropriation base for each of the institutions be protected and that only new money put into the Performance Funding Model will be utilized moving forward. This means the Legisla

statue was also held in front of *John W. Carr Hall* as part of Homecoming festivities. The generosity of Dr. and Mrs. Rose, as well as other donors, is very much appreciated.

Dr. Jackson indicated that a detailed enrollment report will be provided by Dr. Robertson and others but the national landscape for university enrollment for Fall 2020 was presented with the following highlights:

For public four-year universities, first-time freshman enrollment declined 13.7 percent and graduate enrollment increased 4 percent.

For public community colleges, there was a 22.7 percent decline in first-time community college students, with a total community college enrollment decline of 9.4 percent.

Total undergraduate enrollment declined 4 percent.

Appreciation was expressed to Dr. Robertson; Shawn Smeed, Director of Recruitment; Matt Jones, Coordinator of Domestic Graduate Recruitment and Retention; the Deans; Chairs and faculty and staff for the groundwork they have laid over the last couple of years with a focus on increasing enrollment at Murray State. The importance of recruitment is well known because 71

University with a service it has not had in the past in regard to predictive analysis. This tool has made a significant difference in terms of how the institution targets marketing, advertising, direct mail and social media efforts to more effectively

fiscal year (March 1 – December 31, 2020). Expenditures must be tracked and appropriate

audit for the current year.

- Ø Appropriate adjustments to pension numbers have been made to reflect estimates for the current year. Nothing out of the ordinary with regard to pensions is included in the reports presented.
- Ø Revenue in the amount of \$830,000 has been generated from the Asset Preservation Fee. These funds will not be spent until January revenues are known. All are cognizant of cash flow this year and must ensure it is managed. By the time revenues are collected and posted for the Spring 2021 Semester, it

At the March 1, 2019, Quarterly Board of Regents Meeting, the annual Board self-evaluation process was approved.

Strength and Conditioning

John Clay \$50,000

Volleyball

Allison Hrusovsky \$36,000

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

Chair Rhoads indicated that every effort has been made for the University to make prudent decisions relative to athletic competitions given the current environment.

Adjournment

The Athlet

- d. House Bill 622 Compliance Report for the Year Ended June 30, 2020
- e. Kentucky Lease Law Compliance Report for the Year Ended June 30, 2020
- f. General Financial Statements for the Year Ended June 30, 2020

Mr. Rhoads seconded and the motion carried.

Full Board Action Audited Financial Statement General, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following audit reports for 2019-20:

- a. Report to Governance on the Results of Annual Independent Audit
- b. Required Auditor Communications (includes Representation Letter)
- c. Independence/Peer Review Letter
- d. House Bill 622 Compliance Report for the Year Ended June 30, 2020
- e. Kentucky Lease Law Compliance Report for the Year Ended June 30, 2020
- f. General Financial Statements for the Year Ended June 30, 2020

Mr. Owens seconded and the motion carried unanimously.

(See Attachments #6 #11)

Annual Audit Report Athletics, accepted

Ms. Dudley indicated the report being presented has been prepared by the independent external auditing firm of Dean Dorton. The NCAA Agreed-Upon Procedures report fulfills compliance with NCAA *Bylaws 3.2.4.15* which states:

hall submit financial data detailing operating revenues, expenses and capital related to its intercollegiate athletics program to the NCAA on an annual basis in accordance with the financial reporting policies and procedures. The required data shall include, but is not limited to, the following: (Adopted: 1/17/09 effective 8/1/09) (a) All expenses and revenues

by any affiliated or outside organization, agency or group of individuals; (b) Salary and benefits data for all athletics positions. The data shall include base salary, bonuses, endorsements, media fees, camp or clinic income, deferred income and other income contractually guaranteed by the institution; (c) Capital expenditures (to be reported in aggregate for athletics facilities), including capitalized additions and deletions to facilities during the reporting period, total estimated book value of athletically related plant and equipment net of depreciation, total annual debt service on athletics and university facilities and total debt outstanding on athletics and university facilities; (d) Value of endowments at fiscal year-end that are dedicated to the sole support of athletics; (e) Value of all pledges at fiscal year-end that support athletics; and (f) The athletics department fiscal year-end fund balance.

Verification and Certification. The report shall be subject to annual agreed-on verification procedures approved by the membership (in addition to any regular financial reporting policies and procedures of the institution) and conducted by a qualified independent accountant who is not a staff member of the institution and

administrator from outside the athletics department designated by the chancellor or president. The independent accountant shall verify the accuracy and completeness

NCAA. The i

The auditors made no comments relative to any pending items related to the Athletics audit.

On behalf of the Audit and Compliance Committee, Mr. Crigler moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019-20:

- a. Application of Agreed-Upon Procedures for Intercollegiate Athletics for the Year Ended June 30, 2020

Mrs. Rudolph seconded and the motion carried.

Full Board Action Audit Report Athletics, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019-20:

- a. National Collegiate Athletic Association Independent Accounta
Application of Agreed-Upon Procedures for Intercollegiate Athletics for the Year Ended June 30, 2020

Mr. Crigler seconded and the motion carried unanimously.

(See Attachment #12)

Annual Audit Report WKMS-FM, accepted

Ms. Dudley reported that the documents included in the eBoard book have been prepared by Dean Dorton and address state and federal requirements. The WKMS-FM audited financial statement is provided to the Corporation for Public Broadcasting and is required by that entity for any funding provided to WKMS-FM. This represents a clean audit.

On behalf of the Audit and Compliance Committee, Mrs. Rudolph moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019-20:

1. Required Auditor Communications
2. Audited Financial Statements for the Year Ended June 30, 2020

Mr. Crigler seconded and the motion carried.

Full Board Action Annual Audit Report WKMS-FM, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019-20:

1. Required Auditor Communications
2. Audited Financial Statements for the Year Ended June 30, 2020

Mr. Owens seconded and the motion carried unanimously.

(See Attachments #13 and #14)

Annual Audit Contract Renewal, authorized

Ms. Dudley reported that under provisions of Kentucky Revised Statutes, Chapter 164A.570, the University is required to engage a

sewer line. This easement contains 1,622 square feet and c

On behalf of the Buildings and Grounds Committee, Mr. Owens moved that the Board of Regents, upon the recommendation of the President of the University, approve the Program Statement for the Lovett Auditorium HVAC and Electrical Systems Renovations Project as presented. Dr. Tharpe seconded and the motion carried.

Full Board Action Lovett Auditorium HVAC and Electrical Systems Renovations Program Statement, approved

On behalf of the Buildings and Grounds Committee, Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, approve the attached Program Statement for the Lovett Auditorium HVAC and Electrical Systems Renovations Project. Mrs. Gray seconded and the motion carried unanimously.

(See Attachment #15)

Disposition of Structure Special Education Storage Building (#0118), approved

Ms. Dudley reported that the Special Education Storage Building (Building #0118) was acquired in 1985 at a cost of \$2,537. The structure contains approximately 114 square feet and has been with offices in Alexander Hall. The building no longer provides any functionality for the University and it is recommended that the structure be razed. The Murray Independent School District would like to purchase a new building which includes playground upgrades. The cost of disposal, replacement of a new storage building and playground upgrades will be funded by the Murray Independent School District.

- Ø The Curris Center boiler replacement project is underway with completion expected during the Spring 2021

coordination with Sodexo to ensure current dining services equipment can also be converted to the new system without impacting operations. Interior renovations have also been proposed for the Curris Center and concept photos were presented to the Board. The University is working with Sherman Carter Barnhart from Lexington, Kentucky, as architectural consultants for this project. Several ZOOM meetings have occurred over the past few weeks between the consultants and students, staff and faculty stakeholders to provide these groups with an opportunity to convey ideas relative to what should be included in the Curris Center. These ideas were used to develop a Master Plan which was shared with the stakeholder groups prior to Thanksgiving. Consultants are revising the Master Plan to reflect comments received during those sessions and the results are expected to be presented on December 14. At this point there is no anticipated timeline for the project. Although the project is included in the Capital Plan, the University did not receive the funding it anticipated and will instead need to determine whether funding for this purpose can be designated internally utilizing a phased approach. If this avenue is pursued, efforts will be made to keep each phase under \$1 million so additional approvals are not required. It is expected that the Curris Center will continue to be included in the Capital Plan as a priority moving forward in the hopes that funding or bonding authority will materialize in the future. Updated photos of the Thoroughbred Room following renovation were also provided. Work was completed in the space in time for it to be open for the Fall 2020 Semester.

- Ø The Hart Hall boiler failed upon startup this season and there currently is no heat in the facility. A rental boiler is on site but is still being connected. The rental boiler will remain in place throughout the heating season to allow additional time for the University to determine whether it needs to replace the boiler or consider alternatives that should be pursued relative to the HVAC system.

- Ø Projects associated with the exterior lighting first-year plan have started and it is hoped work can conclude by June 2021. The goal is to begin the second phase of this work in July 2021.

- Ø The Price Doyle Fine Arts Building cleaning and painting projects have been completed. Safety and security initiatives have also been completed in that facility, including securing the stairwells from the exterior.

- Ø A preservation project has been completed at Oakhurst relative to painting and window improvements.

- Ø Work to install the Racer One statue outside the Curris Center was completed in the Fall 2020 Semester and a Dedication Ceremony was held during Homecoming Weekend. The John W. Carr sculpture and plaza area outside *John W. Carr Hall* was also completed in time for the Dedication Ceremony to be held the same weekend.

- Ø The Maker Space area in Waterfield Library is near the end of construction and is expected to be completed in the Spring 2021.

Mr. Owens called the Finance Committee meeting to order at 12:30 p.m. and reported all other members were present.

Financial Update, received

Ms. Dudley provided a financial overview with the following highlights:

- Ø The University must continue to monitor enrollment, net tuition and fees and housing occupancy.
- Ø

than what is required for TRS. When KERS employees are hired they do not have this same option. Providing the ORP option for newly-hired KERS employees could become a discussion point during the Legislative Session. If the Board approves the recommended action for the University to remain in KERS, if the ORP option is provided for KERS employees, costs could begin to decrease as new employees choose this option. If such legislation is passed this could be beneficial to the University but it will take longer for the institution to realize the benefit. This is also beneficial to KERS employees by providing them with the same option as TRS participants.

- Ø Dean Dorton cost estimates are based on information from House Bill 1 passed in 2018 and Senate Bill 249 passed in 2020. Kentucky Retirement Systems Consultant GRS Retirement Consulting provided estimates to Murray State on January 28, 2020, based on membership data as of June 30, 2019. GRS has been hired by Kentucky Retirement Systems to provide the actuarial analysis to each of the state universities. The information provided as a result of the analysis conducted by GRS is what the University must use to make its decision. The estimates prepared by Dean Dorton utilized the current employee base the number of KERS positions in the budget for Fiscal Year 2021. This number is less than it would have been over the past three years. A conservative estimate is being presented but may still be lower than actual costs associated with getting out of KERS. This is due to

the higher of a three-year average or current University payroll could be utilized. For Murray State, the cost associated with using the three-year average would be higher than that for current payroll.

- Ø A recap of the KERS tiers was provided. Tier 1 includes employees who were participants in KERS prior to September 1, 2008. These individuals have the most

The total scope of the Lovett Auditorium project is anticipated to be \$2 million. The proposed funding to be utilized would be \$600,000 of Fiscal Year 2020-21 revenue from the Asset

The Swine industry currently provides a large number of good employment opportunities. With Tosh Farms assistance and guidance, the Hutson School of Agriculture reinitiated its swine operation several years ago to include a farrow to show pig to finish swine operation. The primary objective of this unit is to train students to work in the modern swine industry. Secondary objectives are to produce high-quality show animals for purchase by area 4-H organizations and Future Farmers of America members to enhance future student recruitment and provide a potential source for locally-produced Kentucky Proud Racer Pork.

Tosh Farms has provided all funding toward constructing an 85 x 25 Swine Finishing Learning Laboratory on the North Farm, as well as for all internal equipment to make it operational. They also covered the full cost of all engineering and construction of this facility and coordinated the construction with the MSU Facilities Management team, utilizing their regular construction crew. The facility was constructed in Spring/Summer 2020. Sincere appreciation was expressed to Tosh Farms for furthering their support of Murray State agriculture and the Racer Pork initiative, by providing a laboratory to supplement curriculum and instruction, enhancing their employee recruitment and marketing efforts and modernizing and providing state-of-the-art Food Animal Science hands-

abstain from this vote because the action being taken involves her assigned department. Dr. Tharpe seconded and the motion carried.

Full Board Action Coins from the Dr. Robert Howe McGaughey III Estate and Designation of Proceeds from Sale, accepted and designated

On behalf of the Marketing and Community Engagement Committee, Ms. Green moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift of Howe McGaughey III and approve the sale of those coins and transfer of the proceeds to the Murray State University Foundation, Incorporated, designated for the principal for the *Journalism and Mass Communications*. Mrs. Gray seconded and the motion carried.

Naming Opportunity Dennis Jackson Racer Room in Roy Stewart Stadium, approved

Mrs. Bernot reported that Dennis Jackson earned the Bachelor of Science degree in 1966 (double major in Adolescent, Career and Special Education and History) and the Masters of Arts (Education) degree in 1971, both from Murray State. Throughout his professional life, continuing education remained a consistent priority for Mr. Jackson, as he received the Rank 1 Professional Certificate for School Administration, Endorsement for Secondary School Principal for Grades 7-graduation was assisting youth through education as a teacher, administrator, Coach and game official, serving in many positions in school systems in Michigan (Benton Harbor) and Kentucky (Trigg County and Paducah Public Schools). In recognition for his dedication to education throughout his life, Mr. Jackson

In 1960, Mr. Jackson became the first African American student-athlete at Murray State University. He was an all-around talent on the football field as a receiver, tailback and safety from 1962-64, being named to the All-Ohio Valley Conference Football Team in 1964. Additionally, Mr. Jackson excelled as a track student-athlete from 1961-64, notably as a member

his contributions as a student-athlete and lifelong Racer, Mr. Jackson was inducted into the Murray State University Athletics Hall of Fame in 2007.

As a lifelong educator in the Paducah public school system, Mr. Jackson served as a Health and Physical Education Teacher, Football/Basketball/Track Coach and Dean of Students at Jetton Junior High School. Additionally, Mr. Jackson was a History teacher and Track Coach at Brazelton Junior High/Paducah Middle School. He went on to serve as Assistant Football Coach, Athletics Director and Assistant Principal at Paducah Tilghman High School. Finally, he le School. He

Full Board Action Operating Procedure for Presidential Evaluation Revisions, adopted

Mr. Crigler moved that the Board of Regents, upon the recommendation of the Ad Hoc Presidential Evaluation Process Review Committee, adopt the revised Operating Procedure for Presidential Evaluation as attached, with the appropriate survey method and instrument to be utilized to be determined at a later date by the Ad Hoc Committee and submitted for approval by the full Board at the February 2021 Quarterly Meeting. Mr. Owens seconded and the motion carried unanimously.

(See Attachment #20)

Chair Rhoads commended the Committee for their work to this point. The revised document being presented addresses concerns expressed by Regents relative to the presidential evaluation process.

Policy Changes

Dr. Jackson reported that the first two policy changes represent the second reading of these policies to be considered by the Board to ensure conformity with federal and state regulations and laws. Mr. Miller confirmed that the changes being recommended are in conformance and consistent with changes to federal regulations.

Board of Regents Policy Manual Section 2.21 Sexual Harassment Policy Revisions, adopted

Mr. Owens moved that the Board of Regents, upon the recommendation of the President of the University, adopt the revised *Board of Regents Policy Manual Section 2.21 Sexual Harassment Policy*, having been presented as a first reading at the August 28, 2020, Quarterly Meeting. Mrs. Gray seconded and the motion carried unanimously.

(See Attachment #21)

Board of Regents Policy Manual Section 2.24 (becomes part of Section 2.21) Sexual Violence and Misconduct, Relationship Violence and Stalking Policy Revisions, adopted

Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, adopt the revised *Board of Regents Policy Manual Section 2.24 Sexual Violence and Misconduct, Relationship Violence and Stalking Policy* (becomes part of Section 2.21), having been presented as a first reading at the August 28, 2020, Quarterly Meeting. Mrs. Rudolph seconded and the motion carried unanimously.

(See Attachment #22)

Board of Regents Policy Manual New Section 2.24 Minors on Campus (first reading), approved

Dr. Jackson reported that a new policy for the University relative to minors on campus is being recommended. The University began considering adopting this new policy several years ago but that work was not completed. Work resumed over the past year to develop the policy being presented to the Board. The policy has been vetted through all appropriate offices across campus and the Work Group overseeing this work was guided by Vice President Dudley. There have been a number of widely-publicized issues relative to minors on university campuses over the last several years. This policy will address required background checks for individuals working with minors on campus, in addition to other initiatives.

Dr. Shemberger moved that the Board of Regents, upon the recommendation of the President of the University, approve the *Board of Regents Policy New Section 2.24 Minors on Campus* (first reading) as submitted. Mr. Owens seconded and the motion carried unanimously.

Board of Regents Policy Manual Section 2.6 Fee Establishment Policy Revisions (first reading), approved

Dr. Jackson reported that an amendment to *BOR Policy Manual Section 2.6 Fee Establishment Policy* is being recommended. The change clarifies language relative to how

sacrifices she makes to support Murray State as her role as First Lady. The Board gave virtual applause to these individuals.

There being no further business to come before the Board, Chair Rhoads requested a motion for the Board of Regents Quarterly and Committee Meetings to adjourn. Mr. Schooley so moved, seconded by Dr. Shemberger

