

## **MINUTES**

### **BOARD OF REGENTS MEETING**

**Friday, November 17, 1995**

The Board of Regents of Morehead State University convened at 12:15 a.m. on Friday, November 17, 1995, in the Riggle Room of the Adron Doran University Center in Morehead, Kentucky.

#### **CALL TO ORDER**

Chair Seaton called the meeting to order.

#### **ROLL CALL**

The following members were present: Mrs. Lois Baker, Mr. Gene Caudill, Mr. James A. Finch, Mr. Buckner Hinkle, Jr., Mr. Brian Hutchinson, Mr. L. M. Jones, Dr. Bruce Mattingly, Ms. Helen Pennington, Mr. John Rosenberg, and Mr. William R. Seaton. Dr. Charles Rhodes was absent.

Also, present: President Ronald G. Eaglin and members of the administrative staff; Mr. B. Proctor Caudill, Chair of the MSU Foundation, Inc.; and Mr. John G. Irvin, Jr., Attorney with McBrayer, McGinnis, Leslie & Kirkland.

#### **UPDATE ON HEALTH PURCHASING ALLIANCE**

Ms. Francene Botts, Director, and members of the Human Resources staff, presented information on the Kentucky Health Care Reform's potential effect on MSU. Also, representatives from the Kentucky Health Purchasing Alliance, Mr. Forrest Brown and Ms. Julia Costich, were present to answer questions concerning the Alliance.

Ms. Botts presented an overview of House Bill 250 enacted into law April 15, 1994, which established the Kentucky Health Purchasing Alliance. The objectives of this legislation are to make health insurance more available and affordable to the citizens of Kentucky, to control insurance practices in the marketplace, and to provide a better allocation of providers in the state. This legislation also mandates that higher education employees participate in the KHPA effective January 1, 1996 (MSU's current contract extended to 6-30-96).

Mr. Porter Dailey, Vice President for Administration and Fiscal Services, stated that the Council on Higher Education, at its meeting on November 13, recommended that the General Assembly consider exempting higher education with the caveat that the institution be self-insured. MSU is already self-insured. If the legislature does not exempt higher education, the Council recommended that funds be appropriated to assist the institutions in dealing with the fiscal impact. Board members and administrators voiced concern over the high cost of the proposed plan to both the institution and its employees. Dr. Eaglin stressed that higher education's intent is to seek the option of entering the Alliance.

## INTRODUCTION OF MEDIA

Mrs. Judy Yancy, Director of Media Relations, introduced members of the news media present: Mr. Brian Highly, Editor of *The Trail Blazer*, Mr. Sean Kelley with *The Morehead News*, and Mr. Steve Whitaker representing WMKY Radio.

## MARCHING PERCUSSION

Dr. Eaglin reported that MSU's Marching Percussion won first place at the National Marching Percussive Arts Society convention in Arizona. In addition, the group won first place for best bass drums and best pit. This is the third time that MSU's marching band percussion program has taken top honors in national competition. This 45-member student group is directed by Mr. Frank Oddis, Associate Professor of Music. A video of the group's performance followed.

## SEPTEMBER 8, 1995, MINUTES

Mr. Rosenberg moved, seconded by Mr. Jones, to approve the minutes of the meeting held on September 8, 1995, as distributed. Motion carried.

## NEW FINANCIAL REPORTING FORMAT

Mr. Dailey and members of his staff, Mr. Mike Walters, Assistant Vice President for Fiscal Services, and Mrs. Angela Martin, Director of Budgets and Management Information, presented the revised quarterly financial reporting format. The Board asked the administration at its September meeting to revise the current format in order to present the University's financial information

ACADEMIC AFFAIRS  
COMMITTEE REPORT

Winter Graduates

Sabbatical Leaves

in a more useful and understandable fashion. Mr. Dailey explained that the newly revised format was presented at the Audit Committee meeting in October. Following that meeting, the minutes and a copy of the revised format were sent to the full Board. Discussion followed. Dr. Mattingly and Mr. Rosenberg requested reports on health insurance claims and other information relating to the University's first two years as a self-insurer.

Chair Seaton commended Mr. Dailey and his staff on the new financial reporting format.

Ms. Helen Pennington, Chair of the Academic Affairs Committee, presented the Committee's report.

**RECOMMENDATION:** That the Board approve the awarding of degrees to all candidates who have successfully completed all degree requirements for the December 16, 1995, Commencement as approved by the faculty of the University.

**MOTION:** Ms. Pennington moved, seconded by Mr. Rosenberg, to approve the Committee's recommendation.

**VOTE:** The motion carried.

**RECOMMENDATION:** That the Board approve the granting of Sabbatical Leaves to the following faculty members contingent upon funding being available within the academic department or from the faculty leave fund:

Dr. Frances Helphinstine, Professor of English,  
Fall 1996 Semester

Dr. Phyllis Oakes, Associate Professor of  
Education, Fall 1996 Semester

Dr. Charles Morgan, Professor of Psychology, Fall 1996 Semester

Dr. Hiliary Iwu, Associate Professor of Business Education, 1996-97 Academic Year (pending approval of Fulbright Scholar Award)

*(Additional background information attached to these minutes and marked V-A-2)*

MOTION: Ms. Pennington moved, seconded by Dr. Mattingly, to approve the Committee's recommendation.

VOTE: The motion unanimously carried.

#### 1995 Fall Enrollment

Ms. Pennington presented the final figures for the 1995 Fall Semester which showed a headcount enrollment of 8,452 students as compared with 8,697 for the previous Fall. She stated that the Academic Affairs Committee asked that future reports include enrollment from the off-campus centers.

Dr. Mattingly asked if the decline in students over the last three or four years mirrored the changes in 18 year olds.

Dr. John C. Philley, Executive Vice President for Academic Affairs, attributed the decline to two factors: (1) discontinuation of the educational program at the Eastern Kentucky Correctional Complex which resulted in a loss of about 100 students, and (2) the loss of approximately 75 transfer students from the community college system. However, Dr. Philley noted that this may be the result of a series of declines that the community colleges have experienced over the last couple of years as well.

Dr. Eaglin stated that while the University had seen an increase in part-time, older students at its extended campus centers, the first-time freshman enrollment was declining. However, he noted that the Fall 1995 freshman class was the same size as Fall 1994.

## AUDIT COMMITTEE REPORT

Mr. Hinkle, Chair of the Audit Committee, reported on the meeting held on October 13. At that meeting, Mr. Ron Timmons, Managing Partner, and Ms. Lori Dearfield, Manager, with Kelley, Galloway & Company, presented the audit reports and an overview of the financial statements for the year ending June 30, 1995. These were clean reports and there were no problems. Mr. Timmons and his staff were complimentary of the University's staff in cooperating and providing the information the firm needed for the reports.

**RECOMMENDATION:** That the Board accept the 1994-95 audit reports as submitted by Kelley, Galloway & Company.

*(Additional background information and 1994-95 audit reports attached to these minutes and marked V-B)*

**MOTION:** Mr. Hinkle moved, seconded by Mr. Jones, to accept the Committee's recommendation.

**VOTE:** The motion unanimously carried.

Mr. Hinkle stated that the remainder of the October 13 meeting was devoted to a presentation by Mr. Dailey and his staff on a revised quarterly financial reporting format.

## ADMINISTRATION AND FISCAL SERVICES COMMITTEE REPORT

Mr. Finch, Acting Chair of the Administration and Fiscal Services Committee, presented the report of the Committee meeting held earlier in the day.

Mr. Finch commended the Fiscal Services staff on the new financial reporting format.

## Quarterly Financial Report

**RECOMMENDATION:** That the Board accept the Quarterly Financial Report as presented.

*(Additional background information and Quarterly Financial Report attached to these minutes and marked V-C-1)*

**Personnel Actions**

**MOTION:** Mr. Finch moved, seconded by Mr. Hinkle, to approve the Committee's recommendation.

**VOTE:** The motion unanimously carried.

**RECOMMENDATION:** That the Personnel Actions for the period of July 31, 1995, through October 20, 1995, be ratified.

*(Additional background information and Personnel Actions attached to these minutes and marked V-C-2)*

Mr. Finch noted that there were three retirements and one discharge.

**MOTION:** Mr. Finch moved, seconded by Mr. Hutchinson, to approve the Committee's recommendation.

**VOTE:** The motion unanimously carried.

Mr. Finch reported:

**Acquisition of Property**

- That the University acquired a .2 acre tract located at 121 Fourth Street for \$52,500.

*(Additional background information attached to these minutes and marked V-C-3)*

**Agreements with External Agencies**

- That the University has entered into 31 agreements with external agencies that provide clinical learning facilities for students enrolled in professional programs and classroom facilities for

off-campus classes, as well as agreements with other educational institutions and state agencies.

*(Additional background information attached to these minutes and marked V-C-4)*

Personal Service  
Contracts

- That the University has entered into six personal service contracts with amounts greater than \$1,000 from August 2, through November 1, 1995.

*(Additional background information attached to these minutes and marked V-C-5)*

Ky Folk Art Center  
Agreement

- That the University has entered into an agreement with the Kentucky Folk Art Center, Inc. A more detailed managerial agreement is currently being reviewed by legal counsel to be presented for the Board's consideration at a future meeting.

*(Additional background information and Operating Agreements attached to these minutes and marked V-C-6)*

COMMITTEE ON  
STUDENT LIFE AND  
EXTERNAL RELATIONS  
REPORT

The Committee on Student Life and External Relations did not meet; however, Mr. Jones reported:

- That July 1, 1994, through June 30, 1995, was a record year for private giving with total giving at an all-time high of \$1,709,670.67.

Private Giving

In response to the increase in giving, Dr. Eaglin stated that he believed the University has organized itself in such a way to conduct a major capital campaign. He said that Morehead State University has been a real secret in terms of how good it is and that an effort has been made to let people know that Morehead is an outstanding school.

Cheerleaders

- That the cheerleaders won first place in the preliminaries going for their sixth consecutive national championship.

## Intercollegiate Athletics

- That the long-range planning committee for athletics will report to the intercollegiate athletics committee in February or March and probably to the full Board in May.

Mr. Jones stated that the Board's Ad Hoc Committee on Intercollegiate Athletics had a rough draft of the final report prepared but is reworking some of the recommendations due to some of the committee's recommendations being in noncompliance with NCAA rules and regulations.

Dr. Eaglin expressed his and Mrs. Eaglin's appreciation for the expressions of sympathy during the recent death of Mrs. Eaglin's mother.

## PRESIDENT'S REPORT

### Board Briefs

Dr. Eaglin reported:

- That the last issue of *Board Briefs* was devoted to faculty and some of the exciting things they are doing.

### KEDC

- That this past Thursday evening a special dinner was hosted by the University for the Kentucky Educational Development Corporation (KEDC) in recognition of its 30th anniversary. KEDC, a consortium of more than 50 superintendents, provides many services from in-service training to forming purchasing alliances, etc. About 186 people were in attendance. KET will air a 30-minute program on the celebration.

### Upcoming Events

- That the Holiday Dinner party will be Friday, December 15, at 6:30 p.m., and Winter Commencement will be Saturday, December 16, at 10:30 a.m.

### MSU's 75th Anniversary

- That the University has started planning for its 75th Anniversary which will officially begin with Founders Day 1997 and end Founders Day 1998.



## Spring Gala

- That the Spring Gala will be Saturday, April 27, and this year's theme is "You Oughta Be In Pictures."

## 1996 BOR MEETING DATES

Chair Seaton announced the 1996 meeting dates:

Friday, March 1  
Friday, May 10  
Friday, September 13  
Friday, November 15

Mr. Finch commended the administration on the improved condition of the Adron Doran University Center. Further, on behalf of the Regents who attended the Thanksgiving dinner, he commended and thanked the Custodial staff.

## EXECUTIVE SESSION

Chair Seaton opened the floor for a motion to go into executive session for the purpose of discussing personnel and real estate issues. Mr. Finch moved, seconded by Mr. Hinkle, to go into executive session. Motion carried.

## HONORARY DOCTORATE

Following executive session, Chair Seaton reconvened the Board, and Ms. Pennington read the following recommendation on behalf of the Academic Affairs Committee to award an honorary doctorate at the 1995 Winter Commencement.

The University periodically confers honorary doctoral degrees on outstanding individuals who have distinguished themselves in public and/or private life. Emphasis is given to those who have brought recognition to Eastern Kentucky and/or improved the quality of life in our service region. Elijah M. Hogge, a native of Morehead and a 1937 graduate of the University, has been unanimously recommended by our Honorary Degree Advisory Committee to receive the Honorary Degree of Doctor of Public Service. Judge Hogge is a former

judge of the Kentucky Court of Appeals and served as Kentucky's first secretary of transportation and the state's first secretary of public protection and regulation in the administration of Governor Wendell Ford 1971-74. Now in semi-retirement, Judge Hogge lives in Frankfort where he serves as a legal advisor to the Kentucky Racing Commission and other state agencies.

Ms. Pennington moved that the Board of Regents approve the awarding of the Honorary Degree of Doctorate of Public Service to Judge Elijah M. Hogge at the 1995 Winter Commencement on December 16. Motion was seconded by Mr. Hinkle and unanimously approved.

KRS 164.360

Chair Seaton stated that there has been discussion on KRS 164.360, paragraph two. He stated that he had instructed the President to consider the use of the word "shall" as a future tense interpretation. Further, he stated that he had instructed him (the President) to put on MSU's labor application forms a question relating to any family relationship of the applicant to a Regent. In addition, the President is instructed to consider any student employment that is not being covered under this law. Mr. Seaton stated that there was further discussion as to an Attorney General's opinion about this particular matter, and that we are advised that Western Kentucky University has applied for an Attorney General's opinion. Therefore, we will take no further action until that is issued.

ADJOURNMENT

There being no further business, Mr. Hutchinson moved, seconded by Dr. Mattingly, to adjourn. The motion carried.

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Chair

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Secretary

**APPROVE 1995 DECEMBER GRADUATES**

**Recommendation**

That the Board of Regents approve the awarding of degrees to all candidates who have successfully completed all degree requirements for the December 16, 1995, Commencement as approved by the faculty of the University.

## **APPROVE SABBATICAL LEAVE REQUESTS**

### **Background**

In accordance with PAC-17, faculty members desiring sabbatical leaves submit their applications which are evaluated by their departmental committees, department chair, college dean, and the University Faculty Leave Committee. These committee evaluations are forwarded to the Executive Vice President for Academic Affairs and Dean of Faculty who recommends to the President for his recommendation to the Board of Regents.

### **Recommendation**

That the Board of Regents approve the granting of Sabbatical Leaves to the following faculty members contingent upon funding being available within the academic department or from the faculty leave fund:

Dr. Frances Helphinstine, professor of English, Fall 1996 semester  
Dr. Phyllis Oakes, associate professor of education, Fall 1996 semester  
Dr. Charles Morgan, professor of psychology, Fall 1996 semester  
Dr. Hilary Iwu, associate professor of business education, 1996-97  
academic year (pending approval of Fulbright Scholar Award)

## REPORT ON FALL ENROLLMENT, 1995

### HEAD-COUNT ENROLLMENT

	Fall	% Change
1991	8,812	+ 2.2
1992	9,169	+ 4.1
1993	8,899	- 2.9
1994	8,697	- 2.3
1995	8,452	-2.8

### FULL-TIME EQUIVALENCY

	Fall	% Change
1991	7,075	+ 1.6
1992	7,130	+ 0.8
1993	6,947	- 2.6
1994	6,675	- 3.9
1995	6,493	-2.7

### CREDIT HOUR PRODUCTION

	Fall	% Change
1991	110,648	+ 1.6
1992	111,323	+ 0.6
1993	108,339	- 2.7
1994	103,958	- 4.0
1995	101,229	-2.6

## **ACCEPT 1994-95 AUDIT REPORTS**

### **Background**

KRS 164A.570 requires an annual audit to be conducted for all universities in the state system. The audit is to be conducted by an independent public accounting firm. On February 10, 1995, the Board appointed the accounting firm of Kelley, Galloway and Company, Ashland, Kentucky, to conduct the 1994-95 audit.

On March 28, 1995, the Audit Committee approved the minimum scope of the audit work to be performed. In addition to the audit of the University's financial statements, the auditors were to issue reports for the Intercollegiate Athletics Department and the financial statements of the University's radio station, WMKY.

The audit work has been completed. Ron Timmons, President and Managing Partner of Kelley, Galloway and Company, made a formal presentation of the reports to the Audit Committee of the Board on October 13, 1995. The presentation included an overview of the financial statements, the accompanying notes, and required disclosures. The reports were issued with unqualified opinions, and contain no recommendations for changes within the University's financial system controls.

Copies of all audit reports have been provided to all Board of Regents members.

### **Recommendation**

That the Board accept the 1994-95 audit reports as submitted by Kelley, Galloway and Company.

## **QUARTERLY FINANCIAL REPORT**

### **Background**

#### **Financial Statements**

KRS 164.420 provides that a financial report shall be issued to the Board of Regents on a timely basis. In accordance with this statute, financial statements have been prepared with information as of September 30, 1995.

As a result of Board members' inquiries, Administration and Fiscal Services personnel presented a revised quarterly financial report format to the Audit Committee at its meeting on October 13, 1995. The goal of the revised format is to present the University's financial information in a more useful and understandable manner. The revised format includes the following financial statements, which are presented herein: the Balance Sheet (based on an entity wide perspective), the Unrestricted Current Funds Statement of Changes in Fund Balance, the Unrestricted Current Funds Statement of Educational and General Revenues, and the Statement of Auxiliary Enterprises Revenues and Expenditures.

#### **Operating Budget Reports**

Also included in the financial report, as required by the 1995-96 Operating Budget Resolution, are budget reports for revenues and expenditures. These reports, which have also been revised, include the Schedule of Unrestricted Current Funds Budget Amendments and the Schedule of Unrestricted Current Funds Expenditure Budgets. In addition, a schedule of budget transfers greater than \$200,000 is presented herein.

#### **Capital Outlay**

Pursuant to the 1995-96 Operating Budget Resolution, a report on equipment purchases and capital construction projects with a cost greater than \$50,000 is presented herein.

### **Analysis**

As of September 30, 1995, total operating revenues and expenditures are budgeted at **\$66,708,272**, an increase of \$196,172 from the Opening Budget of \$66,512,100 approved by the Board on May 12, 1995. The majority of the increase is from investment income and unbudgeted support from the MSU Foundation, Inc.

### **Recommendation**

That the Board accept the quarterly financial report as presented.



OFFICE OF ACCOUNTING AND BUDGETARY CONTROL

202 HOWELL-MCDOWELL AD. BLDG.  
MOREHEAD, KENTUCKY 40351-1689  
TELEPHONE: 606-783-2019  
FAX: 606-783-5011

September 30, 1995

Dr. Ronald G. Eaglin, President  
Members of the Board of Regents  
Morehead State University  
Morehead, Kentucky 40351

Dear Dr. Eaglin and Members of the Board:

I am submitting to you the Balance Sheets - Entity Wide Perspective, for Morehead State University as of September 30, 1995 and 1994, the Unrestricted Current Funds Statement of Changes in Fund Balance, the Unrestricted Current Funds Statement of Educational and General Revenues, and the Auxiliary Enterprises Statement of Revenues and Expenditures for the three months ended September 30, 1995.

These statements are presented on the accrual basis and are designed for internal reporting to management. They differ from the presentation required for external purposes. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Respectfully submitted,

James A. Fluty, CPA  
Director of Accounting And Budgetary Control

Enclosures



**MOREHEAD STATE UNIVERSITY**  
**Balance Sheet - Entity Wide Perspective**  
**September 30, 1995 And 1994**

<b>ASSETS</b>	<b><u>1995</u></b>	<b><u>1994</u></b>
Cash	\$24,949,470	\$18,863,342
Investments in US government obligations-at cost	2,914,186	4,890,505
Accounts Receivable	5,205,839	4,587,551
Inventories	1,927,027	2,082,261
Notes Receivable	3,449,821	3,507,280
Land, Buildings, Equipment and Library Collection- net of depreciation	<u>80,799,150</u>	<u>76,928,437</u>
<b>TOTAL ASSETS</b>	<b><u>\$119,245,493</u></b>	<b><u>\$110,859,376</u></b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable	\$1,665,980	\$1,132,777
Accrued salaries and other liabilities	1,181,137	665,978
Unearned revenues-state and federal grants	544,741	489,244
Deposits	504,754	514,040
Accrued vacation pay	1,405,011	1,573,680
Bonds and notes payable	<u>53,327,888</u>	<u>49,378,155</u>
<b>Total Liabilities</b>	<b><u>\$58,629,513</u></b>	<b><u>\$53,753,874</u></b>
<b>Net Assets</b>		
Capital	\$27,471,262	\$27,550,281
Non-capital		
Restricted	17,326,936	11,863,255
Non-restricted	<u>15,817,782</u>	<u>17,691,966</u>
<b>Total Net Assets</b>	<b><u>\$60,615,980</u></b>	<b><u>\$57,105,502</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$119,245,493</u></b>	<b><u>\$110,859,376</u></b>

**ANALYSIS OF NON-RESTRICTED FUND BALANCE**

**Allocations**

**Working Capital**

Accounts Receivable	\$3,383,899	\$3,422,716
Inventories	1,927,027	2,082,261
Cashier's Operating Funds	103,000	103,000
Rebudgeted Fund Balance-Capital Projects	2,795,790	1,861,526
Rebudgeted Fund Balance-Non-capital Projects	<u>1,022,203</u>	<u>2,994,000</u>

**Total Working Capital**

**\$9,231,920**      **\$10,463,503**

**Contingencies**

**\$0**      **\$285,000**

**Funded Reserves**

**\$1,172,476**      **\$1,651,421**

**Total Allocated Fund Balance**

**\$10,404,396**      **\$12,399,924**

**Unallocated Fund Balance**

**5,413,386**      **5,292,042**

**Total Unrestricted Fund Balance**

**\$15,817,782**      **\$17,691,966**

See Attached Notes To Balance Sheet - Entity Wide Perspective

**NOTES TO BALANCE SHEET - ENTITY WIDE PERSPECTIVE**  
**MOREHEAD STATE UNIVERSITY**  
**SEPTEMBER 30, 1995 AND 1994**

1. These Balance Sheets include the unrestricted current funds, restricted current funds, endowment funds, and plant funds of the University. Agency funds held for others are not included.
2. Accounts receivable are shown net of allowance for uncollectible student accounts of \$104,055 at September 30, 1995, and \$113,131 at September 30, 1994. Also included in this category is the sum of \$1,476,991 receivable from federal and state grant agencies at September 30, 1995 and \$1,097,550 at September 30, 1994.
3. Notes receivable represent balances owed the University from borrowers who have participated in the National Direct Student Loan Program and the Nursing Student Loan Program. The balances are presented net of allowances for uncollectible accounts in the amount of \$151,000 at September 30, 1995, and \$159,605 at September 30, 1994.
4. Accumulated depreciation on buildings and equipment was \$66,986,392 at September 30, 1995, and \$63,077,287 at September 30, 1994.
5. Accrued salaries and other liabilities include amounts due for withheld and matching portions of payroll taxes and estimated claims payable but unsubmitted to the University's health insurance program.
6. Unearned revenues from federal and state grants represent amounts received but not expended at the balance sheet dates.
7. Bonds and notes payable include both the current and long-term portions of amounts borrowed to finance the purchase of plant assets.
8. The capital portion of the net assets balance is the equity the University has in land, buildings, equipment, and library holdings.
9. Restricted net assets include the fund balances of the restricted current funds, endowment funds, loan funds, and expendable plant funds.

**MOREHEAD STATE UNIVERSITY**  
**Unrestricted Current Funds**  
**Statement of Changes in Fund Balance**  
**For the Three Months Ended September 30, 1995**

	Opening Budget	Actual	Over (Under) Budget
<b>REVENUES AND OTHER ADDITIONS</b>			
Revenues			
Education and General			
Tuition and Fees	\$18,402,400	\$9,486,235	(\$8,916,165)
Gov't Appropriations	34,142,200	10,251,500	(23,890,700)
Indirect Cost Reimbursement	215,000	134,341	(80,659)
Sales & Services of Ed. Activities	685,000	261,214	(423,786)
Other Sources	654,400	463,795	(190,605)
<b>Total Education and General</b>	<b>\$54,099,000</b>	<b>\$20,597,085</b>	<b>(\$33,501,915)</b>
Auxiliary Enterprises	<b>\$8,508,100</b>	<b>\$3,641,298</b>	<b>(\$4,866,802)</b>
<b>Total Revenues</b>	<b>\$62,607,100</b>	<b>\$24,238,383</b>	<b>(\$38,368,717)</b>
Other Additions			
Rebudgeted Fund Balance - E & G	\$3,525,000		
Rebudgeted Fund Balance - AUX	380,000		
<b>Total Other Additions</b>	<b>\$3,905,000</b>		
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$66,512,100</b>	<b>\$24,238,383</b>	<b>(\$38,368,717)</b>
<b>EXPENDITURES BY DIVISION</b>			
Educational & General			
President & Administration	\$314,198	\$107,043	(\$207,155)
University Advancement	1,438,269	402,444	(1,035,825)
Administration & Fiscal Services	8,950,146	2,261,493	(6,688,653)
Student Life	7,958,470	3,094,244	(4,864,226)
Academic Affairs	29,519,202	6,559,355	(22,959,847)
Other	9,443,715	3,125,147	(6,318,568)
<b>Total Educational &amp; General</b>	<b>\$57,624,000</b>	<b>\$15,549,726</b>	<b>(\$42,074,274)</b>
Auxiliary Enterprises			
Administration & Fiscal Services	\$5,461,367	\$1,709,304	(\$3,752,063)
Student Life	834,256	240,589	(593,667)
Other	2,592,477	216,026	(2,376,451)
<b>Total Auxiliary Enterprises</b>	<b>\$8,888,100</b>	<b>\$2,165,919</b>	<b>(\$6,722,181)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$66,512,100</b>	<b>\$17,715,645</b>	<b>(\$48,796,455)</b>
<b>NET CHANGE IN FUND BALANCE</b>			
REVENUES	\$62,607,100	\$24,238,383	
LESS EXPENDITURES	66,512,100	17,715,645	
	<b>(\$3,905,000)</b>	<b>\$6,522,738</b>	

**MOREHEAD STATE UNIVERSITY**  
**Unrestricted Current Funds**  
**Statement of Educational and General Revenues**  
**For the Three Months Ended September 30, 1995**

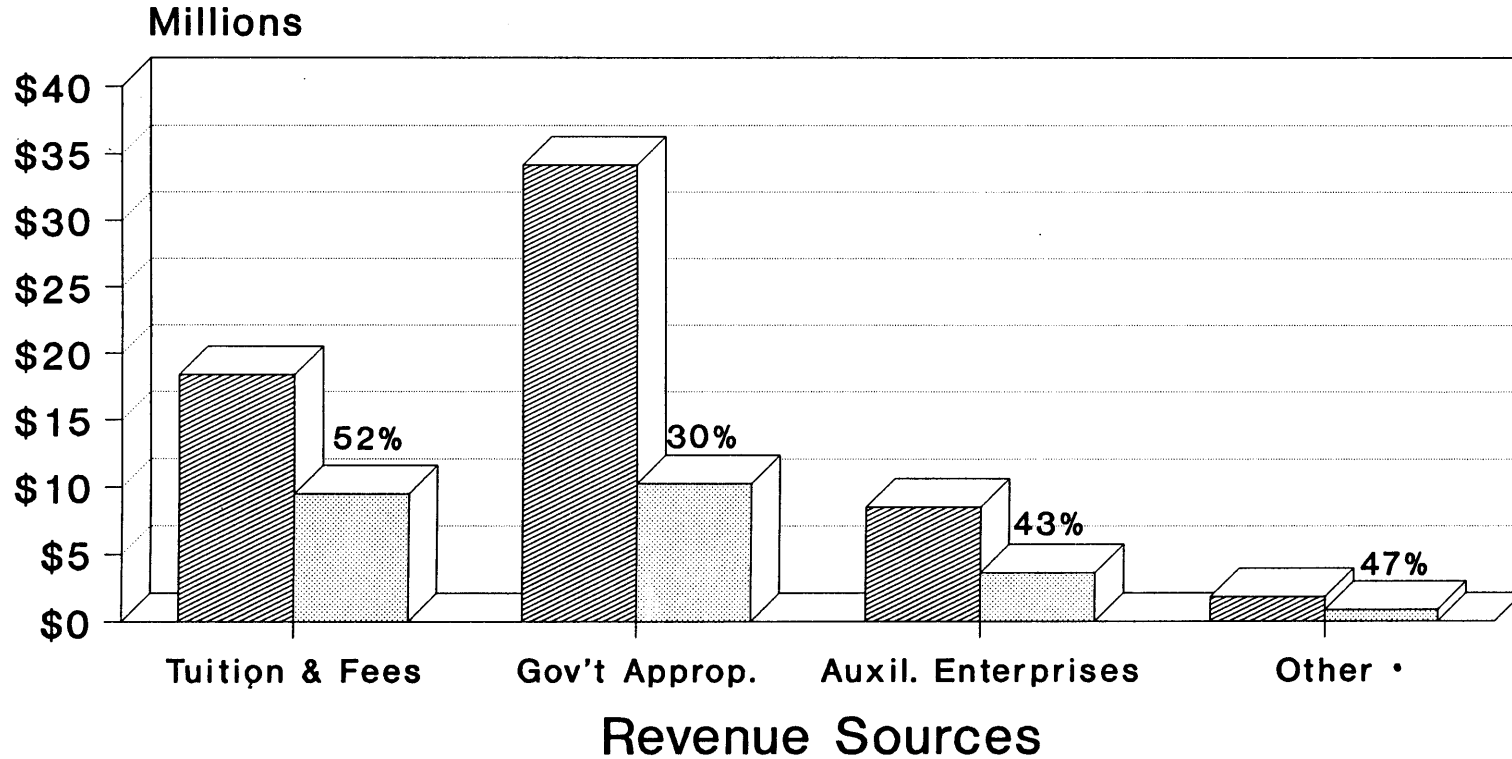
	Opening Budget	Actual	Over (Under) Budget
<b>EDUCATIONAL AND GENERAL REVENUES</b>			
<b>Tuition and Fees</b>			
Undergraduate Instate	\$11,233,700	\$6,137,853	(\$5,095,848)
Undergraduate Out-of-State	4,520,400	2,178,568	(2,341,832)
Graduate Instate	2,068,500	943,967	(1,124,534)
Graduate Out-of-State	485,700	181,257	(304,443)
Fees	94,100	44,591	(49,509)
<b>Total Tuition and Fees</b>	<b>\$18,402,400</b>	<b>\$9,486,235</b>	<b>(\$8,916,165)</b>
<b>Government Appropriations</b>			
State Appropriations	\$34,142,200	\$10,251,500	(\$23,890,700)
<b>Indirect Cost Reimbursement</b>			
Admin. cost Reimb. - Financial Aid	\$100,000	70,000	(\$30,000)
Grants & Contracts - Indirect Reimb.	115,000	64,341	(50,659)
<b>Total Indirect Cost Reimbursement</b>	<b>\$215,000</b>	<b>\$134,341</b>	<b>(\$80,659)</b>
<b>Sales &amp; Services of Ed. Activities</b>			
Athletics	\$227,000	\$99,848	(\$127,152)
EASF Support	50,000	18,272	(31,728)
Farm Income	80,000	36,410	(43,590)
Fees	303,000	101,079	(201,921)
Horse Sale Revenue	0	1,082	1,082
Institutional Foods Lab	25,000	4,524	(20,476)
<b>Total Sales &amp; Services of Ed. Activities</b>	<b>\$685,000</b>	<b>\$261,214</b>	<b>(\$423,786)</b>
<b>Other Sources</b>			
Auto Registration & Parking Fines	\$210,000	\$134,319	(\$75,681)
Bulk Postage Revenue	0	4,486	4,486
Continuing Education	75,000	18,238	(56,762)
Facilities Rentals	30,000	18,409	(11,591)
Foundation Support	22,000	73,975	51,975
Insurance Revenue	0	0	0
Interest Income	200,000	123,122	(76,878)
Library Fees	40,000	13,092	(26,908)
Recycling Revenue	0	3,685	3,685
Sale of Surplus Property	0	13,216	13,216
Trail Blazer Advertising	20,000	6,203	(13,797)
Vehicle Revenue	1,500	5,000	3,500
Water Analysis	26,000	8,354	(17,646)
Other	29,900	41,696	11,796
<b>Total Other Sources</b>	<b>\$654,400</b>	<b>\$463,795</b>	<b>(\$190,605)</b>
<b>TOTAL EDUCATIONAL &amp; GENERAL REVENUES</b>	<b>\$54,099,000</b>	<b>\$20,597,085</b>	<b>(\$33,501,915)</b>

**MOREHEAD STATE UNIVERSITY**  
**Auxiliary Enterprises**  
**Statement of Revenues and Expenditures**  
**For the Three Months Ended September 30, 1995**

	Opening Budget	Actual
<b>Auxiliary Enterprises:</b>		
Revenues	\$8,508,100	\$3,641,298
Expenditures	<u>8,888,100</u>	<u>2,165,919</u>
Net Profit (Loss)	<u>(\$380,000)</u>	<u>\$1,475,379</u>
<hr/>		
<b>Housing</b>		
Revenues	\$5,347,100	\$2,346,969
Expenditures	<u>5,820,409</u>	<u>979,505</u>
Net Profit (Loss)	<u>(\$473,309)</u>	<u>\$1,367,465</u>
<b>University Store</b>		
Revenues	\$2,500,000	\$1,149,704
Expenditures	<u>2,149,401</u>	<u>1,038,117</u>
Net Profit (Loss)	<u>\$350,599</u>	<u>\$111,586</u>
<b>Food Services</b>		
Revenues	\$494,500	\$95,174
Expenditures	<u>443,118</u>	<u>60,107</u>
Net Profit (Loss)	<u>\$51,382</u>	<u>\$35,067</u>
<b>Golf Course</b>		
Revenues	\$124,000	\$33,479
Expenditures	<u>158,031</u>	<u>44,446</u>
Net Profit (Loss)	<u>(\$34,031)</u>	<u>(\$10,967)</u>
<b>Other</b>		
Revenues	\$42,500	\$15,972
Expenditures	<u>317,141</u>	<u>43,745</u>
Net Profit (Loss)	<u>(\$274,641)</u>	<u>(\$27,773)</u>

# MOREHEAD STATE UNIVERSITY UNRESTRICTED CURRENT FUND REVENUES

For the Quarter Ended Sept. 30, 1995



Projected FY 95-96



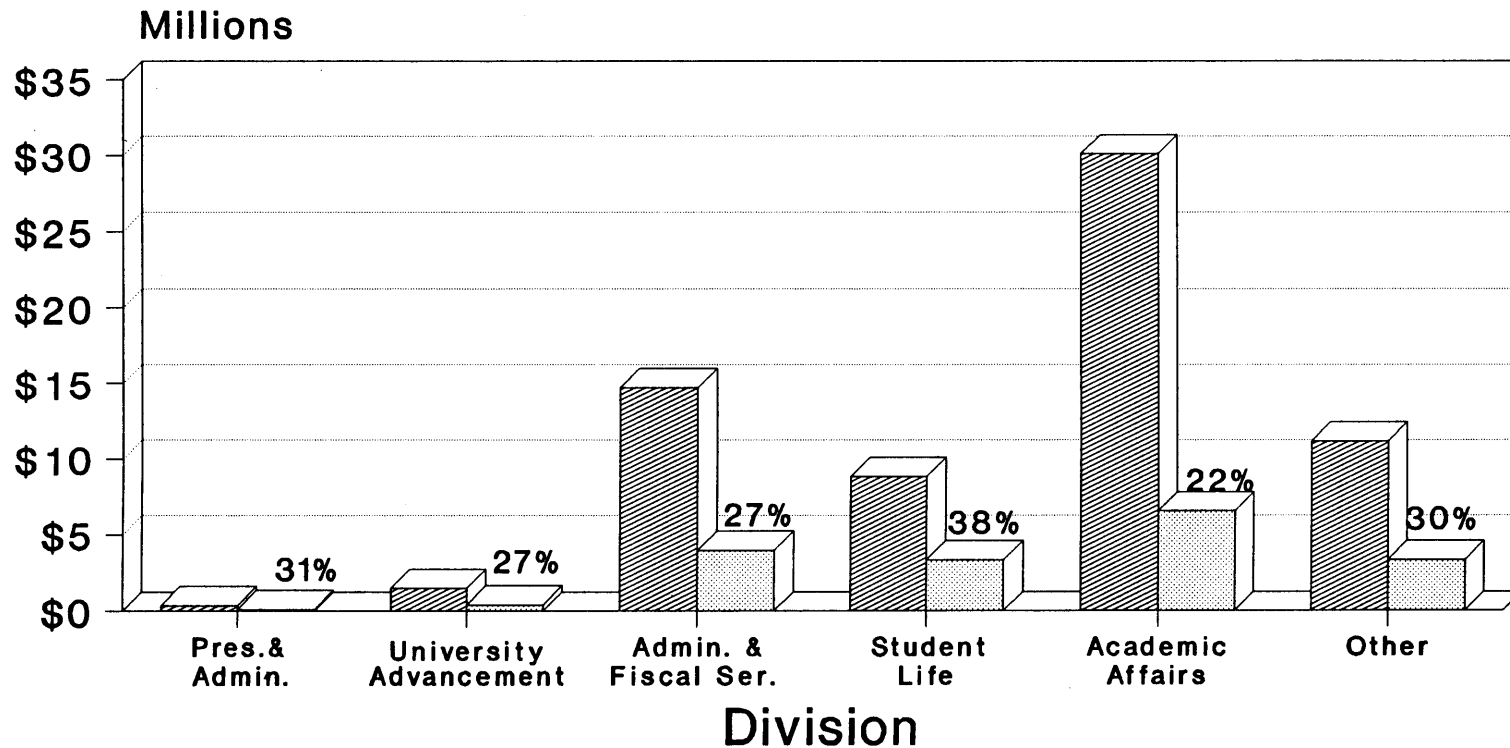
Actual 09/30/95

• Excludes Rebudgeted Fund Balance

# MOREHEAD STATE UNIVERSITY

## UNRESTRICTED CURRENT FUND EXPENDITURES

For the Quarter Ended Sept. 30, 1995

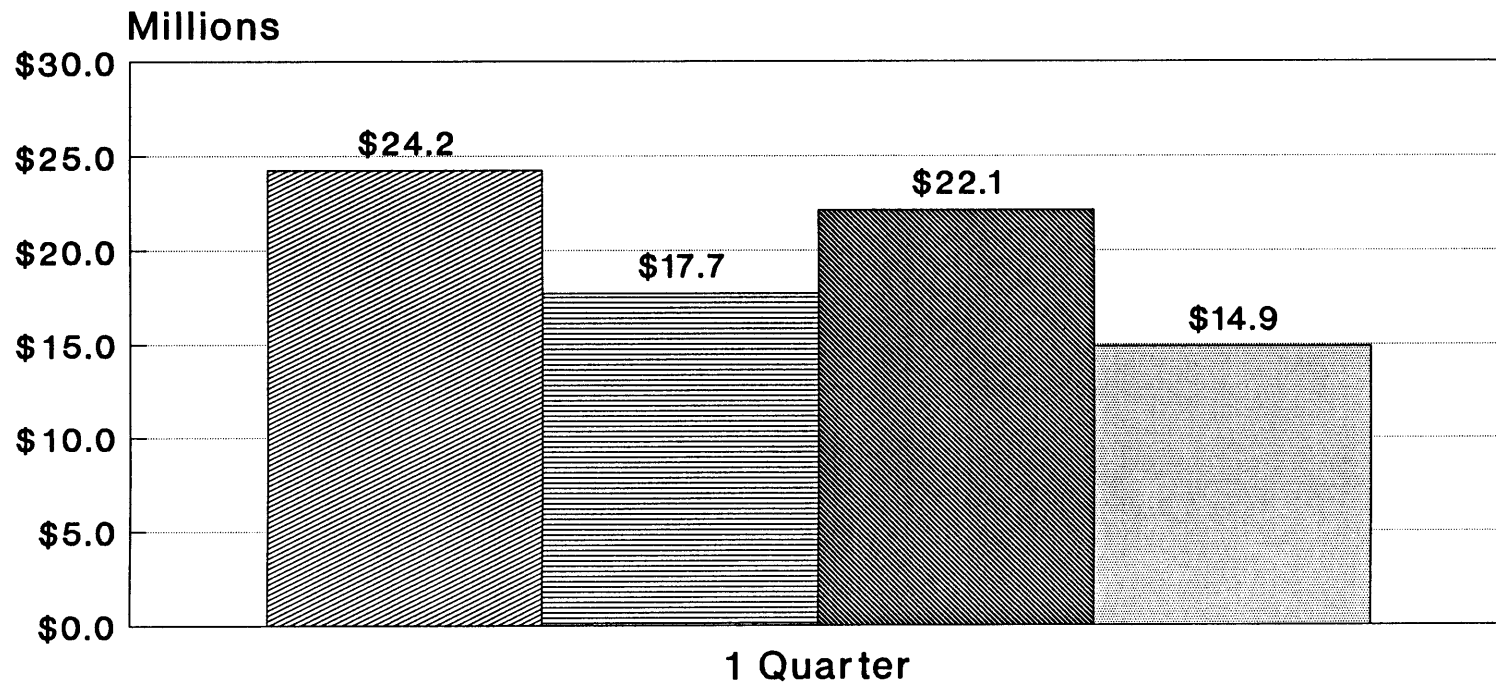


Projected FY 95-96



Actual 09/30/95

# MOREHEAD STATE UNIVERSITY REVENUES & EXPENDITURES BY QUARTER 1995/96 AND 1994/95



 95/96 Revenues

 95/96 Expenditures

 94/95 Revenues

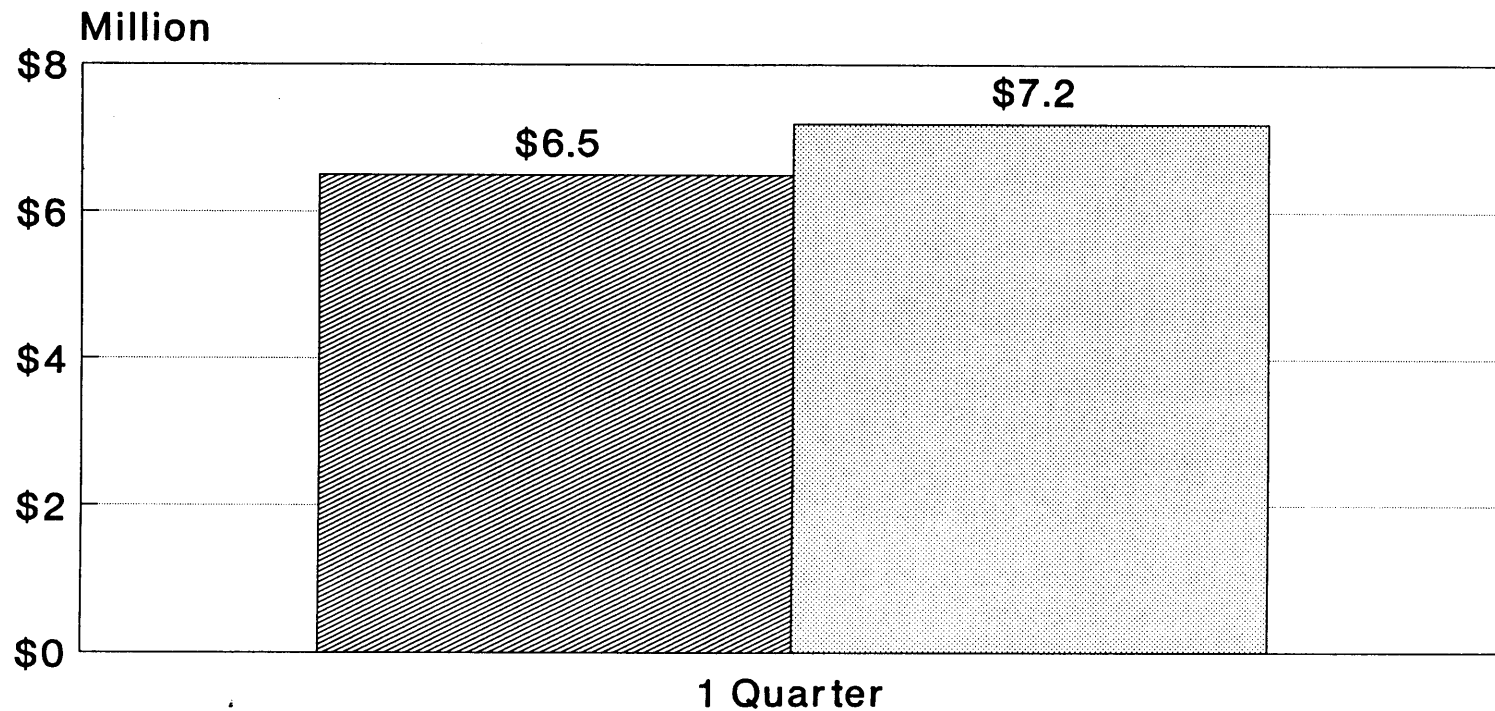
 94/95 Expenditures



# MOREHEAD STATE UNIVERSITY

## NET CHANGE IN FUND BALANCE

1995/96 AND 1994/95



Revenues minus Expenditures



1995/96



1994/95

**MOREHEAD STATE UNIVERSITY**  
**Unrestricted Current Funds**  
**Budget Amendments**  
**For the Period Ended September 30, 1995**

<u>Description</u>	<u>Opening Budget</u>	<u>Adjustments</u>	<u>Amended Budget As Of 09/30/95</u>
<b>Revenues and Other Additions</b>			
Tuition and Fees	\$18,402,400	\$1,473	\$18,403,873
Government Appropriations	34,142,200	0	34,142,200
Indirect Cost Reimbursement	215,000	7,944	222,944
Sales and Services of Ed. Activities	685,000	53,360	738,360
Other Sources	654,400	220,402	874,802
Rebudgeted Fund Balance - E& G	3,525,000	(87,007)	3,437,993
Rebudgeted Fund Balance - AUX	380,000	0	380,000
Auxiliary Enterprises	8,508,100	0	8,508,100
<b>Total Revenues and Other Additions</b>	<u>\$66,512,100</u>	<u>\$196,172</u>	<u>\$66,708,272</u>
<b>Expenditure Authorizations by Division</b>			
<b>Educational &amp; General</b>			
President & Administration	\$314,198	\$33,908	\$348,106
University Advancement	1,438,269	57,068	1,495,337
Administration & Fiscal Services	8,950,146	452,665	9,402,811
Student Life	7,958,470	(8,847)	7,949,623
Academic Affairs	29,519,202	576,037	30,095,239
Other	9,443,715	(842,067)	8,601,648
<b>Total Educational &amp; General</b>	<u>\$57,624,000</u>	<u>\$268,764</u>	<u>\$57,892,764</u>
<b>Auxiliary Enterprises</b>			
Administration & Fiscal Services	\$5,461,367	(\$138,938)	\$5,322,429
Student Life	834,256	66,346	900,602
Other	2,592,477	0	2,592,477
<b>Total Auxiliary Enterprises</b>	<u>\$8,888,100</u>	<u>(\$72,592)</u>	<u>\$8,815,508</u>
<b>Total Expenditure Authorizations</b>	<u>\$66,512,100</u>	<u>\$196,172</u>	<u>\$66,708,272</u>

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of President &amp; Administration - Educational and General</b>							
BOARD OF REGENTS	\$12,902	\$0	\$12,902	0.0%	\$2,325	\$0	\$10,577
PRESIDENT	\$301,296	\$31,408	\$332,704	10.4%	\$103,728	\$1,996	\$226,979
AFFIRMATIVE ACTION	0	2,500	2,500	100.0%	990	581	929
Subtotal	\$301,296	\$33,908	\$335,204	11.3%	\$104,718	\$2,577	\$227,908
Total President & Administr	\$314,198	\$33,908	\$348,106	10.8%	\$107,043	\$2,577	\$238,485
Amendments to date:							
Requested November 17, 1995		\$33,908					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of University Advancement - Educational and General</b>							
VP UNIV ADVANCEMENT	\$188,276	\$11,112	\$199,388	5.9%	\$50,062	\$1,123	\$148,204
INSTITUTIONAL REL	196,329	(14,885)	181,444	-7.6%	47,014	4,352	130,077
ALUMNI REL & DEVELOP	475,290	27,943	503,233	5.9%	144,369	9,102	349,762
PUB & PRINTING SRVS	224,093	5,107	229,200	2.3%	44,932	214,440	(30,173)
WMKY RADIO	354,281	27,791	382,072	7.8%	116,066	8,367	257,639
<b>Total University Advancement</b>	<b>\$1,438,269</b>	<b>\$57,068</b>	<b>\$1,495,337</b>	<b>4.0%</b>	<b>\$402,444</b>	<b>\$237,384</b>	<b>\$855,509</b>
Amendments to date:							
Requested November 17, 1995		\$57,068					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of Admin &amp; Fiscal Svcs - Educational and General</b>							
VP ADMIN-FISCAL SERV	\$165,002	(\$852)	\$164,150	-0.5%	\$37,452	\$295	\$126,403
BUDGETS & MNGT INFO	154,887	0	154,887	0.0%	39,353	591	114,942
FISCAL SERVICES	201,035	26,187	227,222	13.0%	44,528	23,298	159,397
ACCT & BUD CONTROL	609,608	15,929	625,537	2.6%	192,480	33,978	399,078
PAYROLL	93,377	1,904	95,281	2.0%	21,654	747	72,881
PURCHASING	159,419	744	160,163	0.5%	47,894	954	111,315
STUDENT ID CARD	70,777	0	70,777	0.0%	18,298	1,861	50,617
HUMAN RESOURCES	377,812	56,675	434,487	15.0%	107,572	5,398	321,517
RISK MANAGEMENT	148,373	1,302	149,675	0.9%	42,379	8,433	98,863
OSHA	0	0	0	0.0%	100	0	(100)
POST OFFICE	87,878	111	87,989	0.1%	25,131	0	62,857
INTERNAL AUDITS	84,601	0	84,601	0.0%	16,348	15	68,238
STAFF CONGRESS	8,738	0	8,738	0.0%	1,695	0	7,043
INFO TECHNOLOGY	236,233	(230)	236,003	-0.1%	82,971	25,920	127,112
ACADEMIC COMPUTING	155,407	1,011	156,418	0.7%	46,042	670	109,705
USER SERVICES	546,860	4,753	551,613	0.9%	149,533	4,328	397,752
TECHNICAL SERVICES	278,204	17,067	295,271	6.1%	57,883	3,206	234,182
TELECOMMUNICATIONS	184,999	24,449	209,448	13.2%	(67,677)	17,249	259,876
COMPUTER CENTER	138,343	328	138,671	0.2%	27,970	445	110,257
INFO TECH ALLOCATION	0	0	0	0.0%	0	0	0
TECHNOLOGY PROJECTS	0	35,064	35,064	100.0%	4,060	1,601	29,403
FOLK ART CENTER	0	107,048	107,048	100.0%	34,709	0	72,339
Subtotal	\$3,701,553	\$291,489	\$3,993,042	7.9%	\$930,377	\$128,988	\$2,933,677

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
PHYSICAL PLANT ADMIN	\$501,344	(\$44,012)	\$457,332	-8.8%	\$103,761	\$37,813	\$315,759
GENERAL SERVICES	269,485	144	269,629	0.1%	70,665	0	198,964
POWER PLANT	624,160	0	624,160	0.0%	119,244	158,532	346,384
BUILDING MAINTENANCE	1,350,532	47,203	1,397,735	3.5%	302,509	59,901	1,035,325
LAND & GROUND MAINT	204,707	16,202	220,909	7.9%	57,162	18,370	145,377
CUSTODIAL SERVICES	947,727	242	947,969	0.0%	239,627	1,794	706,547
PEST CONTROL	26,952	0	26,952	0.0%	5,736	1,668	19,548
MOTOR POOL	302,740	0	302,740	0.0%	45,460	24,042	233,238
UPHOLSTERY SHOP	20,000	5,345	25,345	26.7%	5,345	0	20,000
WAREHOUSE	0	0	0	0.0%	(20,882)	61,919	(41,036)
E&G UTILITIES	899,565	0	899,565	0.0%	165,489	0	734,076
E&G FACILITY REMODEL	783,070	136,052	919,122	17.4%	227,292	334,916	356,914
MAINT ALLOCATIONS	(715,876)	0	(715,876)	0.0%	0	0	(715,876)
RECYCLING PROGRAM	34,187	0	34,187	0.0%	9,707	0	24,480
Subtotal	\$5,248,593	\$161,176	\$5,409,769	3.1%	\$1,331,116	\$698,954	\$3,379,699
Total Adm. & Fiscal Svcs	\$8,950,146	\$452,665	\$9,402,811	5.1%	\$2,261,493	\$827,943	\$6,313,376
Amendments to date:							
Requested November 17, 1995		\$452,665					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of Academic Affairs - Educational and General</b>							
EXEC VP ACAD AFFAIRS	\$343,111	(\$64,896)	\$278,215	-18.9%	\$74,461	\$3,727	\$200,027
KERA	0	0	0	0.0%	455	0	(455)
KEDC	0	0	0	0.0%	1,504	0	(1,504)
FACULTY SENATE	15,967	0	15,967	0.0%	3,282	413	12,273
REGISTRAR	275,257	0	275,257	0.0%	81,887	1,878	191,491
RES,GRANTS,CONTRACTS	207,416	19,038	226,454	9.2%	56,764	320	169,370
LIBRARY	1,985,390	74,105	2,059,495	3.7%	704,575	8,733	1,346,188
FACULTY DEVELOPMENT	63,679	(12,245)	51,434	-19.2%	9,451	3,123	38,860
UNDIST INSTRUC SUPP	217,365	(206,665)	10,700	-95.1%	211	0	10,489
CENT COMM ECON DEV	107,759	5,470	113,229	5.1%	34,474	3,307	75,448
COMM DEV & CONT EDUC	236,877	65,763	302,640	27.8%	96,236	13,462	192,942
SMALL BUSINESS ADM	56,708	0	56,708	0.0%	14,065	0	42,643
Subtotal	\$3,509,529	(\$119,429)	\$3,390,100	-3.4%	\$1,077,367	\$34,962	\$2,277,771
GRAD & EXT CAMP,DEAN	\$586,354	(\$273,446)	\$312,908	-46.6%	\$65,218	\$387	\$247,303
ASHLAND AREA EXT CAM	155,906	18,005	173,911	11.5%	33,968	652	139,291
LICKING VAL EX CTR	109,479	5,568	115,047	5.1%	28,991	1,903	84,154
BIG SANDY EX CAM CTR	149,673	11,749	161,422	7.8%	42,731	853	117,838
LEES D.S.L.	8,400	0	8,400	0.0%	0	0	8,400
FACULTY RESEARCH	65,000	16,218	81,218	25.0%	9,079	4,265	67,874
INDIRECT COST REBATE	0	0	0	0.0%	0	0	0
REGIONAL CAMPUS	245,768	(10,244)	235,524	-4.2%	8,540	27,100	199,884
SUMMER SCHOOLS	1,170,000	(541,047)	628,953	-46.2%	10,000	0	618,953
FACULTY RECRUITING	0	0	0	0.0%	0	0	0
OFF-CAMPUS CTR LEASE	0	0	0	0.0%	0	0	0
DISTANCE LEARNING ED	105,359	65,262	170,621	61.9%	37,782	8,939	123,901
Subtotal	2,595,939	(707,934)	1,888,005	-27.3%	236,309	44,099	1,607,597
CAUDILL C/HUMANITIES	\$185,753	(\$4,664)	\$181,089	-2.5%	\$47,948	\$3,973	\$129,169
ART	642,728	49,644	692,372	7.7%	158,744	5,851	527,777
COMMUNICATIONS	1,211,284	63,263	1,274,547	5.2%	258,293	10,290	1,005,964
END/FOR LANG/PHIL	1,689,878	176,560	1,866,438	10.4%	379,859	3,860	1,482,718
GEOGRAPHY,GOV,& HIST	1,156,403	50,314	1,206,717	4.4%	258,315	610	947,792
MUSIC	1,352,090	50,289	1,402,379	3.7%	290,576	6,776	1,105,026

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of Student Life - Educational and General</b>							
VP STUDENT LIFE	\$209,083	\$7,972	\$217,055	3.8%	\$65,350	\$2,459	\$149,246
STUDENT ACTIVITIES	697,779	78,720	776,499	11.3%	248,757	4,111	523,630
STUDENT DEVELOPMENT	124,613	(29,509)	95,104	-23.7%	31,207	676	63,221
COUN & HEALTH CENTER	383,977	32,329	416,306	8.4%	111,703	132,774	171,829
MINORITY AFFAIRS	79,963	0	79,963	0.0%	26,494	2,951	50,518
OFFICE OF FIN AID	377,727	19,483	397,210	5.2%	104,353	2,499	290,358
GRANTS & SCHOLARSHIP	2,309,492	1,950	2,311,442	0.1%	1,189,961	0	1,121,481
INST WORK STUDY	290,000	(288,820)	1,180	-99.6%	0	0	1,180
TUITION WAIVER	495,000	125,000	620,000	25.3%	305,073	0	314,927
INST SCHOLARSHIPS	0	0	0	0.0%	0	0	0
CHEERLEADERS	14,970	0	14,970	0.0%	6,042	6,658	2,270
PUBLIC SAFETY	559,070	477	559,547	0.1%	140,501	6,669	412,377
DIR OF ATHLETICS	309,354	14,087	323,441	4.6%	98,514	21,457	203,469
TRAINER	152,712	6,755	159,467	4.4%	83,956	6,534	68,976
SPORTS INFO DIRECTOR	78,601	11,642	90,243	14.8%	17,604	918	71,721
BASEBALL	154,000	(1,248)	152,752	-0.8%	45,969	2,842	103,941
BASKETBALL-MEN'S	314,756	(6,387)	308,369	-2.0%	106,814	19,916	181,639
FOOTBALL	691,713	9,712	701,425	1.4%	266,505	42,556	392,364
GOLF-MEN'S	41,887	614	42,501	1.5%	13,620	8,300	20,582
TENNIS-MEN'S	37,785	0	37,785	0.0%	13,044	2,888	21,853
SWIMMING	0	0	0	0.0%	0	0	0
CROSS COUNTRY	88,213	0	88,213	0.0%	32,224	3,981	52,008
BASKETBALL-WOMEN'S	242,965	6,962	249,927	2.9%	78,569	12,732	158,626
SOFTBALL-WOMEN'S	105,609	91	105,700	0.1%	32,664	13,798	59,238
TENNIS-WOMEN'S	39,120	(893)	38,228	-2.3%	10,943	7,230	20,054
VOLLEYBALL-WOMEN'S	138,504	2,216	140,720	1.6%	58,919	4,590	77,211
RIFLE	21,577	0	21,577	0.0%	5,460	6,088	10,029
<b>Total Student Life</b>	<b>\$7,958,470</b>	<b>(\$8,847)</b>	<b>\$7,949,623</b>	<b>-0.1%</b>	<b>\$3,094,244</b>	<b>\$312,628</b>	<b>\$4,542,750</b>
Amendments to date:							
Requested November 17, 1995		(\$8,847)					



**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
STUDENT PUBLICATIONS	92,878	(10,570)	82,308	-11.4%	3,174	2,413	76,721
UNIVERSITY BAND	28,000	(4,118)	23,882	-14.7%	3,265	227	20,390
ART GALLERY	6,685	0	6,685	0.0%	2,550	750	3,385
Subtotal	\$6,365,699	\$370,719	\$6,736,418	5.8%	\$1,402,724	\$34,751	\$5,298,943
COL BUSINESS, DEAN	\$208,592	\$20,635	\$229,227	9.9%	\$42,799	\$5,749	\$180,679
ACCOUNTING & ECON	919,261	23,882	943,143	2.6%	202,206	2,054	738,883
INFORMATION SCIENCES	750,821	5,767	756,588	0.8%	160,397	1,911	594,279
MANAGEMENT & MARKET	779,336	60,475	839,811	7.8%	178,967	1,813	659,030
PIKEVILLE - MBA	0	7,670	7,670	100.0%	710	2,280	4,680
Subtotal	\$2,658,010	\$118,429	\$2,776,439	4.5%	\$585,079	\$13,808	\$2,177,552
COL ED & BE SCI, DEAN	\$191,761	\$7,969	\$199,730	4.2%	\$51,783	\$8,477	\$139,470
ELEMENTARY EDUCATION	1,550,278	90,673	1,640,951	5.8%	368,158	3,338	1,269,454
LEAD. & SECOND. EDUC	1,091,413	31,665	1,123,078	2.9%	240,476	2,097	880,505
STUDENT TEACH/CLINIC	233,934	5,130	239,064	2.2%	38,538	12,689	187,837
CLEARHOUSE SCH SRVS	51,062	33,000	84,062	64.6%	24,866	171	59,025
IN-SERVICE TEACH ED	53,536	(17,597)	35,939	-32.9%	2,368	133	33,438
HPER	891,219	52,367	943,586	5.9%	194,539	3,472	745,575
MILITARY SCIENCE	9,042	9,570	18,612	105.8%	4,619	260	13,733
PSYCHOLOGY	673,711	84,574	758,285	12.6%	179,319	1,220	577,745
SOCIOLOGY	1,009,922	51,250	1,061,172	5.1%	207,605	1,786	851,781
CORR, RES, TRAINING	90,379	(3,340)	87,039	-3.7%	14,865	1,392	70,782
Subtotal	\$5,846,257	\$345,259	\$6,191,516	5.9%	\$1,327,135	\$35,035	\$4,829,346
COLL OF SCI & TECH	\$248,515	(\$9,915)	\$238,600	-4.0%	\$74,397	\$7,740	\$156,463
AGRICULTURE SCIENCES	506,409	43,167	549,576	8.5%	126,594	2,922	420,060
UNIVERSITY FARM	165,775	3,495	169,270	2.1%	42,374	7,446	119,450
FARM-MAINTENANCE	130,509	11,340	141,849	8.7%	35,706	1,400	104,743
EQUINE BREEDING PROG	69,956	(2,435)	67,521	-3.5%	14,266	1,289	51,966
EQUESTRIAN PROGRAM	36,947	0	36,947	0.0%	10,002	3,526	23,419
VET TECH PROGRAM	203,962	21,950	225,912	10.8%	48,911	3,389	173,612
HUMAN SCIENCES	487,207	43,828	531,035	9.0%	99,058	7,219	424,758
IET	791,847	33,463	825,310	4.2%	178,873	7,304	639,133
NURSING-BSN	819,177	(14,102)	805,075	-1.7%	132,843	6,551	665,681
RAD TECH PROGRAM	227,780	44,858	272,638	19.7%	72,429	1,767	198,442
NURSING - ADN	323,382	7,440	330,822	2.3%	60,597	1,253	268,972
BIOLOGY & ENV SCI	921,446	67,537	988,983	7.3%	206,403	10,623	771,957

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
WATER ANALYSIS LAB	15,433	6,002	21,435	38.9%	6,115	4,725	10,594
MATHEMATICAL SCI	994,724	57,686	1,052,410	5.8%	228,603	2,884	820,924
PHYSICAL SCIENCES	1,052,264	33,933	1,086,197	3.2%	217,378	13,566	855,253
Subtotal:	\$6,995,333	\$348,247	\$7,343,580	5.0%	\$1,554,548	\$83,603	\$5,705,428
UG PROGRAM, DEAN	\$198,245	\$36,608	\$234,853	18.5%	\$63,900	\$4,414	\$166,539
PLANNING	140,483	34,708	175,191	24.7%	32,433	3,239	139,519
RECRUIT. & RETENTION	621,587	89,528	711,115	14.4%	122,742	100,419	487,954
HONORS PROGRAM	16,787	800	17,587	4.8%	8,152	1,101	8,334
CRITICAL THINK CTR	13,129	(800)	12,329	-6.1%	3,011	20	9,298
INTERNATIONAL EDUC	2,711	0	2,711	0.0%	109	347	2,255
AREA HLTH ED SYSTEM	16,645	0	16,645	0.0%	0	0	16,645
ACAD SERVICES CENTER	376,488	50,114	426,602	13.3%	105,555	2,916	318,131
TESTING CENTER	84,423	9,290	93,713	11.0%	23,395	707	69,612
CAREER PLAN/PLACE	77,937	500	78,437	0.6%	16,897	0	61,540
Subtotal	\$1,548,435	\$220,748	\$1,769,183	14.3%	\$376,192	\$113,163	\$1,279,827
Total Academic Affairs	\$29,519,202	\$576,037	\$30,095,239	2.0%	\$6,559,355	\$359,420	\$23,176,464
Amendments to date:							
Requested November 17, 1995		\$576,037					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (E&G)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Other - Educational and General</b>							
UNDIS INST SUPPORT	\$573,000	(\$198,674)	\$374,326	-34.7%	\$22,931	\$74,700	\$276,694
ASHLAND CTR FACILITY	145,000	0	145,000	0.0%	94,744	0	50,256
BIG SANDY CTR FAC.	205,000	0	205,000	0.0%	43,766	0	161,234
LICKING VAL CTR FAC	38,293	0	38,293	0.0%	15,951	0	22,342
NON-MANDATORY TRANS.	2,325,984	(609,851)	1,716,133	-26.2%	594,750	0	1,121,383
FAC/STAFF BENEFITS	652,720	(33,541)	619,179	-5.1%	376,878	0	242,301
E & G DEBT SERVICE	4,719,100	0	4,719,100	0.0%	1,757,705	0	2,961,395
MANDATORY TRANSFERS	784,618	0	784,618	0.0%	218,422	0	566,196
ACCRUED LEAVE ADJUST	0	0	0	0.0%	0	0	0
<b>Total Other</b>	<b>\$9,443,715</b>	<b>(\$842,067)</b>	<b>\$8,601,648</b>	<b>-8.9%</b>	<b>\$3,125,147</b>	<b>\$74,700</b>	<b>\$5,401,801</b>
Amendments to date:							
Requested November 17, 1995		(\$842,067)					
<b>FISCAL YEAR TOTALS (E&amp;G)</b>	<b>\$57,624,000</b>	<b>\$268,763</b>	<b>\$57,892,763</b>	<b>0.5%</b>	<b>\$15,549,725</b>	<b>\$1,814,653</b>	<b>\$40,528,385</b>
Total Amendments to date:							
Requested November 17, 1995		\$268,763					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (AUX)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of Admin &amp; Fiscal Services - Auxiliary Enterprises</b>							
FOLK ART CENTER	\$129,916	(\$129,916)	\$0	-100.0%	\$0	\$25	(\$25)
HOUSING TELECOMM	286,823	(6,800)	280,023	-2.4%	236,195	0	43,828
STUDENT FAM HOU-O&M	103,090	0	103,090	0.0%	39,083	1,784	62,223
RESIDENCE HALL - O&M	1,494,173	0	1,494,173	0.0%	145,370	146,309	1,202,495
UNIV CTR - O&M	71,750	0	71,750	0.0%	19,622	0	52,128
HOUSING LAUNDRY	15,000	0	15,000	0.0%	9,867	0	5,133
AUX MAINT ALLOCATION	0	0	0	0.0%	0	0	0
RES HALL - CUSTODIAL	575,065	0	575,065	0.0%	137,274	0	437,791
FOOD SERVICES	72,214	0	72,214	0.0%	4,599	497	67,118
UNIVERSITY STORE	2,149,401	(35)	2,149,366	0.0%	1,038,116	31,313	1,079,937
GOLF COURSE	158,031	(2,187)	155,844	-1.4%	44,446	6,160	105,238
FAC/STAFF HOU - O&M	60,000	0	60,000	0.0%	4,189	0	55,811
VENDING & CONCESSION	265,904	0	265,904	0.0%	30,542	18,851	216,511
AUX FACILITY REMODEL	80,000	0	80,000	0.0%	0	0	80,000
<b>Total Adm. &amp; Fiscal Services</b>	<b>\$5,461,367</b>	<b>(\$138,938)</b>	<b>\$5,322,429</b>	<b>-2.5%</b>	<b>\$1,709,304</b>	<b>\$204,939</b>	<b>\$3,408,187</b>
<b>Amendments to date:</b>							
Requested November 17, 1995		(\$138,938)					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (AUX)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Division of Student Life - Auxiliary Enterprises</b>							
STUDENT HOUSING ADM	\$718,781	\$70,705	\$789,486	9.8%	\$216,466	\$5,550	\$567,469
UNIV CTR CUSTODIAL	86,475	479	86,954	0.6%	21,279	5,470	60,205
RECREATION ROOM	29,000	(4,838)	24,162	-16.7%	2,843	1,600	19,719
<b>Total Student Life</b>	<b>\$834,256</b>	<b>\$66,346</b>	<b>\$900,602</b>	<b>8.0%</b>	<b>\$240,589</b>	<b>\$12,620</b>	<b>\$647,393</b>
Amendments to date:							
Requested November 17, 1995		\$66,346					

**MOREHEAD STATE UNIVERSITY  
FY 1995-96 EXPENDITURE BUDGET (AUX)  
FOR PERIOD 07/01/95 TO 09/30/95**

DESCRIPTION	OPENING BUDGET	ADJUSTMENTS	AMENDED BUDGET	PERCENT CHANGE	EXPENDITURES	ENCUMBRANCES	AVAILABLE BALANCE
<b>Other - Auxiliary Enterprises</b>							
HOUSING DEBT SERVICE	\$2,487,477	\$0	\$2,487,477	0.0%	\$191,061	\$0	\$2,296,416
ACCRUED LEAVE ADJUST	0	0	0	0.0%	0	0	0
NON-MAN TRANSFER-AUX	105,000	0	105,000	0.0%	24,965	0	80,035
<b>Total Other</b>	<b>\$2,592,477</b>	<b>\$0</b>	<b>\$2,592,477</b>	<b>0.0%</b>	<b>\$216,026</b>	<b>\$0</b>	<b>\$2,376,451</b>
Amendments to date:							
Requested November 17, 1995		\$0					
<b>FISCAL YEAR TOTALS (AUX)</b>	<b>\$8,888,100</b>	<b>(\$72,592)</b>	<b>\$8,815,508</b>	<b>-0.8%</b>	<b>\$2,165,918.35</b>	<b>\$217,559</b>	<b>\$6,432,031</b>
Total Amendments to date:							
Requested November 17, 1995		(\$72,592)					
<b>FISCAL YEAR TOTALS (E&amp;G AND AUX)</b>	<b>\$66,512,100</b>	<b>\$196,172</b>	<b>\$66,708,272</b>	<b>0.3%</b>	<b>\$17,715,644</b>	<b>\$2,032,212</b>	<b>\$46,960,416</b>
Total Amendments to date:							
Requested November 17, 1995		\$196,172					

**MOREHEAD STATE UNIVERSITY  
TRANSFERS GREATER THAN \$200,000  
FOR THE PERIOD 07/01/95 TO 09/30/95**

<b>From: Division/ Budget Unit</b>	<b>To: Division/ Budget Unit</b>	<b>Amount</b>	<b>Description</b>
ACADEMIC AFFAIRS Summer Sessions	VARIOUS	\$455,845	Allocation of funds for Summer II faculty payroll. Funds are budgeted centrally in one account in the Opening Budget.
ACADEMIC AFFAIRS Grad/Ext Campus - Dean	VARIOUS	\$277,400	Allocation of funds for graduate assistants to various departments. Funds are budgeted centrally in one account in the Opening Budget.
STUDENT LIFE Institutional Work-Study	VARIOUS	\$288,820	Allocation of funds for work-study students to various departments. Funds are budgeted centrally in one account in the Opening Budget.
OTHER Non-Mandatory Transfers	VARIOUS	\$391,882	Carry forward of prior year budgeted funds for capital construction projects, technology projects, and purchase orders in process.

**MOREHEAD STATE UNIVERSITY  
CAPITAL OUTLAY STATUS REPORT  
AGENCY FUNDS  
FOR THE PERIOD 07/01/95 TO 09/30/95**

	<u>Estimated Project Scope</u>	<u>Completion Date</u>	<u>Project Status</u>
<b>I    Equipment Purchases Greater than \$50,000</b>			
Library Computer System	<u>\$743,000</u>		In Progress*
<b>II   Capital Construction Projects/Land Acquisitions Greater than \$50,000</b>			
1990 Clean Air Act Amendment Compliance Project (HVAC) (Previously Authorized \$500,000)	\$606,500		In Progress
Button Chiller Replacement - I	63,800		In Progress
Button Chiller Replacement - II	60,000		Bid
Campus Telecommunications / Data Networking Project - Generator for Ginger Hall	79,200		In Progress
Folk Art Center (20% Institutional Match)	975,000		Rebid
Elevator Upgrade - Mignon Tower	230,000		Bid
Heritage Room	112,000		In Progress
James Parking Lot	87,600	July 10, 1995	Completed
Roof Replacement - President's Residence	30,000 **		Planning
Ward Oates Demolition / Parking Lot	121,000	October 2, 1995	Completed
Warehouse Renovation	123,000		In Progress
Wellness Facility	<u>500,000</u>		Bid
	<u>\$2,988,100</u>		

\* The Library Computer System is in operation. However, the main contractor has been notified that 10 percent of the system contract price is being withheld pending delivery of several key functions. The University's contract stipulates several penalties if certain features are not delivered and accepted by specified dates.

\*\* Pursuant to the President's Contract of Employment, the Board of Regents shall authorize any non-routine maintenance to the President's residence.



## **RATIFY PERSONNEL ACTIONS**

### **Background**

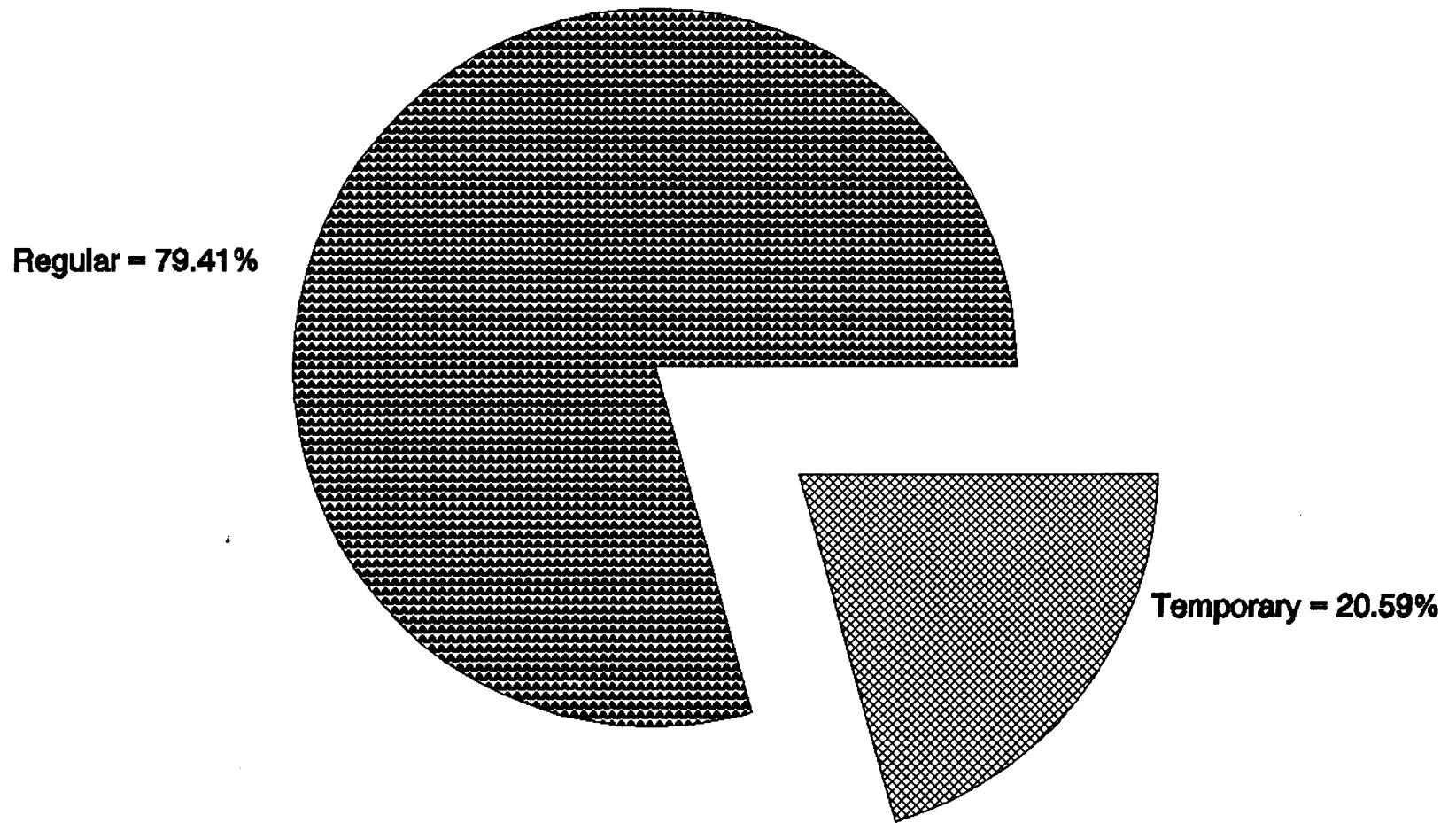
The personnel actions reported include faculty and senior level administrative appointments, changes in base salary or job title for faculty and senior level administrative appointments, disciplinary actions and any action related to non-classified staff positions.

### **Recommendation**

That the Personnel Actions for the period of July 31, 1995, through October 20, 1995, be ratified.

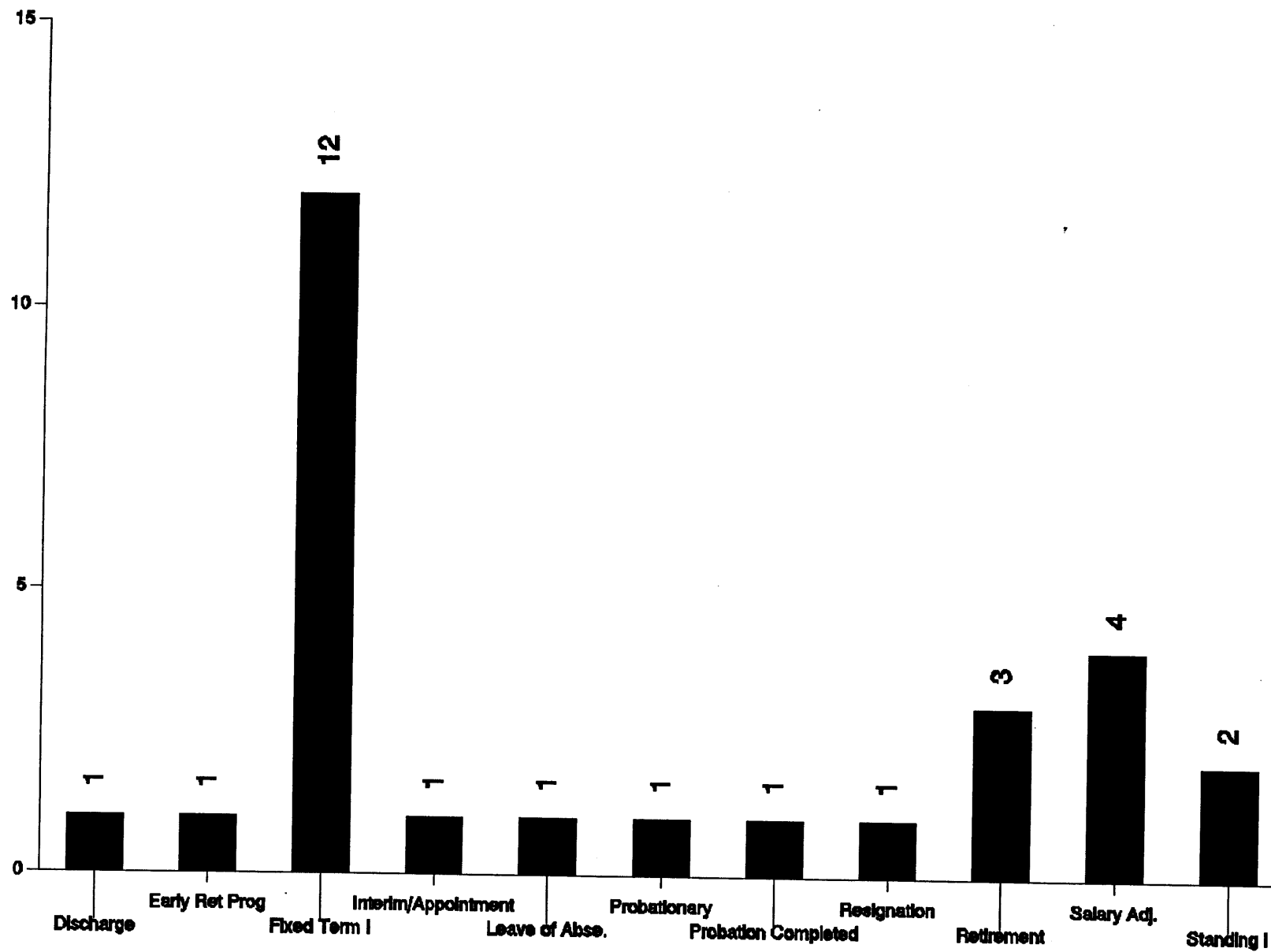
# PERSONNEL ACTION REQUEST

7/31/95 THRU 10/20/95



*Total Number of PAR's = 34*

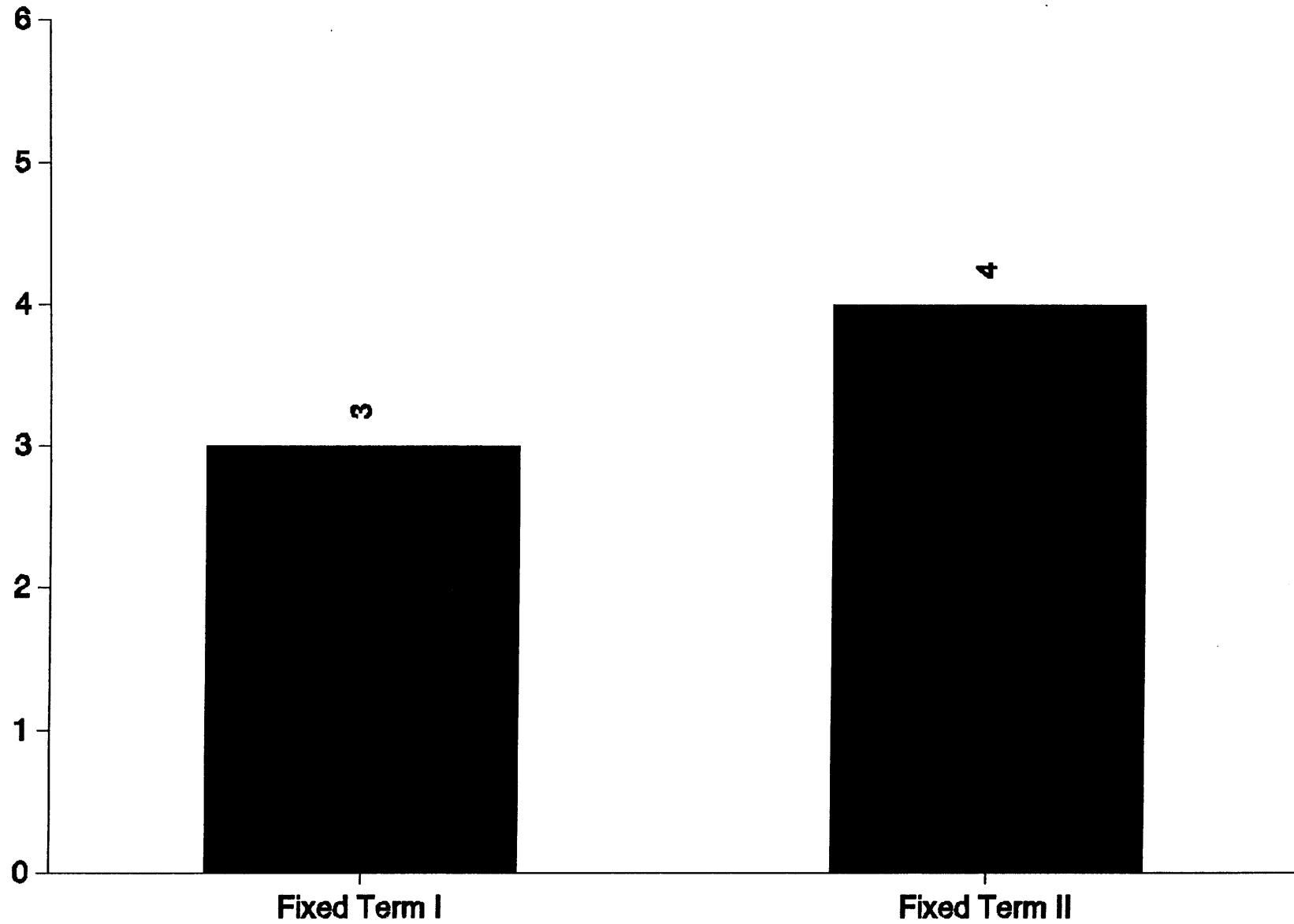
# PERSONNEL ACTIONS FOR STANDING I & II POSITIONS 7/31/95 THRU 10/20/95



*Total Number of PAR's = 27*

*Total Number of Actions = 28*

# PERSONNEL ACTIONS FOR TERM APPOINTMENTS 7/31/95 THRU 10/20/95



*Total Number of PAR's = 7*

*Total Number of Actions = 7*

MOREHEAD STATE UNIVERSITY  
STANDING I AND STANDING II POSITIONS SUMMARY  
October 20, 1995

DEPARTMENT NAME	JULY 1 AUTHORIZED POSITIONS	CURRENT AUTHORIZED POSITIONS	+/- POSITION ADJUSTMENTS	CURRENT POSITION STRENGTH	% OF CURRENT STRENGTH
OFFICE OF THE PRESIDENT	3.40	3.40	0.00	3.40	100.00
DIVISION OF UNIVERSITY ADVANCEMENT	36.10	36.10	0.00	35.60	98.61
DIVISION OF ADMINISTRATION AND FISCAL SERVICES	125.63	126.63	1.00	120.63	95.26
PHYSICAL PLANT	127.00 *	129.00	2.00	126.00	97.67
DIVISION OF STUDENT LIFE	100.86	100.86	0.00	97.86	97.03
DIVISION OF ACADEMIC AFFAIRS	17.50	18.50	1.00	18.50	100.00
GRADUATE AND EXTENDED CAMPUS PROGRAMS	21.50	21.50	0.00	20.50	95.35
CAUDILL COLLEGE OF HUMANITIES	124.47	124.47	0.00	122.47	98.39
COLLEGE OF BUSINESS	48.00	48.00	0.00	46.00	95.83
COLLEGE OF EDUCATION & BEHAVIORAL SCIENCES	109.64	109.64	0.00	101.64	92.70
COLLEGE OF SCIENCE AND TECHNOLOGY	139.44	139.44	0.00	135.44	97.13
ACADEMIC SUPPORT SERVICES	32.01	32.01	0.00	30.18	94.28
CAMDEN-CARROLL LIBRARY	42.83	44.33	1.50	44.33	100.00
	928.38	933.88	5.50	902.55	96.65

NOTE: Positions are expressed in terms of full-time equivalency.

\* Includes two vacant positions which were inadvertently not posted to the roster file.

## MOREHEAD STATE UNIVERSITY - DEFINITIONS OF THE DIFFERENT KINDS OF APPOINTMENTS

<b>Standing I</b>	Appointment to full-time faculty, administrative, or staff (exempt or non-exempt) position. Employed through budgeted funds with benefits fully covered. The Budget Control Number (Roster ID) will be in the Personnel Roster or a position will be assigned a control number if the position is established after approval of the Personnel Roster. Regular status.* No ending date.
<b>Standing II</b>	Appointment to part-time faculty, administrative or staff (exempt or non-exempt) position. Employed through budgeted funds with only legally mandated benefits. The Budget Control Number (Roster ID) will be in the Personnel Roster. Non-Regular status.** No ending date.
<b>Fixed Term I</b>	Appointment to full-time faculty, administrative or staff (exempt or non-exempt) position for at least six calendar months but not to exceed one year. (May be employed through Soft Money funds***). Non-faculty appointments may be renewed from year to year. Early retirement appointments may be made up to four years. Regular status with benefits fully covered.* Terminable on specified ending date of appointment, or earlier, if for cause.
<b>Fixed Term II</b>	Appointment to full-time (up to six calendar months) or part-time (up to one year) faculty, administrative or exempt position with appropriate benefits. May be employed through Soft Money*** or budgeted funds, with only legally mandated benefits. Non-Regular status.** Terminable on specified ending date of appointment, or earlier, if for cause.
<b>Visiting Appointment</b>	Faculty appointment with "visiting" as part of title. Can be full-time or part-time. Normally limited to one year. Employed through Soft Money.*** Non-Regular status with only legally mandated benefits.

\* Regular status denotes an appointment of a faculty, administrative, or staff member to a full-time position, with benefits fully covered, that will exist for at least six calendar months with the expectation of continuance.

\*\* Non-Regular status denotes an appointment of a faculty, administrative, or staff member to a position that is less than full-time or is full-time for a period not to exceed six calendar months.

\*\*\* Soft Money is defined as nonrecurring funds from University or external funds, for example, Federal grants, contracts, etc.

**THE FOLLOWING ARE TYPES OF APPOINTMENTS & PERSONNEL ACTIONS  
REPORTED IN THE APPOINTMENT STATUS ACTIONS SECTION:**

**DISCHARGE**

**EARLY RETIREMENT PROGRAM**

**FIXED TERM I**

**FIXED TERM II**

**INTERIM/APPOINTMENT**

**LEAVE OF ABSENCE**

**PROBATIONARY**

**PROBATION COMPLETED**

**RESIGNATION**

**RETIREMENT**

**SALARY ADJUSTMENT**

**STANDING I**

# Appointment Status Actions

07/31/95 - 10/20/95

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
ADKINS, HOMER RAY Maint. Technician II Building Maintenance 000735 \$10.68/hr.	\$10.68/hr.	Retirement	09/30/95	
BRUENING, CHRISTI C Asst. Professor of Psychology 003132 \$31,620.00	\$30,300.00	Fixed Term I	08/14/95 - 05/10/96	
CONLEY, TROY NEAL Instructor, Radiologic Tech. Nur. & All. Hlth.-Rad. Tech	\$12,000.00	Fixed Term II	08/21/95 - 12/15/95	Roster ID # 000291
CRUMP, KELLIE DEAN Instructor of Speech Communications 000480 \$25,755.00	\$24,000.00	Fixed Term I	08/14/95 - 05/11/96	
CRUMP, KELLIE DEAN Instructor of Speech Communications 000480 \$25,755.00	\$24,000.00	Resignation	09/01/95	
DOROSARIO, JOHN Asst. Athletic Trainer Office of the Trainer 001042 \$19,377.00	\$19,115.00	Standing I Probation	08/21/95	
DOWDY, KELLY M Instructor of Management Management & Marketing	\$20,200.00	Fixed Term I	08/14/95 - 05/11/96	Roster ID # 002096 Roster ID # 000344 Roster ID # 003147



# Appointment Status Actions

07/31/95 - 10/20/95

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
FLATT, CAROLYN S PDI Director Human Sciences 000551 \$36,187.00	\$36,187.00	Early Retirement Program	12/29/95	
FLATT, CAROLYN S PDI Director Human Sciences 000551 \$36,187.00	\$9,047.00 (1/8/96-5/11/96)	Fixed Term I (Early Retirement under PAC-25. Salary to be determined each fiscal year)	01/08/96 - 12/31/99	
GADDIS, MARCUS D. Asst. Professor of Accounting Accounting & Economics 002096 \$51,000.00	\$41,000.00	Fixed Term I	08/16/95 - 05/11/96	
GLENDENING, CANDACE L. Instructor of Biology Biological & Environmental Sci	\$21,000.00	Fixed Term I	08/21/95 - 05/11/96	Roster ID # 000555
HERRON, JAMES DUDLEY Dept. Chair, Physical Sciences Physical Sciences 003101 \$61,847.00	\$61,847.00	Retirement	06/30/96	
HIGNITE, BARBARA JEAN Instructor of Nursing Nursing & All. Health-BSN Prog 001065 \$32,909.00	\$30,000.00	Fixed Term I	08/14/95 - 05/10/96	

# Appointment Status Actions

07/31/95 - 10/20/95

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
HOWELL JR, JERRY F Professor of Biology Biological & Environmental Sci 000555 \$50,656.00	\$50,656.00	Leave of Absence	01/10/96 - 05/11/96	
JOHNSON, DONNA DAVIS Instructor of Education Elem. Read. & Spec. Education	\$12,000.00	Fixed Term II	08/21/95 - 12/15/95	Roster ID # 000385
JONES, MELINDA Instructor of Marketing Management & Marketing 001177 \$25,466.00	\$25,466.00	Fixed Term I	08/14/95 - 05/11/96	
KEARNS, GROVER S. Assistant Professor of CIS Information Sciences 003147 \$42,600.00	\$40,000.00	Fixed Term I	08/21/95 - 05/11/96	
MARTIN, ANGELA S. Dir. of Budgets & Mgt. Inf. Off. Budget & Management Inf. 001026 \$49,746.00	\$49,746.00	Probation Completed	04/01/95	
MCKENNA, CYNTHIA M. Instructor of Nursing Nursing & All. Health-BSN Prog 001263 \$33,949.00	\$28,000.00	Fixed Term I	08/21/95 - 05/11/96	

# Appointment Status Actions

07/31/95 - 10/20/95

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
MESSER, GARY G Occup. Safety & Health Coord. Office of Risk Management 000256 \$39,931.00	\$999.00	Interim Appointment (Acting Director of Risk Management)	10/01/95 - 12/31/95	Roster ID # 000256
MIDDLETON, ELISA MICHELE Secretary Football 000645 \$7.13/hr.	\$7.13/hr.	Discharge	10/10/95	
MOELLER, HARRY CHARLES Instructor of Biology Biological & Environmental Sci	\$24,000.00	Fixed Term I	08/14/95 - 05/11/96	Roster ID # 000555
MORRIS, DONALD A Assistant Professor of Music 000519 \$42,466.00	\$33,000.00	Fixed Term I	08/14/95 - 5/11/96	
NEWSOME, NOLA FAYE Assistant Professor Education Elem. Read. & Spec. Education 003111 \$32,000.00	\$31,500.00	Salary Adjustment (Nola did not receive her doctorate degree. From \$32,500 to \$31,500. Decreased \$1,000)	08/14/95	
POWERS, SHERRY WILSON Instructor of Education Elem. Read. & Spec. Education 000367 \$32,000.00	\$24,000.00	Fixed Term I	08/21/95 - 05/11/96	
RAMEY, C. VICTOR Assoc. Professor of Science Physical Sciences 000136 \$44,819.00	\$45,262.00 (\$443.00 incr.)	Salary Adjustment (Salary correction from 8/16/95 new year salary)	08/16/95 - 05/10/96	Roster ID # 002996

# Appointment Status Actions

07/31/95 - 10/20/95

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
RATLIFF, JANET MARLENE Instructor of Marketing Management & Marketing 000323 \$21,222.00	\$21,222.00	Fixed Term I	08/14/95 - 05/11/96	
SHEMWELL, LISA DAWN Instructor of Speech Communications 000463 \$25,755.00	\$27,510.00	Fixed Term I	08/14/95 - 05/11/96	Roster ID # 000078
SKAGGS, I. PAULINE Custodian Off. Counseling & Health Serv. 000126 \$5.75/hr.	\$5.75/hr.	Retirement	08/31/95	
TOBIN, JONELL Dir., Licking Valley Ext. Camp 002274 \$49,129.00	\$49,129.00	Salary Adjustment (Received Doctorate Degree. From \$48,129 to \$49,129. \$1,000 incr.)	07/01/95	Contingency Acct.
TOWELL, GORDON Assistant Professor of Music 000512 \$30,000.00	\$30,000.00	Standing I	08/14/95	
WARD, NAN K Instructor of Education Leadership & Secondary Educ.	\$15,000.00	Fixed Term II	08/21/95 - 12/15/95	Roster ID # 000363
WHITWORTH, JOAN M. Asst. Professor of Science Physical Sciences 003173 \$32,000.00	\$33,000.00 (\$1,000.00 incr.)	Salary Adjustment (Received Doctorate Degree)	08/14/95	Roster ID # 002996
ZAPACH, BRIAN THOMAS Restricted Earnings Coach Men's Basketball	\$12,000.00	Fixed Term II	08/28/95 - 03/31/96	Roster ID # 002219

**REAL PROPERTY ACQUISITION  
QUARTERLY REPORT  
NOVEMBER 10, 1995**

PROPERTY LOCATION	PREVIOUS OWNER	APPRAISAL PRICE	ACQUISITION PRICE	ACQUISITION DATE
121 Fourth Street	Huffman/Crowe	\$52,500	\$52,500	08/07/95
Property Description:      The Huffman/Crowe property fronts on Fourth Street on a .2 acre tract with a single family residence. Property adjoins the MSU Greenhouse on the west end of campus.				

## REPORT ON EXTERNAL AGREEMENTS

### **Background**

The University routinely enters into external agreements primarily for academic support and public service. These agreements are generally accomplished without regard to monetary consideration and cover such services as providing clinical learning facilities for students enrolled in professional programs, classroom facilities for off-campus classes and agreements with other educational institutions and state agencies.

An agreement of the type being reported is initiated by the appropriate vice president, dean or director and is channeled through the University's administrative structure for approval by the President. The President, under the delegated provisions of KRS Chapter 164A, elected by the Board of Regents in 1982 and 1990, and codified as Kentucky Administrative Regulation (KAR)755 is authorized to negotiate and execute contracts and agreements of this type. All new agreement documents are reviewed by the University's legal counsel prior to their execution.

## EXTERNAL AGREEMENTS

AGENCY	AGREEMENT DESCRIPTION	AGREEMENT BEGINNING DATE	AGREEMENT ENDING DATE	MONETARY CONSIDERATION
Ashland-Boyd County Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Baptist Healthcare System, d/b/a Central Baptist Hospital	A cooperative program of learning for the Baccalaureate Nursing Program	January 1, 1995	January 1, 1996	N/A
BMA - Morehead	A cooperative program of learning for the Associate Degree Nursing Program	June 30, 1995	June 30, 1996	N/A
Clark County Regional Medical Center	A cooperative program of learning for the Associate Degree Nursing Program	September 7, 1995	September 7, 1995	N/A
Clark County Regional Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A

**EXTERNAL AGREEMENTS**  
**Continued**

<b>AGENCY</b>	<b>AGREEMENT DESCRIPTION</b>	<b>AGREEMENT BEGINNING DATE</b>	<b>AGREEMENT ENDING DATE</b>	<b>MONETARY CONSIDERATION</b>
Commonwealth of Kentucky Cabinet for Human Resources	To provide student placement programs at the Cabinet's Department for Mental Health/Mental Retardation Services facilities	May 16, 1995	May 16, 1996	N/A
FIVCO District Health Department	A cooperative program of learning for the Baccalaureate Nursing program	June 30, 1995	June 30, 1996	N/A
Floyd County Health Department	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Gateway District Health Department	A cooperative program of learning for the Associate Degree Nursing Program	August 22, 1995	August 22, 1996	N/A
Gateway District Health Department	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A



**EXTERNAL AGREEMENTS**  
Continued

<b>AGENCY</b>	<b>AGREEMENT DESCRIPTION</b>	<b>AGREEMENT BEGINNING DATE</b>	<b>AGREEMENT ENDING DATE</b>	<b>MONETARY CONSIDERATION</b>
Good Samaritan Hospital	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Highlands Regional Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Johnson County Health Department	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
King's Daughters' Medical Center	A cooperative program of learning for the Associate Degree Nursing Program	June 30, 1995	June 30, 1996	N/A
King's Daughters' Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Lees College	To offer higher education courses	August 10, 1995	August 10, 1996	N/A

**EXTERNAL AGREEMENTS**  
**Continued**

AGENCY	AGREEMENT DESCRIPTION	AGREEMENT BEGINNING DATE	AGREEMENT ENDING DATE	MONETARY CONSIDERATION
Lees College Kentucky Telelinking Network	For the joint construction and operation of an interactive television classroom	July 1, 1995	September 30, 1996	N/A
Life Care Center of Morehead	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Mary Chiles Hospital	A cooperative program of learning for the Associate Degree Nursing Program	June 30, 1995	June 30, 1996	N/A
Mary Chiles Hospital	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Montgomery County Board of Education	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A

**EXTERNAL AGREEMENTS**  
Continued

AGENCY	AGREEMENT DESCRIPTION	AGREEMENT BEGINNING DATE	AGREEMENT ENDING DATE	MONETARY CONSIDERATION
Our Lady of Bellefonte Hospital	A cooperative program of learning for the Associate Degree Nursing Program	June 30, 1995	June 30, 1996	N/A
Our Lady of Bellefonte Hospital	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Paul B. Hall Regional Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Pike County Health Department	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Pikeville United Methodist Hospital of Kentucky	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A

**EXTERNAL AGREEMENTS**  
**Continued**

<b>AGENCY</b>	<b>AGREEMENT DESCRIPTION</b>	<b>AGREEMENT BEGINNING DATE</b>	<b>AGREEMENT ENDING DATE</b>	<b>MONETARY CONSIDERATION</b>
Rowan County Board of Education	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
St. Claire Medical Center	A cooperative program of learning for the Associate Degree Nursing Program	June 30, 1995	June 30, 1996	N/A
St. Claire Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
University of Kentucky Medical Center	A cooperative program of learning for the Baccalaureate Nursing Program	June 30, 1995	June 30, 1996	N/A
Franklin County Board of Education	To pursue the implementation of the Tech Prep concept	July 6, 1995	July 6, 1996	N/A

## **REPORT ON PERSONAL SERVICE CONTRACTS**

### **Background**

The attached list of personal service contracts represents all such contracts issued with amounts greater than \$1,000 between August 2, 1995 and November 1, 1995.

**PERSONAL SERVICE CONTRACTS**  
**August 2, 1995 through November 1, 1995**

<b>Individual/Firm</b>	<b>Contract Description</b>	<b>Contract Beginning Date</b>	<b>Contract Ending Date</b>	<b>Contract Amount</b>	<b>Method of Selection</b>
Artist of Note Knoxville, IL	Artist/96 Appalachian Celebration	June 24, 1995	June 27, 1995	\$ 2,700.00	Reference
National Seminars Group Shawnee Mission, KS	Seminar/Staff development and training	November 27, 1995	November 27, 1995	\$ 2,600.00	Reference
Ben Apfelbaum Lexington, KY	Appraisal of Folk Art Permanent Collection	October 7, 1995	November 15, 1995	\$ 5,000.00	Reference
Stites & Harbison Lexington, KY	Training/Workshop for staff	November 2, 1995	November 2, 1995	\$ 1,300.00	Reference
Kevin L. Calhoun Jackson, KY	Collect hazardous material transportation information	October 6, 1995	October 15, 1995	\$ 6,950.00	Reference - Amendment (\$2,000 increase)
Charlene Mackay Morehead, KY	Field observation (hazardous materials)	November 1, 1995	December 1, 1995	\$ 6,204.00	Reference - Amendment (\$1,200 increase)

**REPORT ON KENTUCKY FOLK ART CENTER, INC  
AND  
MOREHEAD STATE UNIVERSITY OPERATING AGREEMENTS**

**Background**

In May, 1995, the Kentucky Folk Art Center, Inc., received the Letter Of Advance Ruling from the Internal Revenue Service granting them, private non-profit, 501 - C 3 status. A Board of Directors had been formed earlier (Board Briefs, November, 1994) and a Statement of Agreement (attached) between the University and the KFAC outlining the general responsibilities of the KFAC, Inc. and the expectations of the University was entered into in March, 1995.

The KFAC, Inc. will exhibit and present the University's folk art collection. MSU will continue to employ certain individuals qualified to manage the collection, reducing MSU cash support each year until such time the KFAC can assume the financial support for these individuals and the Center. The University's 1995-96 Operating Budget recognized the provisions of this agreement. A more detail Operating Policies and Procedures Agreement (attached) has also been agreed to.

## STATEMENT OF AGREEMENT

**WHEREAS:** Kentucky Folk Art Center, Inc., is a nonstock, nonprofit corporation incorporated under the provisions of Chapter 273 of the Kentucky Revised Statutes to operate a folk art museum; and

**WHEREAS:** Morehead State University possesses a collection of folk art and certain facilities suitable for the exhibition and presentation of such folk art; and

**WHEREAS:** Morehead State University employs certain individuals qualified to manage the exhibition and presentation of such folk art; and

**WHEREAS:** It is Morehead State University's express intent and desire to have its folk art collection exhibited and presented by Kentucky Folk Art Center, Inc., and to otherwise support Kentucky Folk Art Center, Inc.;

**NOW THEREFORE:** In consideration of these premises, the mutual covenants contained herein, and other consideration expressed herein, Morehead State University and Kentucky Folk Art Center, Inc., hereby agree as follows:

### PERFORMANCE

#### MOREHEAD STATE UNIVERSITY

1. Morehead State University will make available to Kentucky Folk Art Center, Inc., its building at 119 West University Boulevard or 102 West First Street, Morehead, Kentucky, or such other location as may be agreed to by the parties hereto for use as a museum for the exhibition and presentation of folk art, administrative offices, and a museum store. Morehead State University will provide utilities, repair, maintenance, and custodial services, as well as, maintain adequate fire and casualty insurance coverage on the building and its contents.

2. Morehead State University will make the services of certain of its employees available to Kentucky Folk Art Center, Inc., to manage and operate a folk art museum and museum store and to perform other duties as may be appropriate.

3. Morehead State University will loan its permanent collection of folk art to Kentucky Folk Art Center, Inc. Such loan shall be made in accordance with the terms and conditions of the ART LOAN AGREEMENT, the form of which is attached hereto as EXHIBIT A.

#### KENTUCKY FOLK ART CENTER, INC.

4. Kentucky Folk Art Center, Inc., will pay to Morehead State University as consideration for use of the facilities set forth in paragraph 1 above and the services set forth in paragraph 2 above such amounts properly billed by Morehead State University for such purpose.



5. Kentucky Folk Art Center, Inc., will consult with Morehead State University in connection with major fundraising efforts and agrees to solicit major contributions from sources agreed to by both parties.
6. Kentucky Folk Art Center, Inc., will follow the standard business practices for accounting, auditing, and cash control as those followed by Morehead State University.
7. The President of Morehead State University (or his designate) and one other individual nominated by the President will be elected to serve on the Board of Directors of Kentucky Folk Art Center, Inc. The President (or his designate) will be elected to serve on the Executive Committee of the Board of Directors of Kentucky Folk Art Center, Inc.
8. Kentucky Folk Art Center, Inc., will display the logo of Morehead State University at its facility referred to in paragraph 1 above and will further display such logo on promotional or other literature as may be appropriate.

#### DURATION

This agreement shall become effective as of July 1, 1995, and remain in full force and effect until it is terminated by either party to the agreement or modified by mutual agreement.

IN WITNESS WHEREOF, we the undersigned have hereunto affixed our signatures this 8<sup>th</sup> day of MARCH, 1995.

KENTUCKY FOLK ART CENTER, INC.

MOREHEAD STATE UNIVERSITY

M. Ray Lane  
Signature

PRESIDENT  
Title

Don H. Eglin  
Signature

PRESIDENT  
Title

**MEMORANDUM OF UNDERSTANDING  
RELATED TO  
OPERATING POLICIES AND PROCEDURES  
MOREHEAD STATE UNIVERSITY  
AND  
THE KENTUCKY FOLK ART CENTER, INC.**

Morehead State University (University) and Kentucky Folk Art Center, Inc. (KFAC, Inc.) hereby agree to the following:

**Facility Support**

The University shall provide space for KFAC, Inc. and shall provide utilities, repair, insurance, maintenance, security, and custodial services.

**Permanent Collection**

KFAC, Inc., shall serve as steward to the Folk Art Collection owned by the University by providing storage, conservation, educational use, registration and cataloguing of the Collection. Deaccessioning of MSU Art when agreed upon by both parties, shall follow policies and procedures approved by the University and KFAC, Inc. Insurance appraisal and insurance for the University Folk Art Collection shall be provided by the University.

**Personnel**

The University shall prepare quarterly billing statements to KFAC, Inc., for support services and compensation costs of the Educational Coordinator's salary). KFAC, Inc. payment shall be forthcoming within 30 days. Exceptions shall be requested in advance.

**Account Establishment**

KFAC, Inc., with the cooperation of University budget units, shall secure University approval to establish University related accounts for continuation of selected services. Accounts for these support services include (but may not be limited to) printing services, telephone charges, vehicle leasing, postal charges, computer lease agreements, and any purchases made through MSU price control and bid process. Each account will be approved by the Vice President for Administration and Fiscal Services based on a written statement from KFAC, Inc., requesting the applicable University budget unit documenting the account's purpose and source of funds.

**Record Review**

KFAC, Inc., and the University agree that access to all KFAC, Inc., personnel and financial records will be available to any authorized party designated by the

University's Vice President for Administration and Fiscal Services. Monthly activity reports, and annual financial reports shall be provided by KFAC, Inc., to the University.

**Fundraising Development**

KFAC, Inc. will coordinate the fund raising activities with the Morehead State University Foundation, Inc. and will make reasonable efforts to solicit contributions only from donors mutually acceptable to the MSU Foundation Inc. and the KFAC Inc.

**Duration of Agreement**

This agreement shall be effective as of \_\_\_\_\_, 1995, and shall remain in effect until such time as it is mutually amended or terminated by the parties.

**IN WITNESS WHEREOF**, we have hereunto affixed our signatures this \_\_\_\_\_ day of \_\_\_\_\_, 1995.

**For Morehead State University**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**For Kentucky Folk Art Center, Inc.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**For Morehead State University  
Foundation, Inc.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

## **REPORT OF PRIVATE GIVING**

### **July 1, 1994 - June 30, 1995**

Private giving to Morehead State University increased during the 1994-95 fiscal year to an all-time high of **\$1,709,670.67**. This total compares to last year's gift total of \$1,565,366.43, an increase of \$144,304.24 (8%).

Gifts-in-kind, ranging from works of art to real estate, exceeded \$620,000. The Office of Alumni Relations and Development processed 6,065 gifts from 4,390 individuals, corporations and other entities. Gifts from alumni of the University accounted for 21% of the total received from all sources.

The most significant gifts of the year included \$250,000 from Mrs. Lucille Little for the W. Paul and Lucille Little Endowment Fund as the second portion of a pledge of \$1,000,000; \$150,000 from the Ashland Inc. Foundation as the final year of a five-year pledge of \$750,000; a gift-in-kind of real estate valued at \$123,475 from Dr. and Mrs. Ted Crosthwait; a gift-in-kind of the former Trail Theatre valued at \$110,161 from Chakeres Theatres, Inc.; \$65,249 from the Diederich Educational Trust for scholarships; \$58,125 from the Mountain Rural Telephone Cooperative for scholarships; a gift-in-kind of antiques and other furnishings valued at \$37,701 from the estate of Mr. Boone Logan; and \$25,000 from the Steele-Reese Foundation for the Kentucky Folk Art Center.

### **Private Giving Summary, 1994-95**

Scholarships, Endowments, Gifts-in-Kind	\$1,151,548.40
Eagle Athletic Scholarship Fund	123,608.18
General Fund (Unrestricted, Colleges, Departments)	<u>434,514.09</u>
<b>TOTAL</b>	<b>\$1,709,670.67</b>

## PROPOSED 1996 BOARD OF REGENTS MEETING DATES

### Background

The Board of Regents' *Bylaws* state that the meeting dates for the succeeding calendar year shall be determined at the Board's last regular meeting of the calendar year. The following dates are proposed for the 1996 calendar year:

Friday, March 1  
Friday, May 10  
Friday, September 13  
Friday, November 15

### Recommendation

That the above quarterly meeting dates be approved for calendar year 1996.

MOREHEAD STATE UNIVERSITY  
MOREHEAD, KENTUCKY

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION  
AS OF JUNE 30, 1995 AND 1994

TOGETHER WITH INDEPENDENT AUDITOR'S REPORTS



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

# TABLE OF CONTENTS

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	<u>PAGE</u>
<b>INDEPENDENT AUDITOR'S REPORT</b> . . . . .	2
 <b>FINANCIAL STATEMENTS</b>	
BALANCE SHEETS . . . . .	3-4
STATEMENTS OF CHANGES IN FUND BALANCES . . . . .	5-7
STATEMENTS OF CURRENT FUNDS REVENUES, EXPENDITURES AND OTHER CHANGES . . . . .	8-9
NOTES TO FINANCIAL STATEMENTS . . . . .	10-17
 <b>SUPPLEMENTAL INFORMATION</b>	
SCHEDULES OF CURRENT FUNDS REVENUES . . . . .	18
SCHEDULES OF CURRENT FUNDS EXPENDITURES AND MANDATORY TRANSFERS . . . . .	19-21
SCHEDULES OF CHANGES IN FUND BALANCES - LOAN FUNDS . . . . .	22
SCHEDULES OF HOUSING SYSTEM REVENUES AND EXPENDITURES . . . . .	23
SCHEDULE OF BONDS, NOTE AND OTHER LONG-TERM PAYABLES . . . . .	24
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND FUND BALANCES - SINKING FUNDS . . . . .	25
 <b>FEDERAL PROGRAM REPORTS</b>	
INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL AWARDS . . . . .	26
SCHEDULE OF FEDERAL AWARDS . . . . .	27-33
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS AND GRANTS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS . . . . .	34
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS . . . . .	35-36
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL AWARDS PROGRAMS . . . . .	37
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARDS PROGRAMS . . . . .	38-39
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL AWARDS PROGRAM TRANSACTIONS . . . . .	40
SCHEDULE OF FINDINGS AND QUESTIONED COSTS . . . . .	41-42
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH OMB CIRCULAR A-133 . . . . .	43-45

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Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the accompanying balance sheets of Morehead State University as of June 30, 1995 and 1994, and the related statements of changes in fund balances and current funds revenues, expenditures and other changes for the years then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Morehead State University at June 30, 1995 and 1994, and the changes in its fund balances, and current funds revenues, expenditures and other changes for the years then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated September 14, 1995, on our consideration of Morehead State University's internal control structure and a report dated September 14, 1995, on its compliance with laws and regulations.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The data contained in pages 18 through 25 of this report is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kelley, Galloway & Company, PSC*

September 14, 1995



MOREHEAD STATE UNIVERSITY

BALANCE SHEETS

JUNE 30, 1995 AND 1994

<u>ASSETS</u>	<u>1995</u>	<u>1994</u>	<u>LIABILITIES AND FUND BALANCE</u>	<u>1995</u>	<u>1994</u>
<u>CURRENT FUNDS:</u>		<u>(Note 12)</u>	<u>CURRENT FUNDS:</u>		<u>(Note 12)</u>
Unrestricted:			Unrestricted:		
Cash (Note 4)	\$10,321,232	\$11,918,998	Accounts payable	\$ 898,128	\$ 1,030,375
Accounts receivable, less allowance for doubtful accounts of \$77,387 at 1995 and \$72,939 at 1994 (Note 1)	450,735	309,360	Accrued vacation pay (Note 1)	980,274	960,299
Inventories (Note 1)	1,984,583	2,082,261	Accrued salaries and other liabilities (Note 12)	2,614,580	2,393,784
Due from restricted current funds	835,873	544,179		<u>4,492,982</u>	<u>4,384,458</u>
Due from agency funds	38,801	16,926	Fund balance -		
Due from plant funds	154,650	265,000	Allocated (Note 12)	8,930,068	10,428,461
Due from loan funds	2,150	21,800	Unallocated	364,974	345,605
				<u>9,295,042</u>	<u>10,774,066</u>
Total unrestricted	<u>13,788,024</u>	<u>15,158,524</u>	Total unrestricted	<u>13,788,024</u>	<u>15,158,524</u>
Restricted:			Restricted:		
Cash (Note 4)	341,501	245,653	Accounts payable	163,530	135,046
Federal and state grants receivable	1,420,944	974,138	Accrued wages	45,924	37,601
Due from agency funds	100	-	Due to unrestricted current funds	835,873	544,179
			Due to agency funds	-	200
			Unearned revenue for Federal and state grants	658,508	466,758
			Fund balance	58,710	36,007
Total restricted	<u>1,762,545</u>	<u>1,219,791</u>	Total restricted	<u>1,762,545</u>	<u>1,219,791</u>
Total current funds	<u>\$15,550,569</u>	<u>\$16,378,315</u>	Total current funds	<u>\$15,550,569</u>	<u>\$16,378,315</u>
<u>LOAN FUNDS:</u>			<u>LOAN FUNDS:</u>		
Cash (Note 4)	\$ 114,025	\$ 125,396	Accounts payable	\$ 2,782	\$ 2,482
Loans to students, less allowance for doubtful accounts of \$151,000 at 1995 and \$159,605 at 1994 (Note 1)	3,333,079	3,301,623	Loan awards payable	1,350	500
Accounts receivable	98,757	96,188	Due to unrestricted current funds	2,150	21,800
			Fund balance -		
			U.S. Government contributions	4,786,610	4,808,284
			Institutional contributions	532,797	543,737
			Deficit	(1,779,828)	(1,853,596)
				<u>3,539,579</u>	<u>3,498,425</u>
Total loan funds	<u>\$ 3,545,861</u>	<u>\$ 3,523,207</u>	Total loan funds	<u>\$ 3,545,861</u>	<u>\$ 3,523,207</u>
<u>ENDOWMENT FUNDS:</u>					
Cash	\$ 152,492	\$ 22,669			
Investments - at cost (Notes 1, 4 and 6)	703	124,151			
Total endowment funds	<u>\$ 153,195</u>	<u>\$ 146,820</u>	ENDOWMENT FUNDS--fund balance	<u>\$ 153,195</u>	<u>\$ 146,820</u>

The accompanying notes to financial statements  
are an integral part of these balance sheets.

MOREHEAD STATE UNIVERSITY

BALANCE SHEETS (CONCLUDED)

JUNE 30, 1995 AND 1994

<u>ASSETS</u>	<u>1995</u>	<u>1994</u>	<u>LIABILITIES AND FUND BALANCE</u>	<u>1995</u>	<u>1994</u>
PLANT FUNDS:		(Note 12)	PLANT FUNDS:		(Note 12)
Unexpended:					
Cash (Note 4)	\$ 8,527,603	\$ 4,147,685			
Total unexpended	<u>8,527,603</u>	<u>4,147,685</u>	Unexpended--restricted fund balance	<u>\$ 8,527,603</u>	<u>\$ 4,147,685</u>
Renewals and Replacements:					
Cash and certificates of deposit (Notes 1 and 4)	596,135	95,245			
Investments - at cost (Notes 1, 4, and 6)	40,088	442,892			
Accrued interest receivable	<u>1,687</u>	<u>2,958</u>			
Total renewals and replacements	<u>637,910</u>	<u>541,095</u>	Renewals and Replacements--fund balance	<u>637,910</u>	<u>541,095</u>
Retirement of Indebtedness:					
Cash and certificates of deposit (Notes 1 and 4)	4,065,324	2,658,757			
Investments - at cost (Notes 1, 4, and 6)	399,109	1,806,210			
Accounts receivable	<u>38,878</u>	<u>18,523</u>			
Total retirement of indebtedness	<u>4,503,311</u>	<u>4,483,490</u>	Retirement of Indebtedness--restricted fund balance	<u>4,503,311</u>	<u>4,483,490</u>
Investment in Plant (Notes 1 and 2):					
Bond proceeds receivable	154,650	265,000			
Land and improvements	6,773,150	6,309,895			
Buildings	104,752,810	100,330,166			
Library - books and periodicals	9,281,174	8,735,741			
Charles M. Derrickson Agricultural Complex - livestock	18,825	21,550	Investment in Plant:		
Vehicles	1,180,798	1,015,893	Due to unrestricted current funds	154,650	265,000
Equipment	22,292,530	20,613,157	Bonds and notes payable and capital lease obligations (Note 2)	53,342,601	49,378,154
Construction in progress	1,367,355	1,633,219	Net investment in plant	<u>26,358,535</u>	<u>27,170,030</u>
Accumulated depreciation (Note 1)	<u>(65,965,506)</u>	<u>(62,111,437)</u>			
Total investment in plant	<u>79,855,786</u>	<u>76,813,184</u>	Total investment in plant	<u>79,855,786</u>	<u>76,813,184</u>
Total plant funds	<u>\$ 93,524,610</u>	<u>\$85,985,454</u>	Total plant funds	<u>\$93,524,610</u>	<u>\$85,985,454</u>
AGENCY FUNDS:			AGENCY FUNDS:		
Cash (Note 4)	\$ 935,877	\$ 915,973	Accounts payable	\$ 13,639	\$ 29,322
Accounts receivable	4,203	2,871	Due to unrestricted current funds	38,801	16,926
Due from restricted current funds	<u>-</u>	<u>200</u>	Due to restricted current funds	100	-
			Deposits held in custody for others	<u>887,540</u>	<u>872,796</u>
Total agency funds	<u>\$ 940,080</u>	<u>\$ 919,044</u>	Total agency funds	<u>\$ 940,080</u>	<u>\$ 919,044</u>

The accompanying notes to financial statements  
are an integral part of these balance sheets.

MOREHEAD STATE UNIVERSITY

STATEMENTS OF CHANGES IN FUND BALANCES

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
CURRENT FUNDS:		
BALANCE, beginning of year -- as previously reported	<u>\$10,468,776</u>	<u>\$ 36,007</u>
RESTATEMENT ADJUSTMENT, to reflect prior year over-accrual of the estimated health insurance liability (Note 12)	<u>305,290</u>	<u>-</u>
BALANCE, beginning of year as restated	<u>10,774,066</u>	<u>36,007</u>
REVENUES AND OTHER ADDITIONS:		
Unrestricted current funds revenues	62,578,356	-
Federal and state grants and contracts	<u>-</u>	<u>13,961,194</u>
	<u>62,578,356</u>	<u>13,961,194</u>
EXPENDITURES AND OTHER DEDUCTIONS:		
Educational and general expenditures	48,049,704	14,045,221
Auxiliary enterprises expenditures	<u>6,845,827</u>	<u>239,605</u>
	<u>54,895,531</u>	<u>14,284,826</u>
TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS):		
Mandatory -		
Transfers to plant funds-retirement of indebtedness and renewals and replacements (Note 2)	(6,669,238)	-
Transfers to loan funds and restricted current funds	(347,140)	346,335
Transfers from plant funds	399,729	-
Transfers to plant funds	<u>(2,545,200)</u>	<u>-</u>
	<u>(9,161,849)</u>	<u>346,335</u>
NET INCREASE (DECREASE) FOR THE YEAR	<u>(1,479,024)</u>	<u>22,703</u>
BALANCE, end of year	<u>\$ 9,295,042</u>	<u>\$ 58,710</u>

1994	
<u>Unrestricted</u> (Note 12)	<u>Restricted</u>
<u>\$ 8,639,833</u>	<u>\$ 28,667</u>
<u>-</u>	<u>-</u>
<u>8,639,833</u>	<u>28,667</u>
<u>60,688,407</u>	<u>-</u>
<u>-</u>	<u>13,107,920</u>
<u>60,688,407</u>	<u>13,107,920</u>
<u>45,919,078</u>	<u>13,153,547</u>
<u>6,127,549</u>	<u>288,339</u>
<u>52,046,627</u>	<u>13,441,886</u>
 (5,670,581)	 -
(341,907)	341,306
1,422,893	-
<u>(1,917,952)</u>	<u>-</u>
<u>(6,507,547)</u>	<u>341,306</u>
<u>2,134,233</u>	<u>7,340</u>
<u>\$10,774,066</u>	<u>\$ 36,007</u>

The accompanying notes to financial statements  
are an integral part of these statements.

MOREHEAD STATE UNIVERSITY

STATEMENTS OF CHANGES IN FUND BALANCES (CONTINUED)

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
LOAN FUNDS:		
BALANCE, beginning of year	\$3,498,425	\$3,482,281
REVENUES AND OTHER ADDITIONS:		
Interest on loans receivable	71,142	83,911
Cancellation reimbursement	50,196	44,818
Miscellaneous interest income	2,496	2,798
Federal contributions	2,411	3,406
Other	<u>5</u>	<u>1,072</u>
	<u>126,250</u>	<u>136,005</u>
EXPENDITURES AND OTHER DEDUCTIONS:		
Loan principal and interest cancelled	68,448	75,597
Administrative and collection expense	10,151	13,908
Return of excess funds	1,882	2,465
Bad debt expense	365	26,047
Other	<u>5,055</u>	<u>2,445</u>
	<u>85,901</u>	<u>120,462</u>
TRANSFER AMONG FUNDS:		
Transfer from unrestricted current funds	<u>805</u>	<u>601</u>
NET INCREASE FOR THE YEAR	<u>41,154</u>	<u>16,144</u>
BALANCE, end of year	<u>\$3,539,579</u>	<u>\$3,498,425</u>
ENDOWMENT FUNDS:		
BALANCE, beginning of year	\$ 146,820	\$ 124,951
REVENUES AND OTHER ADDITIONS:		
Private gift	-	20,000
Investment income	<u>6,375</u>	<u>1,869</u>
	<u>6,375</u>	<u>21,869</u>
TRANSFER AMONG FUNDS:		
Transfer to unrestricted current funds	<u>-</u>	<u>-</u>
NET INCREASE IN FUND BALANCE	<u>6,375</u>	<u>21,869</u>
BALANCE, end of year	<u>\$ 153,195</u>	<u>\$ 146,820</u>

The accompanying notes to financial statements  
are an integral part of these statements.

MOREHEAD STATE UNIVERSITY

STATEMENTS OF CHANGES IN FUND BALANCES (CONCLUDED)

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>		
	<u>Unexpended</u>	<u>Renewals and Replacements</u>	<u>Retirement of Indebtedness</u>
PLANT FUNDS:			
BALANCE, beginning of year	\$4,147,685	\$541,095	\$4,483,490
REVENUES AND OTHER ADDITIONS:			
Interest income	84,856	34,575	292,792
Proceeds from bond issuance	6,850,000	-	205,000
Retirement of indebtedness	-	-	-
Other financing sources	477,934	41,307	23,140
Expended for plant fund facilities (including \$2,187,151 in 1995 and \$1,567,691 in 1994 charged to current funds expenditures)	-	-	-
Appropriations for plant funds	-	-	-
	<u>7,412,790</u>	<u>75,882</u>	<u>520,932</u>
EXPENDITURES AND OTHER DEDUCTIONS:			
Retirement of indebtedness	-	-	4,210,566
Interest on indebtedness	-	-	2,669,500
Expenditures for plant additions	5,094,764	-	-
Bond issuance and note payable	-	-	-
Depreciation	-	-	-
Miscellaneous	-	1,639	208,532
Deletions from plant facilities net of depreciation	-	-	-
Loss on sale of investments	-	41,341	101,417
	<u>5,094,764</u>	<u>42,980</u>	<u>7,190,015</u>
TRANSFERS AMONG FUNDS - ADDITIONS (DEDUCTIONS):			
Transfers from unrestricted current funds for debt service and renewals and replacements (Note 2)	-	63,913	6,605,325
Transfer from unexpended to retirement of indebtedness	(83,579 )	-	83,579
Transfer from unrestricted current funds	2,545,200	-	-
Transfer from investment in plant to unexpended	-	-	-
Transfer from unexpended to unrestricted current funds	(399,729 )	-	-
Transfer from retirement of indebtedness to renewals and replacements	-	-	-
	<u>2,061,892</u>	<u>63,913</u>	<u>6,688,904</u>
NET INCREASE (DECREASE) FOR THE YEAR	<u>4,379,918</u>	<u>96,815</u>	<u>19,821</u>
BALANCE, end of year	<u>\$8,527,603</u>	<u>\$637,910</u>	<u>\$4,503,311</u>

1995	1994			
<u>Investment in Plant</u>	<u>Unexpended</u>	<u>Renewals and Replacements</u>	<u>Retirement of Indebtedness</u>	<u>Investment in Plant</u>
<u>\$27,170,030</u>	<u>\$5,690,525</u>	<u>\$ 397,747</u>	<u>\$4,627,487</u>	<u>\$23,888,232</u>
-	36,584	30,103	259,467	-
-	-	-	-	-
4,186,044	-	-	-	3,623,574
-	541,814	-	-	-
7,281,915	-	-	-	4,861,813
-	-	-	488,971	265,000
<u>11,467,959</u>	<u>578,398</u>	<u>30,103</u>	<u>748,438</u>	<u>8,750,387</u>
-	-	-	3,259,159	365,000
-	-	-	2,736,114	-
-	3,294,122	-	-	541,814
8,150,490	-	-	-	52,605
4,086,470	-	-	-	3,851,519
-	-	1,879	19,365	178,092
42,494	-	-	-	179,559
-	-	1,869	53,560	-
<u>12,279,454</u>	<u>3,294,122</u>	<u>3,748</u>	<u>6,068,198</u>	<u>5,168,589</u>
-	377,825	63,913	5,228,843	-
-	-	-	-	-
-	1,817,952	-	-	100,000
-	400,000	-	-	(400,000)
-	(1,422,893)	-	-	-
-	-	53,080	(53,080)	-
-	<u>1,172,884</u>	<u>116,993</u>	<u>5,175,763</u>	<u>(300,000)</u>
<u>(811,495)</u>	<u>(1,542,840)</u>	<u>143,348</u>	<u>(143,997)</u>	<u>3,281,798</u>
<u>26,358,535</u>	<u>\$4,147,685</u>	<u>\$ 541,095</u>	<u>\$4,483,490</u>	<u>\$27,170,030</u>

The accompanying notes to financial statements  
are an integral part of these statements.

MOREHEAD STATE UNIVERSITY

STATEMENTS OF CURRENT FUNDS REVENUES,  
EXPENDITURES AND OTHER CHANGES

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
REVENUES:		
Tuition and fees	\$18,174,336	\$ -
State appropriations	32,734,105	-
Governmental grants and contracts	-	13,961,194
Indirect cost reimbursement	243,228	-
Sales and services of educational activities	795,331	-
Sales and services of auxiliary enterprises	8,702,469	-
Other sources	<u>1,928,887</u>	<u>-</u>
Total current revenues	<u>62,578,356</u>	<u>13,961,194</u>
EXPENDITURES AND MANDATORY TRANSFERS:		
Educational and general -		
Instruction	23,244,841	2,130,905
Research	80,836	180,211
Public service	862,417	2,487,827
Library	2,182,347	71,576
Academic support	3,405,289	180,615
Student services	5,080,949	739,669
Institutional support	6,006,904	204,907
Operation and maintenance of plant	4,505,969	3,153
Student financial aid	<u>2,680,152</u>	<u>8,046,358</u>
Educational and general expenditures	<u>48,049,704</u>	<u>14,045,221</u>
Mandatory transfers for -		
Principal and interest	4,604,018	-
College Work Study, SEOG, Loan, and Endowment Fund matching funds	<u>347,140</u>	<u>(346,335)</u>
	<u>4,951,158</u>	<u>(346,335)</u>
Total educational and general	<u>53,000,862</u>	<u>13,698,886</u>
Auxiliary enterprises -		
Expenditures	6,845,827	239,605
Mandatory transfers for principal and interest and renewal and replacement	<u>2,065,220</u>	<u>-</u>
Total auxiliary enterprises	<u>8,911,047</u>	<u>239,605</u>
Total expenditures and mandatory transfers	<u>61,911,909</u>	<u>13,938,491</u>



1995	1994 (Note 12)		
<u>Totals</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Totals</u>
\$18,174,336	\$18,285,745	\$ -	\$ 18,285,745
32,734,105	31,229,490	-	31,229,490
13,961,194	-	13,107,920	13,107,920
243,228	246,473	-	246,473
795,331	774,601	-	774,601
8,702,469	8,838,944	-	8,838,944
<u>1,928,887</u>	<u>1,313,154</u>	<u>-</u>	<u>1,313,154</u>
<u>76,539,550</u>	<u>60,688,407</u>	<u>13,107,920</u>	<u>73,796,327</u>
25,375,746	22,161,085	1,833,986	23,995,071
261,047	55,133	257,190	312,323
3,350,244	826,730	2,002,279	2,829,009
2,253,923	1,868,923	83,624	1,952,547
3,585,904	3,247,637	278,590	3,526,227
5,820,618	4,902,945	710,594	5,613,539
6,211,811	5,798,193	225,329	6,023,522
4,509,122	4,305,538	1,732	4,307,270
<u>10,726,510</u>	<u>2,752,894</u>	<u>7,760,223</u>	<u>10,513,117</u>
<u>62,094,925</u>	<u>45,919,078</u>	<u>13,153,547</u>	<u>59,072,625</u>
4,604,018	3,614,922	-	3,614,922
<u>805</u>	<u>341,907</u>	<u>(341,306)</u>	<u>601</u>
<u>4,604,823</u>	<u>3,956,829</u>	<u>(341,306)</u>	<u>3,615,523</u>
<u>66,699,748</u>	<u>49,875,907</u>	<u>12,812,241</u>	<u>62,688,148</u>
7,085,432	6,127,549	288,339	6,415,888
<u>2,065,220</u>	<u>2,055,659</u>	<u>-</u>	<u>2,055,659</u>
<u>9,150,652</u>	<u>8,183,208</u>	<u>288,339</u>	<u>8,471,547</u>
<u>75,850,400</u>	<u>58,059,115</u>	<u>13,100,580</u>	<u>71,159,695</u>

The accompanying notes to financial statements  
are an integral part of these statements.

MOREHEAD STATE UNIVERSITY

STATEMENTS OF CURRENT FUNDS REVENUES,  
EXPENDITURES AND OTHER CHANGES (CONCLUDED)

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
OTHER TRANSFERS AND ADDITIONS		
(DEDUCTIONS) -		
Transfers from plant funds	\$ 399,729	\$ -
Transfers to plant funds	<u>(2,545,200)</u>	<u>-</u>
Total other transfers and		
additions (deductions)	<u>(2,145,471)</u>	<u>-</u>
NET INCREASE (DECREASE) IN FUND BALANCES	<u>\$(1,479,024)</u>	<u>\$22,703</u>

<u>1995</u>	<u>1994 (Note 12)</u>		
<u>Totals</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Totals</u>
\$ 399,729	\$1,422,893	\$ -	\$1,422,893
<u>(2,545,200)</u>	<u>(1,917,952)</u>	<u>-</u>	<u>(1,917,952)</u>
 <u>(2,145,471)</u>	 <u>(495,059)</u>	 <u>-</u>	 <u>(495,059)</u>
 <u>\$ (1,456,321)</u>	 <u>\$2,134,233</u>	 <u>\$ 7,340</u>	 <u>\$2,141,573</u>

The accompanying notes to financial statements  
are an integral part of these statements.

MOREHEAD STATE UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1995 AND 1994

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting principles followed by Morehead State University and the methods of applying those principles which materially affect the University's financial statements are summarized below.

Accrual Basis

The financial statements of Morehead State University (a Commonwealth of Kentucky (state) supported institution of higher education) have been prepared on the accrual basis of accounting. The statement of current funds revenues, expenditures and other changes is a statement of financial activities of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as (1) expenditures, in the case of normal replacement of movable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and (3) transfers of a non-mandatory nature for all other cases.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the University, the accounts of the University are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, funds that have similar characteristics have been combined into fund groups in the accompanying financial statements. Accordingly, all financial transactions have been recorded and reported by fund group.

Within each fund group, fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes by action of the University's Board of Regents. Externally restricted funds may only be utilized in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which the University retains full control to use in achieving any of its institutional purposes.

All gains and losses arising from the sale, collection, or other disposition of investments and other noncash assets are accounted for in the fund which owned such assets. Ordinary income derived from investments, receivables, and the like is accounted for in the fund owning such assets, except for income derived from investments of endowment and similar funds, which income is accounted for in the fund to which it is restricted, or if unrestricted, as revenues in unrestricted current funds.

All other unrestricted revenue is accounted for in the unrestricted current funds. Restricted gifts, grants, appropriations, endowment income, and other restricted resources are accounted for in the appropriate restricted funds. Restricted current funds are reported as revenues and expenditures when expended for current operating purposes.

Non-current funds of the University include:

Loan Funds - Such funds include monies available for loans to students. Additions to these funds are from governmental appropriations, interest on loans outstanding, and transfers from other University funds. Loans are normally made to students on an unsecured basis.

Endowment Funds - Endowment funds include funds subject to the restrictions of the gift instruments which require the principal be permanently invested and only the income be expended.

Plant Funds - Included in this group are funds to be used for the acquisition of physical properties for institutional purposes; funds expended for, and thus invested in, institutional properties; and funds set aside for debt service charges and for the retirement of indebtedness on institutional properties.

Sources of funds include appropriations of governmental bodies, proceeds from bond issues, income from investments, and transfers from other University funds.

Agency Funds - Included are funds received by the University as custodian or fiscal agent for others, and funds used for certain organized activities. Generally, these funds are disbursed on instructions and in behalf of those from whom received.

#### Investments

Investments are stated at cost.

#### Investment in Plant

Investment in plant is stated at cost for purchased assets and at fair value at date of donation in the case of gifts. Expenditures which increase values or extend useful lives of the respective assets are capitalized, whereas expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of assets is computed using the straight-line method over the assets estimated useful lives. Estimated lives used for depreciation purposes are as follows:

<u>Classification</u>	<u>Estimated Life</u>
Improvements	20 years
Buildings	50 years
Vehicles	5-9 years
Equipment	5-15 years

#### Inventories

Inventories representing approximately 62% of total inventories at June 30, 1995 and 1994 are stated at the lower of cost (first-in, first-out basis) or market. The remainder of the inventories are stated at the lower of moving-average-cost or market.

#### Accrued Vacation Pay

Accrued vacation pay is included in the unrestricted current funds balance sheet and represents earned vacation available to employees at current compensation rates.

## Allowance for Doubtful Accounts

The allowance for doubtful accounts is established through a provision for doubtful accounts charged to expenses. The allowance represents an amount which, in management's judgment, will be adequate to absorb probable losses on existing accounts that may become uncollectible.

### (2) BONDS AND NOTES PAYABLE AND CAPITAL LEASE OBLIGATIONS

The following is a summary of bonds and note payable and capital lease obligations at June 30, 1995 and 1994:

	<u>1995</u>	<u>1994</u>
2.875 - 7.15% Housing and Dining System Bonds, Series A through M, repayable in annual installments with the final installment due on November 1, 2012	\$17,495,000	\$18,585,000
4.0 - 6.4% Consolidated Educational Building Revenue Bonds, Series D, E, F, H, I, J and K, repayable in annual installments with the final installment due on May 1, 2014	19,765,000	14,440,000
6.9 - 7.3% State Property and Buildings Commission Project 48 Bond Issue, repayable in semi-annual installments with the final installment due August 1, 1998	802,366	998,138
5.1 - 6.1% State Property and Buildings Commission Project 52 Bond Issue, repayable in semi-annual installments with the final installment due August 1, 2001	1,535,000	1,710,000
Note payable to a company, repayable in monthly principal installments of \$7,005, plus interest at prime to December, 1994	-	42,004
Note payable to a company, repayable in monthly principal installments of \$4,904, plus interest at prime (currently 8.75%), to December, 2005	617,556	-
6.0 - 6.7% State Property and Buildings Commission Project 50 Bond Issue, repayable in semi-annual installments with the final installment due February 1, 2010	1,884,651	2,137,899
5.5% Capital lease obligation with a bank, repayable in annual installments with the final installment due July 31, 1995	358,128	697,586
2.4 - 5.9% State Property and Buildings Commission Project 54 Bond Issue, repayable in semi-annual installments with the final installment due September 1, 2008	4,851,966	4,984,748

2.7 - 7.2% State Property and Buildings Commission Project 55 Bond Issue, repay- able in semi-annual installments with the final installment due September 1, 2013	5,114,398	5,181,391
6.0% Capital lease obligation with MSU Foundation, repayable in annual install- ments with the final installment due January 28, 2000	50,313	59,574
6.59% Capital lease obligation with a bank, repayable in annual installments with the final installment due July 15, 1999	428,059	-
4.87% Capital lease obligation with a bank, repayable in annual installments with the final installment due January 15, 1999	<u>440,164</u> <u>\$53,342,601</u>	<u>541,814</u> <u>\$49,378,154</u>

In order to retire the revenue bonds, the University is required to make deposits to sinking funds in annual amounts sufficient to meet the principal and interest payments due within the next twelve months. During 1995 the University transferred \$2,001,307 to the Housing and Dining System Revenue Bonds Sinking Fund and \$2,433,836 to the Consolidated Educational Building Revenue Bonds Sinking Fund for payment of current year principal and interest; and \$63,913 to the Housing and Dining System Repair Fund. In addition, during 1995, the University transferred \$2,170,182 in unrestricted current funds for the payment of principal and interest on the Project 48, 50, 52, 54 and 55 bond issues, the capital lease obligations, and the notes payable to a company.

The revenue bonds are collateralized by various buildings carried in the accounts at \$76,130,066. The revenues derived from student registration fees, residence hall rental fees, and commissions from food service are pledged as collateral on the revenue bond issues.

The principal and interest repayment requirements relating to the outstanding bonds, capital lease obligations, and note payable at June 30, 1995, are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Repayment Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1996	\$ 4,453,915	\$ 2,777,485	\$ 7,231,400
1997	3,535,403	2,639,907	6,175,310
1998	3,783,439	2,390,328	6,173,767
1999	3,504,208	2,294,936	5,799,144
2000	3,459,778	2,154,480	5,614,258
2001-2014	<u>34,605,858</u>	<u>12,147,741</u>	<u>46,753,599</u>
	<u>\$53,342,601</u>	<u>\$24,404,877</u>	<u>\$77,747,478</u>

### (3) PENSION PLAN

#### Faculty

All full-time employees occupying a position requiring certification by the Kentucky Department of Education or who have graduated from a four year college or university are covered under the defined benefit plan administered by Kentucky Teachers' Retirement System (KTRS). Benefits are subject to certain reductions if the employee retires before reaching age sixty, unless the employee has twenty-seven

or more years of participation in the plan. All benefits vest after five years of service. The plan also provides for disability, retirement, death and survivors benefits and medical insurance. The payroll for employees covered by KTRS for the years ended June 30, 1995 and 1994 was \$22,330,689 and \$21,279,987, respectively. The University's total payroll was \$33,542,851 for 1995 and \$31,899,297 for 1994.

KTRS covered employees are required by Chapter 161 Section 540(1) of the Kentucky Revised Statutes (KRS) to contribute a fixed percentage of their gross earnings to the pension plan. The Commonwealth makes annual contributions to the pension equal to the amount required by state law. Contribution rates for the plan in 1995 and 1994 were 6.16% for employees and 13.84% for employer contributions.

For the years ended June 30, 1995 and 1994, the Commonwealth contributed a total of \$3,092,564 and \$2,945,151, respectively, to KTRS for benefit of participating employees through appropriations to the University. The obligation for pension benefits under KTRS is solely the responsibility of the Commonwealth of Kentucky, and not the University.

#### Other Employees

Substantially all other full-time University employees are required by law to participate in the Kentucky Employee Retirement System (KERS), a cost sharing, multiple-employer, public employee retirement system. KERS provides retirement benefits based on an employee's final compensation and number of years of service. Benefits are subject to reduction if the employee retires before reaching age sixty-five or less than twenty-seven years of service. Vesting begins immediately upon entry into the system and a fully vested interest occurs after sixty months of service, of which twelve months must be current service. The plan also provides for disability retirement, death and survivor benefits and medical insurance.

Funding for the plan is provided from eligible employees who contribute 5.00% of their salary through payroll deductions and the University, which contributes 7.65% of current eligible employee's salaries to the KERS. University police officers participate in the Hazardous Duty Division of KERS. The officers contribute 7.00% of their salary through payroll deductions while the University contributes 15.05% of current eligible employee's salaries. University contribution rates are determined by the Board of Trustees of the Kentucky Retirement Systems each biennium. The rates are intended to fund the plan's normal cost plus 1.00% of unfunded past service costs.

The amount shown below as "pension benefit obligation" is a standardized disclosure measuring the present value of pension benefits for the entire KERS, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess KERS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. The measure is independent of the actuarial funding method used to determine contributions to the system.

The pension benefit obligation was obtained from a separately issued report on the KERS. That report also includes eight-year historical trend information which provides information about progress made in accumulating sufficient assets to pay benefits when due.



The unfunded pension benefit obligation was \$305,698,514 at June 30, 1994 (the most recent date for which information is available) as shown below:

Pension benefit obligation:

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$1,139,877,598
Current members:	
Accumulated employee contributions and credited interest	530,060,261
Employer-financed portion	<u>1,013,289,059</u>
Total pension benefit obligation	2,683,226,918
Net assets available for benefits, at cost	<u>2,377,528,404</u>
Unfunded pension benefit obligation	<u>\$ 305,698,514</u>

Payroll for KERS participating employees during the years ended June 30, 1995 and 1994 was \$7,003,265 and \$6,695,005, respectively. Contributions to KERS were as follows:

<u>Contributions From</u>	<u>Contribution Amount</u>		<u>Percentage of Payroll</u>	
	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>
Employees through payroll deductions	<u>\$356,379</u>	<u>\$338,697</u>	<u>5.10%</u>	<u>5.01%</u>
University, as included in current year expenditures	<u>\$602,424</u>	<u>\$513,160</u>	<u>8.60%</u>	<u>7.65%</u>

(4) DEPOSITS AND INVESTMENTS

At June 30, 1995 the University had deposits as reflected by bank balances as follows:

Insured, commercial banks	\$ 200,000
Uninsured, commercial banks; collateral held by pledging institution's agent in the University's name	5,024,451
Maintained by Commonwealth of Kentucky	15,489,355
Uninsured, collateral held in Trust by the institution's agent	<u>2,247,239</u>
	<u>\$22,961,045</u>

At June 30, 1995 the University had investments as follows:

Uninsured, unregistered U.S. government obligations	\$ 703
Uninsured, unregistered U.S. government obligations, held by the institution's agent in the University's name	<u>439,197</u>
	<u>\$ 439,900</u>

The University may legally invest in repurchase agreements, U.S. Treasury obligations and U.S. government agency obligations.

(5) INTERFUND BORROWINGS

All interfund borrowings have been made from unrestricted funds. The amounts due to current unrestricted funds from current restricted funds, agency funds and unexpended plant funds are payable on demand without interest.

(6) INVESTMENTS

Investments are recorded at cost. Quoted market values of investments (primarily U.S. Treasury securities) of the funds indicated were as follows:

	June 30, 1995	June 30, 1994
Endowment funds	\$ 703	\$ 124,151
Renewals and replacements	40,100	403,491
Retirement of indebtedness	399,200	1,614,712

(7) LEASES

The University has operating lease agreements for use of equipment and various parcels of real estate cancelable annually with the option to renew. The University recognizes the expenditures related to those obligations in the current unrestricted funds as lease payments are made. Total rent expenditures under operating type leases were approximately \$365,000 in 1995 and \$342,000 in 1994.

(8) COMMITMENTS

Estimated cost to complete construction under contract at June 30, 1995 is approximately \$3,300,000. Such construction is principally financed by Commonwealth of Kentucky appropriations and long-term bonds payable.

(9) CONTINGENCIES

The University is defendant in several lawsuits; however, University management is of the opinion, based on advice of legal counsel, that the ultimate resolution of these litigation matters will not have a material effect on the future operations or financial position of the University.

(10) MOREHEAD STATE UNIVERSITY FOUNDATION, INC.

These financial statements do not include the assets, liabilities, fund balances and current revenues and expenditures relating to Morehead State University Foundation, Inc. (the Foundation). The financial statements of the Foundation are issued separately. The Foundation is a non-profit, non-affiliated Kentucky corporation formed for educational and charitable purposes in accordance with the provisions of KRS 273. Specifically, it was founded to assist in the development and progress of Morehead State University.

(11) RECLASSIFICATIONS

Certain previously reported accounts have been reclassified in the accompanying 1994 financial statements to reflect comparability with account classifications adopted for fiscal 1995.

(12) RESTATEMENT ADJUSTMENT

The estimated health insurance liability included in accrued salaries and other liabilities and the allocated fund balance have been restated as the result of an over-accrual of the liability for the year ended June 30, 1994. The effect of the restatement was to decrease accrued salaries and other liabilities by \$305,290 and increase other revenues and fund balance by the same amount in the accompanying 1994 financial statements.

SUPPLEMENTAL INFORMATION

MOREHEAD STATE UNIVERSITY

SCHEDULES OF CURRENT FUNDS REVENUES

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
EDUCATIONAL AND GENERAL:		
Tuition and fees -		
Degree credit - Fall	\$ 8,459,762	\$ -
Degree credit - Spring	7,733,395	-
Degree credit - Summer and special sessions	1,732,888	-
Other student fees -		
Student activity and service fee	141,305	-
Music, lab and course fees	32,881	-
Extension and correspondence	74,105	-
State appropriations	32,734,105	-
Governmental grants and contracts -		
College Work Study	-	709,594
Pell Grants	-	6,137,013
Supplemental Education Opportunity Grants	-	273,773
Other State and Federal grants	-	6,840,814
Indirect cost reimbursement	243,228	-
Sales and services of educational activities	795,331	-
Other sources	<u>1,928,887</u>	<u>-</u>
	<u>53,875,887</u>	<u>13,961,194</u>
 SALES AND SERVICES OF AUXILIARY ENTERPRISES:		
Residence halls	4,099,815	-
Married student and faculty housing	707,041	-
Food service	482,362	-
University store	2,820,760	-
Other sources	<u>592,491</u>	<u>-</u>
	<u>8,702,469</u>	<u>-</u>
 TOTAL CURRENT FUNDS REVENUES	<u>\$62,578,356</u>	<u>\$13,961,194</u>

<u>1995</u>	<u>1994</u>
<u>Totals</u>	<u>Totals</u>
\$ 8,459,762	\$ 8,030,247
7,733,395	7,471,967
1,732,888	1,722,000
141,305	962,764
32,881	34,556
74,105	64,211
32,734,105	31,229,490
709,594	820,757
6,137,013	6,283,073
273,773	273,475
6,840,814	5,730,615
243,228	246,473
795,331	774,601
<u>1,928,887</u>	<u>1,313,154</u>
<u>67,837,081</u>	<u>64,957,383</u>
4,099,815	4,178,434
707,041	705,534
482,362	450,758
2,820,760	2,964,001
<u>592,491</u>	<u>540,217</u>
<u>8,702,469</u>	<u>8,838,944</u>
<u>\$76,539,550</u>	<u>\$73,796,327</u>

MOREHEAD STATE UNIVERSITY

SCHEDULES OF CURRENT FUNDS EXPENDITURES AND  
MANDATORY TRANSFERS

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	1995	
	<u>Unrestricted</u>	<u>Restricted</u>
EDUCATIONAL AND GENERAL:		
Instruction -		
Personnel services	\$21,900,484	\$1,072,730
Operating expenses	1,169,745	665,782
Capital outlay	<u>174,612</u>	<u>392,393</u>
	<u>23,244,841</u>	<u>2,130,905</u>
Research -		
Personnel services	24,885	80,315
Operating expenses	51,620	51,722
Capital outlay	<u>4,331</u>	<u>48,174</u>
	<u>80,836</u>	<u>180,211</u>
Public service -		
Personnel services	591,331	1,745,857
Operating expenses	184,248	712,386
Capital outlay	<u>86,838</u>	<u>29,584</u>
	<u>862,417</u>	<u>2,487,827</u>
Library -		
Personnel services	1,288,518	71,576
Operating expenses	203,622	-
Capital outlay	<u>690,207</u>	<u>-</u>
	<u>2,182,347</u>	<u>71,576</u>
Academic support -		
Personnel services	1,612,822	33,676
Operating expenses	1,675,094	146,939
Capital outlay	<u>117,373</u>	<u>-</u>
	<u>3,405,289</u>	<u>180,615</u>
Student services -		
Personnel services	3,046,330	490,435
Operating expenses	1,981,662	237,448
Capital outlay	<u>52,957</u>	<u>11,786</u>
	<u>5,080,949</u>	<u>739,669</u>
Institutional support -		
Personnel services	4,950,854	130,930
Operating expenses	447,411	73,977
Capital outlay	<u>608,639</u>	<u>-</u>
	<u>6,006,904</u>	<u>204,907</u>

<u>1995</u>	<u>1994</u>
<u>Totals</u>	<u>Totals</u>
\$22,973,214	\$21,849,117
1,835,527	1,718,916
567,005	427,038
<u>25,375,746</u>	<u>23,995,071</u>
105,200	111,322
103,342	143,363
52,505	57,638
<u>261,047</u>	<u>312,323</u>
2,337,188	1,859,606
896,634	867,675
116,422	101,728
<u>3,350,244</u>	<u>2,829,009</u>
1,360,094	1,299,652
203,622	159,152
690,207	493,743
<u>2,253,923</u>	<u>1,952,547</u>
1,646,498	1,677,620
1,822,033	1,729,377
117,373	119,230
<u>3,585,904</u>	<u>3,526,227</u>
3,536,765	3,426,873
2,219,110	2,128,141
64,743	58,525
<u>5,820,618</u>	<u>5,613,539</u>
5,081,784	4,888,146
521,388	851,252
608,639	284,124
<u>6,211,811</u>	<u>6,023,522</u>



MOREHEAD STATE UNIVERSITY

SCHEDULES OF CURRENT FUNDS EXPENDITURES AND  
MANDATORY TRANSFERS (CONTINUED)

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
EDUCATIONAL AND GENERAL (CONTINUED):		
Operation and maintenance of plant -		
Personnel services	\$ 2,940,518	\$ 3,153
Operating expenses	843,257	-
Capital outlay	722,194	-
	<u>4,505,969</u>	<u>3,153</u>
 Student financial aid -		
Personnel services	118,736	-
Operating expenses	<u>2,561,416</u>	<u>8,046,358</u>
	<u>2,680,152</u>	<u>8,046,358</u>
 Total educational and general expenditures -		
Personnel services	36,474,478	3,628,672
Operating expenses	9,118,075	9,934,612
Capital outlay	<u>2,457,151</u>	<u>481,937</u>
	<u>48,049,704</u>	<u>14,045,221</u>
 Mandatory transfers -		
Principal and interest	4,604,018	-
Loan and other matching funds	<u>347,140</u>	<u>(346,335)</u>
	<u>4,951,158</u>	<u>(346,335)</u>
 TOTAL EDUCATIONAL AND GENERAL	<u>\$53,000,862</u>	<u>\$13,698,886</u>
 AUXILIARY ENTERPRISES:		
Expenditures -		
Personnel services	\$ 1,472,111	\$ 239,605
Operating expenses	5,130,434	-
Capital outlay	243,282	-
	<u>6,845,827</u>	<u>239,605</u>
 Mandatory transfers -		
Principal and interest	2,001,307	-
Renewals and replacement	<u>63,913</u>	<u>-</u>
	<u>2,065,220</u>	<u>-</u>
 TOTAL AUXILIARY ENTERPRISES	<u>\$ 8,911,047</u>	<u>\$ 239,605</u>

<u>1995</u>	<u>1994</u>
<u>Totals</u>	<u>Totals</u>
\$ 2,943,671	\$ 2,760,980
843,257	619,741
<u>722,194</u>	<u>926,549</u>
<u>4,509,122</u>	<u>4,307,270</u>
118,736	112,537
<u>10,607,774</u>	<u>10,400,580</u>
<u>10,726,510</u>	<u>10,513,117</u>
40,103,150	37,985,853
19,052,687	18,618,197
<u>2,939,088</u>	<u>2,468,575</u>
<u>62,094,925</u>	<u>59,072,625</u>
4,604,018	3,614,922
<u>805</u>	<u>601</u>
<u>4,604,823</u>	<u>3,615,523</u>
<u>\$66,699,748</u>	<u>\$62,688,148</u>
\$ 1,711,716	\$ 1,666,714
5,130,434	4,659,349
<u>243,282</u>	<u>89,825</u>
<u>7,085,432</u>	<u>6,415,888</u>
2,001,307	1,991,746
<u>63,913</u>	<u>63,913</u>
<u>2,065,220</u>	<u>2,055,659</u>
<u>\$ 9,150,652</u>	<u>\$ 8,471,547</u>

MOREHEAD STATE UNIVERSITY

SCHEDULES OF CURRENT FUNDS EXPENDITURES AND  
MANDATORY TRANSFERS (CONCLUDED)

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Unrestricted</u>	<u>Restricted</u>
TOTAL EXPENDITURES AND		
MANDATORY TRANSFERS (CONCLUDED):		
Expenditures -		
Personnel services	\$37,946,589	\$ 3,868,277
Operating expenses	14,248,509	9,934,612
Capital outlay	<u>2,700,433</u>	<u>481,937</u>
	<u>54,895,531</u>	<u>14,284,826</u>
Mandatory transfers -		
Principal and interest	6,605,325	-
Loan and other matching funds	<u>411,053</u>	<u>(346,335)</u>
	<u>7,016,378</u>	<u>(346,335)</u>
TOTAL EXPENDITURES AND MANDATORY		
TRANSFERS	<u>\$61,911,909</u>	<u>\$13,938,491</u>

1995  
Totals

\$41,814,866  
24,183,121  
3,182,370  
69,180,357

6,605,325  
64,718  
6,670,043

\$75,850,400

1994  
Totals

\$39,652,567  
23,277,546  
2,558,400  
65,488,513

5,670,581  
601  
5,671,182

\$71,159,695

MOREHEAD STATE UNIVERSITY

SCHEDULES OF CHANGES IN FUND BALANCES - LOAN FUNDS

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	
	<u>Perkins Loan Fund</u>	<u>Nursing Loan Fund</u>
BALANCES, beginning of year	<u>\$3,492,013</u>	<u>\$6,412</u>
INCREASES:		
Reimbursement for cancellations	50,196	-
Interest income on loans	71,065	77
Miscellaneous interest income	2,487	9
Federal contributions	2,411	-
Other	<u>-</u>	<u>5</u>
	<u>126,159</u>	<u>91</u>
DECREASES:		
Loan principal cancelled	61,005	-
Loan interest cancelled	7,443	-
Administrative and collection expenses	10,085	66
Return of excess funds	-	1,882
Bad debt expense	365	-
Other	<u>500</u>	<u>4,555</u>
	<u>79,398</u>	<u>6,503</u>
TRANSFER AMONG FUNDS:		
Transfer from unrestricted current funds	<u>805</u>	<u>-</u>
BALANCES, end of year	<u>\$3,539,579</u>	<u>\$ -</u>

<u>1995</u>	<u>1994</u>
<u>Totals</u>	<u>Totals</u>
<u>\$3,498,425</u>	<u>\$ 3,482,281</u>
50,196	44,818
71,142	83,911
2,496	2,798
2,411	3,406
<u>5</u>	<u>1,072</u>
<u>126,250</u>	<u>136,005</u>
61,005	67,863
7,443	7,734
10,151	13,908
1,882	2,465
365	26,047
<u>5,055</u>	<u>2,445</u>
<u>85,901</u>	<u>120,462</u>
<u>805</u>	<u>601</u>
<u>\$3,539,579</u>	<u>\$ 3,498,425</u>

MOREHEAD STATE UNIVERSITY

SCHEDULES OF HOUSING SYSTEM  
REVENUES AND EXPENDITURES

FOR THE YEARS ENDED JUNE 30, 1995 AND 1994

	<u>1995</u>	<u>1994</u>
REVENUES:		
Housing fees	\$5,145,594	\$5,219,539
Interest income	<u>120,050</u>	<u>129,780</u>
	<u>5,265,644</u>	<u>5,349,319</u>
OPERATING EXPENDITURES:		
Residence hall grants	121,620	100,800
Residence hall services	1,726,339	1,556,928
Student housing	701,799	730,104
Residence hall housing	529,491	575,960
Telephones	435,713	415,384
Faculty/staff housing	31,445	34,204
Married housing	144,750	68,366
Laundry	<u>5,982</u>	<u>-</u>
	<u>3,697,139</u>	<u>3,481,746</u>
REVENUES IN EXCESS OF OPERATING EXPENDITURES	<u>1,568,505</u>	<u>1,867,573</u>
DEBT SERVICE EXPENDITURES:		
Principal	1,090,000	1,035,000
Interest	<u>1,028,358</u>	<u>1,080,526</u>
	<u>2,118,358</u>	<u>2,115,526</u>
EXPENDITURES IN EXCESS OF REVENUES	<u>\$ (549,853)</u>	<u>\$ (247,953)</u>

MORE ... UNIVERSITY

### SCHEDULE OF BONDS, NOTES AND OTHER LONG-TERM PAYABLES

				<u>JUNE 30, 1995</u>					
	<u>Issue</u>	<u>Net</u>	<u>Amount of</u>	<u>Outstanding</u>	<u>Bonds</u>	<u>Outstanding</u>	<u>Interest</u>	<u>Debt Service Requirement</u>	
	<u>Date</u>	<u>Interest</u>	<u>Issue</u>	<u>June 30, 1994</u>	<u>Retired</u>	<u>June 30, 1995</u>	<u>Paid</u>	<u>1995-96</u>	
		<u>Cost</u>			<u>1994-5</u>		<u>1994-95</u>	<u>Principal</u>	<u>Interest</u>
Consolidated Educational Building Revenue Bonds:									
Series D	1-1-66	4.100%	\$ 5,300,000	\$ 1,080,000	\$ 530,000	\$ 550,000	\$ 44,280	\$ 550,000	\$ 22,550
Series E	11-1-66	4.800%	4,350,000	560,000	275,000	285,000	26,880	285,000	13,680
Series F	5-1-68	5.00-5.70%	4,100,000	1,095,000	190,000	905,000	59,895	205,000	49,065
Series H	12-1-86	5.9-6.875%	3,160,000	2,820,000	70,000	2,750,000	187,489	75,000	183,464
Series I	6-1-92	5.90-6.00%	5,700,000	5,355,000	170,000	5,185,000	317,725	180,000	307,695
Series J	2-1-93	4.00-4.20%	3,775,000	3,530,000	290,000	3,240,000	145,750	300,000	134,150
Series K	2-1-95	4.75-5.75%	<u>7,055,000</u>	<u>-</u>	<u>205,000</u>	<u>6,850,000</u>	<u>98,266</u>	<u>215,000</u>	<u>384,043</u>
Total educational buildings			<u>33,440,000</u>	<u>14,440,000</u>	<u>1,730,000</u>	<u>19,765,000</u>	<u>880,285</u>	<u>1,810,000</u>	<u>1,094,647</u>
Housing and Dining System Revenue Bonds:									
Series A	11-1-66	3.000%	1,040,000	250,000	45,000	205,000	6,825	45,000	5,475
Series B	11-1-66	2.875%	735,000	180,000	30,000	150,000	4,744	30,000	3,881
Series C	11-1-66	3.125%	525,000	130,000	20,000	110,000	3,750	20,000	3,125
Series D	11-1-66	3.500%	1,050,000	360,000	40,000	320,000	11,900	40,000	10,500
Series E	11-1-66	3.375%	200,000	65,000	5,000	60,000	2,109	5,000	1,941
Series F	11-1-66	3.375%	390,000	230,000	25,000	205,000	7,341	25,000	6,497
Series G	11-1-66	3.500%	1,340,000	605,000	60,000	545,000	20,125	60,000	18,025
Series H	11-1-66	3.750%	1,840,000	795,000	60,000	735,000	28,688	65,000	26,344
Series I	11-1-66	3.000%	3,920,000	1,830,000	125,000	1,705,000	53,025	130,000	49,200
Series J	2-1-68	5.400%	5,800,000	1,190,000	280,000	910,000	56,700	280,000	41,580
Series K	6-1-89	6.80-6.90%	3,530,000	3,175,000	105,000	3,070,000	213,821	115,000	206,396
Series L	5-1-90	7.00-7.15%	3,560,000	3,275,000	110,000	3,165,000	225,215	115,000	217,958
Series M	10-1-91	6.00-6.30%	<u>6,675,000</u>	<u>6,500,000</u>	<u>185,000</u>	<u>6,315,000</u>	<u>394,115</u>	<u>195,000</u>	<u>382,715</u>
Total housing and dining system			<u>30,605,000</u>	<u>18,585,000</u>	<u>1,090,000</u>	<u>17,495,000</u>	<u>1,028,358</u>	<u>1,125,000</u>	<u>973,637</u>
State Property and Buildings Commission Project Bonds:									
Project 48	12-1-88	7.00-7.30%	5,667,000	998,138	195,772	802,366	67,883	209,456	53,992
Project 50	1-15-91	6.10-6.70%	7,400,501	2,137,899	253,248	1,884,651	136,541	268,313	121,346
Project 52	10-1-91	5.30-6.10%	2,030,000	1,710,000	175,000	1,535,000	93,278	185,000	83,913
Project 54	7-15-92	4.00-6.00%	5,175,000	4,984,748	132,782	4,851,966	137,311	140,202	129,944
Project 55	9-1-93	3.40-6.25%	<u>5,181,391</u>	<u>5,181,391</u>	<u>66,993</u>	<u>5,114,398</u>	<u>237,403</u>	<u>99,778</u>	<u>201,328</u>
Total projects			<u>25,453,892</u>	<u>15,012,176</u>	<u>823,795</u>	<u>14,188,381</u>	<u>672,416</u>	<u>902,749</u>	<u>590,523</u>
Note payable		prime	366,893	42,004	42,004	-	880	-	-
Note payable	2-1-95	prime	<u>642,079</u>	<u>-</u>	<u>24,523</u>	<u>617,556</u>	<u>19,222</u>	<u>58,851</u>	<u>51,676</u>
			<u>1,008,972</u>	<u>42,004</u>	<u>66,527</u>	<u>617,556</u>	<u>20,102</u>	<u>58,851</u>	<u>51,676</u>
Lease Purchase Agreements:									
Fifth Third	5-12-93	5.500%	1,062,586	697,586	339,458	358,128	38,367	358,128	19,697
The Citizen's Bank	5-17-94	4.810%	541,814	541,814	101,650	440,164	20,787	104,720	17,717
The Citizen's Bank	11-9-94	6.590%	477,934	-	49,875	428,059	5,862	84,635	26,837
MSU Foundation, Inc.	5-28-93	6.000%	<u>69,000</u>	<u>59,574</u>	<u>9,261</u>	<u>50,313</u>	<u>3,323</u>	<u>9,832</u>	<u>2,751</u>
Total lease purchase agreements			<u>2,151,334</u>	<u>1,298,974</u>	<u>500,244</u>	<u>1,276,664</u>	<u>68,339</u>	<u>557,315</u>	<u>67,002</u>
Total			<u>\$92,659,198</u>	<u>\$49,378,154</u>	<u>\$4,210,566</u>	<u>\$53,342,601</u>	<u>\$2,669,500</u>	<u>\$4,453,915</u>	<u>\$2,777,485</u>



MOREHEAD STATE UNIVERSITY

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND FUND BALANCES

SINKING FUNDS

FOR THE YEAR ENDED JUNE 30, 1995

	<u>Sinking Fund</u>	<u>Housing and Dining System Debt Service Reserve Fund</u>
BALANCES, BEGINNING OF YEAR	\$ <u>606</u>	\$ <u>2,161,724</u>
RECEIPTS AND OTHER ADDITIONS:		
Transferred from debt service reserve fund	140,919	-
Transfer from unrestricted	2,001,307	-
Bond proceeds	-	-
Income from investments	744	122,285
Redemption of investments	-	1,909,976
Other financing sources	-	-
	<u>2,142,970</u>	<u>2,032,261</u>
Total available funds	<u>2,143,576</u>	<u>4,193,985</u>
DISBURSEMENTS AND OTHER DEDUCTIONS:		
Redemption of bonds	1,090,000	-
Payment of interest	1,027,683	-
Purchase of investments	-	1,910,612
Loss on sale of investments	-	-
Other	-	-
Transfer to sinking fund	-	140,919
Administrative fees	<u>3,000</u>	<u>4,266</u>
	<u>2,120,683</u>	<u>2,055,797</u>
BALANCES, END OF YEAR	\$ <u>22,893</u>	\$ <u>2,138,188</u>

Repair Fund	Consolidated Educational Building Bonds	Totals
<u>\$541,095</u>	<u>\$2,321,160</u>	<u>\$5,024,585</u>
-	-	140,919
63,913	2,433,836	4,499,056
-	205,000	205,000
34,575	169,764	327,368
-	-	1,909,976
<u>41,307</u>	<u>24,020</u>	<u>65,327</u>
<u>139,795</u>	<u>2,832,620</u>	<u>7,147,646</u>
<u>680,890</u>	<u>5,153,780</u>	<u>12,172,231</u>
-	1,730,000	2,820,000
-	880,284	1,907,967
-	-	1,910,612
41,341	-	41,341
1,639	-	1,639
-	-	140,919
<u>-</u>	<u>201,266</u>	<u>208,532</u>
<u>42,980</u>	<u>2,811,550</u>	<u>7,031,010</u>
<u>\$637,910</u>	<u>\$2,342,230</u>	<u>\$ 5,141,221</u>



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON  
SCHEDULE OF FEDERAL AWARDS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the basic financial statements of Morehead State University taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Kelley, Galloway & Company, PSC*

September 14, 1995

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
United States Department of Health and Human Services:							
Direct Programs -							
Child Development 93-94	84.027	7/1/93-6/30/94	\$ 146,653	\$ 49,623	\$ 0	\$ 49,623	\$ 0
Child Development 94-95	84.027	7/1/94-6/30/95	151,670	0	151,670	129,747	21,923
				<u>49,623</u>	<u>151,670</u>	<u>179,370</u>	<u>21,923</u>
Passed Through Eastern Kentucky Concentrated Employment Program Inc. - CNA Program 92							
	-	5/17/92-6/30/92	28,069	1,316	0	1,316	0
				<u>1,316</u>	<u>0</u>	<u>1,316</u>	<u>0</u>
Passed Through Gateway Community Services, Inc. -							
Head Start Aide 93-94	13.600	8/1/93-7/31/94	3,749	(3,749)	3,288	0	(461)
Head Start 92-93	13.600	8/1/92-7/31/93	3,294	63	0	63	0
Head Start 93-94	13.600	8/1/93-7/31/94	151,832	(74,956)	82,865	6,982	927
Head Start 94-95	13.600	8/1/93-7/31/94	179,171	0	142,394	176,903	(34,509)
				<u>(78,642)</u>	<u>228,547</u>	<u>183,948</u>	<u>(34,043)</u>
Passed Through National Collegiate Athletics Association -							
NCAA Camp 1991	-	6/1/91-5/31/92	44,885	(836)	0	0	(836)
NCAA Camp 1992	-	6/1/92-5/31/93	42,500	957	0	0	957
NCAA Camp 1993	-	6/1/93-5/31/94	50,365	(1,041)	0	0	(1,041)
NCAA Camp 1994	-	6/1/94-5/31/95	47,000	(7,392)	40,867	41,484	(8,009)
NCAA Supplemental	-	6/01/90-Ongoing	2,345	(453)	0	0	(453)

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
NCAA Supplemental 94	-	9/1/94-Ongoing	697	0	697	0	697
NYSP 95-96	-	6/1/95-5/31/96	47,000	0	0	703	(703)
				(8,765)	41,564	42,187	(9,388)
Total United States Department of Health and Human Services				(36,468)	421,781	406,821	(21,508)
United States Department of Education:							
Direct programs -							
College Work-Study	SFA (1)	7/1/94-6/30/95	795,231	(29,213)	772,731	694,456	49,062
Pell Grant	SFA (1)	7/1/94-6/30/95	5,909,982	(148,600)	6,137,013	6,285,033	(296,620)
SEOG	SFA (1)	7/1/94-6/30/95	243,773	0	266,273	266,273	0
Perkins Loan Program	SFA (1)	Indefinite	2,411	(3,456,150)	4,786,610	4,814,539	(3,484,079)
Guaranteed Loan Program	SFA (1)	7/1/94-6/30/95	-	0	10,908,957	10,908,957	0
Upward Bound 93-94	84.0047A (1)	6/1/93-5/30/94	291,353	803	0	379	424
Upward Bound 94-95	84.0047A (1)	6/1/94-5/30/95	380,227	(97,194)	380,227	287,386	(4,353)
Upward Bound 95-96	84.0047A (1)	6/1/95-5/31/96	406,304	0	0	102,547	(102,547)
Talent Search 92-93	84.044A	7/1/92-6/30/93	253,432	(11,185)	0	0	(11,185)
Talent Search 93-94	84.044A	7/1/93-6/30/94	253,432	(26,739)	28,432	1,693	0
Talent Search 94-95	84.044A	7/1/94-6/30/95	276,270	0	224,000	275,520	(51,520)
Special Services 91-92	84.042A	9/1/91-8/31/92	170,833	(126)	0	0	(126)
Special Services 92-93	84.042A	9/1/92-8/31/93	187,195	4,093	0	0	4,093
Special Services 93-94	84.042A	9/1/93-8/31/94	192,384	(1,494)	84,579	33,085	50,000
Special Services 94-95	84.042A	9/1/94-8/31/95	197,578	0	80,441	158,735	(78,294)
Veteran's Education 92	84.064	7/1/91-6/30/93	4,744	13	0	13	0
Veteran's Education 93	84.064	7/1/92-6/30/94	2,924	(2,315)	2,937	729	(107)
Educational Opportunity Center 93-94	84.066A	9/1/93-8/31/94	263,072	(858)	42,675	41,817	0
Educational Opportunity Center 94-95	84.066A	9/1/94-8/31/95	281,665	0	175,600	224,870	(49,270)
Wellness Education 92-93	84.048	10/1/92-9/30/93	58,751	16,106	80	16,186	0
Wellness Education 93-94	84.048	10/1/93-9/30/94	65,786	6,931	16,186	22,911	206

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
Title III Improvement 92-93	84.048	10/1/92-9/30/93	142,070	11,611	0	0	11,611
Title III Improvement 93-94	84.048	10/1/93-9/30/94	142,070	(13,504)	19,287	12,711	(6,928)
Title III Improvement 94-95	84.048	10/1/94-9/30/95	142,070	0	89,000	95,746	(6,746)
				<u>(3,747,821)</u>	<u>24,015,028</u>	<u>24,243,586</u>	<u>(3,976,379)</u>
Passed Through The Kentucky Council of Higher Education -							
Destination Graduation 94-95	84.204A	10/1/94-9/30/95	19,293	0	8,834	19,091	(10,257)
Destination Graduation-Academic 93-94	84.204A	10/1/93-9/30/94	28,083	(6,996)	10,107	3,103	8
Destination Graduation-Summer 93-94	84.204A	10/1/93-9/30/94	57,531	(5,932)	39,892	32,989	971
Destination Graduation Summer 91-92	84.204A	10/1/91-9/30/92	44,000	10	0	10	0
National Writing Project	84.204	3/1/94-6/30/95	16,000	0	16,000	14,044	1,956
				<u>(12,918)</u>	<u>74,833</u>	<u>69,237</u>	<u>(7,322)</u>
Passed Through the State Department of Education -							
Title II Agriculture 93-94	84.048	7/1/93-6/30/94	36,000	(23,069)	36,409	13,340	0
Title II ATL 93-94	84.048	7/1/93-6/30/94	61,087	(33,431)	40,145	6,714	0
Title II Information Science 93-94	84.048	7/1/93-6/30/94	16,475	(2,303)	2,366	63	0
Home Economics 93-94	84.048	7/1/93-6/30/94	17,000	(15,526)	16,560	1,034	0
Field Base Teach 93-94	84.048	7/1/93-6/30/94	16,000	(1,411)	1,475	64	0
Title II ATL 94-95	84.048	7/1/94-6/30/95	14,700	0	14,700	14,836	(136)
Home Economics Title II 94-95	84.048	7/1/94-6/30/95	5,000	0	5,000	2,787	2,213
Title II Horticulture 94-95	84.048	7/1/94-6/30/95	11,500	0	20,238	0	20,238
Title II Nurse 94-95	84.048	7/1/94-6/30/95	31,000	0	31,000	24,197	6,803
Tit II/Child D 94-95	84.048	7/1/94-6/30/95	10,300	0	10,300	10,300	0
				<u>(75,740)</u>	<u>178,193</u>	<u>73,335</u>	<u>29,118</u>
Total United States Department of Education				<u>(3,836,479)</u>	<u>24,268,054</u>	<u>24,386,158</u>	<u>(3,954,583)</u>

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
United States Department of Labor:							
Direct Programs -							
JTPA MSU Learning Center 94-95	17.246-17.251	7/1/94-6/30/95	38,217	0	23,941	23,561	380
JTPA MSU Learning Center 93-94	17.246-17.251	7/1/93-6/30/94	8,034	(2,632)	3,033	401	0
JTPA MSU Learning Center 92-93	17.246-17.251	7/1/92-6/30/93	7,930	4,593	0	4,593	0
JTPA LV Learning Center 94-95	17.246-17.251	7/1/94-6/30/95	18,557	0	11,427	17,399	(5,972)
JTPA LV Learning Center 93-94	17.246-17.251	7/1/93-6/30/94	24,039	(13,343)	8,103	2,256	(7,496)
JTPA LV Learning Center 92-93	17.246-17.251	7/1/92-6/30/93	5,070	(1,092)	0	0	(1,092)
LV JOBS ABE/GED 93-94	93.021	7/1/93-6/30/94	33,756	(498)	9,279	107	8,674
LV JOBS ABE/GED 94-95	93.021	7/1/94-6/30/95	30,544	0	42,930	25,396	17,534
MSU JOBS ABE/GED 92-93	93.021	7/1/92-6/30/93	27,431	2,454	0	2,454	0
MSU JOBS ABE/GED 93-94	93.021	7/1/93-6/30/94	24,353	(1,082)	1,987	905	(0)
MSU JOBS ABE/GED 94-95	93.021	7/1/94-6/30/95	23,503	0	24,131	26,285	(2,154)
				(11,600)	124,831	103,357	9,874
Passed Through TENCO Private Industry Council -							
JTPA MOAR 93-94	17.246-17.251	5/1/93-8/9/93	87,685	169	0	169	0
JTPA MOAR 91-92	17.246-17.251	5/1/91-8/9/91	78,048	12,072	0	12,072	0
JTPA MOAR 95-96	17.246-17.251	5/1/95-8/9/95	89,077	0	0	28,803	(28,803)
JTPA MOAR 94-95	17.246-17.251	5/1/94-8/9/94	84,105	(25,223)	79,619	54,396	0
JTPA Associate Degree 93-94	17.246-17.251	7/1/93-6/30/94	11,859	(1,319)	1,418	0	99
JTPA Associate Degree 94-95	17.246-17.251	7/1/94-6/30/95	22,967	0	16,431	17,809	(1,378)
				(14,301)	97,468	113,249	(30,082)
Total United States Department of Labor				(25,901)	222,299	216,606	(20,208)
United States Department of Agriculture Upward Bound Meals 92	-	7/1/92-6/30/93	10,000	6,648	0	6,648	0

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
MOAR Meals 93	17.246-17.251	6/25/93-7/27/93	4,583	4,583	0	170	4,413
Upward Bound Meals 93	-	6/30/93-8/1/93	5,872	5,872	0	5,872	0
MOAR Meals 94	17.246-17.251	6/30/94-8/1/95	5,901	0	5,901	5,901	0
Upward Bound Meals 94	-	6/30/94-8/1/95	6,248	0	6,248	6,248	0
Total United States Department of Agriculture				17,103	12,149	24,839	4,413
Corporation For Public Broadcasting							
CPB 94-96	-	10/1/94-9/30/96	87,896	0	87,897	72,243	15,654
CPB-NPAG 94-96	-	10/1/94-9/30/96	32,010	0	32,010	32,010	0
CPB 93-95	-	10/1/93-9/30/95	88,392	4,943	0	2,550	2,393
Total Corporation for Public Broadcasting				4,943	119,907	106,803	18,047
Small Business Administration							
SBDC 94-95	59.037	10/1/94-9/30/95	138,600	0	0	105,893	(105,893)
SBDC 93-94	59.037	10/1/93-9/30/94	138,600	(31,517)	78,439	46,922	0
Small Business Mini-Grant 94-95	59.037	Ongoing	3,500	1,951	1,000	1,183	1,768
Small Business Mini Grant 93-94	59.037	10/1/93-9/30/94	3,500	(648)	3,500	2,310	542
Tree Grant	-	9/1/94-8/1/95	9,876	0	9,848	9,848	0
Total Small Business Administration				(30,214)	92,787	166,156	(103,583)
OTHER FEDERALLY SPONSORED PROJECTS:							
Appalachian Regional Commission:							
Appalachian Cultural Res	23.011	9/15/94-9/14/95	140,000	0	0	128	(128)
Action:							
RSVP Action 93-94	72.002	7/1/93-6/30/94	38,032	(27,863)	29,013	764	386
RSVP Action 94-95	72.002	7/1/94-6/30/95	37,942	0	28,143	37,057	(8,914)
VISTA 89-90	72.002	7/1/89-6/30/91	98	98	0	98	0



**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
NASA:							
Space Science 95	47.073	7/1/94-6/30/95	1,500	0	0	1,700	(1,700)
Science Travel	-	7/01/93-6/30/94	1,000	(590)	1,000	410	0
Elementary Science 93-94	47.073	7/01/93-6/30/94	8,000	(7,078)	0	269	(7,347)
JOVE	47.073	6/1/94-5/31/95	28,000	(10,025)	13,071	4,740	(1,694)
JOVE 95	47.073	6/1/95-5/31/96	28,000	0	13,250	33,202	(19,952)
National Science Foundation:							
KY Middle Grades Math 95-96	47.070	5/1/95-4/30/96	68,248	0	0	30,643	(30,643)
KY Middle Grades 93-94	47.070	5/01/93-4/30/94	32,050	(2,325)	66,112	86,724	(22,937)
KY Middle Grades 94-95	47.070	5/01/93-4/30/94	112,718	(13,193)	21,865	0	8,672
Math Teachers 92-93	47.066	4/01/92-3/31/93	19,369	195	0	0	195
Sediment Water 92-93	47.066	4/1/92-3/31/93	7,960	36	0	36	0
EPSCOR Reeder	-	5/01/93-4/30/94	12,521	6	0	6	0
EPSCOR Mattingly	-	5/01/92-4/30/93	15,000	(52)	52	0	0
EPSCOR Mattingly 93	-	5/01/93-4/30/94	15,000	(4,812)	4,812	0	0
EPSCOR Seth 94	-	5/1/94-4/30/95	10,800	(376)	0	10,167	(10,543)
NSF Ky Science	47.073	5/01/93-4/30/94	13,152	(2,265)	2,265	0	0
Math Explorer	-	9/15/94-8/31/96	100,000	0	78,862	97,582	(18,720)
United States Environmental Protection Agency:							
Micro Lab 93-94	-	7/1/93-6/30/94	4,034	1,070	1,540	0	2,610
Micro Lab 94-95	-	7/1/94-6/30/95		0	22,690	23,167	(477)
United States Department of Agriculture Forestry Service:							
Rural Development	-	6/1/94-9/30/95	14,800	(197)	197	0	0

**MOREHEAD STATE UNIVERSITY**  
**SCHEDULE OF FEDERAL AWARDS (CONCLUDED)**  
**FOR THE YEAR ENDED JUNE 30, 1995**

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Period	Grant Amount	Unearned Revenue (Revenue Receivable) as of 6/30/94	Funds Received 7/1/94 to 6/30/95	Funds Disbursed 7/1/94 to 6/30/95	Unearned Revenue (Revenue Receivable) as of 6/30/95
Institute of Museum Services: Museum Assessment	-	4/4/94-4/3/95	1,975	825	0	765	60
Total Other Federally - Sponsored Projects				<u>(66,546)</u>	<u>282,872</u>	<u>327,458</u>	<u>(111,132)</u>
Total Federal Awards				<u>\$ (3,973,562)</u>	<u>\$ 25,419,849</u>	<u>\$ 25,634,841</u>	<u>\$ (4,188,554)</u>

(1) Major Federal Awards Program



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS, REGULATIONS,  
CONTRACTS AND GRANTS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to Morehead State University is the responsibility of the University's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Morehead State University's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of management, the Board of Regents, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record, and its distribution is not limited.

*Kelley, Galloway + Company, PSC*

September 14, 1995

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 1995

<u>FEDERAL PELL GRANT PROGRAM CFDA NO. 84.032</u> -	\$1,165
<u>GUARANTEED STUDENT LOAN PROGRAM CFDA NO. 84.032</u>	\$ 679
Questioned Cost -	<u>\$1,844</u>

Condition

The pro-rata refund calculations for thirteen of thirty-eight first-time students used an incorrect refund percentage. Only the refund calculations for pro-rata, first-time students were affected.

Criteria

The pro-rata percentage, as determined using the statutory formula, is to be rounded down to the nearest ten percent. [U.S. Department of Education (Part 668)]

Effect

The actual portion of institutional charges retained by Morehead State University exceeded the amount that should have been retained. Conversely, the amount returned to the various student financial aid sources was lower than the amount that should have been returned.

Cause

A computer spreadsheet was incorrectly programmed to calculate student refund/repayments. The error in the spreadsheet only affected pro-rata computations of first-time students. The program was rounding the refund percentage down an extra ten percent. All pro-rata, first-time student calculations were recomputed. Of thirty-eight computations, thirteen were found to be incorrect. The questioned costs of \$1,844, represents the amount of incorrect computations in the entire population and not just the amount found in the sample.

Recommendation

The University should take appropriate actions to refund the \$1,844 to the various student financial aid sources (e.g. Pell, SEOG, GSL, etc.). The University should also require a review of all refund/repayment calculations by an appropriate supervisor.

University's Comments

We will refund \$1,844 to the appropriate student financial aid sources. We have corrected the spreadsheet programming error and will require supervisory review of the refund/repayment calculations.



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AWARDS PROGRAMS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995.

We have also audited Morehead State University's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; financial reports and claims for advances and reimbursements; and special tests and provisions that are applicable to each of its major federal programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1995. The management of Morehead State University is responsible for the University's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, Morehead State University complied, in all material respects, with the specific requirements referred to in the second paragraph that are applicable to each of its major federal award programs for the year ended June 30, 1995.

This report is intended for the information and use of management, the Board of Regents, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record, and its distribution is not limited.

September 14, 1995

*Kelley, Galloway & Company, PSC*



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH SPECIFIC REQUIREMENTS APPLICABLE TO  
NONMAJOR FEDERAL AWARDS PROGRAM TRANSACTIONS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995.

In connection with our audit of the financial statements of Morehead State University and with our consideration of the University's internal control structure used to administer federal award programs, as required by Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions", we selected certain transactions applicable to certain nonmajor federal programs for the year ended June 30, 1995.

As required by OMB Circular A-133, we performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, eligibility and special tests and provisions (if any) that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the University's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Morehead State University had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed an immaterial instance of noncompliance with those requirements, which is described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information and use of management, the Board of Regents, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record, and its distribution is not limited.

*Kelley, Galloway & Company, PSC*

September 14, 1995



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN  
AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995 and have issued our report thereon dated September 14, 1995.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of Morehead State University is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of Morehead State University for the year ended June 30, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.



Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned function. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information and use of management, the Board of Regents, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record, and its distribution is not limited.

*Kelley, Galloway & Company, P.C.*

September 14, 1995



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE  
TO FEDERAL AWARDS PROGRAMS

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995.

We have applied procedures to test Morehead State University's compliance with the following requirements applicable to its federal award programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended June 30, 1995:

- a. Political activity
- b. Civil rights
- c. Cash management
- d. Federal financial reports
- e. Allowable costs/cost principles
- f. Drug-Free Workplace Act
- g. Administrative requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Audits of Institutions of Higher Learning and Other Non-Profit Institutions". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Morehead State University's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Morehead State University has not complied, in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information and use of management, the Board of Regents, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record, and its distribution is not limited.

*Kelley, Galloway & Company, PSC*

September 14, 1995

MOREHEAD STATE UNIVERSITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)

FOR THE YEAR ENDED JUNE 30, 1995

JTPA, CFDA NO. 17.246-17.251

Questioned Cost - \$ 6,668 reimbursed by State  
                            3,688 unreimbursed  
                            \$10,356

Condition

The University received a letter dated August 25, 1995, from the Kentucky Department for Adult Education and Literacy (the State) disallowing all costs incurred for the program since December 23, 1994.

Criteria

Part-time programs are required to meet an Average Daily Attendance (ADA) of four participants.

Effect

The penalty for failure to meet an ADA of four is termination for part-time programs.

Cause

Certain participants were determined by the State to have been duplicated for the JOBS and JTPA programs at the MSU-Licking Valley Center when determining ADA. This duplication was not detected by the Program Director. The recalculated ADA was determined to be three.

Recommendation

The University should take appropriate action to determine whether participants were duplicated and whether proper required warning and termination letters were received as required from the grantor agency and make reimbursement to the State, as necessary. The University should also require a review of all reports submitted to grantor agencies by an appropriate supervisor and increase program monitoring for compliance. Program monitoring will require more specialized diligence with the recent and projected additions of many new, smaller and diversified grants and contracts. Consideration should also be given to the need for additional full-time or part-time accounting personnel available to account for restricted programs activities.

University's Comments

University management will continue to pursue resolution of the proposed disallowance of cost, including follow-up to determine how the duplication, if any, of ADA reporting occurred. The need for additional manpower related to compliance with and accounting for Federal and state grants and contracts is being studied and recommendations will be forthcoming.



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of the Board of Regents and  
Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our report thereon dated September 14, 1995. We have also audited the University's compliance with requirements applicable to major federal award programs and have issued our report thereon dated September 14, 1995.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the University complied with laws and regulations, noncompliance with which would be material to a major federal award program.

In planning and performing our audits for the year ended June 30, 1995, we considered Morehead State University's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the University's financial statements and on its compliance with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal award programs. We have addressed policies and procedures relevant to our audit of the financial statements in a separate report dated September 14, 1995.

The management of Morehead State University is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal awards programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any

internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal award programs in the following categories:

- A. Accounting Controls
  - 1. Revenue/receipts
  - 2. Purchases/disbursements
  - 3. Payroll/personnel
  - 4. Governmental financial assistance programs.
- B. Controls Used in Administering Federal Award programs
  - 1. General Requirements
    - a. Political activity
    - b. Civil rights
    - c. Cash management
    - d. Federal financial reports
    - e. Allowable costs/cost principles
    - f. Drug-Free Workplace Act
    - g. Administrative requirements.
  - 2. Specific Requirements
    - a. Types of services allowed or disallowed
    - b. Eligibility
    - c. Matching, level of effort or earmarking
    - d. Federal financial reports and claims for advances and reimbursements.
    - e. Special requirements.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1995, Morehead State University expended 91% of its total federal awards under major federal award programs.

We performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the University's major programs, which are identified in the accompanying Schedule of Federal Awards. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal program being audited may occur and not be

detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Regents, management, the cognizant Federal audit agency and other audit agencies. However, this report is a matter of public record and its distribution is not limited.

*Kelly, Galloway + Company, PC*

September 14, 1995

MOREHEAD STATE UNIVERSITY  
MOREHEAD, KENTUCKY

INDEPENDENT AUDITOR'S REPORT OF LIMITED AUDIT  
OF THE INTERCOLLEGIATE ATHLETICS DEPARTMENT  
AND ITS RELATED BOOSTER ORGANIZATION

FOR THE YEAR ENDED JUNE 30, 1995



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS  
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PAGE

AGREED-UPON PROCEDURES FOR INTERCOLLEGIATE ATHLETICS DEPARTMENT:

INDEPENDENT AUDITOR'S REPORT ON AGREED-UPON PROCEDURES . . . . .	2-3
EXHIBIT I - STATEMENT OF REVENUES AND EXPENDITURES . . . . .	4

AGREED-UPON PROCEDURES FOR RELATED BOOSTER ORGANIZATION:

INDEPENDENT AUDITOR'S REPORT ON AGREED-UPON PROCEDURES . . . . .	5
EXHIBIT II - STATEMENT OF SUPPORT AND REVENUE, EXPENSES AND CHANGES IN FUND BALANCE . . . . .	6

SUPPLEMENTAL INFORMATION:

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION . . . . .	7
EXHIBIT III - SCHEDULE OF REVENUES AND EXPENDITURES BY SPORT OF THE INTERCOLLEGIATE ATHLETICS DEPARTMENT . . . . .	8
EXHIBIT IV - SCHEDULE OF REVENUES GENERATED TO SUPPORT EXPENDITURES OF THE INTERCOLLEGIATE ATHLETICS DEPARTMENT . . . . .	9

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INDEPENDENT AUDITOR'S REPORT  
ON AGREED-UPON PROCEDURES

Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have audited the financial statements of Morehead State University as of and for the year ended June 30, 1995, and have issued our unqualified report thereon dated September 14, 1995. At your request, we have also applied certain agreed-upon procedures, as discussed below, to the accounting records and internal control structure of Morehead State University, as of June 30, 1995, solely to assist the University in complying with NCAA Bylaw 6.2.3.1. It is understood that this report is solely for your information and is not to be referred to or distributed for any purposes to anyone who is not a member of management or the Board of Regents of Morehead State University or an authorized representative of the National Collegiate Athletic Association. Our procedures and findings are as follows:

Statement of Revenues and Expenditures - Agreed-UpOn Procedures

- a. We obtained the statement of revenues and expenditures for the year ended June 30, 1995, as prepared by management and shown in Exhibit I. We recalculated the addition of the amounts on the statement, traced the amounts on the statement to management's worksheets and agreed the amounts on management's worksheets to the University's general ledger. We noted no differences between the amounts on the general ledger and the amounts on the worksheets.
- b. We obtained an analysis of all revenue and certain expenditure accounts from management and (1) traced guaranteed gate amounts to copies of contracts with participating schools, (2) agreed revenue received from the Eagle Athletic Scholarship Fund to the audited financial statements for the year ended June 30, 1995 of Morehead State University Foundation, Inc., (3) agreed amounts recorded on worksheets maintained by the University's Athletic Department for season ticket sales to the University's general ledger, (4) traced NCAA proceeds to cash receipts records and (5) performed predictive tests of student fee income and tested its allocation to budgetary units.
- c. We applied analytical review techniques to revenues and expenditures accounts of the Intercollegiate Athletics Department in order to identify any unusual items by comparing the current year budgeted revenues and expenditures to the current year actual revenues and expenditures and discussing with management the significant variances and comparing the prior year actual revenues and expenditures to the current year actual equivalent accounts and discussing with management the significant fluctuations.
- d. We recomputed the ratio of the amount by which the Intercollegiate Athletics Department's expenditures exceeded its revenues, as a percent of the University's unrestricted educational and general expenditures. The 2.7%

ratio computed on Exhibit I was in compliance with the 3.6% cap established by the University's Board of Regents.

- e. We recalculated the ratio of the University's Intercollegiate Athletics Department's revenue, expressed as a percentage of that Department's operating expenditures. The 45.8% computed on Exhibit IV exceeded the minimum requirement of 33% as established by the University's Board of Regents.

Because the above procedures "a" through "e" do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with procedures "a" through "e" referred to above, no matters came to our attention that caused us to believe that the specific accounts or items should be further adjusted. Had we performed additional procedures or had we made an audit of any financial statements of the Intercollegiate Athletics Department of Morehead State University in accordance with generally accepted auditing standards, matters might have come to our attention that would have been reported to you. This report relates only to the accounts and items specified above and does not extend to the financial statements of Morehead State University or its Intercollegiate Athletics Department taken as a whole.

Internal Control Structure: Policies and Procedures Related to Intercollegiate Athletics - Agreed-Upon Procedures

The management of Morehead State University is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of a structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the effectiveness of the design and operation of policies and procedures may deteriorate. Our procedures and findings are as follows:

- f. We reviewed an organization chart and job descriptions of key personnel as prepared by management. We reviewed the extent of documentation of accounting systems and procedures. We also made certain inquiries of management regarding control consciousness, competence of personnel and protection of records and equipment.

Agreed-upon procedure "f" applied to certain aspects of the University's internal control structure was more limited than would be necessary to express an opinion on the internal control structure taken as a whole. Because our study and evaluation was limited to applying agreed-upon procedure "f" to certain aspects of the internal control structure, we do not express an opinion on whether the internal control structure of Morehead State University in effect for the year ended June 30, 1995, taken as a whole, was sufficient to meet the objectives stated above.

*Kelley, Galloway + Company, P.C.*

September 14, 1995

## MOREHEAD STATE UNIVERSITY

INTERCOLLEGIATE ATHLETICS DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES

FOR THE YEAR ENDED JUNE 30, 1995

	<u>FOOTBALL</u>	<u>BASKETBALL</u>	<u>OTHER SPORTS</u>	<u>NONPROGRAM SPECIFIC</u>	<u>TOTAL</u>
REVENUES:					
Ticket sales (2)	\$ 26,843	\$ 44,672	\$ -	\$ -	\$ 71,515
Eagle Athletic Scholarship Fund	-	23,393	35,927	85,813	145,133
Guaranteed gate amounts	45,000	95,750	-	-	140,750
Student activity fee	177,976	146,675	160,880	129,424	614,955
NCAA proceeds	4,614	50,687	41,526	30,000	126,827
Parking income	<u>2,754</u>	<u>1,222</u>	<u>-</u>	<u>-</u>	<u>3,976</u>
Total revenues (2)	<u>257,187</u>	<u>362,399</u>	<u>238,333</u>	<u>245,237</u>	<u>1,103,156</u>
OPERATING EXPENDITURES (1):					
Salaries	187,496	233,978	157,278	263,518	842,270
Fringe benefits	39,529	53,156	27,749	60,579	181,013
Financial Aid	302,384	173,600	282,982	-	758,966
Travel -					
Team and administrative	18,205	76,874	94,637	12,070	201,786
Recruiting	17,730	29,676	5,812	322	53,540
General and administrative	16,000	21,949	58,896	103,887	200,732
Uniforms	39,886	9,652	2,100	-	51,638
Promotion	-	-	-	13,549	13,549
Guarantees	-	9,600	-	-	9,600
Telephone	6,134	5,914	4,298	7,288	23,634
Equipment	2,563	905	12,076	2,232	17,776
Insurance	-	-	-	51,883	51,883
Game administration	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,651</u>	<u>1,651</u>
Total operating expenditures (1)(2)	<u>629,927</u>	<u>615,304</u>	<u>645,828</u>	<u>516,979</u>	<u>2,408,038</u>
EXPENDITURES OVER REVENUES (1)(2)	<u><u>\$ (372,740)</u></u>	<u><u>\$ (252,905)</u></u>	<u><u>\$ (407,495)</u></u>	<u><u>\$ (271,742)</u></u>	<u><u>\$ (1,304,882)</u></u>

## Notes:

- (1) The above expenditures of the Intercollegiate Athletics Department do not include any allocation of the University's Telecommunications, Land and Grounds Maintenance, Public Safety, Computer Services, Business Services, Custodial Services, Power Plant and General Services departmental costs. The allocation of these departmental costs would require a cost study of each area which was not included in the scope of this report.
- (2) The University includes in ticket sales revenues the value of athletic event tickets sold to other unrestricted budgetary departments of the University. These other departments purchase athletic tickets for use in fund raising, recruiting, etc. and charge their operating budget for the cost of such tickets.
- (3) The \$1,304,882 total expenditures over revenues represents 2.7% of the \$48,049,704 unrestricted educational and general expenditures of the University for the year ended June 30, 1995. This percentage is less than the 3.6% cap established by the University's Board of Regents.



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT  
ON AGREED-UPON PROCEDURES

Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

We have applied certain agreed-upon procedures, as discussed below, to the accounting records of Morehead State University and its related booster organization, the Eagle Athletic Scholarship Fund (a separate fund of Morehead State University Foundation, Inc.), in connection with activities of the Intercollegiate Athletics Department of Morehead State University. It is understood that this report is solely for your information and is not to be referred to or distributed for any purpose to anyone who is not a member of management or the Board of Regents of Morehead State University or an authorized representative of the National Collegiate Athletic Association. Our procedures and findings are as follows:

- a. We obtained from the Eagle Athletic Scholarship Fund a Statement of Support and Revenue, Expenses and Changes in Fund Balance for the year ended June 30, 1995, as shown in Exhibit II.
- b. We confirmed with management of the Eagle Athletic Scholarship Fund all financial activities directly benefiting the Intercollegiate Athletics Department at Morehead State University.
- c. We traced all cash receipts received from the Eagle Athletic Scholarship Fund to the accounting records of Morehead State University. Such transfers totalled \$145,133 and represented 58% of the Eagle Athletic Scholarship Fund's total expenditures of \$248,455 during the year ended June 30, 1995.
- d. We obtained a listing of all expenditures made on behalf of the Intercollegiate Athletics Department from the Eagle Athletic Scholarship Fund's management. We selected a sample of these expenditures and reviewed the supporting documents, noting all were properly approved and within NCAA Guidelines.
- e. The financial statements of the Morehead State University Foundation, Inc., (which includes the Eagle Athletic Scholarship Fund) for the year ended June 30, 1995, were audited by us and our independent auditor's report on those statements was dated August 24, 1995.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the specified accounts or items should be adjusted. This report relates only to the accounts and items specified above and does not extend to any financial statements of Morehead State University or Morehead State University Foundation, Inc., taken as a whole.

*Kelley, Galloway & Company, PSC*

September 14, 1995

EAGLE ATHLETIC SCHOLARSHIP FUND(a separate fund of Morehead State University Foundation, Inc.)STATEMENT OF SUPPORT AND REVENUE, EXPENSES AND  
CHANGES IN FUND BALANCEFOR THE YEAR ENDED JUNE 30, 1995

## SUPPORT AND REVENUE:

Contributions	\$155,094
Interest and dividend income	-
Donated materials and property	48,761
Other income	717
Total support and revenue	<u>204,572</u>

## EXPENSES:

University Support -	
NCAA program support -	
Scholarships	64,049
Travel	4,000
Other operating expenditures	4,000
	<u>72,049</u>

Non-NCAA program support	<u>6,286</u>
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Supporting Services - Management and General -	
Depreciation expense	1,700
Other operating expenses	44,083
	<u>45,783</u>

Supporting Services - Other -	
In-kind gifts	48,761
Contributions to Morehead State University	73,084
Insurance premiums	2,492
	<u>124,337</u>

Total expenses	<u>248,455</u>
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EXCESS OF EXPENSES OVER SUPPORT AND REVENUE	(43,883)
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TRANSFERS FROM OTHER FUNDS, NET	<u>450</u>
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DECREASE IN FUND BALANCE	(43,433)
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FUND BALANCE, beginning of year	<u>120,694</u>
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FUND BALANCE, end of year	<u>\$ 77,261</u>
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**SUPPLEMENTAL INFORMATION**



Kelley, Galloway & Company, PSC  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Dr. Ronald G. Eaglin, President  
Morehead State University  
Morehead, Kentucky

The agreed-upon procedures applied to the records of the Intercollegiate Athletics Department of Morehead State University and our independent auditor's reports thereon are presented in the preceding sections of this report. The financial information presented herein for the year ended June 30, 1995, was derived from the accounting records tested by us as part of our procedures followed in performing the aforementioned agreed-upon procedures. The supplemental information presented herein for the year ended June 30, 1995, was accumulated by management and reviewed by us for reasonableness. This report relates only to the accounts and items specified in the preceding section of this report and does not extend to the financial statements of Morehead State University taken as a whole.

*Kelley, Galloway & Company, PSC*

September 14, 1995

MOREHEAD STATE UNIVERSITYSCHEDULE OF REVENUES AND EXPENDITURES BY SPORT  
OF THE INTERCOLLEGIATE ATHLETICS DEPARTMENTFOR THE YEAR ENDED JUNE 30, 1995

<u>SPORT:</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Expenditures Over Revenues</u>
Football	<u>\$ 257,187</u>	<u>\$ 629,927</u>	<u>\$ (372,740)</u>
Men's basketball	\$ 282,845	\$ 367,642	\$ (84,797)
Women's basketball	<u>79,554</u>	<u>247,662</u>	<u>(168,108)</u>
	<u>\$ 362,399</u>	<u>\$ 615,304</u>	<u>\$ (252,905)</u>
Baseball	\$ 49,381	\$ 168,459	\$ (119,078)
Golf	31,813	58,401	(26,588)
Men's tennis	13,780	37,607	(23,827)
Women's tennis	13,821	35,297	(21,476)
Swimming	14,701	19,776	(5,075)
Volleyball	49,422	128,205	(78,783)
Softball	29,576	106,956	(77,380)
Cross country	22,980	69,894	(46,914)
Rifle	<u>12,859</u>	<u>21,233</u>	<u>(8,374)</u>
	<u>\$ 238,333</u>	<u>\$ 645,828</u>	<u>\$ (407,495)</u>



MOREHEAD STATE UNIVERSITYSCHEDULE OF REVENUES GENERATED TO SUPPORT EXPENDITURES  
OF THE INTERCOLLEGIATE ATHLETICS DEPARTMENTFOR THE YEAR ENDED JUNE 30, 1995

Funds available for expenditure	<u>\$1,103,156</u>
Operating expenditures	<u>\$2,408,038</u>
Funds available for expenditure as a percentage of operating expenditures	<u>45.8%</u> (1)

- (1) The 45.8% exceeds the minimum requirement established by the University's Board of Regents which stated that the ratio of the Intercollegiate Athletics Department's revenue must equal at least 33.3% of the annual expenditures of the Intercollegiate Athletics Department.