

AGENDA BOOK
Board of Regents



MEETING SCHEDULE

Friday, June 11, 2004

9 a.m.

Board of Regents Meeting

302 Breck

12:30 p.m.

Buffet Luncheon

109 Breck

Members, Morehead State University Board of Regents

Buckner Hinkle Jr. (*Chair*)

James H. Booth (*Vice Chair*)

Gene Caudill (*Staff Member*)

Jean Dorton

Joshua R. Gruenke (*Student Member*)

Sylvia L. Lovely

John C. Merchant

Dr. Charles H. Morgan Jr. (*Faculty Member*)

Helen C. Pennington

Jerry W. Umberger

Board of Regents Meeting Morehead State University

Breckinridge 302

9 a.m., Friday, June 11, 2004

Agenda

- I. CALL TO ORDER
- II. ROLL CALL
- III. NOMINATING COMMITTEE REPORT
- IV. APPROVE MINUTES OF MARCH 5, 2004, AND APRIL 26, 2004
- V. ADOPT RESOLUTIONS IN MEMORY OF --
GOVERNOR EDWARD T. BREATHITT1
GOVERNOR LOUIE B. NUNN2
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- VII. SGA – *YEAR IN REVIEW*
Josh Gruenke, SGA President and BOR Member
- VIII. SABBATICAL LEAVE REPORT
John Ernst, Associate Professor of History
- IX. SPOTLIGHT PRESENTATION -- *ROTC*
Lt. Col. John Karaus, Professor of Military Science
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A. Report on Presidential Search

B. President's Contract

- C. Future Meetings --** Work/Orientation Session, Friday, August 13
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XII. ADJOURNMENT

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JUNE 11, 2004

**BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
March 5, 2004**

The Board of Regents of Morehead State University met at 8:30 a.m. on Friday, March 5, 2004, in the Riggle Room of the Adron Doran University Center. Chair Buckner Hinkle Jr. presided.

ROLL CALL

The following members were present: James H. Booth, Gene Caudill, Jean Dorton, Joshua Gruenke, Buckner Hinkle Jr., John Merchant, Dr. Charles H. Morgan Jr., Helen Pennington, and Jerry W. Umberger. Sylvia Lovely was absent.

Also, Joyce LeMaster, President of the MSU Alumni Association, attended the meeting.

**ELECTION OF
OFFICERS**

Chair Hinkle asked the Board to consider postponing the election of officers to the June 11, 2004, quarterly meeting and appointing a nominating committee composed of Dr. Charles Morgan Jr., Helen Pennington, and Gene Caudill to recommend officers at the June quarterly meeting. (Following the meeting, Chair Hinkle appointed Jerry Umberger to replace Helen Pennington who was unable to serve.)

Mr. Booth moved that the election of officers be tabled to the June 11, 2004, Board meeting at which time the nominating committee will present its recommendations. Ms. Pennington seconded the motion. The motion carried.

PRESS

Pauline Young, Director of University Communications, introduced Jeremy Hicks from Morehead State Public Radio.

**DECEMBER 12,
2003, AND
JANUARY 19, 2004,
MINUTES**

Mr. Booth moved that the minutes of the December 12, 2003, quarterly meeting and January 19, 2004, special meeting be approved as distributed. Ms. Pennington seconded the motion. The motion carried.

**PRESIDENT'S
RECOMMENDA-
TIONS**

The President recommended:

RECOMMENDATION: That the Board approve the awarding of the honorary degree of Doctor of Public Service to Dr. Gary S. Cox at the Spring Commencement ceremony on May 8, 2004.

***Honorary Doctoral
Degree***

(Additional background information attached to these minutes and marked V.)

Keith Kappes, Vice President for University Relations, stated that the University's ad hoc Honorary Degree Advisory Committee recommended that Gary S. Cox, who is an alumnus of the University, be awarded the Honorary

Doctor of Public Service degree at the Spring Commencement ceremony on May 8, 2004.

President Eaglin stated that Dr. Cox served ten years as Executive Director of the Kentucky Council on Higher Education. More importantly, he said that if it had not been for Dr. Cox, we would not have had reform in higher education in the state. He worked very hard behind the scenes to create the Council on Postsecondary Education for the Commonwealth of Kentucky.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Dr. Morgan seconded the motion.

VOTE: The motion carried.

The President recommended:

***Founders Day
Award for
University Service***

RECOMMENDATION: That the Board approve the selection of Dr. John C. Philley of Morehead, Kentucky, as the recipient of the 2004 Founders Day Award for University Service.

(Additional background information attached to these minutes and marked VI.)

Mr. Kappes stated that the Founders Day Committee recommended that the 2004 Founders Day Award for University Service be presented to Dr. John C. Philley, professor emeritus of geoscience and former executive vice president for academic affairs at the University.

MOTION: Ms. Pennington moved that the Board approve the President's recommendation. Dr. Morgan seconded the motion.

VOTE: The motion carried.

The President recommended:

Tenure

RECOMMENDATION: That the Board approve the granting of tenure to Dr. Gregory R. Russell, Associate Professor of Management.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Mr. Merchant seconded the motion.

VOTE: The motion carried.

Tenure/Promotion

The President recommended:

RECOMMENDATION: That the Board approve the granting of tenure and promotion to the associate professor rank for the following faculty members with the issuance of their contracts for the 2004-2005 year:

Dr. Ann Adams, English
Dr. Victor Ballester, Educational Administration
Dr. Greg Detweiler, Music
Dr. Sylvia Henneberg, English
Dr. Teresa Howell, Nursing
Dr. Thomas Kiffmeyer, History
Dr. Carol Wymer, Biology

(Additional background information attached to these minutes and marked VII-A-2.)

MOTION: Dr. Morgan moved that the Board approve the President's recommendation. Mr. Merchant seconded the motion.

Michael Moore, Provost, stated that there were no negative tenure decisions this year.

VOTE: The motion carried.

The President recommended:

Sabbatical Leaves

RECOMMENDATION: That the Board approve the granting of a sabbatical leave for the following faculty member:

Dr. Vicente Cano, Fall 2004

(Additional background information attached to these minutes and marked VII-A-3.)

Dr. Moore stated that only one request for a sabbatical leave was received this year, and that was from Dr. Vicente Cano, Professor of Romance Languages. Dr. Cano plans to investigate the relationships between technology and Spanish poetry in the 19th century and how Spanish poets reacted to the progress brought about by the new technologies of that period.

MOTION: Mr. Booth moved that the Board approve the President's recommendation. Ms. Pennington seconded the motion.

VOTE: The motion carried.

Personnel Actions

The President recommended:

RECOMMENDATION: That the Board ratify the Personnel Actions for the period November 17, 2003, through February 13, 2004.

(List of Personnel Actions and additional background information attached to these minutes and marked VII-A-4.)

Roger Barker, Director of Human Resources, noted that the Personnel Actions for the period November 17, 2003, through February 13, 2004, were routine.

Mr. Caudill asked if the policy on released time and supplemental pay had been formulated. President Eaglin stated that a clarification of the plan to include both released time and supplemental pay [draft plan discussed at the work session in February] will be presented at a future Board meeting.

A question was raised about whether off-campus center directors, who receive supplemental pay for teaching, have teaching as a part of their responsibilities. Dr. Moore advised that teaching is not formally a part of their responsibilities. However, when we are unable to find qualified faculty at the off-campus sites, we use directors who have the necessary qualifications to teach classes. Dr. Eaglin said that when we hire an academic administrator at these salaries, we should either build in some expectations of teaching and/or fund raising so there is no confusion when a person assumes such a position.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Mr. Booth seconded the motion.

VOTE: The motion carried.

The President recommended:

Guaranteed Energy Savings Contract

RECOMMENDATION: That the Board authorize the President and/or the Vice President for Administration and Fiscal Services to execute a loan agreement either through the Commonwealth of Kentucky Master Lease Program or a separate third party lender in an amount not to exceed \$1,900,000 to finance the guaranteed energy savings contract with Energy Savings Group.

(Additional background information attached to these minutes and marked VII-A-5.)

Michael Walters, Vice President for Administration and Fiscal Services, stated that in December 2002, the Board was informed that the University was in the process of selecting an energy service company to conduct a campus-wide energy conservation audit, consult regarding projects related to energy conservation and cost savings, and perform and fund the capital improvements

related to the projects, if economically feasible. Energy Savings Group was selected to conduct the audit. The company completed its energy conservation audit and submitted a list of proposed projects to the University. Although the list of projects is somewhat limited, one project that represents a significant savings is a campus-wide lighting retrofit in administrative, classroom, and residence hall buildings. This project has an initial cost of approximately \$1.8 million and is estimated to generate energy cost savings of more than \$157,000 annually. The University is required to finance the project either through the Commonwealth of Kentucky Master Lease Program or a third party lender.

MOTION: Mr. Merchant moved that the Board approve the President's recommendation. Dr. Morgan seconded the motion.

VOTE: The motion carried with Ms. Dorton abstaining.

The President recommended:

Quarterly Report

RECOMMENDATION: That the Board accept the financial statements and amend the operating budget for the second quarter of the fiscal year that will end June 30, 2004.

(Financial Statements and additional background information attached to these minutes and marked VII-A-6.)

Mr. Walters discussed the financial statements -- Statement of Net Assets and the Statement of Revenues, Expenditures and Changes in Fund Balance. Teresa Johnson, Director of Budgets, discussed Budget Amendments and the Capital Outlay Status Report.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Dr. Morgan seconded the motion.

VOTE: The motion carried.

The President recommended:

Banking Services Contracts

RECOMMENDATION: That the Board exercise the option to renew the banking services contracts for the period July 1, 2004, to June 30, 2005, with USbank of Morehead for the main campus banking, and with Heritage Bank in Ashland, Commercial Bank in West Liberty, Citizens National Bank in Prestonsburg, Citizens Bank in Jackson, and Traditional Bank in Mt. Sterling to continue to serve as depositories for funds collected at the extended campus centers.

(Additional background information attached to these minutes and marked VII-A-7.)

**University Police
Standard Operating
Procedures Manual
Revisions**

Mr. Walters stated that in 2002 the University engaged in a competitive bidding process for banking services. As a result of that process, the University awarded contracts to USBank in Morehead for the main campus banking services, Heritage Bank in Ashland, Commercial Bank in West Liberty, Citizens National Bank in Prestonsburg, and Citizens Bank in Jackson. The original contract for Traditional Bank in Mt. Sterling covered the period August 2003, to June 2004. All of these contracts have options to renew the contracts for four additional one-year periods.

MOTION: Mr. Umberger moved that the Board approve the President's recommendation. Ms. Pennington seconded the motion.

VOTE: The motion carried with Ms. Dorton abstaining from voting.

The President recommended:

RECOMMENDATION: That the Board approve the revisions to the Morehead State University Police Department Standard Operating Procedures Manual.

(Revisions and additional background information attached and marked VII-A-8.)

Madonna Weathers, Vice President for Student Life, stated that two items were omitted in the last revision of the *Morehead State University Police Department Standard Operating Procedures Manual* that was approved by the Board in June 2003. These two items are regulations regarding unauthorized use of a firearm from Chapter 5 and regulations regarding the promotion process from Chapter 28.

In response to a question on whether promotions are based on vacant positions or career ladder, Ms. Weathers said that they are based on career ladder. Following further discussion, Mr. Caudill recommended that all career ladder positions be listed as such in the classification schedule.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Dr. Morgan seconded the motion.

VOTE: The motion carried.

**Endowment Match
Program
Submission**

The President recommended:

RECOMMENDATION: That the Board approve the submission of new gifts eligible to be matched in the Regional University Excellence Trust Fund program.

(Additional background information attached to these minutes and marked VII-A-9.)

Barbara Ender, Vice President for Development, stated that all submissions of new gifts, which are eligible to be matched in the Regional University Excellence Trust Fund program, require Board approval. The W. Paul and Lucille Caudill Little Foundation made a gift of \$1,000,000 for the purpose of a Chair in the Theatre program.

MOTION: Mr. Caudill moved that the Board approve the President's recommendation. Mr. Merchant seconded the motion.

VOTE: The motion carried.

The President recommended:

**Naming of Dr.
Francis Osborne
Research
Laboratory**

RECOMMENDATION: That the Board approve the naming of the Dr. Francis (Frank) H. Osborne Research Laboratory.

(Additional background information attached to these minutes and marked VII-A-10.)

Ms. Ender stated that a group of colleagues and former students raised \$15,000 following Dr. Francis (Frank) Osborne's death to name a research lab in his memory for his dedication and devotion to experimental psychology research. These dollars will be matched through the "Bucks for Brains" program as part of the Psychology Enrichment Fund.

MOTION: Mr. Booth moved that the Board approve the President's recommendation. Mr. Caudill seconded the motion.

VOTE: The motion carried.

**PRESIDENT'S
REPORTS**

**Personal Service
Contracts**

Mr. Walters reported that the following two personal service contracts represent all such contracts issued with amounts greater than \$10,000 between December 1, 2003, and February 25, 2004:

- Sturgill, Turner, Barker & Moloney, for legal services for the period July 1, 2003, to June 30, 2004, in the amount of \$30,000.

- MGT of America, for Academic Technology Plan Development for the period February 1, 2004, to May 31, 2004, in the amount of \$75,000.

(Report on Personal Service Contracts attached to these minutes and marked VII-B-1)

Series M Bonds

Mr. Walters reported that Series M bonds were sold in January 2004 in a principal amount of \$5,620,000. Three bids were received, and the bid from NatCity Investments, Inc. was the lowest net interest cost for the bonds. A savings of more than \$321,000 will be realized by the state from refunding the bond issue.

(Report on Sale of Series M Bonds attached to these minutes and marked VII-B-2)

Gift Income Report

Ms. Ender presented a Gift Income Report as of December 31, 2003. In a year-to-date comparison, it shows a variance of \$203,139.62, which is slightly below gift income figures for the previous year. However, by the end of February, she said that figures were pretty much on par with last year's gift income.

(Gift Income Report attached to these minutes and marked VII-B-3)

Report of Major Gifts

Ms. Ender reported on major gifts of \$10,000 or more that have been received and/or recorded since December 1, 2003. These gifts total \$236,045.

(Report of Major Gifts attached to these minutes and marked VII-B-4)

Preliminary 2004 Spring Enrollment Report

Dr. Moore presented a preliminary report on spring enrollment. He noted that preliminary enrollment figures, as of March 3, 2004, show a slight decrease compared with final enrollment figures last spring. However, he indicated that final enrollment figures for the 2004 spring semester will reflect an increase over both the 2003 spring and fall semesters. Dr. Moore attributed this increase to the off-campus sites, particularly the center in Mt. Sterling where there is a dramatic increase in enrollment.

(Preliminary 2004 Spring Enrollment Report attached to these minutes and marked VII-B-5)

Discussion followed on projected freshman enrollment for the 2004 fall semester and activities/programs that are planned for prospective students during the spring and summer months.

President's Report

President Eaglin reported the following:

OVC Tournament

- MSU's men's basketball team won the first round of the OVC tournament and will move to Nashville where they will play Murray in the semi-finals.

Founders Day

- Founders Day is scheduled March 18. Dr. John C. Philley, former Executive Vice President for Academic Affairs, will be the recipient of the Founders Day Award for University Service.

**Academic Awards
Convocation**

- Academic Awards Convocation will be held on April 25 and kicks off Academic Awards Week.

Spring Gala

- Spring Gala will be held April 24. As a result of Mrs. Eaglin's efforts, more than \$750,000 has been raised for MSU's academic programs.

**Spring
Commencement**

- Spring Commencement is scheduled May 8. More than 25,000 students have received degrees during President Eaglin's tenure. Gary Cox will be presented an Honorary Doctor of Public Service degree, and Joshua Gruenke will receive his Bachelor of Arts degree.

**PRESIDENTIAL
SEARCH**

Chair Hinkle opened the floor for discussion on whether the Board should go into executive session for the presentations of the two consulting firms. He said that he had pledged that the search would be as open and transparent as possible.

Following discussion, it was agreed that the presentations should be open discussions. After the presentations, the Board will go into executive session to discuss the two firms with the final decision and vote in open session.

Mr. Walters briefed the Board on the presidential consultant process. He indicated that following the Board's telephone conference in January, an RFP was issued to 22 to 23 firms, advertised in the *Lexington Herald-Leader*, *Courier-Journal*, and placed on the University's Website. Eight responses were received. The subcommittee, composed of Charles Morgan, Helen Pennington, and Jean Dorton, reviewed and scored the eight proposals. After the committee had an opportunity to evaluate these proposals, a conference call was conducted to discuss the evaluation. The committee reached agreement on the top four firms, and, with one exception, all three evaluators had the same top four firms. All four firms were contacted and presentations were scheduled. Two pulled out, and the remaining two are scheduled to make presentations today.

**JOYCE
LEMASTER**

Joyce LeMaster informed the Board that this would be her last meeting as President of the MSU Alumni Association. Her successor, Chuck Charles, is the new Alumni Association president, and he will attend the September Board meeting.

**EXECUTIVE
SESSION**

Mr. Booth moved that the Board go into executive session at to discuss pending litigation and personnel matters. Mr. Umberger seconded the motion. The motion carried.

RECESS

At noon the Board reconvened in open session, and Chair Hinkle announced that no action was taken in executive session. Mr. Caudill moved that the Board recess for lunch and reconvene at 1 p.m. Mr. Umberger seconded the motion. The motion carried.

**CONSULTANTS'
PRESENTATIONS**

At 1 p.m. Chair Hinkle reconvened the meeting. The following individuals/firms made presentations to the Board of Regents:

- Ms. Michelle Cruz-Williams with Isaacson, Miller (Boston)
- Dr. Theodore Marchese with Academic Search Consultation Service (Washington, DC)

**EXECUTIVE
SESSION**

Following the presentations, Chair Hinkle asked for a motion to go into executive session to discuss the firms/presentations. Mr. Booth moved that the Board go into executive session. Mr. Caudill seconded the motion. The motion carried.

**PRESIDENTIAL
SEARCH
CONSULTANT
CONTRACT**

At the conclusion of the executive session, Chair Hinkle called the open meeting back to order. Dr. Morgan moved that a contract for presidential search services be approved for Isaacson, Miller pending successful negotiation of contract terms. Mr. Merchant seconded the motion. The motion carried unanimously.

ADJOURNMENT

There being no further business to conduct, Mr. Caudill moved that the meeting adjourn at 4:45 p.m. Mr. Umberger seconded the motion. The motion carried.

Respectfully submitted,



Carol Johnson, Secretary

**SPECIAL MEETING
BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
April 26, 2004**

The Board of Regents of Morehead State University met in special session at 10 a.m. on Monday, April 26, 2004. Chair Buckner Hinkle Jr. presided.

ROLL CALL

On roll call, the following members were present: James H. Booth, Gene Caudill, Jean Dorton, Joshua Gruenke, Buckner Hinkle Jr., Sylvia Lovely, John Merchant, Helen Pennington, and Jerry W. Umberger. Dr. Charles Morgan was absent.

PRESS

Pauline Young, Director of University Communications, introduced Charles Compton from Morehead State Public Radio and indicated that Gregg Stotemyer from WTVQ and Jerry Sanders from WKYT would be attending the meeting.

**TUITION &
FEES FOR
2004-2005**

Chair Hinkle stated that the purpose of the special meeting was to consider tuition and student fees for the 2004-05 school year.

RECOMMENDATION: That the Board approve a tuition and fee rate increase of 14 percent and eliminate the \$32 per credit hour Internet Course Fee for the 2004-2005 fiscal year.

Beth Patrick, Vice President for Planning and Technology, presented the following background and analysis to support the recommendation:

Background:

On September 19, 2003, the Morehead State University Board of Regents approved the 2004-2006 Biennial Budget Request which included an increase in student tuition and fees to be set by the President within a range of 6 to 9 percent above the 2003-2004 rates. The increase range recommended in the biennial budget request was based on estimated reductions in state appropriations necessary for the state to offset continued revenue shortfalls in the state budget and an estimated \$1 million in fixed and unavoidable operating increases.

The Kentucky General Assembly's 2004 session adjourned on April 13 without the adoption of a state budget for the 2004-2006 biennium. Based on the versions of the budget bill last approved by the House and Senate, Morehead State University's actual base operating appropriations will be reduced by \$1,138,900 (2.8 percent) over the 2003-2004 enacted base appropriation amount. It is anticipated that these budget drafts will be used to develop a state "spending plan" until a budget can be approved by the legislature for 2004-2006. In addition to the reduction in state appropriations, increases in fixed and unavoidable operating expenses have exceeded earlier projections.

Updated 2004-2005 operating budget priorities include:

2004-2005 Adjustment Item	Amount
Offset the 2.8 percent reduction in state appropriations	\$1,138,900
Employee Insurance and Retirement Increases (Workers Compensation, Unemployment, Health & KERS match)	\$ 727,356
Personnel Commitments (Faculty promotions, staff reclassifications, instructor salary increase and career ladder adjustments)	\$ 420,000
Utilities Increases	\$ 307,350
Mt. Sterling Operating Budget	\$ 142,000
Insurance and Service Contracts	\$ 247,360
Student Health and Safety Operating Increases	\$ 125,000
Athletic Scholarship and Tuition Waiver Increases (to offset tuition increase)	\$ 670,169
Kentucky Educators Excellence Program (KEEP) Tuition Discount Program	\$ 78,000
Button Auditorium Debt Service	\$ 66,532
COPS Grant Match and Police Officer Salary Adjustments	\$ 156,451
Salary Pool (3 percent – each 1 percent = \$487,000)	\$1,461,000
Eliminate Internet Course Fee	\$ 250,000
Total	\$ 5,790,118

To achieve these goals and maintain academic quality and access to student services, it will be necessary to develop the 2004-2005 operating budget with a greater reliance on tuition and fee revenue. Therefore, it is proposed that the 2004-2006 tuition and fee schedule, initially approved by the Board in September 2003, be amended to include an increase beyond the 6 to 9 percent range. Also, included in the recommendation is the elimination of the \$32 per credit hour Internet Course Fee, which was established in 2000-2001 to provide a recurring fund source for the technology equipment and software required to provide on-line course delivery. However, because faculty teaching non-Internet based courses have also integrated the use of these instructional technology resources to aid in the delivery of academic content and course materials, the cost of maintaining the technology is being shifted from Internet courses only to a general instructional expense of the University.

Keeping with the Morehead State University tradition of maintaining the lowest possible tuition for Kentucky students and the commitment to the University's historic mission of teacher training, the 2004-2005 tuition recommendation proposes a new tuition discount program to benefit Kentucky teachers and administrators who enroll in graduate courses to improve their professional education credentials. The Kentucky Educators Excellence Program (KEEP) will grant a 10 percent tuition discount off the published tuition rates to those employed in K-12 schools who seek additional degrees or administrative or teaching certification by the Kentucky Education Professional Standards Board.

Analysis:

The proposed amendment for 2004-2005 would result in an increase in the tuition and mandatory student fees for a full-time undergraduate, resident student of \$238 per semester or \$476 each academic year. While the total increase package will represent the second year that a double-digit percentage tuition and fee increase has been assessed, it is anticipated that Morehead State University's tuition and fee increase will again be the lowest dollar increase and will remain one of the lowest overall rates compared to the state's other public four-year institutions. A growing reliance on revenue from student tuition and fees is not unique to Morehead State University. It is reported as a trend at both the state and national levels. The average increase in resident undergraduate tuition and fees at Kentucky's public four-year institutions was 12.9 percent and 13.9 percent at public four-year institutions across the nation in 2003-2004. The table below compares the current undergraduate resident tuition and fee rates and room and board rates for Kentucky's public four-year institutions.

Institution	2003-2004 Annual Costs			
	UG Resident Tuition & Fees	Room and Board	Total Cost Tuition, Fees, Room & Board	Total Cost of Attendance** (UG, Resident, Dependent)
Western Kentucky University*	\$4,050	\$4,220	\$8,270	\$10,356
Northern Kentucky University	\$3,744	\$4,408	\$8,152	\$10,388
Murray State University	\$3,436	\$4,528	\$7,964	\$ 9,414
Eastern Kentucky University*	\$3,398	\$4,430	\$7,828	\$ 9,828
Kentucky State University	\$3,370	\$5,394	\$8,764	\$12,692
Morehead State University	\$3,364	\$4,304	\$7,668	\$ 9,264

*Includes mid-year tuition increase or surcharges

** As reported to KHEAA and published in "Getting In" and includes tuition and fees, room and board, books and supplies, personal and transportation expenses.

Estimated 2004-2005 tuition rate increases for a resident undergraduate student reported by Kentucky's public four-year institutions range from \$270 (KSU) to \$625 (NKU) with a statewide average increase of \$488 annually.

Following extensive discussion, Mr. Gruenke moved that the recommendation be divided and voted on in two separate parts – one being the tuition increase and one being the elimination of the Internet Course Fee. Ms. Lovely seconded the motion. The motion carried with Mr. Caudill voting nay.

Mr. Booth moved that the Board approve a tuition and fee rate increase of 14 percent for the 2004-2005 fiscal year. Mr. Caudill seconded the motion. The motion carried with Mr. Gruenke voting nay.

**EXECUTIVE
SESSION**

Mr. Gruenke moved that the Board approve the elimination of the \$32 per credit hour Internet Course Fee for the 2004-2005 fiscal year. Ms. Dorton seconded the motion. The motion carried.

Chair Hinkle opened the floor for a motion to go into executive session to discuss pending litigation, acquisition of property, and personnel issues. Mr. Booth moved that the Board go into executive session. Ms. Pennington seconded the motion. The motion carried.

Chair Hinkle called the meeting back to order and advised that no action was taken in closed session.

**PRESIDENT
SEARCH**

Ms. Michelle Cruz-Williams with Isaacson, Miller (Boston), consultant for the presidential search, met with the Board to hear their perspectives on the search. Each regent expressed his/her views concerning the new president. Ms. Cruz-Williams said that based on her conversations with the Board and other stakeholders, Isaacson, Miller will complete a position profile, which will be shared with the Board in draft form before it is made publicly available. It will also be shared with candidates and sources in the search.

ADJOURN

There being no further business to conduct, Mr. Caudill moved that the meeting adjourn at 12:12 p.m. Mr. Umberger seconded the motion. The motion carried.

Respectfully submitted,



Carol Johnson, Secretary

**MEMORIAL RESOLUTION HONORING
GOVERNOR EDWARD T. BREATHITT**

**BOR (V)
June 11, 2004**

WHEREAS, The Honorable Edward T. Breathitt served honorably and with distinction as the Governor of the Commonwealth of Kentucky from 1963 to 1967; and

WHEREAS, Governor Breathitt returned to public life as vice chair of the Morehead State University Board of Regents from 1986 to 1989; and

WHEREAS, Governor Breathitt's effective leadership style helped provide stability at a crucial time in the history of the institution; and

WHEREAS, Governor Breathitt's personal support of the University earlier had been evident during his term in the Governor's Office and the University's regard for him was formalized in the naming of Breathitt Sports Center and in the granting of an honorary doctoral degree; and

WHEREAS, Governor Breathitt was an involved citizen of Kentucky throughout his lifetime which ended October 14, 2003, at the age of 78 years;

THEREFORE, the distinguished life of Governor Edward T. Breathitt be and hereby is remembered with deepest respect and gratitude by the Board of Regents of Morehead State University and sincerest condolences are extended to his family.

Adopted this 11th day of June 2004.

Buckner Hinkle Jr., Chair

ATTEST:

Carol Johnson, Secretary

Prepared by: Keith Kappes

**MEMORIAL RESOLUTION HONORING
GOVERNOR LOUIE B. NUNN**

**BOR (V)
JUNE 11, 2004**

WHEREAS, The Honorable Louie B. Nunn served ably and boldly as the Governor of the Commonwealth of Kentucky from 1967 to 1971; and

WHEREAS, Governor Nunn returned to public service as chair of the Morehead State University Board of Regents from 1986 to 1989; and

WHEREAS, Governor Nunn's strong, credible leadership was needed to help provide stability at a critical time in the history of the institution; and

WHEREAS, Governor Nunn's personal support of the University earlier had been evident during his term in the Governor's Office and the University's respect for the Nunn family was demonstrated in the naming of Beula C. Nunn Hall and in the granting of an honorary doctoral degree to Governor Nunn; and

WHEREAS, Governor Nunn was an active citizen of Kentucky throughout his lifetime which ended January 29, 2004, at the age of 79 years;

THEREFORE, the distinguished life of Governor Louie B. Nunn be and hereby is remembered with deepest respect and gratitude by the Board of Regents of Morehead State University and sincerest condolences are extended to his family.

Adopted this 11th day of June 2004.

Buckner Hinkle Jr., Chair

ATTEST:

Carol Johnson, Secretary

Prepared by: Keith Kappes

RESOLUTION HONORING JOSHUA R. GRUENKE

**BOR (VI)
June 11, 2004**

WHEREAS, Mr. Joshua Ryan Gruenke of Maysville, Kentucky, has served with distinction as a member of the Board of Regents of Morehead State University since July 1, 2003; and

WHEREAS, Mr. Gruenke also served in superior fashion during this period as president of the University's Student Government Association,

WHEREAS, Mr. Gruenke's distinguished service on the Board of Regents and in the leadership of the Student Government Association consistently has reflected his high ethical standards and deep, personal commitment to academic excellence and student involvement;

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Mr. Joshua Ryan Gruenke be and hereby is commended for his year of honorable and outstanding service on the Board of Regents and his leadership of the Student Government Association.

Done this 11th day of June 2004.

Buckner Hinkle Jr., Chair

ATTEST:

Carol Johnson, Secretary

Ronald G. Eaglin, President

Prepared by: Keith Kappes

PROMOTION, 2004

BOR (X-A-1)
June 11, 2004

Recommendation:

That the Board of Regents approve the granting of promotions to the following faculty with the issuance of their contracts for the 2004-05 year:

Professor

Robert Pritchard, Music
Elizabeth Regan, Information Systems
Allen Risk, Biology

Librarian III

Thomas Kmetz
Jennifer Little

Background:

In accordance with personnel policies, faculty members desiring promotion are responsible for developing their portfolios for submission to their peers and administrative supervisors for analysis and review. Recommendations from these peer groups and administrators are forwarded to the Provost. The President, based upon recommendations from the Provost, submits his recommendations to the Board of Regents.

EMERITUS STATUS, 2004

BOR (X-A-2)
June 11, 2004

Recommendation:

That the Board of Regents approve the granting of Emeritus Status to the following:

Wade Cain, Associate Professor of Chemistry
Mary Jo Netherton, Associate Professor of French
Betty Jo Peters, Assistant Professor of English

Background:

In accordance with PAC-3, the faculty members listed above were recommended for emeritus status by their peers and immediate supervisors to the Provost. The President, based upon recommendations from the Provost, submits his recommendations to the Board of Regents. The emeritus status will become effective upon the date of retirement.

EDUCATIONAL LEAVE, 2004-05

**BOR (X-A-3)
June 11, 2004**

Recommendation:

That the Board of Regents approve the granting of an educational leave for the 2004-2005 academic year to Ms. Yan Duan, associate professor of nursing, contingent upon funding being available within academic affairs.

Background:

Faculty members desiring educational leaves submit their application to be evaluated by their departmental committee, department chair, college dean, and the Professional Development Committee. These committee evaluations are forwarded to the Provost who recommends to the President for his recommendation to the Board of Regents.

2004 SPRING GRADUATES

BOR (X-A-4)
June 11, 2004

Recommendation:

That the awarding of degrees to the candidates who successfully completed all degree requirements as approved by the faculty of the University at the 2003 Spring Commencement on May 8, 2004 be ratified.

Background:

At the May 8, 2004, Spring Commencement, 663 students were awarded degrees from Morehead State University. This included 76 associate degrees, 490 bachelor degrees, 96 master degrees and one education specialist degree.

FACULTY SENATE CONSTITUTION

BOR (X-A-5)
June 11, 2004

Recommendation:

That the Board of Regents approve the revisions to the Faculty Senate Constitution.

Background:

By a vote of 116 to 15, the Faculty Senate recommended that their Constitution be revised. The revisions include clarification of the election process for the Executive Council of the Faculty Senate, requiring one senator from each department to be tenured, changing the requirement of one year of MSU employment prior to Senate service to two years and other minor changes to reflect changes in operational definitions at the University.

FACULTY SENATE CONSTITUTION

Morehead State University

PREAMBLE

The faculty of Morehead State University supports a system of shared governance in decision making which promotes mutual understanding and coordination of efforts among faculty, staff, administrators, and students as they strive to meet the university's mission.

The Faculty Senate, an elected representative body of the University faculty, serves to express the faculty voice and functions as the primary mechanism for faculty participation in university governance.

ARTICLE ONE: NAME

The name of the organization herein described shall be the Faculty Senate of Morehead State University, hereinafter called the Faculty Senate.

ARTICLE TWO: MEMBERSHIP

Section 1. The membership of the Faculty Senate shall consist of two senators from each academic department elected by the faculty of that department, two senators representing the Professional Librarians elected by professional librarians, one senator from the Military Science Department, and the Faculty Regent. The existence of academic departments for determination of senators shall be decided as of March 1 for the following academic year.

Section 2. Election of Senators from the academic departments shall be completed by April 15. Senators shall take office at the first fall meeting of the Senate.

Section 3. Faculty who are eligible to vote in the election of representatives to the Faculty Senate shall be defined as "full-time standing" or "full-time fixed" faculty (PG-3) "regular faculty" or "continuing part-time faculty" (PG-1). Faculty who may be elected as senators shall have "full-time standing" "Standing-I" appointments (PG-3), shall have teaching/research as a primary responsibility, and shall have been employed by the University as "full-time standing" or "full-time fixed" "regular faculty" for at least two ~~one~~ full academic years. One of the two senators from each department must be tenured, unless the department has no eligible tenured faculty when electing a senator. Department chairs may not vote and may not be elected to the Senate. Librarians who have academic status, excluding the Director of Librarians, shall be eligible to vote in the election of representatives to the Faculty Senate and may be elected as Senators. Faculty in the Military Science Department, who are not Morehead State University employees, shall be exempt from the appointment requirements.

Section 4. Terms of Office shall be three years. These terms shall be staggered for each department and for the senate as a whole.

Section 5. Senators missing three consecutive, or a total of five regular Faculty Senate meetings during the academic year are subject to removal from the Faculty Senate, pending action of the Executive Council. ~~shall automatically be dropped from Faculty Senate membership.~~ A Senator has ten days after receiving a termination letter to appeal, in writing, to the Executive Council of the Senate if he/she feels there are extenuating

circumstances for the absences. The Executive Council at their next meeting will determine whether any absences should be waived and whether membership in the Senate shall be ~~terminated~~ reinstated. Absence from summer meetings or special called meetings will not be considered in the total year's absences. Any unexpired term shall be filled by special election from the same constituency.

Section 6. A senator, who by reason of regularly assigned University responsibilities will be unable to attend the Faculty Senate meetings for up to one semester, shall give written notice to the Faculty Senate chair, who shall appoint another person with the consent of the Faculty Senate, from the same constituency to serve as a replacement during the period of absence.

Section 7. The President, ~~Provost~~ ~~Executive Vice President for Academic Affairs and Dean of Faculty~~, the Chair of the Staff Congress, and the President of the Student Government Association shall serve as honorary non-voting members of the Faculty Senate.

ARTICLE THREE: RESPONSIBILITIES AND POWERS

Section 1. The Faculty Senate, the official representative body of the University faculty, will report and make written recommendations to the President and the faculty.

Section 2. The Faculty Senate will recommend formulation or modification of policies and regulations concerning academic excellence, academic freedom, professional ethics and faculty welfare. The Faculty Senate may review all initiatives and actions included in, but not limited to, the following areas:

- (a) Academic policies and procedures
- (b) University governance
- (c) Faculty responsibilities and rights
- (d) Faculty compensation and benefits
- (e) Financial affairs
- (f) University committee responsibilities and membership

Section 3. The Faculty Senate shall serve as the parent body of all University Standing and Advisory Committees that deal with the areas outlined in ARTICLE THREE, Section 2.

- (a) The Faculty Senate, in consultation with other University groups and personnel, shall determine the responsibilities and composition of those University Standing Committees and Advisory Committees which have faculty representation and shall produce a written description of these committees.
- (b) University Standing and Advisory Committees shall report to the Faculty Senate, a University Administrative officer or both, as stated in the description of the Committee.
- (c) Faculty members of University Standing Committees shall be elected by the Faculty Senate, unless exempted by the description of the committee.

Section 4. The Faculty Senate, acting alone or in consultation with other individuals or groups, may establish an ad hoc committee, commission, task force, or other similar group.

Section 5. The Faculty Senate shall collect, receive, analyze and store appropriate information necessary to discharge its responsibilities; specifically, but not limited to:

- (a) Minutes and reports from all University committees dealing with issues within the purview of the Faculty Senate.
- (b) Appropriate information from all University academic and administrative agencies.

Section 6. The Faculty Senate and the Staff Congress are jointly responsible for formulating and executing an assessment of the performance of department chairs, directors, deans, vice presidents, and the President.

ARTICLE FOUR: OFFICERS

Section 1. The officers of the Faculty Senate shall be the Chair, Chair-Elect, and the Executive Council

Section 2. The Chair-elect of the previous Faculty Senate shall become the Chair of the next Faculty Senate at its first regular meeting of the fall semester. The Faculty Senate Chair shall be the presiding officer of the Faculty Senate and shall serve a one year term. The Chair of the Faculty Senate shall serve as an at-large Senator for one year, who does not represent a specific department during his term of service as Chair. The academic department shall elect a one year replacement to represent the department during the Chair's term of service if the department does not already have two senators. The Chair of the Senate shall vote only in the case of ties.

Section 3. The Executive Council shall consist of the Faculty Senate Chair who shall serve as the Chair of the Executive Council, the Faculty Regent as an ex-officio member, and six members of the Faculty Senate elected by the Faculty Senate. Faculty Senate standing committee chairs shall be appointed by the Faculty Senate Chair from members of the Executive Council. Each term of office on the Executive Council shall be one year.

Section 4. The Executive Council shall:

- (a) Serve as the liaison between the Faculty Senate and other University personnel or groups;
- (b) Establish the agenda for Faculty Senate meetings;
- (c) Serve in a fiduciary capacity;
- (d) Plan Faculty Senate activities.

Section 5. Election of the Executive Council shall take place at the first regular meeting of the fall semester according to the following guidelines. All voting shall be by secret ballot and shall be monitored by the previous year's Governance Committee.

- (a) Senators from each college shall meet in caucus and nominate three senators from that college for the first Executive Council slate.
- (b) All senators present and voting shall vote for one candidate from each college. The senator from each college receiving a majority of the votes cast shall be elected to the Executive Council. If no senator receives a majority of votes on the first ballot, additional ballots shall be cast for the two senators from each college receiving the most votes (including ties) until one senator receives the majority.
- (c) The remaining nominees shall make up the second slate for the additional

positions on the Executive Council. ~~The unfilled positions shall be filled one at a time~~

- (d) All senators present and voting shall cast a votes for as many senators from the second slate for one as there are unfilled positions on the Executive Council. These Senators receiving the largest number of votes, provided they receive a majority of the votes cast, shall be elected to will fill the remaining positions on the Executive Council. If no senator receives a majority of votes on the first ballot, additional ballots shall be cast for the two senators receiving the most votes (including ties) until one senator receives the majority. ~~If positions remain on the Executive Council, this process shall be repeated until these positions are filled. (If no senator receives a majority of votes on any ballot, additional ballots shall be cast for the two senators receiving the most votes (including ties) until one senator receives the majority. Upon filling one position by this process, the initial process outlined in this paragraph shall be repeated until remaining positions are filled.)~~
- (e) The Chair-Elect shall be elected by the Faculty Senate from the senators elected to the Executive Council. Election Procedure: The Chair-Elect shall be elected by a majority of the senators present and voting. If no senator receives a majority of votes on the first ballot for Chair-Elect, additional ballots shall be cast for the two senators receiving the most votes (including ties) until one senator receives the majority.

Section 6. Should any vacancy occur in the Executive Council during the academic year, the vacancy shall be filled by a special election according to the following guidelines. Each college must have at least one representative on the Executive Council. All voting shall be by secret ballot and the election shall be monitored and conducted by the Governance Committee. Nominations for the Executive Council member shall come from the floor. The new Executive Council member shall be elected by a simple majority of the senators present and voting. If no senator receives a majority of the votes on the first ballot for this position, additional ballots shall be cast for the two senators receiving the most votes (including ties) until one senator receives the majority. If the vacancy in the Executive Council was that of either the Faculty Senate Chair or Chair-elect, then a subsequent election will be held for this vacant position by the election procedure specified in Section 45(e) above.

Section 7. At the request of the Chair, or in the absence of the Chair, the Chair-elect shall preside at the meetings of the Faculty Senate or Executive Council and fulfill the duties and obligations of the Chair. The Chair-elect shall serve as recording secretary of the Executive Council and shall be responsible for the records of the Executive Council.

ARTICLE FIVE: COMMITTEES

Section 1. The function of Faculty Senate Committees is to prepare materials for presentation to the Faculty Senate. Each of these committees shall gather data and make studies, advise, and make recommendations to the Faculty Senate in the form of written or oral reports. Each Faculty Senate Committee shall maintain communications with the University Committees that report to it and the Faculty Senate.

Section 2. Senators shall indicate their preference for membership on Faculty Senate committees at the first fall meeting. The Executive Council shall appoint senators to the Faculty Senate committees. At least one senator from each college should be on each Faculty Senate

standing committee.

- Section 3.**
- a. Standing Committees (Sections 4-8 below) of the Faculty Senate should schedule two regular meetings a month during the regular academic year. Meetings shall be held at times when all members are available to attend. A quorum shall be a majority of the membership of the committee.
 - b. Each standing committee shall elect a vice-chair of the committee who shall be responsible for keeping minutes and recording absences in the minutes. In the absence of the chair, the vice-chair shall also assume the responsibilities of the chair.
 - c. Senators missing three consecutive, or a total of five regular standing committee meetings during the academic year are subject to removal from the Faculty Senate, pending action of the Executive Council. ~~shall automatically be dropped from Faculty Senate membership.~~ A Senator has ten days after receiving a termination letter to appeal, in writing, to the Executive Council of the Senate if he/she feels there are extenuating circumstances for the absences. The Executive Council at their next meeting will determine whether any absences should be waived and whether membership in the Senate shall be terminated. Absence from summer meetings or special called meetings will not be considered in the total year's absences.

Section 4. The Governance Committee is concerned with University committees, University governance, and faculty representation. It has specific concerns with, but is not limited to, the following areas:

- (a) Structure, membership, and responsibilities of University Standing and Advisory Committees.
- (b) Structure of the University, including the Division of Academic Affairs.
- (c) Conducting the election of Faculty Senators (See ARTICLE TWO, Sections 1, 2, and 3.)
- (d) Conducting any special elections required by the Senate.
- (e) Nomination of faculty members for all University Standing and Advisory committees that have faculty representation.
- (f) Conducting the Faculty Regent's election according to procedure established by the Senate.
- (g) Conducting the election of senators to the Executive Council at the first regularly scheduled Faculty Senate meeting in the fall. (To be conducted by the remaining members of the previous year's Governance Committee. See ARTICLE FOUR, Section 45. If less than three members from the previous Governance Committee are available then additional senators will be appointed by the Senate Chair as needed to conduct the election of the Executive Council).

Section 5. The Fiscal Affairs Committee is concerned with University finances as they affect faculty effectiveness, instructional effectiveness, faculty compensation, and benefits, including health insurance.

Section 6. The Academic Policies Committee is concerned with policies and regulations that affect faculty effectiveness and instructional effectiveness. Specific areas of concern include:

- (a) Admission
- (b) Registration

- (c) Academic integrity
- (d) Classroom conditions
- (e) Evaluation of instructional effectiveness
- (f) Graduation requirements
- (g) General education
- (h) Special academic programs, e. g., Honors Program, provisional studies, Extended Campus Programs, etc.
- (i) Academic calendar issues
- (j) Student regulations

Section 7. The Professional Policies Committee is concerned with policies, regulations and practices that affect faculty status, working conditions, advancement and evaluation. Specific areas of concern include:

- (a) Faculty recruitment and qualifications
- (b) Tenure and promotion
- (c) Work load, overload and compensation
- (d) Procedures to insure academic freedom and resolve faculty grievances
- (e) Faculty development
- (f) Retrenchment
- (g) Sabbatical and Educational leaves of absence.
- (h) Selection, retention, and reaffirmation of academic administrators.

Section 8. The Committee on Evaluation is concerned with the evaluation of faculty and administrative personnel. Its specific concerns include:

- (a) Periodic reviews of department, College, and University plans for faculty evaluation and performance based salary adjustments.
- (b) The periodic review of the University President.
- (c) Conducting periodic assessment of Department Chairs, Directors, Deans, and Vice Presidents.
- (d) Formulation and review of policies concerning the use of assessment results.

Section 9. The Committee on Communications is concerned with publicizing the activities and issues of the Faculty Senate. The Committee may:

- (a) Publish a newsletter on a regular schedule.
- (b) Solicit faculty response on matters of concern to the Faculty Senate.
- (c) Provide information to external groups such as boards, commissions, or legislators at the direction of the Faculty Senate.
- (d) Serve in a public relations role to the faculty and university community.

Section 10. Faculty Senate Ad Hoc Committees

- (a) The Executive Council, with the consent of the Faculty Senate, may recommend the formation of Faculty Senate Ad Hoc Committees to study, report and recommend action on short-term and specific issues. These committees shall not exist beyond the term of the Faculty Senate that authorizes their formation.
- (b) Faculty Senators, other faculty, students, staff, and administrative personnel may serve on Ad Hoc Committees at the discretion of the Faculty Senate.
- (c) Members are appointed to a Faculty Senate Ad Hoc Committee by the Chair,

- with the consent of the Faculty Senate.
- (d) Ad Hoc Committees shall report to the Faculty Senate as required by the Executive Council.

ARTICLE SIX: MEETINGS

- Section 1.** All meetings of the Faculty Senate shall be open.
- Section 2.** All meetings shall be conducted according to the Modern Edition of Robert's Rules of Order unless specifically preempted by the Faculty Senate Constitution, or any Special Rules of Order which the Faculty Senate may adopt.
- Section 3.** Regular meetings of the Faculty Senate shall be called twice a month, except for abbreviated months, during the regular academic year and once during each summer session. The Faculty Senate Chair, with the consent of the Executive Council and advance written notice to all senators, may call a special meeting or reschedule a meeting, if necessary. A majority of the Executive Council or one-third of the senators may call a special meeting by written petition to the Faculty Senate Chair.
- Section 4.** A quorum for all Faculty Senate meetings is a majority of the membership. Attendance at regularly scheduled Faculty Senate meetings shall be taken and absences recorded in the minutes.
- Section 5.** The Order of Business shall follow the agenda as set by the Executive Council. Items to be included on the published agenda must be submitted in writing to the Executive Council at least 72 hours in advance of the meeting.
- Section 6.** Faculty Senate approval for recommendations shall require a simple majority of members voting. A senator may designate another senator as a proxy for the purpose of casting a votes on specific issues, but such designation must be in writing and must be submitted to the Chair before voting occurs.
- Section 7.** Records, excluding those covered by relevant privacy acts but including meeting agendas, minutes, and committee reports, shall deposited by the Chair in the Camden-Carroll Library and Faculty Senate office. Appropriate correspondence involving Faculty Senate activities shall be kept in the Faculty Senate Office. Proposed agendas and minutes of the Faculty Senate meetings shall be distributed to Faculty Senators and honorary members of the Senate, department chairs, deans, and vice presidents.

ARTICLE SEVEN: UNIVERSITY SUPPORT

- Section 1.** The Chair shall allocate, in consultation with the Provost ~~Executive Vice President for Academic Affairs~~, six credit hours of reassigned time in regular teaching load during each semester of service. Additionally, the Chair shall receive three credit hours of compensation, based on the applicable formula, for Senate responsibilities during the summer.
- Section 2.** The University shall provide adequate secretarial help.
- Section 3.** An adequate annual operating budget shall be provided for the Faculty Senate.

Section 4. Office space for the Faculty Senate Chair, secretary and Faculty Senate files shall be provided. This should include a conference room suitable for committee meetings.

ARTICLE EIGHT: AMENDMENTS TO THE CONSTITUTION

Section 1. Amendments to this Constitution may be proposed by a Senator or by a petition signed by at least twenty-five members of the University faculty. The proposed amendment shall be filed with the Chair of the Faculty Senate. Amendments require approval by a two-thirds majority of the Senators voting.

Section 2. Copies of amendments approved by the Senate and ballots for voting shall be distributed by mail to all members of the University faculty who are eligible to vote as defined in ARTICLE 2, Section 3. Ballots shall be counted after the published deadline, which shall be at least two weeks after the amendments have been distributed. A majority of the eligible University faculty voting shall be necessary for approval.

Section 3. Upon approval by the University Faculty, proposed amendments shall be submitted by the University President to the Board of Regents for final approval.

ARTICLE NINE: SPECIAL RULES OF ORDER

Section 1. A senator may submit a proposed Special Rule of Order in writing to the Chair. It is placed on the agenda and handled according to the normal rules for motions.

Section 2. Approval, amendment, removal or suspension of a Special Rule of Order requires a two-thirds majority of Senators voting.

Section 3. Special Rules of Order are attached to this Constitution, and will be maintained as a part of the constitution. These Special Rules will be available to the Chair at every Faculty Senate meeting.

ARTICLE TEN: SEVERABILITY

The invalidation of any portion of this Constitution shall not affect the validity of any other portion of the Constitution.

ARTICLE ELEVEN: EFFECTIVE DATE

This Constitution becomes effective immediately upon ratification by the University faculty and the Morehead State University Board of Regents.

FACULTY SENATE SPECIAL RULES OF ORDER

1. A transition period from the old to the new Constitution shall occur after adoption of the new Constitution.

- (a) Current department Senators will complete the terms to which they were originally elected.
- (b) Current at-large Senators will complete the academic year in which elections for

- department Senators under the new Constitution are first conducted.
- (c) Elections for Faculty Senators shall be conducted by the procedures indicated in the new Constitution (See ARTICLE TWO, Sections 1, 2, 3, and 4).
 - (d) Those ex-officio members approved under the new Constitution (See ARTICLE TWO, Section 7) shall assume their positions at the first meeting of the Faculty Senate following approval of the new Constitution.
 - (e) The Governance Committee will review terms of office of Senators to ensure that:
 - i) approximately one-third of all Senate terms expire each year.
 - ii) terms of Senators from the same department expire in different years.
2. Regular meetings of the Faculty Senate shall be called to order by the Chair at 4:10 PM on the first and third Thursday of each month during the regular academic year. Any Thursday within a given month that the University is not officially in session will not be considered in calculating meeting dates.
3. Two regular summer meetings of the Faculty Senate shall be called to order at 4:10 PM on the third Thursday of June and July. A quorum for regular summer meetings is determined as follows:
- (a) Before the last regular meeting of the academic year, the Executive Council of the Faculty Senate shall poll the membership to determine how many senators are scheduled to teach class during each summer session.
 - (b) A quorum for the June meeting shall be a majority of the senators scheduled to teach during the first summer session.
 - (c) A quorum for the July meeting shall be a majority of the senators scheduled to teach during the second summer session.
4. Policy to be considered by the Faculty Senate shall be presented initially for a first reading. These resolutions and motions shall be voted on at a subsequent meeting. The exceptions of this rule shall be nominations or elections to Senate offices, University Standing Committees, and Advisory Committees, in which event the vote may take place immediately after the first reading.
5. The Chair of the Faculty Senate, with the consent of the Executive Council, may include an open chair segment on meeting agendas.
6. Faculty Senate meeting shall adjourn no later 6:00 pm.

RATIFY PERSONNEL ACTIONS

**BOR (X-A-6)
June 11, 2004**

Recommendation:

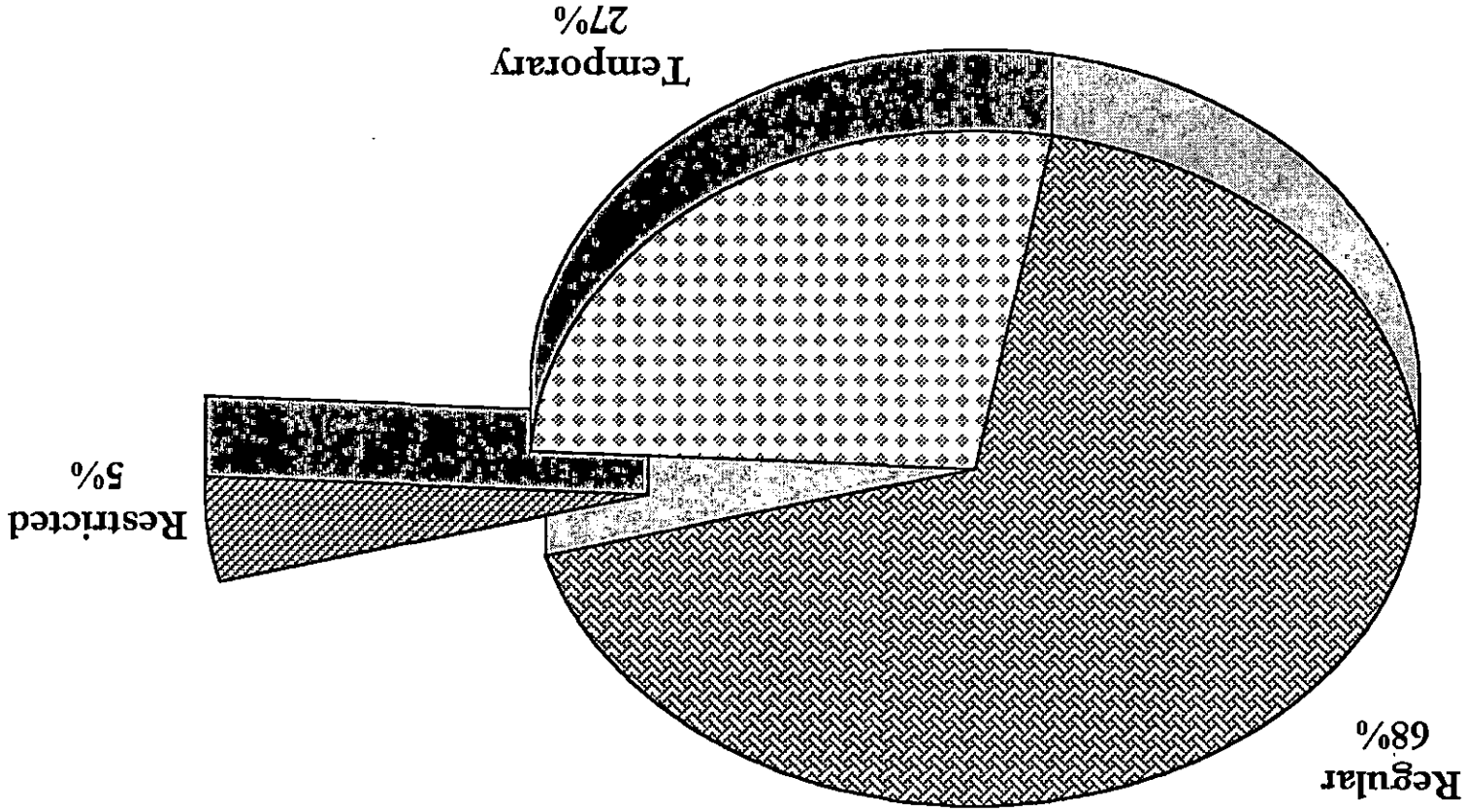
That the Board ratify the Personnel Actions for the period February 16, 2004, through May 21, 2004.

Background:

The Personnel Action Request Report includes actions related to:

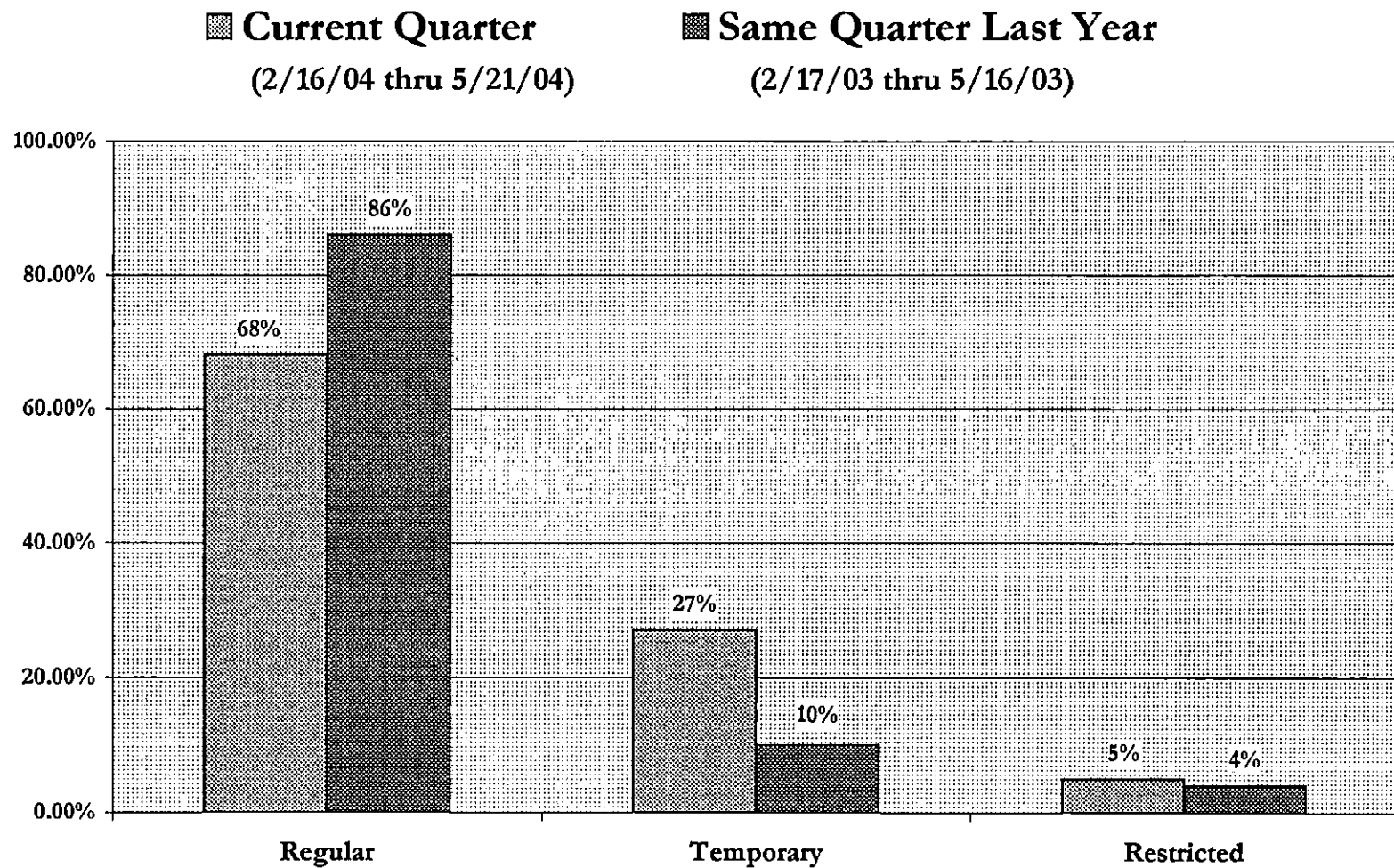
- 1) full-time and continuing part-time faculty, librarians and Executive, Administrative and Managerial employees, excluding supplemental actions not listed under Item 3, below;
- 2) full-time and continuing part-time non-classified Executive, Administrative and Managerial and Professional Staff positions (including supplemental actions);
- 3) supplemental actions for faculty acquiring managerial duties, excluding normal grant activities;
- 4) discipline;
- 5) leave of absences;
- 6) sabbaticals; and
- 7) retirements.

PERSONNEL ACTION REQUEST 2/16/04 thru 5/21/04



Total Number of PARs = 78

COMPARISON CHART FOR PERSONNEL ACTION REQUEST

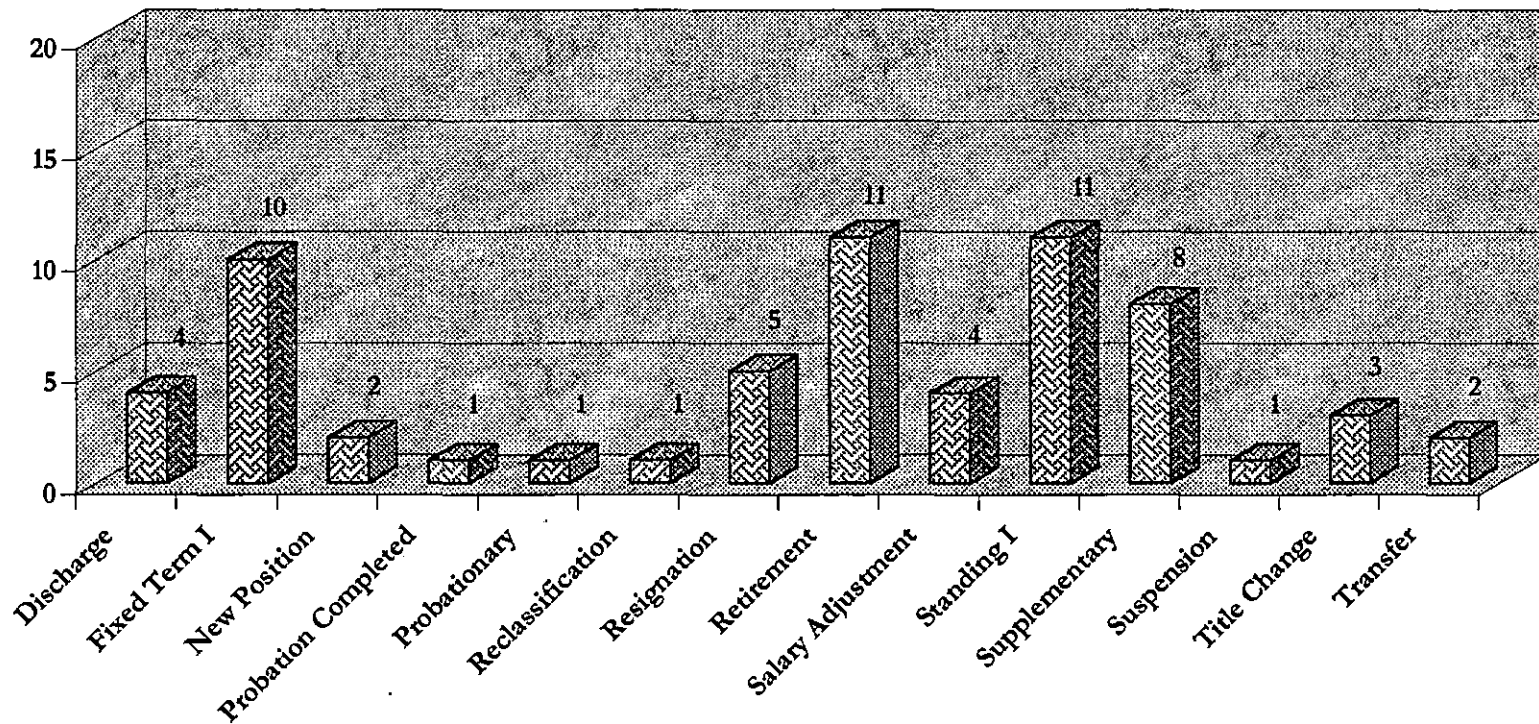


Total Number of PARs

Current Quarter = 78

Same Quarter Last Year = 125

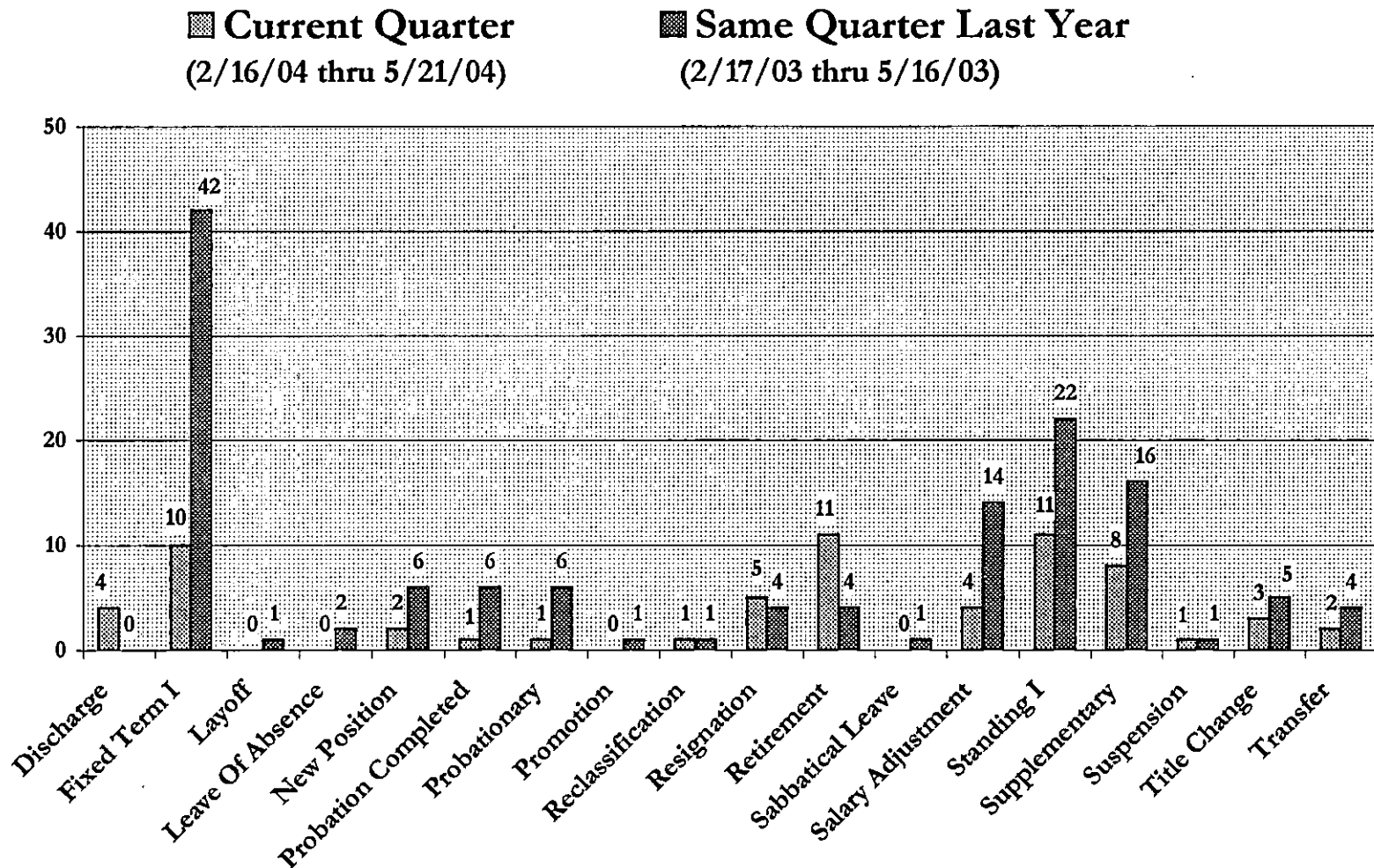
PERSONNEL ACTIONS FOR COVERED ROSTER APPOINTMENTS
2/16/04 thru 5/21/04



Total Number of PARs = 53

Total Number of Actions = 64

COMPARISON CHART FOR COVERED ROSTER APPOINTMENTS



Total Number of PARs

Current Quarter = 53

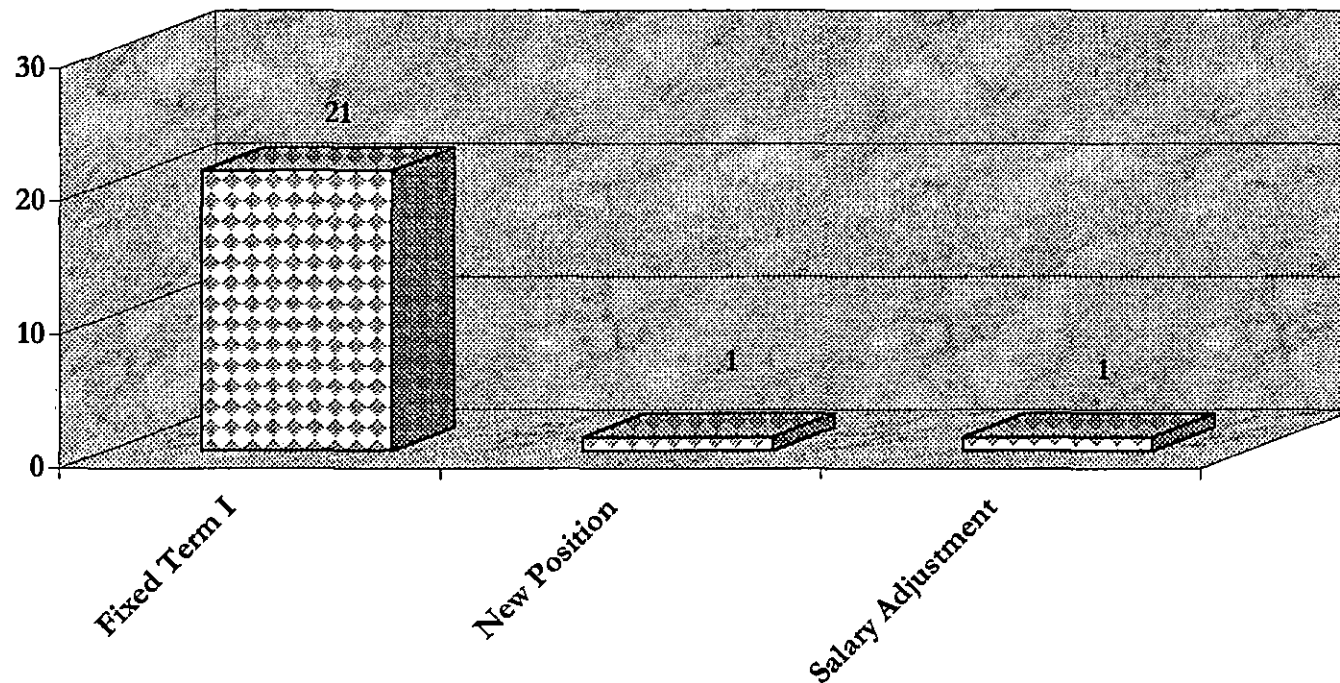
Same Quarter Last Year = 108

Total Number of Actions

Current Quarter = 64

Same Quarter Last Year = 136

**PERSONNEL ACTIONS FOR NON-ROSTERED
TEMPORARY APPOINTMENTS**
2/16/04 thru 5/21/04

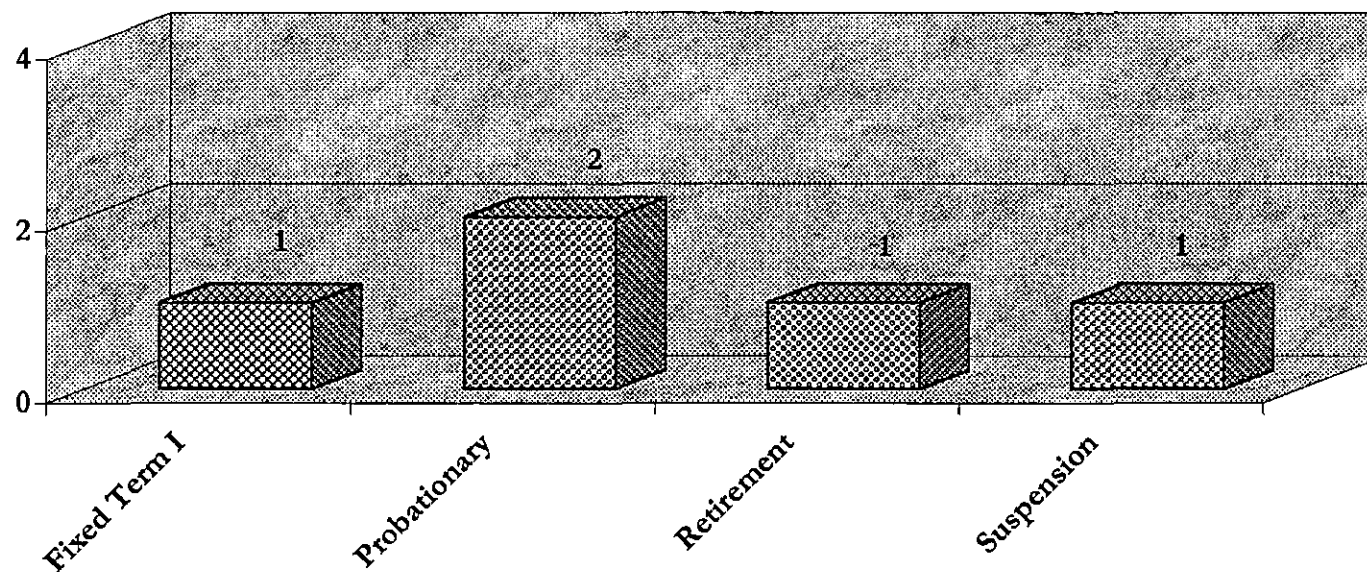


Total Number of PARs = 21

Total Number of Actions = 23

PERSONNEL ACTIONS FOR RESTRICTED APPOINTMENTS

2/16/04 thru 5/21/04



Total Number of PARs = 4

Total Number of Actions = 5

MOREHEAD STATE UNIVERSITY
STANDING I AND STANDING II POSITIONS SUMMARY
05/21/04

25

<u>DEPARTMENT NAME</u>	<u>July 1 Authorized Positions</u>	<u>Current Authorized Positions</u>	<u>+/- Position Adjustments</u>	<u>Current Position Strength</u>	<u>% Current Strength</u>
OFFICE OF THE PRESIDENT	6.00	6.00	0.00	5.00	83.33
DIVISION OF UNIVERSITY RELATIONS	32.50	34.00	1.50	32.50	95.59
DIVISION OF DEVELOPMENT	14.00	14.00	0.00	14.00	100.00
DIVISION OF PLANNING AND TECHNOLOGY	44.00	42.00	-2.00	41.00	97.62
DIVISION OF ADMINISTRATION AND FISCAL SERVICES	67.00	68.00	1.00	67.00	98.53
PHYSICAL PLANT	155.70	153.70	-2.00	148.70	96.75
DIVISION OF STUDENT LIFE	128.80	133.80	5.00	126.80	94.77
DIVISION OF ACADEMIC AFFAIRS	27.50	27.50	0.00	27.50	100.00
CAUDILL COLLEGE OF HUMANITIES	145.61	143.61	-2.00	138.61	96.52
COLLEGE OF BUSINESS	54.50	53.50	-1.00	50.50	94.39
COLLEGE OF EDUCATION	94.00	97.00	3.00	89.00	91.75
COLLEGE OF SCIENCE AND TECHNOLOGY	152.10	152.60	0.50	136.10	89.19
INSTITUTE FOR REGIONAL ANALYSIS & PUBLIC POLICY	19.00	19.00	0.00	18.00	94.74
GRADUATE AND UNDERGRADUATE PROGRAMS	44.64	47.64	3.00	44.64	93.70
CAMDEN-CARROLL LIBRARY	39.00	39.00	0.00	36.00	92.31
	1024.35	1031.35	7.00	975.35	94.57

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

DEFINITIONS OF THE DIFFERENT KINDS OF APPOINTMENTS

- Standing I:** Appointment to a continuing full-time faculty, administrative or staff (exempt or non-exempt) position with benefits fully covered. No ending date. Appointment may be terminated, if for cause.
- Fixed Term I:** Appointment to a full-time faculty, administrative or staff (exempt or non-exempt) position for at least six calendar months but not to exceed one year and with benefits fully covered. Non-faculty appointments may be renewed from year to year. Faculty appointments may be renewed from year to year but cannot exceed five academic years. Terminable on specified ending date of appointment, or earlier, if for cause.
- Fixed Term II:** Appointment to a full-time (up to six calendar months) or part-time (up to one year) faculty, administrative or staff exempt position with only mandated benefits. Terminable on specified ending date of appointment, or earlier, if for cause.
- Supplementary:** Supplementary appointment to original employment agreement. For example, Summer I & II faculty appointments or 9 month appointment extended to 10, 11, or 12 month appointment. Also used for additional responsibilities as supplement to Standing or Fixed Term appointments. For example, an administrator teaching a class or compensation for over-the-road pay. Not to be used for regular overtime pay. A supplemental appointment does not change an employee's base pay or employment status.

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

DISCHARGE

RETIREMENT

FIXED TERM I

SALARY ADJUSTMENT

NEW POSITION

STANDING I

PROBATION COMPLETED

SUSPENSION

PROBATIONARY

TITLE CHANGE

RECLASSIFICATION

TRANSFER

RESIGNATION

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

ADKINS, ALFRED BRADLEY
Staff Psychologist
CDPCRC

\$39,281.00

Suspension
(Without pay)

02/16/2004 - 02/20/2004

Restricted

ADKINS, SANDRA SUE
Dir., Center for Acad Advising
Academic Support & Retention
225
\$44,705.00

\$44,705.00

Retirement

05/28/2004

AL-HOURANI, FAROUQ A.
Asst. Prof. Ind. Educ. & Tech.
Industrial & Engineering Tech.
1248
\$45,000.00

\$47,000.00

Standing I

08/12/2004

Roster ID # 002996

ALLISON, JOHN L.
Instructor of English
English,Foreign Lang. & Phil.

\$29,819.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

BAILEY, REBECCA LYNN
Instructor of English
English,Foreign Lang. & Phil.

\$29,476.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

BARTOSZ, KAY LYN
Assistant Professor Education
Coun. Leadership Adult Educ.
2157
\$40,000.00

\$44,000.00
(\$4,000.00 incr.)

Standing I
Transfer
Salary Adjustment
Title Change
(From Instructor of
Education to Assistant
Professor of Education)

08/12/2004

Roster ID # 002996

BEAMON, DIANA LYNN
Secretary (Agriculture)
Agricultural Sciences-Vet Tech
3218
\$8.17/hr.

\$8.17/hr.

Discharge

04/21/2004

BRANHAM, DAN H.
Dean, College of Education
College of Education
368
\$105,607.00

\$105,607.00

Resignation

12/31/2004

BREEDEN, WAYNE T.
Assistant Basketball Coach
Men's Basketball
2219
\$50,088.00

\$50,088.00/11 mo.

Fixed Term I

04/01/2004 - 03/31/2005

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

BRONSON, NAOMI RUTH

\$37,832.00/11 mo.

Fixed Term I

04/01/2004 - 03/31/2005

Assistant Basketball Coach

Women's Basketball

650

\$37,832.00

BROWN, ROBERT ROY

\$34,635.00

Fixed Term I

08/18/2004 - 05/14/2005

Roster ID # 001393

Instructor of CIS

Information Systems

BUSH, NATHANIA ANN

\$42,000.00

Standing I

08/12/2004

Asst. Professor of Nursing

Nursing & All. Health-BSN Prog.

292

\$42,000.00

CAIN, HAROLD WADE

\$52,565.00

Retirement

06/30/2004

Assoc. Professor of Chemistry

Physical Sciences

595

\$52,565.00

(Changed date from 5/8/04
to 6/30/04)

CARLISLE, GREGORY J.

\$34,323.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

Instructor of Communications

Communication and Theatre

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

CAUDILL, C. DALE

Asst. Professor of Management

Manag., Market. & Real Estate

321

\$35,037.00

\$35,037.00

Retirement

05/08/2004

CETINER, BEDRI A.

Electrical Engineer/Electro.

Space Science Center

3426

\$70,000.00

\$70,000.00

Standing I

Probation

New Position

07/01/2004

Opening Bud-Undist.

CHANEY, KAREN

Instructor of Education

MAT Program

\$30,000.00

Fixed Term I

New Position

08/12/2004 - 05/14/2005

Opening Bud-Undist.

CLINE, JOSEPH STUART

Director of Public Safety

Police Department

100

\$45,244.00

\$53,028.00

(\$7,784.00 incr.)

Salary Adjustment

Reclassification

Title Change

(From Director of Public

Safety to Chief of

07/01/2004

Opening Bud-Undist.

COKER, NATHAN LEE

Assistant Professor Chemistry

Physical Sciences

595

\$52,565.00

\$44,000.00

Standing I

08/12/2004

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

DEHART, KENDILL SHANNON

\$8.41/hr.

Discharge

02/20/2004

General Serviceworker

General Services

766

\$8.41/hr.

DUPRE, YOLANDA A.

\$46,000.00

Standing I

08/12/2004

Assistant Professor Education

Coun. Leadership Adult Educ.

395

\$48,605.00

EDWARDS, ALLEN EUGENE

\$37,382.00

Probation Completed

03/06/2004

Assistant Basketball Coach

Men's Basketball

2218

\$37,382.00

EDWARDS, ALLEN EUGENE

\$37,382.00/11 mo.

Fixed Term I

04/01/2004 - 03/31/2005

Assistant Basketball Coach

Men's Basketball

2218

\$37,382.00

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

ELIASON, STEPHEN L.
Asst. Professor of Sociology
Sociology, Social Work & Crim.
3210
\$41,300.00

\$41,300.00

Resignation

07/31/2004

ENGLE, F. BRUCE
Instructor of English
English, Foreign Lang. & Phil.
2639
\$31,003.00

\$32,007.00

Fixed Term I

08/17/2004 - 05/14/2005

Opening Bud-Undist.

FERIA, CARY
Asst. Professor of Psychology
Psychology
3215
\$41,362.00

\$46,000.00

Standing I

08/12/2004

Roster ID # 002996

FREEMAN, JANEAN MICHELLE
Instructor of Music
Music
3416
\$35,000.00

\$35,000.00

Fixed Term I
New Position

08/12/2004 - 05/14/2005

Opening Bud-Undist.

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

FREITAGER, HEIDI CATHERINE
Assistant Softball Coach
Women's Softball

\$18,360.00/annual

Fixed Term I
Salary Adjustment
(From \$18,000 to \$18,360.
\$360 incr.)

07/01/2004 - 06/30/2005

Roster ID # 000654
Operating Expenses

GRAYSON, DONNIE JACK
Instructor of English
English, Foreign Lang. & Phil.

\$29,798.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

GRIGSBY, CORBETT
Assoc. Women Basketball Coach
Women's Basketball
3127
\$45,499.00

\$45,499.00/11 mo.

Fixed Term I

04/01/2004 - 03/31/2005

HAIL, MICHAEL W.
Dir., Div. App. Res. Ser. & Pol.
Inst. Region. Analy. Pub. Pol.
3048
\$67,893.00

\$68,893.00
(\$1,000.00 incr.)

Salary Adjustment
(Received doctoral
degree)

01/06/2004

Operating Expenses

Appointment Status Actions
02/16/2004 - 05/21/2004

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
HAMBLIN, DAVID L. Assistant Professor Education Elem. Read. & Spec. Education 1253 \$47,994.00	\$42,000.00	Standing I Transfer Salary Adjustment Title Change (From Instructor of Ed. to Assistant Professor of Ed. From \$30,000 to \$42,000. \$12,000 incr.)	08/12/2004	
35 HAMMOND, CATHY LYNN Instructor of HPER Health, P.E. & Sport Science	\$32,330.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996
HENSLEY, CHRISTY LEANN Mental Health Counselor/CDPCRC CDPCRC	\$32,500.00/annual	Fixed Term I Probation	05/24/2004 - 06/30/2004	Restricted
HOLDER, TIMOTHY DAVID Visiting Assistant Professor Geog., Government & History	\$33,451.00	Fixed Term I	08/18/2004 - 05/14/2005	Roster ID # 002996
HOWARD, CAROLYN SUE Acquisitions Pay. Specialist Camden Carroll Library 693 \$11.50/hr.	\$11.50/hr.	Retirement	05/31/2004	

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

HOWARD, DAVID R.
Heat. & Water Plant Oper. II
Power Plant
754
\$15.03/hr.

\$15.03/hr.

Retirement

03/31/2004

HOWARD, JENNIFER LEE
Instructor of HPER
Health, P.E. & Sport Science
424
\$32,592.00

\$33,025.00

Fixed Term I

08/17/2004 - 05/14/2005

Opening Bud-Undist.

HUNTER, JEWELL FAY
Acad. Dept. Specialist II
English, Foreign Lang. & Phil.
23
\$11.70/hr.

\$11.70/hr.

Discharge

03/01/2004

KIMBLER, ARNOLD LEE
Instructor of English
English, Foreign Lang. & Phil.

\$30,317.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

LAMBERT, BILLY DUANE
Instructor of Education
Coun. Leadership Adult Educ.

\$31,018.00

Fixed Term I

08/17/2004 - 05/14/2005

Opening Bud-Undist.

Appointment Status Actions
02/16/2004 - 05/21/2004

Name
Title
Department
Roster ID

Position	Base Salary	Salary	Description	Effective Date	Fund Source
LESTER, BILLIE ROBIN Instructor of Education Elem. Read. & Spec. Education		\$31,018.00	Fixed Term I	08/17/2004 - 05/14/2005	Opening Bud-Undist.
LITTER, LAURA LEE Head Basketball Coach Women's Basketball 651 \$65,102.00		\$65,102.00/11 mo.	Fixed Term I	04/01/2004 - 03/31/2005	
MACE, RONALD WILLIAM Instructor of Communications Communication and Theatre		\$34,323.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996
MACY, KYLE ROBERT Head Basketball Coach Men's Basketball 636 \$91,000.00		\$91,000.00/11 mo.	Fixed Term I	04/01/2004 - 03/31/2005	
MADDEN, DEBORAH B. Instructor of Accounting Accounting, Econ. & Finance		\$46,213.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

MARSHALL, TED A.
Dept. Chair, Socio., Soc. Work
Sociology, Social Work & Crim.
626
\$87,394.00

\$87,394.00

Retirement

12/31/2004

MARTINAT, DAVID EMILE
Snack Vending Stock Clerk
Snack Vending
3231
\$8.49/hr.

\$8.49/hr.

Suspension
(Without pay)

05/07/2004 - 05/12/2004

MASCLE, DEANNA MARIE
Instructor of English
English, Foreign Lang. & Phil.

\$29,825.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

MUSE, CALVIN THOMAS
Bus Driver
Motor Pool
760
\$12.18/hr.

\$12.18/hr.

Retirement

05/14/2004

NEHRING, DANIEL FREDRIC
Instructor of Management
Manag., Market. & Real Estate
321
\$35,037.00

\$37,440.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

Appointment Status Actions
02/16/2004 - 05/21/2004

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
NETHERTON, MARY JO Assoc. Professor of French English, Foreign Lang. & Phil. 501 \$65,737.00	\$65,737.00	Retirement	05/08/2004	
OLDHAM, MYRA LYNN Instructor of English English, Foreign Lang. & Phil.	\$29,611.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996
PENN, STEVEN LYLE Instructor of English English, Foreign Lang. & Phil.	\$29,973.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996
PIERCE, KAREN JEAN Instructor of Accounting Accounting, Econ. & Finance	\$43,651.00	Fixed Term I	08/17/2004 - 05/14/2005	Roster ID # 002996
REMILLARD, GILBERT Asst. Professor of Psychology Psychology 3216 \$42,010.00	\$46,000.00	Standing I	08/12/2004	Roster ID # 002996

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

SHAUGHNESSY, MICHAEL J.

Assistant Professor of Biology

Biological & Environmental Sci.

563

\$43,000.00

\$43,000.00

Resignation

05/07/2004

SHERMAN, SCOTT WILLIAM

College Access Counselor, CEOC

Educational Opportunity Center

\$21,364.00

Probation
(Extension of
probationary period)

04/04/2004 - 07/04/2004

Restricted

SIN, MYOUNGSU

Asst. Prof. Industrial Tech.

Industrial & Engineering Tech.

260

\$34,870.00

\$45,000.00

Standing I

08/12/2004

Roster ID # 002996

SMITH, LOLA B.

Inst. of Information Systems

Information Systems

\$38,795.00

Fixed Term I

08/18/2004 - 05/14/2005

Roster ID # 002051

SMITH, SHIRLEY FAY

Housekeeper

Office of the President

783

\$8.53/hr.

\$8.53/hr.

Retirement

04/30/2004

Appointment Status Actions
02/16/2004 - 05/21/2004

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
SNYDER, SHONNA LYNN Instructor of HPER Health, P.E. & Sport Science	\$33,000.00	Fixed Term I	08/12/2004 - 05/14/2005	Roster ID # 000368
STALEY, WANDA L. Assoc. Professor of Education Coun. Leadership Adult Educ. 2485 \$51,145.00	\$51,145.00	Retirement	05/08/2004	
SWAIN, RANDALL Asst. Professor of Government Geog., Government & History 3406 \$45,000.00	\$45,000.00	Standing I	08/12/2004	
THOMPSON, KRISTIN JOAN CEBULLA Asst. Professor of Mathematics Mathematics & Computer Science 570 \$46,082.00	\$46,082.00	Resignation	05/08/2004	
TYREE, ELAINE Project Dir., Stud. Supp. Serv. Student Support Services	\$41,471.00	Retirement	07/30/2004	

Appointment Status Actions

02/16/2004 - 05/21/2004

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

VANMETER, ELLA JANE
Instructor of English
English, Foreign Lang. & Phil.

\$29,825.00

Fixed Term I

08/17/2004 - 05/14/2005

Roster ID # 002996

WALTON, TINA MICHELLE
Building Services Technician
Building Services
829
\$7.43/hr.

\$7.43/hr.

Discharge

03/04/2004

WHEELER, KENNETH NEAL
Audio. Serv. Coord./Button Mgr.
Office of Conference Services
162
\$36,478.00

\$36,478.00

Retirement

05/28/2004

WILLIAMS, BRIAN ALLEN
Special Teams Coordinator
Football
3392
\$44,290.00

\$44,290.00

Resignation

05/19/2004

**THE FOLLOWING IS THE TYPE OF PERSONNEL ACTION REPORT
IN THE SUPPLEMENTAL ACTIONS SECTION:**

SUPPLEMENTARY

Total for this report = \$15,226.00

Managerial Duties	\$3,826.00
Other	\$11,400.00

Supplemental Actions
02/16/2004 - 05/21/2004

Name Title Current Salary	Supplement	Description	Effective Date	Fund Source
<u>College of Education</u>				
RATLIFF, JILL COREY Dir., Educational Service Unit \$64,000.00	\$250.00	Field Experience Workshop	04/24/2004 - 04/24/2004	Operating Expenses
<u>Health, P.E. & Sport Science</u>				
FITZGERALD, LYNNE ELIZABETH Professor of HPER \$63,768.00	\$3,826.00	Assistant to the Dean	06/01/2004 - 06/30/2004	Summer School
<u>Primary - 16 + Program</u>				
DUVALL, ARDITH DALE Assoc. Dean, Univ.&Comm. Part. \$54,703.00	\$1,150.00	TEMP Grant	01/01/2004 - 05/07/2004	Restricted
<u>Inst. Region. Anal. Pub. Pol.</u>				
HAIL, MICHAEL W. Dir., Div. App. Res. Ser,&Pol. \$68,893.00	\$2,400.00	COPC Grant	01/01/2004 - 03/31/2004	Restricted
	\$2,100.00	COPC Grant	04/01/2004 - 06/30/2004	Restricted
REEVES, EDWARD B. Dir., Ctr. Educ. Res. & Lead. \$87,928.00	\$2,500.00	COPC Grant	01/01/2004 - 03/31/2004	Restricted
RUDY, DAVID R. Dean Inst Reg Anal & Pub Pol \$112,865.00	\$3,900.00	Buffalo Trace ADD Project	02/01/2003 - 06/30/2003	Restricted
	\$650.00	Buffalo Trace ADD Project	07/01/2003 - 09/30/2003	Restricted
	\$1,000.00	COPC Grant	01/01/2004 - 03/31/2004	Restricted
	\$2,000.00	COPC Grant	04/01/2004 - 06/30/2004	Restricted

**ACCEPT THIRD QUARTER
FINANCIAL REPORT AND
AMEND OPERATING BUDGET**

**BOR (X-A-7)
June 11, 2004**

Recommendation:

That the Board accept the financial statements and amend the operating budget for the third quarter of the fiscal year that will end June 30, 2004.

Background:

The University has a statutory requirement to furnish quarterly financial reports to the Board of Regents. Financial statements have been prepared as of March 31, 2004, the third quarter of the fiscal year ending June 30, 2004. The statements, along with management's discussion and analysis and budget amendment information are attached.

Management's Discussion and Analysis
Third Quarter Financial Statements
Morehead State University
March 31, 2004

This discussion and analysis of Morehead State University's financial statements provides an overview of the University's financial activities for the nine months that ended on March 31, 2004. The statements and this discussion and analysis have been prepared by Administration and Fiscal Services staff.

Using These Financial Statements

This report consists of two basic financial statements. The Statements of Net Assets includes information about the assets, liabilities and net assets, or fund balances, of the entire University. The Statements of Revenues, Expenditures and Changes in Fund Balance provides information about the unrestricted current funds revenues, expenditures and transfers of the University. The statements are prepared on an accrual basis and reflect the results of all transactions that affect the financial status of Morehead State University. These financial statements have not been prepared in full accordance with *Government Accounting Standards Board Statement 35* (GASB 35). Interim statements are prepared using a fund approach to facilitate budget comparisons and management decisions. Year-end statements are prepared in the GASB 35 format.

Financial Highlights

Morehead State University's financial picture remains stable through the third quarter of the 2003-2004 fiscal year. During the nine months ending March 31, 2004 the University operated with a surplus of revenues over expenditures and transfers in the amount of \$11,739,368. This level of operating surplus is expected at this time and appropriate, since normal operating expenditures have eroded the pre-Spring 2004 semester surplus, which reflected most of the University's revenue inflows but little of the expense, due to timing. As the year concludes, the variance between revenues and expenditures will continue to decrease and should reflect a more appropriate operating surplus or deficit.

The 2003-2004 budget reflects anticipated budget cuts enacted by the Commonwealth of Kentucky from the University's share of state appropriations that must be returned for this fiscal year. Higher Education as a whole was required to cut 2.5% of general fund appropriations or \$23,403,799 this year. Morehead State University's share of that amount was \$1,138,900 or 2.8%. The University's share was determined by a benchmarking process calculated by the Council on Postsecondary Education. The Administration anticipated a cut within this magnitude and was prepared in its cost cutting plan for a reduction like this on a non-recurring basis. The effect on operations due to the recurring nature of this reduction is under review.

In addition, the Commonwealth of Kentucky has imposed an additional non-recurring reduction of 2.5% of restricted funds (i.e. revenue from tuition and fees, sales and services of educational activities, and auxiliary services) or \$41,000,000 for all of Higher Education, of which Morehead State University's share is \$1,501,300. This brings the total budget appropriation reduction for this year to \$2,640,200 or 6.4% of the University's budgeted state appropriations for operating purposes.

The following table illustrates how enrollment growth in Spring 2004 and the reduction in state appropriations combined to reduce the total state support received per student by \$411.

	2002-2003	2003-2004
State Appropriations - Operating	\$40,679,025	\$40,006,900
Student FTE	7,230	7,672
Total State Appropriations per student FTE	\$5,626	\$5,215

Significant trends and variances for the nine months are summarized as follows:

- As can be seen from the Statements of Net Assets, investments increased approximately \$2.0 million from the third quarter of the previous year and the reflected cash has increased by approximately \$3.1 million, for a net increase of \$5.1 million. This change is partially due to the proceeds from a refunding bond being deposited into an escrow account until the related bonds are paid.
- Accounts receivable have decreased \$2.5 million compared to March 31, 2003. This was due to the clearing of receivables related to funds advanced for capital projects pending the sale of bonds. A more aggressive approach to collecting bad debts has been adopted and accounts for the continued improvement in receivable collections and a lowering of the provision for bad debt.
- Unearned Revenues have increased \$.5 million due to a new program where the University has increased its Federal drawdown from a monthly to a weekly basis.
- Bonds and notes payable have increased approximately \$3.5 million due to two new issues totaling \$9.9 million, less payments and retirements of \$6.4 million.
- Since March 31, 2003, the net investment in capital assets increase has been approximately \$8.1 million.
- For the first 9 months of this year, net investment in capital assets has increased about \$4.9 million. This increase consists of:

	(In Millions)
Student Center Phase I	\$ 4.3
Various internally managed projects	1.6
Life Safety Auxiliary	1.0
Library Acquisitions	.9
Combs Theater	.8
Space Center	.2
Total	8.8
Less: Estimated depreciation	(3.9)
Net increase	<u>\$ 4.9</u>

- The percentage of revenue assessments compared to budget projections appears to be in line with expectations through the third quarter of a fiscal year, considering that most tuition, fee and housing revenues had been billed as of March 31, 2004. Budgets for the major revenue categories of tuition and housing were based on projections of enrollment and residence hall occupancy. Fall semester projections for both these categories were exceeded.
- Expenditure trends also appear to be proceeding according to the budget plan, considering normal cyclical and timing differences.

MOREHEAD STATE UNIVERSITY
Statements of Net Assets
March 31, 2004 And 2003

ASSETS	2004	2003
Cash	\$30,458,329	\$27,282,367
Investments in US government obligations-at cost	27,098,963	25,007,295
Accounts Receivable	6,207,663	9,058,148
Inventories	1,675,081	1,841,093
Notes Receivable	3,602,247	3,480,714
Land, Buildings, Equipment and Library Collection- net of depreciation	<u>114,773,666</u>	<u>106,654,876</u>
TOTAL ASSETS	<u>\$183,815,949</u>	<u>\$173,324,493</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$779,466	\$1,004,637
Accrued salaries and other liabilities	1,172,624	385,374
Unearned revenues-state and federal grants	2,132,082	1,563,432
Deposits	735,466	708,242
Accrued vacation pay	1,299,843	2,758,860
Bonds and notes payable	<u>38,888,635</u>	<u>35,323,091</u>
Total Liabilities	<u>\$45,008,116</u>	<u>\$41,743,636</u>
Net Assets		
Capital	\$75,885,031	\$71,331,785
Non-capital		
Restricted	34,246,079	32,343,142
Non-restricted	<u>28,676,723</u>	<u>27,905,930</u>
Total Net Assets	<u>\$138,807,833</u>	<u>\$131,580,857</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$183,815,949</u>	<u>\$173,324,493</u>

See Attached Notes To Statements of Net Assets

NOTES TO STATEMENTS OF NET ASSETS
MOREHEAD STATE UNIVERSITY
MARCH 31, 2004 AND 2003

1. These Statements of Net Assets 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 \$345,123 at March 31, 2004 and \$858,760 at March 31, 2003. Also included in this category is the sum of \$3,688,131 receivable from federal and state grant agencies at March 31, 2004 and \$3,109,575 at March 31, 2003.
3. Notes receivable represent balances owed the University from borrowers who have participated in the Federal Perkins Loan Program. The balance is presented net of allowance for uncollectible accounts in the amount of \$141,698 at March 31, 2004 and \$149,083 at March 31, 2003.
4. Accumulated depreciation on buildings and equipment was \$109,757,645 at March 31, 2004 and \$104,540,595 at March 31, 2003.
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
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ended March 31, 2004 and 2003

	2003-2004			2002-2003		
	Amended Budget	Actual	Percent of Actual to Budget	Amended Budget	Actual	Percent of Actual to Budget
REVENUES						
Educational and General						
Tuition and Fees	\$ 32,429,082	\$32,336,499	99.71%	\$ 27,200,741	\$ 28,119,214	103.38%
Gov't Appropriations	40,006,900	33,077,684	82.68%	43,542,652	35,571,692	81.69%
City Grants	50,000	12,500	25.00%	50,000	15,000	30.00%
Unrestricted Gifts	0	0		0	0	
Indirect Cost Reimbursement	403,348	425,924	105.60%	437,558	385,584	88.12%
Sales & Services of Ed. Activities	1,146,485	1,323,457	115.44%	1,258,272	954,853	75.89%
Other Sources	2,051,389	1,298,946	63.32%	1,874,198	1,691,476	90.25%
Budgeted Fund Balance - E & G	7,498,586	0		7,568,311	0	
Total Educational and General	\$ 83,585,790	\$68,475,010	81.92%	\$ 81,931,732	\$ 66,737,819	81.46%
Auxiliary Enterprises						
Housing	\$ 7,774,400	\$ 6,838,061	87.96%	\$ 7,820,338	\$ 6,999,757	89.51%
University Store	3,388,314	3,349,950	98.87%	3,384,000	2,941,244	86.92%
Food Services	678,750	602,191	88.72%	651,500	610,999	93.78%
Other	588,168	125,488	21.34%	207,400	112,734	54.36%
Total Auxiliary Enterprises	\$ 12,429,632	\$10,915,690	87.82%	\$ 12,063,238	\$ 10,664,734	88.41%
TOTAL REVENUES	\$ 96,015,422	\$79,390,700	82.69%	\$ 93,994,970	\$ 77,402,553	82.35%

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ended March 31, 2004 and 2003

	<u>2003-2004</u>			<u>2002-2003</u>		
	Amended Budget	Actual	Percent of Actual to Budget	Amended Budget	Actual	Percent of Actual to Budget
EXPENDITURES AND TRANSFERS BY DIVISION						
Educational & General						
President & Administration	\$ 688,662	\$ 510,134	74.08%	\$ 646,696	\$ 516,817	79.92%
University Relations	2,252,780	1,715,599	76.15%	2,033,492	1,508,350	74.18%
Development	860,298	636,843	74.03%	859,995	552,387	64.23%
Administration & Fiscal Services	10,168,394	8,212,120	80.76%	9,788,480	7,864,141	80.34%
Planning & Technology	2,764,105	2,118,742	76.65%	2,999,490	2,230,836	74.37%
Student Life	13,565,336	12,071,191	88.99%	12,669,623	11,129,354	87.84%
Academic Affairs	44,301,635	30,772,941	69.46%	42,685,598	28,716,584	67.27%
Other	9,176,720	3,355,366	36.56%	10,215,324	6,102,003	59.73%
Total Educational & General	<u><u>\$ 83,777,930</u></u>	<u><u>\$59,392,936</u></u>	<u><u>70.89%</u></u>	<u><u>\$ 81,898,698</u></u>	<u><u>\$ 58,620,472</u></u>	<u><u>71.58%</u></u>
Auxiliary Enterprises						
Housing	\$ 8,302,740	\$ 4,691,856	56.51%	\$ 8,076,425	\$ 3,966,999	49.12%
University Store	3,105,121	2,928,815	94.32%	3,156,162	2,835,100	89.83%
Food Services	408,358	339,619	83.17%	442,387	393,345	88.91%
Other	421,273	298,106	70.76%	421,298	292,146	69.34%
Total Auxiliary Enterprises	<u><u>\$ 12,237,492</u></u>	<u><u>\$ 8,258,396</u></u>	<u><u>67.48%</u></u>	<u><u>\$ 12,096,272</u></u>	<u><u>\$ 7,487,590</u></u>	<u><u>61.90%</u></u>
TOTAL EXPENDITURES AND TRANSFERS BY DIVISION	<u><u>\$ 96,015,422</u></u>	<u><u>\$67,651,332</u></u>	<u><u>70.46%</u></u>	<u><u>\$ 93,994,970</u></u>	<u><u>\$ 66,108,062</u></u>	<u><u>70.33%</u></u>
NET CHANGE IN FUND BALANCE		<u><u>\$11,739,368</u></u>			<u><u>\$ 11,294,491</u></u>	

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2004 to March 31, 2004

Description	Opening Budget	Amended Budget As of 01/01/2004	Adjustments	Amended Budget As of 03/31/2004
Revenues and Other Additions				
Tuition and Fees	\$31,880,800	\$31,896,965	\$ 532,117	\$ 32,429,082
Government Appropriations	42,647,100	42,647,100	(2,640,200)	40,006,900
Government Grants & Contracts	50,000	50,000	-	50,000
Indirect Cost Reimbursement	356,000	403,348	-	403,348
Sales and Services of Ed. Activities	847,550	1,096,415	50,070	1,146,485
Other Sources	1,562,748	1,869,400	181,989	2,051,389
Budgeted Fund Balance - E&G	6,599,952	7,388,186	110,400	7,498,586
Auxiliary Enterprises	12,022,650	12,032,429	9,535	12,041,964
Budgeted Fund Balance - AUX	320,000	387,668	-	387,668
Total Revenues and Other Additions	\$96,286,800	\$97,771,511	\$ (1,756,089)	\$ 96,015,422
Expenditure Authorizations by Division				
Educational & General				
President & Administration	\$ 618,547	\$ 657,466	\$ 31,196	\$ 688,662
University Relations	2,058,709	2,268,199	(15,419)	2,252,780
Development	846,373	893,561	(33,263)	860,298
Planning, Budgets & Technology	2,993,731	2,917,477	(153,372)	2,764,105
Administration & Fiscal Services	9,558,339	10,438,085	(269,691)	10,168,394
Student Life	13,727,801	13,850,752	(285,416)	13,565,336
Academic Affairs	43,712,816	45,332,550	(1,030,915)	44,301,635
Debt Service & Mandatory Transfers	2,871,821	2,607,549	174,600	2,782,149
Other	7,731,334	6,486,911	(92,340)	6,394,571
Total Educational & General	\$84,119,471	\$85,452,550	\$ (1,674,620)	\$ 83,777,930
Auxiliary Enterprises				
Planning, Budgets & Technology	\$ 282,684	\$ 282,684	\$ (1,100)	\$ 281,584
Administration & Fiscal Services	8,131,968	8,500,234	(50,580)	8,449,654
Student Life	921,389	978,902	(29,789)	949,113
Debt Service	2,721,288	2,721,288	-	2,721,288
Other	110,000	(164,147)	-	(164,147)
Total Auxiliary Enterprises	\$12,167,329	\$12,318,961	\$ (81,469)	\$ 12,237,492
Total Expenditure Authorizations	\$96,286,800	\$97,771,511	\$ (1,756,089)	\$ 96,015,422

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2004 to March 31, 2004
Notes of Significant Adjustments to Revenue and Other Additions

Tuition and Fee Revenue

- Excess tuition revenue totaling \$500,000 was utilized to cover a portion of the total \$2,640,000 state appropriation budget reduction.
- Excess course fee revenue totaling \$32,117 was transferred to various instructional departments in Academic Affairs.

Government Appropriations

The state imposed a budget reduction of operating appropriations totaling \$2,640,000 for FY 2003-2004. In addition to using excess tuition revenue to cover \$500,000 of this loss, the University implemented an expenditure reduction plan in that approximately \$1,890,000 was subtracted from operating budgets across all divisions. Additionally, funds originally allocated from fund balance for an athletic landscaping project were reallocated to offset the loss in state funding.

Other Sources

Budget allocations from other sources increased by \$181,989 in the third quarter.

- Unbudgeted support from the MSU Foundation totaled \$77,436 and was allocated primarily to the divisions of Academic Affairs and University Relations.
- Unbudgeted endowment income from the MSU Foundation totaling \$4,900 was received and allocated to academic programs.
- Miscellaneous other income totaling \$99,651 was received and allocated primarily to the divisions of Academic Affairs and Student Life.

Budgeted Fund Balance – E&G

Budget allocations from fund balance for E&G purposes totaled \$110,400 in the third quarter.

- \$100,000 was allocated to the division of Academic Affairs for the instructional equipment replacement pool.
- \$10,400 was allocated to cover costs of legal services.

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period January 1, 2004 to March 31, 2004

<u>From:</u> <u>Revenue and Other Additions</u>	<u>To:</u> <u>Division/ Budget Unit</u>	<u>Amount</u>	<u>Description</u>
Government Appropriations			
State Appropriations -	Tuition and Fee Revenue	\$ (500,000)	The state imposed a recurring budget reduction in appropriated operating funds totaling \$1,138,900 in FY 2003-2004. In addition, the state required MSU to pay \$1,501,300 from restricted funds (i.e. tuition & fee revenue and other University generated income) on a one-time basis. Therefore, MSU will receive \$2,640,000 less in state appropriations in FY 2003-2004. The budget transfer to reflect the loss in state funding and the fund sources was recorded in the third quarter.
Operating Base	All Divisions	(1,890,000)	
	Other (Transfers)	(250,000)	
		<u>\$ (2,640,000)</u>	

MOREHEAD STATE UNIVERSITY
Capital Outlay Status Report
Agency Funds
For the Period of January 1, 2004 to March 31, 2004

	<u>Estimated Project Scope</u>	<u>Completion Date</u>	<u>Project Status</u>
I Equipment Purchases Greater than \$100,000			
None			
II Capital Construction Projects/ Land Acquisitions Greater than \$400,000			
1998-00 Deferred Maintenance and Government Mandates Pool			
(Commonwealth of Kentucky is funding 50 percent of the total cost of the projects)			
Elevator Upgrades/Installation (RH, LC, CY)	\$ 350,000	March, 2001	Completed
Fire Alarm Upgrades/Replacement	150,000	October, 2000	Completed
Mechanical System Replacements (AA, ADUC)	250,000	January, 2001	Completed
Window Replacement (BM)	150,000	August, 2001	Completed
Window Replacement (CB)	300,000	July, 2000	Completed
Window Replacement (LC)	150,000	August, 2000	Completed
Dam Restoration	800,000		In Progress
	<u>\$ 2,150,000</u>		
Residence Halls - Sprinkler Installation & Other Fire Safety Projects			
Project I - 1999	\$ 1,490,000	November, 1999	Completed
Project II - 2000	1,580,000	September, 2000	Completed
Project III - 2001	980,000	August, 2001	Completed
Project IV - 2002	800,000	August, 2002	Completed
Project V - 2003	3,000,000	August, 2003	Completed
	<u>\$ 7,850,000</u>		
Wellness Center - Phase III	\$ 450,000		Bid

APPROVE REAPPOINTMENT OF AUDITING FIRM

BOR (X-A-8)
June 11, 2004

Recommendation:

That based on the recommendation of the Audit Committee, the Board approve the extension of the auditing services contract with Crowe, Chizek, and Company for the 2003-2004 fiscal year audits.

Background:

KRS 164A.570 requires an annual audit to be conducted for all universities in the state system. The bylaws of the Board of Regents provide that the Audit Committee will review, evaluate, and recommend to the full Board, an accounting firm to conduct the University's required annual audits. State statutes specify that the auditing firm must be selected through a request for proposal process, and that a personal services contract be issued to engage the firm.

In the spring of 2001, the University requested proposals from qualified public accounting firms for the auditing services. As a result of that process, the Audit Committee recommended and the Board approved, the firm of Crowe, Chizek, and Company to provide the auditing services. The contract with the firm was for the fiscal year that ended June 30, 2001 with options to renew the contract for four additional one-year periods. The audit fee for the extension periods will be the fixed fee quoted for the original contract adjusted by an amount not to exceed four percent.

The University will be required to implement the provisions of GASB 39, *Determining Whether Certain Organizations Are Component Units-An Amendment of GASB Statement 14*, and SAS 99, *Consideration of Fraud in a Financial Statement Audit*. Both of these new audit functions will require that the auditors commit additional time and resources to the audit process. In recognition of these additional requirements, the audit fee proposed for the June 30, 2004 fiscal year audit has been adjusted by an additional 10% over and above the consumer price index.

The services rendered by Crowe, Chizek, and Company for the 2002-2003 fiscal year were satisfactory and in compliance with the terms of the contract. The fee for the 2003-2004 fiscal year will be \$50,200.

**APPROVE MINIMUM SCOPE
OF THE ANNUAL AUDIT**

**BOR (X-A-9)
June 11, 2004**

Recommendation:

That based on the recommendation of the Audit Committee, the Board approve the minimum scope of the University's audit for the year ending June 30, 2004.

Background:

The University is required to have an annual audit conducted of its financial activities. The bylaws of the Board of Regents specify that the Audit Committee will review, evaluate, advise and recommend to the full Board the minimum scope of the annual audit.

The Director of Accounting and Budgetary Control and the Director of Internal Audits have outlined the scope of the audit that will comply with all local, state, and federal audit requirements. A summary of the audit scope is attached.

MOREHEAD STATE UNIVERSITY

MINIMUM SCOPE OF THE ANNUAL AUDIT

FOR THE YEAR ENDING JUNE 30, 2004

This document outlines the minimum scope of the annual audit of Morehead State University (MSU), and any applicable related entities, to be conducted by the University's auditors (the Firm) for the year ending June 30, 2004. Additional audit requirements and procedures may be added as situations warrant.

Internal Controls

The audit will include a review and evaluation of the existing internal control structure. The evaluation will provide a basis for reliance thereon in determining the nature, timing and extent of selective audit tests to be applied to recorded transactions and data for certain periods of the year.

General Purpose Financial Statements

The Firm will perform an audit of and issue its independent auditor's report on the financial statements of MSU as of June 30, 2004 and the results of its operations for the fiscal year then ended. The audit will be performed in accordance with audit standards generally accepted in the United States of America; the standards for financial and compliance audits contained in *Government Auditing Standards* (GAGAS), issued by the United States General Accounting Office; the Single Audit Act Amendments of 1996; the provisions of Office of Management and Budgets (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the provisions of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14*; and the provisions of SAS No. 99, *Consideration of Fraud in a Financial Statement Audit*. The report will also include an independent auditor's report on supplemental information covering those supplemental schedules suggested to be reported on by the AICPA Audit Guide *Audits of Colleges and Universities*.

Federal Awards Programs

The audit will include a Schedule of Expenditures of Federal Awards, which will be subjected to the auditing procedures applied in the audit of the financial statements. An opinion will be rendered on whether the Schedule is presented fairly in all material respects in relation to the financial statements taken as a whole.

The audit will report on the internal controls related to the financial statements and compliance with laws, regulations, and provisions of contracts or grant agreements, non-compliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*. A report will also be issued on the internal controls related to major programs and the compliance with laws, regulations, and the provisions of

contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Intercollegiate Athletics Department:

The Firm will perform certain agreed-upon procedures and issue a separate report covering the limited examination of the Intercollegiate Athletics Department and its related booster organization, for the year ending June 30, 2004. These procedures will be performed in accordance with the *NCAA Financial Audit Guidelines*, dated April 1989, or any subsequent revisions.

Corporation for Public Broadcasting (CPB):

The Firm will issue its independent auditor's report on the financial statements of WMKY for the year ending June 30, 2004. The audit will be performed in accordance with generally accepted auditing standards and the *Public Telecommunications Audit Guide and Requirements* as they relate to the CPB Annual Financial Report for the year ending June 30, 2004.

Compliance Report Under KRS 164A.550 to 164A.630:

The Firm will also issue a separate letter covering its study of MSU's internal accounting controls and administrative control procedures considered relevant to the criteria established by the Commonwealth of Kentucky Finance and Administration Cabinet as set forth in the Cabinet's *Minimum Audit Scope for Compliance*, dated August, 1983, or any subsequent revisions.

Kentucky Folk Art Center, Inc:

The Kentucky Folk Art Center, Inc. is a corporation affiliated with the University as defined in KRS 164A.610. As such, the financial statements of the Kentucky Folk Art Center, Inc. will be included in the scope of the audit, as appropriate. The Firm will issue a separate report on the financial statements of the Kentucky Folk Art Center, Inc.

Management Letter:

As required by generally accepted auditing standards (*Statement on Auditing Standards No. 60*), the Firm will prepare a letter of reportable conditions noted during the audit related to inherent weaknesses of controls, procedures, policies or noncompliance with governmental laws or regulations and suggest possible improvements. The Firm will comment and discuss those or other matters with the Director of Accounting and Budgetary Control, Internal Auditor, the Vice President for Administration and Fiscal Services, the President and the University Board of Regents. The Firm also will submit ideas or observations that will help achieve the University's objectives or improve efficiency in

operations: As required by the Commonwealth of Kentucky Auditor of Public Accounts, all such matters conveyed to management will be documented in writing to be forwarded to the Auditor of Public Accounts.

Recommendations to management will be in the format prescribed by the Auditor of Public Accounts. The Firm will document the resolution status of prior year recommendations.

Closing Package:

In accordance with the directive from the Commonwealth of Kentucky Auditor of Public Accounts, the Firm will provide a copy of the comprehensive financial statements and management letter to the Auditor of Public Accounts. In addition, a report issued under *Codification of Statements on Auditing Standards* AU 623.11 through 623.17 applicable to the "closing package" furnished by the University to the Finance and Administration Cabinet will be provided to the Auditor of Public Accounts by October 1, 2004. If requested by the Auditor of Public Accounts and approved by the University, all working papers prepared by the audit team will be made available for review.

Audit of Subsequent Events:

In accordance with the directive from the Auditor of Public Accounts, the Firm will update the audit procedures related to events subsequent to June 30, 2004 from the last day of field work (projected for late September, 2004) to a date to be directed by the Auditor of Public Accounts. The Firm will report the results of these updated procedures in a separate letter, which shall be delivered to the Auditor of Public Accounts no later than the date to be designated.

Timing of Reports:

1. Five copies of the audit report, management letter, and audit of the closing package forms, will be forwarded to the Auditor of Public Accounts no later than October 1, 2004.
2. The report on MSU's financial statements is required to be delivered to the University by October 1, 2004.
3. The Firm will provide to the Auditor of Public Accounts by October 1, 2004, a confirmation of whether Agency Revenue Fund Receipts (per FAC Report 2151) and expenditures and transfers out for the General Fund and Agency Revenue Fund (per FAC Report 2120), were included in populations considered in the June 30, 2004 audit.
4. The Firm will provide a representation letter by October 1, 2004 to the Auditor of Public Accounts stating that the Firm is in compliance with

generally accepted auditing standards and *Government Auditing Standards* concerning continuing education requirements, independence and internal quality control system and peer review requirements.

5. The Firm will notify the Auditor of Public Accounts of matters which come to its attention which may have a significant impact on the Commonwealth's financial statements.
6. The Firm will provide, by the date requested, a letter to the Auditor of Public Accounts reporting the results of the application of subsequent events audit procedures.

ENDOWMENT MATCH PROGRAM SUBMISSION

**BOR (X-A-10)
June 11, 2004**

Recommendation:

That the Board of Regents approve the submission of new gifts eligible to be matched in the Regional University Excellence Trust Fund program.

Background:

The 1997 Higher Education Improvement Act created the Regional University Excellence Trust Fund for the purpose of providing state matching funds in response to private support of endowed chairs and professorships, graduate fellowships, and other academic purposes including scholarship.

Morehead State University was appropriated \$1.475 million by the 1998 General Assembly to match eligible endowments and was successful in securing the entire amount. The 2000 General Assembly appropriated \$2.95 million to be matched by gifts and pledges secured before June 30, 2002. To date MSU has received \$1,744,866 toward this goal.

Recently, the Council on Postsecondary Education established a subcommittee to review issues and concerns that arose during the first biennium. The findings of the subcommittee resulted in two significant revisions to the guidelines governing the administration and operation of the Endowment Match Program that affect comprehensive institutions.

First, the role of governing boards was expanded to include board review and approval of all gifts and pledges. Secondly, the universities' audited financial reports are now required to include pledge payment schedules.

In order to comply with guidelines outlined by the Council on Postsecondary Education, a copy of the proposed next submission for matching funds is included in this booklet for review and approval.

Prepared by: Barbara Ender

Gifts for Submission to the Council on Postsecondary Education in the "Bucks For Brains" Program

Endowment Purpose

Amount

(Mick Barker) Endowment for Industrial Education	\$1,713
Communcation and Theatre Enhancement Endowment	\$28,738
Bonnie Eaglin Endowment for Music	\$140,000
Lindsay R. and Hazel R. Ellington Memorial Scholarship	\$510
Carolyn Flatt Scholarship Endowment	\$25,000
Geoscience Endowment	\$3,230
K. Martin Huffman Memorial Scholarship	\$25,559
Leach-Lovely Endowment	\$25,120
Margaret Lewis Scholarship Endowment	\$26,770
Colleen McCormick Scholarship Endowment	\$25,483
MSU at Mt. Sterling Endowed Scholarship	\$50,000
Cloma Porter Moore Endowment	\$25,000
Madison Pryor Research Endowment	\$1,660
Psychology Enrichment Endowment	\$20,370
Bill Soslowitz Scholarship Endowment	\$1,347
Nevelyn Throckmorton Tackett Scholarship	\$25,000

Total \$425,500

June 11, 2004

Dr. Tom Layzell, President
Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, KY 40601-8204

Dear Dr. Layzell:

As chair of the Morehead State University Board of Regents, I certify that the enclosed submission was reviewed by the Board in our meeting held June 11, 2004. On behalf of the Board, I am pleased to approve this submission for matching funds from the Regional University Excellence Trust Fund in the amount of \$425,500.

Thank you for your leadership in the "Bucks for Brains" program.

Sincerely,

Buckner Hinkle, Chair
MSU Board of Regents

**APPROVE THE 2004-2005 OPERATING BUDGET,
FEE SCHEDULE AND PERSONNEL ROSTER**

**BOR (X-A-11)
June 11, 2004**

Recommendation:

That the Board approve the recommended 2004-2005 Operating Budget, which totals \$99,278,000, the 2004-2005 Personnel Roster, and the 2004-2005 Fee Schedule.

Background:

Pride & Promise: Morehead State University's Strategic Plan 2001-2006 served as a foundation for the development of the 2004-2005 Operating Budget. The proposed budget reflects the University's commitment to improve faculty and staff compensation, student financial aid and the continued advancement of numerous academic and student support initiatives.

This year's budget preparation process was inclusive of campus input and representation. Information was collected from operating units to develop revenue projections and identify changes in University fixed and unavoidable costs. Operating unit heads also participated in developing operating efficiency strategies to support a 2.6 percent budget reallocation necessary to offset a reduction in state appropriations and fund 2004-2005 budget priorities. The University Planning Committee completed a comprehensive assessment of 65 strategic budget proposals developed by the academic and administrative operating units to advance the institution in accordance with unit plans and the University Strategic Plan. Budget priorities were initially presented and discussed with the Board of Regents at the March 5, 2004 meeting with additional updates at a special meeting called on April 26, 2004 to set tuition and mandatory fee rates for 2004-2005. A public forum was held to discuss tuition and fee rates on April 12, 2004. The result is a proposed \$99.3 million budget that advances the University's mission by focusing on the most important goals and objectives.

The parameters outlining the administration's management responsibilities related to the 2004-2005 Operating Budget and periodic reporting requirements to the Board of Regents are specified in the Budget Adoption Resolution on pages A-9 and A-10 of the separately bound Operating Budget.

Analysis – Operating Budget:

The University Strategic Plan that was adopted by the Board of Regents in June 2001 proudly reflects the *Pride & Promise* of Morehead State University as the institution aggressively moves into the 21st Century with new and innovative academic programs and improved student services. The Plan aligns the institution with the Council on Postsecondary Education's 2020 Vision and Action Agenda that calls for enrollment growth, retention and graduation goals as high priorities for the state's higher education institutions. The Morehead State University 2004-2005 Operating Budget relies upon increases in revenue

generated from student tuition and fees as well as a 2.6 percent budget reallocation to continue support of the key initiatives defined in the Plan.

Morehead State University achieved a 1.26 percent growth in total enrollment during the 2003-2004 academic year with a Fall 2003 student headcount of 9,509 and a student FTE rate of 7,221. The growth is primarily attributed to an increase in part-time students. The proposed 2004-2005 Operating Budget is built on a Fall 2004 headcount enrollment objective of 9,100 which represents no change in the budgeted headcount from Fall 2003.

Enrollment	Actual Fall 2002	Actual Fall 2003	% Change
Total	9,390	9,509	1.26%
Full-Time	6,873	6,909	0.52%
Part-Time	2,517	2,600	3.29%
FTE (Full-Time Equivalency)	7,225	7,221	-0.05%
First-Time, Full-Time Freshman	1,546	1,520	-1.68%
Graduate Students	1,686	1,589	-5.75%
Undergraduate Students	7,704	7,920	2.80%

Occupancy in the residence halls is budgeted at a 6.5 percent decrease over 2003-2004 budgeted occupancy rates with 2,882 students projected to reside in University housing facilities in the fall 2004. The reduction in housing occupancy is attributed to a shift in the mix of total enrollment from traditional on-campus resident students to more part-time students on-campus as well as those attending Extended Campus Centers and/or taking courses through the Internet. Also, an increase in available rental property within the Morehead area has attracted more upper division students to off-campus apartments over traditional residence hall accommodations.

Changes in Revenue Sources

The proposed \$99,278,000 Operating Budget reflects an increase of \$2,991,200 or 3.1 percent, from the 2003-2004 opening budget. New funds available in the proposed budget to address the reduction in state appropriations and to support new budget initiatives are generated primarily from increased student tuition and fees, endowment income and the internal reallocation of funds as summarized below. Revenue from housing and state appropriations (operating) are budgeted at a decrease over 2002-2003 amounts.

Tuition and Mandatory Fees	\$ 3,874,500
Residence Halls	\$ (311,200)
State Appropriations (Operating)	\$ (1,138,900)
Endowment Income	\$ 194,117
Reallocated Operating	\$ 1,877,020

Tuition and Mandatory Fees:

New revenue from tuition and fees is based on the Board approved 14 percent increase in the rates for 2004-2005. Changes in tuition rates are discussed in detail in the Fee Schedule section of this report.

Housing:

Occupancy in on-campus housing facilities declined in 2003-2004. Therefore, residence hall revenue for 2004-2005 is budgeted at \$311,200 less than the prior year.

State Appropriations (Operating):

For the second consecutive year, state operating appropriations will decrease over previous year allocations. The proposed Operating Budget reflects a \$1,138,900 reduction (2.8 percent) in state operating appropriations from the 2003-2004 enacted amount. Based on fall 2003 enrollment, Morehead State University will receive \$354 less in state support per student than we received prior to the 2002-2004 biennium.

	2001-2002	2002-2003	2003-2004	Difference in state funding per FTE 2001-02 to 2003-04
State Appropriations	\$40,536,700	\$41,203,600	\$40,055,600*	
Fall FTE	6,869	7,225	7,221	
State Funds per FTE	\$5,901	\$5,703	\$5,547	(\$354)

*Net appropriations including a 2.8% midyear reduction

Endowment Income:

Endowment income totaling \$514,100 is available in 2004-2005 from various academic state-matched endowment funds. This amount represents a 156 percent increase in endowment income from 2003-2004. Some endowment administrators have elected to allow their funds to remain in the endowment fund to grow and support future initiatives. The amount budgeted from endowment income in 2004-2005 totals \$194,117. These funds will be utilized to enhance existing academic budgets in accordance with the respective endowment purposes.

Reallocated Operating Resources:

An internal budget reduction generated additional funding to help support the priority initiatives identified in the proposed 2004-2005 Operating Budget. The following details the operating reductions implemented from each division.

Division	Reduction Amount
President & Administration	\$ 2,525
Development	\$ 22,006
Academic Affairs	\$ 1,076,926
Administration & Fiscal Services	\$ 330,865
Planning, Budgets & Technology	\$ 96,887
Student Life	\$ 294,285
University Relations	\$ 53,526
Total Reallocation	\$ 1,877,020

Budgeted Fund Balance:

The 2004-2005 Operating Budget allocates year-end reserves to support various capital and operating initiatives primarily of a nonrecurring nature. This budget includes a reduction of \$351,949 in unrestricted fund balance resources allocated to cover recurring expenses.

Non-Capital Fund Balance Allocations	
2003-2004 Projects (Carry Forward)	\$1,886,602
2004-2005 Projects	<u>\$1,570,126</u>
	\$3,456,728
Capital Fund Balance Allocations	
2003-2004 Projects (Carry Forward)	\$1,947,095
2004-2005 Projects	<u>\$1,737,460</u>
	<u>\$3,684,555</u>
Total Budgeted Fund Balance	\$7,141,283

Strategic Budget Requests:

Based on the principle that University resources are to be allocated in a manner that will carry out the mission of the University and the goals of the Strategic Plan, \$750,000 is allocated within the 2004-2005 Operating Budget to fund Strategic Budget Requests. Academic and administrative units were invited to submit proposals that, if funded, would position the unit to advance the goals and objectives defined in their Unit Plan and the University's Strategic Plan. A total of 65 submitted proposals were reviewed and prioritized by the University Planning Committee with the top 25 forwarded to the President's Cabinet for funding consideration. Also, the salary increase pool is identified as funding for the strategic initiative to move faculty/staff salaries to the 50th percentile among state peers. This brings the total amount of new funding in the 2004-2005 operating budget tied directly to the Strategic Plan to \$2,211,000.

Analysis – Fee Schedule:

A comprehensive review of University fees is conducted annually and recommended changes are presented to the Board for approval. The recommended 2004-2005 Fee Schedule is presented on pages C-1 through C-21 of the Operating Budget. A summary of the significant recommended changes follows:

Tuition and Mandatory Fees:

In accordance with 13 KAR 2:050, the Council on Postsecondary Education determines tuition for all students enrolled in Kentucky public postsecondary institutions. On April 12, 1999, the Council delegated this authority to the governing boards of each institution. On April 26, 2004, the Morehead State University Board of Regents approved tuition and mandatory fee rates for 2004-2005. The approved rates reflect a 14 percent increase in tuition rates and mandatory student fees for 2004-2005. A 14 percent increase equates to an additional \$238 per semester for an undergraduate resident.

Housing:

The 2004-2005 Operating Budget maintains a \$500,000 housing depreciation fund for the continuous upgrade and improvement of residence hall facilities and furnishings. An average 4 percent increase is recommended for all residence halls to address general operating increases in housing.

Tuition & Fees and Residence Hall Rates:

	Fall 2003	Fall 2004	Inc
Resident Undergraduate Tuition & Fees	\$1,682	\$1,920	\$238
Average Residence Hall Rate	\$1,114	\$1,182	\$ 68

Analysis – Faculty and Staff Compensation:

Salary Pool:

Working toward the goal to increase faculty and staff salaries to the 50th percentile of salary averages among the Kentucky regional universities, a 3 percent general salary pool increase totaling \$1,461,000 has been built into the 2004-2005 Operating Budget. Salary pool distribution strategies for faculty and staff are summarized below:

Faculty and Librarians:

- 2 percent Merit (distributed through the existing PBSI process)
- 0.75 percent Equity (distributed by Department Chair with Dean/Provost approval)
- 0.25 percent Equity (distributed by the Provost)

Non-exempt (Hourly) and Exempt (Salaried) Staff:

2 percent Across-the-board

1 percent Merit

In addition to the 3 percent increase to the general salary pool, the 2004-2005 operating budget also includes adjustments for faculty promotions, staff reclassifications and career ladder advancements. A significant base salary adjustment is included to bring police officer salaries to a level competitive with the local and regional markets. In total, the overall average employee salary at Morehead State University increased by 4.31 percent in 2004-2005.

Category	Average Salary		Percent Increase
	2003-2004	2004-2005	
Faculty	\$52,805	\$54,477	3.16
Exempt Staff	\$41,791	\$43,555	3.26
Non-Exempt Staff	\$10.30 / hr	\$10.85 / hr	5.33
All Employees	\$38,074	\$39,715	4.31

The 2004-2005 Personnel Roster, presented with this agenda as a separately bound document, contains a listing of the recommended authorized positions as of July 1, 2004. Funding for each position listed in the roster has been provided for in the proposed 2004-2005 Operating Budget. A total of 1,048 positions are recommended for 2004-2005 with an estimated 984 positions contracted to be filled as of July 1, 2004.

The personnel roster is organized by division, with exempt (salary) and non-exempt (hourly) positions listed separately. The following information is shown for each position:

Position ID number

Employee currently holding the position

Position title

Appointment status if not a regular, full-time appointment

Recommended 2004-2005 salary for the position

Contract months for exempt employees

Analysis – Student Financial Aid:

The 2004-2005 Operating Budget allocates a \$772,730 increase in student financial aid through increases in tuition waiver and athletic scholarship budgets necessary to offset the 14 percent increase in student tuition and fees and through implementation of a new tuition discount program for K-12 educators. Effective fall 2004, teachers and other professionals in Kentucky's elementary and secondary schools and adult education centers who enroll at MSU in graduate courses to improve their professional education, will receive a 10 percent discount on their

tuition and mandatory fees. The program, titled Kentucky Educators Excellence Program (KEEP), was created as part of the University's ongoing commitment to its historic mission of teacher training and as a strategy to maintain the momentum of education reform at all levels.

2004-2005 Budget Highlights

The following list highlights several new funding initiatives included in the 2004-2005 operating budget. The items are grouped by the primary goal they support from the 2001-2006 Strategic Plan.

Goal 1: Academic Excellence and Student Success

- \$30,000 3rd year funding of a plan to increase instructor level salaries
- \$30,000 Academic lab/classroom computers
- \$100,000 Continuation of fund balance support for classroom and other academic facility improvements
- \$150,000 Support for planned replacement of instructional equipment
- \$112,000 Support for Space Science Center
- \$30,820 Support for NLNAC, CCNE, NAST, and BSW-Ashland Program accreditation expenses
- \$200,000 Cash match available for research grants
- \$20,000 Support for specialized academic software for faculty
- \$204,431 New faculty positions in Music, Space Science and two CDA Instructors
- \$311,329 Support for fixed term and adjunct faculty for 2004-2005
- \$25,000 Support for Caudill College of Humanities Strategic Plan "The Response"*
- \$30,000 Support for planned replacement of classroom furnishings*
- \$25,000 Recurring repair/replacement fund for academic multimedia equipment*
- \$138,000 Upgrade of distance learning compressed video classroom equipment*
- \$29,100 Support for Health, Physical Ed & Sport Sciences Physiology Laboratory*
- \$15,556 Support for a music multimedia classroom in Baird Music Hall*
- \$3,595 Support for Mathematics and Computer Science Exploration Software*
- \$71,400 Support for academic equipment in Physical Science Programs*
- \$25,550 Support for multimedia classroom in Kibbey Seminar Room*
- \$30,000 Nursing & Allied Health Sciences/Rad. Sciences Computer Workstations*
- \$24,298 Research, Grants and Contracts Creative Fellowships for Faculty*
- \$42,607 IET Computer Aided Graphics Laboratory Renovation*

Goal 2: Excellence in Student Support

- \$43,850 Additional library funds to support increased costs in books and periodicals
- \$84,945 3rd and final year required match for COPS grant
- \$10,662 Support for the Black Gospel Ensemble
- \$2,812 Student activity programming funds for extended campus centers
- \$13,250 Support for Camden-Carroll Library Link Resolver for Subscription Databases*
- \$125,501 Electronic Door Access and Security Monitoring System for all Residence Halls using Eagle Card as access key*

Goal 3: Enrollment Growth and Retention Gains

- \$142,429 Support for MSU at Mt. Sterling
- \$226,569 Athletic scholarship support to offset tuition increase and to comply with NCAA mandates
- \$546,161 Increased funding for out-of-state waiver program to offset tuition increase and establishment of the KEEP tuition discount program
- \$35,000 Replacement of University Recruitment Displays and Materials*
- \$53,437 Support for an Admission Transfer/Adult GED Recruitment Counselor*

Goal 4: Effective Administration

- \$1,461,000 3 percent salary pool for faculty/staff raises
- \$504,495 Faculty and librarian promotions, personnel adjustments and career ladder advancements
- \$74,904 Market adjustments for Police Officer Salaries
- \$298,656 Funding to cover increases in worker's compensation and unemployment insurance premiums
- \$5,000 Support for Faculty/Staff Communication Planners*
- \$50,000 Support for research and selection of a new ERP software application to replace the AIMS system*

Goal 5: Enhanced Reputation and Productive Partnerships

- \$36,100 Support for Development and Alumni Relations Data Enrichment Services*

*Marked items include strategic initiatives prioritized highest by the University Planning Committee pending final approval by the University Cabinet.

NAMING OF NEW FACILITY

Recommendation:

That the Board of Regents approve naming of the Admissions Center.

Background:

The naming or renaming of physical facilities at the University requires a recommendation from the President and approval of the Board of Regents. Traditionally, naming of facilities has been a permanent means of recognizing those who have provided outstanding support, financial or otherwise, to the institution or given exemplary personal service over a sustained period. In other instances, a name simply reflects the function of the facility. Such is the case with the structure previously known as the Hogge Building. Built by the late E. M. Hogge and used as rental property for several years, the two-story office building was acquired by the MSU Foundation in 2003.

Now under the University's control through a lease-purchase agreement, the structure has been upgraded to house the Office of Admissions, the Office of Institutional Research and Computer Applications and Governor Fletcher's East Kentucky Regional Office. "Admissions Center" is an appropriate name which identifies the structure by its primary function and makes it more recognizable and accessible to prospective students and their families.

Prepared by: Keith Kappes

PERSONAL SERVICE CONTRACTS

**BOR (X-B-1)
June 11, 2004**

The attached list of personal service contracts represents all such contracts issued with amounts greater than \$10,000 between February 26, 2004 and May 26, 2004.

PERSONAL SERVICE CONTRACTS

February 26, 2004 through May 26, 2004

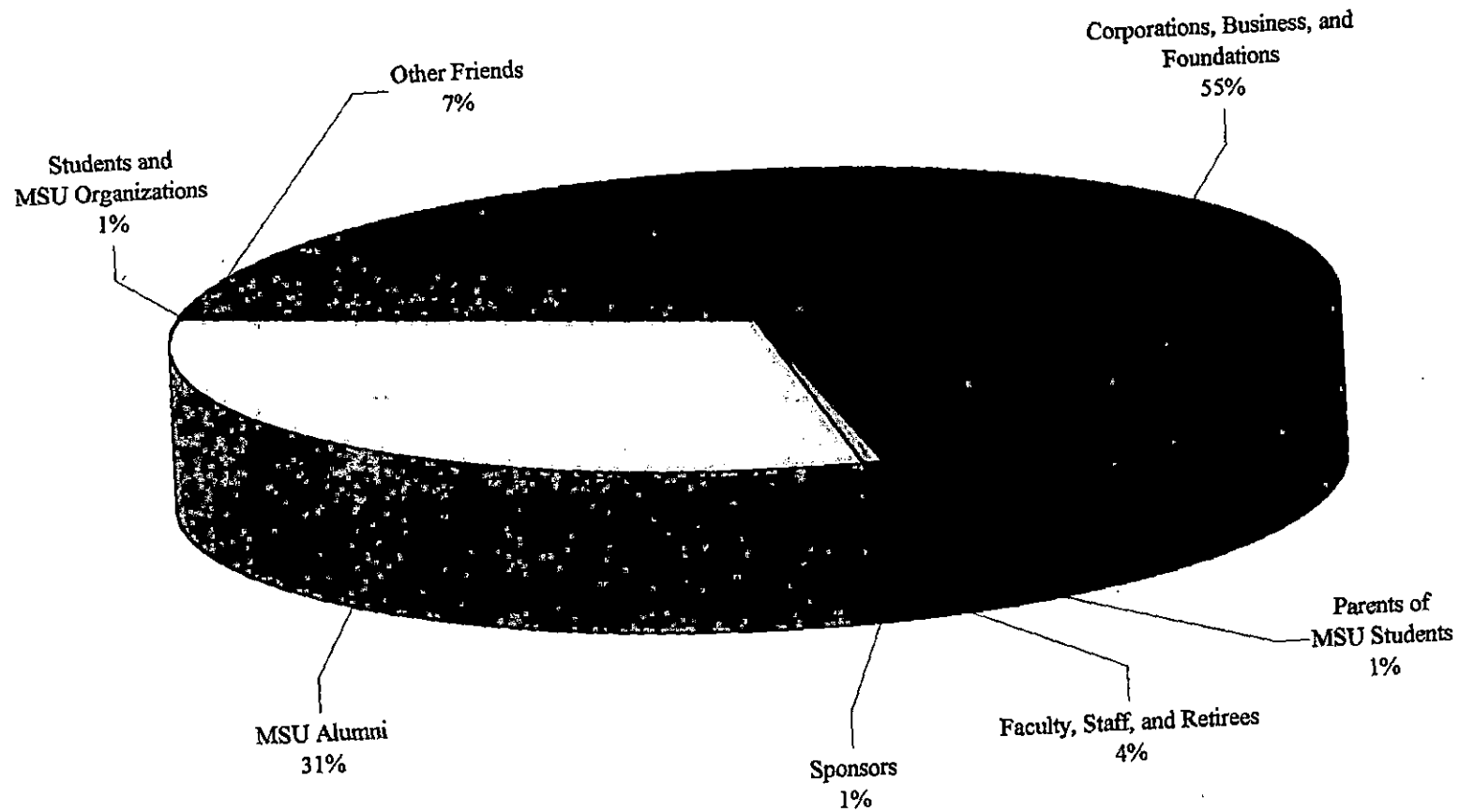
Individual/Firm	Contract Description	Contract Beginning Date	Contract Ending Date	Contract Amount	Method of Selection
John Isaacson, Inc. (Isaacson, Miller)	Consultant/ Presidential Search Committee	April 15, 2004	June 30, 2004	\$95,400	Solicitation of Proposal
St. Claire Regional Medical Center	Delivery of health care to students through Caudill Health Clinic	July 1, 2004	June 30, 2005	\$216,500	Solicitation of Proposal

YEAR-TO-DATE GIFT INCOME REPORT**BOR (X-B-2)****June 11, 2004****March 31, 2003 and 2004**

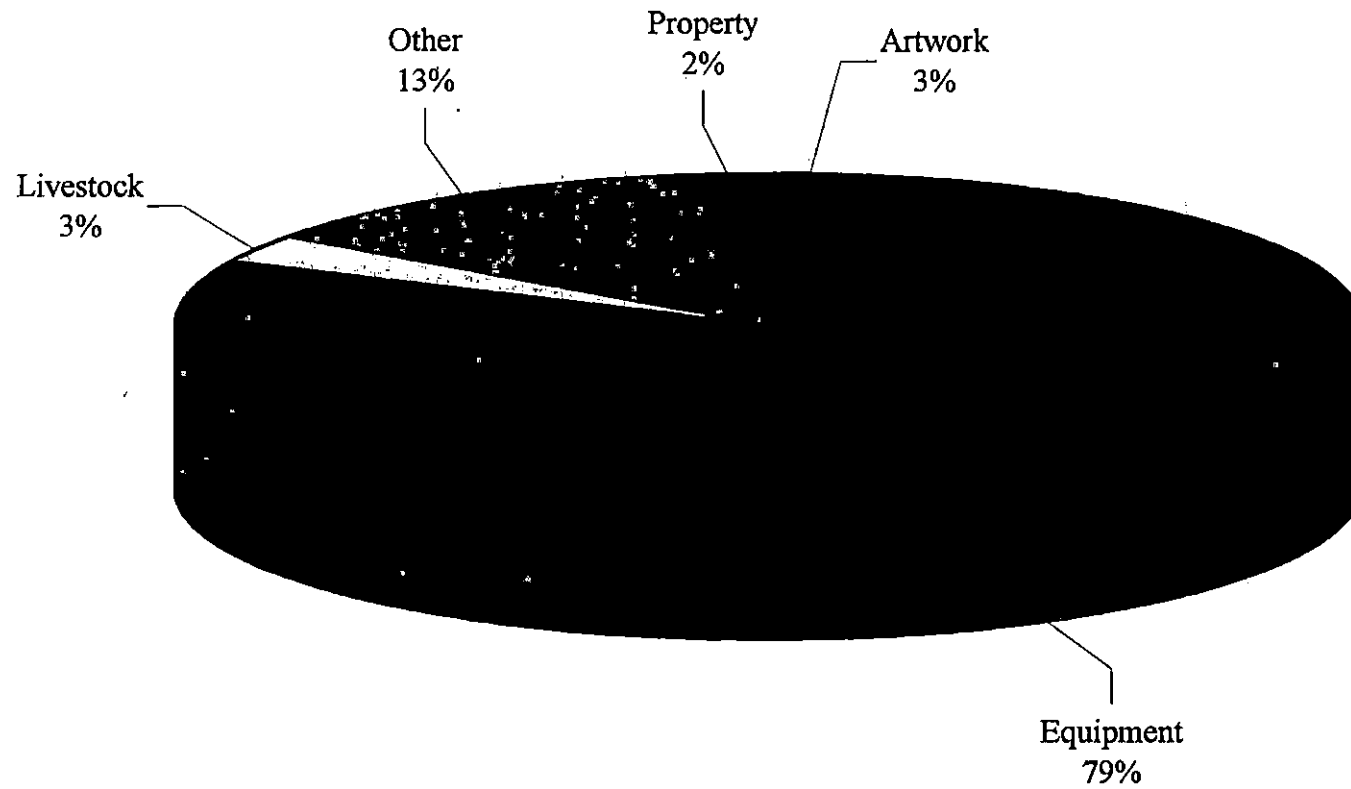
Source	Fiscal Year 2002-03	Fiscal Year 2003-04	Variance
Degreed Alumni	\$422,904.15	\$513,151.99	\$90,247.84
Non-degreed Alumni	592,622.00	10,855.00	(581,767.00)
Faculty/Staff	77,489.59	56,159.03	(21,330.56)
Retiree	69,895.00	15,255.00	(54,640.00)
Parent	32,228.33	23,266.98	(8,961.35)
Corporate Contributors	380,761.61	920,232.46	539,470.85
Foundations	4,343.11	4,138.57	(204.54)
MSU and Student Organizations	4,314.59	8,730.06	4,415.47
Other Organizations	8,680.75	15,029.33	6,348.58
Student	760.00	940.00	180.00
Leadership Board Members	5,645.08	5,100.00	(545.08)
Sponsor	17,100.00	8,820.00	(8,280.00)
Friend of MSU	211,109.09	122,495.91	(88,613.18)
GRAND TOTALS	\$1,827,853.30	\$1,704,174.33	(\$123,678.97)
Matching Gifts Received*	\$19,000.00	\$15,230.00	
Gift-in-Kind*	\$829,688.51	\$740,391.71	
Gifts of Stock*	\$10,655.56	\$62,953.26	

**Included in totals above*

2003-04 Private Gifts by Source



2003-04 Gifts-In-Kind



**Board of Regents Meeting
Morehead State University**

Breckinridge 302

9 a.m., Friday, June 11, 2004

Agenda

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. NOMINATING COMMITTEE REPORT**
- IV. APPROVE MINUTES OF MARCH 5, 2004, AND APRIL 26, 2004**
- V. ADOPT RESOLUTIONS IN MEMORY OF --**
 - GOVERNOR EDWARD T. BREATHITT1**
 - GOVERNOR LOUIE B. NUNN2**
- VI. ADOPT RESOLUTION OF COMMENDATION IN HONOR OF
JOSHUA GRUENKE.....3**
- VII. SGA – YEAR IN REVIEW**
 - Josh Gruenke, SGA President and BOR Member*
- VIII. SABBATICAL LEAVE REPORT**
 - John Ernst, Associate Professor of History*
- IX. SPOTLIGHT PRESENTATION -- ROTC**
 - Lt. Col. John Karaus, Professor of Military Science*
- X. RECOMMENDATIONS AND REPORTS**
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XI. OTHER BUSINESS

A. Report on Presidential Search

B. President's Contract

- C. Future Meetings --** Work/Orientation Session, Friday, August 13
BOR Meeting, Friday, September 3

XII. ADJOURNMENT