

AGENDA BOOK Board of Regents



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**Board of Regents Meeting
Morehead State University**

Thursday, December 7, 2006

Schedule

9 a.m.

BOR Meeting

Riggle Room

Noon

Lunch

Heritage Room

Members, Morehead State University Board of Regents

James H. Booth (*Chair*)

Helen C. Pennington (*Vice Chair*)

Jean M. Dorton

Brian N. Gay (*Student Member*)

Paul C. Goodpaster

Dr. Terry L. Irons (*Faculty Member*)

Sylvia L. Lovely

John C. Merchant

Dr. John D. O'Cull

Lora L. Pace (*Staff Member*)

Jill Hall Rose

**Board of Regents Meeting
Morehead State University**
Riggle Room - Adron Doran University Center
9 a.m., Thursday, December 7, 2006

Agenda

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVE MINUTES OF SEPTEMBER 14, 2006
- IV. SPOTLIGHT - *President's Leadership Academy*
- V. SABBATICAL LEAVE REPORT - *Dr. Steve Hunt*
- VI. PRESIDENT'S RECOMMENDATIONS AND REPORTS

A. Recommendations

- 1. Approve 2006 Winter Graduates 1
- 2. Ratify Personnel Actions 2-23
- 3. Accept 2005-06 Audit Report and
Amend Operating Budget 24-28
- 4. Accept First Quarter Financial Report and
Amend Operating Budget 29-36
- 5. Approve 2007-08 Tuition and Mandatory Student Fees..... 37-40
- 6. Approve Revision to and Renaming of PG-18,
Intellectual Property Policy 41-53
- 7. Approve Naming Policy 54-58
- 8. Ratify Naming of Doan Cheerleading Room 59
- 9. Ratify Naming of Tirone Sculpture Concourse 60

B. Reports

- 1. Final Report on Fall 2006 Enrollment 61
- 2. Report on Health Insurance for Plan Year 2007 62-63
- 3. Gift Income Report..... 64-65

C. President's Report

VII. OTHER BUSINESS

A. Meetings for 2007 Calendar Year

Work Session	Thursday, February 8
BOR Meeting	Thursday, March 8
Work Session	Thursday, May 10
BOR Meeting	Thursday, June 14
Work Session	Thursday, August 30
BOR Meeting	Thursday, September 20
Work Session	Thursday, November 8
BOR Meeting	Thursday, December 6

B. Executive Session

VIII. ADJOURNMENT

**BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
September 14, 2006**

The Board of Regents of Morehead State University met at 9 a.m. on Thursday, September 14, 2006, in the Riggle Room of the Adron Doran University Center in Morehead, Kentucky. Chair James H. Booth presided.

ROLL CALL

The following members were present: James H. Booth, Jean Dorton, Brian Gay, Paul Goodpaster, Dr. Terry Irons, Sylvia Lovely, John Merchant, Dr. John D. O'Cull, Lora Pace, Helen Pennington, and Jill Hall Rose.

Others present: President Wayne Andrews, Provost Michael Moore, Vice Presidents Michael Walters, Keith Kappes, Beth Patrick, Madonna Weathers and Barbara Ender, and other members of the administrative staff.

**INTRODUCTION
OF PRESS**

Pauline Young, Director of University Communications, introduced Dan Conti from Morehead State Public Radio, who was present for the meeting.

**JUNE 15 AND
AUGUST 31, 2006,
MINUTES**

Ms. Dorton moved that the minutes of the meetings held on June 15, 2006, and August 31, 2006, be approved as distributed. Ms. Pennington seconded the motion. The motion carried.

**KACP
CERTIFICATE OF
ACCREDITATION**

Madonna Weathers, Vice President for Student Life, introduced Roger Holbrook, a member of the Executive Board of the Kentucky Association of Chiefs of Police (KACP), who presented a five-year certificate of accreditation from KACP to Morehead State University's Police Department. Police Chief Joseph Cline and members of his staff accepted the certificate, which is the department's third, five-year certificate of accreditation. The Kentucky Association of Chiefs of Police Accreditation Standards is ranked among the top five in the nation.

**SPOTLIGHT ON
RESEARCH AND
SPONSORED
PROGRAMS**

Michael Moore, Provost, introduced Bruce Mattingly, newly appointed Associate Provost for Research and Sponsored Programs, who presented the spotlight on Research and Sponsored Programs. Prior to presenting an overview of his unit, Dr. Mattingly introduced members of his staff: Darlene Allen, Grants and Contracts Administrator; Kathleen Dowling, Grants Compliance Administrator; Mary Jerde, Grants Resource Coordinator; Brenda DeHart, Administrative Secretary; and Janet Skidmore, Administrative Secretary.

Dr. Mattingly stated that the Office of Research and Sponsored Programs is the administrative unit responsible for making available professional resources and services to enhance the ability of the faculty and staff in providing quality instruction, conducting research, delivering public services, and promoting professional growth through external funds. He discussed proposal development, compliance requirements including human and animal subjects review, internal funding and post-award administration.

**PRESIDENT'S
RECOMMENDATIONS*****Educational Leave***

The President recommended:

RECOMMENDATION: That the Board approve the granting of an educational leave for the 2006-07 academic year for Dr. Adrian Mandzy, Associate Professor of History.

Dr. Moore said that Dr. Mandzy has been awarded a Fulbright Fellowship to work in the Ukraine during the 2006-07 academic year.

MOTION: Ms. Dorton moved that the Board approve the President's recommendation. The motion was seconded by Mr. Merchant.

VOTE: The motion carried.

The President recommended:

Personnel Actions

RECOMMENDATION: That the Board ratify the Personnel Actions for the period May 20, 2006, through August 25, 2006.

(List of Personnel Actions and additional background information attached to these minutes and marked VI-A-2)

Michael Walters, Vice President for Administration and Fiscal Services, informed the Board that Roger Barker, Director of Human Resources, had resigned. In the interim, Michelle Hardin and Suzanne Hogge, associate directors, will serve as co-directors while a national search is conducted to find a replacement for Mr. Barker. Ms. Hogge provided an overview of the Personnel Action Report.

In response to a question by Ms. Lovely on the impact the Kentucky Employee Retirement System (KERS) service retirement allowance would have on MSU in terms of the employees eligible to retire by December 31, 2008, Mr. Walters said that approximately 30 plus employees would be eligible to retire by 2008 under the KERS provision.

The President recommended:

***Policy Prohibiting
Smoking in
University Buildings***

RECOMMENDATION: That the Board adopt the following policy:

It shall be the policy of Morehead State University that smoking is prohibited in all buildings owned, operated or under the jurisdiction of the University as well as outside areas as designated by the President. The use of all tobacco products is prohibited in the University's residential living environments.

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

Mr. Walters said that House Bill 55, which was introduced in the 2006 session of the Kentucky General Assembly, requires that:

Each board of regents or trustees for each of the state postsecondary education institutions shall adopt a written policy relating to smoking in all buildings owned, operated, or under the jurisdiction of the state postsecondary education institutions that shall:

1. (a) Provide accessible indoor smoking areas in any buildings where smoking is otherwise restricted; and
(b) Favor allowing smoking in open public areas where ventilation and air exchange are adequate and there are no restrictions otherwise placed on the area by the state fire marshal or other similar authority; or
2. Prohibit indoor smoking.

Mr. Walters said that Morehead State University has prohibited smoking in all of its state-owned or leased buildings other than residence halls since 1993. In 2005, all University residence halls became tobacco-free.

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

VOTE: The motion carried.

The President recommended:

FKCTM
Appointments

RECOMMENDATION: That the Board confirm the appointment of one new and three returning members of the Board of Directors of Friends of the Kentucky Center for Traditional Music, Inc.

(Additional background information attached to these minutes and marked VI-A4)

Keith Kappes, Vice President for University Relations, said that as an affiliated corporation of Morehead State University, Friends of the Kentucky Center for Traditional Music, Inc. (FKCTM) board members must be confirmed by the Board of Regents. The FKCTM Executive Committee has recommended the appointment of a new member – Bucker Hinkle Jr. of Lexington – and the reappointment of three members – Carol Laferty of Morehead; Don MacRostie of Athens, Ohio; and James McCarty of Paintsville – to its Board of Directors. All appointed members serve three-year terms.

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

VOTE: The motion carried.

Chairman Booth declared a ten minute recess.

REPORTS

Enrollment

Dr. Moore reported that preliminary fall 2006 enrollment numbers reflect that enrollment will be slightly higher than last year at 9,102 compared with 9,062 the previous fall semester. Dr. Andrews said that enrollment is going to be the biggest challenge facing the University into the future. High school graduation rates are declining with more than 35 percent of students not finishing high school. In addition, competition for these students continues to be a significant factor.

Personal Service Contracts

Mr. Walters reported on personal service contracts with amounts greater than \$10,000 between June 1, 2006, and August 31, 2006. These include contracts issued for the 2006-07 fiscal year to Sturgill, Turner, Barker & Moloney in the amount of \$75,000 for legal representation; to Frost Brown Todd in the amount of \$15,000 for legal representation; to University Accounting Service, Inc. in the amount of \$29,000 for billing and collection services for Perkins Loan accounts; and for the 2006-07 and 2007-08 fiscal years to McCarthy & Speaks Strategic Solutions in the amount of \$160,008 for funding development.

Real Property Leases

Mr. Walters also provided an annual report on lease agreements, which were in effect on July 1, 2006. (*Annual Report on Real Property Leases attached to these minutes and marked VI-B-3*)

Gift Income

Barbara Ender, Vice President for Development, reported on gift income for the current fiscal year 2005-06 as compared to the previous two fiscal years (2003-04 and 2004-05). She also reported that Foundation assets totaled \$29,640,000. (*Gift Income Report attached to these minutes and marked VI-B-4*)

Dr. Andrews reported that:

CEO Visit

- The Council on Postsecondary Education's Committee on Equal Opportunities visited the campus in April 2006. The purpose of the Committee's visit was to assess the University's compliance with the *Kentucky Plan for Equal Opportunities*. The Committee has issued its report and made a number of recommendations related to communication, academic advising, and awarding of financial aid. A series of meetings have been held including a public forum to review the University's draft response to the CEO's recommendation. The Committee will review the University's response at its meeting on October 16. Dr. Andrews said that while the University is strongly committed to diversity and being inclusive, the region served by MSU presents some major challenges. He said that the University will need to be savvy in its traditional service area to know where persons of color live and be more aggressive in recruiting and retaining them

**Carnegie Foundation
Classification**

- The University has submitted an application to The Carnegie Foundation for the Advancement of Teaching to add a new institutional classification as a Community Engagement Institution. This new classification will affirm the institutionalization of community engagement at MSU, which extends to both curricular engagement and outreach and partnerships.

**Regional
Stewardship**

- The Council on Postsecondary Education placed \$200,000 in the budget for each of the comprehensive institutions to develop the infrastructure to address regional stewardship on their campuses. The University is in the process of drafting a proposal to share with the broader campus community on how it plans to address needs. A regional advisory committee will be appointed representative of MSU's 22-county service region.

**President's
Leadership Academy**

- The President's Leadership Academy is going exceedingly well with 16 faculty and staff members participating in the program. Nominations/applications are now being accepted through November 1 for the next class of the Academy. Regent Pace, who is a member of the first class, said that she had learned a great deal particularly about higher education at the state level.

**Governor's Scholars
Program**

- Three hundred eighty students, who are among the brightest and most talented in the state, participated in the Governor's Scholars program held at MSU this summer. The University, which is the only public university hosting the Governor's Scholars (the two other campuses are Centre and Bellarmine), will serve as a host campus for three more years. Further, receptions are being held around the state for potential Governor's Scholars students and their parents. A reception was hosted at MSU at West Liberty for these students/parents to learn about the program this past Monday evening with over 150 high school juniors attending and another is scheduled on the main campus this coming Monday with more than 300 students/parents expected to attend.

**Background Checks
on New Employees/
Student Workers**

- The Kentucky General Assembly passed a new law that requires the University to do criminal background checks on all new employees including student workers. The average cost is \$52. Checks have not yet resulted in anyone not being employed.

Scholarship Guide

- A newly revised Scholarship Guide is being printed and will be given to the Board at a future meeting. Copies have been given to 300 high school counselors in MSU's service region.

Septemberfest

- Board members are invited to attend Septemberfest activities that will be held on the campus during the week of September 18.

**MSU at Mt. Sterling
Celebration**

- A celebration (fundraiser) is scheduled this evening at MSU at Mt. Sterling's regional campus in the Clay Center. More than 150 people are expected to be in attendance.

**Staff Congress &
Faculty Senate Chairs**

- Terry White, Construction Manager in Physical Plant, is the newly elected chair of Staff Congress; Calvin Lindell, Assistant Professor of Speech, is the new chair of the Faculty Senate.

Football Games

- Regents are invited to attend any and all football games.

**CPE Trusteeship
Conference**

- Eight MSU Regents will be attending the CPE Trusteeship Conference on September 17 and 18.

**PRESIDENT'S
GOALS 2006-07**

Dr. Andrews said that it was his intention to focus on the following goals during the 2006-07 fiscal year:

1. Implement the campus Strategic Plan by working through the divisions of the University to develop and implement specific action plans.
2. Continue to focus on strategies to improve overall efficiency and effectiveness of the University to meet the strategic goals outlined in the Plan.
3. Continue the reformation of Enrollment Services. Specifically, consider all recommendations from the Enrollment Management task force, develop a time line for implementation, and implement appropriate recommendations as soon as possible. Advertise and hire a new full-time leader for Enrollment Services.
4. Fill top level positions: Provost and Vice President for Academic Affairs, Director of Human Resources, etc.
5. Implement the residential living master plan.
6. Complete the athletic facilities master plan.
7. Continue in the "quiet phase" of the MSU Capital Campaign, hire an external consulting firm to conduct a feasibility study, and actively cultivate major donors.
8. Implement a comprehensive approach to "Stewardship of Place" in keeping with CPE guidelines and Carnegie Foundation expectations.
9. Continue the implementation of the President's Leadership Academy.

10. Provide guidance and direction to strategic projects currently underway.
 - a. ERP implementation (Datatel)
 - b. Student laptop initiative (MSUnplugged)
 - c. Integrated marketing plan
 - d. Diversity plan
 - e. Planning for the construction of the new Health, Education and Research Building in conjunction with St. Claire and UK
 - f. Construction of the Space Science building
 - g. Detailed planning for a new student recreation center
 - h. Faculty and staff salary equity and benefits

Dr. Andrews said that he would provide progress reports at each of the quarterly meetings.

ADJOURNMENT

There being no further business to conduct, Ms. Dorton moved that the meeting adjourn at 11:45 a.m. Mr. Gay seconded the motion. The motion carried.

Respectfully submitted,



Carol Johnson, Secretary
Board of Regents

2006 WINTER GRADUATES

BOR (VI-A-1)
December 7, 2006

Recommendation:

That the awarding of degrees to all candidates who successfully complete all degree requirements as approved by the faculty of the University at the 2006 Winter Commencement on December 16, 2006, be approved.

Background:

560 students have applied for graduation at the December 16, 2006, Winter Commencement. This includes 35 associate degrees, 428 bachelor degrees and 97 master degrees.

RATIFY PERSONNEL ACTIONS

BOR (VI-A-2)
December 7, 2006

Recommendation:

That the Board ratify the Personnel Actions for the period August 28, 2006, through November 10, 2006.

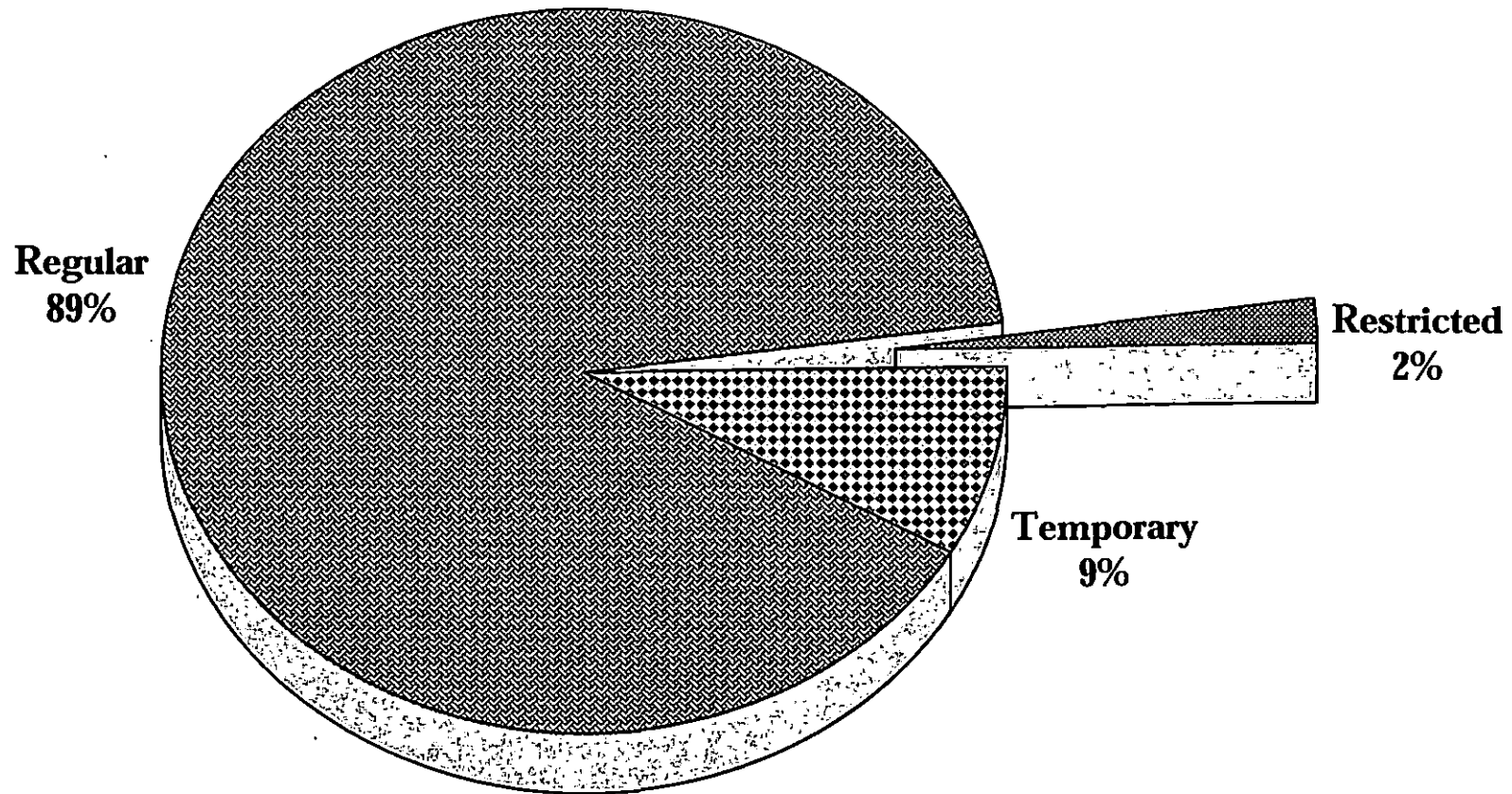
Background:

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.

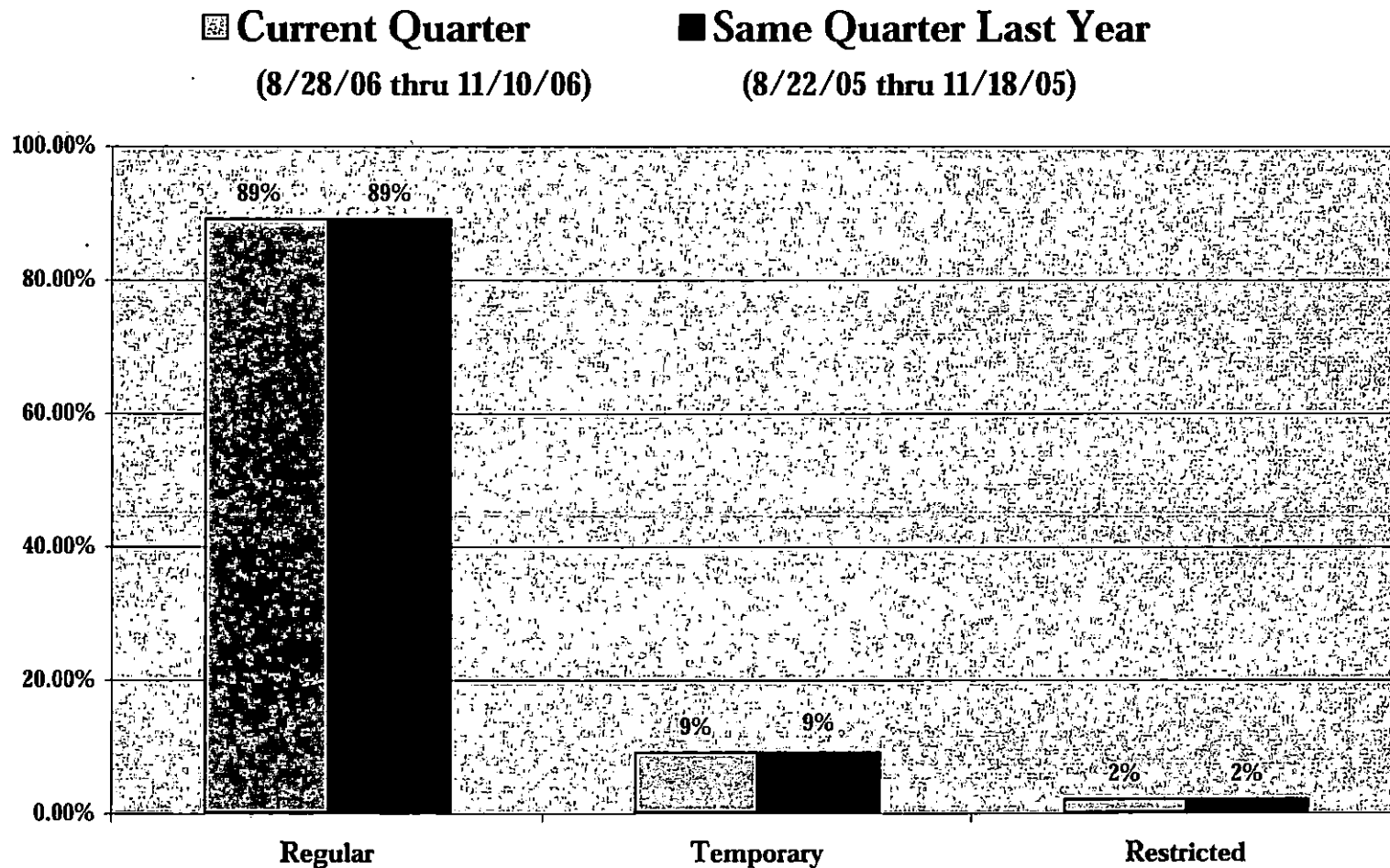
PERSONNEL ACTION REQUEST

8/28/06 thru 11/10/06



Total Number of PARs = 47

COMPARISON CHART FOR PERSONNEL ACTION REQUEST

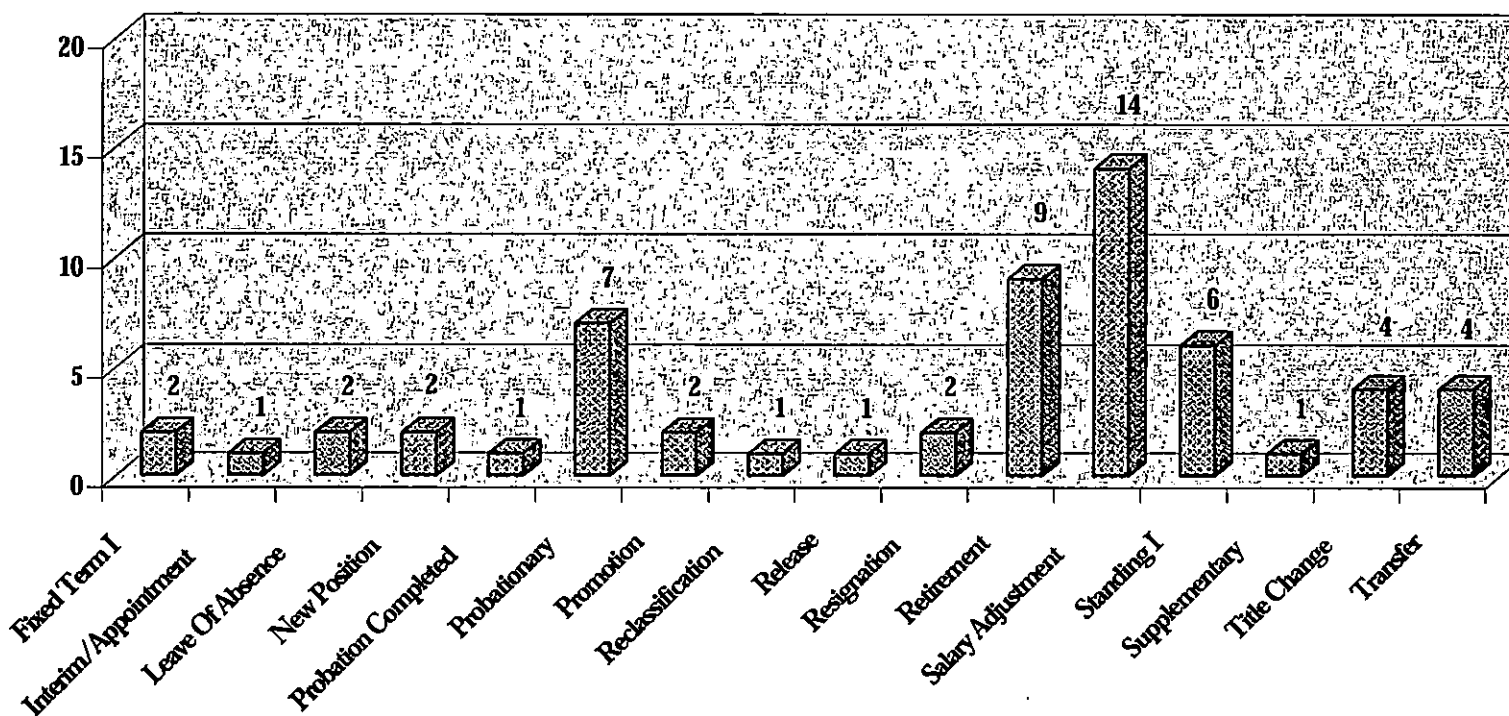


Total Number of PARs

Current Quarter = 47

Same Quarter Last Year = 45

PERSONNEL ACTIONS FOR COVERED ROSTER APPOINTMENTS
8/28/06 thru 11/10/06



Total Number of PARs = 47

Total Number of Actions = 59

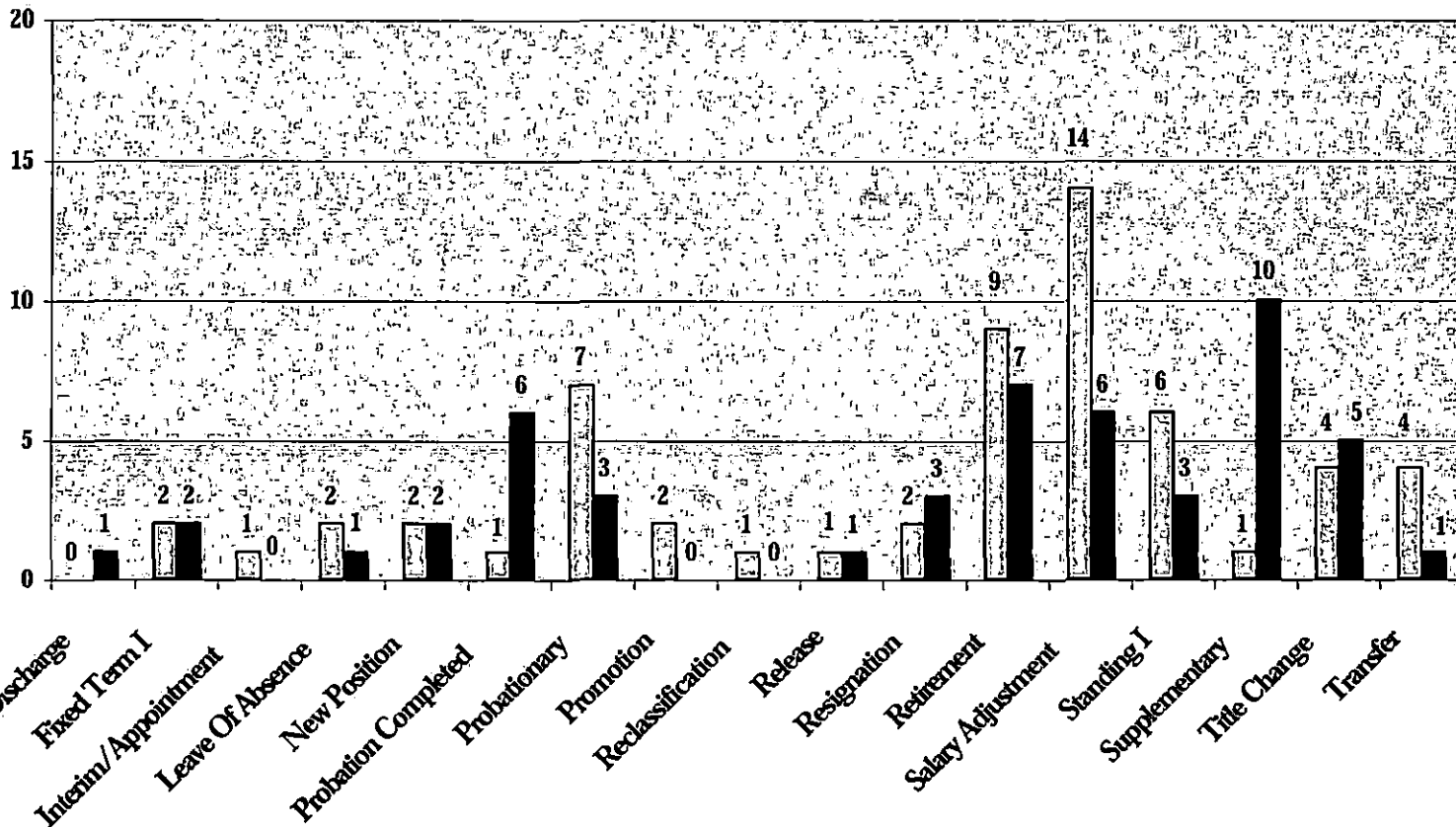
COMPARISON CHART FOR COVERED ROSTER APPOINTMENTS

☐ Current Quarter

(8/28/06 thru 11/10/06)

■ Same Quarter Last Year

(8/22/05 thru 11/18/05)



Total Number of PARs

Current Quarter = 47

Same Quarter Last Year = 40

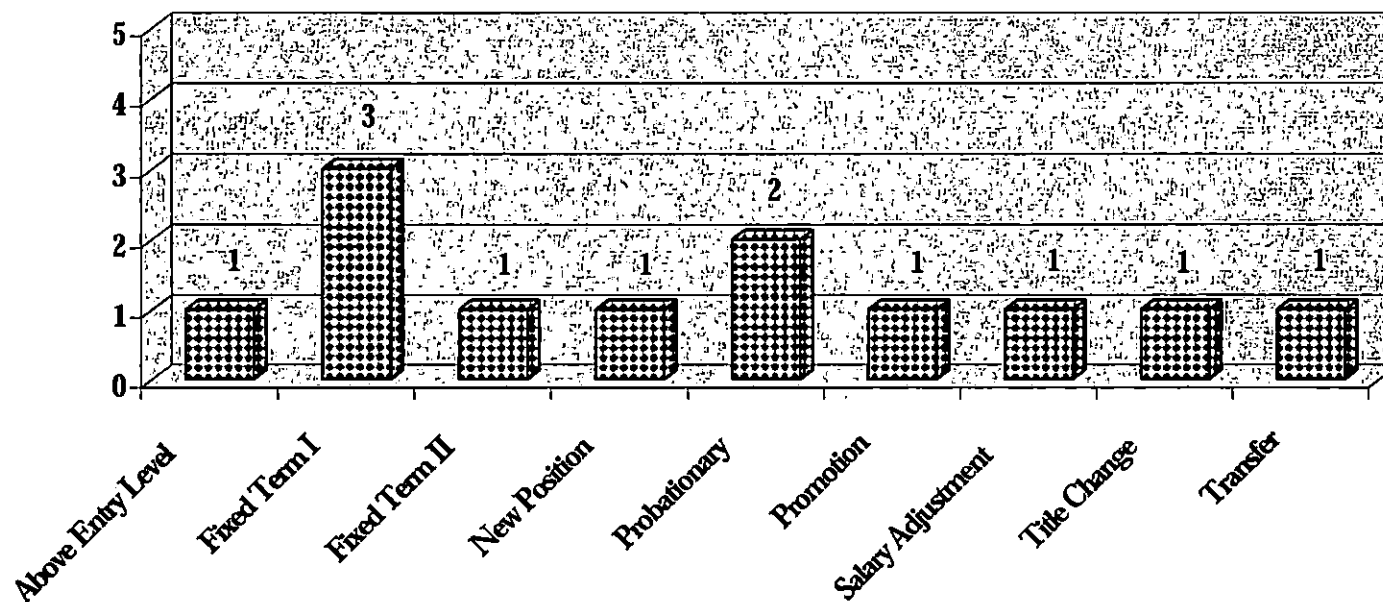
Total Number of Actions

Current Quarter = 59

Same Quarter Last Year = 51

PERSONNEL ACTIONS FOR NON-ROSTERED TEMPORARY APPOINTMENTS

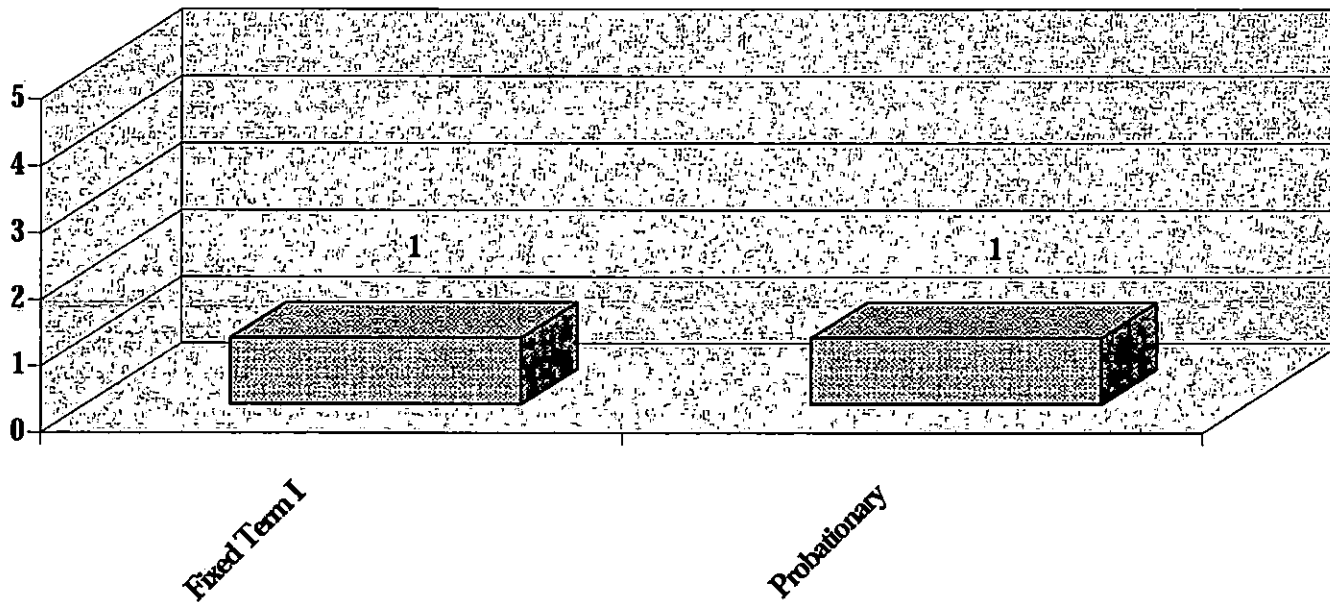
8/28/06 thru 11/10/06



Total Number of PARs = 4

Total Number of Actions = 12

PERSONNEL ACTIONS FOR RESTRICTED APPOINTMENTS 8/28/06 thru 11/10/06



Total Number of PARs = 1

Total Number of Actions = 2

MOREHEAD STATE UNIVERSITY
STANDING I AND STANDING II POSITIONS SUMMARY
11/10/06

<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	6.25	6.25	0.00	6.25	100.00
DIVISION OF UNIVERSITY RELATIONS	33.00	33.00	0.00	32.00	96.97
DIVISION OF DEVELOPMENT	15.00	15.00	0.00	14.00	93.33
DIVISION OF PLANNING, BUDGETS AND TECHNOLOGY	47.75	47.75	0.00	43.75	91.62
DIVISION OF ADMINISTRATION AND FISCAL SERVICES	65.00	66.00	1.00	61.00	92.42
PHYSICAL PLANT	152.70	152.70	0.00	145.70	95.42
DIVISION OF STUDENT LIFE	147.49	148.49	1.00	137.49	92.59
DIVISION OF ACADEMIC AFFAIRS	23.50	23.50	0.00	22.00	93.62
CAUDILL COLLEGE OF HUMANITIES	166.25	166.25	0.00	159.25	95.79
COLLEGE OF BUSINESS	52.50	52.50	0.00	48.50	92.38
COLLEGE OF EDUCATION	111.00	115.00	4.00	107.00	93.04
COLLEGE OF SCIENCE AND TECHNOLOGY	160.10	160.10	0.00	152.30	95.13
INSTITUTE FOR REGIONAL ANALYSIS & PUBLIC POLICY	19.00	19.00	0.00	17.50	92.11
GRADUATE AND UNDERGRADUATE PROGRAMS	49.00	49.00	0.00	45.00	91.84
CAMDEN-CARROLL LIBRARY	38.00	38.00	0.00	35.00	92.11
	1086.54	1092.54	6.00	1026.74	93.98

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:**

ABOVE ENTRY LEVEL

RECLASSIFICATION

FIXED TERM I

RELEASE

FIXED TERM II

RESIGNATION

INTERIM/APPOINTMENT

RETIREMENT

LEAVE OF ABSENCE

SALARY ADJUSTMENT

NEW POSITION

STANDING I

PROBATION COMPLETED

TITLE CHANGE

PROBATIONARY

TRANSFER

PROMOTION

Appointment Status Actions
08/28/2006 - 11/10/2006

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
ADKINS, RYAN BLAKE Groundskeeper Landscaping & Grounds Maint. 737 \$7.62/hr.	\$7.62/hr.	Probation (Extension of probationary period)	09/30/2006 - 12/29/2006	
BROWN, AMY BACK Asst. Professor of Nursing Nursing - ADN Program 2889 \$45,000.00	\$45,000.00	Leave of Absence (Without pay)	11/10/2006 - 12/01/2006	
CAUDILL, ANGELA L. Staff Psychologist (CDPCRC) CDPCRC	\$34,000.00/annual	Fixed Term I Probation	10/24/2006 - 06/30/2007	Restricted
CAUDILL, LARRY GENE Asst. VP, Facilities Manag. Office of Physical Plant 698 \$92,768.00	\$92,768.00	Title Change (From Director of Physical Plant to Asst. Vice President of Facilities Management)	11/1/2006	
CLEVELAND, ROGER C. Assistant Professor Education Prof. Programs in Education 3451 \$50,000.00	\$50,000.00	Transfer (From Curriculum & Instruction to Prof. Programs in Education)	8/16/2006	

Appointment Status Actions
08/28/2006 - 11/10/2006

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
CLEVENGER, CHERYL JEAN Asst. Professor of Nursing Nursing - ADN Program 2888 \$50,659.00	\$50,659.00	Retirement	12/31/2006	
COWART, LARY BRITTON Assoc. Professor Real Estate Manag., Market. & Real Estate 3109 \$86,844.00	\$86,844.00	Leave of Absence (Without pay)	01/01/2007 - 12/31/2007	
COWSERT, BETTY R. Grad. Admissions/Records Mgr. Graduate & Undergraduate Prog 305 \$15.45/hr.	\$15.45/hr.	Retirement	12/29/2006	
DENNIS, JEFFREY WILLIAM Asst. Professor of History Geog., Government & History 607 \$42,665.00	\$42,665.00	Release	5/12/2007	
DUNN, MELISSA MARIE Asst. Director of Athletics Office of Athletics 3521 \$6,000.00	\$6,000.00	Standing I (Senior Woman Administrator)	8/28/2006	Operating Expenses

14

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
FERRELL, DIXON Assoc. Professor of Art Art 455 \$56,781.00	\$56,781.00	Retirement	6/30/2007	
FRAZIER, JENNIFER Student Life Staff Assistant Office of Student Activities	\$25,600.00/annual	Fixed Term I Probation New Position	08/21/2006 - 06/30/2007	Roster ID # 003431
HOWARD, MYKIE Librarian II Camden Carroll Library 682 \$46,881.00	\$39,500.00	Standing I Probation	1/2/2007	
JACKSON, GEORGE Assistant Basketball Coach Men's Basketball 2218 \$40,845.00	\$40,845.00	Resignation	9/15/2006	
JONES-SCOTT, SHAMBRICA KENYATT Asst. Women's Basketball Coach Women's Basketball 3127 \$36,050.00	\$38,550.00/annual (\$2,500.00 incr.)	Salary Adjustment (Recurring funds available for AD Tuition)	09/15/2006 - 03/31/2007	Unbudgeted Revenues

Appointment Status Actions
08/28/2006 - 11/10/2006

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
JONES-SCOTT, SHAMBRICA KENYATT Asst. Women's Basketball Coach Women's Basketball 3127 \$36,050.00	\$38,911.00/annual	Salary Adjustment (Annual increase. From (\$38,550 to \$38,911. \$361 incr.)	01/01/2007 - 03/31/2007	Opening Bud-Undist.
KIRK, SHARON FAYE Instructor of Education MAT Program - Secondary Educ. 3525 \$30,000.00	\$30,000.00	Fixed Term I Probation New Position	09/01/2006 - 05/14/2007	Unbudgeted Revenues
LINDSEY, PETER CREMEAN Police Telecommunicator Police Department 2649 \$8.77/hr.	\$8.77/hr.	Probation (Extension of probationary period)	11/18/2006 - 12/15/2006	
LITTLETON, WANDA W. Sec. Specialist (Testing) Testing Center 360 \$12.08/hr.	\$12.08/hr.	Retirement	9/1/2006	

08/28/2006 - 11/10/2006

Position Base Salary

Salary

Description

Effective Date**Fund Source**

\$113,219.00

Off. Dean Coll. Science & Tech

\$32,000.00

\$32,000.00

\$39,274.00

Appointment Status Actions
08/28/2006 - 11/10/2006

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
MOORE, ZACHARY ALAN Asst. Football Coach/Rec. Coord. Football 2284 \$33,917.00	\$33,917.00	Resignation	11/15/2006	
MORRIS, LINDA KAY Nurse, R.N. Off. Counseling & Health Serv. 120 \$30,334.00	\$30,334.00	Retirement	9/29/2006	
PHILLIPS, CLARENDIA MICHELLE Assoc. Professor of Sociology Sociology, S.W. & Criminology 626 \$92,000.00	\$92,000.00	Standing I Promotion Transfer Salary Adjustment Title Change (From Assoc. Prof. of Sociology to Dept. Chair of SW&C. From \$75,162 to \$92,000. \$16,838 incr)	7/1/2007	
PHILLIPS, JERRY MIKE Dept. Chair, Agri. Sciences Agricultural & Human Sciences 3100 \$106,167.00	\$106,000.00	Standing I	1/8/2007	

Appointment Status Actions
08/28/2006 - 11/10/2006

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
PURCELL, LADONNA MARIE Director of Support Services Office of Support Services 39 \$62,223.00	\$37,345.00	Standing I Probation Promotion Transfer Salary Adjustment Title Change (From Asst. Dir. to Dir. of Support Services. From \$30,982 to \$37,345. \$6,363 incr.)	9/1/2006	
REDWINE, WILLIAM HOWARD Asst. V.P., Auxiliary Services University Store 3253 \$77,845.00	\$83,683.00 (\$5,843.00 incr.)	Salary Adjustment Reclassification Title Change (From Dir. of Auxiliary Serv. to Asst. V.P. of Auxiliary Serv.)	11/1/2006	Roster ID # 000041
REDWINE, WILLIAM HOWARD Asst. V.P., Auxiliary Services University Store 3253 \$77,845.00	\$86,654.00	Salary Adjustment (Annual increase. From \$83,683 to \$86,654. \$2,971. incr.)	1/1/2007	Opening Bud-Undist.
ROLLAND, SUSANNE MOSTELLER Assoc. Professor Social Work Sociology, S.W. & Criminology 2194 \$59,611.00	\$59,611.00	Retirement	8/1/2007	

Appointment Status Actions

08/28/2006 - 11/10/2006

Name

Title

Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

SIMPSON, TIMOTHY LEAHY

Assistant Professor Education

Prof. Programs in Education

381

\$42,000.00

\$42,000.00

Transfer
(From Curriculum &
Instruction to Prof.
Programs in Education)

8/16/2006

SKIDMORE, RONALD LEROY

Assoc. Prof., Educ. Psychology

Prof. Programs in Education

407

\$47,803.00

\$5,311.00

Interim Appointment
(Interim Chair,
Psychology)

08/03/2006 - 12/31/2006

Roster ID # 000414

STEVENS, OSCAR WAYNE

Public Address Systems Manager

Univ. Center & Conf. Serv.

157

\$16.99/hr.

\$16.99/hr.

Retirement

10/31/2006

TACKETT, ERNIE

Director of Gear-Up

Gear-Up Program

\$56,000.00/annual

Fixed Term I
Probation
Promotion
Salary Adjustment
Title Change
Transfer
Above Entry Level
(From Asst. Director to
Director of Gear-Up. From
\$40,020 to \$56,000.
\$15,980 incr.)

10/09/2006 - 06/30/2007

Restricted

Appointment Status Actions
08/28/2006 - 11/10/2006

Name
Title
Department
Roster ID

Position	Base Salary	Salary	Description	Effective Date	Fund Source
TIAPO, NAPOLEON MBIZIWO Instructor of Management Manag., Market. & Real Estate		\$36,000.00	Fixed Term II	01/08/2007 - 05/12/2007	Roster ID # 003276
TYNDALL, DONALD JOSEPH Head Men's Basketball Coach Men's Basketball 636 \$120,000.00		\$120,000.00	Probation Completed	10/7/2006	
20 TYNDALL, DONALD JOSEPH Head Men's Basketball Coach Men's Basketball 636 \$120,000.00		\$121,200.00/annual (\$1,200.00 incr.)	Salary Adjustment (Annual increase)	01/01/2007 - 03/31/2007	Opening Bud-Undist.
WALTON, CHRISTINA DOROTHY Assistant Professor Education Curriculum & Instruction 366 \$42,000.00		\$43,000.00 (\$1,000.00 incr.)	Salary Adjustment (Received doctoral degree)	8/16/2006	Faculty Escrow
WALTON, CHRISTINA DOROTHY Assistant Professor Education Curriculum & Instruction 366 \$42,000.00		\$43,155.00	Salary Adjustment (Annual increase. From \$43,000 to \$43,155. \$155 incr.)	1/1/2007	Faculty Escrow

Appointment Status Actions
08/28/2006 - 11/10/2006

Name
Title
Department
Roster ID

Position	Base Salary	Salary	Description	Effective Date	Fund Source
WEBBER, MATTHEW CLAY Assistant Basketball Coach Women's Basketball 650 \$36,050.00		\$38,550.00/annual (\$2,500.00 incr.)	Salary Adjustment (Recurring funds available for AD Tuition)	09/15/2006 - 03/31/2007	Unbudgeted Revenues
WEBBER, MATTHEW CLAY Assistant Basketball Coach Women's Basketball 650 \$36,050.00		\$38,911.00/annual	Salary Adjustment (Annual increase. From \$38,550 to \$38,911. \$361 incr.)	01/01/2007 - 03/31/2007	Opening Bud-Undist.
WHITWORTH, JOAN M. Assoc. Professor of Science Physical Sciences 3173 \$53,974.00		\$53,974.00	Retirement	6/30/2007	
WORTMAN, BARRY THOMAS Assistant Basketball Coach Men's Basketball 2219 \$46,807.00		\$47,275.00/annual (\$468.00 incr.)	Salary Adjustment (Annual increase)	01/01/2007 - 03/31/2007	Opening Bud-Undist.

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

SUPPLEMENTARY

Total for this report = \$4,400.00

Other	\$4,400.00
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Supplemental Actions
08/28/2006 - 11/10/2006

Name				
Title				
Current Salary	Supplement	Description	Effective Date	Fund Source
<u>Office of Athletics</u>				
BALLARD, D. MATT	\$4,400.00	Eagle Sports Network	11/15/2006 - 12/15/2006	Unbudgeted Revenues
Head Football Coach				
\$92,688.00				

**ACCEPT 2005-06 AUDIT REPORT
AND AMEND OPERATING BUDGET**

**BOR (VI-A-3)
December 7, 2006**

Recommendation:

That the Board accept the audit report for the fiscal year ended June 30, 2006 as presented by Dean, Dorton & Ford, PSC, accept the reports related to the fourth quarter financial information and capital outlay, and amend the operating budget for the 2005-06 fiscal year.

Background:

KRS 164A.570 requires an annual audit to be conducted by all universities in the state system. The audit is to be conducted by an independent public accounting firm. At the June 16, 2006 meeting the Board of Regents approved the recommendation of the Audit Committee for the appointment of Dean, Dorton & Ford, PSC to conduct the 2005-06 fiscal year audit. The Board also approved the Audit Committee's recommendation for the minimum scope of the audit work to be performed.

The Audit Committee met on November 16, 2006. Ms. Crissy Fiscus, Mr. Chad Criswell, and Mr. David Richard, CPAs from Dean, Dorton & Ford, presented the University's audited financial statements to the Committee for acceptance. The audit report was issued with an unqualified opinion on the financial statements.

The information contained in the audited financial statements is reflective of all transactions for the fiscal year and serves as the University's fourth quarter financial report to the Board. Also presented as a part of the fourth quarter financial report are amendments to the operating budget and a capital outlay status report.

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period April 1, 2006 to June 30, 2006

<u>Description</u>	<u>Amended Budget As of 4/1/2006</u>	<u>Adjustments</u>	<u>Amended Budget As of 6/30/2006</u>
Revenues and Other Additions			
Tuition and Fees	\$ 40,230,339	\$ 112,098	\$ 40,342,437
Government Appropriations	44,839,600	62,204	44,901,804
Government Grants & Contracts	30,000	-	30,000
Indirect Cost Reimbursement	365,000	-	365,000
Sales and Services of Ed. Activities	1,451,417	209,525	1,660,942
Other Sources	2,353,547	128,056	2,481,603
Budgeted Fund Balance - E&G	5,255,723	148,326	5,404,049
Auxiliary Enterprises	10,699,410	700,222	11,399,632
Budgeted Fund Balance - AUX	109,300	-	109,300
Total Revenues and Other Additions	\$ 105,334,336	\$ 1,360,431	\$ 106,694,767
Expenditure Authorizations by Division			
Educational & General			
President & Administration	\$ 839,543	\$ 16,272	\$ 855,815
University Relations	2,641,894	16,435	2,658,329
Development	996,383	-	996,383
Planning & Technology	5,772,915	(326,726)	5,446,189
Administration & Fiscal Services	11,264,442	(84,510)	11,179,932
Student Life	16,660,292	165,224	16,825,516
Academic Affairs	49,559,457	1,232,823	50,792,280
Debt Service & Mandatory Transfers	2,389,959	213,385	2,603,344
Other	3,387,737	(798,076)	2,589,661
Total Educational & General	\$ 93,512,622	\$ 434,827	\$ 93,947,449
Auxiliary Enterprises			
Planning & Technology	\$ 310,111	\$ (2,905)	\$ 307,206
Administration & Fiscal Services	7,830,070	893,422	8,723,492
Student Life	876,416	2,087	878,503
Debt Service	2,588,461	-	2,588,461
Other	216,656	33,000	249,656
Total Auxiliary Enterprises	\$ 11,821,714	\$ 925,604	\$ 12,747,318
Total Expenditure Authorizations	\$ 105,334,336	\$ 1,360,431	\$ 106,694,767

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period April 1, 2006 to June 30, 2006
Notes of Significant Adjustments to Revenue and Other Additions

Tuition and Fees

Unbudgeted revenue allocated during the fourth quarter totaled \$112,098.

- \$97,160 allocated from summer tuition revenue for faculty salaries and fringe benefits for summer instruction
- \$14,938 from course fees allocated to academic departments

Sales & Services of Educational Activities

Unbudgeted revenue allocated during the fourth quarter totaled \$209,525.

- Eagle Excellence Fund (EEF) support from the MSU Foundation totaled \$77,423
- Other athletic revenue totaled \$65,066
- Farm income totaling \$37,172 was allocated to support farm expenses
- Pool pass revenue totaling \$10,930 was allocated to support expenses at the swimming pool
- Other miscellaneous income from sales & services of educational activities totaling \$9,933 was allocated primarily to the division of Academic Affairs

Other Sources

Budget allocations from other sources increased by \$128,056 during the fourth quarter.

- Unbudgeted support from the MSU Foundation totaled \$30,941
 - \$22,586 Academic Affairs
 - \$ 7,600 University Relations (Public Radio)
 - \$ 755 Administration & Fiscal Services
- Endowment income totaling \$9,908 was allocated to Academic Affairs
- Other miscellaneous income totaling \$87,207 was allocated primarily to the division of Academic Affairs

Budgeted Fund Balance – E&G

Net budget allocations from fund balance for educational and general purposes totaled \$148,326.

- \$19,500 allocated for Battson-Oates Road project and President's home renovation project
- \$30,000 allocated to IRAPP for advance of F&A cost reimbursement distribution
- \$131,032 allocated to academic departments for campus adjunct costs
- \$1,200 allocated to MAT – Secondary Education Program as a result of program enrollment growth
- (\$33,406) reimbursement of fund balance allocation received for PFL championship football game

Auxiliary Enterprises

- \$340,222 unbudgeted bookstore revenue allocated primarily for bookstore purchases
- \$360,000 advanced from residence hall revenue for projects funded from 2006-2007 housing depreciation fund

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period April 1, 2006 to June 30, 2006

From: Revenue and Other Additions	To: Division/ Budget Unit	Amount	Description
Auxiliary Enterprises Bookstore Revenue	Administration & Fiscal Services University Store	\$ 322,622	During the 2006-2007 budget clean-up process, \$322,622 from excess bookstore revenue was allocated to fund purchases at the University Store.
Auxiliary Enterprises Residence Hall Revenue	Auxiliary - Administration & Fiscal Services Auxiliary Facility Remodeling		
	Alumni Tower Roof	\$ 170,000	The Housing Depreciation Fund is budgeted for \$500,000 in 2006-2007.. These funds are dedicated for the renovation/refurbishment of the residence halls. In order to process purchases orders and bids shortly after the end of the spring semester, \$360,000 was allocated during the fourth quarter as an advance of the 2006-2007 budget. Residence hall revenue in excess of budget was utilized for this advance.
	Nunn/East Mignon Patio	89,592	
	West Mignon Patio	35,000	
	Mignon Elevator	65,408	
		<u>\$ 360,000</u>	

MOREHEAD STATE UNIVERSITY
Capital Outlay Status Report
Agency Funds
For the Period of April 1, 2006 to June 30, 2006

	<u>Estimated Project Scope</u>	<u>Completion Date</u>	<u>Project Status</u>
I Equipment Purchases Greater than \$100,000			
Baird Music Hall Chiller	\$ 111,304	April, 2006	Completed
II Capital Construction Projects/ Land Acquisitions Greater than \$400,000			
Wellness Center - Phase III	\$ 450,000		Holding
Bond Issue			
Button Auditorium Renovation	\$ 750,000		In Progress
ERP Implementation Project	\$ 4,000,000		
Technical Setup and Training (June 2005)			Completed
Financial System (June 2006)			In Progress
Human Resources (December 2006)			In Progress
Student System (June 2007)			In Progress
Auxiliary Modules (December 2007)			

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

**BOR (VI-A-4)
December 7, 2006**

Recommendation:

That the Board accept the financial statements and amend the operating budget for the first quarter of the fiscal year that will end June 30, 2007, and amend the operating budget.

Background:

The University has a statutory requirement to furnish quarterly financial reports to the Board of Regents. Financial statements have been prepared as of September 30, 2006, the first quarter of the fiscal year ending June 30, 2007. The statements, along with management's discussion and analysis and budget amendment information are attached.

Management's Discussion and Analysis
First Quarter Financial Statements
Morehead State University
September 30, 2006

This discussion and analysis of Morehead State University's financial statements provides an overview of the University's financial activities for the three months that ended on September 30, 2006. The statements and this discussion and analysis have been prepared by Accounting and Budgetary Control staff.

Using These Financial Statements

This report contains the Statements of Revenues, Expenditures and Changes in Fund Balance and 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 first quarter of the 2006-2007 fiscal year. During the period July 1, 2006 through September 30, 2006 the University operated with a surplus of revenues over expenditures and transfers in the amount of \$ 16,023,710. This level of operating surplus is expected at this time, since most of the billings for the Fall 2006 semester are reflected in the tuition and fees revenue and only expenditures through September 30, 2006 are reflected. As the fiscal year proceeds, the variance between revenues and expenditures will decrease and should reflect a more appropriate operating surplus or deficit.

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

- ▶ Total revenues increased \$2.1 million over last year to \$42.5 million. Tuition & fees increased \$1.1 million, auxiliary enterprises increased \$.3 million, and other categories increased \$.7 million (net).
- ▶ The total actual revenue percent to budget decreased .3% to 38.5% versus 38.8% at 09/30/2005. Housing revenue increased 2.13%, other auxiliary and other revenue increased .03%, and tuition and fees decreased 2.46% from budget.
- ▶ Total Expenses increased \$.6 million over last year to \$26.5 million. Total E & G expenses increased \$.7 million and auxiliary services decreased \$.1 million.
- ▶ Net change in fund balance increased 1.5 million to \$16 million as compared to \$14.5 million at 09/30/05. This is 10.3% increase over last year.

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Three Months Ended September 30, 2006 and 2005

	2006-2007			2005-2006		
	Amended Budget	Actual	Percent of Actual to Budget	Amended Budget	Actual	Percent of Actual to Budget
REVENUES						
Educational and General						
Tuition and Fees	\$ 44,692,750	\$ 20,762,218	46.46%	\$ 40,224,950	\$ 19,678,070	48.92%
Gov't Appropriations	45,462,600	13,653,498	30.03%	44,839,600	13,470,563	30.04%
City Grants	0	0		30,000	16,667	55.56%
Unrestricted Gifts	0	0		0	0	
Indirect Cost Reimbursement	365,000	43,418	11.90%	365,000	114,813	31.46%
Sales & Services of Ed. Activities	1,257,886	839,643	66.75%	1,181,060	618,586	52.38%
Other Sources	2,474,139	1,278,213	51.66%	2,116,653	888,221	41.96%
Budgeted Fund Balance - E & G	4,719,443	0	0.00%	4,588,304	0	0.00%
Total Educational and General	<u>\$ 98,971,818</u>	<u>\$ 36,576,990</u>	<u>36.96%</u>	<u>\$ 93,345,567</u>	<u>\$ 34,786,920</u>	<u>37.27%</u>
Auxiliary Enterprises						
Housing	\$ 6,796,800	\$ 3,840,470	56.50%	\$ 6,383,500	\$ 3,470,670	54.37%
University Store	3,685,087	1,917,082	52.02%	3,502,423	1,944,805	55.53%
Food Services	687,500	155,227	22.58%	702,500	157,456	22.41%
Other	187,500	54,528	29.08%	200,500	65,748	32.79%
Total Auxiliary Enterprises	<u>\$ 11,356,887</u>	<u>\$ 5,967,307</u>	<u>52.54%</u>	<u>\$ 10,788,923</u>	<u>\$ 5,638,679</u>	<u>52.26%</u>
TOTAL REVENUES	<u>\$ 110,328,705</u>	<u>\$ 42,544,297</u>	<u>38.56%</u>	<u>\$ 104,134,490</u>	<u>\$ 40,425,599</u>	<u>38.82%</u>

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Three Months Ended September 30, 2006 and 2005

	2006-2007			2005-2006		
	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	\$ 863,788	\$ 210,599	24.38%	\$ 773,584	\$ 191,051	24.70%
University Relations	2,880,773	753,460	26.15%	2,635,484	578,649	21.96%
Development	1,062,560	264,587	24.90%	977,074	200,896	20.56%
Administration & Fiscal Services	10,741,096	2,851,906	26.55%	10,886,946	2,850,353	26.18%
Planning & Technology	4,792,793	1,681,741	35.09%	4,947,165	2,377,001	48.05%
Student Life	19,223,356	7,217,808	37.55%	16,263,871	6,061,342	37.27%
Academic Affairs	51,015,302	10,173,915	19.94%	49,199,558	9,988,016	20.30%
Other	7,634,727	619,574	8.12%	6,776,755	758,343	11.19%
Total Educational & General	<u>\$ 98,214,395</u>	<u>\$ 23,773,590</u>	<u>24.21%</u>	<u>\$ 92,460,437</u>	<u>\$ 23,005,651</u>	<u>24.88%</u>
Auxiliary Enterprises						
Housing	\$ 7,980,550	\$ 857,247	10.74%	\$ 7,834,399	\$ 1,035,871	13.22%
University Store	3,316,307	1,712,061	51.63%	3,050,443	1,688,175	55.34%
Food Services	435,956	92,276	21.17%	412,118	73,598	17.86%
Other	381,497	85,413	22.39%	377,093	93,392	24.77%
Total Auxiliary Enterprises	<u>\$ 12,114,310</u>	<u>\$ 2,746,997</u>	<u>22.68%</u>	<u>\$ 11,674,053</u>	<u>\$ 2,891,036</u>	<u>24.76%</u>
TOTAL EXPENDITURES AND TRANSFERS BY DIVISION	<u>\$ 110,328,705</u>	<u>\$ 26,520,587</u>	<u>24.04%</u>	<u>\$ 104,134,490</u>	<u>\$ 25,896,687</u>	<u>24.87%</u>
NET CHANGE IN FUND BALANCE		<u>\$ 16,023,710</u>			<u>\$ 14,528,912</u>	

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period July 1, 2006 to September 30, 2006

Description	Amended Budget As Of 7/1/2006	Adjustments	Amended Budget As Of 9/30/2006
Revenues and Other Additions			
Tuition and Fees	\$ 44,692,750	\$ -	\$ 44,692,750
Government Appropriations	45,462,600	-	45,462,600
Indirect Cost Reimbursement	365,000	-	365,000
Sales and Services of Ed. Activities	1,159,575	98,311	1,257,886
Other Sources	2,482,300	(8,161)	2,474,139
Budgeted Fund Balance - E&G	4,234,975	484,468	4,719,443
Auxiliary Enterprises	11,353,800	3,087	11,356,887
Budgeted Fund Balance - AUX	-	-	-
Total Revenues and Other Additions	\$ 109,751,000	\$ 577,705	\$ 110,328,705
Expenditure Authorizations by Division			
Educational & General			
President & Administration	\$ 829,214	\$ 34,573	\$ 863,787 \$34,807 from contingency
University Relations	2,783,231	97,542	2,880,773 \$14,987 from CF;
Development	1,002,259	60,301	1,062,560 \$4,771 from CF;
Planning & Technology	4,444,680	348,113	4,792,793 \$217,000 to Planning & Technology, Technology Projects--RIISE project from Debt Service; \$96,964 from CF
Administration & Fiscal Services	10,142,100	598,996	10,741,096 CF \$467,507 from Trans to Unexp Plant for Projects; \$75,000 from Trans to Unexp Plant to ADM & FS for advance to warehouse supplies; \$50,000 from Trans to Unexp Plant to ADM & FS E&G facility remodeling for statewide facility study; \$41,838 from CF
Student Life	18,956,482	266,874	19,223,356 \$70,706 from CF;
Academic Affairs	50,046,376	968,926	51,015,302 \$300,735 from CF;
Debt Service & Mandatory Transfers	2,714,330	(217,000)	2,497,330 (\$217,000) to Planning & Technology, Technology Projects--RIISE project
Other	6,878,667	(1,741,270)	5,137,397 CF (\$467,507) from Trans to Unexp Plant for Projects; (\$75,000) from Trans to Unexp Plant to ADM & FS for advance to warehouse supplies; (\$50,000) from Trans to Unexp Plant to ADM & FS E&G facility remodeling for statewide facility study; \$34,807 to President's unit from contingency
Total Educational & General	\$ 97,797,339	\$ 417,055	\$ 98,214,394
Auxiliary Enterprises			
Planning & Technology	\$ 770,711	\$ -	\$ 770,711
Administration & Fiscal Services	7,640,381	500,630	8,141,011
Student Life	665,259	20,020	685,279
Debt Service	2,353,679	-	2,353,679
Other	523,631	(360,000)	163,631
Total Auxiliary Enterprises	\$ 11,953,661	\$ 160,650	\$ 12,114,311
Total Expenditure Authorizations	\$ 109,751,000	\$ 577,705	\$ 110,328,705

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period July 1, 2006 to September 30, 2006
Notes of Significant Adjustments to Revenue and Other Additions

Sales & Services of Educational Activities

Unbudgeted revenue allocated during the first quarter totaled \$98,311.

- Athletic guarantee income totaling \$53,997 was allocated as follows:
 - \$30,000 Men's Basketball
 - \$23,997 Women's Basketball
- Eagle Excellence Fund (EEF) support from the MSU Foundation totaled \$10,048.
- Other athletic revenue totaling \$16,076 was received and was also allocated to various athletic programs.
- Student recreation center fee revenue totaling \$17,500 was allocated for refurbishment of the bowling lanes.

Budgeted Fund Balance – E&G

Net budget allocations for fund balance for educational and general purposes totaled \$484,468.

- \$ 1,200 Loan Servicing Contract increase
- \$ 9,611 Additional needed for Statewide Facility Management Study (total cost is \$59,611)
- (\$ 3,000) Reverse 06/07 allocation for accreditation in Public Safety. This was paid in June 2006.
- \$ 26,000 Seimens & Murphy Elevator service contract increase
- \$ 59,464 New BSW (Bachelor of Social Work) program in Mt. Sterling
- \$ 64,311 Contract for criminal background check on employees (state mandate)
- \$149,363 Allocated for three new full-time instructors and one expanded position in MAT program (funded from enrollment growth in the program)
- \$ 29,707 Adjustment in IRAPP's fund balance to reflect actual. IRAPP's budgeted fund balance in the opening budget was based on an estimate prior to the close of the 2005-2006 fiscal year.
- \$ 6,000 AACSB accreditation
- \$141,812 Allocated for additional carry forward of FY 2005-2006 funds for construction projects

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period July 1, 2006 to September 30, 2006

From:	To:		
<u>Revenue and Other Additions</u>	<u>Division/ Budget Unit</u>	<u>Amount</u>	<u>Description</u>

None.

MOREHEAD STATE UNIVERSITY
Capital Outlay Status Report
Agency Funds
For the Period of July 1, 2006 to September 30, 2006

	<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			
Wellness Center - Phase III	\$ 450,000		Holding
Bond Issue			
Button Auditorium Renovation	\$ 750,000		In Progress
ERP Implementation Project	\$ 4,000,000		
Technical Setup and Training (June 2005)			Completed
Financial System (July 2006)			Completed
Human Resources (December 2006)			In Progress
Student System (June 2007)			In Progress
Auxiliary Modules (December 2007)			

2007-2008 TUITION AND MANDATORY STUDENT FEES

**BOR (VI-A-5)
December 7, 2006**

Recommendation:

That the Board of Regents approve tuition and mandatory fees as proposed for 2007-2008.

Background:

In accordance with 13 KAR 2:050, the Council on Postsecondary Education determines tuition for all students enrolled in Kentucky public postsecondary institutions. Prior to 2001, the Council set resident undergraduate tuition rates for students attending public institutions as a percentage of Kentucky Per Capita Personal Income differentiated by sector. Starting with the 2001 fiscal year, the Council delegated this authority to the governing boards of each institution.

To ensure that a level of affordability is maintained within the Commonwealth, the Council approved a tuition policy on January 30, 2006, to become effective in the 2006-2008 biennium. The objective of the tuition policy is to maintain a systematic approach for establishing parameters regarding tuition and mandatory fees in order to balance the need to ensure that higher education remains affordable for Kentucky's citizens with the need to provide sufficient revenue for the goal attainment of the public agenda. The policy sets a maximum tuition increase for each institution based on enacted state appropriation compared to affordability data which considers median family income within the Commonwealth and actual net price paid after application of student financial aid (i.e. scholarships, grants and tuition discounts). In addition to a maximum tuition and mandatory fee rate increase of 13.8 percent in 2006-2007 and 9.5 percent in 2007-2008, the CPE tuition policy mandates that non-resident student tuition and mandatory fees be set at least 1.75 times higher than residence rate.

In June 2006, the Morehead State University Board of Regents approved a 12.8 percent tuition and fee increase for 2006-2007. At that time, a projected increase in tuition and fees for the second year of the biennium, 2007-2008, was estimated at 8.3 percent. That recommendation for 2006-2007 and estimate for 2007-2008 was based on the CPE tuition policy, anticipated increases in state appropriations for the biennium, and projected increases in fixed costs and strategic investment needs for the biennium.

Analysis:

A comprehensive review of the University's tuition model was conducted to assess the effectiveness and market competitiveness of the current tuition structure.

Also, a review of the preliminary estimates for increases in fixed costs and strategic investment needs for the 2006-2008 biennium was completed. Results of both assessments indicate the earlier projected tuition and fee increase for 2007-2008 of 8.3 percent, for the undergraduate full-time resident, to be an appropriate balance between the need for additional revenue to fulfill the strategic needs of the institution and the University's commitment to maintain affordability for current and potential students.

Nonresident Rates:

Comparative market analysis identified that MoSU currently maintains the highest tuition differential for nonresident students with a factor of 2.7—significantly higher than the average nonresident tuition differential of the other Kentucky regional universities of 2.1 and the CPE minimum differential of 1.75 times the resident rate. The proposed tuition and fee schedule recommends a lower increase for the nonresident student rate in an attempt to better align MoSU's nonresident tuition rate with state market averages and the CPE tuition policy. By decreasing the tuition differential between nonresident and resident rates, a savings of approximately \$397,000 will be realized due to the high percentage of nonresident students who currently receive tuition discounts through undergraduate scholarship programs and graduate assistantships. MSU continues to offer more affordable tuition and mandatory fee rates as compared to both the average CPE benchmark institutions as well as peer public universities within the Commonwealth.

The 2007-2008 tuition and fee recommendation qualifies nonresident students enrolled *exclusively* in courses delivered at an MoSU regional campus or enrolled *exclusively* in courses delivered online via the Internet to be assessed at the appropriate undergraduate or graduate instate rate.

New Revenue:

New funding from increased tuition and mandatory fee revenue combined with anticipated increases in state appropriations are estimated to generate approximately \$7.2 million in new revenue. These funds will be prioritized to fund increases in fixed operating costs as well as strategic investments to support goals and objectives identified in the University strategic plan. The following table identifies a preliminary list of increases in major fixed operating expenditures and priority strategic investments for 2007-2008.

Fixed Costs and Strategic Investments	Preliminary Estimate
Faculty/Staff Pay Increase (4%)	\$4,000,000
Employee Health Insurance Benefit Increases	275,000
Scholarship Program Increases	500,000
Utilities	350,000
Academic Affairs Operating	100,000

Athletics Operating	100,000
Space Science Center Operating	150,000
Student Activities Operating	100,000
Technology Service Contracts	100,000
Student Counselor (Professional Psychologist)	100,000
Undergraduate Fellowships	75,000
Capital Renewal and Deferred Maintenance Pool	600,000
Distance Learning Facilities	200,000
Capital Campaign Expenses	100,000
Strategic Initiative Investment Pool (to be determined)	500,000
	\$7,250,000

Communication:

Anticipated changes in the tuition and mandatory fee schedule for 2006-2008 were shared and discussed with the following groups prior to development of this final recommendation:

- MSU Faculty Senate Fiscal Affairs Committee
- MSU Board of Regents, Board Workshop - November 16, 2006
- MSU Staff Congress Fiscal Affairs Committee - November 30, 2006
- Open Student Forum on Tuition - December 6, 2006

Rate Recommendation:

MOREHEAD STATE UNIVERSITY DRAFT FEE SCHEDULE 2006-2008

Tuition & Mandatory Fees	FY 2006-2007		2007-2008	
	Full-Time Fall & Spring Semester	Per Credit Hour	Full-Time Fall & Spring Semester	Per Credit Hour
Undergraduate				
Resident (and Internet)	\$2,435	\$205	\$2,640	\$220
Nonresident Waiver				
Rate	\$3,045	\$255	\$3,300	\$275
Nonresident	\$6,475	\$540	\$6,670	\$560
Graduate				
Resident (and Internet)	\$2,640	\$295	\$2,865	\$320
Non-Resident	\$7,065	\$785	\$7,275	\$810

Notes:

1. *The full-time rates apply to undergraduate students enrolled for 12-18 credit hours and graduate students enrolled for 9-12 credit hours. Additional per credit hour fees, as listed above, will be charged to undergraduate students enrolled for more than 18 credit hours and to graduate students enrolled for more than 12 credit hours. Per credit hour fees also apply to students enrolled part-time, and/or in a summer term.*
2. *Students taking a mix of undergraduate and graduate courses will be assessed at the appropriate per credit hour rate for each course. Full-time rates will not apply.*
3. *Non-resident students enrolled exclusively in Internet courses (academic courses delivered totally on-line via the Internet) or non-resident students enrolled exclusively at a regional campus center will be assessed tuition and fees at the applicable in-state rate.*
4. *All students enrolled in Internet courses will be assessed an additional \$35 per credit hour access fee.*

**APPROVE REVISION TO AND RENAMING OF
PG-18, INTELLECTUAL PROPERTY POLICY**

**BOR (VI-A-6)
December 7, 2006**

Recommendation:

That the Board of Regents approve the revisions to and the renaming of PG-18, Intellectual Property Policy.

Background:

During the past two years, the University participated in its first patent application process for intellectual property developed by one of its faculty members. The intellectual property was developed partially while the faculty member was employed by another university and partially while employed at Morehead State University. Since this joint ownership and development situation existed, the patent application and commercialization process was coordinated by the technology transfer staff of the other university. With the establishment of the Space Science Center and other programs that will develop, the need to protect intellectual property with patents or copyrights and explore commercial opportunities will likely increase in the near future.

In 1985, the Board approved PG-18, Ownership of Inventions, Discoveries and Copyright Materials. The policy was revised with the Board's approval in 1990. The policy is very general in nature. It does not suitably address issues of ownership, responsibility, and legal protection of intellectual property and the associated commercialization opportunities, particularly for intellectual property protected by patent.

A work group was formed to draft a revision to PG-18 that would address those issues. The work group reviewed legal aspects of protecting intellectual property and surveyed the best practices in place within the higher education community. A draft of the revised policy was circulated to the Faculty Senate and Staff Congress in the spring semester of 2006. In addition, an open forum was held to discuss the policy draft and to receive questions and comments from faculty and staff.

The policy was redrafted in the late summer of 2006, taking into consideration questions and concerns received during the comment period. The final draft of the document was reviewed by the President's Cabinet, the Faculty Senate and the Staff Congress.

Morehead State University
PG-18 – Intellectual Property Policy

I. Introduction

The Intellectual Property (IP) Policy of Morehead State University (University) is based upon the following University values, principles, and commitments:

- The essential mission of the University is the creation and dissemination of knowledge;
- The University supports this mission by encouraging, fostering, and protecting research, scholarship, and creativity in all forms;
- Intellectual property will be created within the University and there exists an obligation to disseminate it as widely as possible for the public good;
- Intellectual property is created by individuals, or by groups of individuals, who are entitled to be involved in the commercialization process;
- The University is committed to academic freedom of individuals, a rich and vibrant public environment, and a healthy local and regional economy.

II. Objectives

The objectives of the IP Policy are:

- to maintain a university environment that encourages the generation of new knowledge by faculty, staff, and students;
- to facilitate the University process in bringing new discoveries and developments into public and/or private use;
- to evaluate, where appropriate, the commercial significance of new discoveries and developments owned by the University;
- to provide for the equitable disposition of interests in shared intellectual property among the creator(s), the University, and, where applicable, any external collaborator(s) or sponsor(s);
- to provide incentives to creators in various forms, including professional development, recognition, and financial compensation;
- to safeguard intellectual property so that it may receive adequate and appropriate legal protection against unauthorized use and protect the interests of all concerned parties.

III. General Policy

A. Applicability

This policy shall apply to all intellectual property conceived, first reduced to practice, written, or otherwise produced by faculty, staff, or students of the University using University resources (fiscal, human, or physical).

B. Definition of Intellectual Property

Intellectual Property, for the purpose of this policy, is defined as the tangible or intangible results of scholarship, research, development, teaching, or other intellectual activity. Intellectual property may include but is not limited to the following categories:

1. Inventions, discoveries, processes, or other new developments which are appropriate subjects of patent applications;
2. Written materials; exhibits; sound, video, and other media productions; computer programs; computer-based instructional materials; works of art including paintings, sculptures, and musical compositions; and all other materials which may be copyrightable.
3. Tangible research materials including biological, chemical, physical, and technological products; as well as analytical procedures and laboratory methods. These may or may not be patentable or copyrightable.

C. Ownership of Intellectual Property

Intellectual Property developed by persons to whom this policy applies, *except as exempted hereafter* (III. D.), shall be the sole and exclusive property of the University if the subject Intellectual Property is:

1. developed within the person's scope of employment within the University;
2. developed in the course of a project specifically sponsored or commissioned by the University;
3. developed with the *substantial use* of University resources (fiscal, human, or physical); or
4. developed in the course of a project arranged, administered, or controlled by the university and sponsored by persons, agencies, or organizations external to the University.

D. Exemptions & Exceptions

1. Traditional Academic Scholarly Work

In keeping with academic traditions of the University, the creator retains all rights to the following types of intellectual property, without limitation: books (including textbooks), monographs, articles, reviews, and works of art (including paintings, sculptures, plays, choreography, musical compositions); and individual course materials such as syllabi, exams, transparencies, study guides, workbooks, and manuals. Also included are instructional software, web pages, and internet-based instructional materials developed by faculty members in the course of their usual scholarly, pedagogical, and service activities. The latter include projects undertaken during sabbatical leaves, faculty fellowships, and other special assignment periods intended for such activities.

The university will not claim ownership rights to such traditional works, and it specifically disclaims any potential rights to do so under the "work for hire" provisions of the U. S. Copyright Act, unless there is a predetermined written agreement.

For the purposes of this policy, works by non-faculty employees shall not be considered traditional academic scholarly works.

The University may have the need to have intellectual property developed for its use, ownership, and benefit that would normally be considered traditional academic scholarly work. Should the University engage the services of a faculty member to develop such intellectual property, the terms and conditions of the development, ownership, and compensation of the faculty member shall be set forth in a predetermined written document.

2. Students

Students who independently create intellectual property arising out of their participation in programs of study at the University, and that do not result from their employment by the University, will retain legal rights thereto. Intellectual property created by students through the substantial use of University resources or in connection with their employment by the University is owned by the University.

3. Externally Sponsored Work

Intellectual property created as a result of work conducted under an agreement between an external sponsor and the University that specifies ownership of such intellectual property shall be owned as specified in said agreement in accordance with state and federal law.

4. Individual Agreements

Except where limited by external sponsorship agreements, creators and the University may negotiate individual agreements to govern ownership of intellectual property regardless of the applicability of any other provision hereof.

5. Consulting and other activity

Intellectual property developed outside an employee's scope of employment, on the employee's own time and without substantial use of University resources shall be the sole and exclusive property of the creator. In accordance with PAc-5, consulting activities that involve substantial use of University resources (fiscal, human, or physical) must be performed on a contractual basis with the University. In such cases, the contract should specify ownership of intellectual property. If ownership is not specified, then ownership shall be determined in accordance with this policy (III.C.)

6. Public Domain Preference

The University and the creator(s) may place an invention in the public domain for non-commercial, academic dissemination purposes if that would be in the best interest of technology transfer, and if doing so is not in violation of the terms of any agreements that supported or governed the work.

7. Prior Patentable Work

Prior patentable intellectual property or any other rights to prior intellectual property held by faculty, staff, or students are excluded from this policy. Prior patentable intellectual property should be identified in writing at the time of appointment or enrollment.

8. Waiver of Ownership

University rights of IP ownership may be assigned to the creating employee. An assignment under this section shall only occur through a written document signed by the Associate Provost for Research and Sponsored Programs.

In consideration of University support in evaluating intellectual property, seeking patent protection, and/or pursuing commercialization activities, creators may request that the University accept such intellectual property for evaluation, management, and commercialization. If the University accepts such intellectual property, that intellectual property becomes subject to, and shall be treated in accord with, all provisions of this policy.

IV. Administrative Responsibilities and Procedures

A. Creator(s)

Persons to whom this policy applies are responsible for disclosing to the University any Intellectual Property that could reasonably be expected to have commercial value and, in accordance with this policy, be owned by the University. Disclosure shall be made to the Associate Provost for Research and Sponsored Programs using the MSU Invention Disclosure Form. The Associate Provost will coordinate the review of the Disclosure by the Intellectual Property Committee (IPC). The IP creator(s) will cooperate in the execution of legal documents and in the review of literature and prior art (e.g., patent searches); be given the opportunity to assist in the further commercial development of the IP; and receive consideration regarding any income derived from the commercialization of such property as described herein.

In the event that two or more persons are entitled to claim ownership of the Intellectual Property, the creators shall reach agreement between and among themselves regarding relative contributions for the purposes of distribution of net income from the commercialization of said intellectual property. That agreement should be in writing and notarized. The agreement will be required prior to review by the University IPC.

Creators should particularly note that certain acts (e.g., publication of the IP in an academic journal or possibly presentation at a conference) can constitute a statutory bar to patent protection. Creators contemplating public disclosure activities prior to filing an IP Disclosure Form should contact the Associate Provost for Research and Sponsored Programs prior to engaging in those disclosure activities.

B. Intellectual Property Committee

The Intellectual Property Committee (IPC) is a standing University committee with ten (10) voting members. The IPC serves as the administrative committee for all matters concerning Intellectual Property. The IPC shall have three members by virtue of position: Associate Provost for Research and Sponsored Programs (voting), Vice President for Administration and Fiscal Services (voting), and University General Council (non-voting). Six members of the faculty (including professional librarians) and two staff members with experience in intellectual property matters will be appointed annually by the President. The Associate Provost for Research and Sponsored Programs will serve as chair of the IPC. Additional ad hoc members (non-voting) may be added as needed for their professional expertise in specific IP matters. All members (voting and non-voting) shall execute confidentiality agreements to insure that all information concerning intellectual property disclosed to the IPC is held confidential.

Administrative support for the IPC will be provided by the Office of Research and Sponsored programs, which will serve as the official custodian of the IP Disclosure Form and all confidential materials.

C. Disclosure and Review Procedures

Upon receipt of an Intellectual Property Disclosure Form, the Associate Provost for Research and Sponsored Programs shall notify the creator(s), in writing, of the official receipt date, and convene the IPC for evaluation of said disclosure.

The committee shall conduct an investigation as it deems necessary in performing its evaluation. The creator(s) shall make available, upon request, originals or copies of all documents and designs, including logs, research workbooks, etc., that are necessary to support an understanding of the IP and its scope and value. Moreover, as necessary, the creator(s) shall assist the IPC in obtaining and maintaining legal protection for the IP by disclosing essential information, signing applications and other necessary documents, and assigning technology rights. The University will reimburse the creator(s) for any and all reasonable expenses incurred complying with IPC requests for additional information.

Upon completion of the evaluation, the IPC shall provide its recommendation as to ownership of the intellectual property, appropriate patent protection, and commercialization opportunities. The Associate Provost for Research and Sponsored Programs shall transmit these recommendations to the Provost and Vice President for

Academic Affairs of the University, who shall render the decision to pursue protection of the intellectual property. The Associate Provost for Research and Sponsored Programs shall communicate the decision, in writing, to the creator(s) and the IPC. This decision shall be communicated to the creator(s) within one-hundred and twenty (120) calendar days of receipt of the initial disclosure and requested supportive documentation. The IPC may extend this deadline if further examination is needed or additional information is required. The creator(s) must be informed of the reasons for the deadline extension, in writing, at least fifteen (15) days prior to the end of the original deadline. The extended deadline may not exceed forty-five (45) calendar days, unless mutually agreed upon by all parties.

If the deadline is not formally extended and a decision has not been rendered within the one-hundred and twenty (120) day period, then the time shall have lapsed and primary ownership rights to the disclosed intellectual property shall be returned to the creator, except a perpetual, non-exclusive, non-transferable, royalty free license/right shall be retained by the University to use the disclosed Intellectual Property.

If the decision of the Provost is not to seek patent or copyright protection of the disclosed intellectual property, and the University has an ownership interest in the intellectual property, the University's ownership interest shall be assigned to the creator(s). The Associate Provost for Research and Sponsored Programs will administer this action.

For disclosed intellectual property in which the University is deemed to have an ownership interest, following a decision by the Provost of the University to seek patent protection, copyright registration, and/or commercialization of the Intellectual Property, the Associate Provost for Research and Sponsored Programs shall arrange to have these activities undertaken and oversee execution. All direct costs associated with those activities shall be borne by the University.

For inventions made in the course of a project funded in whole or in part by a federal agency, the Bayh-Dole Act (37 CFR 401) imposes certain reporting requirements associated with the technology transfer process. The Associate Provost for Research and Sponsored Programs is responsible for ensuring that those requirements are satisfied.

D. Appeals

1. If any creator does not agree with the decision of the Provost, an appeal may be made to the President.
2. The appeal shall be made in writing, delivered to the President and copied to the Provost and IPC chair within fifteen (15) working days of the issuance of the decision.
3. Any appeal shall set forth the specific reasons supporting the position of the creator(s) and include any supporting documentation.

4. Upon receipt of an appeal of the Provost's decision, the President shall review the information provided and, within twenty (20) working days, shall issue a written decision on the appeal. The decision on this review will be the final decision of the University.

V. Development and Commercialization

A. Development of Intellectual Property

Upon electing ownership to intellectual property, the University will make every reasonable effort to develop the IP. Development options include, but are not limited to:

- i. evaluating and processing the intellectual property through patent applications (provisional or U.S. patent), or copyright registration;
- ii. assigning intellectual property to a patent management agency for evaluation and processing;
- iii. assigning or licensing to a commercial firm; and
- iv. negotiating and recommending equity positions with company(ies) willing to commercialize the IP.

B. Commercialization

- a. In commercializing intellectual property, the University shall be guided by the following principles:
 - i. active creator(s') participation in all commercialization will be vigorously sought;
 - ii. the primary objective and responsibility of the University shall be to assure that the products of its intellectual activity are brought into the widest possible use for the general benefit of society; and
 - iii. intellectual property is treated as an asset and an appropriate return should be sought.
- b. In an effort to commercialize IP, the University will seek a variety of arrangements such as licenses, outright assignments or sale of rights, partnerships, and joint ventures. The selection of particular arrangements will depend upon the individual circumstances.
- c. In some instances, it may be in the best interests of the creator, University, and the general public to enter into a commercialization arrangement with entities wholly or partially owned or controlled by the faculty, staff, or students who originated the property. Because these arrangements have the potential of contributing to economic development, such arrangements may be considered and accepted, provided they are not specifically prohibited by law and that adequate provisions, including full disclosure of interests, are made to avoid or otherwise protect against conflict of interest on the part of those involved.

- d. Commercialization of IP can be risky. Based on national data, the process fails more often than it succeeds. If no commercialization has occurred within two (2) years after the IP is disclosed, the creator(s) may request that all rights be transferred to the creator. The request should be addressed to the IPC. It should explain what efforts have been made to date and why the creator(s) should receive ownership. The IPC will make a determination as to whether reasonable efforts to commercialize have been taken and will forward a recommendation to the Provost.

VI. Royalty Income Sharing Policy

- Net revenues derived from the commercialization of IP shall be shared as follows:
 - 50% to the Principal Inventor(s);
 - 25% to the Intellectual Property (IP) Fund (to fund future development of IP as described above);
 - 10% to the Office of Research and Sponsored Programs (RSP);
 - 10% to the Academic Department/Unit of the PI(s);
 - 5% to the College of the PI(s).
- a. The IP, RSP, Department, and College Funds shall be allowed to build across fiscal years, and shall be used to support the development of research and IP programs and infrastructure. Costs associated with securing IP will be borne by MSU with such costs offset against future income. All costs directly related to the acquisition of IP rights will be reimbursed from the first receipt of revenue, before distribution is made to the creator, department, college, RSP and IP funds. Similarly, future necessary costs for securing IP rights will be reimbursed by revenues prior to distribution (as above).
- b. The creator's rights to share in revenue as stated above (but not including the department's share) shall remain with the individual or pass to the individual's heirs and assigns for so long as net income is derived from the property.
- c. Due to conditions of employment and/or the nature of work assignments, it may be appropriate to agree to alternate distribution of net income for employees and/or the distribution ratios. Such modifications must be submitted to the Associate Provost for Research and Sponsored Programs, in writing, and will be considered by the IPC.
- d. This policy shall not change revenue-sharing agreements entered into prior to the adoption of this policy.

VII. Binding Nature of this Policy

The policies set forth here constitute an understanding that is binding on MSU faculty, staff, administrators, student employees, students, and/or visiting faculty or researchers as a condition of their participation in University research, teaching, and service programs and for their use of University resources (fiscal, human, or physical).

VIII. Definitions

- a. Creator – any person or persons who create an item of intellectual property.
- b. Faculty – all members of the University's faculty organization including instructors, lecturers, adjunct, visiting, and other part-time temporary teaching positions.
- c. Net revenue – all income received by the University (royalties, license fees, etc.) on intellectual property that it assigns, sells, or licenses, minus any application, litigation, interference, or marketing costs directly attributable to the intellectual property being licensed and a University administrative overhead fee (10%). Deductible costs shall be fair and reasonable, and shall be properly disclosed; the sources and amounts of compensation shall also be properly disclosed.
- d. Scope of Employment – refers to activities which have been assigned to an employee by his or her supervisor or which are performed during the normal working hours or which fall within the employee's job description. Intellectual property created by University employees who were employed specifically to produce a particular intellectual property shall be owned by the university. Faculty are presumed not to be hired to produce a particular intellectual property. On the other hand, computer programs written on the job by staff computer programmers would fall under this provision.
- e. Staff – any employee of the University other than students and faculty. If a student is a part-time University employee, (s)he is considered as staff with regard to intellectual property developed as a result of university employment, and a student with regard to other intellectual property. A full-time non-faculty employee who is also taking one or more courses is considered to be staff. Visitors to the University who make substantial use of University resources are considered as staff with regard to any intellectual property arising from such use.
- f. Student – any full- or part-time graduate or undergraduate student, regardless of whether the student receives financial aid from the University or from outside sources. If a student is a part-time University employee, (s)he is considered as staff with regard to intellectual property developed as a result of university employment, and a student with regard to other intellectual property.
- g. Substantial Use – means extensive un-reimbursed use of major University laboratory, studio, or computational facilities, or human or financial resources. The use of these facilities must be important to the creation of intellectual property; merely incidental use of a facility does not constitute substantial use, nor does extensive use of a facility commonly available to all faculty or professional staff (e.g., libraries and offices), nor does extensive use of a specialized facility for routine tasks. Use will be considered "substantial" if the use of University funds, equipment, materials, or other resources would ordinarily result in a cost to the University (direct, indirect, or depreciative) of more than \$5000.

Policy: PG-18

Subject

Ownership of Inventions, Discoveries
and Copyright Materials

Approval Date: 07/01/85

Revision Date: 06/22/90

PURPOSE:

To provide encouragement of scholarly activities while offering both protection and recognition to those engaged in such activities and to the University.

To provide procedures and guides for the resolution of questions that arise regarding the rights and responsibilities of ownership of inventions, discoveries, and copyright materials that result from activities carried out by faculty, staff, and students of the University.

COPYRIGHTS:

A copyright is the right of ownership to an intellectual property. It is the policy of the University to encourage the writing of textbooks, the production of instructional materials, and the creation of other scholarly works. The University shall continue to recognize the traditional faculty and staff prerogatives and property rights concerning the right to ownership of scholarly works and the authors are free to arrange for publications and copyright of their works which may result in royalties. When University resources are used to produce a scholarly work for the sole intent of personal income, a written agreement between the faculty or staff member and the University shall be executed prior to the creation of the work. Any University support (directly or indirectly e.g., through the use of University resources or facilities) shall be appropriately acknowledged, and the University affiliation shall be included in the work.

**PATENTABLE
INVENTIONS:**

A patentable invention must meet the three tests of novelty, utility, and nonobviousness under the United States patent law.

1. Contract Research - Research sponsored by agencies outside the University may be covered by contracts which dispose of patent rights in a specified manner.

Before such contracts are accepted, the principal investigator will read any contract clauses regarding disclosure of inventions and discoveries and sign an Invention and Patent Agreement Disclosure Form stating the investigator's intention to abide by the contract provisions for the disposal of patent rights and disclosure of discoveries and inventions. The investigator will comply with the contract provisions for disclosure by prompt submission of a completed disclosure form to the agent specified in the contract.

In the event that a contract specifies that the University possesses the patent rights for a discovery or invention, the decision to patent an invention will be handled by the Office of Research, Grants, and Contracts when it receives a completed Invention and Patent Agreement Disclosure Form by the University Patent procedure below.

2. Un-sponsored Inventions and Discoveries - In the absence of any pre-existing agreement regarding patent rights, faculty, staff and students of the University who believe they made a patentable discovery are the owners of all rights to that discovery. Pursuit of that patent with its consequent expense remains the responsibility of the inventor(s). However, University faculty, staff or students who believe they have made a patentable discovery may, if they so wish, forward the completed Invention and Patent Disclosure Form to the Office of Research, Grants, and Contracts and ask that it be treated in the same way as a patentable invention under a contract, after assigning patent rights to the University.

UNIVERSITY PATENT PROCEDURE:

The University attorney will be informed routinely by the Office of Research, Grants, and Contracts of contracts between members of the University community and external agencies. Similarly, the Office of Research, Grants, and Contracts will forward completed Invention and Patent Disclosure Forms to the University attorney for review and subsequent submission to the University designated patent management agency.

When an invention is pursued as patentable by the patent management agency, any net income the University receives from the patent shall be divided as follows:

50% to inventor(s)

40% to Morehead State University Research and Patent Committee for dispersal as research grants

10% to Morehead State University for administration to cover overhead costs

If the patent management agency decided not to pursue a discovery, then all rights shall revert to the inventor(s), who shall be so informed.

**PATENT
COMMITTEE:**

The Patent Committee shall meet only when exceptional circumstances arise. It shall consist of the Vice President for Administrative and Fiscal Services who will serve as the chair and selected members of the University Research and Creative Productions Committee. The University attorney shall attend all Committee meetings, when requested, in an advisory role.

APPROVE NAMING POLICY

**BOR (VI-A-7)
December 7, 2006**

Recommendation:

That the Board of Regents approve the Naming Policy as presented herein, to become effective upon approval.

Background:

Historically it has been the practice of the Morehead State University Board of Regents to name buildings or areas within buildings for prominent persons. There has been no official naming policy.

In anticipation of new thresholds of private support, including major gifts made in response to naming opportunities, this policy outlines procedures to be followed. While the policy includes references to academic components, the emphasis is on physical facilities, for which the Board of Regents is the sole authorizing body.

NAMING POLICY

Morehead State University

1. Purpose

The purpose of this statement is to outline University policies and procedures regarding the naming of University grounds, facilities, and buildings, as well as naming the areas within buildings. Also included in the policy, but not requiring Board of Regents approval is the naming of academic components such as colleges, chairs, professorships and endowments. The Board of Regents is the sole authorizing body for the naming of facilities.

2. Scope

This policy applies to the naming of present or future facilities, areas within existing or future facilities, existing facilities which have undergone major renovations, areas on University grounds for which a naming opportunity exists or academic components.

3. Objective

In anticipation of new thresholds of private support, including the potential for major gifts made in response to naming opportunities, this policy specifies procedures for the solicitation and acceptance of named gifts, as well as other procedures to be followed in naming facilities for individuals and/or corporations.

4. Policy

It has historically been the practice of the MSU Board of Regents to name buildings or parts of buildings for prominent persons, living or deceased. In anticipation of increased activity for major gift fundraising for the construction, renovation and furnishing of MSU facilities, the Regents will place primary emphasis on private funding in its naming policy.

5. Responsibilities

A committee consisting of representation from the Alumni Board, the MSU Foundation Board, the Board of Regents, the President's Cabinet, the Development Division and University Relations will review facility naming opportunities when major gift proposals are developed. If appropriate, the committee will recommend naming to the President, who will determine if the proposal should be taken to the Board of Regents for final approval. The Board of Regents shall have the final authority on all facility naming opportunities.

6. Definitions

- a. **Named gift opportunities:** Gifts can be made to the University with the purpose of naming a building or part of a building, or a University landscape feature or academic component, for an individual, family or corporation. When criteria for gift acceptance and naming have been met, the University will recognize such a contribution by naming a facility or academic component for the individual, family or business entity.
- b. **Other Naming opportunities:** In certain circumstances, the Board of Regents may name major facilities for prominent persons, living or deceased. The criteria to be used as a guide when determining the appropriateness of naming a facility in non-gift circumstances will include outstanding service and/or generosity to the University; substantial contribution to the development of the University; or life and actions epitomizing the ideals of the University community.

7. Procedures

The Vice President for Development will coordinate all cultivation and solicitation efforts for named gifts. Individuals within the University community who believe that significant possibilities exist for a named gift should consult with the Vice President for Development before contacting the potential donor.

- a. **Named gift opportunities:** When a named gift opportunity is developed as part of an overall major gift solicitation strategy, and is approved for recommendation to the President by aforementioned committee, the Vice President for Development will apprise the President on the nature of the proposed gift, the facilities in consideration and prospective donor(s). The President will confer with the Chair of the Board of Regents who will make a recommendation for approval to the full Board. Once approved and funded, the name given to a facility or program or unit shall continue to be used for the life of the facility, program, or unit, unless there are exceptional and unique circumstances.

The credentials, character and reputation of the individual, corporation or foundation being considered for such recognition, and the compatibility of the name with the function or scope of the facility or academic component must be carefully evaluated.

- b. **Non-gift opportunities:** When naming opportunities are present, the Vice President for Development, in consultation with the President and President's Cabinet, will determine if named gift possibilities have been exhausted or if a non-gift naming opportunity is preferable.

8. Distribution of Policy

This policy will be distributed to the following: President, Cabinet, Deans, Department Chairs, and Directors.

9. Rescission/Revision

This policy shall not be rescinded or revised except by the action of the MSU Board of Regents.

NAMED GIFT OPPORTUNITIES

The University will actively seek major gifts for naming purposes. The following is a schedule of suggested gift ranges, which will be reviewed periodically by the President and Vice President for Development as circumstances warrant.

a. Buildings and other areas within buildings:

New Construction: 25% of projected cost

Renovation: 25% of projected cost

Auditorium or Lecture Hall: \$100,000 - \$250,000

Classroom or Laboratory: \$25,000 - \$50,000

Other smaller areas within buildings: \$10,000 - \$25,000

Athletic Facilities: 25% of projected cost

Courtyards, Plazas, and Commons: \$100,000 - \$250,000

Landscaped areas: 100% of projected cost

b. Academic components:

Named College: \$3,000,000

Endowed /Named Chair: \$500,000

Endowed/Named Professorship: \$250,000

Endowed/Named Scholarship: \$25,000

Endowed undergraduate/graduate Fellowship: \$100,000

Endowed Cultural or Lecture Series: \$500,000 - \$1,000,000

Named Institute/Program/Center: \$1,000,000

Library/or Other Named Programmatic Support: \$25,000

**RATIFY NAMING OF DOAN
CHEERLEADING ROOM**

**BOR (VI-A-8)
December 7, 2006**

Recommendation:

That the Board of Regents ratify naming of the cheerleading practice room in the Academic-Athletic Center in recognition of Myron L. Doan, retired dean of students and national champion cheerleading coach.

Background:

The naming 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. Mr. Doan retired as Dean of Students at Morehead State University in 2004. He served as coach of the MSU Varsity Cheerleaders from 1981 until his retirement, winning 14 national championships. In 1994, he also began coaching the All-Girl Cheerleaders, winning four national championships. He was named the 2002 National Coach of the Year by the American Cheerleader Magazine. In 1995, he completed the Cheerleader Advisor Safety Manual for the Universal Cheerleaders Association. A two-time MSU graduate, he received a bachelor's degree in 1971 and a master's in 1973. He also served as chapter advisor for Tau Kappa Epsilon for 26 years and as a staff member of what is now Morehead State Public Radio. Following his retirement, a group of former cheerleaders started a campaign to create an endowment fund to name the practice room in recognition of Mr. Doan's dedication to the MSU cheerleading program. Proceeds from the endowment will be used to support the cheerleading program, including travel expenses, equipment, and uniforms.

Prepared by: Keith Kappes

**RATIFY NAMING OF TIRONE
SCULPTURE CONCOURSE**

**BOR (VI-A-9)
December 7, 2006**

Recommendation:

That the Board of Regents ratify naming of the sculpture concourse in recognition of Stephen J. Tirone, professor of art.

Background:

The naming 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. The University recently dedicated the fifth life-sized bronze sculpture in the vicinity of Ginger and Rader halls. Each statue was created by Professor Tirone without personal compensation and each received critical acclaim for artistic merit. If the works had been commissioned, they would have required expenditure of tens of thousands of dollars. Mr. Tirone volunteered to give his time and talent to this project because of his commitment to students and to the concept of linking visual art with teacher education. A member of the University's art faculty since 1982, Professor Tirone earned his BFA degree in ceramics from the University of South Carolina and his MA and MFA degrees in sculpture at the University of Wisconsin. He received a sabbatical leave of absence for Fall, 2002 and had an international residency in Pietrasanta, Italy, where he assimilated traditional and contemporary marble sculpting techniques and produced a series of marble sculptures. Earlier this year, Professor Tirone received the University's Distinguished Creative Productions Award and the Outstanding Faculty Fund Raiser Award.

Prepared by: Keith Kappes

FALL 2006 FINAL ENROLLMENT**BOR (VI-B-1)**
December 7, 2006**HEAD-COUNT ENROLLMENT**

		% Change
2002	9,390	+4.0
2003	9,509	+1.3
2004	9,294	-2.3
2005	9,062	-2.5
2006	9,025	-0.4

FULL-TIME EQUIVALENCY

		% Change
2002	7,243	+5.2
2003	7,242	-0.0
2004	7,028	-3.0
2005	6,688	-4.8
2006	6,634	-0.8

CREDIT-HOUR PRODUCTION

		% Change
2002	112,806	+5.4
2003	112,968	+0.1
2004	109,501	-3.1
2005	103,941	-5.1
2006	102,971	-0.9

REPORT ON HEALTH INSURANCE FOR PLAN YEAR 2007

BOR (VI-B-2)
December 7, 2006

Morehead State University (MSU) is committed to providing all employees the most cost-effective health insurance coverage possible. For Plan Year 2007, the University will continue to offer a Point of Service (POS) plan and a high-deductible Consumer-Driven Health Plan (CDHP) with a Health Reimbursement Arrangement (HRA) account that is established for the employee and funded by the University.

For the 2006 Plan Year, CHA Health has served as MSU's health insurance provider administering, for the first time in eleven years, a fully-funded plan instead of a self-insured plan. CHA Health will continue to provide health insurance services to MSU in 2007.

MSU has been extremely fortunate in that it has been able to maintain employee premiums on the CDHP plan for the past three years and on the POS plan for the past two years. However, due to medical care inflation and several high cost shock claims (claims over \$100,000) during the end of 2005 and first six months of 2006, MSU's health insurance premiums will increase 18% for the 2007 plan year. The University made a decision to absorb this increase in premiums through June 30, 2007, and hold the employee premiums at the current rate until July 1, 2007.

The monthly employer/employee cost breakdown for each 2007 health insurance plan is reflected in the following table:

**Monthly Health Insurance Rates
January through June 2007**

	Actual Costs	University Contribution	Employee Cost	University HRA Contribution
CHDP (Consumer Driven Health Plan)				
Single:	\$285	\$248	\$ 37	\$ 73
Two-person:	\$427	\$311	\$ 116	\$ 127
Family:	\$570	\$389	\$ 181	\$ 127
MSU Husband & Wife 2-Person:*	\$427	\$427	\$ 0	\$ 146
MSU Husband & Wife Family:**	\$570	\$496	\$ 74	\$ 146
POS (Point of Service)				
Single:	\$400	\$281	\$ 119	N/A
Two-person:	\$600	\$373	\$ 227	N/A
Family:	\$800	\$444	\$ 356	N/A
MSU Husband & Wife 2-Person:*	\$600	\$562	\$ 38	N/A
MSU Husband & Wife Family:**	\$800	\$562	\$ 238	N/A

**Monthly Health Insurance Rates
July through December 2007**

	Actual Costs	University Contribution	Employee Cost	University HRA Contribution
CHDP (Consumer Driven Health Plan)				
Single:	\$363	\$310	\$ 53	\$ 73
Two-person:	\$544	\$396	\$148	\$127
Family:	\$726	\$495	\$231	\$127
MSU Husband & Wife 2-Person:*	\$544	\$544	\$ 0	\$146
MSU Husband & Wife Family:**	\$726	\$632	\$ 94	\$146
POS (Point of Service)				
Single:	\$460	\$323	\$137	N/A
Two-person:	\$690	\$429	\$261	N/A
Family:	\$920	\$511	\$409	N/A
MSU Husband & Wife 2-Person:*	\$690	\$647	\$ 43	N/A
MSU Husband & Wife Family:**	\$920	\$647	\$273	N/A

* For the MSU husband and wife both employed by MSU who have no dependents on their plan, MSU will contribute two single contributions toward a 2-person plan.

** For the MSU husband and wife both employed by MSU who have dependents on their plan, MSU will contribute two single contributions toward a family plan.

Gift Income Report

BOR (VI-B-3)
December 7, 2006

Morehead State University

Year-to-Date Gift Income

As of October 31, 2005 and 2006

Description	Fiscal Year 2005-06	Fiscal Year 2006-07	Variance
Degreed Alumni	\$ 93,678.66	\$ 175,621.48	\$ 81,942.82
Non-degreed Alumni	15,714.00	2,585.00	(13,129.00)
Faculty/Staff	19,462.51	23,100.27	3,637.76
Retiree	3,329.00	5,670.00	2,341.00
Parent	10,530.00	9,685.00	(845.00)
Student	88.32	83.32	(5.00)
Leadership Board Members	1,124.00	480.00	(644.00)
Corporate Contributors	189,324.30	181,061.27	(8,263.03)
Foundations	4,345.60	5,511.63	1,166.03
Non-Profit Organizations	706.00	3,883.11	3,177.11
MSU and Student Organizations	550.00	2,275.25	1,725.25
Friend of MSU	143,064.08	121,839.00	(21,225.08)
GRAND TOTALS	\$ 481,916.47	\$ 531,795.33	\$ 49,878.86
 *Matching Gifts Received	 \$ 1,785.00	 \$ 3,531.11	
*Gifts-In-Kind	\$ 106,632.23	\$ 106,185.50	
*Stock Gifts	\$ 13,900.00	\$ -	

**Included in totals above*

Prepared: 11/9/2006

Report of New Endowments and Major Gifts Since January 1, 2006

The following is a list of new endowments that have been established since January 1, 2006, on behalf of the University in accordance with terms of the memorandum of understanding between Morehead State University and the MSU Foundation, Inc. MSU Foundation policy stipulates a minimum commitment of \$20,000 to establish an endowment.

Name of Endowment	Established Value
William C. and Lillian F. Ferguson Endowment	\$ 25,000

The following is a list of gifts of \$10,000 or more that have been received and/or recorded in the first two quarters of the fiscal year in accordance with the memorandum of understanding.

Major Gifts	Purpose/Type	Amount
Ashland Inc. Foundation	Endowment	\$ 30,000
Czar Coal Corporation	Endowment	25,000
Richard Edgeworth	Gift-in-kind (Artwork)	70,650
Michael D. Ferguson	Endowment	25,000
Mary A. Gilmer	Endowment	25,000
Mountain Telephone Corporation	Scholarship	61,248
Elmer R. Smith	Endowment	45,000

**Board of Regents Meeting
Morehead State University
Riggle Room – Adron Doran University Center
9 a.m., Thursday, December 7, 2006**

Agenda

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVE MINUTES OF SEPTEMBER 14, 2006**
- IV. SPOTLIGHT – *President’s Leadership Academy***
- V. SABBATICAL LEAVE REPORT – *Dr. Steve Hunt***
- VI. PRESIDENT’S RECOMMENDATIONS AND REPORTS**
 - A. Recommendations**
 - 1. Approve 2006 Winter Graduates 1
 - 2. Ratify Personnel Actions 2-23
 - 3. Accept 2005-06 Audit Report and
 Amend Operating Budget24-28
 - 4. Accept First Quarter Financial Report and
 Amend Operating Budget29-36
 - 5. Approve 2007-08 Tuition and Mandatory Student Fees.....37-40
 - 6. Approve Revision to and Renaming of PG-18,
 Intellectual Property Policy41-53
 - 7. Approve Naming Policy54-58
 - 8. Ratify Naming of Doan Cheerleading Room 59
 - 9. Ratify Naming of Tirone Sculpture Concourse 60
 - B. Reports**
 - 1. Final Report on Fall 2006 Enrollment 61
 - 2. Report on Health Insurance for Plan Year 200762-63
 - 3. Gift Income Report.....64-65
 - C. President’s Report**

VII. OTHER BUSINESS

A. Meetings for 2007 Calendar Year

Work Session	Thursday, February 8
BOR Meeting	Thursday, March 8
Work Session	Thursday, May 10
BOR Meeting	Thursday, June 14
Work Session	Thursday, August 30
BOR Meeting	Thursday, September 20
Work Session	Thursday, November 8
BOR Meeting	Thursday, December 6

B. Executive Session

VIII. ADJOURNMENT