

AGENDA BOOK Board of Regents



**Board of Regents Meeting
Morehead State University**

Friday, June 15, 2007

Schedule

9 a.m.

BOR Meeting

Riggle Room

Noon

Lunch

Heritage Room

Members, Morehead State University Board of Regents

James H. Booth (*Chair*)

Jean M. Dorton (*Vice Chair*)

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*)

Helen C. Pennington

Jill Hall Rose

**Board of Regents Meeting
Morehead State University**
Riggle Room - Adron Doran University Center
9 a.m., Friday, June 15, 2007

Agenda

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVE MINUTES OF MARCH 8, 2007
- IV. APPROVE RESOLUTION OF COMMENDATION
FOR BARBARA A. ENDER
- V. APPROVE RESOLUTION OF COMMENDATION
FOR MICHAEL R. MOORE
- VI. SPOTLIGHT - *2007-08 Operating Budget*
- VII. RECOMMENDATIONS AND REPORTS
  - A. Recommendations
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    3. Approve Promotions, 2007 3
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    5. Approve Bachelor of Imaging Sciences-
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    7. Adopt Resolution Authorizing Sale of MSU
General Receipts Obligations, Series A 12-20
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    10. Accept Third Quarter Financial Report and
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    11. Approve Reappointment of Auditing Firm 58
    12. Approve Minimum Scope of Annual Audit 59-65
    13. Ratify 2008-2014 Six-Year Capital Plan 66-69
    14. Approve 2007-08 Operating Budget, Fee Schedule,
and Personnel Roster 70-77
    15. Approve 2007-08 Eagle Student Handbook 78-79

B. Reports

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C. President's Report**VIII. OTHER BUSINESS****A. Future Meetings**

1. Work Session, Thursday, August 30, 2007
2. BOR Meeting, Thursday, September 20, 2007

B. Executive Session**IX. ADJOURNMENT**

**BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
March 8, 2007**

The Board of Regents of Morehead State University met at 9 a.m. on Thursday, March 8, 2007, 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, John Merchant, Dr. John D. O'Cull, Lora Pace, Helen Pennington, and Sylvia Lovely. Jill Hall Rose was unable to be present.

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.

NEWS MEDIA

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

**ELECTION OF
OFFICERS**

Chairman Booth opened the floor for nominations for Chair of the Board. Ms. Dorton nominated Mr. Booth to serve as chair. The motion was seconded by Ms. Lovely. Mr. Booth was reelected chair by acclamation.

Ms. Pennington nominated Ms. Dorton to serve as Vice Chair. Dr. Irons seconded the motion. Ms. Dorton was elected Vice Chair by acclamation.

Chairman Booth thanked Ms. Pennington, as the longest serving Regent on the Board, for her long period of service as Vice Chair.

Dr. Irons moved that Ms. Johnson be reelected Secretary. Ms. Pennington seconded the motion. The motion carried.

**APPOINTMENT
OF TREASURER**

Chairman Booth reappointed Mr. Walters to serve as Treasurer.

**DECEMBER 7,
2006, MINUTES**

Ms. Dorton moved that the minutes of December 7, 2006, be approved as distributed. Ms. Pace seconded the motion. The motion carried.

**SPOTLIGHT
PRESENTATION**

Dr. Andrews introduced Dr. Ronald Carrier, President Emeritus of James Madison University, who made the spotlight presentation. Dr. Carrier discussed James Madison University's journey from a small predominately women's college to a regional comprehensive university. Today, James Madison is recognized as the best public, regional university in the 12-state area identified as the South by "American's Best Colleges," published by U.S. News and World Report.

**PRESIDENT'S
RECOMMENDA-
TIONS***Founders Day
Award*

The President recommended:

RECOMMENDATION: That the Board approve the selection of the late Steve A. Hamilton of Morehead, KY, as the posthumous recipient of the 2007 Founders Day Award for University Service.

(Background information attached to these minutes and marked V)

Dr. Andrews said that Steve Hamilton embodied the spirit of Morehead State University. He was a fierce competitor, but was one of the most respected and honorable men to wear the blue and gold as an athlete and administrator.

MOTION: Dr. O'Cull moved that the Board approve the recommendation. Ms. Pennington seconded the motion.

VOTE: The motion carried.

The President recommended:

Honorary Degree

RECOMMENDATION: That the Board approve the awarding of the honorary degree of Doctor of Public Service to Paul E. Patton of Pikeville, Kentucky, former governor of Kentucky, at the Spring Commencement ceremony on May 12, 2007.

(Background information attached to these minutes and marked VI)

Dr. Andrews said that Governor Patton is very deserving of this award. He is considered the father of higher education reform as a result of his involvement in a special legislative session in 1997 which created the Kentucky Community and Technical College System and reorganized what is known today as the Council on Postsecondary Education.

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

VOTE: The motion carried.

The President recommended:

*Appointment of
Provost & VP for
Academic Affairs*

RECOMMENDATION: That the Board of Regents approve the appointment of Dr. Karla Hughes as Provost and Vice President for Academic Affairs at an annual salary of \$170,000 beginning July 16, 2007; and further that Dr. Hughes be granted tenure as Professor of Human Sciences with this appointment.

(Additional background information attached to these minutes and marked VII-A-1)

Dr. Andrews said that Dr. Hughes, who was selected in a national search, currently serves as dean of East Carolina University's College of Human Ecology. She spent the 2005-06 academic year as a fellow with the American Council on Education where she was placed in the Office of the President at the University of North Carolina System. He said that Dr. Hughes has established a strong reputation as an academic leader of vision, energy and integrity and that he was confident she can help our faculty take us to even greater heights as a top tier public regional university.

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

VOTE: The motion carried.

The President recommended:

*Tenure &
Promotion for
2007-08*

RECOMMENDATION: That the Board of Regents approve the granting of tenure and promotion to the associate professor rank for the following faculty members with the issuance of their contracts for the 2007-08 year:

Dr. David Barnett, Education
Dr. Bernadette Barton, Sociology
Dr. Ignacio Birrell, Physics
Dr. Jennifer Birrell, Physics
Dr. Doug Chatham, Mathematics
Mr. Jeffrey Fannin, Imaging Sciences
Dr. Cynthia Faulkner, Social Work
Dr. Samuel Faulkner, Social Work
Dr. Teame Ghirmay, Economics
Dr. Michael Hail, Government
Dr. Michael Hypes, HPES
Dr. Shari Kidwell, Psychology
Dr. Euijin Kim, CIS
Dr. Beverly Klecker, Education
Dr. Barbara Lyons, Business
Dr. Russell May, Mathematics
Dr. Gary O'Dell, Geography
Dr. Sean O'Keefe, Biology
Dr. Chien-Chih Peng, Finance
Dr. David Peyton, Biology
Dr. Kent Price, Physics
Dr. Mee-Ryoung Shon, Education

Dr. Steven Snyder, Music
Ms. Michele Walters, Nursing
Dr. Scott Wymer, CIS

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

MOTION: Dr. Irons moved that the Board approve the recommendation. Ms. Pennington seconded the motion.

VOTE: The motion carried.

The President recommended:

*Tenure for Dr. J.
Michael Phillips*

RECOMMENDATION: That the Board of Regents approve the granting of tenure and the rank of Professor of Agriculture to Dr. J. Michael Phillips, Chair of Agriculture and Human Sciences.

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

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

VOTE: The motion carried.

The President recommended:

Sabbatical Leaves

RECOMMENDATION: That the Board of Regents approve the granting of sabbatical leaves for the following faculty:

Debbie Abell, Fall 2008
Annie Adams, Spring 2008
Glenn Colburn, Fall 2007
Diana Haleman, Spring 2008
John Hennen, Spring 2008
Donna Kizzier, Fall 2007
Michael Moore, Fall 2007
Ron Morrison, Fall 2007
Layne Neeper, Spring 2008
Ilsun White, Fall 2007

(Additional background information attached to these minutes and marked VII-A-4)

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

Personnel Actions

VOTE: The motion carried.

The President recommended:

RECOMMENDATION: That the Board of Regents ratify the Personnel Actions for the period November 12, 2006, through February 9, 2007.

(List of Personnel Actions and additional background information attached to these minutes and marked VII-A-5)

Michelle Hardin, Associate Director of Human Resources, provided a summary of the personnel actions reported during the period November 12, 2006, to February 9, 2007.

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

VOTE: The motion carried.

The President recommended:

Financial Statements

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

(Second Quarter Financial Report and additional background information attached to these minutes and marked VII-A-6)

James Fluty, Director of Accounting and Budgetary Control, provided information about the unrestricted current funds, revenues, expenditures and transfers of the University. He noted that the interim financial statements were prepared using a fund approach to facilitate budget comparisons and management decisions. Year-end statements are prepared in the GASB 35 format.

The University's financial picture remains stable through the second quarter of the 2006-07 fiscal year with the University operating with a surplus of revenues over expenditures and transfers in the amount of \$27,040,762. Mr. Fluty summarized significant trends and variances for the six months:

- Total revenues increased \$3.9 million or 5.4 percent as a result of increases in tuition and fees, housing, sales and services of educational activities, government appropriations, and a net decrease of \$.1 million in all other revenue lines.
- Total expenses have increased \$.2 million or .5 percent versus December 31, 2005.
- Net change in fund balance has increased \$3.6 million versus December 31, 2005.

Teresa Johnson, Director of Budgets, discussed budget amendments and significant adjustments to revenue and other additions, which include the following:

- Unbudgeted revenue allocated during the second quarter totaled \$197,510.
- Budget allocations from other sources increased by \$271,373 in the second quarter.
- Net budget allocations for fund balance for educational and general purposes totaled \$150,305.

MOTION: Ms. Dorton moved that the President's recommendation be approved. Ms. Lovely seconded the motion.

VOTE: The motion carried.

The President recommended:

Banking Contracts

RECOMMENDATION: That the Board of Regents designate U.S. Bank of Morehead as the depository for all funds collected at the main campus location and designate Commercial Bank in West Liberty, Citizens National Bank in Prestonsburg, and Traditional Bank in Mt. Sterling to serve as depositories for funds collected at those respective regional campus centers.

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

Michael Walters, Vice President for Administration and Fiscal Services, at the request of Regent Lovely, outlined the criteria by which banks are selected as depositories for the University.

MOTION: Ms. Pace moved that the Board approve the President's recommendation. Ms. Pennington seconded the motion. Ms. Dorton and Mr. Goodpaster abstained from voting.

VOTE: The motion carried.

The President recommended:

Financing Agreement for Residence Hall Renovation Project

RECOMMENDATION: That the Board approve the financing agreement between the Kentucky Asset/Liability Commission, the Finance and Administration Cabinet, and Morehead State University, and adopt the resolution titled:

RESOLUTION OF THE BOARD OF MOREHEAD STATE UNIVERSITY (STATE AGENCY) APPROVING A FINANCING AGREEMENT AMONG THE STATE AGENCY, THE KENTUCKY ASSET/LIABILITY COMMISSION AND THE

FINANCE AND ADMINISTRATION CABINET OF THE COMMONWEALTH OF KENTUCKY FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR AN AUTHORIZED PROJECT IN ANTICIPATION OF THE ISSUANCE OF BONDS TO PROVIDE PERMANENT FINANCING FOR SAID PROJECT.

(Financing Agreement and additional background information attached to these minutes and marked VII-A-8)

Mr. Walters said that the University's Housing Master Plan outlines a renovation schedule for the residence halls. Nunn Hall, which is the first renovation project, will be taken off line at the end of the spring semester and will reopen for occupancy in August 2008. The project construction estimate is \$5.9 million for the Nunn Hall project. Since the project exceeds the University's bonding and capital project authorization of \$5 million, the University will seek interim financing from the Kentucky Asset-Liability Commission. In order to have this financing available, however, it will be necessary for the Board to adopt a resolution authorizing that borrowing.

MOTION: Ms. Dorton moved that the Board approve the President's recommendation. Ms. Lovely seconded the motion. Mr. Merchant abstained from voting.

VOTE: The motion carried.

The President recommended:

**2008-2014 Six-Year
Capital Plan**

RECOMMENDATION: That the Board approve the attached list of capital projects to be included in the final 2008-2014 Six-Year Capital Plan.

(List of capital projects and additional background information attached to these minutes and marked VII-A-9)

Beth Patrick, Vice President for Planning, Budgets and Technology, presented the University's list of capital projects for the 2008-2014 Six-Year Capital Plan. The top four projects are as follows: equipment for the new Center for Health, Education and Research in the amount of \$3.5 million; Phase II of the Student Center in the amount of \$16.8 million; renovation of Combs Classroom Building in the amount of \$10.4 million; and renovation and expansion of Baird Music Hall in the amount of \$10.2 million. Ms. Patrick said that there may be some modifications to the plan and that it will be brought back to the Board in June.

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

VOTE: The motion carried.

**Police
Department's
Standard Operating
Procedures Manual**

The President recommended:

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

(Revisions to the Morehead State University Police Department Standard Operating Procedures Manual attached to these minutes and marked VII-A-10)

Madonna Weathers, Vice President for Student Life, said that the proposed revisions to the Police Department's *Standard Operating Procedures Manual* provide law enforcement officers and police telecommunicators with a career ladder for promotions and pay increases and also establishes procedures for employees to participate in the wellness/physical fitness standards program approved by MSU.

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

VOTE: The motion carried.

The President recommended:

**FKCTM Board
Appointments**

RECOMMENDATION: That the Board of Regents confirm the appointment of six new and six 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 VII-A-11)

Keith Kappes, Vice President for University Relations, said that the Friends of Kentucky Center for Traditional Music Inc., as an affiliated corporation of the University, is required to have the appointment of members of the FKCTM Board of Directors confirmed by the Board of Regents.

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

VOTE: The motion carried.

The President recommended:

**FKFAC Board
Appointments**

RECOMMENDATION: That the Board of Regents confirm the appointment of five returning members of the Board of Directors of the Friends of the Kentucky Folk Art Center, Inc.

(Additional background information attached to these minutes and marked VII-A-12)

*Revision of
Campus Master
Plan*

Mr. Kappes advised that the Board of Regents also is required to confirm the appointments of members of the Board of Directors of the Friends of the Kentucky Folk Art Center, Inc.

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

VOTE: The motion carried.

The President recommended:

RECOMMENDATION: That the Board of Regents approve the Campus Master Plan to include the acquisition of Eagle Trace Golf Course through a donation, if offered, from the MSU Foundation, Inc.

(Additional background information attached to these minutes and marked VII-A-13)

Mr. Walters said that in accordance with the Board's Policies Related to Real Property Management, property not identified for acquisition in the University's Campus Master Plan may be acquired after a Board approved amendment to the Master Plan. Last fall, an opportunity was presented for the acquisition of Eagle Trace Golf Course, an 18-hole championship golf facility located in Rowan County. Eagle Trace has served as the home course for the University's Men's Golf Team for the past several years. A purchase option was executed with the owners of Eagle Trace Golf Course to allow purchase of the course for \$1.6 million with the understanding that a group of individuals would seek private contributions for the acquisition of the property. That group, operating through the MSU Foundation, Inc. as the "Friends of MSU Golf," has raised financial support and generated a funding strategy for the Foundation to acquire the property. After securing title to Eagle Trace, the Foundation will donate the property to Morehead State University.

Dr. Andrews said that the closing date for the acquisition of the property would take place in early April. He noted that the University has \$1.3 million in hard pledges. This financial support has come from the MSU Foundation, Inc., Morehead City Council, Rowan County Fiscal Court, Morehead Tourism Commission, Morehead-Rowan County Economic Development Council Inc., and the recently formed Friends of MSU Golf. Further, he said that the University had four primary reasons for acquiring the 18-hole course: (1) to create a venue for fundraising, athletic, teaching and recreation activities of MSU's alumni, faculty, staff, students, parents and other friends; (2) to preserve the course as a tourism and economic development asset; (3) to support "quality of life" measures to make the area more attractive to prospective MSU employees and others; and (4) to take advantage of an incredible business opportunity because it would cost an estimated \$5 million to replicate Eagle Trace.

Dr. Andrews also noted that the University will close Sunny Brook Golf Course, its nine-hole layout east of Morehead on US 60.

Board members commended Chairman Booth and President Andrews for their efforts in the acquisition of Eagle Trace and what it will mean not only to the University, but to the city, county and region. Ms. Lovely said it will be a model for the rest of the region.

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

VOTE: The motion carried.

REPORTS

Following a ten-minute recess, Chairman Booth called the meeting back to order at 10:50 a.m.

Preliminary 2007 Spring Semester Enrollment Report

Michael Moore, Provost, presented a preliminary report on enrollment for the 2007 Spring Semester which showed a slight decrease with 8,422 students enrolled compared with 8,625 at the same time last year. *(Preliminary Report on Spring Enrollment, 2007, attached to these minutes and marked VII-B-1)*

Personal Service Contracts Report

Mr. Walters presented a report on Personal Services Contracts for the period December 1, 2006, through February 28, 2007. One such contract was issued to Stamats, Inc. to conduct a comprehensive prospective student study, data analysis and report with recommendations. The contract was for the period February 14, 2007 through May 15, 2007, in the amount of \$66,400. *(Report on Personal Service Contracts attached to these minutes and marked VII-B-2)*

Gift Income Report

Barbara Ender, Vice President for Development, presented a comparative gift income report as of December 31, 2005, and 2006, that showed an increase in gift income for 2006-07 over 2005-06 of nearly 7 percent. Also, Ms. Ender provided a list of gifts of \$10,000 or more that have been received by the University since December 1, 2006, which totaled more than \$130,000. In addition, she reported that currently total asset of the Foundation are just over \$30 million. *(Gift Income Report attached to these minutes and marked VII-B-3)*

PRESIDENT'S REPORTS

Center for Health, Education & Research

President Andrews reported on the following:

- That Phase A planning and programming has started for the Center for Health, Education, and Research. Programming teams from the University, St. Claire Regional Medical Center, and the University of Kentucky have been meeting with the architects, Ross Tarrant Architects from Lexington, on a regular basis to formulate the function and space needs for the facility. With the addition of the \$1.5 million grant from the Economic Development Administration, the project scope is now at \$26 million.

**Space Science
Center****Student Recreation
Center****Segal Classification
Study****Capital Campaign****Morehead State
Public Radio****CPE Committee on
Equal
Opportunities****Director of Human
Resources Search****Upcoming Events****FUTURE
MEETINGS**

- That the construction bids for the Space Science Center building opened on March 1. The project construction scope was \$12.5 to \$13 million. Two bids were received with the lowest bid approximately \$17.8 million. The architects are reviewing the bids and project scope for accuracy and compliance, and to determine the variance between their construction estimates and the actual bids. The architects will explore redesign of the project or other measures that may be taken to get the construction costs within the project budget.
- That a design team has been appointed for Phase A planning and programming of the Student Recreation Center. A committee consisting of students, faculty, and staff has been formed to provide input into the functions and programming to be contained in the building.
- That a plan to implement the recommendations of Segal, the staff compensation and classification review consultants, has been formulated. The three-year implementation program will be taken into consideration in the 2007-08 budget planning process.
- That the RFP process for selecting a consultant to conduct the Capital Campaign feasibility study has been completed. Three firms were invited to campus for interviews and Alexander, Haas, Martin & Partners has been selected to conduct the study, which is expected to take three to four months.
- That Morehead State Public Radio received this year's media award in the prestigious, statewide Governor's Awards in the Arts, sponsored by the Kentucky Arts Council. Jean Dorton is a member of that group. Dr. Andrews thanked her for her support.
- That the University completed its CPE Committee on Equal Opportunities evaluation process on February 20 when Dr. Francene Botts-Butler, Affirmative Action Officer, and the President met with the Committee and outlined strategies that the University has implemented on recruitment, retention and campus climate since the April 17-18, 2006, campus visit. Further, the University has met six of the eight objectives outlined in the *Kentucky Plan for Equal Opportunity*, which means that the University has automatic eligibility to submit new academic programs.
- That the Director of Human Resources search has closed with three candidates being invited for on-campus interviews. The position could be filled by mid to late April.
- That Board members mark their calendars for the following upcoming events:
  - Founders Day – March 13
  - Spring Gala – April 28
  - Commencement – May 12

Chairman Booth announced that the Board's work session will be held on Thursday, May 10, and the next quarterly meeting will be held Thursday, June 14, (subsequently moved to June 15).

ADJOURNMENT

There being no further business to conduct, Ms. Dorton moved that the meeting adjourn at 12:45 p.m. Dr. O'Cull seconded the motion. The motion carried.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Carol Johnson".

Carol Johnson, Secretary
Board of Regents

**RESOLUTION HONORING
BARBARA A. ENDER**

**BOR (IV)
June 15, 2007**

WHEREAS, Barbara A. Ender, the University's vice president for development and alumni relations, has served in that important post since 2001;

WHEREAS, Ms. Ender also has served six years as chief executive officer of the Morehead State University Foundation, Inc.;

WHEREAS, Ms. Ender is leaving the University on June 30 to accept a new professional challenge in a similar post at Slippery Rock University in Pennsylvania;

WHEREAS, Ms. Ender has achieved remarkable results in her role as the chief development officer of the University under the direction of two presidents;

WHEREAS, Ms. Ender's stewardship of the MSU Foundation has facilitated a doubling of the organization's assets to more than \$32 million and the recruitment of outstanding citizens as volunteer members of the Board of Trustees;

WHEREAS, Ms. Ender has been a model of integrity and professionalism in her management of the University's Division of Development and Alumni Relations;

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Ms. Barbara Ender be and hereby is commended for her outstanding service and allegiance to the University and that she is extended the institution's sincere best wishes for her continued professional success and personal happiness.

Done this fifteenth day of June 2007.

James H. Booth, Chair

ATTEST:

Carol Johnson, Secretary

Wayne D. Andrews, President

**RESOLUTION HONORING
MICHAEL R. MOORE**

**BOR (V)
June 15, 2007**

WHEREAS, Dr. Michael R. Moore, the University's provost and vice president for academic affairs, has served in that important post since 1997;

WHEREAS, Dr. Moore's term of service in that important position has been exceeded by only one other person in the 120-year history of the University;

WHEREAS, Dr. Moore is leaving that position on June 30 to resume full-time duties as a tenured professor in the Department of Communication and Theatre;

WHEREAS, Dr. Moore has led the institution to greatly expand its accessibility to students of all ages and locations through two additional regional campuses and an extensive program of online courses and degrees;

WHEREAS, Dr. Moore's administration of the University's academic enterprise has resulted in successful reaffirmation of accreditation by the Southern Association of Colleges and Schools (SACS) and other accrediting bodies, as well as initial accreditations by AACSB International (The Association to Advance Collegiate Schools of Business) and the National Association of Schools of Theatre (NAST); as well as the University's classification by the Carnegie Foundation as a "community engagement" institution;

WHEREAS, Dr. Moore has exemplified high standards of academic excellence and a personal concern for others in his management of the University's Division of Academic Affairs;

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Dr. Michael R. Moore be and hereby is commended for his distinguished service and fidelity to the University and that he is extended the institution's sincere best wishes for continued professional achievement and personal fulfillment.

Done this fifteenth day of June 2007.

ATTEST:

_____
James H. Booth, Chair

_____
Carol Johnson, Secretary

_____
Wayne D. Andrews, President

RATIFY 2007 SPRING GRADUATES

Recommendation:

That the awarding of degrees to the candidates who successfully completed all degree requirements as approved by the faculty of the University at the 2007 Spring Commencement on May 12, 2007, be ratified.

Background:

At the May 12, 2007, Spring Commencement, 715 students were awarded degrees from Morehead State University. This included 76 associate degrees, 516 bachelor degrees, and 123 graduate degrees.

APPROVE EMERITUS STATUS, 2007

BOR (VII-A-2)
June 15, 2007

Recommendation:

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

R. Lane Cowsert, professor of agriculture
Dixon Ferrell, associate professor of art
David Magrane, professor of biology
Robert Pritchard, professor of music
Susanne Rolland, associate professor of social work

Background:

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

APPROVE PROMOTIONS, 2007

**BOR (VII-A-3)
June 15, 2007**

Recommendation:

That the Board of Regents approve the granting of promotions to the following faculty with the issuance of their contracts for the 2007-08 year:

Professor

Darrin DeMoss, biology
Elizabeth Mesa-Gaido, art
Gary Mesa-Gaido, art
Charles Mason, geoscience
Gordon Towell, music
Wesley White, psychology

Librarian IV

Tom Kmetz

Background:

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

APPROVE EDUCATIONAL LEAVES, 2007-08

**BOR (VII-A-4)
June 15, 2007**

Recommendation:

That the Board of Regents approve the granting of an educational leave for the following faculty members contingent upon funding being available within academic affairs.

Donna Corley, associate professor of nursing, 2007-08 academic year
Jacklynn Darling, associate professor of imaging sciences, 2008 spring semester

Background:

Faculty members desiring educational leaves submit their application to be evaluated by their departmental committee, department chair, college dean, and the Professional Development Committee. These committee evaluations are forwarded to the Provost who recommends to the President for his recommendation to the Board of Regents. Both faculty are applying for an educational leave to continue pursuit and/or complete a doctorate degree within their respective discipline.

**APPROVE BACHELOR OF IMAGING
SCIENCES--LEADERSHIP IN MEDICAL IMAGING**

**BOR (VII-A-5)
June 15, 2007**

Recommendation:

That the Board of Regents approve the Bachelor of Imaging Sciences—Leadership in Medical Imaging program.

Background:

The Bachelor of Imaging Sciences—Leadership in Medical Imaging degree will be an online degree available to registered practitioners in radiography, nuclear medicine, sonography, or radiation therapy. This program will allow the student to complete the required courses on a part-time basis and is planned for the working practitioner who wants to pursue a leadership role in imaging sciences. Students will also have the option to pursue this degree on a full-time basis. This would be the first online baccalaureate degree in Imaging Sciences in Kentucky. The program has been posted on the CPE website for review and comments by other institutions and has been released by the CPE for governing board approval.

Analysis:

In planning this proposed program, a number of sources including departmental advisory board, hospital/radiology administrators, associate degree graduate and KCTCS Radiography Program coordinators were consulted. This degree will provide the advanced knowledge and skills required in today's sophisticated medical imaging settings to effectively and efficiently manage professional staff and use of multimillion dollar technology.

This program has the potential to grow quickly at Morehead State University. Previous discussions with KCTCS indicate that within the last three years they had approximately 500 graduates in the area of imaging sciences. This number does not include graduates from other imaging science programs in the state. A conservative expected enrollment for the program is 15 students for the first year and incremental increases each year.

**ADOPT RESOLUTION AUTHORIZING A TRUST
AGREEMENT FOR THE ISSUANCE OF
MOREHEAD STATE UNIVERSITY
GENERAL RECEIPTS OBLIGATIONS**

**BOR (VII-A-6)
June 15, 2007**

Recommendation:

That the Board adopt:

A RESOLUTION OF THE BOARD OF REGENTS OF MOREHEAD STATE UNIVERSITY APPROVING A TRUST AGREEMENT, DATED AS OF THE FIRST DAY OF THE MONTH IN WHICH OBLIGATIONS ARE ISSUED THEREUNDER, BETWEEN MOREHEAD STATE UNIVERSITY AND THE TRUSTEE NAMED THEREIN; PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE FROM TIME TO TIME OF GENERAL RECEIPTS OBLIGATIONS OF MOREHEAD STATE UNIVERSITY; PROVIDING FOR THE PAYMENT OF SUCH OBLIGATIONS AND THE SECURING OF SUCH PAYMENT; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

Background:

Morehead State University has issued Consolidated Educational Buildings Revenue Bonds (Con-Ed) and Housing and Dining System Revenue Bonds (H&D) to finance building projects on campus. The Con-Ed bonds are secured by a pledge of tuition and fee revenues and the H&D bonds are secured by a pledge of revenues generated from the University's student housing operation.

The trust indentures for the Con-Ed and H&D bonds were executed in the 1960's and are restrictive as to the additional debt that may be issued by the University. The trend in higher education institutions in Kentucky is to move to issue debt obligations secured by pledges of general receipts.

The University, working with the state Office of Financial Management, the firm of Peck, Schafer and Williams acting as bond counsel, and the firm of Hilliard-Lyons acting as financial advisor, has been reviewing the option to issue debt obligations under a pledge of general receipts revenues rather than the more restricted pledges of tuition and housing revenues. Issuing debt obligations under a general receipts pledge gives the University greater flexibility in financing capital projects, a wider range of investment options, and improved cash management.

Revenues pledged under the General Receipts Obligations trust indenture include certain operating and non-operating revenues of the University consisting of student

registration fees, nongovernmental grants and contracts, sales and services of educational activities, auxiliary enterprises, other operating revenue, state appropriations and investment income. The pledge of student registration fees and revenues generated from the University's student housing operation will be subordinate to the pledges made under the Con-Ed and H&D indentures so long as obligations from those bond issues are outstanding.

Debt obligations that may be issued under the indenture include bonds, notes, financing agreements, State Property and Buildings Commission Leases, and additional obligation instruments authorized under the laws of the Commonwealth of Kentucky. Issuance of debt obligations under this indenture will continue to require prior Board of Regents authorization.

A RESOLUTION OF THE BOARD OF REGENTS OF MOREHEAD STATE UNIVERSITY APPROVING A TRUST AGREEMENT, DATED AS OF THE FIRST DAY OF THE MONTH IN WHICH OBLIGATIONS ARE ISSUED THEREUNDER, BETWEEN MOREHEAD STATE UNIVERSITY AND THE TRUSTEE NAMED THEREIN; PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE FROM TIME TO TIME OF GENERAL RECEIPTS OBLIGATIONS OF MOREHEAD STATE UNIVERSITY; PROVIDING FOR THE PAYMENT OF SUCH OBLIGATIONS AND THE SECURING OF SUCH PAYMENT; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

WHEREAS, the Board of Regents (the "Board") of Morehead State University (the "University"), by adoption of a resolution on November 14, 1960 (the "Prior Basic Resolution"), has provided for the issuance from time to time of Consolidated Educational Buildings Revenue Bonds of the University, with each such issue authorized by a series resolution adopted by the Board; and

WHEREAS, the Board, under a Trust Indenture dated as of August 1, 1965 between the University and Community Trust Bank, National Association successor to Pikeville National Bank and Trust Company (the "Prior Housing Indenture"), has provided for the issuance from time to time of Housing System Revenue Bonds of the University, with each such issue authorized by a supplemental trust indenture; and

WHEREAS, the University desires to, from this time forward, provide for the financing of capital projects by the issuance of General Receipts Obligations under a Trust Agreement dated as of the first day of the month in which obligations are issued thereunder (the "Trust Agreement") between the University and a trustee named therein (the "Trustee") to reflect changes in the University, financing standards, market expectations and financing techniques since the adoption of the Prior Basic Resolution and the Prior Housing Indenture, to provide the University greater flexibility in financing and investing, and improved cash management, from and after the date of execution and delivery of the Trust Agreement; and

WHEREAS, the University will no longer issue "bonds" under the Prior Basic Resolution or under the Prior Housing Indenture; and

WHEREAS, by the Constitution and laws of the Commonwealth of Kentucky, and particularly Sections 162.340 to 162.380 of the Kentucky Revised Statutes, Chapter 56 of the Kentucky Revised Statutes and Sections 58.010 to 58.140 of the Kentucky Revised Statutes (collectively, the "Act"), the University is authorized to enter into the Trust Agreement with the Trustee providing for the issuance from time to time of bonds, notes, Financing Agreements (as defined in the Act), leases with the State Property and Buildings Commission of the Commonwealth of Kentucky, and other agreements providing for the repayment of money that the University may, from time to time, be authorized to enter into under the laws of the Commonwealth of Kentucky (the "Commonwealth") (collectively, the "Obligations"), for the purpose of paying the costs of buildings and appurtenances to be used in connection with the University for educational purposes, including, but not limited to any Authorized Project, any Building, any Building project and any Public project, as those terms are defined in the Act,

including site improvements, utilities, machinery, furnishings and any separate or connected buildings, structures, improvements, sites, open space and green space areas, utilities or equipment to be used in, or in connection with the operation or maintenance of, or supplementing or otherwise related to the services or facilities to be provided by such facilities; and

WHEREAS, the University desires to make provision for the issuance from time to time of the Obligations and for the payment of the Debt Service Charges (as defined in the Trust Agreement) thereon and the security thereof by this 2007 General Bond Resolution (the "2007 Resolution") and the Trust Agreement herein authorized, with each issue of Obligations to be authorized by a separate Series Resolution (as defined in the Trust Agreement) based upon this 2007 Resolution and the Trust Agreement and, if required under the Trust Agreement, a Supplemental Trust Agreement (as defined in the Trust Agreement), pertaining to that issue of Obligations;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF MOREHEAD STATE UNIVERSITY, AS FOLLOWS:

Section 1. Determinations by the Board. The Board hereby finds and determines the facts set forth in the preambles to this 2007 Resolution.

Section 2. Approval of Trust Agreement. To better provide for the facilities and the financing mechanisms thereof, as set forth in the preambles hereto, and in order to better provide for the availability of comprehensive financing options and techniques which were not in existence at the time of the execution of either the Prior Basic Resolution or the Prior Housing Indenture, this Board hereby determines that it is necessary to enter into the Trust Agreement, and hereby authorizes the execution thereof substantially in the form presented to this Board on the date hereof. Said Trust Agreement shall be subject to changes, insertions and omissions as may be approved by the Treasurer of the University, as well as by bond counsel, which approval shall be conclusively evidenced by the execution of said Trust Agreement as herein provided.

Section 3. Execution of Trust Agreement. The Trust Agreement and any accompanying documents, certifications or agreements may be executed on behalf of the University by the Chairman of the Board.

Section 4. Open Meetings Determination. The Board hereby finds and determines that all formal actions relative to the adoption of this 2007 Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements.

Section 5. Severability. Should it be judicially determined by a court having jurisdiction to pass upon the validity of this 2007 Resolution or the Trust Agreement, that any provision of this 2007 Resolution or the Trust Agreement is beyond the powers of the Board, or is otherwise invalid, then such decision shall in no way affect the validity of the 2007 Resolution or the Trust Agreement, or any proceedings related thereto, except as to the particular matters found by such decision to be invalid.

Section 6. Conflicts. All resolutions or parts thereof in conflict with the provisions of this 2007 Resolution are, to the extent of such conflict, hereby repealed.

Section 7. Effective Date. This 2007 Resolution shall take effect from and after its passage.

Dated: June 15, 2007

Chairman, Board of Regents of Morehead
State University

Attest:

Secretary, Board of Regents of Morehead
State University

CERTIFICATION

I, the undersigned, do hereby certify that I am duly qualified and acting Secretary of the Board of Regents of Morehead State University, and as such officer I further certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by the members of said Board at a meeting properly held on June 15, 2007, has been duly executed and is now in full force and effect, all as appears in the official records of said Board in my possession and under my control.

I further certify that said meeting held on June 15, 2007, was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

WITNESS my signature this _____ day of _____, 2007.

_____
Secretary, Board of Regents of Morehead
State University

369362.DOC

**ADOPT RESOLUTION AUTHORIZING THE SALE
OF MOREHEAD STATE UNIVERSITY GENERAL
RECEIPTS OBLIGATIONS, SERIES A**

**BOR (VII-A-7)
June 15, 2007**

Recommendation:

That the Board adopt the following:

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF APPROXIMATELY \$8,000,000 GENERAL RECEIPTS OBLIGATIONS, 2007 SERIES A OF MOREHEAD STATE UNIVERSITY, PURSUANT TO THE TRUST AGREEMENT, A FIRST SUPPLEMENTAL TRUST AGREEMENT AND A TENTH SUPPLEMENTAL TRUST INDENTURE DATED AS OF THE FIRST DAY OF THE MONTH IN WHICH SUCH BONDS ARE ISSUED.

Background:

The University has recently completed a Comprehensive Housing Master Plan. The plan outlines a 10-year phased approach for enhancing and expanding the University's student housing facilities by renovating existing residence halls and constructing a new apartment style residential facility.

The first project scheduled in the plan is the renovation of Nunn Hall. Nunn Hall was constructed in 1969 and has a capacity of 352 beds. The building is in need of major renovation including replacement of plumbing systems, replacement of fan coil units, piping, and controls, enhancing ADA accessibility, replacing bathroom and shower fixtures, upgrading electrical supply services, and door, window and floor tile replacement.

The project will be financed by the issuance of Morehead State University General Receipts Obligations, Series A bonds. The project scope based on architectural estimates is about \$6.9 million.

The University has a project and agency bond authorization in the state budget of \$5 million that will be used for the renovation of Nunn Hall. The current project scope exceeds that authorization. However, the University has a project and agency bond authorization request in the amount of \$10 million that could be considered for approval in a special called session of the General Assembly. Should that authorization be approved, the project could proceed in its entirety this summer.

The project bid documents will be structured as a base bid project that could be completed within the current \$5 million authorization. The bid documents will also request bids for three add/alternate phases of the project. If additional authorization is obtained for

the project and bond issuance, the add/alternate portion of the contract can be awarded. If the additional authorization is not obtained, the base project may proceed with the add/alternate portions of the project being included in a future residence hall renovation project and bond sale.

The sale of the General Receipts Obligations, Series A bonds is scheduled for August 2. The amount of the bonds sold at that time will be structured as follows:

- If additional authorization is not obtained for the project, the bond issue will be sized at an amount to include the base project construction cost based on the bids received and the project design and contingency fees, not to exceed \$5 million plus the cost of issuance and debt service reserve estimated at \$545,000.
- If additional authorization is obtained, the bond issue will be sized at an amount to include the total project construction cost based on the bids received, the project design and contingency fees, debt service reserve, and the costs of issuance of the bonds, not to exceed \$8.0 million.

A report with the details of the sale of the bonds and the construction project will be presented to the Board at its September 2007 meeting.

In addition to issuing the General Receipts Obligations, Series A, University staff will be working with the financial advisor and bond counsel to determine the feasibility of refunding existing Housing and Dining System Revenue Bonds (H&D). As of June 30, 2007 the University will have \$16,330,000 in outstanding H&D bonds. Some of those bonds have been refunded in recent years and carry lower interest rates that may not yield significant debt service savings, but a refunding would free the University from having to maintain a debt service reserve for the outstanding bonds. The analysis of the refunding review will be presented to the Board in the near future.

SERIES RESOLUTION

A RESOLUTION PROVIDING FOR THE AUTHORIZATION, ISSUANCE AND SALE OF APPROXIMATELY \$8,000,000 GENERAL RECEIPTS OBLIGATIONS, 2007 SERIES A OF MOREHEAD STATE UNIVERSITY, PURSUANT TO THE TRUST AGREEMENT, A FIRST SUPPLEMENTAL TRUST AGREEMENT AND A TENTH SUPPLEMENTAL TRUST INDENTURE DATED AS OF THE FIRST DAY OF THE MONTH IN WHICH SUCH BONDS ARE ISSUED.

WHEREAS, Morehead State University (herein called the "University"), a public body corporate and an educational institution and agency of the Commonwealth of Kentucky, by resolution adopted by the Board of Regents of the University on June 15, 2007 (herein called the "General Bond Resolution"), and by a Trust Agreement (herein called the "Trust Agreement") between the University and U.S. Bank National Association (the "General Receipts Trustee"), as supplemented, dated as of the first day of the month in which Obligations (as defined in the Trust Agreement) are issued thereunder, comprised in part of the General Bond Resolution, has provided for the issuance from time to time of Obligations of the University secured by a pledge of the University's "General Receipts" (as defined in the Trust Agreement), each such issue to be authorized by a Series Resolution, as required by the Trust Agreement; and

WHEREAS, pursuant to a certain Trust Indenture (the "Indenture") dated as of November 1, 1966 between the Board and Central Bank & Trust Company, Lexington, Kentucky (the "Housing Bonds Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of February 1, 1968, a Second Supplemental Trust Indenture dated as of June 1, 1989, a Third Supplemental Trust Indenture dated as of May 1, 1990, a Fourth Supplemental Trust Indenture dated as of October 1, 1991, a Fifth Supplemental Trust Indenture dated as of June 1, 2000, a Sixth Supplemental Trust Indenture dated as of June 1, 2000, a Seventh Supplemental Trust Indenture dated as of July 1, 2001, an Eighth Supplemental Trust Indenture dated as of June 1, 2003 and a Ninth Supplemental Indenture dated as of June 1, 2003 (hereinafter collectively referred to as the "Housing Indenture"), provisions were therein made for future execution by the University of supplemental trust indentures to evidence the authorization of, and to provide additional security for, additional series of such "Housing and Dining System Revenue Bonds," and to evidence compliance with the conditions and restrictions prescribed in the Housing Indenture in that connection; and

WHEREAS, the Board has determined that it is necessary to finance the costs of the acquisition, construction, installation and equipping of a certain authorized project identified as Design Residence Hall Renovation/Improvement and, subject to authorization by the General assembly, additional improvements relating to the Nunn Hall renovation (collectively, the "Project"); and

WHEREAS, by authority of Sections 162.340 to 162.380 of the Kentucky Revised Statutes, Chapter 56 of the Kentucky Revised Statutes and Sections 58.010 to 58.140 of the Kentucky Revised Statutes (collectively, the "Act"), the University is authorized to construct educational building facilities, to issue its obligations to pay all or part of the costs of such facilities, and to secure said obligations by a pledge of and lien on all or such part of the revenues and receipts of the University; and

WHEREAS, the Board of Regents, in order to pay the costs of the Project, desires to provide for issuance and sale of Morehead State University General Receipts Bonds and for other matters in connection therewith, by the adoption of this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF MOREHEAD STATE UNIVERSITY, AS FOLLOWS:

SECTION 1. Definitions and Interpretations. All words and terms defined in Section 1 of the General Bond Resolution and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this Resolution is sometimes herein called and may be known as the "2007 Series A Bond Resolution," the Obligations authorized by this Resolution are referred to herein and in the Supplemental Trust Agreement hereby authorized as the "2007 Series A Bonds," and the terms "hereof," "hereby," "hereto," "herein," and "hereunder," and similar terms, mean this Resolution.

SECTION 2. Authority. This Resolution is adopted pursuant to the General Bond Resolution, the Trust Agreement, and the Act.

SECTION 3. Authorization, Designation and Purpose of 2007 Series A Bonds. It is hereby declared to be necessary to, and the Board shall, issue, sell and deliver, as provided and authorized herein, approximately \$8,000,000 principal amount of Obligations (the "Series A Bonds") which shall be issued as General Receipts Bonds. Such Obligations shall be designated "Morehead State University General Receipts Bonds, 2007 Series A" and shall bear such further designations, if any, as the Fiscal Officer (as defined in the Trust Agreement) deems appropriate. Such Obligations shall be issued for the purpose of (i) financing the costs of the Project; and (ii) paying costs of issuance in connection with such Obligations. The proceeds from the sale of such Obligations shall be deposited and allocated as provided in Section 6 hereof.

SECTION 4. Terms and Provisions Applicable to the 2007 Series A Bonds.

(a) Form, Numbering and Designation. The 2007 Series A Bonds shall be issued in the form of fully registered Obligations as approved by the Fiscal Officer, shall be numbered from 1 upwards, and shall bear such series designation as the Fiscal Officer deems appropriate.

(b) Denomination and Dates. The 2007 Series A Bonds shall be in such denominations as requested by the Original Purchaser (hereafter defined), and shall be dated on the date determined by the Fiscal Officer and may be issued in installments (each installment being a part of the 2007 Series A Bonds herein authorized) with maturity dates approved by the Fiscal Officer, having a final maturity that is no later than twenty years from the date the 2007 Series A Bonds are issued.

(c) Interest. The 2007 Series A Bonds shall bear interest from their respective dates payable on May 1 and November 1 of each year, beginning on a date approved by the Fiscal Officer, at the rate or rates per annum determined pursuant to Section 5 hereof.

(d) Maturities. The 2007 Series A Bonds shall mature on November 1, in the years and in the principal amounts set forth in the maturity schedule approved by the Fiscal Officer pursuant to Section 5 hereof.

(e) Redemption Terms and Prices. The 2007 Series A Bonds shall be subject to optional and mandatory redemption on such dates and terms as approved by the Fiscal Officer, with the advice of the Financial Advisor (hereinafter identified) and set forth in the Supplemental Trust Agreement. If less than all of the outstanding 2007 Series A Bonds are called for redemption at one time, they shall be called in the order of the maturities as directed by the Fiscal Officer. If less than all of the outstanding 2007 Series A Bonds of one maturity are to be called, the selection of such 2007 Series A Bonds or portions of 2007 Series A Bonds of such maturity to be called shall be made by lot in the manner provided in the Trust Agreement. Notice of call for redemption of 2007 Series A Bonds shall be given in the manner provided in the Trust Agreement.

(f) Other Provisions. The 2007 Series A Bonds may, at the option of the Fiscal Officer, be secured by municipal bond insurance or similar instrument issued by a financial or insurance institution acceptable to the Fiscal Officer.

(g) Place of Payment and Paying Agents. The principal, interest and any redemption premium on registered 2007 Series A Bonds shall be payable by check or draft, as provided in the Trust Agreement.

(h) Execution. The 2007 Series A Bonds shall be executed in the manner provided in the General Bond Resolution, the Supplemental Trust Agreement and the Housing Indenture.

SECTION 5. Award and Sale of 2007 Series A Bonds. The 2007 Series A Bonds shall be offered publicly for sale upon the basis of competitive bids at such time as the Fiscal Officer, upon advice of the Financial Advisor to the University, shall designate.

The Fiscal Officer is hereby authorized and directed to cause an appropriate form or forms of a Notice of Sale of Bonds to be published in *The Morehead News*, a legal newspaper published in the City of Morehead, Kentucky, which will afford local notice of the sale, the *Courier Journal*, a legal newspaper published in the City of Louisville, Kentucky, which will afford statewide notice of the sale, and, to the extent required by law, in *The Bond Buyer*, a financial journal published in the City of New York, New York, which is a publication having general circulation among bond buyers; and said newspapers and financial journal are hereby declared to be qualified to publish such notice for the Board within the meaning and provisions of Chapter 424 of the Kentucky Revised Statutes. Such notice shall be published in said newspapers and financial journal at least once not less than seven nor more than twenty-one days prior to the scheduled date of sale of the 2007 Series A Bonds.

The forms of Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and Official Statement, shall be in such form as approved by Bond Counsel for the University, by the Financial Advisor, by the General Counsel of the University and by the Fiscal Officer.

Bidders shall be advised that the fee of the Financial Advisor for services rendered with respect to the sale of the 2007 Series A Bonds is contingent upon the issuance and delivery of the 2007 Series A Bonds, and that the Financial Advisor may submit a bid for the purchase of the 2007 Series A Bonds at the time of the advertised public sale of the 2007 Series A Bonds, either individually or as the member of a syndicate organized to submit a bid for the purchase of the 2007 Series A Bonds.

Upon the date and at the respective hour set forth for the submission and consideration of purchase bids, as provided in the instruments hereinabove approved, bids shall be reviewed as provided in such instruments. If there shall be one or more bids which conform in all respects to the prescribed terms and conditions, such bids shall be compared, and the Fiscal Officer, upon the advice of the Financial Advisor, is authorized to accept the best of such bids, as measured in terms of the lowest interest cost to the Board, as calculated in the manner prescribed in the Official Terms and Conditions of Sale of Bonds. Calculations shall be performed as are necessary to determine the exact amount of 2007 Series A Bonds that are required to be issued in order to (i) pay the budgeted costs of the Project and (ii) pay the costs of issuing the 2007 Series A Bonds and the final principal amount, interest rates and maturities of the 2007 Series A Bonds shall thereupon be established, as prescribed in the Official Terms and Conditions of Sale of Bonds.

SECTION 6. Allocation of Proceeds of 2007 Series A Bonds. All of the proceeds from the sale of the 2007 Series A Bonds and other lawfully available funds of the University shall be received and receipted for by the Fiscal Officer and shall be deposited and allocated as set forth in the Supplemental Trust Agreement approved hereby.

SECTION 7. Additional Covenants with Respect to Internal Revenue Code of 1986, as Amended. This Board hereby finds and determines that all of the proceeds from the sale of the 2007 Series A Bonds will be needed for the purposes set forth in Section 6 hereof. This Board hereby covenants for and on behalf of the University, that it will restrict the use of the proceeds of the 2007 Series A Bonds in such manner and to such extent, if any, and take such other actions as may be necessary, in view of reasonable expectations at the time of issuance of the 2007 Series A Bonds, so that the 2007 Series A Bonds will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations prescribed under such Sections. The Fiscal Officer or any other officer of the University having responsibility with respect to issuance of the 2007 Series A Bonds is hereby authorized and directed to give an appropriate certificate for inclusion in the transcript of proceedings with respect to the 2007 Series A Bonds, setting forth the facts, estimates and reasonable expectations pertinent under said Sections 103(b)(2) and 148 of the Code and an election, if appropriate, with respect to Section 148(f)(4)(B)(IV)(V) of the Code. The Fiscal Officer is hereby authorized and directed to create a Rebate Account (which shall be held by either the University or the General Receipts Trustee, at the discretion of the Fiscal Officer) if the Fiscal Officer determines such account is necessary so that the University complies with the rules concerning "rebate" as set forth in the Code, as they apply to the 2007 Series A Bonds.

SECTION 8. Supplemental Trust Agreement. The Chairman of the Board is authorized and directed to execute, acknowledge and deliver to the General Receipts Trustee and Housing Bonds Trustee, in the name of and on behalf of the University, a First Supplemental Trust

Agreement and Tenth Supplemental Trust Indenture dated as of the first day of the month in which the Obligations are issued (the "Supplemental Trust Agreement") pursuant to the Trust Agreement and the Housing Indenture and in connection with the issuance of the 2007 Series A Bonds, in substantially the form submitted to this Board with such changes therein not substantially adverse to the University as may be permitted by the Act, the Trust Agreement and the Housing Indenture and approved by the officer executing the same on behalf of the University. The approval of such changes, and that such changes are not substantially adverse to the University, shall be conclusively evidenced by the execution of such Supplemental Trust Agreement by such officer.

SECTION 9. Official Statement. The Chairman is hereby authorized and directed to execute and deliver an Official Statement with respect to the 2007 Series A Bonds for the purpose of making available to potential investors the information therein contained, which describes the interest rates and other terms to be borne by and the price to be paid for the 2007 Series A Bonds, and such other information with respect to the University and the 2007 Series A Bonds, necessary in the judgment of the Chairman with the advice of the Fiscal Officer and the Financial Advisors. The Chairman and the Fiscal Officer are each hereby authorized to deem the Preliminary Official Statement and final Official Statement "near final" and "final" for purposes of Securities Exchange Commission Rule 15c2-12, as amended and interpreted from time to time, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the "Rule").

SECTION 10. Compliance With Rule 15c2-12. The Board of Regents hereby agrees to comply with the provisions of the Rule. In order to comply with the Rule, a Continuing Disclosure Agreement in the usual and customary form is hereby authorized and approved, with such modifications and additions as may be approved by the officer of the University executing the same. The Chairman and the Fiscal Officer are each hereby authorized to execute and deliver such Continuing Disclosure Agreement.

SECTION 11. Open Meetings. This Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 12. Further Authorization. That the proper and appropriate officers of the Board and of the University, to the extent authorized by law, are hereby authorized to execute and deliver the closing certificates, if any, with such modifications thereto as may be required by the purchasers of the 2007 Series A Bonds and approved by special bond counsel to the University as well as such other documents, certificates and statements as may be so required and so approved in connection with sale and delivery of the 2007 Series A Bonds.

SECTION 13. Provisions in conflict are Repealed. All resolutions or parts thereof in conflict with the provisions of this Resolution are hereby rescinded to the extent of such conflict.

SECTION 14. Effective Date. This resolution shall take effect from and after its passage.

SECTION 15. Copy to be Filed with Trustee. A certified copy of this Resolution shall be filed with the Trustee

Adopted June 15, 2007.

Chairman, Board of Regents
Morehead State University

Attest:

Secretary, Board of Regents
Morehead State University

CERTIFICATION

The undersigned, Secretary of the Board of Regents of Morehead State University, Morehead, Kentucky, hereby certifies that the foregoing is a true copy of a Resolution adopted by the Board of Regents of said University at a meeting held on June 15, 2007, as recorded in the official Minute Book of said Board of Regents, which is in my custody and under my control, that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at said meeting, and that the aforesaid Resolution is of record in the office of the Board, has not been modified, amended, or rescinded, and is in full force and effect at this date.

WITNESS my signature this ____ day of _____, 2007.

Secretary, Board of Regents
Morehead State University

369372.DOC

RATIFY PERSONNEL ACTIONS

Recommendation:

That the Board ratify the Personnel Actions for the period February 12, 2007, through May 18, 2007.

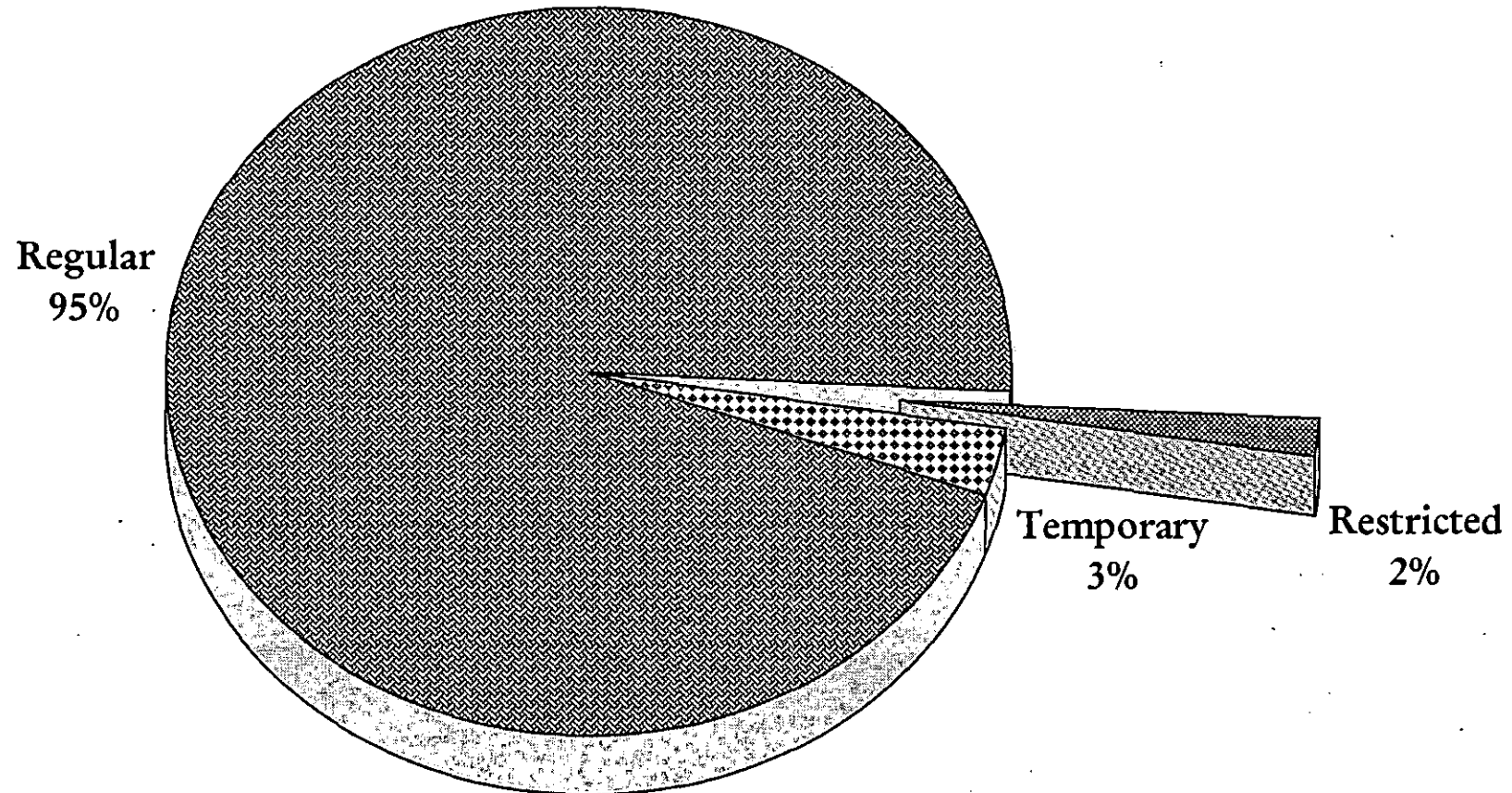
Background:

The Personnel Action Request Report includes actions related to:

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

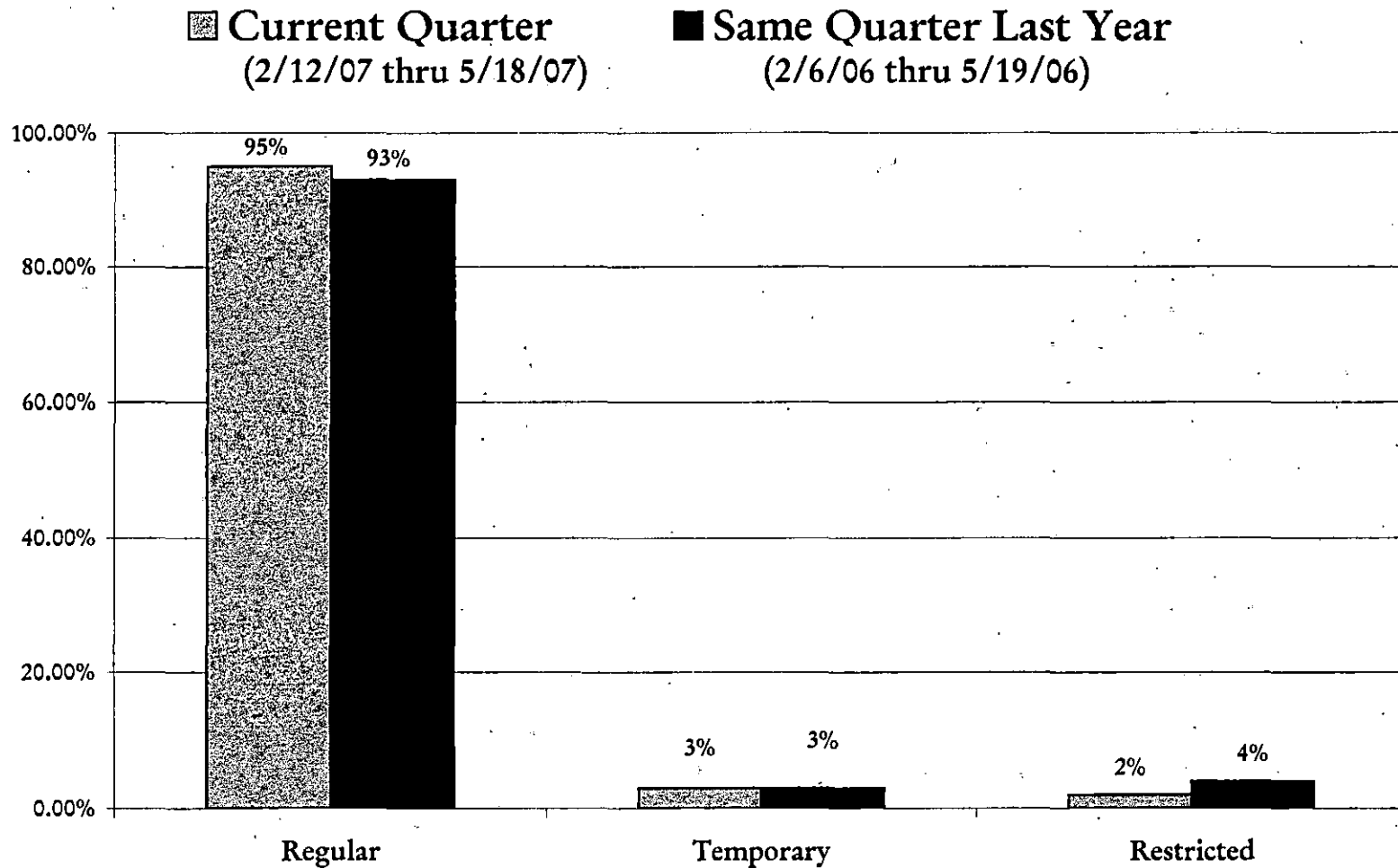
PERSONNEL ACTION REQUEST

2/12/07 thru 5/18/07



Total Number of PARs = 63

COMPARISON CHART FOR PERSONNEL ACTION REQUEST

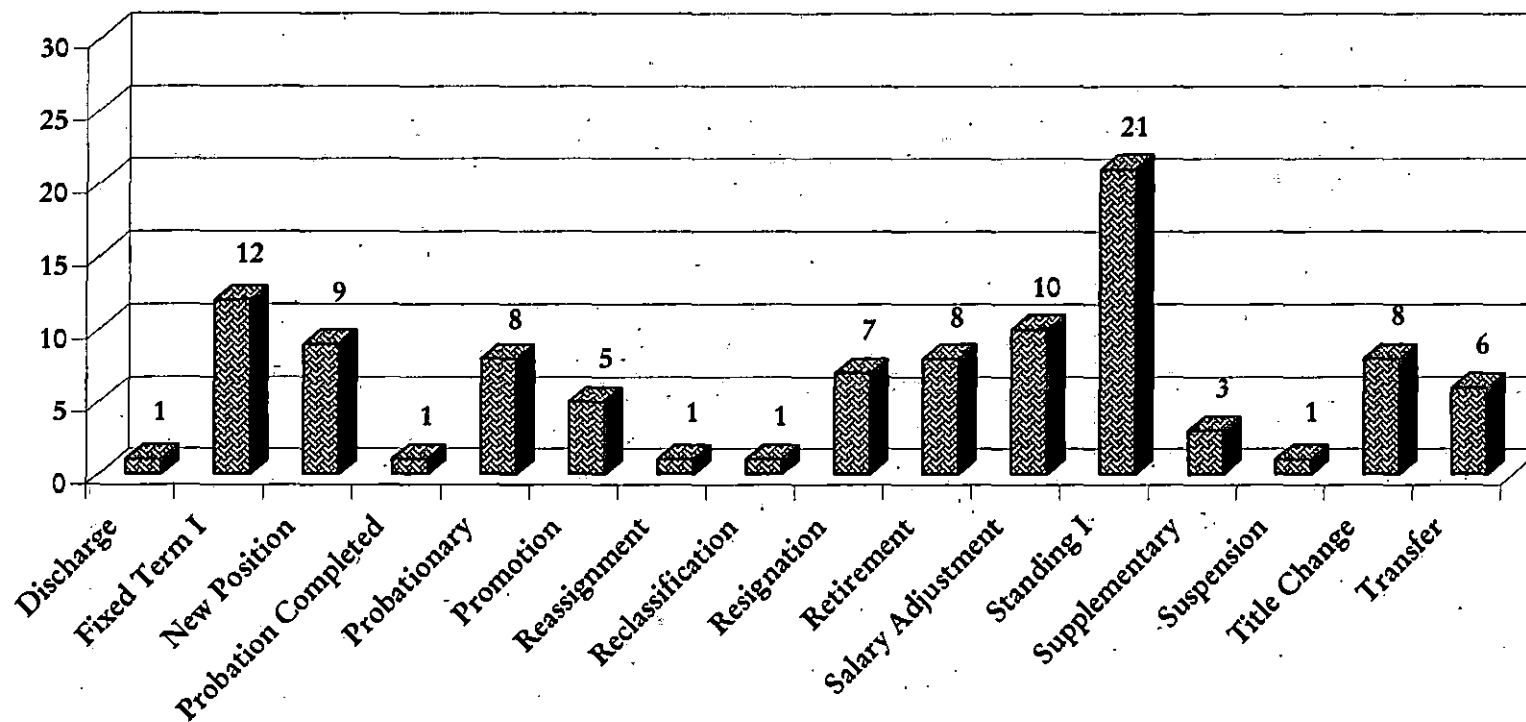


Total Number of PARs

Current Quarter = 63

Same Quarter Last Year = 148

**PERSONNEL ACTIONS FOR COVERED ROSTER
APPOINTMENTS
2/12/07 thru 5/18/07**



Total Number of PARs = 60

Total Number of Actions = 102

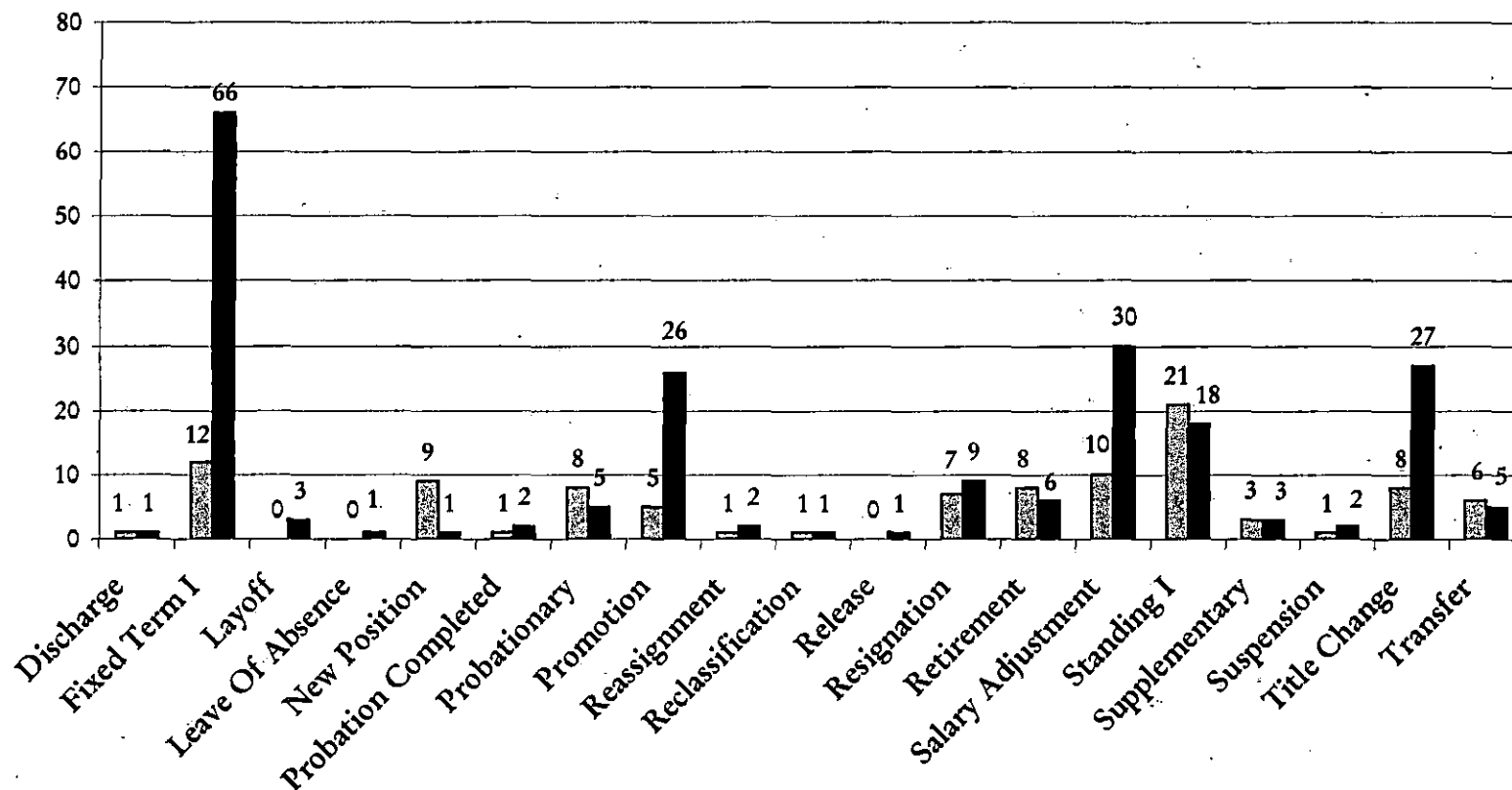
COMPARISON CHART FOR COVERED ROSTER APPOINTMENTS

■ Current Quarter

(2/12/07 thru 5/18/07)

■ Same Quarter Last Year

(2/6/06 thru 5/19/06)



Total Number of PARs

Current Quarter = 60

Same Quarter Last Year = 138

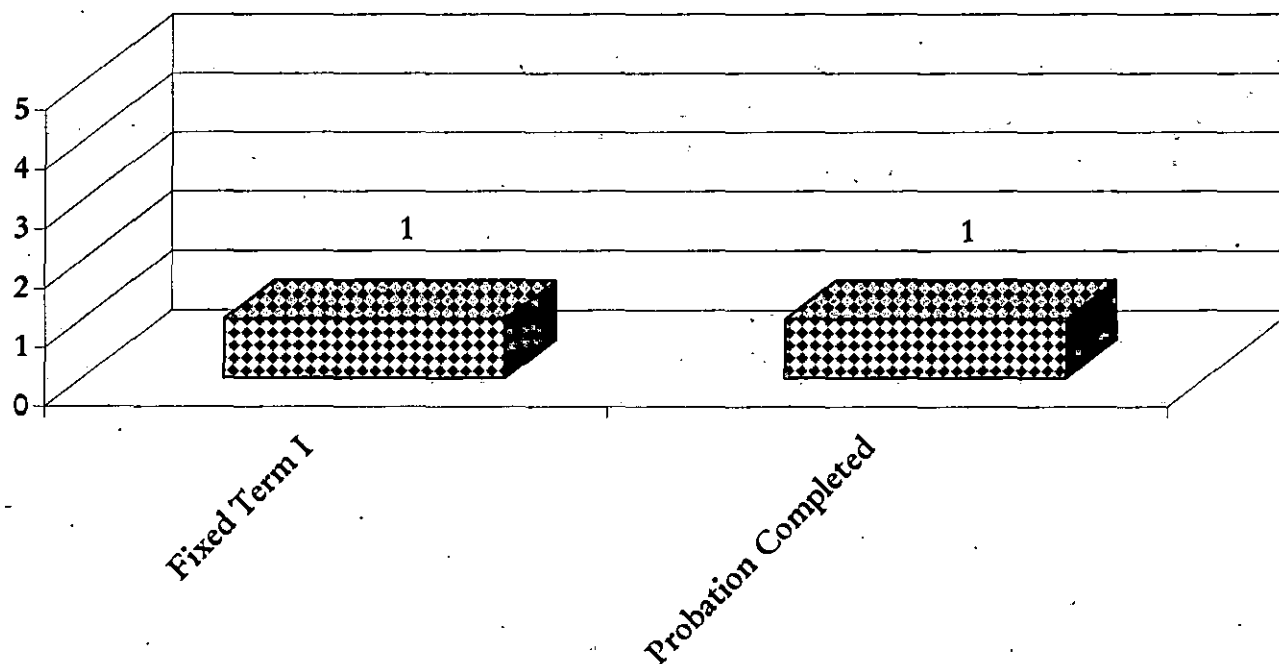
Total Number of Actions

Current Quarter = 102

Same Quarter Last Year = 209

PERSONNEL ACTIONS FOR NON-ROSTERED TEMPORARY APPOINTMENTS

2/12/07 thru 5/18/07

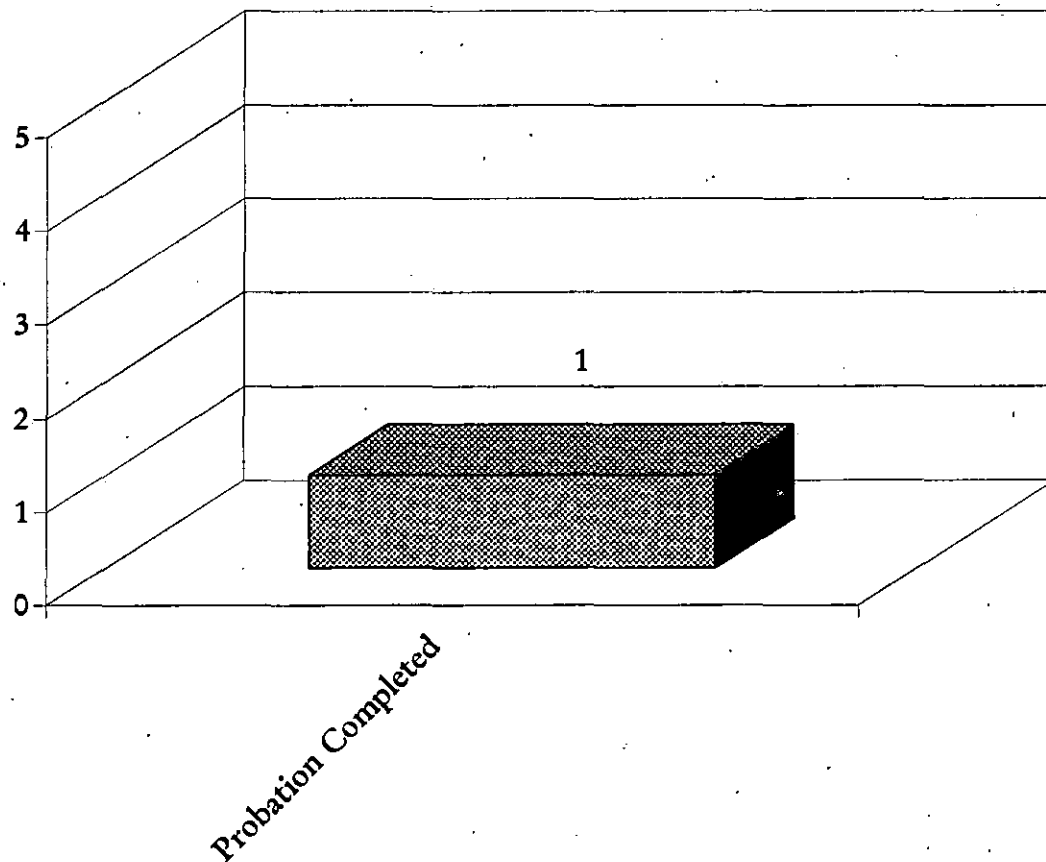


Total Number of PARs = 2

Total Number of Actions = 2

PERSONNEL ACTIONS FOR RESTRICTED APPOINTMENTS

2/12/07 thru 5/18/07



Total Number of PARs = 1

Total Number of Actions = 1

MOREHEAD STATE UNIVERSITY
STANDING I AND STANDING II POSITIONS SUMMARY
5/18/07

<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	31.00	93.94
DIVISION OF DEVELOPMENT	15.00	16.00	1.00	14.00	87.50
DIVISION OF PLANNING, BUDGETS AND TECHNOLOGY	47.75	47.75	0.00	46.75	97.91
DIVISION OF ADMINISTRATION AND FISCAL SERVICES	67.00	67.00	0.00	63.00	94.03
FACILITIES MANAGEMENT	152.70	154.70	2.00	147.70	95.48
DIVISION OF STUDENT LIFE	147.49	148.49	1.00	138.49	93.27
DIVISION OF ACADEMIC AFFAIRS	23.50	23.50	0.00	20.00	85.11
CAUDILL COLLEGE OF HUMANITIES	166.25	169.25	3.00	155.25	91.73
COLLEGE OF BUSINESS	52.50	52.50	0.00	48.50	92.38
COLLEGE OF EDUCATION	111.00	117.00	6.00	103.00	88.03
COLLEGE OF SCIENCE AND TECHNOLOGY	160.10	161.80	1.70	151.30	93.51
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	46.00	93.88
CAMDEN-CARROLL LIBRARY	38.00	38.00	0.00	36.00	94.74
	1088.54	1103.24	14.70	1024.74	92.88

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.

8 **Fixed Term II:** Appointment to a full-time (up to six calendar months) or part-time (up to one year) faculty, administrative or staff exempt position with only mandated benefits. Terminable on specified ending date of appointment, or earlier, if for cause.

Supplementary: Supplementary appointment to original employment agreement. For example, Summer I & II faculty appointments or 9 month appointment extended to 10, 11, or 12 month appointment. Also used for additional responsibilities as supplement to Standing or Fixed Term appointments. For example, an administrator teaching a class or compensation for over-the-road pay. Not to be used for regular overtime pay. A supplemental appointment does not change an employee's base pay or employment status.

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

DISCHARGE

RESIGNATION

FIXED TERM I

RETIREMENT

NEW POSITION

SALARY ADJUSTMENT

PROBATION COMPLETED

STANDING I

PROBATIONARY

SUSPENSION

PROMOTION

TITLE CHANGE

REASSIGNMENT

TRANSFER

RECLASSIFICATION

Appointment Status Actions
02/12/2007 - 05/18/2007

Name Title Department Roster ID Position Base Salary	Salary	Description	Effective Date	Fund Source
APPLEGATE, JASON SCOTT Asst. Prof., Imaging Sciences Department of Imaging Sciences 3495 \$45,000.00	\$45,000.00	Standing I New Position	8/9/2007	
BARKER, DEBORAH C. Exec. Secretary to President Office of the President 2171 \$18.06/hr.	\$18.06/hr.	Retirement	5/31/2007	
BARUTH, LORI ELIZABETH Assistant Professor of Music Music 510 \$51,002.00	\$45,000.00	Standing I	8/9/2007	
BLACKLEDGE, JOHN TANNER Asst. Professor of Psychology Psychology 416 \$45,000.00	\$53,000.00	Standing I	1/9/2008	Faculty Escrow
BORTOLOT, ZACHARY JARED Asst. Professor of Geography IRAPP 3393 \$50,059.00	\$50,059.00	Resignation	6/30/2007	

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
 Title
 Department
 Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
BRADBURY, MICHAEL D. Women's Head Basketball Coach Women's Basketball 651 \$86,345.00	\$92,500.00/annual	Fixed Term I Probation	05/07/2007 - 03/31/2008	Operating Expenses
CAUDILL, ANGELA LEIGH Staff Psychologist (CDPCRC) CDPCRC	\$34,000.00	Probation Completed	4/22/2007	Restricted
COMPTON, DELORES ANN Business Cashier Accounting & Budgetary Control 33 \$10.37/hr.	\$10.37/hr.	Discharge	3/16/2007	
CONNER, TIMOTHY WARD Instructor of Education Prof. Programs in Education 3476 \$71,408.00	\$45,000.00	Fixed Term I	08/09/2007 - 05/10/2008	
CORNETT, D. DANIEL Golf Course Operations Manager Eagle Trace Golf Course 1267 \$46,221.00	\$46,221.00	Reassignment Title Change (From Senior Manager, Golf Course to Golf Course Operations Manager)	4/16/2007	

Appointment Status Actions
02/12/2007 - 05/18/2007

Name				
Title				
Department				
Roster ID				
Position Base Salary	Salary	Description	Effective Date	Fund Source
COX, DAVID G. UCCS Business Manager Univ. Center & Conf. Serv. 3038 \$36,199.00	\$36,199.00	Suspension (Without pay)	4/25/2007 - 05/08/2007	
COX, DAVID G. UCCS Business Manager Univ. Center & Conf. Serv. 3038 \$36,199.00	\$36,199.00	Resignation	5/8/2007	
DIAZ, CHRISTOPHER W. Asst. Professor of Government Geog., Government & History 2823 \$41,569.00	\$41,569.00	Resignation	5/12/2007	
ELDRIDGE, LOWELL Lib. Spec. II (Automation) Camden Carroll Library 675 \$14.98/hr.	\$14.98/hr.	Retirement	5/31/2007	
ELIFSON, HAROLD S. Assistant Basketball Coach Women's Basketball 650 \$36,411.00	\$50,000.00/annual	Fixed Term I Probation	05/14/2007 - 03/31/2008	Operating Expenses

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source

ESCALANTE, ROOSEVELT
RICHARD
Asst. Dir. Choral Activities
Music
3416
\$36,437.00

\$52,000.00

Standing I

8/9/2007

Opening Bud-Undist.

FARRELL, REBECCA
Assistant Professor Education
Prof. Programs in Education
2157
\$47,889.00

\$46,000.00

Standing I

8/9/2007

FRAZIER, JENNIFER
Student Life Staff Assistant
Office of Student Activities

\$25,600.00

Probation Completed

2/17/2007

Roster ID # 003431

GEURIN, D. LYNN
Instructor of Social Work
Sociology, S.W. & Criminology
3535
\$40,000.00

\$40,000.00

Fixed Term I
New Position

08/09/2007 - 05/10/2008

GNIOT, PHILLIP E.
Director of Human Resources
Office of Human Resources
1846
\$79,898.00

\$87,500.00

Standing I
Probation

4/23/2007

Opening Bud-Undist.

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
GOLD, ROSEMARIE HARDS Dir., Educational Service Unit Educational Service Unit 362 \$71,423.00	\$73,870.00	Standing I Probation Promotion New Position Title Change Transfer Salary Adjustment (From High. Skill. Ed. in Res., MAT Prog. to Dir. Ed. Serv. Unit. From \$68,716 to \$73,870)	5/16/2007	Roster ID # 003119
HERALD, RONALD JAMES Asst. Prof. Nursing Department of Nursing 2888 \$52,645.00	\$45,000.00	Standing I	8/9/2007	
HUGHES, KARLA Provost & VP for Academic Aff. Office of the Provost 2220 \$136,081.00	\$170,000.00	Standing I	7/16/2007	Opening Bud-Undist.
KINDELL, HEATHER SUZANNE Asst. Professor of Sociology Sociology, S.W. & Criminology 3265	\$42,500.00	Standing I	8/9/2007	

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary   Salary   Description   Effective Date   Fund Source

\$54,562.00

KING, KRISTI MCCLARY
Asst. Prof. Health Education
Health, P.E. & Sport Science
424

\$43,500.00

Standing I

8/9/2007

\$45,677.00

KING, VALERIE LYNNE
Assistant Basketball Coach
Women's Basketball
3127
\$36,411.00

\$33,000.00/annual

Fixed Term I
Probation

05/14/2007 - 03/31/2008

Operating Expenses

LI, DONGFENG
Assistant Professor of Art
Art
455
\$58,365.00

\$43,000.00

Standing I

8/9/2007

LILES, JEFFREY R.
Asst. VP, Enrollment Services
Enrollment Services
2897
\$51,016.00

\$99,200.00

Standing I
Probation
New Position
Promotion
Transfer
Salary Adjustment
Title Change
(From Asst. VP, Univ.
Relations to Asst. VP,
Enroll. Serv. From

5/1/2007

Opening Bud-Undist.

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source

\$83,059 to \$99,200)

LOCKHART, ROBERT LEE
Asst. Prof., English Education
English, Foreign Lang. & Phil.
3506
\$45,000.00

\$54,000.00

Standing I
New Position

8/9/2007

Faculty Escrow

LONG, ESTHER GRACE
Asst. Professor of Geography
Geog., Government & History
3531
\$43,000.00

\$43,000.00

Standing I
New Position
Promotion
Salary Adjustment
Title Change
Transfer
(From Visiting Asst.
Prof. to Asst. Prof. of
Geography. From \$39,000
to \$43,000. \$4,000 incr.)

8/9/2007

Roster ID # 000455
Roster ID # 000530
Roster ID # 002194

LOWE, BONITA RACHEL
Lib. Spec. II (Acq.) (B)
Camden Carroll Library
692
\$16.00/hr.

\$16.00/hr.

Retirement

5/31/2007

MEADE, DONNA S.
Admin. Asst. to Provost
Office of the Provost
203
\$51,833.00

\$51,833.00

Retirement

5/31/2007

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source

MENARD, KRISTAL NICOLE
Asst. Soccer Coach
Women's Soccer
3517
\$25,000.00

\$25,000.00 Probation Completed 1/1/2007

MITCHELL, MATTHEW L.
Women's Head Basketball Coach
Women's Basketball
651
\$86,345.00

\$86,345.00 Fixed Term I 04/01/2007 - 03/31/2008

MITCHELL, MATTHEW L.
Women's Head Basketball Coach
Women's Basketball
651
\$86,345.00

\$86,345.00 Resignation 4/23/2007

MOHAMMED, JABY
Asst. Prof. Industrial Tech.
Industrial & Engineering Tech.
262
\$50,380.00

\$51,380.00 (\$1,000.00 incr.) Salary Adjustment (Received doctoral degree) 1/2/2007 Faculty Escrow

MOON, Jr., WILLIAM LEE
Assistant Basketball Coach
Men's Basketball
3487

\$36,360.00 Fixed Term I 04/01/2007 - 03/31/2008

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
 Title
 Department
 Roster ID

Position	Base Salary	Salary	Description	Effective Date	Fund Source

\$36,360.00

MOON, Jr., WILLIAM LEE
 Assistant Basketball Coach
 Men's Basketball
 3487

\$36,360.00

Resignation

4/23/2007

\$36,360.00

MOORE, CHARLES CHRISTOPHER
 Assistant Basketball Coach
 Men's Basketball
 2218
 \$36,000.00

\$36,000.00

Fixed Term I

04/01/2007 - 03/31/2008

MOORE, CHARLES CHRISTOPHER
 Assistant Basketball Coach
 Men's Basketball
 2218
 \$36,000.00

\$36,000.00

Probation
 (Extension of
 probationary period)

04/17/2007 - 07/15/2007

MORIARTY, ADELE F.
 Assoc. Professor of Education
 Curriculum & Instruction
 289
 \$55,501.00

\$55,501.00

Resignation

5/13/2007

N'DIAYE, IBRAHIM
 Instructor of History
 Geog., Government & History
 607

\$40,000.00

Fixed Term I

08/09/2007 - 05/10/2008

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source

\$42,665.00

NUTTER, CAROL ANGELL
Librarian IV
Camden Carroll Library
660
\$78,063.00

\$78,063.00

Retirement

7/31/2007

O'KEEFE, JENNIFER MARIE KLEIN
Asst. Professor of Science
Physical Sciences
3173
\$56,648.00

\$44,000.00

Standing I
Promotion
Transfer
Salary Adjustment
Title Change
(From Instructor of
Science to Asst. Prof. of
Science. From \$36,906 to
\$44,000. \$7,094 incr.)

8/9/2007

OLSON, CAROLE JARVIS
Asst. Prof. of Social Work
Sociology, S.W. & Criminology
2194
\$61,759.00

\$45,000.00

Standing I

8/9/2007

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
 Title
 Department
 Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
PRATER, PHILIP EDWARD Reg. Veterinarian/Assoc. Prof. Agricultural Sciences-Vet Tech 869 \$60,174.00	\$84,425.00 (\$24,251.00 incr.)	Standing I New Position Salary Adjustment Title Change Transfer (From Assoc. Prof. Veterinary Tech. to Reg. Veterinarian/Assoc. Prof.)	7/1/2007	Faculty Escrow
PRITCHARD, ROBERT D Professor of Music Music 530 \$64,697.00	\$64,697.00	Retirement	5/14/2007	
RASBERRY, CATHERINE NELL Asst. Prof. Health Education Health, P.E. & Sport Science 424 \$43,500.00	\$43,500.00	Resignation	5/15/2007	

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source

RATLIFF, JILL COREY
Dir., Institut. Effectiveness
Inst. Research & Assessment
1346
\$80,436.00

\$80,000.00

Standing I
Probation
Transfer
Promotion
Salary Adjustment
Title Change
New Position
(From Dir., Ed. Serv.
Unit to Dir., Institut.
Effect., Inst. Res. &
Assessment)

5/16/2007

ROSEMAN, JACOB
Assoc. Professor of Music
Music
530
\$64,697.00

\$45,000.00

Standing I

8/9/2007

SAMPLEY, MARILYN Y.
Professor of Human Sciences
Agricultural & Human Sciences
1786
\$80,579.00

\$80,579.00

Retirement

12/31/2007

SPANGLER, RONALD DALE
Assoc. Prof. Industrial Educ.
Industrial & Engineering Tech.
1249

\$61,636.00

Retirement

6/30/2007

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
Title
Department
Roster ID

Position Base Salary	Salary	Description	Effective Date	Fund Source
\$61,636.00				
SPORLEDER, BRADLEY ALLEN Instructor of Geoscience Physical Sciences	\$34,000.00	Fixed Term I	08/09/2007 - 05/10/2008	Opening Bud-Undist.
SPRADLIN, LYNN KATHRYN Professor of Education Prof. Programs in Education 3536	\$70,000.00	Standing I New Position	8/9/2007	Roster ID # 003476 Faculty Escrow Opening Bud-Undist.
STINSON, DEBRA NAPIER Dir, Educ. Unit for Child Serv Educ. Unit, Child Care Serv. 3375	\$53,044.00 (\$3,701.00 incr.)	Salary Adjustment Title Change Reclassification (From Child Devel. Lab Dir., Child Devel. to Dir., Ed. Unit for Child Serv.)	3/1/2007	Unbudgeted Revenues
TESSMER, KATHRYN A. Asst. Prof. of Phy. Education Health, P.E. & Sport Science 429	\$44,837.00 (\$1,000.00 incr.)	Salary Adjustment (Received doctoral degree)	1/2/2007	Faculty Escrow
TOWNSEND, CECILIA OLGA Instructor of Spanish English, Foreign Lang. & Phil. 3483	\$30,000.00	Fixed Term I	08/16/2006 - 05/10/2007	

Appointment Status Actions
02/12/2007 - 05/18/2007

Name
 Title
 Department

Roster ID

Position Base Salary

Salary

Description

Effective Date

Fund Source

\$30,893.00

TYNDALL, DONALD JOSEPH

Head Men's Basketball Coach

Men's Basketball

636

\$121,200.00

\$121,200.00

Fixed Term I

04/01/2007 - 03/31/2008

WILBURN, BRENDA KAYE

Assoc. Professor of Nursing

Nursing - BSN Program

3030

\$58,081.00

\$59,081.00
 (\$1,000.00 incr.)

Salary Adjustment
 (Received doctoral
 degree)

1/1/2007

Faculty Escrow

WORTMAN, BARRY THOMAS

Assistant Basketball Coach

Men's Basketball

2219

\$47,275.00

\$47,275.00

Fixed Term I

04/01/2007 - 03/31/2008

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

SUPPLEMENTARY

Total for this report = \$24,395.00

Managerial Duties	\$12,000.00
Other	\$12,395.00

Supplemental Actions
02/12/2007 - 05/18/2007

Name Title Current Salary	Supplement	Description	Effective Date	Fund Source
<u>Men's Basketball</u>				
TYNDALL, DONALD JOSEPH Head Men's Basketball Coach \$121,200.00	\$12,395.00	Eagle Sports Network	04/15/2007 - 04/15/2007	Unbudgeted Revenues
<u>International Education</u>				
GROSS, JANET J. Professor of Nursing \$78,915.00	\$4,950.00	Dir., Intern. Education	07/05/2006 - 08/02/2006	Summer School
	\$10,000.00	Dir., Intern. Education	08/21/2006 - 05/11/2007	Opening Bud-Undist.
	\$6,000.00	Dir., Intern. Education	05/14/2007 - 06/30/2007	Summer School
	\$6,000.00	Dir., Intern. Education	07/01/2007 - 08/14/2007	Summer School

**RATIFY RESCISSION OF PERSONNEL POLICY
PG-31, MAXIMUM AGE FOR RETIREMENT
AND EMPLOYMENT**

**BOR (VII-A-9)
June 15, 2007**

Recommendation:

That the Board of Regents ratify the rescission of Personnel Policy PG-31, Maximum Age for Retirement and Employment.

Background:

The Age Discrimination in Employment Act (ADEA) of 1967 prohibits employers from using age as a basis for making hiring, firing, promotion or compensation decisions, or from limiting, segregating or classifying employees in any way that would deprive them of employment opportunities or adversely affect their employment status, including enforcing mandatory retirement ages. Under a special exemption to the ADEA enacted in 1986, postsecondary institutions were permitted to enforce mandatory retirement for faculty who reached the age of 70. The exemption was limited to seven years and expired at the end of 1993. This exemption, while in effect, allowed colleges and universities to mandate retirement of tenured faculty because colleges and universities managed fiscal operations through fairly predictable levels of faculty turnover, with highly paid tenured professors retiring at set ages and lower-paid junior faculty continually moving up through the ranks.

An almost 20-year old policy on our books, PG-31, Maximum Age for Retirement and Employment, is currently outdated since federal law no longer allows employers to use age to enforce mandatory retirement ages. No adverse action has been taken against any tenured faculty member since the mandatory retirement age exemption for tenured faculty expired.

Policy: PG-31

Subject

Maximum Age for
Retirement and Employment

Approval Date: 07/01/85

Revision Date: 05/13/88

PURPOSE:

To specify the University policy regarding the mandatory age for retirement of tenured faculty and for reemployment of retired faculty and staff after entering into either the KTRS or KERS.

MANDATORY
RETIREMENT AGE:

The mandatory retirement age shall be age 70 for tenured faculty mandatory retirement occurring on the day after the last examination day of the academic semester or session, as applicable, in which a faculty member's 70th birthday occurs or, if the 70th birthday falls between semesters or sessions, the day after the 70th birthday. The amendment to the Age Discrimination in Employment Act of 1967, which provided for the mandatory retirement of tenured faculty, is currently scheduled for repeal on December 31, 1993. There is no mandatory retirement age for other employees of the University.

UNIVERSITY
EMPLOYMENT
AFTER RETIRMENT:

Normally, faculty and staff members are not continued in employment after retiring on a pension under one of the retirement plans.

However, under Kentucky law, an individual may be reemployed without forfeiture of pension to the following limits:

1. Under the Kentucky Teachers Retirement System a retired faculty member may be reappointed to teach as a substitute or on a part-time basis not to exceed 100 days per year.
2. Under the Kentucky Employees Retirement System, a retired employee may be rehired in accordance with the annual earning limits established by the Kentucky Employees Retirement System.

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

**BOR (VII-A-10)
June 15, 2007**

Recommendation:

That the Board accept the financial statements and amend the operating budget for the third quarter of the fiscal year that will end June 30, 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 March 31, 2007, the third 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
Third Quarter Financial Statements
Morehead State University
March 31, 2007

This discussion and analysis of Morehead State University's financial statements provides an overview of the University's financial activities for the nine months that ended on March 31, 2007. The statements and this discussion and analysis have been prepared by Administration and Fiscal Services staff.

Using These Financial Statements

This report consists of The Statement of Revenues, Expenditures and Changes in Fund Balance. It provides information about the unrestricted current funds revenues, expenditures and transfers of the University. This statement is prepared on an accrual basis and reflects the results of all transactions that affect the financial status of Morehead State University. This financial statement has 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.

In the 2003-2004 fiscal year the University also adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14*. This Statement requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. Pertinent information regarding the MSU Foundation was reviewed and found to qualify as a GASB 39 Component Unit, and its Financial Statements were discreetly presented within the University's Financial Statements. For simplicity they are not included in the quarterly presentations.

Financial Highlights

Morehead State University's financial picture remains stable through the third quarter of the 2006-2007 fiscal year. During the nine months ending March 31, 2007 the University operated with a surplus of revenues over expenditures and transfers in the amount of \$16,950,811. This level of operating surplus is expected at this time, since most of the billings for the Spring 2007 semester are reflected in the tuition and fees revenue and only expenditures through March 31, 2007 are reflected. This level seems appropriate, since normal operating expenditures have decreased the pre-Spring 2007 semester surplus, which reflected most of the University's revenue inflows, on the accrual basis, but little of the Spring expenditures. Expenditures will increase through the next quarter with revenues trailing off, which will lessen the level of surplus we are currently experiencing. As the year concludes, the variance between revenues and expenditures will continue to decrease and should reflect a more appropriate operating surplus or deficit.

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

- Total Revenues have increased \$5.0 million or 5.7% versus March 31, 2006. This change includes an increase in tuition and fees of \$3.4 million, \$.5 million increase in Government Appropriations, \$.5 million increase of sales and services of Educational activities, \$.1 million increase in Other Sources, \$.4 million increase in housing, and a net increase of \$.1 million in all other revenue lines.
- Total Expenditures and Transfers have increased \$2.8 million or 3.7% versus March 31, 2006. This includes increases of \$.3 million in University Relations, \$.1 million in Development, \$.2 million in Administration and Fiscal Services, \$2.5 million in Student Life, \$.8 million in Academic Affairs, \$.2 million in University Store and decreases of \$.5 million in Planning, Budgets & Technology, \$.5 million in Housing, and a net decrease of \$.3 million in other Education & General and Auxiliary expenses.
- Net change in fund balance has increased \$2.3 million versus March 31, 2006.

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ended March 31, 2007 and 2006

	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	\$ 44,704,116	\$40,413,856	90.40%	\$ 40,230,339	\$ 37,033,366	92.05%
Gov't Appropriations	45,462,600	36,422,592	80.12%	44,839,600	35,918,870	80.11%
City Grants	0	0	0.00%	30,000	16,667	55.56%
Unrestricted Gifts	0	0	0.00%	0	0	0.00%
Indirect Cost Reimbursement	365,000	435,284	119.26%	365,000	373,917	102.44%
Sales & Services of Ed. Activities	1,717,351	2,065,251	120.26%	1,451,417	1,590,842	109.61%
Other Sources	2,906,600	2,574,070	88.56%	2,353,547	2,497,397	106.11%
Budgeted Fund Balance - E & G	4,922,203	0	0.00%	5,255,723	0	0.00%
Total Educational and General	\$ 100,077,870	\$81,911,053	81.85%	\$ 94,525,626	\$ 77,431,059	81.92%
Auxiliary Enterprises						
Housing	\$ 6,796,800	\$ 7,040,764	103.59%	\$ 6,273,600	\$ 6,603,436	105.26%
University Store	3,682,082	3,570,737	96.98%	3,522,210	3,519,664	99.93%
Food Services	707,500	524,995	74.20%	702,500	470,432	66.97%
Other	191,431	86,403	45.14%	310,400	85,041	27.40%
Total Auxiliary Enterprises	\$ 11,377,813	\$11,222,899	98.64%	\$ 10,808,710	\$ 10,678,574	98.80%
TOTAL REVENUES	\$ 111,455,683	\$93,133,952	83.56%	\$ 105,334,336	\$ 88,109,633	83.65%

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Statements of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ended March 31, 2007 and 2006

	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	\$ 939,106	\$ 652,035	69.43%	\$ 839,543	\$ 616,815	73.47%
University Relations	2,949,918	2,146,352	72.76%	2,641,894	1,840,951	69.68%
Development	1,096,446	759,238	69.25%	996,383	632,669	63.50%
Administration & Fiscal Services	11,398,203	8,805,463	77.25%	11,264,442	8,607,246	76.41%
Planning, Budgets & Technology	5,433,799	3,691,333	67.93%	5,772,915	4,199,185	72.74%
Student Life	19,539,141	16,653,657	85.23%	16,660,293	14,177,506	85.10%
Academic Affairs	51,121,182	33,860,544	66.24%	49,559,457	33,097,131	66.78%
Other	6,740,136	1,692,843	25.12%	5,777,697	2,128,205	36.83%
Total Educational & General	\$ 99,217,931	\$68,261,465	68.80%	\$ 93,512,622	\$ 65,299,708	69.83%
Auxiliary Enterprises						
Housing	\$ 8,086,969	\$ 3,762,733	46.53%	\$ 7,961,687	\$ 4,211,123	52.89%
University Store	3,325,230	3,622,245	108.93%	3,072,766	3,416,525	111.19%
Food Services	444,056	297,777	67.06%	410,168	264,884	64.58%
Other	381,497	238,921	62.63%	377,093	241,037	63.92%
Total Auxiliary Enterprises	\$ 12,237,752	\$ 7,921,676	64.73%	\$ 11,821,714	\$ 8,133,570	68.80%
TOTAL EXPENDITURES AND TRANSFERS BY DIVISION	\$ 111,455,683	\$76,183,141	68.35%	\$105,334,336	\$ 73,433,278	69.71%
NET CHANGE IN FUND BALANCE		\$16,950,811			\$ 14,676,355	

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2007 to March 31, 2007

Description	Amended Budget As Of 1/1/2007	Adjustments	Amended Budget As Of 3/31/2007
Revenues and Other Additions			
Tuition and Fees	\$ 44,692,750	\$ 11,366	\$ 44,704,116
Government Appropriations	45,462,600	-	45,462,600
Indirect Cost Reimbursement	365,000	-	365,000
Sales and Services of Ed. Activities	1,455,396	261,955	1,717,351
Other Sources	2,745,512	161,088	2,906,600
Budgeted Fund Balance - E&G	4,869,748	52,455	4,922,203
Auxiliary Enterprises	11,358,971	18,842	11,377,813
Budgeted Fund Balance - AUX	-	-	-
Total Revenues and Other Additions	\$ 110,949,977	\$ 505,706	\$ 111,455,683
Expenditure Authorizations by Division			
Educational & General			
President & Administration	\$ 899,109	\$ 39,997	\$ 939,106
University Relations	2,921,700	28,218	2,949,918
Development	1,076,339	20,107	1,096,446
Planning & Technology	4,926,713	507,086	5,433,799
Administration & Fiscal Services	11,274,330	123,873	11,398,203
Student Life	19,321,834	217,307	19,539,141
Academic Affairs	51,166,105	(44,923)	51,121,182
Debt Service & Mandatory Transfers	2,497,330	-	2,497,330
Other	4,637,241	(394,435)	4,242,806
Total Educational & General	\$ 98,720,701	\$ 497,230	\$ 99,217,931
Auxiliary Enterprises			
Planning & Technology	\$ 773,949	\$ 1,000	\$ 774,949
Administration & Fiscal Services	8,185,442	11,526	8,196,968
Student Life	752,575	(4,050)	748,525
Debt Service	2,353,679	-	2,353,679
Other	163,631	-	163,631
Total Auxiliary Enterprises	\$ 12,229,276	\$ 8,476	\$ 12,237,752
Total Expenditure Authorizations	\$ 110,949,977	\$ 505,706	\$ 111,455,683

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2007 to March 31, 2007
Notes of Significant Adjustments to Revenue and Other Additions

Sales & Services of Educational Activities

Unbudgeted revenue allocated during the second quarter totaled \$261,955.

- Eagle Excellence Fund (EEF) support from the MSU Foundation totaled \$146,704
- Basketball Gate Receipts allocated to athletics totaled \$11,000
- Football guarantees allocated to athletics totaled \$5,000
- NCAA proceeds allocated to athletics totaled \$16,418
- Athletic parking revenue income totaling \$1,582 was allocated to various athletics programs
- Student recreation center fee revenue totaling \$63,000 was allocated for renovation of Laughlin and AAC weightrooms
- Student recreation center fee revenue totaling \$3,140 was allocated to Student Life to cover student trip to visit recreation center
- Pool pass revenue totaling \$5,741 was allocated to Swimming Pool
- Theatre ensemble revenue totaling \$5,519 was allocated to Communications and Theatre
- Career placement revenue totaling \$1,000 was allocated to Academic and Career Services

Other Sources

Budget allocations from other sources increased by \$161,088 in the second quarter.

- Unbudgeted support from the MSU Foundation totaled \$60,664
  - \$18,753 University Relations
  - \$ 9,000 Development
  - \$28,516 Academic Affairs
  - \$ 235 Administration & Fiscal Services
  - \$ 1,000 Planning, Budgets & Technology
  - \$ 3,160 Student Life
- Unbudgeted endowment income totaled \$79,983 and was allocated within Academic Affairs
- TV productions revenue totaling \$18,150 was allocated to Distance Learning

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period January 1, 2007 to March 31, 2007

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 January 1, 2007 to March 31, 2007

	<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		Planning
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)			Completed
Student System (June 2007)			In Progress
Auxiliary Modules (December 2007)			In Progress
Nunn Hall Renovation	\$ 5,000,000		Planning

APPROVE REAPPOINTMENT OF AUDITING FIRM

**BOR (VII-A-11)
June 15, 2007**

Recommendation:

That, based on the recommendation of the Audit Committee, the Board approve the extension of the auditing services contract with Dean, Dorton & Ford, PSC in Lexington to conduct the required annual audits for Morehead State University for the fiscal year that will end on June 30, 2007.

Background:

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

On March 7, 2006, the University issued a request for proposals from qualified public accounting firms to perform the auditing services. As a result of that process, the Audit Committee recommended and the Board approved the appointment of Dean, Dorton & Ford, PSC to conduct the annual audits. The contract with the firm was for the fiscal year that ended June 30, 2006 with the option to extend the contract for four additional one year periods. The fee for the extension periods will be based on the consumer price index.

The services rendered by Dean, Dorton & Ford, PSC for the 2005-2006 fiscal year were satisfactory and in compliance with the terms of the contract. The fee for the 2006-2007 fiscal year will be \$56,050.

**APPROVE MINIMUM SCOPE
OF THE ANNUAL AUDIT**

**BOR (VII-A-12)
June 15, 2007**

Recommendation:

That, based on the recommendation of the Audit Committee, the Board approve the minimum scope of the University's audit for the year ending June 30, 2007.

Background:

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

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

MOREHEAD STATE UNIVERSITY

MINIMUM SCOPE OF THE ANNUAL AUDIT

FOR THE YEAR ENDING JUNE 30, 2007

This document outlines the minimum scope of the annual audit of Morehead State University (MSU), and any applicable related entities, to be conducted by the University's auditors (the Firm) for the year ending June 30, 2007. Additional audit requirements and procedures may be added as situations warrant.

Internal Controls

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

General Purpose Financial Statements

The Firm will perform an audit of and issue its independent auditor's report on the financial statements of MSU as of June 30, 2007 and the results of its operations for the fiscal year then ended. The audit will be performed in accordance with auditing standards generally accepted in the United States of America; the standards for financial and compliance audits contained in *Government Auditing Standards* (GAGAS), issued by the United States General Accounting Office; the Single Audit Act Amendments of 1996; and the provisions of Office of Management and Budgets (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The report will also include an independent auditor's report on supplemental information covering those supplemental schedules suggested to be reported on by the AICPA Audit Guide *Audits of Colleges and Universities*.

Federal Awards Programs

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

The audit will report on the internal controls over financial reporting and on compliance with laws, regulations, and provisions of contracts or grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts in accordance with *Government Auditing Standards*. A report will also be issued on compliance with requirements applicable to each major program and internal control over compliance with requirements of laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major

program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Kentucky Lease Law Compliance Audit

The Firm will issue a separate report on compliance with the Kentucky Lease Law. This report should include documentation of testing procedures performed, sample selection methods, and summary of the auditor's result in accordance with KRS 56.800 through 56.823, and KRS 48.190.

Intercollegiate Athletics Department

The Firm will perform certain agreed-upon procedures and issue a separate report covering the limited examination of the Intercollegiate Athletics Department and its related booster organization, for the year ending June 30, 2007. These procedures will be performed in accordance with the latest version of the *NCAA Financial Audit Guidelines*.

Corporation for Public Broadcasting (CPB)

The Firm will issue its independent auditor's report on the financial statements of WMKY-FM for the year ending June 30, 2007. The audit will be performed in accordance with auditing standards generally accepted in the United States of America and the *Public Telecommunications Audit Guide and Requirements* as they relate to the CPB Annual Financial Report for the year ending June 30, 2007.

Compliance Report Under KRS 164A.555 to 164A.630 (House Bill 622)

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

Friends of Kentucky Folk Art Center, Inc.

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

Management Letter

As required by generally accepted auditing standards (*Statement on Auditing Standards No. 60*), the Firm will prepare a letter of reportable conditions noted during the audit related to inherent weaknesses of controls, procedures, policies or noncompliance with governmental laws or regulations and suggest possible improvements. The Firm will comment and discuss those or other matters with the Director of Accounting and Budgetary

Control, the Internal Auditor, the Vice President for Administration and Fiscal Services, the President and the University Board of Regents. The Firm also will submit ideas or observations that will help achieve the University's objectives or improve efficiency in operations. As required by the Commonwealth of Kentucky Auditor of Public Accounts, all such matters conveyed to management will be documented in writing to be forwarded to the Auditor of Public Accounts.

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

Closing Package

In accordance with the directive from the Commonwealth of Kentucky Auditor of Public Accounts, the Firm will provide a copy of the comprehensive financial statements and management letter to the Auditor of Public Accounts. In addition, a report issued under *Codification of Statements on Auditing Standards* AU 623.11 through 623.17 applicable to the "closing package" furnished by the University to the Finance and Administration Cabinet will be provided to the Auditor of Public Accounts by September 30, 2006 (or date specified by the Commonwealth). If requested by the Auditor of Public Accounts and approved by the University, all working papers prepared by the audit team will be made available for review.

Audit of Subsequent Events

In accordance with the directive from the Auditor of Public Accounts, the Firm will update the audit procedures related to events subsequent to June 30, 2007 from the last day of field work (projected for late September 2007) to a date to be directed by the Auditor of Public Accounts. The Firm will report the results of these updated procedures in a separate letter, which shall be delivered to the Auditor of Public Accounts and to the University, no later than the date to be designated by the State Auditor's Office.

Other Reports

The Firm will issue any other letter reports as may be required by the Finance and Administration Cabinet or the Auditor of Public Accounts of the Commonwealth of Kentucky.

Exit Conferences

Separate exit conferences may be required to be held with the MSU Board of Regents, the Board of Regents Audit Committee, the MSU President and other members of the administration. Also, it is expected that exit conferences will be held with major unit heads as appropriate to the areas or functions audited.

Timing of Reports

1. Two copies of the audited financial statements and management letter shall be furnished to the Auditor of Public Accounts no later than September 30 of each year (or date specified by the Commonwealth). If final reports are not available as of September 30 (or date specified by the Commonwealth), drafts will be submitted by that date. The reports will contain the following items:
  - (a) Audited financial statements and an opinion thereon.
  - (b) A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*. Where applicable, this report must refer to a separate schedule of findings and questioned costs.
  - (c) A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133. Where applicable, this report must refer to a separate schedule of findings and questioned costs.
  - (d) A report on compliance in accordance with KRS 164A.555 through 164A.630 (House Bill 622) based on the audit of financial statements.
  - (e) The audit of the closing package forms, as well as a reconciliation to the audited financial statements of the information reported on the forms, shall include a report expressing an opinion on the specified elements, accounts, or items audited, in accordance with *Codification of Statements on Auditing Standards*, AU 623.11 through 623.17.
  - (f) If applicable, the Firm shall also obtain and submit management's summary schedule of prior audit findings and corrective action plan for current year audit findings.
  - (g) The reports described above should be presented in a manner prescribed by the AICPA Audit and Accounting Guide and OMB A-133. Notwithstanding the provisions of the AICPA Audit Guide, any "other matter" conveyed to management should be in writing, and a copy of that correspondence forwarded to the Auditor of Public Accounts.

2. The report on the University's financial statements is required to be delivered to the University by September 30 of each year (or date specified by the Commonwealth).
3. The Firm will certify, on line, the CPB audit report to CPB by November 30 of each year.
4. The Firm will deliver the KFAC audit report and form 990 by November 30 of each year.
5. The Firm will provide a representation letter by September 30 of each year (or date specified by the Commonwealth) to the Auditor of Public Accounts stating that the Firm is in compliance with generally accepted auditing standards and *Government Auditing Standards* concerning continuing education requirements, independence and internal quality control system and peer review requirements. The representation letter should be prepared in accordance with the provisions of the Auditor of Public Accounts related to independence.
6. The Firm shall notify the Auditor of Public Accounts of matters which come to its attention which may have a significant impact on the Commonwealth's financial statements. The Firm shall be available to the Auditor of Public Accounts to address questions about the University's financial statements.
7. The Firm will provide, by the date requested, a letter to the Auditor of Public Accounts reporting the results of the application of subsequent events audit procedures.
8. The Firm will provide a copy, in Adobe (pdf) format, each of the audited financial statements to the University (both including and excluding the report on Federal Awards Program (A-133)), in electronic form to be used when required by outside agencies for reporting purposes.

**RATIFY THE 2008-2014
SIX-YEAR CAPITAL PLAN**

**BOR (VII-A-13)
June 15, 2007**

Recommendation:

That the Board ratify the 2008-2014 Six-Year Capital Plan which was submitted to the Capital Planning and Advisory Board on April 15, 2007.

Background:

The University submitted the 2008-2014 Six-Year Capital Plan to the Capital Planning and Advisory Board and the Council on Postsecondary Education by the statutory deadline of April 15, 2007. The plan included a list of capital projects with an estimated scope of \$600,000 or more and equipment purchases with an estimated scope of \$200,000 or more. Projects included in the first biennia of the plan will be used as the basis for the development of the 2008-2010 Executive Budget Capital Request which will be presented to the Board for approval in the fall of this year.

A preliminary list of the projects to be used for development of the 2008-2014 Six Year Capital Plan was presented to the Board for approval at the March 8, 2007 meeting. Projects are identified by anticipated fund source including:

- State Bonds – Bonded indebtedness issued by the State for which the debt service payments will be managed by the State.
- State General Funds – Direct state appropriations designated in the Budget of the Commonwealth for a specific line item.
- Agency Bonds – Bonded indebtedness issued by the University for which debt service payments will be made by the University from institutional revenues.
- Agency Funds – University funds generated from institutional revenue sources.
- Other Funds – External funds granted to the University for a specific capital project.

Analysis:

Following is the final list of projects included in the 2008-2014 Six-Year Capital Plan with updated project scope estimates based on revised information and data available from the statewide facilities conditions assessment facility status report commissioned by the CPE and completed in the spring 2007.

**MOREHEAD STATE UNIVERSITY
CAPITAL PROJECTS SUMMARY LISTING
SIX-YEAR CAPITAL PLAN
2008-2014**

	<u>Project Title</u>	<u>Estimated Scope</u>
<u>2008-2010</u>		
	<u>Projects Funded with State Bonds or State General Funds</u>	
1	Construct Space Science Ctr Star Theatre & Clean Room	9,640,960
2	Renovate & Add to Student Center Phase II	49,092,000
3	Purchase Equip for Ctr for Hlth, Educ & Research	3,666,000
4	Renovate Combs Classroom Building	24,448,300
5	Capital Renewal & Maintenance Pool-E&G	4,586,500
6	Acquire Land Related to Master Plan	2,000,000
7	Replace Power Plant Pollution Control System	3,540,000
8	Comply with ADA - E&G	3,322,000
9	Construct Athl Admin & Sports Performance Bldg	23,589,000
10	Construct Center for the Performing Arts	32,536,000
11	Construct Honors College Facility	1,733,000
12	Construct KY Mountain Heritage Center	5,434,000
13	Construct New Music Building	88,800,000
14	Construct Plant Facilities	6,750,000
15	Construct Vet Tech Clinical Services Center	21,586,000
16	Enhance Library Automation Resources	1,000,000
17	Enhance Network/Infrastructure Resources	4,750,000
18	Expand Life Safety: Claypool Young Bldg.	1,000,000
19	Plan and Design Library Facility	1,350,000
20	Purchase Bus	500,000
21	Purchase Equipment for Molecular Biology Lab	430,000
22	Purchase Instructional Tech Initiatives	2,275,100
23	Reconstruct Central Campus	2,500,000
24	Renovate Acad Ctr & Tennis Team Facilities	4,578,000
25	Renovate Button Auditorium	3,350,000
26	Replace Boiler Tubes	800,000
27	Upgrade Administrative Office Systems	2,500,000
28	Upgrade and Expand Distance Learning	750,000
29	Upgrade Instruct. PCs/LANs/Peripherals	5,000,000
	<i>Subtotal State Bonds/State General Funds</i>	\$311,506,860

Projects Funded with Agency Bonds or Agency Funds

1	Construct Student Recreation Center	24,750,000
2	Renovate Alumni Tower Residence Hall	4,631,000
3	Construct Food Svcs Facility in Housing Complex	8,251,000
4	Renovate Mignon Tower Residence Hall	5,682,000
5	Comply with ADA - Auxiliary	2,727,000
6	Construct Parking Structure	7,000,000
	Capital Renewal and Maintenance Pool-Aux	1,383,000

<i>Subtotal Agency Bonds/Funds</i>	<u>\$54,424,000</u>

Projects Funded with Federal Funds

Construct Morehead/Ro Co Public Safety Complex	10,853,000

<i>Subtotal Federal Funds</i>	<u>10,853,000</u>

TOTAL 2008-2010 CAPITAL PROJECTS	<u>\$376,783,860</u>

2010-2012

Projects Funded with State Bonds or State General Funds

Acquire Land Related to Master Plan	\$2,000,000
Capital Renewal and Maintenance Pool-E&G	15,520,000
Comply with ADA - E&G	3,322,000
Construct General Office Building	11,220,000
Construct New Facility for IRAPP	12,623,000
Construct New Facility for Alumni & Development	5,424,000
Construct New Library Facility	51,496,000
Construct New Softball Facility	7,302,000
Construct Visitors Center	1,899,000
Reconstruct Allen Field	9,591,000
Renovate Ginger Hall	27,798,000
Renovate Jayne Stadium	22,096,000
Renovate Laughlin Building & Wetherby Gym	7,815,000
Renovate Lloyd Cassity Building	15,628,700
Renovate Waterfield Hall - HVAC	1,900,000

<i>Subtotal State Bonds/Funds</i>	<u>\$195,634,700</u>

Projects Funded with Agency Bonds or Agency Funds

1	Renovate East Mignon Residence Hall	4,010,000
2	Renovate West Mignon Residence Hall	4,010,000
3	Construct Student Residential Apartment Complex	41,565,000
4	Comply with ADA - Auxiliary	2,727,000

Subtotal Agency Bonds/Funds \$52,312,000

TOTAL 2010-2012 CAPITAL PROJECTS \$247,946,700

2012-2014

Projects Funded with State Bonds or State General Funds

Acquire Land Related to Master Plan	\$2,000,000
Capital Renewal and Maintenance Pool-E&G	1,952,000
Comply with ADA - E&G	3,322,000
Construct Indoor Practice Facility	7,751,000
Construct KY Center for Traditional Music	6,500,000
Construct New Intramural Fields	3,550,000
Expand Claypool-Young Building	1,914,000
Expand Life Safety: E&G Facilities	766,000
Renovate Academic Athletic Center	15,987,000
Renovate Reed Hall	18,271,000
Replace Coal Fired Boilers	25,000,000
<i>Subtotal State Bonds/Funds</i>	<u>\$87,013,000</u>

Projects Funded with Agency Bonds or Agency Funds

1	Renovate Mignon Residence Hall	6,191,000
2	Renovate Cartmell Residence Hall	7,684,000
3	Comply with ADA - Auxiliary	2,727,000

Subtotal Agency Bonds/Funds \$16,602,000

TOTAL 2012-2014 CAPITAL PROJECTS \$103,615,000

**APPROVE THE 2007-2008 OPERATING BUDGET, BOR (VII-A-14)
FEE SCHEDULE AND PERSONNEL ROSTER June 15, 2007**

Recommendation:

That the Board approve the recommended 2007/2008 Operating Budget, which totals \$118,950,000, the 2007/2008 Personnel Roster, and the 2007/2008 Fee Schedule.

Background:

The proposed budget reflects the University's continued commitment to improving student financial aid, faculty and staff salaries and the advancement of strategic academic and student support initiatives. The budget preparation process was inclusive of campus input and representation and resulted in the proposed \$118.9 million budget that advances the University's mission by focusing on the most important goals and objectives as defined in *ASPIRE to Greatness: Morehead State University Strategic Plan 2006-2010*.

The parameters outlining the administration's management responsibilities related to the 2007/2008 Operating Budget and periodic reporting requirements to the Board of Regents are specified in the Budget Adoption Resolution on pages A-8 and A-9 of the separately bound 2007/2008 Operating Budget document.

Analysis – Operating Budget:

The Morehead State University 2007/2008 Operating Budget prioritizes allocation of new revenue generated from student tuition and fees as well as a \$4.7 million increase in state appropriations to continue support of the key initiatives defined in the University's Strategic Plan. Revenue from student tuition and fees represents 44.7 percent of the total Education and General revenue budgeted for 2007/2008. The proposed 2007/2008 Operating Budget is built on a more conservative fall 2007 headcount enrollment of 9,175 which represents a projected increase in total headcount enrollment of 150 students over fall 2006 actual enrollment and a decrease of 125 from the 2006/2007 budgeted headcount.

Auxiliary revenue from on-campus housing facilities is budgeted at a \$405,900 increase over 2006/2007 budgeted revenue. This revenue increase is attributed in part to a projected increase in the number of first-time full-time freshmen enrolled on-campus and also to an increase in student residence hall rates. Auxiliary revenues are budgeted in 2007/2008 to fund the renovation of Nunn Hall which was recommended in the Comprehensive Housing Master Plan completed in 2006.

Changes in Revenue Sources

The proposed \$118.9 million Operating Budget reflects a total increase of \$9,199,000 (8.38 percent) from the 2006/2007 Opening Budget. New funds available in the proposed

budget are primarily attributed to revenue from an 8.3 percent increase in student tuition and fees and a total increase in state appropriations of \$4.7 million including \$600,000 allocated to fund regional stewardship initiatives. Net changes in major revenue sources for 2007/2008 are summarized within the following sources:

State Appropriations (Operating)	\$ 4,149,000
Tuition and Mandatory Fees	\$ 3,617,770
Fund Balance	\$ 1,181,450
Regional Stewardship Trust Fund	\$ 600,000
Endowment Income	\$ 463,600
Residence Halls	\$ 316,900

In addition to new funding sources, the 2007/2008 operating budget includes reallocation of over \$289,000 in vacant faculty and staff positions to areas of growth and strategic focus. A reallocation of over \$300,000 in existing facility renovation and equipment replacement resources has been pooled to establish a scheduled renovation schedule for all academic classroom facilities.

Analysis – Fee Schedule:

A comprehensive review of University fees is conducted annually and recommended changes are presented to the Board for approval. The recommended 2007/2008 Fee Schedule is presented on pages C-1 through C-19 of the Operating Budget. A summary of the significant recommended changes follows:

Tuition and Mandatory Fees:

On December 7, 2006, the Morehead State University Board of Regents approved an increase in student tuition and mandatory fees of 8.3% or \$2,640 for a full-time, undergraduate resident for the 2007/2008 fiscal period. The table below identifies how annual tuition and fee rates at Morehead State University compare with other Kentucky public universities.

Kentucky Public Universities	2007/2008 Annual Tuition and Fee Rates
University of Kentucky (lower division)	\$ 7,096
University of Louisville	\$ 6,870
Western Kentucky University	\$ 6,416
Northern Kentucky University	\$ 5,952
Eastern Kentucky University	\$ 5,682
Murray State University	\$ 5,418
Kentucky State University	\$ 5,320
Morehead State University	\$ 5,280
Average Tuition Rate	\$ 6,148
Average Tuition Rate Paid (weighted by actual enrollment)	\$ 6,302

Housing:

In accordance with recommendations made by Brailsford & Dunlavey in the Comprehensive Housing Master Plan developed in April 2006, a 7 percent increase is recommended for all residence halls in 2007/2008 bringing the average cost of a residence hall to \$1,463 per semester. This budget includes debt service to cover the renovation of Nunn Hall which is included in this first-year of the Comprehensive Housing Master Plan.

Tuition & Fees and Residence Hall Rates:

	Fall 2006	Fall 2007	Inc
Resident Undergraduate Tuition & Fees	\$2,435	\$2,640	\$205
Average Residence Hall Rate	\$1,356	\$1,463	\$107

Analysis – Faculty and Staff Compensation:

Salary Pool:

Working toward the goal to increase faculty and staff salaries to the 50th percentile of salary averages among the Kentucky regional universities, a 4 percent general salary pool increase was built into the 2006/2007 Operating Budget. However, the effective date of that increase was delayed until January 2007 to enable one half of the 4 percent increase to be funded in the 2007/2008 Operating Budget. This shift of one half of the 4 percent 2006/2007 salary increase was implemented as a budget strategy to offset the disproportionate distribution of state appropriation increase received across the biennium—13% (624,900) in 2006/2007 and 87% (\$4.1 million) in 2006/2007. An additional 4 percent general salary pool totaling \$2,290,800 is included in the 2007/2008 Operating Budget to be effective July 1, 2007.

A portion of the distribution strategy for the 4 percent increase for classified staff includes a 0.5 percent allocation to fund the Segal plan. In January of 2006, Morehead State University engaged The Segal Company to conduct a staff classification and compensation plan audit. As a result of the audit, Segal recommended several actions including a 23 percent increase in the current compensation scale to bring staff salaries in line with market averages. A plan was developed to adjust the compensation scale by the recommended 23% over a three-year period starting in 2007/2008 with an 8 percent increase. In addition to raising the compensation schedule, the plan includes a compression formula, as recommended by Segal, which applies a percentage increase to salaries that are already above the new minimum of the compensation scale based on employees' time in position.

Salary pool distribution strategies for faculty and staff are summarized below:

Faculty and Librarians:

- 3 percent Merit (distributed through the existing PBSI process)
- 1 percent Equity (distributed by Deans)

Non-exempt (Hourly) Staff:

- 2 percent Across-the-board
- 1.5 percent Merit (recommended by unit supervisors)
- 0.5 percent Segal Plan distribution

Exempt Staff (Grades 1-9):

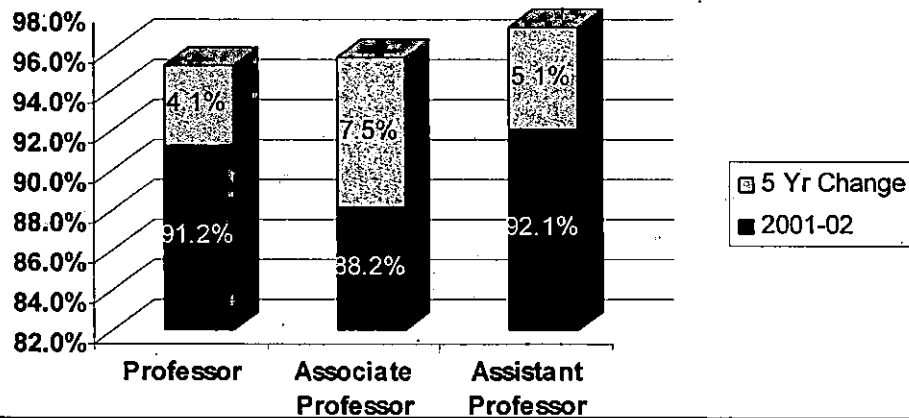
- 1.5 percent Across-the-board
- 2 percent Merit/Equity (recommended by unit supervisors)
- 0.5 percent Segal Plan distribution

Exempt Staff (Grade 10):

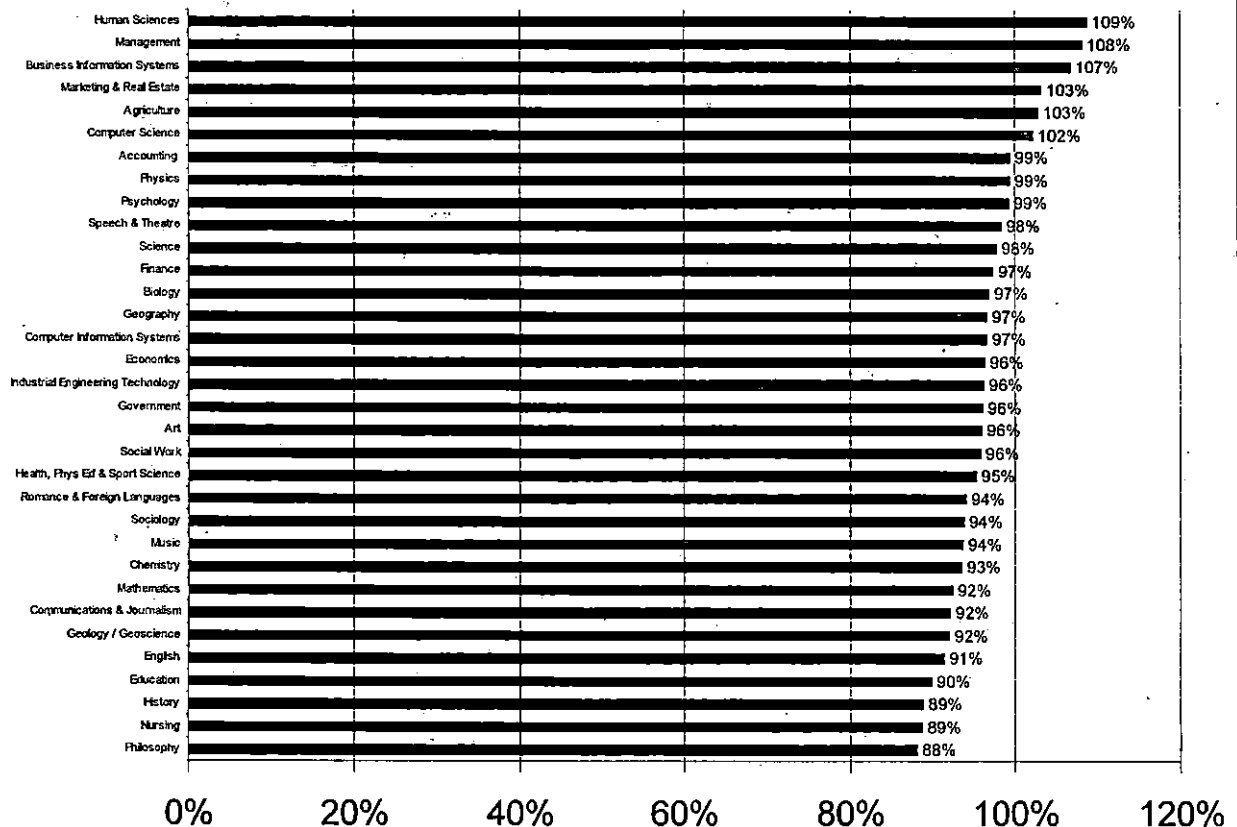
- 1.5 percent Across-the-board
- 2.5 percent Merit/Equity (recommended by unit supervisors)

In addition to the 4 percent increase to the general salary pool, the 2007/2008 operating budget includes adjustments for faculty promotions, staff reclassifications and career ladder advancements which will become effective at the start of the fiscal year bringing the total investment in faculty/staff salaries to \$4.3 million. The following charts illustrate progress within faculty rank (first chart) and within academic discipline (second chart) toward closing the gap between MSU average salary and the average salaries paid at other Kentucky regional universities and nationally by academic discipline as of 2006/2007.

**Average MSU Faculty Salary as a Percentage of Kentucky
Regional Universities Average Salary by Academic Rank**



**Percent of MSU Faculty Salaries Compared to CUPA Average -
as of 2006/07**



The 2007/2008 Personnel Roster contains a listing of the recommended authorized positions as of July 1, 2007. Funding for each position listed in the roster

has been provided for in the proposed 2007/2008 Operating Budget. A total of 1,132 positions are recommended for 2007/2008 with an estimated 1,045 positions contracted to be filled as of July 1, 2007. Total personnel expenditures represent 61.6 percent of total expenditures budgeted for 2007/2008.

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

Position ID number
Employee currently holding the position
Position title
Appointment status if not a regular, full-time appointment
Recommended salary at the start of the 2007/2008 contract period
Contract months for exempt employees

Analysis – Student Financial Aid:

Compared with other Kentucky four-year public universities, Morehead State University continues to allocate the largest portion of its Educational and General funds back into student financial aid with a rate 10.9 percent in 2007/2008. The 2007/2008 Operating Budget allocates an additional \$2 million in student financial aid. This increase represents continued expansion and renewals of merit-based scholarships, increases in tuition waiver and athletic scholarship budgets necessary to offset the 8.3 percent increase in student tuition and fees, and funding for the new Eagle Access Scholarship. The Eagle Access Scholarship is a “gap” scholarship designed to award a student the additional funds needed to cover total direct cost of attending college, including tuition, meals, room and books, after the student has been awarded Pell, CAP and other grants or scholarships the student is eligible to receive. The 2007/2008 scholarship budget includes \$250,000 in Eagle Access Scholarship funds.

2007/2008 Budget Highlights

The following list highlights several areas where new funding has been allocated in the 2007/2008 operating budget. The items are grouped by the primary strategic goal they support from *ASPIRE to Greatness: Morehead State University Strategic Plan 2006-2010*.

Goal 1: Academic Excellence

- 4% Faculty Salary Increase
- Establishment of the Instructional Support Center
- Space Science Center Operating Funds
- Extend BSW to Mt. Sterling Campus
- New Nursing Faculty Position

- Develop Support Infrastructure for Undergraduate Fellowship Program
- Pike County High School Program – continued support
- Algebra Readiness Program
- Library Resources
- Diversity initiatives (funding for three new faculty)
- Support for Accreditations
- Additional Space for the Adult Learning Center
- MAT Program Growth
- Apple Lab for Education
- Site License for SPSS Statistical software
- Strategic Renovation/Refurbishment of Academic Classroom Facilities
- Course Management System Contract Increases (Blackboard)

Goal 2: Student Success

- New Student Recreation Center (pending legislative bonding authority)
- Caudill Health Clinic Contract and Equipment
- Student Activities Budget Increase (Phase 2)
- Psychologist/Clinical Director in University Counseling
- Athletics Operating Increase (Phase 1 of 4)
- Regional Campus Student Activity Resources
- 24 Hour Study Area in Fields Hall
- Digital Signage System Expansion
- Expansion of Registrar Service Staff
- Nunn Hall Renovation

Goal 3: Productive Partnerships

- Regional Stewardship Infrastructure and Initiatives
- Governor's Scholars Program
- University Center of the Mountains – faculty position
- Expansion of the MSU campus at West Liberty
- Initiatives to Support DataSeam Partnership

Goal 4: Improved Infrastructure

- Employee Health Benefit Increases
- Technology Support Positions at Regional Campus Centers (part of the Instructional Support Center initiative)
- Eagle Trace Golf Course
- Increased Facility Management Resources to Support Capital Renewal
- Utility Increases

- Service Contract Increases
- Liability Insurances
- Lease Rate Increases
- Replacement of Instructional Technology and Equipment
- Digitized Postage Meters
- Capital Renewal and Maintenance Pool
- ERP (Ri2se) Implementation
- President's Leadership Academy

Goal 5: Resource Enhancement

- Capital Campaign Support
- Undergraduate and Sponsored Programs – UG Fellowship Initiative
- Concessions and Vending Resources
- University Store Purchases

Goal 6: Enrollment and Retention

- Expanded Institutional Scholarships and Waivers
- Expanded Staff in Enrollment Services
- Increase in University Marketing Resources

APPROVE 2007-08 EAGLE STUDENT HANDBOOK

BOR (VII-A-15)
June 15, 2007

Recommendation:

That the Board of Regents approve revisions to the *2007-08 Eagle Student Handbook*.

Background:

The *Eagle Student Handbook* is Morehead State University's official document outlining the University's policies, procedures, regulations, and services for students. It includes the Student Conduct Code, which establishes expectations for student conduct and provisions for reviewing actions that are not in keeping with the educational nature of the University. All MSU students are responsible for the University rules and regulations contained in the document.

The *Eagle Student Handbook* is reviewed annually and revised to update the administrative directory and policies and procedures. Revisions to the 2007-08 handbook include the following:

- Each section of the handbook was distributed to appropriate University representatives for review and recommended changes. Minor wording changes were made based upon those written recommendations.
- A section related to emergency procedures and protocol was added in an effort to make students more aware of how to obtain important information that could assist them during a crisis situation.
- Information related to payment of tuition and fees was significantly altered in order to represent the policy changes associated with the implementation of Datatel Colleague.
- A section related to downloading and file sharing was added in an effort to better educate students on the risks associated with downloading and sharing information.
- Information related to UAR 702.01 was added to clarify policies and procedures related to scheduling meetings, events, and activities which include prominent members of the University and other dignitaries.
- One section was added to the Student Conduct Code in an effort to make a necessary clarification related to stolen property. Specifically, "Possession of Stolen Property" has been added as a violation of the Student Conduct Code as such an allegation is different than "Theft" and requires a separate reference.
- The sanction of "Community Restitution" has been amended to allow for the sanction to revert to financial restitution if a student fails to meet established deadlines for completing community restitution hours. Specifically, the new version of the sanction states that a student would be held accountable for financial restitution equal to the amount of community restitution hours multiplied by minimum wage if s/he does not complete the initial sanction in an appropriate and timely fashion.

- Amendments have been made to reflect recent changes in how the University will address internet violations. In the past, students who have violated policies which involve use of the internet have had their ports turned off until they have paid a fine (fine amounts are progressive based upon the number of violations). The new sanction will include turning off a port and talking with students after an initial violation. A second violation would result in turning off a port and issuing students a financial penalty. All subsequent violations would result in a hearing with the Dean of Students to determine appropriate action.

Printed copies of the *2007-08 Eagle Student Handbook* will be distributed to Board members. The updated handbook, when approved, will be posted to the University's web site prior to the beginning of the Fall 2007 Semester, and students will be required to acknowledge on-line that they are responsible for the rules and regulations contained in the handbook and that they are subject to disciplinary action as outlined in the Student Conduct Code should they violate any of those rules or regulations.

FINAL REPORT ON SPRING ENROLLMENT, 2007

BOR (VII-B-1)

June 15, 2007

HEAD-COUNT ENROLLMENT

	Spring	% Increase/Decrease
2003	8,885	+ 2.1
2004	8,954	+ 0.8
2005	8,680	- 3.1
2006	8,625	- 0.6
2007	8,536	- 1.0

FULL-TIME EQUIVALENCY

	Spring	% Increase/Decrease
2003	6,696	+ 3.1
2004	6,727	+ 0.5
2005	6,510	- 3.2
2006	6,272	- 3.7
2007	6,192	- 1.3

CREDIT-HOUR PRODUCTION

	Spring	% Increase/Decrease
2003	104,146	+ 3.5
2004	104,757	+ 0.6
2005	101,034	- 3.5
2006	97,198	- 3.8
2007	95,801	- 1.4

YEAR-TO-DATE GIFT INCOME REPORT

June 15, 2007

Morehead State UniversityYear-to-Date Gift Income*As of March 31, 2006 and 2007*

Description	2006	2007	Variance
Degreed Alumni	\$ 338,752.26	\$ 427,021.66	\$ 88,269.40
Non-degreed Alumni	21,159.00	84,573.63	63,414.63
Faculty/Staff	56,397.28	55,962.23	(435.05)
Retirees	9,350.00	15,775.00	6,425.00
Parents	29,293.00	21,769.00	(7,524.00)
Students	297.97	1,279.52	981.55
Leadership Board Members	3,719.00	505.00	(3,214.00)
Corporate Contributors	434,443.90	343,924.09	(90,519.81)
Foundations	8,693.48	8,053.28	(640.20)
Non-profit Organizations	13,713.88	19,501.58	5,787.70
MSU and Student Organizations	6,863.00	5,549.25	(1,313.75)
Sponsor	5,440.00	8,260.00	2,820.00
Friends of MSU	241,023.83	253,227.38	12,203.55
GRAND TOTALS	\$ 1,169,146.60	\$ 1,245,401.62	\$ 76,255.02

*Matching Gifts Received	\$ 9,675.00	\$ 24,666.11

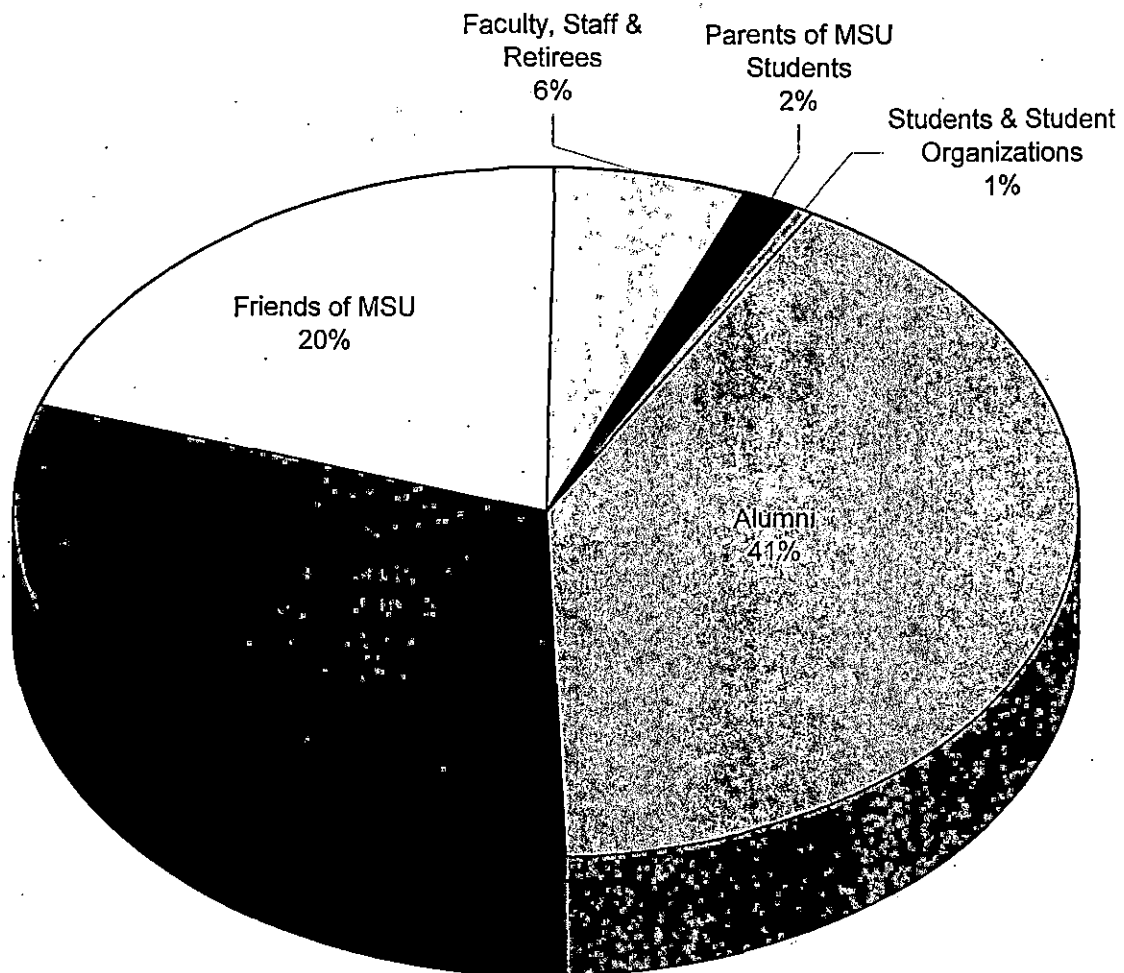
*Gift-In-Kind	\$ 198,392.48	\$ 229,594.70

*Stocks	\$ 19,297.81	\$ 86,729.11

*Included in totals above

Prepared by: Barbara Ender

**MSU Foundation, Inc.
Private Gifts by Source
As of March 31, 2007**



REPORT OF MAJOR GIFTS SINCE MARCH 1, 2007

The following is a list of gifts of \$10,000 or more that have been received and/or recorded since March 1, 2007, on behalf of the University in accordance with terms of the operating agreement between Morehead State University and the MSU Foundation, Inc.

<u>Donor Name</u>	<u>Gift Date</u>	<u>Purpose</u>	<u>Gift Amount</u>
Wayne G. Basler	4/1/2007	Cash	\$100,000.00
James H. Booth	4/1/2007	Cash	\$100,000.00
James H. Booth	4/1/2007	Cash	\$100,000.00
Powell Construction Co., Inc.	4/1/2007	Cash	\$100,000.00
B. P. Caudill	4/1/2007	Stock/Property	\$25,254.00
Larry E. Botts	4/1/2007	Cash	\$25,000.00
Fast Lane Inc.	4/1/2007	Cash	\$25,000.00
Elmer R. Smith	3/7/2007	Pay-Cash	\$25,000.00
Hinkle Contracting Corporation	4/1/2007	Cash	\$20,000.00
Morehead Tourism Commission	4/1/2007	Pay-Cash	\$20,000.00
Estate of C. V. Snapp	3/1/2007	Cash	\$15,700.25
Pearl Brown	4/26/2007	Cash	\$15,000.00
Dan R. Markwell	4/1/2007	Cash	\$15,000.00
Argus Energy, LLC	4/1/2007	Cash	\$10,000.00
CAI Industries	4/1/2007	Cash	\$10,000.00
Citizens National Bank	4/1/2007	Pay-Cash	\$10,000.00
Nita C. Collier	4/1/2007	Cash	\$10,000.00
Commonwealth Bolt, Inc.	4/1/2007	Cash	\$10,000.00
DATATEL, Inc.	4/1/2007	Cash	\$10,000.00
Eastern Screens And Drives	4/1/2007	Cash	\$10,000.00
Republic Diesel	4/1/2007	Cash	\$10,000.00
Rudd Equipment Company	4/1/2007	Cash	\$10,000.00
WKYT/WYMT TV	4/1/2007	Cash	\$10,000.00