

**BOARD OF REGENTS MEETING
MOREHEAD STATE UNIVERSITY**

Center for Health, Education and Research, DeMoss Suite

Thursday, June 7, 2018

10 a.m.

Agenda

**[9 AM/Optional] BUS TOUR TO BUTLER HALL, WETHERBY GYMNASIUM,
LAUGHLIN HEALTH BUILDING AND ACADEMIC-ATHLETIC CENTER**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. EMPLOYEE RECOGNITION**
- IV. ADOPT RESOLUTIONS OF COMMENDATION FOR PAUL C. GOODPASTER, RACHAEL MALONE AND SHANNON HARR**
- V. REPORT ON STUDENT GOVERNMENT ASSOCIATION – RACHAEL MALONE**
- VI. APPROVE AWARDING OF FOUNDERS AWARD FOR UNIVERSITY SERVICE TO DR. FRANCES L. HELPHINSTINE**
- VII. PRESIDENT’S RECOMMENDATIONS AND REPORTS**

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4. Quarterly Meeting – Thursday, December 9

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1. Work Session – Thursday, February 28
2. Quarterly Meeting – Thursday, March 28
3. Audit Committee & Work Session – Thursday, May 16
4. Quarterly Meeting – Thursday, June 6

IX. ADJOURNMENT

**RESOLUTION HONORING
PAUL C. GOODPASTER**

**BOR (IV)
June 7, 2018**

WHEREAS, Mr. Paul C. Goodpaster, a respected citizen of Morehead, Kentucky, has served with distinction as a member of the Board of Regents of Morehead State University since 2006; and

WHEREAS, Mr. Goodpaster's tenure included service as chair of the Board of Regents from 2014-2018; and

WHEREAS, Mr. Goodpaster also served as a member of the audit committee for ten years; and

WHEREAS, Mr. Goodpaster served as an ex officio member of the presidential search committee in 2017; and

WHEREAS, Mr. Goodpaster's distinguished service on the Board of Regents consistently demonstrated his high ethical standards and strong personal commitment to institutional integrity; and

WHEREAS, Mr. Goodpaster's terms as a board member reflected his professional collegiality and dedication to academic excellence, his abiding concern for the welfare of the entire University community, and his pride as an alumnus of the institution;

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Mr. Paul C. Goodpaster be and hereby is commended for his years of honorable and outstanding service on the Board of Regents and that the University expresses its profound and sincere gratitude for his efforts.

Done this seventh day of June 2018.

Kathy Walker, Chair

ATTEST:

Sharon S. Reynolds, Secretary

Joseph A. (Jay) Morgan, President

**RESOLUTION HONORING
RACHAEL MALONE**

**BOR (IV)
June 7, 2018**

WHEREAS, Ms. Rachael Malone of Morehead, Kentucky, served with distinction as the student member of the Board of Regents of Morehead State University since July 1, 2017, and

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

WHEREAS, Ms. Malone worked to encourage students to acknowledge and address incidents that impacted all MSU students, and

WHEREAS, Ms. Malone displayed outstanding leadership to promote participation in community service within the Morehead community, and

WHEREAS, Ms. Malone's active engagement with the Board of Regents and her stewardship of the Student Government Association consistently demonstrated her high ethical standards and her abiding commitment to student and institutional success,

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Ms. Rachael Malone be and hereby is commended for her year of honorable and outstanding service on the Board of Regents and for her leadership of the Student Government Association.

Done this seventh day of June 2018.

Kathy Walker, Chair

ATTEST:

Sharon S. Reynolds, Secretary

Joseph A. (Jay) Morgan, President

**RESOLUTION HONORING
SHANNON L. HARR**

**BOR (IV)
June 7, 2018**

WHEREAS, Dr. Shannon L. Harr has served with distinction as the staff representative to the Board of Regents of Morehead State University for a period of three years; and

WHEREAS, Dr. Harr has been an effective voice for employees of the University; and

WHEREAS, Dr. Harr's dedicated service on the Board of Regents consistently demonstrated his high ethical standards and strong personal commitment to institutional integrity; and

WHEREAS, Dr. Harr's three-year term as a board member has reflected his professional collegiality and dedication to academic excellence, his abiding concern for the welfare of the entire University community, and his pride as an alumnus of the institution;

THEREFORE, be it resolved by the Board of Regents of Morehead State University that Dr. Shannon L. Harr be and hereby is commended for his three years of honorable and outstanding service on the Board of Regents and that the University expresses its profound and sincere gratitude for his efforts.

Done this seventh day of June 2018.

Kathy Walker, Chair

ATTEST:

Sharon S. Reynolds, Secretary

Joseph A. (Jay) Morgan, President

FOUNDERS AWARD FOR UNIVERSITY SERVICE

BOR (VI)
June 7, 2018

Recommendation:

That the Board of Regents approve the selection of Dr. Frances “Fran” L. Helphinstine as the recipient of the 2018 Founders Award for University Service.

Background:

The Founders Award for University Service was established by the Board of Regents in 1978 and has been presented each year to individuals with records of outstanding service to the University over a sustained period.

Previous recipients have included W. E. Crutcher, 1978; Linus A. Fair, 1979; Carl D. Perkins, 1980; Dr. Warren C. Lappin, 1981; Dr. Ted L. Crosthwait, 1982; Monroe Wicker, 1983; Lloyd Cassity, 1984; Grace Crosthwaite, 1985; Boone Logan, 1986; Dr. Rondal D. Hart, 1987; George T. Young, 1988; John E. Collis, 1989; Dr. Wilhelm Exelbirt, 1990; Dr. R. H. Playforth, 1991; Dr. Mary Northcutt Powell, 1992; Senator Woody May, 1993; Dr. J. E. Duncan, 1994; Sherman R. Arnett and Harlen L. Hamm, 1995; Dr. Adron Doran, 1996; Robert S. Bishop and Martin Huffman, 1997; Dr. Charles J. Pelfrey, 1998; Carolyn S. Flatt, 1999; Dr. Earl J. Bentley, 2000; Mrs. Mignon Doran, 2001; Dr. C. Nelson Grote, 2002; Merl F. Allen, 2003; Dr. John C. Philley, 2004; Dr. Charles M. Derrickson, 2005; Dr. John R. Duncan, 2006; Steve A. Hamilton, 2007; Dr. Marshall Banks, 2008; Dr. Randy Wells, 2009; Dr. Jack D. Ellis, 2010; Ms. Lucille Caudill Little, 2011; Rocky J. Adkins, 2012; Clyde I. James, 2013; Keith R. Kappes, 2014; W.H. Honie Rice and Carol Johnson, 2015; Myron Doan, 2016; and Dr. David Saxon, 2017.

The University Service Award Committee has recommended that Dr. Frances “Fran” L. Helphinstine be the recipient of the 2018 Founders Award for University Service. Dr. Helphinstine first started at Morehead State University in 1966 as an instructor of English. In her career spanning over fifty years, she always stayed focused on the student. Dr. Helphinstine also remained an active scholar regularly presenting at the Shakespeare Association of America conference and enjoying success at securing grants from the National Endowment of the Humanities.

Dr. Helphinstine is a true University citizen, and in 1988 received the MSU Faculty Service Award. She served on countless committees, served as the Graduate Program Coordinator for English, was active with the Kentucky Council of Teachers of English and the National Council for Teachers of English, and has remained one of Morehead State’s most beloved goodwill ambassadors.

No one can recall a Commencement exercise in the last 50 years that Dr. Helphinstine has not attended. In fact, she served as Faculty Marshall for a number of years, leading her colleagues into the Academic-Athletic Center arena as part of the academic procession.

Dr. Helphinstine received her Ph.D. in English with a specialization in English Renaissance and Dramatic Literature in April 1978 from Indiana University, in Bloomington, Indiana.

It is fitting that Dr. Helphinstine be recognized for her outstanding service of 52 years to the University.

**BOARD OF REGENTS MEETING
MOREHEAD STATE UNIVERSITY
March 29, 2018**

The Board of Regents of Morehead State University met at 9:00 a.m. on Thursday, March 29, 2018, in the DeMoss Suite of the Center for Health, Education and Research in Morehead, Kentucky.

CALL TO ORDER

Vice Chair Wayne Martin called the meeting to order.

ROLL CALL

The following Board members were present: Shannon Harr, Eric Howard, Debbie Long, Rachael Malone, Wayne Martin, Jonathan Pidluzny, Craig Preece, Patrick Price, Kathy Walker and Terri Walters. Paul C. Goodpaster was unable to attend.

MEDIA

Jason Blanton, Director of Media Relations, introduced Megan Smedley of the Morehead News and Leann Akers of Morehead State Public Radio.

**NOMINATING
COMMITTEE REPORT**

Vice Chair Martin said that Chair Goodpaster's term ends this summer. A Nominating Committee has been appointed by Chair Goodpaster consisting of Ms. Walker (chair), Ms. Long, and Ms. Walters. Vice Chair Martin gave the nominating committee's report and recommendation to elect Kathy Walker as Chair, and Wayne Martin as Vice Chair. The nominating committee wished it to be known that Ms. Walker abstained from voting on the chair position during the nominating committee's deliberations. The nominating committee also recommended the election of Sharon S. Reynolds as Secretary, and the appointment of Teresa Lindgren as Treasurer. Dr. Harr made the motion to accept the nominating committee's recommendations. Mr. Price seconded the motion. The motion carried with Mr. Martin abstaining. New elections are effective March 30, 2018.

**EMPLOYEE AND
STUDENT
RECOGNITION**

President Morgan recognized Mr. Nawaf Al Saudah, a graduate student who is the founding president of the Saudi Arabian Students Club. Mr. Al Saudah has helped with the University's relationship with the Saudi Arabian Cultural Mission (SACM). The President then recognized Ms. Kay Hampton Butler, building service technician manager, and Dr. John Nelson, associate professor of management. He commended the employees for their hard work and dedication to Morehead State University.

President Morgan also introduced and thanked four individuals who served as committee chairs during the recent strategic planning effort. They were: Ms. Michelle Barber, director, academic advising and retention; Dr. Bob Albert, dean, College of Business & Technology; Dr. Greg Russell, associate dean, College of Business & Technology; and Ms. Mindy Highley, associate vice president, alumni relations and development.

CONSENT AGENDA

Vice Chair Martin asked if the Board would like to discuss any item on the Consent Agenda as follows:

1. Minutes of December 7, 2017 and February 22, 2018 (V-A-1)
2. Personnel Actions (V-A-2)
3. MSU 2018-2022 Strategic Plan (V-A-3)
4. Mandatory Fees (*Additional background information attached to these minutes and marked V-A-4*)

MOTION: Mr. Preece moved that the Consent Agenda items be approved. Ms. Long seconded the motion.

VOTE: The motion carried unanimously.

PRESIDENT'S RECOMMENDATIONS

The President recommended:

Tenure with Promotion

RECOMMENDATION: That the Board approve the granting of tenure and promotion to those who are assistant professors to the associate professor rank for the following faculty members with the issuance of their contracts for the 2018-19 year:

- Mr. Gregory Carlisle, assistant professor of theatre
- Dr. Kurt Gibbs, assistant professor of biology
- Dr. Patricia Harrelson, assistant professor of animal science
- Dr. Sherry Stultz, assistant professor of education (ECESE)
- Dr. Fujuan Tan, assistant professor of adult and higher education (FGSE)

(Additional background information attached to these minutes and marked V-B-1)

Dr. Morgan stated that each of these faculty members had successfully completed the rigorous peer-reviewed process and were deserving of tenure and promotion.

MOTION: Ms. Long moved that the recommendation be approved. Mr. Howard seconded the motion.

VOTE: The motion carried unanimously.

Second Quarter Financial Statements

The President recommended:

RECOMMENDATION: That the Board approve the financial statements and amend the operating budget for the second quarter of the fiscal year that will end June 30, 2018.

(Financial Report and additional background information attached to these minutes and marked V-B-2)

Kelli Owen, Director of Accounting and Financial Services, and Teresa Lindgren, Executive Director of Budgets and Financial Planning discussed the second quarter financial statements.

Ms. Owen reported that during the second quarter, the University operated with a surplus of revenues over expenditures and transfers in the amount of \$40M, which is expected at this time since most of the spring semester billings are reflected in revenue and only six months' worth of expenditures are reflected.

Total revenues increased \$2.8M from last year to \$112M. The increase in revenue is primarily due to increases in tuition and housing rates, despite the decrease in enrollment. Total expenses were approximately \$1.3M higher than last year, primarily due to budgeted increases in fixed costs such as debt service, utilities, and scholarship commitments.

Looking at net position, Ms. Owen stated that cash and cash equivalents decreased primarily due to the expenditure of bond proceeds to construct new student residential facilities and the parking garage/dining commons. Receivables appear high in this report as we were to receive payment on the ADUC project in December, which has since been received. Also, the University made principal payments on outstanding debt in the amount of \$6.9M.

Ms. Lindgren said the total operating budget for the University has increased by \$765K in the second quarter due to increases in revenue and budgeted fund balance for both educational and general, and auxiliary enterprises. The increases in revenue were primarily transfers from the MSU Foundation in support of Academic Affairs. The budgeted fund balance for educational and general uses was primarily used for the replacement of outdated ITV equipment used on main campus and regional campuses. The allocation for auxiliary enterprises is from housing revenue and is to be used for residence hall leadership awards (scholarships).

MOTION: Mr. Preece moved that the Board approve the President's recommendation. Mr. Price seconded the motion.

VOTE: The motion carried unanimously.

The remaining recommendations involved invited guests that had not yet arrived. The Board continued with reports.

REPORTS

***Preliminary Spring 2018
Enrollment***

Tim Rhodes, Assistant Vice President for Enrollment Services, presented a preliminary enrollment report for Spring 2018, including the Winter Term. He reported that preliminary spring semester headcount enrollment is 9,318, and 753 students enrolled during the Winter term. He stated that enrollment in the Winter term had improved, and he expected the final Spring enrollment figures would be higher as bad weather had

delayed many Eagle Scholar (early college) enrollment reports from high schools. He remarked that the preliminary numbers for Fall 2018 look good, while SOAR (orientation) registrations were strong. (*Preliminary Enrollment Report for Spring 2018 attached to these minutes and marked V-C-1*)

**Naming of ADUC
Facilities**

Vice President Jim Shaw reported on the status of moving naming rights from the cancelled alumni and welcome center to the Adron Doran University Center. Donors have been contacted and the vast majority have been willing to change their donations to benefit scholarships.

PRESIDENT'S REPORT

Dr. Morgan presented his report to the Board.

- Voluntary Separations – Approximately 25 employees accepted one of the options to reduce their work voluntarily.
- Legislative Update – The pension reform bill seems to be stalled and the General Assembly will be in conference on the budget over the coming weekend. Funding for the Kentucky Folk Art Center is still under discussion. The President was hopeful that the final budget would not require the 6.25% cut in appropriations that the Governor's budget had proposed.
- CFO – Ms. Beth Patrick, chief financial officer and vice president for administration, will be leaving the institution at the end of April. Ms. Lindgren will become chief financial officer as of April 1, and the remainder of the division has been reconstructed.
- SGA – The incoming president of the Student Government Association, Brandon Bryer, was introduced. The staff Regent election will be held in April.
- Property Disposal – The Board approved the disposal of three properties at its December 2017 meeting: Sunny Brook Golf Course, the former American Legion building and property, and a tract of land in front of the Office of Procurement on Old Cranston Road. The University expects to begin the process to receive bids for those properties shortly, and must sell them at their respective appraised values.
- Eagle Trace – A privately-funded hitting shed is being constructed.
- Annual Employee Performance Evaluations – The forms and process for staff performance evaluations have been revised and will be implemented this spring.
- President's Evaluation – The President will provide the Board with his self-assessment at the May meeting. The President reported that the current Chair suggested the Board follow the process used previously to evaluate the President's performance.
- Fair Labor Standards Act (FLSA) Changes – In anticipation of changes to the salary threshold for exempt employees that were to be implemented in 2016, MSU moved approx. 70-80 employees from exempt (salary) to non-exempt (hourly) status. The change to the law did not occur as anticipated, and the University has moved those individuals back to exempt status.

**BOARD OF REGENTS
BYLAWS**

The Board Ad Hoc Bylaws Committee was comprised of Mr. Price (chair), Ms. Walters, and Dr. Pidluzny. The committee recommends revisions to the bylaws to the Board. Mr. Price thanked the committee for its work, and also thanked Jane Fitzpatrick, general counsel. (*Proposed Board of Regents Bylaws attached to these minutes and marked VI-A*)

MOTION: Mr. Howard moved that the Board approve the Board of Regents Bylaws as recommended. Ms. Long seconded the motion.

VOTE: The motion carried unanimously.

**Recognition of Chair
Goodpaster**

Vice Chair Martin noted that Chair Goodpaster had served as chair of the Board for the maximum four consecutive years (since March 2014) and had also served as vice chair for nearly four years prior to that. Chair Goodpaster's maximum two consecutive terms of service to the Board (12 years) concludes this summer, and this is the first meeting that he has missed during his service. Due to his absence, recognition of his service will be made at the next meeting.

RECESS

Vice Chair Martin called for a recess of the meeting at 10:09 a.m. The meeting resumed at 10:38 a.m. with the remaining President's recommendations.

**PRESIDENT'S
RECOMMENDATIONS****Naming of Golding-Yang
Art Gallery**

The President recommended:

RECOMMENDATION: That the Board of Regents approve naming of Claypool-Young Art Building Room 209 as the Golding-Yang Art Gallery.

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

The late Deeno Golding, his wife Yanya Yang, and brother-in-law Neng Yang have been ambassadors of higher learning and loyal supporters of Morehead State University for decades. Mr. Golding was a full-time faculty member in the Department of Art and Design for 23 years prior to his untimely death at age 47 in December 2017. Ms. Yang worked as a graduate assistant in the gallery while completing her Master of Arts at MSU. Mr. Yang received his Master of Arts from MSU and also was a graduate assistant in the gallery. Mr. Yang painted the official University presidential portraits of all former presidents from Dr. Frank Button to Dr. Ronald Eaglin.

A reception and unveiling of the signage for the Golding-Yang Art Gallery will be held on May 4, 2018.

MOTION: Dr. Harr moved that the Board approve the President's recommendation. Dr. Pidluzny seconded the motion.

VOTE: The motion carried unanimously.

**Naming of McBrayer
Presidential Lecture
Series**

The President recommended:

RECOMMENDATION: That the Board of Regents approve naming of the Terry McBrayer Presidential Lecture Series in Government and Leadership.

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

Terry McBrayer is a graduate of MSU and an alumnus of the University of Louisville Bradeis School of Law. He is the senior partner of McBrayer, McGinnis, Leslie & Kirkland, the sixth largest law firm in the Commonwealth. Mr. McBrayer's experiences at MSU gave him valuable knowledge that led him to a highly successful career.

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

VOTE: The motion carried unanimously.

ANNOUNCEMENTS

President Morgan recognized George M. and Sue Y. Luckey of Morehead. Dr. George Luckey was director of the Academic Honors Program from 1990 until his retirement in 2003, when the program was named after him. Dr. Sue Luckey is former department chair in the College of Business and special assistant to President Eaglin. Both of the Luckey's were awarded honorary Doctor of Public Service degrees by the Board of Regents in 2008.

The Honors Program has moved from its former home to the first floor of Fields Hall. The Board of Regents members were invited to tour the facility after today's luncheon.

ADJOURNMENT

The next Board work session is May 10, preceded by an Audit Committee meeting. Commencement will be on May 12 at 10 a.m. and 2 p.m., followed by the Craft Academy graduation ceremony at 5 p.m. The next quarterly meeting of the Board is June 7.

There being no further business to conduct, Ms. Walker moved that the meeting adjourn at 11:38 a.m. The motion carried.

Respectfully submitted,



Sharon S. Reynolds, Secretary
Board of Regents

**SPECIAL MEETING
BOARD OF REGENTS
MOREHEAD STATE UNIVERSITY
May 10, 2018**

The Board of Regents of Morehead State University met at 10:00 a.m. on Thursday, May 10, 2018, in the DeMoss Suite of the Center for Health, Education and Research in Morehead, Kentucky for a special called meeting. Chair Kathy Walker presided.

CALL TO ORDER

Chair Walker called the meeting to order.

ROLL CALL

The following Board members were present: Kathy Walker, Paul C. Goodpaster, Shannon Harr, Eric Howard, Debbie Long, Rachael Malone, Wayne Martin, Jonathan Pidluzny, Craig Preece, Patrick Price, and Terri Walters.

Also present was President Joseph A. (Jay) Morgan, Provost Dr. Steven Ralston, Vice President Russ Mast, Vice President James Shaw, and Chief Financial Officer Teresa Lindgren.

MEDIA

Jami Hornbuckle, Chief Marketing and Public Relations officer, introduced Leeann Akers with Morehead State Public Radio, and Megan Smedley with the Morehead News.

**EMPLOYEE AND
STUDENT
RECOGNITION**

President Morgan recognized Ms. Natasha Davis, associate professor of dance, and Mr. Terry White, director of construction and engineering services, and commended them for their hard work and dedication to Morehead State University.

President Morgan also recognized Ms. Allie Terrell, a senior accounting major from Morehead who will be graduating on Saturday, and three members of the Student Alumni Ambassadors organization: Ms. Sydnee Bradley, Ms. Bre Howell, and Mr. Ryan Steele. He congratulated them on their hard work and excellent representation of Morehead State University.

**PHASED
RETIREMENT
CONTRACTS**

The President recommended:

RECOMMENDATION: The Board approve the faculty phased retirements for the following faculty:

One year of phased retirement

Dr. Mesghena Yasin, professor of economics

Dr. Donna Kizzier, associate professor information systems & business education

Dr. Markham Schack, professor of education

Dr. Deborah Plum, assistant professor of journalism

Dr. Zexia Barnes, associate professor of chemistry

Two years of phased retirement

Dr. Wayne Willis, professor of education

Dr. Ric Caric, professor of international and interdisciplinary studies

Dr. Monica Magner, professor of health

Dr. Latonya Hesterberg, professor of social work

Dr. Michael Harford, professor of management

With certain limitations, Kentucky Revised Statutes (KRS) allow retirees under the Kentucky Teachers' Retirement System (KTRS) to be reemployed in a part-time capacity with the same organization from which they retire. This will also include faculty participants in the Optional Retirement Plan (ORP) provided they meet eligibility standards. The University will allow faculty to retire by providing part-time employment for teaching up to 12 hours per academic year at their current hour salary. Accordingly, pursuant to University Administrative Regulation 334.02, Procedures for Phased Retirement Program (PRP), Morehead State University may provide qualifying faculty a phased retirement option.

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

VOTE: The motion carried unanimously.

CLOSED SESSION

Chair Walker entertained a motion to go into Closed Session pursuant to KRS 61.810(1)(b) to discuss matters relating to the future acquisition or sale of real property where publicity would be likely to affect the value of a specific piece of property to be acquired or sold. The Board will take no action while in Closed Session. Dr. Harr moved the Board go into Closed Session. Ms. Long seconded the motion. The motion carried unanimously and the Board retired to Closed Session, inviting Assistant Vice President for Facilities and Operations Kim Oatman and General Counsel Jane Fitzpatrick to join them.

OPEN SESSION

Following Closed Session, Chair Walker asked for a motion to return to Open Session. Mr. Preece moved the Board return to Open Session. Mr. Price seconded the motion. The motion carried unanimously. Chair Walker stated no action was taken during the Closed Session.

**DISCUSSION/
WORK SESSION****Health Care Task Force
Report**

President Morgan asked director of human resources Harold Nally to report on the recommendations of the health care task force. President Morgan asked the group to evaluate MSU's health insurance program and identify \$1.5 million in cost reductions. This amount was added to the health care budget in the current year to offset cost increases without raising employee rates.

After examining the program and preserving certain priorities, the group recommended the following cost containment actions for the 2019 plan year:

1. Suspend health reimbursement account (HRA) and reduce health savings account (HSA) contributions by 50%
2. Suspend wellness program incentives
3. Increase the tobacco surcharge to \$200 per month
4. Increase the spousal surcharge to \$150 per month
5. Increase employee contributions by 26% in aggregate (varies by plan)
6. Adjust the cost share to 70% paid by MSU and 30% paid by the employee (from the current 81/19 cost share)
7. Increase deductibles, co-pays, and out of pocket maximum amounts

Mr. Nally stated the increase in employee contributions resulted in 58% of the cost savings projected from these recommended changes, and shift more than \$400,000 in costs from the University to employees. He added that the proposed elimination of dental coverage was not included in the cost savings projected by the task force.

BREAK

The Board took a short break.

***Facilities Evaluation
Task Force Report***

President Morgan introduced assistant vice president for facilities and operations Kim Oatman to provide a report from the facilities evaluation task force. The group was asked to identify ways to make campus more efficient by reducing unutilized space. After touring buildings on campus and assessing operational costs and space utilization, the group recommended the following actions:

1. Move the remaining personnel out of Laughlin Health Building and possibly lease the building to the community.
2. Finish the McClure Pool area for volleyball practice, and raze Wetherby Gym in the 2018-19 fiscal year.
3. Raze Butler Hall and utilize the site for green space.
4. Implement additional energy savings during summer 2018 by shutting down buildings and cutting back on air conditioning.

AVP Oatman went on to provide the Board with an update on several facilities related issues. Some offices are scheduled to move into ADUC in July and the overall opening of the building is scheduled for Homecoming in October. Facilities is examining options for the crumbling façade on Camden-Carroll Library. The University is due to take possession in July of the Rowan County jail, as agreed to as part of a property swap when the University acquired the then-Rowan County Courthouse (which is now the Education Services Building) in exchange for property on West Main Street where the current Rowan County Courthouse stands. (The property swap was approved by the

Board in 2008 and executed in 2011.) Improvements in the directional signage to campus is being discussed with Kentucky Transportation Cabinet officials.

Regarding the three properties the Board authorized disposal of during the December 2017 meeting: no bids were received on Sunnybrook golf course nor the lot in front of the procurement building. A bid in excess of the appraised value was received for the former American-Legion building.

AVP Oatman also briefed the Board on a change to an easement with a neighbor to the sheep pasture at the Derrickson Agricultural Complex. The Board will be asked to authorize this change at the June meeting.

President Morgan said the Board will also likely be asked to take action on several buildings at the June meeting, including Butler Hall, Laughlin Health Building and Wetherby Gym.

*Recognition of Former
Chair Goodpaster*

President Morgan and Chair Walker recognized the outstanding leadership of former chair Paul C. Goodpaster. He served for the maximum four years as chair (since March 2014) and as vice chair for nearly four years prior to that. Mr. Goodpaster will complete the maximum two consecutive terms of service to the Board in June. Chair Walker presented Mr. Goodpaster with a framed photograph of central campus as a gift of appreciation.

PRESIDENT'S REPORT

President Morgan introduced the recently elected staff regent, Craig Dennis, who will join the Board in July. He mentioned the closing of a section of Battson-Oates Drive near ADUC will necessitate the renaming of the portion of the road which runs from Baird Hall to the Combs Building. The new name will be "MSU Way."

FUTURE MEETINGS

Chair Walker called Board members' attention to the packets they received today for their annual evaluation of the President. She also invited Board members to attend the commencement and Craft Academy graduation ceremonies on Saturday, May 12. The next quarterly meeting of the Board will be Thursday, June 7.

ADJOURNMENT

There being no further business to conduct, Mr. Goodpaster moved the meeting adjourn at 1:20 p.m. Ms. Walters seconded the motion. The motion carried.

Respectfully submitted,



Sharon S. Reynolds, Secretary
Board of Regents

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 2018 Spring Commencement on May 12, 2018, be ratified.

Background:

At the May 12, 2018 Spring Commencement, students were awarded degrees from Morehead State University. This included 108 associate degrees, 896 bachelor degrees, 229 master degrees, 9 education specialist degrees and 16 doctor of education degrees.

Recommendation:

That the Board of Regents approve the granting of promotions to the following faculty with the issuance of their contracts for the 2018-2019 year:

Professor

Chien-Chih Peng, finance
Elizabeth McLaren, education (ECESE)
Mark Graves, English
Michael Fultz, biology
Thomas Pannuti, astrophysics and space science
Gina Gonzalez, kinesiology
Wilson Gonzalez-Espada, physics and science education
Teresa Ferguson, nursing

Librarian II

Jason Griffith
Rodney Watkins

Background:

In accordance with personnel policies, faculty members and librarians 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.

Recommendation:

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

Mesghena Yasin, professor of economics
Janet McCoy, associate professor of communications and Director, Center for
Leadership and Professional Development
Francis Helphinstine, professor of English
Jack Weir, professor of philosophy
Dora Ahmadi, associate professor of mathematics

Background:

In accordance with PAc-3 and UAR 116.04, the faculty members listed above were recommended for emeritus status by their peers and immediate supervisors to the Provost. The President, based upon recommendations from the Provost, submits his recommendations to the Board of Regents. The emeritus status will become effective upon the date of retirement.

RATIFY PERSONNEL ACTIONS

**BOR (VII-A-5)
June 7, 2018**

Recommendation:

That the Board ratify the Personnel Actions for the period March 7, 2018, through May 16, 2018.

Background:

The Personnel Action Request Report includes actions related to:

- 1) full-time Faculty and Executive, Administrative and Managerial employees, excluding supplemental actions not listed under Item 3, below;
- 2) full-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;
- 7) reassignments; and
- 8) retirements.

**MOREHEAD STATE UNIVERSITY
ROSTER POSITIONS SUMMARY
05/16/18**

	<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	3.50	3.50	0.00	3.00	85.71
Division of University Advancement	40.75	40.40	-0.35	35.40	87.62
Division of Administration and Fiscal Services	98.75	94.75	-4.00	86.75	91.56
Facilities Management	150.00	152.00	2.00	124.00	81.58
Division of Student Affairs	187.49	169.83	-17.66	147.00	86.56
Division of Academic Affairs	50.91	47.91	-3.00	41.41	86.43
Caudill College of Arts, Humanities & Social Sciences	135.54	136.14	0.60	110.14	80.90
College of Business and Technology	53.00	53.00	0.00	49.00	92.45
College of Education	65.45	67.45	2.00	56.85	84.28
College of Science	148.33	148.33	0.00	130.58	88.03
Undergraduate Education & Student Success	28.83	47.83	19.00	42.83	89.55
Camden-Carroll Library	29.00	29.00	0.00	28.00	96.55
	<u>991.55</u>	<u>990.14</u>	<u>-1.41</u>	<u>854.96</u>	<u>86.35</u>

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

DEFINITIONS OF THE DIFFERENT KINDS OF APPOINTMENTS

- Full-Time Standing:** A Full-Time Standing Appointment designates an appointment that is full-time and for which no ending date is specified. Such appointments are terminable in accordance with the appropriate University policy. Full-time Standing Appointments must be backed with budgeted funds. Full-Time Standing Appointments may be used for all four payroll classification categories namely 1) Academic; 2) Administrative; 3) Staff Exempt; and 4) Staff Nonexempt (see PG-2). Full-Time Standing Appointments may be specified for nine, ten, eleven, or twelve months per fiscal year. This type of appointment is provided all regular University benefits.
- Full-Time Fixed:** A Full-Time Fixed Appointment designates an appointment that is full-time for a fixed period of time and for which an ending date is specified. Such appointments may be specified for nine, ten, eleven, or twelve months. The appointments do not have to be backed by permanent funds. Full-Time Fixed Appointments may be used for all four payroll classification categories namely 1) Academic; 2) Administrative; 3) Staff Exempt; and 4) Staff Nonexempt (see PG-2). This includes instructors and any other individuals in a classification covered by the tenure regulations. Such appointments are discontinued automatically at the specified ending date. Appointments may be terminated before the ending date for cause or business necessity. Full-Time Fixed Appointments may be renewed. Persons appointed to Full-Time Fixed Appointments are not converted to Full-Time Standing Appointments without an appropriate search or search waiver. This type of appointment is provided all regular University benefits.
- Supplemental:** A Supplemental Appointment designates an appointment which is supplementary to a Full-Time Standing or Full-Time Fixed Appointment and has the effect of providing an additional contractual provision beyond the term of the Full-Time Standing or Full-Time Fixed Appointments. For example, a Supplemental Appointment may be used if an individual whose regular appointment is for nine months but whose appointment is extended for one to three additional months. Supplemental Appointments will also be used to designate those appointments which are supplementary to Full-Time Standing or Full-Time Fixed Appointments to compensate for approved additional services normally outside the scope of regular duties. For example, A Supplemental Appointment can be used when an eligible employee is employed to teach a course for additional compensation. Regular University benefits, except sick leave and vacation accrual, continue with a Supplemental Appointment.

APPOINTMENT STATUS ACTIONS
3/7/18 - 5/16/18

Department/Office	Name	Effective Date	Ending Date	Title	Contract Months	Salary	Employment Status	Employment Action
Hires								
History, Phil., Pol., Int. & Legal Studies	Dunman, Leonard	08/06/18		Asst. Prof. of Legal Studies	9	\$54,150.00	Full-Time Standing	Full-Time Fixed to Standing
Agricultural Science	Kaufman, Katelyn	08/06/18	05/14/19	Visiting Asst. Prof. of Equine Science	9	\$50,000.00	Full-Time Fixed	New
Athletics-Football	Stoudt, Cole	03/16/18	12/31/18	Assistant Football Coach	12	\$34,000.00	Full-Time Fixed, Probationary	New
Biology & Chemistry	Mefford, Melissa	08/06/18		Asst. Prof. of Biology	9	\$56,000.00	Full-Time Standing	New
Kinesiology, Health & Imaging Sciences	Gevedon, Rodney	08/06/18	05/14/19	Instructor of Imaging Sciences	9	\$48,500.00	Full-Time Fixed	New
Mathematics & Physics	Adkins, James	08/06/18	05/14/19	Visiting Asst. Prof. of Physics	9	\$46,000.00	Full-Time Fixed	New
Mathematics & Physics	Qualls, Joshua	08/06/18	05/14/19	Visiting Asst. Prof. of Mathematical Physics	9	\$46,000.00	Full-Time Fixed	New
Nursing	Bloom, Esther	08/06/18	05/14/19	Instructor of Nursing	9	\$50,000.00	Full-Time Fixed	New
Psychology	White, Stephen	08/06/18	05/14/19	Visiting Asst. Prof. of Psychology	9	\$52,000.00	Full-Time Fixed	New
Soc. Social Work & Criminology/Diversity	Atkins, Caroline	07/01/18	06/30/19	Visit. Asst. Prof. of Crimin./Asst. to Pres. Strategic Initiatives	12	\$73,000.00	Full-Time Fixed	New
Agricultural Science	Jones, Peggy	08/06/18	05/14/19	Instructor of Nutrition	9	\$37,110.00	Full-Time Fixed	Renewal
Agricultural Science	Porter, Heather	08/06/18	05/14/19	Instructor of Animal Science	9	\$37,500.00	Full-Time Fixed	Renewal
Agricultural Science-Veterinary Technology	Dement, Elizabeth	08/06/18	05/14/19	Instructor of Veterinary Technology	9	\$37,500.00	Full-Time Fixed	Renewal
Art & Design	Yungbluth, Adam	08/06/18	05/14/19	Visiting Asst. Prof. of Art & Design-Ceramics	9	\$40,000.00	Full-Time Fixed	Renewal
Athletics	Hutchinson, Brian	07/01/18	06/30/19	Director of Athletics	12	\$130,000.00	Full-Time Fixed	Renewal
Athletics-Baseball	Brown, Adam	07/01/18	06/30/19	Associate Head Baseball Coach	12	\$36,000.00	Full-Time Fixed	Renewal
Athletics-Baseball	McGuire, Michael	07/01/18	06/30/19	Head Baseball Coach	12	\$75,000.00	Full-Time Fixed	Renewal
Athletics-Baseball	Sweeney, Kane	07/01/18	06/30/19	Assistant Baseball Coach	12	\$31,000.00	Full-Time Fixed	Renewal
Athletics-Cheerleaders	Coleman, Mark	07/01/18	06/30/19	Head Cheer Coach	12	\$40,000.00	Full-Time Fixed	Renewal
Athletics-Cross Country	Picucci, Stephen	07/01/18	06/30/19	Head Cross Country & Track Coach	12	\$46,500.00	Full-Time Fixed	Renewal
Athletics-Men's Golf	Martin, William	07/01/18	06/30/19	Head Men's Golf Coach	12	\$42,500.00	Full-Time Fixed	Renewal
Athletics-Rifle	Joseph, Alan	07/01/18	06/30/19	Head Rifle Coach	12	\$35,000.00	Full-Time Fixed	Renewal
Athletics-Women's Golf	Barker, Stephanie	07/01/18	06/30/19	Women's Head Golf Coach	12	\$46,720.00	Full-Time Fixed	Renewal
Biology & Chemistry	Fulmer, Dennis	08/06/18	05/14/19	Instructor of Chemistry	9	\$39,793.00	Full-Time Fixed	Renewal
Biology & Chemistry	McMurry, Malinda	08/06/18	05/14/19	Instructor of Biology	9	\$43,271.00	Full-Time Fixed	Renewal
Biology & Chemistry	Umphress, Sarah	08/06/18	05/14/19	Instructor of Biology	9	\$44,741.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Alloway, Sissy	08/06/18	05/14/19	Instructor of Spanish	9	\$38,163.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Bycura, Miescha	08/06/18	05/14/19	Instructor of Spanish	9	\$41,282.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Flavell, John	08/06/18	05/14/19	Instructor of Journalism	9	\$36,989.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Manis, Randy	08/06/18	05/14/19	Instructor of Communication	9	\$41,536.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Merritt, Christopher	08/06/18	05/14/19	Instructor of Communication	9	\$37,646.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Middleton, Steven	08/06/18	05/14/19	Instructor of Mass Communication	9	\$40,065.00	Full-Time Fixed	Renewal
Communication, Media & Languages	Murray, Donell	08/06/18	05/14/19	Instructor of Communication	9	\$39,756.00	Full-Time Fixed	Renewal
Computer Science & Information Systems	Elgazzar, Heba	08/06/18	05/14/19	Instructor of Computer Science	9	\$52,000.00	Full-Time Fixed	Renewal
Computer Science & Information Systems	Grimes, Connie	08/06/18	05/14/19	Instructor of CIS	9	\$54,214.00	Full-Time Fixed	Renewal
Counseling & Health Services	Burchett, Charla	07/01/18	06/30/19	APRN/Health Educator	11	\$64,167.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Benton, Sharon	08/06/18	05/14/19	Instructor of Education	9	\$43,157.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Chapman-Johnson, Suzannah	08/06/18	05/14/19	Instructor of Education	9	\$34,000.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Fitch, Malinda	08/06/18	05/14/19	Instructor of Education	9	\$36,766.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Haberek, Mark	08/06/18	05/14/19	Instructor of Education	9	\$36,936.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Martin, Tamala	08/06/18	05/14/19	Instructor of Education	9	\$36,000.00	Full-Time Fixed	Renewal
Early Childhood, Elementary & Secondary Ed.	Vernon, April	08/06/18	05/14/19	Instructor of Education	9	\$35,265.00	Full-Time Fixed	Renewal
Educational Unit for Child Care Services	Akers, Stephanie	07/01/18	06/30/19	Director, Educational Unit for Child Care Services	12	\$65,560.00	Full-Time Fixed	Renewal
Engineering & Technology Management	Curd, Joseph	08/06/18	05/14/19	Instructor of Construction & Civil Engineering	9	\$45,000.00	Full-Time Fixed	Renewal
Engineering & Technology Management	Mason, Patrick	08/06/18	05/14/19	Instructor of Engineering & Technology Management	9	\$48,484.00	Full-Time Fixed	Renewal
Engineering & Technology Management	Stubbs, Steven	08/06/18	05/14/19	Instructor of Career & Tech. Ed./ CTE Coordinator	9	\$50,000.00	Full-Time Fixed	Renewal
English	Edington, Carmen	08/06/18	05/14/19	Instructor of English	9	\$36,790.00	Full-Time Fixed	Renewal
English	Engle, F. Bruce	08/06/18	05/14/19	Instructor of English	9	\$41,107.00	Full-Time Fixed	Renewal
English	Gabrielson, Deanna	08/06/18	05/14/19	Instructor of English	9	\$36,790.00	Full-Time Fixed	Renewal
English	Hicks, Paul	08/06/18	05/14/19	Instructor of English	9	\$37,973.00	Full-Time Fixed	Renewal
English	Johnson, Patrick	08/06/18	05/14/19	Instructor of English	9	\$35,766.00	Full-Time Fixed	Renewal
English	Mascle, Deanna	08/06/18	05/14/19	Instructor of English	9	\$41,309.00	Full-Time Fixed	Renewal
English	Penn, Steven	08/06/18	05/14/19	Instructor of English	9	\$40,904.00	Full-Time Fixed	Renewal
English	Porter, Daniel	08/06/18	05/14/19	Instructor of English	9	\$38,169.00	Full-Time Fixed	Renewal
English	Potter, David	05/01/18	04/30/19	Post-Doctoral Research Associate	12	\$43,692.00	Full-Time Fixed	Renewal
English	Reding, Timothy	08/06/18	05/14/19	Instructor of English	9	\$41,107.00	Full-Time Fixed	Renewal
English	Taylor, Alex	08/06/18	05/14/19	Instructor of English	9	\$35,259.00	Full-Time Fixed	Renewal
Foundational & Graduate Studies in Ed.	Hatfield, Virginia	08/06/18	05/14/19	Visiting Asst. Prof. of Education Leadership	9	\$44,911.00	Full-Time Fixed	Renewal
History, Phil., Pol., Int. & Legal Studies	Fitzpatrick, Benjamin	08/06/18	05/14/19	Instructor of History	9	\$46,356.00	Full-Time Fixed	Renewal
Instructional Services	Kroll, Marie	08/06/18	05/14/19	Developmental Education Reading Instructor	9	\$37,774.00	Full-Time Fixed	Renewal
Instructional Services	Wright, Christina	08/06/18	05/14/19	Developmental Education Reading Instructor	9	\$38,000.00	Full-Time Fixed	Renewal

APPOINTMENT STATUS ACTIONS
3/7/18 - 5/16/18

Department/Office	Name	Effective Date	Ending Date	Title	Contract Months	Salary	Employment Status	Employment Action
Hires (continued)								
Kinesiology, Health & Imaging Sciences	Ash, Elizabeth	08/06/18	05/14/19	Instructor of Health & Wellness	9	\$41,481.00	Full-Time Fixed	Renewal
Kinesiology, Health & Imaging Sciences	Kerr, Wade	08/06/18	05/14/19	Instructor of Health & Wellness	9	\$41,251.00	Full-Time Fixed	Renewal
Kinesiology, Health & Imaging Sciences	Pickering, Carl	08/06/18	05/14/19	Instructor of Kinesiology	9	\$37,000.00	Full-Time Fixed	Renewal
Mathematics & Physics	Blanton, Richard	08/06/18	05/14/19	Instructor of Mathematics	9	\$41,910.00	Full-Time Fixed	Renewal
Mathematics & Physics	Hood, Dawn	08/06/18	05/14/19	Instructor of Mathematics	9	\$41,892.00	Full-Time Fixed	Renewal
Mathematics & Physics	Meadows, Troy	08/06/18	05/14/19	Instructor of Mathematics	9	\$41,697.00	Full-Time Fixed	Renewal
Mathematics & Physics	Schworm, Brian	08/06/18	05/14/19	Instructor of Mathematics	9	\$41,910.00	Full-Time Fixed	Renewal
Mathematics & Physics	Waltmire, Joshua	08/06/18	05/14/19	Instructor of Mathematics	9	\$40,000.00	Full-Time Fixed	Renewal
Mathematics & Physics	Whaley, Ryan	08/06/18	05/14/19	Instructor of Mathematics	9	\$40,000.00	Full-Time Fixed	Renewal
Middle Grades & Secondary Education	Barrette, Randy	08/06/18	05/14/19	Instructor of Education	9	\$46,810.00	Full-Time Fixed	Renewal
MSU Teach	Schroeder, Kendra	08/06/18	05/14/19	MSU Teach Master Teacher	9	\$49,500.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	Clark, Travis	08/06/18	05/14/19	Visiting Asst. Prof. of Theatre	9	\$41,000.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	McGillicuddy, Ryan	08/06/18	05/14/19	Visiting Asst. Prof. of Music	9	\$46,645.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	Mosley, Ellen	08/06/18	05/14/19	Visiting Asst. Prof. of Music-Flute	9	\$51,000.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	Murphy, William	08/06/18	05/14/19	Instructor of Music	9	\$39,839.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	Paise, Michelle	08/06/18	05/14/19	Visiting Asst. Prof. of Music-Music Education	9	\$53,000.00	Full-Time Fixed	Renewal
Music, Theatre, & Dance	Pappas, Thomas	08/06/18	05/14/19	Visiting Asst. Prof. of Music-Oboe/Theory	9	\$50,000.00	Full-Time Fixed	Renewal
Nursing	Harrison, Judy	08/06/18	05/14/19	Instructor of Nursing	9	\$50,000.00	Full-Time Fixed	Renewal
Nursing	Sadler, Shelley	08/06/18	05/14/19	Instructor of Nursing	9	\$44,000.00	Full-Time Fixed	Renewal
Nursing	Thompson, Christa	08/06/18	05/14/19	Instructor of Nursing	9	\$50,000.00	Full-Time Fixed	Renewal
Nursing	Wallace, Lisa	08/06/18	05/14/19	Instructor of Nursing	9	\$50,000.00	Full-Time Fixed	Renewal
School of Business Administration	Nehring, Daniel	08/06/18	05/14/19	Instructor of Management	9	\$54,520.00	Full-Time Fixed	Renewal
School of Business Administration	Stapleton, Samuel	08/06/18	05/14/19	Instructor of Management	9	\$46,677.00	Full-Time Fixed	Renewal
Sociology, Social Work & Criminology	Davison, Rebecca	08/06/18	05/14/19	Instructor of Social Work	9	\$40,000.00	Full-Time Fixed	Renewal
Sociology, Social Work & Criminology	Hall, Raymond	08/06/18	05/14/19	Instructor of Sociology	9	\$42,803.00	Full-Time Fixed	Renewal
Sociology, Social Work & Criminology	Robinson-Phipps, Deirdra	07/01/18	06/30/19	Instructor/Facilitator	12	\$54,941.00	Full-Time Fixed	Renewal
Sociology, Social Work & Criminology	Susan, Paul	08/06/18	05/14/19	Instructor of Social Work	9	\$40,000.00	Full-Time Fixed	Renewal
Sociology, Social Work & Criminology	Whitley, Angela	07/01/18	06/30/19	Instructor/Facilitator	12	\$51,237.00	Full-Time Fixed	Renewal
Space Science Center	Paglalunga, Daniele	07/01/18	04/15/19	Visiting Research Engineer-Exomedicine	9.5	\$35,625.00	Full-Time Fixed	Renewal
Interim Appointments								
Career Services	Boone, Megan	07/01/18	06/30/19	Interim Director, Career Services	12	\$6,616.00		
Dean, Caudill College, Arts, Hum. & Soc. Sci.	Ernst, John	07/01/18		Dean, Caudill College, Arts, Hum. & Soc. Sciences	12	\$137,500.00		
Dean, College of Business & Technology	Russell, Gregory	07/01/18		Interim Dean, College of Business Technology	12	\$156,692.00		
Dean, College of Education	Miller, Christopher	07/01/18		Dean, College of Education	12	\$135,000.00		
Early Childhood, Elementary & Special Ed.	Miller, April	07/01/18		Chair, Early Childhood, Elementary & Special Ed.	12	\$109,797.00		
Earth & Space Sciences	Jerde, Eric	07/01/18		Chair, Earth & Space Sciences	12	\$89,984.00		
Foundational & Graduate Studies in Ed.	Simpson, Timothy	07/01/18		Chair, Foundational & Graduate Studies in Education	12	\$85,057.00		
Kinesiology, Health & Imaging Sciences	Probst, Manuel	07/01/18		Chair, Kinesiology, Health & Imaging Sciences	12	\$90,000.00		
Mathematics & Physics	Schroeder, Christopher	07/01/18		Chair, Mathematics & Physics	12	\$88,619.00		
Off., Provost & VP Academic Affairs	Albert, Robert	07/01/18		Interim Provost & Vice President for Academic Affairs	12	\$185,248.00		
Leave Of Absence								
Athletics-Women's Softball	Alfaro, Alexa	05/14/18	06/30/18	Assistant Softball Coach	12	\$26,000.00	With Pay	Contract Not Renewed
Athletics-Women's Softball	Williams, David	05/14/18	06/30/18	Head Women's Softball Coach	12	\$50,000.00	With Pay	Contract Not Renewed
Promotions								
Agricultural Sciences	Harrelson, Patricia	08/06/18		Assoc. Prof. of Animal Science	9	\$54,402.00	Full-Time Standing	Title Change/Salary Adjustment
Biology & Chemistry	Fultz, Michael	08/06/18		Professor of Biology	9	\$61,007.00	Full-Time Standing	Title Change/Salary Adjustment
Biology & Chemistry	Gibbs, Kurt	08/06/18		Assoc. Prof. of Biology	9	\$53,317.00	Full-Time Standing	Title Change/Salary Adjustment
Early Childhood, Elementary & Special Ed.	McLaren, Elizabeth	08/06/18		Professor of Education	9	\$57,321.00	Full-Time Standing	Title Change/Salary Adjustment
Early Childhood, Elementary & Special Ed.	Stultz, Sherry	08/06/18		Assoc. Prof. of Education (Learning & Behavior Disorders)	9	\$53,772.00	Full-Time Standing	Title Change/Salary Adjustment
Earth & Space Science	Pannuti, Thomas	08/06/18		Professor of Astrophysics & Space Science	9	\$64,843.00	Full-Time Standing	Title Change/Salary Adjustment
Engineering & Technology Management	Cheng, Cheng	08/06/18		Asst. Prof. of Engineering & Technology Management	9	\$65,000.00	Full-Time Standing	Title Change/Salary Adjustment
English	Graves, Mark	08/06/18		Professor of English	9	\$57,995.00	Full-Time Standing	Title Change/Salary Adjustment
Foundational & Graduate Studies in Ed.	Tan, Fujuan	08/06/18		Assoc. Prof. of Adult & Higher Education	9	\$52,272.00	Full-Time Standing	Title Change/Salary Adjustment
Kinesiology, Health & Imaging Sciences	Gonzalez, Gina	08/06/18		Professor of Kinesiology	9	\$57,269.00	Full-Time Standing	Title Change/Salary Adjustment
Mathematics & Physics	Gonzalez-Espada, Wilson	08/06/18		Professor of Physics & Science Education	9	\$66,811.00	Full-Time Standing	Title Change/Salary Adjustment
Music, Theatre & Dance	Carlisle, Gregory	08/06/18		Assoc. Prof. of Theatre	9	\$51,903.00	Full-Time Standing	Title Change/Salary Adjustment
Nursing	Ferguson, Teresa	08/06/18		Asst. Prog. Coord. (Assoc. Degree)/Professor of Nursing	9	\$63,479.00	Full-Time Standing	Title Change/Salary Adjustment
School of Business Administration	Peng, Chien-Chih	08/06/18		Professor of Finance	9	\$106,474.00	Full-Time Standing	Title Change/Salary Adjustment
Sociology, Social Work & Criminology	Ferrell, David	08/06/18		Asst. Prof. of Social Work	9	\$51,000.00	Full-Time Standing	Title Change/Salary Adjustment

APPOINTMENT STATUS ACTIONS
3/7/18 - 5/16/18

Department/Office	Name	Effective Date	Ending Date	Title	Contract Months	Salary	Employment Status	Employment Action
Reassignments								
Craft Academy	Hardymon, Joshua	07/01/18		Assistant Director of Residence Life/Enrollment Serv. Counselor	12	\$35,354.00	Full-Time Standing	Title Change
Human Resources	Cundiff, Kayla	04/01/18		Benefits Specialist	12	\$15.15	Full-Time Standing	Title Change
Agricultural Sciences-Veterinary Tech.	Dews, Katie	07/01/18	06/30/19	Instructor of Veterinary Tech. & Clinician (Large Animal)	12	\$40,846.00	Full-Time Fixed	Title Change/Salary Adjustment
Career Services	Murphy, Hayley	07/01/18		Career Coach	12	\$32,990.00	Full-Time Standing, Probationary	Title Change/Salary Adjustment
Morehead State Public Radio	Akers, Leeann	07/01/18		News Director	12	\$39,334.00	Full-Time Standing, Probationary	Title Change/Salary Adjustment
Accounting & Financial Serv./Postal Serv.	Hunter, Sandra	04/01/18		Business Cashier/Postal Clerk	12	\$10.64	Full-Time Standing, Probationary	Title Change/Transfer
Payroll	Dunn, Shayla	04/01/18		Payroll Manager	12	\$35,354.00	Full-Time Standing, Probationary	Title Change/Transfer
Facilities Management	Johnson, Carl Scott	04/01/18		Manager of Facilities Inform. Sys. & Engineering Tech.	12	\$64,404.00	Full-Time Standing	Title Change/Transfer
Student Activities, Inclusion & Leadership	Tenyer, Jane	04/01/18		Assistant Director, Programming & Engagement	12	\$51,533.00	Full-Time Standing	Title Change/Transfer
Agricultural Sciences	Flanery, Paige	06/01/18		Accountant	12	\$32,990.00	Full-Time Standing, Probationary	Title Change/Transfer/Salary Adj.
Educational Opportunity Center	Lewis, Vicci	05/01/18	08/30/18	TRIO Program Specialist	12	\$12.38	Full-Time Fixed	Title Change/Transfer/Salary Adj.
MSU at Prestonsburg	Blanton, Andrew	07/01/18		Coordinator, MSU at Prestonsburg	12	\$55,391.00	Full-Time Standing, Probationary	Title Change/Transfer/Salary Adj.
MSU Police	Lewis, Donald	04/01/18		Police Telecommunicator	12	\$11.13	Full-Time Standing, Probationary	Title Change/Transfer/Salary Adj.
Sociology, Social Work & Criminology	Sexton, Gabria	07/01/18		Academic Departmental Specialist	12	\$13.87	Full-Time Standing, Probationary	Title Change/Transfer/Salary Adj.
Upward Bound Program	Menville, Shayla	05/01/18	05/31/18	Academic Bridge Coordinator	12	\$32,990.00	Full-Time Fixed, Probationary	Title Change/Transfer/Salary Adj.
Separations								
Facilities Mngt.-Building Services	Williams, Brian	05/01/18		Building Services Technician	12	\$8.94		Discharge
Registrar	Fultz, Denise	05/11/18		Transfer Coordinator	12	\$29,188.00		Discharge
Carl Perkins Vocational Center	Walters, Chris	03/14/18		Cook/Food Service Worker	12	\$10.10		Job Abandonment
Academic Advising & Retention	Porter, Janie	06/30/18		Academic Assistant	12	\$14.92		Layoff
Athletics-Football	Boyd, Tammy	06/30/18		Secretary	12	\$12.74		Layoff
Eagle Card Office	Coldiron, Jeanette	06/30/18		EagleCard & Document Services Specialist	12	\$14.09		Layoff
Facilities Mngt.-Building Services	Bales, Garrett	06/30/18		Building Services Technician	12	\$8.64		Layoff
Facilities Mngt.-Building Services	Cundiff, Kayla	06/30/18		Building Services Technician	12	\$8.64		Layoff
Facilities Mngt.-Building Services	Osborne, John	06/30/18		Building Services Technician	12	\$8.64		Layoff
Facilities Mngt.-Building Services	Schultz, Lisa	06/30/18		Building Services Technician	12	\$8.64		Layoff
Facilities Mngt.-Landscaping & Grounds	Smith, Alex	06/30/18		Groundskeeper	12	\$9.21		Layoff
Financial Aid	Castle, Lea	06/30/18		Financial Aid Support Specialist	12	\$10.37		Layoff
Information Technology	Whitaker, Patricia	06/30/18		Client Technology Analyst	12	\$24.87		Layoff
Kentucky Folk Art Center	Collinsworth, Matt	10/31/18		Senior Director, Kentucky Folk Art Center	12	\$69,667.00		Layoff
Kentucky Folk Art Center	Stone, Tammy	10/31/18		Administrative Coordinator	12	\$13.67		Layoff
MSU @ Ashland	Ringrose-Preston, Susan	10/31/18		Campus Assistant	12	\$16.80		Layoff
MSU @ Prestonsburg	Prater, Dawonna	10/31/18		Campus Assistant	12	\$17.06		Layoff
Registrar	Gibson, Arielle	06/30/18		Academic Records Specialist	12	\$11.18		Layoff
Testing Center	Carroll, Tom	06/30/18		Testing Assistant	12	\$13.38		Layoff
Computer Science & Information Systems	Aly, Ashraf	05/14/19		Asst. Prof. of Computer Science	9	\$72,000.00		Probationary Release
Computer Science & Information Systems	Sani, Shahrokh	05/14/19		Asst. Prof. of Computer Science	9	\$72,000.00		Probationary Release
Athletics-Men's Basketball	Burton, James	03/23/18		Assistant Basketball Coach	12	\$65,000.00		Resignation
Athletics-Women's Basketball	Jump, Abby	05/15/18		Assistant Basketball Coach	12	\$36,500.00		Resignation
Athletics-Women's Basketball	Mitmesser, Todd	05/15/18		Assistant Basketball Coach	12	\$56,000.00		Resignation
Early Childhood, Elementary & Special Ed.	McLaren, Elizabeth	12/12/18		Professor of Education	9	\$57,321.00		Resignation
History, Phil., Pol., Int. & Legal Studies	Durocher, Kristina	06/30/18		Professor of History	9	\$59,395.00		Resignation
Mathematics & Physics	Skaggs, Duane	06/30/18		Assoc. Prof. of Mathematics & Interim Chair	9	\$55,227.00		Resignation
Music, Theatre & Dance	Dishman, Nathan	05/15/18		Asst. Prof. of Music-Trombone	9	\$50,750.00		Resignation
Music, Theatre & Dance	Geiger, Matthew	05/15/18		Visiting Asst. Prof. of Music-Jazz/Percussion	9	\$46,551.00		Resignation
Music, Theatre & Dance	Taylor, Matthew	05/15/18		Asst. Prof. of Music-Saxophone	9	\$44,217.00		Resignation
President/Provost Office	Holloway, Charles	05/15/18		Chief Diversity Officer	12	\$90,348.00		Resignation
School of English, Comm., Media & Lang.	Williams, Thomas	06/29/18		Assoc. Dean, School of English, Comm., Media Languages	12	\$125,000.00		Resignation
Sociology, Social Work & Criminology	Turner, Justin	05/15/18		Asst. Prof. of Criminology	9	\$52,000.00		Resignation
Accounting & Financial Services	James, Karen	06/30/18		Senior Cashier	12	\$16.90		Retirement
Agricultural Sciences-Veterinary Technology	Reynolds, Paula	05/31/18		Agricultural Support Assistant	12	\$16.80		Retirement
Alumni Relations & Development	Bumgardner, Patsy	05/31/18		Secretary Specialist	12	\$13.67		Retirement
Biology & Chemistry	Barnes, Zexia	06/30/18		Assoc. Prof. of Chemistry	9	\$63,036.00		Retirement
Communication, Media & Languages	Plum, Deborah	05/15/18		Asst. Prof. of Journalism	9	\$48,184.00		Retirement
Computer Science & Information Systems	Kizzier, Donna	06/30/18		Assoc. Prof. of Information Systems & Business Education	9	\$98,341.00		Retirement
Early Childhood, Elementary & Special Ed.	Schack, Markham	05/15/18		Professor of Education	9	\$61,101.00		Retirement
Educational Unit for Child Care Services	Smith, Nellie	06/30/18		Office Assistant	12	\$12.74		Retirement
English	Helphinstine, Frances	06/30/18		Professor of English	9	\$86,298.00		Retirement
Enrollment Services	Butler, Vincent	04/30/18		Military & Veteran Success Program Specialist	12	\$18.53		Retirement
Facilities Management	Martinat, Deborah	07/31/18		Work Control Center Support Specialist	12	\$14.83		Retirement
Facilities Mngt.-Building Services	Rayburn, Charlotte	05/31/18		Building Services Technician	12	\$10.69		Retirement

APPOINTMENT STATUS ACTIONS
3/7/18 - 5/16/18

Department/Office	Name	Effective Date	Ending Date	Title	Contract Months	Salary	Employment Status	Employment Action
Separations (continued)								
History, Phil., Pol., Int. & Legal Studies	Caric, Ric	06/30/18		Professor of International & Interdisciplinary Studies	9	\$76,747.00		Retirement
History, Phil., Pol., Int. & Legal Studies	Green, William	06/30/18		Professor of Government	9	\$82,032.00		Retirement
Human Resources	Bush, Sandra	05/31/18		Employment & Records Manager	12	\$43,558.00		Retirement
Information Technology	Estep, Lawrence	07/31/18		Senior Systems Programmer/Analyst	12	\$72,571.00		Retirement
International Student Services	Copher, Denice	04/30/18		International Student Services Specialist	12	\$16.80		Retirement
Kinesiology, Health & Imaging Sciences	Magner, Monica	06/30/18		Professor of Health	9	\$67,450.00		Retirement
Middle Grades & Secondary Education	Willis, Wayne	06/30/18		Chair & Professor of Education	12	\$116,015.00		Retirement
Morehead State Public Radio	Mraz, Charles	06/30/18		News Director	12	\$51,533.00		Retirement
MSU at Prestonsburg	Ford, Lula	12/31/18		Director, MSU at Prestonsburg	12	\$83,756.00		Retirement
Procurement Services	Lewis, Amelia	05/31/18		Procurement Specialist	12	\$14.94		Retirement
Psychology	Olson, David	06/29/18		Assoc. Prof. of Psychology	9	\$66,175.00		Retirement
Registrar	Ross, Deborah	06/30/18		Registrar	12	\$82,000.00		Retirement
School of Business Administration	Harford, Michael	06/30/18		Professor of Management	9	\$100,216.00		Retirement
School of Business Administration	Yasin, Mesghena	06/30/18		Professor of Economics	9	\$91,806.00		Retirement
Small Business Development Center	Casebolt, Linda	06/30/18		Administrative Assistant to Director	12	\$14.55		Retirement
Sociology, Social Work & Criminology	Hesterberg, Latonya	06/30/18		Professor of Social Work	9	\$70,000.00		Retirement
Sociology, Social Work & Criminology	Olson, Carol	05/15/18		Assoc. Prof. of Social Work	9	\$53,488.00		Retirement
Other								
VP, University Advancement	Shaw, James	07/01/18		Vice President for University Advancement	9	\$120,000.00		Contract Adj. (12 to 9 months)
Camden Carroll Lib./Music, Theatre & Dance	Gregory, David	07/01/18		Dean of Library Services	12	\$101,227.00		Instructional Assignment
Comm. Mkt./Comm. Media & Languages	Hornbuckle, Jami	07/01/18		Assistant Vice President of Communication & Marketing	12	\$103,485.00		Instructional Assignment
Dean, College Arts, Hum. & Soc. Sci./HPIL	Ernst, John	07/01/18		Dean, Caudill College, Arts, Hum. & Soc. Sci./Prof. of History	12	\$137,500.00		Instructional Assignment
Dean, College Bus. & Tech./Sch. Bus. Adm.	Russell, Gregory	07/01/18		Dean, College of Business/Assoc. Prof. of Management	12	\$156,692.00		Instructional Assignment
Dean, College of Ed./Found. Grad. Stud. Ed.	Miller, Christopher	07/01/18		Dean, College of Education/Professor of Education	12	\$135,000.00		Instructional Assignment
Enrollment Serv./Hist. Phil., Pol. Int, Leg. Stud.	Litteral David	07/01/18	06/30/19	Director of Military Initiatives	12	\$60,000.00		Instructional Assignment
Grad. School/Found. & Grad. Stud. Ed.	Maxey, Susan	07/01/18		Director, Graduate Programs/Certification Officer	12	\$65,560.00		Instructional Assignment
Off., President/Found. & Grad. Stud. Ed.	Morgan, Joseph	07/01/18		President	12	\$325,000.00		Instructional Assignment
Research & Spon. Prog./Agricultural Sci.	Henson, Michael	07/01/18		Assoc. Vice President of Research/Dean of Graduate School	12	\$132,000.00		Instructional Assignment
Institutional Effectiveness	Andrews, Courtney	03/17/18		Director, Institutional Research & Analysis	12	\$71,451.00		Probation Completed
Athletics-Football	Austin, Milo	04/01/18	12/31/18	Associate Head Football Coach	12	\$42,000.00		Title Change
Kentucky Folk Art Center	Collinsworth, Matt	07/01/18		Senior Director, Kentucky Folk Art Center	12	\$69,667.00		Title Change
Music, Theatre & Dance	Escalante, Roosevelt	08/06/18		Assoc. Prof. of Music	9	\$56,337.00		Title Change
Planning, Performance, & Effectiveness	Ratliff, Jill	07/01/18		Chief Planning Officer/Asst. VP for Plan., Perf. & Effectiveness	12	\$114,250.00		Title Change
Regional Education & Outreach	Connell, Daniel	07/01/18		Asst. VP for Regional Education & Outreach	12	\$117,289.00		Title Change
Space Science Center	Malphrus, Ben	07/01/18		Executive Director, Space Science Center/Professor	12	\$174,000.00		Title Change
Athletics-Men's Basketball	Lombardi, Dominic	04/01/18	03/31/19	Assistant Basketball Coach	12	\$32,990.00		Title Change/Transfer
Biology & Chemistry	Lin, Elizabeth	08/06/18	05/14/19	Visiting Asst. Prof. of Biology	9	\$40,497.00		Title Change/Transfer
History, Phil., Pol., Int. & Legal Studies	Hail, Michael	08/06/18		Professor of Government	9	\$85,426.00		Title Change/Transfer
Community & Government Relations	Fitzpatrick, Jane	07/01/18		General Counsel	12	\$137,533.00		Transfer
Dean of Students	Ammons, Maxwell	07/01/18		Assistant Vice President/Dean of Students	12	\$85,000.00		Transfer

Total Appointment Status Actions: 216

SUPPLEMENTAL ACTIONS
3/7/18 - 5/16/18

Name	Title	Department/Office	Effective Date	Ending Date	Salary	Description
Becker, Kyrsten	Assoc. Head Women's Volleyball Coach	Athletics-Beach Volleyball	02/01/18	05/15/18	\$3,643.00	Additional Duties
Durocher, Kristina	Professor of History	Education Abroad	05/14/18	06/30/18	\$6,000.00	Director, Education Abroad
Goodpaster, Wretha	Assoc. Prof. of Imaging Sciences	Research & Sponsored Programs	06/01/18	06/30/18	\$500.00	Administrative Duties
Gordon, James	Head Women's Volleyball Coach	Athletics-Beach Volleyball	02/01/18	05/15/18	\$6,477.00	Additional Duties
Krummrich, Philip	Professor of Comparative Literature	Honors Program	07/01/18	06/30/19	\$9,316.00	Director, Honors Program
Masterson, James	Assoc. Prof. of Government	History, Phil., Pol., Int. & Legal Studies	01/16/18	06/30/18	\$4,000.00	Director, MSU China Study Abroad Prog.
Morgan, Joseph	President	Off., President	07/01/18	06/30/19	\$14,400.00	Vehicle Allowance
Probst, Manuel	Interim Chair, KHIS	Research & Sponsored Programs	06/01/18	06/30/18	\$500.00	Administrative Duties
Royar, Robert	Assoc. Prof. of English	Quality Enhancement Plan	07/01/18	08/05/18	\$1,667.00	Director, Quality Enhancement Plan
Spradlin, Preston	Head Men's Basketball Coach	Athletics-Men's Basketball	11/01/17	03/15/18	\$10,120.00	Eagle Sports Network
Spradlin, Preston	Head Men's Basketball Coach	Athletics-Men's Basketball	05/15/18	05/15/18	\$2,787.00	Vehicle Allowance
Todd, Robert	Head Women's Basketball Coach	Athletics-Women's Basketball	11/01/17	03/15/18	\$10,363.00	Eagle Sports Network
Todd, Robert	Head Women's Basketball Coach	Athletics-Women's Basketball	05/15/18	05/15/18	\$1,951.00	Vehicle Allowance

Total Supplemental Actions: 13

**APPROVE REAPPOINTMENT
OF AUDITING FIRM**

**BOR (VII-A-6)
June 7, 2018**

Recommendation:

That, based on the recommendation of the Audit Committee, the Board approve the extension of the auditing services contract with Dean Dorton Allen Ford, PLLC in Lexington to conduct the required annual audits for Morehead State University for the fiscal year that will end on June 30, 2018.

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 January 11, 2016, 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 Allen Ford, PLLC to conduct the annual audits. The contract with the firm was for the fiscal year that ended on June 30, 2016 with the option to extend the contract for four additional one year periods. The audit fee adjustments for the extension periods will be based on the consumer price index.

The services rendered by Dean Dorton Allen Ford, PLLC for the 2016-2017 fiscal year were satisfactory and in compliance with the terms of the contract. The fee for the 2017-2018 fiscal year will not exceed \$90,000.

The Audit Committee met on May 10, 2018. The Committee approved the extension of the audit contract.

**APPROVE MINIMUM SCOPE
OF THE ANNUAL AUDIT**

**BOR (VII-A-7)
June 7, 2018**

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, 2018.

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 Financial Services 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.

The Audit Committee met on May 10, 2018. The Committee approved the minimum scope of the audit.

**MOREHEAD STATE UNIVERSITY
MINIMUM SCOPE OF THE ANNUAL AUDIT
FOR THE YEAR ENDING JUNE 30, 2018**

June 7, 2018

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, 2018. 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, 2018 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 and in accordance with *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. The audit should include a determination as to whether Morehead State University's federal expenditures have met the Single Audit threshold established by the provisions of the Single Audit Act, Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the U.S. Office of Management and Budget's (OMB) Compliance Supplement. 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, Subpart F of Title 2 U.S. CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the U.S. Office of

Management and Budget's (OMB) Compliance Supplement.

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 48.111.

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, 2018. 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, 2018. 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, 2018.

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*.

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

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

Closing Package

In accordance with the directive from the Commonwealth of Kentucky Auditor of Public Accounts, the Firm will provide a copy of the comprehensive financial statements and management letter to the Auditor of Public Accounts. In addition, a report issued under *Codification of Statements on Auditing Standards* AU 623.11 through 623.17 applicable to the “closing package” furnished by the University to the Finance and Administration Cabinet will be provided to the Auditor of Public Accounts by October 5, 2018. 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, 2018 from the last day of field work (projected for late September 2018) to December 12, 2018. 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 noon on December 13, 2018.

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. The audited financial statements and management letter shall be furnished to the Auditor of Public Accounts no later than October 5. If final reports are not available as of October 5, 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 in accordance with KRS 164A.555 through 164A.630 (House Bill 622) based on the audit of financial statements.

- (d) The closing package forms, in accordance with *Codification of Statements on Auditing Standards*, AU 623.11 through 623.17.
 - (e) 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.
2. The Firm will certify, on line, the CPB audit report by November 30 of each year.
 3. The Firm will prepare the KFAC form 990 & 990-T by February 15 of each year.
 4. The Firm will provide a representation letter by July 27 to the Auditor of Public Accounts stating that the Firm is in compliance with auditing standards generally accepted in the United States of America and the *Government Auditing Standards* concerning continuing education requirements, independence and internal quality control system and peer review requirements.
 5. 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.
 6. The Firm will prepare the University's form 990-T by February 15 of each year and provide consulting services related to unrelated business income.

**AUTHORIZE PRESIDENTIAL EXTENSION
OF TUITION WAIVER AND RECREATION &
WELLNESS CENTER MEMBERSHIPS**

**BOR (VII-A-8)
June 7, 2018**

Recommendation:

That the Board authorize the President to extend tuition waivers and memberships to the Recreation & Wellness Center.

Background:

The Commonwealth of Kentucky has been under a state budget strain and pension system increases which are applying budgetary pressure on all Kentucky universities. In light of the state budget issues, it is expected that a reduction in employees will be needed.

On February 9, 2018, President Morgan met with all employees of the University and proposed several options including phased retirement (faculty only) and voluntarily reduced employment and departure. Although no incentives to retirement were offered, the University did determine it would be prudent to offer all employees who responded to the voluntary reductions by June 30, 2018 the opportunity to take courses at Morehead State University—to be retrained or continue their education for transition. Thus individuals voluntarily reducing or departing would be extended tuition waivers for three (3) years (through June 30, 2021), and membership to the MSU Recreation & Wellness Center would be extended for one (1) year (through June 30, 2019) for health related matters. These may be administered by the President and may be altered by the President in the best interest of the University.

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

**BOR (VII-B-1)
June 7, 2018**

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, 2018, 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, 2018, the third quarter of the fiscal year ending June 30, 2018. The statements, along with management's discussion and analysis and budget amendment information are attached.

**Morehead State University
Management's Discussion and Analysis
Third Quarter Financial Statements
March 31, 2018**

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, 2018. The statements and this discussion and analysis have been prepared by Accounting and Financial Services staff.

Using These Financial Statements

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

Financial Highlights

Morehead State University's financial picture remains stable through the third quarter of the 2017-2018 fiscal year. During the period July 1, 2017 through March 31, 2018, the University operated with a surplus of revenues over expenditures and transfers in the amount of \$16,627,700. This level of operating surplus is expected at this time, since most of the billings for the Spring 2018 semester are reflected in the tuition and fees revenue and only expenditures through March 31, 2018 are reflected. As the fiscal year proceeds, 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 nine months are summarized as follows:

- ▶ Total revenues increased approximately \$1.5 million from last year to \$127.7 million. The majority of this increase was due to a 4.92% increase in tuition rates for undergraduate students and a 6.2% increase in residence hall rates. There was a decline in undergraduate and graduate enrollment.
- ▶ The percent of actual total revenue to budget was 81.87% at March 31, 2018 and 81.49% at March 31, 2017. This percentage would be expected at this time, since most of the billings for the Spring 2018 semester are reflected in revenue.
- ▶ Total expenses were approximately \$111 million at both March 31, 2018 and 2017. There was an increase in fixed costs such as debt service, service contracts, insurance, and scholarship commitments, but these increases were offset by a decrease in personnel expenses.
- ▶ Net change in net position increased \$1.4 million to \$16.6 million as compared to \$15.2 million at March 31, 2017. This is primarily the result of the increase in revenues.

Morehead State University
Unrestricted Current Funds
Statements of Revenues, Expenditures & Changes in Net Position
For the Nine Months Ended March 31, 2018 and 2017

	2017-2018			2016-2017		
	Amended Budget	Actual	Percent of Actual to Budget	Amended Budget	Actual	Percent of Actual to Budget
REVENUES						
Educational and General						
Tuition and Fees	\$71,531,116	\$68,515,167	95.78%	\$70,380,849	\$67,763,052	96.28%
Govt Appropriations	41,642,500	33,314,200	80.00%	41,969,200	33,627,189	80.12%
Indirect Cost Reimbursement	825,000	692,287	83.91%	900,000	557,015	61.89%
Sales & Services Ed Activities	1,933,452	1,843,037	95.32%	2,147,198	1,924,796	89.64%
Other Sources	3,842,819	3,571,779	92.95%	3,281,221	3,253,760	99.16%
Budgeted Fund Balance-E&G	9,630,933	-	0.00%	11,160,059	-	0.00%
Total Educational and General	\$129,405,820	\$107,936,470	83.41%	\$129,838,527	\$107,125,812	82.51%
Auxiliary Enterprises						
Housing	\$15,283,054	\$14,710,684	96.25%	\$14,777,200	\$13,770,109	93.18%
University Store	5,360,800	3,808,766	71.05%	5,344,322	4,090,090	76.53%
Food Services	781,500	600,388	76.83%	851,500	579,134	68.01%
Other	1,212,040	679,585	56.07%	1,092,200	699,044	64.00%
Budgeted Fund Balance-Auxiliary	3,982,441	-	0.00%	3,047,162	-	0.00%
Total Auxiliary Enterprises	\$26,619,835	\$19,799,423	74.38%	\$25,112,384	\$19,138,377	76.21%
TOTAL REVENUES	\$156,025,655	\$127,735,893	81.87%	\$154,950,911	\$126,264,189	81.49%

Morehead State University
 Unrestricted Current Funds
 Statements of Revenues, Expenditures & Changes in Net Position
 For the Nine Months Ended March 31, 2018 and 2017

	2017-2018			2016-2017		
	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	\$812,885	\$620,399	76.32%	\$904,725	\$621,640	68.71%
University Advancement	4,320,508	3,088,112	71.48%	4,623,695	3,420,003	73.97%
Administration & Fiscal Services	23,482,971	20,006,965	85.20%	23,031,098	19,441,619	84.41%
Student Affairs (Student Success)	19,222,272	14,601,967	75.96%	19,662,999	15,431,743	78.48%
Academic Affairs	56,168,355	37,442,396	66.66%	56,094,211	37,168,061	66.26%
Other	30,441,008	24,103,204	79.18%	30,658,244	20,880,557	68.11%
Total Educational & General	\$134,447,999	\$99,863,043	74.28%	\$134,974,972	\$96,963,623	71.84%
Auxiliary Enterprises						
Housing	\$14,714,542	\$6,039,279	41.04%	\$13,568,747	\$8,710,997	64.20%
University Store	4,658,961	3,423,524	73.48%	4,729,526	3,972,127	83.99%
Food Services	365,920	241,800	66.08%	313,375	227,823	72.70%
Other	1,838,233	1,540,547	83.81%	1,364,291	1,153,217	84.53%
Total Auxiliary Enterprises	\$21,577,656	\$11,245,150	52.11%	\$19,975,939	\$14,064,164	70.41%
TOTAL EXPENDITURES AND TRANSFERS BY DIVISION	\$156,025,655	\$111,108,193	71.21%	\$154,950,911	\$111,027,787	71.65%
NET CHANGE IN NET POSITION		\$16,627,700			\$15,236,402	

Morehead State University
Statements of Net Position
March 31, 2018 and 2017

	2018	2017
Assets and Deferred Outflows		
Current assets:		
Cash and cash equivalents	\$22,494,340	\$41,807,195
Accounts, grants and loans receivable, net	22,060,141	13,000,946
Prepaid interest	16,083	16,082
Inventories	1,564,321	1,444,792
Other current assets	177,210	187,210
Total current assets	46,312,095	56,456,225
Noncurrent assets:		
Accounts, grants and loans receivable, net	4,157,461	3,928,531
Prepaid interest	160,828	176,912
Prepaid lease	3,501,000	-
Investments	13,740,685	13,696,198
Capital assets, net	267,590,295	244,901,336
Total noncurrent assets	289,150,269	262,702,977
Total Assets	335,462,364	319,159,202
Deferred Outflows of Resources:		
Pensions	56,508,243	23,948,232
Total deferred outflows of resources	56,508,243	23,948,232
Total assets and deferred outflows of resources	\$391,970,607	\$343,107,434
Liabilities, Deferred Inflows and Net Position		
Current liabilities:		
Accounts payable and accrued liabilities	\$7,078,564	\$8,608,547
Unearned revenue	2,195,486	2,770,223
Bonds, notes and capital lease obligations, current portion	6,850,148	5,853,329
Total current liabilities	16,124,198	17,232,099
Long-term liabilities:		
Bonds, notes and capital lease obligations, noncurrent portion	90,068,488	97,863,719
Advances from federal government for student loans	3,397,754	3,423,702
Unearned revenue	290,235	290,235
Net pension liability	264,430,175	219,469,445
Total long-term liabilities	358,186,652	321,047,101
Total Liabilities	374,310,850	338,279,200
Deferred Inflows of Resources:		
Deferred bond reoffering premium	2,231,679	2,418,551
Pensions	10,013,990	7,465,708
Deferred gain on disposal	1,429,844	-
Total deferred inflows of resources	13,675,513	9,884,259
Net Position:		
Net investment in capital assets	168,616,890	138,958,731
Restricted:		
Expendable	7,144,578	14,251,336
Nonexpendable	11,517,192	11,456,685
Unrestricted	(183,294,416)	(169,722,777)
Total net position	3,984,244	(5,056,025)
Total liabilities, deferred inflows and net position	\$391,970,607	\$343,107,434

See Attached Notes To Statements of Net Position

Morehead State University
Notes to the Statements of Net Position
March 31, 2018 and 2017

1. The Statements of Net Position include the unrestricted current funds, restricted current funds, endowment funds, loan funds, and plant funds of the University. Agency funds held for others are not included.
2. Cash and cash equivalents decreased \$19.3 million primarily due to the expenditure of bond proceeds to construct the new student residential facilities and the new parking garage/dining commons. The decrease is also due to timing of Direct Ford Loan drawdowns from the Department of Education. State capital appropriations were also expended for the renovation/expansion of the student services facility and funds were expended for the IT infrastructure project.
3. Accounts, grants, and loans receivable are shown net of allowance for uncollectible student accounts of \$2,461,957 at March 31, 2018 and \$2,717,855 at March 31, 2017. Also, included in this category is \$16.6 million in receivables from federal and state agencies at March 31, 2018 and \$7.7 million at March 31, 2017. The increase in receivables from federal and state agencies is related to the timing of Direct Ford Loan drawdowns from the Department of Education.
4. Other current assets include financial commitments from the MSU Foundation for campus construction and renovation projects.
5. Noncurrent accounts, grants and loans receivable represent balances owed to the University from borrowers who have participated in the Federal Perkins Loan Program.
6. Capital assets, net increased approximately \$22.6 million from the previous year. This was due to increases in construction in progress related to the student services facility expansion/renovation. The increase was also related to expenditures for The Rock dining commons and the IT infrastructure project. Accumulated depreciation on buildings and equipment was \$191,518,353 at March 31, 2018 and \$181,412,895 at March 31, 2017.
7. Deferred outflows of resources include the amount of pension contributions paid to KTRS and KERS from July 1, 2016 through June 30, 2017. These amounts were paid subsequent to the June 30, 2016 measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Deferred outflows also include amounts related to changes in assumptions used in the calculations by the actuaries.
8. Accounts payable and accrued liabilities include amounts due to vendors and amounts due for withheld and matching portions of payroll taxes and estimated claims payable, but not paid until after the Statements of Net Position date.
9. Unearned revenue from federal and state grants represent amounts received but not expended at the Statements of Net Position date.
10. Bonds and capital lease obligations include the current and long-term portions of amounts borrowed for the purchase of plant assets. The University made principal payments on outstanding debt in the amount of \$6.6 million and amortized \$145 thousand in Bond Reoffering Premiums.
11. Net pension liability is due to the implementation of GASB 68, which required Morehead State University to record its proportionate share of the Commonwealth of Kentucky's net pension liability.
12. Deferred inflows of resources include bond premiums from the issuance of the 2014 Series A and B and 2016 Series A General Receipts Bonds. Also, included in this category is the projected difference between projected and actual investment earnings on pension plan investments and changes in assumptions.

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2018 to March 31, 2018

Description	Amended Budget As of 1/1/2018	Adjustments	Amended Budget As of 3/31/2018
Revenues and Other Additions			
Tuition and Fees	\$ 71,368,834	\$ 162,282	\$ 71,531,116
Government Appropriations	41,642,500	-	41,642,500
Indirect Cost Reimbursement	825,000	-	825,000
Sales and Services of Ed. Activities	1,764,396	169,056	1,933,452
Other Sources	3,670,583	172,236	3,842,819
Budgeted Fund Balance - E&G	9,630,933	-	9,630,933
Auxiliary Enterprises	22,517,254	120,140	22,637,394
Budgeted Fund Balance - AUX	2,986,479	995,962	3,982,441
Total Revenues and Other Additions	<u>\$ 154,405,979</u>	<u>\$ 1,619,676</u>	<u>\$ 156,025,655</u>
Expenditure Authorizations by Division			
Educational & General			
President & Administration	\$ 812,298	\$ 587	\$ 812,885
University Advancement	4,297,699	22,809	4,320,508
Administration & Fiscal Services	23,714,903	(231,932)	23,482,971
Student Affairs	18,762,335	459,937	19,222,272
Academic Affairs	55,715,237	453,118	56,168,355
Debt Service & Mandatory Transfers	4,216,700	-	4,216,700
Other	26,370,345	(146,037)	26,224,308
Total Educational & General	<u>\$ 133,889,517</u>	<u>\$ 558,482</u>	<u>\$ 134,447,999</u>
Auxiliary Enterprises			
Administration & Fiscal Services	\$ 12,899,732	\$ 2,156,282	\$ 15,056,014
Student Affairs	833,692	3,246	836,938
Debt Service	5,394,828	-	5,394,828
Other	1,388,210	(1,098,334)	289,876
Total Auxiliary Enterprises	<u>\$ 20,516,462</u>	<u>\$ 1,061,194</u>	<u>\$ 21,577,656</u>
Total Expenditure Authorizations	<u>\$ 154,405,979</u>	<u>\$ 1,619,676</u>	<u>\$ 156,025,655</u>

MOREHEAD STATE UNIVERSITY
Unrestricted Current Funds
Budget Amendments
For the Period January 1, 2018 to March 31, 2018
Notes of Significant Adjustments to Revenue and Other Additions

Tuition and Fees

Tuition and Fees revenue allocated during the third quarter totaled \$162,282

- Winter session tuition revenue allocated to cover Winter supplemental pay and fringe benefits totaled \$76,271
- Unbudgeted course fee revenue allocated to various academic departments totaled \$86,011

Sales and Services of Educational Activities

Unbudgeted revenue allocated during the third quarter totaled \$169,056

- Eagle Excellence Fund (EEF) support from the MSU Foundation totaled \$23,383
- Athletic revenue allocations totaled \$72,259
 - \$58,313 NCAA Proceeds
 - \$13,196 Other Athletic Revenue
 - \$750 Athletic Camp Revenue
- Other miscellaneous revenue allocations totaled \$73,414
 - \$46,970 Student Affairs (*includes \$39,450 to First Year Programs from the non-refundable portion of the Enrollment Deposit*)
 - \$26,444 Academic Affairs

Other Sources

Unbudgeted revenue allocated during the third quarter totaled \$172,236

- Unbudgeted support from the MSU Foundation totaled \$106,267
 - \$80,998 Academic Affairs
 - \$21,666 University Advancement
 - \$2,791 Student Affairs
 - \$587 President's Office
 - \$225 Administration & Fiscal Services
- Endowment income allocations primarily to Academic Affairs totaled \$56,721
- Other miscellaneous revenue totaled \$12,178
 - \$5,952 Academic Affairs
 - \$2,649 Administration & Fiscal Services
 - \$647 Student Affairs

Auxiliary Enterprises

Unbudgeted revenue allocated during the third quarter totaled \$120,140

\$117,200 Housing revenue for spring 2018 Residence Hall Leadership Awards

\$2,940 Other miscellaneous revenue to Eagle Trace Golf Course for promotional activities

Fund Balance – Auxiliary

Budgeted allocations from Fund Balance for the ADUC renovation during the third quarter totaled \$995,962 *(to be reimbursed by project account funds managed in Frankfort)*

MOREHEAD STATE UNIVERSITY
Budget Amendments Greater Than \$200,000
For the Period January 1, 2018 to March 31, 2018

From: Revenue and Other Additions	To: Division/ Budget Unit	Amount	Description
Fund Balance - Auxiliary	Administration & Fiscal Services Auxiliary Facility Remodeling	\$ 995,963	Allocation of Fund Balance to reimburse ARAMARK for purchase of kitchen equipment, millwork, stainless steel items, signage & graphics, and smallwares that are part of the ADUC renovation project. This advance of funds will be reimbursed by state-issued bond funds managed in the Frankfort project account.

MOREHEAD STATE UNIVERSITY
Capital Outlay Status Report
Agency Funds
For the Period of January 1, 2018 to March 31, 2018

	<u>Estimated Project Scope</u>	<u>Completion Date</u>	<u>Project Status</u>
I. Equipment Purchases \$200,000 or Greater			
None			
II. Capital Construction Projects, Information Technology Systems or Land Acquisitions \$1,000,000 or Greater			
East Parking Structure and Dining Commons - Phase II	\$ 7,606,800	October, 2017	Completed
Lappin Hall Cooling System Replacement	\$ 1,764,840		In Progress
Unified Security and Access Control	\$ 1,400,000		In Progress
Water Treatment Plant Sediment Basin	\$ 1,600,000		In Planning
Veterinary Technology HVAC System Replacement	\$ 731,447	December, 2017	Completed

**APPROVE 2018-2019 OPERATING BUDGET,
FEE SCHEDULE AND PERSONNEL ROSTER**

**BOR (VII-B-2)
June 7, 2018**

Recommendation:

That the Board approve the recommended 2018/2019 Operating Budget, which totals \$147,307,000, the 2018/2019 Personnel Roster, and the 2018/2019 Fee Schedule.

Summary:

The 2018/2019 Operating Budget totals \$147.3 million, a decrease of \$4.9 million (3.2 percent) compared to the current fiscal year. The two primary fund sources in the operating budget are student tuition and fee revenue and state appropriation. The recommended budget demonstrates the University's commitment to student success and fiscal responsibility. Funding is included to support targeted investment in student recruitment initiatives and fixed cost increases while absorbing the loss of tuition revenue and state support through cost saving measures and reduction strategies.

Background:

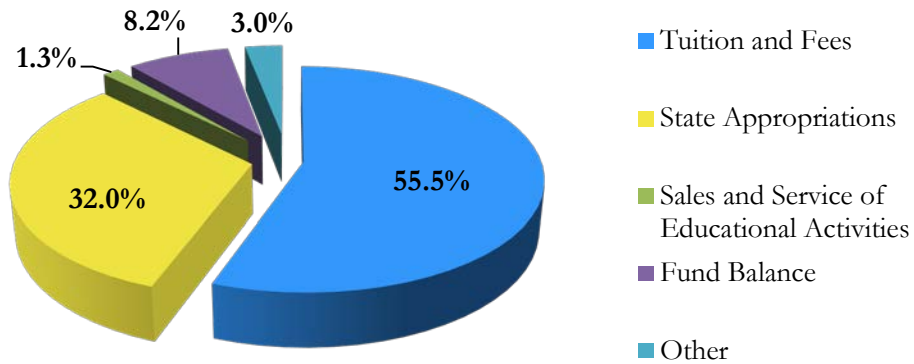
The budget reflects the continued commitment to advance the University's mission by focusing on the goals and objectives as defined in *SOAR 2018-2022 Vision & Strategic Plan*. The budget preparation process was inclusive of campus input and representation from various constituency groups. The focus was on strengthening MSU's financial position through alignment with the state's Performance Based Funding Model by strategic resource reallocation and sound fiscal management.

Analysis – Operating Budget:

Educational and General Funds (E&G) represent 82.4 percent of the total unrestricted operating budget and are the primary source of funds for the instructional mission and operational support of the University. The primary sources of the E&G budget include tuition and fee revenue of \$67.3 million (55.5 percent) and state appropriation for operating of \$38.9 million (32.0 percent). The total reflects a decrease in tuition and fee revenue of \$3.9 million (5.5 percent) and a decrease of \$2.8 million (6.7 percent) in state operating appropriation from the current year budget. The decrease in tuition and fee revenue is a result of compounding factors. In 2017/2018, the budgeted tuition revenue for the fall and spring semesters was not met due to declines in both undergraduate and graduate enrollment. The resulting tuition revenue budget shortfall of \$925,600 (1.4 percent) was primarily due to an unanticipated decline in international student enrollment. The enrollment projection for 2018/2019 includes a decrease of 71 (5.6 percent) first time freshman, a decrease of 216 (4.5 percent) returning undergraduate students, and a decrease of 84 (9.1 percent) graduate students.

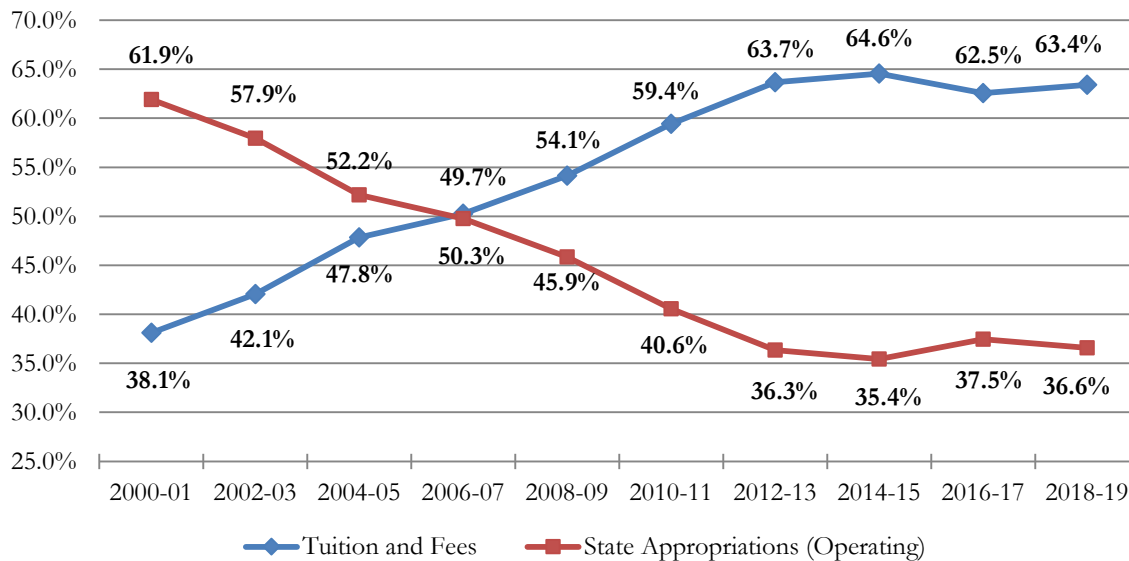
The following chart summarizes 2018/2019 budgeted unrestricted E&G revenue by major revenue category.

Educational & General Revenues 2018-2019 Operating Budget



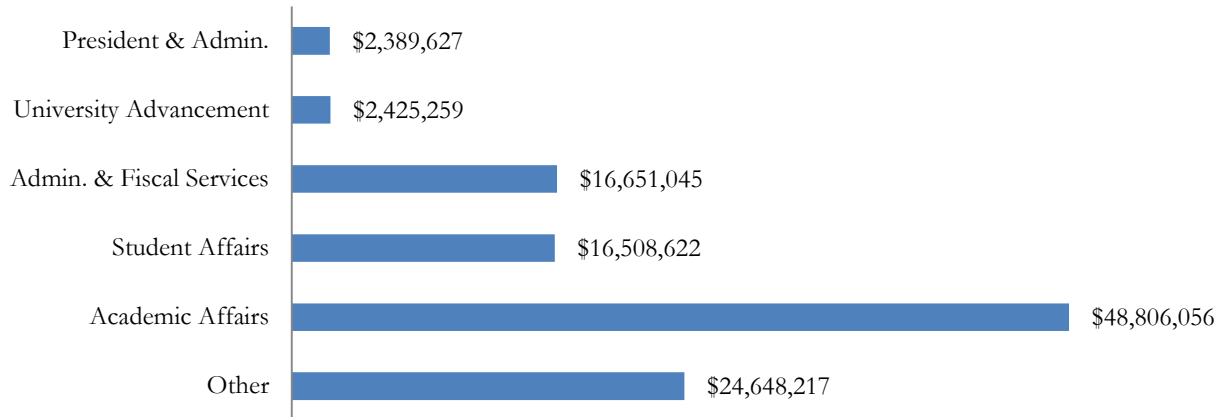
The 2018/2019 E&G Operating Budget reflects a continuation of the multi-year trend of the institution’s dependency on tuition and fee revenue as state support has continued to decline as illustrated below.

Student Share vs. State Share



The following chart summarizes the 2018/2019 budgeted unrestricted E&G expenditures by organizational area. President and Administration includes President’s Office, Board of Regents, Planning, Performance & Effectiveness, Testing, Diversity, Community & Government Relations, Internal Audit, and University Earn to Learn. Other includes Student Financial Aid, Other Instruction, Faculty & Staff Benefits, and Undistributed Institutional Support.

2018-2019 E&G Operating Budget by Division



Student Financial Aid:

The University demonstrates a continued commitment to affordability by including \$19.9 million (17.8 percent of E&G expenditures) in the 2018/2019 Operating Budget for student financial aid awards. Additionally, \$1.3 million is budgeted across all divisions in “Earn to Learn” student wages accounts dedicated solely for student employment.

Fund Balance reserves are generally budgeted within the unrestricted operating budget to address strategic needs of a non-recurring nature such as capital projects, investments in property and equipment, and carry forward of prior year budget allocations. Expenditures planned for multiple years are not funded from fund balance reserves in the 2018/2019 Operating Budget, but rather, are included in the recurring budget and funded with a recurring revenue source. Fund balance allocations in the 2018/2019 Operating Budget include \$1.4 million for capital projects and contractual property acquisition, \$3.7 million for estimated carry forward of 2017/2018 budget encumbrances for ongoing projects and operations, \$1.7 million for healthcare self-insurance reserve, \$5.8 million for E&G budget reserve (5 percent of E&G recurring expenditure budget), and \$860,000 for Auxiliary budget reserve (5 percent of auxiliary recurring expenditure budget).

Auxiliary Funds are generated by enterprises that are essentially self-supporting through charging fees to students and others external to the institution. Auxiliary enterprises generate approximately 17.6 percent of the University’s operating revenues and include services for student housing, dining, vending, document services, the University’s bookstore operation and the Eagle Trace Golf Course.

The following chart aligns the various sources of funds with the University’s use of funds to illustrate where University resources originate and what they support.

Funds	Source of Funds	Use of Funds
Recurring E&G Revenues	<ul style="list-style-type: none"> ▪ State Appropriation ▪ Tuition and Mandatory Fees ▪ Course and Program Fees ▪ Athletic Revenues ▪ Transfers ▪ Student Service Fees 	<ul style="list-style-type: none"> ▪ Instruction ▪ Public Service ▪ Administrative Support ▪ Student Financial Aid ▪ Instructional Support ▪ Student Services ▪ Operations & Maintenance of E&G Facilities ▪ Research
Fund Balance	Savings and reserves from prior years	<ul style="list-style-type: none"> ▪ Capital Projects ▪ Non-recurring Strategic Investments ▪ Budget Reserves
Auxiliary Enterprise Revenues	<ul style="list-style-type: none"> ▪ Rental of Housing Facilities ▪ Dining Revenue ▪ University Bookstore ▪ Eagle Trace Golf Course ▪ Vending ▪ Document Printing Services 	<i>Self-supporting auxiliary units pay their expenses and receive no taxpayer or tuition support.</i>

Analysis – Fee Schedule:

A comprehensive review of the University’s fee schedule is conducted annually and recommended changes are presented to the Board for approval. The recommended 2018/2019 Fee Schedule is presented on pages C-1 through C-27 of the Operating Budget.

Tuition and Mandatory Fees:

On April 27, 2018, the Council on Postsecondary Education (CPE) adopted two-year resident undergraduate tuition and mandatory fee ceilings for the 2018/2020 biennium that do not allow base tuition rate increases to exceed 6 percent over the two years and no more than 4 percent in any one year. The tuition base rate excludes CPE approved Special Use Fees.

Although the tuition increase parameters established by CPE would allow MSU to increase base tuition by up to 4 percent in 2018/2019, the decision was made not to increase tuition over the current year rates. Even with difficult budget constraints, MSU is dedicated to providing students with personalized attention and high-quality academic programs while making the experience affordable for students and families, particularly in our service region.

Prior to CPE's adoption of the Special Use Fee policy, MSU students voted in spring 2005 to approve a \$100 per semester mandatory fee to provide resources to pay for construction of the Student Recreation and Wellness Center. Revenue from the fee is used for the purpose of supporting the annual debt payment for the agency bond issue that funded the construction project. The \$100 fee was implemented in two phases with revenue from the first phase used for planning and design of the project and upgrades of existing recreation and wellness facilities. At the point of implementing the second phase of the fee in fall 2011, MSU assessed tuition under a per credit hour model rather than a full-time rate model. On June 10, 2011, CPE approved a Special Use Fee of \$5 per credit hour (equivalent to \$66 for 15 credit hours under the current full-time rate model) for MSU to implement the remaining portion of the \$100 mandatory fee. Thus, \$66 of the \$100 mandatory fee for the Student Recreation and Wellness Center is categorized by CPE as a Special Use Fee.

A summary of changes in recommended resident undergraduate tuition and mandatory fees (listed separately) is listed below.

Per Semester Rates	Fall 2017	Fall 2018	Increase
Tuition			
Resident Undergraduate Base Tuition (12-18 hours)	\$4,375	\$4,375	\$0
Mandatory Fees			
Student Recreation & Wellness Fee	\$100	\$100	\$0
Facility Fee	\$0	\$60	\$60
Total Tuition & Mandatory Fees	\$4,475	\$4,535	\$60

The proposed rate schedule listed below is within the tuition increase parameters and non-resident student tuition and fee policy set by the Council on Postsecondary Education for 2018/2019.

Tuition and Mandatory Fee Schedule Effective Fall Semester 2018		
Tuition	Undergraduate Full-Time Rate (12-18 Credit Hours)	Per Credit Hour Rate
Undergraduate		
Resident	\$4,375	\$365
Non-Resident (Domestic)	\$6,613	\$552
International	\$11,088	\$925
Graduate		\$570
Notes:		
<ol style="list-style-type: none"> 1. <i>Full-time status is achieved for undergraduate students when enrolled in at least 12 credit hours per semester.</i> 2. <i>Undergraduate students enrolled in more than 18 credit hours will be charged the Full-Time Rate plus the additional Per Credit Hour Rate for each credit hour above 18.</i> 3. <i>The Full-Time Rate does not apply to graduate students. All graduate students are charged on a per credit hour basis.</i> 4. <i>Resident, Non-resident, and International graduate students will be charged at the same per credit hour rate.</i> 5. <i>Per credit hour rates also apply to students enrolled in a summer or winter session.</i> 6. <i>All students will be assessed a \$9 per credit hour student recreation and wellness center mandatory fee with a maximum charge of \$100 per academic term.</i> 7. <i>All students will be assessed a \$5 per credit hour facility fee with a maximum charge of \$60 per academic term.</i> 8. <i>Non-resident (domestic) and International undergraduate students enrolled exclusively in internet courses and/or enrolled exclusively at a regional campus center will be assessed tuition and fees at the undergraduate resident rate. Academic courses delivered with at least 50% of the instruction online are categorized as internet courses.</i> 9. <i>Students enrolled in internet courses will be assessed tuition at the applicable rate and will be assessed a \$15 per credit hour course fee.</i> 		

Student Housing:

Housing rental rates are established to remain competitive with other state universities and the local housing market with similar amenities. To keep MSU housing as an affordable option for our students, there are no rental rate increases recommended for 2018/2019 with the exception of a modest increase for Andrews Hall and previously scheduled increases for University Farm residence halls with work assignments. The average residence hall rate recommended in the 2018/2019 Operating Budget is \$2,654 per semester. This represents an increase of \$19 (0.72 percent) over the current year average rate.

Analysis – Personnel Roster:

Salary and Benefits:

Due to the compounding budget challenges facing the University with continued reductions in state appropriation, enrollment decline and rising fixed costs, there is no annual salary increase recommended for faculty and staff in the 2018/2019 Operating Budget. Contractual obligations for salary increases associated with faculty promotion and tenure policies, education attainment policies, position reclassification or other policy or employment agreements have been honored and are included in the 2018/2019 Operating Budget recommendation at a cost of \$108,748.

An increase of \$69,618 (55.5 percent) is included in the employee benefit accounts in the 2018/2019 Operating Budget to cover a mandatory increase of 13.15 percent in the employer contribution rate for hazardous duty positions in the Kentucky Retirement System (KERS). The employer contribution rate for non-hazardous duty positions in KERS will remain at the current rate of 49.47 percent in 2018/2019. Based on current assumptions, it is anticipated that the employer contribution rate for non-hazardous duty positions in KERS will increase to 83.43 percent in 2019/2020.

A significant expense in the University's budget is the cost of the employee insurance programs. The 2018/2019 Operating Budget includes \$6,557,081 for the cost of the health insurance program, \$93,762 for the life insurance program, and \$635,270 for other employee-related insurance coverage. The existing health insurance program will be evaluated in fall 2018 with a plan to reduce the overall expense beginning with the 2019 calendar year. As a cost savings measure, the decision was made during the 2018/2019 budget development process to discontinue the employer paid dental insurance program.

The 2018/2019 Personnel Roster contains a listing of the recommended authorized positions as of July 1, 2018. Funding for each position listed in the roster has been included in the proposed 2018/2019 Operating Budget. A total of 931 positions are recommended for 2018/2019 with an estimated 893 positions contracted to be filled as of July 1, 2018. Total personnel expenditures represent 47.3 percent of the total expenditure budget.

Guided by *SOAR 2018-2022 Vision & Strategic Plan*, a model is being implemented in 2018/2019 for fractionalized workloads for staff to utilize expertise and to reallocate resources in support of the core university mission. As a result, 47 of the 931 total positions in the 2018/2019 Personnel Roster are fractionalized staff positions with an instructional assignment to teach an agreed upon number of credit hours in 2018/2019. Additionally, there are five positions with joint appointments with regular work assignments reflected in two separate budget units.

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 2018/2019 contract period
- Contract months for exempt employees

Budget Adoption Resolution:

The parameters outlining the administration’s management responsibilities related to the 2018/2019 Operating Budget and periodic reporting requirements to the Board of Regents are specified in the Budget Adoption Resolution.

**Morehead State University
Board of Regents
Resolution
Budget Adoption
2018-2019**

BE IT RESOLVED, that upon due consideration and upon recommendation of the President, the following budget authorizations, totaling \$147,307,000 are approved for Morehead State University from unrestricted current funds, for the fiscal year beginning July 1, 2018, and ending June 30, 2019, subject to the realization and receipt of revenues totaling a like amount. Expenditure of funds from restricted sources such as state, federal or private gifts, grants, contracts or appropriations are authorized, subject to the realization of funds.

In the event current fund revenues now estimated should not be realized to equal \$147,307,000, the President shall take appropriate action to reduce budget authorizations to amounts sufficient to insure that expenditures do not exceed available revenues. The President shall report to the Board in advance any major deviations from the approved operating budget. The President may make other adjustments to the budget subject to the following:

In the event actual revenues exceed estimated revenues, the President may authorize an increase in the unrestricted current funds expenditure budget in an amount not greater than two percent of the Board's authorized expenditure level. The Board may ratify increases and reauthorize expenditure levels within the two percent cap during a regular or special Board meeting. Increases greater than two percent of the authorized expenditure budget must have prior approval of the Board.

The President may authorize and approve internal operating budget adjustments as the President determines such adjustments to be in the best interest of the University. Except, if adjustments to any one of the four divisions (i.e. Academic Affairs, Administration & Fiscal Services, Student Affairs, and University Advancement), increase the total operating expenditure authorization of a division by more than seven percent, then it must have prior approval of the Board. The Board may ratify increases and reauthorize expenditure levels within the seven percent limitations during a regular or special Board meeting.

The purchase of any item of equipment greater than \$200,000 must have the prior approval of the Board of Regents, be contained in the Biennial Legislative Appropriations Act as required by KRS 45.750 and reported to the Board as part of the quarterly financial report when purchased.

A capital construction project greater than \$1,000,000 must have the prior approval of the Board of Regents and be contained in the Biennial Legislative Appropriations Act in accordance with KRS 45.750. A report of any capital construction project with a cost greater than \$1,000,000 or any

equipment item with a purchase price of greater than \$200,000 shall be provided as part of the quarterly financial report.

The Quarterly Financial Report shall contain a report that reflects each budget unit's July 1 opening appropriation, amendments to the opening budget, expenditures to date, and remaining balance. This report shall provide the necessary detail for amending the budget as permitted by this resolution.

In the incurrence of financial obligations and the expenditure and disbursement of University funds resulting from this authorization, all units and individuals within the University shall observe and adhere to applicable laws, regulations, and policies of the Commonwealth of Kentucky and Morehead State University which govern the expenditure of funds. Heads of the various budget units shall not authorize nor incur financial obligations in excess of the budget authorization for that budgetary unit. Upon approval of the budget, the President is directed to have printed a detail line item operating unit budget to guide and control the expenditures as authorized.

APPROVE POLICY ON BUDGET RESERVE

BOR (VII-B-3)
June 7, 2018

Recommendation:

That the Board approve the policy on budget reserve.

Background:

The budgeting process at Morehead State University is an annual process whereby the University administration creates and the Board adopts the fiscal budget of the University.

It is recommended that it be the policy of the University that during the budget creation and adoption process that every attempt be made to reserve a minimum of five percent (5%) of the University educational and general (E&G) recurring budget into a separately identified reserve account for rainy day/emergency usage. These reserve funds may be accessible based on the needs of the University and accessed for use at the discretion of the President.

Recommendation:

That the Board of Regents approve the plan to contract with a qualified firm to review financial policies and practices and to provide recommendations for improvement and implementation of best practices.

Background:

The University is required by KRS 164A.570 to have an annual audit conducted of its financial activities. Dean Dorton Allen Ford, PLLC is currently under contract with the University to provide the auditing services as required for all universities in the state system. During the annual audit, numerous financial policies and processes are reviewed and tested. The minimum scope of the annual audit includes confirmation of compliance with Kentucky House Bill 622 which addresses the following areas of accountability:

- Accounting, Auditing, and Payroll
- Investments and Interest Income
- Affiliated Corporations
- Capital Construction
- Purchasing

In addition to the annual audit of financial activities that evaluates compliance with applicable state and federal laws and regulations, it is a good practice to periodically contract with an external reviewer less familiar with the institution to assess the current financial policies and practices. This review will be focused on making sure that Morehead State University utilizes best practices for accounting, transaction processes, procedures, and protocols. The process will also review capital purchases, signatory review, and general checks and balances.

The external review of financial policies and practices will be scheduled after the normal annual audit is completed.

NAMING OF PRACTICE AREA AT EAGLE TRACE

Recommendation:

That the Board of Regents approve the naming of the practice area at Eagle Trace Gold Course for Dr. Rex Chaney.

Background:

Dr. Rex Chaney was head golf coach at Morehead State for 35 years. Well respected in regional golfing circles, Chaney had tremendous success leading the Eagle golf program. Under his supervision the Eagles captured the 1977, 1981, 1993 and 1999 Ohio Valley Conference titles, earning him OVC Golf Coach of the Year honors for each of those seasons.

Chaney's years of experience led to six other top three finishes in the OVC Championship. He had two OVC Players of the Year, three OVC Tournament medalists and five tournament runners up. In all, Chaney coached 29 all-tournament and all-conference players at Morehead State, including his son Lee and current pro Josh Teater.

Chaney also held other coaching positions at MSU, including leading the baseball team from 1961-67. His baseball Eagles accumulated a 111-56 (.667) record, winning the OVC East Championship in 1961, 1962, 1963 (co-champions) and 1964. For his efforts, Chaney was named the OVC Baseball Coach of the Year in 1963. He also served four years as assistant basketball coach under former boss Bob Laughlin.

He is the only member of the Eagle Athletic Hall of Fame to be inducted while still a member of the coaching staff. Chaney was also inducted into the OVC Hall of Fame in 2015.

The golf mentor holds bachelor's and master's degrees from Morehead State and a doctorate in recreation from Indiana University. He joined the MSU Health, Physical Education and Recreation faculty in 1961.

To honor Coach Chaney, a number of donors, led by members of the 1977 OVC Championship golf team, joined together to raise funds to develop a covered hitting facility constructed on the current practice area at Eagle Trace Golf Course. Funds from this project will also benefit future improvements to that space, the intercollegiate programs at MSU, as well as members and casual golfers at Eagle Trace.

The space will be called the Dr. Rex Chaney Golf Practice Pavilion.

**APPROVE NAMING OF SPACES
WITHIN ADRON DORAN UNIVERSITY CENTER**

**BOR (VII-B-6)
June 7, 2018**

Recommendation:

That the Board of Regents approve the naming of 19 spaces and furnishings in the Adron Doran University Center.

Background:

The naming of facilities or components of the University requires a recommendation from the President and approval of the Board of Regents. Traditionally, naming of components or facilities is a permanent means of recognizing those who have provided outstanding support to the institution or given exemplary personal service over a sustained period.

In recognition of the commitment and enduring support of Morehead State University and scholarship aid for our students, we are recommending that the names of the individuals and organizations listed below be placed on the designated spaces in the renovated Adron Doron University Center. This will honor their commitment to our mission of educating students from East Kentucky and beyond.

Donor	ADUC Facility to be Named
Andy and Debbie Prefontaine	Pub
Andy and Debbie Prefontaine	Tower
Proc and Bobbie Caudill	Heritage Gathering Room
Ron and Patty Griffith	Library
Willi Walker	Meeting Room
US Bank	Business Center
Citizens Bank	Coffee Lounge
Aquila Club Alumni	Pub Lounge
Jack and Cheryl Matthews	Outdoor Performance Space
Clyde James	Welcome Area
Richard and Wendy Fletcher	Student Space
Bill Phelps	Fireplace
Peg Jones	Fireplace
Jonathan and Kristina Carroll	Catering Kitchen
Jack and Sandy Herlihy	Office
Shannon Harr	Office
Wayne and Kathy Martin	Bench
Sonny and Merl Allen Family	Bench
Ron Cartee	Bench

**APPROVE DISPOSAL OF REAL PROPERTY—
BUTLER HALL**

**BOR (VII-B-7)
June 7, 2018**

Recommendation:

That the Board approve the Order to Dispose of Property relating to the demolition of Butler Hall.

Background:

Morehead State Campus Master Plan dated April of 2014 calls for the demolition of Butler Hall. Furthermore, the 2018 Facility Evaluation Taskforce reviewed Butler Hall with respect to facility use category, operational cost, facility condition, and space utilization. The taskforce concurred with the campus master plan recommendation to demolish Butler Hall. After demolition, the building site would be graded out and returned to green space. The adjacent parking lots would be protected during the demolition project and returned to use as parking.

Statutory Authority

KRS 164A.575 (7) provides that the governing board shall sell or otherwise dispose of all real or personal property of the institution that is not needed for the institution's use, or would be more suitable consistent with the public interest for some other use, as determined by the board. The determination of the board shall be set forth in an order, and shall be reached only after review of a written request by the institution desiring to dispose of the property. Such request shall describe the property and state the reasons why the institution believes disposal shall be effected.

Written Request to Dispose of Property

A written request to dispose of Butler Hall is hereby submitted for approval. With Board approval, the University would like to demolish the property in accordance with provisions defined in KRS 164A.575 (7).

ORDER TO DISPOSE OF PROPERTY

WHEREAS, upon the recommendation of the President on June 7, 2018, the Board of Regents has reviewed the Written Request to Dispose of Property for Butler Hall located on Vaughn Drive on the main campus in Morehead, Rowan County, Kentucky, and

WHEREAS, the President of Morehead State University declares that the referenced property has become of no beneficial use to the University, and

WHEREAS, the demolition of the facility referenced above is consistent with the University's Campus Master Plan adopted by the Board, and is in the best interest of the University and the Commonwealth of Kentucky.

BE IT RESOLVED, that the President is authorized to proceed with the demolition of Butler Hall located in Rowan County, Kentucky.

RECOMMENDED: _____ Date
Joseph A. Morgan, President

APPROVED: _____ Date
Kathy Walker, Chair
MSU Board of Regents

Table 1: Winter Term Enrollment, Credit Hours, and FTE

	Headcount	Credit Hours Generated	FTE
Winter 2017	753	2,832	194

Table 2: Spring Enrollment, Credit Hours, and FTE as a Percentage of Fall Numbers

Term	Headcount	Spring as a % of Fall	Credit Hours Generated	Spring as a % of Fall	FTE	Spring as a % of Fall
Fall 2013	11,358		114,224		7,741	
Spring 2014	9,728	85.6%	101,387	88.8%	6,876	88.8%
Fall 2014	11,053		113,494		7,678	
Spring 2015	9,519	86.1%	99,912	88.0%	6,766	88.1%
Fall 2015	10,875		112,282		7,592	
Spring 2016	9,411	86.5%	100,454	89.5%	6,804	89.6%
Fall 2016	10,748		109,897		7,423	
Spring 2017	9,537	88.7%	99,329	90.4%	6,718	90.5%
Fall 2017	10,584		109,232		7,375	
Spring 2018	9,448	89.3%	97,813	89.5%	6,617	89.7%

Table 3: Enrollment by Classification

Classification	Fall 2017	Winter 2017	Spring 2018	Spring as a % of Fall
High School**	2,901	3	2,427	83.7%
Craft Academy	114	2	109	95.6%
Freshman	1,646	112	1,024	62.2%
Sophomore	1,263	103	1,176	93.1%
Junior	1,440	133	1,388	96.4%
Senior	1,978	292	2,068	104.6%
UnderGrad-Nondegree	236	11	220	93.2%
PostBacc UG Degree Seeking	83	2	87	104.8%
Auditor	4	0	4	100.0%
Undergraduate Total	9,665	658	8,503	88.0%
Graduate Certificate	1	0	0	0.0%
Masters	740	73	752	101.6%
Specialist	51	8	61	119.6%
Doctoral Degree	48	2	51	106.3%
Graduate-Nondegree	79	12	81	102.5%
Graduate Total	919	95	945	102.8%
Grand Total	10,584	753	9,448	89.3%

Note: For CPE reporting, the winter term is reported with the spring term, so spring data is an unduplicated combined total for the two terms.

**Students enrolled year-long dual-credit courses are only officially reported in the fall even though their courses run through the spring semester. As a result, Spring term high school totals are significantly lower than those of the Fall term.

REPORT ON PERSONAL SERVICE CONTRACTS

**BOR (VII-C-2)
June 7, 2018**

The attached list of personal service contracts represents all such contracts issued with amounts greater than \$10,000 between March 1, 2018 and May 9, 2018.

PERSONAL SERVICE CONTRACTS

March 1, 2018 through May 9, 2018

Individual/Firm	Contract Description	Contract Beginning Date	Contract Ending Date	Contract Amount	Method of Selection
Dean Dorton Allen Ford, PLLC	Preliminary audit work	5/1/18	6/30/18	\$12,000.00	Request for Proposal

REPORT ON EASEMENTS GRANTED

The Board of Regents approved Policies Related to Real Property Management on April 30, 1993, and amended those Policies on September 18, 1998. According to these policies, the “University may grant easements across the University’s property as it determines the easement to be in the best interest of the University or other public use.” The Policies give the President “approval authority in the granting of easements.” The Policies also require that all new easements be reported to the Board of Regents.

Derrickson Agricultural Complex:

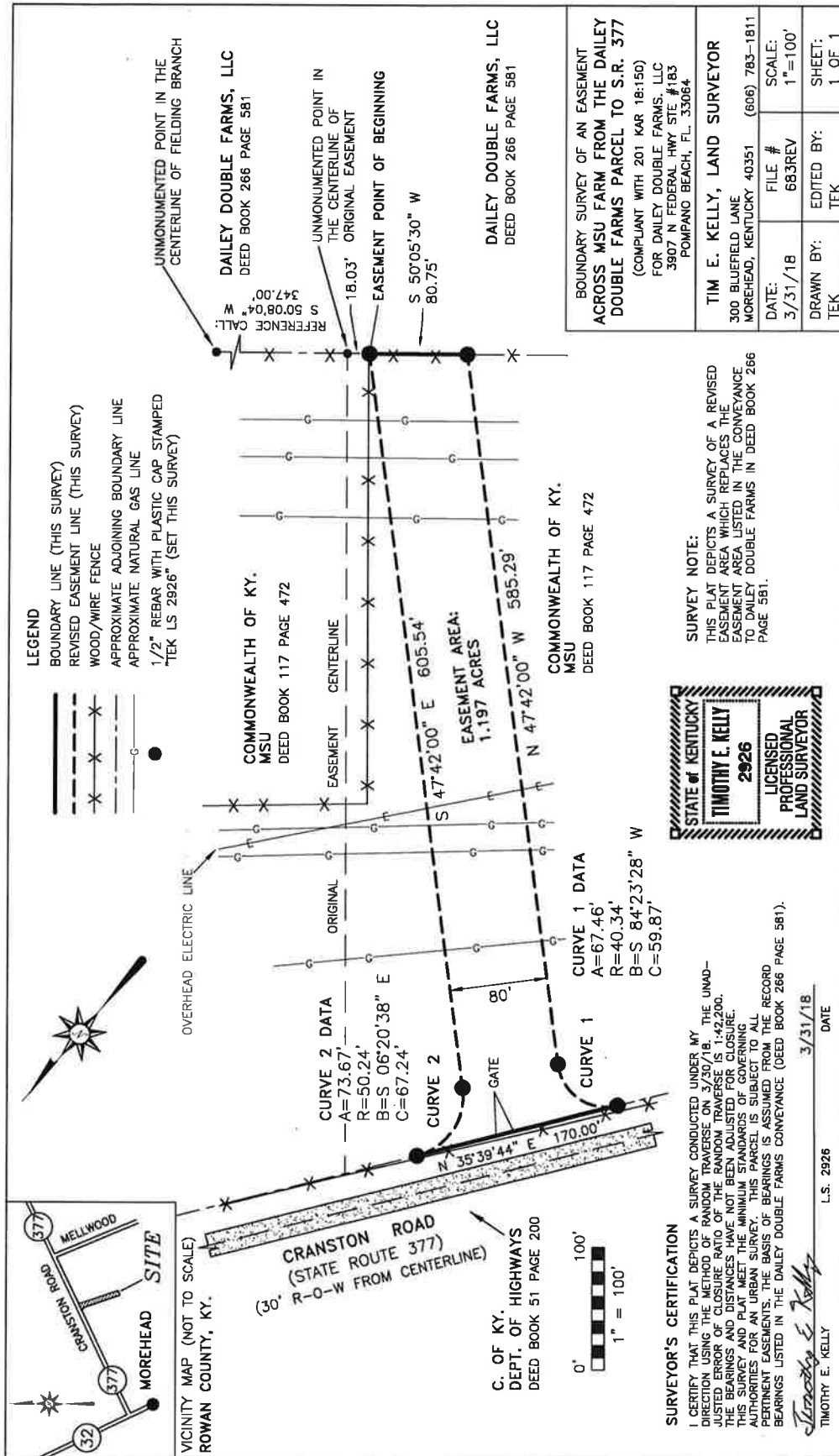
On July 18, 1979, the Commonwealth of Kentucky for the benefit and use of Morehead State University was the grantee of two tracts of land located on the east side of Kentucky Highway 377 (Cranston Road) through a deed of conveyance from grantors Blair and Mabry (as recorded in Deed Book 117, Page 472). The deed included a perpetual easement for a roadway over and across a portion of the tract. The easement is described in the deed, but the following excerpt describes the purpose and intent of the perpetual easement:

The Grantors retain the right to excavate and/or fill said easement, which easement shall be for the exclusive benefit of the Grantors’ remaining lands, for the purposes of ingress and egress to and from said remaining lands and Kentucky Highway 377, and which easement shall run with said remaining lands of the Grantors, and which easement shall not be obstructed by the Grantee. The Grantors agree, that upon construction of road upon said easement they will construct along either the eastern or western boundary of said easement a white board fence which will be similar in appearance to fences planned to be constructed by the grantee on the property herein conveyed.

On November 13, 2017, Dailey Double Farms, LLC (DDF LLC) was the grantee of a tract of land adjacent to the Derrickson Agricultural Complex located on the east side of Kentucky Highway 377 (Cranston Road) through a deed of conveyance which carried with it the benefit of the aforementioned easement.

In February 2018, DDF LLC contacted Morehead State University officials about its intent to construct a roadway on said easement and made the request to locate the roadway in a more suitable portion of the farm than described in the 1979 deed.

MSU officials agree the proposed easement as requested by DDF LLC is a more beneficial location for the roadway than the location described within the 1979 deed and plan to proceed with the abandonment of the roadway easement described in the 1979 deed and grant a new roadway easement as shown and described on the following Easement Plat.



BOUNDARY SURVEY OF AN EASEMENT ACROSS MSU FARM FROM THE DAILEY DOUBLE FARMS PARCEL TO S.R. 377 (COMPLIANT WITH 201 KAR 18:150) FOR DAILEY DOUBLE FARMS, LLC 3907 N FEDERAL HWY STE #183 POMPANO BEACH, FL. 33064	
DATE:	3/31/18
FILE #	683REV
SCALE:	1"=100'
DRAWN BY:	TEK
EDITED BY:	TEK
SHEET:	1 OF 1

SURVEY NOTE:
 THIS PLAT DEPICTS A SURVEY OF A REVISED EASEMENT AREA WHICH REPLACES THE EASEMENT AREA LISTED IN THE CONVEYANCE TO DAILEY DOUBLE FARMS IN DEED BOOK 266 PAGE 581.



SURVEYOR'S CERTIFICATION
 I CERTIFY THAT THIS PLAT DEPICTS A SURVEY CONDUCTED UNDER MY THE UNADJUSTED BEARINGS AND DISTANCES HAVE NOT BEEN ADJUSTED FOR CLOSURE. THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS OF GOVERNING AUTHORITIES FOR AN URBAN SURVEY. THIS PARCEL IS SUBJECT TO ALL PERTINENT EASEMENTS, THE BASIS OF BEARINGS IS ASSUMED FROM THE RECORD BEARINGS LISTED IN THE DAILEY DOUBLE FARMS CONVEYANCE (DEED BOOK 266 PAGE 581).

Timothy E. Kelly
 TIMOTHY E. KELLY
 L.S. 2926
 DATE 3/31/18

Former American Legion Property:

On December 7, 2017 the Board of Regents approved the disposal of the former Corbie Ellington Post 126 of the American Legion building and property. The property was advertised for bids on March 30, 2018. The sole bid from EDG Entertainment, LLC was in excess of the appraised value of \$155,000 and covers the value of the easement.

Adjacent to the aforementioned property lies an existing roadway formerly known as Trumbo Avenue. Trumbo Avenue was officially closed as a part of the East First Street Improvements. When Trumbo Avenue was closed, as the adjoining landowner, Morehead State University obtained title to the roadway (per Miscellaneous Book 16, Page 698).

EDG Entertainment, LLC has expressed a need for a perpetual easement across the closed roadway (formerly known as Trumbo Avenue) from the University to be used for purposes of ingress and egress, and possible installation/upgrading of utility service, to the former American Legion property and has made a formal request accordingly.

MSU officials agree that EDG Entertainment, LLC has a need for the proposed easement, have determined that the granting of the easement as part of the sale of the property will not adversely affect the University, and plan to approve the easement as requested.

BOUNDARY LINE TABLE

LINE BEARING	DISTANCE
L1 S 26°49'04" E	37.97
L2 N 41°55'41" W	35.00
L3 N 45°22'05" W	33.68

SEVERANCE SOURCE OF TITLE:
MOREHEAD STATE UNIVERSITY
 DEED BOOK 244 PAGE 327
 (PORTION)

EASEMENT SOURCE OF TITLE:
MOREHEAD STATE UNIVERSITY
 DEED BOOK 16 PAGE 698
 (PORTION)

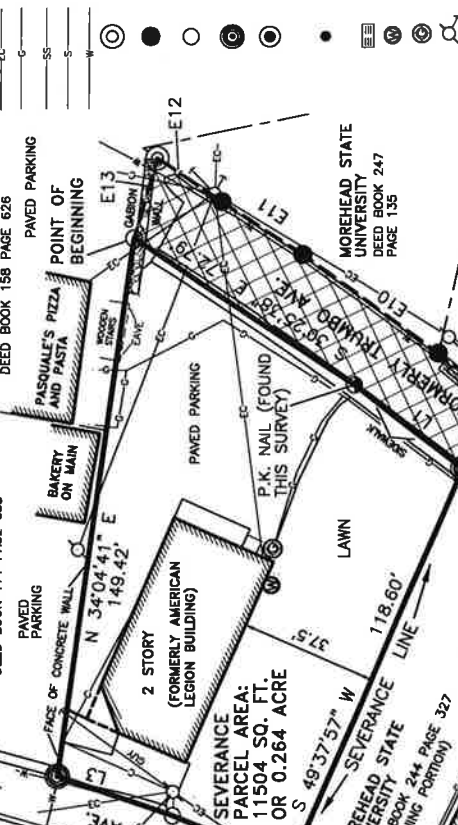
BOUNDARY LINE TABLE

LINE BEARING	DISTANCE
E4 S 26°49'04" E	39.92
E5 N 71°19'48" E	0.87
E6 S 27°30'00" E	22.63
E7 N 01°21'51" W	59.84
E8 S 85°48'08" W	6.00
E9 N 27°12'43" W	30.97
E10 N 28°07'38" W	46.18
E11 N 30°43'57" W	26.50
E12 N 30°31'11" W	21.62
E13 S 42°13'29" W	22.93

VICINITY MAP (NOT TO SCALE)
MOREHEAD, ROWAN CO., KY.

LEGEND

- BOUNDARY LINE (THIS SURVEY)
- EXTENT OF INGRESS, EGRESS, AND UTILITY EASEMENT ALONG FORMERLY TRUMBO AVE. FOR ACCESS FROM EAST FIRST STREET TO THE SEVERANCE PARCEL
- APPROXIMATE ADJOINING BOUNDARY LINE
- OVERHEAD ELECTRIC LINE
- OVERHEAD COMMUNICATION LINE
- OVERHEAD ELECTRIC AND COMMUNICATION LINE
- NATURAL GAS LINE
- SANITARY SEWER LINE
- STORM SEWER LINE
- WATER LINE
- MAG NAIL WITH ALUM. WASHER STAMPED "C OF KY SURVEY MARKER LS 2926" (FOUND THIS SURVEY)
- 1/2" REBAR WITH PLASTIC CAP STAMPED TEK LS 2926 (FOUND THIS SURVEY)
- 1/2" REBAR WITH PLASTIC CAP STAMPED "GSLC PLS 2241" (FOUND THIS SURVEY)
- MAG NAIL WITH ALUM. WASHER STAMPED "T E KELLY LS 2926" (SET THIS SURVEY)
- ALUM. DISK IN CONCRETE WITH REBAR STAMPED "COMMONWEALTH OF KENTUCKY SURVEY MARKER LS 2926" (FOUND THIS SURVEY)
- UNMONUMENTED EASEMENT CORNER AT BACK OF CURB ON FORMERLY TRUMBO AVENUE
- STORM SEWER CATCH BASIN
- WATER METER
- NATURAL GAS REGULATOR & METER
- UTILITY POLE WITH GUY



EASEMENT LINE TABLE

LINE BEARING	DISTANCE
E4 S 26°49'04" E	39.92
E5 N 71°19'48" E	0.87
E6 S 27°30'00" E	22.63
E7 N 01°21'51" W	59.84
E8 S 85°48'08" W	6.00
E9 N 27°12'43" W	30.97
E10 N 28°07'38" W	46.18
E11 N 30°43'57" W	26.50
E12 N 30°31'11" W	21.62
E13 S 42°13'29" W	22.93

BOUNDARY SURVEY OF A SEVERANCE OF THE MOREHEAD STATE UNIVERSITY PARCEL EAST FIRST ST. * MOREHEAD ROWAN COUNTY, KY.
 (COMPLIANT WITH 201 KAR 181:50) FOR EDG. ENTERTAINMENT, L.L.C.
 284 OLD FLEMINGSBURG RD/MOREHEAD, KY. 40351

TIMOTHY E. KELLY, LAND SURVEYOR
 300 BLUEFIELD LANE
 MOREHEAD, KENTUCKY 40351 (606) 783-1811
 DATE: 5/23/18 FILE # 698 SCALE: 1"=40'
 DRAWN BY: TEK EDITED BY: TEK SHEET: 1 OF 1

ENLARGEMENT (NOT TO SCALE)

1/2" REBAR WITH NO CAP (FOUND THIS SURVEY)

EASEMENT AREA:
 3395 SQ. FT.
 OR 0.078 ACRE

STATE OF KENTUCKY
TIMOTHY E. KELLY
 2926
 LICENSED PROFESSIONAL LAND SURVEYOR

SURVEYOR'S CERTIFICATION

I CERTIFY THAT THIS PLAT DEPICTS A SURVEY CONDUCTED UNDER MY DIRECTION USING THE METHOD OF RANDOM TRAVERSE ON 5/21/18. THE UNADJUSTED ERROR OF CLOSURE RATIO OF THE RANDOM TRAVERSE IS 1:21,500. THE BEARINGS AND DISTANCES HAVE NOT BEEN ADJUSTED FOR CLOSURE. THIS SURVEY IS A PARTIAL SURVEY OF AN URBAN SURVEY. THIS PARCEL IS SUBJECT TO ALL PERTINENT EASEMENTS. THE BASIS OF BEARINGS IS ASSUMED FROM THE RECORD BEARINGS LISTED IN MSU PARCEL (DB 237 PAGE 587).

5/23/18 DATE

L.S. 2926

Timothy E. Kelly
 TIMOTHY E. KELLY