

## **MSU Faculty and Staff:**

Now that we have our new academic year opened up and classes moving along smoothly, I wanted to provide you with an update on a few items.

### Fall Enrollment

Presently, we are refining our count of Fall 2017 enrollment and will continue to do so for another week or two. (We do not take a “final count” of enrollment until late October when we report our official numbers to the state.) At the moment our fall enrollment looks to be around 10,394+/- . Within this number about 85 percent of our students come to us from the Commonwealth, 50-51 percent from the service region, and around 14-15 percent are from out-of-state. Looking closer, the average ACT is around 23 – so within a nice range, and our first to second year retention is around 69.7 percent.

On a side note, our graduate enrollment needs more attention, as we are down year-over-year in this area at a rate that requires corrective action, and we will be meeting on this soon.

### Strategic Planning

Our current University strategic plan (ASPIRE) is set to expire in 2018, thus creating a need to develop a new one over the next several months. Within the past month, and using a collaborative process, each of our three main constituency groups nominated individuals to serve on four teams which will comprise the umbrella of the planning process. The four teams are clustered around Student Success, Outcomes-based/Performance Funding, Academic Excellence, and Region/Reputation/Rankings, with other items having the potential to be considered here as well. The leadership team of the planning process is comprised of the three constituency chairs (Student Government, Faculty Senate, Staff Congress), Jill Ratliff, and myself. Our goal is for the teams to work over the fall semester and have a general draft shortly after January 1 for public viewing. The draft will be comprised of suggestions to assist in getting us to our pre-set goals within the state strategic agenda, the new performance funding model, and defining who we want to be going forward.

### Pensions

By reading the news you are acutely aware that there is significant discussion around our state pension system(s), and the possible changes that could occur within one or more of them going forward. At this point we are running estimates on how it could impact our University and our employees based on early reports of what ‘could’ happen; however, we have not seen any legislative bills with any specific details at this point.

If you are one of our employees who is a member of one of the state pension system(s), we know this is an important matter to you, regardless of years of service. Furthermore, if you are close to retirement, either through years of service or age, we are sure you are eager to learn the outcome of any possible changes.

Related to our employees who are close to retirement and who may be wondering what type of life-decision to make around the timing of a possible retirement, we are not in a position to provide you with any specific information in this area since we do not definitively know the possible changes to the structure of the pension systems as of yet. In light of this, if you are thinking of retirement (regardless of the pension system you are in), we advise you to consult with your respective retirement system staff, your personal accountant or financial consultant, and your family, and then determine the best option for your individual situation. If you have questions on how to reach your retirement system, our Human Resource staff can assist you with the appropriate contact information.

Since retirement can be a significant event in any faculty/staff member's life, MSU will work with anyone who determines that it is in their best interest to retire. If you are a staff member considering retirement, we ask that you begin working with your appropriate vice president or supervisor to make plans so that MSU does not see a significant lapse in services rendered to our students. If you are a faculty member considering retirement, we ask that you begin working with your chair/dean to make appropriate plans for classes.

Related to possible changes to the pension system(s), we are anticipating a several million dollar spike in pension support for our current workforce. These amounts are determined annually by the state and we do not have control over them. While there are quite a few unknowns in the pension discussion, we are monitoring it and are anticipating, barring no significant changes, some downward pressure on our budget due to these increases. It is important to point out that these increases were unknown until fairly recently and the University was not able to plan for these unknowns in the budget process last spring.

### 2018 Health Care

As we approach 2018 Health Care Open Enrollment later this fall, we want to take a moment to relay some early information to our employees. At the moment we are consciously planning to absorb a significant amount of the annual cost increases, and therefore not saddle our employees with substantive 2018 premium increases. While 2018 premiums might not be exactly the same amount as 2017, you should see only minor increases for most users. There will however likely be significant surcharge increases in two categories: 1) Individual and family plans for tobacco users, and 2) Individual and family plans where the spouse has the availability to obtain health insurance through their non-MSU employer. Our Human Resources staff will be introducing our new plans soon and will be available for questions.

If you are familiar with the movements in health care you know that budgeting for this can be a moving target from year to year, but I want to compliment the hard work of all of our University budget and human resource staff who have been diligently trying to hit a fast-moving target.

### Facilities

As our University moves to adapt to the new state funding formula, we will be paying close attention to a couple of areas, one of which is facility costs. As we begin planning around this area you may see movement of some University offices and some reduction of facilities, all in an

attempt to lower our non-essential square footage. Our net result will be a reduced and more efficient “footprint” of our University buildings – particularly as we try to lower our maintenance and operational expenditures.

As we move forward we should all strive to keep our focus on our students and our students’ success. Consequently, we know that the new environment in higher education in Kentucky will precipitate that we all have to be recruiters and retention supporters.

We appreciate all that you do.

Jay Morgan  
President