

AGENDA BOOK

Board of Regents

October 18, 2019

Morehead, Kentucky

www.moreheadstate.edu/bor



Morehead State University

Board of Regents Work Session & Special Called Meeting

Friday, October 18, 2019, 1:45 p.m.

Adron Doran University Center, Heritage Room

Morehead State University

Board of Regents Members

Kathy Walker, Chair

Wayne M. Martin, Vice Chair

Annie Adams

Colby Birkes

Craig Dennis

Adam Hinton

Sanford Holbrook

Eric E. Howard

Debbie H. Long

Craig Preece

Terri S. Walters

Joseph A. (Jay) Morgan, President

**BOARD OF REGENTS MEETING
MOREHEAD STATE UNIVERSITY**

Adron Doran University Center (ADUC), Heritage Room

Friday, October 18, 2019

12:30 p.m. – Audit Committee Meeting

1:30 p.m. – Group Photo

1:45 p.m. – Board Work Session

3:15 p.m. – Board Special Called Meeting

AGENDA

AUDIT COMMITTEE MEETING- 12:30 p.m.

Audit committee members: Wayne Martin, Kathy Walker, Eric Howard, and Sanford Holbrook.

GROUP PHOTO – 1:30 p.m.

Please dress in professional attire for the group photo. This photo will be posted to the Board web page.

BOARD WORK SESSION (No Action Taken) – 1:45 p.m.

1. **2019 Preliminary Fall Enrollment and Housing Report**, Mr. Russ Mast and Mr. Tim Rhodes
2. **2020 Healthcare Plan Report**, Mr. Harold Nally
3. **KERS Update**, President Morgan
4. **University Scholarship Campaign Update**, Mr. Jim Shaw
5. **Audit Committee Meeting Update**, Regent Wayne Martin, Audit Committee Chair
6. **Campus Square Footage Presentation**, Mr. Kim Oatman
7. **Debt Reduction Plan**, President Morgan

BOARD SPECIAL CALLED MEETING – 3:15 p.m.

I. CALL TO ORDER

II. ROLL CALL

III. DONOR RECOGNITION

IV. PRESIDENT’S RECOMMENDATIONS

A. Recommendations (Action)

1. Approve Amendment to Fiscal Year 2020 Budget to Replace Alumni Tower Chiller1
2. Accept 2018-2019 Audit Report2
3. Adoption of Resolution Honoring the Lifetime Service of Regent Patrick E. Price3
4. Ratification of Honorary Doctoral Degree for Regent Patrick E. Price4

V. SPECIAL CALLED MEETING ADJOURNMENT

OPTIONAL LIST OF HOMECOMING FESTIVITIES

Please join us for the following Homecoming festivities if your schedule permits. Please let us know if you plan on attending any of these events.

Friday:

- Memorial Brick Ceremony, Little Bell Tower Memorial Plaza, 10:30 a.m.
- Homecoming Kickoff Celebration, ADUC, 5:30 p.m.
- Homecoming Awards Banquet, ADUC, Third Floor Ballroom, 7:00 p.m.

Saturday

- Homecoming Parade, Main Street, 9:30 a.m.
- Decades Brunch, Academic-Athletic Center (AAC), Front Lobby, 10:30 a.m.
- Homecoming Tailgate, AAC Parking Lot, 11:00 a.m.
- Homecoming Football Game, Jayne Stadium, 2:00 p.m.
- Alumni “all-you-care-to-eat dinner,” Rocky Adkins Dining Commons, postgame

Agenda is available online at <http://www.moreheadstate.edu/bor>

**APPROVE AMENDMENT TO FISCAL YEAR 2020 OPERATING
BUDGET FOR THE PURCHASE OF A CHILLER,
COOLING TOWER, AND ASSOCIATED EQUIPMENT BOR (IV-A-1)
FOR ALUMNI TOWER RESIDENCE HALL October 18, 2019**

Recommendation:

That the Board of Regents approve an amendment to the 2019-2020 Operating Budget of up to \$600,000 for the purchase of a Chiller, Cooling Tower, Transformer, Temporary Rental Chiller and associated equipment for the Alumni Tower Residence Hall.

Background:

On July 9, 2019, a pipe burst in the basement of the Alumni Tower Residence Hall causing a flooding condition of approximately three feet of standing water. The flood waters inundated a transformer causing its catastrophic failure. The transformer was the primary electrical feed for the building's only chiller. The transformer was replaced on an emergency procurement and the power was restored within two days. The chiller was re-started and ran for approximately four weeks while exhibiting electrical related problems and ultimately failing on August 11, 2019. With student move-in quickly approaching, a temporary chiller was procured and installed on August 13, 2019 and has operated through the remainder of the 2019 cooling season.

The cost to date related to the flooding is approximately \$74,000, and includes new transformer purchase and installation, new pumps, new electrical feed, temporary chiller installation and rental fees.

The Alumni Tower Residence Hall chiller is 25 years old and that is the typical life expectancy of a chiller. The initial repair to get the failed chiller running could be as high as \$40,000. However, due to the age and the potential of other damage from the effects of the July flooding, there is no guarantee that other components would not fail after making the initial repair. The engineering consultants advise that the biggest concern is the longevity of the compressor and the condition of the evaporator and condenser heat exchangers. The cooling tower is in poor condition as well, and while it has not catastrophically failed, it needs to be replaced in order for the entire system to function properly.

Based on the age and condition of the equipment, the potential of other damage to the equipment from the flooding, and the recommendation from the engineering consultants, Facilities Management staff further recommend that the chiller and cooling tower in the Alumni Tower Residence Hall be replaced for the estimated cost of \$498,000 (including the engineering consulting fees).

Available funds resulting from the KERS employer contribution rate freeze in the current year will be utilized as the primary source of funding for this project. Furthermore, since the failure of the transformer and chiller relate to the catastrophic flooding in the building, an insurance claim has been filed.

ACCEPT 2018-19 AUDIT REPORT

BOR (IV-A-2)
October 18, 2019

Recommendation:

That the Board accept the audit report for the fiscal year ended June 30, 2019 as presented by Dean Dorton Allen Ford, PLLC.

Background:

KRS 164A.570 requires an annual audit to be conducted by all universities in the state system. The audit is to be conducted by an independent public accounting firm. On June 6, 2019, the Board approved the recommendation of the Audit Committee to appoint the accounting firm of Dean Dorton Allen Ford, PLLC to conduct the 2018-19 fiscal year audit. The Board also approved at that time, the Audit Committee's recommendation for the minimum scope of the audit work to be performed.

Dean Dorton Allen Ford, PLLC has completed the audit for the June 30, 2019 fiscal year. The report was issued with an unmodified opinion on the financial statements. An electronic copy of the audit report has been provided to each member of the Board of Regents. The Audit Committee met on October 18, 2019. Representatives from Dean Dorton Allen Ford, PLLC presented the University's audited financial statements to the Committee for acceptance.

**RESOLUTION HONORING THE LIFETIME SERVICE
OF REGENT PATRICK E. PRICE**

**BOR (IV-A-3)
October 18, 2019**

WHEREAS, Mr. Patrick E. Price, a respected citizen of Flemingsburg, Kentucky, served with distinction as a member of the Morehead State University Board of Regents from 2010-2016 and 2016-2019; and

WHEREAS, Mr. Price served as Morehead State University Board of Regents Vice Chair from 2014-2015; and

WHEREAS, Mr. Price served as a member of the Morehead State University Executive Committee during 2013 and from 2016-2019; and

WHEREAS, Mr. Price served as a member of the Morehead State University Audit Committee from 2011-2015 and 2019, serving as Audit Committee Chair from 2014-2015; and

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

WHEREAS, Mr. Price's terms as a Morehead State University Board of Regents 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 that Morehead State University and its Board of Regents express profound and sincere gratitude for Mr. Patrick E. Price's honorable and outstanding service on the Board of Regents and lifetime commitment and service to Morehead State University.

ALSO, THEREFORE, be it resolved that today, October 18, 2019, shall be known as "Patrick Price Day" on the campus of Morehead State University.

Done this eighteenth day of October, 2019.

Kathy Walker, Chair

ATTEST:

Jacqueline N. Graves, Secretary

Joseph A. (Jay) Morgan, President

RATIFY HONORARY DOCTORAL DEGREE

**BOR (IV-A-4)
October 18, 2019**

Recommendation:

That the Board of Regents ratify the awarding of the honorary degree of Doctor of Public Service to Regent Patrick E. Price at the December 2019 Commencement Ceremony.

Background:

Since 1973, the Board of Regents has awarded honorary doctoral degrees to outstanding individuals to recognize personal achievement and/or exemplary public service.

Regent Patrick E. “Pat” Price served Morehead State University as a member of its Board of Regents for nine years. His commitment and service to his community and Morehead State University was unparalleled.

Mr. Price was a 1966 graduate of Fleming County High School and remained a loyal supporter of Fleming County and its schools, especially supportive of Fleming County school athletics. He served as the public address announcer for Fleming County Basketball for forty-eight years and football announcer for forty-four years.

Mr. Price was a 1971 graduate of Morehead State University and a 1974 graduate of the University of Kentucky College of Law. He returned to Fleming County, Kentucky, after graduation and practiced law with the law firm of Suit, McCartney, Price & Ruark for forty-five years, until his death. He served as assistant Fleming County attorney for forty-three years and served as a special justice to the Kentucky Supreme Court. Mr. Price was a second lieutenant in the United States Army Reserves for ten years, served as a member of the Buffalo Trace Area Development District Board for more than thirty years, served as a member of the Fleming County Rotary Club, and was a member of the Fleming Masonic Lodge No. 112.



Morehead State University is committed to providing equal educational opportunities to all persons regardless of race, color, national origin, age, religion, sex, sexual orientation, gender identity, gender expression, disabled veterans, recently separated veterans, other protected veterans, and armed forces service medal veterans, or disability in its educational programs, services, activities, employment policies, and admission of students to any program of study. In this regard the University conforms to all the laws, statutes, and regulations concerning equal employment opportunities and affirmative action. This includes: Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Executive Orders 11246 and 11375, Equal Pay Act of 1963, Vietnam Era Veterans Readjustment Assistance Act of 1974, Age Discrimination in Employment Act of 1967, Sections 503 and 504 of the Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, and Kentucky Revised Statutes 207.130 to 207.240; Chapter 344 and other applicable statutes. Vocational educational programs at Morehead State University supported by federal funds include industrial education, vocational agriculture, business education, and the associate degree program in nursing. Any inquiries should be addressed to: Affirmative Action Officer, Morehead State University, 301 Howell-McDowell Administration Building, Morehead, KY 40351, 606-783-2097.