

**Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents
December 13, 2019**

Call to Order/Roll Call

The Board of Regents (BOR) of Murray State University (MSU) met on Friday, December 13, 2019, at 10:00 a.m. in the Board Room, 1000 University Blvd., Murray, KY 40302.

Don Tharpe. Absent: none.

Others present were: Robert L (Bob) Jackson, President; Jill Hunt, Senior Executive Coordinator for the President, Coordinator for Board Relations and Secretary to the Board; and

Collegiate Bands and members of the faculty, staff, students, news media and visitors.

AGENDA

Call to Order

Chair Kemp

Roll Call

Secretary Hunt

R

Chair Kemp/President Jackson

A. Harry Lee Waterfield II

Consent Agenda

Chair Kemp/President Jackson

A. Board of Regents Minutes*

- Minutes of the Board of Regents Annual Retreat on September 5, 2019
- Minutes of the Quarterly Meeting and Committee Meetings of the Board of Regents on September 6, 2019

B. Report of the Registrar (August and December 2019 Conferral of Degrees)*

C. Audit and Compliance Committee Office of Internal Audit Internal Audit Work Status Report (For Information Only)

D. Audit and Compliance Committee Office of Internal Audit Summary of Presidential Travel Report (For Information Only)

E. Finance Committee State Endowment Match Program Annual Report*

F. Finance Committee Personal Services Contracts Schedule of Expenditures (For Information Only)

G. Personnel Changes

President Jackson

Report of the Treasurer

Vice President Dudley

(Quarterly Financial and Investment Reports)

- A. Academic Excellence and Scholarly Activities Regent Shemberger
- 1) Academic Affairs and Student Affairs Updates (For Information Only)
- 2) Strategic Plan Update (For Information Only)
- 3) ~~Regis~~ /Regional Campus Enrollment Update (For Information Only)
- 4) eCampus Pilot Programs Update (For Information Only)

- B. Athletics Regent Crigler
- 1) Department of Athletics Update (For Information Only)
- 2) Athletic Facilities Master Plan Update (For Information Only)
- 3) Personnel Change/Appointment of Head Football Coach*

Board Development/Financial Markets Classroom Int. Dean David Eaton/

- H. Marketing and Community Engagement Regent Green
- 1) Naming Opportunity ~~WSSP~~ -Arthur J. Bauernfeind College of Business*

NOTE: Full Board action will follow Committee action

- Policy Change President Jackson
- A. ~~BBM~~ - ~~S~~. 2 -Recognition of Rights

- Supplemental Materials (For Information Only) President Jackson
- A. Quarterly Risk Management Report
 - B. ‡ * R R G 1 H Z V · 5 H S R U W 2 F W R E H U
 - C. Quarterly Branding, Marketing and Communication Report - ~~July~~ September 2019)
 - D. Sponsored Programs Grants and Contracts Report

Other Business

Adjournment

(*Requires Board of Regents Action)

Staff Congress Presentation, accepted

Mr. Schooley introduced Staff Congress representatives Marion Hale (President) and Jessica Evans (Treasurer) who presented President Jackson with the 2010 Ohio.000dc

WHEREAS + D U U \ / H H : D W H U I L H O G , , ¶ V V H U I e t i f e H a n d I W H Q U
the contribution of many hours of difficult work was rendered selflessly, without
reference to personal inconvenience, without a personal agenda and always for the public good
and

**NOW, THEREFORE, ON THIS 13TH DAY OF DECEMBER, TWO THOUSAND AND
NINETEEN, BE IT RESOLVED** that the members of the Murray State University Board of
Regents unanimously express their appreciation for the life and service of Mr. Harry Lee
: D W H U I L H O G , , ‡ : H O O G R O W H · J R R G D Q G I D L W K I X O V H

AND BE IT FURTHER RESOLVED by the Murray State University Board of Regents that this
recognition of the contributions and dedication of Harry Lee Waterfield II be preserved in the
minutes of the Board after having been read aloud and passed by the Board on this,
the 13th day of December 2019.

Mr. Rhoads moved that the Board of Regents approve the Resolution of Appreciation for Harry
Lee Waterfield II as presented. Dr. Tharpe seconded and the motion carried unanimously.

Consent Agenda Items, approved/accepted

Dr. Jackson J H S R U W H G W K H I R O O R Z L Q J D F W L R Q D Q G ‡) R U , O
the Consent Agenda for approval/acceptance (action items are denoted with an asterisk):

x Minutes of the Board of Regents Annual Retreat September 5, 2019 Minutes of the

Kayla Johnson

Human Resources

housing review is also being undertaken to identify enhancements that can be made. Appreciation was expressed to Ms. Dudley, Mr. Youngblood and the entire Facilities Management team who have had an extremely busy Fall Semester.

Additional campus enhancements include commissioning a seated bronze statue of Murray Sta

¾ The Statement of Revenues and Expenditures and Transfers to Education and General Fund represents the University of Rhode Island. \$ V R I 6 H S W H P E H U D C

Academic Affairs and Stamats Analyses Updates, received

Dr. Todd reported that the new Master of Science in Cybersecurity, formerly the Master of Science in Telecommunications Systems Management (TSM), was approved by the Council on Postsecondary Education (CPE) last month. University leaders involved in this initiative the past year include Dr. Pervin from the ABCOB Interim Dean David Eaton; Marcia Ford, Assistant Professor of TSM; Victor Raj,

of students in Nonprofit Leadership Program want to give back. One student remembers the role GirlsIncorporated played in her development as a young girl and wanted to work with the organization. She is now Campus Manager for GirlsIncorporated in Owensboro, Kentucky, is helping to inspire other young women. Others students have a calling to a particular and issue are determined to make an impact in this One Audrey State student graduated five years ago and was passionate about the issue of human trafficking, particularly young girls in the sex trade. Dr. Long was able to connect her with a colleague working on this issue in the Philippines who helped her with postgraduate internship through an organization in the Philippines - WipeEvery Tear. This was life changing for the student and since that time one organization has not been enough for her. She now is involved with five organizations in some capacity in Costa Rica, the United States, India, China and South Africa. Her work is focused on marketing and storytelling so these organizations can promote their success and raise resources.

Confirmation was provided that the Murhey State Nonprofit Leadership Program is housed within the College of Education and Human Services (COEHS) but potential opportunities through the curriculum in other academic colleges, the Bauernfeind College of Business (particularly the Department of Organizational Communication) are being explored. These students take business centered courses to train them on those functions they will be required to perform as part of the nonprofit sector. This includes sociology and psychology courses help students understand their society. The University is also a member of a professional association that accredits these types of programs - the Nonprofit Academic Centers Council and of its membership program - the Nonprofit Academic Centers Council.

Dean Claire Fuller, Jones College of Science, Engineering and Technology (JCSET) outlined the specific and general avenues for recruitment identified in the State report. The report also validated much of what has already gone on in the college-based academic program. Degree and certificate levels were highlighted.

Overall regional campus enrollment is up by 6 percent in Fall 2019 compared to Fall 2018. This enrollment growth is led by the **enrollment** (up 26 percent), representing the highest course enrollment at this site in the last five years. The **enrollment** was provided that enrollment is up at four of the five campuses. Spring enrollment numbers are being tracked very closely and illustrate that student populations at the regional campuses trending toward adult students do not follow typical Fall enrollment patterns. Recruitment and enrollment efforts for the 2020 Spring Semester continue and numbers appear to be in line with last year but a lot could change in the week leading up to the actual start of the semester.

ROTC is an integral part of the Center for Adult and Regional Education. Most students will be commissioned during Commencement this year. Enrollment is expected to increase under the direction of Captain Jason Payne who is the chief of the ROTC unit. When Captain Payne started approximately two years ago there were 2 contracted cadets in the program. Currently there are 32 students, with seven being state students. The United States Army Department of Defense pays the bill for these students and the benefit of being able to attract out-of-state cadets is significant for the University. It was indicated that there are also scholarship opportunities available through the National Guard.

This report was presented for informational purposes only and required no Board action.

eCampus Pilot Programs Update, received

Dr. Todd outlined five academic programs that will be highlighted as the University embarks on the eCampus initiative. All are excited about the enrollment growth potential that could materialize as a result of these efforts. Marketing efforts will begin in March 2020 for Fall 2020 enrollment. Ms. Dudley indicated that in September 2019 the Board approved the Personal Service Contract that would allow the administration to negotiate with a company to manage the programs specifically the ones outlined in the materials presented. The contract was exercised with the normal procurement process. This contract has been approved by the Legislative Research Commission and Academics Affairs can move forward in this regard.

Murray State currently ~~is~~ SODFH LQ WKH 29 & & RPPLVVLROHU V &
EHKLOG ILUVW SODFH 7KH OHQ V DQG :RPHQ V %DVNH

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Mr. Schooley called the Buildings and Grounds Committee to order at 11 a.m. and reported that other members were present.

1602 Miller Avenue Property Gift, accepted

Dr. Jackson reported that the Buildings and Grounds Committee is being asked to accept the gift of property located at 1602 Miller Avenue. The Waldrop family has been a longtime and generous supporter of Murray State. The property is located behind the Institute of Engineering that is bordered on three sides and owned by Murray State. The Waldrop family is donating this piece of property to the institution which has been appraised at a value of \$36,000 and support is very much appreciated.

Ms. Dudley reported that in 2017 Murray State University purchased property at 1602 Miller Avenue. She noted that the east side of the property was not owned by the seller. Upon further research, it was discovered that this parcel was originally owned by C. W. and Melda Waldrop and passed on to their heirs Isabella W. Hunt and Charles W. Waldrop, Jr. The next generation of heirs is Marjorie Waldrop, the widow of Dr. Waldrop and William (Tripp) W. Hunt III, trustee. After being contacted about this property, Margie Waldrop and Trip Hunt made the gracious offer to donate this parcel to the University. The Waldrop family has a long history with Murray State University, the Murray community and the entire chase region. Murray State University is currently purchasing property in Murray, Kentucky, from the heirs of Isabella W. Hunt and Charles W. Waldrop, Jr. The property gift was appraised in 2018 at \$36,000 and will be accepted without monetary consideration.

On behalf of the Buildings and Grounds Committee, Mr. Overstreet moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift (with monetary consideration) of the 1602 Miller Avenue property in Murray, Kentucky, from the Waldrop Family. Mr. Book seconded and the motion carried.

Full Board Action - 1602 Miller Avenue Property Gift, accepted

On behalf of the Buildings and Grounds Committee, Mr. Schooley moved that the Board of Regents, upon the recommendation of the President of the University, accept the gift (with monetary consideration) of the 1602 Miller Avenue property in Murray, Kentucky, from the Waldrop Family. Mrs. Rudolph seconded and the motion carried unanimously.

Facilities Update, received

Ms. Dudley reported that information provided to the Board related to the 2022 asset preservation request. She noted that the total will be \$24.5 million. In 2013 the VFA study condition report was updated and the \$400 million has been proportionalized among the schools. A request is being made for two to one

Pre

The Subsequent Event Report was completed and has been provided to the Auditor of Public Accounts. The auditors were unaware of any subsequent events other than those reported in the I L Q D Q F L D O V W D W H P H Q W V 7 K H 8 Q L Y H U V L W \ \ \ V I L Q D Q F L D Commonwealth of Kentucky.

- ¾ Significant accounting policies are described in Note 1 to the financial statements and the decisions management made to produce the financial statements according to policies set forth by the University. The auditors noted no transactions during the year for which there was a lack of authoritative guidance or consensus. No new accounting policies were adopted and the application of existing policies was not changed. No significant transactions have been recognized in a different period than when the transactions occurred.
- ¾ The auditors must identify where management made estimates included in the financial statements. The most notable estimates affecting the financial statements made by management include depreciation and useful life of capital assets, allowance for uncollectible loans and student accounting receivable, insurance reserves and pension and other employee benefit related estimates.
- ¾ The financial statement disclosure which should be reviewed by the Board and debt. A new disclosure includes Note 5-A Service Concession Arrangement for food service the University cannot recognize all cash received upfront but instead must recognize it over the life of the contract.
- ¾ There were no difficulties encountered in dealing with management related to the performance of audit. Appreciation was expressed to Ms. Dudley and the entire Accounting and Finance team for their cooperation throughout the process. It is a significant find staff to be able to meet the timeline required by the Commonwealth.
- ¾ In terms of corrected and uncorrected misstatements, no audit adjustments were noted during the year. There was one uncorrected misstatement related to impairment of property. The Board voted to raze in September (Richmond Hall). By the time the Board approved this razing the financial statements were substantially completed and management made the choice not to change at that point.
- ¾ There were no disagreements with management. Management also provided the Management Representation Letter dated October 19, 2024, indicating they were truthful with the auditors. There were also no management consultations with other independent accountants.
- ¾ Accounting principles generally accepted in the United States require that information such as the O D Q D J H P H Q W \ \ V ' L V F X V V L R Q Budget Schedule be presented to H U W D L C supplement the basic financial statements although this information is actually part of those statements. The Governmental Accounting Standards Board requires this information be included because it is considered to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational or historical context. An opinion is not issued related to this information but the auditors did make inquiries to management about the method S U H S D U L Q J W K H L Q I R U P D W L R Q D Q G F R P S D U L Q J L W I R U F F inquiries, the basic financial statements and other knowledge obtained during the audit.
- ¾ There was one internal audit control finding related to cybersecurity. The University and the Foundation fell victim to a business email compromise although the Foundation was able to recover the loss through insurance. Dean Dorton recommended additional procedures to confirm vendor information prior to payment and additional education for University employees.
- ¾ Major programs audited included the Student Aid and TRIO clusters and the Training Resource Center and an unmodified opinion was issued. Year reportable findings required to be communicated within the Single Audit Report repeat findings where the auditors test the eligibility requirements of the TRIO Cluster and noted the University was out of compliance in regard to the Talent Search Missouri Program. The University is not serving the minimum number of students stipulated by federal guidelines. It was recommended that the University implement procedures to ensure the minimum number of participants are enrolled and participating in the Talent Search Missouri Program and the University concurred. Substantial progress was made to increase the number of students served under each Talent Search program upon the conclusion of the grant year. As a result, the Department of Education funded both programs the following year. The Talent Search Director is working with the Department of Education to identify and add several schools to assist with the recruiting process and additional staff will be to aid in the Spring recruiting period to address these issues. It was also noted that there was no formal review of eligibility and applications for the Forward Bound and Talent Search programs.
- ¾ The auditors noted that the University has not conducted an Information Technology (IT) risk assessment since 2017 to identify reasonable and foreseeable security and privacy risk. The IT assessment undertaken in 2017 also did not address employee training and management; information systems, including network software design, as well as information processing, storage, transmission and disposal and detecting, preventing and responding to attacks, other system failures. It was also recommended that the University document safeguards mitigate each risk identified and conduct an annual IT risk assessment addressing the areas previously mentioned. The University concurred with these recommendations and Information Systems will now conduct an annual risk assessment to be led by the Information Security Officer and

completed by the end of March each year. The assessment will be scoped to include all campus computing resources.

¾ A prior year finding from 2018 occurred when the University brought to the attention of the auditors that 51 Direct Loan students withdrew during the first five days of the Fall 2017 Semester not reported to the National Student Data System in a timely manner as required. This finding was resolved in 2019.

¾ 8 S F R P L Q J L W H P V L Q F O X G H + R X V H % L O O Z K L F k t h e R I I H U V V Kentucky Retirement System in Fiscal Year 2020 there will be

Full Board Action ±Audited Financial Statement Federal Funds, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019:

Audited Financial Statement Federal Funds*

- a. Single Audit Report for the Year Ended June 30, 2019

Mr. Rhoads seconded and the motion carried unanimously.

(See Attachment #10)

Annual Audit Report ±Athletics, accepted

Ms. Dudley indicated that the Annual Audit Report-Athletics has been prepared by an independent external auditing firm Dean Dorton Allen Ford, PLLC (Dean Dorton).

The National Collegiate Athletic Association (NCAA) Approved Procedures report full compliance with the NCAA By 2. 4. 15 .

On behalf of the Audit and Compliance Committee, Mr. Rhoads moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019:

Annual Audit Report-Athletics

- a. 1 D W L R Q D O & R O O H J L D W H \$ W K O H W L F \$ V V R F L D W L R Q on Application of Approved Procedures for Intercollegiate Athletics for the Year Ended June 30, 2019

Mrs. Rudolph seconded and the motion carried.

Full Board Action ±Annual Audit Report ±Athletics, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following report for 2019:

Annual Audit Report-Athletics

- a. 1 D W L R Q D O & R O O H J L D W H \$ W K O H W L F \$ V V R F L D W L R Q on Application of Approved Procedures for Intercollegiate Athletics for the Year Ended June 30, 2019

Mr. Owens seconded and the motion carried unanimously.

(See Attachment #11)

Audited Financial Statements ±WKMS-FM, accepted

Ms. Dudley indicated that WKMSFM documents have been prepared by an independent external auditing firm Dean Dorton Allen Ford, PLLC (Dean Dorton) and address state and federal requirements. The audited financial statement is also provided to the Corporation for Public Broadcasting (CPB) which is required due to funding that entity WKMS-FM

On behalf of the Audit and Compliance Committee, Mr. Owens moved that the Board of Regents, upon the recommendation of the President of the University, accept the following

Audited Financial Statements WKMS-FM*

- a. Required Auditor Communications
- b. Audited Financial Statement for the Year Ended June 30, 2019

Mrs. Rudolph seconded and the motion carried.

Full Board Action ± Audited Financial Statements ± WKMS-FM, accepted

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of Regents, upon the recommendation of the President of the University, accept the following reports for 2019

Audited Financial Statements WKMS-FM*

- a. Required Auditor Communications
- b. Audited Financial Statement for the Year Ended June 30, 2019

Dr. Shemberger seconded and the motion carried unanimously

(See Attachments #12 and #13)

Annual Audit Contract Renewal, authorized

Ms. Dudley reported that under provisions of Kentucky Revised Statutes, Chapter 164A.570, the financial statements. Other governing or sanctioning bodies (e.g., the United States Office Management and Budget for federal grants and contracts and the National Collegiate Athletic Association) require annual financial or compliance audits.

As a result of RFP for audit services dated December 12, 2016, Dean Dorton Allen Ford, PLLC (Dean Dorton) was the successful firm.

At its February 24, 2017, meeting the Board of Regents approved the issuance of a contract and compliance audits for the fiscal year ending June 30, 2017, and further authorized the University to enter into six subsequent contract renewals based upon mutual consent. The for the current year contract is \$123,525, including the financial, compliance and up to four single audit programs. Renewing the contract with Dean Dorton is being proposed and this represents the fourth year of a six-year contract.

On behalf of the Audit and Compliance Committee, Mrs. Rudolph moved that the Board of Regents, upon the recommendation of the President of the University, authorize the University to compliance audits for the fiscal year ending June 30, 2020, at a cost of \$126,325. Mr. Criswell seconded and the motion carried.

Full Board Action ± Annual Audit Contract Renewal, authorized

On behalf of the Audit and Compliance Committee, Dr. Tharpe moved that the Board of

Enrollment Management and Student Success

Engagement and Success celebrations as well as highlighted. It was noted that as enrollment increases student support services will also need to be enhanced. Student Engagement and Success initiatives which provide support for first-generation and veteran student

S. G. Carthell Executive Director of the Office of Multicultural Initiatives, Student Leadership and Inclusive Excellence and Roslyn White Senior Associate Director and Coordinator of Multicultural Recruitment outlined diversity initiatives and scholarship commitments from the University related to recruitment and retention of low-income and underrepresented students. Work undertaken has included developing plans on how to best utilize funding raised through Race 62 and Week of Giving initiatives. The MA. MBB has been relocated and rededicated. The impact of this has been significant and well received by students and was only possible due to the efforts of many entities. Faculty Liaison and Assistant Professor of English Dr. Alicia Carthell was introduced. Dr. Carthell and second Faculty Liaison Donald Adongo, have worked with the Emerging Scholars Institute since its inception. It is important for students to make a connection with faculty and this is the central focus of programming undertaken in this area. The opportunities for students to serve Minority Graduate Fellows. Each year a reception is hosted by the President and in 2019 was held in the new Multicultural Center. Board members were encouraged to attend the Diversity Achievement Awards Banquet which honors students for academic achievement and diversity and leadership on campus, Martin Luther King, Jr. were held on January 19-20, 2020 and the Hitimu Ceremony which is held each semester. Increased programming will be offered related to community service as well as educational workshops. Events focused on the Latino student population are also offered. A Presidential Commission has been formed to identify ways to recruit and retain diverse students, faculty and staff. A work will include a Campus Climate Survey. Yield opportunities are being developed for the population. Work was outlined by Ms. White.

This report was presented for informational purposes only and required no Board action.

Branding, Marketing and Communication Update, received

Mr. Touney reported that over the past 12 to 16 months the leadership of President Jackson efforts have been made to work more strategically and collaboratively with individual departments and units. For 2020 recruitment support, advertising strategies and public relations work which have been multiple mediums, taken decisions and allocations and key calls to action were outlined. This work has been focused on key recruitment areas for the University where there is the potential for increased yield, particularly the 18 region and include

Reconvene

Chair Kemp reconvened the Quarterly Board of Regents Meeting and Committee Meeting at 3:35 p.m.

Finance Committee

Jerry Rhoads Chair
Eric Crigler
Leon Owens
Lisa Rudolph
Phil Schooley

Mr. Rhoads called the Finance Committee to order at 3:45 p.m. and reported all other members were present.

Pension System Update, received

Ms. Dudley and Ms. Gordon reported that

to continue with the exploration of outsourcing options and issue the necessary RFP in the interest of the University. Additional information provided to the Board included

- x June 8, 2019, Board minutes related to exploring outsourcing options
- x September 27, 2018, approval from KRS for Dining Contract
- x RFP Schedule of Events
- x RFP Evaluation Criteria Summary
- x Contract Summary
- x Financial Summary for Custodial and Grounds Services
- x Financial Analysis of In-house vs. Outsource Potential Savings for Custodial and Grounds Services

Approval was received from KRS on September 27, 2018, for the Dining Services contract; however, the approval was limited to the specific issue of employees being able to access their retirement accounts and the University's approval to not pay into the retirement system for those individuals. The same approach is being used for the custodial and grounds outsourcing processes and associated documentation.

Information was presented on the KERS 49.47 percent employer contribution rate for non-hazardous employees and 36.85 for hazardous duty (police officers). Fiscal Year 2021 contribution rates for KERS non-hazardous and hazardous duty employees are 93.01 percent and 38.71 percent, respectively. Fiscal Year 2019 the University had a payroll base of \$12 million on which it paid KERS contributions (\$6.5 million) at the 49.47 percent rate. The University no longer contributing for dining services employees amounts to an increase of \$5.5 million over the 49.47 percent rate for 353 employees in the hazardous duty category that is impacted by the higher KERS rates. Fiscal Year 2018 the University had a payroll base of \$14 million (\$6.9 million KERS contribution) but this was for 503 employees in the KERS system.

Custodial and grounds services have great value on campus and are needed for student recruitment and retention, facilities maintenance and to help ensure campus safety. Current services that will be impacted if the Board accepts the recommendations presented include employee recruitment, onboarding, training and termination; Accounts Payable; Procurement; Human Resources; Residence Life and employee Payroll Services. The action being requested today will result in a reduction in the amount of work for these areas as staff reductions have also occurred.

Murray State currently has 90 buildings, 3.3 million square feet of assigned space and 266 acres of land that must be maintained. Other universities already outsourcing custodial, grounds and maintenance services include Western Kentucky University, Eastern Kentucky University and Morehead State University (custodial work). The University of Kentucky and University of Louisville outsource their custodial services for housing through Ugh arrangements. Middle Tennessee State University, Tennessee Technological University and Austin Peay State University also outsource some custodial services. Information was presented on the number of positions being considered for outsourcing in custodial, grounds, maintenance (professional trades) and administration (supervisors and managers) that are currently budgeted (181 positions). As of December, 1 those positions are filled.

A Facilities Management RFP Committee was charged with reviewing vendor responses and recommending top tier companies. The evaluation process was completed and presented to the Board. After tallying the results, the highest scoring four contractors were invited to campus to meet with the Committee and present their services to the campus community. The Committee met to review a final time to determine if the top four proposals were

implemented at a later date, pending negotiation of a successful contract when/if it is determined the option is beneficial to the University. In addition, the recommendation is to proceed with the RFP process and a contract likely to be issued in January 2020 with implementation and employee hiring to occur through April. It is anticipated services will transition by April 15, 2020. Benefits of outsourcing include access to learning about evolving technologies and regulations and employee training and development programs, more impactful purchasing power for supplies and equipment, replacement of equipment with more sustainable and energy efficient options, access to athletic turf expertise, and opportunities for employees and student internship and employment programs.

An overview of the current Facilities Management budget was presented. The total FY20 budget available for custodial and grounds outsourcing, excluding the 49.47 percent KERS retirement contribution rate is \$3.8 million (88 employees). The total FY20 contribution rate is factored in, this amount increases to \$4.7 million. The KERS estimated increase on all budget positions that may be outsourced at the FY20 rate of 23.01 percent could increase the total contribution for a total increase of \$1.2 million over the current 49.47 percent contribution rate. This would need to be added to other than

- 2) Approve a contractual option to include the possible outsourcing of maintenance services could be implemented at a later date, with Board approval, when/if it is determined the option is beneficial to the University and the option to use the contract for non maintenance services offered in the RFP response for ~~specific services~~ ~~services~~ ~~assessing~~ budget allows;
- 3) Approve, upon receipt of acceptable contractors by the Committee Chair and in consideration of factors indicated by law related to privatization, an evaluation process by the Vice President for Finance and Administrative Services who

current tuition benefit provided by the University and the question was asked whether they should offer tuition benefits for employees and their families. Dr. Jackson confirmed that all firms being considered for tuition benefits for their employees but the higher education market is essentially the only one to extend those benefits to dependents. He expressed that moving forward when considering how to address the pension system, outsourcing should not continue to be the first option considered. He stated that at least –and faculty share this concern. Dr. Jackson confirmed the University has been placed in an awkward situation and making these decisions is difficult but the only other option is to continue cutting the budget and doing so will not elevate the institution into the future. Mr. Schooley expressed concern about losing the family atmosphere that currently exists because these staff members help take care of the students. He noted that staff have expressed concerns to him about the loss of the tu

lease was for a term of five years, with four additional five years each, for a total of 25 years. The full reimbursement will occur in the second year.

Under the agreement the USGS, under the United States Department of the Interior, pays \$25,000 per year for the lease of this facility. The lease agreement was provided to the Board and has been incorporated into the cooperative agreement with the USGS and is considered federal receipts.

The lease periods are shown below:

Should the lease agreement be renewed for the fourth year, the lease payment will be \$12,500 per year.

The Board of Regents Buildings and Grounds Committee was shown the project at the

Projects Approval, approved

Marketing and Community Engagement Committee

Sharon Green Chair
Trey Book
Eric Crigler
Virginia Gray
Melony Shemberger

Ms. Green called the Marketing and Community Engagement Committee in order at 4:45 p.m. and reported that all members were present.

Naming Opportunity ±

This enacted legislation, among other things, requires public assistance to adopt

Other Business/Adjournment

There being no further business to come before the Board, Mr. Book moved for adjournment. Mrs. Rudolph seconded and the motion carried unanimously.

A handwritten signature in blue ink, appearing to read "Jim Hunt", is positioned over a blue rectangular background.A handwritten signature in blue ink, appearing to read "J. D. King", is positioned over a purple rectangular background.

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