

**Minutes of a Special Called Meeting
Eastern Kentucky University
Board of Regents
May 25, 2016
Room 549, Whitlock Building**

Call to Order

A special called meeting of the Eastern Kentucky University Board of Regents convened at 9:02 a.m. on May 25, 2016 in Room 549, Whitlock Building at Eastern Kentucky University, Richmond, Kentucky. Mr. Craig Turner, Chairman of the Board, presided. Mr. Turner noted the presence of a quorum. The following members were present:

Present:

Ms. Nancy Collins
Ms. Janet Craig
Mr. Alan Long
Mr. Bryan Makinen
Ms. Katie Scott
Dr. Richard Day
Mr. David Tandy
Mr. Craig Turner
Mr. Craig King
Ms. Holly Wiedemann

Absent:

Mr. Ernie House

Other persons present at the meeting were:

Dr. Michael Benson, President
Dr. Janna Vice, Provost & Senior Vice President of Academic Affairs
Dr. Laurie Carter, Executive Vice President & University Counsel
Mr. Barry Poynter, Vice President for Finance & Administration
Mr. Stephen Lochmueller, Director of Athletics
Mr. David McFaddin, Vice President for Engagement & Regional Stewardship
Mr. Nick Perlick, Vice President for Development & Alumni Relations
Mr. Matt Roan, Deputy Director of Athletics & Special Counsel to the President
Ms. Joslyn Glover, Interim Chief Human Resources Officer
Ms. Dana Fohl, Deputy University Counsel
Members of the faculty & staff
Members of the media

Executive Session

Mr. Turner called for a motion to enter closed session for the purposes stated in KRS 61.810(1)(c), discussion regarding proposed or pending litigation against the board, and KRS 61.810(1)(f), discussion which might lead to the appointment, discipline or dismissal of an individual employee. The motion was made by Dr. Richard Day and seconded by Ms. Nancy Collins. The motion passed by voice vote, and the board, thereby, entered into closed, executive session at 9:05 a.m.

Mr. Turner entertained a motion to return to the open session of the Board of Regents meeting. A motion was made by Mr. David Tandy to return to open session. The motion was seconded by Mr. Bryan Makinen. The motion passed by voice vote, and the Board, thereby, convened in open session at 2:01 p.m. Mr. Ernie House had joined the Board in closed session and was now present. Mr. Turner announced that no action was taken in executive session.

After convening in open session, Chairman Craig Turner addressed the public and delivered the following report:

Mr. Turner reminded everyone of the budget reallocation the university undertook in 2013. If we hadn't done that, the budgetary changes that have taken and will take place would be more dramatic, and things are bad enough. But, EKV is on good footing. EKV has experienced the largest enrollment in the history of the school. Retention rates are up. EKV is drawing in better students. We have an awful lot of momentum. Our biggest disappointment is in dealing with the current governor's administration and legislature as we don't want to detract from our momentum.

I offer thanks to board members as the right decision is not to look at a budget cut and say that everyone gets cut the same across the board. We must look at cuts based upon the funding model in our future. Higher education in Kentucky changed when the legislature adjourned this session. There now will be performance-based funding going forward. We have to ensure the decisions we make are the right decisions to ensure we don't have further cuts because now we have to be competitive for funding. This is new territory, but we will be fully armed and prepared. Our funding will now focus on three things: enrollment, retention, and graduation rates. I would like to compliment the President, staff, and faculty. We had a good year, but someone threw us a curve ball. Now, we must make tough decisions.

The message I want to give you is this: I have seen a lot of different schools come out with their cuts. We are one of the few that hasn't come out yet to say what we are doing. These two budget committees have been formed, and more than ever, we want to make sure everyone has input before these decisions, and we don't want to make decisions too quickly.

Due to the cuts in 2013, we were able to absorb the 2% cut this fiscal year. Similarly, because of that, 2016-17 is in a good position. There will be cuts coming, but nothing overly deep. The Board is focusing on 2017-18. Some jobs will be in jeopardy in 2016-17, as the biggest part of the budget is labor. But, we expect these losses to be small. The budget outlook gets more serious in 2017-18 and that is where we have concentrated. All areas of the university are being looked at including athletics, academics, and staff. The Board has requested some data to be

returned for June meeting. However, students remain our priority. The quality of education will not be compromised. We will look to create as many efficiencies as we can with the least amount of fall out as we can. We are evaluating health care, any cuts for efficiencies, etc., as nothing is exempt for evaluation. The Board has set up some time tables for information. As we know, the best decision is an informed decision, and these decisions will be everlasting. The Board has asked for information back for June meeting, and we will probably have a July meeting as well. Given that much of the faculty are gone in the summer, we have timetables starting August 15 and reports due by November 12. We are requesting program reviews be addressed, and Dr. Shirley O'Brien is leading the study regarding reassigned time by faculty. We anticipate taking action at the December board meeting regarding academic programs and reassigned time. The committees will stay engaged and continue to provide information. There is nothing to report today to say, "Here is what is going to happen." The Board has simply requested a whole lot of information.

The mission will remain the same. We will strike to have the highest quality faculty, the best staff, and the best athletic program. We will stay at the top of the heap. We are the only university with growth among the state comprehensives. There is a reason for this. We have drawn a different quality of student that we haven't got before. We have offered great scholarships. In sum, we will absorb what we can and we won't see any dramatic cuts for 2016-17. However, in 2017-18 we will see some cuts.

Action Items

a. General Budgetary Discussion and Actions

A motion was made to approve the Residential Dining Board Plan Rate Schedule for Fiscal Year 2016-17 by Janet Craig. The motion was seconded by Alan Long. Student Regent Katie Scott voted "nay". The motion passed by voice vote.

Adjournment

There being no further business, Mr. Turner requested a motion to adjourn. A motion was made by Katie Scott to adjourn the meeting. The motion was seconded by Alan Long. The motion passed by voice vote and the meeting was, thereby, adjourned.


Dana Fohl, Board Secretary

7/16/16
Date