Minutes of a Meeting
Eastern Kentucky University
Board of Regents

Quarterly Meeting
January 17, 2012
Minutes of a Regular Meeting  
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Board of Regents  
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A regular quarterly meeting of the Eastern Kentucky University Board of Regents convened at 11:33 a.m. on January 17, 2012, in Room 549, Student Success Building (SSB), Eastern Kentucky University, Richmond, Kentucky. The roll was called and it was noted that all Mr. Craig Turner, Vice Chair of the Board, presided over the election of officers. Following the election of officers, Mr. Gary Abney, Chair of the Board, presided. The following members of the Board were present:

Mr. Gary Abney  
Ms. Nancy Collins  
Ms. Janet Craig  
Dr. Malcolm Frisbie  
Mr. Steven Fulkerson (up through Financial Update)  
Mr. Ernie House  
Ms. Anita Johnson  
Mr. David Sloan  
Ms. Rachel Mollozzi  
Mr. David Tandy (up through Enrollment Management Report)  
Mr. Craig Turner

Other persons present at the meeting were:

Dr. Doug Whitlock, President  
Ms. Debbie Newsom, Treasurer  
Ms. Virginia Underwood, Assistant Secretary  
Members of the faculty and staff  
Members of the media

Election of Officers

In accordance with the provision of the Board’s Bylaws pertaining to the election of officers, the Chair must be elected annually. Additionally, Mr. Abney noted Ms. Newsom, Treasurer, is scheduled to leave the University for another position at another university, necessitating action of the Board to elect a Treasurer whose term of office would begin at the close of business on Ms. Newsom’s last day in her position at EKU. Mr. Abney requested Mr. Turner preside over the election of officers. Mr. Turner declared the floor open for nominations for Chair and Treasurer. Mr. House nominated Mr. Abney for Chair. Mr. Tandy seconded. Dr. Frisbie made a motion to approve the nomination as presented. Mr. Turner seconded. The motion was approved by voice vote.
President Whitlock recommended Mr. Barry Poynter, be nominated to serve as Treasurer. Mr. Fulkerson nominated Mr. Poynter for Treasurer. Mr. House seconded. The motion was approved by voice vote. Mr. Abney thanked the Board and stated his appreciation.

Executive Session

Mr. Abney noted that a motion would be in order for the Board to go into executive session pursuant to KRS 61.810(f) and 61.815 for the purpose of discussing matters relating to personnel issues with respect to specific employees, including the possible discipline or appointment of individual employees, the potential acquisition of property and possible and pending litigation. Mr. Turner made the motion to the effect requested by the Chair. Mr. Fulkerson seconded. The motion passed by voice vote. The Board went into executive session.

Upon returning to open session, it was noted that only matters stated in the motion were discussed and there was no action taken. Mr. Turner made a motion to reconvene; Mr. Tandy seconded. The motion passed by voice vote.

Presidential Evaluation

Mr. Abney shared with the Board details regarding President Whitlock’s regularly scheduled presidential evaluation. He noted a regularly scheduled presidential evaluation process consistent with the terms of President Whitlock’s employment contract and the Bylaws of the EKU Board of Regents was initiated and undertaken over the last few months. He stated the evaluation process has been an inclusive process that provided the opportunity for faculty, staff and students to complete surveys and provide feedback through a confidential process. Mr. Abney noted the evaluation process also respected the role of the Faculty Senate Executive Committee in accordance with the provisions of the Faculty Handbook pertaining to the Administrative Review of the President by the Faculty. Mr. Abney noted his appreciation for the collaboration of the Chair of the Faculty Senate and the Faculty Senate Executive Committee with the EKU Board of Regents and the Pappas Consulting Group in the development, hosting and administration of the faculty survey.

Mr. Abney noted a Special Meeting of the Board of Regents was held on Dec. 16, 2011, for the purpose of continuing the evaluation process. He stated that during the Special Meeting the Board received a preliminary verbal report from Dr. Pappas of the Pappas Consulting Group and heard from Dr. Lynnette Noblitt, Chair of the Faculty Senate, input from the faculty’s administrative review of the president. Mr. Abney stated 138 faculty members, 149 staff members and 211 students responded to an electronic survey that addressed questions focused on leadership, management, communication effectiveness, personal relations, fairness and overall performance.

Mr. Abney noted the Board’s appreciation for all who participated in and provided input into the evaluation process, including EKU students, faculty and staff, alumni, presidents of universities in Kentucky, local legislative representatives, members of the EKU Board of Regents, the Faculty Senate, Dr. Lynnette Noblitt, Chair of the Faculty Senate, and Dr. Pappas of Pappas Consulting Group for her assistance to the Board with the Board’s evaluation process.
Mr. Abney discussed his appreciation for President Whitlock’s cooperation and participation in and positive reception of the evaluation process and feedback in the process.

Mr. Abney stated the Board has received Dr. Pappas’ final report, which concluded:

- Responses were generally consistent from all groups with the President being viewed as an effective leader by both internal and external stakeholders.
- The President has guided the institution with a steady hand during economic times that have grown even more complex since his last evaluation in June 2009.
- The President receives high marks from staff and faculty as a communicator and an effective user of social networks for communication purposes.
- The President has expanded his focus on providing service to the region to include international partnerships. Some question whether an international focus is appropriate given the regional service mission of the institution.
- Most respondents would like to see the President provide personal leadership with regard to clarifying his vision for the University; taking bold and decisive action with regard to recruiting and retaining more undergraduates as well as improving student graduation rates; ensuring that the senior leadership team is serving optimally the needs of the University, its students, faculty and staff; focusing his efforts on the service region in which the University resides; and setting and keeping institutional priorities.
- As President Whitlock develops his action plan for the Board, he needs to set priorities and be prepared to make difficult decisions in the best long-term interests of the University and the region. The challenges facing higher education will continue to grow and become more complex over time. There will be "no business as usual." Transformative action will be required and that will take strong and intentional leadership and laser-like focus on the mission, vision and values of EKU.

Mr. Abney communicated Board members have also discussed with President Whitlock the cumulative information available to the Board from this comprehensive process and President Whitlock’s action plan. He stated the Board has concluded its presidential evaluation process and the Board will continue to work with the President to implement an action plan focused on the mission, vision and values of EKU and move EKU forward as a great public comprehensive university and leader in higher education. He noted the action plan will include a greater focus on cultivating relationships with schools and other partners in the service region to better serve the students and educational attainment rate of our service region.

Mr. Abney thanked the Board for their participation in the evaluation process and all who continue to make Eastern Kentucky University special. President Whitlock expressed his appreciation to the Board and Mr. Abney.
Approval of September 28, 2011 and December 16, 2011 Minutes

Mr. David Sloan made a motion to approve the September 28, 2011 and December 16, 2011 meeting minutes, as presented. Ms. Craig seconded. The motion was approved.

President’s Remarks to the Board

President Whitlock provided the Board with a report regarding the outcome of his evaluation and his initiatives for moving the University forward as a result of the University’s evaluation and his own self-evaluation. President Whitlock acknowledged the challenges which face the University in the years ahead, particularly challenges linked to the development of a financially solvent University budget. He reviewed with the Board the need to take definitive steps to cut expenses for the budget deficit created by the tuition shortfall. He discussed the impact of the Governor’s upcoming budget message for the 2012-2014 biennium. President Whitlock indicated he will keep the University community informed regarding initiatives determined necessary to handle the financial challenges ahead.

President Whitlock informed the Board that in light of his evaluation and the University’s financial situation, he considers himself committed to handle the challenges of the University. He noted he has created an action plan based on the results of his evaluation with aid and support from members of the Board. President Whitlock reviewed essential components of the action plan with the Board. President Whitlock noted areas addressed in the action plan include: articulation of his vision for Eastern, enrollment management and student success, operational efficiencies and economies, staff evaluations for his senior staff, enhanced engagement with the merged Strategic Planning and Budgeting Council, enhanced student communications, and the redirection of international student engagement to a more regional student focus.

Additionally, President Whitlock commented that his current contract runs through July 2014. He indicated his interest in possibly seeking appointment beyond his contract’s expiration. Also, he expressed his desire to pass EKU on to a successor with the issues outlined in his remarks resolved. He thanked the Board for their attention and service. Mr. Abney thanked President Whitlock for his remarks and noted optimism for EKU’s future.

Information Reports

Enrollment Management Report: “You Can Get There from Here”: A Power of Maroon Roadmap to Achieving Statewide Targets (Meaningful Measures) & Student Success Link

Mr. Abney recognized Dr. Janna Vice, Provost and Vice President of Academic Affairs, Dr. Edward Keeley, Executive Director of Institutional Effectiveness and Research and Dr. Bethany Miller, Director of Institutional Research to provide the Board with a series of reports regarding enrollment management at the University.

Dr. Vice advised the Board that the Kentucky Council on Postsecondary Education (CPE) is hosting an upcoming two day conference at which the CPE will use EKU’s strategic plan as an
example. Dr. Vice noted that during the Board presentation her presentation team will introduce a website which utilizes statistics on student success developed by the Department of Institutional Research.

Dr. Keeley presented a slide presentation titled, "You Can Get There from Here:’” A Power of Maroon Roadmap to Achieving Statewide Targets (Meaningful Measures). A copy of this slide presentation is included with the Official Minutes of the EKU Board of Regents. Dr. Keeley expressed appreciation for the commitment of the Deans, Chairs and other administrators for their cooperation and participation. Additionally, Dr. Keeley and his team thanked President Whitlock for his focus on student success at the University. He noted the importance of the institution setting aggressive enrollment and retention goals and the need for improvement through target deconstruction. His report reviewed targets, milestones and program initiatives designed to gradually achieve goals. Dr. Keeley noted the primary goal of enrollment management initiatives is to increase the number of bachelor degrees conferred at the University.

Mr. Fulkerson and members of the Board engaged the presentation team in discussion regarding the projected efficacy of certain program initiatives and how current academic policies reflect the culture of EKU. Dr. Frisbie noted the creation of a positive environment is only one part of the enrollment management’s plan. Dr. Vice stated when students succeed, EKU will succeed. The team discussed the coordination of retention efforts and the technical aspects of such engagement. Dr. Frisbie noted the increased amount of student success data will enhance coordination efforts.

Dr. Miller and the presentation team presented the Student Success Link website, created by the Department of Institutional Research. Dr. Keeley expressed his appreciation for Institutional Research’s work with developing the student data statistics. Dr. Vice noted the Southern Association of Colleges and Schools (SACS) review such statistics. Dr. Keeley noted the data provide an overview of academic department statistics regarding student success, measured by cumulative grade point average (GPA) among different courses within an academic program. Mr. Fulkerson questioned the presentation team regarding next steps and practical implications for the student data. Dr. Vice reported the data will be used to inform academic departments’ chairs, deans and administrators’ decisions regarding academic programming decisions and course offerings. The Board engaged in questions and discussion with the team pertaining to practical applications for the data and ways the data could improve student academic performance. Dr. Keeley reviewed with the Board the online retention reports function of the Student Success Link. President Whitlock noted the importance of the student success data and its relevance to program improvement and student success at EKU. He indicated the importance of buy-in regarding this data for faculty, chairs and deans. He also emphasized the need for a data informed approach to enrollment management. Mr. Fulkerson noted the data was beneficial and emphasized the need for practical application of the data to current and new student success initiatives, enrollment and 6-year graduation rates.

Dr. Vice shared with the Board a presentation titled, Valuing Quality Growth. A copy of this slide presentation is included with the Official Minutes of the EKU Board of Regents. She stated EKU’s recruitment and enrollment goals should be more focused on quality enrollment compared to high enrollment. The presentation highlighted student enrollment data trends,
projections and goals for EKU. The Board engaged Dr. Vice in questions and discussion related to online enrollment, its purpose and place at EKU and the type of students who seek online programs. Dr. Vice noted that nationally, universities are able to grow with online programs. It was noted undergraduate and graduate enrollment continues to decrease. Dr. Vice informed the Board of initiatives currently underway designed to increase quality enrollment at EKU. She advised regarding the reframing of developmental math education and the work of the Implementation Team. She recognized the work of EKU’s committed faculty and their cooperation with Early Alert and other academic policies designed to enhance student retention and success.

Mr. Abney inquired about regional campus outreach initiatives. Dr. Vice noted the active presence and work of EKU Educational Extension Agents, strengthened relationships with Kentucky community colleges, dual credit programs and the new 2+2 baccalaureate degree option. Board members discussed with Dr. Vice methods for improving regional campus collaboration. Dr. Vice noted three factors which drive initiative planning: economy, resources and market. Dr. Vice shared that the 6-year graduation rate goal for EKU is 45%; the University’s current 6-year graduation rate is 37%. Dr. Keeley stated the long-term 6-year graduation rate goal is 75% by the year 2014. The Board engaged the presentation team in questions and discussion related to initiatives designed to recruit students such as direct mailing and marketing strategies. Mr. Abney suggested more alumni participation in the recruitment process. Mr. Fulkerson requested a update to the Meaningful Measures data which were previously provided to the Board in June 2011.

Mr. Turner noted the need for more decisive action given the large quantity of data compiled. Mr. Abney concurred and noted the Board’s sincere interest in enrollment management, recruitment and student success. Dr. Vice and her presentation team were available for questions and comments. Mr. Abney thanked Dr. Vice and her presentation team and asked Dr. Vice that she keep the Board informed on their progress.

VP Development/Advancement Report and Remarks

Mr. Dustan McCoy provided the Board with an update regarding EKU’s Division of Development. He reported investments are down 2.1% and Standard and Poor is down 14%. Mr. McCoy reported investments improved in the 4th quarter. Also, he reported on the activities of the Foundation Board noting that committees are currently being formed. Mr. Abney and Mr. McCoy discussed the possibility of the EKU Board of Regents meeting with members of the Foundation Board in the late summer or early fall of 2012. Mr. McCoy was available for additional questions and discussion. Mr. Abney expressed his appreciation for efforts of the Foundation Board.

Mr. Joseph Foster, Associate Vice President of Development provided the Board with a slide presentation of University Development’s mission, staff, engagement initiatives and current development strategies. A copy of the slide presentation is included with the Official Minutes of the Board of Regents. Mr. Foster discussed the role of Student Alumni Ambassadors in encouraging lifetime giving and increasing alumni participation in advancement activities. The Board and President Whitlock engaged Mr. Foster in discussion regarding unrestricted and
restricted funds. President Whitlock noted unrestricted giving has declined and designated has increased. The Board discussed the Elmwood property with Mr. Foster; he stated the property was valued at approximately $350,000, after taking into consideration the reimbursement of $400,000 to the estate for capital improvements. Mr. Foster was available for discussion and questions. Mr. Abney thanked Mr. Foster for his presentation.

Ms. Odette Shults of FMB Advertising provided the Board with a presentation on the University’s comprehensive marketing campaign. The presentation centered on brand recognition and the University’s current advertising theme “You Can Get There from Here.” She informed the Board the campaign directs viewers to a website, http://www.ekustories.com. Ms. Shults provided the Board with media content and informed the Board the campaign has started to air advertisements on local Lexington stations and cable networks. She also reviewed the phases of the campaign and the targeted audience for each phase. Ms. Shults indicated the campaign includes banner ads on websites and is set to include print, outdoor, airport, and cinema advertising. President Whitlock noted the importance of social media as a complement to media advertising. Ms. Shults was available for questions and discussion. Mr. Abney thanked Ms. Shults for her presentation and work.

**Airport Update Report**

Dr. Robert Rogow, Dean of the College of Business and Technology, provided the Board with a progress report of EKU’s Professional Flight Program and EKU’s fixed base operator (FBO) with Madison County Airport. A copy of this report is included with the Official Minutes of the EKU Board of Regents. Dr. Rogow recognized Mr. Jason Bonham, Mr. Tim Ross, Mr. Ed Davis, Associate Dean of the College of Business and Technology, and Mr. Ralph Gibbs for their contributions to the program and the FBO’s evolving success. Dr. Rogow discussed student enrollment statistics in the Professional Flight Program. He was pleased to report an increase in student enrollment in the Professional Flight Program. Dr. Rogow reported fuel sales had increased 32% in the past year and the Airport’s receipt of a positive review on the airport review website, http://www.airnav.com.

Dr. Rogow noted the Aviation Professional Flight program is the only accredited program of its type in the state of Kentucky and offers some of the lowest tuition rates in the region. He reviewed challenges and improvements of the program with the Board. Dr. Rogow reported that students will receive more multiengine training time which will increase their employment viability. He stated the program added 50 new students last fall; this addition marks a significant increase in the program’s enrollment. Dr. Rogow commented that the program covers full tuition and fees for veterans. Mr. Abney engaged Dr. Rogow regarding the EKU airplane color scheme, communications with the EKU Center for the Arts staff and his appreciation for the efforts of Dr. Rogow and his team. Dr. Rogow was available for questions and discussion.
Action Agenda

Finance and Planning Committee

Engagement of External Auditor for FY12, Crowe Horwath LLP

Ms. Newsom presented for the Board’s approval the University’s engagement of External Auditor for FY12, Crowe Horwath LLP. She noted the positive relationship between Crowe Horwath LLP and advised of the University’s past comprehensive request for proposal (RFP) which resulted in the selection of Crowe Horwath LLP as the University’s external auditor. The detail of this item is included in the Official Minutes of the EKU Board of Regents. Ms. Craig made a motion to approve the item as presented; Mr. Fulkerson seconded. The roll was called, the following members voted “aye”: Ms. Collins, Ms. Craig, Dr. Frisbie, Mr. Fulkerson, Mr. House, Ms. Johnson, Mr. Sloan, Mr. Turner, and Mr. Abney. Ms. Mollozzi and Mr. Tandy were not present for the vote. No members voted “no”. The motion was approved.

Certification of Issuance of 2011 Series A Bonds and Tuition Guarantee

Ms. Newsom presented for approval certification that the issuance of agency bonds issued by the University will not result in an increase in tuition and fees for students. Ms. Newsom noted this certification is required by the Commonwealth and she has issued the required certification to the Finance and Administration Cabinet. The detail of this item is included with the Official Minutes of the EKU Board of Regents. Mr. Turner made a motion to approve the item as presented; Ms. Collins seconded. The roll was called, the following members voted “aye”: Ms. Collins, Ms. Craig, Dr. Frisbie, Mr. Fulkerson, Mr. House, Ms. Johnson, Mr. Sloan, Mr. Turner, and Mr. Abney. Ms. Mollozzi and Mr. Tandy were not present for the vote. No members voted “no”. The motion was approved.

Authorization to Issue Bonds to Refinance Outstanding Consolidated Education Bonds Series V

Ms. Newsom requested for approval a resolution authorizing the sale of up to $9,335,000 plus issuance costs in Eastern Kentucky University General Receipts Bonds to possibly obtain a more advantageous rate, conditioned on all of the following having occurred or being in place prior to any action regarding this item:

1) Any required authorization to issue agency bonds for this purpose will be approved through the state legislative process and/or appropriate state agencies.

2) Financial analysis will be provided by the administration to the Finance and Planning Committee of the Board of Regents regarding the feasibility and desirability of refinancing the Series V Bonds including –

a. Consideration of the net savings for refinancing such over the remaining original term after issuance and other related costs.
b. Consideration of the debt capacity to refinance Series V in addition to or instead of issuing bonds to finance the current lease arrangement for the energy project (refer to Action Agenda item B-4).

3) The Finance and Planning Committee will have the authority to act on the Board’s behalf to authorize moving forward with the refinancing based on information provided by the administration as well as to accept bids for the bonds.

4) The Finance and Planning Committee will report back to the full Board any conclusions reached and any actions taken at the next regularly scheduled Board meeting following any such conclusions and/or actions.

Dr. Frischie made a motion to approve the item as presented; Mr. Fulkerson seconded. The roll was called and the following members voted “aye”: Ms. Collins, Ms. Craig, Dr. Frischie, Mr. Fulkerson, Mr. House, Ms. Johnson, Ms. Mollozzi, Mr. Sloan, Mr. Turner, and Mr. Abney. Mr. Tandy was not present for the vote. No members voted “no”. The motion was approved.

**Expansion on Authorization Action Taken to Issue Bonds to Finance the Energy Project Master Lease Agreement**

Ms. Newsom presented for approval an expansion of action taken by the Board of Regents on January 25, 2010, relative to moving the financing for an energy project from a lease agreement to bonds. Ms. Newsom stated that due to lower current interest rates, it may be advantageous to convert the funding from a lease arrangement to bonding over the next several months. She advised this item seeks the Board’s approval on the following issues:

1) The bonds not exceed $22,758,660 plus issuance costs
2) Eastern Kentucky University General Receipts Bonds will be issued
3) The Finance and Planning Committee will have the authority to act on the Board’s behalf to authorize moving forward with issuing bonds to finance the lease arrangement on information provided by the administration as well as to accept bids for the bonds.

Ms. Newsom also advised that the request was made with the understanding the following will be in place and/or have occurred prior to any action regarding this matter:

1) Authorization to issue agency bonds for this purpose will be approved through the state legislative process.
5) Financial analysis will be provided by the administration to the Finance and Planning Committee of the Board of Regents regarding the feasibility and desirability of issuing bonds to finance the remaining lease obligation for the energy project –

   a. Consideration of the net savings of refinancing such over the remaining original term after issuance and other related costs.

   b. Consideration of the debt capacity to issue bonds to finance the current lease arrangement for the energy project in addition to or instead of refinancing the Series V Bonds (refer to Action Agenda item B-3).
Ms. Newsom informed the Board that it is the President’s recommendation, based on the recommendation of the Vice President of Financial Affairs that the Board delegate to the Finance and Planning Committee the authority to:

1. Determine the feasibility of issuing bonds to finance the remaining lease obligation for the energy project;

2. Authorize the administration to move forward with this financing if it is deemed to be in the best financial interest of the University;

3. Accept bids on bonds issued or to delegate the authority to accept such to the Treasurer of the Board.

Mr. House made a motion to approve the item as presented; Mr. Fulkerson seconded. The roll was called, the following members voted “aye”: Ms. Collins, Ms. Craig, Dr. Frisbie, Mr. Fulkerson, Mr. House, Ms. Johnson, Ms. Mollozzi, Mr. Sloan, Mr. Turner, and Mr. Abney. Mr. Tandy was not present for the vote. No member voted “no”. The motion was approved.

Executive and Academic Affairs Committee

Personnel Actions and Retirement Transition Program

President Whitlock made recommendations to the Board for the employment of new and continuing faculty and staff, new and continuing employment of persons whose employment is contingent on outside funding, faculty and staff whose service has ended, recommended sabbaticals and retirements, 2011 fall semester payroll on-campus for part-time faculty and laboratory assistants, 2011 fall semester payroll off-campus for part time faculty and laboratory assistants, and recommended retirement transition program participants. Fulkerson made a motion to approve the personnel actions as presented; Dr. Frisbie seconded. A copy of the approved personnel actions and retirement transition program participants is included with the Official Minutes of the Board of Regents. The roll was called, the following members voted “aye”: Ms. Collins, Ms. Craig, Dr. Frisbie, Mr. Fulkerson, Mr. House, Ms. Johnson, Ms. Mollozzi, Mr. Sloan, Mr. Turner, and Mr. Abney. Mr. Tandy was not present for the vote. No member voted “no”. The motion was approved.

Information Item: Recent Program Accreditations/Reaccreditations

Dr. Vice presented to the Board academic program accreditation and reaccreditations. She noted that all accreditations and reaccreditations which have been sought have been confirmed. Additionally, Dr. Vice stated the CPE is in the pre-approval process with the proposed Occupational Therapy Doctoral program in the Department of Occupational Science’s. President Whitlock noted all academic programs that have applied for accreditation or reaccreditation have been approved. Dr. Vice was available for questions and discussion. A copy of the report of the Academic Programs Receiving Accreditation for 2011 is included with the Official Minutes of the Board of Regents.
Report from the Council on Academic Affairs

Dr. Vice presented to the Board the following agenda items which have appropriate department, Faculty Senate and Council on Academic Affairs endorsement for committee approval.

Dr. Vice presented agenda items 3a-3b, new programs, as presented in the January, 17, 2012 Board agenda materials. Mr. Turner made a motion to approve; Dr. Frisbie seconded. The motion passed by voice vote.

Dr. Vice presented items 3c-3x, program revisions as presented in the January 17, 2012 agenda materials. Ms. Craig made a motion to approve; Ms. Collins seconded. The motion passed by voice vote.

General Education Restructure

Dr. Vice introduced Dr. Garret Yoder, General Education Coordinator, to provide the Board with an overview of the General Education Restructure. Dr. Vice recognized Dr. Yoder’s professionalism and strong leadership during the General Education restructuring. Dr. Yoder reviewed the core changes in General Education compared to the previous curriculum requirements. He explained the restructuring process and the work of the University’s General Education Committee. Mr. Yoder advised the proposed changes have been approved by the Council on Academic Affairs, Faculty Senate and the General Education Committee. Dr. Yoder stated the proposed changes result in a net decrease of 9 credit hours to General Education requirements. Ms. Mozzolli commented on the positive benefit of these changes to EKU students and thanked Mr. Yoder for his leadership. Mr. Abney thanked Dr. Vice and Dr. Yoder for their work. Dr. Yoder was available for questions and discussion. Ms. Craig made a motion to approve the item, as presented; Mr. Fulkerson seconded. The motion was approved by voice vote.

Financial Update

Ms. Debbie Newsom provided the Board with a financial update for FY2011-2012. Ms. Newsom provided a slide presentation titled 2011-12 Final Financial Update. She distributed handouts detailing financial information and reviewed budget comparisons. She discussed contingency fund allocations for various units on campus, including Student Financial Aid, the Center for the Arts and the FBO with Madison County Airport. She also reviewed projected unfunded expenditures, including the projected tuition deficit, unfunded positions, Foundation transfers, Athletics, the Center for the Arts, the FBO with the Madison County Airport, and Financial Aid. She reported that the Center for the Arts and the FBO with the Madison County Airport have indicated a continuing need for University financial support over the next few years. Ms. Newsom noted the budget challenges to the University due to these projected unfunded expenditures, highlighting the projected tuition deficit resulting from a decline in enrollment in Fall 2011. Ms. Newsom was available to the Board for additional questions and discussion. Mr. Fulkerson requested a further explanation of the $900,000 projected unfunded Foundation Transfers. Copies of the presentation and of all referenced handouts are included in
the Official Minutes of the Board of Regents. Mr. Turner and Mr. Abney thanked Ms. Newsom for her presentation.

Mr. Turner recognized Ms. Newsom for her 6 years of commitment and service to EKU and the EKU Board of Regents. He stated he enjoyed working with Ms. Newsom and expressed his gratitude for her knowledge, insight and professionalism. He stated that she had made a valuable contribution to the University. Ms. Newsom addressed the Board to express her appreciation for the opportunity to serve as Board Treasurer and Vice President of Financial Affairs for the last 6 years. She stated EKU has changed her life and as a first generation college student who attended EKU, she is one of many EKU success stories. Ms. Newsom thanked the Board for confidence in her ability to serve and expressed she treasured the working relationship and commented that she had come back to EKU to serve as in her position to contribute and that she had come to realize over the past several months that her work at EKU was done. She thanked the outstanding staff of Financial Affairs. Mr. Abney and the Board thanked Ms. Newsom for her contributions and service to the EKU Board of Regents and wished her the best of luck in her future endeavors.

Performing Arts Center Report

Ms. Debra Hoskins, Executive Director of the EKU Center for the Arts, provided the Board with an update regarding the Center. She reviewed with the Board a slide presentation. A copy of this presentation is included with the Official Minutes of the EKU Board of Regents. The presentation provided an overview of the Center’s inception, development, planning and Center Board member composition. She noted the planning for the Center began 12 years ago and has evolved to include a 13 member Center Board. Ms. Hoskins noted Dr. Robert Rogow currently serves as Chair of the Center’s Board and Mr. Harry Moberly recently joined the Board as a member. Ms. Hoskins provided the Board with programmatic costs and revenue for specific events at the Center. She distributed a booklet with media excerpts exhibiting the Center’s media visibility. A copy of this booklet and the slide presentation is included with the Official Minutes of the EKU Board of Regents. Ms. Hoskins was available for questions and discussion. Mr. Abney thanked Ms. Hoskins for her success and work with the Center.

Construction and Capital Projects and Center for Renewable and Alternative Energy (CRAFT) Update

Mr. James Street, Acting Executive Vice President for Administration provided the Board with a brief construction and capital projects update. He reviewed expenses related to the Moore Building and the Stratton Addition. Mr. Street discussed the $21 million in bonding authority for the new Residence Hall construction project.

Additionally, Mr. Street provided the Board with information related to the ongoing CRAFT project. He provided the Board with a handout of a report reviewing CRAFT at EKU. A copy of this report is included with the Official Minutes of the EKU Board of Regents. His presentation reviewed grant funding initiatives and the purpose of CRAFT’s research. Mr. Street noted CRAFT researchers are investigating viable methods to convert organic materials such as switchgrass into biofuel using heterotrophic processes. He noted the U.S. Military and Navy are
interested in EKU's research. He explained CRAFT is currently involved in a $6 million pilot project which is engaged in methods to increase the amount of biofuel created from liters to gallons. Mr. Street was available for questions and discussion. Mr. Abney thanked Mr. Street for his presentations.

**College of Education: Ed.D. Program**

Mr. Abney recognized Dr. William Phillips, Dean of the College of Education, to provide the Board with an update regarding the Ed.D. program at EKU. Dr. Phillips provided the Board with a handout of his report detailing the Ed.D. program. A copy of this report is included in the Official Minutes of the EKU Board of Regents. He informed the Board the program has received high acclaim from the CPE. Dr. Phillips discussed the demographics of the students enrolled in the Ed.D. program, he noted the students are school principals, superintendents and employees at EKU. He reported the program's goal is to graduate 10 doctoral candidates a year. Dr. Phillips was available for questions and discussion. Mr. Abney stated his appreciation for the work of Dr. Phillips and his staff.

There being no further business, Ms. Craig made a motion to adjourn. Dr. Frisbie seconded. The motion was approved by voice vote. The Board adjourned at 6:47 p.m.

Respectfully submitted,

Steven Fulkerson,
Secretary

Respectfully submitted,

Virginia H. Underwood
Assistant Secretary