

**KENTUCKY STATE UNIVERSITY**  
**Regular Meeting of the Board of Regents**  
**9:30 a.m., October 23, 2015**  
**Cooperative Extension Building, Conference Room**  
**Frankfort, Kentucky**  
**Regent Karen Bearden, Presiding**

MINUTES

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**I. Call to Order:**

Chairperson Karen Bearden called the meeting of the Kentucky State University Board of Regents (the "Board") to order on Friday, October 23, 2015, at 9:30 a.m.

**II. Opening Remarks:**

Chairperson Bearden welcomed the attendees to the Board meeting.

**III. Roll Call:**

Secretary Gordon Rowe conducted the roll call:

Regent Mindy Barfield	<i>Present</i>
Regent Karen Bearden	<i>Present</i>
Regent Elaine Farris	<i>Present</i>
Regent Diamond Gordon	<i>Present</i>
Regent David Guarnieri	<i>Present</i>
Regent LaVaughn Henry	<i>Present</i>
Regent Ekumene Lysonge	<i>Present</i>
Regent Elgie McFayden	<i>Present</i>
Regent Syamala H.K. Reddy	<i>Present</i>
Regent Charles Whitehead	<i>Absent</i>
Regent Hettie Oldham	<i>Present</i>

Ten regents were in attendance and a quorum was established.

**IV. Approval of Minutes:**

**Action: Regent McFayden made a motion to approve the minutes from the Board of Regents meetings held on July 31, 2015. Motion was seconded by Regent Henry. The motion passed unanimously.**

**V. Ratification and Approval of Appointments:**

Chairperson Bearden yielded the floor to President Burse to offer recommendations for appointments. President Burse presented the following Presidential appointments for approval and ratification by the Board:

- A. Dr. Deneia Thomas as Assistant Vice President for Academic Affairs for Assessment and Evaluation at the rank of Professor in the College of Arts and Sciences Department of Behavioral and Social Sciences with tenure;
- B. Gregory Rush as Vice President for Business Affairs; and
- C. Dr. Candice Jackson as Chief of Operations with academic rank of Professor in the College of Arts and Sciences Department of Literature, Languages and Philosophy with tenure.

**Chairperson Bearden called for a vote on the ratification and approval of the President's appointments. The appointments were ratified and approved unanimously.**

**VI. Election of Officer:**

President Burse presented Gregory Rush, the newly confirmed Vice President for Business Affairs, and recommended that he be approved to serve as Treasurer for the Board of Regents. He commended Mr. Rush's work as Budget Director and stated that it was customary for the Vice President for Business Affairs to serve as Board Treasurer.

**Chairperson Bearden called for a vote on the election of Gregory Rush to serve as Treasurer for the Board. Mr. Rush was elected unanimously.**

**VII. Reports:**

**Academic Affairs Committee Report:**

Regent Farris presented the Academic Affairs Committee report. She began by stating that a quorum was present for the committee meeting. She also stated that Dr. Lynda Brown-Wright had given the Executive Summary at the Committee meeting.

Regent Farris reported that although the 2009 Cohort showed improvement in graduation rates, graduation rates remain unacceptably low. The Committee discussed various methods to improve graduation rates. She stated that faculty, staff, and students must all be accountable. Higher expectations of both students and professors are required early on in each student's academic career. Regent Farris stated that retention rates have increased. Academic support programs are being coordinated to be more proactive and to connect with students when they begin their college careers. Regent Bearden and Regent Farris discussed

how processes to improve retention and graduation must be part of a strategic plan.

Regent Farris discussed the analysis of online courses and stated that this is an area that requires improvement. Online courses must be clearly identified and limited for students in their first year of study.

Regent Farris gave an update on the SACSCOC review. Most of the review yielded positive comments but three recommendations were given by the review committee:

**Transfer of Credit Policy for Undergraduates**– the transfer policy for undergraduate students must be clearly stated and readily accessible so that students who transfer, or who are interested in transferring, will understand the University’s transfer policy and receive appropriate credit for their prior coursework.

**Institutional Credit for Graduate Degree Students**- policy was not clear regarding transferable credit at the graduate level. The SACSCOC committee would like the policy to state emphatically that 1/3 of the credits needed for graduation must be earned at Kentucky State University. The committee requested the University rewrite the policy to make it clear at all levels.

**Student Learning Outcomes**- the University needs to show evidence of a commitment to continuous improvement of educational programs based on evidence from a systematic assessment of student learning. The University must show the history of academic assessment processes and how they continue to evolve and are strengthened as the central practice for informing change in all campus academic programs.

Regent Farris reported that Dr. Brown-Wright provided the Committee with a Calendar of Accreditation for Academic programs (attached as Exhibit A to the Academic Affairs Committee Report), which was reviewed and discussed by the Committee.

Regent Farris also stated that the search for permanent Department Chairs is ongoing.

Chairperson Bearden inquired as to whether Dr. Brown-Wright and the committee discussed accountability of all stakeholders in regard to graduation rates. Regent Farris responded that the committee had a “robust” discussion in regard to the responsibilities of all involved to improve the educational process and graduation rates.

President Burse cited a Lexington Herald-Leader article that echoed Regent Farris's statement that retention and graduation are moral imperatives.

No action was taken by the Board in regard to the Academic Affairs report.

### Student Affairs Committee Report

Regent Oldham presented the Student Affairs Committee Report. She began by stating that a quorum was present for the Committee meeting. Regent Oldham stated that a report was given to the committee by Francene Gilmer, the interim Vice President for Student Affairs. She reported that the committee accepted and approved the minutes from the prior committee meeting. Regent Oldham stated that the Committee had reviewed enrollment for Fall Semester and was concerned about the low enrollment numbers. Regent Oldham reported that an Enrollment Management Committee has been formed. That committee consists of a cross-section of administrative and professional staff members from the Office of Admissions, Financial Aid, Housing and the Registrar's Office, who will assess and improve student enrollment initiatives. President Burse added his concern that based upon current application and acceptance rates, the enrollment for Fall Semester 2016 could be even lower, in the absence of prompt, substantive change in the recruitment and admissions process.

Regent Oldham stated the Student Handbook is in the process of being revised and should be completed in November 2015. Discussion ensued as to making paper and electronic copies available for easy access.

Regent Oldham reported that the Zero Tolerance Policy in regard to weapons, drugs and fighting has been a success. At the same point in Fall Semester 2014, 48 students were disciplined for drug offenses. At the time of the committee meeting, only five students had been disciplined for drug offenses. The discipline in all cases was suspension.

Regent Oldham discussed the One Stop Shop. She stated that service in the One Stop Shop is improving based on improved phone service.

Regent Oldham gave an update on Student Life activities and reviewed some of the items on the Student Life calendar. Regent McFayden raised a concern that more effort should be made to ensure that student activities are more global in perspective and have more of a direct impact on the academic lives of students.

No Board action was taken in regard to the Student Affairs report.

### Business Affairs and Audit Committee Report

Regent Henry presented the Finance and Audit Committee Report. Regent Henry stated that there was no quorum during the meeting. Regent Henry stated that Vice President for Business Affairs Gregory Rush presented an update on Business Affairs to the Committee.

Regent Henry gave an update on debt collection stating that 1,408 accounts have been placed with three collection agencies and the Kentucky Department of Revenue. The total amount being sought on those accounts is approximately \$7.7 million. The number of accounts remaining to be placed in collections, particularly with the Kentucky Department of Revenue, is 1,668. Collection efforts on these accounts is expected in the next few months. The total amount being sought on these accounts is approximately \$ \$4 million.

Regent Henry also stated that Mr. Rush presented an overview of the University's surplus declaration process. This process will be used to identify assets that have reached the end of their useful life and require disposal.

Regent Henry also reported that, in response to a previous request by the Board, the University conducted a physical inventory of items with an estimated value of \$50,000 or more. All such items were located and verified by physical inspection.

In response to a separate Board request, the University determined that a shortage from the 2015 inventory was due to items with a combined value of \$6 million that were either missing, fully depreciated or unusable. As a result, an adjusting entry of \$6 million will be reflected in the 2014-15 audited financial statements of the University.

Regent Henry stated that the external audit is scheduled to be completed by November 15, 2015.

Regent Henry also gave an update on the general financial developments of the University. The University's Net Asset position has declined by \$1.8 million, mostly due to lower enrollment rates than those projected.

Regent Henry also discussed the treatment of pension allocations under GASB standards. Although there will be no substantive change to the University's asset position, increased pension allocations must now be reported on the balance sheet.

Regent Henry brought before the Board an action item to change meal plan rates as follows:

- a) All resident students would have a choice between a 19-meal plan with a \$200 declining balance or a 15-meal plan with a \$300 declining balance, each of which would cost the student \$1,675; and
- b) Commuter students could choose from three plans: a plan costing \$371 with a \$400 declining balance value, a 10 weekly meal plan with a \$150 declining balance, which a student can purchase for \$905, or a 5 weekly meal plan that would cost the student \$492 and have a declining balance of \$200.

**Action Item: Motion was made by Regent Guarnieri and seconded by Regent McFayden to approve an expansion of meal plan offerings for the remainder of the 2014-2015 school year. The motion was put to a vote and passed unanimously.**

No Board action was taken in regard to the Business Affairs and Audit report, except for the approval of the expanded meal plan, as described above.

### *External Relations and Development Committee Report*

#### *Development Report*

Regent Henry delivered the report of the Committee. Regent Henry stated that a quorum was present for the Committee's meeting. He also stated that Interim Vice President for External Relations and Development Max Maxwell had delivered a report to the Committee during its meeting. Regent Henry stated a \$10,000 scholarship donation was given to the University by the Brown-Forman Corporation.

Regent Henry also stated that distribution of the University's *Onward and Upward* newsletter has remained steady but content has increased. The newsletter was sent to over 1,500 alumni electronically and to over 8,000 total alumni during the second quarter of 2015.

Regent Henry also reported on efforts to increase alumni and community support. He stated that alumni can now make contributions to the University online by credit card. Regent Henry stated that efforts are underway to have a two-day telethon to raise money for the University.

Regent Henry gave an overview of the status of social media. He stated that there has been an increase in the number of posts and likes on Facebook and Twitter. The External Relations Department has reached out to other institutions to get more informed on how to increase the University's online and social media presence.

No Board action was taken in regard to the External Relations and Development report.

### Information Technology

Interim Chief Information Officer Wendy Dixie reported that TATA International has been chosen as the Oracle PeopleSoft implementation partner and that the contract for the implementation has been signed. Ms. Dixie also stated that the first phase of the implementation, the project planning phase, was in the beginning stage. Ms. Dixie predicted that it will take approximately 9-18 months to implement the Oracle PeopleSoft system and replace Banner as the University's Enterprise Resource Planning ("ERP") System.

Ms. Dixie reported that the new ERP system should make data easier to access and analyze and provide more informative reports. President Burse added that the new system would be "transformational," in that it will be more intuitive and more accessible and will provide consistency in reporting across departments. The new ERP system should also improve internal auditing because it will track internal controls and contains improved financial reports.

Ms. Dixie also reported that in January 2016, Blackboard will be moved to a cloud-based system. Data storage will also be moved offsite to the Commonwealth Office of Technology ("COT") in January of 2016.

No Board action was taken in regard to the Information Technology Report.

### Internal Audit

Ingram Quick summarized his job duties as Internal Auditor as a dual report to the President and the Board of Regents. This working structure allows him to be more independent. His main objectives are to audit KSU's departments to ensure they are in compliance, to safeguard assets, and to ensure good governance. He will have an audit plan at the beginning of next fiscal year. Thus far, he has tagged high risk areas such as Payroll and Bursar's Office for review. Internal Audit will focus on all University processes.

No Board action was taken in regard to the Internal Audit Report.

### Update on Strategic Planning Process

Melinda Impellizzeri stated the Strategic Plan is an important document for the University. A 22-member team made up of faculty, staff, students, alumni, and others in the community have been involved in twelve meetings since mid-April to discuss the development of the plan. They have also held community forums, conducted surveys, and have done extensive research as to where the University

has been and where we want to be. They have identified 5 core values so far:

1. Integrity
2. Student Center Philosophy
3. Innovation in Scholarly Activities
4. Responsible Citizenship
5. Ethical Leadership

In developing the plan, the Committee is focusing on two activities at the current stage of developing the plan:

1. Competitive Benchmark Assessment
2. Institutional Effectiveness

The Strategic Plan is scheduled to be delivered to the Board at the April, 2016 meeting and is currently on track. Regent Bearden requested to see a full draft of the Strategic Plan before the January 2016 Board Meeting.

No Board action was taken in regard to the Strategic Plan report.

#### **VIII. President's Report:**

President Burse discussed the Department of Education Report Card and stated that much improvement is needed. The University needs to graduate students and make sure they can find jobs that will pay for their education.

President Burse gave an update on Health Insurance. The University had to consider alternatives to its past health plan because that plan had proposed a 34% increase due to eight major health cases. Kentucky State University now offers two plans:

1. PPO Plan
2. High Deductible Plan

KSU will help fund HSA and HRA accounts with a \$500 contribution and is implementing programs to encourage healthy living. The President stated that the University will seek bids for health insurance coverage again to try to mitigate costs. He will also assess the insurance broker's performance to ensure that the University is receiving the best options and look into how the University can possibly restructure the plan(s) to reduce costs.

President Burse discussed the Tuition Stabilization Plan submitted to the Council on Post-Secondary Education (CPE). CPE asked whether there should be a current year appropriation due to lower enrollment and number of non-returning students due to defaulted accounts. Kentucky State University asked for



approximately \$6 million in additional funding. President Burse explained the need for the funding:

1. Enhanced Academic Advising System
2. Develop Warning and Probation Program
3. Expanding Academic Support
4. Recruitment Budget to recruit Department Chairs and educational leaders
5. Improve Academic Success Program
6. Special Academic Training – Produce culturally competent teachers
7. Summer Success Academy for at-risk Freshmen
8. Scholarships for Academic Progression
9. 100% matching funds for Land Grant Programs

This plan request was for funding \$6 million, recurring over eight years and to be tied to retention and graduation metrics. Recommendations from CPE to the General Assembly will include a \$2.7 million Land Grant match and \$3 million in other funding. If this is approved, there will be a 27% increase in funding for KSU from the state legislature. Regent Farris recommended that the University Administration provide a draft letter for the Board of Regents and the addresses of respective legislators for the Regents to write to the legislators to demonstrate support and facilitate approval.

President Burse recommended that the moratorium on Tenure and Promotion be continued for one more year due to:

1. National search for all Chair positions
2. Over/Understaffing in some areas
3. Standards for tenure and promotion need to be evaluated

**Action Item: Motion was made by Regent Reddy and seconded by Regent Lysonge to continue the moratorium. The motion passed 7-3.**

President Burse asked to address the Board of Regents regarding a recent newspaper article. President Burse denied the accusations that he curses directly at anyone and stated that he has never, at any time, thrown anything at anyone. He also stated that he has not met with a particular former employee without witnesses because he felt this could happen. President Burse stated he has never asked anyone to be loyal to him but to KSU. He will not be deterred in his purpose. He is committed to retention and graduation of students at Kentucky State University. He and his staff are committed to doing what is best for the University.

Chairperson Bearden gave a statement that she is appreciative of President Burse's efforts and everyone else who has contributed to the transformation of Kentucky State University. She says that KSU must undergo a transformation of

spirit. KSU is going forward and will not be distracted. We will decide our own fate. Regent Bearden wanted to be clear to students that KSU wants to be one of the best institutions of our size and that the Board of Regents supports the President and is committed to the students of KSU.

**IX. Closed Session**

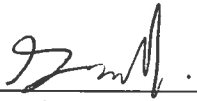
**Action: Regent Henry made a motion to go into closed session to discuss litigation, personnel matters and property acquisitions. The motion was seconded by Regent Lysonge at 11:30 a.m. The motion passed unanimously and the Board went into closed session at that time.**

The Board reconvened in open session at 11:50 a.m. Chairperson Bearden reported at that time that no action was taken by the Board in closed session.

**X. Adjournment**

**Action: Regent Lysonge made a motion to adjourn the Board meeting. Regent McFayden seconded the motion to adjourn. The motion passed unanimously. Chairperson Bearden adjourned the meeting at 11:55 a.m.**

Submitted By:

  
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Gordon A. Rowe, Jr., Secretary  
Board of Regents  
Kentucky State University

  
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Karen W. Bearden, Chairperson  
Board of Regents  
Kentucky State University

Approved with no corrections

Approved with corrections