

KENTUCKY STATE UNIVERSITY
Special Meeting of the Board of Regents
10:00 a.m., May 29, 2015
Board Room, Julian M. Carroll Academic Services Building
Frankfort, Kentucky
Karen W. Bearden, Chairman

MINUTES

I. Call to Order:

Chair Karen Bearden called the meeting of the Kentucky State University Board of Regents to order at 10:00 a.m. on May 29, 2015.

II. Roll Call:

Chairperson Bearden asked the Secretary to the Board to conduct the Roll Call:

Regent Mindy Barfield, *Absent*
Regent Karen Bearden, *Present*
Regent Elaine Farris, *Present*
Regent David Guarnieri, *Present*
Regent Travis Haskins, *Present at 10:25 a.m.**
Regent LaVaughn Henry, *Present*
Regent Ekumene Lysonge, *Present at 10:10 a.m.**
Regent Elgie McFayden, *Present**
Regent Syamala H.K. Reddy, *Absent*
Regent Breana Smith, *Present*
Regent Charles Whitehead, *Present*

Seven Regents were in attendance at the time the quorum was declared.* At 10:25 a.m., nine Regents were present.

III. Opening Remarks:

Chair Bearden welcomed the attendees to the special meeting and extended her appreciation to those who worked diligently on the University budget recommendation.

IV. Financials through April 2015:

Paul Edwards, Director of Accounting, presented the University financials through April 2015. Board members were provided with copies of the unaudited *University's Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position (By Function), Statement of Cash Flows* for the periods April 30, 2015 and April 30, 2014 and the *Budget vs. Actual* (Ten Months ending

April 30, 2015). Mr. Edwards reviewed these documents with board members and advised that the financials were very stable. According to Mr. Edwards, there was a \$1.4 million increase in revenue in April with an expected \$392,000 in tuition revenue from the summer term. Mr. Edwards further stated that an approximate \$7 million deficit is expected, though he remains optimistic that Fiscal Year 2015 will end with a lower deficit amount. In response to a question about capital asset depreciation, Mr. Edwards stated that the level of depreciation is lower than from April 2014 because the University has not purchased much equipment.

V. Fiscal Year 2015-16 Recommended Operating Budget:

President Burse presented the recommended Fiscal Year 2015-16 Operating Budget Resolution for the Board's consideration. President Burse stated that the recommendation was built on a balanced budget with no use of auxiliary or fund balances. Further, the budget recommendation assumes tuition revenue based on level enrollment – Spring (2050) and Fall (1860) including tuition increases approved by the Board of Regents at its April 2015 meeting. Housing and Board rates for Fiscal Year 2016 would remain at the Fiscal Year 2015 level. The Board was presented with the recommended Housing and Board Fee Schedule.

Action: Motion to approve the Fiscal Year 2016 Housing and Board Fee schedule. The motion was made by Regent Henry. The motion was seconded by Regent Whitehead. The motion passed 8-0.

Maintenance of all residence halls will be completed by August 1, 2015.

The proposed financial plan may require the use of the new University General account should enrollment goals not be met. A net reduction of 17 faculty members and a net reduction of 14 staff members, for a total of 31 will occur as a result of the budget if enacted. Some of the impacted employees have been notified. The budget for adjunct faculty will require a special review as necessary for any expenditures.

The FY 16 Budget resolution does not include salary increases, this may be revisited in January 2016 after spring enrollment statistics are complete.

A plan for a 10% reduction in headcount has also been developed in all functional areas as a contingency should enrollment projections not be met.

The Board inquired of the process that students must go through to complete their financial obligations. The process for insuring that students have met payment obligations will occur before students are allowed to move into the residence halls. Moreover only two (2) people have the ability to remove financial holds from student accounts and President Burse is more comfortable

that this process will prevent students from matriculating who have not made the required payments.

Another question was asked regarding the revenue stream for the University's Homecoming. President Burse advised that the primary revenue source for these expenses occurs through collection of student fees. The University will provide a breakdown of upcoming Homecoming revenues and expenses for the Board's review.

Action: Motion to approve the Fiscal Year 2016 Budget as presented. The motion was made by Regent McFayden and seconded by Regent Guarnieri. The motion passed 9-0.

VI. Appointment of Dr. Lorna Shaw-Berbick as Dean of the University:

President Burse advised that Dr. Lorna Shaw-Berbick has been selected as Dean of the University after a national search. Her vita was shared with the Board. Dr. Shaw-Berbick was introduced to the Board. President Burse sought the Board's approval and ratification of Dr. Shaw-Berbick as the Dean of the University with tenure as Professor in the College of Arts and Sciences, Fine Arts Department in the area of Speech and Communication.

Action: Motion to approve and ratify the appointment of Dr. Lorna Shaw-Berbick as Dean of the University and as Professor with tenure. The motion was made by Regent McFayden and seconded by Regent Lysonge. The motion passed 9-0.

VII. Closed Session:

Action: Motion was made to convene a closed session to discuss personnel matters, pending litigation and property acquisition pursuant to the Kentucky Open Meetings Act. The motion was made by Regent Reddy and seconded by Regent Whitehead at 10:50 a.m. The motion passed, 9-0.

VIII. Open Session:

The Board reconvened in open session at 11:52 a.m. The Board discussed pending litigation, property acquisition and personnel matters. The Board took no action in closed session.

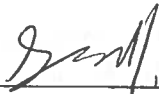
IX. Closing Remarks:

No closing remarks were offered.

X. Adjournment:

Action: Motion to adjourn was made by Regent Guarnieri and seconded by Regent Henry. The motion passed 9-0. The meeting was adjourned at 11:53 a.m.

Submitted by:

, Secretary (for LAD)
Lori A. Davis, Secretary


Karen W. Bearden, Chair

Approved with no corrections

Approved with corrections