

**MINUTES**  
**OF THE BOARD OF REGENTS**  
**WESTERN KENTUCKY UNIVERSITY**

**October 25, 1996**

**AGENDA ITEM 1 - Call to Order**

Required statutory notice having been given, the fourth quarterly meeting of the Board of Regents of Western Kentucky University was held in the Regents Conference Room of the Wetherby Administration Building on the Western campus. The meeting was called to order by Ms. Peggy Loafman, Chair, at approximately 8:30 a.m., CDT.

**AGENDA ITEM 2 - Invocation**

The meeting opened with an invocation by Dr. David Lee, Dean, Potter College of Arts, Humanities and Social Sciences.

**AGENDA ITEM 3 - Roll call**

The following members were present:

Ms. Kristen Bale  
Ms. Joy Gramling  
Mr. Robert Earl Fischer  
Mr. C.C. Howard Gray  
Ms. Peggy W. Loafman  
Mr. Cornelius A. Martin  
Dr. Raymond M. Mendel  
Mr. Burns E. Mercer  
Ms. Kristen Miller  
Mr. Fred N. Mudge  
Mr. Raymond B. Preston

**AGENDA ITEM 4 - Disposition of minutes of the meeting of September 5, 1996**

The minutes of the regular meeting of September 5, were presented by Chairman Loafman. Motion was made by Ms. Bale and seconded by Mr. Fischer to approve the minutes as submitted inasmuch as copies had been mailed to the Board members prior to the meeting. The motion carried.

**AGENDA ITEM 5 - Committee reports**

**5.1. Academics Committee, Ms. Kristen Bale, Chair**

With only one item on the agenda, Ms. Bale conducted the business with the Board as a whole. The following item was presented for

consideration:

### **RECOMMENDATION**

President Meredith recommends the establishment of a Certificate Program in Middle East Studies at Western Kentucky University.

### **BACKGROUND**

The Middle East is of great importance to the United States. Ties of history, culture and religion; economic interdependence; and mutual strategic and security interests link the United States to the Middle East. The origins of three of the world's major religions (Judaism, Islam and Christianity) are found there as well as the majority of the world's oil reserves. The recent Gulf War as well as incidents of political terrorism remind Americans of the impact of the region on their security.

Establishing a Certificate in Middle East Studies will allow students at Western to focus on the region as one aspect of their university studies.

### **Program Requirements:**

Students who complete at least 12 credit hours of approved coursework would be awarded a Certificate in Middle East Studies, with designation on their transcript. A Certificate in Middle East Studies would supplement, but not supplant, existing major-minor and general education requirements for undergraduate students. Courses approved for the Certificate will be drawn from classes with major Middle East-oriented content offered through a variety of academic departments. Courses currently in the university curriculum which would count toward a Certificate in Middle East Studies include the following. Other courses could be added in the future.

HIST 462	History of the Middle East
HIST 404	History of Ancient Egypt
RELS 306	Islamic Religious Traditions
RELS 320	Religions of the Middle
East	
GEOG 467	Geography of the Middle East
GOVT 352	International Relations of the
	Middle East
GOVT 365	Middle East Government and Politics

All Certificate students must take HIST 462 and must include courses from at least three different departments to insure a multi-disciplinary perspective. There is no foreign language requirement for the Certificate. However, students will be encouraged to study Arabic, to take advantage of study abroad opportunities to the Middle East, and to participate in the Model League of Arab States.

### **PROGRAM ADMINISTRATION/BUDGET IMPLICATIONS**

The Certificate in Middle East Studies will be coordinated through the Office of International Programs. A faculty committee on Middle East Studies will oversee the program and provide student advising. Since the program will draw upon existing faculty and courses, no additional financial resources will be required to initiate the program. This fact will help make the offering of a Certificate feasible even if student demand is limited.

Following a review of the recommendation by Vice President Burch and discussion by the Board members, a motion for approval was made by Dr.

Mendel, seconded by Ms. Gramling and carried.

## **5.2 - Finance Committee, Mr. Burns Mercer, Chair**

Mr. Mercer reported that the Finance Committee of the Board met

Monday, October 21, with all members, excluding Mr. Martin, present.

Minutes of that meeting are attached. Mr. Mercer moved approval of the three items listed below:

### **5.1.1 Recommendation for acceptance of the 1995-96 Annual Financial Report**

Mr. Mercer's motion for acceptance of the 1995-96 Annual Financial

Report was seconded by Mr. Preston and carried unanimously.

### **5.1.2 Recommendation for acceptance of the First Quarter Financial Statement for 1996-97 and the approval of the Revised Budget for the First Quarter Financial Report**

Mr. Mercer's motion for acceptance of the First Quarter Financial

Statement for 1996-97 and the approval of the Revised Budget for the First

Quarter Financial Report was seconded by Mr. Fischer and carried

unanimously.

### **5.1.3 Recommendation for the fund balance allocations**

Endorsing the recommended fund balance allocations submitted

by the vice presidents, President Meredith stated, "I was very pleased with

what they brought forward this year and am bringing that same recom-

mendation forward to you. It's a good process. I'm very pleased with the way

the vice presidents are working together to come to conclusions that are best

for the institution as a whole."

Mr. Mercer noted that there was considerable discussion at the

committee meeting about the fund balance allocation and whether or not

it matched the Board's goals, and the committee felt the goals were matched.

Dr. Mendel expressed concern about the magnitude of the fund balance saying, "We are regularly having a substantial fund balance, somewhere in the range of \$1.5 million up to now \$3 million, and had we been able to budget more closely, this fund balance would not exist at the end of the year and could have been incorporated into the regular budget. We have, since I've been on the Board, said that compensation on this campus was a priority in recognition of the fact that both faculty and staff compensation are below our benchmarks. For this year's budget, we gave the second lowest salary increases in the state. Had this \$3 million or some portion of it been a part of the budgeting process, we would have been in a position to give substantially greater raises. I recognize that we cannot budget ongoing expenses with one-time money, but it's becoming increasingly clear that some portion of this money is predictable. It's not one time money; it occurs every year, and we ought to be able to estimate more closely and use the recaptured monies as a part of our formal budgeting process, or have a mid-year correction, perhaps in January or February."

Dr. James Ramsey, Vice President for Finance and Administration, noted that the fund balance is a function of both revenues and expenditures and reported that the increase in the fund balance for this year is significantly driven by the revenue side. The estimate of enrollment, the distribution of the enrollment, underestimated out-of-state students compared to in-state students. There were about 200 more out-of-state students, and that's more tuition dollars. That accounts for probably one \$500,000 - \$1,000,000 of the increase. In addition, full-time enrollment was under-estimated relative to part-time enrollment. Full-time enrollment also generated additional dollars. Another factor that contributed to the revenue side is a significant increase in investment income over the forecast. Two years ago the banking contract was re-bid, and significant improvements have been made in the investment that are now paying dividends in terms of our investment performance.

The other major contributor to the overage on the revenue side is indirect costs, which is a real positive because faculty are obtaining more funded research, thereby bringing in more dollars with more indirect cost dollars.

Dr. Ramsey stated, "In the last year, we have adjusted our forecasting process a little bit. In the past it's been almost purely an accounting forecast, and now what we're trying to do is work more closely with the Admissions Office and to get more information that can be used in the forecasting process. For the current year budget, for the first time we made an effort to use econometric forecasting models; so, moving forward there are three different forecasting approaches being used--the historical approach, more anecdotal information, and econometric models which try to capture some demographics of the service area."

Regent Miller stated, "I certainly agree that the faculty and staff need to be compensated at and above what our sister institutions receive, but I think at the same time, we can't forget when we look at a number like this--we can't forget, also, that it's not only the faculty and staff that breathe the life into the programs and run the University. It's also the 15,000 students who are living in the residence halls with the shower partitions that don't work, who live in Florence Schneider Hall and their ceiling is leaking because the roof needs to be replaced. These may seem like little things looking at them on a paper, but when you're in Thompson Complex every day, and you can't concentrate because the heating and cooling isn't working--it's so hot or so cold--they are minor things to look at, but if they are repaired, if they are changed, it's going to make things easier for students as well. I hope that we don't look at this as just a slight to the faculty and staff but it's something that's advantageous to the students."

Mr. Mercer's motion for approval of the fund balance allocations was seconded by Mr. Preston and carried unanimously.

#### **5.1.4 Review and discussion of the Operational Plan for 1997-98**

Following a preliminary discussion of the Operational Plan by the Finance Committee, this item was deferred for discussion at the Board Retreat.

#### **AGENDA ITEM 6 - Recommendation for approval of personnel recommendations since September 5, 1996**

The personnel recommendation are contained in the next 27 pages.



and Community Development. The motion carried.

- **Insurance** - It has now been determined that it would be advantageous to the University and its employees to participate in the new State Health Alliance after one of the current carriers for Western proposed increasing its rates 34% , beginning January, 1997, with the requirement of at least 50% of the employees must be in the program. The staff has looked at and continues to look at self insurance. A lot of work remains to be done in this area. The big advantage would be that the University would define the insurance program offered to the employees instead of the carrier defining it. Western will enter into the State Alliance as a one-year participant. It will be reevaluated next year to determine if there are better options. Employees will have more choices through the Alliance. With the University covering the single rate, 90% of the employees will have as good as coverage as they now have or better coverage.
- **University Farm** - Updated the Board on efforts to clean up the sinkholes on the Farm where, over the years, different individuals have dumped a variety of things into the sinkholes. Efforts are now under way to clean up the sinkholes.
- **Commission & Task Force Report** - Board members have received copies of the commission report in the mail. The Task Force Report is still ongoing with a September deadline.
- **Medical School Acceptance--WKU Status Report** - Information from the University of Louisville listing from which schools the current medical students came shows 108 from University of Louisville, 51 from University of Kentucky, and 47 from Western Kentucky University. This reinforces the fact that Western students are highly sought after for medical school; they get in, and they do well.
- **Missouri Valley Conference--Soccer** - Reported that with the dissolution of soccer by Arkansas Little Rock, the Sun Belt Conference was left with less than six members in soccer. One can't compete in the NCAA Championships with less than six, so the people in athletics are negotiating with the Missouri Valley Conference for the possibility of a soccer alignment.
- **Mayor's Award** - Western just received the Mayor's Community Service Award in recognition of outstanding contributions and dedication in removing barriers and promoting opportunities for people with disabilities. Ms. Deborah Wilkins, Ms. Huda Melky, and Dr. Vernon Sheeley were recognized as the persons on campus who have provided the services that brought about the award and are recognized statewide for their leadership in this area. They wrote the manual that is being used across the state in the area of dis-abilities.
- **Presidents Club** - Welcomed Ms. Bale as a new member of the Presidents Club. Recognition pins were presented to Ms. Bale and Dr. Bale.
- **Distinguished Hall of Alumni** - Honorees will be recognized at noon today at the Plaza. Board members are invited to the reception and dinner. Efforts are under way to obtain the papers of one of the inductees, Dr. Charles Kliderer.

- **Reorganization, College of Business** - Dean Jefferson reported that he asked the faculty for input and ideas about how to reorganize the College to more effectively meet the needs of students, outside organizations, etc. A summary of the information that came back was presented to Board members, and a copy is filed in the Board's official files. The plan calls for the consolidation of five academic departments that contain six different business disciplines. The proposal calls for three academic departments with the merger of current departments. The Dean noted that this is a revenue-neutral recommendation which offers the opportunity to reallocate the money to support the faculty and students. It also provides the opportunity for developing additional faculty leadership in the process as well. The five business department have been among the smaller on the campus, and this will create three departments that will be above the median size of academic departments on the campus.

**MBA Update** - Dean Jefferson reported that the MBA is moving ahead. They are now in the process of trying to publicize more. There will be information meetings in Owensboro and in Bowling Green. There is great interest among the corporations and businesses in the region as the program moves toward Friday-Saturday classes. In conjunction with the Governor's interest in doing things collaboratively, the business schools are sharing elective MBA courses beginning this spring. Dean Jefferson stated, "This could turn out to be a model that the rest of the state may find very useful in terms of new ways of thinking about how to use resources. I expect it'll help create some synergies for our faculty, and it's going to bring, in our case, business and industry into a lot closer association with the students, as well."

#### **AGENDA ITEM 9 - Other business**

President Meredith reported that the University has the opportunity to purchase some property (with the campus master plan) located behind the Kentucky Building. It is a cash-flow positive situation, as discussed with the Finance Committee in closed session in its meeting on October 21. There are three houses in a group that the University would like to see improved in terms of appearance of the campus. The sale price is \$87,000, and President Meredith asked the Board for the authority to move forward and culminate the purchase.

Mr. Mercer moved approval of the purchase with Mr. Fischer seconding. The motion carried unanimously.

#### **AGENDA ITEM 10 - Adjournment**

Motion for adjournment was made by Mr. Fischer, seconded by Mr. Preston. The meeting adjourned at approximately 10:40 a.m.

