



WESTERN KENTUCKY UNIVERSITY
Board of Regents ~ Third Quarterly Meeting
July 27, 2012 – 8:00 a.m. (CDT)

REVISED AGENDA

- Call to Order (*Mr. Frederick A. Higdon, Chair*)
 - Invocation (*Ms. Deborah Wilkins, Chief of Staff / General Counsel*)
 - Oath of Office – Mr. John W. Ridley (*Mr. Frederick A. Higdon, Chair*)
 - ❖ Special Recognition (*Dr. Gary A. Ransdell, Chair*)
 - Roll Call (*Dr. Melissa B. Dennison, Secretary*)
 - Approval of Minutes (*Mr. Frederick A. Higdon, Chair*)
 - ❖ Special Budget Approval Meeting – June 22, 2012
-

1. ACADEMIC AFFAIRS COMMITTEE (*Dr. Melissa B. Dennison*)

Action Items:

- 1.1 Approval of an Undergraduate Minor in American Sign Language Studies [pp 1-4]
- 1.2 Approval of an Undergraduate Minor in Literature [pp 5-8]
- 1.3 Approval of an Undergraduate Certificate in CNSS 4011 [pp 9-11]
- 1.4 Approval of a Graduate Certificate in Literacy in Post-Secondary Settings [pp 12-16]
- 1.5 Approval of a Graduate Certificate in Nonprofit Administration [pp 17-22]
- 1.6 Approval of WKU Colonnade Program for General Education [pp 23-38]
- 1.7 Approval to University College Departmental Consolidation [pp 39-40]
- 1.8 Approval of Kentucky Museum Policies Manual, including Deaccession Policy [pp 41-42 /
Policies Manual attached]
- 1.9 Approval of University Distinguished Professor Appointment [p 43]
- 1.10 Approval of Emeritus Faculty Appointments [p 44]

Information Items:

- The Information Commons at WKU (*Provost Gordon Emslie*)
- Enrollment Report (*Dr. Brian Meredith*)

2. EXECUTIVE COMMITTEE (*Mr. Frederick A. Higdon*)

Action Items:

- 2.1 Approval of Revisions to WKU Policy & Procedure Document Number: 0.2020 [p 45 / Policy & Procedure Document Attached]
- 2.2 Approval of Athletic Employment Contract between Western Kentucky University and Michelle Clark-Heard [p 46 / Employment Contract attached]
- 2.3 Approval of Athletic Employment Contract between Western Kentucky University and Ray Harper [p 47 / Employment Contract attached]
- 2.4 Approval of Employment Contract between Western Kentucky University and Todd Stewart [p 48 / Employment Contract attached]
- 2.5 Approval for the Sale and Acquisition of Real Property as part of the Greek Village Development / Pi Kappa Alpha Fraternity [p 49]
- 2.6 Authorization for the Sale and Acquisition of Real Property as part of the Greek Village Development / Phi Delta Theta Fraternity [p 50]
- 2.7 Approval of Resolutions for the “New Century of Spirit” Campaign Co-Chairs, Don Vitale and Rick Guillaume [p 51 / Resolutions attached]

Information Items:

- 2013 Board Meeting Schedule (*Chair Higdon*)
- Internal Audit Report (*Mr. Warren Irons*)
- Athletics Year-End Report (*Mr. Todd Stewart*)
- Auxiliaries Year-End Report (*Mr. John Osborne*)
- Fundraising Year-End Report (*Ms. Kathryn Costello*)
- Research Year-End Report (*Dr. Gordon Baylis*)
- Retention Progress Report (*Provost Gordon Emslie / Dr. Brian Meredith*)

3. FINANCE AND BUDGET COMMITTEE (*Mr. J. David Porter*)

Action Item:

- 3.1 Approval of Personnel Actions [p 52 / Reports attached]

4. OTHER BUSINESS

- Opening Convocation – August 24 at 8:00 am (*Van Meter Auditorium*)
- Opening of the Instruments of American Excellence Exhibit – September 21 at 1:00 pm (*Kentucky Museum*)
- President’s Circle Gala – September 21 at 6:00 pm (*Knicely Conference Center*)
- Committee Meetings – September 28 at 9:00 am (*MMTH – Regents Room*)
- Homecoming – October 20 at 3:00 pm (*WKU vs. ULM*)
- Fourth Quarterly Meeting – October 26 at 9:00 am (*Gatton Academy*)
- Committee Meetings – December 14 at 1:00 pm (*MMTH – Regents Room*)
- Commencement (Graduate and Undergraduate) – December 15 at 9:30 am and 2:00 pm

5. ADJOURNMENT

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

July 27, 2012

- **CALL TO ORDER**

Required statutory notice having been given, the third quarterly meeting of the Board of Regents of Western Kentucky University was held in the *Cornelius A. Martin Regents Room* of the Mass Media and Technology Hall on the Western Kentucky University campus. The meeting was called to order by Chair Frederick A. Higdon at approximately 8:00 a.m., (CDT).

- **INVOCATION**

The invocation was provided by Ms. Deborah Wilkins, Chief of Staff / General Counsel.

- **OATH OF OFFICE**

The Constitutional Oath of Office was administered by Chair Higdon to Mr. John W. Ridley of Bowling Green. President Gary A. Ransdell presented Mr. Ridley with the official Regent's pin which was designed specifically for members of the Board.

- **ROLL CALL**

The following Regents were present:

Mr. Frederick A. Higdon, Chair
Mr. J. David Porter, Vice Chair
Dr. Melissa B. Dennison
Mr. Cory Dodds, Student Regent
Ms. Cynthia Harris

Mr. Jim Johnson
Mr. James Kennedy, Staff Regent
Dr. Patricia H. Minter, Faculty Regent
Mr. John W. Ridley
Mr. Laurence J. Zielke

Regents not in attendance:

Mr. Rob Wilkey

Others in attendance included the following:

Dr. Gary A. Ransdell, President
Mr. Howard Bailey, Vice President for Student Affairs
Dr. Gordon C. Baylis, Vice President for Research
Dr. Randy Capps, Parliamentarian
Ms. Kathryn R. Costello, Vice President for Development & Alumni Relations
Dr. A. Gordon Emslie, Provost and Vice President for Academic Affairs
Ms. Julia McDonald, Senior Administrative Assistant
Ms. K. Ann Mead, Vice President for Finance and Administration
Mr. John Osborne, Vice President for Campus Services and Facilities
Dr. Robert Owen, Vice President for Information Technology
Mr. Todd Stewart, Director of Athletics
Ms. Deborah T. Wilkins, Chief of Staff / General Counsel

In keeping with the policy of the Board, the agenda for the meeting and information and materials pertinent to items thereon had been mailed in advance of the meeting to members of the Board.

- **MINUTES**

The minutes of the special budget approval meeting held on June 22, 2012 were presented for adoption.

MOTION:

Motion to approve the minutes of the special budget approval meeting held on June 22, 2012 was made by Regent Minter, seconded by Regent Kennedy, and unanimously approved.

ACTION TAKEN: Approved Not Approved Other _____

1. ACADEMIC AFFAIRS COMMITTEE – ACTION ITEMS
(Dr. Melissa B. Dennison, Chair)

Regent Dennison recommended combining items 1.1 - 1.5 for action, there were no objections.

Page numbers reflect where the items are located in the meeting agenda book.

- 1.1 Approval of an Undergraduate Minor in American Sign Language Studies [pp 1-4]
- 1.2 Approval of an Undergraduate Minor in Literature [pp 5-8]

- 1.3 Approval of an Undergraduate Certificate in CNSS 4011 [pp 9-11]
- 1.4 Approval of a Graduate Certificate in Literacy in Post-Secondary Settings [pp 12-16]
- 1.5 Approval of a Graduate Certificate in Nonprofit Administration [pp 17-22]

MOTION:

Motion to approve items 1.1 – 1.5 was made by Regent Zielke, seconded by Regent Minter, and unanimously approved.

ACTION TAKEN: Approved Not Approved Other _____

Regent Dennison recommended combining items 1.6 - 1.10 for action, there were no objections.

- 1.6 Approval of WKU Colonnade Program for General Education [pp 23-38]
- 1.7 Approval to University College Departmental Consolidation [pp 39-40]
- 1.8 Approval of Kentucky Museum Policies Manual, including Deaccession Policy [pp 41-42]
- 1.9 Approval of University Distinguished Professor Appointment [p 43]
- 1.10 Approval of Emeritus Faculty Appointments [p 44]

DISCUSSION:

Regent Minter: At the Committee meetings held on June 22, I placed a contingency on this item for a Memorandum of Understanding to be in place and signed by all parties. It is my understanding that has been completed –is that correct?

Provost Emslie: Yes, that is correct. The memo is dated July 13, 2012 and has been signed by all parties.

MOTION:

Motion to approve items 1.6 – 1.10 was made by Regent Dodds, seconded by Regent Minter, and unanimously approved.

ACTION TAKEN: Approved Not Approved Other _____

ACADEMIC AFFAIRS COMMITTEE – INFORMATION ITEMS

- The Information Commons at WKU was presented by Provost Emslie.
 - The Enrollment Report was provided by Dr. Brian Meredith.
-

2. EXECUTIVE COMMITTEE – ACTION ITEMS (Mr. Frederick A. Higdon, Chair)

Chair Higdon recommended combining items 2.1 – 2.4 for action, there were no objections.

- 2.1 Approval of Revisions to WKU Policy & Procedure Document Number: 0.2020 [p 45]
- 2.2 Approval of Athletic Employment Contract between Western Kentucky University and Michelle Clark-Heard [p 46]
- 2.3 Approval of Athletic Employment Contract between Western Kentucky University and Ray Harper [p 47]
- 2.4 Approval of Employment Contract between Western Kentucky University and Todd Stewart [p 48]

MOTION:

Motion to approve items 2.1 – 2.4 was made by Regent Johnson, seconded by Regent Zielke, and approved with the majority of votes. Regent Minter voted nay.

ACTION TAKEN: Approved Not Approved Other _____

- 2.5 Approval for the Sale and Acquisition of Real Property as part of the Greek Village Development / Pi Kappa Alpha Fraternity [p 49]

DISCUSSION:

Regent Minter: The question I have is about the budgetary implications. I actually think the arrangement described in the last paragraph of the facts is very clever, so that's good negotiating from multiple people. My question is about this \$200,000 of the University reserve fund. What is the current amount of the reserve fund, and what is the plan for replenishing that?

President Ransdell: The reserve is \$2,634,166 as of yesterday and that does not include an additional \$1 million that is part of the Division of Extended Learning and Outreach (DELO) revenue several years ago. So the total reserve is \$3,634,166.

Regent Minter: When was that DELO distribution of \$1 million made to the reserve?

President Ransdell: Three or four years ago – is that correct, Ann?

Ms. Ann Mead: Yes, it was around that timeframe.

President Ransdell: The Board policy is to keep a reserve of \$2 million, so we have been able to exceed that amount. Ann does a terrific job of keeping a close watch on that fund and knows when to refill that account with carry forward money over time. There is not a precise time by

which replenishing the reserve fund occurs, but it is something we are conscious of each budget cycle and have never fallen below the Board policy of \$2 million. In my opinion, as the University's budget grows, the need for a larger reserve is prudent. The reserve fund is there for emergency purposes and to my knowledge, in 15 years, I can think of very few times when we have drawn on the reserve fund for items other than property transactions. However, it is there in the event we have a catastrophe of some type – a tornado, an epidemic disease, etc. – and we feel like we have a reasonable reserve fund in place.

Regent Kennedy: Ann, is there usually a timeframe in which you like to replenish expenditures such as this, or is this just one of those situations that we will deal with when carry forward money is available?

Ms. Mead: I remember two years ago having the capacity to take the reserve back up to \$3 million, plus the \$1 million from DELO. I like to wait and see what happens when we close each fiscal year and then gage our ability to put money back into the University reserve fund while making sure we meet our central commitments for one-time funding. I'll be able to report back when we receive the audited statements.

Regent Kennedy: Thank you.

MOTION:

Motion to approve was made by Regent Zielke, seconded by Regent Johnson, and approved with the majority of votes. Regent Minter voted nay.

ACTION TAKEN: Approved Not Approved Other _____

2.6 Authorization for the Sale and Acquisition of Real Property as part of the Greek Village Development / Phi Delta Theta Fraternity [p 50]

Revision

President Ransdell: This is a completely separate transaction from item 2.5 with the Pi Kappa Alpha fraternity and while this is not a good business deal from a dollars and cents perspective, it's a good deal for the University in terms of our objective to meet our Greek housing goals.

DISCUSSION:

Regent Zielke: What happens to their existing house?

President Ransdell: They will sell it.

Regent Zielke: Why don't we buy it?

President Ransdell: We don't want to buy a house in that historic district. We would not have a use for it. In my opinion, that would not be a good use of our funds. We could maybe turn it into rental property, but it would have to be renovated.

Regent Zielke: What assurance do you have that they don't sell it to another fraternity and all you do is create the same situation again?

President Ransdell: Howard?

Mr. Howard Bailey: They've already had discussions with private citizens who want the house, so we would not be in agreement to allow them to sell it to another fraternity.

Regent Zielke: If we don't own it, we can't deed restrict it.

Dr. Charley Pride: This house is not in the University District. It was there before the University District was created so it is grandfathered in. If this fraternity leaves, it cannot be taken by another student organization because of zoning.

Regent Zielke: I don't know if I would agree. David may know this too, but if there is a grandfathered property under zoning and the continued use is the same, it may be permissible. I don't know for sure, as I'm not a planning and zoning attorney.

Regent Porter: It depends on what the zoning ordinance is.

Regent Minter: The ordinance is not written that way. The Phi Delta Theta house is in the College Hill Historic District which simply means that the house cannot be taken down and the facade cannot be significantly altered without getting prior approval from the Historic Preservation Board. President Ransdell is exactly right, that's part of the purpose of getting these houses moved out of this district because it is not a great fit. It is better to move them into the University District where there are no such restrictions. If the Phi Deltas can get a good business deal for their house, then more power to them.

President Ransdell: We would do our best to keep that type of circumstance from happening. Charley has pretty good leverage over most of the fraternities.

Mr. Bailey: It would not be in their best interest.

Regent Zielke: Fair enough.

Regent Johnson: Can you explain the trust assumption on our part. How did that come about?

Mr. John Osborne: When the Real Estate Foundation approaches potential sellers on our behalf, it is often times the best arrangement if the property is put into a trust for them. We've got

arrangements to allow this and it's a win-win when that happens. So, where and when possible, we put properties into a trust in order to get it into the Real Estate Foundation. In this case, we simply assume the trust instead of a mortgage.

Regent Johnson: Who currently holds the trust?

Mr. Osborne: The Real Estate Foundation.

Regent Johnson: So, we are in essence paying ourselves? I'm a little confused on this.

President Ransdell: We don't own it. For the University to sell it to Phi Delta Theta, we have to acquire it from the Real Estate Foundation (which is an independent unit) so we can consummate the transaction with Phi Delta Theta. So the Real Estate Foundation—to their credit—would not sell a piece of property and take a loss.

Regent Johnson: So we are paying them the \$15,000?

President Ransdell: Yes.

Regent Johnson: That's all I need to know. Thank you.

Mr. Osborne: The additional comment I would make is that when we do this, if the Real Estate Foundation holds it for a period of time, the rental income and any other income it generates while it is their possession, reduces the trust and/or mortgage and when we acquire it, we only acquire it for the remaining balance. So, the benefit of this arrangement is that they are able to take the property off the market at today's rate and then we are able to acquire it at a future date for the balance remaining at that time. In the meantime, it is not a state facility which is also beneficial. In other words, had the University bought it, it would have become a state building. When it becomes a state facility that brings automatic requirements and codes that we would have to follow. So, this is a great arrangement we have with the Real Estate Foundation.

Chair Higdon: Any other discussion?

Regent Minter: I would just add that while this is consistent with the vision that the Board laid out, in these difficult financial times, it is hard to justify even small draws down on the reserve for something that does not have a big impact on 21,000 students. We are drawing down reserve money on a deal that does not have a large utilitarian purpose.

MOTION:

Motion to approve was made by Regent Johnson, seconded by Regent Zielke, and approved with the majority of votes. Regent Minter voted nay.

ACTION TAKEN: Approved Not Approved Other _____

2.7 Approval of Resolutions for the “New Century of Spirit” Campaign Co-Chairs, Don Vitale and Rick Guillaume [p 51]

MOTION:

Motion to approve was made by Regent Zielke, seconded by Regent Johnson, and unanimously approved.

ACTION TAKEN: Approved Not Approved Other _____

Chair Higdon: As a result of yesterday’s Retreat, we have one more item for discussion to be reflected in the minutes.

President Ransdell: As a Board of Regents, you cannot help but be aware of all that has unfolded in recent weeks involving Pennsylvania State University. In follow-up to the Freeh Report that was issued last week that had significant implications of several university administrative folks, I have asked Deborah Wilkins, our General Counsel, to assess the Freeh Report and to review our protocols, our procedures, and our compliance with The Clery Act that does require reporting of crimes - large or small. She will identify what needs attention in the future in order to assure this Board of our strengths and weaknesses in that regard going forward. Deborah is doing that and she will have a report at the next Board meeting. In the meantime, the Board places a lot of trust in me to ensure that I become aware and once I become aware that we act properly and that I’m completely accountable to this Board if we don’t. I will say that I’m confident that what we find will be positive and give you a sense of confidence. But I’m also confident that we might find some things we need to tweak.

Regent Zielke: To that regard, should this be a confidential Attorney-Client communication?

Ms. Wilkins: I don’t think so. I think what we will find is that we are compliant, but that we can make some improvements in some areas.

Regent Johnson: I think we would all agree that it is the cover up that got them in trouble. Did someone create an environment that allowed these incidents to occur and continue without being addressed? Not addressing those issues is where they really dropped the ball.

Regent Minter: If you look at the history of great political scandals, it is always the cover up that brings somebody down. The protection of the brand was more important than complying with local, state, and federal law. That is the tragic flaw here.

Ms. Wilkins: In the 17 years that I have been here, my philosophy has always been when I meet with people that if there is a problem or mistake, we will correct it. We are all human and we are going to make mistakes. I encourage people to be open with me and I’m open with them. I carry

that over—right or wrong—to our compliance agencies (EEOC and OCR). If we've done something wrong, I tell them and I let them know what we have done to address it and fix it. I agree with Patti and Jim 110%, the cover up is the problem. My job is to work with the University and officials involved, straighten it out, beg for forgiveness, and move forward.

EXECUTIVE COMMITTEE – INFORMATION ITEMS

- Chair Higdon called attention to the 2013 Board meeting schedule.
- The Internal Audit Report was provided by Mr. Warren Irons.
- The Athletics Year-End Report was provided by Mr. Todd Stewart.
- The Auxiliaries Year-End Report was provided by Mr. John Osborne, Mr. Howard Bailey, and Mr. Brian Kuster.
- The Fundraising Year-End Report was provided by Ms. Kathryn Costello and Mr. John Paul Blair.
 - An update on Alumni Square and the Augenstein Alumni Building was provided by Mr. Donald Smith.
- The Research Year-End Report was provided by Dr. Gordon Baylis.
- The Retention Progress Report was provided by Provost Emslie and Dr. Brian Meredith.

3. FINANCE AND BUDGET COMMITTEE – ACTION ITEMS (Mr. J. David Porter, Chair)

3.1 Approval of Personnel Actions [p 52]

MOTION:

Motion to approve was made by Regent Zielke, seconded by Regent Johnson, and approved with majority of votes. Regent Kennedy abstained.

ACTION TAKEN: Approved Not Approved Other _____

4. OTHER BUSINESS (Mr. Frederick A. Higdon, Chair)

Upcoming dates:

- Opening Convocation – **August 24 at 8:00 am (Van Meter Auditorium)**
- Opening of the Instruments of American Excellence Exhibit – **September 21 at 1:00 pm (Kentucky Museum)**
- President's Circle Gala – **September 21 at 6:00 pm (Knicely Conference Center)**
- Committee Meetings – **September 28 at 9:00 am (MMTH – Regents Room)**
- Homecoming – **October 20 at 3:00 pm (WKU vs. ULM)**
- Fourth Quarterly Meeting – **October 26 at 9:00 am (Gatton Academy)**

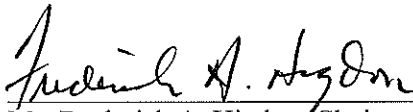
- Committee Meetings – December 14 at 1:00 pm (MMTH – Regents Room)
- Commencement (Graduate and Undergraduate) – December 15 at 9:30 am and 2:00 pm

5. ADJOURNMENT (*Mr. Frederick A. Higdon, Chair*)

With no further business, motion to adjourn was made by Regent Dodds, seconded by Regent Minter, and carried unanimously. The meeting adjourned at approximately 11:40 a.m., (CDT).

CERTIFICATION OF SECRETARY

I hereby certify that the minutes herein above set forth an accurate record of votes and actions taken by the Board of Regents of Western Kentucky University in the third quarterly meeting held July 27, 2012 in the Cornelius A. Martin Regents Room in the Mass Media and Technology Hall on the Western campus, and further certify that the meeting was held in compliance with KRS 61.810, 61.815, 61.820, and 61.825 (enacted as Sections 2, 3, 4 and 5 of House Bill 100, 1974 Regular Session, General Assembly).



Mr. Frederick A. Higdon, Chair
WKU Board of Regents
Approved on October 26, 2012



Dr. Melissa B. Dennison, Secretary
WKU Board of Regents
Approved on October 26, 2012