

**MURRAY STATE UNIVERSITY
ENDOWMENT MATCH PROGRAM
2008-09 Summary Report**

This report summarizes the programmatic and financial results of the Endowment Match Program at Murray State University. Murray State University received all available State funding for the endowment match program during Fiscal Year 2003-04 and all private matching funds as of June 30, 2007.

Endowment Activity

Since the Endowment Match Program's inception in 1998, two endowed chairs and four professorships have been established. During 2008-09, one endowed chair and two professorships were occupied.

The Arthur J. Bauernfeind Endowed Chair in Investment Management is occupied

certification at a greatly reduced cost. Dr. Durr is also instrumental in obtaining study material for the students. He works with them throughout the year, mentoring them, and monitoring their progress. He is thoroughly familiar with the CFP Curriculum as a co-author of Dalton CFA Review – Study Notes, Volumes I and II, published by Dalton Publications, 2001 (Revised in 2002).

In the Spring 2009 semester Dr. Durr developed and implemented an experimental course that was designed to prepare students for the CFA Level One Examination. The Level One Examination covers ethics, economics, financial accounting, quantitative methods, corporate finance, and portfolio management and theory. Dr. Durr assembled a team of four professors, each with specialization in key CFA content areas, to “team teach” the course. The team consisted of the following:

Dr. David W. Durr, CFA, CFP
Dr. Larry Guin, CFA
Dr. Holly Rudolph, CPA
Dr. Leigh Johnson, JD

Each student in the course was provided, at no cost, all of the course material, including the CFA textbook package. All eligible students were also assisted in obtaining a scholarship from the CFA Institute. All of the students took the CFA Level One Examination in June and are awaiting their results.

TVA Investment Challenge: Dr. Durr serves as faculty advisor for the student TVA (Tennessee Valley Authority) Investment Challenge Team. MSU students actively manage TVA funds by designing long-term investment strategies, placing trades, and providing performance reports to TVA. The students learn how to manage real money and all the requirements that come along with it. They are “real” portfolio managers, and are subject to the same standards and guidelines as TVA’s professional money managers. Participating students are required to perform comprehensive, professional security analyses that result in asset valuation. The objective is to find undervalued securities to add to the portfolio.

Murray State University has been a participating institution since the inception of the program in 1999. Murray State University students compete with students from 24 other academic institutions in the TVA service region. Schools with the top returns (1-year and 3-year) are awarded prize money. To date, Murray State University has earned \$120,000 in prize money which is managed by the MSU Foundation and is used to benefit MSU finance students primarily as student scholarships.

Teaching Excellence and Community Involvement: Dr. Durr served as Teaching Scholar in Residence for the Center for Teaching and Learning Technology during the 2007-2008 academic year. Throughout 2008-2009 he continued to interact with that department and helped plan and implement forums/activities designed to promote student learning and teaching development.

Using tablet PC technology and screen capture software, Dr. Durr continues to develop on-line tutorials that can be accessed via the web. The animated investment tutorials are delivered via streaming video from the MSU server. The tutorials relate primarily to investment topics with a focus on financial planning. Investment professionals throughout the United States utilize these tutorials as they prepare for the Certified Financial Planner (CFP®) Examination.

Corporate Relationships and Internships: Dr. Durr continues to develop sustained, cooperative relationships with financial services companies in the region. He does this by creating a visibility with such firms through speaking engagements, seminars, and meetings. Three Murray State University students were awarded internships with

demand writing, and Writer's Workshop enhance the experience and knowledge of students and faculty with these best practices, direct from the classroom.

As part of her Distinguished Practitioner experience, Ms. Hawkins has attended various conferences and training activities. In 2008, she attended the International Reading Association in Atlanta, Georgia where she received training in effective reading instruction. She also participated in a Panel Discussion in Minneapolis, MN in May 2009 on "Collaborative Conversations: Co-Teaching to Support Literacy Educator Professional Development". Ms. Hawkins has proven to be

Thanks to Watkins funding, six faculty members and over 60 students, both graduate and undergraduate, were able to attend the Associated Writing Programs (AWP) annual conference in Chicago, where they had the opportunity to talk to writers; attend readings, creative writing sessions, and pedagogy workshops; publicize MSU's literary journal *New Madrid*; and receive advice about the job market. These experiences were invaluable for MSU's creative writing students. In addition, this year the MSU M.F.A. program served as a major sponsor of the AWP conference, bringing nationwide recognition to our creative writing program.

As part of its community outreach endeavors, the department has invited the public to the MSU Reading Series events and the readings for the M.F.A residencies. The Watkins Professor gives a reading as part of the reading series, which is organized by the Wylder Center for the Literary Arts (housed in the Department of English and Philosophy). Plans for expanding this center to offer a writing program in area public schools are being explored.

Additional accomplishments of the creative writing programs at MSU include the success of MSU's national literary magazine, *New Madrid*, edited by MSU faculty member Ann Neelon. This publication continues to receive positive critical attention. Other recent feats include publication of the novel *King of Gaheena* (Motes Press, Louisville, 2008) by M.F.A. Program Director Squire Babcock, acceptance of faculty member Holly Goddard Jones's short-story collection *Girl Trouble* by Harper-Collins, and acceptance of Visiting Poet Nicky Beer's collection *The Diminishing House* by Carnegie-Mellon Press. Prof. Beer was also honored with a prestigious Ruth Lily Fellowship from the Poetry Foundation, which carries an accompanying \$15,000 award. Poet Ann Neelon was honored as the Loman C. Trover Writer at Madisonville Community College, where she gave a reading and was interviewed by that institution's literary journal, *The Gadfly*. Prof. Neelon also presented at the South Atlantic Modern Language Association meeting and served as a judge at the Metrouniversity writing competition in Louisville. Poet Brian Barker gave readings in Starkville, MS and Hopkinsville, KY, as well as submitting several poems for publication. Our creative writing program continues to grow and prosper, and a key factor in that growth is continuing support from the Watkins Endowed Visiting Professorship.

The Center for Banking and Finance, directed by Steve Lacewell, has played an active role in regional business activities.

Outreach to Banking Professionals

The Center for Banking and Finance at Murray State University was created through a generous donation from a locally owned bank. As Murray is located in a rural area bankers were frustrated at having to devote considerable time and cost having managers and employees travel to larger metropolitan areas such as Louisville and St. Louis for training. The original objective of the Center was to provide employee and management training, as well as other educational opportunities, for bankers located within a 100 mile radius of Murray. This proves to be a unique challenge due to the fact that banking in rural areas is much different from banking in urban areas. This is primarily due to two

Paducah Chamber of Commerce and Paducah-area banks. Its purpose is to provide loans to minority small-business owners. Types of loans include start-up loans, inventory and equipment purchases, and operating loans. Loan applicants will be first encouraged to apply for traditional bank financing. If th

Internships and Permanent Employment

Dr. Lacewell has been active in establishing (or attempting to establish) the “Let’s Keep

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Table 3: Race of Endowment Match Program Faculty and Staff

Table 4: Gender and Race of Match Program Financial Aid Recipients
For Awards Made During Fiscal Year 2008-09

	<u>White</u>	<u>Black</u>	<u>Am. Indian</u>	<u>Asian</u>	<u>Hispanic</u>	<u>Other</u>	<u>Total</u>
Scholarship Recipients							
Male	224	2	0	2	2	4	234
Female	<u>503</u>	<u>14</u>	<u>0</u>	<u>11</u>	<u>2</u>	<u>14</u>	<u>544</u>
Sub-total	727	16	0	13	4	18	778
Fellowship recipients							
Male	0	0	0	0	0	0	0
Female	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Sub-total	0	0	0	0	0	0	0
Total	<u>727</u>	<u>16</u>	<u>0</u>	<u>13</u>	<u>4</u>	<u>18</u>	<u>778</u>

The relatively small number of awards given to minority recipients from these scholarship endowments likely resulted from the availability of three other endowed scholarship funds devoted to minority students. Scholarship amounts from those other funds totaled \$412,168 and were awarded to 27 males of the following ethnicity; 23 Black, 1 Hispanic, 2 Asian and 1 White; and to 43 females of the following ethnicity; 41 Black, 1 White, and 1 Asian totaling 70 awards during 2008-09.

Because there were no new or expanded endowments during 2008-09, Table 5 data are unchanged from 2004-05.

Table 5: Match Program Funds Dedicated to Council Priority Areas
For All Matched 2002-04 Appropriation Funds

	State*	Private**	Total	Percent of Total
	Funds	Funds		
Program of Distinction				
Telecomm. Sys. Mgt.	\$0	\$0	\$0	0.0%
Sub-Total	\$0	\$0	\$0	0.0%
New Economy Areas				
Human Health	232,549	232,549	465,098	7.1%
Biosciences	20,000	20,000	40,000	0.6%
Materials Science	-	-	-	0.0%
Information Tech.	-	-	-	0.0%
Environmental Tech.	75,209	75,209	150,418	2.3%
Sub-Total	\$ 327,758	\$ 327,758	\$ 655,516	10.1%
Other Disciplines	\$ 2,931,242	\$ 2,931,242	\$ 5,862,484	89.9%
Total	\$ 3,259,000	\$ 3,259,000	\$ 6,518,000	100.0%

* Includes all 2002-04 match program appropriation funds received by the university prior to fiscal year end. Does not include unmatched 2002-04 funds or pending payments.

** Includes only cash gifts and pledges that were used to match 2002-04 appropriation funds received prior to fiscal year end. Does not include unmatched contributions or pending requests.

**Murray State University
Endowment Match Program
Statement of Changes in Endowments
Table 7**

Murray State University			State	Gifts	Market	State	Gifts	Investment	Earnings	Market	Outstanding
Endowment Title	Date		Funds	Received	Value	Funds	Received	Earnings	Expended	Value	Pledges
Existing Endowments	Est.		Received	Received	7/1/2008	Received	Received	(Loss)		6/30/2009	6/30/2009
Morgan Sisk Memorial Schol.	5/2/1976		75,209	75,209	159,282			(10,218)	6,750	135,532	
Center for Banking and Finance	10/16/1996		190,000	190,000	402,392			(25,816)	11,686	342,392	
			-	-				-			
10/4/1999		95,000	95,000	201,196	(12,910)	15,247	171,196				
		-	-					-			
10/20/1999		47,500	47,500	100,598	(6,454)		85,598				
								-			
12/3/1999		95,000	95,000	201,196	(12,906)	8,525	171,196				
								-			
1/10/2000		100,000	100,000	211,786	(13,988)	5,000	180,206				
3/27/2000		119,354	119,354	252,774	(16,216)	14,650	215,084				
6/2/2000		842,502	842,502	1,784,296	(114,472)	140,773	1,518,242				
6/2/2000		842,502	842,502	1,784,298	(114,474)	108,075	1,518,242				
6/15/2000		100,000	100,000	211,786	(13,586)		180,206				
								-			