Board of Regents Meeting

August 2, 2018

MSU Texas - Flower Mound
100 Parker Square Road
Flower Mound, TX, 75028
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS

R. Caven Crosnoe, Chairman
Nancy Marks, Secretary
Warren Ayres
Tiffany D. Burks
F. Lynwood Givens, Ph.D.
Jeff Gregg
Shawn G. Hessing
Shelley Sweatt, Ed.D.
Leia De La Garza, Student Regent

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Warren Ayres

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Shelley Sweatt

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Lynwood Givens

Audit, Compliance, and Management Review Committee
Tiffany Burks, Chair
Lynwood Givens
Jeff Gregg
Shawn Hessing
Midwestern State University Administration
August 1, 2018

Dr. Suzanne Shipley, President
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Dr. Francine Carraro, Director, Museum
Ms. Leigh Kidwell, Director, Internal Audits
Mr. Barry Macha, General Counsel

Dr. James Johnston, Provost and Vice President for Academic Affairs
Dr. Margaret Brown Marsden, Dean, McCoy College of Science, Mathematics and Engineering
Dr. Martin Camacho, Dean, Lamar D. Fain College of Fine Arts
Dr. Matthew Capps, Dean, Gordon T. and Ellen West College of Education
Dr. Steve Garrison, Director, Redwine Honors Program
Dr. Jeffrey Killion, Interim Dean, Robert D. and Carol Gunn College of Health Sciences and Human Services
Dr. Clara Latham, University Librarian
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Dr. Samuel E. Watson, III, Dean, Prothro-Yeager College of Humanities and Social Sciences
Dr. Kathryn Zuckweiler, Dean, Dr. Billie Doris McAda Graduate School
Dr. Kristen Garrison, Associate Vice President for Academic Affairs
   Dr. Lisa Estrada-Hamby, Director, Student Support Services
   Ms. Sara Fuller, Program Coordinator, Intensive English Language Institute
   Ms. Ashley Hurst, Director, Tutoring and Academic Support Programs (TASP)
   Dr. Michael Mills, Director, International Education
   Dr. Melissa Nivens, Administrator, University Writing Program
   Dr. Magaly Rincón-Zachary, Director, Undergraduate Research

Dr. Marilyn Fowlé, Vice President for Administration and Finance
Ms. Dawn Fisher, Director, Human Resources
Mr. Jim Hall, Chief Information Security Officer
Ms. Valarie Maxwell, Director, Budget and Management
Mr. Kyle Owen, Associate Vice President for Facilities Services
   Mr. David Percy, Director, Construction Services
Ms. Kathy Rice, Director, Payroll
Dr. David Sanchez, Chief Information Officer
Mr. Stephen Shelley, Director, Purchasing and Contract Management
Mr. Chris Stovall, Controller

Dr. Keith Lamb, Vice President for Student Affairs
Mr. Randy Canivel, Director, Flower Mound Site
Mr. Patrick Coggins, Chief, University Police
Ms. Rachel Fornof, Director/Coordinator, Title IX
Dr. Randy Glean, Director, International Services
Dr. Syreeta Greene, Director, Equity, Inclusion, and Multicultural Affairs
Ms. Debra Higginbotham, Director, Disability Support Services
Mr. A. J. Lopez III, Coordinator, Social Media
Ms. Kristi Schulte, Director, Residence Life and Housing
  Mr. Jon Lane, Postal Services Supervisor
Dr. Keith Williamson, Medical Director, Vinson Health Center

Mr. Matthew Park, Associate Vice President for Student Affairs and Dean of Students
  Ms. Cammie Dean, Director, Student Transition Programs
  Dr. Pam Midgett, Director, Counseling Center
  Mr. Dail Neely, Director, Student Rights & Responsibilities
  Mr. Mario Ramirez, Interim Director, Student Leadership and Involvement
  Ms. Angie Reay, Director of Recreational Sports/Wellness Center
  Mr. Dirk Welch, Director, Career Management and Testing Services

Mr. Fred Dietz, Vice President for Enrollment Management
  Ms. Gayonne Beavers, Director, Admissions
  Ms. Kathy Browning, Director, Student Financial Aid
  Ms. Darla Inghish, Registrar
  Mr. Mark McClendon, Director, Institutional Research and Assessment

Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs
  Ms. Julie Gaynor, Director, Marketing and Public Information
  Ms. Rhonda Talley McClung, Assistant Vice President for Gift Planning and Development
  Ms. Leslee Ponder, Liaison, Alumni Engagement
  Mr. Steve Shipp, Director, University Development

Mr. Kyle Williams, Director of Athletics
  Ms. Valerie Armstrong, Head Volleyball Coach
  Mr. Doug Elder, Head Men’s Soccer Coach
  Ms. Reagan Foster, Assistant Director of Athletics for Student Athlete Development/Community Outreach
  Mr. Nelson Haggerty, Head Men’s Basketball Coach
  Ms. Noel Johnson, Head Women’s Basketball Coach
  Mr. Scott Linn, Head Tennis Coach
  Mr. Bill Maskill, Head Football Coach
  Mr. Kurt Portmann, Executive Associate Director of Athletics
  Mr. Jeff Ray, Head Golf Coach
  Mr. Trey Reed, Assistant Director of Athletics for Sports Information
  Mr. Mark Ryal, Head Softball Coach
  Ms. Amanda Snodgrass, Assistant Director of Athletics for Business and Finance and Senior Woman Administrator
  Mr. Ryan Spence, Head Women’s Soccer Coach
  Mr. Koby Styles, Head Women’s Cross Country and Track Coach

Dr. David Carlston, Chairman, MSU Faculty Senate
Ms. Dottie Westbrook, Chair, MSU Staff Senate
Ms. Ellie Gunderson, President, MSU Student Government Association
### MSU and Higher Education Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AACSB, Intl.</td>
<td>Association to Advance Collegiate Schools of Business – The accrediting body for the Dillard College of Business Administration.</td>
</tr>
<tr>
<td>ABET</td>
<td>Engineering program accrediting body, previously the Accreditation Board for Engineering and Technology.</td>
</tr>
<tr>
<td>AFR</td>
<td>Annual Financial Report – This report is prepared at the conclusion of MSU’s fiscal year – August 31 each year.</td>
</tr>
<tr>
<td>AY</td>
<td>Academic Year – the university’s academic year official begins September 1 and ends August 31</td>
</tr>
<tr>
<td>COPLAC</td>
<td>Council of Public Liberal Arts Colleges – This organization advances the aims of its member institutions -MSU is the only Texas member - and drives awareness of the value of high-quality, public liberal arts education in a student-centered residential environment.</td>
</tr>
<tr>
<td>CPUPC</td>
<td>Council of Public University Presidents and Chancellors – An organization made up of the presidents and chancellors of all Texas public universities.</td>
</tr>
<tr>
<td>CRM</td>
<td>Customer Relationship Management – MSU uses CRM software to provide communication management, event management, and process management for the student recruiting and admissions processes.</td>
</tr>
<tr>
<td>EURECA</td>
<td>Enhancing Undergraduate Research and Creative Activities – An MSU program designed to promote and facilitate undergraduate research by providing incentives and a support system for undergraduate students to engage in high-quality research and creative activities in an interdisciplinary environment.</td>
</tr>
<tr>
<td>E&amp;G</td>
<td>Educational and General – A fund group, these funds are used to provide educational services to MSU students.</td>
</tr>
<tr>
<td>FERPA</td>
<td>Family Educational Rights and Privacy Act – A Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U. S. Department of Education.</td>
</tr>
<tr>
<td>FY</td>
<td>Fiscal Year – the university’s fiscal year begins September 1 and ends August 31</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
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</tr>
<tr>
<td>HEAF or HEF</td>
<td>Higher Education Assistance Fund – These funds, appropriated by the state to non-Permanent University Fund (PUF) schools, including MSU, can be used to acquire land; construct, repair, and rehabilitate buildings; and purchase capital equipment and library materials.</td>
</tr>
<tr>
<td>IPEDS</td>
<td>Integrated Post-Secondary Education Data System – A postsecondary education data collection program within the U.S. Department of Education.</td>
</tr>
<tr>
<td>LAR</td>
<td>Legislative Appropriations Request – Texas state agencies, including MSU, submit this request for funding to the legislature every two years, prior to the biennial legislative session.</td>
</tr>
<tr>
<td>LBB</td>
<td>Legislative Budget Board – A joint committee of the Texas Legislature that develops budget and policy recommendations for legislative appropriations, completes fiscal analyses for proposed legislation, and conducts evaluations and reviews to improve the efficiency and performance of state and local operations.</td>
</tr>
<tr>
<td>LSC</td>
<td>Lone Star Conference – MSU is a member of this NCAA Division II athletics conference.</td>
</tr>
<tr>
<td>M&amp;O</td>
<td>Maintenance and Operations (fund group)</td>
</tr>
<tr>
<td>NCATE</td>
<td>National Council for Accreditation of Teacher Education – Accrediting body for MSU’s teacher education programs.</td>
</tr>
<tr>
<td>NSSE</td>
<td>National Survey of Student Engagement – A survey MSU students participate in that reports participation in programs and activities that are provided for students’ learning and personal development. The results provide an estimate of how undergraduate students spend their time and what they gain from attending college.</td>
</tr>
<tr>
<td>PUF</td>
<td>Permanent University Fund – A public endowment that provides support to 21 institutions of The University of Texas and the Texas A&amp;M University Systems that were members of those systems prior to the creation of the HEF. These funds can be used to pay interest and principal due on PUF bonds; to provide support for a wide range of programs intended to develop excellence at The University of Texas at Austin, Texas A&amp;M University, Prairie View University, and any new universities; and to provide for the expenses of the two respective System administrations.</td>
</tr>
</tbody>
</table>
SACSCOC  Southern Association of Colleges and Schools Commission on Colleges – One of six regional accreditation organizations recognized by the U.S. Department of Education and the Council for Higher Education Accreditation. SACSCOC accredits public and private institutions of higher education, including MSU. Midwestern State University’s accreditation was reaffirmed in 2013.

SCH  Semester Credit Hour

SGA  Student Government Association – the MSU SGA is a representative body of MSU students. Elections are held each year for a President, Vice President, Secretary, and various Student Senate positions. The Student Senate is made up of senators from registered student organizations, residence halls/apartments, and student classifications (freshman, sophomore, junior, senior, and graduate).

SORM  State Office of Risk Management provides risk management and insurance services to Texas state agencies, including MSU.

THECB  Texas Higher Education Coordinating Board oversees public higher education in Texas including developing and overseeing the state master plan for higher education.

TPFA  Texas Public Finance Authority must review requests by MSU to bond funds and administers the issuance of all MSU debt

TRB  Tuition Revenue Bond – A vehicle for funding capital improvement projects in Texas higher education. These bonds are paid from state appropriations specifically for this purpose.
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1.1 Total Enrollment (Headcount)</td>
<td>5,874</td>
<td>6,043</td>
<td>6,064</td>
<td>6,080</td>
<td>6,230</td>
<td>3780</td>
</tr>
<tr>
<td>1.1.1 Undergraduate Enrollment (Fall)</td>
<td>5,144</td>
<td>5,287</td>
<td>5,319</td>
<td>5,330</td>
<td>5,450</td>
<td>3571</td>
</tr>
<tr>
<td>1.1.2 First-time, Full-time (Fall)</td>
<td>828</td>
<td>820</td>
<td>734</td>
<td>814</td>
<td>825</td>
<td>625</td>
</tr>
<tr>
<td>1.1.3 Undergraduate Transfer (Fall)</td>
<td>526</td>
<td>554</td>
<td>628</td>
<td>630</td>
<td>650</td>
<td>286</td>
</tr>
<tr>
<td>1.1.4 Satellite Campuses SCH's (Fall)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>561</td>
<td>900</td>
<td>n/a</td>
</tr>
<tr>
<td>1.1.5 Graduate Enrollment (Fall)</td>
<td>730</td>
<td>756</td>
<td>745</td>
<td>821</td>
<td>850</td>
<td>209</td>
</tr>
<tr>
<td>1.1.6 SCH Generated (Fall)</td>
<td>67,275</td>
<td>69,547</td>
<td>69,744</td>
<td>70,546</td>
<td>71,645</td>
<td>n/a</td>
</tr>
<tr>
<td>1.2 Percent of Students Receiving Pell Grant (UG Fall)</td>
<td>37.90%</td>
<td>36.12%</td>
<td>36.96%</td>
<td>40.20%</td>
<td>41.70%</td>
<td>n/a</td>
</tr>
<tr>
<td>1.3 Percentage of Hispanic Students Enrolled (enr/%) (UG)</td>
<td>14.80%</td>
<td>16.30%</td>
<td>16.50%</td>
<td>19.30%</td>
<td>20.00%</td>
<td>4.30%</td>
</tr>
<tr>
<td>1.4 Percentage of African American Students Enrolled (enr/%) (UG)</td>
<td>13.80%</td>
<td>13.60%</td>
<td>14.30%</td>
<td>14.50%</td>
<td>14.50%</td>
<td>5.30%</td>
</tr>
<tr>
<td>1.5 Percentage of FTFT Who Met Unconditional Standards (Fall)</td>
<td>55.10%</td>
<td>57.80%</td>
<td>56.80%</td>
<td>60.50%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>1.6 Online and Distance Education (courses offered per year)</td>
<td>642</td>
<td>706</td>
<td>750</td>
<td>968</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>1.6.1 Distance Education SCH Generated (Fall)</td>
<td>10,168</td>
<td>11,353</td>
<td>12,454</td>
<td>13,605</td>
<td>14,000</td>
<td>n/a</td>
</tr>
<tr>
<td>2.1 Number of Students Living in Campus Run Facilities (Fall)</td>
<td>1,425</td>
<td>1,460</td>
<td>1,500</td>
<td>1,566</td>
<td>1,575</td>
<td>n/a</td>
</tr>
<tr>
<td>2.2 Number of Students Participating in a First-year Experience (Fall)</td>
<td>n/a</td>
<td>n/a</td>
<td>319</td>
<td>325</td>
<td>700</td>
<td>n/a</td>
</tr>
<tr>
<td>2.4 EURECA Participation (# of students participating)</td>
<td>176</td>
<td>279</td>
<td>287</td>
<td>300</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2.5 Percent of Upper Level UG SCH taught by Tenure or Tenure Track Faculty (Fall)</td>
<td>53.90%</td>
<td>58.40%</td>
<td>61.00%</td>
<td>63.00%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2.6 Number of Students in Study Abroad</td>
<td>78</td>
<td>115</td>
<td>78</td>
<td>125</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>3.1 First-time, Full-time Student Retention Rate (First year)</td>
<td>72.90%</td>
<td>69.40%</td>
<td>66.80%</td>
<td>66.80%</td>
<td>75.00%</td>
<td>75.00%</td>
</tr>
<tr>
<td>3.1.1 First-time, Full-time Student Retention Rate (Second year)</td>
<td>53.20%</td>
<td>55.30%</td>
<td>57.40%</td>
<td>57.40%</td>
<td>55.00%</td>
<td>n/a</td>
</tr>
<tr>
<td>3.2 First-time, Full-time Student Graduation Rate (Four Year Cohort)</td>
<td>19.50%</td>
<td>20.90%</td>
<td>20.80%</td>
<td>30.00%</td>
<td>40.10%</td>
<td>n/a</td>
</tr>
<tr>
<td>3.2.1 First-time, Full-time Student Graduation Rate (Six Year)</td>
<td>44.90%</td>
<td>42.40%</td>
<td>45.00%</td>
<td>50.00%</td>
<td>51.20%</td>
<td>n/a</td>
</tr>
<tr>
<td>3.2.2 Transfer Student Graduation Rate (SAM 6 yr)</td>
<td>52.00%</td>
<td>48.20%</td>
<td>50.00%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>3.3 Total Degrees Awarded</td>
<td>1,216</td>
<td>1,260</td>
<td>1,309</td>
<td>1,300</td>
<td>790</td>
<td>1,150</td>
</tr>
<tr>
<td>3.3.1 Baccalaureate</td>
<td>993</td>
<td>1,020</td>
<td>1,083</td>
<td>1,050</td>
<td>725</td>
<td>1,050</td>
</tr>
<tr>
<td>3.3.2 Master's</td>
<td>183</td>
<td>240</td>
<td>226</td>
<td>250</td>
<td>63</td>
<td>250</td>
</tr>
<tr>
<td>3.3.3 Number of Degrees Awarded in STEM Fields</td>
<td>111</td>
<td>108</td>
<td>114</td>
<td>125</td>
<td>104</td>
<td>n/a</td>
</tr>
<tr>
<td>3.3.4 Number of Degrees Awarded in Health Science Fields (UG)</td>
<td>383</td>
<td>359</td>
<td>390</td>
<td>446</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.1 State Appropriations per FTE Student</td>
<td>$4,742</td>
<td>$5,023</td>
<td>$4,802</td>
<td>$5,225</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.2 Total Expenditures per FTE Student</td>
<td>$21,409</td>
<td>$21,148</td>
<td>$21,905</td>
<td>$26,640</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.3 Student /Faculty Ratio (Using CDS FTE/Faculty FTE for Fall)</td>
<td>16.8</td>
<td>17.7</td>
<td>17.9</td>
<td>19.0</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.4 Administrative Cost Rate (as percent of operating budget)</td>
<td>10.80%</td>
<td>9.54%</td>
<td>9.22%</td>
<td>10.00%</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.5 Average SCH to Bachelor's degree</td>
<td>145.9</td>
<td>146.8</td>
<td>146.3</td>
<td>140.0</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>4.6 Average Student Debt for Graduates Who Started at MSU (FTFT) (CDS)</td>
<td>$28,867</td>
<td>$28,468</td>
<td>n/a</td>
<td>$25,000</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>5.1 Total New Gifts and Commitments (AFR reported)</td>
<td>$6,317,269</td>
<td>$5,858,547</td>
<td>$6,792,671</td>
<td>$7 Million</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>5.2 Total Endowment (university-held, Foundation, Charitable Trust)</td>
<td>$68,154,607</td>
<td>$69,045,395</td>
<td>$73,817,341</td>
<td>$75 million</td>
<td>$22,539,305</td>
<td>n/a</td>
</tr>
<tr>
<td>5.3 Amount of Competitive Grants (Federal &amp; State)</td>
<td>$324,010</td>
<td>$612,174</td>
<td>$450,000</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Gray shaded areas will not be updated until the end of FY.
### Student Success

#### One-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Enter Fall 2011</th>
<th>Enter Fall 2015</th>
<th>Enter Fall 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>768</td>
<td>729</td>
<td>729</td>
</tr>
<tr>
<td>Same</td>
<td>69.9%</td>
<td>69.8%</td>
<td>65.5%</td>
</tr>
<tr>
<td>Other</td>
<td>12.4%</td>
<td>12.7%</td>
<td>15.5%</td>
</tr>
</tbody>
</table>

#### Two-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Enter Fall 2010</th>
<th>Enter Fall 2014</th>
<th>Enter Fall 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>738</td>
<td>834</td>
<td>818</td>
</tr>
<tr>
<td>Same</td>
<td>53.3%</td>
<td>54.0%</td>
<td>56.5%</td>
</tr>
<tr>
<td>Other</td>
<td>18.2%</td>
<td>15.1%</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

### Graduation Rates

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Institution Rate</th>
<th>Peer Group Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2008 4-year</td>
<td>18.2%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Fall 2012 4-year</td>
<td>24.1%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Fall 2013 4-year</td>
<td>22.9%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Fall 2007 5-year</td>
<td>39.0%</td>
<td>33.9%</td>
</tr>
<tr>
<td>Fall 2011 5-year</td>
<td>43.5%</td>
<td>38.7%</td>
</tr>
<tr>
<td>Fall 2010 6-year</td>
<td>46.3%</td>
<td>41.7%</td>
</tr>
<tr>
<td>Fall 2011 6-year</td>
<td>49.9%</td>
<td>43.5%</td>
</tr>
<tr>
<td>Fall 2012 6-year</td>
<td>52.7%</td>
<td>45.7%</td>
</tr>
</tbody>
</table>

#### National Comparison (IPEDS Definition)

<table>
<thead>
<tr>
<th>Institution</th>
<th>Peer Group</th>
<th>OOS Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2007 4-year</td>
<td>12.0%</td>
<td>25.5%</td>
</tr>
<tr>
<td>Fall 2011 4-year</td>
<td>20.0%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Fall 2012 4-year</td>
<td>19.0%</td>
<td>37.4%</td>
</tr>
<tr>
<td>Fall 2006 5-year</td>
<td>36.0%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Fall 2010 5-year</td>
<td>35.0%</td>
<td>50.8%</td>
</tr>
<tr>
<td>Fall 2005 6-year</td>
<td>34.0%</td>
<td>45.7%</td>
</tr>
<tr>
<td>Fall 2009 6-year</td>
<td>44.0%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Fall 2010 6-year</td>
<td>41.0%</td>
<td>50.8%</td>
</tr>
</tbody>
</table>

### Six-Year Graduation & Persistence Rate, Fall 2011

#### For Students Needing Dev Ed

- **Institution**: 76 (57.3%)
- **Peer Group**: 73 (56.2%)

#### For Students NOT Needing Dev Ed

- **Institution**: 7,527 (90.6%)
- **Peer Group**: 7,263 (90.1%)

### Cost

#### Average Annual Total Academic Costs for Resident Undergraduate Student Taking 30 SCH

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Texas Rates</th>
<th>Institution</th>
<th>Percent Increase</th>
<th>Peer Group</th>
<th>Percent Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$8,480.0%</td>
<td>$9,136.0%</td>
<td>0.0%</td>
<td>$9,136.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2014</td>
<td>$9,036.0%</td>
<td>$9,412.0%</td>
<td>3.0%</td>
<td>$9,412.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2015</td>
<td>$9,242.0%</td>
<td>$9,520.0%</td>
<td>3.0%</td>
<td>$9,520.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2016</td>
<td>$9,494.0%</td>
<td>$9,652.0%</td>
<td>1.4%</td>
<td>$9,652.0%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2017</td>
<td>$9,707.0%</td>
<td>$9,759.0%</td>
<td>0.6%</td>
<td>$9,759.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2018</td>
<td>$9,892.0%</td>
<td>$9,967.0%</td>
<td>2.3%</td>
<td>$9,967.0%</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

### Financial Aid

#### Federal Student Loans

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
<th>Avg Amt</th>
<th>Peer Group</th>
<th>Percent</th>
<th>Avg Amt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>53%</td>
<td>$6,351</td>
<td>34%</td>
<td>$6,054</td>
<td>36%</td>
</tr>
<tr>
<td>2016</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
</tbody>
</table>

#### Federal, State, Institutional or Other Grants Known by Institutions

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
<th>Avg Amt</th>
<th>Peer Group</th>
<th>Percent</th>
<th>Avg Amt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>56%</td>
<td>$9,947</td>
<td>50%</td>
<td>$9,086</td>
<td>55%</td>
</tr>
<tr>
<td>2016</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
</tbody>
</table>

#### Federal ( Pell) Grants

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
<th>Avg Amt</th>
<th>Peer Group</th>
<th>Percent</th>
<th>Avg Amt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>22%</td>
<td>$4,318</td>
<td>23%</td>
<td>$4,480</td>
<td>21%</td>
</tr>
<tr>
<td>2016</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
</tbody>
</table>

### Funding

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2012 Amount</th>
<th>Pct of Total</th>
<th>FY 2016 Amount</th>
<th>Pct of Total</th>
<th>FY 2017 Amount</th>
<th>Pct of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriated Funds</td>
<td>$27,300,606</td>
<td>33.2%</td>
<td>$32,245,054</td>
<td>37.1%</td>
<td>$33,932,697</td>
<td>37.9%</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$10,376,778</td>
<td>12.6%</td>
<td>$9,353,030</td>
<td>10.7%</td>
<td>$10,461,551</td>
<td>11.7%</td>
</tr>
<tr>
<td>Tuition &amp; Fees</td>
<td>$29,192,043</td>
<td>35.5%</td>
<td>$34,175,093</td>
<td>39.3%</td>
<td>$33,865,467</td>
<td>37.8%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$82,269,162</td>
<td>100.0%</td>
<td>$87,018,769</td>
<td>100.0%</td>
<td>$89,485,221</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
The Board of Regents of Midwestern State University (MSU) may deliberate and take action regarding any item on this agenda. This meeting will be continuous in that the Board reserves the right to take any agenda item out of the order or sequence that is listed below. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

The meeting will be streamed live at [http://www.mwsu.edu/welcome/president/regents-minutes](http://www.mwsu.edu/welcome/president/regents-minutes).

**Call to Order – Secretary Nancy Marks**

**Election of Chairman Pro Tem**

18-120. Section 10 of Article VI of the MSU Board of Regents Bylaws provides that meetings of the Board of Regents shall be governed by Robert’s Rules of Order. The Rules provide that if the Board Chairman and Vice Chairman are not present at a meeting, the Secretary should call the meeting to order, and the Board should elect a Chairman Pro Tem to preside during the meeting. Accordingly, the Board of Regents will elect a Chairman Pro Tem to serve during the August 2, 2018 meeting.

**Introduction of Visitors – Ms. Julie Gaynor**

**Opening Comments – Chairman Pro Tem**

**Public Comment**

A public comment period will be provided in accordance with MSU Policy 2.22.

**Reading and Approval of Minutes**

18-121. The minutes of the May 11, 2018 Board of Regents meeting will be recommended for approval as shown in the Board Book.

**Flower Mound Building – Amendment to Lease**

18-122. The First Amendment to Lease and Exhibit D with Parker Assets I, LLC concerning a build to suit lease executed December 15, 2016 for the lease of real property located at 100 Parker Square, Flower Mound, Texas 75028 will be discussed in executive session later in the meeting.

**Investment Overview - Texas A&M University System (TAMUS) Update**

18-123. A representative of the Texas A&M University System will provide information on the TAMUS cash concentration pool and endowment fund, and Midwestern State University’s investments in those funds.
Executive Committee

Modification of Midwestern State University Organization Chart

18-124. A new MSU organization chart, which reflects changes in the areas of the Provost, the Vice President for Student Affairs, and the Vice President for Enrollment Management will be presented for information only as shown in the Board Book. The changes summarized below go into effect August 1, 2018, with the exception of the Redwine Honors Program change that went into effect July 20, 2018.

A. In the area of Academic Affairs the title of Associate Vice President for Undergraduate Education and Assessment will change to Associate Vice President for Academic Affairs to better reflect the duties of the position. Additionally, the Honors Program has been restructured and changes will be fully implemented this fall. Currently the program director is Dr. Sam Watson, Dean of the Prothro-Yeager College of Humanities and Social Sciences, with a full-time assistant director and part-time coordinator position. Upon the recommendation of Dean Watson and the former Honors Program Assistant Director, it was determined that the program would return to the oversight of an active faculty director, with the assistance of a full-time staff coordinator. The faculty director will report directly to the Provost and Vice President for Academic Affairs and be responsible for recruitment and retention, as well as program assessment and evaluation. The coordinator will oversee the daily activities of the Honors Program Office and the day-to-day business of the program. The coordinator will report to the director.

These changes are within the currently budgeted funds for the program.

B. With the addition of a new Division of Enrollment Management, the offices of admissions and financial aid no longer report to the Vice President for Student Affairs. Accordingly, modifications to the Division of Student Affairs’ organizational structure have been made. These changes will better distribute the workload to any one individual/department and will create synergistic relationships around student life and campus climate. Of particular note is the combining of student conduct and student ombudsman services into the Office of Student Rights and Responsibilities. This change will necessitate the Associate Vice President for Student Affairs and Dean of Students to directly supervise the day-to-day operations of the Clark Student Center. Other changes include Residence Life and Housing reporting directly to the Vice President for Student Affairs, along with the new Director and Coordinator of Title IX.

C. Upon further review and discussions with the new Vice President for Enrollment Management (VPEM) it was determined that the Office of Institutional Research and Planning should be added to the areas reporting to the VPEM. Data analysis is an integral part of enrollment management and this change will enhance the work in enrollment management.
Campus Construction Update
18-125. Information regarding current construction and repair and rehabilitation projects will be presented in addition to the reports included in the Board Book.

Facilities Complex Layout Review
18-126. In May 2018, the Board of Regents authorized the administration to proceed with planning the construction of the facilities’ workshops on the site of the existing University Police Station at Hampstead and Louis J. Rodriguez Drive. Site plans and a building layout will be presented to the Board for information only.

Moffett Library Renovation Project, Phase 2 Authorization Request
18-127. In February 2018, the Board of Regents authorized the first phase of construction for the Moffett Library Renovation Project at a value not to exceed $2 million. The second phase, which includes renovations for the remainder of the building, is currently being bid with a Guaranteed Maximum Price to be submitted to the administration in mid-August. The administration requests authorization to contract with the Construction Manager At Risk, M&F Litteken, for the second phase of the project, as long as the total project amount does not exceed $7,497,087.

Bridwell Hall Renovation Project Recommendation
18-128. The current occupants of Bridwell Hall will move to the new Health Sciences & Human Services Building in the summer of 2019. The vacated space in Bridwell Hall will be used by the West College of Education, the Intensive English Language Institute, International Services, and Facilities Services administrative offices. Prior to relocating these areas to Bridwell Hall, renovations must be made to best utilize the space. A Request for Qualifications was issued for an architectural firm to develop the construction drawings detailing the renovation needs. The administration will recommend approval of an architectural firm for this project.

Landscaping and Parking Project Update
18-129. In November 2017, the Board of Regents authorized the Health Sciences and Human Services (HSHS) Landscaping and Parking Project. This project included the parking lot on the north side of Hampstead, landscaping around the new HSHS building, landscaping for the quadrangle east of HSHS, bronze statues for the quadrangle, and an extension of Jesse Rogers Promenade from Caddo Trail south along the west side of the Martin Building. The project was approved with the overall cost not to exceed $2,370,250. In May 2018, the Board of Regents authorized the administration to contract for the HSHS landscaping, quadrangle landscaping, and Jesse Rogers Promenade south of Caddo Trail at a cost not to exceed $1.4 million.

Construction began in late May and significant structural damage to the utility tunnel was found, owing to the heavy vehicle traffic above the tunnel. Repairs to the tunnel are expected to cost $350,000 and will add approximately three months to the schedule for the quadrangle/promenade project. Additionally, project costs for design fees, Mustang statue prototypes, construction oversight fees, and a contingency (<2%) have increased the cost of the overall project by $280,000. The administration will request
authorization to contract with Trinity Hughes for up to $2.3 million, and to limit the total project cost to $3.0 million.

**Detention Facility Agreement**

18-130. A Detention Facility Agreement is required in accordance with the regulations of the City of Wichita Falls for stormwater detention basins on the real property owned by Midwestern State University and leased to the Wichita Falls Metropolitan YMCA. The administration will request approval of the agreement as shown in the Board Book.

**Wichita Falls Museum of Art at Midwestern State University Advisory Board**

18-131. Each August, the Board of Regents is asked to approve individuals to serve on the Museum Advisory Board. The following individuals are recommended for reappointment.

- Bryant Medders (Reappointment) (2018-2021)
- Greg Merkle (Reappointment) (2018-2021)

**Board Resolutions**

18-132. Board resolutions will be presented as necessary, including a resolution for former Student Regent Shayla Owens, as presented in the Board Book.
<table>
<thead>
<tr>
<th>ID</th>
<th>Task Name</th>
<th>Start</th>
<th>Finish</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TAS-ADA/Fire Marshal Upgrades</td>
<td>Mon 12/7/15</td>
<td>Fri 8/30/19</td>
</tr>
<tr>
<td>2</td>
<td>Architect Selection RFQ</td>
<td>Mon 12/7/15</td>
<td>Fri 12/16</td>
</tr>
<tr>
<td>3</td>
<td>Contract Negotiations</td>
<td>Mon 2/15/16</td>
<td>Tue 4/26/16</td>
</tr>
<tr>
<td>4</td>
<td>Design</td>
<td>Mon 4/25/16</td>
<td>Thu 8/31/17</td>
</tr>
<tr>
<td>5</td>
<td>Construction (Fain Fine Arts, Bolin, Hardin, Ferguson)</td>
<td>Fri 9/1/17</td>
<td>Fri 8/30/19</td>
</tr>
<tr>
<td>6</td>
<td>Health Sciences &amp; Human Services Building</td>
<td>Fri 12/18/15</td>
<td>Mon 5/13/19</td>
</tr>
<tr>
<td>7</td>
<td>Architect Selection RFQ</td>
<td>Fri 12/18/15</td>
<td>Mon 2/15/16</td>
</tr>
<tr>
<td>8</td>
<td>Contract Negotiations</td>
<td>Tue 2/16/16</td>
<td>Fri 4/22/16</td>
</tr>
<tr>
<td>9</td>
<td>Design</td>
<td>Mon 4/25/16</td>
<td>Fri 9/8/17</td>
</tr>
<tr>
<td>10</td>
<td>Construction</td>
<td>Wed 12/13/17</td>
<td>Mon 5/13/19</td>
</tr>
<tr>
<td>11</td>
<td>IT Relocation Project</td>
<td>Tue 7/18/17</td>
<td>Fri 6/28/19</td>
</tr>
<tr>
<td>12</td>
<td>Design</td>
<td>Tue 7/18/17</td>
<td>Mon 3/26/18</td>
</tr>
<tr>
<td>13</td>
<td>Construction</td>
<td>Fri 7/27/18</td>
<td>Fri 6/28/19</td>
</tr>
<tr>
<td>14</td>
<td>Health Sciences &amp; Human Services Landscaping &amp; Parking</td>
<td>Mon 4/17/17</td>
<td>Fri 5/24/19</td>
</tr>
<tr>
<td>15</td>
<td>Landscape Design, East Quad</td>
<td>Mon 4/17/17</td>
<td>Fri 3/16/18</td>
</tr>
<tr>
<td>16</td>
<td>Landscape Construction, East Quad</td>
<td>Mon 3/19/18</td>
<td>Fri 12/21/18</td>
</tr>
<tr>
<td>17</td>
<td>J. Rogers Promenade Extensions Design</td>
<td>Mon 8/14/17</td>
<td>Thu 3/29/18</td>
</tr>
<tr>
<td>18</td>
<td>J. Rogers Promenade Extensions Construction</td>
<td>Mon 5/14/18</td>
<td>Fri 11/2/18</td>
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<tr>
<td>19</td>
<td>HS+HS Landscaping Design</td>
<td>Mon 8/14/17</td>
<td>Fri 4/20/18</td>
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<tr>
<td>20</td>
<td>HS+HS Landscaping Construction</td>
<td>Mon 1/7/19</td>
<td>Fri 5/24/19</td>
</tr>
<tr>
<td>21</td>
<td>Tunnel Repairs</td>
<td>Mon 6/4/18</td>
<td>Fri 8/17/18</td>
</tr>
<tr>
<td>22</td>
<td>Moffett Library Renovations</td>
<td>Mon 9/11/17</td>
<td>Fri 8/16/19</td>
</tr>
<tr>
<td>23</td>
<td>Design</td>
<td>Mon 9/11/17</td>
<td>Mon 5/14/18</td>
</tr>
<tr>
<td>24</td>
<td>Phase I Construction (elevator, restrooms)</td>
<td>Mon 5/14/18</td>
<td>Fri 8/31/18</td>
</tr>
<tr>
<td>25</td>
<td>Phase 2A Construction (third floor, half of second floor)</td>
<td>Mon 9/3/18</td>
<td>Fri 1/11/19</td>
</tr>
<tr>
<td>26</td>
<td>Phase 2B Construction (first floor, half of second floor)</td>
<td>Mon 1/14/19</td>
<td>Fri 8/16/19</td>
</tr>
<tr>
<td>Project</td>
<td>BOR Project Approval Date</td>
<td>Architect/Engineering Firm Approved</td>
<td>BOR Approved Project Budget</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---------------------------</td>
<td>-------------------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>TAS-ADA/Fire Marshal Upgrades</td>
<td>11/13/2015, 5/13/2016</td>
<td>2/12/2016; Harper-Perkins Architects</td>
<td>$5,270,000</td>
</tr>
<tr>
<td>Health Sciences &amp; Human Services Building</td>
<td>11/13/2015, 5/13/2016, 12/13/2017</td>
<td>2/12/2016; Randall Scott Architects</td>
<td>$42,000,000</td>
</tr>
<tr>
<td>IT Relocation Project</td>
<td>11/10/2017</td>
<td>Datacom Design Group</td>
<td>$1,577,257</td>
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<tr>
<td>Moffett Library Renovation Project</td>
<td>11/13/15, 8/5/2017</td>
<td>8/5/2017; Holzman Moss Bottino Architects</td>
<td>$7,300,000</td>
</tr>
</tbody>
</table>

(1) Increased budget by $2 MM; estimates did not match bids.
(2) Increased budget by $1,270,250. Scope increased to include Health Sciences & Human Services Building landscaping and J. Rogers Promenade extension.
Construction Projects Status Report – Item 18-125

Projects completed since the May 2018 Board of Regents meeting include:

1. RENOVATION OF EUREKA CIRCLE FOR UPD ($118k).
2. RELOCATION OF THE LANGUAGE LAB TO PROTHRO-YEAGER-BEAMWOOD-O’DONOHOE ($144k).
3. ADDITIONAL CAMPUS LIGHTING IN VARIOUS LOCATIONS AROUND CAMPUS ($49k).
4. ACOUSTIC UPGRADES TO THREE MUSIC OFFICES IN FAIN FINE ARTS ($55k).
5. UPGRADE CENTRAL PLANT’S BUILDING CONTROLS SOFTWARE ($26k).
6. LANDSCAPING IMPROVEMENTS, EXTERIOR PAINTING/REPAIRS, AND ADDITIONAL DATA DROPS FOR 2527 HAMPSTEAD ($16k).

Ongoing projects:

**HEALTH SCIENCES AND HUMAN SERVICES BUILDING: $42 MM**
- Concrete structure up through the fourth-floor flooring completed.
- The project is on schedule, although the schedule is tight.

**MOFFETT LIBRARY RENOVATIONS: $7.3 MM**
- Renovations of the library in two phases: Phase 1 will remodel six restrooms and install an elevator, and Phase 2 will renovate the third floor and half the second (Phase 2A) followed by the first floor and the second half of the second floor (Phase 2B).
- Phase 1 demo and rebuild of restrooms in progress with new plumbing, framing, and sheetrock underway. Restrooms to be completed for the start of classes in August, elevator by November (elevator lead time is long).
- Phase 2 design documents were completed and issued for bid in early July.

**TEXAS ACCESSIBILITY STANDARDS (TAS), AMERICANS WITH DISABILITIES ACT (ADA), AND FIRE MARSHAL UPGRADES PROJECT: $5.27 MM**
- Upgrades to Bolin, Fain Fine Arts, Ferguson, and Hardin for a 2013 fire marshal inspection and TAS needs. Major construction efforts to be over the summers of 2018 and 2019.
- Stairs installed in a tower at Bolin and exterior of Fain Fine Arts stair/elevator tower has been bricked (80%). Demo and reconstruction of interior restrooms, lobby, and corridor changes in both buildings in process with anticipated completion in mid/late August.
HEALTH SCIENCES AND HUMAN SERVICES LANDSCAPING AND PARKING

PROJECT: $2.37 MM

- QUAD LANDSCAPING - $1,070k
  - Landscaping design of the quad area east of the new Health Sciences and Human Services (HS+HS) building and bounded by J.S. Bridwell Hall, Dillard Building, and McCoy Hall. Will include an emergency vehicle access path.
  - Purchase order released to low bidder and demolition of the area began. Currently on hold due to tunnel repair needs (see below) and finalization of the horse statue prototype.

- HS+HS LANDSCAPING - $394k
  - Landscaping design of the area surrounding the new HS+HS building.
  - Purchase order released to low bidder. On-site work begins approximately April 2019.

- ROGERS PROMENADE EXTENSIONS - $540k
  - Two potential extensions to Jesse Rogers Promenade from Comanche to the south end of the new HS+HS quad.
  - Purchase order released to low bidder for north extension only.
  - Demo work initiated, but placed on hold due to tunnel structural integrity concerns generated by movement of heavy equipment on top of tunnel. Assessed damage, shored up 300’ of the tunnel, generated a design to correct, and to begin repairs in mid-July.
  - Tunnel repair involves excavation of soil above the tunnel, installation of an 8” thick concrete cap, and backfilling.
  - Tunnel repair need resulted in ~ 2-month loss of schedule and ~$340k for Quad and the Promenade (north) extension project.

- HAMPSTEAD PARKING LOT - $356k
  - Project complete.

REPLACEMENT OF LOTS 3 & 6N SOUTH OF PROTHRO-YEAGER: $735k

- Replacement of the lot south of Prothro-Yeager-Beawood-O’Donohoe planned for summer 2018 using HEAF funds. Also includes an extension of Jesse Rogers Promenade south to Nocona (i.e., east side of Mass Comm).
- Construction began in May and is ~50% complete in early July. Parking lot to be open for use by the start of classes.
- The Jesse Rogers Promenade (south) extension construction start was delayed until early August so the Fain Fine Arts stair/elevator contractor could move a heavy crane to/from the site in July. Completion of the Promenade extension is expected by mid-late September.

FACILITIES’ SHOPS BUILDING: $2.51 MM

- Construction of a Facilities Services’ shops building and fleet storage yard where the University Police Department is currently located beginning in the summer of 2019.
- Demo of the existing University Police Department building and Bridwell Courts apartments to commence July 9th and be completed within 60 days.
- Site plans and building layouts being reviewed and finalized prior to beginning construction drawing development.

ADDITIONAL PROJECTS <$100k:

Projects in process scheduled for completion this fall include:

1. Minor upgrades/repairs to Fain Hall ($9k).
2. Replacement of stair treads at Sunwatcher Village apartments ($7k).
DETENTION FACILITY AGREEMENT

STATE OF TEXAS §
COUNTY OF WICHITA §

KNOW ALL MEN BY THESE PRESENTS:

This agreement, made this the ________ day of ____________________, 2018, by and between the City of Wichita Falls, Texas (hereinafter “City”), acting by and through its City Manager, and Midwestern State University, an institution of higher learning and agency of the State of Texas (hereinafter “Owner”). The term Owner shall include the above-named Owner, its successors and assigns.

WITNESSETH:

WHEREAS, Midwestern State University is the owner of certain real property located in the corporate limits of the City, more fully described as Lot 1, Y.M.C.A. Addition and incorporated herein by reference (the “Owner Tract”), and,

WHEREAS, the Owner and the City desire that the development of the Owner Tract be in accordance with applicable storm water regulations of the City, designed to promote the health, safety and general welfare of the citizens of the City.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Owner hereby agree as follows:

ARTICLE ONE

In consideration of the City plan and site approval of the property described as Lot 1, Y.M.C.A. Addition, Owner hereby agrees to construct, maintain, and repair a certain Detention Facility to be constructed on a portion of the Owner Tract, identified in Exhibits “A” & “B”, attached hereto and made a part hereof for all purposes (the “Detention Facility”).

ARTICLE TWO

Owner shall construct, maintain and repair the Detention Facility in a condition sufficient to provide storm water detention in accordance with the regulations of the City in effect on the date of this agreement. The Detention Facility and site grading shall be completed in accordance with Site and Grading Plans submitted by Owner and approved by City and shall be completed prior to City’s issuance of a Certificate of Occupancy for any building constructed on the Owner Tract. The Owner shall not allow any structure nor allow any modification within the limits of the Detention Facility which will adversely affect the performance of the facility. In the Event the Owner shall subdivide the Owner Tract into two (2) or more parcels which use the Detention Facility, the owner of each
resulting tract shall have the right to perform the maintenance necessary to retain the functionality of the Detention Facility. The maintenance obligation shall be a covenant running with the Owner Tract; provided, however, that in the event any Owner conveys its interest in the Owner Tract, such conveying owner shall be released from any and all obligations under this agreement arising after the date of such conveyance. City shall have the right to inspect the Detention Facility as all reasonable times to ensure compliance with this agreement and Owner hereby grants City access to and across the Owner Tract for this purpose. In the event Owner fails to fully perform its obligations under this agreement to maintain the detention Facility, and such failure continues for thirty (30) days after receipt by Owner of written notice from the City to Owner, City shall have the right to perform the necessary maintenance and receive full reimbursement from the Owner for the reasonable expenses incurred by City in connection therewith. Any notice, request, demand or other communication to be given to the Owner hereunder shall be in writing and shall be deemed to be delivered: if sent by mail, three (3) days following deposit in a U.S. Postal Service receptacle, postage prepaid, as certified mail, return requested; or by (prepaid) national overnight courier service (e.g., FedEx, Airborne, UPS, Express Mail, etc.) addressed as set forth below:

To Owner: Midwestern State University
3410 Taft Blvd.
Wichita Falls, Texas 76308

To City: City of Wichita Falls, Texas
(Attn: City Manager)
1300 7th Street
P.O. Box 1431
Wichita Falls, Texas 76301

Either party may, at any time, or from time to time, designate in writing a substitute address for that above set forth and thereafter all notices to such party shall be sent to such substitute address.

ARTICLE THREE

Owner, to the extent authorized by the laws and Constitution of the State of Texas, agrees to indemnify and hold harmless the City, its officers, agents and employees from all suits, actions, or claims, and from all liability and damages for any and all injuries or damages arising solely from or as a result of Owner’s negligence in the performance or failure to perform its obligations under this agreement.

ARTICLE FOUR

Approval of this agreement by the City shall not create any financial obligation of the City, nor does such approval constitute a representation of the appropriateness, adequacy or engineering of the Detention Facility.
IN TESTIMONY WHEREOF, the parties have caused this instrument to be
executed on the date shown above.  

City of Wichita Falls, Texas

By: ________________________________
    Darron Leiker, City Manager

Attest:

____________________________________
City Clerk

Midwestern State University

By: ________________________________
    Dr. Suzanne Shipley, President

Approved:
Young Men’s Christian Association of Wichita Falls, Texas

By: ________________________________
    Kenny Haney, Chairman of the Board of Directors

STATE OF TEXAS §
COUNTY OF WICHITA §

This instrument was acknowledged before me on this ______ day of _________,
2018, by Dr. Suzanne Shipley, President of Midwestern State University, on behalf of said
Midwestern State University

____________________________________
Notary Public, State of Texas
AS CONSTRUCTED BASIN
100 YR. RELEASE RATE: 2.25 CFS
MAX. STORAGE VOL.: 3.389 C.F.

I HEREBY CERTIFY THAT THE DETENTION FACILITY SHOWN HAS BEEN CONSTRUCTED IN GENERAL CONFORMANCE WITH CURRENT CITY OF WICHITA FALLS STORM WATER DETENTION DESIGN CRITERIA, AND THE OUTFLOW FROM THE FACILITY IS LESS THAN OR EQUAL TO THE MAXIMUM OUTFLOW APPROVED BY THE CITY ENGINEER.

STATE OF TEXAS
DENNIS PROBST
PROFESSIONAL ENGINEER NO. 49433

DENNIS PROBST
REGISTERED PROFESSIONAL ENGINEER NO. 49433

EXHIBIT "A" NORTHEAST DETENTION FACILITY
LOT 1, Y.M.C.A. ADDITION
WICHITA FALLS, WICHITA COUNTY, TEXAS
CONELETT, PROBST & BOYD, P.L.L.C.

MAY, 2018

EXHIBIT "A" NORTHEAST DETENTION FACILITY
LOT 1, Y.M.C.A. ADDITION
WICHITA FALLS, WICHITA COUNTY, TEXAS
CORLETT, PROBST & BOYD, P.L.L.C.

ENGINEERS & SURVEYORS
4605 Old Jacksboro Highway
PHI.(940)723-1453, FAX (940)397-0549
Wichita Falls, Texas, 76302

PHI.(944)397-0549
EXHIBIT "B"

NORTHEAST DETENTION FACILITY—FIELD NOTES

A TRACT OF LAND COMMONLY KNOWN AS THE NORTHEAST STORM WATER DETENTION FACILITY FOR LOT 1, Y.M.C.A. ADDITION, AN ADDITION TO THE CITY OF WICHITA FALLS, AS RECORDED IN VOLUME 24, PAGES 341–342, WICHITA COUNTY PLAT RECORDS, TEXAS. THE BOUNDARY OF THE DETENTION FACILITY IS MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

Commencing at an iron rod found for the Northeast corner of said Lot 1;

THENCE S 00° 07' 43" W with the East line of said Lot 1, a distance of 40.00 feet to the intersection of said East line with the South line of a dedicated 40 foot drainage easement;

THENCE N 89° 55' 00" W with the South line of said 40 foot drainage easement, a distance of 10.00 feet to the PLACE OF BEGINNING of this boundary;

THENCE S 00° 05' 00" W a distance of 174.00 feet to a point for the Southeast corner of this boundary;

THENCE N 89° 55' 00" W a distance of 58.00 feet to a point for the most Southerly Southwest corner of this boundary;

THENCE N 00° 05' 00" E a distance of 99.00 feet to an ell corner of this boundary;

THENCE N 89° 55' 00" W a distance of 122.00 feet to a point for the most Westerly Southwest corner of this boundary;

THENCE N 00° 05' 00" E a distance of 75.00 feet to a point on the South line of said 40 foot drainage easement, for the Northwest corner of this boundary;

THENCE S 89° 55' 00" E with the South line of said 40 foot drainage easement, a distance of 180.00 feet to the Place of Beginning and containing 0.442 acre of land.

MAY, 2018

EXHIBIT "B" NORTHEAST DETENTION FACILITY
LOT 1, Y.M.C.A. ADDITION
WICHITA FALLS, WICHITA COUNTY, TEXAS

CORLETT, PROBST & BOYD, P.L.L.C.
1800 E 8th Street, Suite 100
Wichita Falls, Texas 76301

806/793-8300 \ Fax 806/793-8304

ENGINEERS & SURVEYSORS

4605 Old Jacksboro Highway
Wichita Falls, Texas 76302
WHEREAS, Shayla Owens was appointed by Texas Governor Greg Abbott to serve as MSU Student Regent, the highest position to which a student can be appointed while enrolled in Texas public higher education, and

WHEREAS, Ms. Owens served in this position with distinction from June 1, 2017, until June 4, 2018, and

WHEREAS, she represented the students of Midwestern State University admirably, worked diligently to increase student involvement on campus, expanded the awareness of the Student Regent on campus, and provided input regarding decisions affecting the future of the university,

NOW, THEREFORE, BE IT RESOLVED that the members of the Board of Regents and President of Midwestern State University hereby express their most sincere appreciation to Shayla Owens for her dedicated service, and

BE IT FURTHER RESOLVED that this Resolution be made a part of the permanent minutes of this Board and that a copy be presented to Ms. Owens as a token of the university’s gratitude and appreciation.

R. Caven Crosnoe, Chairman

Nancy Marks, Secretary

Tiffany Burks, Executive Committee
Member-At-Large

Warren T. Ayres

F. Lynwood Givens

Jeff Gregg

Shawn Hessing

Shelley S. Sweatt

Leia De La Garza, Student Regent

Suzanne Shipley, President
Academic and Student Affairs Committee

Faculty Report
18-133. Dr. David Carlston, Faculty Senate Chairman, will report on behalf of the MSU Faculty Senate.

Staff Report
18-134. Ms. Dottie Westbrook, Staff Senate Chair, will provide information on behalf of the MSU Staff Senate.

Student Government Report
18-135. MSU Student Government Association (SGA) President Ellie Gunderson will provide an update on Student Government.

Athletics Report
18-136. The MSU Athletics Report is presented in the Board Book and Mr. Kyle Williams, Director of Athletics, will be available to answer questions related to MSU Athletics.

Enrollment Reports – Summer 2018
18-137. Information regarding enrollment for the summer 2018 semesters will be presented at the Board Meeting.

August 2018 Graduating Class
18-138. The administration will recommend approval of the list of candidates for August 2018 graduation shown in the Board Book, with the provision that they meet all requirements as prescribed by the faculty and administration.

Code of Student Conduct Sexual Misconduct Procedures
18-139. In response to the Title IX audit completed by D. Stafford and Associates this past year, changes to the 2018-2019 Code of Student Conduct Sexual Misconduct Procedures will be recommended for approval as presented in the Board Book. These changes are specific to investigation and resolution procedures of issues involving sexual misconduct.
MSU Athletics
Board of Regents Meeting
August 2018

- MSU Athletics placed 72 student-athletes & athletic trainers on the Lone Star Conference Commissioner’s Honor Roll for the spring 2018 semester including 21 Mustangs boasting a perfect 4.0 GPA. To be eligible for the LSC Honor Roll, students must attain a 3.30 GPA.

  - Cross Country/Track boasted a 59% or 10 out of 17 members; men’s golf had a 55% or 5 out of 9 receiving honors. Softball also achieved an impressive showing of 50% with 9 out of 18 student-athletes on the list.

  - Rounding out the list was Football with 11, Women’s Soccer with 8, Women’s Basketball had 6, Volleyball with 4, Men’s Soccer with 4, Women’s Tennis had 3 and Athletic Training had 7.

- LSC Scholar-Athletes for the 2017-2018 class were Women’s Basketball player Kristen Rydell with a 3.75 GPA in Nursing and Islam Sbeih, a member of the Football team, had a 3.42 GPA in Criminal Justice.

- MSU Men’s Tennis had a great year as the Mustangs made it to the Elite 8 or Quarterfinals of the NCAA National tournament. Vasude Vigayaraman received All American Honors, while Dillon Pineda received the Arthur Ashe Leadership & Sportsmanship Award for the South Central Region. Head Coach Scott Linn received the Wilson Coach of the Year honors.

- MSU Women’s Tennis also had a monumental year as the Mustangs made it to the Round of 16 at the National Tournament. The women ended up #11 nationally which matches the program’s best record in any year. Junior Maddie Coffman and sophomore Ashley Ramirez became the program’s first All Americans. Both women will return in 2018-2019. Scott Linn also was chosen LSC Coach of the Year.

- Men’s golf won their second LSC Championship in program history and later placed 10th in the NCAA South Central Regionals in Amarillo.

- Women’s golf placed third in the LSC Championships which qualified them to go to Regionals in Houston. Freshman Emily Brennan placed 6th at Regionals qualifying her for the NCAA in Durango, CO. Emily placed 34th in Division II and was tabbed Women’s Division II Freshman of the Year.

- MSU Volleyball welcomes a new head coach, Valerie Armstrong. Coach Armstrong has North Texas and Southern Oklahoma ties and has recently been the Assistant at Division I Binghamton University in New York.

- MSU Women’s Soccer also welcomes a new head coach, Ryan Spence. Coach Spence is a three-time All American while playing for Coach Doug Elder. He comes to MSU after one year at Eastern New Mexico and one year at Texas A&M International.
Candidates for Degrees
August 9, 2018

DILLARD COLLEGE OF BUSINESS ADMINISTRATION

Master of Business Administration

Amanda Catherine Clawson  Chase Tanner Henderson
Stefanie Conrad  Kevan Michael Jowers

GORDON T. AND ELLEN WEST
COLLEGE OF EDUCATION

Master of Arts

Tara-Misha Elizabeth Dick  Tiffany Lyntal Liburd

Master of Education

Ronald Willie Barrett  Brittany Ann Lankford
Margaret Lee Gill  Joshua Isaiah Mujica
Raul Avila Herrera  Joshua Michael Petersen
Katiya Shanice Jackson  Steven William Scholl

ROBERT D. AND CAROL GUNN
COLLEGE OF HEALTH SCIENCES
AND HUMAN SERVICES

Master of Arts in Criminal Justice

Sarah Michele Bayley  James Wilborn Tannahill
Paula Brooke Bonfy  Michael T. Webb
James Edward Mason III

Master of Science in Exercise Physiology

Cody Wayne Ballard  Kristin Michelle Russell
Robert S. Hillard  Hope Elizabeth Siffert

Master of Science in Nursing

Gustavo A. Aleman Jr.  David Michael Mahler
Angela Kristine Ama  Trenton Craig McBroom
Kailee Ann Anderson  Ashley Brynn Mills
Erica M. Avila  Katherine Roya Moore
Frances Elizabeth Barber  Cristina Marie Newsom
Julie Black Borchardt  Uyen Vu Nguyen
Thernessia LaShon Bowe  Stephanie Zeiders Oliver
Sherrie Renea Burton  Terri Baize Peerenboom
Lizabeth Ann Carder  Tawnya Dawn Peery
Shelby L. Cochran  Brooke Thompson Peyton
Julie Joy Dahl  Amy Jo Renfro
Diane Sheriie Eakins  Aprill Renea Ridgeway
Pamela Rene Evans  Vilma Lorena Robles
Lauren Marie Fairbanks  Yvette Cisneros Rodriguez
Vicki Rae Froelich-Voss  Morgan Ashley Shafer
Justin David Gellner  Lindsey Rebecca Shelley
Sefelisha Marie Harmon  Tory Magdalene Simpson
Jessica Lynn Laskoskie  Brittany Renee Smith
Kelly Don Whaley
Brittanye Kayleen Whitaker
Angela M. Williams
Shelby Nicole Wilmes

Master of Science in Radiologic Sciences

Amy Scipper Allen
Hali Jo Gjermundson
Manish Kumar Sharma

PROTHRO-YEAGER COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

Master of Arts

Layla Michelle Englade
Haley Kay Tate

MCCOY COLLEGE OF SCIENCE, MATHEMATICS AND ENGINEERING

Master of Science

Christopher Alan Baugh
Revathi Chikoti
Candace Verlon Hughes
Anusha Mongolu
Vaisali Vardhani Namburi
Vahini Nareddy
Vuha Sri Potharlanka
Swati Singh
Sindhu Thandra

DILLARD COLLEGE OF BUSINESS ADMINISTRATION

Bachelor of Business Administration

Mackenzie Paige Burrus
Christy Michelle Carruth
Weiwei Chen
Kelli Dawn Cousins
Ziwei Deng
Sebastian Esquivel
Wei Guo
Summer Jill Hilbers
Garrett Franklin Hobbs
Benjamin Sterling Hoover
Yuxuan Lin
Morgan Elise Lord
Reed Martin McClanahan
Cassie D’Ann Parker
Ashley Taylor Robinson
Emily Kristen Shackelford
Akeem Daniel Latimer Shaw
Brendan Joseph Shults
Brooke Morgan Skinner
Robert Thomas Smith
James R. Spikes
Charles Thomas Talley
Dallas Michael Theisen
Yenifer Valenzuela
Jacob Richard Samuel Warren
Jeffrey Ethan White
Chappell Navardo Whyns Jr.
Heather Lynn Witt
Jerryl Darius Yarbrough

GORDON T. AND ELLEN WEST COLLEGE OF EDUCATION

Bachelor of Applied Arts and Sciences

Heidi Lynn Allen
Clair H. Barnes
Madchen Danielle Bishop
Kaiameka Brown
Alexis Diane Conner
Cody James Crawford
Tatum Alaine Crawford
Sheila Victoria Crissman
Rodrick De Wayne Feggins
Julia Cristina Frayer
Amanda Rae Ginther
Joshua Dwayne Gray
Amy Lynn Lee Hamlin
Kalyyn Michelle Jackson
Donald Cameron Moore
Heidi Shirlene Mumm
Robin Chree Pean
Rozina Dia Marie Pittman
Brian Kent Powell
Michelle Marie Ryan
Jennifer Marie Scales
Richard Dunlap Spears
Sabrina Leanne Starns

Wesley Eric Talley
Yesenia Zavala

Bachelor of Arts

Nicole Kristine Smallwood

Bachelor of Science

Ryan Vernell Hyman
John Robert Rowell

LAMAR D. FAIN COLLEGE OF FINE ARTS

Bachelor of Fine Arts

Kelsey Lynn Tidwell

ROBERT D. AND CAROL GUNN
COLLEGE OF HEALTH SCIENCES
AND HUMAN SERVICES

Bachelor of Science in Athletic Training

Ashley Lizabeth Chipman

Bachelor of Science in Criminal Justice

Jonathan D. Badder
Drew David Dutton
Danielle Nicole Grubisic
Donald Edward Hauser
William Joseph Hight

Statron T. Jones
Amanda Leigh Lindsay
Maggie Ann Moran
Mason Zachery Rhoades

Bachelor of Science in Exercise Physiology

BrìAnna L. De La Fuente
Alec Stephen DiValerio

Yuta Stephen Fleming
McKenzie Nikol Shawn

Bachelor of Science in Nursing

Adeline Annie Oyingwa Anyambod
Amoldeep S. Bagri
Amberly Rene Barrington
Jannie Renee Bartley
Dylan James Beaard
Eva LaShawnda Call
Raynee A. Cantrell
McKenzie Kay Corder
Alishia Denise Crownover
Angela Sue Faubion
Erin Shannon Hamm
Thomas Dewe Hilliard
Tracey Faye Hofsiss
Meagan Renee Hoover
Cari Jane Howard
Justice Cristina Lee

Kathy Lim
Trena Louise McGinn
Alyssa Nicole Melchiori
Brenda Ann Berube Miner
Haley Brooke Neal
Whitney Erin Shrader
Sharon Lynne Simmons
Amber Faye Smith
Sheldyn Jo Stark
Jasmine Thomas
Angela Rene Turpin
Jessica Ann Vold
Emily Jane West
Mandi Winner
Danielle Nicole Wolf

Bachelor of Science in Radiologic Sciences
Senay Belay Alemayehu
David Joseph Arthur
Christopher John Cardona
Lacey Briann Dameron
Tiffany Michelle DeBerry
Joanna Tariye Emberru
Lyndsey R. Epplin
Savannah Feland
Evelyn Emma Hairston
Ricky Harden
Courtney Lynn Irvin
Jessica Jay James
Korey Robert Kintz
Selby Sam Kuruvilla
Elisha N. Logsdon
Audrey Ann Myers
Sharon Michelle Pastor
Celeste A. Santos
Branda Dawn Schones
Travis Michael Scott
Kelly Staub
Takice Nadia Stewart
Mohamed Lamin Swarray
Lisa Michelle Swenson
Joshua William Thompson
Felix Ukudemu
Meghan Suzanne Weisinger
Katerina Yegorova

Bachelor of Science in Respiratory Care

Younes Rateb Abdelhamid
Shannay Christi Alfred-Iyamu
Leslie C Beasley
Talia Lashay Brownridge
Heather Elizabeth Cummings
Sonya Lynn Fox
Ashley Fuqua
Julie Ann Green
Teresa M. Hedrick
Ikuru Amy Kovarnik
Lacrestha Whitney Moyer
Taylor Andrew Murphy
Elizabeth Anne Prybys
Jennifer Ruth Reinhard
Sharon Ann Ruhe
Nicholas Sylvester Wallace

Bachelor of Social Work

Lisa Mischelle Aguilar

PROTHRO-YEAGER COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

Bachelor of Arts

Kylie Elizabeth Austin
Kelli Dawn Cousins
Shaniece Leshay Dutch
Corey Bonnar French
German Garcilazo
Blake Koby Huffstutler
Evan Paul Panter
Kalli Danae Standish Root
Johnathon Taylor Schmegner
Dillon Chance Tranum

Bachelor of Science

Carrie Elizabeth Halbrooks
Elyssa Dorathea Henderson
Laura Michelle Panter

MCCOY COLLEGE OF SCIENCE, MATHEMATICS AND ENGINEERING

Bachelor of Science

Jordan Brady Bennett
Enrique Flores Sosa
Kurlon Sanelle George
Shadai John
James William Knightstep
Carol Nanyangwe
Andrew Zacharia Nash
Ashley H. Pendill
Shavoy M. Powell
Zaineb Javed Ramzan
Kameron Lee Shrum
Jordan Kenneth Susac
Daniel Lorenzo Tomei
Michael Richard Tull

Bachelor of Science in Mechanical Engineering

Ryan Douglas Fidlar
A. Investigation of Sexual Misconduct, Sexual Harassment and Other Forms of Discrimination

For complaints that fall under Title IX or the Sexual Misconduct Policy, the Title IX Intake Coordinator will take the following steps, if not already completed by the Coordinator or designee:

• In coordination with the Coordinator, initiate any necessary remedial actions or accommodations on behalf of the victim;
• Determine the identity and contact information of the reporting party, whether that person is the initiator of the complaint, the alleged victim, or a university proxy or representative;
• Conduct an immediate intake and preliminary investigation to identify a list of policies that may have been violated, review complainant rights and options, review the history of the parties, the context of the incident(s), any potential patterns and the nature of the complaint;
• If the victim is reluctant to pursue the complaint, determine whether the complaint should still be pursued and whether sufficient independent evidence could support the complaint without the participation of the victim;
• Notify the victim of whether the university intends to pursue the complaint regardless of their involvement, and inform the victim of their rights in the process and option to become involved if they so choose;
• If indicated by the preliminary investigation, the Coordinator, in consult with Director of Student Conduct, will appoint trained investigators to conduct a comprehensive investigation to determine if there is reasonable cause to charge the accused individual, and to determine what specific policy violations should be alleged as part of the complaint;
• If there is insufficient evidence through the preliminary investigation by the Title IX Coordinator or Intake Coordinator, or determined by the assigned investigators to support reasonable cause, the grievance will be closed with no further action;

The assigned investigators will:
• Commence a thorough, reliable and impartial investigation;
• Interview all relevant witnesses, obtain statements from each, and have each witness sign their statements to verify them;
• Obtain all documentary evidence and information available;
• Obtain all physical evidence available;
• Complete the investigation by analyzing all available evidence without unreasonable deviation from the intended timeline;
• Make a finding based on a preponderance of the evidence standard (whether a policy violation is more likely than not to have occurred);
• Prepare a final investigation report, including findings and recommendations.

The Coordinator, designee, or investigators will:
• Present the investigation findings to the accused individual, who may:
  • accept the findings;
  • accept the findings in part and reject them in part, or
  • reject all findings;
• Share the findings and update the reporting party on the status of the investigation and outcome.

B. Findings

Where the accused individual is found not responsible for the alleged violation(s), the investigation will be closed. The reporting party may request that the Title IX Coordinator re-open the investigation or convene a hearing. The decision to re-open an investigation or convene a hearing rests solely in the discretion of the Coordinator in cases such as this, and is granted only on the basis of extraordinary need due to one or more of the following considerations:

• To consider new information unavailable at the time of the investigation that could be outcome determinative;
• To assess whether a material deviation from procedures resulted in an unfair outcome of the investigation;
• To determine if a finding does not accord with the information discovered during the investigation; and/or
To assess whether bias on the part of investigators deprived the process of impartiality.

C. Accused Individual Accepts the Findings

Where the accused individual accepts the finding(s) that s/he violated university policy, the Coordinator, designee, or investigators will recommend appropriate sanctions/responsive actions for the violation that will act to end the discrimination, prevent its recurrence, and remedy its effects on the victim and the university community. If the accused individual accepts these sanctions/responsive actions, the process ends. The sanctions/responsive actions are implemented by the Director of Student Conduct.

If the accused individual accepts the findings but rejects the recommended sanctions/responsive actions, there will be an administrative hearing with the Director of Student Conduct or SCC on the sanction/responsive actions only. Administrative hearing procedures are detailed below in Section 8. The Coordinator, designee, or investigator will make timely notification in writing to the parties of the outcome, any sanctions/responsive actions, and the rationale for the outcome decision.

D. Accused Individual Rejects the Findings

Where the accused individual rejects a finding that s/he violated university policy, there will be an administrative or SCC hearing on the allegations. At an SCC hearing, the investigator(s) will present their findings to the SCC, the SCC will hear from the parties, and any called witnesses. The investigation findings will be considered by the hearing officer or SCC, but are not binding on the hearing officer or SCC, which renders an independent and objective finding. SCC findings will be provided to the Director of Student Conduct, who will make timely notification in writing to the parties of the outcome, any sanctions/responsive actions, and the rationale for the outcome decision.

E. Special Hearing Provisions for Sexual Misconduct/Discrimination Complaints

SCC hearings under this section will be conducted by a three member staff/administrative and faculty panel drawn from the SCC and/or Administrative Hearing Officer pool; there will be no student members on an SCC panel under this section.

For sexual misconduct complaints (and other complaints of a sensitive nature), whether the alleged victim is serving as the reporting party or as a witness, alternative testimony options are available, such as placing a privacy screen in the hearing room or allowing the alleged victim to testify from another room via live video or similar technology. While these options are intended to help make the alleged victim more comfortable, they are not intended to work to the disadvantage of the accused student/responding party.

The past sexual history or character of a party will not be admissible by the other parties in hearings unless such information is determined to be highly relevant by the SCC Chair or hearing officer. All such information sought to be admitted will be presumed irrelevant and any request to overcome this presumption by the parties must be included in the complaint/response to the charge(s) or a subsequent written request which must be received by the Director of Student Conduct before the hearing.

While previous conduct violations of the accused student/responding party are not generally admissible as information about the present violation, the Director of Student Conduct, Title IX Coordinator, or designee may supply previous complaint information to the SCC or hearing officer if the following criteria are met:

1) The accused student/responding party was subject to a previous credible allegation and/or previously found responsible for a policy violation or crime; and

2) The previous incident was similar to the present allegation; or

3) The information indicated a pattern of behavior by the accused student. The alleged victim in any complaint alleging sexual misconduct will be notified in writing of the outcome of a hearing and any sanctions assigned; have the right to a review if the appeal criteria is met; and be kept apprised of the status of the investigation.
Midwestern State University  
Code of Student Conduct  

Section 7: Conduct Procedures for Sexual Misconduct

All persons involved in the intake through the resolution of complaints are trained annually on the issues related to domestic violence, dating violence, sexual assault, and stalking and instructed on how to conduct effective investigations and administer a conduct process that protects the safety of victims, promotes accountability and respects the rights of all parties to a complaint. In proceedings under this policy, the standard of proof used to determine whether a violation of this policy has occurred is a preponderance of evidence, which means it is more likely than not the sexual misconduct or other form(s) of prohibited conduct occurred.

The University reserves the right to act as the complainant and bring reports forward against a student consistent with the jurisdiction detailed in the Code of Student Conduct.

PROCESS

Initial Assessment

- Upon receiving a report (either verbally or in writing), the Title IX Coordinator will conduct an initial assessment of the available information, the complainant’s immediate and ongoing safety and well-being; the incident or conduct at issue; any risk of harm to the parties, any other individuals, or the broader campus community; the existence of severe and persistent or pervasive conduct, including evidence of a pattern, use of a weapon or other predatory conduct; and the necessity for any interim measures or accommodations.

- The Title IX Coordinator (or designee) will provide the complainant with a Notice of Complainant’s Rights and Options and initiate remedial actions, interim measures or accommodations on behalf of the complainant, as necessary.

- The Title IX Coordinator will consider the interest of the complainant and the complainant’s expressed preference for manner of resolution or the initiation of an investigation to determine if disciplinary action is warranted.

- If the complainant is reluctant to pursue the complaint, the Title IX Coordinator will document the complaint’s reluctance and determine whether the complaint should still be pursued and whether sufficient independent evidence could support the complaint without the participation of the complainant. A reluctant complainant will be notified if a complaint is investigated without the complainant’s participation. If a reluctant complainant initially does not wish to pursue or participate in an investigation, the complainant may later change his/her mind and contact the Title IX Coordinator to request an investigation be initiated under the policy at the time of initial complaint.
• Upon initial assessment by the Title IX Coordinator, if the report and/or intake do not support a possible violation of policy, the report will be closed with no further action. The Title IX Coordinator (or designee) will notify the complainant when this occurs.

Mediation as an Option

• In consideration of the interest of the complainant and the complainant’s expressed preference for manner of resolution, a case may be addressed through mediation.

• Mediation may only be utilized for lower level cases that are neither criminally or civilly actionable and do not involve non-consensual sexual intercourse or non-consensual sexual contact.

• Mediation is a process where an impartial third party facilitates communication and negotiation between the parties to the complaint and promotes voluntary decision making. The goals include providing the opportunity for the complainant and respondent to define and clarify issues, understand different perspectives, identify interests, explore and assess possible solutions and reach mutually satisfactory agreements, when desired.

• If both parties explicitly agree to the outcome(s) of a mediation, the process ends. A written copy (e.g. email or mail) of the mediation outcome(s) will be provided by the mediator to the complainant, respondent and Title IX Coordinator.

• If the complainant and/or respondent do not fully agree to the outcome(s) of a mediation and there appears to be a possible violation of policy, the Title IX Coordinator will initiate an investigation to determine if disciplinary action is warranted

Informal Resolution by Respondent’s Acceptance of Responsibility

• At the onset or during the process of an investigation, it is possible a respondent may accept responsibility for a violation of University policy. Should this occur, the Title IX Coordinator will present the Deputy Title IX Coordinator for Students with the respondent’s acceptance of responsibility. Together, they will determine any appropriate sanction(s).

• The respondent’s acceptance of responsibility and any sanction(s) determined shall be simultaneously conveyed to the complainant and respondent in writing (e.g. email or mail). (Private information may also be disclosed to appropriate University personnel if deemed necessary by the Title IX Coordinator including, but not limited to, a Department Chair, Athletics, Housing, Registrar, Student Affairs, etc.)

Investigation

• If the report and/or intake appear upon initial assessment to be a possible violation of policy and is not otherwise resolved through mediation or informal resolution (above), the Title IX Coordinator (or designee) will assign the case for investigation to determine
if there is reasonable cause to charge the accused individual with a violation of University policy, and to determine what specific policy violation(s) should be alleged as part of the complaint. (Private information may also be disclosed to appropriate University personnel if deemed necessary by the Title IX Coordinator or designee including, but not limited to, a Deputy Title IX Coordinator, a Department Chair, Athletics, Student Affairs, etc.)

- The University will notify the complainant and respondent in writing (e.g. email or mail) when an investigation is opened.

- The University, through a trained investigator(s), will conduct an adequate, reliable and impartial investigation into the facts of the case and will interview the complainant, respondent, witnesses and/or others who may have relevant information, and collect any other evidence deemed relevant to the case including electronic or other records of communications between the parties or witnesses (via voice-mail, text message, email and social media sites), photographs or video (including those stored on computers and smartphones), medical records (subject to the consent of the applicable party) and any other relevant evidence or witnesses.

- Absent consent of the applicable party, medical and/or counseling records are privileged and confidential documents that will never be required to be disclosed during the investigation of a report under this policy. However, a party may choose to share medical and/or counseling records as part of an investigation.

- The sexual history of a complainant or respondent will never be used to prove character or reputation. Evidence related to the prior sexual history of either of the parties is generally not relevant to the determination of a policy violation and will be considered only in limited circumstances. For example, if the existence of consent is at issue, the sexual history between the parties may be relevant to help understand the manner and nature of communications between the parties and the context of the relationship, which may have bearing on whether consent was sought and given during the incident in question. However, even in the context of a relationship, consent to one sexual act does not, by itself, constitute consent to another sexual act, and consent on one occasion does not, by itself, constitute consent on a subsequent occasion. In addition, prior sexual history may be relevant to explain the presence of a physical injury or to help resolve another question raised by the report. The investigator(s) will determine the relevance of such information.

- Prior or subsequent conduct of a respondent may be considered in determining pattern, knowledge, intent, motive, or absence of mistake. For example, evidence of a pattern of sexual misconduct or other forms of prohibited conduct by a respondent may be deemed relevant to the determination of responsibility for the sexual misconduct or other forms of prohibited conduct under investigation. The determination of relevance of pattern evidence will be based on an assessment of whether the previous or subsequent conduct
was substantially like the conduct under investigation or indicates a pattern of similar misconduct. The investigator(s) will determine the relevance of such information.

- The University will provide the complainant and respondent timely and equal access to information that will be used during any informal and formal investigation process.

- The University will provide the complainant and respondent equal opportunity to participate in an investigation process and present evidence and/or witnesses.

- No party (i.e. the complainant and respondent) will be given the opportunity to cross-examine or to directly question the other party. A complainant or respondent may submit written questions to the Title IX Coordinator for consideration in an investigation. Upon review, those questions deemed appropriate will be forwarded to the assigned Title IX Investigator(s) for inclusion in the investigation.

- At the initial conclusion of the investigation, the investigator(s) will deliver a report to the Title IX Coordinator, including a recommendation as to whether, using the preponderance of the evidence standard, sexual misconduct or other forms of prohibited conduct occurred.

- The Title IX Coordinator will review the investigator’s report and, if necessary, direct the investigator(s) to conduct further investigation.

- At the conclusion of the investigation, the Title IX Coordinator will provide written notification to both parties that the investigation is complete and a summary of the fact-finding information related to the case.

- The complainant and respondent may offer any additional comment or evidence to the Title IX Coordinator at this time. The complainant and respondent will have at least three business days from when the notification the investigation is complete was sent in order to provide additional comment or evidence to the Title IX Coordinator.

Findings

- Upon receipt of the investigation report and any additional information from the complainant and/or respondent, or no comments, the Title IX Coordinator will review the investigation report and all related documents and additional comments from the parties and make a determination using the preponderance of the evidence of whether or not the respondent is responsible for a violation of University policy. This review and determination of responsibility by the Title IX Coordinator is not open to the public and neither the complainant, respondent nor witnesses are permitted to be present.

- If a respondent is found responsible for a violation of University policy, the Title IX Coordinator will present the Deputy Title IX Coordinator for Students with the determination. Together, they will determine any appropriate sanction(s).
• The Title IX Coordinator, together with the Deputy Title IX Coordinator for Students, will communicate decisions regarding responsibility and any sanction(s) to students.

• The outcome of the investigation, the rationale for the findings, and any sanction(s) determined shall be simultaneously conveyed to the complainant and respondent in writing (e.g. email or mail). (Private information may also be disclosed to appropriate University personnel if deemed necessary by the Title IX Coordinator including, but not limited to, a Department Chair, Athletics, Housing, Registrar, Student Affairs, etc.)

**Appeals**

• The complainant and the respondent have the right to appeal determinations regarding responsibility and/or sanctions to the Vice President for Student Affairs. Appeals must be submitted in writing to the Vice President for Student Affairs within five (5) business days from when the notice of outcome was sent. Appellate opportunity is equitable, that is both parties have the right to appeal. Appeals are considered only on the basis of extraordinary need or circumstance due to one or more of the following considerations:

  1. The discovery of new information/evidence that was unavailable at the time of the investigation and could substantially change the outcome of the investigation (evidence that was not discovered during the investigation, rather than evidence that was not shared and the party now wants shared).
  2. Procedural error that resulted in an unfair outcome of the investigation.
  3. Bias on the part of investigator(s) or Title IX Coordinator, which deprived the process of impartiality.
  4. Sanction(s) inconsistent with the finding(s).

• The written appeal must contain the specific consideration(s) which form the basis of the appeal and include any supporting information and/or evidence deemed relevant by the appealing party.

• When an appeal is received, the Vice President for Student Affairs will inform the Title IX Coordinator. The Title IX Coordinator will notify the complainant and respondent in writing (e.g. email or mail) that an appeal was received.

• The decision to modify determinations regarding responsibility and/or sanctions rests solely with the Vice President for Student Affairs. As part of the decision-making process for an appeal, the Vice President may utilize the services of external investigators and/or consultants, or other methods deemed appropriate to ensure a fair, reliable, and impartial decision. (Private information may be disclosed to appropriate personnel as deemed necessary by the Vice President for Student Affairs.)

• The outcome of the appeal shall be simultaneously conveyed to the complainant and respondent in writing (e.g. email or mail) by the Vice President for Student Affairs, or their designee.
ADVISORS

A complainant and respondent each have the right to be advised by one advisor of their choice, at their own expense, at any stage of the process and to be accompanied by that advisor at any meeting or hearing in which the complainant or the respondent is required to be present.

An advisor may only consult and advise his or her advisee. An advisor may not speak for the advisee at any meeting nor may the advisor direct questions to any investigator, party, or witness in the process. Should the advisor become disruptive during any meeting, the Coordinator or investigator may ask the advisor to leave.

No advisor will be given the opportunity to cross-examine or to directly question the other party to a complaint. The advisor, on behalf of the complainant or respondent, may submit written questions to the Title IX Coordinator for consideration in the investigation. Upon review, those questions deemed appropriate will be forwarded to the Title IX Investigator for inclusion in the investigation.

An advisor can be anyone of the party’s choosing and the University will not limit or restrict who that person can be. An attorney can fill this role of advisor; however, the sexual misconduct investigation process is not comparable to a criminal or civil court proceeding, and therefore, the role of an attorney as an advisor is different in the University’s process than it is in a court of law. The University’s process is strictly administrative in nature and is not a legal proceeding. An attorney advisor may lend support to the party in preparing their case and attend meetings. An attorney advisor may attend all meetings in which their party is present. An attorney advisor may advise and assist their party throughout the process of providing evidence to the investigators.

The complainant and respondent are the University’s primary points of contact for communication during the investigation and resolution of sexual misconduct complaints; in a legal proceeding, communications often occur only between attorneys and without a client’s participation. The University’s communication during a sexual misconduct investigation process is focused on, and directed to, the complaint and respondent, regardless of legal representation.

MSU will not unnecessarily delay a meeting due to the availability of an advisor.

TIMELINE

The investigation, resolution, and any appeal under this policy will be conducted in a thorough and timely manner designed to provide all parties with resolution. A typical investigation will not exceed 60 days, although this timeframe may be extended if additional time is necessary to ensure the integrity and completeness of the investigation, to comply with a request by external law enforcement for delay to gather evidence for a criminal investigation, to accommodate the availability of witnesses and/or investigators, to account for complexities of a case, including the number of witnesses, volume of information provided by the parties, timeliness of communication between the parties/witnesses and investigators, or for other legitimate reasons. The Title IX Coordinator will notify the parties in writing of timeframe extensions and their
reason(s). The complainant and respondent will be notified throughout the process by the Title IX Coordinator (or designee) in regards to major timeframes of the process, which include the start of an investigation and alleged policy violation, any delay in the investigation, the conclusion of an investigation and summary of fact-finding information, the outcome of an investigation with any determination of responsibility and assigned sanctions, and the outcome of any related appeals.

COORDINATION WITH LAW ENFORCEMENT

The Title IX Coordinator (or designee) will contact any law enforcement agency that is conducting its own investigation into the same report/complaint to inform that agency that a University investigation is also in progress; to ascertain the status of the criminal investigation; and to determine the extent to which any evidence collected by law enforcement may be available to the University in its investigation. At the request of law enforcement, the Coordinator may delay the University investigation temporarily while an external law enforcement agency is gathering evidence. The Coordinator will advise the resuming of the University investigation when notified that law enforcement has completed the evidence-gathering stage of its criminal investigation.

OBLIGATION TO PROVIDE TRUTHFUL INFORMATION

Submitting or providing false or misleading information in bad faith or with a view to personal gain or intentional harm to another in connection with an incident of sexual misconduct or other forms of prohibited conduct is prohibited and subject to disciplinary action under University policies. This provision does not apply to reports made or information provided in good faith, even if the facts alleged in the report are not later substantiated.

SANCTIONS

Sexual misconduct is a serious offense and such violations are subject to any combination of conduct sanctions. Students found responsible for non-consensual sexual intercourse face a recommended sanction of university suspension or university expulsion. Refer to the Code of Student Conduct, Section 8: Conduct Procedures, for a full list of conduct sanctions available at the University.

RECORDKEEPING

The University will retain all student records related to reports of sexual misconduct or other forms of prohibited conduct in the Office of Student Rights and Responsibilities for a period of seven years, regardless of case outcome. The University will destroy all case records after the applicable record retention period.
Finance Committee

Summaries of Financial Support
18-140. The following reports are presented in the Board Book and additional information will be provided regarding external financial support.

A. Comprehensive Campaign New Gifts and Commitments
B. Comprehensive Campaign Cash/Grants
C. FY 18 Monthly Comparison of New Gifts and Commitments
D. FY 18 Monthly Comparison of Cash/Grants
E. FY 18 Sources of Gifts
F. Legacy Society Report

Financial Reports
18-141. The administration will recommend the April, May, and June 2018 Financial Reports for acceptance. These reports were previously distributed to the Board and a summary report is shown in the Board Book.

Investment Report
18-142. The administration will recommend the third quarter FY 2018 investment report for acceptance. This report was previously distributed to the Board and a summary report is shown in the Board Book.

Investment Contract with Texas A&M University System (TAMUS)
18-143. Midwestern State University contracted with the TAMUS in August 2013 for the investment of the university’s cash and in November 2014 for the investment of the Redwine Endowment and any new MSU endowed funds. The administration will recommend approval of a new five-year contract with the TAMUS for the investment of the university’s cash and certain endowed funds. No changes are proposed in the new contract and a copy of the current contract is shown in the Board Book.

Investment Policy Review
18-144. Pursuant to Section 2256.005(e) of the Texas Government Code, or the Texas Public Funds Investment Act (PFIA), the Board of Regents is required to review the institution’s investment policy not less than annually. No changes are being proposed to either policy and the administration will recommend approval of Policy 4.182, Investment Policy – Operating Funds, and Policy 4.196, Investment Policy – Endowment Funds, as shown in the Board Book.

Approval of Brokers/Dealers, Investment Vehicles, and Asset Holding Accounts
18-145. The administration will recommend approval of the following list of brokers/dealers, investment vehicles, and asset holding accounts for fiscal year 2019. The proposed brokers/dealers have filed certifications acknowledging the university’s investment policy as required.

Brokers/Dealers
- JP Morgan Securities
- First Southwest Companies
Other Investment Vehicles/Overnight Cash Pools
The Texas A&M University System
LOGIC, Dallas
Texpool, Austin
Texas CLASS

Asset Holding Accounts
American National Bank
JP Morgan Chase
Wells Fargo
The Texas A&M University System
Bayerische Landesbank (BLB)

University Accounts/Signature Authorizations
18-146. The administration will recommend the following individuals be authorized to sign on University bank accounts, with two signatures required on all checks drawn from university accounts:

Dr. Suzanne Shipley, President
Dr. Marilyn Fowlé, Vice President for Administration and Finance
Mr. Chris Stovall, Controller
Ms. Valarie Maxwell, Director of Budget and Management
Ms. Linda Rose, Assistant Controller

The administration will further recommend continued authorization for the President, Vice President for Administration and Finance, and Controller or their designees to purchase and sell investment instruments in accordance with the Texas Public Funds Investment Act and the Board of Regents’ Investment Policies, and perform all other normal banking transactions. Investment transactions may be authorized by verbal orders but must also be approved in writing by the President or the Vice President for Administration and Finance.

The administration will finally recommend the Board continue to authorize the President, the Vice President for Administration and Finance, the Provost and Vice President for Academic Affairs, and the Director of Human Resources to sign appropriate personnel retirement documents.

FY 2017-2018 Items $50,000 & under approved per Board authorization
18-147. In accordance with Board policy, President Shipley authorized the following increases to the 2017-2018 budget of $50,000 and under. The administration will recommend ratification of these changes.

<table>
<thead>
<tr>
<th>From Account:</th>
<th>To Account:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Title</td>
</tr>
<tr>
<td>26000-24005</td>
<td>Student Service Fees Reserves</td>
</tr>
<tr>
<td>Position</td>
<td>Action</td>
</tr>
<tr>
<td>----------</td>
<td>--------</td>
</tr>
<tr>
<td>22 Staff Positions</td>
<td>Filled positions above and below budget</td>
</tr>
<tr>
<td>Central Plant Operator I</td>
<td>Title changed to Central Plant Operator II and salary increased</td>
</tr>
<tr>
<td>Learning Management Systems Technician-Extended Education</td>
<td>Title changed to Coordinator, Distance Education</td>
</tr>
<tr>
<td>Counselor Psychologist-Counseling Center</td>
<td>Position changed from 10 months to 12 months and salary increased</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Tuition and Fee Charges for Distance and Online Programs.**
18-149. The Board previously authorized the administration to negotiate corporate contracts for academic degree programs that may result in per-student charges being different from the university’s regular tuition and fee schedule. As program offerings in the Dallas/Ft. Worth Metroplex market continue to expand, the administration has explored competitive pricing structures that are not a part of negotiated corporate contracts. The modified pricing structures would be intended to attract additional groups of students and to be competitive in the marketplace. The administration will request authorization to modify pricing structures for distance and online programs to include the waiving of fees when deemed necessary. The administration will report to the Board of Regents when corporate contracts or modified pricing structures are utilized.

**Operating Budget for Fiscal Year 2019**
18-150. The operating budget for Fiscal Year 2019, which was previously distributed to the Board of Regents, will be recommended for approval. Detailed budget information and highlights are included in the Board Book.
## Comprehensive Campaign Comparison of New Gifts and Commitments

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>FY17</th>
<th>FY18 9/1/2017 - 6/30/2018</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bequest Intentions</td>
<td>$</td>
<td>$1,879,164</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $1,879,164</td>
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<tr>
<td>Pledges</td>
<td>$4,893,063</td>
<td>$15,734,609</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $20,627,672</td>
</tr>
<tr>
<td>Realized Bequests</td>
<td>$6,030</td>
<td>$556,694</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $562,724</td>
</tr>
<tr>
<td>Gifts-In-Kind</td>
<td>$222,338</td>
<td>$11,487,502</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $11,709,840</td>
</tr>
<tr>
<td>Outright Gifts</td>
<td>$1,671,241</td>
<td>$2,459,027</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $4,130,268</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$6,792,672</td>
<td>$32,116,996</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $38,909,668</td>
</tr>
</tbody>
</table>

### NG&C Bar - by Gift Type

![Graph showing NG&C bar by gift type](image-url)

Source: Office of University Development, Midwestern State University

Prepared: 7/3/2018
Comprehensive Campaign Comparison of Cash/Grants

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>FY17</th>
<th>9/1/2017 - 6/30/2018</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Payments</td>
<td>$2,836,367</td>
<td>$2,456,610</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$5,292,977</td>
</tr>
<tr>
<td>Realized Bequests</td>
<td>$6,030</td>
<td>$556,694</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$562,724</td>
</tr>
<tr>
<td>Gifts-In-Kind</td>
<td>$222,338</td>
<td>$11,487,502</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$11,709,840</td>
</tr>
<tr>
<td>Outright Gifts</td>
<td>$1,665,211</td>
<td>$2,459,027</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$4,124,238</td>
</tr>
<tr>
<td>Yearly Total</td>
<td>$4,729,945</td>
<td>$16,959,833</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$21,689,779</td>
</tr>
</tbody>
</table>

Cash Bar - by Gift Type

Source: Office of University Development, Midwestern State University

Prepared: 7/3/2018
## FY18 Monthly Comparison of New Gifts and Commitments

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bequest Intentions</td>
<td>$570,163</td>
<td>$673,201</td>
<td>$65,800</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>$570,000</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Pledges</td>
<td>$86,746</td>
<td>$59,670</td>
<td>$21,218</td>
<td>$8,538,800</td>
<td>$112,419</td>
<td>$5,022,372</td>
<td>$352,285</td>
<td>$26,535</td>
<td>$1,513,864</td>
<td>$700</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Realized Bequests</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>$267,827</td>
<td>$288,866</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Gifts-In-Kind</td>
<td>$2,317,200</td>
<td>$1,927</td>
<td>$6,935</td>
<td>- $</td>
<td>- $</td>
<td>$9,153,660</td>
<td>$1,802</td>
<td>$3,945</td>
<td>$582</td>
<td>$751</td>
<td>$700</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Outright Gifts</td>
<td>$211,567</td>
<td>$302,702</td>
<td>$168,454</td>
<td>$587,562</td>
<td>$245,140</td>
<td>$209,059</td>
<td>$128,576</td>
<td>$68,118</td>
<td>$400,899</td>
<td>$136,950</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>Grand Total</td>
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<td>$1,037,500</td>
<td>$262,406</td>
<td>$9,126,362</td>
<td>$9,779,046</td>
<td>$5,522,100</td>
<td>$484,806</td>
<td>$665,235</td>
<td>$1,915,515</td>
<td>$138,350</td>
<td>- $</td>
<td>- $</td>
<td>- $32,116,996</td>
</tr>
</tbody>
</table>

### NG&C Bar - by Gift Type

- **Bequest Intentions**
- **Pledges**
- **Realized Bequests**
- **Gifts-In-Kind**
- **Outright Gifts**

### Progress toward Goal of $7,000,000

**FY18**

Source: Office of University Development, Midwestern State University

Prepared: 7/3/2018
## FY18 Monthly Comparison of Cash/Grants

<table>
<thead>
<tr>
<th>Gift Type</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Payments</td>
<td>$99,134</td>
<td>$19,114</td>
<td>$34,135</td>
<td>$521,831</td>
<td>$182,853</td>
<td>$133,303</td>
<td>$6,290</td>
<td>$108,315</td>
<td>$88,181</td>
<td>$1,263,453</td>
<td>-</td>
<td>-</td>
<td>$2,456,610</td>
</tr>
<tr>
<td>Realized Bequests</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$556,694</td>
</tr>
<tr>
<td>Gifts-In-Kind</td>
<td>$2,317,200</td>
<td>$1,927</td>
<td>$6,935</td>
<td>$9,153,660</td>
<td>$1,802</td>
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<td>$582</td>
<td>$751</td>
<td>$700</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$11,487,502</td>
</tr>
<tr>
<td>Outright Gifts</td>
<td>$211,567</td>
<td>$302,702</td>
<td>$168,454</td>
<td>$587,562</td>
<td>$245,140</td>
<td>$209,059</td>
<td>$128,576</td>
<td>$68,118</td>
<td>$400,899</td>
<td>$136,950</td>
<td>-</td>
<td>-</td>
<td>$2,459,027</td>
</tr>
<tr>
<td>FY18 Total</td>
<td>$2,627,902</td>
<td>$323,743</td>
<td>$209,524</td>
<td>$1,109,394</td>
<td>$9,849,480</td>
<td>$633,030</td>
<td>$138,811</td>
<td>$177,016</td>
<td>$489,831</td>
<td>$1,401,103</td>
<td>-</td>
<td>-</td>
<td>$16,959,833</td>
</tr>
</tbody>
</table>

| FY17 Total     | $348,887| $424,967| $394,297| $362,056| $294,323| $92,958| $221,671| $89,615| $509,063| $582,704| $98,200| $1,311,206| $4,729,945  |
| Difference     | $2,279,015| ($101,224)| ($184,773)| $747,338| $9,555,157| $540,072| ($82,860)| $87,401| ($19,232)| $818,399| ($98,200)|(1,311,206)| $12,229,888 |

### Cash Bar - by Gift Type

![Cash Bar Chart](chart.png)

**Outside Sources Scholarships through:** 6/30/2018  
$394,788.29

**Alumni Memberships through:** 6/30/2018  
$18,570.00

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Source: Office of University Development, Midwestern State University  
Prepared: 7/3/2018
Midwestern State University
Sources of Outright Gifts/Grants
FY18 (Sept 1, 2017 through June 30, 2018)

Alumni/Students $1,373,616.73 26%
  Alumni $1,269,180.58
  Students $104,436.15

Parents $8,525.11 0%

Friends $244,905.22 5%

Faculty/Staff $33,830.70 1%
  Active $17,073.70
  Retired $16,757.00

Corporations $939,579.54 18%
  Direct Gifts & Grants $911,379.54
  Matching Gifts $28,200.00

Foundations $2,640,597.17 50%

TOTAL $5,241,054.47 100%

*Does not include Gift-in-Kind of: $ 9,153,660.23

Source: Office of University Development, Midwestern State University
Prepared: 7/3/2018
Living Members
Anonymous (2)
Donna Adams
Ed Blankenship ('04)
Vikki Chaviers ('77, '99)
Max C. Folmar ('66)
John and Hitomo Greening ('64)
Darla Inglish ('86, '97)
Leigh Kidwell ('88)
Dr. Patricia Perryman ('84)
Bill ('84) and Gladys Sharp
Dr. Anthony E. “Tony” Stephens ('64)
Margaret Stevens ('49)
Janis James Steward ('83)
Brenda JoyceTerry
Dr. R. Steven Tipps (Former Faculty)
Betty R. Wagner
Linda Wilson ('79)
Dr. Patricia ('74) and Michael Wooten

<table>
<thead>
<tr>
<th>Number of Gifts Confirmed</th>
<th>16</th>
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<tbody>
<tr>
<td>Actual Amount Confirmed</td>
<td>3,234,162.00</td>
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<tr>
<td>Campaign Value Confirmed</td>
<td>1,879,669.00</td>
</tr>
</tbody>
</table>

Number of Gifts Documentation Pending 8

https://mwsu.edu/universityadvancement/planned-giving
Financial Report Summary

The quarterly report is through June 30, 2018. Schedule One highlights that total revenue for the institution was $103.6 million, up $6.5 million compared to the same period last year. Operating revenue made up of tuition and fees, grants, and auxiliary enterprises was up $3.2 million. Non-operating revenue including state appropriations was up $3.3 million. Expenses have increased from $106.3 million to $110.8 million, an increase of $4.5 million or 4.2%. The largest increases were in depreciation, $1.3 million, and scholarships, $864,000. Salaries, wages and other payroll related costs increased only $928,000, or 1.9%, because of a one-month hold on filling of any vacant positions.

Schedule Two shows that overall revenues and expenses are tracking positively to budget, with revenues at 107.9% and expenses at 76.7% to an expected 83.3% at the end of June. Schedule Three shows that the institution was short of meeting its tuition and fee revenue goals for the fall and spring with tuition and fees being $890,000 short of budget. Auxiliaries collected $629,000 in over realized revenue with a much stronger than expected performance in the students purchasing food plans. Tuition and fee shortfalls will be made up with a combination of reduced expenditures and areas which have experienced over-realized revenue.

Lastly, on Schedule Four, the ending balances of working capital funds show use of $3.2 million commitment in reserves due to carry forward budgeting with prudent use of reserves. All of the items on this report other than a few small revenue areas and transfers approved by the Board were included in the original FY18 budget.
The quarterly investment report is through May 31, 2018, as required by the Public Funds Investment Act.

The report shows that at the end of May the university held a total of $36.6 million in cash and cash investments. Of that, $4.7 million was in highly liquid cash investments, plus $3.9 million at the state treasury. The Texas A&M University System (TAMUS) held $27.7 million of the funds. TAMUS cash investments earned $81,248 of interest and dividends over the quarter and $2.9 million of unrealized gain since inception. The institution as of May 31, kept $4.7 million in Texpool/Logic/Class, all short-term over-night investment vehicles, which earned $50,386 over the quarter. The balance of the funds, $268,656 is held in securities purchased before the institution contracted with TAMUS and managed its own cash. This small amount of common stock, $71,000 in book value, is showing a $197,883 gain since being acquired. The university has yielded on the overall cash holdings anywhere from (2.84%) to 1.09% a month over the quarter.

The university also had anywhere from $55.1 to $49.9 million of bond proceeds on the tuition revenue bond projects invested during the quarter. At the end of May, these funds earned $130,398 for the quarter. The university’s endowed funds are held at both American National Bank (ANB) with $9.6 million and, as of March 1, 2015, at TAMUS with $12.9 million. The funds held by ANB had a realized gain of $74,860 in market value since last quarter and overall has appreciated market value of 15.1% since obtaining the funds. The university received $57,802 distribution from these funds for the quarter. The TAMUS Endowment Pool had a realized gain of $102,354 in market value for the quarter, and a market gain of 6.2% since inception. The university received $36,142 in distributions net of fees for the quarter.
THE TEXAS A&M UNIVERSITY SYSTEM (hereinafter to be referred to as the "A&M System") and MIDWESTERN STATE UNIVERSITY (hereinafter to be referred to as "MSU") desire to enter into an agreement for portfolio investment services.

Under the terms of this agreement and in accordance with Section 51.0031, Texas Education Code, the A&M System, through its Office of Treasury Services ("Treasury Services") will provide the following services to MSU related to investing in the A&M System's Cash Concentration Pool, established pursuant to A&M System Policy 22.02 System Investment:

1. **Investments and Transfers.** Funds transferred from MSU's banking institution to Treasury Services for investment in the Long-Term Cash Concentration Pool will be invested effective on the first day of the month and must be received on or before that date. Transfers from the Long-Term Cash Concentration Pool to MSU's banking institution will be effective on the first day of the month and will be completed as promptly as possible, but no later than the tenth working day. Treasury Services may utilize a Short-Term Cash Concentration Pool position to facilitate the movement of funds between Treasury Services and MSU.

2. **Transfer Notification.** MSU must notify Treasury Services of both incoming and outgoing transfers in advance by email to Treasury@tamus.edu in a format determined by Treasury Services. Such notification will be acknowledged by Treasury Services and will not be considered complete until Treasury Services acknowledges to MSU receipt of the notification to transfer funds. Notifications of incoming transfers (from MSU) must be made prior to 10:00 a.m. on the date of the transfer. Requests for outgoing transfers (to MSU) for operating needs must be made before the first day of the month. See the requirements in Section 3 for full liquidation of investments following termination of this agreement.

3. **Liquidation.** In the event this agreement is terminated by written notice in accordance with Section 9 below, cash will be transferred as described in Section 1 above based on the following liquidation schedule:

   30 Days from date of Notice: 33% of the assets
   60 Days from date of Notice: 50% of the remaining assets
   90 Days from date of Notice: 100% of the remaining assets

4. **System Policy Applies.** Investments in the Cash Concentration Pool will be made in accordance with System Policy 22.02 System Investment.
5. **Accounting for Investments.** The A&M System's Office of Budgets & Accounting will account for MSU's investment in the Cash Concentration Pool separately with a previously assigned pool position designator. Balances in the Short-Term Concentration Pool and Long-Term Concentration Pool will be accounted for separately with the same pool position designator.

6. **Income.** Income on the Cash Concentration Pool is calculated monthly and MSU's pro-rata share, based on average balances, will be posted to MSU's pool position on a monthly basis.

7. **Fees.** External investment management fees will be allocated to MSU's investments based on the average balance maintained. An administration fee will be paid to Treasury Services in the amount of fifteen basis points (0.15%) annually. The fee will be assessed in advance at the beginning of each fiscal quarter based on the market value as of the end of the previous fiscal quarter. The fee will be deducted from MSU's investment balance.

In the event this agreement is terminated, the administration fee will be pro-rated based on the withdrawal schedule.

8. **Investment Reporting.** Treasury Services will issue monthly activity reports for MSU's investment in the Cash Concentration Pool and quarterly performance reports for the Cash Concentration Pool.

9. **Dispute Resolution.** To the extent applicable, the dispute resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by the A&M System and MSU to attempt to resolve any claim for breach of contract made by MSU that cannot be resolved in the ordinary course of business. MSU shall submit written notice of a claim of breach of contract under this Chapter to Maria L. Robinson, Treasurer, who shall examine MSU's claim and any counterclaim and negotiate with MSU in an effort to resolve the claim.

10. **Term.** This agreement will be for the period of September 1, 2013 through August 31, 2018, and will be subject to renewal only with the consent of both parties. However, either party to this agreement can cancel this agreement without cause or penalty with ninety (90) days written notice delivered to the other party, subject to the liquidation provisions in Section 3. In the event of renewal, both parties agree to negotiate new terms and conditions at such time. Nothing contained in this agreement or any other representations made by any A&M System employee during the course of performance of this agreement shall constitute grounds for anticipation that any such renewal will be accomplished on similar terms or conditions.

11. **Risk Acknowledgement.** The A&M System does not guarantee the future performance of the Cash Concentration Pool or any particular level of performance, the success
of any investment or investment strategy, or the success of the A&M System’s overall management of the Cash Concentration Pool. Investment decisions related to the Cash Concentration Pool are subject to various market, currency, economic, political and business risks. MSU agrees that the A&M System will not be liable to MSU for (a) any loss that MSU may suffer by reason of any investment of the Cash Concentration Pool, or (b) any loss arising from the Treasury Services compliance with MSU’s instructions.

11. Notices. Except for notices under Section 2, any notice required or permitted under this agreement must be in writing, and shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, email or other commercially reasonable means and will be effective when actually received. The A&M System and MSU can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

A&M System: The Texas A&M University System
301 Tarrow, 5th Floor
College Station, Texas 77840-7896
Attention: Treasury Services
Telephone: (979) 458-6330
Fax: (979) 458-6247

MSU: Midwestern State University
3410 Taft Blvd.
Wichita Falls, Texas 76308-2099
Attention: President
Telephone: (940) 397-4211
Fax: (940) 397-4010

12. Governing Law. The validity of this agreement and all matters pertaining thereto, including but not limited to, matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas.

13. Entire Agreement: Modifications. This agreement supersedes all prior agreements, written or oral, between the parties and will constitute the entire agreement and understanding between the parties with respect to the subject matter hereof. This agreement and each of its provisions will be binding upon the parties and may not be waived, modified, amended, or altered except by a writing signed by both parties.
EXECUTED in duplicate originals this 24th day of September, 2013 by TREASURY SERVICES.

THE TEXAS A&M UNIVERSITY SYSTEM, an agency of the State of Texas

By: [Signature]
JOHN SHARP
Chancellor

EXECUTED in duplicate originals this 16th day of September, 2013, by MSU.

MIDWESTERN STATE UNIVERSITY, an agency of the State of Texas

By: [Signature]
Name: Shawn Hossing
Title: Chairman, Board of Regents
Amendment No. 1 To
Cash Concentration Pool
Services Agreement

This Amendment No. 1 (the "Amendment") dated as of 1st day of March, 2016 (the "Effective Date") is entered into by and between Midwestern State University, an agency of the State of Texas ("MSU"), and The Texas A&M University System, an agency of the State of Texas ("A&M System"). MSU and A&M System are sometimes referred to herein individually as a "Party" and collectively as "Parties."

RECITALS

WHEREAS, A&M System and MSU entered into the Cash Concentration Pool Services Agreement dated as of September 24, 2013 (the "Services Agreement"); and

WHEREAS, A&M System and MSU now desire to amend the Services Agreement as provided in this Amendment to reflect changes in the assessment of the administration fee.

NOW, THEREFORE, in consideration of the foregoing and the agreements and provisions set forth therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bind hereby, the Parties agree as follows:

1. Section 7 of the Services Agreement is hereby amended and restated in its entirety to read as follows:

"External investment management fees imposed under the terms of an agreement with such external investment manager will be allocated to MSU’s investments based on MSU’s share of ownership of the Cash Concentration Pool. In addition, MSU will pay Treasury Services an administration fee for its services in the amount of fifteen basis points (0.15%) annually. The fee will be assessed in arrears based on the market value of MSU’s investments as of the end of each fiscal quarter as determined by the A&M System’s investment custodian. The fee will be invoiced to MSU and deducted from MSU’s account."

2. Except as expressly set forth herein, the Services Agreement remains unchanged and in full force and effect.

3. This Amendment may not be amended except by a written agreement executed by the Parties.

4. This Amendment will be governed by the laws of the State of Texas without regard to conflicts of laws principles.
5. This Amendment may be executed and delivered by facsimile or other electronic transmission, in any number of counterparts, each of which will be deemed to be an original and all of which will constitute one agreement that is binding upon the Parties, notwithstanding that all Parties are not signatories to the same counterpart.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth above.

THE TEXAS A&M UNIVERSITY SYSTEM

By: ________________________________

MIDWESTERN STATE UNIVERSITY

By: ________________________________

Name: Marilyn Fatos

Title: Vice President for Adv. Affairs & Finance
The Texas A&M University System
System Endowment Fund
Services Agreement

THE TEXAS A&M UNIVERSITY SYSTEM (hereinafter to be referred to as the "A&M System") and MIDWESTERN STATE UNIVERSITY (hereinafter to be referred to as "MSU") desire to enter into an agreement for portfolio investment services.

Under the terms of this agreement and in accordance with Section 51.0031, Texas Education Code, the A&M System, through its Office of Treasury Services ("Treasury Services") will provide the following services to MSU related to investing in the System Endowment Fund, established pursuant to A&M System Policy 22.02 System Investment:

1. **Investments and Transfers.** Funds transferred from MSU’s banking institution to Treasury Services for investment in the System Endowment Fund will be invested effective on the first day of the fiscal quarter and must be received on or before that date. Deposits to the System Endowment Fund will purchase units in the fund at the current market value. Treasury Services may utilize a Short-Term Cash Concentration Pool position to facilitate the movement of funds between Treasury Services and MSU.

2. **Transfer Notification.** MSU must notify Treasury Services of incoming transfers in advance by email to Treasury@tamus.edu 5 (five) business days prior to the beginning of a fiscal quarter. Such notification will be acknowledged by Treasury Services and will not be considered complete until Treasury Services acknowledges to MSU receipt of the notification of the transfer of funds. (Notifications received by 10:00 a.m. will be acknowledged within two hours of receipt. Notifications received after 10 a.m. will be acknowledged within 24 hours of receipt.) See the requirements in Section 3 for full liquidation of investments following termination of this agreement.

3. **Liquidation.** Investment in the System Endowment Fund is not subject to withdrawal, except in the event this agreement is terminated by written notice in accordance with Section 9 below. Cash will be transferred to MSU based on the following liquidation schedule:

   - 90 Days from end of current quarter: 33% of the assets
   - End of second quarter after notice: 50% of the remaining assets
   - End of third quarter after notice: 100% of the remaining assets

4. **System Policy Applies.** Investments in the System Endowment Fund and the payout calculation will be made in accordance with System Policy 22.02 System Investment.

5. **Accounting for Investments.** The funds in the System Endowment Fund will be carried as one investment in the pool and investment reports will be sent quarterly to MSU by Treasury Services. Accounting information will be provided by the A&M System’s Office of Budgets & Accounting.

6. **Income.** Income on the System Endowment Fund is calculated quarterly and is based on the number of units owned at the beginning of each fiscal quarter. The current payout calculation is 5% of the 20-quarter average market value per unit. Income will be wired to MSU as soon as possible after the end of each fiscal quarter. Upon request, the income may be transferred to MSU’s long-term pool position in the Cash Concentration Pool. MSU may request that a portion of the income be added back to the endowment account balance.
7. **Fees.** External investment management fees will be assessed at the fund level. An administration fee will be paid to Treasury Services in the amount of fifteen basis points (0.15%) annually. The fee will be deducted from MSU’s quarterly payout. If additional accounting services are required, such as tracking individual endowment accounts, the fee will be increased by an amount to be negotiated.

8. **Dispute Resolution.** To the extent applicable, the dispute resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by the A&M System and MSU to attempt to resolve any claim for breach of contract made by MSU that cannot be resolved in the ordinary course of business. MSU shall submit written notice of a claim of breach of contract under this Chapter to Maria L. Robinson, Chief Investment Officer and Treasurer, who shall examine MSU’s claim and any counterclaim and negotiate with MSU in an effort to resolve the claim.

9. **Term.** This agreement will be for the period of March 1, 2015 through February 29, 2020, and will be subject to renewal only with the consent of both parties. However, either party to this agreement can cancel this agreement without cause or penalty with ninety (90) days written notice delivered to the other party, subject to the liquidation provisions in Section 3. In the event of renewal, both parties agree to negotiate new terms and conditions at such time. Nothing contained in this agreement or any other representations made by any A&M System employee during the course of performance of this agreement shall constitute grounds for anticipation that any such renewal will be accomplished on similar terms or conditions.

10. **Risk Acknowledgement.** The A&M System does not guarantee the future performance of the System Endowment Fund or any particular level of performance, the success of any investment or investment strategy, or the success of the A&M System’s overall management of the System Endowment Fund. Investment decisions related to the System Endowment Fund are subject to various market, currency, economic, political and business risks. MSU agrees that the A&M System will not be liable to MSU for (a) any loss that MSU may suffer by reason of any investment of the System Endowment Fund, or (b) any loss arising from the Treasury Services compliance with MSU’s instructions.

11. **Notices.** Except for notices under Section 2, any notice required or permitted under this agreement must be in writing, and shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, email or other commercially reasonable means and will be effective when actually received. The A&M System and MSU can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

A&M System: The Texas A&M University System
301 Tarrow, 5th Floor
College Station, Texas 77840-7896
Attention: Treasury Services
Telephone: (979) 458-6330
Fax: (979) 458-6247
12. **Governing Law.** The validity of this agreement and all matters pertaining thereto, including but not limited to, matters of performance, non-performance, breach, remedies, procedures, rights, duties, and interpretation or construction, shall be governed and determined by the Constitution and the laws of the State of Texas.

13. **Entire Agreement: Modifications.** This agreement supersedes all prior agreements, written or oral, between the parties and will constitute the entire agreement and understanding between the parties with respect to the subject matter hereof. This agreement and each of its provisions will be binding upon the parties and may not be waived, modified, amended, or altered except by a writing signed by both parties.

**EXECUTED in duplicate originals this 11th day of December, 2014 by** Treasury Services.

---

THE TEXAS A&M UNIVERSITY SYSTEM, an agency of the State of Texas

By: [Signature]

John Sharp
Chancellor

**EXECUTED in duplicate originals this 8th day of December, 2014, by MSU.**

---

MIDWESTERN STATE UNIVERSITY, an agency of the State of Texas

By: [Signature]

Name: Jesse W. Rogers
Title: President
Policy 4.182 Business Affairs & Finance
INVESTMENT POLICY – OPERATING FUNDS
Date Adopted/Most Recent Revision: 02/09/2018

A. Purpose

The purpose of this investment policy is to establish cash management and investment guidelines for the investment and protection of university operating funds in order to ensure that the university's investments are duly authorized, properly managed, and adequately protected. This policy will be reviewed annually by the Board of Regents. This policy is intended to:

1. Establish prudent investment procedures.
2. Assure that investment assets are adequately safeguarded.
3. Assure that adequate accounts and records are maintained which reflect investment position and results.
4. Assure that a system of good internal controls is maintained.

This policy provides investment guidelines for all operating funds invested by Midwestern State University to ensure compliance with university standards, the Public Funds Investment Act (TX Govt. Code 2256), Texas Education Code 51.0031, and all other state and federal laws.

B. Investment Objectives

1. Safety of Principal:
   Each investment transaction shall seek to reduce the likelihood of capital losses, whether from security defaults or erosion of market value.

2. Liquidity:
   The investment portfolio shall remain sufficiently flexible to enable the university to meet all operating requirements which may be reasonably anticipated in any funds.

3. Public Trust:
   In managing the investment portfolio, officials shall avoid any transaction that might impair public confidence in the university. Investments shall be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived. No security shall be purchased that has either a limited or nonexistent secondary market.

4. Rate of Return:
   The investment portfolio shall be designed with the purpose of regularly exceeding the average return of three month U.S. Treasury bills and the State of Texas Treasury yield.
The investment program shall seek returns above this threshold, consistent with the overall investment policy and other investment objectives.

C. **Investment Fund Administration**

1. **Investment Responsibility**
   
   Investment responsibilities are delegated by the Midwestern State University Board of Regents to the President and the Vice President for Administration and Finance. Each member of the Board shall attend at least one (1) training session relating to the person's responsibilities under the Public Funds Investment Act within six (6) months after taking office. The university's chief financial officer and controller shall attend at least one (1) training session relating to that person's responsibilities within six (6) months after assuming duties and shall attend a training session not less than once in a two (2) year period and prepare a report to the Board of Regents on such training. This training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act (TX Govt. Code 2256.007). The university’s chief financial officer shall also provide a report within six months of the end of each legislative session on any changes to the Public Funds Investment Act passed that session.

2. **Day-to-Day Supervision**
   
   The Controller shall be responsible for the daily supervision and implementation of the investment program and shall be authorized to purchase, sell, and invest university funds in accordance with the Public Funds Investment Act and Education Code 51.003 and this investment policy, with approval of the President or the Vice President for Administration and Finance.

3. **Record Keeping**
   
   Transaction and accounting records shall be complete and prepared on a timely basis with consideration at all times to the adequacy of an audit trail. Internal controls will assure responsible separation of duties and diminish the real and prospective burden on individual employees.

4. **Custody**
   
   Custody of investment assets shall be in compliance with applicable laws and arranged to provide as much security, trading speed, and flexibility as possible.
D. **Investment Strategy - Short-term Operating Funds**

1. The daily cash position will be monitored by the Controller to ensure that non-interest bearing cash is minimized. The collection time of all dividend and interest payments will be accelerated to the extent possible. The university will maintain a minimum of $1,000,000 available in overnight funds which will be kept in Texpool, Logic, or repurchase agreements. Should balances fall below this amount for any reason they will be replenished at the earliest opportunity from the first available cash receipts.

2. Overnight or short-term (thirty [30] days) funds shall be invested through a competitive bid or offer process as frequently as the market dictates as follows:
   
   a. Banks in the local area are to be contacted by telephone to obtain their current certificate of deposit rates.
   
   b. An unaffiliated investment broker is to be contacted to obtain statewide Texas banks’ certificate of deposit rates.
   
   c. Texpool or LOGIC, or other Board-approved cash investment pools are to be contacted to obtain current overnight rates.
   
   d. Funds shall be placed based on the best rate quoted.

3. Transactions to purchase or sell securities shall be entered into on the basis of "best execution," which normally means best realized net price for the security. Settlement of all transactions except investment pool funds must be on a delivery versus payment basis.

4. The goal of the university will be that the portfolio shall be adequately diversified at all times in accordance with these investment guidelines. Specific investment ranges and investment policy limitations are as follows:

<table>
<thead>
<tr>
<th>Investment Category</th>
<th>Minimum</th>
<th>Maximum</th>
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</thead>
<tbody>
<tr>
<td>U.S. Treasury Obligations</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Federal Agency Obligations</td>
<td>0%</td>
<td>90%</td>
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<tr>
<td>Federal Agency Mortgage-Backed</td>
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<td>Municipal Obligations</td>
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<tr>
<td>Certifications of Deposit (Insured)</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Purchase Agreements (Collateralized)</td>
<td>0%</td>
<td>20%</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>Approved Investment Pools</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>University System Cash Concentration Pool</td>
<td>0%</td>
<td>90%</td>
</tr>
</tbody>
</table>
5. The university's pooled investment fund is comprised primarily of operating funds, and fund balance equity that carries forward from year to year. At the beginning of each fiscal year, the Controller and Vice President for Administration and Finance will analyze current operating cash needs as well as any cash requirements for capital projects that will occur within the next two (2) years. If the university is not using a University System Cash Concentration Pool arrangement, the university will be required to more closely monitor its investments and maturities. This monitoring and analysis will include a two (2) year time line which clearly identifies any known cash requirements and the approximate month in which the cash must be available. Once an analysis of project needs has been assembled, an analysis of current economic conditions and interest rate levels and projections from third party outside sources should be reviewed. Investment maturities are to be structured in such a way as to maintain a liquid or currently maturing balance for all operating funds budgeted for expenditure during the fiscal year. If interest rates are rising or anticipated to increase these funds may be kept in short-term investment pools such as TEXPOOL. If interest rates are falling or are projected to fall, these funds should be invested to match projected cash needs as determined. Funds in excess of operating funds may be invested, preferably by staggering maturities, for longer than a year.

6. Bond proceeds are to be invested separately and apart from the university's pooled investment fund and maturities are to be structured in such a way as to provide sufficient cash to meet construction expenditures.

7. Endowment funds are to be invested in accordance with the university’s separate Investment Policy – Endowment Funds.

8. Investments donated to the university for a particular purpose or for a specific use as specified by the donor may be held in investments other than those identified as authorized investments in this policy. Such investments shall be held apart from the university's pooled investment fund. Those investments shall be subject to all other requirements of this policy.

9. The investment staff shall be responsible for following the "prudent person" standard which shall be applied in the management of the portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.
E. **Investment Brokers/Dealers**

1. The Board of Regents and the President may hire independent investment advisors or investment managers to assist university personnel in the execution of their investment responsibilities. All routine investments will be purchased or sold utilizing an established list of qualified firms. The Board of Regents shall annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the university. Qualified firms must be regulated by the Securities Exchange Commission and be members of the Financial Industry Regulatory Authority (FINRA).

2. A written copy of this investment policy shall be presented to any business organization (investment pool or an investment management firm under contract to manage the entity’s portfolio with discretionary authority) offering to engage in an investment transaction with the university. The qualified representative of the business organization shall execute a written instrument substantially to the effect that the business organization has:

   a. Received and reviewed this investment policy; and
   b. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the university and the organization that are not authorized by the university's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the university's entire portfolio or requires an interpretation of subjective investment standards.
   c. The investment officer may not acquire or otherwise obtain any authorized investment described in this investment policy from a person who has not delivered the written instrument to the university as described above.
   d. Nothing in this section relieves the university of the responsibilities of monitoring the investments made by the university to determine that they are in compliance with this investment policy.

F. **Investment Ethics**

   Officers and investment staff involved in the investment process shall refrain from personal business activity, as defined by the Public Funds Investment Act (TX Govt. Code 2256.005), that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. A member of the Board shall not direct nor participate in the decision to purchase or sell securities of a firm with which such member is significantly affiliated. Securities will not be purchased from or sold to a member of the Board. All investment staff must report any personal business relationship or relationship within the second degree of affinity or consanguinity with an individual or another firm or organization to
the President and the Internal Auditor. On an annual basis the staff will report the nature and extent of any investments in or business transacted with such firms.

G. Investment Guidelines
Funds must be invested at all times in strict compliance with the Public Funds Investment Act (TX Govt. Code 2256) and other applicable laws, unless invested according to Texas Education Code Section 51.0031 which allows the Board of Regents to contract with another institution under prudent person investment standards.

1. Authorized Investments. Authorized investments include the following.

   a. Obligations of the United States or its agencies and instrumentalities including the Federal Home Loan Bank.
   b. Direct obligations of the State of Texas or its agencies and instrumentalities.
   c. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States with a maturity of 10 years or less.
   d. Other obligations, the principal of an interest on which are unconditionally guaranteed or insured by the State of Texas or United States.
   e. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
   f. Certificates of deposit issued by state, national, or savings banks having a main office or branch office in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation or secured by a Federal Home Loan Bank letter of credit, or its successors, or collateralized by those obligations as listed above in a.-e.
   g. Interest bearing bank deposits insured by the FDIC or the National Credit Union Share Insurance Fund.
   h. Fully collateralized repurchase agreements having a defined termination date, secured by obligations described in a. above, and the securities are pledged to the university, held in the university's name and deposited at the time the investment is made with the university or with a third party selected and approved by the university, and is placed through a primary government securities dealer as defined by the Federal Reserve, or a financial institution doing business in this state. Repurchase agreement means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described in a. above, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. This term includes a direct security repurchase agreement and a reverse security repurchase agreement. The term of any reverse security repurchase agreement may not exceed
ninety (90) days after the date the reverse security repurchase agreement is delivered. Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

i. Prime domestic bankers’ acceptances with a stated maturity of two-hundred-seventy (270) days or less from the date of issuance and will be liquidated in full at maturity, are eligible for collateral for borrowing from a Federal Reserve Bank, and are accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1, P-1, or the equivalent by at least one nationally recognized credit agency and is fully secured by an irrevocable letter of credit issued by a bank.

j. Commercial paper with a stated maturity of two-hundred-seventy (270) days or less from the date of its issuance that is rated not less than A-1, P-1, or the equivalent by at least two (2) nationally recognized rating agencies, or is rated at least A-1, P-1, or the equivalent by at least one (1) nationally recognized credit agency and is fully secured by an irrevocable letter of credit issued by a bank.

k. SEC-registered, no-load money market mutual funds and no-load mutual funds as described in and limited by the Public Funds Investment Act (TX Govt. Code 2256.014) and in compliance with SEC Rule 2a-7.

l. Bond funds that have a duration of less than one year and whose investments are limited to investment grade securities excluding asset-backed securities.

m. Guaranteed Investment contracts for bond proceeds as described in the Public Funds Investment Act (TX Govt. Code 2256.015)

m. Investment Pools as described in the Public Funds Investment Act (TX Govt. Code 2256.016) including the maximum average dollar-weighted maturity of the pool based on the stated maturity date, with the Weighted average maturity limit not to exceed 90 days for a no-load money market mutual fund, two years for a no-load mutual fund, 90 days for a constant dollar pool, and none for a floating net asset value pool. Corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

n. A contracted arrangement with a university system as defined under Education Code 51.0031 which allows the university to invest its cash into a system’s cash concentration pool.

2. **Unauthorized Investments**

   Effective September 1, 1995, in compliance with the Public Funds Investment Act (TX Govt. Code 2256.009b), the following are not authorized investments:
a. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (interest-only).

b. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (principal only).

c. Collateralized Mortgage obligations that have a stated final maturity date of greater than ten (10) years.

d. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

H. **Performance Measurement**

The investment performance of the funds will be measured by an unaffiliated organization with recognized expertise in this field, and compared against the stated performance goals. Measurement will occur at least monthly and will be used to evaluate the results on investment holdings and will include monitoring any rating changes in the university’s investments. Prudent measures will be taken to liquidate an investment that fails to maintain the minimum required rating in a given month, as required by TX Govt. Code 2256.021. Reports will be prepared in compliance with generally accepted accounting principles and will describe in detail the investment position of the university and will include, by individual investment, the book value, market value, accrued interest, maturity dates, any purchases, sales, gains or losses and the fund or pooled account for which each individual investment was acquired. Reports shall be distributed to the President, the Vice President for Administration and Finance, and the Internal Auditor. The Board of Regents shall receive the report no less than quarterly. The reports to the Board of Regents must be prepared and signed by the investment staff of the university and certified as to the portfolio’s compliance with these policies and the Public Funds Investment Act (TX Govt. Code 2256.023), unless the funds are invested under Texas Education Code Section 51.0031, for which the reporting will be provided by the contracted institution. The university Internal Auditor will perform a compliance audit at least once every two years with results reported to the State Auditor, President, and the Board of Regents not later than January 1 of each even-numbered year on those funds held locally and not invested through contract according to Texas Education Code Section 51.0031.

I. **Interest Rate Risk Measurement**

The university will measure on a quarterly basis the interest rate risk of its securities. The university will monitor and be aware of the overall interest rate and market value risk it is taking.
4.196 Administration & Finance
INVESTMENT POLICY – ENDOWMENT FUNDS
Date Adopted/Most Recent Revision: 02/09/2018

A. Purpose
The purpose of this investment policy is to establish cash management and investment guidelines for the investment and protection of university endowment funds in compliance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), Texas Property Code Chapter 163. Endowment funds include, but are not limited to, gifts of property, stock, and real assets that have been donated to the university to provide funding for scholarships, professorships, and other uses as specified by the donors.

This policy applies to all individual and quasi-endowment funds held by Midwestern State University. Funds functioning as endowments (often referred to as quasi-endowments) are used to account for resources that the governing board, rather than the donor, has determined are to be retained and managed like an endowment. Principal and income of these funds may be utilized at the discretion of the governing board.

The endowment funds may be invested as authorized by this policy and, for short periods of time, be placed in authorized university depositories for the processing of receivables and disbursements.

B. Investment Objectives
This policy is designed to fulfill the following objectives:

1. provide security of invested principal;
2. provide for appreciation of principal;
3. provide a continuing and dependable cash payout within market constraints;
4. provide for planned liquidity for anticipated cash flow purposes;
5. manage market risks;
6. maximize overall total return within the established risk constraints; and
7. provide for diversification of investment assets.

The long term objective of an endowment is to preserve the intergenerational equity of the endowment while providing an appropriate current spending policy. All endowment funds will be managed by the “prudent person standard.”

Endowment funds should be invested to provide funding for scholarships, fellowships, professorships, and other uses as specified by donors or the Board of Regents. Income must be sufficient to provide an adequate cash stream to support the programs for which the endowments were created. In addition, the corpus of the endowment accounts should appreciate over time, exclusive of growth derived from donations, to ensure preservation of purchasing power, and also to satisfy the need for future growth in payouts.

Endowment funds will be invested to meet these objectives, by maximizing total return consistent with an appropriate level of risk and subject to generation of adequate current income. Additionally, the investments shall be diversified to provide reasonable assurance
that investment in a single security, a class of securities, or market sector will not have an
excessive impact on the funds.

C. **Investment Fund Administration**

1. **Investment Officers**
   Investment responsibilities are delegated by the Midwestern State University Board of Regents to the president and the vice president for administration and finance. Investment officers, as designated by the board, are responsible for all investment management decisions and activities of the endowment funds.

   Each investment officer shall disclose any personal or business relationship with any business organization engaging in an investment transaction with the university. An investment officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the university shall file a statement disclosing that relationship. The disclosure shall be filed with the president and the board. No investment officer of the university may accept anything of value in connection with investment transactions. All soft dollar transactions are strictly prohibited.

   No investment officer may engage in an investment transaction except as provided under terms of this policy.

2. **Investment Committee**
   The responsibilities of the Board of Regents Committee with investment oversight are:
   a. assist in the development and implementation of investment policies, objectives, and guidelines;
   b. prepare an asset allocation analysis and recommend an asset allocation strategy with respect to the endowment’s objectives;
   c. review investment managers, including search, selection, and recommendation to the investment officers and/or MSU Board of Regents;
   d. review performance evaluation reports, and
e. review contracts and fees for both current and proposed investment managers.

3. **Day-to-Day Supervision and Record Keeping**
   The controller shall be responsible for the daily supervision and implementation of the investment program under the direction of the Vice President for Administration and Finance.

D. **Standard of Care**
   The "prudent person standard” shall be the standard used in all investment functions and shall be applied in the context of individual transactions as well as management of the overall portfolio. Accordingly, all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence
exercise in the management of their own affairs, not for speculation, but for investment, emphasizing the probable safety of their capital as well as the expected income to be derived.

All investments shall be consistent with the board’s approved Investment Policy – Endowment Funds. Investment officers shall not be held personally liable for a specific security's credit risk or market value change as long as actions were in accordance with this policy and procedures, unexpected deviations were reported to the president in a timely manner, and all appropriate actions were taken to control adverse developments.

E. Investment Strategies

The endowment performance objective is to grow the market value of assets net of inflation, spending, and expenses, over a full market cycle (generally defined as a three to five year period) without undue exposure to risk. The endowment is particularly risk-adverse to the probability of not meeting the total return goal. Liquidity must be considered and sufficient to meet the spending needs and expenses.

The total return goal can be achieved while assuming acceptable risk levels commensurate with “market volatility”. To achieve the total return goal, the endowment’s assets will be invested to generate appreciation and/or dividend and interest income.

Because the portfolio is expected to endure into perpetuity, and because inflation is a key component in the performance objective, the long-term risk of not investing in growth securities outweighs the short-term volatility risk. As a result, the majority of assets will be invested in equity or equity-like securities. Fixed income securities will be used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Cash is not a strategic asset of the portfolio, but it is a residual to the investment process and used to meet short-term liquidity needs. Other asset classes are included to provide diversification and incremental total return.

The cash payout requirement for endowment funds is significant and continuous. The target distribution will be between four and five percent.

The portfolio shall be diversified to diminish risks associated with particular securities, market sectors, or industries with an excessive impact on the funds.

The university shall pursue an active portfolio management strategy for endowment funds. The investment officers and investment managers will regularly monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions. Quarterly reviews of performance shall be made by the investment officers.

Strategic Asset Allocation Parameters (maximums) are as follows:

1. U.S. and Global Equities 70%
2. Alternative Assets* 30%
3. Fixed Income and Cash 40%
*No more than 20% in any one class of alternative assets. The administration will monitor the level of alternative investments to maintain a target level of 30% or less of all endowment fund investments.

Texas Education Code 51.0031 allows the Board of Regents to contract with another institution to invest university funds under prudent person investment standards. Any funds managed by another university or university system will follow the asset allocation parameters outlined in the contract.
Summary of the Personnel Position Status Reports for 9/1/17 – 6/30/18

Total net new positions as of 6/30/18 = 0.0
## MIDWESTERN STATE UNIVERSITY
### PERSONNEL POSITION STATUS REPORT
#### April 30, 2018

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<td>4,109</td>
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<td>29.00</td>
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<td>SERVICE &amp; MAINTENANCE</td>
<td>70.00</td>
<td>1,596,427</td>
<td>70.00</td>
<td>1,596,427</td>
<td>(34,860)</td>
<td>60.00</td>
<td>1,352,323</td>
<td>10.00</td>
<td>209,244</td>
<td>70.00</td>
<td>1,561,567</td>
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<td>14.00</td>
<td>561,122</td>
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<td>14.00</td>
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<td>GRAND TOTALS</td>
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<td>37,770,351</td>
<td>(72,488)</td>
<td>36,342,119</td>
<td>32.17</td>
<td>1,355,744</td>
<td>704.71</td>
</tr>
</tbody>
</table>
Midwestern State University Reporting of Personnel Changes  
Fiscal Year 2018  
April-June

### I. ENTERING EMPLOYEES
1. Logan Hamm – Teller, Business Office – 04/23/18
2. Christopher Pittman – Custodian, Facilities Services – 04/23/18
3. Tamara Cooper – Custodian, Facilities Services – 04/25/18
4. Laura Alley – Police Communication Operator – 05/01/18
5. Phillip Coleman – Library Assistant I – 05/01/18
6. Colton Todd – Custodian, Facilities Services – 05/09/18
7. Maci Cornman – Legal Assistant, General Counsel – 05/14/18
8. Valerie Armstrong – Head Coach, Volleyball – 06/01/18
9. Clifford Ryan Spence – Head Coach, Women’s Soccer – 06/04/18
10. Jean Castle-Wade – Police Communication Operator – 06/04/18
11. Phillip King – Purchasing Assistant – 06/11/18
12. Zachary Zoet – Counselor/Psychologist – 06/12/18
13. Rachel Stokes – Library Assistant II – 06/18/18

### II. EXITING EMPLOYEES
1. Melvin Martin – Custodian, Facilities Services – 04/05/18
2. Matthew Murphy – Database Administrator, Information Technology – 04/06/18
3. Jeffery Sampson – Custodian, Facilities Services – 04/10/18
4. Camille Smith – Purchaser, Purchasing and Contract Management – 04/20/18
5. Elmer Studdard – Student Center Maintenance Technician, Facilities Services – 04/30/18
6. Nigel Uline – Police Communication Operator – 04/30/18
7. Jake Landon – Strength and Conditioning Coach – 05/11/18
8. Kimberly Beck – Lecturer, Biology - 05/12/18
9. Kevin Clark – Assistant Professor, Radiologic Science – 05/13/18
10. Jesse Brown – Coordinator, Student Organizations and Leadership Programs – 05/18/18
11. John Forman – Assistant Coach, Volleyball – 05/30/18
12. Lauren Armstrong – Assistant Professor, Nursing – 05/31/18
13. Samuel Groves – Groundskeeper, Facilities Services – 05/31/18
14. Yangmi Kang – Visiting Instructor/Athletic Trainer – 05/31/18
15. Ann Moulding – Visiting Instructor, Geoscience – 05/31/18
16. Krista Rascoe – Lecturer, English – 05/31/18
17. Marcie Reynolds – Instructor, Education - 05/31/18
18. Caitlin Schultze – Assistant Coach, Softball – 05/31/18
19. Denise Simmons – Assistant Professor, Education – 05/31/18
20. Newman Wong – Research Analyst, Institutional Research and Assessment – 06/06/18
21. Jami Hogue – BSN Nurse Educator, Regional Simulation Center – 06/15/18
22. John Fuller – Groundskeeper, Facilities Services – 06/22/18
23. Nathaniel Blank - Stockroom Manager/Inventory Coordinator, Chemistry – 06/28/18
24. Shawna Glore – Secretary, Nursing – 06/30/18

III. RETIRING EMPLOYEES
1. Marcy Beck - Assistant Professor, Nursing – 05/31/18
2. Linda Carr – Registrar Assistant II – 05/31/18
3. Fredric Davis – Associate Professor, Dental Hygiene – 05/31/18
4. Terrell Dockum – Painting Foreperson, Facilities Services – 05/31/18
5. Norma Fonseca – Custodian, Facilities Services – 05/31/18
6. Emily Labeff – Assistant Professor, Sociology – 05/31/18
7. Jolene Welch – Assistant to Provost/Vice President for Academic Budgetary Affairs – 05/31/18
8. Stuart McClintock – Professor, Foreign Languages - 06/30/18
The proposed MSU Operating Budget for FY 2019 totals $120,710,924, an increase of $3.5 million above FY 2018. Approximately $1.6 million of the increase, more than 46%, is for scholarships and grants. The proposed budget includes a 2.75% faculty raise pool for returning faculty, plus the approved faculty promotions. The proposed budget for returning staff includes a 1.9% raise and the second quarter of the parity to midpoint adjustment as recommended in the compensation plan.

The Wichita Falls campus budget is based on an estimated enrollment of 6,050 students for fall 2018. The Flower Mound site budget is estimated to have 182 students in fall 2018.

The institution is adding five new positions, but only adding three full-time equivalent (FTE) positions over the previous year with the elimination of two vacant positions. In addition, 2.5 FTE were reassigned and are not included in the bulleted information below.

- One faculty FTE is added in agribusiness from donor funds.
- One digital media position is added in DFW.
- Two half-year positions are added for a paralegal position and a new Clery/police position.
- An additional public relations specialist and a graduate admissions evaluator are added.
- The proposed budget includes 5.5 FTE of vacant positions which do not have any budgeted salary associated with them. These FTE were funded in the past and are maintained in case the positions have funding in the future (e.g. custodians).
- Salary savings totaling $635,837 have been budgeted. Of that, $185,837 is faculty salary savings with the remainder as staff salary savings.

Other significant budget changes include the following.

- Debt service increased $499,000 with most coming from master lease payments for equipping the new Mass Communication facility as well as the technology and furniture in Flower Mound. Higher Education Assistance Funds (HEAF) are used to cover these payments.
- The budget for federal Pell grants grew by $1 million, thereby increasing the overall scholarship amounts by $1.63 million over FY18.
- DFW Flower Mound budgets total $1.9 million with an anticipated revenue shortfall of $406,297.

Private sources and grant funds totaling $1,419,336 provide funding for 21.18 full-time equivalent positions (8.09 faculty positions and 13.09 staff positions).

The Higher Education Assistance Fund (HEAF) is constitutionally dedicated state funding for critical capital construction and equipment support. The following distribution of HEAF funds is proposed.

<table>
<thead>
<tr>
<th>Allocation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility services/shop building</td>
<td>$1,050,000</td>
</tr>
<tr>
<td>Debt service</td>
<td>$1,617,107</td>
</tr>
<tr>
<td>Information technology</td>
<td>$599,364</td>
</tr>
<tr>
<td>Library materials</td>
<td>$550,000</td>
</tr>
<tr>
<td>Allocations to six colleges for academic-related equipment</td>
<td>$410,000</td>
</tr>
<tr>
<td>General university/facilities maintenance</td>
<td>$834,941</td>
</tr>
</tbody>
</table>

**TOTAL**                                           **$5,061,412**
The information included in the tables that follow was used in developing the FY19 budget. Below is an explanation of each table in the material.

**Table One – Enrollment Projection Data**

The main driver of the university’s budget is enrollment. This table displays each fall’s historical and projected enrollment levels by class. The predictions are based on 1) new freshmen levels derived from the number of applications, summer orientation attendance, housing reservations, etc. and 2) the historical tracking of one class to the next. As an example, historically freshmen/re-enrolling freshmen and sophomore classes track to the next year’s sophomore class at about 46%. Sophomores and juniors track to the next year’s junior class at about 56%. This continues through the classes. Individual graduate programs are predicted separately.

The block of information at the top of the table contains all enrollments including those in extended education locations (e.g. Flower Mound, Wise County, etc.). The block of information at the bottom of the table is for the Wichita Falls campus only. Based on the difference for all enrollment and Wichita Falls site only, the extended education sites are expected to generate an additional 182 students this fall. By fall 2025, the projection shows almost 1,200 additional students via this strategy.

For FY19 (Fall 2018), enrollment is predicted to grow about 68 students in Wichita Falls and 112 students through extended education options, for a total growth of 180 additional students. The university is projecting 6,050 fall headcount for the “regular” Wichita Falls budget, and the extended education budget at 182 headcount. Last year’s enrollment did not meet expectations therefore in order to ensure revenue budgets are met, the university is budgeting 28 students fewer than the model for Wichita Falls (6,050 versus 6,078). The model is slowly growing freshmen class size over time (from 800 in fall 2018 to 880 in fall 2025) and has included slightly stronger retentions of each entering class over time. Extended education growth is conservative for next fall, with enrollment at the time of this writing currently approaching 180.

**Tables Two-Six – Comparison of FY18 – FY19 Original Budgets**

This report is the bulk of the FY19 budget development. This information was developed to match the quarterly financial report the Board of Regents currently receives. The report includes both Wichita Falls and Flower Mound site budgets rolled together and matches the budget the Board is asked to approve at the August Board meeting.

Table Two shows the original budget for FY18 and FY19 revenues and expenses by categories for all funds. The original budget is the budget the Board approves starting September 1 for each year. It does not include carry-forward budgets or changes approved by the Board over the course of the year. Each table thereafter is the same budgetary information but limited to one fund group per table: Educational and General (E&G), Designated, Auxiliary, and Restricted. Adding up the revenue and expenses on each of the four fund group tables equals the Table Two totals. The difference between the original budgets of FY18 and FY19 is shown on the far right column. This allows the viewer to note the changes between years, the magnitude of the change, and to discern, by looking at the supporting tables, which fund group the change falls in. Debt service is listed with the expense group even though it is not considered an
expense but a transfer. By accounting for the transfer though, this provides a clean “bottom line” on the
addition to or use of fund balances overall and within each fund group.

Table Two shows that budgeted revenues are up $3.9M between FY18 and FY19 with the biggest
increases in tuition and fees ($1.6M) and federal grants ($1M). Expenses are up $3.5M, with the largest
increase in scholarships ($1.6M) due to more in federal Pell grant funding. Salary, wages, and fringe
benefits are up $1.5M due to the pay raises, faculty promotions, adding several new positions and health
insurance rate increases. Maintenance and operations expenses have grown due to the new operational
costs in Flower Mound. Utilities and capital outlay are both decreasing because of savings on utilities
and a reduction in HEAF expenses to pay for the facilities building. Debt service is showing a $500K
increase from the previous year because of the Mass Communication and Flower Mound equipment and
furnishings having a complete year of lease payments in FY19.

Since the report includes both Wichita Falls and Flower Mound information, the bottom line shows an
overall imbalance of $300K more in budgeted expenses than in budgeted revenues. The budget for the
Wichita Falls campus, if isolated from this report, would show a positive balance of more than $100K.
Flower Mound, if isolated, would show a negative balance of $400K+. The goal for the FY19 budget was
to have a balanced Wichita Falls budget with the recognition that Flower Mound may require an
investment for several years before contributing positively to the combined budget.

Table Seven – FY19 Budget Review

The next table summarizes some of the major changes in E&G and Designated funds between FY19 and
FY18. E&G and Designated funds represent more than 70% of the operating funds and are used for the
general operations of the institution. This listing also provides the administration a way to track the
increases and decreases in both revenues and expenses to “net” out the major changes to the budget. This
listing is not meant to reconcile to the FY19 budget precisely; it is merely to highlight the major changes.
The creation of the FY19 budget starts with the FY18 budget.

The original FY18 budget was balanced by budgeting $697K from reserves. In addition, the start-up
expenses for Flower Mound were assumed to require additional reserves (not shown on the schedule).
The true starting point for FY19 budget development is then the requirement to cover the $697K budget
shortfall. Below that is a listing of additional known resources, such as more tuition and fees ($1.6M) and
additional interest earnings from higher rates ($263K). Items also considered under this category are
savings, which were items in the FY18 budget that were trimmed in the FY19 budget. The savings
included utilities and additional salary savings from new employees hired at lower starting salaries than
their longer-tenured predecessors were paid. The savings amounted to $1M. After netting the FY18
shortfall against these new sources of funds, the university had $2.3M in available funds for additional
expenses in FY19.

The next section includes a list of new expenses that are either mandatory or a high priority for the
institution. Several new positions are on the listing including the balance of the paralegal position, the
new Clery and Title IX positions, and the new Vice President for Enrollment Management position. The
new items totaled almost $431K.

Normal budget increases are listed separately and occur every year in various amounts. This year they
total $653K and cover health insurance, additional scholarships, and faculty promotions. The next listing
is for pay raises that average 2.8% for faculty and staff and totaled almost $1M. The total increase in
expenses was $2.1M.
The net of the surplus funds of $2.3M will be used on new expenses of $2.1M, resulting in a general balance of $200K. As noted on the Budget Comparison report, overall the institution will require the use of $300K from reserves in FY19. Most of this shortfall is from the DFW site operational cost (approximately $450K) against the positive balance of the Wichita Falls campus (approximately $200K). The administration is planning on covering this shortfall with one-time funds if necessary.

**Table Eight – Proforma for DFW Expansion**

The proforma for DFW Expansion (currently Flower Mound and Wise County) is included with estimated actual revenues and expenses for FY18, budget numbers for FY19, and projections into the future for FY20-23. The fall headcount numbers and the total annual semester credit hours are shown at the top of the table. The information below that line shows the percentage increase of headcount from one year to the next. The revenue for years FY20-23 is calculated based on the growth of semester credit hours plus an overall rate increase of 1%.

In FY 18 Flower Mound/Wise County is estimated to produce about $700K in revenue from tuition and fees after waivers. Expenses are estimated to be $1.5M creating a start-up investment of MSU of $800K to get the Flower Mound site up and running. In addition, a five-year lease was taken out on the furnishing and equipment for a total of approximately $950K, resulting in payments from HEAF of approximately $200K a year. Instructional enhancement fees are also collected from the students, but because those fees are used by the colleges for instructional costs and are not available to offset the costs of operating the site, they are shown below the bottom line.

In the FY19 budget, enrollment in this area is predicted to grow by at least 260%, with future years’ growth projected to be 133-140%. The site will still require an investment of MSU estimated at $500K in FY 19. However, the proforma shows that if projections hold out, once formula funding is earned for the courses offered in this new area, the site will begin to break even in FY20 and grow to generate a positive net income in only a few years.

**Table Nine – FY20 and FY21 Items to Address**

Part of a good budget process includes anticipating future year changes. While FY19 is still of main priority, FY20 and FY21 will present some budgetary challenges to the administration. The university will experience a minimum of $1.4M and $640K in FY19 and FY20 respectively in increased centrally-funded costs, such as software maintenance agreement increases and state-mandated longevity payments to employees. These totals do not include pay raises or additional funds for new or expansion of existing programs. These new expenses can be offset by enrollment growth, tuition and fee rate increases, additional gifts or grants, and auxiliary earning.

**Table Ten – HEAF Allocations**

The university has been appropriated the same amount of Higher Education Assistance Funds in FY19 as FY18, $5,061,412. HEAF can only be used for capital items, such as equipment, library books, renovation of non-auxiliary space, and information technology other than software maintenance. This year’s HEAF allocation is funding most areas close to the same as in previous years, with the exception of reducing IT’s and facility’s previous year’s allocations in order to allocate $1M to the new facilities shops complex. As mentioned at the May Board meeting, the administration will reduce facilities and IT’s allocations for FY19 and FY20 to only essential purchases with the remainder (about $2.4M) going to build the facilities shops without borrowing any funds. Debt service increased by $200K, up to $1.3M of
the funds available, for the Flower Mound equipment and furniture lease. Academic uses of HEAF for the library and the colleges are approximately another $1M. Lastly, miscellaneous uses total approximately $200K, with another $172K being held in reserve for the year.

**Table Eleven – Restricted Funds**

Table Eleven breaks out the restricted funds by general source but also shows what the restricted funds are paying for as far as the expense category and the overall amount (faculty salary, scholarships, M&O, etc.). Restricted funds are provided by outside entities with restrictions on how the funds can be spent. The university receives more than $21M each year in restricted funds. Most of this is from federal and state financial aid benefits ($15M), but the balance of these funds is made up of gifts, endowed funds, and grants.

Some of the items restricted funds are paying for that would otherwise be paid from centrally-funded sources are salaries, wages, and scholarships. The university is able to invest $2M in salaries, wages, and benefits from restricted fund sources. In addition, donated funds pay for $1.6M in scholarships. As noted on the FY20-21 Items to Address tables, some restricted funds have a limited life, and once the gift/grant is spent down, continuing with the program will require the institution to then cover the expense from centrally-funded sources.
## Midwestern State University

Fall Semester Enrollment Projection Data for Wichita Falls and DFW Expansion

<table>
<thead>
<tr>
<th></th>
<th>2013*</th>
<th>2014</th>
<th>2015</th>
<th>2016^</th>
<th>2017&amp;</th>
<th>Actual Fall Enrollments</th>
<th>Projected Fall Enrollments</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEG FRESHMAN</td>
<td>817</td>
<td>813</td>
<td>794</td>
<td>708</td>
<td>771</td>
<td>5,870</td>
<td>6,260</td>
</tr>
<tr>
<td>RE-ENR FRESHMAN</td>
<td>358</td>
<td>468</td>
<td>473</td>
<td>455</td>
<td>381</td>
<td>5,874</td>
<td>6,418</td>
</tr>
<tr>
<td>SOPHOMORE</td>
<td>991</td>
<td>1,011</td>
<td>1,083</td>
<td>1,056</td>
<td>1,052</td>
<td>6,043</td>
<td>6,602</td>
</tr>
<tr>
<td>JUNIOR</td>
<td>1,175</td>
<td>1,095</td>
<td>1,192</td>
<td>1,284</td>
<td>1,298</td>
<td>1,064</td>
<td>1,155</td>
</tr>
<tr>
<td>SENIOR</td>
<td>1,852</td>
<td>1,757</td>
<td>1,745</td>
<td>1,816</td>
<td>1,828</td>
<td>6,080</td>
<td>7,115</td>
</tr>
<tr>
<td>POST-BACCALAUREATE</td>
<td>75</td>
<td>58</td>
<td>73</td>
<td>66</td>
<td>59</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>GRADUATE</td>
<td>602</td>
<td>672</td>
<td>683</td>
<td>679</td>
<td>691</td>
<td>6,010</td>
<td>7,694</td>
</tr>
<tr>
<td><strong>Total Headcount</strong></td>
<td><strong>5,870</strong></td>
<td><strong>5,874</strong></td>
<td><strong>6,043</strong></td>
<td><strong>6,064</strong></td>
<td><strong>6,080</strong></td>
<td><strong>6,260</strong></td>
<td><strong>6,418</strong></td>
</tr>
</tbody>
</table>

* New merit scholarship program began
^ Open new freshmen residence hall
& Excludes DFW Expansion enrollments this term forward
> Last admission standard change was in Fall 2011.

---

## Fall Semester Enrollment Projection Data for Wichita Falls Campus

<table>
<thead>
<tr>
<th></th>
<th>2013*</th>
<th>2014</th>
<th>2015</th>
<th>2016^</th>
<th>2017&amp;</th>
<th>Actual Fall Enrollments</th>
<th>Projected Fall Enrollments</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEG FRESHMAN</td>
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<td>771</td>
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<td>6,260</td>
</tr>
<tr>
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<td>473</td>
<td>455</td>
<td>381</td>
<td>5,874</td>
<td>6,418</td>
</tr>
<tr>
<td>SOPHOMORE</td>
<td>991</td>
<td>1,011</td>
<td>1,083</td>
<td>1,056</td>
<td>1,052</td>
<td>6,043</td>
<td>6,602</td>
</tr>
<tr>
<td>JUNIOR</td>
<td>1,175</td>
<td>1,095</td>
<td>1,192</td>
<td>1,284</td>
<td>1,298</td>
<td>1,064</td>
<td>1,155</td>
</tr>
<tr>
<td>SENIOR</td>
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<td>1,828</td>
<td>6,080</td>
<td>7,115</td>
</tr>
<tr>
<td>POST-BACCALAUREATE</td>
<td>75</td>
<td>58</td>
<td>73</td>
<td>66</td>
<td>59</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td>GRADUATE</td>
<td>602</td>
<td>672</td>
<td>683</td>
<td>679</td>
<td>691</td>
<td>6,010</td>
<td>7,694</td>
</tr>
<tr>
<td><strong>Total Headcount</strong></td>
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<td><strong>5,874</strong></td>
<td><strong>6,043</strong></td>
<td><strong>6,064</strong></td>
<td><strong>6,080</strong></td>
<td><strong>6,078</strong></td>
<td><strong>6,162</strong></td>
</tr>
</tbody>
</table>

* New merit scholarship program began
^ Open new freshmen residence hall
& Excludes DFW Expansion enrollments this term forward
> Last admission standard change was in Fall 2011.
Midwestern State University
Comparison of FY18 to FY19 Budget
Current Operating Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
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</thead>
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<td></td>
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</tr>
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<td>State Appropriations</td>
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<td>$31,371,792</td>
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<tr>
<td>Registration Tuition and Fees</td>
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<td>Sales and Services Educational</td>
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<tr>
<td>Sales and Services Auxiliary</td>
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<td>Federal Operating Grants (Restricted fds)</td>
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<tr>
<td>Federal Nonoperating Grants</td>
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<tr>
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<td>Other Operating Grants and Contracts</td>
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<tr>
<td>Gifts</td>
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<td>Other Operating Revenues</td>
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<tr>
<td>Other Nonoperating Revenues</td>
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<td>3,000</td>
<td>(5,000)</td>
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<tr>
<td>Investment Income</td>
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<tr>
<td><strong>Total Revenues</strong></td>
<td>$116,496,409</td>
<td>$120,401,078</td>
<td>$3,904,669</td>
</tr>
</tbody>
</table>

|                                |                       |                       |                               |
| **Total Expenditures**         |                       |                       |                               |
| Regular Salaries               | $19,656,327           | $20,439,566           | $783,239                      |
| Faculty Salaries               | 19,948,038            | 20,448,815            | 500,777                       |
| Graduate Assistant Salaries    | 1,177,598             | 1,170,970             | (6,628)                       |
| Student Salaries               | 1,534,321             | 1,542,836             | 8,515                         |
| Non-Student Wages and Allowances | 541,445      | 606,005               | 64,560                        |
| Fringe Benefits                | 14,970,920            | 15,144,049            | 173,129                       |
| Maintenance and Operations     | 13,454,416            | 14,072,746            | 618,330                       |
| Travel                         | 1,133,989             | 1,225,687             | 91,698                        |
| Utilities                      | 3,447,553             | 3,235,658             | (211,895)                     |
| Capital Outlay                 | 4,889,335             | 4,259,524             | (629,811)                     |
| Scholarships                   | 23,081,202            | 24,707,484            | 1,626,282                     |
| Debt Service                   | 13,358,574            | 13,857,584            | 499,010                       |
| **Total Expenditures**         | $117,193,718          | $120,710,924          | $3,517,206                     |

|                                |                       |                       |                               |
| **Difference**                 |                       |                       |                               |
|                               | $(697,309)            | $(309,846)            | $387,463                      |
## Midwestern State University
### Comparison of FY18 to FY19 Budget
#### Current Operating Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational &amp; General Funds:</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>State Appropriations</td>
<td>$31,222,635</td>
<td>$31,371,792</td>
<td>$149,157</td>
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<tr>
<td>Registration Tuition and Fees</td>
<td>8,131,037</td>
<td>7,860,009</td>
<td>(271,028)</td>
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<tr>
<td>Sales and Services Educational</td>
<td>350</td>
<td>500</td>
<td>150</td>
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<tr>
<td>Other Operating Revenues</td>
<td>1,575</td>
<td>1,575</td>
<td>-</td>
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<tr>
<td>Other Nonoperating Revenues</td>
<td>8,000</td>
<td>3,000</td>
<td>(5,000)</td>
</tr>
<tr>
<td>Investment Income</td>
<td>14,000</td>
<td>29,000</td>
<td>15,000</td>
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<td><strong>Total Revenues</strong></td>
<td>$39,377,597</td>
<td>$39,265,876</td>
<td>(111,721)</td>
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<tr>
<td><strong>Expenditures/Transfers:</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Regular Salaries</td>
<td>$5,170,085</td>
<td>$6,036,817</td>
<td>$866,732</td>
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<td>Faculty Salaries</td>
<td>13,498,892</td>
<td>13,185,802</td>
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<td>Fringe Benefits</td>
<td>8,263,562</td>
<td>8,513,024</td>
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<td>Maintenance and Operations</td>
<td>49,478</td>
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<td>Utilities</td>
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<td>1,430,000</td>
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<td>Capital Outlay (HEAF)</td>
<td>3,875,761</td>
<td>3,444,305</td>
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<td>Debt Service Transfer</td>
<td>7,066,692</td>
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<td>$39,729,470</td>
<td>$40,159,531</td>
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<td><strong>Difference</strong></td>
<td>($351,873)</td>
<td>($893,655)</td>
<td>($541,782)</td>
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Midwestern State University  
Comparison of FY18 to FY19 Budget  
Current Operating Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Designated Funds:</strong></td>
<td></td>
<td></td>
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<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Registration Tuition and Fees</td>
<td>$40,382,786</td>
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<td>1,710,299</td>
<td>1,879,623</td>
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<td>Gifts</td>
<td>241,912</td>
<td>279,957</td>
<td>38,045</td>
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<td>$43,822,380</td>
<td>$46,228,671</td>
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<td></td>
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<tr>
<td><strong>Expenditures/Transfers:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular Salaries</td>
<td>$12,991,934</td>
<td>$12,835,370</td>
<td>$(156,564)</td>
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<td>Faculty Salaries</td>
<td>5,593,474</td>
<td>6,477,717</td>
<td>884,243</td>
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<td>Grad Assistant Salaries</td>
<td>1,144,914</td>
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<td>Student Salaries</td>
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<td>421,943</td>
<td>514,066</td>
<td>92,123</td>
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<td>Fringe Benefits</td>
<td>5,933,791</td>
<td>5,925,429</td>
<td>(8,362)</td>
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<td>Maintenance and Operations</td>
<td>6,935,325</td>
<td>7,445,993</td>
<td>510,668</td>
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<td>Travel</td>
<td>1,010,565</td>
<td>1,075,557</td>
<td>64,992</td>
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<td>Utilities</td>
<td>428,632</td>
<td>502,372</td>
<td>73,740</td>
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<td>Capital Outlay</td>
<td>485,294</td>
<td>498,294</td>
<td>13,000</td>
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<tr>
<td>Scholarships</td>
<td>6,412,771</td>
<td>6,741,125</td>
<td>328,354</td>
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<td>Debt Service Transfer</td>
<td>1,606,141</td>
<td>1,630,921</td>
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<td><strong>Total Expenditures</strong></td>
<td>$43,972,543</td>
<td>$45,801,560</td>
<td>$1,829,017</td>
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<td></td>
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<tr>
<td><strong>Difference</strong></td>
<td>$(150,163)</td>
<td>$427,111</td>
<td>$577,274</td>
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### Midwestern State University
#### Comparison of FY18 to FY19 Budget
##### Current Operating Funds

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auxiliary Funds:</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sales and Services Auxiliaries</td>
<td>$12,982,817</td>
<td>$13,367,729</td>
<td>$384,912</td>
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<tr>
<td>Registration Tuition and Fees</td>
<td>150,713</td>
<td>144,386</td>
<td>(6,327)</td>
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<td><strong>Total Revenues</strong></td>
<td>$13,133,530</td>
<td>$13,512,115</td>
<td>$378,585</td>
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<td><strong>Expenditures/Transfers:</strong></td>
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<tr>
<td>Regular Salaries</td>
<td>$953,878</td>
<td>$916,339</td>
<td>(37,539)</td>
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<td>Grad Assistant Salaries</td>
<td>30,000</td>
<td>22,500</td>
<td>(7,500)</td>
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<tr>
<td>Student Salaries</td>
<td>303,060</td>
<td>274,950</td>
<td>(28,110)</td>
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<tr>
<td>Non-Student Wages and Allowances</td>
<td>23,000</td>
<td>23,000</td>
<td>-</td>
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<tr>
<td>Fringe Benefits</td>
<td>338,679</td>
<td>295,866</td>
<td>(42,813)</td>
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<tr>
<td>Maintenance and Operations</td>
<td>5,413,344</td>
<td>5,564,192</td>
<td>150,848</td>
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<td>Travel</td>
<td>23,125</td>
<td>23,125</td>
<td>-</td>
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<td>Utilities</td>
<td>1,213,421</td>
<td>1,302,316</td>
<td>88,895</td>
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<tr>
<td>Capital Outlay</td>
<td>445,080</td>
<td>241,125</td>
<td>(203,955)</td>
</tr>
<tr>
<td>Scholarships</td>
<td>26,000</td>
<td>70,000</td>
<td>44,000</td>
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<tr>
<td>Debt Service Transfer</td>
<td>4,559,216</td>
<td>4,598,558</td>
<td>39,342</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$13,328,803</td>
<td>$13,331,971</td>
<td>$3,168</td>
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<tr>
<td><strong>Difference</strong></td>
<td>($195,273)</td>
<td>$180,144</td>
<td>$375,417</td>
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</table>
## Comparison of FY18 to FY19 Budget

### Current Operating Funds

#### Restricted Funds:

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Operating Grants</td>
<td>926,517</td>
<td>878,324</td>
<td>(48,193)</td>
</tr>
<tr>
<td>State Operating Grants</td>
<td>4,048,107</td>
<td>4,131,485</td>
<td>83,378</td>
</tr>
<tr>
<td>Other Operating Grants and Contracts</td>
<td>1,406,526</td>
<td>1,637,994</td>
<td>231,468</td>
</tr>
<tr>
<td>Other Operating Revenues</td>
<td>108,286</td>
<td>130,237</td>
<td>21,951</td>
</tr>
<tr>
<td>Federal Nonoperating Grants</td>
<td>9,000,000</td>
<td>10,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Gifts</td>
<td>4,167,484</td>
<td>4,108,919</td>
<td>(58,565)</td>
</tr>
<tr>
<td>Investment Income</td>
<td>505,982</td>
<td>507,457</td>
<td>1,475</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$20,162,902</td>
<td>$21,394,416</td>
<td>$1,231,514</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular Salaries</td>
<td>$540,430</td>
<td>$651,040</td>
<td>$110,610</td>
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<tr>
<td>Faculty Salaries</td>
<td>855,672</td>
<td>785,296</td>
<td>(70,376)</td>
</tr>
<tr>
<td>Grad Assistant Salaries</td>
<td>2,684</td>
<td>3,556</td>
<td>872</td>
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<tr>
<td>Student Salaries</td>
<td>223,502</td>
<td>258,084</td>
<td>34,582</td>
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<tr>
<td>Non-Student Wages and Allowances</td>
<td>96,502</td>
<td>68,939</td>
<td>(27,563)</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>434,888</td>
<td>409,730</td>
<td>(25,158)</td>
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<tr>
<td>Maintenance and Operations</td>
<td>1,056,269</td>
<td>1,013,083</td>
<td>(43,186)</td>
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<td>Travel</td>
<td>100,299</td>
<td>127,005</td>
<td>26,706</td>
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<tr>
<td>Utilities</td>
<td>500</td>
<td>970</td>
<td>470</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>83,200</td>
<td>75,800</td>
<td>(7,400)</td>
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<tr>
<td>Scholarships</td>
<td>16,642,431</td>
<td>17,896,359</td>
<td>1,253,928</td>
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<tr>
<td>Debt Service Transfer</td>
<td>126,525</td>
<td>128,000</td>
<td>1,475</td>
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<tr>
<td><strong>Total Expenditures</strong></td>
<td>$20,162,902</td>
<td>$21,417,862</td>
<td>$1,254,960</td>
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**Difference**

<table>
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<tr>
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<th>FY 18 Original Budget</th>
<th>FY 19 Original Budget</th>
<th>Difference of FY18/FY19 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difference</td>
<td>$</td>
<td>$ (23,446)</td>
<td>$ (23,446)</td>
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### FY 2019 E&G/Designated Budget Review
As of July 20, 2018

#### Starting Point of FY18 Shortfall

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>($697,320)</td>
<td></td>
</tr>
</tbody>
</table>

#### Additional Resources

- Tuition and Fee increase proposed - 5.939% increase on freshmen, average 2.889% upper classmen: $1,581,402
- Additional interest earnings: 263,000
- Higher waivers (Hazlewood): (100,000)
- Additional overhead from Auxiliaries and DFW: 160,000

**Subtotal - Additional Resources**: $1,904,402

#### Savings

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$755,313</td>
<td></td>
</tr>
</tbody>
</table>

#### Savings from terminations/retirements-new hires at lower amounts

- 300,000

**Total Monies available for FY19 (net of FY18 shortfall)**: $2,262,395

#### New Items

- Remainder of Paralegal FTE: $24,000
- Director, Title IX Cleary Compliance ~ $69K with benefits: 69,000
- Clery police position: 26,473
- VP for Enrollment Management ~ $165K with benefits: 165,000
- Legislative travel add back: 10,000
- New Marketing positions: 70,000
- Timeclock Maintenance Agreement: 21,650
- Additional Advertising: 15,000
- Deferred compensation: 30,000

**Subtotal - New**: $431,123

#### Normal Increases to Expect

- Health Insurance costs: $250,000
- General Merit Scholarship Increase: 200,000
- Athletic Scholarship Increase: 107,780
- Faculty Promotions/Doctorates: 95,000

**Subtotal - Increase on Existing**: $652,780

#### Payraises - Faculty (2.75%) and Staff (1.9% raise, .98% parity)

- $980,422

**Total Increase in Expenses**: $2,064,325

#### Net Income Surplus/(Shortfall)

- **$198,070**
## DFW Expansion Proforma

### Fall Headcount

<table>
<thead>
<tr>
<th>Est. Actual</th>
<th>FY18</th>
<th>Budgeted FY19</th>
<th>Projected FY23</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>70</td>
<td>182</td>
<td>635</td>
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</table>

### Est. Annual Semester Credit Hours

<table>
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<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,867</td>
<td>4,884</td>
<td>5,685</td>
<td>7,817</td>
<td>10,593</td>
<td>14,101</td>
</tr>
</tbody>
</table>

| Percent increase | 260.00% | 140.66% | 137.50% | 135.51% | 133.12% |

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Tuition*</td>
<td>$290,441</td>
<td>$604,883</td>
<td>$859,333</td>
<td>$1,193,398</td>
<td>$1,633,362</td>
<td>$2,196,136</td>
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<td>Statutory Tuition</td>
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<td>244,200</td>
<td>Included in formula number below</td>
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<td>Graduate Tuition</td>
<td>$0</td>
<td></td>
<td>Included in formula number below</td>
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<tr>
<td>University Services Fee</td>
<td>$170,458</td>
<td>364,591</td>
<td>517,960</td>
<td>719,316</td>
<td>984,503</td>
<td>1,323,713</td>
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<td>Student Services Fee</td>
<td>$39,838</td>
<td>91,575</td>
<td>130,097</td>
<td>180,672</td>
<td>247,279</td>
<td>332,479</td>
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<td>Athletic Fee</td>
<td>$22,578</td>
<td>Waive for all sections</td>
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<td>Distance Educ Fee</td>
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<td>173,250</td>
<td>243,692</td>
<td>335,077</td>
<td>454,067</td>
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<td>Formula Funding</td>
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<tr>
<td>Subtotal</td>
<td>$718,700</td>
<td>$1,478,499</td>
<td>$2,248,097</td>
<td>$2,905,157</td>
<td>$4,068,861</td>
<td>$5,172,321</td>
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<tr>
<td>Less Waivers</td>
<td>(18,550)</td>
<td>(47,314)</td>
<td>(69,529)</td>
<td>(89,850)</td>
<td>(125,841)</td>
<td>(159,969)</td>
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<td>Total Revenue</td>
<td>$700,150</td>
<td>$1,431,185</td>
<td>$2,178,571</td>
<td>$2,915,307</td>
<td>$3,943,020</td>
<td>$3,815,679</td>
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### Expenses

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<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
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<td>266,705</td>
<td>327,344</td>
<td>396,495</td>
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</tr>
<tr>
<td>Staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td>79,992</td>
<td>82,412</td>
<td>84,060</td>
<td>85,741</td>
<td>87,456</td>
<td>89,205</td>
</tr>
<tr>
<td>Asst Director Admissions</td>
<td>46,965</td>
<td>48,757</td>
<td>49,732</td>
<td>50,727</td>
<td>51,741</td>
<td>52,776</td>
</tr>
<tr>
<td>Admissions Counselor</td>
<td>11,900</td>
<td>37,440</td>
<td>38,189</td>
<td>38,953</td>
<td>39,732</td>
<td>40,526</td>
</tr>
<tr>
<td>Receptionist</td>
<td>8,011</td>
<td>24,032</td>
<td>24,513</td>
<td>25,003</td>
<td>25,503</td>
<td>26,013</td>
</tr>
<tr>
<td>Student Services Coordinator</td>
<td>35,859</td>
<td>37,440</td>
<td>38,189</td>
<td>38,953</td>
<td>39,732</td>
<td>40,526</td>
</tr>
<tr>
<td>BAAS Acad Prog Coordinator</td>
<td>8,614</td>
<td>8,865</td>
<td>9,042</td>
<td>9,384</td>
<td>10,120</td>
<td>10,475</td>
</tr>
<tr>
<td>PC Network Services Tech</td>
<td>37,149</td>
<td>37,855</td>
<td>38,612</td>
<td>39,384</td>
<td>40,172</td>
<td>40,975</td>
</tr>
<tr>
<td>Digital Media</td>
<td>34,988</td>
<td>35,688</td>
<td>36,402</td>
<td>37,130</td>
<td>37,872</td>
<td>38,612</td>
</tr>
<tr>
<td>Fringe (FY18 Actual)</td>
<td>104,040</td>
<td>183,858</td>
<td>189,374</td>
<td>195,055</td>
<td>200,907</td>
<td>206,934</td>
</tr>
<tr>
<td>Total Staff and Faculty</td>
<td>508,990</td>
<td>762,352</td>
<td>507,399</td>
<td>549,170</td>
<td>562,104</td>
<td>575,355</td>
</tr>
<tr>
<td>Flower Mound Lease</td>
<td>$175,000</td>
<td>$519,163</td>
<td>$571,079</td>
<td>$571,079</td>
<td>$628,187</td>
<td>$628,187</td>
</tr>
<tr>
<td>Build-out</td>
<td>72,000</td>
<td>215,516</td>
<td>215,516</td>
<td>215,516</td>
<td>215,516</td>
<td>215,516</td>
</tr>
<tr>
<td>Marketing</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Maintenance &amp; Operations</td>
<td>187,930</td>
<td>122,100</td>
<td>124,542</td>
<td>127,033</td>
<td>129,573</td>
<td>132,165</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>146,524</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>25,000</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Travel</td>
<td>10,000</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
<td>13,500</td>
</tr>
<tr>
<td>Administrative Overhead</td>
<td>71,559</td>
<td>112,405</td>
<td>145,258</td>
<td>203,443</td>
<td>258,616</td>
<td></td>
</tr>
<tr>
<td>Scholarships</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,501,904</td>
<td>$1,931,190</td>
<td>$2,148,784</td>
<td>$2,295,051</td>
<td>$2,505,557</td>
<td>$2,666,548</td>
</tr>
</tbody>
</table>

### Net Income

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($801,754)</td>
<td>($500,005)</td>
<td>$99,312</td>
<td>$610,106</td>
<td>$1,563,304</td>
<td>$2,505,773</td>
</tr>
<tr>
<td>Cumulative</td>
<td>($801,754)</td>
<td>($1,301,759)</td>
<td>($1,202,447)</td>
<td>($592,341)</td>
<td>($970,963)</td>
<td>$3,476,735</td>
</tr>
</tbody>
</table>

### Capital

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furnishings</td>
<td>$45,000</td>
<td>$95,000</td>
<td>$95,000</td>
<td>$95,000</td>
<td>$95,000</td>
<td>$95,000</td>
</tr>
<tr>
<td>Technology</td>
<td>$50,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

### Instructional Enhancement Fees

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>84,085</td>
<td>98,640</td>
<td>138,746</td>
<td>190,776</td>
<td>258,524</td>
<td>344,156</td>
</tr>
</tbody>
</table>
FY20 Items to Address

Note: FY20 will be the start of a new biennium with a change in state appropriations.

<table>
<thead>
<tr>
<th>New Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gunn replacement funds</td>
<td>279,000</td>
</tr>
<tr>
<td>McCoy Foundation Engineering Expansion ($365,506)</td>
<td>250,000</td>
</tr>
<tr>
<td>Ugrow funding replacement</td>
<td>35,000</td>
</tr>
<tr>
<td>New HSHS building utilities</td>
<td>120,000</td>
</tr>
<tr>
<td>Custodian for HSHS building</td>
<td>30,000</td>
</tr>
<tr>
<td>IT Programmer/Support</td>
<td>64,000</td>
</tr>
<tr>
<td>Clery position - 1/2 year</td>
<td>35,750</td>
</tr>
<tr>
<td>Subtotal</td>
<td>813,750</td>
</tr>
</tbody>
</table>

Normal Increases to expect:

<table>
<thead>
<tr>
<th>Normal Increases to expect</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Insurance costs</td>
<td>200,000</td>
</tr>
<tr>
<td>Longevity increases</td>
<td>20,000</td>
</tr>
<tr>
<td>Software Maintenance Agreements</td>
<td>70,000</td>
</tr>
<tr>
<td>General Merit Scholarship Increase</td>
<td>200,000</td>
</tr>
<tr>
<td>Faculty Promotions</td>
<td>80,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>570,000</td>
</tr>
</tbody>
</table>

Total $1,383,750

Cost per 1% for payraises for faculty and staff 400,000
Staff parity - 1/4 - third year 194,000

FY 21 Items to Address

New Expenses

<table>
<thead>
<tr>
<th>New Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storekeeper for deliveries from central receiving to campus</td>
<td>40,000</td>
</tr>
<tr>
<td>Custodian for HSHS building</td>
<td>30,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>70,000</td>
</tr>
</tbody>
</table>

Normal Increases to expect:

<table>
<thead>
<tr>
<th>Normal Increases to expect</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Insurance costs</td>
<td>200,000</td>
</tr>
<tr>
<td>Longevity increases</td>
<td>20,000</td>
</tr>
<tr>
<td>Software Maintenance Agreements</td>
<td>70,000</td>
</tr>
<tr>
<td>General Merit Scholarship Increase</td>
<td>200,000</td>
</tr>
<tr>
<td>Faculty Promotions</td>
<td>80,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>570,000</td>
</tr>
</tbody>
</table>

Total $640,000

Cost per 1% for payraises for faculty and staff 400,000
Staff parity - 1/4 - final year 194,000
### MSU HEAF Allocations - Requested FY 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2018 Final</th>
<th>FY 2019 Requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Funding</td>
<td>$ 5,061,412</td>
<td>$ 5,061,412</td>
</tr>
<tr>
<td>Debt service/committed:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonded debt service</td>
<td>$ 416,877</td>
<td>$ 422,678</td>
</tr>
<tr>
<td>TPFA master lease and SECO</td>
<td>1,103,774</td>
<td>1,320,841</td>
</tr>
<tr>
<td>Regular:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical Plant (deferred maintenance)</td>
<td>1,000,000</td>
<td>405,150</td>
</tr>
<tr>
<td>Library - books and materials</td>
<td>550,000</td>
<td>550,000</td>
</tr>
<tr>
<td>Capital lease - vehicles (2 police Tahoe's, 5 Malibu's) updated</td>
<td>34,224</td>
<td>39,168</td>
</tr>
<tr>
<td>Allocations to Colleges</td>
<td>410,000</td>
<td>410,000</td>
</tr>
<tr>
<td>Subtotal</td>
<td>3,514,875</td>
<td>3,147,837</td>
</tr>
<tr>
<td>Campus-wide technology:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classroom technology</td>
<td>505,628</td>
<td>200,000</td>
</tr>
<tr>
<td>Computer labs</td>
<td>109,309</td>
<td>110,000</td>
</tr>
<tr>
<td>Information Technology hardware replacements</td>
<td>56,188</td>
<td>42,000</td>
</tr>
<tr>
<td>Wireless infrastructure</td>
<td>49,144</td>
<td>50,000</td>
</tr>
<tr>
<td>Disaster Recovery - FM (Banner 9 and Degree Works)</td>
<td>65,900</td>
<td>-</td>
</tr>
<tr>
<td>Computer lifecycle replacement</td>
<td>160,000</td>
<td>160,000</td>
</tr>
<tr>
<td>Electronic signatures</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>MAC Software Distribution System</td>
<td>4,000</td>
<td>-</td>
</tr>
<tr>
<td>Hardin South 1st and 2nd floor rewire</td>
<td>98,000</td>
<td>-</td>
</tr>
<tr>
<td>IronPort C390 replacement (email security)</td>
<td></td>
<td>15,964</td>
</tr>
<tr>
<td>Antivirus replacement (replace Kaspersky - 3 yr contract)</td>
<td></td>
<td>21,400</td>
</tr>
<tr>
<td>All other proposals/options:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Master Plan Working Reserve</td>
<td>185,093</td>
<td>172,892</td>
</tr>
<tr>
<td>Demo and pave Police house lot on LJR Drive</td>
<td></td>
<td>50,000</td>
</tr>
<tr>
<td>Facilities workshop and pavement</td>
<td></td>
<td>1,000,000</td>
</tr>
<tr>
<td>Web servers ~ Webmaster</td>
<td></td>
<td>14,618</td>
</tr>
<tr>
<td>Content Management System server ~ Webmaster</td>
<td></td>
<td>7,309</td>
</tr>
<tr>
<td>Police requests</td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>Campus-wide surveillance camera upgrade</td>
<td></td>
<td>36,002</td>
</tr>
<tr>
<td>AED replacement units - 10 for campus wide</td>
<td></td>
<td>13,390</td>
</tr>
<tr>
<td>Disaster recovery website server ~ Webmaster requested $7,309 removed</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Exterior Lighting</td>
<td>50,000</td>
<td>-</td>
</tr>
<tr>
<td>Fine Arts Art facilities upgrades (ventilation, woodshop, furnace, p)</td>
<td>113,179</td>
<td>-</td>
</tr>
<tr>
<td>Student Services and Enrollment Management</td>
<td>50,000</td>
<td>-</td>
</tr>
<tr>
<td>Digital surveillance camera and recording system - WFMA</td>
<td>25,000</td>
<td>-</td>
</tr>
<tr>
<td>Policy &amp; procedures manual software - Gen Counsel &amp; Int Audit</td>
<td>30,000</td>
<td>-</td>
</tr>
<tr>
<td>Cascade CMS - compliance - Webmaster</td>
<td>25,096</td>
<td>-</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,546,537</td>
<td>1,913,575</td>
</tr>
<tr>
<td>Available for allocation</td>
<td>$ 5,061,412</td>
<td>$ 5,061,412</td>
</tr>
</tbody>
</table>
## FY 19 Budget Information

### Table Eleven

#### FY 19 Expenses:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>768,296</td>
</tr>
<tr>
<td>Adjunct Faculty</td>
<td>17,000</td>
</tr>
<tr>
<td>Staff</td>
<td>641,895</td>
</tr>
<tr>
<td>Wages</td>
<td>130,579</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>409,730</td>
</tr>
<tr>
<td>Maintenance &amp; Operations (M&amp;O)</td>
<td>2,997,446</td>
</tr>
<tr>
<td>Travel</td>
<td>127,005</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>75,800</td>
</tr>
<tr>
<td>Longevity</td>
<td>9,145</td>
</tr>
<tr>
<td>Scholarships</td>
<td>1,599,999</td>
</tr>
<tr>
<td>Pell Grants</td>
<td>10,000,000</td>
</tr>
<tr>
<td>College Work Study</td>
<td>200,000</td>
</tr>
<tr>
<td>Supplemental Education Opportunity Grant (SEOG)</td>
<td>193,964</td>
</tr>
<tr>
<td>Texas Grants</td>
<td>4,119,003</td>
</tr>
</tbody>
</table>

**Total Expenses:** 21,289,862

#### FY 19 Revenue:

<table>
<thead>
<tr>
<th>Sources</th>
<th>FY19 Amount</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSU Foundation</td>
<td>802,353</td>
<td></td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>1,002,132</td>
<td></td>
</tr>
<tr>
<td>Dillard Family</td>
<td>301,744</td>
<td>Gifts outside of the foundation.</td>
</tr>
<tr>
<td>Gunn Family</td>
<td>31,554</td>
<td>Gift ended FY16; however, using approved roll-forward.</td>
</tr>
<tr>
<td>McCoy Engineering</td>
<td>578,123</td>
<td></td>
</tr>
<tr>
<td>Wichita County</td>
<td>108,737</td>
<td>For the Small Business Development Center</td>
</tr>
<tr>
<td>Priddy Foundation</td>
<td>1,059,871</td>
<td>Mainly used for scholarships.</td>
</tr>
<tr>
<td>Redwine Interest</td>
<td>379,457</td>
<td>Used for honors scholarships</td>
</tr>
<tr>
<td>Mustangs Club</td>
<td>50,000</td>
<td>Donations for Athletics</td>
</tr>
<tr>
<td>Gifts to Annual Fund - University's Greatest Need</td>
<td>40,000</td>
<td>Used for merit scholarship</td>
</tr>
<tr>
<td>Miscellaneous Gifts</td>
<td>1,881,136</td>
<td></td>
</tr>
<tr>
<td>State, Federal, or Government Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Science Foundation</td>
<td>128,837</td>
<td>Grant.</td>
</tr>
<tr>
<td>Small Business Association</td>
<td>123,258</td>
<td>Federal Pass through grant for SBDC.</td>
</tr>
<tr>
<td>Carribean State</td>
<td>21,500</td>
<td>Funds travel expenses for international recruiting.</td>
</tr>
<tr>
<td>Texas Higher Education Coordinating Board (THECB)</td>
<td>4,119,003</td>
<td>Funds Texas Grants.</td>
</tr>
<tr>
<td>University of Texas</td>
<td>12,482</td>
<td>Pass through grant for Jamp program.</td>
</tr>
<tr>
<td>Local Tuition</td>
<td>23,446</td>
<td>Local tuition used for salary and fringe not covered by donor funds</td>
</tr>
</tbody>
</table>

**Total Revenue:** 21,289,862

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Midwestern State University

FY 19 Donor and Other Restricted Funds Fund Summary
Audit, Compliance, and Management Review Committee

Compliance Update
18-151. An update on compliance activities is presented in the Board Book for information only.

Audit Update
18-152. An update on audit activities is presented in the Board Book for information only.

Benefits Proportionality by Fund Audit Report
18-153. This engagement was included in the FY 18 audit plan. Its objective was to ensure that proportional benefits by fund are accurately calculated and applied according to the established guidelines of Article IX, Section 6.08 of the General Appropriations Act. This audit report is included in the Board Book and will be presented for the Board’s acceptance.

Fiscal Year 2019 Audit Plan
18-154. The Texas Internal Auditing Act, Government Code, Section 2102 requires the annual preparation of an audit plan using risk assessment techniques that must be approved by the state agency’s governing board. The plan is included in the Board Book and will be presented for the Board’s approval.
Compliance Activities Update

In accordance with the requirements set forth in Policy 2.26(C)3(b), Institutional Compliance and Ethics Program, the following is an update regarding the content and operation of the University’s compliance and ethics program.

- The Environmental Health, Safety, and Risk Management Committee (EHSRM) met on June 11, 2018. Seven workers’ compensation claims were reviewed, volunteers were requested to create a University Health Management Manual, and discussions were held regarding participation in the University’s Emergency Action Plan and Additional Duty Safety Officer program. The next committee meeting is scheduled for September 10, 2018.

- The Accident Review Board (ARB) met on June 11, 2018. It reviewed six auto accidents and one student injury that occurred between December 2017 and May 2018. All cases except the latest worker injury have been resolved and closed. No corrective action or further investigation was deemed necessary. The ARB will meet again September 10, 2018.

- The Electronic Accessibility Compliance Committee did not meet this quarter due to the website accessibility audit and training. The committee’s next focus will be accessibility compliance for social media, official electronic university communications, and purchasing and procurement.

- The European Union’s (EU) General Data Protection Regulation (GDPR) went into effect on May 25, 2018. This regulation was passed to unify data protection laws across EU member states. It specifies how consumer data is to be used and protected. The GDPR’s territorial scope affects U.S. universities with applicants, students, faculty, and visiting scholars from EU member states. Compliance sub-committee members met individually with the Chief Information Security Officer during the third fiscal quarter to address compliance issues. Areas already in compliance include:

  1. Consent documents for International Services and Human Resources are in place.
  2. Website privacy notices are updated and posted.
  3. GDPR training was created.

Several GDPR requirements have not been implemented as of May 25, including the data audit requirement, documentation of university processing activities, and disclosures required for high-risk data processing. Many of the GDPR requirements directly conflict with U.S. laws; therefore, total compliance will take time as universities address the conflicts, identify impacted offices, and implement and revise existing policies.
• Four University staff members attended the Society of Corporate Compliance and Ethics Higher Education Compliance Conference in Austin, TX from June 3 through June 6, 2018.

• Discussions were held with the Provost and Director of Human Resources regarding the implementation processes of Policy #3.325 Conflict of Interest, Conflict of Commitment, and Outside Employment and Activities and the Disclosure of Outside Employment Form.

• A panel of governance representatives from across campus was convened by the President to review the University’s response to Title IX complaints. The panel met twice during the spring semester and will reconvene in September to review key issues around Title IX compliance and student safety.

• One tip was received between April and June through the EthicsPoint anonymous hotline. The tip is currently being investigated.

• One hundred seventeen (117) contracts were processed through the University’s Contract Management System in the third quarter of fiscal year 2018 (March 1, 2018 – May 31, 2018). As of May 31, 2018, a total of 3,211 contracts were included in the repository with 1,166 being active.
Internal Audit Activities Update

I am pleased to provide an update on this quarter’s Office of Internal Audits activities.

- The Benefits Proportionality by Fund Audit #18-04 is complete. The audit objective was to ensure that proportional benefits by fund are accurately calculated and applied according to the established guidelines of Article IX, Section 6.08 of the General Appropriations Act. Based on our audit procedures we found; that MSU is generally compliant with the defined provisions and guidelines, and that processes in place to prepare the annual report are sufficient to ensure proportionality is applied according to the guidelines. The entire audit report is included in the Board Agenda.

- The Fiscal Year 2019 Audit Plan required by Texas Government Code, Section 2102.005 is complete and submitted for approval. Risk assessment techniques were used to identify individual audits. The plan reflects the allocation of audit resources and is included in the Board Agenda.

- In-progress projects from the Fiscal Year 2018 Internal Audit Plan:
  1. Performed the Contract Management audit.
  2. Coordinated the outsourced Website Accessibility Audit.
  4. Provided ethics and compliance advisory services to various University departments.

- Internal audit focus for the next quarter:
  1. Review and discuss the website audit report with the appropriate departments, draft recommendations and timeline to achieve compliance.
  2. Begin new employee training and orientation.
  3. Prepare, configure and implement the integrated audit software, TeamMate.

Respectfully submitted,

Leigh Kidwell, CPA, CIA, CGMA
Director
June 28, 2018
Benefits Proportionality by Fund
For FY 2015, 2016, and 2017
Report 18-04

Office of Internal Audits

Leigh Kidwell, CPA, CIA, CGMA
Director

3410 Taft Blvd.
Wichita Falls, TX 76308
Phone: (940) 397-4914
www.mwsu.edu/internal-audits
June 28, 2018

Dr. Suzanne Shipley, President  
Ms. Tiffany Burks, Chair Audit, Compliance  
And Management Review Committee  

The Office of Internal Audits has completed an audit of Benefits Proportionality by Fund at Midwestern State University (MSU). This engagement was included in our annual audit plan for the year ending August 31, 2018. The audit was conducted in accordance with Generally Accepted Government Auditing Standards and in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards). Additionally, the audit was conducted using the methodology approved by the State Auditor’s Office (SAO).

The objective of our audit was to ensure that proportional benefits by fund are accurately calculated and applied according to the established guidelines of Article IX, Section 6.08 of the General Appropriations Act. Based on our audit procedures, we found that MSU is generally compliant with the defined provisions and guidelines for reporting benefits proportionally by fund. Processes in place to prepare the annual report are sufficient to ensure benefits funding proportionality is applied according to the established guidelines.

We did note opportunities for the University to strengthen its internal controls, which are listed in the attached Details of Audit Observations. Our recommendations were provided to appropriate University management to assist them with enhancing operations and managing risks. Management has agreed with the recommendations in this report and submitted action plans to address them.

Our Standards require that we monitor audit issues to ensure that management action plans have been effectively implemented. Our follow-up procedures will vary based on the significance of the findings and may include reviewing policies and processes or we may perform limited procedures to ensure the action plan is working as intended.

We appreciate the courtesies extended to us during this engagement.

Sincerely,

Leigh Kidwell, CPA, CIA, CGMA  
Director

Report Distribution:

MSU Responsible Parties:  
Dr. Marilyn Fowle’, Vice President Administration & Finance  
Chris Stovall, Controller

Members of the Audit, Compliance and Management Review Committee:  
Dr. Lynwood Givens  
Jeff Gregg  
Shawn Hessing

State of Texas Agencies:  
Comptroller of Public Accounts  
Governor’s Budget and Policy Division  
Legislative Budget Board  
State Auditor’s Office  
Sunset Advisory Commission
Background

The University is appropriated funds by the State of Texas, which are referred to as General Revenue Funds, and General Revenue-Dedicated Funds. General Revenue-Dedicated Funds include statutory tuition remitted by MSU ($50 per semester credit hour) along with other educational and general funds such as certain course fees, lab fees, organized activity fees, student teaching fees, and proceeds from the sale of educational and general equipment. In addition, the State of Texas funds the benefits for group health insurance, retirement and social security for salaries and wages paid from appropriated funds.

Rider 8, page III-44, the General Appropriations Act (85th Legislature) required higher education institutions, excluding public community/junior colleges, to conduct an internal audit of benefits proportional by fund using a methodology approved by the State Auditor’s Office (SAO). The Rider also required:

- The audit must examine fiscal years 2015 through 2017.
- A copy of the audit report must be submitted no later than August 31, 2018, to the Legislative Budget Board, the Comptroller of Public Accounts, and the SAO.
- The institution must submit a reimbursement payment to the Comptroller of Public Accounts for any excess General Revenue received due to noncompliance within two years from the conclusion of the audit.
- Higher education institutions must consider benefits proportional audits when developing their internal audit plans for fiscal years 2018 and 2019.

MSU’s appropriations for fiscal years 2015, 2016 and 2017 include:

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue Fund</td>
<td>$17,012,175</td>
<td>$18,462,224</td>
<td>$18,522,721</td>
</tr>
<tr>
<td>General Revenue Fund-Dedicated</td>
<td>6,837,483</td>
<td>6,841,947</td>
<td>6,896,220</td>
</tr>
<tr>
<td><strong>Total Method of Finance</strong></td>
<td><strong>23,849,658</strong></td>
<td><strong>25,304,171</strong></td>
<td><strong>25,418,941</strong></td>
</tr>
<tr>
<td>Retirement*</td>
<td>1,335,194</td>
<td>1,344,186</td>
<td>1,353,658</td>
</tr>
<tr>
<td>Group Insurance*</td>
<td>3,142,284</td>
<td>3,451,880</td>
<td>3,699,302</td>
</tr>
<tr>
<td>Social Security*</td>
<td>1,482,458</td>
<td>1,476,822</td>
<td>1,535,895</td>
</tr>
<tr>
<td><strong>Total Benefits</strong></td>
<td><strong>5,959,936</strong></td>
<td><strong>6,272,888</strong></td>
<td><strong>6,588,855</strong></td>
</tr>
<tr>
<td><strong>Total Appropriations</strong></td>
<td><strong>$29,809,594</strong></td>
<td><strong>$31,577,059</strong></td>
<td><strong>$32,007,796</strong></td>
</tr>
</tbody>
</table>

*estimated in the GAA

The General Appropriations Act allows appropriated funds to be expended for the following: instruction, research, public services, academic support, student services, institutional support, operations and maintenance of plant, scholarships, staff benefits, organized activities, and patient care. Appropriated funds cannot be expended for auxiliary enterprises or intercollegiate athletics.

The State Comptroller’s Office has prescribed a process in Accounting Policy Statement (APS) 11 to report on benefit proportionality. The University is assigned an appropriation control officer (ACO) from the State Comptroller’s Office to assist with oversight. The University’s Budget and Management Office, Controller’s Office, Payroll Office and Department of Human Resources have a role in the budgeting, processing, and accounting for salaries, wages, and benefits. The proportionality of benefits is complicated in that different agencies including the State Comptroller’s Office, Employees Retirement System (group health insurance), and Teacher Retirement System are involved in the process of paying and reimbursing benefits.
**Objective and Scope**

Our audit objective was to ensure that proportional benefits by fund are accurately calculated and applied according to the established guidelines set forth in Article IX, Section 6.08 of the General Appropriations Act. The scope of our audit includes proportional benefit by fund reports, information, and activities for fiscal years 2015, 2016, and 2017.

**Procedures**

Our audit procedures consisted of:
- Rely on previous benefits proportional by fund audit work,
- Review legislation, policies, and procedures,
- Review reports and supporting documentation,
- Obtain representation from University employees through interviews or questionnaires,
- Perform testing,
- Incorporate the SAO methodology, and
- Other procedures as deemed necessary.

**Summary of Findings and Observations**

Based on our audit procedures, we found that proportional benefits by fund appear to be accurately calculated and applied according to the established guidelines set forth in Article IX, Section 6.08 of the General Appropriations Act for fiscal years 2015, 2016, and 2017. **We did note opportunities for the University to strengthen its internal controls, which are listed in the attached Details of Audit Observations.**

We certify that our audit incorporated the methodology prescribed by the SAO and based on this methodology, we found no instances of noncompliance, and processes in place to prepare the annual report are sufficient to ensure benefits funding proportionality is applied according to the established guidelines.

**Acknowledgements**

We appreciate the assistance provided to us during our audit by the Vice President of Administration and Finance, Controller, USAS Accountant, Director of Payroll, Director of Budget and Management, and Benefits Coordinator.
Details of Audit Observations

Observation 1: APS 011 Report Inaccuracies

Background: The State Comptroller’s Office maintains Accounting Policy Statement 11 as part of their Fiscal Policies & Procedures. The policy statement requires institutions of higher education to annually complete and submit a Benefits Proportional by Fund (APS 011) Report each November. The University is assigned an appropriation control officer (ACO) from the State Comptroller’s Office to assist with oversight of this complicated process.

Observation: Amounts reported on MSU’s APS 011 Reports for fiscal years 2015, 2016 and 2017 did not agree to the general ledger (Banner). We noted the amounts in Banner were not consistently reconciled to the Uniform Statewide Accounting System (USAS) for specific line items included in the APS 011 report. Multiple errors were noted in each fiscal year predominately in Section II-Benefits Worksheets. It should be noted three different employees prepared these reports due to turn over and internal promotions. Each fiscal year’s APS 011 report was recalcuated using the appropriate Banner account balances to determine the net differences. The recalculated reports for FY 2015 and 2016 resulted with net errors of $4,282 and $68,977 respectively. The recalculated FY 2017 report reflected MSU potentially owing the state $4,524.

Recommendation 1: The Controller and Vice President of Administration and Finance should discuss the APS 011 reporting inaccuracies with the University’s ACO to determine the appropriate course of action.

Recommendation 2: The Controller should develop instructions for preparing the APS 011 Report including a cross-reference for each line item to the appropriate Banner account.

Management Responses: The Controller and Vice President of Administration and Finance consulted with the University’s ACO. The ACO determined that no corrections to prior year APS 011 reports were necessary or would be permitted by the Comptroller of Public Accounts.

Standardized instructions to complete the APS 011 will be created including a cross reference to ensure the amounts reported agree to Banner accounts.

Responsible Person: Chris Stovall, Controller

Oversight by: Marilyn Fowle*, Vice President of Administration and Finance

Implementation Date: November 1, 2018
Observation 2: Strengthen Internal Controls

Background: The Controller’s Office has an opportunity to strengthen internal controls. The benefits proportionality reporting process is very complex and involves multiple departments. Effective internal controls are designed to prevent or discover errors and irregularities, and correct problems that arise allowing the University and individual department to achieve their objectives.

It is important to recognize that in most cases internal controls are not expected to eliminate all risks. Controls should exist to reduce risk to a justified level. Both the analysis of risk and internal controls are the responsibility of management.

Observation: As stated in Observation 1, reconciliation of Banner account balances to USAS and the APS 011 Report were not consistently performed.

Recommendation: A reconciliation of amounts reported on the APS 011 Report, USAS, Banner Finance, and Banner Payroll should be included in the year-end benefits proportionality process. The reconciliation should identify and explain all differences, be provided to and approved by the Controller, and kept in an appropriate file.

Management Response: Formal annual reconciliations will be prepared and reviewed, with any differences corrected and/or notated before the APS 011 report is submitted. A copy will be kept along with the final report.

Responsible Person: Chris Stovall, Controller

Oversight by: Marilyn Fulle*, Vice President of Administration and Finance

Implementation Date: November 1, 2018
Audit Plan

for

Fiscal Year 2019

MIDWESTERN
STATE UNIVERSITY®

Office of Internal Audits

Leigh Kidwell, CPA, CIA, CGMA
Director

3410 Taft Blvd.
Wichita Falls, TX 76308
Phone: (940) 397-4914

www.mwsu.edu/internal-audits
We are pleased to submit the Fiscal Year 2019 Audit Plan. The plan includes audits that are required by statute or administrative policy, assistance required by oversight agencies, audits that are currently in progress, and planned engagements based on our assessment of risk. We have scheduled approximately ten percent of our available hours for assisting management with additional requests, special investigations, following up on implementation of prior audit recommendations, and other value-added work.

Texas Government Code (TGC), Section 2102.005, requires state agencies to conduct a program of internal auditing which includes the annual preparation of an audit plan. The plan must use risk assessment techniques and identify the individual audits to be conducted. This report satisfies that requirement.

The Office of Internal Audits (OIA) is currently staffed by a full time director and a full time auditor. Available hours for this year’s projects after consideration of University holidays, vacation, sick leave and wellness release is 3,676 hours.

OIA’s resources will be allocated among required audits, risk-based audits, special projects, investigations, meetings, committee service, and audit department activities and administration. The audit projects listed below are scheduled for the next three years.

<table>
<thead>
<tr>
<th>Audit Projects</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Assistance to Oversight Agencies</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Public Funds Investment Act (biennial)</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>TX Administrative Code 202 (biennial)</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>NCAA (triennial)</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Safety and Security (triennial)</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Quality Assurance/Peer Review (triennial)</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Benefits Proportional by Fund</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Follow-up</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Information Security</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Departmental Audits</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Risk Based and Other Audits</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Risk based and other audits planned for fiscal year 2019 include:

- Minors on Campus
- International Services
- Electronic Payroll Timekeeping System
- Donor Management

Details of all scheduled audits are included in the Audit Plan.
The University President, the Board of Regents Chair, and the Audit, Compliance, and Management Review Committee Chair have reviewed this plan. We formally request that it be approved.

Respectfully,

Leigh Kidwell, CPA, CIA, CGMA
Director
June 28, 2018

# FISCAL YEAR 2019 AUDIT PLAN

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial, Compliance, Operational, Efficiency &amp; Effectiveness Audits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit Assistance to Oversight Agencies</td>
<td>Provide audit assistance to state and federal oversight agencies such as Texas State Auditor’s Office, Texas Higher Education Coordinating Board, Texas State Comptroller’s Office and grant agencies.</td>
<td>80</td>
</tr>
<tr>
<td>Benefits Proportional By Fund</td>
<td>Verify compliance with requirements to pay benefits in proportion to the sources of funds from which the corresponding salaries and wages were paid in accordance with applicable statutes, General Appropriations Act requirements, and related University policies and procedures.</td>
<td>120</td>
</tr>
<tr>
<td>Donor Management</td>
<td>Review and test procedures and controls over the acceptance, recording and use of gifts received by the University.</td>
<td>240</td>
</tr>
<tr>
<td>Electronic Payroll Timekeeping System</td>
<td>Verify that controls exist to ensure electronic timekeeping transactions and related activities are appropriate and in compliance with laws, policies and regulations.</td>
<td>240</td>
</tr>
<tr>
<td>International Services</td>
<td>Verify adequacy of controls, and compliance with applicable laws, policies and regulations.</td>
<td>240</td>
</tr>
<tr>
<td>Minors on Campus</td>
<td>Determine whether the University has developed and implemented the necessary policies and procedures to ensure the safety and well-being of minors on campus.</td>
<td>240</td>
</tr>
<tr>
<td>Safety and Security</td>
<td>Verify compliance with safety and security requirements of Texas Education Code, Section 51.217.</td>
<td>120</td>
</tr>
<tr>
<td>Disaster Recovery Plan &amp; Business Continuity Plan (Outsourced)</td>
<td>Provide assistance to determine if the University has a business continuity plan and to review the IT department’s plan to timely resume system resources should a disaster occur in compliance with Texas Administrative Code 202.</td>
<td>120</td>
</tr>
<tr>
<td>Departmental</td>
<td>Review for compliance with various regulations and/or for efficiency and effectiveness.</td>
<td>64</td>
</tr>
<tr>
<td>Audits Carried Forward</td>
<td>Prior fiscal year audits not complete at 8/31 and carried forward into current year.</td>
<td>248</td>
</tr>
<tr>
<td>Project</td>
<td>Description</td>
<td>Hours</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Follow-up Audits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementation of Prior Audit Recommendations</td>
<td>Obtain representations from management and verification if necessary, regarding status of implementation of prior audit recommendations.</td>
<td>168</td>
</tr>
<tr>
<td><strong>Special Projects</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotline, Fraud, or Ethics Investigations</td>
<td>Facilitate University anonymous reporting system and investigations.</td>
<td>40</td>
</tr>
<tr>
<td><strong>Meetings and Committee Service</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethics and Compliance Committee</td>
<td>Serve as advisory member of the committee and all subcommittees.</td>
<td>220</td>
</tr>
<tr>
<td>Administrative Meetings</td>
<td>Attend administrative meetings as requested.</td>
<td>240</td>
</tr>
<tr>
<td>Other University Meetings or Events</td>
<td>Attend other meetings or events as requested.</td>
<td>48</td>
</tr>
<tr>
<td>Board of Regents Meetings</td>
<td>Preparation and attendance of meetings or events.</td>
<td>120</td>
</tr>
<tr>
<td><strong>Audit Department Activities and Administration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Audit Plan and Report</td>
<td>Prepare annual audit plan and report.</td>
<td>80</td>
</tr>
<tr>
<td>Audit Manual and Webpage Revisions, and Records Management</td>
<td>Update audit manual and webpage, and manage records maintenance.</td>
<td>80</td>
</tr>
<tr>
<td>Annual Risk Assessment</td>
<td>Facilitate annual University risk assessment.</td>
<td>40</td>
</tr>
<tr>
<td>Professional Development and Travel</td>
<td>Professional development, maintain certifications, continuing education and related travel.</td>
<td>160</td>
</tr>
<tr>
<td>Staff Meetings</td>
<td>Intra office communications and planning.</td>
<td>48</td>
</tr>
<tr>
<td>General and Administrative Tasks</td>
<td>Office administrative duties (planning, purchasing, recordkeeping scheduling, reporting, etc.).</td>
<td>480</td>
</tr>
<tr>
<td><strong>Total Allocated Hours</strong></td>
<td></td>
<td>3,676</td>
</tr>
<tr>
<td><strong>Available Hours for All Staff</strong></td>
<td></td>
<td>4,160</td>
</tr>
<tr>
<td>Less estimated hours for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holidays</td>
<td></td>
<td>(208)</td>
</tr>
<tr>
<td>Vacation &amp; Birthday Leave</td>
<td></td>
<td>(180)</td>
</tr>
<tr>
<td>Sick Leave</td>
<td></td>
<td>(80)</td>
</tr>
<tr>
<td>Wellness Release</td>
<td></td>
<td>(16)</td>
</tr>
<tr>
<td><strong>Net Available Hours</strong></td>
<td></td>
<td>3,676</td>
</tr>
</tbody>
</table>
University Leadership Report

18-155. President Shipley will present information and discuss matters related to the university’s Legislative Appropriations Request, including the exceptional item request and the Administrator’s Statement.

Board of Regents Meeting Dates – 2018-2019

18-156. The following dates are options for consideration of the Board for meetings in the 2018-2019 year. The Board will be asked to determine whether to hold their quarterly meetings with a one-day or two-day format, and whether the meetings will be held on Thursdays and/or Fridays.

   November 8 and/or 9, 2018
   February 14 and/or 15, 2019
   May 9 and/or 10, 2019
   August 1 and/or 2, 2019

Election of Board Officers for FY 2019 and FY 2020

18-157. A special Nominating Committee appointed in May will make recommendations concerning the election of a Chair, Vice Chair, Secretary, and Member-at-Large of the Executive Committee to serve for the next two fiscal years, with terms of office beginning September 1, 2018. The Board may discuss individual personnel matters associated with the organization of the Board of Regents in closed session as allowed by Texas Government Code, Chapter 551.074, with the election held in open session.

Executive Session

18-158. The Board will convene in Executive Session as necessary to consider matters permissible under Chapter 551 of the Texas Government Code, including:

   A. Government Code, Chapter 551, Section .071 – Consultation with Attorneys Regarding Legal Matters, Pending and/or Contemplated Litigation, or Settlement Offers, or on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code.
   B. Government Code, Chapter 551, Section .072 - Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property to include
      1. Amendment to Ground Lease Regarding Real Property Owned by the University and Leased to the Family YMCA and the Detention Facility Agreement Required in Accordance with the Regulations of the City of Wichita Falls.
      2. Flower Mound Building – Amendment to Lease (18-122)
   C. Government Code, Chapter 551, Section .073 - Deliberations Regarding a Negotiated Contract for a Prospective Gift or Donation
   D. Government Code, Chapter 551, Section .074 – Personnel Matters Relating to the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of Officers or Employees, or to Hear a Complaint or Charge Against an Officer or Employee
   E. Government Code, Chapter 551, Section .076 - Deliberations Regarding Security Audits

Closing Comments

Adjournment
The Board of Regents, Midwestern State University, met in regular session on the Midwestern State University campus in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 10:00 a.m., Friday, May 11, 2018.

Individuals in attendance were as follows.

Regents: Mr. Sam Sanchez, Chairman
Mr. R. Caven Crosnoe, Vice Chairman
Ms. Nancy Marks, Secretary
Mr. Warren Ayres
Dr. Lynwood Givens
Mr. Jeff Gregg
Mr. Shawn Hessing
Dr. Shelley Sweatt
Ms. Shayla Owens, Student Regent

University Administration: President Suzanne Shipley
Provost and Vice President James Johnston
Vice President Marilyn Fowlé
Vice President Keith Lamb
Vice President Anthony Vidmar
Associate Vice President Kyle Owen
Associate Vice President Matt Park
Director of Athletics Kyle Williams
General Counsel Barry Macha
Director of Internal Audits Leigh Kidwell
Controller Chris Stovall
Director of Marketing and Public Information Julie Gaynor
Executive Assistant to the President Cindy Ashlock
Director of Board and Government Relations Debbie Barrow

Governance Representatives: Dr. David Carlston, Faculty Senate Chairman
Mr. Newman Wong, Staff Senate Chairman
Ms. Maria Peña, 2017-18 Student Government Association (SGA) President
Ms. Ellie Gunderson, 2018-19 SGA President
Mr. Jacob Warren, 2017-18 SGA Observer

Guest Presenters: American National Bank
Mr. Jeff Schultz, Senior Vice President and CIO
Ms. Linda Wilson, Senior Vice President
Mr. Curt Knobloch, Trust Officer
In accordance with a duly posted notice and there being a quorum present, Chairman Sanchez called the meeting to order at 10:00 a.m. Ms. Gaynor introduced the guests.

Opening Comments and Introduction of Special Guests
Chairman Sanchez reported that Regent Burks was traveling out of the country and was unable to participate in the meeting. He acknowledged Student Regent Shayla Owens and mentioned this would be her last Board meeting as Student Regent. Chairman Sanchez thanked Ms. Owens for her service to the university and wished her well in the future.

Chairman Sanchez noted that faculty advisors and members of the MSU Model UN Team were in attendance. He asked Dr. Steve Garrison to report on the students’ recent accomplishments. Dr. Garrison reported that this was a historic year for MSU Model UN. The team received the Outstanding Delegation Award, which indicated that every team member excelled in every aspect of the competition. He added that three students won Outstanding Position Paper Awards and two students won Outstanding Delegate Awards. The student members (Savatore Capotosto, Georgia DuBose, Herbert McCullough IV, Dakota Tolleson, and Natalia Zamora) introduced themselves, talked about their experience with Model UN, and thanked the administration and Board of Regents for their support. Chairman Sanchez congratulated the students for their work and wished them well in the future.

Chairman Sanchez stated that while the Regents and administration were aware, he wanted to announce that this would be his final meeting as a member of the Board of Regents. He explained that he was relocating his practice to Florida and would no longer qualify to serve on the Board of Regents. He stated that he would resign his position on the Board the following Monday. He indicated that his eight years on the Board of Regents had been a phenomenal experience.

Public Comment
Chairman Sanchez noted that no one had signed up to provide public comment.

Reading and Approval of Minutes
18-82. The minutes of the February 8, 2018 Board of Regents committee meetings and the February 9, 2018 full Board meeting were approved as presented.
Investments with American National Bank (ANB) Update
18-83. Mr. Jeff Schultz, Ms. Linda Wilson, and Mr. Curt Knobloch from American National Bank presented information regarding the university’s endowment funds held by American National Bank. Ms. Wilson made opening comments, began the presentation (see Attachment 1), and discussed the bank’s long-standing relationship with MSU. Mr. Shultz then discussed the investment process and Mr. Knobloch reviewed the fixed income analysis. Mr. Schultz provided information on the equity portion of the investments, including the portfolio performance shown on Slide Eight. He reported that on April 1, 2017 the market value of the MSU endowment funds held by ANB was $8.8 million and one year later the market value had increased to $9.38 million. He stated that they were quite pleased with the performance. He thanked the Board for the opportunity to provide this update.

There being no questions, Chairman Sanchez thanked the group for providing this information and for their work on behalf of MSU.

Modification of Midwestern State University Organization Chart
18-84. Chairman Sanchez noted that the Board Book included a revised organization chart as well as an explanation of the changes that had been made. President Shipley reported that the changes indicated the institution’s focus on growth with the creation of a new Vice President for Enrollment Management (VPEM) position, and the reorganization of the offices that would report to this vice president. She added that as the administration began regularly interfacing with community colleges it became apparent that MSU was missing a leadership role in the area of outreach. She stated that Dr. Pam Morgan, Director of Continuing, Professional, and Distance Education, would move into a new Director of Academic Outreach and Distance Education position. She noted that some of the areas Dr. Morgan previously oversaw would be embedded within the Provost’s area. She added that these changes would equip the university to quickly and efficiently reach out to new populations of students in the coming years. Chairman Sanchez stated that this item was presented as a point of information only.

Chairman Sanchez explained that the chairs of the Board committees would present items that would normally fall under each committee for consideration and he would conduct necessary voting of action items by the full Board. He reminded members that this was a meeting of the full Board of Regents and that all Regents could make motions, provide seconds, and vote on all action items.

Strategic Plan Update
18-85. Chairman Sanchez noted that the work of the Strategic Planning Committee had continued and information on the progress was provided in the Board Book. Provost Johnston reported that the Board previously received reports on the work of the committee with the plan approved by the Board in August 2017. He stated that during the last year the plan had been prioritized and that he was working with Dr. Fowlé to put budgets with some of the items and to document the university’s progress on the plan thus far. He indicated that progress had been made on a number of items such as the summer bridge program. He reported that the first summer bridge programs would be offered in the summer of 2018. He added that the former Academic Support Center was reorganized into a Tutoring and Academic Support Programs (TASP), which was
included as an action item in the Strategic. He stated that work would continue to organize and prioritize the items and determine the cost of high priority items.

Campus Construction Update
18-86. Chairman Sanchez noted that project status reports were presented in the Board Book. Associate Vice President Kyle Owen then presented an update of current projects as shown in Attachment 2.

Capital Expenditure Plan (MP1) Report - FY 2019-2023
18-87. Chairman Sanchez stated that each year the Texas Higher Education Coordinating Board (THECB) requests an update of the university’s five-year plan for new construction, land acquisition, information resource projects, and major repair and renovation projects. He indicated that a copy of the proposed MP 1 report was included in the Board Book. Associate Vice President Owen noted that this report was a listing of any project the university might pursue during the next five years. He stated that these projects had not been funded, but were projects that could possibly be pursued in the future.

Regent Marks moved approval of this item as presented. Regent Crosnoe seconded the motion and it was approved.

Health Sciences and Human Services Landscaping and Parking Project Approval Request
18-88. Associate Vice President Owen reviewed the information provided in the Board Book related to this project. He noted that the bids were received the week before the meeting and the administration was ready to proceed with the project. He stated that the administration was requesting authorization to contract for this landscaping project at a cost not to exceed $1.4 million. Mr. Owen added that this was less than the budgeted amount.

Regent Ayres moved approval of this item as presented. Regent Marks seconded the motion and it was approved.

Financing of Facilities Complex
18-89. Chairman Sanchez reported that in February the Board authorized the administration to move forward with planning the move of Facilities Services to the north side of campus and to begin the design process. He added that since that time the administration had developed an interim revised plan. Vice President Fowlé reviewed the information provided in the Board Book. She added that when she presented information to the Board in February on the university’s financial ratios she noted the university’s level of debt. She stated that she looked at many options to determine how to limit the issuance of debt by the university. She noted that with the purchase of #6 Eureka Circle and the move of the University Police Department into that facility, it became apparent that there were less costly options that could be considered. As presented in the Board Book, with the relocation of the Police Department, the Facilities Administration could be moved into Bridwell Hall with the renovation paid by the Tuition Revenue Bond (TRB) funding. In this scenario, a new building would not be needed for Facilities Administration, saving the university approximately $3 million. Dr. Fowlé added that Facilities Workshops and Storage would still require a new building on the original Bridwell Courts location. Approximately $2.4 million in Higher Education Assistance Funds (HEAF) would be
needed for this new building. She added that if HEAF could be saved during the next several years the building could be built with cash. She noted that with this plan, work on the Daniel Building would be delayed for a few years. The administration requested authorization to proceed with the plan as presented, according to the draft timeline presented in the Board Book unless pledges or funding currently anticipated to span four years became available sooner. Dr. Fowlé added that the goal was to complete the renovation of the Daniel Building in time for the university’s 100 year anniversary.

Dr. Fowlé was asked how long this plan would delay the work on the Daniel Building. She responded that the delay would be one-half year to one year since the work on Daniel could not begin until Facilities Administration moved to Bridwell Hall upon the completion of the new building for the Gunn College of Health Sciences and Human Services. President Shipley noted that Dr. Fowlé was present when the proposal was made to the foundations regarding this project. She indicated that donors were aware that just as pledges could extend over several years, the project included many moving parts and would not be done right away. She stated that upon approval of this item she would meet with the donors and review the new timeline. She added her appreciation to Dr. Fowlé’s ability to find the best option for university projects.

Regent Hessing stated that the information in the Board Book showed savings with this revised plan of more than $9 million ($6 million in interest, $.5 million in bond issuance costs, and $3 million that would not be needed for a new Facilities Administration building). He moved approval of this item as presented. Regent Ayres seconded the motion and it was approved.

**Legislative Appropriations Request (LAR)**

18-90. Chairman Sanchez stated that MSU’s legislative request for fiscal years 2020 and 2021 would be prepared during the next several months with the majority of the request driven by historical enrollment and financial information. He noted that exceptional item requests included in the LAR required support from the Board of Regents. President Shipley reported that when the last LAR was submitted in 2016, the Board approved the exceptional item funding request for the Flower Mound facility. The administration recommended including a similar request in the upcoming LAR submission. President Shipley noted that since the university had not had to pay for the facility until recently the need for the requested support overlapped with another legislative session.

Regent Gregg moved the Board authorize the administration to develop an exceptional item funding request for the Academic Expansion and Partnership Program as presented. Regent Marks seconded the motion and it was approved.

**Holiday Schedules for Staff Employees – 2018-2019**

18-91. Chairman Sanchez noted that the item in the Board Book explained how the holiday schedules are developed and included the proposed schedules for the following year. Regent Crosnoe moved approval of the schedules as presented. Regent Marks seconded the motion and it was approved.
Faculty Report

18-92. Dr. David Carlston, Chairman of the Faculty Senate, presented information summarized below.

A. Dr. Carlston expressed appreciation to the Board of Regents and President Shipley for their response regarding sexual misconduct on campus. He reported that the Faculty Senate expressed concern through a resolution and Dr. Shipley formed a panel to review the university’s response to sexual misconduct allegations. He added that the work of the panel continues. He expressed appreciation to Regent Crosnoe and Regent Marks for their participation in the initial meetings of the panel. He stated that their attendance and participation showed that the Board took considerable interest in the safety and interests of MSU students, faculty, and staff.

B. He mentioned the discussion in February regarding the Faculty Satisfaction Survey results and the concerns expressed regarding faculty being at risk of experiencing burnout. He reported that President Shipley and Provost Johnston met with the Faculty Senate and discussed the importance of this concern. He stated that the Faculty Senate and administration would address many issues in the next year related to this topic, including faculty workload, work/life balance, compensation, load demands, and other areas. He added that work would begin during the summer to develop a plan to address these concerns in the next year.

C. He reported that he was re-elected as Chairman of the Faculty Senate for the coming year. He mentioned that Dr. Chuck Bultena would no longer serve as Faculty Senate Treasurer, a position he had held for a number of years. Dr. Carlston expressed his appreciation to Dr. Bultena for his work.

D. Dr. Carlston mentioned that the response from faculty to the creation of a new Vice President for Enrollment Management position and a new Title IX Coordinator position had been one of excitement as well as some concern. He indicated that the faculty are excited with the potential for growth as well as greater student support. He added, however, that he would be remiss if he did not mention that there are growing concerns about increasing the budget for university administration. He asked the administration and Board to keep that in mind as they discuss potential new university positions.

E. He noted that Dr. Laura Fidelie, 2017-2018 Faculty Award winner, would join the meeting later in the afternoon to present her report.

Regent Givens thanked Dr. Carlston for his candid comments and congratulated him on his re-election.

Staff Report

18-93. Mr. Newman Wong, Chairman of the MSU Staff Senate, reported that the Staff Senate had continued to be very active including being involved in shared governance opportunities such as the Title IX Review Panel. He noted that his term on the Senate would end in August and a new chair would visit with the Board in the fall. Regent Givens thanked Mr. Wong for his service.
Student Government Report
18-94. Ms. Maria Peña, outgoing MSU Student Government Association (SGA) President, reported that this would be her last Board meeting and that she would graduate from MSU the following day. She reported that she planned to attend graduate school majoring in higher education administration. She stated that she was very grateful for the opportunities she’d had at MSU and that it was an honor to serve the institution. She introduced the incoming SGA President Ellie Gunderson. Ms. Gunderson stated that she is a political science major and a women’s gender studies minor. She played volleyball at MSU for three years, and indicated that she looked forward to working with the Board in her new capacity.

Regent Givens thanked Ms. Pena for her service and wished her well in the future. He thanked Ms. Gunderson for her comments and indicated the Board looked forward to working with her and the other new officers in the coming year.

Athletics Report
18-95. Director of Athletics Kyle Williams stated he was available to answer any questions related to the report shown in the Board Book. He added that the tennis and golf teams just finished with the NCAA Regionals. Men’s golf finished in eighth place and women’s golf finished in sixth place with neither team moving on in the competition. He added that Ms. Emily Brennan, a freshman golfer from England, placed third in the regional tournament and would advance to the NCAA National Tournament in Houston. The tennis teams advanced to the Elite Eight. The women’s team lost in the first round and the men’s team lost the following day. Mr. Williams then also reviewed information from his report regarding the Student Athletics Banquet, the Maroon & Gold Game, the Robert Grays’ Endowment, the work of Mustangs 360, the alcohol and drug education program for student-athletes, and the Lone Star Conference. He added that the Athletics Department provided stoles for the graduating student-athletes to wear at graduation. He also reported on open coaching positions in volleyball, women’s soccer, and strength and conditioning.

Dallas-Fort Worth (DFW) Expansion Update
18-96. Vice President Lamb’s update was presented in the Board Book and he provided additional information. Dr. Lamb stated that the most notable accomplishment was that the building was complete and staff had moved into the facility. He announced that the grand opening of the facility was scheduled for June 6 at 10:30 a.m. He added that additional information would be forwarded to Board members soon. Dr. Lamb reported that enrollment for the summer was looking good and the semester credit hours for the year had already exceeded the amount budgeted.

Regent Ayres asked about the enrollment goal for Flower Mound in the current year. Dr. Lamb responded that the budget was built with an annual goal of 2,200 semester credit hours (SCH). He reported that enrollment had produced 2,477 SCH thus far, and that students were still registering for summer classes.

May 2018 Graduating Class
18-97. Regent Givens reported that the administration recommended approval of the candidates for May graduation as presented. He noted that 734 students were on the list, compared...
to 699 in 2017. Regent Givens moved approval of the list of candidates. Regent Marks seconded the motion and it was approved.

**Addition of Academic Degree Concentration and Minors to Existing Degree Programs**

18-98. Regent Givens stated that the administration recommended the addition of an academic concentration and three minors as outlined in the Board Book. Provost Johnston reported that the proposed concentration in Agribusiness and the three interdisciplinary minors offered in the McCoy College of Science, Mathematics and Engineering would extend the career profile and marketability of a number of degrees. He added that the minors would be offered within the university’s existing resources.

Regent Givens moved approval of these academic additions as presented. Regent Sweatt seconded the motion and it was approved.

**Housing and Dining Service Rates**

18-99. Regent Givens stated that the administration’s recommended housing and dining rates for 2018-2019 and comparison charts were presented in the Board Book. Vice President Lamb reviewed the information provided regarding changes that had been made in MSU housing since 2013. He stated that since that time a great deal of progress had been made.

Dr. Lamb referred to the proposed rates for FY 19 and explained that the rates were annual rates. He stated that the largest recommended increase was approximately three percent for McCullough-Trigg Hall. He added that the meal plan recommendations were similarly less than three percent. He noted that the Platinum Unlimited is the highest level of dining plan, allowing students to eat in dining services as many times as they would like every day. He stated that this plan is the best value offered. He explained that the Gold 200 is a new plan proposed for FY 19. It is a 200 meal block plan which would provide 200 meals in the fall and 200 meals in the spring.

Dr. Lamb referred to the comparison tables shown in the Board Book. He noted that the rates shown were MSU’s proposed 2019 rates compared to the 2018 rates at other institutions. He stated that the other schools would likely change their rates for next year as well which would positively affect MSU’s ranking. He added that the comparisons showed MSU to be in a good position when compared to other institutions.

Regent Sweatt commented that in reviewing the proposed rates, it looked as if the university currently offered only two resident meal plans and that two were being added. She asked if this was correct. Associate Vice President Park responded that the university currently offers three plans, and would like to phase out one of the plans and add two new plans. He reported that the current Block 250 plan is underutilized and will be replaced by the new Gold 200 and Bronze 75 plans. Regent Sweatt asked what percentage of MSU’s residential students selects the unlimited plan. Mr. Park responded that approximately 30-40% choose the unlimited plan.

Regent Marks asked if students could use their dining card off campus. Mr. Park responded that the card can only be used on campus. He added that while MSU has a Chick-fil-A on campus, it is a corporate plan and the card cannot be used at the local, off-
President Shipley indicated that it would be interesting to ask Chartwells if such an exchange program might be possible for students.

Regent Sweatt asked if a student on the unlimited plan had the choice of going to the dining hall or Chick-fil-A for a meal. Mr. Park responded that there are certain limitations to the meal exchange/trade program. He explained that students can use one meal exchange per day at any retail location on campus. The standard dining facilities are Mesquite Café and Maverick’s Corner. A student with an unlimited plan can go into those dining facilities at any time and have something as small as a cookie or as large as a full buffet meal. He added that when a student goes into a retail location they use one dining swipe and receive a pre-determined combo meal. Regent Sweatt asked what percentage of students uses the retail opportunities. Mr. Park responded that he did not have that information. Regent Marks stated that she had seen students at other institutions receive a discount at eating establishments in the local community. Dr. Lamb responded that different vendors had offered discounts to students throughout the years, but nothing large scale had ever been developed. He stated that it was something that could be considered. Mr. Park added that they had looked at the possibility of offering a discount card program if vendors and partners in the community would offer discounts to MSU students.

Regent Owens asked about the occupancy in housing. Dr. Lamb responded that housing occupancy was at 88% in the fall of 2017 and it was anticipated that the rate would be greater than 90% in the fall of 2018. He added that spring occupancy generally drops by approximately 10%.

Regent Givens asked whether the university makes money or loses money through the housing and dining services program. Dr. Lamb responded that the housing budget pays for itself. He added that the housing operation also pays an administrative fee to the university for services provided. Dr. Fowlé added that auxiliaries pay the university for services such as accounting, budget, payroll, purchasing, human resources, and all of the other back of the office services. Regent Givens stated his concern that the recommendations were market driven and indicated he would like to have information showing the related costs of food and personnel. He explained that the cost information would give him a better understanding of whether the increases were justified or if they possibly need to increase more.

Regent Sweatt asked how many students spend their meal plans down to zero at the end of the semester. Mr. Park responded that the unused meals from the fall semester carry into the spring semester. Additionally, students can change plans between the fall and spring semester if they have too many or too few meals remaining. He stated that students tend to be fairly close with their meals at the end of the year.

Regent Givens moved approval of the housing and dining service rates as presented. Regent Hessing seconded the motion and it was approved.

Faculty Emeritus Status
18-100. Regent Givens stated that while this item would be discussed in closed session, he wanted to mention that individuals recommended for emeritus status must be reviewed
and approved by the University Tenure and Promotion Committee. He added that Provost Johnston would present recommendations in closed session later in the day.

Faculty Promotions and Tenure
18-101 & 102. Regent Givens noted that these two items would also be discussed in closed session later in the meeting. He asked Provost Johnston to present general information regarding faculty promotion and tenure. Dr. Johnston reported that policies approved in 2008 and 2014 continue to be used. He stated that the tenure and promotion process for an individual hired on tenure track is generally five years. Faculty submit an annual report each year evaluating their teaching, scholarship, and service. Individuals applying for promotion or tenure must submit a portfolio that includes the three areas of teaching, scholarship and service, each weighted equally, with evidence to support their documents. The levels of review are department chair, college tenure and promotion committee, academic dean, University Tenure and Promotion Committee, the provost, the provost’s consultation with the president, and final approval by the Board of Regents.

Recess
The Board recessed at 11:29 a.m. and reconvened at 11:37 a.m.

Summaries of Financial Support and Comprehensive Campaign Update
18-103. Regent Gregg highlighted some of the gifts received since the last meeting of the Board of Regents as shown below, and commended the support the university receives from foundations, the community, alumni, and friends.

A. The MSU Foundation received two annuity payments for the McAda Graduate School from the Estate of Dr. Billie McAda totaling more than $550,000.

B. The Fain College of Fine Arts and Prothro-Yeager College of Humanities and Social Sciences received a three-year pledge totaling $250,000 to fund the Jane Spears Carnes Faculty Fellowship for Creative Endeavors over the next ten years.

C. The Museum of Art at MSU received $50,000 from Dr. and Mrs. Robert Rugeley, to assist with the salary funding for the Curator of Education.

D. The MSU Small Business Development Center received three gifts for annual operations: the Big Brothers Big Sisters Lone Star organization contributed $40,000 and Martha Fain and the Bryant Edwards Foundation donated $30,000 each.

Vice President Vidmar announced that the Boundless Opportunities Campaign had achieved 100% involvement by the MSU Board of Regents with gifts and pledges exceeding $230,000. He expressed appreciation to the Board members for their generosity and thanked Regent Hessing for his leadership.

Mr. Vidmar highlighted two of the quantitative reports that were included in the Board Book. He noted that the overall goal for new gifts and commitments in the seven-year campaign was $50 million. He reported that the total raised through March 31, 2018, was $36,190,568, representing 72.38% of the goal in 22.62% of the time expended in the campaign. He added that the FY 18 report of new gifts and commitments showed a
record-setting total at the end of March 2018 of $29,397,896. The previous yearly high of $23.8 million was in FY 14.

President Shipley stated that in the next years of the campaign there would be more emphasis on who is giving rather than what is being given. She noted that while some of the largest gifts for the campaign may have been received, the next goal of the campaign is to engage as many alumni and potential donors as possible in the campaign. She reported that the faculty-staff campaign would be kicked off in the fall. She added that she and Mr. Vidmar would continue to travel to meet potential donors about potential gifts. She stated that deans and Mr. Vidmar’s staff would also help with future principle gifts. President Shipley mentioned that additional corporate giving is needed to support academic equipment and technology. She reported that alumni would be the focus as the campaign draws to a close, and the campaign would end with a great centennial celebration.

Regent Sweatt asked Mr. Vidmar to provide examples of gifts in kind. Mr. Vidmar responded that the largest gift in kind received was for software in the geosciences. He added that other gifts in kind were for meals, advertising, lodging, equipment, and other such items.

Financial Reports
18-104. The administration recommended the January, February, and March 2018 Financial Reports for acceptance. Regent Gregg made a motion to accept the reports as presented. Regent Ayres seconded the motion and it was approved.

Investment Report
18-105. The administration recommended the second quarter FY 2018 investment report for acceptance. Regent Gregg made a motion to accept the report as presented. Regent Ayres seconded the motion and it was approved.

Public Funds Investment Act Compliance
18-106. The administration requested Board approval of the Public Funds Investment Act training received by Vice President Fowlé and Comptroller Stovall. There being no questions, Regent Gregg made a motion to approve the training as presented. Regent Crosnoe seconded the motion and it was approved.

Salary/Title/Position Changes in FY 18 Budget
18-107. Regent Gregg noted that the reports of personnel changes in January through March 2018 were presented in the Board Book for information only and the list of salary changes was presented for ratification. There being no questions, Regent Gregg made a motion to ratify these changes as presented. Regent Ayres seconded the motion and it was approved.

Instructional Enhancement Fee – Fain College of Fine Arts
18-108. Vice President Fowlé stated that the administration recommended that the Fain College of Fine Arts Instructional Enhancement Fee be increased from $15 per semester credit hour (SCH) to $20 per SCH. This increase would cover the cost of maintenance
agreements on new equipment in the television studio as well as the new pianos that had been purchased.

Regent Hessing asked if this fee was charged only to students in the Fain College of Fine Arts. Dr. Fowlé responded that any student taking a class in the Fain College would be charged this fee. Regent Gregg moved approval of this item as presented. Regent Ayres seconded the motion and it was approved.

Motor Vehicle Registration Fee
18-109. Vice President Lamb reviewed the information provided in the Board Book related to the plan to increase parking by $20 each year until the fee is sufficient to support the construction and operation of one or more parking garages on campus. Vice President Lamb was asked how the proposed fee compared to similar fees charged at other public universities in Texas. Dr. Lamb indicated that he would gather the information for the Board.

Regent Marks asked if the administration had considered increasing the vehicle registration fee for faculty and staff. Dr. Lamb responded that conversations were held with the Faculty Senate and Staff Senate but there wasn’t the desire to move forward. Regent Ayres asked when the fee would produce enough revenue to afford a parking structure. Vice President Fowlé responded that with a fee of $150 the university could build a double deck parking structure. She added that a fee of $150 would not be enough for a multi-level parking structure unless enrollment grew substantially. Regent Ayres asked if the fee paid for parking improvements on campus. Dr. Fowlé responded that the current fee was used to pay off the West Campus Annex parking lot. She added that by the time the fee reaches $150 the lot will be paid for and the revenue would be available for whatever the Board determined.

Regent Givens stated concern that the faculty did not lead the way and share in this kind of cost. Ms. Owens asked if a new parking structure would be for students only or if faculty and staff would use it as well. Dr. Lamb responded that the general thinking was that it would be for students only because it would be farther away from the academic buildings than is current employee parking. Regent Crosnoe asked Dr. Lamb to explain the different types of parking spaces on campus. Dr. Lamb responded that the three parking zones are Reserved (faculty and staff), Residential, and Commuter. President Shipley asked Dr. Fowlé and Dr. Lamb to provide information at the next Board meeting regarding the true cost of paving, marking, and policing parking for faculty and staff. She indicated this would help the administration and Board know whether there is an inflationary issue that needs to be addressed to ensure that student fees are not subsiding faculty and staff parking.

Regent Gregg moved that the Motor Vehicle Registration Fee for students be increased as presented. Regent Hessing seconded the motion and it was approved.

Lunch Recess
Chairman Sanchez announced that the Board would recess for lunch at 11:50 a.m. The Board of Regents meeting reconvened at 1:00 p.m.
Announcement
Chairman Sanchez stated that since the Board meeting had moved along so quickly, Dr. Laura Fidelie would not be able to arrive on campus in time for her presentation at this meeting. He indicated that she would make her presentation in August.

Conflict of Interest Disclosure and Compliance with Ethics Commission Filing Requirements
18-110. Regent Hessing reported that each year regents other than the student regent are asked to confirm in writing that they have received notification of state and university ethics policies and have filed a Personal Financial Statement with the Texas Ethics Commission as required by state law. Board members were asked to sign the acknowledgment form provided and to return it to Mrs. Barrow. Regent Hessing asked if any Regent wished to disclose any new potential conflicts of interest in accordance with Policy 2.25, Ethics Policy for the Board of Regents. No disclosures were made.

Compliance Update
18-111. The Compliance Update was included in the Board Book as a point of information only and there was no discussion.

Audit Update
18-112. An update on audit activities was presented in the Board Book for information only and there was no discussion. Ms. Kidwell reported that she successfully met all of the requirements to be a Certified Internal Auditor. The Board congratulated Ms. Kidwell on this important accomplishment. She added that the auditor in her office, Ms. Debbie Vaughn, recently gave notice that she would be moving out of state. Ms. Kidwell stated that Ms. Vaughn would work through the end of June and reported that she would soon begin the search for a new auditor.

Petty Cash and Change Fund Audit Report
18-113. Ms. Kidwell stated that overall the university has opportunities to enhance internal controls surrounding cash. Regent Hessing moved the Board accept the report as presented. Regent Crosnoe seconded the motion and it was approved.

Texas Higher Education Coordinating Board (THECB) Facilities Audit
18-114. Ms. Kidwell reported that this audit was a collaboration between the THECB and internal audit. The report spanned seven fiscal years and, based on the procedures, it was concluded that MSU complied. Regent Hessing moved the Board accept this report as presented. Regent Givens seconded the motion and it was approved.

Independent Validation (Peer Review)
18-115. Ms. Kidwell indicated that this represented the independent validation of her self-assessment. The peer reviewers also looked at several audit projects. The review concluded that the audit function conformed with the standards required of internal audits. Regent Hessing moved the Board accept this report as presented. Regent Ayres seconded the motion and it was approved.

MSU Policies and Procedures Manual Changes
18-116. Regent Hessing noted that three policies were rewritten or modified and recommended for approval, and one policy was recommended for deletion.
A. Policy 3.340, Americans with Disabilities Act – Mr. Macha reported that this policy was rewritten to comply with federal and state laws and regulations. He noted that committees had been formed to ensure MSU compliance.

B. Policy 4.134 (Donations, Gifts, and Endowments) and Deletion of Policy 4.164 (Solicitation of Funds) – Vice President Vidmar stated that these changes would clarify administrative roles, responsibilities, and procedures, and ensure compliance with applicable federal and state laws and regulations. He noted that as a result of the new wording in Policy 4.134, Policy 4.164 (Solicitation of Funds) would no longer be necessary and was recommended for deletion.

Regent Ayres asked if the wording on page five of the policy, the second paragraph under Cash and Publicly Traded, Marketable Securities, affected gifts to the MSU Foundation, Inc. Mr. Vidmar indicated that it did not.

C. Policy 4.151 (Web Accessibility) – Mr. Macha noted that this policy was rewritten to ensure that all web applications and web pages on the MSU website meet applicable federal and state laws and regulations. He added that this policy was vetted throughout the campus.

Regent Givens asked about the cost of fully implementing this policy. Ms. Kidwell responded that a compliance audit would begin the following week and the report would be available in June. She added that the cost of the audit was $5,400. President Shipley added that the policy was required by federal mandate and the university must have the policy. Regent Givens expressed concern with approving a policy change without knowing if it is required, what the cost of implementation would be, and what implementation timeline the university must meet. He added his concern that the cost of implementation could be in the millions of dollars.

Ms. Kidwell stated that once the audit results are known the administration would have additional information regarding implementation costs. Regent Givens asked if there was any reason this policy action could not be delayed until the August meeting. Mr. Macha responded that the university must have a plan in place by August 13, 2018. He added that the plan includes an approved policy and a corrective action plan. Ms. Kidwell added that in last year’s budget a website Content Management System was purchased to give the university the tools to ensure web pages are compliant with the regulations. The university also purchased another service for $11,000 to give the institution the ability to self-monitor and correct web pages as needed.

Regent Givens asked if the administration knew when the university would need to be in compliance with the policy if it were approved. Ms. Kidwell responded that the timeline that was vetted with the faculty and staff required full compliance in 2020. Regent Givens asked if this date was acceptable to the federal government. Ms. Kidwell responded that it was.
Regent Hessing indicated that he thought it was important to approve the policy but that it was important for the Board to receive a report on the estimated cost of implementation at the August meeting. Chairman Sanchez commented that this was the type of thing for which each Board member had personal liability. He added that once a Board becomes aware that there is an issue and a required policy the Board must do its due diligence and make sure the policy is in place.

President Shipley stated that the university was operating under an Office of Civil Rights (OCR) review agreement and an expanded timeline. She asked Mr. Macha if this policy was part of the OCR agreement and he responded in the affirmative. She stated that cost estimate information would be provided in August and the administration would work to ensure that policies brought to the Board in the future would include any financial or cost estimates. Regent Ayres added that it was unlikely the administration or Board would know the exact cost of this policy for several years.

Regent Hessing moved approval of the policy changes presented in Items A & B above. Regent Ayres seconded the motion and it was approved.

Regent Hessing moved approval of the policy change presented in Item C above. Regent Crosnoe seconded the motion and it was approved with Regent Givens voting no.

University Leadership Report
18-117. President Shipley presented information related to her participation in the following meetings and programs.

A. Texas Higher Education Coordinating Board (THECB) Presentation – President Shipley reported that she was invited to the THECB April Board meeting to discuss the MSU Strategic Plan and the 60x30TX Higher Education Plan. She noted that the key goal of the 60x30TX plan is to have 60% of Texans ages 25-34 to have a certificate or degree by 2030. She added that MSU’s plan overlapped nicely with the state’s plan.

President Shipley noted that one of the positive outcomes of the meeting was that the Board and staff of the THECB learned about MSU Texas. The presentation gave the THECB Board members an opportunity to learn more about non-system regional institutions that are smaller in size, lack complexity, and are manageable with the simplicity of oversight. During the presentation she explained how the MSU Strategic Plan was overlaid with the case for the campaign and gave them the example of the Priddy Scholars program. The THECB Board members were enthusiastic about this program and could see that an institution the size of MSU with large donor support can make a tremendous difference in students’ lives. The THECB asked that they receive follow up information with outcomes from the program when available. The THECB Commissioner also encouraged MSU to consider offering competency-based education and that the administration was looking into the options available.
The second area the THECB was interested in was MSU’s relationship with community colleges, and particularly MSU’s partnership plan. She shared MSU’s plan to partner on community college campuses when possible, and also through articulation agreements so that students have a seamless experience from community college to university. President Shipley stated that she received questions and comments from the Board members and that she encouraged them to visit MSU Texas.

B. Air Force War College National Security Forum – President Shipley reported that she returned from the forum late the night before. She noted that she was asked to attend as the civilian liaison with the Air Force in Wichita Falls. She stated that the forum was attended by people from throughout the United States. She noted that they heard from high-level speakers including the Secretary of the Air Force and the Vice Chair of the Joint Chiefs. She reported that her biggest takeaway was learning about the United States military’s new emphasis on alliances with as many countries as possible. She added that stronger coalitions are being forged between the branches of the armed forces. She stated that this supports interdisciplinary thinking and the multifactorial way of considering answers to questions, which is what the MSU faculty are teaching students. She added that this underscored the importance of what MSU does through teaching English to Euro-NATO Joint Jet Pilot Training Program (ENJPT) pilots. She stated that attending the forum was a good learning experience and was worth the investment of time.

Nominating Committee for Board Officers for FY 2019 and FY 2020
18-118. Chairman Sanchez reported that the by-laws require the election of a Chair, Vice Chair, Secretary, and Member-at-Large of the Executive Committee in August of even-numbered years. He asked Regent Hessing, Regent Sweatt, and Regent Burks to serve on this committee with Regent Hessing serving as chair.

Executive Session
Chairman Sanchez announced that the Board of Regents would go into Executive Session to discuss Items 18-119A (Consultation with Attorney), 18-119B (Real Property), 18-119C (Gift or Donation – to include a gift-related naming), 18-119D (Personnel Matters – to include Faculty Emeritus, Tenure, and Promotion, as well as annual performance review of the President and Director of Internal Audits), and 18-119E (Deliberations Regarding Security Audits) as allowed by Texas Government Code Sections 551.071, 072, 073, 074, and 076. The Executive Session began at 1:34 p.m. Regents Sanchez, Gregg, Hessing, Crosnoe, Marks, Sweatt, Givens, and Owens remained for the entire discussion. Regent Ayres remained for the entire session except for the discussion of Item 18-119C. President Shipley remained for the entire session except for part of the discussion related to her performance assessment. Mr. Macha and Mrs. Barrow remained for the session except the for the performance review discussion. Vice President Vidmar participated only in the discussion of Gift or Donation and Provost Johnston participated only in the discussion of faculty emeritus, promotion, and tenure. The Executive Session concluded at 4:02 p.m.

Open Meeting
The open meeting resumed at 4:02 p.m.
Emeritus Status
18-100. Regent Givens recommended the following individuals be granted emeritus status upon their retirement from MSU.

- Ms. Martha Crump – Assistant Professor of Dental Hygiene – 24 years
- Dr. Fredric Davis – Associate Professor of Dental Hygiene – 28 years
- Ms. Mary Jo Distel – Assistant Professor of Nursing – 21 years
- Dr. Rebecca Dodge – Associate Professor of Geosciences – 10 years
- Dr. Everett Kindig – Professor of History – 47 years
- Dr. Emily LaBeff – Professor of Sociology – 40 years
- Dr. Stuart McClintock – Associate Professor of Foreign Languages – 19 years
- Mr. Gary Morrison – Associate Professor of Radiologic Sciences – 30 years
- Dr. Yoshi Fukasawa (Posthumous) – Professor of Economics – 40 years

Regent Marks seconded the motion and it was approved.

Faculty Promotions and Tenure
18-101 & 102. Regent Givens recommended approval of the following.

Granting Tenure to the Following Individuals:
- Satyanarayana Ayinagadda, Ph.D. Social Work
- Eric Koger, M.F.A. Theatre
- Attapol Kuanliang, Ph.D. Criminal Justice

Granting Tenure and Promotion From the Rank of Assistant Professor to Associate Professor to the Following Individuals:
- Kym Acuna, Ed.D. Curriculum and Learning
- Angela Cartwright, Ph.D. Curriculum and Learning
- Yu Guo, Ph.D. Engineering
- Niyati Kataria, Ph.D. Management
- Emily Reeves, Ph.D. Curriculum and Learning
- Whitney Snow, Ph.D. History

Granting Promotion from Assistant Professor to Associate Professor to the Following Individual:
- Phillip Blacklock, Ed.D. Curriculum and Learning

Granting Promotion from Associate Professor to Professor to the Following Individuals:
- Guy Bernard, Ph.D. Mathematics
- Martin Camacho, D.M.A. Music
- Steve Hilton, M.F.A. Art
- Jeff Hood, Ph.D. Mathematics
- Terry Patton, Ph.D. Accounting
- Kathleen Williamson, Ph.D. Nursing

Regent Hessing seconded the motion and it was approved.
Naming Recommendation
18-119C. Regent Marks moved that Room 324 in the Dillard Business Administration Building be named “The Warren Ayres Family Computer Lab” in honor of benefactors and Midwestern State University alumni, Warren and Pam Ayres. Mr. and Mrs. Ayres’ recent gifts made possible the updating of this room into a fully functioning computer lab for the Dillard College of Business Administration. Regent Sweatt seconded the motion and it was approved.

University President’s Annual Performance/Compensation and Contract Review
18-119D. Regent Hessing moved that the term of President Shipley’s contract be extended by one additional year through 2021. Regent Sweatt seconded the motion and it was approved.

Closing Comments
Chairman Sanchez stated that it had been his sincere pleasure to work with the members of the MSU Board of Regents. He added that he truly appreciated their friendship.

Adjournment
There being no further business, the meeting was adjourned at 4:07 p.m.

I, Nancy Marks, the fully appointed and qualified Secretary of the Midwestern State University Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the minutes of the Midwestern State University Board of Regents meeting May 11, 2018.

Nancy Marks, Secretary
Midwestern State University
Board of Regents

ATTACHMENTS:
1. American National Bank Presentation
2. Campus Construction Update
In our internship program, we typically bring a graduating senior on as an intern, who is interested in commercial banking and wealth management.
INVESTMENT PROCESS

Summary:
- Disciplined investment process for identifying and investing in positions
- Technical & Fundamental analysis applied for sell decisions
- Close monitoring of asset allocation

- Relatively concentrated equity portfolio (between 50-60 positions)
- Focus on individual issues; Funds & ETF’s for special market situations

- Benchmark weights are considered; however, certain sectors will fluctuate between overweight and underweight due to market conditions

- Total Return Focus
  - Capital Appreciation
  - Dividend Income
  - Bond Interest

INVESTMENT OBJECTIVE

Asset Allocation as March 31, 2018

Investment Objective:
Growth with Income

Target Allocation:
- 65% of funds invested in Equities
- 32% of funds invested in Fixed Income Securities
- 3% of funds held in Cash Equivalents

Targets are bound within a range of 10% of each allocation
**Fixed Income Analysis**

- **S&P Rating by Percentage**
  - 14%
  - 15%
  - 15%
  - 48%
  - 8%

- **Fixed Income Characteristics**
  - Avg. Convexity: 33.37
  - Avg. Coupon Rate: 4.13%
  - Avg. Macaulay Duration: 4.77
  - Avg. Modified Duration: 4.61
  - Avg. Yield to Maturity: 3.43%
  - Avg. Current Yield: 4.05%

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**Impact of Rising Interest Rates**

*Interest Rate Shock: The Impact of an Increase in Interest Rates by 0.25%*

- Market Value as of 3/31/2018: $2,761,068
- Market Value Change: -1.13%
- Approx. Market Value: $2,729,604

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**Portfolio Analysis**

**Equity Holdings Attributes as of March 31, 2018**

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<tr>
<th></th>
<th>MSU</th>
<th>S&amp;P</th>
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<tbody>
<tr>
<td>Price/Cash Flow (P/CF)</td>
<td>11.08</td>
<td>13.85</td>
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<tr>
<td>Price/Earnings (P/E)</td>
<td>19.30x</td>
<td>20.80x</td>
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<tr>
<td>Price/Book (P/B)</td>
<td>2.65</td>
<td>3.16</td>
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<tr>
<td>Return on Assets (ROA)</td>
<td>3.91%</td>
<td>2.94%</td>
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<tr>
<td>Return on Equity (ROE)</td>
<td>14.79%</td>
<td>13.67%</td>
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<thead>
<tr>
<th></th>
<th>MSU</th>
<th>S&amp;P</th>
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<tbody>
<tr>
<td>Dividend Yield (%)</td>
<td>1.79%</td>
<td>2.00%</td>
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<tr>
<td>Average Market Cap ($bil)</td>
<td>$191</td>
<td>$198</td>
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<tr>
<td>Sharpe Ratio</td>
<td>1.00</td>
<td>1.30</td>
</tr>
<tr>
<td>Beta</td>
<td>1.02</td>
<td>1.00</td>
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<tr>
<td>Std. Deviation (Annualized)</td>
<td>7.10%</td>
<td>6.60%</td>
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PORTFOLIO PERFORMANCE

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<tr>
<th>Fund/Benchmark</th>
<th>Last Month</th>
<th>Fiscal YTD</th>
<th>Last 12 Months</th>
<th>Report Period</th>
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<tbody>
<tr>
<td>MSU Endowment Fund</td>
<td>-1.9%</td>
<td>-0.5%</td>
<td>10.1%</td>
<td>5.9%</td>
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<tr>
<td>Class Blended Benchmark</td>
<td>-1.1%</td>
<td>-0.4%</td>
<td>9.8%</td>
<td>6.5%</td>
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Portfolio & Class Blended Benchmark Cumulative and Annual Return

Data as of 03/30/17

FUTURE DIRECTION

Summary

- Continue emphasis for limiting downside exposure
- Monitor interest income to offset current low rate environment
- Maintain growth of capital as primary emphasis
- Focus on yield in fixed income holdings
- Maintain emphasis on high quality assets
- Sustain vigilance on the portfolio
Construction Update Status

May 11, 2018

by

Kyle Owen
HS+HS/JS Bridwell/Dillard/McCoy Quad. NE Corner:

TAS/ADA & Fire Marshal Upgrades Project:

Bolin Stairwell

Fain Fine Arts Stairwell and Elevator
Reconstruction of Lots 3 & 6N (south of PYBÖ):

October 11, 2017

University Police Department in Eureka Circle:

February 16, 2018

April 26, 2018