

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Executive Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 1:43 p.m., Thursday, November 4, 2010. Executive Committee members in attendance were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; and Mr. Charles Engelman, Member-at-Large. Other regents attending the meeting were Mr. Mike Bernhardt, Mr. Kenny Bryant, Mrs. Tiffany Burks, Mr. Sam Sanchez, Ms. Jane Spears, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Mr. Steve Shelley, Director of Purchasing; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order at 1:43 p.m.

Reading and Approval of Minutes

11-01. The minutes of the Executive Committee meeting August 5, 2010, were approved as presented.

Maintenance Plan Update – MP2 and MP4

11-02. Dr. Gunn noted that each year the Texas Higher Education Coordinating Board (THECB) requests an update of the university's five-year plan for deferred maintenance (MP2), as well as a report on deferred maintenance expenditures during the previous fiscal year (MP4). These reports were presented in the agenda for information of the board. Dr. Rogers noted that one of the major costs of higher education is facilities maintenance. A major obligation of the board is to be certain the administration is doing its job and taking care of the

university's property. Campus maintenance is a national higher education cost issue and administrators are looking for ways to deliver education without building more space. Dr. Rogers noted that the MP2 report outlines a five-year plan of projects and the list totals over \$8 million. He indicated that much of the work will be funded by Higher Education Assistance Funds (HEAF) and formula plant funds.

With regard to the MP4 report, Mr. Owen reported that three categories of projects are not included: facilities adaptation, such as converting Vinson Health Center into Counseling Center offices or changing a break room into graduate studies offices; auxiliary projects, such as the \$591,000 HVAC modifications to Killingsworth and Pierce halls and minor renovations to the university police department; and projects costing less \$10,000. He added that THECB is changing the report format and future reports should provide a more realistic picture of the work being done on campus. Mr. Owen noted that all of the projects are listed as non-critical because a critical project must be an emergency safety concern. Critical projects are taken care of immediately.

Dr. Gunn noted that this item was presented as a point of information only and no action was required.

Regional Training Simulation Center

11-03. Dr. Gunn noted that the board authorized the purchase of the North Texas Surgi-Center building (\$457,478) at its August meeting, and allocated \$150,000 to renovate the facility. She asked Dr. Rogers to provide an update. Dr. Rogers thanked the board for their action to enable the university to purchase this facility. Since the August meeting, the building has been purchased and renovations are underway. The Simulation Center is scheduled to relocate to this facility and begin operations in January. Private funding for this project in the amount of \$350,000 is anticipated to be received in the next few months. The initial investment of \$607,478 will be returned to university reserves within five years as committed through private donations, usage fees, and other income.

Dr. White reported that this facility will allow the university to serve the region in a greater capacity. The center will be used for outreach and validation of health care professionals, as well as for instruction of students. She noted that an item to be considered later in the agenda would propose an administrative change which would provide oversight and marketing for the outreach services. Dr. White stated that course fees cannot be used to offset operating expenses, but can be used to support instruction, to include the cost of equipment and consumables. Mr. Sandoval noted that partner income from Vernon College and United Regional Hospital totals \$62,500 each year.

The administration recommended that the Simulation Center budget for FY 2011 be increased by \$60,000 to address maintenance and utility costs for the new facility. It was noted that proposed course fee increases, if approved in Item 11-08, would be applied to budgeted instructional costs, and funds consequently released would fund the increase in the budget.

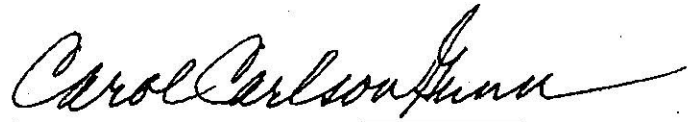
Ms. Spears asked if the partner income was ongoing. Dr. White responded that it was and that she hoped the list of partners would be expanded.

Dr. Givens moved approval of this recommendation as presented. Mr. Engelman seconded the motion and it was approved.

Adjournment

There being no further business, the Executive Committee discussion concluded at 2:03 p.m.

Reviewed for submission:



Carol Carlson Gunn, Chair
Midwestern State University
Board of Regents Executive Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Finance and Audit Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 2:03 p.m., Thursday, November 4, 2010. Finance and Audit Committee members in attendance were Mr. Shawn Hessing, Chairman; Mr. Charles Engelman; Dr. Lynwood Givens; and Ms. Jane Spears. Other regents attending the meeting were Mr. Mike Bernhardt, Mr. Kenny Bryant, Mrs. Tiffany Burks, Dr. Carol Gunn, Mr. Sam Sanchez, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Mr. Steve Shelley, Director of Purchasing; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter, for the *Times Record News*.

Chairman Hessing called the meeting to order at 2:03 p.m.

Reading and Approval of Minutes

11-04. The minutes of the Finance and Audit Committee meeting August 5, 2010, were approved as presented.

Review and Acceptance of Financial Report

11-05. The administration recommended the July, 2010, Financial Report for acceptance. Mr. Hessing asked Mr. Sandoval to comment on this report. Mr. Sandoval reported that his office was working on the financial report for the fiscal year ending August 31, 2010, which should be distributed to the board in early December. Mr. Sandoval noted that as of July 31, net assets increased by \$3.1 million, with revenue totaling \$88 million and expenses totaling \$89 million. A significant portion of the expenses was depreciation of almost \$9 million. He reminded the board that state appropriation reductions in FY 2010

totaled \$497,000. He added that working capital will likely be down by \$1 million through August 31, 2010 and the administration is committed to building the working capital reserve in the 2011 fiscal year.

Mr. Engelman moved acceptance of the report as presented. Ms. Spears seconded the motion.

Mr. Bryant asked how the administration planned to build the reserve. Mr. Sandoval stated that Dr. Rogers would provide information regarding the university committees looking at cost cutting options for the university. Dr. Rogers added that there were several reasons the university's unrestricted reserve balance had drifted downward over a number of years. Some of those reasons include the university returning funds to the state, no adjustment in general revenue appropriations since 1998, and strategic decisions made by the university administration. He added that the administration would like to increase the reserve by at least \$1 million each year for the next two years. Mr. Bryant asked what the target figure would be for the working capital reserve. Mr. Sandoval responded that the balance would likely be \$4.9 million through August 31, 2010 and \$6 million would be a good target for this fiscal year.

Mr. Sanchez noted the overall deficits in the 2010 fiscal year for housing and parking. Mr. Sandoval responded that the university has had budget challenges with parking and the administration is working on a plan to address the situation in future budgets. Dr. Farrell added that the administration planned to make recommendations in February regarding campus safety, university police, and crisis management. With regard to housing, Dr. Lamb responded that while income was lower than anticipated, expenses were reduced accordingly and revenue less expenses for the year was \$190,000 to the good. Mr. Engelman asked if the administration was comfortable with housing income being adequate to cover maintenance, depreciation, security, and other costs related to the operation. Mr. Sandoval responded that \$200,000 is transferred into repair and replacement for housing each year, but that the funds do not address depreciation. He added that when the residence halls are fully depreciated, the university will have to take steps to replace them and address the associated costs.

Mr. Engelman encouraged the administration to look at the university's natural gas contract since gas prices are low. Mr. Sandoval responded that the university has a three-year contract for gas and that they would look at renegotiating when the contract expires.

There being no further discussion, the motion was approved.

Mustangs Guarantee Program

11-06. Mr. Hessing noted that the Mustangs Guarantee was offered for the first time in the fall 2010 to beginning freshmen who were Texas residents, Pell Grant eligible, and whose family's combined annual Adjusted Gross Income (AGI) was \$50,000 or less. He asked Dr. Rogers and Dr. Clark to discuss the program and explain the changes recommended by the administration. Dr. Rogers stated that while the MSU program is not unique, it is one of the more aggressive support programs in the state. Dr. Rogers noted that students

continue to eliminate themselves from the possibility of attending college because of cost. While the cost has increased, the administration wants to send a message to students that if they want a college education and are academically prepared for college, assistance is available.

Dr. Clark reported that Midwestern State distributed \$46.5 million in financial aid in the last fiscal year, including federal and state grants (\$13.5 million), work study (\$177,000), scholarships (\$4.6 million), and loans (\$28.3 million). He noted that 91 students met the \$50,000 AGI requirement, had all of their paperwork turned in by the April 30 deadline, and enrolled for the fall semester. He added that of those 91 students, 33 enrolled in the required 15 semester credit hours. Of the 33 students, only two did not have their tuition and fees covered by grants and scholarships. The resulting cost to the university for the program for the fall semester was \$2,708. The administration would like to encourage greater interest in the program and recommended minor changes to hopefully increase participation. He presented the administration's recommended changes to the Mustangs Guarantee Program.

- A. Clarify the program description to indicate that payment of tuition and mandatory fees will be provided for 15 or more credit hours each semester. The program requires students to enroll in a minimum of 15 credit hours each semester. This change will allow students to enroll in more than 15 hours if they so choose.
- B. Modify the program description to allow beginning freshmen to participate in the program if they earn college hours at MSU or another institution in the summer immediately following high school graduation.
- C. Change the required date for completing the financial aid file from April 30 to May 31.

Mr. Engelman asked what the university was doing to make parents aware of the program and the requirements for participation. Dr. Clark responded that the financial aid staff and admissions officers provide information to parents and students during college night programs, workshops, Mustangs Rally, in university literature, and through the university website.

Mr. Engelman moved approval of the recommended changes as presented. Dr. Givens seconded the motion.

Ms. Spears asked if the 15 hour requirement would remain. Dr. Clark indicated that the university is encouraging students to graduate in four years and the 15 hour requirement is a part of that effort. He added that the administration was not recommending a change to that requirement, but that all of the requirements would continue to be monitored. Ms. Spears asked if enrolling in 15 hours is required by other university programs of this type. Dr. Clark responded that most other programs require students to enroll in 12 hours, but are moving toward the 15 hour requirement. Mr. Engelman asked if the students must

complete 15 hours each semester. Dr. Clark responded that students must complete 12 hours and must earn at least a 2.5 grade point average to continue in the program.

There being no further discussion, the motion was approved.

Mustangs Promise

11-07. Mr. Hessing reported that beginning in 2007 the MSU Board of Regents approved the Mustangs Promise whereby tuition and fees, with the exception of student initiated fees, would not be increased by more than five percent per year. He noted that the program is approved through the 2011-2012 fiscal year.

Dr. Rogers noted that the administration's recommendation was that no action be taken concerning this program at this time. He reported that the state is looking at a \$20-30 billion deficit in the next biennium. He stated that it was difficult for the administration to recommend making guarantees beyond 2012 because of the uncertainty of the economy and the upcoming legislative session. He added that the administration is committed to providing the best education possible at the most affordable cost.

Course Fees

11-08. Mr. Hessing presented the administration's recommended course fee increases for courses offered within the College of Health Sciences and Human Services beginning with the spring 2011 semester.

	FROM	TO
Athletic Training – ATRN	\$10	\$30
Dental Hygiene – DNHY	\$15	\$55
Nursing – NURS	\$35	\$55
Radiologic Science - RADS (Undergraduate Only)	\$11	\$35
Respiratory Care – RESP	\$11	\$35

Dr. Rogers noted that Dr. White had brought great insight to the administration regarding course fees. He noted that MSU's overall cost compared to other universities is slightly below average; however, this comparison does not include course fees. It is difficult to properly estimate course fees if one does not know the exact courses in which a student will enroll.

Dr. White reported that course fees can be used for costs associated with a class, such as special software or equipment. Additionally, course fees can be used to provide funding for supplemental instruction, learning communities, and other programs that are in place to help students succeed and graduate. She noted that while the recommended course fee increases are high, these are high cost areas of study and the fees currently charged are low in comparison to other Texas institutions. She added that the administration is looking at all course fees and will bring additional recommendations to the board in February. She noted that the recommended change in radiologic sciences affects undergraduate courses only because the graduate program is offered on-line and students in those courses would not have access to the additional services. Mr. Hessing asked to see the comparison data and Dr. White indicated she would provide the information.

Mr. Engelman noted that under the new performance funding guidelines, the university will be rewarded for graduates in the health science areas, but that the funding does not cover the overhead costs. Dr. White added that these are difficult programs of study and it is important that the university offer support services to help the students succeed.

Ms. Spears moved approval of these recommended course fees as presented. Mr. Engelman seconded the motion.

Mr. Hessing stated that it was important for the administration and board to monitor the total cost of attending Midwestern State University. Data from the Texas Higher Education Coordinating Board was distributed which showed comparison figures for institutions in the state (see Attachment 1). Dr. Rogers added that the list did not include course fees.

There being no further discussion, the motion was approved.

University Center Fee

11-09. Mr. Hessing reported that MSU students are currently assessed a Student Union Fee of \$20 per semester (\$10 for each summer term) and a University Center Fee of \$15 per semester (\$7.50 for each summer term). The Student Union Fee authorization applies to all institutions of higher education in Texas. The authorization for the University Center Fee applies only to Midwestern State University and was approved by the Texas Legislature in 1987. Funding from these two fees is currently inadequate to pay for costs associated with the operation of the Clark Student Center, with an annual financial shortfall of approximately \$115,000. The Center is in need of electrical work which is estimated to cost \$500,000. Additionally, the roof of the Center will need to be replaced within the next five years at an estimated cost of \$1.2 million. He noted that the administration was requesting authorization to pursue legislative action to increase the University Center Fee to \$35 per semester (\$17.50 for each summer term) during the next legislative session.

Dr. Rogers reported that state funds cannot be used to operate or maintain the Clark Student Center. He asked Mr. Lamb to comment on the recent student vote concerning this matter. Mr. Lamb reported that the issue of the Student Center electrical work was brought to the Student Senate at the beginning of the fall semester. The senate agreed to send the issue to a student referendum. A general referendum election was held and the measure passed the student body. Dr. Rogers added that a great deal of work needs to be done on the facility, but additional funding needs would be addressed at a later time.

Ms. Spears asked if the roof was leaking. Mr. Lamb indicated that much of the roof was not repaired or replaced when the building was remodeled 13 years ago. He added that there have been a number of leaks and they have been patched. Mr. Owen added that there is a section of the roof over the cafeteria that will need to be worked on in the next two years. He indicated his hope that the remainder of the roof would hold up for another five years. Mr. Lamb noted that the major issue is the main electrical switch coming into

the building. Dr. Farrell added that if the switch were to completely fail the building would have to be closed. Dr. Farrell recognized Chris Stolarzyk, SGA President, who worked closely with Dr. Lamb to educate and inform the student body.

Mr. Engelman moved approval of this item as presented. Ms. Spears seconded the motion and it was approved.

FY 2009-2010 Items \$50,000 & Under Approved by President

11-10: Mr. Hessing noted that the list of budget changes presented in the agenda document for review and ratification. Dr. Rogers stated that following the purchase of the Christ Academic property, Student Service Fees were utilized to do field work and provide a backstop for the area. This area is regularly used by students.

Dr. Givens moved the board ratify these budget changes as presented. Mr. Engelman seconded the motion and it was approved.

Review of Personnel Reports and Salary/Title/Position Changes in 2009-2010 and 2010-2011 Budgets Approved per Board Authorization

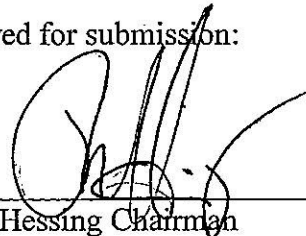
11-11 & 11-12. The reports of personnel changes were presented for information in the agenda document. Mr. Hessing asked Dr. Rogers to comment on the items presented for ratification. Dr. Rogers noted that the new Academic Counselor Coordinator position was approved for the 2010-2011 budget, but it was determined that this employee would be more effective if hired during the summer. He added that the new position of Director of Student Support Services was funded by a new grant. Dr. Clark stated that the university received a TRIO grant in the amount of \$220,000 each year for five years to provide tutoring and other support services to MSU students.

Mr. Engelman moved the board ratify these position changes as presented. Ms. Spears seconded the motion and it was approved.

Adjournment

The Finance and Audit Committee discussion concluded at 3:01 p.m.

Reviewed for submission:



Shawn Hessing Chairman
Midwestern State University
Board of Regents Finance & Audit Committee

ATTACHMENT:

1. University Cost Comparison

Total Academic Costs for 15 Semester Credit Hours	FY 10
University of Texas at Dallas	\$5,170
University of Texas at Austin	\$4,421
University of Houston	\$4,248
Texas A&M University	\$4,196
University of Texas at Arlington	\$4,189
University of Texas at San Antonio	\$4,046
Texas Tech University	\$3,893
University of North Texas	\$3,830
Texas State University - San Marcos	\$3,740
Texas A&M University at Galveston	\$3,532
Prairie View A&M University	\$3,332
Texas Woman's University	\$3,330
Lamar University	\$3,303
Midwestern State University	\$3,272
Stephen F. Austin State University	\$3,264
Sam Houston State University	\$3,258
Texas Southern University	\$3,201
University of Texas at El Paso	\$3,112
Texas A&M University - Corpus Christi	\$3,049
University of Texas at Tyler	\$3,021
Tarleton State University	\$2,971
West Texas A&M	\$2,945
University of Houston - Clear Lake	\$2,899
Texas A&M International	\$2,873
Texas A&M-Kingsville	\$2,847
Texas A&M Commerce	\$2,750
University of Texas at Brownsville	\$2,749
University of Texas - Pan American	\$2,713
Angelo State University	\$2,705
University of Houston - Victoria	\$2,700
Sul Ross State University	\$2,651
University of Texas of the Permian Basin	\$2,650
University of Houston - Downtown	\$2,500
Texas A&M University - Texarkana	\$2,269
AVERAGE TOTALS	\$3,283
Source: On-line Institutional Resumes - THECB - 11/04/10	

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Investment Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 3:01 p.m., Thursday, November 4, 2010. Investment Committee members in attendance were Mr. Charles Engelman, Chairman; Mr. Mike Bernhardt; Mr. Kenny Bryant, and Dr. Carol Gunn. Other regents attending the meeting were Mrs. Tiffany Burks, Dr. Lynwood Givens, Mr. Shawn Hessing, Mr. Sam Sanchez, Ms. Jane Spears, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Mr. Steve Shelley, Director of Purchasing; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media was Ms. Brittany Norman, editor of *The Wichitan*.

Chairman Engelman called the meeting to order at 3:01 p.m.

Reading and Approval of Minutes

11-12.01. The minutes of the Investment Committee meeting August 5, 2010, were approved as presented.

Review and Acceptance of Investment Report

11-13. Mr. Engelman reported that the fourth quarter 2010 investment report was previously distributed to the board and was presented for acceptance. Mr. Sandoval explained that this report covers those funds invested in accordance with the Public Funds Investment Act. He noted that the report included Redwine Funds totaling \$9.2 million that were not transferred to investment managers during the reporting period. Mr. Engelman added that the investment of Redwine Funds would be discussed later in the meeting.

Mr. Bryant moved acceptance of this report as presented. Dr. Gunn seconded the motion and it was approved.

Redwine Quasi-Endowment Fund Report – FY 2010

11-14. Mr. Engelman reported that in May, 2009, the Board of Regents established a quasi-endowment fund from the proceeds of the Bruce Redwine Estate and instructed that a report be presented to the board in November of each year concerning the use of these funds during the previous fiscal year. The report concerning this fund for fiscal year 2010 was presented in the agenda document as a point of information only. Mr. Engelman pointed out that the earnings in FY 2010 helped fund Honors Program scholarships.

Redwine Fund/Investment Management Services

11-15. Mr. Engelman stated that the board previously authorized the administration to invest approximately \$3.08 million with each of the following investment management firms: Fisher Investments, Luther King Capital Management, and J. P. Morgan Chase Investments. He added that while it took longer than hoped to finalize contract details, the funds should be fully invested soon.

Mr. Sandoval stated that Roger Lee was working on the contracts when he passed away and this slowed down the overall process. Additionally, two of the firms required the establishment of separate custodial accounts. Ms. Ferguson indicated that the details have now been finalized and the accounts are being funded.

Mr. Sanchez asked about the amounts that have been distributed to the investment firms. Mr. Sandoval responded that two-thirds of the funds have been distributed and the remainder will be distributed by the end of the week.

This item was presented as a point of information only.

Redwine Quasi-Endowment Fund Use

11-16. Mr. Engelman noted that the funds that came to the university following the death of Bruce Redwine were not designated for any specific use. Mr. Redwine was a wonderful supporter of MSU who attributed much of his success to the education he received at Midwestern. In 2009, the Board of Regents established a quasi-endowment fund and directed that the earnings from the fund be used for Redwine Scholarships at the discretion of the president. Since that time, Redwine Scholarships have been designated for MSU Honors Program students. The administration requested that the board expand the use of these funds beyond scholarships and authorize that future earnings be used to support the MSU Honors Program.

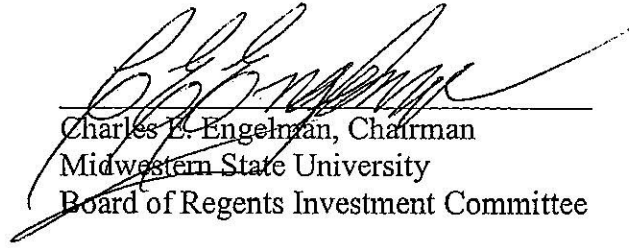
Dr. White stated that there are currently 140 students participating in the Honors Program. While funds are provided for scholarships, additional funding would support the students participating in conferences, presenting papers, and studying abroad. These funds would greatly enhance the educational opportunities provided to these students for a more enriched honors experience. Dr. Rogers added that the funds would not be used for the administration of the program, but for the students and activities from which they would benefit.

Mr. Bernhardt moved approval of this item as presented. Mr. Bryant seconded the motion and it was approved.

Adjournment

The Investment Committee discussion concluded at 3:14 p.m.

Reviewed for submission:



Charles E. Engelman, Chairman
Midwestern State University
Board of Regents Investment Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Investment Committee
January 13, 2011**

The Investment Committee of the Board of Regents, Midwestern State University, met in the J.S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 9:30 a.m., Thursday, January 13, 2011. Investment Committee members in attendance were Mr. Charles Engelman, Chairman; Mr. Mike Bernhardt, Mr. Kenny Bryant, and Dr. Carol Carlson Gunn.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, General Counsel; Ms. Gail Ferguson, Controller; and Ms. Cindy Ashlock, Executive Assistant to the President. Also attending the meeting was Mr. Randy Pruitt, Assistant Professor of Mass Communication and Advisor to *The Wichitan*. Representing the news media was Ms. Ann Work, reporter for the *Times Record News*.

Chairman Engelman called the meeting to order at 9:35 a.m.

Opening Comments

Mr. Engelman noted that while he had hoped to have an informal meeting with Mr. Sandoval, Ms. Ferguson, and the committee members to review the university's investments; the committee meeting was posted as recommended by Ms. Debbie Barrow, Director of Board and Government Relations. He apologized to the individuals in attendance if the meeting was not as informative and productive as they expected.

Investment Review

11-01/Inv. Mr. Engelman reviewed the process by which the Redwine funds were invested. He stated that there were challenges in finally getting the funds invested and asked Ms. Ferguson to explain the situation. He also asked her to explain the difference between an investment advisor, an investment manager, and an account custodian. Ms. Ferguson commented that the university has a relationship with the American National Bank Trust Department to invest other MSU endowment funds. The university transfers a lump sum of money to the bank and they place it with various investment managers. She noted that the administration and board had hoped to invest the Redwine funds in a similar fashion. When the decision was made by the board to work with three investment firms it became apparent that two of the firms were strictly investment advisors and that they did not want to hold the assets. They asked that a separate custodian hold the assets for them. Mr. Sandoval added that reviewing the various relations, creating the accounts, and legal review delayed the process of investing the funds. He indicated that approximately \$3.1 million was allocated to each investment firm. The first one-third was invested in October, with the remaining two-thirds invested in November.

Mr. Sandoval provided copies of feedback from the three investment firms indicating their approach to investing the funds thus far, the monthly reports from the firms for December, 2010, and the university's investment report for the quarter ending November 30. Ms. Ferguson noted that page five of the quarterly investment report included a summary of the investments. She asked if the committee would prefer to receive a summary each quarter, the full reports monthly, or both. Mr. Engelman responded that he would like to see both. Mr. Bernhardt agreed and indicated that a summary sheet showing percentages and detailed backup material in the event of questions would be very helpful. Ms. Ferguson noted that a summary report showing percentages of allocations was included in the monthly statements. She added that she would provide the reports to the committee members as requested.

Mr. Sandoval stated that each of the investment firms had asked if the Investment Committee members would like to meet with them once each year to discuss performance. Mr. Engelman responded that the firms should be given at least one year to be able to evaluate their performance.

Mr. Engelman noted that as a result of the university having to establish custodial accounts, two of the investment firms were forced to use J.P. Morgan Chase as the custodian. He asked if this had caused any complaints or challenges. Ms. Ferguson responded that there had been no complaints and that all of the firms seem happy with the arrangements. She added that the two firms indicated they had dealt with J.P. Morgan Chase in the past and did not have any problem with the arrangement.

As the regents reviewed the reports, Mr. Engelman commented that the investments were very diverse and he did not notice anything that caused him to worry. Dr. Rogers added that all three firms showed positive accruals through the end of December, 2010. Mr. Bryant asked if the university had the December figures from American National Bank. Ms. Ferguson responded that she did not have the report from American National, but that it was also much better than November.

Mr. Sandoval asked Mr. Engelman how often he wanted the committee to meet. Mr. Engelman noted that he had originally hoped for an informal meeting once each month. However, since the committee meeting must be posted, he thought once each quarter might be appropriate until the committee feels comfortable with the new investments. Dr. Gunn added that if the committee receives the detailed reports each month frequent meetings should not be necessary.

Mr. Bryant asked Mr. Sandoval to explain how the earnings would be distributed if, for example, the fund achieved a return of 10%. Mr. Sandoval responded that 4% of the earnings would be distributed to the university to support the Honors Program. The remaining 6% would be returned to the fund to grow the corpus. Mr. Bryant asked about the rate of return for these types of funds in the past. Mr. Sandoval stated that prior to the most recent downturn in the market the return was 7-8% per year. Dr. Rogers added that with the MSU Charitable Trust and the MSU Foundation, the university has generally taken a distribution of 4% of the three year rolling average, with the remaining funds being returned to the corpus.

Review of Investment Policy – Endowment Funds

11-02/Inv. Mr. Sandoval indicated that the university's endowment fund policy was intended to give the university more flexibility in the long-term investment of endowment funds. Mr. Sandoval indicated that he wanted the committee members to review the policy to be certain they are satisfied with the wording. Mr. Bryant noted that he had reviewed the policy and was comfortable with the wording. Dr. Gunn reviewed the seven investment objectives that were stated in the policy. She indicated that she did not have any problem with the policy.

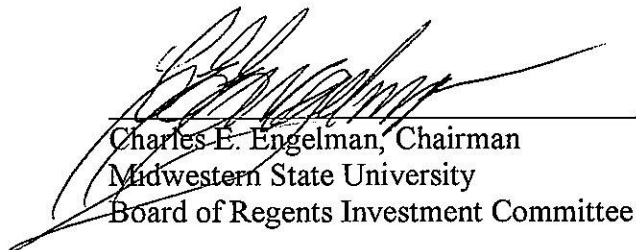
Mr. Bernhardt asked Mr. Sandoval if he had any specific recommendations regarding changes to the policy. Mr. Sandoval mentioned the current 30% limit on investing in alternative assets and asked if committee members were comfortable with that level. Mr. Engelman stated that since the committee will receive monthly reports, the committee members can monitor the investments closely and determine if the levels are appropriate. Mr. Sandoval pointed out that the equity allocation is set not to exceed 70%. He stated that with the diversification of investments he wanted to be certain the board was comfortable and understood the risks. Dr. Gunn reminded the committee of the first investment objective which was to "provide security of invested principal."

No changes to the policy were recommended.

Adjournment

There being no further business, the Investment Committee discussion concluded at 10:24 a.m.

Reviewed for submission:



Charles E. Engelman, Chairman
Midwestern State University
Board of Regents Investment Committee

MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Personnel and Curriculum Committee
November 4, 2010

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 3:14 p.m., Thursday, November 4, 2010. Personnel and Curriculum Committee members in attendance were Dr. Lynwood Givens, Chairman; Mrs. Tiffany Burks, Mr. Sam Sanchez, and Ms. Jane Spears. Other regents attending the meeting were Mr. Mike Bernhardt, Mr. Kenny Bryant, Mr. Charles Engelman, Dr. Carol Gunn, Mr. Shawn Hessing, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter, for the *Times Record News*.

Chairman Givens called the meeting to order at 3:14 p.m.

Reading and Approval of Minutes

11-17. The minutes of the Personnel and Curriculum Committee meeting August 5, 2010, were approved as presented.

Faculty Senate Report

11-18. Dr. James Owen, MSU Faculty Senate Chairman, reported that the Faculty Senate has met three times since the fall term began. The major concern among the senators is the budget issue. He added that a number of articles have appeared in various publications dealing with higher education budgets and expenditures around the nation. This information has also provided topics for discussion by faculty members. He reported that Dr. Rogers and Dr. White visited with the Faculty Senate about budget matters during the semester. He added that they were both scheduled to appear at the next Senate meeting to provide an update. He stated that faculty members appear to be apprehensive about how the university can meet the commitments and requirements of the state since personnel costs represent the largest expenditure in the budget. He stated

that the Senate appreciated the administration working with them as the university moves through this difficult time.

Staff Senate Report

11-19. Mr. Chris Gore, Chairman of the MSU Staff Senate, presented the following information.

- A. The Staff Senate reviewed and provided feedback on MSU policy changes and updates being considered by the board.
- B. The Senate is looking into the possibility of creating a mentor program for new staff employees at MSU in an effort to assist with greater employee satisfaction and retention.
- C. The Staff Senate plans to raffle an MSU quilt to fund a competitive scholarship awarded to a staff member each year. Several staff members and their families volunteered to build a quilt made of MSU t-shirts and sweatshirts for this purpose.
- D. Dr. Rogers addressed the Staff Senate at the October meeting and provided an update on the current economic situation.

Enrollment Report – Fall 2010

11-20. The fall enrollment report was presented in the agenda document. Dr. Clark noted that enrollment increased by 83 students or 1.3%, and semester credit hours increased by 2%. Mr. Hessing noted that the junior class enrollment in 2009 was 1278 students and the senior class enrollment in 2010 is 1900 students. He asked about this large difference. Dr. Clark responded that the number of transfer students continues to increase. Dr. Rogers commented that more and more qualified students are attending junior colleges and transferring to upper level institutions. He indicated his anticipation that MSU's junior and senior classes will continue to grow. Mr. Bryant asked for the definition of re-enrolling freshman. Mr. Gore responded that a re-enrolling freshman is a student who has earned less than 30 hours, but is not starting as a brand new freshman right out of high school.

This item was presented as a point of information only.

December 2010 Graduating Class

11-21. Dr. Givens noted that the list of graduates was presented in the agenda for approval. He stated that 506 students are on the list, which compares to 500 students in 2009.

Mr. Sanchez moved approval of this item as presented. Ms. Burks seconded the motion and it was approved.

Organization Change - Alignment of Extended Education Initiatives

11-22. Dr. Givens noted that Midwestern State University has a successful extended education unit that serves internal constituents by supporting and coordinating distance education

and serves external constituents through executive, professional, and continuing education. He added that the administration recommended that all university-sponsored executive and professional education initiatives be placed under the direction of the Office of Extended Education, to include current initiatives such as the Intensive English Language Institute and the North Central Texas Health Care Consortium.

Dr. White stated that the university has an excellent Director of Extended Education, Dr. Pam Morgan. The extended education area currently oversees continuing education and distance education, and is in discussion with the Dillard College of Business Administration regarding a possible executive education program. She noted that as she reviewed the areas within the academic affairs area, she questioned why the university's Intensive English Language Institute (IELI) did not have a relationship with the extended education program. The IELI includes a professional education component through Sheppard Air Force Base, providing English language instruction for Spanish and Italian air force personnel. The program also provides continuing education English language instruction primarily to military personnel family members. Dr. White indicated that the IELI program services could possibly be expanded and that this organizational change will provide the administrative support necessary for this initiative. She added that the opportunities that will be available to the university with the expanded simulation center are also a perfect fit with extended education. She noted that Dr. Morgan already works with extended education in Bowie, Graham, Henrietta, and throughout this region of the state. Her experience and network will assist in marketing the simulation center services available to regional hospitals and health-care providers. Dr. White indicated that the deans support this recommendation.

Ms. Spears moved approval of this item as presented. Mr. Sanchez seconded the motion.

Dr. Givens asked if more professional education initiatives might be overseen by the extended education area in the future. Dr. White responded that they would. She added that other academic areas are interested in possible future initiatives.

There being no further discussion, the motion was approved.

MSU Policies and Procedures Manual – University Boards, Councils & Committees – Policy 2.338

11-23. Dr. Givens reported that Policy 2.338 of the *MSU Policies and Procedures Manual* outlines the councils and committees that operate within the university. These internal bodies are advisory to the university administration. The administration recommended that the responsibility for these committees be transferred to the MSU Administrative Council and that the policy be removed from the *Manual*. Dr. Rogers noted that these committees are established as needed as to assist with the administrative process. This recommendation was made to simplify the committee appointment process since the committees relate to the administration and do not affect board policy.

Ms. Burks moved approval of this item as presented. Mr. Sanchez seconded the motion and it was approved.

MSU Policies and Procedures Manual – Changes Required by State or Federal Law or Regulation

11-24. Dr. Givens noted that many times university policy changes are required by a change in state or federal law or other governing authority. The administration requested authorization to make university policy changes when they are so required by a superior governing authority. The agenda included a list of policy changes that needed to be made as a result of state or federal law, or other governing authority modifications. Dr. Givens stated that in the future, such changes will be made to the policies, the board will be notified of the changes, and the changes will no longer be included in the board agenda.

Ms. Burks moved approval of this item as presented. Ms. Spears seconded the motion and it was approved.

MSU Policies and Procedures Manual Changes

11-25. The following changes to the *MSU Policies and Procedures Manual* were recommended for approval, with the items explained as shown below.

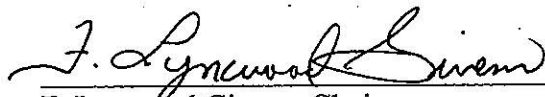
- A. Policy 3.223 – Staff Employee Education Incentive Program – Ms. Weakley noted that an appeals process was recommended to provide an opportunity for employees to appeal decisions made regarding this program.
- B. Policy 3.338 – Service Pin Awards – Mr. Weakley stated that wording was added to the policy to indicate that employees who have previously retired from the university and returned to work are ineligible for service pin awards.
- C. Policy 4.138 – Key Authorization – Mr. Sandoval indicated that requirements related to the return of university keys by terminating employees are recommended for addition to this policy to assist with key security.

Mr. Sanchez moved approval of these changes as recommended. Ms. Burks seconded the motion and it was approved.

Adjournment

There being no further business, the Personnel and Curriculum Committee discussion concluded at 3:38 p.m.

Reviewed for submission:



F. Lynwood Givens, Chair
Midwestern State University
Board of Regents Personnel & Curriculum Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Student Services Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 3:54 p.m., Thursday, November 4, 2010. Student Services Committee members in attendance were Mr. Charles Engelman, Chairman; Mrs. Tiffany Burks; Dr. Lynwood Givens; and Mr. Sam Sanchez. Other regents attending the meeting were Mr. Mike Bernhardt, Mr. Kenny Bryant, Dr. Carol Gunn, Mr. Shawn Hessing, Ms. Jane Spears, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chairman Engelman called the meeting to order at 3:54 p.m.

Reading and Approval of Minutes

11-26. The minutes of the Student Services Committee meeting August 5, 2010, were approved as presented.

Student Government Report

11-27. Student Government President Chris Stolarzyk reported that he met with Mr. Engelman, Dr. Farrell, and Dr. Lamb earlier in the week and thanked them for the opportunity. He reported that during the fall semester the SGA discussed the proposed Student Center Fee and a student referendum was held that week. He added that the Student Senate discussed the option of asking that the fee sunset after a period of time. However, since all fee bills in the previous legislative session were sunset after five year, it became a moot point.

Mr. Stolarzyk noted that participation in student government this fall has been outstanding, with over 100 senators registered to represent students.

University Housing Report and Discussion

11-28. Dr. Rogers noted that this item was placed on the agenda for information and discussion only, with no action recommended. He stated that Sundance Courts opened in the fall 2009 with 276 new beds and enrollment that semester grew by 280 students. He indicated that more and more MSU students are from areas outside Wichita Falls and require housing on or near the campus. He added that parents of entering students generally want their students to live on campus. Dr. Rogers stated his belief that MSU's future enrollment will be governed by the university's ability to house students. For the fall 2010 a large number of students were turned away from housing. He added that the time has come to strategically consider and discuss additional on campus housing.

Dr. Lamb reported that this is his twelfth year at MSU and each fall, with the exception of one, there has been an overflow situation in university housing. When he came to MSU there were 750 students in university housing and now there are almost 1400. The housing office stopped taking applications for 2010 fall housing June 2, and housing was overbooked at that time by 40 students. After that date, 110 students were placed on the waiting list for housing and at least 50 additional students declined being put on the waiting list. A safe estimate is that at least 200 students that wanted to live on campus were not accommodated this fall.

Mr. Engelman expressed his concern that tuition revenue bond funding will not likely be approved in the near future and it may be that the university may need to look at private industry for a housing project. Dr. Rogers noted that tuition revenue bonds can only be used for academic buildings and cannot be used for auxiliary facilities such as university housing. Mr. Sandoval commented that the university built Sunwatcher Village through a third party. He stated that while the project was off-balance sheet, the bond rating agencies viewed the debt as university debt.

Dr. Rogers asked Dr. Lamb to provide information regarding the university's experience with privatized housing. Dr. Lamb stated that when Sunwatcher Village was built, a foundation in Southlake, Texas financed the facility, built it, and then entered into an agreement with the university to manage the facility. The bond rating agencies considered the debt on the apartment to be debt of the university because the university had a moral obligation to fill the apartments. The university's relationship with the owners was transparent to the students, but the off-balance sheet advantage was essentially gone. Since that time, state law has changed and if the university were to enter into another "privatized construction" transaction again, the foundation would have to be incorporated within the Wichita Falls city limits. At this time, such a foundation in the local area is not available.

Dr. Rogers stated that he liked the idea of having a variety of housing options for MSU students, from inexpensive traditional dormitories to fine, private apartments. He added that student service professionals support the idea of traditional dorms for freshmen students so that they live in a community environment. He stated that cost and the offering of a range of housing options would be considered in the decision process.

Mr. Engelman indicated that he was very impressed with the new apartments and that they were top of the line in comparison with other schools. Mr. Bryant added that his children lived in dorms that were not as nice and they loved their experience. He agreed with the need for additional housing, and added that regular dorms might be the best option.

Dr. Farrell stated that MSU offers a variety of housing options and students and parents are given the opportunity to determine what they want and what they can afford. He added that the nicest and most expensive apartments fill up first. Mr. Hessing stated that if the board mandated that freshmen students must live in the traditional residence halls first and could later move into upper level housing, the university would have an opportunity to fill up the traditional halls first.

Mr. Sanchez stated his opinion that while it is important for the university to continue to grow, challenges that accompany growth, such as parking and space, must also be considered. Dr. Rogers indicated that this matter is central to the university's strategic plan. He added that while he loves the idea of being a 6,500 student university with a 19/1 student to faculty ratio, it may be that the university must grow to achieve critical mass.

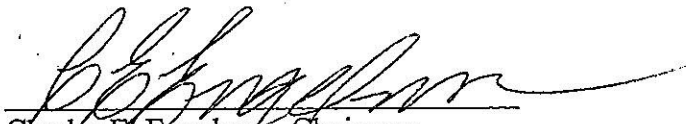
Mr. Sanchez stated that if the university is going to grow, the board should consider all options and not just consider constructing buildings. He noted that options that are not as cost prohibitive as building a new dorm should be considered to satisfy the need and still move the university forward in growth.

Mr. Engelman thanked Dr. Rogers and the administration for this important discussion.

Adjournment

The Student Services Committee discussion concluded at 4:29 p.m.

Reviewed for submission:


Charles E. Engelman, Chairman
Midwestern State University
Board of Regents Student Services Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**University Development Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 4:29 p.m., Thursday, November 4, 2010. University Development Committee members in attendance were Ms. Jane Spears, Chair; Mr. Mike Bernhardt; Mr. Kenny Bryant; and Mrs. Tiffany Burks. Other regents attending the meeting were Mr. Charles Engelman, Dr. Lynwood Givens, Dr. Carol Gunn, Mr. Shawn Hessing, Mr. Sam Sanchez, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media was Ms. Ann Work, reporter, for the *Times Record News*.

Chair Spears called the meeting to order at 4:29 p.m.

Reading and Approval of Minutes

11-29. The minutes of the University Development Committee meeting August 5, 2010, were approved as presented.

Summaries of Financial Support 9/1/09- 8/31/10 and 9/1/10-10/8/10

11-30 - 11-31. These reports were shown in the agenda as information only. Ms. Spears noted some of the gifts received.

- A. A gift of \$50,000 was received from The Priddy Foundation for the renovation of the Wichita Falls Museum of Art at Midwestern State University.
- B. \$25,000 was received from Elizabeth Hawley for the Bourland-Hawley Scholarship. This scholarship benefits students studying Spanish, English, or mathematics.

- C. The Roy and Gretta Hogan Foundation Scholarship fund was increased by \$20,000.
- D. A new scholarship endowment was established for the West College of Education through a \$10,000 contribution from Drs. Oneta and Bedford Furr. Dr. Oneta Furr served on the MSU faculty from 1950 through 1979.
- E. The Roberta Arwood Scholarship Endowment in the amount of \$27,000 was established to benefit music students.
- F. A gift of \$10,000 was received from the Hotter 'N Hell Hundred to support MSU Cycling Club scholarships.

Ms. Spears reported that the financial support received by the university during the 2009-2010 year totaled \$7.3 million. She noted that a list of names and addresses of major donors this quarter was included in each regent's folder and she encouraged the members to write thank you notes as they could. She added that Dr. Rogers wrote to the board recently announcing that MSU was selected to receive a \$220,000 Student Support Services Grant as part of the U.S. Department of Education Trio program. She stated that it is anticipated that the grant will continue for five years. She extended congratulations to Ms. Lisa Estrada-Hamby and Ms. Diane Spiller for their work in applying for the grant. She recommended that notes be sent to these staff members as well.

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

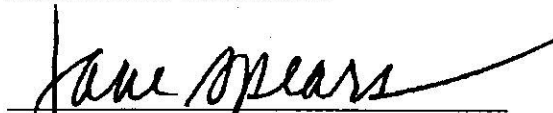
11-32. Mr. Spears reported that following the August meeting of the Board of Regents, the Wichita Falls Museum of Art at Midwestern State University Advisory Board voted to modify its by-laws and an MSU representative is no longer a required member of the Advisory Board. The Board of Regents previously approved Elizabeth Yarosz-Ash as the MSU Member on the board for the current academic year. The administration recommended that Ms. Yarosz-Ash be approved to serve as a regular member on the Advisory Board for a three-year term, 2010-2013.

Mr. Bernhardt moved approval of this recommendation. Ms. Burks seconded the motion and it was approved.

Adjournment

The University Development Committee discussion concluded at 4:38 p.m.

Reviewed for submission:



Jane Spears, Chair
Midwestern State University
Board of Regents University Development Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Athletics Committee
November 4, 2010**

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 4:38 p.m., Thursday, November 4, 2010. Athletics Committee members in attendance were Mr. Kenny Bryant, Chairman; Mr. Mike Bernhardt, Mr. Shawn Hessing, and Mr. Sam Sanchez. Other regents attending the meeting were Mrs. Tiffany Burks, Mr. Charles Engelman, Dr. Lynwood Givens, Dr. Carol Gunn, Ms. Jane Spears, and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer.

Chairman Bryant called the meeting to order at 4:38 p.m.

Reading and Approval of Minutes

11-33. The minutes of the Athletics Committee meeting August 5, 2010, were approved as presented.

Athletics Status Report

11-34. Mr. Charlie Carr, Director of Athletics, presented the following information.

- A. The fall teams have performed extremely well.
 - 1. The football team is readying to play its last regular season game and they remain hopeful about playing in the NCAA post-season. Ticket sales for football games surpassed what was anticipated.
 - 2. The cross country team is headed to the Lone Star Conference (LSC) championships and is the favorite to win.

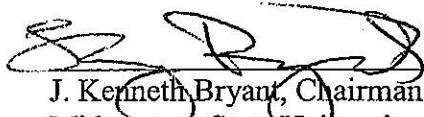
3. The men's soccer team is ranked #2 in the country and has qualified for the NCAA post-season.
 4. The women's soccer team is hosting the LSC championship and has qualified for the NCAA post-season. The team is currently ranked #17 in the country.
 5. The volleyball team recently qualified for the LSC tournament.
- B. The men's basketball team is ranked #13 in the nation in pre-season and season ticket sales are going very well.
- C. During Homecoming, four individuals were inducted into the Athletics Hall of Honor. These individuals were former basketball players Pops Schumann, Claudia Morrison Barnes, and Lindy Lombard, and sports reporter Nick Gholson. Additionally, Ted Buss was recognized at the Ex-Letterman's Breakfast
- D. The fall tip-off dinner for the basketball season was successful. Additionally, a golf tournament was held with a full field of golfers participating. The tournament was named in honor of Fuzzy Ray, Jeff Ray's dad.

Dr. Rogers added that he recently sent the board information regarding the academic success rate of MSU's student athletes. He congratulated Mr. Carr and the athletics department for their efforts in this regard.

Adjournment

There being no further business, the Athletics Committee discussion concluded at 4:54 p.m.

Reviewed for submission:



J. Kenneth Bryant, Chairman
Midwestern State University
Board of Regents Athletics Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

November 4, 2010

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 1:30 p.m., Thursday, November 4, 2010. Regents in attendance were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Mike Bernhardt; Mr. Kenny Bryant; Mrs. Tiffany Burks; Mr. Charles Engelman; Mr. Sam Sanchez; Ms. Jane Spears; and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Mr. Steve Shelley, Director of Purchasing; Ms. Nicole Deese, Research Analyst in the Office of Institutional Research, Planning, and Assessment; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were Mr. Chris Stolarzyk, President of the MSU Student Government Association, and Mr. David Peris, Student Government Observer. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter, and Mr. Torin Halsey, photographer, for the *Times Record News*.

Chair Gunn called the meeting to order at 1:33 p.m. Dr. Farrell presented the invocation and Ms. Buss introduced the guests.

Opening Comments

Dr. Gunn welcomed everyone to the meeting. She stated that Mustangs Rally would be held Saturday and a large number of potential students and their parents would be visiting the campus. The Office of Admissions provided Mustangs Rally t-shirts for the regents. Ms. Barrow added that the Department of Athletics provided each regent an MSU Basketball sweatshirt.

Dr. Gunn noted that the university's General Counsel, Roger Lee, passed away suddenly in September. Roger had served the university as Outside Counsel from 1980 until 2009 and as General Counsel from September 2009 until his death. She stated that while Roger is certainly missed, she was pleased to announce that Barry Macha had agreed to serve as Interim General

Counsel for the university. She commented that Barry is an MSU graduate and served as Wichita County District Attorney for over 25 years until his recent retirement.

Dr. Gunn reported that Mr. Hessing had asked to be removed as a member of the Investment Committee to prevent any conflict of interest issues with his firm. She added that until new committees are appointed, she would serve on this committee in his place. Mr. Hessing added that he works for a public accounting firm and because of restrictions that are in place he should not sit on the committee.

Public Comment

Dr. Gunn stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public are invited to address the Midwestern State University Board of Regents through written and oral testimony. She noted that no one signed up to speak during this time.

Regent Emeritus

11-0. Dr. Gunn noted that board policy allows that the board may elect persons whose service merits the highest honor it may confer to the position of Regent Emeritus for life. She indicated that Mac Cannedy, Jr. served on the Board of Regents for 12 years and his service truly merits this highest honor. Dr. Gunn asked Dr. Rogers to comment on Mr. Cannedy's service to the university as a regent and his generous continued support. Dr. Rogers reported Mac graduated from MSU with a degree in accounting, became a CPA, and has been with Freemon, Shapard, and Story since 1974. Mac is president of the Bridwell Foundation, the Fain Foundation, and the Bryant Edwards Foundation. He served on the MSU Board of Regents from 1996 to 2008, and served as chairman of the board from 2000-2008. Dr. Rogers added that Mac served the university with complete dedication and was highly deserving of this recognition.

Mr. Bernhardt moved approval of naming Mac Cannedy, Jr. as Regent Emeritus. Mr. Hessing seconded the motion and it was approved.

Dr. Gunn indicated that a resolution signifying this action would be signed by the board and presented to Mr. Cannedy as shown in Attachment No. 1.

Deliberations About Real Property

11-0a. Dr. Gunn noted that this item was added to the agenda following the printing of the agenda, but that it was properly posted in accordance with state requirements. She stated that since the item would include a discussion in closed session, the board would proceed with the committee agendas and return to this item if there was time at the conclusion of the committee discussions.

Recess/Reconvene

The meeting recessed at 1:43 p.m. and reconvened at 4:54 p.m.

Executive Session

Dr. Gunn announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.072, Real Property, to consider Item 11-0a

(Deliberations About Real Property). The closed session was properly announced at 4:55 p.m. Board members, Dr. Rogers, Dr. White, Mr. Sandoval, Dr. Clark, Dr. Farrell, Dr. Lamb, Mr. Spencer, Mr. Macha, and Ms. Barrow remained for the discussion.

Open Meeting Resumes

The closed session ended at 5:44 p.m. with an announcement by Dr. Gunn that no action was taken during Executive Session.

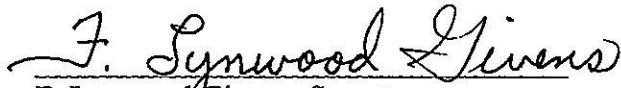
Deliberations About Real Property

11-0a. Ms. Spears moved that the board authorize the Board of Regents Chair to work with the administration to begin the process of selling the residential real estate at 2708 Hamilton Boulevard, Wichita Falls, Texas. Mr. Engelman seconded the motion and it was approved.

Adjournment

There being no further business, the meeting adjourned at 5:45 p.m.

Reviewed for submission:


F. Lynwood Givens, Secretary
Midwestern State University
Board of Regents

ATTACHMENT:

1. Emeritus Regent Resolution - Mac Cannedy, Jr.

MIDWESTERN STATE UNIVERSITY

Board of Regents Resolution

November 4, 2010

WHEREAS, Mac W. Cannedy, Jr. served Midwestern State University with distinction as a member of the Board of Regents from May 26, 1996 through April 8, 2008, and

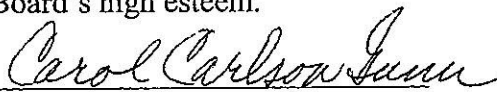
WHEREAS, during his tenure on the Board Mr. Cannedy served as a member of the Executive Committee for nine years and as Board Chairman for more than seven years, and


WHEREAS, Mr. Cannedy continues to support Midwestern State University with his time and resources, always providing wise counsel and encouragement, and

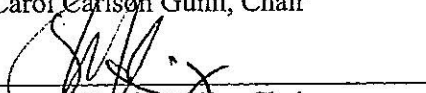
WHEREAS, the Board of Regents may elect persons whose service merits the highest honor to the position of Regent Emeritus for life,

NOW THEREFORE BE IT RESOLVED that the members of the Board of Regents do hereby confer on Mac W. Cannedy, Jr. the title of Midwestern State University Regent Emeritus, and

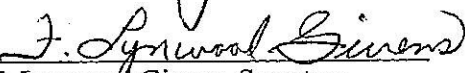
BE IT FURTHER RESOLVED that this Resolution is made a part of the permanent minutes of this Board and that a copy is presented to Mr. Cannedy as a token of the Board's high esteem.

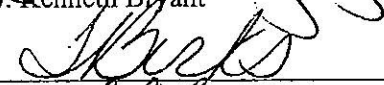

Carol Carlson Gunn, Chair



Michael Bernhardt

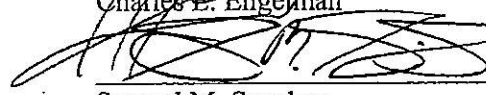

Shawn Hessing, Vice Chairman



J. Kenneth Bryant

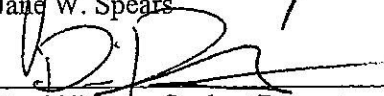

F. Lynwood Givens, Secretary


Tiffany Burks


Charles E. Engelman


Samuel M. Sanchez


Jane W. Spears


David Reyna, Student Regent



**MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY**

November 5, 2010

The Board of Regents, Midwestern State University, met in regular session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 9:00 a.m., Friday, November 5, 2010. Regents in attendance were Dr. Carol Carlson Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Mike Bernhardt; Mr. Kenny Bryant; Mrs. Tiffany Burks; Mr. Charles Engelman; Mr. Sam Sanchez; Ms. Jane Spears; and Student Regent David Reyna.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Mr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Gail Ferguson, Comptroller; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Dr. Norman Horner, Director of Natural Laboratories; Ms. Janus Buss, Director of Public Information and Marketing; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body were Student Government Association President Chris Stolarzyk and Student Observer David Peris. Representing the news media were Ms. Brittany Norman, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order at 9:03 a.m. Dr. White presented the invocation and Ms. Buss introduced the guests.

Opening Comments

Dr. Gunn mentioned that Ms. Buss had announced her retirement from MSU at the end of December and this would be her last board meeting. She thanked Janus for her nearly 20 years of service to MSU. Janus thanked the board for their support of her personally and for her office to market the university. She stated that since the first campaign was begun in 2002 the university had made great strides and she hoped that the marketing was a part of the reason for the university's forward movement. She added that the marketing campaign would not have been possible without funding provided by the board. Dr. Rogers commented that as head of marketing for the university, Janus was imaginative and creative, and that her work was excellent.

Public Comment

Dr. Gunn stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public are invited to address the Midwestern State University Board of Regents through written and oral testimony. She noted that no one signed up to speak during this time.

Reading and Approval of Minutes

11-35 & 11-36. Minutes of the regular Board of Regents meetings August 5 and 6, 2010, were approved as presented.

Executive Committee Report

Dr. Gunn noted the items presented at the Executive Committee meeting for committee approval and information only. Information concerning these items may be found in the minutes of the Executive Committee meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-01. Committee Minutes, 8/5/10 – approved by Committee as presented.

Item Presented for Information Only

11-02. Maintenance Plan Update – MP2 and MP4

Executive Committee Consent Agenda

Dr. Gunn recommended the following item approved by the Executive Committee and placed on the Consent Agenda for consideration by the board.

11-03. Regional Training Simulation Center - authorized the increase of the Simulation Center budget for FY 2011 by \$60,000 to address maintenance and utility costs for the new facility, with the understanding that proposed course fees, if approved in Item 11-08, would be applied to budgeted instructional costs, and funds consequently released through the use of course fees would be applied to fund this increase in operating expenses.

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being none, Mr. Hessing seconded Dr. Gunn's motion and it was approved.

Finance and Audit Committee Report

Mr. Hessing noted the items presented at the Finance and Audit Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Finance and Audit Committee meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-04. Committee Minutes, 8/5/10 – approved by Committee as presented.

Item Presented for Information Only

11-07. Mustangs Promise

Finance and Audit Committee Consent Agenda

Mr. Hessing recommended the following items approved by the Finance and Audit Committee and placed on the Consent Agenda for consideration by the board.

11-05. Review and Acceptance of Financial Report – accepted the July, 2010, Financial Report.

11-06. Mustangs Guarantee Program – authorized the following changes to this program:

- A. Clarify the program description to indicate that payment of tuition and mandatory fees will be provided for 15 or more credit hours each semester. The program requires students to enroll in a minimum of 15 credit hours each semester.
- B. Modify the program description to allow beginning freshmen to participate in the program if they earn college hours at MSU or another institution in the summer immediately following high school graduation.
- C. Change the required date for completing the financial aid file from April 30 to May 31.

11-08. Course Fees – authorized the following course fee (per semester credit hour) increases beginning with the spring 2011 semester:

	FROM	TO
Athletic Training – ATRN	\$10	\$30
Dental Hygiene – DNHY	\$15	\$55
Nursing – NURS	\$35	\$55
Radiologic Science - RADS (Undergraduate Only)	\$11	\$35
Respiratory Care – RESP	\$11	\$35

11-09. University Center Fee – authorized the administration to pursue legislative action to increase the University Center Fee to \$35 per semester (\$17.50 for each summer term) during the next legislative session.

11-10. FY 2009-2010 Items \$50,000 & Under Approved by President -- ratified changes as presented.

11-11. Review of Personnel Reports and Salary/Title/Position Changes in 2009-2010 Budget – ratified the changes as presented.

11-12. Review of Personnel Reports and Salary/Title/Position Changes in 2010-2011 Budget – ratified the changes as presented.

Dr. Gunn asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mr. Engelman seconded Mr. Hessing's motion to approve the Consent Agenda as presented. The motion was approved.

Investment Committee Report

Mr. Engelman noted the items presented at the Investment Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Investment Committee meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-12.01. Committee Minutes, 8/5/10 – approved by Committee as presented.

Items Presented for Information Only

11-14. Redwine Quasi-Endowment Fund Report – FY 2010

11-15. Redwine Fund/Investment Management Services

Investment Committee Consent Agenda

Mr. Engelman recommended the following items approved by the Investment Committee and placed on the Consent Agenda for consideration by the board.

11-13. Review and Acceptance of Investment Report – accepted the fourth quarter 2010 Investment Report.

11-16. Redwine Quasi-Endowment Fund Use – authorized that earnings from the Redwine Quasi-Endowment Fund be used to support the MSU Honors Program.

Dr. Gunn asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mr. Bernhardt seconded Mr. Engelman's motion to approve the Consent Agenda as presented. The motion was approved.

Personnel and Curriculum Committee Report

Dr. Givens noted the items presented at the Personnel and Curriculum Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Personnel and Curriculum Committee Meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-17. Committee Minutes, 8/5/10 – approved by Committee as presented.

Items Presented for Information Only

11-18. Faculty Report

11-19. Staff Report

11-20. Enrollment Report – Fall 2010

Personnel and Curriculum Committee Consent Agenda

Dr. Givens recommended the following items approved by the Personnel and Curriculum Committee and placed on the Consent Agenda for consideration by the board.

11-21. December 2010 Graduating Class – approved the list of candidates for graduation.

11-22. Organization Change – Alignment of Extended Education Initiatives – authorized that all university-sponsored executive and professional education initiatives be placed under the direction of the Office of Extended Education, to include current initiatives such as the Intensive English Language Institute and the North Central Texas Health Care Consortium.

- 11-23. *MSU Policies and Procedures Manual* – University Boards, Councils & Committees – Policy 2.338 – transferred authority over university boards, councils, and committees to the MSU Administrative Council and approved removing Policy 2.338 from the *Policy Manual*.
- 11-24. *MSU Policies and Procedures Manual* – Changes Required by State or Federal Law or Regulation – authorized the administration to make university policy changes that are required by a change in state or federal law or other superior governing authority without Board of Regents’ approval, with the board notified of the required changes.
- 11-25. *MSU Policies and Procedures Manual* Changes – approved changes to the policies noted below as presented:
- A. Policy 3.223 – Staff Employee Education Incentive Program
 - B. Policy 3.338 – Service Pin Awards
 - C. Policy 4.138 – Key Authorization

Dr. Gunn asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mrs. Burks seconded Dr. Given’s motion to approve the Consent Agenda as presented. The motion was approved.

Student Services Committee Report

Mr. Engelman noted the items presented at the Student Services Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Student Services Committee Meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-26. Committee Minutes, 8/5/10 – approved by Committee as presented.

Items Presented for Information Only

11-27. Student Government Report

11-28. University Housing Report and Discussion

University Development Committee Report

Ms. Spears noted the items presented at the University Development Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the University Development Committee Meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-29. Committee Minutes, 8/5/10 – approved by Committee as presented.

Items Presented for Information Only

11-30. Summary of Financial Support - 9/1/09-8/31/10

11-31. Summary of Financial Support - 9/1/10 – 10/8/10

University Development Committee Consent Agenda

Ms. Spears recommended the following item approved by the University Development Committee and placed on the Consent Agenda for consideration by the board.

11-32. Wichita Falls Museum of Art at Midwestern State University – Advisory Board – approved Ms. Elizabeth Yarosz-Ash to serve on the Advisory Board for a three-year term, 2010-2013.

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being none, Mr. Bryant seconded Ms. Spear's motion and it was approved.

Athletics Committee Report

Mr. Bryant noted the items presented at the Athletics Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Athletics Committee Meeting held November 4, 2010.

Item Presented for Committee Approval Only

11-33. Committee Minutes, 8/5/10 – approved by Committee as presented.

Item Presented for Information Only

11-34. Athletics Status Report

Other Business

Presidential Performance and Compensation Review Committee Appointment

11-37. Dr. Gunn asked Mr. Hessing, Ms. Spears, and Mr. Bryant to serve on a Presidential Performance and Compensation Review Committee, with Mr. Hessing serving as chair. She asked that the committee be prepared to present its report and any recommendations to the Board of Regents at the February 2011 meeting. She asked Dr. Rogers to submit his self-evaluation to the board at least two weeks prior to the February meeting.

Regent Emeritus

11-38. Dr. Gunn noted that action regarding this item was taken at Thursday's meeting and no further discussion was necessary.

Deliberations about Real Property

11-39. Dr. Gunn reported that action regarding this item was taken at Thursday's meeting and no further discussion was necessary.

President's Report and Discussion

11-40. Dr. Rogers presented the following information.

- A. Legislative Update – Rep. Jim Pitts, chairman of the Texas House Appropriations Committee, recently met with the state public university presidents and chancellors to discuss the state's financial situation. Dr. Rogers noted that while Texas is in

better shape than many other states in the nation, the decline in property taxes and the serious decline in sales taxes has caused a potential budget deficit for the next biennium of \$21 billion or significantly higher. Rep. Pitts cautioned the group that when the Legislative Budget Board (LBB) distributes its base budget, the funding will be seriously less than what was appropriated in the current biennium, owing to the \$10 billion of stimulus funds that was used in the current appropriation. These funds will no longer be available. Dr. Rogers added that the group received some assurance that universities would not likely be instructed on exactly how to decrease university budgets and that the specifics will be left to each institution or system. He noted that it was clear that institutions of higher education are likely looking at another 10% reduction, in addition to the 5% reduction that has already been made. He stated that this was going to be a difficult legislative session.

Dr. Rogers reported that the Texas Higher Education Coordinating Board (THECB) had modified its formula funding recommendations slightly. While THECB originally supported funding universities based on end-of-semester credit hour production, the final recommendation would maintain the current funding which is based on beginning credit hour production. Additionally, THECB has recommended that 10% of the appropriation be distributed based on university graduates. The proposed system is similar to the current Performance Incentive Funding, whereby universities are funded based on the number of graduates, the field in which the student graduates, and whether or not the student was considered at-risk when he enrolled. He noted an additional component of the funding model would be based on the number of graduates compared to the institution's anticipated graduation target. He stated that the target would be based on the number of students who graduated in the top 10% of their high school class and the number of students who receive a Pell grant. Dr. Gunn added that she and the other university board chairs were recently called to Austin to meet with THECB chair Fred Heldenfels concerning this new formula funding model. She thanked Dr. Rogers for the time he has spent in Austin working with THECB staff, board members, and legislators.

Dr. Givens asked if the funding the university receives for graduates in the STEM fields was significant enough that the university should take steps to entice more students into the science, technology, engineering, and math fields. Dr. Rogers responded that as an educator he did not believe that one degree was more important than the other, although he understood the state's need for certain types of graduates. He indicated that the university's faculty and the success of MSU graduates continue to attract students into the various STEM programs, although the declining numbers in these fields has been a national trend.

- A. Budget Reduction Planning – Dr. Rogers reported that he had appointed three study committees to recommend cost efficiencies for the total university. Dr. White is chairing a committee that is looking at the academic areas, Dr. Lamb and Dr. Farrell are co-chairing a committee reviewing auxiliary and other non-academic areas, and Mr. Sandoval and Mr. Owen are co-chairing the committee looking at everything related to the physical plant operation. Dr. Rogers added that a suggestion box link is on the university website and individuals are encouraged to recommend cost saving ideas. He stated that the administration would soon begin looking at model

budgets based on various income and expenditure projections. He stated that he did not want the cost of operations to escalate during this fiscal year.

- B. Dalquest Desert Research Site – Dr. Rogers stated that Midwestern State University has an outstanding natural laboratory in the Dalquest Desert Research Site in southwest Texas. Dr. Walt Dalquest was a professor at MSU for over 50 years and is responsible for the university owning this property. Dr. Dalquest wrote numerous books, 300 articles, and was an expert in many areas of mammology and zoology. Dr. Rogers introduced Dr. Norman Horner, former MSU faculty member and Dean of the College of Science and Mathematics, who currently serves the university as Director of Natural Laboratories.

Dr. Horner made a presentation regarding the site (see Attachment 1). He reported that Dr. Dalquest bought two sections of land in 1968 for \$13 an acre. In 1996, Walt and his second wife Rose donated the two sections of land to the university with the restriction that the land could only be used for scientific research. In 2004, Rose provided funds for the university to purchase an additional 2 2/3 sections of bordering property from the state. The total area of the university's property is approximately 3,000 acres. Dr. Horner explained that the site is in Brewster and Presidio counties and the southern border of the site is on the northern border of the Big Bend Ranch State Park.

Dr. Horner discussed the unique geology of the area. He stated that the individual who owned the property in the 1920's fenced it off to keep cattle away. As a result the land has had very little human activity and minimal damage from domestic animals. He reported that the site is 555 miles from the MSU campus. He reported that five journal articles have been published from research done at the site, six students have completed thesis work there, and two are in the process. He added that seven papers have been presented at scientific meetings regarding work at the site. The presentation included slides showing various animals, birds, snakes, insects, plants, and wildlife from the area.

In 2009, the university received a \$23,000 National Science Foundation (NSF) planning grant and in the spring 2010 a full NSF proposal for \$250,000 to construct a research station was submitted. While the proposal was rated highly meritorious, the grant was not funded. The university is working to tie into other field station work in the Chihuahuan Desert and the grant will be resubmitted. He stated that the cost of the research station was estimated at \$500,000. The NSF grant, if received, will provide one-half of the funding needed for the project.

Dr. Horner recognized the McCoy School of Engineering senior design students for their work in developing a water system prototype. He expressed appreciation to Jim McCoy for funding the project at a cost of over \$43,000.

Dr. Givens asked if any undergraduate students are involved in research at the Dalquest Site. Dr. Horner responded that graduate students are primarily involved because of the time it takes to get to the site and the cost involved.


Dr. Rogers mentioned the "Ribbons of Time" book that was published several years ago. He noted that it was a fine photographic study of the property with a wonderful written perspective by Douglas Preston. Ms. Spears stated that she was very impressed with the book and encouraged board members to join the MSU Museum. She noted that at a certain level of membership they would receive one of the books. She added that she would like for everyone in the room to be a member of the museum.

The board expressed their appreciation to Dr. Horner for his presentation.

Adjournment

Dr. Gunn announced that graduation would be held December 11 and she encouraged participation by the regents. There being no further business, the meeting was adjourned at 10:27 a.m. The next regularly scheduled meetings of the Board of Regents will be Thursday and Friday, February 10-11, 2011.

I, F. Lynwood Givens, 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 November 5, 2010.

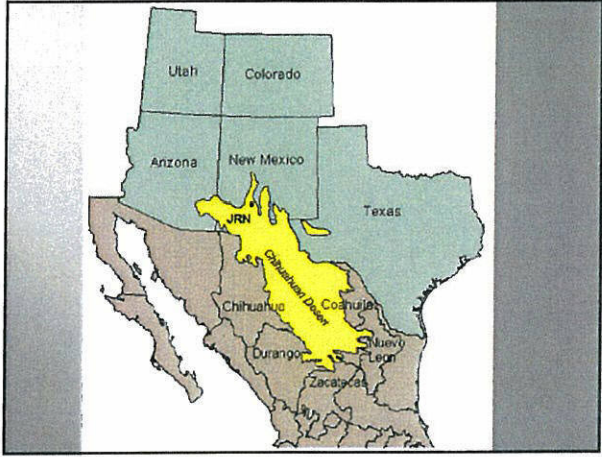


F. Lynwood Givens, Secretary

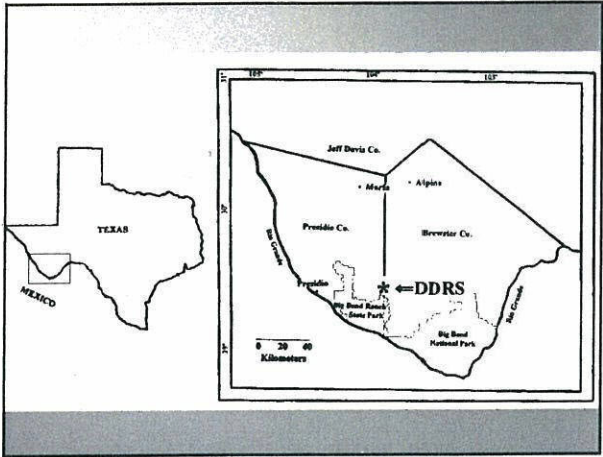
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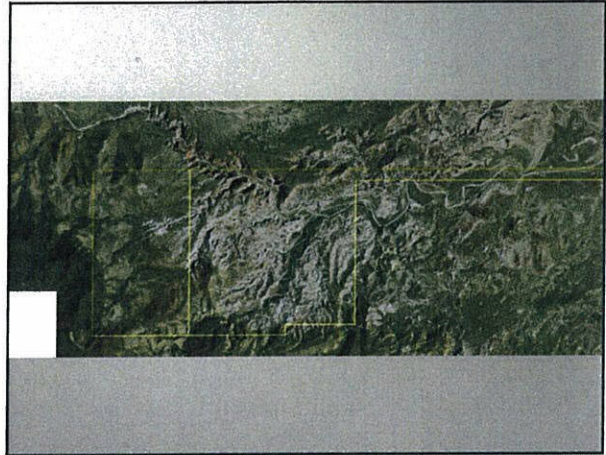
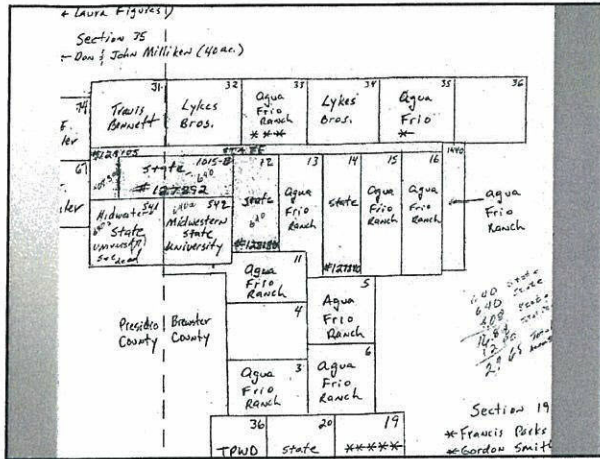
1. Dalquest Desert Research Site Presentation

**MIDWESTERN STATE
UNIVERSITY
DALQUEST DESERT
RESEARCH SITE**



- ❑ Dr. Dalquest purchased two sections of rugged canyon land in 1968 so he could hunt deer and collect small mammals, geodes, agates, etc.
- ❑ He realized the scientific value of the land and in 1996 Walt and Rose donated these two sections of land with the deed restriction that it be used for scientific research by biologists and geologists.
- ❑ In 2004 his widow, Rose, provided funds to purchase an additional adjacent 2 2/3rds sections from the State of Texas.
- ❑ Total area is approximately 1,200 hectares or 3,000 acres





GEOLOGY OF THE DDRS

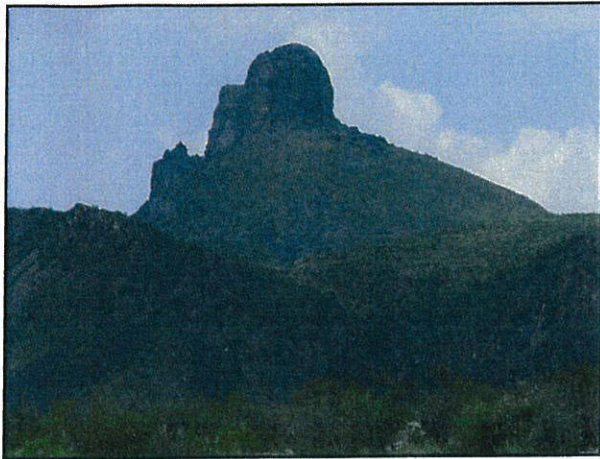
Eocene-Oligocene deposits of 55-24 million years.

This is largely ash which is much different than most of the Chihuahuan Desert.

The Tascotal Mesa Fault is a east-west trending fault line

Numerous volcanoes in the area contributed ash which washed into the site.





FEATURES OF THE DDRS

1. Pristine Site with little human and domestic animal influence.
2. The site is remote! From MSU to the site is 555 miles which takes 11 hours.
3. Very little research on flora and fauna of this part of the state has been done. Some has been done in the Big Bend National Park.
4. Current researchers are attempting to establish what flora and fauna are present.

PUBLICATIONS FROM RESEARCH AT THE DDRS

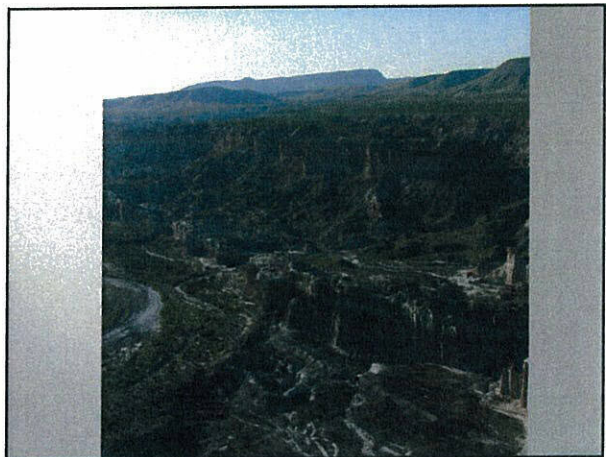
One book - Ribbons of Time by Nelson and Preston

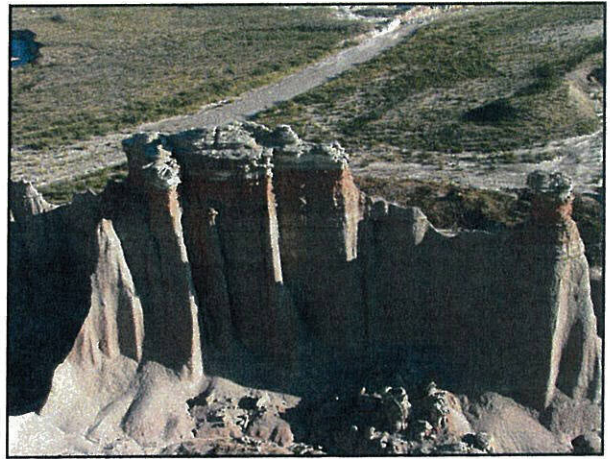
Five Journal Articles - spider survey, beetles survey, new species of spider described, wild burros, description of Eocene fossil primate.

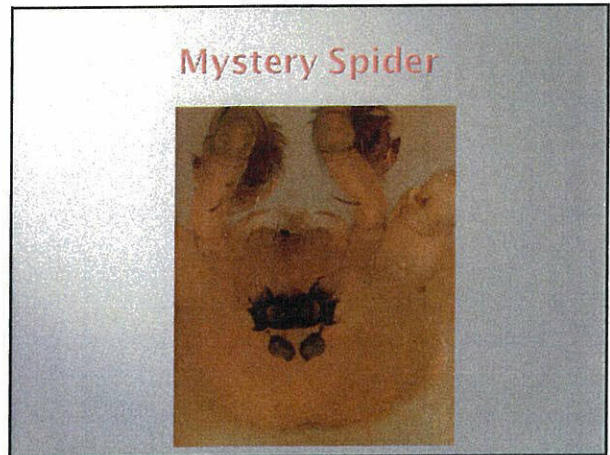
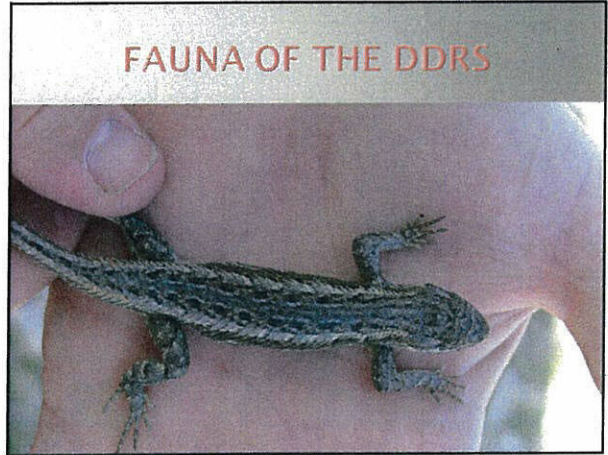
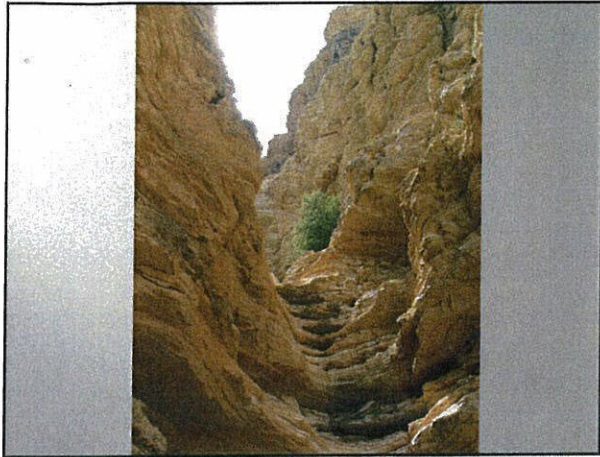
Theses Completed: Hamilton, Broussard, Middleton, Sink Killion, and Weger

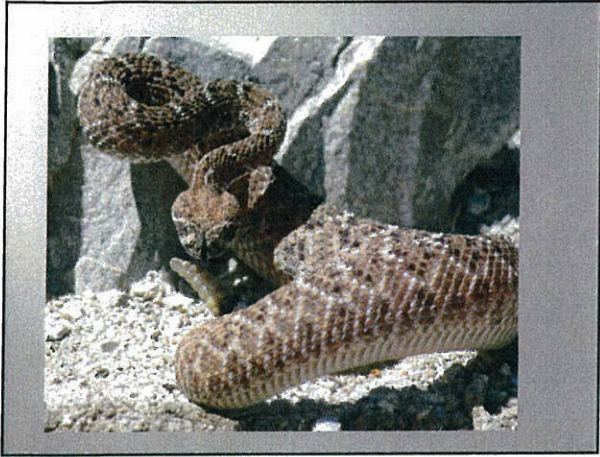
Theses in Progress: Holbert and Mahabir

Presentations at Scientific Meetings: seven known.











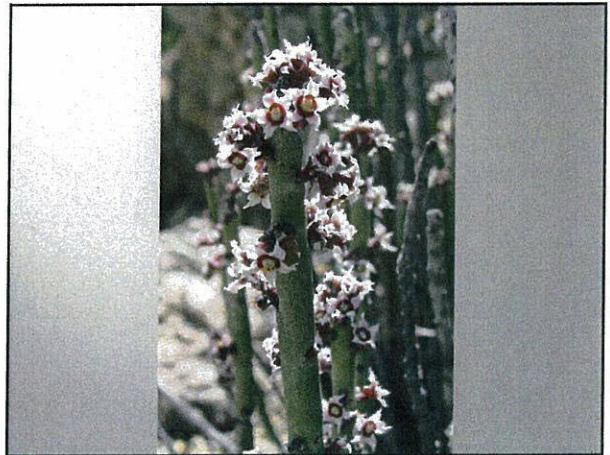
Amynodon Cranium



Amynodon Mandible



FLORA OF THE DDRS





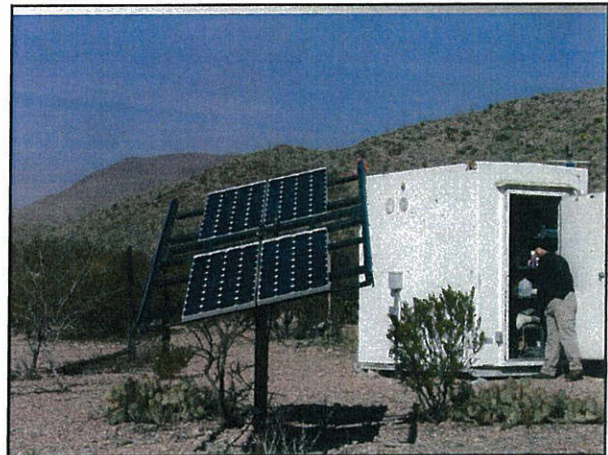
NSF Grant

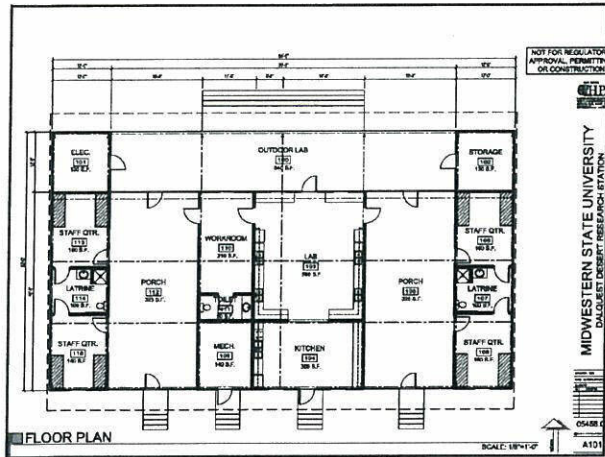
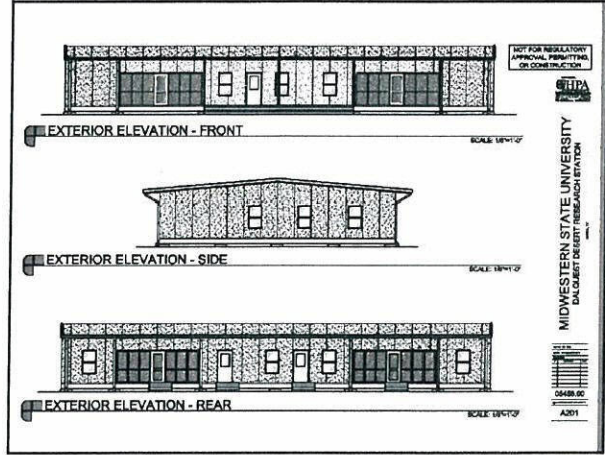
A \$23,000 NSF Planning grant was received for 2009. The funds were used to bring in eight scientists from across the U.S. to obtain their opinion on the validity of submitting a full grant. The Advisory Panel strongly endorsed the Field Station.

In the spring of 2010, we submitted a \$250,000 grant to NSF for the construction of a research station on site which was rejected.

NSF RESUBMISSION

We are attempting to improve the grant by indicating how we can work with other NSF supported Field Stations, especially the UTEP Indio Mt. Field Station, the NMSU Jornada, and UNM Sevilleta





Thanks to Engineering

Dalquest Desert Research Site Water System

Dr. Idir Azouz and his Senior Design Student Group which consisted of Aaron Smith, Nick Moore, Tony Burson, Karu Anto, and Phillip Ray.

The project is being funded by a grant from Echometer for \$43,743.24

MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS

November 15, 2010

The Board of Regents, Midwestern State University, met in special session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 3:30 p.m., Monday, November 15, 2010. Board members in attendance at the university were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Kenny Bryant, Mr. Charles Engelman; Ms. Jane Spears; Student Regent David Reyna; and Regent Emeritus Mac Cannedy, Jr. Board members attending the meeting via teleconference connection were Mrs. Tiffany Burks and Mr. Sam Sanchez. Mr. Mike Bernhardt was traveling and was unable to participate in the meeting.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; and Dr. Robert Clark, Vice President for Institutional Effectiveness. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Ms. Dianne Weakley, Director of Human Resources; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Ms. Treva Clifton, Secretary/Treasurer of the MSU Staff Senate; Dr. Patti Hamilton, Dean of the Graduate School; Dr. Susan Sportsman, Dean of the College of Health Sciences and Human Services; Mr. Randy Pruitt, Assistant Professor of Mass Communication and Advisor to *The Wichitan*; Dr. Tom Hoffman, Professor of English; Ms. Devah Carter, Assistant to the Dean of the Graduate School; Ms. Dara Ashlock, Coordinator of Graduate Admissions and Recruitment; Ms. Deb Schulte, Assistant to the Provost and Vice President for Academic Affairs; Ms. Janus Buss, Director of Public Information and Marketing; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Also attending the meeting were community residents Mr. Arnold Oliver, Ms. Beverly Bolin, and Mr. Jerry Williams, and MSU students Ms. Shannon Welch and Ms. Cynthia Honkomp. Representing the news media were Ms. Brittany Norman, editor, and Ms. Alyssa Johnston, reporter, for *The Wichitan*; Ms. Megan Barnett, reporter for *Campus Watch*; Ms. Ann Work, Ms. Claire Kowalick, and Mr. Clayton Hein, reporters for the *Times Record News*; Ms. Katie Crosbie, reporter for KFDX 3; and Ms. Crystal Hall, reporter for KAUZ Channel 6.

Chair Gunn called the meeting to order at 3:34 p.m. and Ms. Buss introduced the visitors.

Public Comment

Dr. Gunn stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public are invited to address the Midwestern State University Board of Regents through written and oral testimony. She noted that several individuals had signed up to address the board concerning the one agenda item. She indicated that in the interest of time each speaker would be limited to five minutes and she asked Ms. Barrow to serve as timekeeper.

Wichita Falls resident Arnold Oliver was introduced as a former member of the MSU Board of Regents and spoke in support of Dr. Jesse Rogers as president of Midwestern State University. Dr. Tom Hoffman, a faculty member at MSU since 1968, also spoke in favor of Dr. Rogers, as did Ms. Beverly Bolin, a local community leader. Following the three presentations, Dr. Gunn thanked them for sharing their thoughts with the board.

Consideration of Dr. Jesse Rogers' Status as President of Midwestern State University

11-41. Dr. Gunn asked Dr. Rogers if he would like to make any comments before the board went into closed session. Dr. Rogers stated that he had attempted to move the university forward as a first-class institution for 44 years as a professor of chemistry, head of the chemistry department, academic vice president for 23 years, and president for nine years. He added that he had worked to keep the board informed and would continue to work on behalf of the university in any way possible according to the wishes of the board.

Executive Session

Dr. Gunn announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.074, Personnel Matters, to consider Item 11-41 (Consideration of Dr. Jesse Rogers' Status as President of Midwestern State University). The closed session was properly announced at 3:57 p.m. Board members, Regent Emeritus Cannedy, Dr. Rogers, Mr. Spencer, Mr. Macha, and Ms. Barrow remained for the discussion.

Open Meeting Resumes

The closed session ended at 5:33 p.m. with an announcement by Dr. Gunn that no action was taken during Executive Session.

Consideration of Dr. Jesse Rogers' Status as President of Midwestern State University

11-41. Mr. Hessing recommended the Board of Regents approve the following statement:

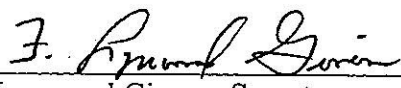
The Board of Regents of Midwestern State University is acutely aware of the concerns of the MSU student body, faculty, staff, and community concerning the expenditures at the Harvey house. Donors were generous enough to donate private funds to furnish the Harvey house and were fully aware that the money would be utilized for that purpose. These funds could not have been used toward any other university expenditure. None of the funds used for furnishings were derived from the state, student tuition, or student fees. Under the current administration of President Jesse Rogers, and with the support of the Board of Regents, MSU has achieved unprecedented success and national acclaim. The Board of Regents fully supports Dr. Jesse Rogers.

Mr. Bryant seconded the motion and it was unanimously approved.

Adjournment

There being no further business, the meeting adjourned at 5:38 p.m. The next regularly scheduled meetings of the Board of Regents will be held February 10 and 11, 2011.

I, F. Lynwood Givens, 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 November 15, 2010.



F. Lynwood Givens, Secretary

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

November 29, 2010

The Board of Regents, Midwestern State University, met in special session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 12:30 p.m., Monday, November 29, 2010. Board members in attendance at the university were Dr. Carol Gunn, Chair; Mr. Kenny Bryant, Ms. Jane Spears; and Student Regent David Reyna. Board members attending the meeting via teleconference connection were Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Mike Bernhardt; Mrs. Tiffany Burks and Mr. Sam Sanchez. Mr. Charles Engelman was traveling and unable to participate.

Administrative staff members present at the university included Dr. Jesse W. Rogers, President; Dr. Alisa White, Provost and Vice President for Academic Affairs; and Dr. Howard Farrell, Vice President for University Advancement and Student Affairs. Other university personnel attending the meeting included Dr. Keith Lamb, Associate Vice President for Student Affairs; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, Interim General Counsel; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Randy Pruitt, Assistant Professor of Mass Communication and Advisor to *The Wichitan*; Ms. Janus Buss, Director of Public Information and Marketing; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the news media were Mr. Chris Collins, managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Mr. Paul Harrop, reporter for KAUZ Channel 6.

Chair Gunn called the meeting to order at 12:30 p.m. and Ms. Buss introduced the visitors.

Public Comment

Dr. Gunn stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public are invited to address the Midwestern State University Board of Regents through written and oral testimony. She noted that no one had signed up to speak.

Course Fee Increases Approved by Board of Regents November 5, 2010

11-42. Dr. Gunn reported that during the board meeting in early November the administration recommended increasing course fees for athletic training, dental hygiene, nursing, radiologic science (undergraduate only), and respiratory care courses effective with the spring 2011 semester. The board approved these increases as recommended. She asked Dr. Rogers to provide information regarding this matter.

Dr. Rogers stated that he had recently met with Student Government to discuss a number of issues. One of the issues that was raised by several students, and particularly those students from the College of Health Sciences and Human Services, dealt with the timing of the course fee increases. The students indicated that they understood the need for additional income for specific academic disciplines. However, the students expressed concern that they did not receive fair warning of the increase. Dr. Rogers stated that while the administration and board had previously raised fees at mid-year, this was the first time in recent memory that fees were raised in November for the spring semester. A

number of students explained that their financial aid packages and other financial arrangements had been determined for the year and the increase would create a hardship for them. Dr. Rogers discussed the matter with the vice presidents and determined that the students made a valid point. It was determined that additional board action would be required to change the effective date of the fee increases. Dr. Rogers recommended that the course fee increases that were approved by the board November 5 be implemented in the fall 2011 rather than spring 2011.

Dr. Rogers asked Dr. White to comment on the nature of course fees. Dr. White reported that course fees are intended to support instruction and can be used to fund equipment, supplies, software, data base programs, as well as various forms of student success programming. Dr. Rogers added that the administration is listening to the concerns of the students.

Dr. Gunn noted that the administration had recommended that the course fee increases previously approved be effective with the fall 2011 semester rather than the spring 2011 semester. Mr. Bryant moved approval of this recommendation and Ms. Spears seconded the motion.

Mr. Sanchez stated that the administration informed the board in November that the funds generated by the new course fees were needed in the spring semester. He asked if the additional funds were no longer needed. Dr. Rogers responded that the administration would have to make cuts to make up for the lost revenue. Dr. White added that the reason she recommended the increases in health science course fees was because of the program expansion with the new surgi-center location. The new facility will allow the addition of another surgical unit, as well as an additional "sim man." She noted that the university may not optimize the space initially, but existing programs should not be cut.

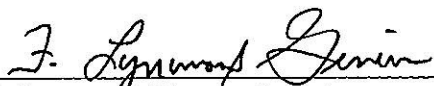
It was noted that in November the budget was increased by \$60,000 through the revenue generated by increased course fees. Mr. Sanchez asked that the administration provide a list of any reductions necessary due to the deferral of the fee increases. Mr. Hessing agreed and asked that the administration prepare a brief analysis prior to the February board meeting so that board members can fully understand the phase in process.

There being no further discussion, the motion was approved.

Adjournment

There being no further business, the meeting adjourned at 12:47 p.m. The next regularly scheduled meetings of the Board of Regents will be held February 10 and 11, 2011.

I, F. Lynwood Givens, the fully appointed 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 November 29, 2010.


F. Lynwood Givens, Secretary