

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Executive Committee
February 10, 2011**

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 1:37 p.m., Thursday, February 10, 2011. 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 (via teleconference), 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Michael Dye, Director of Information Systems; Ms. Cassie Slaybaugh, Director of Institutional Research, Planning, and Assessment; Ms. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Ms. Katie Crosbie, reporter for KFDX-TV3.

Chair Gunn called the meeting to order at 1:37 p.m.

Reading and Approval of Minutes

11-46. The minutes of the Executive Committee meeting November 4, 2010, were approved as presented.

Clark Student Center (CSC) Electrical & Life Safety System Repairs/Texas Public Finance Authority Master Lease Program

11-47. Dr. Gunn reported that the Clark Student Center's sixty year old electrical equipment is subject to catastrophic failure at any time. Additionally, the western two-thirds of the building has a dry fire sprinkler system that has extensive wear and must be replaced. She noted that the administration was requesting board approval to engage in the Master Lease Program with the Texas Public Finance Authority (TPFA), subject to approval by

the Texas Bond Review Board, to finance an upgrade of the electrical and fire protection systems in the Clark Student Center at a cost not to exceed \$600,000, with a 10-year amortization plan to retire the debt. She noted that the source of funds would be the University Center Fee.

Dr. Rogers stated that this was an important project for the university. He added that if the project is approved by all necessary entities, work would begin in the summer of 2011 and the first payment on the debt would be in August 2012. Mr. Owen reported that the lifespan of the system is generally considered to be 25 to 30 years and this system has been in operation for 60 years. The transformer and the main electrical panels in the building must be replaced to avoid the possibility of a complete system failure. He added that the pipe in the dry sprinkler system, which is used in about two-thirds of the building, has corroded significantly and must be replaced. Mr. Owen displayed a sample section of corroded pipe.

Mr. Sandoval stated that the university has used the Master Lease program to finance several small equipment projects over the years. To qualify for the program, the Texas Bond Review Board would review the project to ensure the equipment would have a useful life of at least 20 years. He noted that the TPFA quotes a 5% rate for the lease, although the financing cost for this type of project is near 1.5% plus a 1% administrative fee. Mr. Sandoval indicated that the administration considered five and ten year amortization plans. The anticipated revenue generated from the increased fee (assuming approval of a \$20 per student increase) would be approximately \$175,000. A 10-year amortization plan for \$600,000 at 5% interest would require a payment of \$89,000 each year.

Mr. Hessing moved approval of this item as presented; Mr. Engelman seconded the motion.

Mr. Hessing asked Mr. Sandoval to explain why a 5% interest rate was used for the amortization schedule if the actual rate of interest is 1.5% plus 1%. Mr. Sandoval responded that the Texas Bond Review Board and the Texas Public Finance Authority require estimates to be conservative, and thus use the 5% figure. Mr. Hessing asked if the administration had any reason to doubt that the interest and fee cost would be more than 2.5%. Mr. Sandoval responded that he did not. Mr. Hessing requested that Mr. Sandoval provide the board with a copy of the draft amortization schedule.

Mr. Hessing asked how the debt would be paid if the increased fee was not approved. Mr. Sandoval responded that the project must move forward regardless of whether the fee is approved. Dr. Rogers responded that the University Center Fee would be used to pay the debt with or without the increased fee. He added that without additional fee income, the administration would have to find other funds to subsidize the operation of the Clark Student Center. Mr. Hessing stated that when the board first discussed the proposed fee increase, the administration mentioned the electrical and fire safety issues, as well as the need for a new roof. He asked if there were any other CSC infrastructure items that the board should discuss. Dr. Farrell responded that the facility needs cosmetic work, but no

other major items at this time. Mr. Sandoval added that one of the reasons the administration recommended a 10-year amortization was to provide the administration more flexibility in CSC funding. He added that any excess proceeds from the fee, beyond debt service, would go against other issues in the facility. Mr. Hessing confirmed that the "must do" repairs for the CSC were the electrical system, the fire safety system, and the roof. Dr. Rogers affirmed this statement. Mr. Hessing asked Mr. Sandoval to provide the board with an analysis of the revenue and expenditures of the CSC (current and future).

Mr. Engelman asked if the corroded pipe would be replaced with the same type of steel pipe or if there was a coating that could be placed on the pipe to extend its usefulness. Mr. Owen responded that the problem with the system seemed to be caused by the lack of adequate drains in the system. He noted that drains would be added and procedures would be developed to ensure there is no water buildup in the pipes in the future. Mr. Engelman asked if it would be possible to salvage the current system by putting in additional drains. Mr. Owen indicated that he had initially thought it might be a possibility, but the pipes have random pinholes throughout. Mr. Sanchez asked if they would consider repairing the system if possible. Mr. Owen confirmed that the decision to repair or replace the system would be made during the design phase.

Ms. Spears asked what would happen if the electrical system stopped working. She also asked about insurance on the facility. Mr. Sandoval noted that the majority of university facilities are self-insured. Ms. Ferguson stated that the Clark Student Center is insured. Mr. Owen stated that if the system completely failed the building would have to be closed for several months while parts were ordered and installed.

Dr. Givens stated that if the fee increase is approved and the payment on the project is \$90,000, there should be additional funds. He asked how the funds would be used. Dr. Rogers noted that the current fee does not cover the cost of operating the student center. Ms. Maxwell added that the University Center Fee is waived for approximately 15% of the students and noted that money is taken from the university's fund balance each year to pay for the operation of the Center. Mr. Hessing asked Mr. Sandoval to also provide the board an analysis of how the funds from the fee increase would be utilized during the next ten years.

Following this discussion the motion was approved.

Easement - Oncor Electric Delivery Company LLC

11-48. Dr. Gunn reported that Oncor Electric Delivery Company LLC had approached the university requesting an easement. She added that the administration was not ready to recommend approval, but was requesting authorization for the board chair to work with the president and general counsel to finalize negotiations and sign an easement contract, if necessary, with Oncor.

Mr. Macha explained that Oncor had requested an easement behind the residences located at 2411, 2413, and 2415 Elmwood Circle N. He reported that these homes are

located south of Sikes Lake and are contiguous to the university's property. Oncor requested an easement to locate overhead and/or underground electric supply and communication facilities consisting of variable numbers of wires and cables, supporting structures, surface mounted equipment, and conduit to serve users on university property. He added that the easement would be for an area 10 ft. by 175 ft., and that the fair market value would range between \$1 and \$3 per square foot.

Mr. Macha asked if board members would prefer limiting the easement to underground cables, rather than allowing above-ground structures. Regents raised several questions, including what was included in an above ground item, how big could such an item be, how close are the houses to the university's property, and how was service currently provided by Oncor to these customers. Mr. Engelman indicated that he would support limiting the easement to underground only and foregoing any compensation. Ms. Spears supported Mr. Engelman's suggestion, but stated she would prefer also requesting compensation. Dr. Givens asked that Oncor provide a drawing of the plans for the area. He also suggested that the decision be postponed until May if possible.

Mr. Macha indicated that he would pursue the matter and place an item for additional consideration on the May board agenda.

Adjournment

There being no further business, the Executive Committee discussion concluded at 2:09 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
February 10, 2011**

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 2:09 p.m., Thursday, February 10, 2011. 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 (via teleconference), 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Michael Dye, Director of Information Systems; Ms. Cassie Slaybaugh, Director of Institutional Research, Planning, and Assessment; Ms. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Ms. Katie Crosbie, reporter for KFDX-TV3.

Chairman Hessing called the meeting to order at 2:09 p.m.

Reading and Approval of Minutes

11-49. The minutes of the Finance and Audit Committee meeting November 4, 2010, were approved as presented.

Review and Acceptance of Financial Reports

11-50. Mr. Hessing noted that the administration recommended the Annual Financial Report (AFR) for the year ended August 31, 2010, as well as monthly financial reports for September, October, November, and December, 2010, for acceptance. He added that these reports were previously distributed to the board.

Mr. Sandoval noted that the AFR was submitted to the board in early December. A summary was included regarding the important issues contained in the report. He stated

that as of 8/31/10 the university's fiscal situation was stable and consistent. Current assets compared to current liabilities increased when compared to the previous year. Unrestricted net assets increased by \$1.9 million. Mr. Sandoval indicated that the state provided 32% of the university's funds in 09-10. He added that the working capital reserve totaled \$4.8 million at year end.

Mr. Sandoval reported that the university continued in favorable condition after the four months ended December 31, 2010. The university experienced growth in tuition and fee income of \$1.1 million, as well as a significant increase in the budget for housing during the first four months.

Mr. Engelman moved the board accept the reports as presented. Dr. Givens seconded the motion and it was approved.

Financial Report – 2708 Hamilton Boulevard

11-51. Mr. Hessing reported that the board previously asked Mr. Spencer and Mr. Macha to prepare a timeline and spreadsheet of costs and activities related to the property and residence located at 2708 Hamilton Boulevard. He noted that the report was recently forwarded to the board members for review. Mr. Hessing commended Mr. Macha and Mr. Spencer on their work on this report. He indicated that the report addressed all expenditures, including routine operations, repairs and renovations, and furnishings and accessories, as well as the processes that were followed during the last two years relative to this gift. Mr. Hessing stated that during the holidays Mr. Spencer received an inquiry from the state regarding this matter. Mr. Spencer sent a response to the inquiry in late January and has not received a response from the state. Mr. Hessing noted that the state's inquiry and Mr. Spencer's response were included in the report. He added that the board would be kept informed regarding any further inquiries received from the state.

Regional Training Simulation Center Budget

11-52. Mr. Hessing reported that at the November, 2010, meeting, the Board of Regents authorized increasing the Simulation Center budget for FY 2011 by \$60,000. He noted that at that time it was intended that course fees would be applied to budgeted instructional costs and the released funds would be used for the budget increase. During the special board meeting in late November, the course fee increases were delayed until fall, 2011, requiring that a different source of funds be identified. Mr. Hessing presented the administration's recommendation that the \$60,000 increase be allocated from unanticipated mineral income. The administration further recommended that the \$10,500 previously transferred from designated tuition to the simulation center account be returned to its source.

Dr. Rogers reported that in 2004 the university was given mineral rights on 96 acres in Reeves County as part of the estate of Homer C. Donohoo, Jr. The income was designated to benefit the nursing and music programs. He noted that the funds received since 2004 have been quite small. However, the university recently received an offer to lease the land, resulting in new funding that can be used to support the nursing program. Dr. Rogers stated that Mr. Sandoval and Mr. Macha have reviewed the offer and it

appears consistent with rates paid in that area of Texas. He added that this would be a one-time payment that could be used to pay for this budget increase.

Mr. Hessing asked if this was a lease of the land. Dr. Rogers responded that it was and that the university is not selling its mineral rights. Mr. Macha added that the funds would represent a lease bonus. He added that in addition to the bonus, the university would also receive royalty payments. Dr. Rogers stated that the contract had not yet been signed, but should be finalized soon.

Ms. Spears moved approval of the administration's recommendation as presented. Mr. Engelman seconded the motion.

Dr. Givens asked about the term of the lease. Mr. Sandoval responded that it is a three year term contract with a two year option.

There being no further discussion, the motion was approved.

FY 2010-2011 Items \$50,000 & Under Approved by President

11-53. Mr. Hessing reported that the list of budget changes was shown in the agenda document for ratification. He asked Dr. Rogers to comment on these items.

Dr. Rogers noted that revenue from the new fee to support academic support services was used to finalize furnishings for the Academic Support Center. He reported that the renovation of McCullough Hall had gone very well and he encouraged board members to visit the center at their convenience. He noted that the second item on the list was funding for the simulation center. Action taken in the previous item authorized returning these funds to its source.

Dr. Givens moved the board ratify these items as presented. Ms. Spears seconded the motion and it was approved.

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

11-54. Mr. Hessing noted that the report of personnel changes in October, November, and December, 2010, was presented for information in the agenda document. Additionally, salary, title, and position changes approved by the president were presented for ratification. Mr. Hessing asked Dr. Rogers to comment on these personnel changes.

Dr. Rogers reported that the university received a Student Support Services grant from the Department of Education. The grant included funding for a new position. The second item was a salary increase for a counselor upon receiving a professional license.

Dr. Rogers asked Dr. Farrell to comment on the third item relating to the funding of the Coordinator of University Gifts position. Dr. Farrell stated that when Anne Opperman retired, her position was not immediately filled. The majority of Ms. Opperman's duties were distributed to various individuals within the university and it was determined that a

position was necessary to accept and deposit gifts received by the university. Dr. Rogers added that the university saved a considerable amount of money through this reorganization.

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

Budget Discussion/Appropriations Reductions/Tuition and Fee Review and Proposed Increases

11-55. Mr. Hessing noted that the state leadership had requested another budget reduction during the current fiscal year. He asked Dr. Rogers to review the materials provided concerning this item.

Dr. Rogers presented a report on general revenue reductions, with comparisons to proposed House and Senate appropriations (see Attachment 1). Dr. Rogers pointed out that in comparing the appropriation MSU received at the beginning of the current biennium to the proposed House budget for the upcoming biennium there is a general revenue reduction of over 20%. He noted that these are the most dramatic reductions he has experienced during his academic career. He stated that reductions of this magnitude would change higher education in Texas. The worksheet also included a comparison with the Senate version of the appropriations bills. He added that the Senate bill contains more funding than the House bill.

Dr. Rogers noted that MSU's original general revenue appropriation for the current biennium was \$39,879,421. The university was first asked to make a 5% reduction in appropriated funds for the biennium. He reminded the board that this reduction was made in 2009-2010 and 2010-2011 through freezing positions and reducing travel and operating funds. He stated that the university has now been asked to make an additional 2.5% reduction of the current year's appropriation. With these reductions, MSU's general revenue appropriation for the biennium has been reduced to \$37,689,000. Dr. Rogers added that the actual reductions were greater than the figures shown because of the loss in fringe benefit funding when employees are not paid from appropriated funds. The sheet indicated that the House appropriations bill would provide general revenue of \$32,282,000 during the next biennium, a reduction of \$7.597 million since the beginning of the current biennium. He added that performance incentive funding is not included in either the House or Senate version of the base bill. If not funded, this would result in the loss of an additional \$800,000 in funding the university has received in the current biennium.

Dr. Rogers explained a draft worksheet related to the university's budget planning (see Attachment 2). He noted that the top section dealt with possible or known new revenues in the current and the next two fiscal years. The worksheet listed various savings that were anticipated in the upcoming years. Dr. Rogers stated that the worksheet also indicated planned savings as a result of a hiring freeze. He noted that each open position is reviewed thoroughly by the vice presidents and the president to determine if the position should be filled. He added that the longer a position remains open, the more money the university can save. Mr. Hessing suggested that hiring restriction was a better

term than hiring freeze, because some of the positions will be filled. Dr. Rogers stated that the worksheet indicated the planned reductions for the current fiscal year.

In reviewing the FY 2012 budget Dr. Rogers commented on various concerns. He noted that the state deregulated designated tuition in 2003 as a tool for moving the cost of operating universities from state general revenue appropriations to tuition and fees. He stated that while MSU had used this flexibility quite reasonably over the years, the university could not continue to increase tuition and fees by 5% each year without new income from the state of Texas. The draft worksheet included funds that would be generated by a 5% increase; however, that amount of increase may not be recommended. He stated that the administration was not ready to recommend a tuition and fee amount for the upcoming year.

Mr. Hessing noted that the worksheet indicated an enrollment base of 6,300 students. He asked what the enrollment was in the fall, 2010. Mr. Sandoval responded that it was 6,426. Mr. Hessing stated that the estimate was conservative.

Mr. Sanchez commented that the administration is anticipating an increase in enrollment during the next two years while there is a hiring restriction. He asked if the administration would review the programs that were at capacity and take that information into account as hiring decisions were made. Dr. Rogers responded that because growth or decline is not uniform throughout the campus, hiring decisions would be determined based on the needs of each specific area of the university.

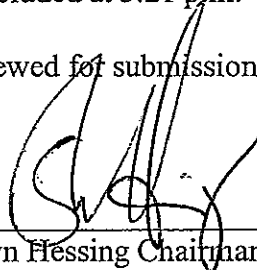
Dr. Givens asked about the number of employees at Midwestern State. Ms. Weakley responded that the university has 680 benefit-eligible employees and a total of 1,300 employees if student employees and adjunct faculty are included. Dr. Givens questioned the hiring freeze savings number and noted that the number looked low and out of proportion to the number of employees. Dr. Rogers indicated that the final number would be much higher. Dr. Givens commented that he would like to see a better balance between tuition increases and cost savings.

Dr. Rogers stated that a special board meeting would likely be scheduled during the third week in March to discuss tuition and fees for the upcoming year.

Adjournment

The Finance and Audit Committee discussion concluded at 3:21 p.m.

Reviewed for submission:



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

ATTACHMENTS:

1. Comparison – MSU Appropriation to House and Senate Base Bills
2. Budget Planning Worksheet - Draft

Midwestern State University
General Revenue Appropriation Reductions
Compared to HB1 and SB1
February 10, 2011

	Total 10-11	10-11 Funding w/5% Reduction	10-11 Funding w/2.5% Reduction	12-13 Funding HB 1	Difference 10-11 Appro to HB 1
General Revenue Fund					
Biennial Appropriation	\$ 39,861,421	\$ 38,117,627	\$ 37,672,537	\$ 32,268,401	\$ 7,593,020
	\$18,000	\$17,100	\$16,875	\$14,000	\$ 4,000
GR Dedicated - Mineral Fund					
Total, GR and Mineral Fund	\$39,879,421	\$38,134,727	\$37,689,412	\$32,282,401	\$ 7,597,020
Reduction		\$1,744,694 4.37%	\$445,315 1.17%	\$5,407,011 14.35%	\$7,597,020 19.05%

	Total 10-11	10-11 Funding w/5% Reduction	10-11 Funding w/2.5% Reduction	12-13 Funding SB 1	Difference 10-11 Appro to SB 1
General Revenue Fund					
Biennial Appropriation	\$ 39,861,421	\$ 38,117,627	\$ 37,672,537	\$ 33,600,507	\$ 6,260,914
	\$18,000	\$17,100	\$16,875	\$14,000	\$ 4,000
GR Dedicated - Mineral Fund					
Total, GR and Mineral Fund	\$39,879,421	\$38,134,727	\$37,689,412	\$33,614,507	\$ 6,264,914
Reduction		\$1,744,694 4.37%	\$445,315 1.17%	\$4,074,905 10.81%	\$6,264,914 15.71%

Additional loss of \$831,704 over biennium in performance incentive funding

5% and 2.5% Reduction figures do not include lost fringe benefit funding estimated at \$437,000

DRAFT

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
<u>Additions (New Revenue and Other Sources)</u>			
Tuition & Fees Using 6,300 Enrollment (FY 2012 increase not to exceed 5%)		1,550,000	1,800,000
Estimated Increase of 1% in Enrollment	150,000	150,000	150,000
Approved Course Fee Increases - Beginning Fall 2011		120,000	150,000
Anticipated Additional Income from MSU Foundation and MSU Charitable Trust		32,300	32,300
Anticipated Additional Income from MSU Endowment Fund		150,000	200,000
Mineral Interest Bonus	73,200		
Outside sources for scholarships		23,781	23,781
Other Revenue Enhancements/Savings			
Hiring Freeze	250,000	150,000	150,000
Cost Savings (reduce M&O and travel, and other savings identified by cost savings committees)	188,525	898,479	1,125,479
Review waivers and facility rental income	0	202,000	227,000
<u>Reductions (Other Expenses or Reductions):</u>			
Reductions in State Appropriations FY 2011 2.5% (including lost fringe benefit funding)	(540,000)		
Reductions in State Appropriations Estimated @ 15%		(3,000,000)	(3,000,000)
General Counsel Position Upgrade to Full-time	(43,000)	(60,000)	(60,000)
Sims Center (building maint., custodial, utilities, etc.)	(60,000)	(80,000)	(100,000)
Debt Service Payment - D.L. Ligon Phase II		(119,755)	(118,655)
Reduce Dependence on Reserves		(698,256)	(698,256)
Without using any reserves - Anticipated \$ Needs	18,725	(681,451)	(118,351)

Note: Reductions in M&O means those funds can be used to augment deficient designated funds, which includes non-E&G areas (Auxiliaries, student service funds, etc.) where those funds will be used for that deficiency.

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Investment Committee
February 10, 2011**

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 3:21 p.m., Thursday, February 10, 2011. 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 (via teleconference), 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Michael Dye, Director of Information Systems; Ms. Cassie Slaybaugh, Director of Institutional Research, Planning, and Assessment; Ms. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Ms. Katie Crosbie, reporter for KFDX-TV3.

Chairman Engelman called the meeting to order at 3:21 p.m.

Reading and Approval of Minutes

11-56 & 57. The minutes of the Investment Committee meetings November 4, 2010 and January 13, 2011 were approved as presented.

Review and Acceptance of Investment Report

11-58. Mr. Engelman reported that the first quarter 2011 investment report was previously distributed to the board and was presented for acceptance. Mr. Sandoval noted that a portion of the report includes the funds that are held as operating funds. The university is restricted as to how these particular funds can be invested and the resulting return on these funds was 1.05%. He stated that the \$5.3 million in university endowment funds that are held at American National Bank is rebounding. The university did not draw money from these funds in the current year, but the administration is optimistic that earnings may be expected for the upcoming year. He stated that the next quarterly report would provide better information regarding the investment of the Redwine Funds.

Mr. Bryant asked about the status of the monthly reports on the Redwine Fund investments. Mr. Sandoval responded that the January reports had not yet been received but would be forwarded to the committee members as soon as they were received.

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

Adjournment

The Investment Committee discussion concluded at 3:29 p.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
February 10, 2011

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 3:29 p.m., Thursday, February 10, 2011. Personnel and Curriculum Committee members in attendance were Dr. Lynwood Givens, Chairman; Mrs. Tiffany Burks (via teleconference); 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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; Mr. Michael Dye, Director of Information Systems; Ms. Cassie Slaybaugh, Director of Institutional Research, Planning, and Assessment; Ms. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Ms. Katie Crosbie, reporter for KFDX-TV3.

Chairman Givens called the meeting to order at 3:29 p.m.

Reading and Approval of Minutes

11-59. The minutes of the Personnel and Curriculum Committee meeting November 4, 2010, were approved as presented.

Faculty Senate Report

11-60. Dr. James Owen, MSU Faculty Senate Chairman, reported to the board as shown in Attachment 1.

Staff Senate Report

11-61. Mr. Chris Gore, chairman of the MSU Staff Senate presented the following information:

- A. Since the regents last met, the Staff Senate issued a statement affirming its support and confidence in Dr. Jesse Rogers as MSU President.

- B. Given the state's budgetary concerns, the Staff Senate appreciates every attempt to avoid employee furloughs, layoffs, and terminations being made by the administration and the Board of Regents.
- C. Staff members have served on various committees reviewing cost cutting initiatives and have freely volunteered suggestions and recommendations. Mr. Gore credited Dr. Rogers and his administration for creating an environment where all ideas can be presented without fear of repercussion.
- D. Mr. Gore stated that the Staff Senate asks that the lines of clear and direct communication remain open to avoid a sky is falling mentality.

Enrollment Report – Spring 2011

- 11-62. Dr. Givens noted that the enrollment report would not be finalized until early the next week as a result of the recent ice storms that caused the university to be closed for several days. He added that students have been given a few extra days to pay their balances in order to continue with their spring courses. Dr. Givens asked Dr. Clark to provide preliminary information. Dr. Clark stated that spring 2010 showed a record enrollment of 6,056 and preliminary numbers have indicated that a new record would be reached in 2011.

Low Producing Degree Programs

- 11-63. Dr. Givens reported that the Texas Higher Education Coordinating Board (THECB) has developed new guidelines for monitoring low-producing academic degree programs. MSU will receive its first official list of programs to be reviewed in late February and must respond to THECB no later than June 1. He asked Dr. White to provide additional information concerning this matter.

Dr. White noted that the minimum standards for low-producing degree programs were shown in the agenda. She stated that new academic programs are exempt from consideration because it takes time to build a new program. When the official list is distributed, the administration will review any identified low-producing programs as they relate to the mission of the institution. If any of the programs are in the STEM (science, technology, engineering and mathematics) fields, the university may consider putting additional effort into growing the program. The administration will look at whether the programs support other majors on campus and if the upper division classes are minimally enrolled. The administration may recommend closing some programs or may ask for an exception if deemed necessary.

Dr. Givens asked about the physics program and Dr. White responded that it is vulnerable. Dr. White noted that since physics is an important course for other majors, it was generally understood that an exception would be given. However, a few weeks ago THECB personnel stated that unless the program's upper division courses have strong enrollments, THECB would likely not approve exceptions in the future. She added that if THECB determined MSU could no longer offer a major in physics, the administration would likely move the current major to a minor. Dr. Rogers reported that the university

recently received a private gift specifically for equipment and scholarships for the physics program. This type of support would be viewed positively by THECB.

Dr. Rogers noted that additional information would be provided in the future.

MSU Policies and Procedures Manual Changes

11-64. Dr. Givens stated that one policy change was recommended for board approval, relating to Policy 4.138, Key Authorization. He noted that this item dealt with the return of keys by exiting adjunct faculty and temporary staff. The recommended wording changes were intended to address security and re-keying responsibilities. Mr. Sanchez moved approval of this item as presented. Ms. Burks seconded the motion.

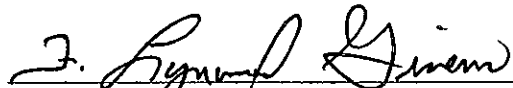
Mr. Sanchez asked if there were plans to eventually move to a key card system. Mr. Dye responded that a number of exterior doors currently use key cards. Dr. Farrell added that the residence halls have gone to a key card system. Mr. Sandoval noted that it was a cost driven issue.

The motion was approved.

Adjournment

There being no further business, the Personnel and Curriculum Committee discussion concluded at 3:48 p.m.

Reviewed for submission:



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

ATTACHMENT:

1. Faculty Senate Report



Midwestern State University Faculty Senate

10 FEB 11 Board of Regents Report

- Budget issues remain a major source of anxiety among the MSU faculty and within the MSU Faculty Senate. In response to a request for improved financial transparency, the Senate adopted a resolution during its December 2010 meeting recommending increased faculty participation in university budget preparation, master plan development, and allocation of university financial resources. Steps to address this recommendation have been taken by Dr. Rogers, with the activation of the University's Budget Oversight Committee and the addition of one faculty representative such that the committee now includes three faculty members, all of whom are to be selected by the Faculty Senate.
- The Faculty Senate has adopted a motion recommending that MSU "develop a specific anti-bullying policy" and suggesting some specific topics to be addressed. This motion was proposed by the College of Health Sciences and Human Services in response to an incident that occurred within their student population during 2010 and for which they felt unprepared to address based on their understanding of university policies as they existed at the time of the incident. The specific incident has been resolved through the Division of Student Affairs and the College. However, some additional education with respect to bullying may be appropriate for the MSU faculty, particularly as it relates to incident identification, reporting requirements, and possible victim support.
- Issues related to the end-of-term course evaluation form have surfaced and essentially been resolved by the inclusion of additional evaluation opportunities for students on the reverse side of the form. Senators and other faculty members have expressed appreciation for receiving report summaries of the Fall 2010 evaluations before the beginning of the Spring 2011 term. This affords an opportunity to consider adjustments as a part of the new term class plans.

Copies of MSU Faculty Senate minutes are available for your review on the MSU homepage, at <http://faculty.mwsu.edu/senate/minutes.asp>.

Respectfully,

Jim Owen, MSU Faculty Senate Chair

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Student Services Committee
February 10, 2011**

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 4:08 p.m., Thursday, February 10, 2011. Student Services Committee members in attendance were Mr. Charles Engelman, Chairman; Mrs. Tiffany Burks (via teleconference); 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Julie Gaynor, Public Information and Marketing Assistant; 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, and Mr. Chris Collins, managing editor, of *The Wichitan*.

Chairman Engelman called the meeting to order at 4:08 p.m.

Reading and Approval of Minutes

11-65. The minutes of the Student Services Committee meeting November 4, 2010, were approved as presented.

Student Government Report

11-66. Student Government President Chris Stolarzyk reported that the students have been busy working on various committees and updating the constitution and by-laws. He noted that students were glad to be back to school following the snow days.

Housing Rates

11-67. Mr. Engelman stated that proposed housing rates for 2011-12 were presented in the agenda. He asked Dr. Farrell to comment on the recommended rates. Dr. Farrell noted that the administration has worked to keep increases in residence life and dining services under five percent. Each year the administration reviews rates charged by other universities and within the local housing market. He indicated that he was pleased to recommend increases at the three percent level. He noted that the recommended increase

for the Honor's House was 3.6% to be certain the rate for the eight students living in the house covers the cost of the facility. Mr. Engelman added that he had looked at facilities offered at the University of Texas at Austin and Texas A&M University, and MSU's facilities compare very favorably.

Ms. Burks moved approval of the housing rates as presented; Mr. Sanchez seconded the motion and it was approved.

Dining Service Rates

11-68. Mr. Engelman reported that proposed dining rates for summer 2011, fall 2011, and spring 2012 were presented in the agenda. Dr. Farrell noted that Aramark originally requested a 10% rate increase, but worked with the administration as the increase was negotiated to approximately three percent.

Mr. Sanchez moved approval of the dining service rates as presented. Dr. Givens seconded the motion and it was approved.

Adjournment

The Student Services Committee discussion concluded at 4:19 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
February 10, 2011**

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 4:19 p.m., Thursday, February 10, 2011. University Development Committee members in attendance were Ms. Jane Spears, Chair; Mr. Mike Bernhardt; Mr. Kenny Bryant; and Mrs. Tiffany Burks (via teleconference). 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Julie Gaynor, Public Information and Marketing Assistant; 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, and Mr. Chris Collins, managing editor, of *The Wichitan*.

Chair Spears called the meeting to order at 4:19 p.m.

Reading and Approval of Minutes

11-69. The minutes of the University Development Committee meeting November 4, 2010, were approved as presented.

Summary of Financial Support 9/1/10 – 1/14/11

11-70. This report was shown in the agenda as information only. Ms. Spears noted some of the gifts received since the last board meeting.

- A. A gift of \$50,000 was received from Mr. and Mrs. Ralph O. Harvey III to support the Juanita and Ralph Harvey School of Visual Arts and the Juanita Harvey Art Gallery.
- B. A gift of \$40,000 was received from the Kirk Edwards Foundation for the Kirk Edwards Foundation Scholarship. The scholarship benefits students from Clay County.

- C. A gift of \$31,250 was received from Mr. and Mrs. Munir Lalani to support the Lalani Center for Entrepreneurship.
- D. A gift of \$25,000 was received from Mike Haggerty for the Mike Haggerty Athletic Fund to support athletic programs.
- E. A gift of \$25,000 was received from Mr. and Mrs. Jim McCoy for the men's and women's tennis programs.
- F. A gift of \$25,000 was received from Max R. Vordenbaum for the Graham and Martha Ball Boys and Girls Scholarship. This scholarship benefits past and current members of the Boys and Girls Club who are students at MSU.
- G. A gift of \$12,000 was received from American National Bank for the American National Bank scholarship. The scholarship will benefit students from Wichita County.

Ms. Spears noted that gifts received during the current fiscal year total \$2.9 million. She added 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.

Adjournment

The University Development Committee discussion concluded at 4:24 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
February 10, 2011**

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 4:24 p.m., Thursday, February 10, 2011. 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 (via teleconference), 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*.

Chairman Bryant called the meeting to order at 4:24 p.m.

Reading and Approval of Minutes

11-71. The minutes of the Athletics Committee meeting November 4, 2010, were approved as presented.

Possible Future Expansion of Women's Sports

11-72. Mr. Bryant reported that the women's cross country program has been a successful sports offering for Midwestern State University, with ten student athletes currently participating in the program. He added that there had been interest in possibly expanding the program to include women's track. He noted that it is anticipated that between 12 and 14 new student athletes would participate in a track program. He asked Dr. Rogers to discuss this matter with the board.

Dr. Rogers noted that the university has an outstanding cross country coach and program. Coach Koby Styles is qualified to coach an expanded program that would include track. The added cost of the program would be additional scholarships, travel, and supplies.

While 12 new students would bring additional student enrollment and, therefore, revenue to the university, an investment of funds would have to be made to get the program underway. He stated that at one time he was prepared to recommend to the board the addition of this program. However, given the dramatic reductions the university is facing, he did not believe this was the time to recommend investing in the expansion of the program. He added that this is something the administration would like to pursue as soon as it is fiscally feasible.

Mr. Carr stated that cross country is a fall sport and track is a spring sport. When Coach Styles recruits a distance runner, she is well prepared to run cross country in the fall as well as distance during the spring track season. Coach Styles believes he can start a track program with walk-on students. Additionally, a donor has expressed interest in contributing to the track program when it is initiated.

Mr. Hessing asked what it would cost to add women's track. Dr. Rogers responded that the estimated travel and supply costs total \$8,500 and the estimated cost of scholarships totals \$56,000. Mr. Carr added that the program could be started without any scholarships, which would reduce the cost of the program significantly.

Mr. Bernhardt asked if at some point in the future the administration could provide information to the board regarding the university's vision for the athletics program in the next three to five years, including plans for additional sports. Dr. Rogers indicated that he would.

Athletics Status Report

11-73. Mr. Charlie Carr, Director of Athletics, presented the following information.

A. The fall grade point averages earned by students participating in all sports included

Women's Tennis	3.13	Men's Soccer	2.70
Men's Tennis	3.53	Women's Basketball	2.79
Cross Country	3.29	Men's Basketball	2.30
Volleyball	3.29	Women's Golf	3.06
Softball	3.24	Men's Golf	2.67
Women's Soccer	2.98	Football	1.89

Mr. Carr indicated that this is an area the athletics staff continues to work on.

B. All of the fall sports participated in some type of post-season play, including men's soccer competing in the final four, cross country qualifying for nationals and finishing 18th in the country, and the men's football team playing in the Kanza Bowl in Topeka, Kansas.

C. Saturday, September 17, the MSU football team will play Texas A&M Commerce in the new Dallas Cowboy's Stadium. The games following will be Abilene Christian

University vs. Northern Alabama University and West Texas A&M University vs. Texas A&M Kingsville. The cost of an adult ticket for all three games is \$25.

- D. MSU is currently ranked 18 out of 270 schools in the country in the NCAA Director's Cup. He added that while MSU's spring sports are very competitive, the spring is traditionally the weakest for MSU because of the low number of spring sports offered through our athletics program.
- E. A reunion of former basketball athletes is scheduled for February 12 and February 23 will be "Cram the Coliseum" night.
- F. Various donors have contributed money to help with team travel during the year. The softball, golf, and tennis teams have benefited from this support.

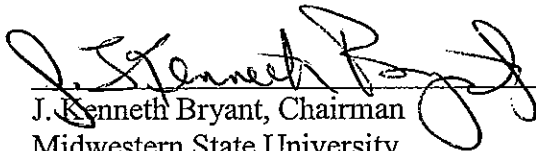
Mr. Sanchez asked if the conference conversations had evolved in any direction. Mr. Carr stated that everyone in the conference would like to add another school but no decision has been made at this time.

Mr. Bryant commented that Coach Scott Linn took the men's tennis team to Sam Houston Elementary School where the team played tennis with the children from the school. He noted that he had heard very positive comments concerning the coach and the student athletes.

Adjournment

There being no further business, the Athletics Committee discussion concluded at 4:55 p.m.

Reviewed for submission:


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

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

February 10, 2011

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, February 10, 2011. Regents in attendance were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Mike Bernhardt; Mr. Kenny Bryant; 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 Mr. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, 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. Michael Dye, Director of Information Systems; Ms. Cassie Slaybaugh, Director of Institutional Research, Planning, and Assessment; Ms. Julie Gaynor, Public Information and Marketing Assistant; 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 and Mr. Chris Collins, editor and managing editor of *The Wichitan*; Ms. Ann Work, reporter for the *Times Record News*; and Ms. Katie Crosbie, reporter for KFDX-TV3.

Chair Gunn called the meeting to order at 1:32 p.m. and Ms. Gaynor introduced the guests.

Opening Comments

Dr. Gunn welcomed everyone to the meeting. She noted that Mrs. Burks was not present at the university but would join the meeting in progress via teleconference.

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.

Resolutions

11-43. Dr. Gunn reported that no resolutions would be presented and no action was required.

Deliberations Regarding Gifts and Donations

11-44. Dr. Gunn noted that the administration had requested that this item be removed from the agenda at this time.

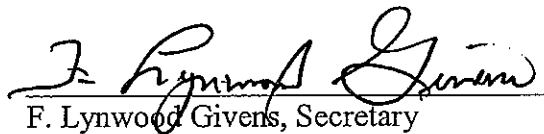
Deliberations about Real Property – 2708 Hamilton Boulevard

11-45. Dr. Gunn asked Mr. Macha to provide an update on the sale of the property. Mr. Macha reported that the university sponsored an open house for local realtors on January 11. He noted that approximately 40 individuals attended and received information on the property. He stated while there had been interest, he did not have any offers to bring to the board at this time.

Adjournment

There being no further business, the meeting adjourned at 1:36 p.m.

Reviewed for submission:

A handwritten signature in cursive script, appearing to read "F. Lynwood Givens", is written over a horizontal line.

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

**MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY**

February 11, 2011

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, February 11, 2011. Regents in attendance were Dr. Carol Carlson Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. Mike Bernhardt; Mr. Kenny Bryant; Ms. Tiffany Burks (via teleconference); 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. Kyle Owen, Associate Vice President for Facilities Services; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, General Counsel; Ms. Dianne Weakley, Director of Human Resources; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Gail Ferguson, Controller; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Mr. Chris Gore, Chairman of the MSU Staff Senate; Ms. Cindy Ashlock, Executive Assistant to the President; 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 was Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order at 9:02 a.m. Ms. Barrow presented the invocation and Ms. Ashlock introduced the guests.

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

11-74, 75, 76, and 77. Minutes of the regular and special Board of Regents meetings November 4, 5, 15, and 29, 2010, were approved as presented.

Executive Committee Report

Dr. Gunn noted the item presented at the Executive Committee meeting for committee approval and the item discussed with no action taken. Information concerning these items may be found in the minutes of the Executive Committee meeting held February 10, 2011.

Item Presented for Committee Approval Only

11-46. Committee Minutes, 11/4/10 – approved by Committee as presented.

Item Discussed/No Action Taken

11-48. Easement – Oncor Electric Delivery Company LLC

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.

11-47. Clark Student Center Electrical & Life Safety System Repairs/Texas Public Finance Authority Master Lease Program - authorized the administration to engage in the Master Lease Program with the Texas Public Finance Authority, subject to approval by the Texas Bond Review Board, to finance an upgrade of the electrical and fire protection systems at the Clark Student Center at a cost not to exceed \$600,000, with a 10-year amortization plan to retire the debt. The source of funds would be the University Center Fee.

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being none, Mr. Bernhardt 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 February 10, 2011.

Item Presented for Committee Approval Only

11-49. Committee Minutes, 11/4/10 – approved by Committee as presented.

Items Presented for Information Only

11-51. Financial Report – 2708 Hamilton Boulevard

11-55. Budget Discussion/Appropriations Reductions/Tuition and Fee Review and Proposed Increases

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.

11-50. Review and Acceptance of Financial Reports – accepted the August, 2010, Annual Financial Report, as well as monthly financial reports for September through December, 2010.

11-52. Regional Training Simulation Center Budget – approved a change in the source of funding for the \$60,000 addition to the budget, with the new source being unanticipated mineral income. Also authorized that \$10,500 previously added to the budget from Designated Tuition be returned to its source.

11-53. FY 2010-2011 Items \$50,000 & Under Approved by President – ratified changes as presented.

- 11-54. 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, Ms. Spears seconded Mr. Hessing's motion to approve the Consent Agenda as presented. The motion was approved.

Investment Committee Report

Mr. Bernhardt noted the items presented at the Investment Committee Meeting for committee approval only. Information concerning these items can be found in the minutes of the Investment Committee meeting held February 10, 2011.

Items Presented for Committee Approval Only

- 11-56. Committee Minutes, 11/4/10 – approved by Committee as presented.

- 11-57. Committee Minutes, 1/13/11 – approved by Committee as presented.

Investment Committee Consent Agenda

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

- 11-58. Review and Acceptance of Investment Report – accepted the first quarter 2011 Investment Report.

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being none, Dr. Givens seconded Mr. Bernhardt'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 February 10, 2011.

Item Presented for Committee Approval Only

- 11-59. Committee Minutes, 11/4/10 – approved by Committee as presented.

Items Presented for Information Only

- 11-60. Faculty Report

- 11-61. Staff Report

- 11-62. Enrollment Report – Spring 2011

- 11-63. Low-Producing Degree Programs

Personnel and Curriculum Committee Consent Agenda

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

- 11-64. *MSU Policies and Procedures Manual* Changes – approved changes to Policy 4.138 (Key Authorization) as presented.

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

Student Services Committee Report

Mr. Sanchez 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 February 10, 2011.

Item Presented for Committee Approval Only

- 11-65. Committee Minutes, 11/4/10 – approved by Committee as presented.

Item Presented for Information Only

- 11-66. Student Government Report

Student Services Committee Consent Agenda

Mr. Sanchez recommended the following items approved by the Student Services Committee and placed on the Consent Agenda for consideration by the board.

- 11-67. Housing Rates – approved rates as presented.

- 11-68. Dining Service Rates – approved rates as presented.

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

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 February 10, 2011.

Item Presented for Committee Approval Only

- 11-69. Committee Minutes, 11/4/10 – approved by Committee as presented.

Item Presented for Information Only

- 11-70. Summary of Financial Support - 9/1/10 – 1/14/11

Ms. Spears noted that two gifts were omitted from the report that was presented to the committee on Thursday. The funds were included in the total, but they deserve individual mention. The university received an anonymous gift of \$200,000 to provide scholarships for students in the College of Science and Mathematics and a \$100,000 gift was given by Mr. and Mrs. Jim McCoy for scholarships and laboratory equipment to enhance the MSU physics department.

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 February 10, 2011.

Item Presented for Committee Approval Only

11-71. Committee Minutes, 11/4/10 – approved by Committee as presented.

Items Presented for Information Only

11-72. Possible Future Expansion of Women's Sports

11-73. Athletics Status Report

Other Business

Nominating Committee for Board Officers for the 2011-2012/2012-2013 Biennium

11-78. Dr. Gunn asked Mr. Bernhardt, Mr. Sanchez, and Ms. Spears to serve on this committee, with Mr. Bernhardt serving as chair. She asked that the committee present their report and recommendations to the board in May.

Deliberations Regarding Gifts and Donations

11-79. This item was removed from the agenda.

Deliberations about Real Property

11-80. This item was removed from the agenda.

Naming of University Facilities

11-81. This item was removed from the agenda.

President's Report and Discussion

11-83. Dr. Rogers presented the following information.

- A. Construction Project Update – Dr. Rogers noted that deferred maintenance is a concern at MSU and the majority of college campuses throughout the United States. MSU is becoming one of the older universities in the state and work and planning is ongoing to refit campus facilities so that they can be best utilized by students and faculty. He provided information regarding various building projects.

- 1. Ligon Phase II – five of the locker rooms are 60% complete, the corridor ceiling re-installation is complete, the Don Platt Gym asbestos abatement has been

accomplished, and concessions, restrooms, doors, windows, and electrical infrastructure will be bid in March.

2. Softball Locker Room and Batting Facility – work is in progress and should be completed by mid-March.
3. McCullough Renovation – this facility is complete and houses the Academic Support Center.
4. Wichita Falls Museum of Art – the renovation of galleries and work on the offices and board room are complete.
5. Dillard Investment Lab – the Dillard Family donated \$1 million for various projects and professorships in the Dillard College of Business Administration. One of the projects was the establishment of an investment course and the related investment laboratory. The gift also provided a corpus of funds that MSU students will use to make investments as part of this course. The architectural, electrical, and network modifications to the laboratory are 95% complete.
6. Louis J. Rodriguez Drive Lighting Enhancements – the design is complete for lights to be installed in the area between Christ Academy and Sundance Court. An RFP will soon be issued.
7. Bolin HVAC Indoor Air Quality Issues – this is an ongoing project. Duct cleaning was accomplished during Christmas break and additional work is planned.
8. McGaha Renovation – modifications have been made to this building to accommodate the Student Support Services program and the Upward Bound program. These programs are federally funded and provide services for at-risk students.
9. Bridwell HVAC/Humidity Issues – a great deal of work has been accomplished in addressing the humidity issues in this facility.
10. Sikes House – exterior painting and soffit repair began in September and will resume when the weather and workload permit.

Dr. Rogers stated that Mr. Owen and the men and women in his area do a great deal of work in maintaining the quality of the campus.

- B. Legislative Update – Dr. Rogers asked Ms. Barrow to comment on the legislative process. She noted that Dr. Rogers would appear before the Senate Finance Committee the following week. The House Appropriations Committee hearing should be scheduled soon. MSU's Student Fee Bill was filed Thursday. Dr. Rogers recently met with local legislators (Senator Estes, Rep. Lyne, and Rep. Hardcastle) and their staff members. At this time in the session almost 2,000 have been filed and 200 are being tracked as they relate in some way to MSU operations. Topics of filed bills include limiting tuition increases, eliminating the set-aside portion of designated tuition, and allowing individuals to carry hand guns on campus. Ms. Barrow reported

that the Legislature is hosting its first undergraduate research day at the capitol and MSU will be represented by two students.

Dr. Rogers thanked Ms. Barrow for her work in Austin. He noted that she had arranged for him to meet with Rep. Jim Pitts, Chairman of the House Appropriations Committee.

Executive Session

Dr. Gunn announced that the board would go into executive session at 9:32 a.m. to discuss item 11-82 (University President's Annual Performance, Compensation and Contract Review), as allowed by Texas Government Code Chapter 551, Section 551.074, Personnel Matters. The board members participated in the entire executive session. Dr. Rogers returned for the last 20 minutes of the closed session.

Open Session

At 10:10 a.m. the executive session concluded with an announcement by Dr. Gunn that the only item discussed was the item announced and no votes were taken.

University President's Annual Performance/Compensation and Contract Review

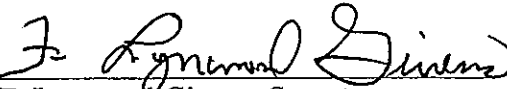
11-82. The board unanimously reaffirmed Dr. Rogers' contract. Dr. Rogers thanked the board for their support. Dr. Gunn added her thanks to Dr. Rogers for everything he has done for the university.

Dr. White asked to make a comment concerning Dr. Rogers. She noted that Dr. Rogers is one of two people in her life that have transformed her in her professional career. She noted that he is a teacher and a mentor.

Adjournment

Dr. Gunn encouraged the regents to visit the Regional Training Simulation Center Open House between 11 a.m. and 1 p.m. She announced that the next regularly scheduled meetings of the Board of Regents would be Thursday and Friday, May 12 and 13, 2011. There being no further business, the meeting was adjourned at 10:15 a.m.

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 February 11, 2010.


F. Lynwood Givens, Secretary