

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**Executive Committee  
November 10, 2011**

The Executive Committee of 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 1:41 p.m., Thursday, November 10, 2011. Executive Committee members in attendance were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Mr. Kenny Bryant, Secretary; and Ms. Jane Spears, Member-at-Large. Other regents attending the meeting were Mr. Mike Bernhardt, Mrs. Tiffany Burks, Mr. Charles Engelman; Dr. Lynwood Givens; Mr. Sam Sanchez, and Student Regent Linda Aguilera.

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 Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president. Representing the news media were Mr. Chris Collins, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order at 1:41 p.m.

Reading and Approval of Minutes

12-02. The minutes of the Executive Committee meeting August 4, 2011, were approved as presented.

Maintenance Plan Update – MP2 and MP4

12-03. Dr. Gunn reported that the updated five-year plan for deferred maintenance (MP2) and the report on deferred maintenance expenditures in the last fiscal year (MP4) were included in the agenda document.

Dr. Rogers noted that Christ Academy property is included in the MP2 because it is a facility that will need to be addressed in the future. He added that the buildings on the property are not utilized currently by the university.

Mr. Sandoval stated that the MP2 and MP4 are annual reports required by the Texas Higher Education Coordinating Board (THECB). He added that Higher Education Assistance Funds (HEAF) are budgeted each year for deferred maintenance costs.

Mr. Owen reported that the first page and one-half of the MP2 is a listing of projects currently being worked on, such as Ligon. Mr. Bryant asked what was meant by "satisfactory" in the condition column. Mr. Owen responded that it was not overly meaningful but rather was a category identified by THECB.

Dr. Rogers noted that the plan for deferred maintenance during the next five years totals \$10.8 million, including \$1.3 million for Ligon and \$5 million for Christ Academy. Mr. Sanchez asked if the list was in priority order. Dr. Rogers responded that it was. Mr. Bryant asked if the work on the Christ Academy property would include the chapel. Dr. Rogers responded that it would, although little needs to be done to the chapel other than paint, carpet, and other minor work.

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

#### Campus Master Plan

12-04. Dr. Gunn asked Dr. Rogers to discuss the university master plan. Dr. Rogers reported that the administration is developing a master plan and will make a formal presentation to the board in the coming year. He noted that the plan would include projects, sequencing, and estimates of cost. He stated that he wanted to discuss some of the projects the administration is considering as a point of information.

Dr. Rogers distributed a master plan working document for the board's review (see Attachment 1). He reported that a generous donor had come forward and challenged the administration to raise \$2.25 million to match a gift of \$2.25 million that would be used to retire the debt on the Dillard Building. Dr. Rogers stated that if the debt were paid, approximately \$1.46 million in HEAF dollars each year would be released for use on other projects. He noted that during the first two years after the Dillard Building debt was paid, it would be his plan to use the HEAF monies to raze a number of older buildings such as Marchman Hall, the old Band Hall, the old Vinson Infirmary, the current police station, Biology House, McGaha Hall, and perhaps four or five houses on Hampstead Lane. He stated that once this work was done, a new police station would be constructed and additional campus parking could be provided. He noted that there were a number of smaller projects that would then be considered, such as renovating Akin Auditorium and building a research building on the Dalquest land in West Texas. Dr. Rogers stated that in the third year, the administration would likely propose borrowing again HEAF to renovate Christ Academy. He reported that state law allows universities to bond against up to one-half of the institution's yearly HEAF allocation. In addition to work on Christ Academy, the funds could also possibly be used to add to the Bolin Science Hall and provide additional laboratory space.

Dr. Rogers explained that he and Dr. Farrell would be working on fundraising to accomplish the projects listed on the information sheet. He added that a number of projects would be funded by non-state funds. He noted specifically the need for a football field house, lighting for the softball and soccer fields, as well as additional student housing.

Mr. Hessing stated that each of these projects had been discussed by the board and were needed. Dr. Rogers indicated that as soon as the funds were raised and the gift was in place to pay off the Dillard Building debt, the administration would recommend a timeline and identify sources of funds to begin the various projects. He stated that another possible project being considered was an addition to McCoy Engineering Hall. He added that a donor had expressed interest in helping with the expansion of the program and the building.

Dr. Gunn thanked Dr. Rogers for his and the administrations' vision for the university. She noted that this item was presented as information only and no action was required.

#### Housing and Residence Life Project

12-05. Dr. Gunn stated that the board authorized the administration to proceed with planning for additional housing on the MSU campus at its August meeting. She asked Dr. Lamb to bring the board up to date on this matter.

Dr. Lamb noted that since the August meeting the administration had continued studying and planning. He noted that with the decline in fall enrollment, housing occupancy is slightly below where it was at the same time last year. Dr. Lamb stated that the administration had determined that the most prudent action at this time would be to continue planning and take steps to stabilize enrollment. He noted that in this way the administration and board would be confident when pledging rental rates against debt issued to build a new facility. He added that the administration continues to look at the site, size, scope, and finances of a possible future project. He indicated that no action would be recommended at this time.

Mr. Hessing asked how far back the process had moved owing to the enrollment decline. Dr. Lamb responded that it would likely push the project back approximately one year until enrollment is stabilized. Dr. Rogers added that he was still supportive of building more residence hall space on campus but he wanted to be cautious in making the decision.

Dr. Givens asked about the occupancy rate for the fall. Dr. Lamb responded that it was 95%, compared to 99% one year ago. He added that while this is a very healthy margin for the housing system, the administration would like to see a higher rate.

Mr. Engelman asked if the administration had determined why the fall enrollment had declined. He asked if the increased admissions standards or the economy had an effect on the numbers. Dr. Lamb responded that there were likely a number of factors and the administration was thoroughly studying the matter. He noted that the university admitted

approximately the same number of students as in the past; however, the yield from those admitted was lower. He added that the administration was looking at how the university communicates with current and prospective students to determine if that might be improved. Dr. Rogers stated his opinion that the number of freshmen that were not admitted affected enrollment. He agreed that there are too many variables to identify the cause at this time. He noted that the last time admission standards were increased enrollment grew back within a two year period.

Dr. White commented that at THECB meeting in October it was reported that enrollment statewide increased by only 13,000 students, with 80% of those students enrolled in junior colleges. Mr. Hessing added that metroplex campuses, such as the University of North Texas and the University of Texas at Arlington, reported enrollment increases. He indicated his assumption that students are staying close to home because of the economy. Dr. Rogers reported that a full analysis of the fall enrollment would be presented to the board in February.

Dr. Lamb stated that as part of the work on the strategic enrollment management plan, the transfer student enrollment portion would be fast-tracked. He noted that enrollment management is larger than recruiting students; it includes retaining students as well. He added that transfer students have different needs than do traditional students and the administration will look at programs designed specifically for the retention of transfer students.

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

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

12-06. Dr. Gunn announced the following individuals were recommended by the president for appointment to the Museum Board.

Rick Bonner (2011-2014)  
Kristen Edwards (2011-2014 Reappointment)  
Greg Merkle (2011-2012)  
Joline Wharton (2011-2014)  
Linda Wilson (2011-2014 Reappointment)

Dr. Rogers noted that these individuals would be excellent additions to the Museum Board. He added that the Museum Board approved of these recommendations as well.

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

Adjournment

The Executive Committee discussion concluded at 2:26 p.m.

Reviewed for submission:



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

ATTACHMENT:

1. Campus Master Plan Working Document

**Campus Revitalization and Growth Plan  
Major Fund Drive  
Fiscal Years 2012 to 2014**

**I. Objectives**

1. Clear Dillard Building Debt
2. Clear Campus of Old Buildings
  - a. Marchman
  - b. Band Hall
  - c. Counseling Center (Old Vinson Infirmary)
  - d. Police Station
  - e. Biology House
  - f. Old Paint Shop
  - g. McGaha
  - h. Four or five houses on Hampstead
3. Construct beautiful new commuter parking lots
4. Construct new MSU Police Station
5. Renovate Christ Academy Building for:
  - a. Music offices and studios
  - b. Mass Communication offices and TV-2 studio
  - c. Counseling Center and TRIO programs
6. Renovate Akin Auditorium
7. Build residence hall with Housing staff offices
8. Renovate Writing Center for English department
9. Renovate the Wichita Falls Museum of Art at Midwestern State University
10. Build Desert Research Center at Dalquest Research Site
11. Add three laboratories to Bolin Science Hall/Expand McCoy Engineering Building
12. Close streets to add walkways and landscape at various areas on campus
13. Construct football field house near practice field
14. Add campus lighting and lighting of softball and soccer fields

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**Finance and Audit Committee  
November 10, 2011**

The Finance and Audit Committee of 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 2:26 p.m., Thursday, November 10, 2011. Finance and Audit Committee members in attendance were Mr. Shawn Hessing, Chairman; Mr. Mike Bernhardt; Mr. Charles Engelman; and Dr. Lynwood Givens. Other regents attending the meeting were Mr. Kenny Bryant, Mrs. Tiffany Burks, Dr. Carol Gunn, Mr. Sam Sanchez, Ms. Jane Spears, and Student Regent Linda Aguilera.

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 Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president. Representing the news media were Mr. Chris Collins, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chairman Hessing called the meeting to order at 2:26 p.m.

Reading and Approval of Minutes

12-07. The minutes of the Finance and Audit Committee meeting August 4, 2011, were approved as presented.

Review and Acceptance of Financial Report

12-08. Mr. Hessing noted that the administration recommended the financial report for the month of July, 2011, for acceptance. He added that this report was previously distributed to the board.

Mr. Sandoval reported that for the eleven months ended June 30, 2011, the financial report was favorable. The report indicated the reduction in state appropriations and increases in depreciation and scholarship expenses. He noted that all categories were under the budgeted amount, with the exception of depreciation which is not budgeted.

He added that revenues across the board have exceeded the budgeted figures. He stated that working capital indicated a deficiency of \$1 million when compared to the previous year. He noted that this deficit would likely be eliminated in the August report.

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

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

12-09. Mr. Hessing stated that the report of personnel changes in July and August, 2011, was presented for information in the agenda document. Dr. Rogers noted that this was the ending report for the 2011 fiscal year. Five staff positions were filled at \$309 less than was budgeted. The other item was the result of a gift to the university to hire an individual to market the Dillard College of Business Administration for one year. He added that the individual would develop a marketing template for the college.

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

Ms. Spears asked if it was unusual to market a certain college within a university. Dr. Rogers responded that while it was not the norm at MSU, the gift was so designated and it was hoped that it would prove beneficial to the university. Mr. Hessing added that more and more business schools are doing the same, particularly in the metroplex. Dr. White noted that this was the trend among professional schools. She added that it would be ideal to have a marketing arm within Dr. Farrell's area assigned to each college. Dr. Farrell stated that the individual in the Dillard College would work closely with his area.

There being no further discussion, the motion was approved.

Review of Personnel Reports and Salary/Title/Position Changes in 2011-2012 Budget Approved per Board Authorization

12-10. Mr. Hessing stated that the report of personnel changes in September, 2011, was presented for information in the agenda document. Dr. Rogers noted that three positions were filled below the budgeted amount. He added that the administration had committed additional funding for an employee upon completion of the master's degree. The degree was not completed and the budgeted amount for the position was decreased. A custodial services foreperson was due an equity adjustment and the information was not included in the approved budget. Dr. Rogers indicated that two positions were added to the budget following the August board meeting. The Bachelor of Applied Arts and Sciences (BAAS) Academic Advisor position was increased from one-half time to three-quarter time as part of the reorganization of that area. The necessary funding came from funds previously used for recruiting. He added that two one-half time positions were combined to provide a Secretary II position for the Department of Chemistry, Physics, and Geosciences. He noted that the plan for this was discussed at the August meeting.



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

#### Portal Technology

- 12-11. Mr. Hessing noted that the administration would present information and make recommendations concerning funding for the implementation of a portal technology system. Dr. Clark reported that the university must change the way it communicates with current and prospective students. He noted that Dr. Lamb was currently chairing a university committee to consider options in this regard. He asked Dr. Lamb to discuss the committee's deliberations.

Dr. Lamb reported that Dr. Rogers appointed an ad hoc committee to study technology and communication needs on campus. He noted that the university does not have the infrastructure to communicate well with students utilizing current technology. Members of the committee have interviewed people throughout the campus and found similar needs. The committee plans to make a number of recommendations to Dr. Rogers in the near future. He stated that the first step in the process and the first recommendation coming from the committee is the implementation of a portal system. This type of system would provide university personnel with a more effective way to communicate with students and prospective students.

Dr. Clark stated that the best way to think of a portal is as a gateway. He noted that it would provide a way of accessing data and services in an easy manner. He stated that one of the advantages of a portal system is the single sign on. A university portal has the same security and integrity as is provided when an individual signs on to his bank account on the web. Once a student signs on to the university through the portal, he can access everything from his class schedule, notes from faculty, grades, transcripts, advising, bills that are due, and a host of other information. He, in essence, would have his own webpage within the university's website. The site can also be used to set up communication groups with peers or have contact with faculty members. Dr. Clark reviewed a sample student's webpage from Arizona State University (see Attachment 1). He noted the student can check his Gmail account, do research at the university library, check bus routes around campus, and buy a meal plan. The MSU administration will be able to create a template for what is available to its students. He noted that advisories and messages can be posted on each student's page. This type of communication will help the university engage students prior to, during, and after they register at MSU. Dr. Clark commended Mike Dye for bringing information to him about this possibility last year. He noted that Mike and his team would work to ensure the university has the technology in place to deal with security issues. He added that they were also in the process of expanding the university's bandwidth.

Mr. Hessing noted that a request from the administration was in each regent's folder for authorization to utilize \$150,000 from Technology Fee Reserves to fund the implementation of a portal technology system at MSU, to include the necessary personnel (FTE) to manage such an enterprise. He asked for a motion concerning this

item. Mr. Engelman moved approval of this request as presented. Dr. Givens seconded the motion.

Mr. Engelman noted that the board members were finally able to have wireless access in the Board Room. He asked if the \$150,000 would include expanding wireless throughout the campus. He also asked if Wi-Fi or other technology would be available in the future. Dr. Clark responded that the university would continue looking at other technologies as they become available, including cloud technology. He added that the primary focus for the university beyond the portal is updating and expanding classroom technology. He stated that the administration would also like to provide wireless access throughout the campus and work is proceeding toward that end.

Mr. Sanchez reported that his company recently changed to this type of technology and it was quite an undertaking. He added that they did not have the infrastructure in place necessary to manage the program. He asked what the administration had done to address infrastructure issues. Dr. Clark responded that Mr. Dye and the information technology department personnel were working to ensure the appropriate infrastructure to support this change. He added that bandwidth was identified as an issue that needed to be addressed. He stated that Mr. Dye had negotiated a very good contract for increased bandwidth. He noted that the university would need to hire an employee responsible for the portal. He added that the anticipated cost of this position was included in the estimated \$150,000 cost. Mr. Sanchez asked that information technology needs and costs be incorporated into the Campus Master Plan.

Dr. Givens indicated his concern that the cost estimate was too low. Dr. Clark responded that the university had been in contact with several providers and the estimate was based on anticipated pricing. He added that the key variable was the cost of personnel.

There being no further discussion, the motion was approved.

#### Operating Budget for Fiscal Year 2012

12-12. Mr. Hessing asked Dr. Rogers to present information concerning the operating budget for the 2011-2012 fiscal year. Dr. Rogers reported that the fall enrollment decline caused a decrease in income of more than \$1.2 million. He noted that while the administration was not prepared to recommend action regarding the full reduction in funding, recommendations would be made that would address a portion of the shortfall. He added that additional action would be recommended in February in this regard.

Dr. Rogers distributed information to the board concerning the status of the budget (see Attachment 2). He explained that the university recently received an unanticipated mineral royalty payment of \$121,000. He noted that these funds could be used to help address the budget shortfall. He added that the original budget included hiring restrictions that would amount to savings of \$200,000. He noted that it was the administration's plan to increase this anticipated amount of savings to \$300,000 by not filling positions when they become open.

Dr. Rogers stated that the administration would also recommend the use of \$100,000 in undesignated gift funds to offer additional nursing and radiologic science courses in the spring and summer 2012. He reported that such an investment would generate an estimated \$631,000 in tuition and fee revenue and the investment of \$100,000 could be returned to reserves at a later time. He noted that with board approval of the administration's recommended action, the anticipated revenue shortfall still to be addressed totaled \$413,000. He added that the administration would present a plan to fully address the budget deficit in February.

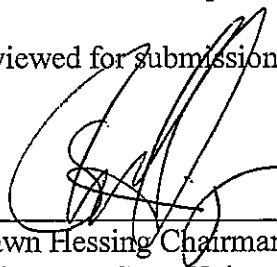
Mr. Hessing presented the administration's request for authorization to transfer \$100,000 from undesignated gift funds to support increased course offerings in nursing and radiologic science in the spring and summer 2012. He noted that the administration further requested authorization to transfer \$121,000 from Mineral Royalties to be used to support the budget in accordance with legal requirements.

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

Adjournment

The Finance and Audit Committee discussion concluded at 3:14 p.m.

Reviewed for submission:



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

ATTACHMENTS:

1. Arizona State University Sample Student Web Page – Portal Technology
2. Budget Challenges FY 2012



**Budget Challenges FY 2012**  
**Midwestern State University**  
**November 10, 2011**

**Short Term Adjustments - FY 2012**

**INCOME REDUCTIONS**

(1) Reduction in Tuition and Fee Income - Headcount of 6,400 to 6,200	1,230,589
(2) Dillard College of Business - Faculty Salary Commitments	35,000
<b>Total</b>	<b><u>1,265,589</u></b>

**PROPOSED SOLUTIONS**

(1) Mineral Royalties	121,000
(2) Hiring Restrictions	100,000
(3) Tuition and Fees - additional nursing and rad science courses - spring/summer 2012	631,000
<b>Total</b>	<b><u>852,000</u></b>

<b>Balance yet to be determined</b>	<b><u>(413,589)</u></b>
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Notes related to proposed solutions:

- (1) MSU recently received \$121,000 in mineral rights royalties.
- (2) Continue to analyze salary savings through hiring restrictions, increasing savings budgeted at \$200,000 an additional \$100,000.
- (3) Recommend the use of \$100,000 from undesignated gift reserves to support increased course offerings in nursing and rad science in the spring 2012. Such investment will produce approximately \$631,000 in tuition and fee income from an increase in semester credit hour production.

A complete financial model and recommendations will be presented to the board in February 2012.

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**Investment Committee  
November 10, 2011**

The Investment Committee of 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 10, 2011. Investment Committee members in attendance were Mr. Charles Engelman, Chairman; Mr. Mike Bernhardt; Mr. Kenny Bryant; and Ms. Jane Spears. Other regents attending the meeting were Mrs. Tiffany Burks, Dr. Lynwood Givens, Dr. Carol Gunn, Mr. Shawn Hessing, Mr. Sam Sanchez, and Student Regent Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president. Representing the news media were Mr. Chris Collins, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

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

Reading and Approval of Minutes

12-13. The minutes of the Investment Committee meeting August 4, 2011 were approved as presented.

Redwine Quasi-Endowment Fund Report – FY 2011

12-14. Mr. Engelman noted that this report was included in the agenda document and showed the earnings of the fund during the last fiscal year. He added that these funds were utilized for the Honors Program. Dr. Rogers noted that \$225,000 was used to support the Honors Program, primarily through scholarships. Mr. Engelman noted that this item was presented as a point of information only and no action was necessary.

Review and Acceptance of Investment Report

12-15. Mr. Engelman stated that the board members should have received a copy of the fourth quarter Investment Report for the period ended August 31, 2011. He asked Mr. Sandoval to comment on this report.



Mr. Sandoval noted that the funds held by the university must be invested in accordance with the Texas Public Funds Investment Act, which limits the allowable investment options. He stated that the performance of these funds was 1.41%. He noted that while the performance of the Redwine investment managers during the summer was down, they appear to have rebounded as of October 31. Mr. Sandoval expressed his hope that the economy rebounds and the funds generate at least three percent in order to fund the Honors Program. Mr. Engelman noted that the committee originally asked the three firms if they were comfortable with a 10% annual return and they all indicated they were. Unfortunately, they have not performed up to that level of expectation.

Mr. Bryant asked what the procedure would be to move the funds to another investment manager. Mr. Engelman responded that he originally believed the firms should be evaluated following one year. Mr. Sandoval recommended that the performance of the managers be reviewed in February and that the administration then be asked to make a recommendation to the board regarding investment manager options. Mr. Bernhardt suggested that consideration be given to paring down the number of fund managers to one or two, rather than three.

Mr. Bryant moved the committee accept the report as presented. Mr. Bernhardt seconded the motion and it was approved.

#### Investment Policies

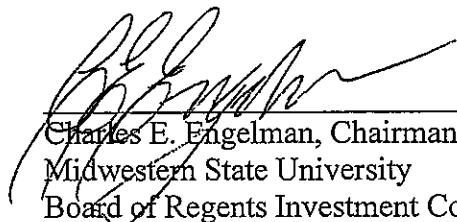
12-16. Mr. Engelman noted that the administration had reviewed the investment policies and recommended no change at this time. He added that copies of the current policies were included in board members' folders (see Attachment 1). He stated that the board must affirm the policies each year, as required by the Public Funds Investment Act. Ms. Spears moved the board affirm the current policies. Mr. Bernhardt seconded the motion.

Mr. Engelman reported that the committee asked two of the investment managers if they thought the university policy should change. One indicated that they would like to see a higher percentage of the funds allowed in equities. The limit at this time is 70%. Another firm indicated that they did not see a need for changing the policy. Mr. Engelman stated his support for the current policies. There being no further discussion, the motion was approved.

#### Adjournment

The Investment Committee discussion concluded at 3:29 p.m.

Reviewed for submission:

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

#### ATTACHMENT:

1. University Investment Policies

#### **4.182 INVESTMENT POLICY – OPERATING FUNDS**

**Date Adopted/Most Recent Revision: 08/06/2010**

##### **A. Purpose**

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

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

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

##### **B. Investment Objectives**

###### **1. Safety of Principal:**

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

###### **2. Liquidity:**

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

###### **3. Public Trust:**

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

###### **4. Rate of Return:**

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

##### **C. Investment Fund Administration**

###### **1. Investment Responsibility**

Investment responsibilities are delegated by the Midwestern State University Board of Regents to the President and the Vice President for Administration and Finance. Each member of the Board shall attend at least one (1) training session relating to the person's responsibilities under the Public Funds Investment Act within six (6) months after taking office. The university's chief financial officer and controller shall attend at least one (1) training session relating to that person's responsibilities within six (6)



months after assuming duties and shall attend a training session not less than once in a two (2) year period and prepare a report to the Board of Regents on such training. This training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act (Tx Govt Code 2256.007).

**2. Day-to-Day Supervision**

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

**3. Record Keeping**

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

**4. Custody**

Custody of investment assets shall be in compliance with applicable laws and arranged to provide as much security, trading speed, and flexibility as possible.

**D. Investment Strategy - Short-term Operating Funds**

1. The daily cash position will be monitored by the Controller to ensure that non-interest bearing cash is minimized. The collection time of all dividend and interest payments will be accelerated to the extent possible. The university will maintain a minimum of \$1,000,000 available in overnight funds which will be kept in Texpool, Logic, or repurchase agreements. Should balances fall below this amount for any reason they will be replenished at the earliest opportunity from the first available cash receipts.
2. Overnight or short-term (thirty [30] days) funds shall be invested through a competitive bid or offer process as follows:
  - a. Banks in the local area are to be contacted by telephone to obtain their current certificate of deposit rates.
  - b. An unaffiliated investment broker is to be contacted to obtain statewide Texas banks' certificate of deposit rates.
  - c. Texpool or LOGIC, or other Board-approved cash investment pools are to be contacted to obtain current overnight rates.
  - d. Funds shall be placed based on the best rate quoted.
3. Transactions to purchase or sell securities shall be entered into on the basis of "best execution," which normally means best realized net price for the security. Settlement of all transactions except investment pool funds must be on a delivery versus payment basis.
4. The goal of the university will be that the portfolio shall be adequately diversified at all times in accordance with these investment guidelines. Specific investment ranges and investment policy limitations are as follows:

**E. Investment Brokers/Dealers**

1. The Board of Regents and the President may hire independent investment advisors or investment managers to assist university personnel in the execution of their investment responsibilities. All routine investments will be purchased or sold utilizing an established list of qualified firms. The Board of Regents shall annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the university. Qualified firms must be regulated by the Securities Exchange Commission and be members of the National Association of Securities Dealers, Inc.
2. A written copy of this investment policy shall be presented to any person offering to engage in an investment transaction with the university. The qualified representative of the business organization shall execute a written instrument substantially to the effect that the business organization has:
  - a. Received and reviewed this investment policy; and
  - b. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the university and the organization that are not authorized by the university's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the university's entire portfolio or requires an interpretation of subjective investment standards.
  - c. The investment officer may not acquire or otherwise obtain any authorized investment described in this investment policy from a person who has not delivered the written instrument to the university as described above.
  - d. Nothing in this section relieves the university of the responsibility of monitoring the investments made by the university to determine that they are in compliance with this investment policy.

**F. Investment Ethics**

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

**G. Investment Guidelines**

Funds must be invested at all times in strict compliance with the Public Funds Investment Act (Tx Govt Code 2256) and other applicable laws.

1. **Authorized Investments.** Authorized investments include the following.
  - a. Obligations of the United States or its agencies and instrumentalities.
  - b. Direct obligations of the State of Texas or its agencies and instrumentalities.

	<b>Minimum</b>	<b>Maximum</b>
U.S. Treasury Obligations	0%	100%
Federal Agency Obligations	0%	90%
Federal Agency Mortgage-Backed	0%	25%
Municipal Obligations	0%	50%
Certifications of Deposit (Insured)	0%	20%
Purchase Agreements (Collateralized)	0%	20%
Mutual Funds	0%	15%
Approved Investment Pools	0%	50%

5. The university's pooled investment fund is comprised primarily of operating funds, and fund balance equity that carries forward from year to year. At the beginning of each fiscal year, the Controller and Vice President for Administration and Finance will analyze current operating cash needs as well as any cash requirements for capital projects that will occur within the next two (2) years. This analysis will include a two (2) year time line which clearly identifies any known cash requirements and the approximate month in which the cash must be available. Once an analysis of project needs has been assembled, an analysis of current economic conditions and interest rate levels and projections from third party outside sources should be reviewed. Investment maturities are to be structured in such a way as to maintain a liquid or currently maturing balance for all operating funds budgeted for expenditure during the fiscal year. If interest rates are rising or anticipated to increase these funds may be kept in short-term investment pools such as TEXPOOL. If interest rates are falling or are projected to fall, these funds should be invested to match projected cash needs as determined. Funds in excess of operating funds may be invested, preferably by staggering maturities, for longer than a year.
6. Bond proceeds are to be invested separately and apart from the university's pooled investment fund and maturities are to be structured in such a way as to provide sufficient cash to meet construction expenditures.
7. Endowment funds are to be invested in accordance with the university's separate Investment Policy – Endowment Funds.
8. Investments donated to the university for a particular purpose or for a specific use as specified by the donor may be held in investments other than those identified as authorized investments in this policy. Such investments shall be held apart from the university's pooled investment fund. Those investments shall be subject to all other requirements of this policy.
9. The investment staff shall be responsible for following the "prudent person" standard which shall be applied in the management of the portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

- c. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
- d. Other obligations, the principal of an interest on which are unconditionally guaranteed or insured by the State of Texas or United States.
- e. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
- f. Certificates of deposit issued by state and national banks domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or collaterally secured by those obligations as listed above in a.- e.
- g. Certificates of deposit issued by a savings bank domiciled in this state that are guaranteed or insured by the Federal Savings and Loan Insurance Corporation or its successor, or collaterally secured by those obligations as listed above in a. - e.
- h. Fully collateralized repurchase agreements having a defined termination date, secured by obligations described in a. above, and the securities are pledged to the university, held in the university's name and deposited at the time the investment is made with the university or with a third party selected and approved by the university, and is placed through a primary government securities dealer as defined by the Federal Reserve, or a financial institution doing business in this state. Repurchase agreement means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described in a. above, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. This term includes a direct security repurchase agreement and a reverse security repurchase agreement. The term of any reverse security repurchase agreement may not exceed ninety (90) days after the date the reverse security repurchase agreement is delivered. Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.
- i. Prime domestic bankers' acceptances with a stated maturity of two-hundred-seventy (270) days or less from the date of issuance and will be liquidated in full at maturity, are eligible for collateral for borrowing from a Federal Reserve Bank, and are accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1, P-1, or the equivalent by at least one nationally recognized credit agency and is fully secured by an irrevocable letter of credit issued by a bank.
- j. Commercial paper with a stated maturity of two-hundred-seventy (270) days or less from the date of its issuance that is rated not less than A-1, P-1, or the equivalent by at least two (2) nationally recognized rating agencies, or is rated at least A-1, P-1, or the equivalent by at least one (1) nationally recognized credit agency and is fully secured by an irrevocable letter of credit issued by a bank.
- k. SEC-registered, no-load money market mutual funds and no-load mutual funds as described in and limited by the Public Funds Investment Act (Tx Govt Code 2256.014).
- l. Guaranteed Investment contracts for bond proceeds as described in the Public Funds Investment Act (Tx Govt Code 2256.015)

- m. Investment Pools as described in the Public Funds Investment Act (Tx Govt Code 2256.016).
- n. Corporate bonds, debentures, or similar debt obligations rated by a nationally recognized investment rating firm in one of the two highest long-term rating categories, without regard to gradations within those categories.

**2. Unauthorized Investments**

Effective September 1, 1995, in compliance with the Public Funds Investment Act (Tx Govt Code 2256.009b), the following are not authorized investments:

- a. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (interest-only).
- b. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (principal only).
- c. Collateralized Mortgage obligations that have a stated final maturity date of greater than ten (10) years.
- d. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

**H. Performance Measurement**

The investment performance of the funds will be measured by an unaffiliated organization with recognized expertise in this field, and compared against the stated performance goals. Measurement will occur at least monthly and will be used to evaluate the results on investment holdings. Reports will be prepared in compliance with generally accepted accounting principles and will describe in detail the investment position of the university and will include, by individual investment, the book value, market value, accrued interest, maturity dates, any purchases, sales, gains or losses and the fund or pooled account for which each individual investment was acquired. Reports shall be distributed to the President, the Vice President for Administration and Finance, and the Internal Auditor. The Board of Regents shall receive the report no less than quarterly. The reports to the Board of Regents must be prepared and signed by the investment staff of the university and certified as to the portfolio's compliance with these policies and the Public funds Investment Act (Tx Govt Code 2256.023).

**I. Interest Rate Risk Measurement**

The university will measure on a quarterly basis the interest rate risk of its securities. The university will monitor and be aware of the overall interest rate and market value risk it is taking

**4.196 INVESTMENT POLICY – ENDOWMENT FUNDS**  
**Date Adopted/Most Recent Revision: 08/06/2010**

**A. Purpose**

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

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

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

**B. Investment Objectives**

This policy is designed to fulfill the following objectives:

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

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

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

Endowment funds will be invested to meet these objectives, by maximizing total return consistent with an appropriate level of risk and subject to generation of adequate current

income. Additionally, the investments shall be diversified to provide reasonable assurance that investment in a single security, a class of securities, or market sector will not have an excessive impact on the funds.

### **C. Investment Fund Administration**

#### **1. Investment Officers**

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

Each investment officer must attend ten hours of investment training within twelve months of assuming the position and attend ten hours within each succeeding two-year period.

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

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

#### **2. Investment Committee**

The Investment Committee's responsibilities are to:

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

#### **3. Day-to-Day Supervision and Record Keeping**

The controller shall be responsible for the daily supervision and implementation of the investment program under the direction of the vice president for administration and finance.

### **D. Standard of Care**

The "prudent person standard" shall be the standard used in all investment functions and shall be applied in the context of individual transactions as well as management of the overall portfolio. Accordingly, all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment,

emphasizing the probable safety of their capital as well as the expected income to be derived.

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

#### **E. Investment Strategies**

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

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

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

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

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

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

Strategic Asset Allocation Parameters (maximums) are as follows:

- |                            |     |
|----------------------------|-----|
| • U.S. and Global Equities | 70% |
| • Alternative Assets*      | 30% |
| • Fixed Income and Cash    | 40% |

\*No more than 20% in any one class of alternative assets. The administration will monitor the level of alternative investments to maintain a target level of 30% or less of all endowment fund investments.



**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**Personnel and Curriculum Committee  
November 10, 2011**

The Personnel and Curriculum Committee of 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 3:51 p.m., Thursday, November 10, 2011. 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 Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president. Representing the news media were Mr. Chris Collins, editor of *The Wichitan*, and Ms. Ann Work, reporter for the *Times Record News*.

Chairman Givens called the meeting to order at 3:51 p.m.

Reading and Approval of Minutes

12-17. The minutes of the Personnel and Curriculum Committee meeting August 4, 2011, were approved as presented.

Faculty Senate Report

12-18. Dr. James Owen, MSU Faculty Senate Chairman, reported to the board as shown in Attachment 1. He noted that he recently attended a meeting of Faculty Senate representatives from throughout the state. He stated that he provided information to the group as requested and a copy was included as part of his report. He noted that the student/faculty ratio on the report was listed at 26 to 1 and it should have been 19 to 1. He added that the comments at the end of the report regarding low producing programs were made before the Texas Higher Education Coordinating Board (THECB) took action regarding MSU's physics program.

### Staff Senate Report

12-19. Ms. Jolene Welch reported to the board on behalf of the MSU Staff Senate.

- A. The Staff Senate meets monthly and invites a speaker to address the group. They were pleased to have Dr. Rogers as the first guest speaker for the fall semester.
- B. The Senate is hosting brown bag lunches for employees to learn about specific topics such as Facebook, Twitter, and other areas of interest.
- C. The Senate is developing a "You Make a Difference" project to recognize university employees. As part of the project, individuals will be asked to commend MSU employees who have been of particular assistance. They plan to have a link available on the Staff Senate website after the first of the year.

### Enrollment Report – Fall 2011

12-20. Dr. Givens stated that the fall enrollment report was presented in the agenda document. He noted that fall enrollment was down and asked Dr. Lamb to comment. Dr. Lamb noted that enrollment was down in every classification with the exception of seniors and post-baccalaureate students. He added that the drop in beginning freshmen was of particular concern. He indicated that the administration is gathering data to further analyze the decline and would have additional information in February.

Mr. Sanchez noted that junior college transfers were mentioned in discussions earlier in the day. He asked if reductions in junior college transfers could relate in any way to the change in admission standards. Dr. Lamb responded that the change would not have affected transferability of credit hours. Mr. Sanchez asked if MSU has established relationships with community colleges. Dr. Lamb indicated that MSU has relationships with community colleges in this region of the state. However, plans are in place to expand into the DFW Metroplex and some other areas of the state. He added that MSU does not currently have programs specifically targeting student life for transfer students. This is something that must be developed to better connect and serve transfer students at MSU.

Mr. Bryant asked about the retention rate of freshmen at MSU after the first year. Dr. Lamb responded that the MSU first-year retention rate is approximately 71%. Mr. Bryant stated that THECB reported that 50% of freshmen are lost. He added that THECB tracked a 7<sup>th</sup> grade cohort through high school and higher education. Of those students in 1998, only 18% completed a higher education degree or certificate by 2009. Dr. Rogers added that only 6% of that number earned a baccalaureate degree.

Dr. Morgan noted that a category that does not show on the enrollment report is internet students and those numbers continue to grow. Dr. Givens asked how many students enroll in internet courses. Dr. Morgan responded that 832 students are enrolled in distance education courses and do not come to campus. Mr. Bryant asked about the graduation rate of the distance education students. Dr. Morgan indicated that the

percentage graduating is likely quite high given that the students tend to be non-traditional students enrolled in professional programs.

Dr. Givens asked what percentage of full tuition the distance education students pay. Dr. Morgan responded that they pay full tuition unless they are provided a tuition waiver through a special program for police officers. Mr. Bryant asked if a large number of students take online and classroom courses at the same time. Dr. Morgan stated that 4,800 of the current 6,200 students do some sort of work through the university's online management system. Dr. Givens expressed concern that if a large number of students are not paying full tuition and fees, the payment structure should be reviewed. Dr. Rogers noted that waivers would be thoroughly reviewed as part of the administration's recommendations to the board regarding tuition and fees in February. He added that the administration planned to review the cost of delivering online courses to be certain costs are being recovered. Dr. Rogers noted that students taking all distance education courses do not pay certain fees. Dr. Morgan added that three or four fees are waived; however, the waivers total less than the distance education fee these students pay.

Dr. Givens expressed concern that online universities may cut into MSU's enrollment in the future. He asked if the administration had considered the possible impact on MSU enrollment by community colleges becoming four-year institutions. He noted specifically the expansion of Collin County Community College. Dr. Lamb responded that such changes would be considered and included in the university's planning process. Dr. Rogers added his concern regarding online proprietary schools that do not have to offer a complete college curriculum.

Ms. Spears asked if a student at MSU could receive a degree completely online. Dr. Morgan responded that the closest thing offered is the adult completion degree, the Bachelor of Applied Arts and Sciences (BAAS). Students enrolled in this degree program generally have earned prior college credit as well as have work or military experience. These students complete their degree through online courses offered by MSU. She added that MSU also offers certain professional degrees completely online in radiologic science and portions of nursing and respiratory care.

Dr. Rogers stated that internet courses can be very effective in certain areas of study. He noted that professors must be well-trained and the subject matter must lend itself to online learning. He added that teaching an online course effectively, with communication, chat room sessions, and appropriate oversight, is very time consuming. He noted that the great benefit of online learning is that it provides access to students who would otherwise not have access to higher education. Dr. Rogers stated that he was very proud of the online programs offered at MSU and indicated that distance learning has more potential for the university.

Dr. Owen added the concern of the Faculty Senate with regard to ensuring that the person doing the course work and taking exams online is actually the person enrolled in the course. Mr. Bernhardt asked if there was data to indicate the percentage of increase in online courses over the years. Dr. Morgan noted that the growth of full internet courses

is approximately 10% each year. She added that the majority of the online courses offered at MSU are taught by full-time faculty, which helps ensure the integrity of the courses.

Mrs. Burks stated that while reviewing the enrollment report she noted that the enrollment decline for re-enrolling freshmen, sophomores, and juniors was larger than the decline in beginning freshmen. She asked if a reason had been identified as to why the students are not re-enrolling. Dr. Lamb responded that the administration is in the process of reviewing the enrollment decline and should have additional information for the board by the February meeting. He noted that while the university has had a freshman year experience program in place for a number of years, the sophomore year is a challenge for many students and a program specifically for sophomores has not yet been developed. Dr. Rogers reported that THECB tracks every student by social security number and would soon provide the administration with data showing whether our students transferred to other institutions or if they dropped out of higher education altogether. Dr. Clark stated that 430 students completed the spring semester in good academic standing and did not return in the fall. Dr. Lamb added that surveys of students who were packaged to receive financial aid but did not enroll in the fall have been reviewed. The majority of the students indicated they did not enroll for "personal reasons."

Dr. Givens thanked the administration for their efforts in studying the factors related to the enrollment decline. He stated that this item was presented as information only and no action by the board was necessary.

#### December 2011 Graduating Class

12-21. Dr. Givens presented the administration recommended approval of the list of candidates for December 2011 graduation as shown in the agenda. He reported that 553 students were on the list, compared with 516 in 2010. He noted that Mr. Hessing's daughter was on the list for graduation.

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

#### Approval of 2012-2013/2013-2014 Academic Calendars

12-22. The proposed academic calendars for the academic years 2012-2013 and 2013-2014 were presented for approval as shown in the agenda document. Dr. Clark noted that the calendar includes a four-day class and work schedule each summer and no other major changes were made in the overall calendar.

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

#### MSU Policies and Procedures Manual Changes

12-23. Dr. Givens stated that the two recommended policy changes related to graduate program coordinators and the Dean of the Graduate School. Dr. Clark noted that the changes

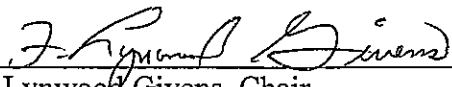
would move the responsibility for approval of graduate program coordinators from the Provost to the Dean of the Graduate School. Additionally, it is recommended that the Dean of the Graduate School not be responsible for the Teaching and Learning Resource Center Committee.

Ms. Spears moved approval of these items as presented. Mrs. Burks seconded the motion and it was approved.

Adjournment

There being no further business, the Personnel and Curriculum Committee discussion concluded at 4:27 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**

**Summary of Faculty Senate Activities: August 2011 through October 2011**

1. Reviewed the activities of the MSU Budget Oversight Committee and continue to have concerns regarding information regarding university expenditures and revenue sources. The Senate continues to have concerns with respect to rumors and misunderstandings that often surface with respect to financial issues and policy changes. The Senate has suggested that a communication instrument (e.g. quarterly newsletter) from the University administration to the faculty might reduce the misunderstandings that sometimes arise. An additional suggestion was the development of a "rumor hotline" that could be accessed to reduce the inaccurate conversations that occasionally develop.
2. Issues related to academic dishonesty have been discussed by the Senate. These are of particular concern as MSU moves toward expansion of its on-line class inventory. There is a perception that the current procedures for addressing academic dishonesty issues are somewhat cumbersome.
3. The Faculty Senate was asked to identify three representatives to work with Chief of Police Williams and others in completing a review of parking issues at MSU. This review has begun and one issue that is being considered is the possibility of recommending a tiered pricing structure tied to employee salary levels.
4. The Faculty Senate has recommended Dr. Charles Bultena, Associate Professor of Management to be the MSU nominee for the statewide Piper Award competition.
5. Three Senators have volunteered to work with Dr. White on the scheduled review of MSU Tenure and Promotion Policies. Two of these Senators are also members of the University Tenure and Promotion Committee.
6. I attended the fall meeting of the Texas Council of Faculty Senates held in late October. Budget issues, low degree numbers for various programs among Texas universities, and shared governance were the three topics of greatest concern among the universities that attended. These will be included in MSU Faculty Senate topics over the next several months. A copy of the MSU Round-up report is attached for your review.

Respectfully,

Jim Owen  
Faculty Senate Chair



Midwestern State University - Faculty Senate Roundup Report

October 25, 2011

## General Description:

- President: Dr. Jesse Rogers; Provost and Vice President for Academic Affairs: Dr. Alisa White.
- MSU experienced a decline of about 250 students compared to enrollment in the fall term for the past several years. We have 5,464 undergraduate and 717 graduate students. There are 229 full time faculty members and nine additional part-time faculty members. The FTE for faculty is 233 and our student/faculty ratio is approximately 26 to 1. (Corrected to 19 to 1)
- Midwestern State University is a member of the Council of Public Liberal Arts Colleges (COPLAC) and received designation as The Public Liberal Arts University of Texas.
- MSU has an operating budget of \$94.2 million – except that the reduced enrollment meant that our projected revenues were overstated and we have made additional cuts in the range of \$500,000. Also, the state formula funding we received was less than anticipated and required that we make further cuts in our budget.

## Construction:

- The focus of construction plans and activities at MSU continue to be limited to remodeling and upgrades. We are developing some plans that include capital construction projects, but these are currently in the preliminary phase. We have recently implemented some energy saving improvements throughout the campus.
- We are exploring ways to expand our parking capabilities and have instituted some new parking regulations including faculty purchase of parking permits.

## Description of Faculty Senate:

- The Faculty Senate at MSU is an elected body of full time faculty members who are selected by their colleagues to represent the interests of the faculty. Each college within the university is allotted one senator for every 10 full time faculty members or major fraction thereof. The current MSU Faculty Senate has 26 members. Senate leadership includes the Senate Chair, Vice-chair, Secretary, Treasurer, and Parliamentarian. These five leadership positions form the Executive Committee and set the agenda for regular Senate meetings. The MSU Faculty Senate meets monthly. Faculty Senators represent the faculty and the Senate on key Councils and Committees throughout the university system of governance. The Faculty Senate is charged with the responsibility of promoting the general welfare of the university and serves as an advisory committee to the President of the university and administrative officers
- The Chair of the Senate meets monthly with the university President to exchange ideas and information relevant to the Senate's role.
- The Chair represents the faculty and addresses the Board of Regents at each regularly scheduled meeting of the Board.

## Faculty Senate Issues:

- We are preparing for our SACS visit in 2013 and assessment is one aspect that seems to frustrate many of our faculty – mostly with respect to understanding SACS expectations.
- The university budget and adversities associated with it are a continuing area of concern. The Faculty Senate representation with respect to budget oversight was expanded from two to three faculty members during spring 2011.

## Special Topic: Low-producing programs

Low-producing programs at MSU are primarily associated with departments that teach subjects required for degrees from other departments (e.g. Physics is required as a part of engineering degrees; Economics is required for all business degrees and degrees from several other departments). These are also subject areas that are essential to provide a well rounded liberal arts education. As such, they have been justified by the university administration and exempted by the HECB from its performance expectations. Faculty involvement has been included at the department level in preparing university responses to HECB inquiries.

Some departments (physics, chemistry, and geosciences; criminal justice and social work) have been consolidated into a common department, but remain separate degree areas. Again, faculty involvement has been focused at the affected discipline and college level. These consolidations have been influenced by budget adjustments as well as by HECB concerns.

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**Student Services Committee  
November 10, 2011**

The Student Services Committee of 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 4:27 p.m., Thursday, November 10, 2011. Student Services Committee members in attendance were Mr. Sam Sanchez, Chairman; Mrs. Tiffany Burks; Mr. Charles Engelman; and Dr. Lynwood Givens. Other regents attending the meeting were Mr. Mike Bernhardt, Mr. Kenny Bryant, Dr. Carol Gunn, Mr. Shawn Hessing, Ms. Jane Spears, and Student Regent Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Julie Gaynor, Director of Marketing and Public Information; Mr. Nelson Haggerty, Head Men's Basketball Coach; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president.

Chairman Sanchez called the meeting to order at 4:27 p.m.

Reading and Approval of Minutes

12-24. The minutes of the Student Services Committee meeting August 4, 2011, were approved as presented.

Student Government Report

12-25. SGA president Kyle Christian reported on the following items:

- 1) The SGA Facebook page, Twitter, and website have been updated and the web page URL is now more user friendly ([www.mwsu/sga](http://www.mwsu/sga)). Additionally, an OrgSync connection has been added to assist with communication among student organizations and their members.
- 2) October's Homecoming events were well attended and the voter turnout was very good for the Homecoming King, Queen, and Court.



- 3) Student government is working with Dr. Joey Greenwood on developing hydration stations throughout campus. These would be eco-friendly water bottle refill locations on the MSU campus. More information will be available as the project is further developed.
- 4) The SGA plans to conduct a Town Hall meeting in the spring to provide an opportunity for students to participate in a question and answer forum with various administrators.
- 5) The SGA is working with the United Way to provide an alternative Spring Break activity for MSU students. Through this program students would have an opportunity to help with a community service project in another city.
- 6) The SGA is sponsoring a video competition. The theme for the competition is "What It Means to be a Mustang."

Adjournment

The Student Services Committee discussion concluded at 4:32 p.m.

Reviewed for submission:



Samuel M. Sanchez, Chairman  
Midwestern State University  
Board of Regents Student Services Committee

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

**University Development Committee  
November 10, 2011**

The University Development Committee of 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 4:32 p.m., Thursday, November 10, 2011. 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 Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Julie Gaynor, Director of Marketing and Public Information; Mr. Nelson Haggerty, Head Men's Basketball Coach; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president.

Chair Spears called the meeting to order at 4:32 p.m.

Reading and Approval of Minutes

12-26. The minutes of the University Development Committee meeting August 4, 2011, were approved as presented.

Summaries of Financial Support 9/1/10 – 8/31/11 and 9/1/11 – 10/18/11

12-27 & 12-28. These reports were shown in the agenda as information only. Ms. Spears noted some of the gifts received.

- A. A gift of \$100,000 was received from Mr. and Mrs. Jim McCoy to provide funds for the development of the Secondary Certification Program for the West College of Education.
- B. A gift of \$12,000 was received from the Perkins-Prothro Foundation for the Akin Artist Series. Ms. Spears added that these funds would help provide three concerts in Akin during the upcoming year.

- C. \$25,000 was received from Elizabeth Hawley for the Bourland-Hawley Scholarship. This scholarship benefits students studying Spanish, English, or mathematics.
- D. A gift of \$5,000 was received from Willowbend Investments, Inc. – Mr. Lee Murchison to support women's track.
- E. Dr. and Mrs. Jerry Broadway contributed \$5,000 for the men's basketball locker room renovation.
- F. The university received \$500,000 from the estate of Dorothy Warman. These funds are undesignated.
- G. The financial support received during the 2010-2011 year totaled \$4.75 million.

Dr. Farrell added that the funds received from the estate of Ms. Warman represent the first distribution of funds and additional funds will be forthcoming. Dr. Rogers added that he has been working on several major gifts that will hopefully be forthcoming in the future. He expressed his appreciation to the community for their support of Midwestern State University. Ms. Spears encouraged board members to use the stationery provided to write thank you notes to donors.

#### Naming of University Facilities

12-29. Ms. Spears presented the administration's recommendation that the current geosciences laboratory in Bolin Science Hall (room 105) be named the "Stanley L. Mowrey Geosciences Laboratory" in recognition of contributions received from various individuals. Dr. Rogers expressed appreciation to Dr. Farrell for working on this gift to the university. Dr. Farrell noted that Mr. Mowrey graduated from MSU in 1952 with a Bachelor of Science in Geology degree. He served in the Navy and later became an independent oil and gas producer. He and his family are supporters of MSU athletics. His sons, Dan and David Mowrey, along with Hollis Sullivan, contributed the funds to support the geosciences.

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

#### Adjournment

The University Development Committee discussion concluded at 4:42 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 10, 2011**

The Athletics Committee of 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 4:42 p.m., Thursday, November 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, Mr. Charles Engelman, Dr. Lynwood Givens, Dr. Carol Gunn, Ms. Jane Spears, and Student Regent Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Julie Gaynor, Director of Marketing and Public Information; Mr. Nelson Haggerty, Head Men's Basketball Coach; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president.

Chairman Bryant called the meeting to order at 4:42 p.m.

Reading and Approval of Minutes

12-30. The minutes of the Athletics Committee meeting August 4, 2011, were approved as presented.

Athletics Status Report

12-31. Mr. Charlie Carr, Director of Athletics, introduced the Head Men's Basketball Coach, Nelson Haggerty. He noted that Nelson was hired in the spring 2011 after serving as assistant coach at MSU for two seasons. He indicated that Nelson is a great representative for the university, a great family man, and someone who relates well with the university's student athletes. Nelson indicated that he was excited to be the Head Men's Basketball Coach at MSU. He expressed appreciation to the administration and board for their support of the program and the student athletes. He stated that the team is made up of talented players who believe in each other and the university. He added that he planned to do everything in his power to make certain his players graduate and are successful.

Mr. Bryant noted that Coach Haggerty and Mr. Carr were working on an intern program that will get men in the local business community involved with the players. He indicated that he was very excited about this program.

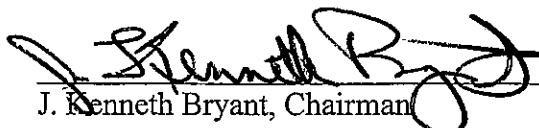
Mr. Carr then presented the following report on athletics activities.

- A. During the previous weekend the women's and men's soccer teams qualified for the NCAA playoffs and the women earned their first Lone Star Conference (LSC) championship title. The women's cross country team won the regional tournament and qualified for NCAA nationals. The men's football team also earned LSC championship title.
- B. The LSC is going through some interesting dynamics with no less than four teams considering an opportunity to move from NCAA Division II to Division I. The differences in the two divisions relate to the number of scholarships, playing conditions, and various other things. Division I requires a major financial investment, requiring approximately \$4 million. He noted that the conference went from 16 members to 11 members this past year and any further reduction in numbers would increase scheduling challenges drastically. Dr. Farrell asked which schools were looking at a possible move to Division I. Mr. Carr responded that Abilene Christian University was seriously considering a move. He added that Angelo State brought in a consultant to help them review their options, while there have also been discussions at Incarnate Word and West Texas A&M. Ms. Spears asked why it would cost so much to move to Division I. Mr. Carr responded that in addition to the \$1.4 million fee to join, the number of scholarships offered in all sports increases. He noted that in football, DI allows 80 scholarships, while DII allows 36. The increased scholarship cost for that one sport would be over \$600,000. He stated that in order for a school to compete at the DI level, they would have to offer a full complement of scholarships. He added that MSU's facilities are second to none for a Division II school, but they would be average if MSU moved to Division I. Mr. Carr stated that he wanted to make the board aware of the situation and would keep them updated.

Adjournment

There being no further business, the Athletics Committee discussion concluded at 5:13 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 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, November 10, 2011. Regents in attendance were Dr. Carol Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Mr. Kenny Bryant, Secretary; Mr. Mike Bernhardt; Mrs. Tiffany Burks; Mr. Charles Engelman; Dr. Lynwood Givens; Mr. Sam Sanchez; Ms. Jane Spears; and Student Regent Linda Aguilera.

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 Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Kyle Christian, Student Government Association president. Representing the news media was Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order at 1:30 p.m. and Ms. Gaynor introduced the guests.

Opening Comments

Dr. Gunn welcomed everyone to the meeting. She noted that Mustangs Rally t-shirts were available for the regents and added that a large number of potential students and parents would be on campus during the weekend for this event.

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 added that no one had signed up to speak.

Organization of University Administration

12-01. Dr. Gunn noted that a copy of the updated organization chart was shown in the board agenda. Dr. Rogers reported that he and the vice presidents took time early in the fall to thoroughly review the organizational structure of the university. He reviewed the new chart and commented as follows.

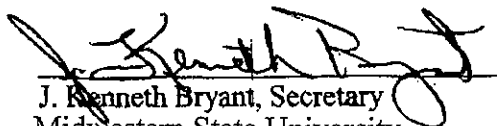
- A. Dr. Clark's area of administration and institutional effectiveness now includes responsibility for Institutional Research and Assessment, Information Technology, and Southern Association of Colleges and Schools (SACS) Reporting and Liaison. Dr. Clark is responsible for writing, vetting, and submitting MSU's report to SACS for the university's reaffirmation of accreditation. The process is more rigorous and difficult than ever before, and his is a very time-consuming task. The area of Information Technology (IT) previously reported to Mr. Sandoval through the installation of the university's new computer system and the change from mainframe operations to a server-based system. Improvements and progress have been made in terms of daily financial statements and other administrative computing processes. With Mr. Sandoval's responsibility over the financial aspects of the university as well as the physical plant, it was determined that responsibility for IT should shift to Dr. Clark. A great deal of work needs to be done in the use of technology in communicating with and serving students and prospective students. Dr. Clark will discuss some of the needs and recommended changes later in the meeting.
- B. Dr. Farrell's areas of responsibility focus now specifically on university advancement and public affairs. Dr. Rogers noted that he and Dr. Farrell will continue to work together on major fund raising efforts. Additionally, Dr. Farrell plans to become more involved with the Annual Fund and the Alumni Association.
- C. Dr. Keith Lamb recently finished the doctorate in higher education administration and has taken on full responsibility for student affairs and enrollment management. As part of his new responsibilities, Keith is working to develop a master plan for enrollment management. He also continues his work in the areas of student services.
- D. Dr. White continues to oversee the academic area of the university. Additionally, the Office of the Registrar has been moved from enrollment management to the area of academic affairs. Dr. Rogers explained that much of what the registrar takes care of is academic in nature and this new structure is most appropriate.

Dr. Rogers complimented the vice presidents for their work on this reorganization effort. He noted that no new positions are required through the reorganization and added that the vice presidents are reviewing their budgets for possible reductions this year.

#### Adjournment

There being no further business, the meeting adjourned at 1:41 p.m.

Reviewed for submission:

  
J. Kenneth Bryant, Secretary  
Midwestern State University  
Board of Regents

**MINUTES  
BOARD OF REGENTS  
MIDWESTERN STATE UNIVERSITY**

**November 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, November 11, 2011. Regents in attendance were Dr. Carol Carlson Gunn, Chair; Mr. Shawn Hessing, Vice Chairman; Mr. Kenny Bryant, Secretary; Mr. Mike Bernhardt; Mrs. Tiffany Burks; Mr. Charles Engelman; Dr. Lynwood Givens; Mr. Sam Sanchez; Ms. Jane Spears; and Student Regent Linda Aguilera.

Administrative staff members present included Dr. Jesse W. Rogers, President; Mr. Juan Sandoval, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Dr. Howard Farrell, Vice President for University Advancement and Public Affairs; and Dr. Robert Clark, Vice President for Administration and Institutional Effectiveness. Other university personnel attending the meeting included Mr. Kyle Owen, Associate Vice President for Facilities Services; Dr. Pam Morgan, Associate Vice President for Outreach and Engagement; 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; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Julie Gaynor, Director of Marketing and Public Information; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the news media was Ms. Ann Work, reporter for the *Times Record News*.

Chair Gunn called the meeting to order and Ms. Gaynor introduced the guests.

Opening Comments

Dr. Gunn thanked the board members for their participation at the committee meetings. She reminded the board members that graduation would be held Saturday, December 10. She announced that the speaker would be Mr. Michael Pepper, an MSU graduate who was recently named president of Alcoa Power and Propulsion. Dr. Gunn noted that Ms. Barrow would contact the regents soon with details.

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

12-32 and 12-33. Minutes of the regular Board of Regents meetings August 4 and 5, 2011, 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 10, 2011.



Item Presented for Committee Approval Only

12-02. Committee Minutes, 8/4/11 – approved by Committee as presented.

Items Presented for Information Only

12-03. Maintenance Plan Update – MP2 and MP4

12-04. Campus Master Plan

12-05. Housing and Residence Life Project

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.

12-06. Wichita Falls Museum of Art at Midwestern State University Advisory Board of Directors – approved new advisory board members as follows:

Rick Bonner (2011-2014)  
Kristen Edwards (2011-2014 Reappointment)  
Greg Merkle (2011-2012)  
Joline Wharton (2011-2014)  
Linda Wilson (2011-2014 Reappointment)

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being no response, Mr. Bernhardt seconded Dr. Gunn's motion to approve the Consent Agenda as presented. The motion was approved.

**Finance and Audit Committee Report**

Mr. Hessing noted the item presented at the Finance and Audit Committee Meeting for committee approval only. Information concerning this item can be found in the minutes of the Finance and Audit Committee meeting held November 10, 2011.

Item Presented for Committee Approval Only

12-07. Committee Minutes, 8/4/11 – approved by Committee as presented.

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.

12-08. Review and Acceptance of Financial Report – accepted the July, 2011, Financial Report.

12-09. Review of Personnel Reports and Salary/Title/Position Changes in 2010-2011 Budget – ratified the changes as presented.

- 12-10. Review of Personnel Reports and Salary/Title/Position Changes in 2011-2012 Budget – ratified the changes as presented.
- 12-11. Portal Technology – authorized the utilization of \$150,000 from Technology Fee Reserves to fund the implementation of a portal technology system at MSU, to include the necessary personnel (FTE) to manage such an enterprise.
- 12-12. Operating Budget for Fiscal Year 2012 – authorized the transfer of \$100,000 from undesignated gift funds to support increased course offerings in nursing and radiologic science in the spring and summer 2012. Additionally authorized the transfer of \$121,000 from Mineral Royalties to be used to support the budget in accordance with legal requirements.

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 10, 2011.

#### Item Presented for Committee Approval Only

- 12-13. Committee Minutes, 8/4/11 – approved by Committee as presented.

#### Item Presented for Information Only

- 12-14. Redwine Quasi-Endowment Fund Report – FY 2011

#### 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.

- 12-15. Review and Acceptance of Investment Report – accepted the fourth quarter 2011 Investment Report.
- 12-16. Investment Policies Review – affirmed the continuation of the university investment policies (4.182 and 4.196).

Dr. Gunn asked if there were items any member wanted to remove from the Consent Agenda. There being none, Ms. Spears 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 10, 2011.

Item Presented for Committee Approval Only

12-17. Committee Minutes, 8/4/11 – approved by Committee as presented.

Items Presented for Information Only

12-18. Faculty Report

12-19. Staff Report

12-20. Enrollment Reports – Fall 2011

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.

12-21. December 2011 Graduating Class – approved the list of candidates for graduation.

12-22. Approval of 2012-2013/2013-2014 Academic Calendars – approved the academic calendars as presented.

12-23. *MSU Policies and Procedures Manual* Changes – approved changes to the policies noted below as presented:

- A. Policy 2.31 – Administration Selection Process
- B. Policy 2.333 – Organization – Provost and Vice President for Academic Affairs

Dr. Gunn asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mr. Bryant seconded Dr. Givens' 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 November 10, 2011.

Item Presented for Committee Approval Only

12-24. Committee Minutes, 8/4/11 – approved by Committee as presented.

Item Presented for Information Only

12-25. Student Government Report

**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 10, 2011.

Item Presented for Committee Approval Only

12-26. Committee Minutes, 8/4/11 – approved by Committee as presented.

Item Presented for Information Only

12-27. Summary of Financial Support - 9/1/10 – 8/31/11

12-28. Summary of Financial Support – 9/1/11 – 10/18/11

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.

12-29. Naming of University Facilities – authorized that the current geosciences laboratory in Bolin Science Hall (room 105) be named the “Stanley L. Mowrey Geosciences Laboratory” in recognition of contributions received from various individuals.

Dr. Gunn asked if any member wanted to remove this item from the Consent Agenda. There being no response, Mr. Hessing seconded Ms. Spears’ motion to approve the Consent Agenda as presented. The motion 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 10, 2011.

Item Presented for Committee Approval Only

12-30. Committee Minutes, 8/4/11 – approved by Committee as presented.

Item Presented for Information Only

12-31. Athletics Status Report

**Other Business**

Ad Hoc Committee for Presidential Performance and Compensation Review

12-34. Dr. Gunn asked Mr. Bernhardt, Mr. Hessing, and Ms. Spears to serve on this committee with Mr. Bernhardt serving as chair. She asked that the committee report and any recommendations be made at the February board meeting. Dr. Gunn asked Dr. Rogers to submit his self-evaluation to the Board of Regents at least two weeks prior to the meeting.

Ad Hoc Committee on Committees

12-35. Dr. Gunn stated that the MSU Board of Regents committee structure had not been reviewed in quite some time. She noted that the Association of Governing Boards’ publications have indicated that the number and responsibilities of board committees are

items worthy of periodic review and discussion. She asked Dr. Givens, Mr. Sanchez, and Ms. Barrow to serve on an ad hoc committee to review the Board of Regents' committee structure, with Dr. Givens serving as chair. She asked that the committee's report and recommendations be presented to the board in February.

#### President's Report and Discussion

12-36. Dr. Rogers presented the following information.

- A. Texas Higher Education Coordinating Board (THECB) - Dr. Rogers noted that the most significant issue relating to THECB was the recent review and action with regard to low-producing academic programs. He stated that while Midwestern State University would no longer offer a major in physics, the university would continue to offer physics courses, as well as a minor in physics. He commented that eliminating the physics major would not save the university or the state any money. He added that both he and Dr. White visited with the Assistant Commissioner for Academic Programs at THECB and determined that they were not going to change their ruling regarding MSU's program. Based on that information, he determined that the university would not appeal the decision. He noted that MSU graduated seven physics majors within the last five years which was much lower than the 25 graduates THECB required. He added that the academic programs dropped by THECB throughout the state numbered in the hundreds. He stated his opinion that eliminating physics degree programs was extremely shortsighted. He remarked that the MSU administration might consider joining a consortium to offer the baccalaureate degree and might also look into offering an applied physics program, generally known as engineering physics.

Dr. Rogers reported that THECB's Closing the Gaps strategic plan for the state has been successful in achieving its participation goal in terms of bringing more students into junior colleges and universities in the state. He noted that the success goals have not been achieved in that there are not enough students completing certificate or degree programs. He added that the figures are as low as 50% of students graduating in four years from the state's major research institutions. He noted that MSU's graduation rate should continue to improve, particularly with the increased admissions standards that went into effect in 2006 and 2011. Increased student success is one of the major goals that will be addressed in the upcoming strategic planning process.

Mr. Sanchez indicated that he wanted to have a better understanding of THECB and their relationship with MSU. Dr. Rogers noted that the degree of coordination and management by THECB has varied over time depending on THECB commissioner, policymakers in Austin, and economic times. He indicated that at one time THECB dealt with universities to the level that they monitored the frequency with which courses were offered by institutions. The rules have changed so that now certain academic program changes can be made with Board of Regents approval only. He noted that with the great concern over the cost of higher education, the Texas Legislature tasked THECB with reducing costs in higher education. That focus appeared to be the driving force behind the increased review of low-producing programs. He noted that in addition to their review of academic issues, THECB also oversees building projects on university campuses. Requests for major repair and

renovation or new construction are reviewed by THECB. They look at projected costs, current university space, and anticipated space needs. THECB also oversees various financial aid programs throughout the state. He noted that the role of THECB is to coordinate higher education throughout the state. Mr. Sanchez expressed his opinion that the decision regarding low-producing degree programs was more of a management decision. Dr. Givens asked how many MSU programs were still under probation as low-producing and when THECB would review the programs again. Dr. Rogers responded that THECB allowed MSU and other institutions to combine certain programs and that the review would be continuous.

- B. Legislative Update – Dr. Rogers reported on the Joint Oversight Committee on Higher Education Governance, Excellence, and Transparency. He noted that this committee is co-chaired by Senator Judith Zaffirini and Rep. Dan Branch. He indicated that he would be testifying before the committee on November 18. He indicated that he and other presidents had been asked to speak about the functioning of the Board of Regents and how decisions are made by the administration and the board. He noted that in the previous hearings it was clear that the committee was emphasizing that boards should operate without outside interference. He indicated that the committee had discussed the size of boards, the vetting process prior to the appointment of regents, the length of terms of appointment, and training offered to new regents. He noted that THECB offers legislatively required training for board members once each year and that he and Ms. Barrow provide orientation to new regents soon after they are appointed. He stated his opinion that the best education and training for regents is their participation in board meetings. Ms. Spears suggested that new regents receive additional information regarding state governance and the role of THECB during their training. Dr. Rogers indicated that he would pass that suggestion on to THECB. Dr. Gunn encouraged all regents to attend THECB's yearly training session whenever possible as they are quite informative. Dr. Givens added his recommendation that another regent be invited to the university training session to provide a different perspective for the new regents.

Ms. Barrow reported that Senator Zaffirini had indicated that all regents were invited to attend any of the committee's hearings. The Senator expressed her interest in keeping regents informed and abreast of the discussions. Ms. Barrow noted the internet link to the committee's information (<http://heget.posterous.com/>) and encouraged regents to review the information provided. She added that the committee continues to focus on governance and plans to review excellence and transparency after the first of the year.

Ms. Barrow reported that the Speaker of the House had announced interim charges for the House Higher Education Committee. She added that the committee was charged with reviewing potential improvement to transfer pathways within higher education, including the impact of transferability on timely degree completion and improvement to the 2+2 model. They have also been charged with reviewing various metrics to measure successful outcomes in higher education.

- C. Campus Technology and Banner Update – Dr. Rogers noted that the board approved the computer update in 2006 as the campus moved away from a mainframe system to Banner and a server based system. He indicated that funds were set aside at that

time to complete the implementation of the system. Mr. Sandoval reported that \$3.8 million was originally budgeted for the project and it was anticipated that the project would be complete within five years. He stated that there had been delays in the installation of some of the modules and the implementation process continues. Mr. Bryant asked if MSU was behind in technology as compared to other institutions in the state. Mr. Sandoval responded that in some areas MSU is in line with other institutions and in other areas MSU is a little behind. He added that Mr. Dye would likely respond that MSU is in the middle. Mr. Sandoval added that of the \$3.8 million originally approved, approximately \$1.1million remains. He added that debt service would require \$600,000, leaving over \$400,000 available for other improvements.

Mr. Sanchez asked what issues caused the delay in implementation. Dr. Rogers noted that with the move from mainframe to a server system the university lost several employees who did not have the background and knowledge to move to the new system. Some of the positions were not replaced owing to the budget reductions. He noted that while the administration attempted to make prudent staff reductions, the university as a whole is beginning to see the effects of not having adequate staff in some areas of the operation.

D. Construction Update – a copy of the construction update report was presented as a point of information (see Attachment 1). Mr. Owen noted the following projects.

1. Ligon Coliseum - work on three locker rooms should be ready for use by the end of November. Much of the work within the public areas, to include concessions, restrooms, doors and windows, and electrical infrastructure, has begun and should be completed by the end of the spring semester.
2. Energy Efficiency Upgrades – the project is 90% complete and should be completed by December.
3. Clark Student Center – the fire sprinkler replacement is underway and should be completed in late January.
4. Akin Auditorium Renovation – the project includes refurbishing of chairs, as well as replacement of the flooring under the chairs and the aisle carpeting.

#### Recess

The meeting recessed at 10:04 a.m.

#### Executive Session

Dr. Gunn noted that the last item was an addition to the agenda and was properly posted. She announced that the board would go into executive session at 10:14 a.m. to discuss item 12-37 (Deliberations Regarding Gifts and Donations), as allowed by Texas Government Code Chapter 551, Section 551.07e, Gifts and Donations. Individuals participating in the executive session were the board members, Dr. Rogers, Mr. Sandoval, Dr. Farrell, Dr. Lamb, Dr. Clark, Mr. Owen, Mr. Macha, Mr. Spencer, and Ms. Barrow.

### Open Session

At 10:29 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.

### Deliberations Regarding Gifts and Donations

12-37. There was no motion or further discussion of this item.

### Other Discussion

Dr. Gunn stated that she did not realize Mr. Sanchez had additional questions during the construction update and recognized him to continue the discussion. Mr. Sanchez asked Dr. Rogers to comment on the need for a new police facility and other campus security issues. Dr. Rogers responded that campus security is critical to MSU operations. He noted that he was very pleased with the new police chief and his efforts on campus. Dr. Lamb added that the university has an emergency alert system in place through which students, faculty, and staff receive text or e-mail alerts in the case of an emergency situation. He stated that the university also has outdoor enunciators that can be used to notify the campus community of an emergency. He added that the administration is looking at expanding these outdoor monitors as well as the emergency alert system. Dr. Farrell added that the university provides extensive training and has a crisis management manual that is updated on a regular basis. Mr. Sanchez commented that as the university works on the campus master plan he encouraged the administration to maintain a focus on campus lighting and other safety issues, as well as providing better facilities for the police department.

Mr. Hessing stated that he had asked his daughter, a student at MSU, if she felt safe on campus at night. He noted that she had responded numerous times that she felt extremely safe at MSU. Ms. Aguilera responded that she lives on campus and feels safe as well.

### Adjournment

There being no further business, the meeting was adjourned at 10:45 a.m.

I, J. Kenneth Bryant, 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 11, 2011.

  
J. Kenneth Bryant, Secretary

### ATTACHMENTS:

1. Construction Update Report





3410 Taft Boulevard, Wichita Falls, Texas 76308-2099  
Office: (940) 397-4032 Fax (940) 397-4859

## Memorandum

**Date:** November 2, 2011  
**To:** Juan Sandoval  
**From:** Rich Frank  
**Subject:** Construction Projects Status Report

The status of current construction projects is as follows:

### LIGON: Phase II - \$6.7 MM

- Three Locker Room construction ~85% complete and on schedule for occupancy by 12/1.
- Don Flatt Gym construction ~95% completed; acoustic improvements and logos being bid as part of Package 3.
- Concessions, restrooms, doors, windows, and electrical infrastructure (Package 2) GMP established at ~\$2.3 MM. Construction in progress. Completion late May '12.
- Ligon Aesthetic / Logo Package 3 RFP issued with bid opening November 14<sup>th</sup>.

### ENERGY EFFICIENCY UPGRADES: - \$2.5 MM

- Construction is 85% complete and on schedule for a December 14 deadline. Controls installations in Central Plant and Ligon are only outstanding construction items.
- SECO has extended the completion date to April 30, 2012, which will ease project close-out documentation needs.

### CLARK STUDENT CENTER FIRE SPRINKLER REPLACEMENT: ~\$178k

- Design completed and construction began in early November; completion is late January 2012.

### AKIN AUDITORIUM RENOVATIONS: - ~\$151k

- Refurbishment of all fixed seating, replacement of the flooring under the seats including abatement, and new carpet on either side of the seating.
- Developed statement of work for required tasks; currently out for bid. Construction planned for May-July '12.

**CHILL WATER EXPANSION JOINT REPAIRS: - ~\$135k**

- Bolts securing the tunnel chill water expansion joints have extensive corrosion and need to be replaced.
- Repair design to be completed in mid November followed by bidding the repairs.

**ATHLETIC FIELDS ELECTRICAL EQUIPMENT REPLACEMENT: - ~\$125k**

- Existing power supply equipment for lights is lifed-out and corroded; replacing (lighting needs NOT being addressed).
- Design initiated in October.

**TEEPEE DRIVE RECONSTRUCTION: - ~\$100k**

- Plan to close northern portion to create greenspace.
- Surveyed area and currently reviewing drainage issues as part of the design.

**CARPET REPLACEMENT PROJECT #2: - ~\$75k**

- Replacement of worn out carpet in south Hardin (first floor) and Geoscience and Math offices in Bolin. Replacement to occur partially over Christmas break and this coming summer.

**TUNNEL SYSTEM CEILING REPAIRS: - ~\$60k**

- Two ceiling areas (~100 SF) of the tunnel were releasing large concrete pieces on to the tunnel floor. Areas have been unearthed and analyzing repair options.

**BOLIN ELEVATOR REFURBISHMENT: - \$55k**

- PO issued to modernize the obsolete controls system and power unit; work scheduled to begin in mid December.

**FAIN FINE ARTS SCULPTURE DUST COLLECTION SYSTEM: ~\$50k**

- Accreditation requirements include installation of an improved dust collection system and one emergency stop button for all woodworking equipment.
- RFP issued with construction to start in December.

**MASTER PLAN DEVELOPMENT PROJECT: - <\$50k**

- Harper Perkins Architects have developed an initial plan which is being reviewed with the Administration.

Projects completed since August Board of Regents meeting include:

1. BOLIN HVAC INDOOR AIR QUALITY ISSUES: - \$144k. Two new lab exhaust systems to improve IAQ.
2. McCULLOUGH-TRIGG ELEVATOR SHAFT REPLACEMENT: - \$75k. Replaced leaking elevator shaft cylinder.
3. CARPET REPLACEMENT PROJECT #1: - \$64k. Completed replacement of worn out carpet in seven classrooms and several Computer Science offices in Bolin, a lecture hall in Bridwell, International Services in Hardin, and Music in Fain Fine Arts.
4. LJR STREET LIGHTING ENHANCEMENTS: - \$58k. Added seven light poles between Fain Fine Arts and Sundance along LJR.