

Midwestern State University Board of Regents Meetings



November 15 and 16, 2012

President's Office
Permanent Copy

Midwestern State University

Board of Regents Meetings

J. S. Bridwell Board Room

Schedule

Thursday, November 15, 2012

1:30 p.m. Board of Regents Meeting
 Committee of the Whole
 Executive Committee
 Finance Committee
 Audit, Compliance, and Management Review Committee
 Academic and Student Affairs Committee

Friday, November 16, 2012

9:00 a.m. Board of Regents Meeting

MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS

Shawn G. Hessing, Chairman
Michael Bernhardt, Vice Chairman
J. Kenneth Bryant, Secretary
Tiffany D. Burks
Jane W. Carnes
Charles E. Engelman
F. Lynwood Givens, Ph.D.
Jeff Gregg
Samuel M. Sanchez
Holly Allsup, Student Regent

Midwestern State University Administration

Dr. Jesse W. Rogers, President

Ms. Debbie Barrow, Director, Board and Government Relations

Dr. Francine Carraro, Director, Museum

Mr. Barry Macha, General Counsel

Mr. David Spencer, Internal Auditor

Ms. Dianne Weakley, Director, Human Resources

Dr. Betty H. Stewart, Provost and Vice President for Academic Affairs

Dr. Matthew Capps, Dean, Gordon T. and Ellen West College of Education

Ms. Naoma Clark, Director, Academic Success Center

Dr. Ron Fischli, Dean, Lamar D. Fain College of Fine Arts

Ms. Darla English, Registrar

Dr. James Johnston, Interim Dean, College of Health Sciences and Human Services

Dr. Clara Latham, University Librarian

Dr. Lynn Little, Dean, College of Science and Mathematics

Dr. Pam Morgan, Associate Vice President for Outreach and Engagement

Dr. Jane Owen, Interim Dean, Graduate School

Dr. Terry Patton, Dean, Dillard College of Business Administration

Dr. Michael Vandehey, Director, Honors Program

Dr. Samuel E. Watson, III, Dean, Prothro-Yeager College of Humanities and Social Sciences

Dr. Larry Williams, Director, International Programs

Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance

Ms. Gail Ferguson, Controller

Ms. Valarie Maxwell, Director, Budget and Management

Mr. Kyle Owen, Associate Vice President for Facilities Services

Ms. Kathy Rice, Director, Payroll

Mr. Stephen Shelley, Director, Purchasing

Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management

Dr. Randy Glean, Director, International Services

Ms. Barbara Merkle, Director, Admissions

Mr. Dail Neely, Dean of Students and Director of Clark Student Center

Ms. Kathy Pennartz, Director, Student Financial Aid

Mr. Dan Williams, Chief, University Police

Mr. Matthew Park, Associate Vice President for Student Affairs

Dr. Joey Greenwood, Director of Recreational Sports/Wellness Center

Ms. Debra Higginbotham, Director, Disability Support Services

Dr. Pam Midgett, Director, Counseling Center

Dr. Michael Mills, Director, Housing and Dining Services

Mr. Dirk Welch, Director, Career Management Center and Testing Services

Dr. Howard Farrell, Vice President for University Advancement and Public Affairs

Ms. Julie Gaynor, Director, Marketing and Public Information

Ms. Leslee Ponder, Director, Alumni Relations

Mr. Steve Shipp, Director, University Development

Dr. Robert E. Clark, Vice President for Administration and Institutional Effectiveness
Mr. Michael Dye, Chief Information Officer
Mr. Mark McClendon, Director, Institutional Research and Assessment

Mr. Charlie Carr, Director of Athletics

Mr. Frank Bourgeois, Strength and Conditioning Coach
Mr. Doug Elder, Head Men's Soccer Coach
Ms. Christina Feldman, Assistant Director of Athletics/Business Affairs and Facilities
Ms. Venera Flores-Stafford, Associate Director of Athletics/Senior Woman
Administrator/Head Volleyball Coach
Mr. Nelson Haggerty, Head Men's Basketball Coach
Ms. Noel Johnson, Head Women's Basketball Coach
Mr. Scott Linn, Head Tennis Coach
Mr. Bill Maskill, Head Football Coach
Mr. Kurt Portmann, Executive Associate Director of Athletics
Mr. Bill Powers, Assistant Athletic Director for Marketing, Promotions, and Public Relations
Mr. Jeff Ray, Head Golf Coach and Coordinator, Champs Life Skills Program
Mr. Trey Reed, Sports Information Director
Mr. Koby Styles, Head Women's Cross Country and Track Coach
Mr. Brady Tigert, Head Softball Coach
Mr. Jeff Trimble, Head Women's Soccer Coach
Mr. Kyle Williams, Associate Director of Athletics, Development

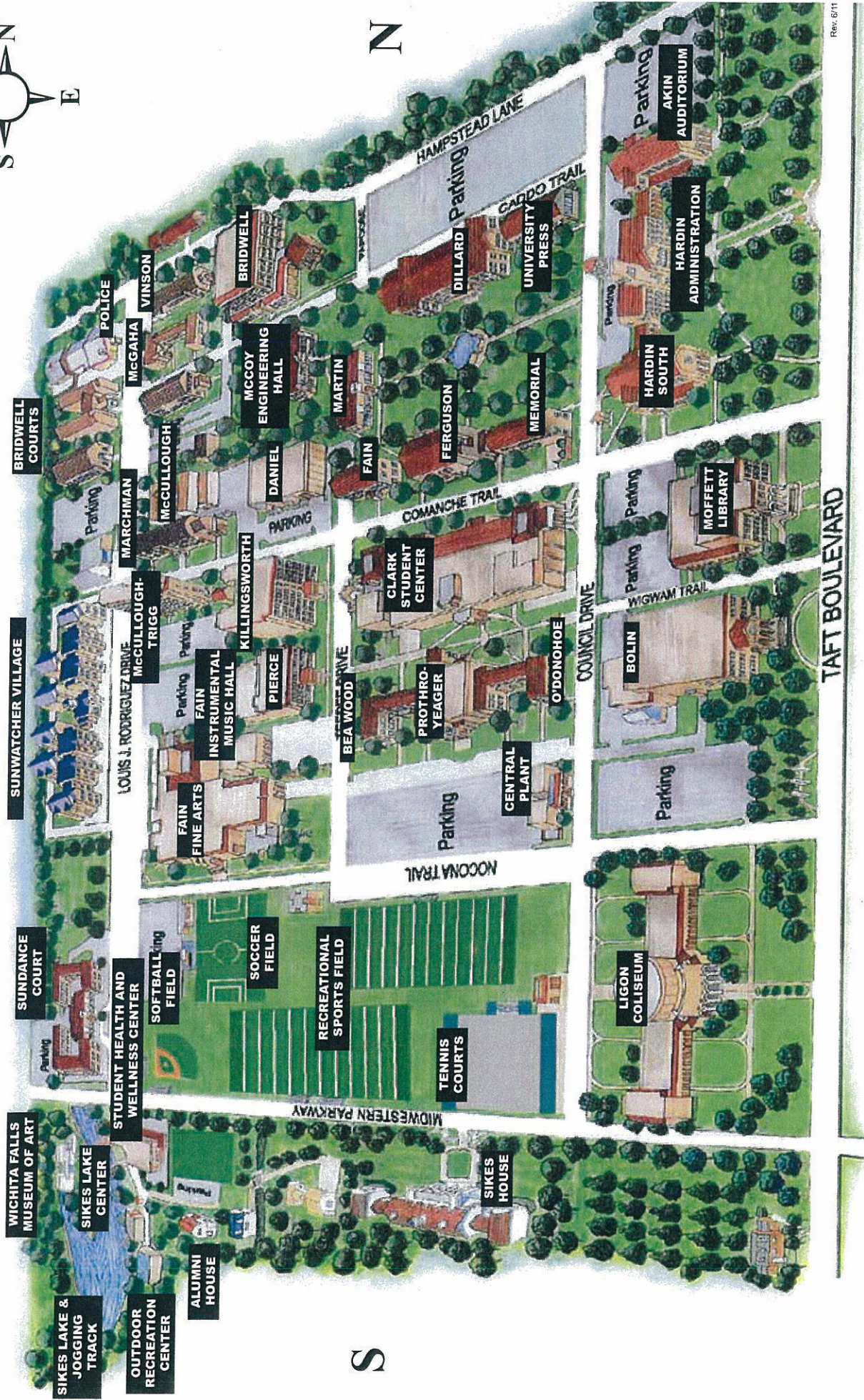
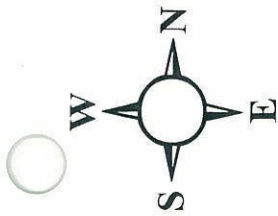
Dr. James Owen, Chairman, MSU Faculty Senate

Mr. Dirk Welch, Chairman, MSU Staff Senate

Mr. Anthony Gallina, President, MSU Student Government Association

Midwestern State University

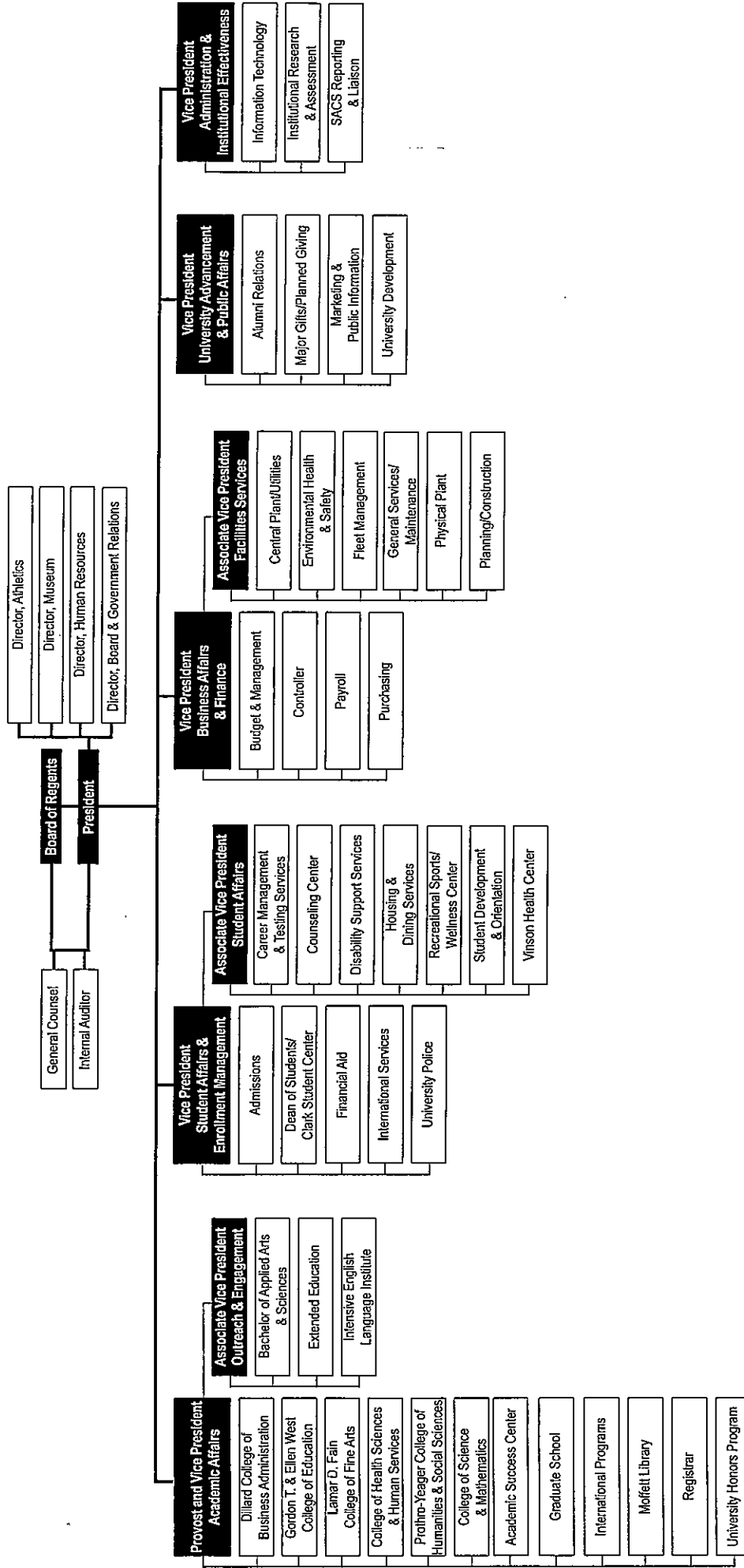
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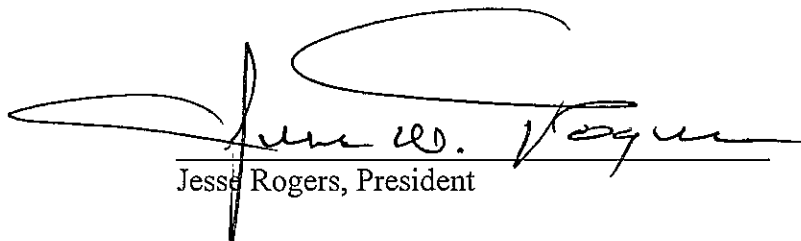
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Midwestern State University Organization Chart

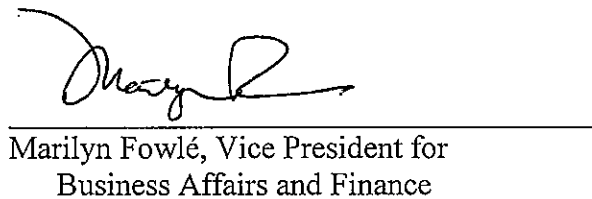


Financial Certification

We certify that financial transactions included in this report are correct to the best of our knowledge, and we further certify that funds to cover allocations listed in this report are available subject to realization of estimated income as budgeted.



Jesse Rogers, President



Marilyn Fowlé, Vice President for
Business Affairs and Finance

October 31, 2012
Date

COMMITTEE OF THE WHOLE

Board of Regents Meeting
November 15, 2012
1:30 p.m.

Meeting Location: MSU Campus – 3410 Taft Boulevard
J. S. Bridwell Board Room

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. This meeting will be continuous in that the Board reserves the right to take any agenda item out of the order or sequence that is listed below. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Call to Order

Introduction of Visitors

Opening Comments

Public Comment

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

Discussion of Higher Education Issues

13-02. The Board of Regents will have an opportunity to discuss current issues in higher education to include governance, enrollment, and funding challenges.

Gift of Property

13-03. The Board of Trustees of the MSU Foundation, Inc. approved a donation of "Lot Two "G" (2-G) Block Twenty-two (22), (A Replat of Lots 2-E and 2-F, Block 22), Midwestern Park, and Addition to the City of Wichita Falls, Wichita County, Texas, according to Plat of record in Volume 27, Page 1546, Wichita County Plat Records" to Midwestern State University (see Attachment 13-03). Board of Regents approval of this gift is required by MSU Policy 2.24, Section D.

Executive Session

13-04. The Board of Regents will convene in Executive Session to consider the following matters permissible under Chapter 551 of the Texas Government Code as necessary, including:

- A. Consultations with Attorney about pending or contemplated litigation or a settlement offer;
- B. Deliberations about Real Property – to deliberate the purchase, exchange, lease, or value of real property;
- C. Deliberations Regarding Gifts and Donations; and
- D. Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee.

COMMITTEE OF THE WHOLE
ATTACHMENT

**Midwestern State University Foundation, Inc.
Written Consent of Board of Trustees In Lieu of Meeting
September 1, 2012**

The undersigned, being all of the members of the Board of Trustees (the "Board") of the Midwestern State University Foundation, Inc. (the "Foundation"), do hereby waive any and all requirement for calling, giving notice of and holding a meeting of the Board and do hereby consent to the adoption of the following resolutions.

Relating to the Election of Officers of the Board of Trustees:

RESOLVED, that the election of Stephen R. "Reno" Gustafson as Chairman of the Board of the Foundation and R. Caven Crosnoe as Secretary of the Board of the Foundation with an effective date of September 1, 2012 is hereby approved and ratified.

Relating to the Agreement for Donation of Real Estate:

By prior Consent dated July 14, 2012, the Board approved the donation of the following tract of land owned by the Foundation to Midwestern State University ("MSU"). Said donation has not been completed as of this date. In order to facilitate that transaction the Board hereby approves the following resolution:

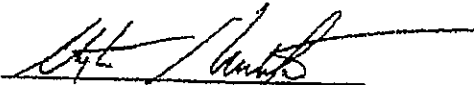
RESOLVED, that the Board hereby approves the donation of Lot Two "G" (2-G), Block Twenty-two (22), (A Replat of Lots 2-E and 2-F, Block 22), Midwestern Park, an Addition to the City of Wichita Falls, Wichita County, Texas, according to Plat of record in Volume 27, Page 1546, Wichita County Plat Records to MSU pursuant to the Agreement For Donation of Real Estate attached hereto as Exhibit "A". The Board further authorizes, the Chairman and Secretary of the Foundation to execute such documents needed to effect the donation of said land to MSU.

Authorized Parties for Banking and Brokerage

RESOLVED, that the Board hereby approves the following officers of the Foundation to be its authorized parties for purposes of conducting any and all business with any bank, brokerage company or money manager approved by the Board those being Stephen R. "Reno" Gustafson or R. Caven Crosnoe.

IN WITNESS WHEREOF, the undersigned have executed this Consent to be effective 1st
day of September, 2012.

Trustees:



Stephen R. Gustafson


Kay Dillard


Carol Gunn

Dwight Berry

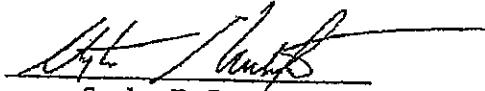
Henry L. Rugeley


R. Caven Crosnoe

Midwestern State University Foundation
Written Consent in Lieu of Meeting
September 1, 2012


IN WITNESS WHEREOF, the undersigned have executed this Consent to be effective 1st
day of September, 2012.

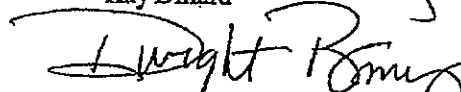
Trustees:


Stephen R. Gustafson

Carol Gunn

Henry L. Rugeley


Kay Dillard

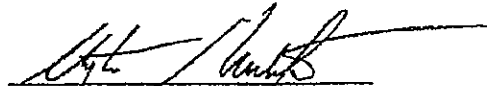

Dwight Berry


R. Caven Croesnoe

Midwestern State University Foundation
Written Consent in Lieu of Meeting
September 1, 2012

IN WITNESS WHEREOF, the undersigned have executed this Consent to be effective 1st
day of September, 2012.


Trustees:

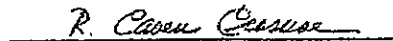

Stephen R. Gustafson


Kay Dillard

Carol Gunn

Dwight Berry


Henry L. Rugeley
Honk


R. Caven Crosnoe

Midwestern State University Foundation
Written Consent in Lieu of Meeting
September 1, 2012

EXECUTIVE COMMITTEE

Executive Committee

Membership

Shawn Hessing, Chairman
Mike Bernhardt, Vice Chairman
Kenny Bryant, Secretary
Jane Carnes, Member-At-Large

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Reading and Approval of Minutes

13-05. The minutes of the Executive Committee meeting August 9, 2012, will be recommended for approval of the committee as shown in the minutes' section of this agenda as Minutes Attachment 13-05.

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

13-06. The president will recommend the following individuals to serve on the Advisory Board of Directors:

Jane Carnes (2012-2015 Reappointment)
Margaret Cummings (2012-2015)
Tom B. Medders, III (2012-2015)
Greg Merkle (2012-2015 Reappointment)
Lola Pitzer (2012-2013 Reappointment)

Construction Manager at Rick – McCoy Expansion and Christ Academy Remodel

13-07. The administration reviewed fourteen proposals for a Construction Manager at Risk (CMAR) contractor to construct the McCoy Expansion and the Christ Academy-Counseling projects. Approval is requested from the Board of Regents to award the contract for construction management of these projects to M&F Litteken at a total cost not to exceed \$500,000 for their services. Using a detailed evaluation process defined in the Request for Proposal, M&F Litteken was selected as the best value based on the price, a long history of successful projects in the Wichita Falls area, and an outstanding reputation with the projects' architect design firm, Harper Perkins Architects (see Attachment 13-07).

Parking Lot Project

13-08. Competitive bids for this project will be received and reviewed prior to the Board of Regents meeting date. The administration will present information and make recommendations concerning the awarding of a contract for this project.

Electrical Utility Contract

13-09. MSU Policy 2.24, Section C, requires board approval of a contract that exceeds \$500,000 for the purchase of electricity not purchased through the Texas General Land Office's state energy marketing program. The administration requests that the board authorize the

president to sign a contract with an electricity provider on behalf of the university, if the contract has a yearly value of up to \$2 million for as many as five years, if the overall contract value is no higher than one provided by the Texas General Land Office's state energy marketing program. This authorization will ensure the administration can make a timely decision when negotiating the best rate for the institution.

EXECUTIVE COMMITTEE
ATTACHMENT



MIDWESTERN STATE UNIVERSITY

Facilities Services

3410 Taft Boulevard, Wichita Falls, Texas 76308-2099

Office: (940) 397-4228 Fax (940) 397-4859

Memorandum

Date: October 22, 2012

To: Dr. Fowle

From: Rich Frank *RF*
Kyle Owen *KO*

Re: McCoy & Christ Academy-Counseling Construction Manager at Risk RFP Review

Fourteen proposals were received on October 5, 2012 in response to RFP #735-13-8100 for the McCoy Expansion and Christ Academy-Counseling Construction Manager at Risk (CMAR). A review of the proposals was conducted and discussions with Steve Shelley (Purchasing), Ralph Perkins (Harper Perkins Architects), and Sam Kenshalo (Harper Perkins Architects) were held to determine the contractor which would be the best value to MSU. M&F Litteken was chosen as the unanimous winner for the following reasons:

- Their pricing was very competitive; \$59k less than the second highest rated firm.
- A long history of successful projects in the Wichita Falls area, including many with the projects' architect firm (Harper Perkins Architects).
- The on-site personnel they have committed to these projects are very reputable with Harper Perkins.

Based on their experience, local presence, and low cost, M&F Litteken is our top choice of the companies reviewed.

Four other firms were considered near the top in the best value analysis in order of priority: Scales Construction, W.B. Kibler, Chavez Construction, and Buford-Thompson Company. While all of these companies submitted impressive proposals, the significant savings provided by selecting M&F Litteken results in it being the best value for MSU.

FINANCE COMMITTEE

Finance Committee

Membership

Mike Bernhardt, Chairman
Jane Carnes
Charles Engelman
Jeff Gregg

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Reading and Approval of Minutes

13-10. The minutes of the Finance Committee meeting August 9, 2012, will be recommended for approval of the committee as shown in the minutes' section of this agenda as Minutes Attachment 13-10.

Summaries of Financial Support 9/1/11 – 8/31/12 and 9/1/12 – 10/19/12

13-11. These reports are shown as Attachment 13-11A and Attachment 13-11B and will be presented as information only.

Redwine Quasi-Endowment Fund Report -- FY 2012

13-12. In May, 2009, the Board of Regents established a quasi-endowment fund from the proceeds of the Bruce Redwine Estate and instructed that a report be presented to the board in November of each year concerning the use of these funds during the previous fiscal year. The report concerning this fund for fiscal year 2012 is shown as Attachment 13-12 and is presented as a point of information only.

Financial Reports

13-13. The administration will recommend the July, 2012 Financial Report for acceptance and will provide preliminary information regarding the August 2012 end of year report.

Investment Report

13-14. The administration will recommend the fourth quarter 2012 investment report for acceptance. This report was previously distributed to the board.

Investment Policies

13-15. The Texas Public Funds Investment Act requires that the Board of Regents review and approve the institution's investment policies each year. Dr. Fowlé recently participated in required training and reviewed the university's policies against standard requirements (compliance checklist shown in Attachment 13-15A). As a result of this review, changes are recommended as shown in Attachment 13-15B.

Approval of Addition Asset Holding Account

13-16. The administration recommends the addition of Charles Schwab to the approved Asset Holding Account companies for MSU. The services of this firm will be used in the investing of the Redwine Funds and will provide a cost savings to the university.

FY 2012-2013 Items \$50,000 & under approved per Board authorization

13-17. In accordance with Board policy, the president authorized the following increases to the current budget. The administration recommends ratification of these budget changes.

From Account:To Account:

<u>Number</u>	<u>Title</u>	<u>Number</u>	<u>Title</u>	<u>Purpose</u>	<u>Amount</u>
23221 3200	Technology Fees	24201 4200	Webmaster	Web server replacements	\$13,668.77
23221 3200	Technology Fees	24600 4600	VP Student Affairs	MAP Works – Freshmen Retention Program	24,825.00
Total					\$38,493.77

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

13-18. The reports of personnel changes in July and August, 2012 are presented for information as shown in Attachment 13-18. Additionally, salary and position changes approved by the president are presented for ratification as shown below.

<u>Current Position</u>	<u>Action</u>	<u>Funding Source</u>	<u>Annual Budget Increase (Decrease)</u>	<u>Net Current FY Actual Cost(Savings)</u>
Four staff positions	Positions filled above and below budgeted amount		\$-4,808	\$-24,525
Director, MSU Cycling	Position held concurrently/new and exiting employee	Salary savings		2,680
Total			\$-4,808	\$-21,845

Salary/Title/Position Changes in 2012-2013 Budget

13-19. The report of personnel changes in September 2012 is presented for information as shown in Attachment 13-19. Additionally, salary and position changes approved by the president are presented for ratification as shown below.

<u>Current Position</u>	<u>Action</u>	<u>Funding Source</u>	<u>Annual Budget Increase (Decrease)</u>	<u>Net Current FY Actual Cost(Savings)</u>
Assistant Professor, College of Science & Math (temporary addition)	Temporary hire during extended sick leave for faculty member	Salary savings	\$24,000	\$24,000
Assistant Professor, College of Science & Math	Received PhD in Spring 2012; increase not included in the budget	Salary savings	8,000	8,000

Secretary II, Continuing Education and Assistant Director of Extended Education	Reorganized area, redistributed duties to Assistant Director, deleted Coordinator position, and added Secretary II position		-2,551	-2,551
Intensive English Language Institute (IELI) Instructor position changed to IELI Program Coordinator	Position changed from faculty to staff and filled below budgeted amount		-322	-322
Tennis Coach, Athletics	Salary adjustment inadvertently omitted from budget	Salary savings	5,000	5,000
Assistant to the Associate Vice President for to Student Affairs	Salary increase due to promotion	Salary savings	1,800	1,800
Coordinator, Testing Center	Title Changed to Computer Based Test Specialist and filled below budgeted amount		-1,206	-1,206
Museum Curator/Registrar	Title Changed to Museum Curator, Collections, and Exhibitions; salary adjustment	Museum M&O budget	1,000	1,000
Museum Coordinator	Title Changed to Museum Facility Operations Manager; salary adjustment	Museum M&O budget	1,004	1,004
Coordinator, Web Content	Title Changed to Coordinator, Social Media		0	0
Eleven staff and faculty positions	Positions filled above and below budgeted amount		8,406	8,406
Total			\$45,131	\$45,131

Testing Fees

- 13-20. The administration recommends approval of the following proposed testing fee increases. These increases are necessary to bring the fees in line with the marketplace and to recoup administrative costs for the university.

<u>Test</u>	<u>Current Fee</u>	<u>Testing Cost</u>	<u>Proposed Fee</u>	<u>Increase</u>
Score It Now	\$20.00	\$13.00	\$30.00	\$10.00
Correspondence	\$10.00	None	\$15.00	\$5.00

Review and Acceptance Voluntary Separation Program

13-21. The administration will recommend approval of a one-time only Voluntary Separation Program (VSP) for faculty and staff who meet specific criteria (see Attachment 13-21A). The criteria requires individuals to meet the State's Rule of 80 (age and years of service combined). The administration will further request authorization to offer the program to faculty and staff who have achieved the Rule of 78 should the participation rate not meet expectations. The administration will finally recommend that MSU Policy 3.141, Voluntary Early Retirement Policy be eliminated from the *MSU Policies and Procedures Manual* (see Attachment 13-21B).

College Instructional Enhancement Fees

13-22. The administration will present a plan to restructure current course fees to a College Instructional Enhancement Fee as shown in Attachment 13-22.

Budget Discussion

13-23. The administration will discuss current fiscal year budget solutions as well as projections for future budgets. Recommendations will be made as necessary.

FINANCE COMMITTEE
ATTACHMENTS

**Summary of Financial Support
Midwestern State University, MSU Foundation
and MSU Charitable Trust**

	9/1/2011 10/18/2011	10/19/2011 1/19/2012	1/20/2012 4/16/2012	4/17/2012 7/15/2012	7/16/2012 8/31/2012	Total Year to Date
MSU University Development	\$ 598,120	\$ 620,027	\$ 5,790,932	\$ 905,894	\$ 661,394	\$ 8,576,367
Gifts in Kind			\$ 7,063	\$ 14,903	\$ 22,637	\$ 44,603
Contributions to MSU Endowments	\$ 1,305	\$ 131,873	\$ 760	\$ 2,250		\$ 136,188
Contributions to MSU Foundation	\$ 111,000	\$ 13,950	\$ 1,107,727	\$ 81,800	\$ 114,531	\$ 1,429,008
Hardin Foundation-Asset Transfer		\$ 324,624				\$ 324,624
President's Excellence Circle						
2010-2011	\$ 8,338	\$ 500	\$ 500	\$ 250		\$ 9,588
2011-2012	\$ 24,485	\$ 160,548	\$ 45,327	\$ 82,723	\$ 44,697	\$ 357,780
2012-2013				\$ 1,000	\$ 4,000	\$ 5,000
Wichita Falls Museum of Art	\$ 6,875	\$ 516,452	\$ 255,015	\$ 9,890	\$ 615	\$ 788,847
Contributed Art		\$ 22,000				\$ 22,000
Annual Fund	\$ 32,790	\$ 139,911	\$ 84,857	\$ 27,596	\$ 17,144	\$ 302,297
Phonathon Contributed Services			\$ 972	\$ 68	\$ 135	\$ 1,175
Alumni Association						
2499 (2011-2012 membership)	\$ 5,505	\$ 4,165	\$ 460	\$ 505	\$ 910	\$ 11,545
(includes 583 lifetime members)	\$ 1,400	\$ 300	\$ 600	\$ 600		\$ 2,900
Mustangs Athletic Club						
Contributed Services	\$ 1,250					\$ 1,250
Cash	\$ 65,116	\$ 72,760	\$ 15,396	\$ 12,542	\$ 69,715	\$ 235,529
Corporate Sponsors - Athletics						
Contributed Services	\$ 190,850	\$ 2,500			\$ 88,400	\$ 281,750
Cash	\$ 45,850	\$ 20,588	\$ 9,750	\$ 3,800	\$ 25,125	\$ 105,113
Other Contributions - Athletics						
Contributed Services	\$ 4,000					\$ 4,000
Cash		\$ 45,690	\$ 3,290			\$ 48,980
Fantasy of Lights	\$ 28,550	\$ 40,157	\$ 15,300	\$ 5,880	\$ 8,250	\$ 98,137
Contributed Services		\$ 2,502				\$ 2,502
Scholarship Funds from Outside Sources	\$ 72,796	\$ 188,686	\$ 93,568	\$ 26,171	\$ 352,989	\$ 734,210
TOTAL	\$ 1,198,230	\$ 2,307,233	\$ 7,431,516	\$ 1,175,872	\$ 1,410,542	\$ 13,523,393

**Summary of Financial Support
Midwestern State University, MSU Foundation
and MSU Charitable Trust**

	9/1/2012 10/19/2012	Total Year to Date
MSU University Development	\$ 374,396	\$ 374,396
Gifts in Kind	\$ 12,550	\$ 12,550
Contributions to MSU Foundation	\$ 9,500	\$ 9,500
President's Excellence Circle		
2011-2012	\$ 2,644	\$ 2,644
2012-2013	\$ 19,050	\$ 19,050
Wichita Falls Museum of Art	\$ 1,250	\$ 1,250
Contributed Art	\$ 33,347	\$ 33,347
Annual Fund	\$ 72,178	\$ 72,178
Phonathon Contributed Services	\$ 1,130	\$ 1,130
Alumni Association		
1241 (2012-2013 memberships)	\$ 6,075	\$ 6,075
(591 lifetime members)	\$ 2,200	\$ 2,200
Athletics		
Mustangs Athletic Club	\$ 39,267	\$ 39,267
Corporate Sponsors -Cash	\$ 37,862	\$ 37,862
Contributed Services	\$ 66,000	\$ 66,000
Fantasy of Lights	\$ 27,805	\$ 27,805
Contributed Services	\$ 1,818	\$ 1,818
Scholarship Funds from Outside Sources	\$ 135,376	\$ 135,376
TOTAL	\$ 842,449	\$ 842,449

Midwestern State University
Redwine Estate Quasi Endowment
August 31, 2012

	<u>Totals</u>	<u>Redwine Endowment</u>	<u>Redwine/Honor's Scholarships</u>
Beginning Fund Balance, 9-1-11	\$ 9,557,116.54	\$ 9,521,491.08	\$ 35,625.46
Funds transferred in	50.00		50.00
Unrealized gain(loss) on 231 Krugerrands	(34,495.23)	(34,495.23)	
Interest Earnings	89.86	48.77	41.09
Ascent Healthcare Stock Distribution	2,058.95	2,058.95	
Investment Managers: (\$3,097,215.00 each)			
JPMorgan Securities:			
Undistributed Income 9-1-11		3,828.07	
Interest & Dividend Income		101,617.95	
Net Realized Gains (Losses)		(44,049.57)	
Investment Fees		(16,950.59)	
Net Income		44,445.86	
Distribution of earnings		(91,667.00)	91,667.00
Unrealized Appreciation (Depreciation)		100,568.02	
Net change	53,346.88	53,346.88	
Luther King Capital Management:			
Undistributed Income 9-1-11		(75,000.00)	
Interest & Dividend Income		65,069.38	
Net Realized Gains (Losses)		(25,033.82)	
Custody Fees		(3,071.08)	
Investment Fees		(13,914.00)	
Net Income		(51,949.52)	
Distribution of earnings		(91,667.00)	91,667.00
Unrealized Appreciation (Depreciation)		470,276.46	
Net change	326,659.94	326,659.94	
Fisher Investments Managers:			
Undistributed Income 9-1-11		(10,263.62)	
Interest & Dividend Income		89,207.04	
Net Realized Gains (Losses)		50,927.60	
Custody Fees		(3,526.49)	
Investment Fees		(36,392.94)	
Net Income		89,951.59	
Distribution of earnings		(91,667.00)	91,667.00
Unrealized Appreciation (Depreciation)		63,998.11	
Net change	62,282.70	62,282.70	
Undistributed gains/losses	145,331.93	145,331.93	
Faculty Salaries			(8,500.00)
Non-Student Wages			(2,100.00)
Fringe Benefits			(2,505.64)
Travel			(990.00)
Honor's Scholarships awarded			(260,300.00)
Total Net Change	555,930.39	555,233.94	696.45
Ending Fund Balance, 8-31-11	\$ 10,113,046.93	\$ 10,076,725.02	\$ 36,321.91

Public Funds Investment Act Compliance Checklist

The following questionnaire is provided as a guide to the requirements of the Public Funds Investment Act (Chapter 2256, Government Code). This checklist does not imply that an Investment Policy or Investment Program is in compliance with the PFIA. Each entity should review its own investment program with its attorneys and auditors to determine its compliance with the Act.

[Section 2256.005(a)(b)] - Policy items

Does your entity have a written investment policy approved by your governing body?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy list the authorized investments for the investment of the entity's funds?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy state the maximum stated maturity of any individual investment and, for pooled fund groups, the maximum dollar-weighted average maturity?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy include methods to monitor the market price of investments and the requirement that all transactions, excluding investment pools and mutual funds, be settled on a delivery versus payment basis?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your policy include methods to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section 2256.021?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.005(d)] - Strategy Items

Has your entity adopted a written investment strategy for each fund or group of funds under its control?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does the strategy describe the objectives for the fund using the priorities of suitability, preservation and safety of principal, liquidity, marketability, diversification, and yield in that order?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.005(e)] - Policy & Strategy Review

Does your governing body review the investment policy and investment strategy at least annually?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does the governing body adopt a written instrument stating that it has reviewed the policy and strategy?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.005(f-i)] - Investment Officers

Has your entity designated one or more officers or employees as Investment Officers?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your entity require its Investment Officer to disclose a personal business relationship with a business organization offering to sell investments to the organization?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Does your entity require its Investment Officer to disclose whether he/she is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the entity?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.005(k-l)] - External Business Policy Certification

Has a written copy of the investment policy been presented to every business organization offering to engage in an investment transaction with the entity, including investment pools, banks, and investment management firms?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has a written instrument from each business organization been received acknowledging that the investment policy has been received and reviewed and that procedures and controls have been implemented to preclude unauthorized transactions?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has a qualified representative as defined in Section 2256.002(10) of each business organization signed the written instrument?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.005(m-n)] - Compliance Audit

Is a compliance audit of management controls on investments and adherence to the entity's established investment policies performed in conjunction with the annual financial audit?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
For state agencies, is a compliance audit performed at least once every two years, and are the results reported to the state auditor not later than January 1 of each even-numbered year?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.007] - Investment Officer Training

Have the applicable training requirements been met?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
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Public Funds Investment Act Compliance Checklist

For state agencies and institutions of higher education, has each governing board member and investment officer attended at least one training session within six months after taking office or assuming duties and attended a training session not less than once each state fiscal biennium?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has each investment officer attended a training session at least once every two years based on the local government's fiscal year and received training from an independent source approved by the governing body?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has the investment officer presented a report to the governing body on changes to the Public Funds Investment Act within six months after the end of each regular legislative session?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>

[Section 2256.008] - Investment Officer Training (cont.)

For local governments, have the treasurer, the chief financial officer, and the investment officer attended at least one training session containing at least 10 hours of instruction within 12 months after taking office or assuming duties?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has each official attended a training session at least once every two years and received at least 10 hours of instruction from an independent source approved by the governing body or a designated investment committee?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
Has an independent source of investment training been approved by the governing body or a designated investment committee?	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
This section does not apply to a district governed by Chapter 36 or 49 of the Water Code.	Present <input type="checkbox"/>	Not Present <input type="checkbox"/>
1. Investment officers of such districts should review the appropriate section of the Water Code for applicable investment training requirements. [Subchapter E, Chapter 36 and 49 of the Water Code, as amended by HB 675, approved by the 77 th Regular Session of the Texas Legislature]		

Investment Type	Restrictions/Qualifications
Obligations Issued, Guaranteed, or Insured by the U.S. or its Agencies and Instrumentalities, including letters of credit [Section 2256.009(a)(1)(4)]	None
Obligations Issued, Guaranteed, or Insured by the State of Texas or its Agencies and Instrumentalities [Section 2256.009(a)(2)(4)]	None
Collateralized Mortgage Obligations [Section 2256.009(a)(3) and (b)(1-4)]*	10 yr. or less stated final maturity date Cannot be either an Interest-Only or Principal-Only CMO Cannot be an inverse floater
Obligations of States (other than Texas), Agencies, Counties, Cities and Other Political Subdivisions [Section 2256.009(a)(5)]	Rated not less than A or its equivalent by at least one nationally recognized investment rating firm
State of Israel Bonds [Section 2256.009(a)(6)]	None
Certificates of Deposit (Section 2256.010)	Issued by a depository institution that has its main office or a branch office in Texas. Must be guaranteed or insured by FDIC or National Credit Union Share Insurance Fund and secured as described in the PFIA or other applicable law.
Brokered Certificates of Deposit	Issued by one or more federally insured depository institutions, wherever located, provided that the funds are invested through a broker or depository institution that has its main office or branch office in Texas. The SEC registered broker is selected from a list adopted by the investing entity as required by 2256.25 and that the full amount of the principal and accrued interest of each certificate of deposit is insured by the U.S. or an instrumentality of the U.S.
Repurchase Agreements (Section 2256.011)	Must be fully collateralized as described in the PFIA Must have a defined termination date
	Securities purchased must be pledged to the entity, held in the entity's name, and deposited with the entity or with a third party selected and approved by the entity
	Placed through a primary dealer or a financial institution doing business in Texas

Public Funds Investment Act Compliance Checklist

	Reverse agreements must not exceed 90 days; securities held as collateral must not mature later than the agreement's expiration date
Securities Lending Program (Section 2256.0115)	Must be collateralized at not less than 100%, including accrued income
	Loans may be terminated at any time
	Loans must be secured as described in the PFIA
	Securities held as collateral must be pledged to the entity, held in the entity's name and deposited with the entity or with a third party selected and approved by the entity
	Placed through a primary dealer or a financial institution doing business in Texas
	Securities lending agreement may not have a term greater than one year
Bankers' Acceptances (Section 2256.012)	270 day or less stated maturity from date of issuance
	Accepted by a bank rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized rating agency
Commercial Paper (Section 2256.013)	270 day or less stated maturity from date of issuance
	Rated not less than A-1 or P-1 or an equivalent by at least two nationally recognized rating agencies, or,
	Rated not less than A-1 or P-1 or an equivalent by one nationally recognized rating agency plus fully secured by an irrevocable letter of credit issued by a domestic bank
No-Load Money Market Mutual Fund [Section 2256.014 (a) and (c)]	Registered with and regulated by the Securities and Exchange Commission
	Provide a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940
	Must have a dollar-weighted average stated maturity of 90 days or less
	Must include in its objectives maintenance of a stable net asset value of \$1 per share
	Investing entity may not own more than 10% of the fund's total assets
Mutual Fund [Section 2256.014 (b) and (c)]	Registered with the Securities and Exchange Commission
	Must have an average weighted maturity of less than two years
	Can only invest in obligations approved by the Act
	Rated not less than AAA or its equivalent by at least one nationally recognized investment rating firm
	Comply with information and reporting requirements for investment pools as described in the Act
	Amount limited to 15% of investing entity's monthly average fund balance, excluding bond proceeds, reserves, and debt service funds.
	Ineligible for investment of bond proceeds, reserves, and debt service funds
	Investing entity may not own more than 10% of the fund's total assets
Guaranteed Investment Contracts (Section 2256.015)	Authorized for bond proceeds investment only
	Must have a defined termination date
	Must be secured by U.S. Government direct or agency obligations approved by the Act in an amount equal to the bond proceeds
	Security must be pledged to the entity and deposited with the entity or a third party

Public Funds Investment Act Compliance Checklist

	Term must be limited to five years from the date of bond issuance, excluding reserves and debt service funds
	Must comply with terms and conditions concerning eligibility as an authorized investment as specified in Section 2256.015(c) of the Act
Investment Pools [Section 2256.016]	Governing body must authorize investment in pool
	Can only invest in obligations approved by the Act
	Provide an offering circular containing information required by the Act
	Provide investment transaction confirmations
	Provide a monthly report containing information required by the Act
	Pool created to function as a money market mutual fund must mark its portfolio to market daily and stabilize at a \$1 net asset value.
	Must have an advisory board as specified by the Act
	Rated not less than AAA or an equivalent rating by at least one nationally recognized rating service.

[Section 2256.020] - Higher Education

For institutions of higher education, if your investment policy has been amended to include the additional investments permitted by the Act, do these investments meet the rating requirements specified by the Act?

Present ☐Not Present ☐**[Section 2256.0201] - Municipal Electric Utility - Hedging**

For a municipality that owns a municipal electric utility, if your investment policy has been amended to include hedging contracts as permitted by the Act, does the hedging transaction comply with the regulations of the Commodity Futures Trading Commission and the Securities and Exchange Commission?

Present ☐Not Present ☐**[Section 2256.0205] - Decommissioning Trust**

If funds are held in a decommissioning trust as defined in the Act, has your investment policy been amended to authorize investment of the trust as permitted by Subtitle B, Title 9, of the Property Code?

Present ☐Not Present ☐**[Section 2256.023] - Investment Reports**

Are investment reports submitted to the governing body at least quarterly?

Present ☐Not Present ☐

Do the reports contain the information required by the Act?

Present ☐Not Present ☐

Do all investment officers sign the reports?

Present ☐Not Present ☐

Do the reports include a statement of compliance of the investment portfolio with the Act and the investment strategy?

Present ☐Not Present ☐

Does an independent auditor review the reports at least annually if your investments include obligations other than money market mutual funds, investment pools, or depository bank investment accounts?

Present ☐Not Present ☐**[Section 2256.003(b)] - Investment Management Firm**

If the entity has contracted with an investment management firm to provide for the investment and management of its public funds or other funds under its control, is the investment management firm registered either under the Investment Advisers Act of 1940 or with the State Securities Board?

Present ☐Not Present ☐

Is the contract with the investment management firm limited to a maximum term of two years with renewal or extension subject to approval of the governing body by order, ordinance, or resolution?

Present ☐Not Present ☐**[Section 2256.025] - Qualified Brokers List**

Has the governing body or designated investment committee adopted a list of qualified brokers?

Present ☐Not Present ☐

Does the governing body or designated investment committee review, revise, and approve the list at least annually?

Present ☐Not Present ☐

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 will be reviewed annually by the Board of Regents. This policy is intended to:

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

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

B. Investment Objectives

1. Safety of Principal:

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

2. Liquidity:

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

3. Public Trust:

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

4. Rate of Return:

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

C. Investment Fund Administration

1. Investment Responsibility

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

least one (1) training session relating to that person's responsibilities within six (6) months after assuming duties and shall attend a training session not less than once in a two (2) year period and prepare a report to the Board of Regents on such training. This training must include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act (Tx Govt Code 2256.007). The university's chief financial officer shall also provide a report within six months of the end of each legislative session on any changes to the Public Funds Investment Act passed that session.

2. Day-to-Day Supervision

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

3. Record Keeping

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

4. Custody

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

D. Investment Strategy - Short-term Operating Funds

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

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

	Minimum	Maximum
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.

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 personal business relationship or relationship within the second degree of affinity or consanguinity affiliation with an individual or another firm or organization to the President and the Internal Auditor. On an annual basis the staff will report the nature and extent of any investments in or business transacted with such firms.

G. Investment Guidelines

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

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.
- c. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States with a maturity of 10 years or less.
- d. Other obligations, the principal of an interest on which are unconditionally guaranteed or insured by the State of Texas or United States.
- e. Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
- f. Certificates of deposit issued by state and national banks having a main office or branch office 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 having a main office or branch office 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 and will include monitoring any rating changes in the university's investments. 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). The university Internal Auditor will perform a compliance audit at least once every two years with results reported to the State Auditor, President, and the Board of Regents not later than January 1 of each even-numbered year.

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 Northwestern 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.

Summary of the Personnel Position Status Reports for 9/1/11 – 8/31/12

September 2011 Academic Advisor, BAAS Program
Net position change: +.75 (Professional Non-Faculty)
Ratified by Board of Regents, 11/11/11

Secretary II, Department of Chemistry, Physics, & Geosciences
Net position change: +1 (Clerical and Secretarial)
Ratified by Board of Regents, 11/11/11

April 2012 Secretary I, Clark Student Center – position deleted
Net position change: -1 (Clerical and Secretarial)
Ratified by Board of Regents, 8/10/12

Custodian, Clark Student Center – position deleted
Net position change: -1 (Service and Maintenance)
Ratified by Board of Regents, 8/10/12

Coordinator, Clark Student Center
Net position change: +1 (Professional Non-Faculty)
Ratified by Board of Regents, 8/10/12

Technical Analyst, Information Systems
Net position change: +1 (Technical and Paraprofessional)
Ratified by Board of Regents, 8/10/12

June 2012 Changed Instructor to Academic Counselor, Academic Success Center
Net position change: 0 (-1 Regular Faculty; +1 Professional Non-Faculty)
Ratified by Board of Regents, 8/10/12

Total net new positions as of 8/31/12 = +1.75

Midwestern State University Reporting of Personnel Changes
Fiscal Year 2011-2012
July-August

I. ENTERING EMPLOYEES

1. Danny Boren – Audio Visual Technician, Information Technology – 07/01/12
2. Leon Clark – Groundskeeper, Facilities Services – 07/01/12
3. Steven Fisher - Groundskeeper, Facilities Services – 07/01/12
4. Laura Komenda – Admissions Evaluator, Admissions – 07/0/12
5. Jonathan Shirey – Webmaster, Marketing and Public Information – 07/0/12
6. Lynn Little – Professor/Dean, College of Science and Mathematics – 08/01/12
7. Betty Stewart – Provost/Vice President Academic Affairs – 08/01/12
8. John Mark Weller – Machinist Technician, Engineering – 08/06/12
9. Steven Zamastil – Director, MSU Cycling Team – 08/07/12
10. Hillary Coenen – Honors Program Coordinator – 08/16/12
11. Ben Atkins – Instructor, Criminal Justice – 08/20/12
12. June Azua – Assistant Professor, Education – 08/20/12
13. Jamie Buchanan – Assistant Professor, Nursing - 08/20/12
14. Jesse Carlucci – Assistant Professor, Chemistry, Geology & Geosciences - 08/20/12
15. Duron Cranford – Instructor, Nursing – 08/20/12
16. John Dement – Associate Professor, Theatre – 08/20/12
17. Katherine Gilbert – Instructor, Foreign Language – 08/20/12
18. Todd Giles – Assistant Professor, English - 08/20/12
19. Leigh Hope – Visiting Assistant Professor, Social Work - 08/20/12
20. Tommye Hutson – Assistant Professor, Education – 08/20/12
21. Niyati Kataria – Assistant Professor, Management/Marketing - 08/20/12
22. Ann Marie Leimer – Associate Professor/Chair, Art - 08/20/12
23. Christina McIntyre – Assistant Professor, Education – 08/20/12
24. Danny Matthews – Assistant Professor, Accounting – 08/20/12.
25. Kelly Medellin – Visiting Instructor – Education – 08/20/12
26. Jackie Miller – Visiting Assistant Professor, Radiologic Science – 08/20/12
27. Nagaraj Nagaraj – Visiting Assistant Professor, Physics – 08/20/12
28. Paul Nagel – Associate Professor, Education – 08/20/12
29. Tommy Seals – Instructor, Computer Science- 08/20/12
30. Leland Turner – Assistant Professor, History - 08/20/12
31. Raymond Willis – Assistant Professor, Biology - 08/20/12
32. Bradley Wilson – Assistant Professor, Mass Communication - 08/20/12
33. Shanna Tole – Medical Radiologic Technician – Vinson Health Center – 08/27/12
34. Merlinda Martinez – Human Resources Assistant II – 08/27/12

II. EXITING EMPLOYEES

1. Kimberly Boggs – Computer Based Test Center Administrator, Career Management Center & Testing Services – 07/14/12
2. Barbara Nemecek – Professor/Dean, Dillard College of Business – 08/15/12
3. Thomas McNeely – Instructor, Intensive English Language – 07/31/12
4. Earl Cofer – Custodian, Housing – 07/31/12
5. Camille Seaberry – Secretary I, Marketing and Public Information – 07/31/12
6. Shelby Wolf – Human Resources Assistant II – 08/09/12
7. Melonie Wynn – Custodian, Housing – 08/10/12
8. Linda Lilienthal – Assistant Professor, Education – 08/13/12
9. Joshua Packard – Assistant Professor, Sociology – 08/13/12
10. Michelle Twilligear – University Nurse, RN – 08/13/12
11. Jammie Wilbanks – Assistant Professor, Radiologic Science- 08/14/12
12. Dominique Calhoun – Coordinator, Multicultural Affairs – 08/17/12
13. Terri Nowicki – Registrar Assistant I – 08/17/12
14. Rebecca Fernandez – Associate University Librarian – 08/17/12
15. Paula Vaughn – Secretary II, Regional Simulation Center – 08/21/12
16. Melissa Childs – Registrar Assistant III – 08/24/12
17. Gloria Chapa- Academic Coordinator, Upward Bound – 08/26/12
18. Julie Carter - Director, Cycling – 08/31/12
19. Dana Wood – Director, Upward Bound – 08/31/12

III. RETIRING EMPLOYEES

1. Peggy Boomer – Director, Student Medical Services, Vinson Health Center – 08/31/12
2. Ann Estrada – Associate Professor/Chair, Education – 08/31/12
3. Margaret Hammer – Assistant Professor, Education – 08/31/12
4. Michael Land – Professor, Education – 08/31/12
5. Neta Roberts – Coordinator, Continuing Education – 08/31/12
6. Kathryn Quashnock – Stockroom Manager/Inventory Coordinator – 08/31/12
7. Robert Redmon – Associate Professor, Education – 08/31/12
8. Juan Sandoval – Vice President, Business Affairs and Finance – 08/31/12

MIDWESTERN STATE UNIVERSITY
 PERSONNEL POSITION STATUS REPORT
 July 31, 2012

POSITIONS	APPROVED BUDGET			POSITIONS			TOTAL POSITIONS			SALARY			FILLED POSITIONS			VACANT POSITIONS			TOTAL CURRENT		
	9/1/2011	FTE	AMOUNT	ADDED	FTE	AMOUNT	ADDED	FTE	AMOUNT	ADDED	(SAVED)	ADDED	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	AMOUNT
EXEC, ADMIN & MANAGERIAL	45.75		4,127,085			45.75		4,127,085		0		44.13		4,040,318	1.62		86,767		45.75		4,127,085
REGULAR FACULTY	243.52		15,080,082	(1.00)		242.52		15,045,778		654		232.64		14,868,367	9.88		178,065		242.52		15,046,432
PROFESSIONAL NON-FACULTY	132.94		5,482,504	2.75		135.69		5,564,516		26,493		129.87		5,425,742	5.82		165,267		135.69		5,591,009
CLERICAL AND SECRETARIAL	100.71		2,302,542	0.00		100.71		2,283,150		(10,383)		93.21		2,159,509	7.50		113,258		100.71		2,272,767
TECH & PARAPROFESSIONAL	20.00		895,718	1.00		21.00		955,718		(1,814)		21.00		953,904	0.00		0		21.00		953,904
SKILLED CRAFT	34.00		1,090,967			34.00		1,090,967		7,799		33.00		1,098,766	1.00		0		34.00		1,098,766
SERVICE & MAINTENANCE	67.00		1,330,480	(1.00)		66.00		1,334,512		1,761		63.00		1,285,837	3.00		50,436		66.00		1,336,273
POLICE	14.00		478,137			14.00		478,137		2,500		14.00		480,637	0.00		0		14.00		480,637
GRAND TOTALS	657.92		30,787,515	1.75		659.67		30,879,863		27,010		630.85		30,313,080	28.82		593,793		659.67		30,906,873

MIDWESTERN STATE UNIVERSITY
PERSONNEL POSITION STATUS REPORT
August 31, 2012

POSITIONS	APPROVED BUDGET		POSITIONS		SALARY		TOTAL POSITIONS		FILLED POSITIONS		VACANT POSITIONS		TOTAL CURRENT	
	9/1/2011	FTE	AMOUNT	ADDED	(DELETED)	FTE	AMOUNT	(SAVED)	ADDED	FTE	AMOUNT	FTE	AMOUNT	POSITIONS
EXEC, ADMIN & MANAGERIAL	45.75	45.75	4,127,085			45.75	4,127,085	0	44.13	4,040,318	1.62	86,767	45.75	4,127,085
REGULAR FACULTY	243.52	243.52	15,080,082	(1.00)	(34,304)	242.52	15,045,778	654	232.64	14,868,367	9.88	178,065	242.52	15,046,432
PROFESSIONAL NON-FACULTY	132.94	132.94	5,482,504	2.75	82,012	135.69	5,564,516	26,493	129.87	5,425,742	5.82	165,267	135.69	5,591,009
CLERICAL AND SECRETARIAL	100.71	100.71	2,302,542	0.00	(19,392)	100.71	2,283,150	(11,656)	93.21	2,158,236	7.50	113,258	100.71	2,271,494
TECH & PARAPROFESSIONAL	20.00	20.00	895,718	1.00	60,000	21.00	955,718	(1,814)	21.00	953,904	0.00	0	21.00	953,904
SKILLED CRAFT	34.00	34.00	1,090,967			34.00	1,090,967	7,799	33.00	1,098,766	1.00	0	34.00	1,098,766
SERVICE & MAINTENANCE	67.00	67.00	1,330,480	(1.00)	4,032	66.00	1,334,512	1,761	63.00	1,285,837	3.00	50,436	66.00	1,336,273
POLICE	14.00	14.00	478,137			14.00	478,137	2,500	14.00	480,637	0.00	0	14.00	480,637
GRAND TOTALS	657.92	657.92	30,787,515	1.75	92,348	659.67	30,879,863	25,737	630.85	30,311,807	28.82	593,793	659.67	30,905,600

Summary of the Personnel Position Status Reports for 9/1/12 – 9/30/12

September 2012 Changed Instructor to Program Coordinator, IELI
Net position change: 0 (-1 Regular Faculty; +1 Professional Non-Faculty)
Presented for Ratification by Board of Regents, 11/16/12

Changed Coordinator to Secretary II, Continuing Education
Net position change: 0 (-1 Professional Non-Faculty; +1 Clerical and Secretarial)
Presented for Ratification by Board of Regents, 11/16/12

Total net new positions as of 9/30/12 = +0.00

Midwestern State University Reporting of Personnel Changes
Fiscal Year 2012-2013
September

I. ENTERING EMPLOYEES

1. Nathaniel Blank – Stockroom Manager/Inventory Clerk – 09/01/12
2. Francine Carraro – Director, Museum – 09/01/12
3. Brinton Tench Coxe – Program Coordinator, Intensive English Language Institute – 09/01/12
4. Marilyn Fowle – Vice President, Business Affairs and Finance – 09/01/12
5. Matthew Steimel – Coordinator, Social Media – 09/01/12
6. Claudio Rodriguez Medina – Complex Coordinator, Sunwatcher Village – 09/01/12
7. Karlene Rogers – Registrar Assistant I – 09/14/12
8. Laura Salazar – Registrar Assistant I – 09/24/12
9. Edith Justice – Computer Based Test Center Specialist – 09/25/12

II. EXITING EMPLOYEES

1. Donald Bales – Custodian, Housing – 09/28/12

III. RETIRING EMPLOYEES

1. L.O. Nelson – Assistant Director, Small Business Development Center – 09/30/12

MIDWESTERN STATE UNIVERSITY
PERSONNEL POSITION STATUS REPORT
September 30, 2012

POSITIONS	APPROVED BUDGET		POSITIONS		ADDED (DELETED)		TOTAL POSITIONS		SALARY		FILLED POSITIONS		VACANT POSITIONS		TOTAL CURRENT	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	ADDED	(SAVED)	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
EXEC, ADMIN & MANAGERIAL	46.50	4,355,175			46.50	4,355,175	46.50	4,355,175	17,356	45.59	4,317,019	0.91	55,512	46.50	4,372,531	
REGULAR FACULTY	242.21	14,689,690	(1.00)	(41,236)	241.21	14,648,454	241.21	14,451,833	950	228.21	14,451,833	13.00	197,571	241.21	14,649,404	
PROFESSIONAL NON-FACULTY	129.09	5,341,662	0.00	12,576	129.09	5,354,238	129.09	5,362,410	8,172	128.09	5,362,410	1.00	0	129.09	5,362,410	
CLERICAL AND SECRETARIAL	100.21	2,287,548	1.00	19,248	101.21	2,306,796	101.21	2,221,127	(2,773)	96.21	2,221,127	5.00	82,896	101.21	2,304,023	
TECH & PARAPROFESSIONAL	22.00	983,904			22.00	983,904	22.00	983,832	(72)	22.00	983,832	0.00	0	22.00	983,832	
SKILLED CRAFT	33.00	1,098,766			33.00	1,098,766	33.00	1,098,766		33.00	1,098,766			33.00	1,098,766	
SERVICE & MAINTENANCE	66.00	1,317,217			66.00	1,317,217	66.00	1,249,969		61.00	1,249,969	5.00	67,248	66.00	1,317,217	
POLICE	14.00	480,637			14.00	480,637	14.00	480,637		14.00	480,637			14.00	480,637	
GRAND TOTALS	653.01	30,554,599	0.00	(9,412)	653.01	30,545,187	653.01	30,165,593	23,633	628.10	30,165,593	24.91	403,227	653.01	30,568,820	

**Midwestern State University
Voluntary Separation Program
(proposed to Board of Regents, November, 2012)**

Midwestern State University is presenting a one-time only Voluntary Separation Program (VSP) for faculty and staff who meet specific criteria. Those who choose to separate voluntarily will receive 50% of their 2012-2013 budgeted base salary in a lump sum, less applicable taxes.

To be eligible for the program, employees must meet each of the following criteria: (1) have been employed continuously (without a break in service) by Midwestern State for a minimum 10 years; (2) hold a full-time, benefits-eligible position; (3) meet the State's Rule of 80. To determine if they meet the Rule of 80, employees should add their age as of August 31, 2013, to the total number of years in which they have been employed by the State of Texas (includes employment at MSU and any other State of Texas institution or agency—verification required). If the two numbers total 80 or more, the Rule of 80 has been satisfied. In the case that the university does not receive enough participation, consideration will be made to lower the participation number to 78.

In choosing to participate in the Voluntary Separation Program, employees agree to leave the institution voluntarily. Those who separate in this manner may (1) retire formally and take steps necessary to receive their accrued ORP or TRS retirement benefits or (2) seek employment elsewhere. The responsibility for determining if employees are eligible to receive ORP or TRS benefits shall rest solely with the employees. Those considering retirement should consult their financial advisors and the Human Resources Department to determine their eligibility to receive retirement benefits.

Employees who choose to participate in the VSP may not be rehired in a full-time, benefits eligible position at Midwestern State for a period of three years. Temporary and part-time employment is allowed at the discretion of the university's administration. Tenured faculty participating in the program relinquish their tenure status upon separation.

Employees who choose to participate in the program must formalize their separation from the university in writing by April 1, 2013, and terminate between July 1, 2013, and August 31, 2013. Those initiating voluntary separation will receive a supplemental payment prior to October 1, 2013, representing 50% of their 2012-2013 base-budgeted salary. The basis of the calculation is limited solely to participants' 2012-2013 base-budgeted salaries and shall not include any one-time bonus payments, overload pay, stipends, longevity pay, hazardous duty pay, summer school salary, or other miscellaneous payments. For full-time staff, the amount of the payment will equal six months of pay, less applicable taxes. For faculty employed on a nine-months' contract, the supplemental payment will equal 4.5 months of their nine-months' contracted salary, less applicable taxes. No retirement plan deductions or matching contributions to TRS or ORP will be deducted from the supplemental payment. Benefits for those participating in the program will terminate on either July 31, 2013, or August 31, 2013, depending on which date employees have chosen to separate.

Employees participating in the program who have not exhausted all their accrued vacation time may (1) use their vacation time before separation from the university or (2) receive an additional payment equal to their accrued time. Employees may use vacation time through the date of their formal separation from the university. (Faculty on nine-months' contracts do not accrue vacation time.)

The program will be announced and information distributed to university employees in January 2013. Those qualifying for the program will be notified by the Department of Human Resources. The deadline by which such employees must choose to participate in the program is March, 13, 2013. By that date, employees must have informed their supervisor and Human Resources personnel in writing of their intent. Once employees declare their intention to separate, a formal agreement between the university and each employee will be written. Employees must sign the agreement no later than April 1, 2013. Once signed, the agreement is irrevocable.

Employees who do not inform the Department of Human Resources of their intent to participate in the program in the manner specified above forfeit their opportunity to participate in the program.

3.141 Provost and Vice President for Academic Affairs

VOLUNTARY EARLY RETIREMENT POLICY

Date Adopted/Most Recent Revision: 11/07/03 **RECOMMEND DELETION OF POLICY**

A. Eligibility

All full-time faculty members who have reached the age of sixty (60) years and who have credit for ten (10) or more years with the Teacher Retirement System of Texas or ten (10) years of participation with an approved Optional Retirement Plan will be permitted to participate in this program if approved by the President of the university.

B. Notification

A faculty member who desires to participate in this program should notify the university ninety (90) days prior to the beginning of the academic year in which the early retirement would take effect.

C. Implementation

Not later than the member's date of retirement under TRS or ORP or the end of the academic year in which notice of the election to participate is given, whichever is earlier, the faculty member will relinquish his/her status as a full-time faculty member, including tenure rights held. Commencing with the academic year following the required notice of the election to participate in this program, the university will employ the faculty member at a monthly work load less than one-half of the work load established by the university for its full-time faculty (employment only to teach one accelerated or mini-course per semester will be considered employment at less than one-half of the monthly full-timework load provided that the number of semester hours for the course are less than one-half of the number of semester hours which are considered a full-time load for the semester at that teaching level).

D. Compensation

For such reduced work load, and during its continuance, the university will pay to the participant a compensation to be determined as follows:

1. During the academic year in which the participant is sixty (60) years of age, he/she will receive in each academic year an agreed upon salary which shall not be less than one-third of the salary which he/she was earning during the year immediately prior to beginning participation in this program or one-third of his/her best three year average nine month salary, whichever is greater (unless other remuneration is mutually agreed upon for lesser amounts of teaching). At the option of the participant, such salary will be paid in either nine (9) or twelve (12) equal installments.
2. Beginning with the academic year following the birthday on which the participant may draw full social security benefits, the participant will receive a salary which shall equal but not exceed the maximum which a person of the participant's age is permitted to earn while receiving full social security benefits. However, under no circumstances shall such

salary exceed one-half of that which the participant was receiving for a comparable time period immediately prior to beginning participation or one-half of his/her best three-year, average nine-month salary, whichever is greater. At the option of the participant, such salary shall be paid in either nine (9) or twelve (12) equal installments.

3. The participant may choose to avail himself/herself of social security benefits which are available at an age younger than that at which full benefits are available. If such a choice is made, the salary then being paid by the university will be reduced to the maximum which a person of participant's age shall then be allowed to earn while receiving social security benefits. Under no circumstances shall the salary exceed one-half of that which the participant was earning for a comparable time period immediately prior to beginning participation or one-half of his/her best three-year, nine-month average salary, whichever is greater.

E. Work Loads

The work load assumed by a participant will generally consist of a teaching assignment during one or both of the long semesters in each academic year. Such teaching assignment will normally be a time mutually agreed upon and within an area of the participant's primary area of specialization. If such a teaching assignment is unavailable for any reason, the participant may select a teaching assignment within his/her competency or, by mutual agreement with the university, agree to engage in other activities on behalf of the university which will be deemed the equivalent of such teaching assignment. However, under no circumstances shall the participant's work load be one-half or more of the monthly work load established by the university for its full-time faculty (employment only to teach one accelerated or mini-course per semester will be considered employment at less than one-half of the monthly full-time work load, provided that the number of semester hours for the course are less than one-half of the number of semester hours which are considered a full-time work load for the semester at that teaching level).

F. Entitlements

The participant shall be entitled to such benefits and amenities as allowed by state law and university policy.

G. Incapacitation

The participant and university agree that should the participant become physically or mentally unable to continue the reduced work load, the university will continue to pay to participant his/her salary as provided herein until the end of the academic year in which the participant could not perform his/her work load. At the end of such academic year, the obligation of the university under this policy shall be terminated.

H. Reinstatement

Should state or federal law change or be interpreted to prohibit the purpose of any provision of this agreement, the participant shall, if he/she chooses, be reinstated by the university to the rank, salary, and tenure status held at the date

of his/her election to participate in this program. In the event of such reinstatement, however, the participant may not be a member of the Teacher Retirement System of Texas or the Optional Retirement Program, except as provided by law. The TRS or ORP participant who is reinstated will be subject to all laws and rules governing employment after retirement including those providing for forfeiture of benefits received for the period during which he/she had returned to full-time status.

- I. One-Semester Option. A faculty member participating in the voluntary reduction in employment program may be permitted the option of combining the part-time teaching for a full year in one semester, thereby teaching the nine months load in one semester and having the other semester for personal pursuits. (Please consult with the Teacher Retirement System concerning monthly work load report rules interpretation for Item I.)
- J. Governance
A participant's eligibility to draw retirement benefits from TRS or ORP contract and his/her eligibility for membership in TRS or ORP will be governed by the laws and rules governing such eligibility and not by this policy.

Midwestern State University
Course Fee to Instructional Enhancement Fee Proposal

Fiscal Year 2013										Instructional Enhancement Fee Proposal				Course Fee Current Range
	Course Fee Budgets	Graduate Assts	Assessment*	Desire 2 Learn*	Academic Equipment*	Budgeted Expense	Estimated		Cost per SCH	Proposed Rate	Estimated Revenue			
							SCH							
College of Humanities	\$ 76,430	\$ 290,000	\$ 5,115	\$ 10,962	\$ 11,000	\$ 393,507	38,381	\$ 10,253	\$ 11.00	\$	422,191	\$5 - \$7		
College of Science	296,601	227,000	13,951	29,896	30,000	597,448	34,208	17,465	18.00		615,744	\$5 - \$25		
College of Education	119,129	38,000	3,255	6,976	7,000	174,360	11,000	15,851	16.00		176,000	\$7		
College of Health	570,836	120,000	8,603	18,436	18,500	736,375	32,706	22,515	23.00		752,238	\$5 - \$55		
College of Fine Arts	129,777	-	6,975	14,948	15,000	166,700	11,100	15,018	15.00		166,500	\$5 - \$12		
College of Business	17,734	82,000	8,603	18,436	18,500	145,273	19,000	7,646	8.00		152,000	\$7 - \$15		
College Connection	7,125					7,125	1,876	3,798	5.00		9,380	\$5		
BAA\$	22,129					22,129	135	163,919	5.00		675	\$5		
Subtotal	\$ 1,239,761	\$ 757,000	\$ 46,503	\$ 99,652	\$ 100,000	\$ 2,242,916	148,406				\$ 2,294,728			
Total Course Fee Revenue for FY 2012													\$ 2,272,912	
* Divided based on faculty per college														

* Divided based on faculty per college

AUDIT, COMPLIANCE, AND
MANAGEMENT REVIEW
COMMITTEE

Audit, Compliance, and Management Review Committee

Membership

Sam Sanchez, Chairman
Tiffany Burks
Charles Engelman
Jeff Gregg

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Reading and Approval of Minutes

13-24. The minutes of the Audit, Compliance, and Management Review Committee meeting August 9, 2012, will be recommended for approval of the committee as shown in the minutes' section of this agenda as Minutes Attachment 13-24.

Historically Underutilized Business Year-End Report – FY 2012

13-25. This report is presented as shown in Attachment 13-25 as a point of information only.

Report on Audit Activities

13-26. The committee will receive information concerning university audit activities.

Report on Contract Activities

13-27. The committee will receive information concerning contract management and review activities, to include interagency local agreements.

Status of Construction Projects

13-28. Information regarding current major construction projects will be presented as shown in Attachment 13-28. Additional information will be presented as necessary.

MSU Policies and Procedures Manual Changes

13-29. During the August, 2012 board meeting, the board asked the administration to ensure a policy was included in the *MSU Policies and Procedures Manual* to address training for faculty, staff, and volunteers on strategies for recognizing and preventing child abuse, as well as required reporting requirements. A proposed new policy will be recommended for approval as shown in Attachment 13-29A. Additionally, a revised Policy 4.169 (Summer Camps and Conferences) will be recommended for approval as shown in Attachment 13-29B. In addition to minor wording changes, the policy includes a statement of guidelines for required sexual abuse and child molestation prevention training.

AUDIT, COMPLIANCE, AND
MANAGEMENT REVIEW
COMMITTEE ATTACHMENTS

MIDWESTERN STATE UNIVERSITY
 HISTORICALLY UNDERUTILIZED BUSINESSES (HUB) EXPENDITURES
 COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

State Wide HUB Goals	Procurement Category	MSU HUB Expenditures FY 2010 Actual %	MSU HUB Expenditures FY 2010 Actual \$	Total Expenditures FY2010	MSU HUB Expenditures FY 2011 Actual %	MSU HUB Expenditures FY 2011 Actual \$	Total Expenditures FY2011
11.90%	Heavy Construction	29.8	\$ 12,918	\$ 43,262	53.45%	\$ 22,600	\$ 42,286
26.10%	Building Construction	85.3	\$ 1,824,061	\$ 2,136,756	84.57%	\$ 588,775	\$ 696,217
57.20%	Special Trades Construction	37.7	\$ 980,730	\$ 2,599,495	50.19%	\$ 337,958	\$ 673,345
20.00%	Professional Services	0	\$ -	\$ -	59.51%	\$ 26,000	\$ 43,689
33.00%	Other Services	50.1	\$ 105,902	\$ 211,138	51.34%	\$ 88,817	\$ 173,005
12.60%	Commodities	24.5	\$ 213,884	\$ 873,099	24.76%	\$ 220,481	\$ 890,453

State Wide HUB Goals	Procurement Category	MSU Annual HUB Expenditures FY 2012 Actual %	MSU Annual HUB Expenditures FY 2012 Actual \$	FY2012
11.20%	Heavy Construction	45.69%	\$ 93,046	\$ 203,658
21.10%	Building Construction	61.15%	\$ 214,689	\$ 351,082
32.70%	Special Trades Construction	35.79%	\$ 411,985	\$ 1,151,108
23.60%	Professional Services	100.00%	\$ 65,606	\$ 65,606
24.60%	Other Services	67.03%	\$ 16,263	\$ 24,262
21.00%	Commodities	47.27%	\$ 502,761	\$ 1,063,509

Status of Board-Approved Construction Projects

Project	BOR Project Approval Date	BOR Approved Project Budget	Architect/Engineering Firm Approved	Design	Project Bidding	Bids Due	Contract		Project Ready to Use
							Reviewed and Signed	Construction	
McCoy Engineering Hall Addition	5/11/2012	\$1,600,000	5/10/2012 Harper Perkins Architects Local/HUB Vendor	Began 8/1/2012, 95% complete	12/1/2012				5/31/2014
Christ Academy/ Counseling Center	5/11/2012	\$2,000,000	7/11/2012 Harper Perkins Architects Local/HUB Vendor	Began 9/1/2012, 15% complete	3/11/2012				8/31/2014
Demolish Old Band Hall & Biology House	5/11/2012	\$160,000	N/A	-	-	-	-	100% complete	12/31/2012 - -
Parking lot - Old Band Hall / resurface McCoy; Biology / UPD	5/11/2012	\$730,000	7/11/2012 Proven Cornerstone Engineering Local Vendor	Began 9/1/12, 100% complete	-	11/5/2012	12/3/2012		6/30/2013
Dalquest Water Well	Not req'd	\$42,500	N/A	N/A	6/13/2012	8/2/2012	9/1/2012	11/9/2012, 90% complete	11/30/2012

Proposed New Policy

4.129 President's Office

PROTECTION OF MINOR CHILDREN ON CAMPUS

Date Adopted/Most Recent Revision:

Midwestern State University is committed to providing a safe campus environment for students, faculty, staff, and visitors. Although the university admits relatively few students under the age of 18, minors regularly participate in special camps and programs on the MSU campus. The university provides training for faculty, staff, and volunteers on strategies for recognizing, preventing, and reporting child abuse and neglect in accordance with state law.

A. Definition of a Child

The Texas Administrative Code, Title 25, Part 1, Chapter 1, defines a child as "A person under 18 years of age who is not and has not been married or who has not had the disabilities of minority removed for general purposes."

B. Texas Administrative Code (TAC)

Child sexual abuse or molestation is criminal behavior that involves children in sexual behaviors for which they are not personally, socially, or developmentally ready. TAC 25, Rule 1.203 defines Sexual Abuse as "Any sexual activity including any involuntary or nonconsensual sexual conduct that would constitute an offense under Penal Code 21.08 (indecent exposure) or Chapter 22 (assaulting offenses)."

C. Texas Penal Code

Section 38.17 - Failure to Stop or Report Aggravated Sexual Assault of a Child

A person who is not a parent or legal guardian or who has not assumed care, custody, or control of a child (younger than 14 years of age), commits an offense if the person observes the commission of attempted commission of an offense prohibited by Section 21.02 (Continuous Sexual Abuse of a Young Child or Children) or Section 22.021 (a)(2)(b) (Aggravated Sexual Assault of a Victim Younger than 14 Years of Age) under circumstances in which a reasonable person would believe that an offense of a sexual or assaultive nature was being committed or was about to be committed against the child; the person fails to assist the child or immediately report the commission of the offense to a peace officer or law enforcement agency; and the person could assist the child or immediately report the commission of the offense without placing himself or herself in danger of serious bodily injury or death.

Section 38.171 - Failure to Report Felony

A person commits an offense if the person observes the commission of a felony under circumstances in which a reasonable person would believe that an offense had been committed in which serious bodily injury or death may have resulted; and fails to immediately report the offense to a peace officer or law enforcement agency when a reasonable person would believe that the offense had not been reported and the person could immediately report the offense without placing himself or herself in danger of suffering serious bodily injury or death.

Failure to assist the child or to immediately report the offense (Section 38.17) or to report a felony (Section 38.171) is a Class A misdemeanor punishable by confinement in jail up to one year and/or a fine of up to \$4,000.

D. Texas Family Code

Section 261.101 – Persons Required to Report; Time to Report

Any person having cause to believe that the physical or mental health or welfare of a child (under 18 years of age) has been adversely affected by abuse or neglect by any person must immediately make a report to any local or state law enforcement agency, or the department of Family and Protective Services.

Professionals (definition includes teacher) must make a verbal report within 48 hours.

Failure to report suspected child abuse or neglect is a Class A misdemeanor punishable by confinement in jail up to one year and/or a fine of up to \$4,000. This law also provides that protection for those who, in good faith, report or assist in the investigation of alleged or known abuse or neglect (Section 261.106). The immunity provided by law includes both civil and criminal liability.

E. Texas Education Code

Section 51.976 - Sexual Abuse and Child Molestation Prevention Training

Within five days of employment, every employee or volunteer working in a program involving contact with minors or in a youth camp operated on or by the campus of the University must successfully complete a training and examination program on the warning signs and prevention of sexual abuse and child molestation provided by the University and approved by the Texas Department of State Health Services.

Documentation verifying successful completion of the training shall be maintained in the employees' personnel files by the Human Resources Department and in the Office of the Coordinator of Summer Camps. Training must be repeated at least every two years. Failure to complete the prescribed training as required will result in termination of employment or volunteer service in a capacity involving contact with minors.

To ensure that all MSU employees are familiar with the requirements to prevent and report possible child abuse, every university employee working in any capacity shall be required to complete a program of child protection training. Newly hired employees not working in contact with minor children shall complete training within 30 days of hire and the training must be repeated by active employees every two years. Documentation of the employees' training will be maintained in the Human Resources Department.

F. Reporting Suspected or Known Abuse or Neglect

When a child appears to be in immediate danger of serious harm, call 911 or the nearest law enforcement department to ensure the fastest possible response time to protect the child.

1. Contact Numbers:

- a. Emergency assistance 9-1-1
 - b. MSU Police Department(940) 397-4239
 - c. Department of Family and Protective Services 1-800-252-5400
2. The person reporting should provide, whenever possible:
 - a. the child's name, description, age and address;
 - b. the name and address of the person responsible for the care, custody, or welfare of the child; and,
 - c. any other information to help authorities assist the child (who, what, when, where).
3. Non-emergency incident reporting
 - a. Contact the Texas Department of Family and Protective Services hotline:
 - b. Texas Abuse, Neglect, and Exploitation Reporting System
 - c. <http://www.txabusehotline.org/Login/>

4.169 Student Affairs & Enrollment Management
SUMMER CAMPS AND CONFERENCES
Date Adopted/Most Recent Revision: 2/13/93

A. General

A summer camp or conference is an activity that promotes the University's overall mission of quality education. A summer camp or conference will include any event that extends for two (2) or more days.

B. Use of University Facilities

All summer camps and conferences sponsored by the university, individual members of the faculty or administration, or off-campus groups which require the use of university facilities or services must be approved by the President upon recommendation of the Vice President for Student Affairs & Enrollment Management. At least six (6) weeks prior to the start of the activity, ~~the~~ sponsor(s) of the program shall seek approval by submitting a completed Letter Agreement with supporting documents to the Vice President for Student Affairs and Enrollment Management Coordinator of Summer Camps. ~~at least six (6) weeks prior to the start of the activity.~~

C. Administrative Fee

Each camp will remit to the university an administrative fee for each participant. The fee will cover building/facility use, medical insurance, and other administrative costs. A camp base service fee will be ~~Twelve Dollars (\$12.00)~~ assessed for each participant that attends any summer camp activity and will be in addition to any charges for university housing or food service.

D. Guidelines for University-Sponsored Events

For university-sponsored functions, the following guidelines must be met:

1. Determination of the salaries to be paid to summer camp directors:

- a. The salary payment must be approved by the senior administrator of the division sponsoring the camp.
- b. The salary will only be paid at the first pay period following the close of the camp.
- c. The maximum allowable salary of the camp director will be a part of the budget approved by the President.
- d. The maximum salary will be no greater than the funds remaining after all camp expenses are paid.
- e. ~~If the director is on a twelve (12) month contract or is teaching full-time at the time the camp is offered, that person cannot be compensated for the camp.~~

- f. All salary payments will be made through the university payroll system and all applicable state and federal payroll taxes, Teacher Retirement System and Optional Retirement contributions will be deducted.
2. A completed summer camp budget will be submitted with the Letter Agreement.
3. All budgetary transactions will be channeled through the Business Office with all accounts kept in the Business Office.
4. The director will ensure that the camp will be in the highest standards of excellence through instruction following the mission of the university.

E. Guidelines for Non-University Sponsored Events

For non-university sponsored functions, the following guidelines will be met.

1. The director will be responsible for the payment of wages, the collection and reporting of payroll taxes, and the collection and payment of any benefits eligible to event employees.
2. ~~If the director is on a twelve (12) month contract or is teaching full time at Midwestern State University at the time the camp is offered, that person cannot be compensated for the camp.~~
3. The director will ensure that the camp will be in the highest standards of excellence through instruction following the mission of the university.
4. The director will ensure that the title of "Midwestern State University" will not be used in the camp title as a sponsoring agent.
5. The director will ensure that no university resources (i.e. phone numbers, secretaries for registration processing) will be used for the benefit of the camp.
6. The director will be personally responsible for all debts incurred by the camp. Midwestern State University will not be responsible for debts of the camp.
7. ~~Liability insurance is required. The director will provide the Office of Summer Camp Services with a Certificate of Liability Insurance detailing the necessary coverage as outlined in the Letter Agreement.~~

F. Guidelines for Required Training

1. **Sexual Abuse and Child Molestation Prevention Training**

Within five days of employment, every employee or volunteer working in a program involving contact with minors or in a youth camp operated on or by the campus of the University must successfully complete a training and examination program on the warning signs and prevention of sexual abuse and child molestation provided by the University and approved by the Texas Department of State Health Services.

2. Documentation verifying successful completion of the training shall be maintained in the employees' personnel files by the Human Resources Department and in the Office of the Coordinator of Summer Camps. Training must be repeated at least every two years.
3. Failure to complete the prescribed training as required will result in termination of employment or volunteer service in a capacity involving contact with minors. TX Education Code 51.976

ACADEMIC AND STUDENT
AFFAIRS COMMITTEE

Academic and Student Affairs Committee

Membership

Lynwood Givens, Chairman
Kenny Bryant
Tiffany Burks
Sam Sanchez

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Reading and Approval of Minutes

13-30. The minutes of the Academic and Student Affairs Committee meeting August 9, 2012, will be recommended for approval of the committee as shown in the minutes' section of this agenda as Minutes Attachment 13-30.

Faculty Report

13-31. A report will be presented by a representative of the MSU Faculty Senate.

Staff Report

13-32. A report will be presented by a representative of the MSU Staff Senate.

Student Government Report

13-33. A report will be presented by a representative of MSU Student Government.

Athletics Report

13-34. Information will be provided concerning athletics at Midwestern State University.

Enrollment Report – Fall 2012

13-35. The Fall 2012 enrollment report will be presented as shown in Attachment 13-35.

December 2012 Graduating Class

13-36. The administration will recommend approval of the list of candidates for December 2012 graduation with the provision that they meet all requirements as prescribed by the faculty and administration (see Attachment 13-36).

MSU Student Handbook Change

13-37. The administration will recommend changes to the Housing Policy published in the *MSU Student Handbook*, as shown in Attachment 13-37. Language recommended for deletion is shown with an overstrike (--); new wording is shown in **bold and underlined** format.

MSU Policies and Procedures Manual Change

13-38. The administration will recommend a new policy for inclusion in the *MSU Policies and Procedures Manual*. This policy is necessary following the administrative reorganization in FY 2012 and the formation of the Student Affairs and Enrollment Management division (see Attachment 13-38).

ACADEMIC AND STUDENT
AFFAIRS COMMITTEE
ATTACHMENTS

Enrollment Report

Fall 2012

	<u>2011</u>	<u>2012</u>
Beginning Freshmen	607	612
Re-enrolling Freshmen	502	427
Sophomore	1,123	1,049
Junior	1,278	1,227
Senior	1,955	1,923
Post-Baccalaureate	80	63
Graduate	<u>637</u>	<u>615</u>
TOTAL ENROLLMENT	6,182	5,916
 SEMESTER CREDIT HOURS	 70,467	 67,147

Candidates for Degrees

December 15, 2012

DILLARD COLLEGE OF BUSINESS ADMINISTRATION

Master of Business Administration

Matthew Leonel Jaramillo
Hannah K. Knauss
Hayley Roach Laughlin
Florian Stefan May
Kelly Anna Naletelich

Natalie Ann Rawson
David Reyna
Claudio Isaac Rodriguez
Rozna Reuelda Rogers
Matthew Alexander White

GORDON T. AND ELLEN WEST COLLEGE OF EDUCATION

Master of Arts

Barbara E. Farmer
Stephanie S. Heier

Sharel R. C. Pascall
Brian J. Windal

Master of Education

Nickolas Michael Auditore
Angelina Esperanza Chapa
Katheryn Vasquez Chavez
Amanda Luna Garcia
Carol Denise Gibbs
Michael Patrick Godwin
Joseph Lawrence Guidry III
Douglas Allan Lynn, Jr.
Angela Michelle Marshall

Petrona Brenda St. Cyr Monlouis
Jennifer Marie Nava
Margaret Duran Rafter
Amy Renee Rhine
Maricela Zamudio Rivera
Natalie Elizabeth Rose
Lindsay Ann Schmidt
Katy Louise Young
Stephanie Zamora

COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES

Master of Health Administration

Meghan Marie Cope

Abhinav Girishchandra Gandhi

Master of Public Administration

Jason Biggs

Master of Science in Exercise Physiology

Akanksha Laxman Singh Bist
Swetha Venkateramana Kolluru

Prem Sundar Ulaganathan

Master of Science in Radiologic Sciences

Irma Marie Corona
Yonella Vargas Demars
Mary Rodriguez Flores
William John Harders

Staci Singleton Jones
Kimberly Lynn Martin Onstott
Charles Lee Smith

PROTHRO-YEAGER COLLEGE OF
HUMANITIES AND SOCIAL SCIENCES

Academic & Student Affairs – Page 3

Master of Arts

Ayhan Baig
 Melissa Anne Barry
 Jesse Wayne Beckham
 Samuel Isaiah Bisset
 Hillary Sommerhauser Coenen
 Timothy Patrick Daugherty
 Judy Lynn Graham

Dana Diane Hodges
 Dallas Alane Johnson
 Daniel Kastelic
 Sarah Christine Leeth
 William Wayne Schields
 Robert Jefferson Stewart III
 Trisha DeAnn Suhr

COLLEGE OF SCIENCE AND MATHEMATICS

Master of Science

Vijay Anirudh Boddupalli
 Srilasya Brundavanam
 Olurotimi O. Dosumu
 Ayabavi Liliane Haden
 David Wayne Holbert

Corey Brent Pennycuff
 Samantha Chantal Tomei
 Alissa McMillan Tuttle
 Abhishek Reddy Yerragonda

**DILLARD COLLEGE OF BUSINESS
 ADMINISTRATION**

Bachelor of Business Administration

Asha Abraham
 Bianca T. Acosta
 Heather Renee Anderle
 Ian Dru Armstrong
 Lauren Elizabeth Arnold
 Gilberto Atayde
 Mark Allen Barnes
 Michael J. Beasley
 Candace DeNae Berg
 Matthew Ryan Brasseaux
 Ross Miller Brotherton
 Savannah Rose Carver
 Tracy Lee Chaddock, Jr.
 Matthew Sloan Channels
 Robert Christian Chapa
 Yasmeen Chavez
 Kelvin Ryan Chazarreta
 Travis Lee Cone
 Jonathan Steven Crocker
 Bradley James Crump
 Dana Michelle Cutliff
 Farrah Nicole Day
 Hilario De La Garza, Jr.
 John Derick Dotson
 John LeRoy Dragoo, Jr.
 Daniel Worley Dunn
 Christopher Michael Dwyer
 Kane Michael Eavenson
 Carlos Flores
 Kingsley Nchuo Fonkwa
 Alvon Kian Forsyth
 Courtney Leigh Forsythe
 Jared Allen Freeman
 Datreon M. Gaona
 Ross Kelly Gaw
 Almaz S. Glasford
 Michael Anthony Gonzalez, Jr.
 Jackson Howard Guidry

Tina Marie Henderson
 Marqui C. Hodges
 Crystal Mae Hone
 Benjamin Sterling Hoover
 Seth Morgan Hughes
 Nadia Murlene Isaac
 Berry Glen Jackson
 Khalid Okera Jackson
 Coletia D. Jeffers
 Cammie Ann Jimenez
 Cristi Michelle Derrick Kellar
 Courtney Nicole Kennon
 Brett Michael Kuchenski
 Michael William Lalla
 Corley Lynn Latham
 Kolter P. Lukert
 Christopher Michael Mahoney
 Brittany Marie Martinez
 Jennifer Christine May
 David Eric McCardell
 Megan Michelle McGhee
 Justin Raymond McGuire
 Amali Imanthika Mohotti
 Matthew Mark Moore
 Morgan Dawn Mori
 Thuy Han Nguyen
 Savannah Fay Parchman
 Joshua W. Parten
 Andrew Martin Policky
 Taja Ria Price
 Hilary Chokdee Rankin
 Caroline Allison Renton
 Kristin Simone Rockwell
 Corinne Amanda Ryan
 Erika Sanchez
 Sheldene E. Smithen
 Taylor James Sury
 Allan Sokkean Taing

Kharime Omari Thomas
Katrina Nicole Thompson
Danna Lynn Toëws
Akina Janika Tonge
Taylor Nicole Turner
William Kelley Vaughan
Shelby Marie Viator

Board Agenda - November 2012
Attachment 13-36
Academic Affairs – Page 4
Christopher Lee Wells
Sherry-Anne Karen Wilkins
Kenrick A. Williams
Sylvester Alexis Williams
Justin Lee Winters
Traci Michelle Yeckley
Jared Dean Young

GORDON T. AND ELLEN WEST COLLEGE OF EDUCATION

Bachelor of Science

Miranda Shaneise Byrd
Matthew Kyle Ellerbrock
Sean Michael Evers
Lawrence Mitchell Franklin
Carly Nicole Freed

Melissa Ellen Homan
Brittany Nicole Longoria
Elizabeth Milligan
Mark Elliot Stephens, Jr.

Bachelor of Science in Interdisciplinary Studies

Laura Lynn Adams
Maisha Malea Allen
Martha McWhorter Blankinship
Erika Marie Blythe
Heather Denise Bohannon
Rachel Gail Bracey
Samantha Shackelford Cobb
Jamie Eileen Cove
Michael John Daly, Jr.
Kamie Doughty
Nicki Alyse Duff
Tabby Jo Ealey
Christine Marie Elder
Elizabeth Garcia
Erica Lynn Gonzales
Kimberly Michelle Gordon
Nicole Renea Harris
Bridgette Michelle Hershberger
Kristin Mae Hons
Kayla Ann Johnson
Miranda Nicole Jones
John Charles Lee
Clifton Eugene McFadden

Jessica Lee McNair
Kristina Elayne Morales
Amy Nail Murphy
Mary Elizabeth Nelson
Valerie JeQué Norville
Heather Dawn Parker
Amber Reynolds Paulson
Virginia Ann Perez
Andrea Lynn Polk
Jaquelyn Marie Portillo
Sarah Michelle Price
Citlaly del Carmen Rivas
Miranda Cavinder Sanders
Sterling Sellman
Melissa Jill Shawver
Tanya Lynne Smith
Tameka Ilena Stanley
Megan Brooke Swedberg
Stefanie Marianne Walker
Whitney RaeAnn Wedel
Mary Maureen Wegener
Blair Jean White

LAMAR D. FAIN COLLEGE OF FINE ARTS

Bachelor of Arts

Neneh Abbey
Jaleesa Antionette Bealom
Rachel Colleen Bingham
Kristina Marie Davidson
Renée Michelle DuBois
Sarah Madison Fraser
Philip Jervon Grundy
Joshua Alan Hayter
Hannah Hofmann
Cora Lynn Kuykendall

Lara Susan Lindemann
Sarah Elizabeth Long
Alexandra Sascha Phoenix McClung
Janelle Stacy Paterson
Daniel Thomas Robertson
Eric Douglas Smith
Harlan Lee Smith
Brandi Marie Stroud
Brady Preston Tyler

Bachelor of Fine Arts

Kaegan Leigh Engstrom-Garner
Laura Elaine Guinn
Rebekah Leigh Howard

Antonio De'Marcus Jones
Jillian Leigh Poole

K'ann Deneé Graves

Kareem Samuel Adrian Small

COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES

Bachelor of Science in Athletic Training

Caylie D'ann Ginther

Harmony Iziegbe Okogbodu

Bachelor of Science in Criminal Justice

Amanda Lynnette Alpers
Zacharie Dean Barber
Harvey Lee Barker III
Joshua Espinoza
James Walter Levi Gibbs
Taylor Douglas Jackson
Maria Guadalupe Jaimes

Amanda Michelle Kneisel
James Edward Mason III
Mercedes Jelissa Ryan
Blake Alan Schwengler
Justen Mark Tyler
Fonda White
Steven Brett Wilson

Bachelor of Science in Exercise Physiology

Bert Clete Boudreaux
Sean Patrick Brown
Taryn Brooke Dinh
Dennis Ray Ester, Jr.
Bryan Samuel Fox

Fidel Goytia
David Brandt O'Neal
Andrew Warren Pichardo
Michelle Jordan Stephens

Bachelor of Science in Nursing

Sandeep Abraham
Oluwatomisin Feyikemi Adelokun
Annabelle Adjei-Acheampong
Nichole Yaa Adjei-Acheampong
Jeffrey Varghese Alexander
Samina Shokat Ali
Shemsia Hamid Ali
Cristina Nicolette Alonso
Ugochi Adanna Arisukwu
Nancy Lewechi Ariwodo
Asana M. Aruna
Heidi Maria Avila
Adenike Janet Awolola
Allison Kendall Berry
Whitney Nicole Brazzel
Erica Shea Brown
Jennifer Ann Bujnovsky
Anayo Sabinus Chukwueke
Kelsey Janeé Claxton
Monica Danielle Conway
Keral Bharat Dahya
Jonathan Michael Davis
Zachary Lee Davis
Adrienne Marie DeMoss
Jennifer Kathryn Elkins
Nnenna Lilian Emehel
Confidence Etuk
Debra Ann Felderhoff
Kelli Michelle Finney
Melissa Sue Fleeting
Megan Michelle Gaines
Brooke Shantel Gandy
Nolan Keith Gann
Tiffany Nichole Garrett
Shelley Gautam
Roman Mulugeta Gebrewold

Jennifer Erika Gelb
Seba C. George
Cathy Ann Grimes
Brandi LaNee Haley
April Colandra Harris Sullivan
Cadi Nichole Hastwell
Terri Joette Hill
Tiffany Oneda Hinson
Rachael Christine Holloway
Shearlana Reneé Hunter
Funmilayo Stella Ijabiken
Liji Jolly
Nicole Renee Kaufhold
Chelynn Marie Kellam
Brianna Alisha Knight
Rosine Komayombi
Susanne Lee
Brooke Ashley Leutheuser
Amanda Nicole Liggitt
Amy Elizabeth Mathai
Allison Marie Mayfield
Aghogho McClure
Myka Shantell McDonald
Jacob Douglas Merrill
Marsela Meza
Jessica Holly Mohan
Cassandra Monzon
Loan Thi Thu Nguyen
Angela Kelly Noyes
Chinyere Ngozi Nwachukwu
Chioma Francisca Nweke
Sharon Onimire Obami
Cynthia Adaugo Osondu
Nastadja LaShesta Payne
Logan Blaze Petty
Inez RoShanda Pitts

Amanda Michelle Rann
 Kayleen Anita Ray
 Ashlee Lynn Reed
 Francine S. Sache
 Shelly Renae Sanders
 Constance Sefah
 Valerie Claudia Siaha
 Brittany Le Sims
 Kynnera Janelle Stephenson

Hannah Bockhoff Stewart
 Phebe Thomas
 Amanda Beth Traver
 Riesa Teon Tutt
 Sara Beth Tyra
 William Cole Wade
 Cynthia Lou Weir
 Katelyn Nicole Wiley
 Jo Beth Wilkinson

Bachelor of Science in Radiologic Sciences

Briana Leigh Baker
 Dover René Biery
 Vanessa Marie Briscoe
 Dekonte Anita Brown
 William Michael Brumfield
 Tara Celeste Bustos
 Micaela Lynn Casali
 Kenneth Vance Chandler
 Robyn R. Corbett
 Amanda Gayle Crump
 Lynnda Sue Cruz
 Joan K. Cupp
 Robin Carol Eastland
 Paul M. Fontenot
 Teresa Marie Garza
 Anna Rena Green
 Brandon Cole Hebert
 Julianna Robles Hernandez
 Bao Tran Thi Hoang
 Bobbi Leigh Jones
 Amira Karriem
 Stacy Denise Konidaris
 Miles Stephen Kruzich

Jessica Anne Ledesma
 Michael J. Lewis
 Thomas L. Lewis
 Tanya Nichol Lindsey
 Sandra Lyn Martinez
 Brandi Kay McAvey
 Megan Leigh Morgan
 Bethany Marie Nichols
 Rose Maria Pagourtzis
 Valerie Yarrow Pavel
 Michael Frazier Ponder
 Monica Michelle Hill Prince
 Amy Lynn Robinson
 Angela Heather Salas
 Amy Lynn Sears
 Amanda Jo Smith
 Charles David Smith
 Summer LuAnn Taylor
 Ashlyan LaShay Thomas
 Randy Lee Timmons
 LaShanda Dynell Peterson Warner
 Katie Ruth Wilson
 Jhin Yu

Bachelor of Science in Respiratory Care

Berta D. Barajas
 Norma L. Garcia
 Precious Winnie Goje
 Debra Rankin Jones

Roderick De'Shun Miles
 RaShonda LaShette Russell
 Brian Henry Sandore

Bachelor of Social Work

Karyn Ashley Darwin
 Laura Lynn Hord
 Nicole Marie Hoxie
 Kelly Ann Madden
 Nolisha Lashay Markham

Virginia Rodriguez Ryle
 Belinda Gaylene Strange
 Mary Louise Williams
 Norman Quinn Wilson, Jr.
 Tamara Dominique Yarbrough

PROTHRO-YEAGER COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

Bachelor of Applied Arts and Sciences

Noelia Raquel Aleman
 Carla Yvette Barnette
 Jeffrey Clark Campbell
 Justin Ross Canright
 Manuel Carrillo, Jr.
 Samantha Michelle Chandler
 Janet Lee Clemons
 John L. Edmonds
 Caleb Paul Elliott
 Sonya Mendoza Flores
 Chanell Ann Hurd

Valarie Donice Julian
 Mark Christopher King
 Justin Price Lewis
 Jill Stephens Livingston
 Michael Symone McCall
 Taylor Brenton McLemore
 Jonathan W. Meyer
 Diane Nicolé Montano
 Ramiro Moreno, Jr.
 Marquis Quantel Muse
 Rochone Ricardo Nichols

Douglas Poindexter
 Jeffrey M. Powell
 Sylvia Yvonne Robinson
 Jesus Salazar III
 Larry K. Sanders
 Tiffany Michelle Sanders

David Mark Sanderson
 Barry Wayne Shaw
 Chappell Lamar Torian
 Kathryn Walker
 Phillip Curtis Westbrook
 Christopher Alan Windsor

Bachelor of Arts

Katelyn Leigh Baker
 Daniel Odell Basham
 Kamila Arah Bell
 Tanner Lee Colley
 Delilah Victoria Gonzales
 Lauren Lee Gore
 John Justin Gossett
 Shoni Elizabeth Hagle
 Cody Howard Henry
 Chase Ryan Hooper
 Esther T. Jegede
 Joshua Rhae Kattner
 Aziza Nzinga Nikolai Lake
 Hannah Alicia Lamar
 Dominique Natasha Wallace Lee
 Tyler Channing Matthies

Megan Leigh McCleskey
 Katherine Amelia McDaniel
 D'Antoine Joncell Miller IV
 Mallory Kristine Mooney
 Nadela Mabi Noel
 Rachel Kaye Risky
 Moses Rivas
 Caitlin Michelle Ruth
 Whitney Salas
 Hanna Ryan Staley
 Amanda Danielle Sutton
 Daniel Ian Talley
 Ryan Clark Tyler
 Luz Christina Villalobos
 Chandler Heath Williams
 Derek Wayne Winn

Bachelor of Science

Vanessa Brittany Adams
 Brian Joseph Arias
 Lindsey Rae Callaway
 Shinnel Samantha Charles
 Hermion Chiddick
 Charli Elaine Doyle
 Julian Felipe Gonzales
 Floranyenice Huizar

Kimberly Maria Johnson
 Kiara LaChelle Jordan
 Laura Elizabeth McMahan
 Cassandra O. Nwana
 Amber Nicole Price
 Joshua Robert Scribner
 Brittany L. Wilson

COLLEGE OF SCIENCE AND MATHEMATICS

Bachelor of Science

Vanda L. Alexander
 Cason Shane Colliflower
 Brian Jacob Dixon
 Matthew Spivey Farris
 Ayobami Timothy Folaranmi
 Dwight Nicoll Fontenelle
 Donald Chiawah Fru
 Michael O'Neil Georges
 Deisa Briana Hood
 Latoya Marisa Jeffers

Jose Luis Martinez, Jr.
 Zachariah Gilbert McFadden
 Joy-Anne Najwa Oliver
 Silas O'Silas
 Karen Ann Pursel
 Wendy Michelle Salmon
 Sothear Sea
 Lisa Marie Wendorf
 Cheri Yvonne Whisker
 Vicia Kaeticia V. Woods

Bachelor of Science in Clinical Laboratory Science

Arrey-Njock Takang Orock

Housing and Residence-Life Dining Services

The Housing and Residence-Life **Dining Services** program is a vital part of the Midwestern campus community. The program is intended to support the educational mission of the university through programs, activities, services, facilities, and personnel that promote an atmosphere in university housing conducive to meeting the academic, social, cultural, and personal/developmental needs of residential students.

Housing Policy

The housing policy is based on the ~~belief~~ **knowledge** that living in university housing can provide both educational and social opportunities important to the success of college students. ~~National studies have demonstrated that students residing on campus tend to develop and progress at a better rate toward the completion of their degrees than those students living in off-campus housing.~~ All students enrolling at Midwestern State University are required to live in university housing unless they:

1. Are living in the home of their parents or legal guardians **within 60 miles of the campus** and commuting to class.
2. Are married and living with their spouse.
3. Have accumulated 45 semester hours of **college** academic credit **as a post-high school student** prior to the first day of classes for the housing ~~contract~~ **agreement** period. **Hours achieved while in high school are not counted (e.g. concurrent or dual credit);**
4. Have reached the age of 21 prior to the first day of classes for the housing ~~contract~~ **agreement** period.
5. Are part-time students enrolled ~~for eleven~~ **in 11** hours or less for the fall or spring semester **or during a summer semester.**
6. ~~Are enrolled for evening classes only.~~

Proposed New Policy

2.XXX Student Affairs and Enrollment Management

Vice President for Student Affairs and Enrollment Management

Date Adopted/Most Recent Revision:

A. Purpose

The Vice President for Student Affairs and Enrollment Management is directly responsible to the President to provide leadership, coordination, planning, and administration of student affairs and enrollment management programs which are compatible with the philosophy and objectives of the University.

1. Student Affairs

The Student Affairs program is based on the knowledge of human development and learning characteristics and reflective of the demographic and developmental profiles of the student body. The educational experience of students consists of both academic efforts in the classroom and developmental opportunities through Student Affairs. The Vice President for Student Affairs and Enrollment Management is also responsible for the coordination and supervision of services, programs, and activities in the areas of counseling, new student orientation, student housing, student discipline, student activities, student development programs, social regulations, the yearbook, student medical services, disability services, the student center, wellness programs, the bookstore, dining services, postal services, recreational sports, leadership development, multicultural programs, career services, university police, and cheerleaders.

2. Enrollment Management

Enrollment Management provides an environment that fosters student success beginning with recruitment and culminating with graduation. The Vice President for Student Affairs and Enrollment Management is responsible for a collaborative program to attract, admit, enroll, and retain a qualified and diverse student body by providing and managing a comprehensive program of enrollment activities, including recruitment, admissions, financial aid, career management and testing, and international services.

B. Student Affairs and Enrollment Management Offices and Programs

1. Admissions Office

The purpose of the Admissions Office is to manage the recruitment and admission of students to the University. Activities include attending college day/night programs, creating recruitment communication plans and hosting special events for prospective students. This office is also responsible for recruiting students through high school/junior college visits, campus visits, college fairs, inquiry by phone, mail and internet, follow-up contacts. Duties include processing and maintaining undergraduate and graduate applications; evaluating transcripts, assessing residency for tuition purposes, maintaining receipt and entry of entrance

exams, and deadlines. Other duties include issuing clearance of admission permits, awarding general academic merit undergraduate scholarships, and managing competitive tuition waivers and students on academic probation/suspension. The Director of Admissions reports to the Vice President for Student Affairs and Enrollment Management.

2. Financial Aid Office

The Financial Aid Office (FAO) provides financial assistance to eligible students in the form of federal, state, university, and private grants, loans, and student-work programs and educates current and prospective students regarding various financial aid processes and programs. Responsibilities include processing electronic financial aid applications; processing student awards; certification and receipt of loan funds through electronic transfer; processing scholarship forms and refunds to students' accounts; and completion of federal and state reporting. In the event a student fails to enroll at the University, the office is responsible for the return of federal/state funds to the proper accounts. Activities also include providing counseling on debt management, short-term payment plans, and textbook voucher information, as well as, financial aid workshops for current and prospective students and high school counselors. The Director of Financial Aid reports to the Vice President for Student Affairs and Enrollment Management.

3. International Services

International Services (IS) is responsible for verifying visa documentation and status for international employees and provides support services to international students in the form of orientations, seminars, counseling, preparation of immigration documents, and cultural exchange/learning activities. Additionally, IS processes admission of international students and evaluates all international transcripts. The IS office also coordinates housing for international students and raises scholarship funds. The Director of International Services recruits international students; organizes discounted housing and travel; assists in raising scholarship funds; acts as liaison with embassy and government officials; counsels students on academic requirements, financial planning, and legal compliance; and acts as a Designated School Official (DSO) for immigration purposes. The Director verifies international employees' credentials and work authorization status and determines whether foreign national employees meet the federal guidelines for permanent residency sponsorship. The Director reports to the Vice President for Student Affairs and Enrollment Management.

4. University Police

The Chief of Police directs the campus police department which provides police services to the university community and its visitors. The Chief of Police is directly responsible to the Vice President for Student Affairs and Enrollment Management for all security and law enforcement related issues. The police department investigates all reported offenses on campus and is responsible for maintaining all official records pertaining to criminal activity, traffic and parking, and security related issues. The Chief of Police is responsible for publishing reports on criminal activity and related issues in accordance with the Crime Awareness and Campus

Security Act. The office is responsible for enrollment into and maintenance of the MSU ALERT emergency notification system that has the ability to send urgent and emergency information quickly by email and / or text message.

5. Dean of Students / Director of Clark Student Center

The Dean of Students/Director of Clark Student Center is directly responsible for student advocacy and discipline and for Clark Student Center operations, as well as, the contracted services of the University Bookstore. The Dean of Students/Director of Clark Student Center reports to the Vice President for Student Affairs and Enrollment Management.

a. University Bookstore

The University Bookstore is operated through a contractual agreement with a private vendor. The Bookstore manager works in coordination with the Dean of Students/Director of Clark Student Center to provide textbooks, supplies, and services to meet the needs of the student population and campus community.

b. Campus Card

The Campus Card is the official identification card of the University which is issued by the Office of the Dean of Students/Director of Clark Student Center to students, faculty, and staff and which may serve as an optional ATM/Debit Card.

6. Associate Vice President for Student Affairs

The Associate Vice President for Student Affairs is responsible for designing, implementing, and maintaining programs that contribute to the development, engagement, and success of students. Reporting to the Vice President for Student Affairs and Enrollment Management, the Associate Vice President for Student Affairs provides leadership to the following areas:

a. Housing and Dining Services

This Director of Housing and Dining Services is responsible for planning, administration, and management of all university housing facilities. The Director administers the residence life judicial program. Duties of this office include personal and social counseling, supervision of resident assistants and student assistants, interpreting and administering housing policies, and maintenance and upkeep of residential living facilities. The Director of Housing and Dining Services reports to the Associate Vice President for Student Affairs.

i. Postal Services

The University Post Office receives and disseminates external and internal university mail and handles general postal services for the university departments and residents. The Postal Services

Supervisor oversees campus-wide postal service and directs postal workers in the proper methods of handling and distributing campus and U. S. mail. The Postal Services Supervisor reports to the Director of Housing and Dining Services.

ii. Dining Services

University Dining Services are provided on a contractual arrangement with a private company. The Director of Dining Services works in coordination with the Director of Housing and Dining Services to provide a quality dining experience to the campus community.

b. Career Management Center and Testing Services

i. Career Management Center

The Career Management Center (CMC) serves the university, its students and alumni, as well as employers in the greater Wichita Falls economic region through the facilitation of employment opportunities. The CMC presents opportunities for students to be introduced and guided through the professional development process using a wide variety of services. The center's focus is on preparing students and alumni for significant and personally satisfying careers and teaching them how to market their skills and abilities effectively to prospective employers. The CMC offers professional workshops/seminars; on-line career services, on-campus interviewing, career placement services, and summer internship programs for students and alumni. The Director reports to the Associate Vice President for Student Affairs.

ii. Testing Services

The Testing Services center provides an overall school-testing program for students and for the general public. Testing services offers exams in both computer-based and paper/pencil formats. The testing staff proctors examinations for admission into undergraduate, graduate, and specialty schools, placement and correspondence tests, and testing necessary for licensure of professionals or graduation from the university. The Associate Director of the Career Management Center and Testing Services office is responsible for direct oversight of the Testing Services Center and reports to the Director of Career Management Center and Testing Services.

c. Student Development and Orientation

The Director of Student Development and Orientation plans, implements, and supervises various multicultural, social, and educational programs to

improve and expand the students' campus life experience. The office serves as a liaison for all student organizations and is responsible for student programming and activities through the University Programming Board (UPB), new student orientation (including Spirit Days), Homecoming and the Wai-Kun (yearbook). In addition, the office provides administrative support for Greek Life and oversight of the MSU cheerleaders. The Director reports to the Associate Vice President for Student Affairs.

d. Director of Recreational Sports and Wellness Center

The Director of Recreational Sports and the Wellness Center is responsible for the organization, administration, coordination, and promotion of a quality holistic wellness program which includes fitness, and recreational sports. The Wellness Center provides state-of-the-art exercise equipment for MSU students and provides fitness classes to students, faculty, and staff. The MSU recreational sports program provides competition for both men and women in archery, badminton, basketball, basketball free throw, bowling, flag football, Frisbee golf, softball, soccer, table tennis, track, volleyball, miniature golf and darts, among others. The Director of Recreational Sports and the Wellness Center reports to the Associate Vice President for Student Affairs.

e. Counseling Center

The Counseling Center provides individual counseling, intake and evaluation, crisis intervention and consultation services. The Director is responsible for the planning and development of a comprehensive Counseling Center to assist students with personal, academic, and career concerns. Additional responsibilities include providing academic advising and coordination with various departments in student development programming. The Director reports to the Associate Vice President for Student Affairs.

f. Disability Support Services

The Disability Support Services (DSS) provides equal access for qualified students with disabilities to all university courses and programs, and by law, all students with disabilities are guaranteed a learning environment that provides reasonable accommodation of their disability. The Director works in cooperation with the Director of Human Resources to evaluate employees' requests for disability accommodations. The DSS Director is responsible for receiving all formal grievances from students and employees related to discrimination or lack of accommodation on the basis of a disability. The Director reports to the Associate Vice President for Student Affairs.

g. Vinson Health Center

The Vinson Health Center provides ambulatory care services for the exclusive benefit of MSU students. The emphasis of the center includes

prevention of illness; treatment of minor injuries or illnesses; education of students to allow for efficient access of health care; counseling related to specific medical concerns; screening and/or administering immunizations; reviewing physical education exemption requests; serving as a resource for developmental programming in areas of health promotion; tracking and reporting of immunization compliance for academic areas under allied health care; and serving as a consultant to the university regarding public health issues. The Medical Director of Vinson Health Center reports to the Associate Vice President for Student Affairs.

h. Coordinator of Social Media

The Coordinator of Social Media coordinates and supervises all social media accounts for the Student Affairs and Enrollment Management areas. The Coordinator is responsible for promoting the university through positive and transparent communication in all public facets. Working in conjunction with the Webmaster and Director of Marketing and Public Information, the Coordinator reports to the Associate Vice President for Student Affairs.

BOARD OF REGENTS
MEETING AGENDA

**Board of Regents Meeting Agenda
November 16, 2012
9:00 a.m.**

Meeting Location: MSU Campus – 3410 Taft Boulevard
J. S. Bridwell Board Room

The Board of Regents of Midwestern State University may deliberate and take action regarding any item on this agenda. This meeting will be continuous in that the Board reserves the right to take any agenda item out of the order or sequence that is listed below. The Board reserves the right to discuss any properly posted items in Executive Session whenever legally justified in accordance with the Texas Government Code Chapter 551.

Call to Order

Introduction of Visitors

Opening Comments

Public Comment Period

A public comment period concerning agenda items will be provided in accordance with the Board of Regents By-Laws, MSU Policy 2.22.

Reading and Approval of Minutes

13-39. Minutes of the regular Board of Regents meeting August 9, 2012, will be recommended for approval as shown in the minutes' section of this agenda as Minutes Attachment 13-39.

Reading and Approval of Minutes

13-40. Minutes of the regular Board of Regents meeting August 10, 2012, will be recommended for approval as shown in the minutes' section of this agenda as Minutes Attachment 13-40.

Reading and Approval of Minutes

13-41. Minutes of the Special Board of Regents meeting September 18, 2012, will be recommended for approval as shown in the minutes' section of this agenda as Minutes Attachment 13-41.

Executive Committee Consent Agenda, Items and Report

Finance Committee Consent Agenda, Items and Report

Audit, Compliance, and Management Review Committee Consent Agenda, Items and Report

Academic and Student Affairs Committee Consent Agenda, Items and Report

Presentation - Luther King Capital Management

13-42. A presentation will be made by Mr. David Dowler, a Principal of Luther King Capital Management, regarding the Redwine Fund investments.

Ad Hoc Committee for Presidential Performance and Compensation Review

13-43. An Ad Hoc Committee for Presidential Performance and Compensation Review will be appointed to make recommendations to the Board of Regents at the February 2013 meeting concerning the university president's performance and contract.

President's Report and Discussion

13-44. Dr. Rogers will present information to the board concerning various university matters, including:

- A. SACS Update
- B. Texas Higher Education Coordinating Board Update – Special Items Work Group
- C. Upcoming Legislative Session - Dashboard

Executive Session

13-45. The Board of Regents will convene in Executive Session to consider the following matters permissible under Chapter 551 of the Texas Government Code as necessary, including:

- A. Consultations with Attorney about pending or contemplated litigation or a settlement offer;
- B. Deliberations about Real Property – to deliberate the purchase, exchange, lease, or value of real property;
- C. Deliberations Regarding Gifts and Donations; and
- D. Personnel Matters – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, or to hear a complaint or charge against an officer or employee.

Closing Comments

Adjournment

MINUTES

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Executive Committee
August 9, 2012**

The Executive Committee of the Board of Regents, Midwestern State University, met in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 1:55 p.m., Thursday, August 9, 2012. Executive Committee members in attendance were Mr. Shawn Hessing, Chairman; Mr. Mike Bernhardt, Vice Chairman; Mr. Kenny Bryant, Secretary; and Mrs. Jane Carnes, Member-at-Large. Other regents attending the meeting were Mrs. Tiffany Burks, Mr. Charles Engelman, Dr. Lynwood Givens, Mr. Jeff Gregg, Mr. Sam Sanchez, and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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; Dr. Lynn Little, Dean, College of Science and Mathematics; 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; Mr. Steve Shelley, Director of Purchasing; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Anthony Gallina, Student Government Association (SGA) president. Representing the news media were Ms. Brittany Cottingham and Ms. Hannah Hoffman, co-editors of *The Wichitan*; Ms. Ann Work, *Times Record News*; Mr. David Gonzalez, KFDX-TV III; and Ms. Bethany Rumble, KAUZ-TV.

Chairman Hessing called the meeting to order at 1:55 p.m.

Reading and Approval of Minutes

12-124 & 125. The minutes of the Executive Committee meetings May 10 and July 11, 2012, were approved as presented.

Legislative Appropriations Request (LAR)

12-126. Mr. Hessing noted that as the board discussed in May, the university must submit its funding request to the state every two years. He added that while the majority of the LAR is made up of historical and budget data, there are items that require board approval. He noted that board members had previously been sent copies of Dr. Rogers'

Administrator Statement and a description of the exceptional item requests (see Attachment 1). He added that the administration recommended approval of these items.

Dr. Rogers noted that in the administrator's statement he provided an overview of the university's successes, strengths, and challenges. He reviewed the exceptional item request for \$2.9 million over the two year biennium to expand MSU's health sciences programs. He stated that the request includes the development of a second degree nursing program, expansion of the radiologic science program, and new equipment for the dental hygiene program. The final exceptional item request was for Tuition Revenue Bond funding to renovate Moffett Library into a smaller, more modern library, as well as provide new space for the West College of Education and Information Technology operations.

Mr. Bryant moved approval of these items as presented. Mrs. Carnes seconded the motion and it was approved.

Approval and Executive of University Contracts – MSU Policies and Procedures Manual

12-127. Mr. Hessing reported that Mr. Macha had been working with the internal auditor and administration to develop a new policy and procedures related to university contracts. He thanked Mr. Macha and Mr. Spencer for their efforts in this process.

Mr. Macha reviewed the proposed policy as shown in the agenda document. He noted that with the new policy, contracts of \$500,000 or more per year must be approved by the board, with the exception of those that relate to bequests, gifts, or grants to the university other than real property; and interagency agreements for the purchase of electricity and natural gas through a state program. In the new policy the board must approve contracts involving the acquisition, purchase, sale, or encumbrance of real property with the exception of a mineral lease valued less than \$100,000. An additional new provision requires board approval for contracts in excess of five years unless the contract can be terminated without cause with notice of 120 days or less. Mr. Macha noted revisions made to pages four and five of the proposed policy (see Attachment 2) to separate non-monetary affiliation and clinical agreements from grant proposals. He added that approval by the Vice President for Business Affairs and Finance will now be required for contracts of \$50,000 or more. Mr. Macha explained that he would review all contracts unless they use a standard, pre-approved form.

Mr. Macha indicated that he was very pleased that the university had purchased and implemented a computer program to help manage and monitor university contracts. He noted that all university contracts would be kept in one central location. He added that Mr. Shelley and the Purchasing Department have done a great job in getting the appropriate computer training.

Mrs. Carnes moved approval of this policy change as presented. Mr. Bernhardt seconded the motion.

Mr. Sanchez asked how the bid process overlapped with this policy. Mr. Macha responded that the contract routing sheet requires information regarding the type of procurement process that was used. Mr. Sanchez asked what the auditor's role would be in the process. Mr. Macha responded that he, Mr. Shelley, the vice presidents, and the president would ensure compliance with the process. Mr. Spencer added that his role would be after the fact when he audits overall contract compliance.

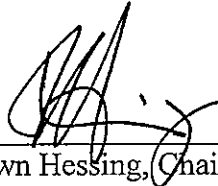
Dr. Givens asked for an example of the exception related to bequests or gifts. Mr. Macha stated that the exception would allow the president to accept a \$1 million gift to assist an academic program. Dr. Givens indicated that if an individual gave the university \$5 million and wanted his or her statue placed on campus, he understood the policy to allow the president to let a contract for \$5 million as long as it was from donated funds. Mr. Macha indicated that the intent of the policy was that the administration could accept the gift, but could not spend a \$5 million gift without board approval. Mr. Hessing suggested that the administration work on modifying wording prior to Friday's meeting.

The motion was tabled.

Adjournment

The Executive Committee discussion concluded at 2:28 p.m.

Reviewed for submission:



Shawn Hessing, Chairman
Midwestern State University
Board of Regents Executive Committee

ATTACHMENT:

1. LAR Administrator's Statement and Exceptional Item Requests
2. Proposed Policy Revisions – Policy 2.24

**Midwestern State University
Administrator's Statement
Legislative Appropriations Request
Fiscal Years 2014 and 2015**

Most universities in our nation, both public and private, are facing new and unprecedented challenges. Midwestern State University (MSU) is no exception. The administration, faculty, and Board of Regents of MSU recognize the challenges of educating more students in an effective and efficient manner at a reasonable cost with lower state funding. It is my belief that the nation's universities will not be supported directly from additional state higher education funding for the indefinite future. This does not represent a lack of willingness by state governments but a lack of available resources. States face burgeoning costs for social services and medical care. Today, after significant cuts in state funding, the university's funds for operations are based upon income from donors, tuition and fees, and state revenues. Approximately 42 percent of the university's academic operating funds now originate from tuition and fees, 22 percent from state funding, and 20 percent from grants and gifts.

Universities must deal with the cost of higher education without jeopardizing the quality of a college degree. Universities must embrace new strategies using communication technologies, while still providing the most current and sophisticated equipment, laboratories, and classrooms. MSU faces its own particular challenges if it is to maintain the ability to deliver a high quality baccalaureate and master's education to its students at a reasonable cost. The administration and faculty understand the environment of higher education and, consequently, MSU has completed a new five-year strategic plan consistent with the internal and external challenges faced by the university. One of the strengths of the university is that its faculty, Board of Regents, and administration have supported its stated mission consistently for many years. MSU is the only public liberal arts university in Texas. It was accepted as a member of the Council of Public Liberal Arts Colleges in 2006. Some of the university's sister institutions include Fort Lewis College, Georgia College and State University, Keene State College, Sonoma State University, and Truman State University. These universities distinguish themselves through a commitment to provide a superior liberal arts and sciences core education to undergraduate students. They further distinguish themselves through innovations in teaching, student interactions with faculty, and opportunities for undergraduate faculty supervised research. Affordable tuition rates and cultural and intellectual diversity are also integral to the educational program. Beautiful campuses in rural or small-towns are frequently distinguishing characteristics of these universities.

Perhaps the greatest challenge faced by MSU is to increase its four- and six-year graduation rates while maintaining the highest academic standards. The university has made significant policy changes in the past several years in order to secure its future by bringing students capable of doing collegiate work into the university and emphasizing their support to increase graduation rates. In 2006, the university raised its admission standards for the first time in over two decades. The positive results of this change, which included a decline in the number of required developmental courses and an increase in freshmen and sophomore retention rates, encouraged the university's administration and Board to raise admission standards again in 2011. Each time the standards were raised, the university's freshmen class enrollment shrank by approximately 250 students. However, the increased retention rate resulting from better prepared students

allowed the university to increase enrollment following the decline in 2006 and it is anticipated that the decline in enrollment experienced in 2011 will change as the retention rate increases. It should be noted that MSU had its two largest graduating classes in its history in 2010 and 2011.

The university's Board and administration have endeavored to maintain very reasonable tuition and fee rates to be competitive with institutions similar to MSU and to overcome the fact that MSU receives among the lowest state funding per full-time student of the Texas public institutions because of its low accumulated special item funding. In order to accommodate lower and near middle income students as a result of necessary tuition increases, the university's Board of Regents approved the administration's recommended Mustangs Guarantee Program in 2010. The Mustang Guarantee Program is designed for Texas resident students whose family's combined annual Adjusted Gross Income (AGI) is \$50,000 or less. The Mustangs Guarantee Program covers the balance of any tuition and mandatory fees not covered by other financial aid or benefit programs. In an effort to encourage graduation in four years, students participating in this program must enroll in at least 15 semester credit hours (SCH) each long term and complete 30 SCH each academic year.

Historical data demonstrates clearly that MSU has been vulnerable to the significant decline in the state and nation's economy. In 2007, 27 percent of MSU students came from the metropolitan area of Dallas/Fort Worth (DFW) which is approximately 110 miles east of Wichita Falls. From 2008 – 2009 a precipitous decline in this enrollment was noted. The departing students were tracked by the Texas Higher Education Coordinating Board (THECB). It was clear that a great number of these students dropped out of higher education and many transferred to community colleges near their homes. As the economy is recovering, MSU enrollment from the DFW area is showing an upward correlation.

MSU has an administration, a faculty, and a physical plant that will accommodate up to 7,500 students. Goal number one for MSU is to raise its enrollment to such a level by 2017. It is essential that this be accomplished in order to continue all of the university's academic programs and extracurricular activities. In order to achieve this goal, the university has appointed a new Vice President for Student Affairs and Enrollment Management who has developed an aggressive enrollment plan for 2012-2017. In order to accomplish the stated goal, the university will greatly expand its use of technology to communicate with current and future students. The university will have a portal system of communication with its students operational before the end of 2012. The university has greatly increased its efforts to retain students and increase its graduation rates through tutoring centers, expanded supplemental instruction, and expanded services for transfer students. The university now requires students to pass thirty hours in an academic year to receive competitive scholarships and participate in the Mustangs Guarantee Program. All of these efforts are necessary since MSU, located in Wichita Falls, Texas, is in a north central Texas corridor that has not changed in population since 1960. The population has increased in average age and declined in the number of eighteen year old potential college students. As time passes and this trend intensifies, the university's geographic and age demographics have changed significantly. It is now clear that the university must provide more housing to attract students from greater distances in order to achieve the enrollment and graduation rates desired.

In addition to increasing recruiting and retention efforts, the university must expand academic areas that have the greatest potential for growth. These include all programs in the College of Health Sciences and Human Services, the College of Science and Mathematics, and the McCoy

School of Engineering. The expansion of these programs, to a significant degree, is being supported by gifts totaling \$10.8 million from university benefactors that will allow the expansion of Bolin Science Hall, to include the development of new biology laboratories, petroleum geology laboratories, and physics laboratories. Additionally, the McCoy School of Engineering Hall will be expanded by several thousand square feet to allow the admission of more mechanical engineering students.

Expansion of Critical Field Health Science Programs

At the current time, the university must decline the applications of qualified students for programs in nursing and other allied health programs. It is in the university's strategic plan to expand the faculty, equipment, and clinical facilities in order to accommodate the acceptance of more qualified applicants into these critical health science programs. However, funds are not currently available for such initial program expansion. Funds totaling \$2,900,000 over the biennium are needed to expand these critical health science programs.

Midwestern State University has demonstrated a commitment to addressing shortages in health related disciplines and seeks exceptional item funding to expand academic programs in nursing and allied health programs to meet the workforce needs of Texas communities. An accelerated second-degree program targeting unemployed workers who desire to be a nurse would increase enrollment and meet a need in this region of the state. Unemployed workers with undergraduate degrees are ideal candidates for second-degree nursing programs because the return-to-work time is reduced, thereby saving unemployment costs, and workers gain a marketable skill.

Additionally, the MSU Department of Radiologic Science can expand its offerings and enrollment through an investment in additional faculty, the development of a series of continuing education courses for maintenance of certification, and an investment in new equipment to keep pace with medical imaging technology. MSU has been a leader in radiologic science education, establishing one of the first radiologist assistant programs and the first discipline-specific master's degree in radiologic science in the United States. Finally, this funding will allow the MSU Dental Hygiene Department to convert its dental imaging equipment and patient tracking process to a fully digital environment and thus continue to offer state-of-the-art educational experiences.

Tuition Revenue Bond for Library/College of Education/Information Technology Facility Project

MSU wishes to enter its statement of need of Tuition Revenue Bond funding. The administration, faculty, and Board of Regents of MSU are fully cognizant of the state's financial situation. However, in the event that Tuition Revenue Bonds are approved, Midwestern State University believes it can soundly justify the need for this project. MSU's current library was constructed in 1963-1964 shortly after Midwestern State became a state supported institution. The library was increased in size in 1986 and includes over 93,000 square feet. It is believed that a modest sized, but well planned, modern library of approximately 50,000 square feet would meet the needs of our university now and for the foreseeable future. The remainder of the building could then accommodate much needed space for the university's College of Education and the Information Technology division. Midwestern State University respectfully seeks authorization to issue Tuition Revenue Bonds totaling \$30 million for the project, should Tuition Revenue Bonds be approved during this or future sessions.

Effects of Budget Reductions

The university has already reduced or deferred administrative, faculty, and staff positions, as well as reduced funding for maintenance, operations, travel, and deferred maintenance projects. An additional five to ten percent reduction in appropriations would require Midwestern State University to use planned faculty and staff reductions as well as examine the need to reduce or possibly eliminate academic programs. It is not possible, nor is it desirable that the students of MSU bear the burden of balancing the university's budget through higher tuition. In summary, additional appropriations reductions will cut into the quality of education provided to MSU students.

As President of Midwestern State University, and as one who has taught at this university for over 35 years, I am very proud of the new faculty that have been hired to replace numerous faculty who were hired well over 30 years ago. Midwestern State University has expanded its outreach to bring in capable senior administrators to ensure the future of the institution. As part of the hiring process the university's faculty, administration, and Board of Regents have shown the best judgment in not only seeking the best prepared faculty, staff, and administrators, but determining their qualification beyond academic credentials. The university requires that all new faculty, staff, and administrators undergo criminal background checks prior to being hired. They are also vetted thoroughly through professional background checks.

I extend my thanks to the Board of Regents, the faculty, the staff, and the benefactors who have been involved in the development of this university. Additionally, I want to thank the State of Texas for the underlying support that provides a high quality education for the students of Texas through Midwestern State University.

Jesse W. Rogers
President

**Midwestern State University
Exceptional Item Funding Request
Legislative Appropriations Request
Fiscal Years 2014 and 2015**

I. Expansion of Critical Field Health Science Programs

Strategy Description and Justification:

Midwestern State University has demonstrated a commitment to addressing shortages in health related disciplines and seeks exceptional item funding to expand academic programs in nursing and allied health programs to meet the workforce needs of Texas communities. An accelerated second-degree program targeting unemployed workers who desire to be a nurse would increase enrollment and meet a need in this region of the state. Unemployed workers with undergraduate degrees are ideal candidates for second-degree nursing programs because the return-to-work time is reduced, thereby saving unemployment costs, and workers gain a marketable skill. In order to institute this program, funding for full-time faculty, adjunct faculty, staff, and equipment to support the expansion is needed. Additionally, the MSU Department of Radiologic Science can expand its offerings and enrollment through an investment in additional faculty, the development of a series of continuing education courses for maintenance of certification, and an investment in new equipment to keep pace with medical imaging technology. MSU has been a leader in radiologic science education, establishing one of the first radiologist assistant programs and the first discipline-specific master's degree in radiologic science in the United States. Finally, this funding will allow the MSU Dental Hygiene Department to convert its dental imaging equipment and patient tracking process to a fully digital environment and thus continue to offer state-of-the-art educational experiences.

External/Internal Factors Impacting Strategy:

The growing population of senior citizens and increased recognition of the importance of preventative care continues to place more demands on healthcare providers. The U.S. Department of Labor estimates job opportunities for registered nurses to grow by 26 percent, radiologic technologists by 28 percent, and dental hygienists by 38 percent between 2010 and 2020. This request for \$2.9 million over the biennium represents Midwestern State University's attempt to contribute to Closing the Gaps and address workforce demands in Texas.

	<u>FY 2014</u>	<u>FY 2015</u>	<u>Total</u>
Salaries – two FTE learning facilitators for simulation center	\$185,000	\$185,000	\$370,000
Salaries – one FTE support staff for simulation center	30,000	30,000	60,000
Salaries – two FTE nursing faculty and three adjunct clinical faculty	220,000	220,000	440,000

Salaries -- three FTE radiologic science faculty	275,000	275,000	550,000
Equipment -- advanced imaging equipment for radiologic sciences	600,000	0	600,000
Equipment -- dental hygiene digital imaging and data storage	400,000	0	400,000
Equipment -- upgrades and replacement of simulation manikins	300,000	0	300,000
Other Operating Expense -- increased funds for clinical travel, classroom technology, and preceptor training	90,000	90,000	180,000
TOTAL	<u>\$2,100,000</u>	<u>\$800,000</u>	<u>\$2,900,000</u>

II. Tuition Revenue Bond for Library/College of Education/Information Technology Facility Project

Strategy Description and Justification:

In the event that Tuition Revenue Bonds are approved, Midwestern State University believes it can soundly justify the need for this project. MSU's current library was constructed in 1963-1964 shortly after Midwestern State became a state supported institution. The library was increased in size in 1986 and includes over 93,000 square feet. It is believed that a modest sized, but well planned, modern library of approximately 50,000 square feet would meet the needs of our university now and for the foreseeable future. The remainder of the building could then accommodate much needed space for the university's College of Education and the Information Technology division. Midwestern State University respectfully seeks authorization to issue Tuition Revenue Bonds totaling \$30 million for the project, should Tuition Revenue Bonds be approved during this or future sessions.

Contracts involving grant proposals for sponsored research, including institutional support grants, and all non-monetary affiliation and clinical agreements	President or Appropriate Vice President; Vice President for Business Affairs & Finance
<u>Contracts involving non-monetary affiliation and clinical agreements</u>	<u>President or Provost and Vice President for Academic Affairs</u>
Fiscal approval of contracts of \$50,000 or more per year (except that all University employment contracts are exempt from this provision)	Vice President for Business Affairs & Finance
Approval of all contracts for information technology	Vice President for Administration & Institutional Effectiveness
Approval of all contracts unless using an unmodified standard contract form pre-approved in writing by the Office of General Counsel	General Counsel

D. Contract Signature Authorization Process

Prior to signing a contract, the contract review process must be completed as outlined in section C (Contract Approval Process) of this policy. The President has approved the following signature authority:

Contract Term	Signature Approval
Contract signature authorization for contracts approved by the Board in accordance with Section C (Contract Approval Process) of this policy, unless otherwise specified by the Board	President or President's designee
Contract signature authorization for contracts of \$500,000 or more per year related to: bequests, gifts, or grants to the University, other than real property; and interagency agreements for the purchase of electricity and natural gas through the Texas General Land Office's state energy marketing program	President or President's designee
Contract signature authorization for all contracts of \$100,000 or more but less than \$500,000 per year	President or President's designee
Contract signature authorization for all contracts related to the purchase, sale, or encumbrance of a mineral interest in real property having a monetary cost or value of less than \$100,000	President or President's designee
Contract signature authorization for all contracts and notices of employment for University personnel	President or President's designee
Contract signature authorization for licenses or other conveyances of intellectual property owned or controlled by the University	President or President's designee

Contract signature authorization for all contracts of less than \$100,000 per year	President or Appropriate Vice President
Contract signature authorization for all contracts involving grants for sponsored research, including institutional support grants, and all non-monetary affiliation and clinical agreements	President or Appropriate Vice President
<u>Contract signature authorization for all non-monetary affiliation and clinical agreements</u>	<u>President or Provost and Vice President for Academic Affairs</u>
Contract signature authorization for all contracts for information technology	President or the Vice President for Administration & Institutional Effectiveness

Delegations of signature authority to a designate may be made by the Chairperson of the Board of Regents or the President of the University only and must: be in writing; specify the need for compliance with these contract approval and signature authorization requirements; and be retained by the party making the delegation and the party receiving the delegation. A copy of the delegation shall be sent to the Controller, Office of General Counsel, and the Contract Administration Office.

Once contracts are signed, the Purchasing Office will create purchase orders (except for contracts not involving a purchase, e.g., affiliation or facility use agreements).

E. Administrative and Legal Review

1. The University's administration shall develop and implement *Contract Administration Procedures* for all contracts that include the following:
 - (a) All contracts are in writing and in the name of the University (not in the name of a department or an individual);
 - (b) Contracts comply with applicable federal and state law and regulations (including state purchasing requirements), and applicable University policies and procedures;
 - (c) Contracts are properly reviewed and approved prior to being signed by a person with delegated authority and evidenced by a properly completed *Contract Routing Sheet*;
 - (d) Contracts are properly maintained in accordance with the University's records management policy and records retention schedule and all state reporting requirements are completed in a timely manner and proper form;
 - (e) Contracts are monitored to ensure proper execution and performance; and
 - (f) The contract administration procedures will be annually assessed and identified improvements implemented.

The contract administration procedures shall also apply to any amendment, alteration, change, change order, correction, extension, modification, or renewal of a signed contract.

2. All contracts must be approved as to form and legal sufficiency by the Office of General Counsel before execution. The Office of General Counsel may approve standard contract forms which, if unmodified, may be used without obtaining further approval from the Office of General Counsel.

F. Prior Contracts

Contracts signed and approved in accordance with policies and procedures in effect prior to the effective date of this policy shall remain in full force and effect, but modifications or extensions to such contracts must be approved and signed in accordance with the provisions of this policy.

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Finance Committee
August 9, 2012**

The Finance 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 2:28 p.m., Thursday, August 9, 2012. Committee members in attendance were Mr. Mike Bernhardt, Chairman; Mrs. Jane Carnes; Mr. Charles Engelman; and Mr. Jeff Gregg. Other regents attending the meeting were Mr. Kenny Bryant, Mrs. Tiffany Burks, Dr. Lynwood Givens; Mr. Shawn Hessing, Mr. Sam Sanchez, and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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; Dr. Lynn Little, Dean, College of Science and Mathematics; 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; Mr. Steve Shelley, Director of Purchasing; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Anthony Gallina, Student Government Association (SGA) president. Representing the news media were Ms. Brittany Cottingham and Ms. Hannah Hoffman, co-editors of *The Wichitan*; Ms. Ann Work, *Times Record News*; Mr. David Gonzalez, KFDX-TV III; and Ms. Bethany Rumble, KAUZ-TV.

Chairman Bernhardt called the meeting to order at 2:28 p.m.

Reading and Approval of Minutes

12-128. The minutes of the Finance Committee meetings held May 10, 2012, were approved as presented.

Summary of Financial Support 9/1/11 - 7/15/12

12-129. Mr. Bernhardt noted that a corrected report was in each regent's folder (see Attachment 1). He added that with the correction, the gift total increased. Mr. Bernhardt highlighted the major gifts that had been received since the last board meeting.

- A. Mr. Joe B. Hood, Sr. donated \$300,000 for construction at the Dalquest Research Station.
- B. MSU received a \$12,200 grant from the Wichita Falls 100 Club to apply toward the purchase of communications equipment for the MSU Police Department.
- C. Mr. and Mrs. Daniel P. Schenk established the Danny and Donna Schenk Scholarship endowment with a \$50,000 contribution.
- D. Mrs. Gretta Robb donated \$20,000 to the Hogan Fund held by the MSU Foundation. Mrs. Robb requested that \$15,000 be used for scholarships and that \$5,000 be added to the Hogan Fund endowment.
- E. The university received an additional \$484,000 from the estate of Dorothy Warman.

Mr. Bernhardt reported that gifts received during this fiscal year as of July 15 total \$12 million. He added that the year-end gift report would be presented in November.

Dr. Rogers indicated that he was most appreciative of the support received from alumni and individuals within the local community. Dr. Farrell added that \$12 million was the second highest amount the university had received in any single year in its history, only exceeded in 2008 when the university received the over \$9 million gift from the Redwine Estate.

Mr. Bernhardt noted that a list of names and addresses of the recent donors was distributed to each regent and he encouraged regents to write thank you notes to these individuals.

Financial Reports

12-130. Mr. Bernhardt noted that the administration had recommended acceptance of the April, May, and June, 2012 Financial Reports. He asked Mr. Sandoval to comment on these reports.

Mr. Sandoval noted that he was pleased to report that as of June 30 the university experienced a turnaround in net operating funds of \$500,000 compared to a negative \$570,000 in 2011. He added that donor support was a significant part of the increase. He reported that while the university experienced a loss in income owing to the decline in enrollment, expenditures were reduced accordingly.

Mr. Engelman moved to accept the reports as presented. Mr. Gregg seconded the motion.

Mr. Bernhardt commended the administration on their efforts to reduce expenses. Mr. Hessing noted the report on working capital through August 31, 2013. He indicated that he would like to see a report on these reserves from 9/1/11 to 8/31/2012 and projected to 8/31/2013. He asked that the information be provided at the November meeting. Dr. Givens noted that there was a \$2 million difference in the working capital beginning and

ending balances. He asked if this was something the board should be concerned about. Mr. Sandoval stated that he was concerned and that he had worked with the university's Controller and Director of Budget and Management and there was a significant improvement in the projection for the upcoming year. He added that this would be discussed as part of the budget discussion. Dr. Givens indicated that when seeing a \$608,000 unallocated commitment to the FY 12 budget and the Technology Fee decrease of \$500,000, it appeared that the institution was either overspending or not budgeting appropriately. Dr. Rogers noted that the administration had intentionally built up the balance of the Technology Fee reserve, primarily planning for the purchase of the telephone switch. The additional funds were part of the university's plan to change the way it communicates with students and to upgrade technology on campus. Mr. Hessing noted that while the report makes it look as if the university is eating into its reserves, the explanation indicates that the administration was building the reserve to accommodate these needs. He indicated that they are actually appropriated funds that are being pulled forward. He stated that the administration should find a better way to present this information in the future.

There being no further discussion, the motion was approved.

Investment Report

12-131. Mr. Bernhardt stated that the board recently received a copy of the third quarter 2012 investment report. He noted that the board members were aware that the investment of local funds that are managed by the administration are heavily restricted by the Texas Public Funds Investment Act. These funds have seen a 1.18 percent return, which is quite good for these very safe investments. He noted that the endowment investments were also shown in the report and added that the committee would discuss the investment of the Redwine Funds as part of the next item.

Mr. Gregg moved the board accept these reports as presented. Mrs. Carnes seconded the motion and it was approved.

Investment Management Services

12-132. Mr. Bernhardt noted that during the May meeting the board asked the administration to provide an analysis of performance of the three firms that invest the Redwine Funds. Additionally, the board asked the administration to make a recommendation regarding the investment of the Redwine Funds. He noted that the analysis of performance was previously sent to each board member as shown in Attachment 2.

Dr. Rogers reminded the board that the Redwine Fund was broken into three parts and was distributed to three investment firms. He noted that after two years the fund had maintained approximately the same amount of money while scholarship funding had been taken from the fund twice. Dr. Rogers reported that one firm has given excellent service and has stayed within the board's investment policy without any extra encouragement, but their fee structure is high. He added that the performance of this firm is between that of the other two. He noted that another firm, Luther King, has performed very well, has a lower fee structure, but has had to be encouraged to

recalibrate the investments to stay within the university's investment policy guidelines. He indicated that, in his opinion, the decision of which firm to choose was between these two companies. He stated that after thorough review he recommended that the Redwine Fund investments be consolidated and placed with one investment firm, that being Luther King Investments. Dr. Rogers added his hope that the university could possibly negotiate lower fees by moving the funds to one firm.

Mrs. Carnes moved approval of this recommendation. Mr. Gregg seconded the motion.

Mr. Hessing stated that when the funds were originally invested the board and administration wanted to diversify the portfolio and felt the best way to do that was to invest one-third of the funds with three firms. He noted that one of the things that rapidly became apparent was that by splitting the money, the fee structure was not as efficient as it could have been if the funds had been invested with one firm. He indicated his opinion that the university could achieve a level of diversification with the funds invested with one firm by actively managing the portfolio with them.

Mr. Sanchez expressed concern that the firm had had issues with staying in compliance with the board's policy. Dr. Rogers indicated that the administration must remain vigilant in monitoring the investments and stay in close communication with the firm to ensure the investment policy is followed. Mr. Sanchez asked if the investment policy should perhaps be reviewed since the firm that did not always stay within the guidelines outperformed the other firms. Mr. Sandoval reported that the investment policy would be reviewed at the November board meeting. Mr. Hessing asked how far off the investments were from policy guidelines. Mr. Sandoval indicated that they were occasionally only off by one or two percent.

Mr. Engelman stated that the board had wanted to be safe in its investments. He noted that while he did not disagree with the selection, the top two firms had been most successful with their investing of the Redwine Funds. He indicated that one of the firms is invested totally in U.S. equities and the other firm is distributed between emerging markets, U.S. equities, and other areas. He indicated his concern that by limiting the investments to only one firm the overall portfolio would be less diversified.

Mr. Bryant noted that he was comfortable with the investment decisions two years ago. He indicated that the results were not what the board had hoped they would be. He indicated that he was pleased with the process and that the decision was made with patience and a thorough review.

Mr. Gregg noted that the high performer outperformed the middle performer by \$80,000 as of June 30. He asked if that was still the case. Dr. Rogers responded that he did not have updated information. Mr. Hessing added that it was likely to be the same or possibly better. Mr. Gregg asked if the institution would be exposing itself unnecessarily by not staying with two firms should the market go in the opposite direction. Mr. Bryant indicated that the board should not forget about the savings that could be received by going to one firm. Mr. Sandoval reported that Luther King charges .75% of the first \$2

million invested and .50 after that. The second best performer assesses 1.25% for the entire amount and they have indicated that the amount would go down to 1.10% if all of the funds were moved to them. Mr. Bernhardt noted that the institution could perhaps negotiate the fee down to .50 for the entire amount.

There being no further discussion, the motion was approved.

MSU Policies and Procedures Manual Changes Related to University Advancement and Gifts and Donations

12-133. Mr. Bernhardt noted that changes were recommended to the *MSU Policies and Procedures Manual* related to the area of university advancement. Dr. Rogers reported that Dr. Farrell's area had been reorganized and the recommended policy changes reflected those changes. Dr. Farrell noted that Mr. Steve Shipp, Director of University Development, had taken on more responsibility and that protocols in the development area had been streamlined.

Mr. Engelman moved approval of this items as presented. Mrs. Carnes seconded the motion and it was approved.

Financial Disclosure Statements

12-134. Mr. Bernhardt noted that each year the Board of Regents reviews copies of Financial Disclosure Statements of the President, the Vice President for Business Affairs and Finance, and the Controller. He indicated that the items were previously distributed to the board for review.

Mr. Gregg moved the board accept these items as presented. Mr. Engelman seconded the motion and it was approved.

University Accounts/Signature Authorizations

12-135. Mr. Bernhardt noted that the administration had recommended the following individuals be authorized to sign on university bank accounts, with two signatures required on all checks drawn from university accounts:

Dr. Jesse Rogers, President
Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance
Ms. Gail Ferguson, Controller
Ms. Valarie Maxwell, Director of Budget and Management
Mr. Chris Stovall, Assistant Controller

The administration further recommended continued authorization for the President, Vice President for Business Affairs and Finance, and Controller or their designees to purchase and sell investment instruments in accordance with the Texas Public Funds Investment Act and the Board of Regents' Investment Policy, and perform all other normal banking transactions. It was noted that investment transactions may be authorized by verbal orders but must also be approved in writing by the President or the Vice President for Business Affairs and Finance.

The administration finally recommended the board continue to authorize the President, the Vice President for Business Affairs and Finance, the Provost and Vice President for Academic Affairs, and the Director of Human Resources to sign appropriate personnel retirement documents.

Mrs. Carnes moved approval of these recommendations as presented. Mr. Engelman seconded the motion.

Approval of Brokers/Dealers, Investment Vehicles, and Asset Holding Accounts

12-136. The administration recommended approval of the list of brokers/dealers, investment vehicles, and asset holding accounts for fiscal year 2013 as presented in the agenda document. Mr. Bernhardt noted that the brokers/dealers are the university's contacts who sell the university investment securities, primarily agency notes. The Asset Holding Accounts are safekeeping accounts that hold the investment securities and commercial paper electronically in the university's name. The Other Investment Vehicles/ Overnight Cash Pools are physical locations for invested cash, CD's, savings, and public fund pools. He added that the proposed brokers/dealers had filed required certifications acknowledging the university's investment policy.

Mr. Gregg moved approval of these recommendations as presented. Mr. Engelman seconded the motion and it was approved.

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

12-137. Mr. Bernhardt indicated that the reports of personnel changes in April, May, and June, 2012 were presented for information as shown in the agenda document. Additionally, salary and position changes approved by the president were recommended for ratification as shown in the agenda. Mr. Bernhardt commented that the format of the report was changed at the request of the board in May.

Dr. Rogers reviewed the list of salary/title/position changes. He indicated that the new format presents current fiscal year cost or savings as well as the annual budget increase or decrease. He noted that the large increase shown since the last meeting was for the hiring of the Technical Analyst in Information Technology. This individual oversees the new portal system. Dr. Rogers added that the system would be operational in December.

Mrs. Carnes moved the board ratify these changes as presented. Mr. Engelman seconded the motion and it was approved.

Operating Budget for Fiscal Year 2013

12-138. Mr. Bernhardt stated that the administration previously distributed a copy of the proposed operating budget for the 2012-2013 fiscal year to the board for review. The administration recommended approval of this \$95,706,395 budget. He added that a copy of the Budget Highlights was also sent to the board as shown in Attachment 3.

Dr. Rogers reported that the proposed budget is \$1.55 million more than the current fiscal year. He noted that a two percent one-time salary payment was included in the budget. He added that faculty and staff have not received a salary increase in eighteen months. He stated that if enrollment increases, the two percent increase could possibly be added to base salaries in FY 14. Of the \$1.55 million budget difference, \$700,000 would provide the one-time salary payment. He added that scholarship funding increased by \$618,000 and that debt service and fringe benefit costs also increased. He noted Attachment 4 which showed a brief summary of the budget changes. The new revenue of \$1.14 million came from the increase in tuition and fees. Additionally, there was an increase in auxiliary reserves and undesignated donor support.

Dr. Rogers then reviewed the Budget Highlights. He noted the Renewal and Replacement funds and indicated that these are true reserves. He explained that funds are set aside each year for major emergency campus projects. He noted the allocation of the Higher Education Assistance Fund (HEAF). He explained that although a donor had given the university the money to pay off the Dillard debt, paying the debt off early would not have saved the university any interest costs. The donor authorized the university to use the \$2.2 million gift to begin work on the Campus Revitalization Plan. For that reason, a Dillard Building debt payment is shown on the HEAF list.

Dr. Rogers reported that the legislative requirement of waiving tuition and fees for various groups of people has gotten to be a significant part of the university's budget. MSU's income is reduced by more than \$1.5 million annually as a result of various waivers and exemptions that the administration and board have no control over. He added that several years ago the university made a significant amount of interest income on short-term funds. Unfortunately, these funds now earn less than two percent interest. He noted that increased enrollment was the key to maintaining a strong budget.

Mr. Sandoval reviewed a power point presentation regarding the FY 2013 budget (see Attachment 5). He noted that the budget is built by the president and vice presidents with input from the deans. He added that the administration analyzed the core needs of the university in developing the budget. Mr. Sandoval reported that state support of the total university budget had decreased from 36% in FY 2004 to 22.2% in FY 2013. Mr. Bryant asked if the funds from the state were allocated based on enrollment. Dr. Rogers responded that formula funding was allocated primarily based on semester credit hour production. Mr. Sandoval noted that the budget was based on a fall enrollment of 6,181. Mr. Bryant asked Dr. Lamb if he thought the steps the university was taking in revitalizing it recruiting and retention efforts would cause an enrollment increase in the fall. Dr. Lamb responded that it was likely too soon to see a positive effect and that the large impact should be seen in the fall of 2013. He added that the board should remember that the enrollment base was already down by 250 students and the university had two very large graduating classes this year.

Dr. Givens asked about Pell grants being included in the budget figures. He noted that grants are counted as income but student tuition and fee payments are again counted as revenue. He asked if the Pell funds were being double counted. Dr. Rogers responded

that the Pell funds are pass-through money and added that not all of the Pell funds come back to the university as they can be used for housing and other living expenses. Mr. Sandoval stated that the Pell grant funds are counted as restricted revenue and also as grant expense.

One of the slides in the presentation indicated that 42.7% of the university's budget comes from tuition and fees. Dr. Rogers noted that 80% of the university's revenue came from the state less than 20 years ago. Dr. Givens asked what percentage of tuition and fees was from Pell grants. Dr. Rogers responded that Pell grants were included in the pie chart as part of the Grants and Donor Fund Support amount.

Mr. Engelman stated that if a portion of the donor contributions could be put into an endowment fund, the fund might eventually provide greater support for the university. Dr. Rogers indicated that when he became president he attempted to encourage putting as much money as possible into endowments. He noted that the tough economic times had caused people to look at endowments differently. Dr. Farrell stated that the majority of gifts the university had received during the current year were directed to specific capital improvements or new programs. Dr. Rogers added that some of the donors within the last few years have made commitments of long-term funding rather than giving a major gift at one time.

The final slide of the presentation showed an analysis of selected reserves. Mr. Sandoval noted that certain designated reserves can only be used for specific purposes unless the board declared an emergency situation. Dr. Rogers commented that while a \$20 million fund balance looks good, much of that amount is designated for specific purposes. Mr. Sandoval stated that of the \$20 million fund balance, \$10 million is dedicated. He added that for a \$95 million budget, this amount of reserve was not adequate. Dr. Givens asked what amount would be adequate. Mr. Sandoval responded that 90 days of operating funds would be appropriate. Dr. Givens asked if that would be 25% of the budget and Mr. Sandoval answered in the affirmative. Mr. Hessing asked how many universities in Texas have that type of reserve. Mr. Sandoval indicated he did not know. Dr. Rogers stated that the presidents of the universities he has spoken with generally try to keep enough reserves to cover one to one and one-half months of operation. Ms. Maxwell noted that in the past Dr. Rogers had been asked during legislative testimony how many months of payroll the institution had reserves to cover. The general thought has been that funds to cover three months payroll should be adequate.

Mr. Sandoval mentioned that in the slide showing selected reserves, the working capital reserves of \$300,000 represented funds that were approved by the Board of Regents over twenty years ago and have never been used. Mr. Sanchez asked if these funds could be used for another purpose. Mr. Sandoval responded that the funds could be redesignated by the board. He added that the funds were originally established as repair and replacement funds and they could be combined with the other repair and replacement funds with board approval.

Mr. Sanchez noted that the Budget Highlights indicated a salary reduction of \$226,000 in benefit eligible positions. He asked how many positions were eliminated. Ms. Maxwell responded that this figure reflects changes in salaries through the hiring and rehiring on employees from September 1, 2011 to what is anticipated as of September 1, 2012. Mr. Sanchez asked for an analysis of reductions by college and administrative area. Mr. Sandoval responded that he would provide the information.

Dr. Givens stated that he supported the proposed budget but that he did not want to see budgets that anticipate continuing increases in tuition. He added that he did not think the environment was going to be attractive to continuing to increase student charges. Dr. Rogers indicated that while costs have increased, much of the challenge has been that costs have shifted from the states to the students. He added his agreement that the university could not continue compounding tuition and fees. He stated that the institution must find ways to lower the cost of delivering high quality education.

Mr. Bernhardt commented that the committee would go into executive session later in the meeting to discuss personnel.

Recess

The committee meeting recessed at 4:10 p.m. and reconvened at 5:54 p.m.

Executive Session

Mr. Hessing announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.074, Personnel Matters, to consider Items 12-154 (Tenure) and 12-138 (Operating Budget for Fiscal 2013). The closed session was properly announced at 5:54 p.m. Mr. Hessing, Mrs. Carnes, Dr. Givens, Mr. Sanchez, Mr. Engelman, Mrs. Burks, Mr. Bernhardt, Ms. Allsup, Dr. Rogers, Mr. Macha, Mr. Spencer, and Ms. Barrow remained for the discussion.

Open Meeting Resumes

The closed session ended at 6:35 p.m. with an announcement by Mr. Hessing that no action was taken during the Executive Session. The open meeting immediately resumed.

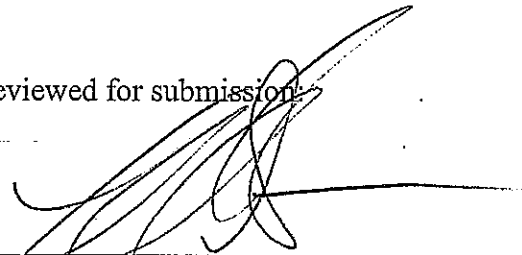
Operating Budget for Fiscal Year 2013

12-139. Mr. Bernhardt indicated that there was a previous motion and second to approve the budget as presented. There being no further discussion, the motion was approved.

Adjournment

The Finance Committee discussion concluded at 6:36 p.m.

Reviewed for submission



Michael Bernhardt, Chairman
Midwestern State University
Board of Regents Finance Committee

ATTACHMENTS:

1. Corrected Summary of Financial Support 9/1/11 - 7/15/12
2. Analysis of Redwine Fund Investments
3. Budget Highlights – FY 13
4. Summary of Budget Changes
5. Budget FY 13 – Power Point Presentation

**Summary of Financial Support
Midwestern State University, MSU Foundation
and MSU Charitable Trust**

	9/1/2011 10/18/2011	10/19/2011 1/19/2012	1/20/2012 4/16/2012	4/17/2012 7/15/2012	Total Year to Date
MSU University Development	\$598,120	\$620,027	\$5,790,932	\$905,894	\$7,914,973
Gifts in Kind			\$7,063	\$14,903	\$21,966
Contributions to MSU Endowments	\$1,305	\$131,873	\$760	\$2,250	\$136,188
Contributions to MSU Foundation	\$111,000	\$13,950	\$1,107,727	\$81,800	\$1,314,477
Hardin Foundation-Asset Transfer		\$324,624			\$324,624
President's Excellence Circle					
2010-2011	\$8,338	\$500	\$500	\$250	\$9,588
2011-2012	\$24,485	\$160,548	\$45,327	\$82,723	\$313,083
2012-2013				\$1,000	\$1,000
Wichita Falls Museum of Art	\$6,875	\$516,452	\$255,015	\$9,890	\$788,232
Contributed Art		\$22,000			\$22,000
Annual Fund	\$32,790	\$139,911	\$84,857	\$27,596	\$285,153
Phonathon Contributed Services			\$972	\$68	\$1,040
Alumni Association					
1,817 (2011-2012 membership)	\$5,505	\$4,165	\$460	\$505	\$10,635
(includes 581 lifetime members)	\$1,400	\$300	\$600	\$600	\$2,900
Mustangs Athletic Club					
Contributed Services	\$1,250				\$1,250
Cash	\$65,116	\$72,760	\$15,396	\$12,542	\$165,813
Corporate Sponsors - Athletics					
Contributed Services	\$190,850	\$2,500			\$193,350
Cash	\$45,850	\$20,588	\$9,750	\$3,800	\$79,988
Other Contributions - Athletics					
Contributed Services	\$4,000				\$4,000
Cash		\$45,690	\$3,290		\$48,980
Fantasy of Lights	\$28,550	\$40,157	\$15,300	\$5,880	\$89,887
Contributed Services		\$2,502			\$2,502
Scholarship Funds from Outside Sources	\$72,796	\$188,686	\$93,568	\$26,171	\$381,221
TOTAL	\$1,198,230	\$2,307,232	\$7,431,516	\$1,175,872	\$12,112,851

Unaudited
 Midwestern State University
 Redwine Investments
 Cumulative through June 30, 2012

Finance Committee
 August 9, 2012
 Attachment 2 -- Page 2

	<u>J.P.Morgan Chase</u>	<u>Fisher Investments</u>	<u>Luther King Investments</u>	<u>Total</u>
Original Investment	3,097,215	3,097,215	3,097,215	9,291,645
Income (Interest, Dividends)	157,132	152,854	81,040	391,026
Net Realized Gains (Losses) on Sales	(9,893)	(6,572)	(124,591)	(141,056)
Management Fees	(27,767)	(54,115)	(27,598)	(109,480)
Safekeeping fees pd.		(6,067)	(6,248)	(12,315)
Net Income	119,472	86,100	(77,397)	128,175
Distributions to the University	(75,000)	(75,000)	(75,000)	(225,000)
Undistributed Income	44,472	11,100	(152,397)	(96,825)
Unrealized Appreciation (Depreciation)	(68,117)	54,808	293,140	279,831
Realizable Gain(Loss) if sold @ 6-30-12	(23,645)	65,908	140,743	183,006
Ending Market Value 6/30/12	3,073,570	3,163,123	3,237,958	9,474,651
Accruals	3,787	3,126	9,466	16,379
Market Value With Accruals	3,077,357	3,166,249	3,247,424	9,491,030
Scheduled Distribution in August 8/31/12	(91,667)	(91,667)	(91,666)	(275,000)
Adjusted Value Est. After Distribution	2,985,690	3,074,582	3,155,758	9,216,030

Midwestern State University
Budget Highlights
2012-2013

- The proposed MSU Operating Budget for FY 2013 is \$95,706,395, an increase of \$1.55 million over FY 2012.
- The budget is based on an estimated enrollment of 6,181 students for fall 2012. The projection is consistent with a reduction from last year, as the previous year was 6,400.
- The budget includes a one-time 2% retention payment for eligible faculty and staff.
- The budget reflects a net decrease of 5.41 full-time equivalent (FTE) positions and it includes 13.5 positions without an appropriated salary. These positions will not be filled during the fiscal 2013 budget year.
- Private sources and grant funds totaling \$554,914 provide funding for 9.08 full time equivalent positions, 4.77 faculty positions and 4.31 staff positions.
- Significant budget changes include:
 - Salary reductions of \$226,646 in benefit eligible positions.
 - Maintenance and operations reductions of \$50,437.
 - Travel reductions of \$54,185.
 - Scholarships increased by \$612,024.
 - Capital budgets increased \$195,213.
 - Fringe benefits total \$11.4 million, an increase of approximately \$241,000, (a 7.3% increase in group health insurance).
 - Transfers totaling \$255,000 to plant funds for renewal and replacement.
- The Higher Education Assistance Fund (HEAF) is constitutionally dedicated state funding for critical capital construction and equipment support. Together with our short-term capital master plan, the following distribution of HEAF funds is proposed:

Bond payment on Dillard Building	\$1,484,150
Physical Plant equipment and improvements – Deferred Maintenance	1,010,483
Master plan projects	470,000
Library materials	250,000
Allocation to six colleges for academic-related equipment	200,000
Computer lab equipment	50,000
Capital lease for fleet vehicles	30,000
Equipment for administrative offices and contingency	<u>64,800</u>
TOTAL	<u>\$3,559,433</u>

Midwestern State University

Budget Increase 2013 over 2012 --\$-- 1,550,000 *

Revenue Sources:

Tuition and Fee Increases	\$ 1,140,000
Increased Auxiliary Revenues (i.e. Housing)	175,000
Donor Support	<u>235,000</u>
Total Revenue Sources	<u>\$ 1,550,000</u>

* Top 3 expenditure items with largest impact on budget

1. One-time pay	\$ 665,915
2. Scholarship increase	612,024
3. Fringe benefits	<u>241,538</u>
	<u>\$ 1,519,477</u>

Midwestern State University Budget Highlights FY 2012 – 2013

By
Juan R. Sandoval
Vice President for Business Affairs & Finance
August 9, 2012

Educational and General Funds For Fiscal Year Ending August 31, 2013

General Revenue & State Benefits

General Revenue	\$ 16,619,208
State Paid Benefits	4,588,635

Other E&G Income – State Tuition/Lab Fees,

Investment Income, Etc.

Mandatory State Tuition	\$ 6,954,870
Other E&G Income	990,276

Local E&G Funds

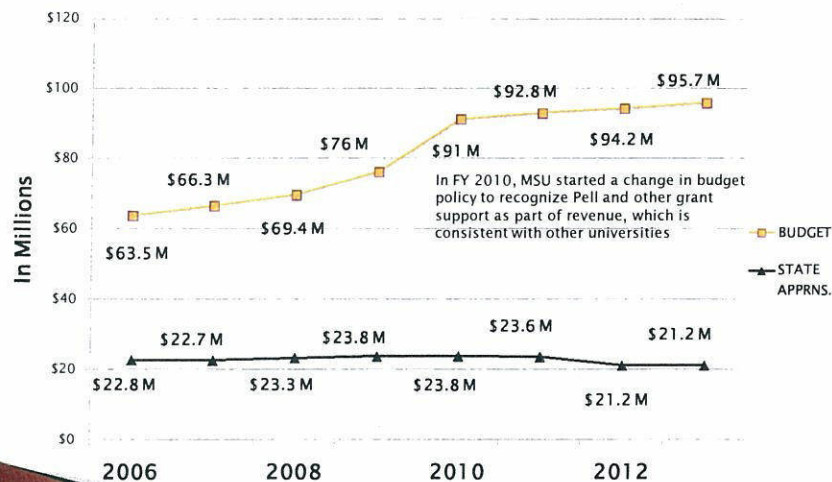
Energy Surcharge	\$ 1,850,000
Designated Tuition Contribution	150,000

Total	<u>\$31,152,989</u>
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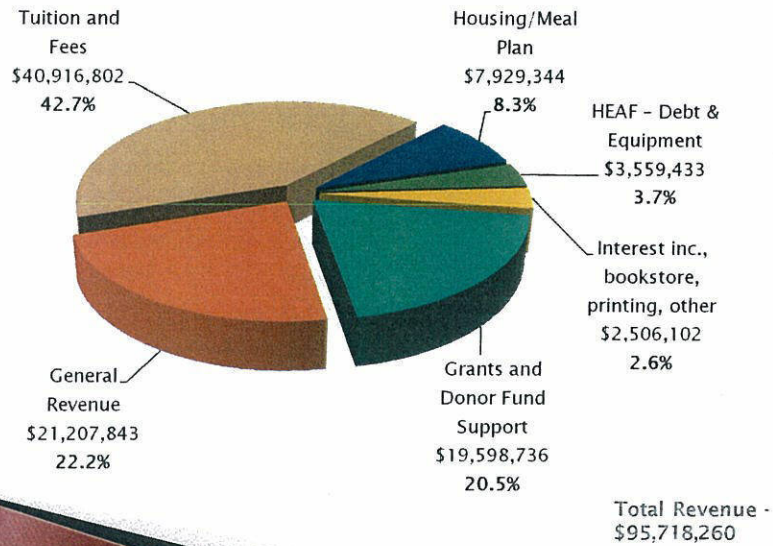
Ten-Year State Legislative Appropriations Comparison

	<u>General Revenue State Support</u>	<u>% of Total Budget</u>
FY 2004	\$ 20,853,180	36%
FY 2005	\$ 20,941,156	35%
FY 2006	\$ 22,800,253	34%
FY 2007	\$ 22,715,166	34%
FY 2008	\$ 23,331,145	34%
FY 2009	\$ 23,780,229	31%
FY 2010	\$ 23,832,099	26%
FY 2011	\$23,625,267	25%
FY 2012	\$21,226,129	22.5%
FY 2013	\$21,207,843	22.2%

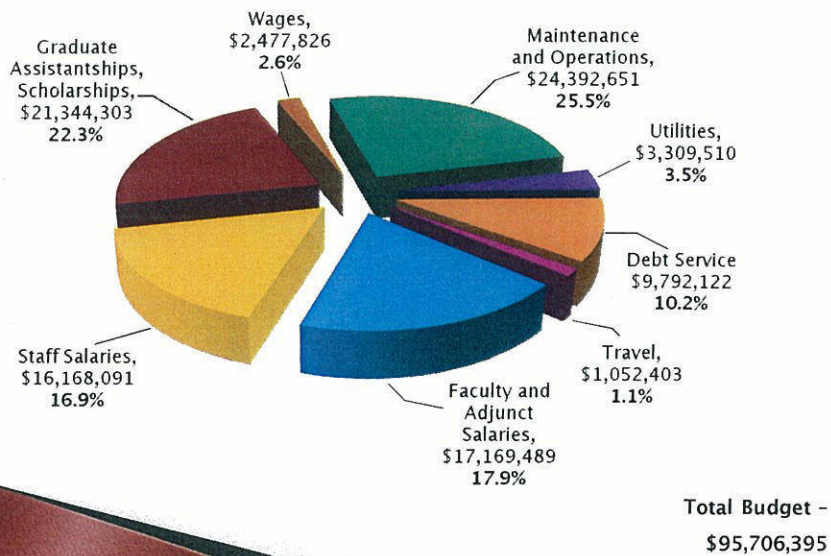
General Revenue to Total Budget



Sources of Revenue – FY 2013



Use of Funds – FY 2013



Analysis of MSU Fund Balances Projected for August 31, 2013

Education and General Funds	\$ 304,192
Designated Funds	11,932,059
Auxiliary Funds	1,610,240
Restricted Funds	1,989,410
Plant Funds (donor funds, reserves)	<u>4,929,692</u>
Total All Funds	<u>\$20,765,593</u>

Analysis of Selected Reserves Estimated at August 31, 2013

	<u>FY 2012</u>	<u>FY 2013</u>
Housing Reserves	\$1,034,136	\$1,184,136
Facilities Repair/Replace	275,917	325,917
Working Capital Reserves	<u>300,000</u>	<u>300,000</u>
Totals	<u>\$1,610,053</u>	<u>\$1,810,053</u>

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Audit, Compliance, and Management Review Committee
August 9, 2012**

The Audit, Compliance, and Management Review 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 4:22 p.m., Thursday, August 9, 2012. Committee members in attendance were Mr. Sam Sanchez, Chairman; Mrs. Tiffany Burks; Mr. Charles Engelman; and Mr. Jeff Gregg. Other regents attending the meeting were Mr. Mike Bernhardt; Mrs. Jane Carnes; Dr. Lynwood Givens; Mr. Shawn Hessing, and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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. Lynn Little, Dean, College of Science and Mathematics; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, General Counsel; 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; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Anthony Gallina, Student Government Association (SGA) president. Representing the news media was Mr. David Gonzalez, KFDX-TV III.

Chairman Sanchez called the meeting to order at 4:22 p.m.

Reading and Approval of Minutes

12-139. The minutes of the Audit, Compliance, and Management Review Committee meeting May 10, 2012, were approved as presented.

Report on Audit Activities

12-140. Mr. David Spencer, Internal Auditor, reported that much of his time during the last quarter was spent assisting the state auditors with routine processes. A Report on State Agency, University, and Community College District Compliance with the Public Funds Investment Act and Investment Reporting Requirements was released. This report is a review of internal audits conducted by each of the various state agencies every two years. MSU was found to be in substantial compliance with two minor issues noted and corrected. A review of MSU's financial and operational processes was also finalized. The university was found to have general control over these

processes and to have adequate controls to assure that the reporting of financial information is accurate, complete, reliable, and timely. The report also indicated that university assets were appropriately safeguarded. Several recommendations were made, including modifications to the university's purchasing and contracting processes. Mr. Spencer noted that the university's internal compliance reviews had already noted the need to further refine these processes.

Mr. Spencer reported that he had also assisted the State Auditor with a required financial aid audit. He stated that the remainder of his time had been spent conducting research related to the new contract review policy and the request from the Governor's Office of all state agencies to review policies in light of the situation at Pennsylvania State University and the Freeh Report. He added that as part of the Southern Association of Colleges and Schools (SACS) reaccreditation process the state would undertake an accreditation financial review early in 2013. Mr. Hessing asked if the focus of the SACS audit would be financial rather than procedural. Mr. Sandoval responded that it would be a financial review of the university as of August 31, 2012.

Mr. Sanchez noted that this item was presented as a point of information only.

Status of Construction Projects

12-141. Mr. Sanchez reported that during the May Board meeting the committee asked the administration to develop a report that would present a timeline of current major construction activities. The new report format was presented in the agenda document. Additionally, a construction update was presented regarding summer projects and other small projects (see Attachment 1). Mr. Sanchez asked if anyone had comments regarding the new report format or questions concerning the information provided.

Mr. Engelman asked for an update on the Ligon Coliseum project. Dr. Rogers responded that the project was complete with the exception of punch list items. Mr. Engelman asked that another column be added to the new report format indicating the percentage of completion of the projects.

This item was presented as a point of information only.

Review of Policies and Procedures Regarding Criminal Situations on Campus

12-142. Mr. Sanchez noted that each member of the board received a letter in July from Texas Governor Rick Perry regarding recent situations at Pennsylvania State University. In addition to reminding board members of their role and responsibilities as regents, the Governor asked regents throughout the state to look into the policies and procedures each state university has in place to address criminal situations of this nature. Boards were asked to report their findings to the Governor by August 31. A list of policies, procedures, protocols, and trainings were provided to each member of the board (see Attachment 2).

Mr. Macha indicated that he worked with the President's Office, Human Resources, the University Police Department, Student Affairs, and the overall administration to

assemble this list. He stated that he was very pleased with the policies and procedures in place at Midwestern State University.

Mrs. Burks asked if there was a university policy that made it mandatory for faculty or administrators to report to some entity if they become aware of misconduct on campus that is sexual in nature. Dr. Lamb responded that reporting is required through the Cleary Act. Mrs. Burks indicated that she would like to see the requirement as part of university policy.

Mrs. Carnes asked if there was a policy requiring faculty members to report aberrant behavior they might observe. Dr. Lamb indicated that while there is not a formal policy, the university has a Behavioral Intervention Team to which faculty or staff can refer students that exhibit such behavior.

Mr. Sanchez asked about training for campus personnel on their reporting requirements. Dr. Lamb noted that information is on the university's website and is sent through emails. He added that he was unaware of formal training. Dr. Owen commented that the Teaching Learning Resource Center had a seminar about the requirements during the last academic year. Mr. Sanchez asked if attendance at the seminar was mandatory and Dr. Owen responded that it was not. Mr. Sanchez suggested that consideration be given to requiring mandatory training for all employees. Dr. Rogers stated that mandatory training on sexual harassment is required for employees and that the training could be expanded to include these reporting requirements.

Mr. Sanchez noted that Ms. Barrow contacted the Governor's Office and was told that individual responses from each regent were not necessary and that a communication from the board chairman on behalf of the university board would be appropriate. Mr. Sanchez asked for a motion to authorize Mr. Hessing to forward the list of policies and procedures to the Governor on the board's behalf. Mr. Engelman made the motion and it was seconded by Mrs. Burks.

Mr. Hessing stated that he would like for the board to sign the letter as a group. He indicated that a draft would be available for review Friday morning and that a signature page would be printed so that each member's signature could be included.

The motion was approved.

Internal Audit Plan – 2012-2013

12-143. Mr. Sanchez noted that the Texas Internal Auditing Act requires each agency's governing board to approve an annual audit plan using risk assessment techniques. Mr. Spencer's proposed audit plan was included in the agenda document. Mr. Spencer indicated that the plan included continued development of compliance functions. He stated that he also planned to review the accounting system for assets at the Museum of Art at MSU and perform an audit of investments. He noted that he also allocated time to assist external oversight bodies and engage in special projects as required by the administration and the Board of Regents.

Mr. Gregg moved approval of the plan as presented. Mrs. Burks seconded the motion.

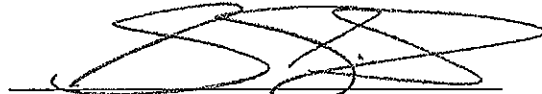
Mr. Gregg asked Mr. Spencer if he was able to perform extensive audits of randomly selected university departments. Mr. Spencer indicated that as the only employee in his department he had not been able to dedicate time for such audits. He added that he focuses his time on the most risky areas of the university operations.

There being no further discussion, the motion was approved.

Adjournment

The Audit, Compliance, and Management Review Committee discussion concluded at 4:44 p.m.

Reviewed for submission:

A handwritten signature in black ink, appearing to read 'Samuel M. Sanchez', is written over a horizontal line.

Samuel M. Sanchez, Chairman
Midwestern State University
Board of Regents Audit, Compliance, and
Management Review Committee

ATTACHMENTS:

1. Construction Update
2. Policy and Procedure Review – Criminal Situations on Campus



3410 Taft Boulevard, Wichita Falls, Texas 76308-2099
Office: (940) 397-4648 Fax (940) 397-4859

Construction Projects Status Report – Item 12-141

Projects completed since May 2012 Board of Regents meeting include:

1. Akin Auditorium Renovations (\$151k).
2. Akin Auditorium Exterior Waterproofing, South Side (\$57k).
3. Sikes Lake Center Renovations (\$77k).
4. Comanche Suites Renovation (\$46k).
5. Clark Student Center Grease Trap Replacement (\$33k).
6. Reroofing of McCullough Hall, Paint Shop, Beyer Greenhouse (\$28k).
7. Carpet Replacement – Bolin Science Hall Rooms 102, 118, 212, 307, and 308 (\$27k).
8. Ferguson 301 Conversion to Four Offices (\$26k).

LIGON PHASE II: - \$6.7 MM

- Project substantially complete with minor punch list items remaining.
- Facilities Services performing minor additional items outside CMAR's scope of work.

TEEPEE DRIVE RECONSTRUCTION: - \$188k

- Green space creation between Clark Student Center and Killingsworth.
- Project on schedule for mid-August completion and within budget.

ATHLETIC FIELD LIGHTING: - \$346k

- Installation of lighting on the softball field and replacement of the lights at the soccer stadium.
- Project on schedule for late August completion and within budget.

ADDITIONAL PROJECTS <\$100K:

Projects in process scheduled for completion in the fall include:

- Athletic fields electrical equipment replacement (\$72k).
- Central Plant chill water makeup tank abatement and replacement (~\$60k).
- Reroofing of four soccer stadium buildings, tennis center (~\$47k).
- Central Plant diesel tank removal (~\$30k).
- Dillard 306 PC lab A/C improvements (~\$30k) during December break.

Midwestern State University
Policy and Procedure Review
August 7, 2012

The administration has surveyed its policies and procedures in response to the request by Governor Perry to review policies and procedures in place for criminal situations of the nature that occurred at Pennsylvania State University. The following items identify such policies, procedures, protocols, and training currently in place at Midwestern State University.

1. Policy 3.314 – Ethics Policy for Employees of Midwestern State University
http://personnel.mwsu.edu/policy/3.3-employee-policies/3.314-Employee_Ethics.asp
2. Policy 3.349 - Employee Background Checks
<http://personnel.mwsu.edu/policy/3.3-employee-policies/3.349-Employee-Background.asp>
3. Policy 4.152 – Police Department Administration and Regulatory Ordinances
<http://personnel.mwsu.edu/policy/4-general-university-policies/4.152-regulatory.asp>
4. Policy 4.161 – Sex Discrimination and Sexual Harassment
http://personnel.mwsu.edu/policy/4-general-university-policies/4.161-sexual_harrassment.asp
5. Policy 4.169 – Summer Camps
http://personnel.mwsu.edu/policy/4-general-university-policies/4.169-camps_conferences.asp

Legislation was approved in 2011 which established sexual abuse and child molestation training requirements for employees involved in activities for minors that are offered on the campus of institutions of higher education. Training for employees of summer camps offered on the MSU campus is required and provided on line -
<https://secure.mwsu.edu/personnel-training/Child-Protection/slideshow/>

Additionally, revisions to Policy 4.169 are in place and await formal approval by the University's Administrative Council:



Policy 4.169 camps
draft June 2012.doc

6. *Athletic Staff Code of Conduct and Ethics*



C1 COACHES AND
STAFF CODE OF CONDUCT

7. *MSU Student Handbook Standards of Conduct - Sexual Misconduct* (on page 79).
<http://students.mwsu.edu/studentaffairs/handbook.asp>

An updated statement is included in the August Board agenda for review and approval. This statement will ensure continued compliance with Title IX, including greater specificity of violations and University recourse.



BOR Handbook Policy
080612.pdf

8. *MSU Residence Life Handbook* (see p. 29 items #25 – Sexual Assault and #26 – Sexual harassment): <http://housing.mwsu.edu/pdf/residencehallhandbook.pdf>

9. Mandatory Sexual Harassment and Ethics Training for university employees -
<http://personnel.mwsu.edu/office/training/index.asp?LL=1669>

10. Crime Awareness and Campus Security Act – Clery Report
<http://police.mwsu.edu/awareness.asp?LL=495>

11. Anonymous Information Report to Police Department
<http://webforms.mwsu.edu/TakeSurvey.aspx?SurveyID=m2LJ452&LL=501>

12. MSU Police Department general order 7.46 (Sex Offender Registration/Protocol).



Sex Offender
Registration.docx

13. The MSU Police Department is a partner agency with Patsy's House, a local children's advocacy center. The center's protocols appear below:



Patsy's House
protocols.doc

14. MSU has an emergency alert system in place and the University's Police Department uses it in the case of criminal activity on or near the campus.

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

**Academic and Student Affairs Committee
August 9, 2012**

The Academic and Student Affairs 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 4:44 p.m., Thursday, August 9, 2012. Academic and Student Affairs Committee members in attendance were Dr. Lynwood Givens, Chairman; Mrs. Tiffany Burks; and Mr. Sam Sanchez. Other regents attending the meeting were Mr. Mike Bernhardt, Mrs. Jane Carnes, Mr. Charles Engelman, Mr. Jeff Gregg, Mr. Shawn Hessing, and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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. Lynn Little, Dean, College of Science and Mathematics; Mr. Charlie Carr, Director of Athletics; Mr. David Spencer, Internal Auditor; Mr. Barry Macha, General Counsel; Dr. Jim Owen, Chairman of the MSU Faculty Senate; Ms. Jolene Welch, Chair of the MSU Staff Senate; Ms. Dianne Weakley, Director of Human Resources; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Anthony Gallina, Student Government Association (SGA) president. Representing the news media was Mr. David Gonzalez, KFDX-TV III.

Chairman Givens called the meeting to order at 4:44 p.m.

Reading and Approval of Minutes

12-144. The minutes of the Academic and Student Affairs Committee meeting May 10, 2012, were approved as presented.

Faculty Senate Report

12-145. Dr. James Owen, MSU Faculty Senate Chairman, presented information as shown in Attachment 1. He noted that there was little to report because the senate does not regularly meet during the summer months.

Staff Senate Report

12-146. Ms. Jolene Welch, Staff Senate Chair, reported that the senate held elections for the 2012-2013 year and indicated that this was the end of her term on the senate. She

reported that the new chairman would be Mr. Dirk Welch, Director of Career Services. She thanked the board for the opportunity to participate in the meetings. Dr. Rogers and Dr. Givens thanked Ms. Welch for her service to the university.

Student Government Report

12-147. Mr. Anthony Gallina, SGA president, reported that the new officers worked during the summer to develop ways to encourage students to be involved with various campus committees. He added that they are making an effort to involve a larger number of students in the process. Dr. Lamb commented that Anthony and the other officers had worked more during the summer getting ready for the new academic year than any other SGA he had worked with in the past.

Athletics Report

12-148. Mr. Charlie Carr, Director of Athletics, presented the following report on athletics activities.

- A. The lighting project for the softball and soccer fields is complete. Funds for the project were provided by the 4B Board through the City of Wichita Falls.
- B. The Baseball Study Committee has been formed and will begin looking at the possibilities for funding. Dr. Rogers noted that he hoped to have a financial analysis for the board in November.
- C. Lone Star Conference (LSC) Update - Incarnate Word and Abilene Christian have been talking with the Southland Conference and continue looking to move to Division I. Losing two schools would leave the LSC with nine schools and only seven football playing schools. Mr. Carr noted that it would become even more difficult to schedule games in the future. Dr. Rogers added that the LSC presidents met in June and discussed options in terms of substituting or replacing those members that might leave the conference. He noted that he was on the recruiting committee to talk with potential schools about joining the conference. He added that another possible solution was scheduling more Gulf South schools in the future. He stated that the problem with scheduling the Gulf South would be the need for additional travel money.
- D. The Ligon Coliseum project is complete with the exception of graphics, nameplates, and other small items. An open house and tour is scheduled for Thursday, October 18.

Dr. Farrell added a special invitation to the board to attend the MSU football game at Cowboy Stadium September 13.

Enrollment Reports – Summer 2012

12-149. The enrollment report for the summer was presented as shown in Attachment 2. Dr. Lamb stated that enrollment was down slightly in the summer and added that following an enrollment decline in the fall and spring and two very large graduating classes, a

decline in the summer was to be expected. He added that changes to the federal Pell grant program also likely affected summer enrollment. He explained that in 2012 students who received the maximum Pell amount in the fall and spring were not eligible to receive Pell funding in the summer. He indicated that additional changes in Pell would be forthcoming in the future. Mr. Bernhardt asked what percentage of MSU students receive Pell. Dr. Lamb responded that he would provide that information to the board. (NOTE: It was later reported that 35% of MSU students receive Pell).

August 2012 Graduating Class

12-150. The administration recommended approval of the list of candidates for August 2012 graduation as presented. Dr. Givens reported that 214 students were on the list compared with 241 in 2011. Dr. Stewart commented that this was a difference of 27 students and that 24 of the students were from the College of Health Sciences and Human Services in the nursing and radiologic science programs. She noted that the programs are cyclical in nature and this was one of the years with a smaller graduating class for these programs.

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

MSU Student Handbook Changes

12-151. Changes to the *MSU Student Handbook* were recommended for approval as shown in the agenda document. Dr. Lamb commented on the recommended changes.

- A. General Student Complaints – the Southern Association of Colleges and Schools (SACS) requires universities to have a general student complaint policy and that was the impetus for developing this policy. The Dean of Students is the individual identified to shepherd students through the process.
- B. Sexual Misconduct Policy – the Office of Civil Rights (OCR) sent each institution of higher education a “Dear Colleague” letter last year regarding the university’s administration of Title IX programs and specifically sexual harassment, sexual assault, and sexual misconduct. The OCR was specific in outlining expectations and a complete rewrite of the current policy was required. Dr. Lamb stated that Mr. Macha was of great assistance in drafting the policy (see Attachment 3). He added that the Sexual Harassment Policy was also updated as part of the process.

Mr. Sanchez moved approval of these changes as presented. Mrs. Burks seconded the motion.

Mrs. Burks noted that the current policy mirrors the Texas Penal Code and the proposed policy has been broadened to encompass more sexual misconduct. Dr. Lamb responded that the OCR required specificity and that is why the changes were recommended. Dr. Givens asked when the new policy would go into effect. Dr. Lamb responded that the *Student Handbook* would be printed after the board meeting and the policy would go into effect for the fall 2012 semester. Mrs. Burks asked if sanctions

were specified in the *Handbook*. Dr. Lamb responded that they were and that sanctions range from a warning to expulsion.

There being no further discussion the motion was approved.

MSU Policies and Procedures Manual Changes

12-152. Changes to the *MSU Policies and Procedures Manual* were recommended for approval. Dr. Rogers commented on these items as presented.

- A. Policy 2.393, Staff Senate Purpose and Constitution – changes were recommended by the senate to clarify membership representation and expulsion criteria.
- B. Policy 3.131, Graduate Assistants and Graduate Teaching Assistants – changes were recommended to eliminate redundancies, simplify text, and specify duties of varying types of graduate assistantships.
- C. Policy 3.224, Absenteeism – changes were recommended to include Attendance – Staff Absenteeism & Tardiness. Ms. Weakley noted that the new attendance policy was intended to define expectations for staff attendance and to ensure consistency in the treatment of employees throughout the university. Mr. Sanchez asked what type of absence would be considered “unexcused.” Ms. Weakley responded that an absence would be unexcused if an employee left work without notice or did not notify his supervisor that he would not be at work.

Mrs. Burks moved approval of these policy changes as presented. Mr. Sanchez seconded the motion and it was approved.

Southern Association of Colleges and Schools (SACS) Update and Quality Enhancement Plan (QEP) and Strategic Plan Presentation

12-153. Dr. Givens stated that the campus had been working in preparation for the SACS reaffirmation of accreditation in 2013. He asked Dr. Clark to provide information about the timetable as well as the required QEP proposal and Strategic Plan. Dr. Clark reported that MSU was last reaffirmed by SACS in 2002 and was originally scheduled for reaffirmation in 2012. However, there were so many schools scheduled for reaffirmation in 2012, MSU was moved to 2013. Dr. Clark reviewed the Timeline for Reaffirmation of Accreditation as shown in Attachment 4. He indicated that the QEP committee is made up of 12 faculty members and two students. He added that the off-site peer review would be conducted at the SACS headquarters in Atlanta. He asked the board to make note of the April 8-11, 2013 dates for the on-site committee visit to the MSU campus.

Dr. Clark reviewed a summary sheet regarding the QEP (see Attachment 5). Dr. Clark noted that the QEP is a broad-based plan that must emerge from the campus community and must enhance student learning. He stated that the proposal the university would likely pursue would focus on undergraduate student research. He added that the on-site

committee would be asked to accept the university's QEP during their visit in April. Once the proposal is accepted, the university will assemble another committee to oversee the establishment of the QEP on campus. The university will be required to report progress to SACS after five years.

Dr. Clark reported that Dr. White worked on the development of a new Strategic Plan during the 2011-2012 academic year (see Attachment 6). He pointed out the six priority goals identified and presented on pages 11 and 12 of the document. He indicated that the next step in the planning process would be to determine strategies and action items to address the goals.

Dr. Givens noted that the administration had recommended approval of the QEP topic proposal and the Strategic Plan priority goals. Mr. Sanchez moved approval of these items as presented. Mrs. Burks seconded the motion. Dr. Rogers expressed his strong endorsement of these items.

Dr. Givens asked how the university is graded by SACS. Dr. Clark responded that the grade is similar to a pass/fail evaluation. Dr. Givens asked how the administration would determine the cost and value of the QEP. Dr. Rogers reported that the QEP would include a budget that the university would have to commit to funding.

Mr. Hessing asked that a SACS update be presented at each of the next two board meetings.

There being no further discussion the motion carried.

Tenure

12-154. Dr. Givens asked Dr. Rogers to provide information regarding the hiring of academic administrators with faculty tenure. Dr. Rogers noted that the university has a policy that allows for the hiring of department heads, deans, and vice presidents with faculty tenure. The individuals being considered must be thoroughly reviewed in accordance with this policy.

Recess

The board meeting recessed at 5:45 p.m.

Executive Session

Mr. Hessing announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.074, Personnel Matters, to consider Items 12-154 (Tenure) and 12-138 (Operating Budget for Fiscal 2013). The closed session was properly announced at 5:54 p.m. Mr. Hessing, Mr. Bernhardt, Mrs. Burks, Mrs. Carnes, Mr. Engelman, Dr. Givens, Mr. Sanchez, Ms. Allsup, Dr. Rogers, Mr. Macha, Mr. Spencer, and Ms. Barrow remained for the discussion.

Open Meeting Resumes

The closed session ended at 6:35 p.m. with an announcement by Mr. Hessing that no action was taken during the Executive Session. The open meeting of the Academic and Student Affairs Committee resumed at 6:36 p.m.

Tenure

12-154. Mrs. Burks moved approval of awarding tenure to the following academic administrators:

Ann Marie Leimer, Ph.D.	Art
Lynn Little, Ph.D.	Biology
Betty Stewart, Ph.D.	Chemistry

Mr. Sanchez seconded the motion and it was approved.

Adjournment

There being no further business, the Academic and Student Affairs Committee discussion concluded at 6:37 p.m.

Reviewed for submission:



F. Lynwood Givens, Chairman

Midwestern State University

Board of Regents Academic & Student Affairs Committee

ATTACHMENTS:

1. Faculty Senate Report
2. Enrollment – Summer I and II 2012
3. *Student Handbook* Changes – Sexual Misconduct, Sexual Harassment, Sex/Gender Discrimination Policy
4. SACS Timeline for Reaffirmation of Accreditation
5. QEP Information
6. Strategic Plan Priority Goals 2012



Midwestern State University Faculty Senate Summary

09 AUG 12 Board of Regents Report

The MSU Faculty Senate has not met since the summary dated 10 MAY 12. The new Senate will convene for its first meeting on 23 AUG 12. No business remains unfinished from the 2011 – 2012 academic year.

Since the conclusion of the spring term, the Faculty Senate has recommended faculty members to participate on the screening committee to review credentials from applicants for the VP Finance position. Representatives from the MSU Student Government and Faculty Senate met with each of the Provost candidates who came to campus for interviews. One Senator, Brandon Smith, from Fain Fine Arts College, has moved to another university. A college election will select his replacement when the fall term begins.

Scheduled meeting dates for the Faculty Senate during the 2012 – 2013 academic year are:

Date	Start	End	Room
8/23/2012 Thu	3:00 PM	5:00 PM	Dillard 189
9/13/2012 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
10/11/2012 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
11/08/2012 Thu	3:00 PM	5:00 PM	Dillard 189
12/06/2012 Thu	3:00 PM	5:00 PM	Dillard 189
1/10/2013 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
2/14/2013 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
3/07/2013 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
4/11/2013 Thu	3:00 PM	5:00 PM	CSC 162 Kiowa
5/02/2013 Thu	3:00 PM	5:00 PM	Dillard 189

A copy of the 2012 – 2013 Faculty Senate roster appears on the reverse side of this report.

Respectfully,

Jim Owen, Chair
Midwestern State University Faculty Senate

*MSU Faculty Senate Roster
2012 - 2013 Term*

Senator		<i>Term Ends</i>
<i>College of Math & Science</i>		
Azouz	Idir	2013
Griffin	Terry	2013
McDonald	Dale	2014
McDonald	Terry	2014
Scales	Jon	2014
<i>College of Health & Human Services</i>		
Bowles	Betty	2013
DeBois	Barbara	2014
Fidelie	Laura	2013
* Morrison	Gary	2014
Paddock	Ted	2013
* Roberts	Kathy	2014
Wilbanks	Jammie	2014
<i>Dillard College of Business Administration</i>		
* Bultena	Charles	2014
* Owen	Jim	2014
Patin	Roy	2013
<i>Fain College of Fine Arts</i>		
Harvey	Susan	2014
Morrow	Ruth	2014
To be elected		2013
<i>Prothro - Yeager College of Humanities & Social Sciences</i>		
Duff	Jeremy	2014
Jun	Nathan	2014
LaBeff	Emily	2013
* McClintock	Stuart	2013
Stiles	Beverly	2013
<i>West College of Education</i>		
Suzanne	Lindt	2014
Wood	Julie	2013

* = Executive Committee Member

(Names printed in **BOLD** are newly elected
Senators)

Enrollment Reports

Summer I 2012

	2011	2012
New First-Time Freshmen	10	8
Freshmen	135	90
Sophomore	351	306
Junior	524	483
Senior	1,046	958
Graduate/Post-Baccalaureate	<u>404</u>	<u>412</u>
TOTAL	2,470	2,257

Summer II 2012

	2011	2012
New First-Time Freshmen	14	14
Freshmen	96	74
Sophomore	246	237
Junior	373	370
Senior	781	711
Graduate/Post-Baccalaureate	<u>203</u>	<u>174</u>
TOTAL	1,713	1,580

MSU Student Handbook Proposed Changes

I. Standards of Conduct – replace sections 25 and 26 with a new section 25 as shown below.

25. Sexual Assault: Sexual Assault is defined as a stranger or acquaintance who commits sexual assault through forcible sodomy, forcible sexual penetration, however slight, of another person's mouth, anal or genital opening with any object. These acts must be committed without the victim's consent either by force, threat of force or violence, intimidation or through the use of the victim's mental or physical helplessness. Sexual assault also includes the touching of an unwilling person's intimate parts (defined as genitalia, groin, breast or breasts, or buttocks or clothing covering them) or forcing an unwilling person to touch another's intimate parts. These acts must be committed either by force, threat, intimidation or through the use of the victim's mental or physical helplessness.

26. Sexual Harassment: Sexual harassment includes but is not limited to unsolicited, deliberate, or repeated sexual flirtations, advances or propositions, display of sexually suggestive pictures or objects, and/or offensive or abusive physical contact of a sexual nature. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical contact of a sexual nature will be a violation of university policy and will constitute sexual harassment when:

a. Submission to such conduct is made explicitly or implicitly a term or condition of an individual's employment or education.

b. Submission to or rejection of such conduct by an individual is used as a basis for academic or employment decisions affecting that individual.

c. Such conduct has the purpose or effect of substantially interfering with an individual's academic or professional performance or creating an intimidating, hostile, or offensive employment, educational, or living environment. This article is consistent with the institutional policy on sexual harassment (MSU Policies and Procedures Manual 4.161).

25. Sexual Misconduct

Midwestern State University maintains a policy of zero tolerance for sexual misconduct regardless of the sexual orientation or gender identity of individuals engaging in sexual activity. Members of the University community, guests and visitors have the right to be free from sexual violence. When an allegation of sexual misconduct is brought to the administration, and an accused student/respondent is found to have violated this policy, serious sanctions will be imposed to ensure that such actions are never repeated. All members of the University community are expected to conduct themselves in a manner that does not infringe upon the rights of others. The Midwestern State University sexual misconduct policy has been developed to reaffirm these principles and to provide recourse for those individuals whose rights have been violated. This policy has dual purposes; it serves as a measure to determine, after-the-fact, if behaviors trespassed on community values, and serve as a guide for students on the expectations Midwestern State University has, preventatively, for sexual communication, responsibility and respect.

While the policy below is detailed and specific, the expectations of this community can be summarized in this simple statement: Consent is clear sexual permission and can only be given by one of legal age.

Finally, there is a difference between seduction and coercion; coercion is defined in this policy as unreasonably pressuring another person for sex. Coercing someone into engaging in sexual activity violates this policy in the same way as physically forcing someone into engaging in sexual activity.

A. Violations of the University Sexual Misconduct Policy

Sexual misconduct is a serious offense and such violations are subject to any combination of conduct sanctions deemed appropriate (as described on p. 80) with individuals found responsible for violation of the nonconsensual sexual intercourse policy facing a recommended sanction of University suspension or University expulsion. A partial list of Midwestern State University sexual conduct policy violations is listed below.

- a) *Sexual Harassment*: Gender-based verbal or physical conduct that has the effect of unreasonably interfering with an individual's work or academic performance or creates an intimidating, hostile or offensive working or educational environment. There are two types of sexual harassment:
 1. *Hostile Environment* includes situations in which there is harassing conduct that is sufficiently severe, pervasive/persistent and objectively offensive so that it alters the conditions of education or employment, from both a subjective (the alleged victim's) and objective (a reasonable person's) viewpoint. The determination of whether an environment is "hostile" must be based on all the circumstances. These circumstances could include, but are not limited to:
 - The frequency of the speech or conduct;
 - The nature and severity of the speech or conduct;
 - Whether the conduct was physically threatening;
 - Whether the speech or conduct was humiliating;
 - The effect of the speech or conduct on the alleged victim's mental and/or emotional state;
 - Whether the speech or conduct was directed at more than one person;
 - Whether the speech or conduct arose in the context of other discriminatory conduct;
 - Whether the speech or conduct unreasonably interfered with the alleged victim's educational or work performance;

- Whether a statement is a mere utterance of an epithet which engenders offense in an employee or a student or offends by mere discourtesy or rudeness; and/or
 - Whether the speech or conduct deserves the protections of academic freedom.
2. Quid Pro Quo sexual harassment exists when there are unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature where submission to, or rejection of, such conduct results in educational or employment action.
- b) Nonconsensual Sexual Intercourse (or attempts to commit the same):
- Any sexual intercourse,
 - however slight,
 - with any object,
 - by a person upon another person,
 - without consent and/or by physical force
- c) Nonconsensual Sexual Contact (or attempts to commit the same):
- Any intentional sexual touching,
 - however slight,
 - with any object,
 - by person upon another person,
 - without consent and/or by physical force
- d) Sexual Exploitation: Taking nonconsensual or abusive sexual advantage of another for one's own advantage or benefit, or to benefit a person other than the one being exploited. Examples of sexual exploitation include, but are not limited to:
1. Prostituting another student;
 2. Non-consensual video or audio recording of sexual activity;
 3. Exceeding the boundaries of explicit consent, such as allowing friends to hide in a closet to be witness to one's consensual sexual activity;
 4. Engaging in voyeurism (Peeping Tommerly); and/or
 5. Knowingly transmitting a sexually transmitted disease/infection or HIV to another student.
- e) Retaliation exists when an individual harasses, intimidates or takes other adverse actions against a person because of the person's participation in an investigation of discrimination or sexual misconduct or their support of someone involved in

an investigation of discrimination or sexual misconduct. Retaliatory actions include, but are not limited to, threats or actual violence against the person or their property, adverse educational or employment consequences, ridicule, intimidation, bullying, or ostracism. The University will impose sanctions on any faculty, student or staff member found to be engaging in retaliation.

B. Confidentiality and Reporting Sexual Misconduct

University officials, depending on their roles at the University, have varying reporting responsibilities and abilities to maintain confidentiality. In order to make informed choices, one should be aware of confidentiality and mandatory reporting requirements when consulting campus resources. On campus, some resources may maintain confidentiality, offering options and advice without any obligation to inform an outside agency or individual unless you have requested information to be shared. Other resources exist for you to report crimes and policy violations and these resources will take action when you report victimization to them. Most resources on campus fall in the middle of these two extremes; neither the University nor the law requires them to divulge private information that is shared with them, except in the rare circumstances. The following describes the three reporting options at Midwestern State University:

- a. *Confidential Reporting:* If you would like the details of an incident to be kept confidential, you may speak with on-campus counselors, campus health service providers, off-campus rape crisis resources, or off-campus members of the clergy/chaplains who will maintain confidentiality. Campus counselors are available to help you free of charge and can be seen on an emergency basis during normal business hours.
- b. *Private Reporting:* You may seek advice from certain resources who are not required to tell anyone else your private, personally identifiable information unless there is cause for fear for your safety, or the safety of others. These resources include employees without supervisory responsibility or remedial authority to address sexual misconduct, such as resident advisors (RAs), faculty members, advisors to student organizations, career services staff, admissions officers, student activities personnel, and many others. If you are unsure of someone's duties and ability to maintain your privacy, ask them before you talk to them. They will be able to tell you and can help you make decisions about who can help you best. Some of these resources, such as RAs, are instructed to share incident reports with their supervisors, but they do not share any personally identifiable information about your report unless you give permission, except in the rare event that the incident reveals a need to protect you or other members of the community. If your personally identifiable information is shared, it will be shared with as few people as possible and all efforts will be made to protect your privacy to the greatest extent.
- c. *Formal Reporting Options:* You are encouraged to speak to University officials, such as the Title IX Coordinator, Dean of Students, Campus Police, or Deans to make formal reports of incidents of sexual misconduct. You have the right, and

can expect, to have incidents of sexual misconduct taken seriously by the University when formally reported, and to have those incidents investigated and properly resolved through administrative procedures. Formal reporting still affords privacy to the reporter, and only a small group of officials who need to know will be told. Information will be shared as necessary with investigators, witnesses, and the accused student/respondent. The circle of people with this knowledge will be kept as tight as possible to preserve your rights and privacy.

Texas law has established procedures for the confidentiality of identifying information of victims of sex offenses. Article 57.02 of the Texas Code of Criminal Procedure provides that a victim of a sexual offense (described in Chapter 62 of the Code) may choose a pseudonym to be used instead of the victim's name to designate the victim in all public files and records concerning the offense, including police summary reports, press releases, and records of judicial proceedings. A victim who elects to use a pseudonym must complete a pseudonym form and return the form to the law enforcement agency investigating the offense. A victim who completes and returns a pseudonym form to the law enforcement agency investigating the offense may not be required to disclose the victim's name, address, and telephone number in connection with the investigation or prosecution of the offense.

Midwestern State University's Police Department is a partner agency with Patsy's House, a local children's advocacy center. A children's advocacy center provides a safe, child-friendly environment where law enforcement, child protective services, prosecution, medical and mental health professionals may share information and develop effective, coordinated strategies sensitive to the needs of each unique case and child. Sex offenses involving a victim under the age of 18 may be referred to Patsy's House.

C. Federal Timely Warning Obligations

Victims of sexual misconduct should be aware that University administrators must issue timely warnings for incidents reported to them that pose a substantial threat of bodily harm or danger to members of the campus community (The Clery Act, 20 U.S.C. 1092(f)). The University will make every effort to ensure that a victim's name and other identifying information is not disclosed, while still providing enough information for community members to make safety decisions in light of the danger.

D. Texas Penal Code

a. Section 38.17: Failure to Stop or Report Aggravated Sexual Assault of a Child

A person who does not have a legal or statutory duty to act or who has not assumed care, custody, or control of a child (younger than 14 years of age), commits an offense (Class A misdemeanor) if the person observes the commission or attempted commission of an offense prohibited by Section 21.02 (Continuous Sexual Abuse of a Young Child or Children) or Section 22.021 (a)(2)(b) (Aggravated Sexual Assault of a Victim Younger than 14 Years of Age) under circumstances in which a reasonable person would believe that an offense of a sexual or assaultive nature was being committed or was about to be committed against the child; the person fails to assist the child or immediately

report the commission of the offense to a peace officer or law enforcement agency; and the person could assist the child or immediately report the commission of the offense without placing himself or herself in danger of serious bodily injury or death.

b. Section 38.171 (Failure to Report Felony)

A person commits an offense (Class A misdemeanor) if the person observes the commission of a felony under circumstances in which a reasonable person would believe that an offense had been committed in which serious bodily injury or death may have resulted; and fails to immediately report the offense to a peace officer or law enforcement agency when a reasonable person would believe that the offense had not been reported and the person could immediately report the offense without placing himself or herself in danger of suffering serious bodily injury or death.

E. Texas Family Code Reporting Requirements

Section 261.101(a) of the Texas Family Code requires “any person having cause to believe that a child’s [under 18 years of age] physical or mental health or welfare has been adversely effected by abuse or neglect to immediately make a report” to law enforcement. The penalty for failing to make the report is a Class A misdemeanor; a state jail felony in certain situations if the victim is mentally retarded). This law also provides that protection for those who, in good faith, report or assist in the investigation of alleged or known abuse or neglect (Section 261.106). The immunity provided by law includes both civil and criminal liability.

II. Sexual Harassment Policy – replace the current policy with a new Sex/Gender Discrimination Policy.

Sexual Harassment Policy

It is the policy of Midwestern State University that no member of the university community may sexually harass another. Harassment on the basis of sex is a violation of Title IX of the Education Amendments Act of 1972 and the Title VII of the Civil Rights Act of 1964. Any faculty member, staff member, or student will be subject to disciplinary action for violation of this policy.

Definition

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitutes sexual harassment when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment or education, or
2. Submission to or rejection of such conduct by an individual is used as a basis for academic or employment decisions affecting that individual, or

3. — Such conduct has the purpose or effect of substantially interfering with an individual's academic or professional performance or creating an intimidating, hostile, or offensive employment, educational or living environment.

Complaint Procedure

Any member of the MSU community (faculty, staff, or student) having a complaint of sexual harassment should notify her or his immediate supervisor. If the complaint is against the immediate supervisor, the complainant should contact the next higher administrative level. The immediate supervisor for an employee is the university official to whom the employee reports. The immediate supervisor for a student is the program coordinator or dean of the college for academic issues, and the Dean of Students for non-academic issues. The complaint should be filed within ten calendar days of knowledge of the alleged conduct. The complaint may be taken through the formal process should the conference with the immediate supervisor fail to satisfy the employee or student.

Cases involving sexual harassment will be considered sensitive, and special attention to issues of confidentiality will be given. Dissemination of information relating to the case will be limited, in order that the privacy of individuals involved is safeguarded as fully as possible. Every effort will be made to protect the complainant from retaliatory action by whoever is named in the complaint.

Formal Disposition of Complaint

The complainant will send a written complaint within ten days of the conclusion of the conference with the immediate supervisor to the University President requesting a formal hearing. The written complaint must describe the alleged violation. Within ten days of the date filed, a hearing will be set.

The President of the University shall appoint an ad hoc committee to hear the complaint and render a decision. The hearing committee shall consist of four persons and a vice president who will serve as chairman. The four persons shall consist of two persons from each classification (faculty, staff, or student) of the principals involved. Each principal involved shall have one preemptive challenge.

The complainant and all affected parties shall receive a written notice of the date, time, and place of hearing. The notice to the immediate supervisor shall also include a copy of the written complaint filed with the President of the University. A copy of the written complaint will be furnished to the hearing committee when it convenes.

All formal hearings shall be closed to the public except upon compliance with the Open Meetings Law, Texas Government Code, Chapter 551. The vice president shall preside and conduct the business of the hearing. The principals shall have the opportunity to present their case.

Upon completion of the hearing, the chairman shall, within ten days, submit a written report of the committee's findings and recommendations to both parties and to the President of the University.

Acceptance of Hearing Committee's Report

If the President of the University accepts the committee's report, the committee's decisions become final and the president is charged with overseeing the implementation of any and all recommendations contained in the report. If the President of the University does not

accept the committee's report, he shall, within five days, inform both parties in writing of the objections to the report and of his final decision in the case.

Right of Appeal

If either party is not satisfied with the disposition of the complaint, he or she may appeal to the Board of Regents through the President of the University. The request for appeal to the Board of Regents must be filed, in writing, with the President of the University within ten days after the president has rendered his decision and notified the affected parties.

The chairman of the Board of Regents will set a date for review of the grievance and notify the President of the University. The disposition made by the Board of Regents will be final, and notification to the complainant will be made by the chairman through the President of the University.

Sex/Gender Discrimination Policy

Midwestern State University is committed to complying with all requirements as set forth by Title IX of the Education Amendments of 1972 ("Title IX"). As such, discrimination on the basis of sex or gender will not be tolerated in any of MSU's education programs or activities. Such discrimination includes, but is not limited to: sexual harassment; sexual violence; sex or gender-based bullying; hazing; stalking; relationship violence, and failure to provide equal opportunity in admissions, activities, employment or athletics.

The Midwestern State University Title IX Coordinator will be informed of, and oversee, all complaints of sex discrimination and is responsible for identifying and addressing any patterns or systemic problems that arise during the review of such complaints. Questions or concerns regarding Midwestern State University and Title IX may be directed to one or more of the following resources:

Midwestern State Title IX Coordinator
Associate Vice President for Student Affairs
Phone: (940) 397-7500

United States Department of Education:
Office for Civil Rights
Phone: (800) 421-3481
Email: ocr@ed.gov

Midwestern State University will make every effort to successfully complete the grievance process for complaints of sex discrimination over a period of 60 days or less. All parties involved are entitled to periodic status updates on the progress of the complaint and any subsequent appeals.

During the investigation and/or grievance process for complaints of sex discrimination, the University may take a number of interim actions in order to ensure the preservation of a complainant's school experience and the overall university environment. These actions may include, but are not limited to: issuance of University no contact order on the accused individual; residence hall room change for one or more involved parties; changes in

academic schedules or assignments for one or both parties and interim suspension of the accused student/respondent.

To read more about Title IX of the Education Amendment of 1972, please visit:
<http://www.dol.gov/oasam/regs/statutes/titleix.htm>.

**Timeline for MSU Reaffirmation of Accreditation
Southern Association of Colleges and Schools (SACS)
Commission on Colleges**

- September 10, 2012 – Compliance Certification due to SACS
- Fall, 2012 - Quality Enhancement Program (QEP) Proposal Committee continues working on final draft of QEP Proposal
- November 6-9, 2012 – Off-Site Peer Review conducted
- November-December, 2012 – university receives Off-Site Peer Review Report
- January, 2013 - QEP Proposal finalized
- January-February, 2013 – university prepares Focused Report to respond to issues raised in Off-Site Peer Review Report.
- February-March, 2013 – university submits Focused Report and QEP Proposal to SACS and the On-Site Committee
- April 8-11, 2013 - On-Site Committee visits MSU Campus
- December, 2013 - decision on reaffirmation released at SACS Annual Meeting

Quality Enhancement Plan (QEP) Topic Proposal

As part of the Southern Association of Colleges and Schools (SACS) accreditation process, a Quality Enhancement Plan (QEP) is required. A QEP is a course of action for institutional improvement that addresses one or more issues contributing to quality enhancement of student learning.

In the spring and fall of 2011, a QEP Topic Selection Committee, led by Dr. Sam Watson, Dean of the Prothro-Yeager College of Humanities and Social Sciences, with members representative of the MSU campus, organized the process of choosing a topic for a QEP. The topics chosen for initial consideration were based on responses from a web survey administered to faculty, staff, students, and alumni regarding topic interest. Finally, the campus community was asked to choose from three topic possibilities or suggest a new topic for consideration. Though there was not a majority vote on any one of the proposed topics or new suggestions, the committee recommended a Student Forum as the topic of choice.

In discussions that followed, it was suggested that the idea of the student forum be tied to undergraduate student research. In so doing, undergraduate student research would be brought to the forefront on the MSU campus using the forum concept as a way of giving students a platform for presenting their work. This would also tie in with the emphasis being placed on undergraduate student research by The Council of Public Liberal Arts Colleges (COPLAC) and provide possibilities for publication through the COPLAC online undergraduate research journal, *Metamorphosis*.

The administration requests board approval of this proposed QEP topic. Once approved, a QEP Proposal Committee will work on the full proposal to be submitted to SACS in the spring 2013.

Strategic Plan

The purpose of the strategic plan is to provide a framework to address the challenges facing MSU in the future, with an eye to the long-term sustainability of the university.

The planning process involved gathering input from members of the MSU community about the issues that may affect MSU in the future, as well as the goals that should be MSU's highest priorities. In addition, the internal strengths and weaknesses of MSU, and the factors in the external operating environment that may affect MSU in the future, were examined. The information was synthesized and six high-priority goals were identified based on a ranking process involving members of the MSU community.

PRIORITY GOALS

Based on the critical issues and input from MSU community members, six high-priority goals were identified. These goals will serve as the basis for MSU's direction in the future.

- Strengthen the extent to which MSU's mission and vision are effectively conveyed both within and outside of the organization, and serve as the basis for decisions.
- Establish and implement processes for effective faculty recruitment and retention to ensure the highest quality faculty.
- Increase the quality of education provided to students to ensure they have essential competencies to contribute to society, embark on or advance in chosen careers, and engage in lifelong learning.
- Acquire and incorporate technology (equipment, software, processes, etc.) that enhances educational quality and operational effectiveness.
- Increase the number and quality of students admitted to and retained in graduate and undergraduate programs.
- Expand and diversify university resources.

The planning process is ongoing and the next phase is to develop an implementation plan. This plan will include the development of tactics to achieve the strategic goals, allocation of resources for priority initiatives, establishment of accountability systems for oversight, and ongoing review and updates of the plan.

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

August 9, 2012

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, August 9, 2012. Regents in attendance were Mr. Shawn Hessing, Chairman; Mr. Kenny Bryant, Secretary; Mr. Mike Bernhardt; Mrs. Tiffany Burks; Mrs. Jane Carnes; Mr. Charles Engelman; Dr. Lynwood Givens; Mr. Jeff Gregg; Mr. Sam Sanchez; and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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; Dr. Lynn Little, Dean, College of Science and Mathematics; 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; Mr. Steve Shelley, Director of Purchasing; Mr. Mike Dye, Chief Information Officer; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the student body was Mr. Anthony Gallina, Student Government Association (SGA) president. Representing the news media were Ms. Brittany Cottingham and Ms. Hannah Hoffman, co-editors of *The Wichitan*; Ms. Ann Work, *Times Record News*; Mr. David Gonzalez, KFDX-TV III; and Ms. Bethany Rumble, KAUZ-TV.

Chairman Hessing called the meeting to order at 1:33 p.m. and Ms. Gaynor introduced the guests.

Opening Comments

Mr. Hessing asked Dr. Rogers to make special introductions and comments. Dr. Rogers welcomed Dr. Betty Stewart, new Provost and Vice President for Academic Affairs. He noted that Dr. Stewart previously served with distinction as Dean of the MSU College of Science and Math and most recently served as Provost at Eckerd College in Florida. Dr. Stewart earned her bachelor's degree in biochemistry from Mississippi State University and her Ph.D. from Carnegie Mellon University.

Dr. Rogers then introduced Dr. Lynn Little, Dean of the College of Science and Mathematics and Professor of Biology. He noted that from 1990 until 2008 Dr. Little served as professor and chairman of the Department of Laboratory Sciences at the University of Texas Southwestern

Medical School. He then moved to Howard Payne University as Dean of the College of Science and Mathematics. Dr. Little earned his bachelor's degree in biology from the University of Texas at Arlington, a master's degree in biology from the University of North Texas, a Master of Business Administration from the University of Texas at Dallas, a Master of Public Health from the University of Texas School of Public Health, and a doctorate of microbiology from the University of Texas Southwestern Medical School.

Dr. Rogers also welcomed Holly Allsup, new Student Regent from Wichita Falls. He noted that Holly is a senior marketing major at MSU. She will graduate with her bachelor's degree in August and will begin the MBA program in the fall.

Dr. Rogers noted that Mr. Juan Sandoval was retiring as of August 31. He thanked Juan for his service to MSU and wished him well in his retirement.

Public Comment

Mr. Hessing 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. He added that no one had signed up to speak.

Board Resolutions

12-121. Mr. Hessing noted that each board member had received a copy of a proposed resolution of appreciation for former student regent, Linda Aguilera. Mr. Bernhardt moved approval of the resolution as presented. Mrs. Carnes seconded the motion and it was approved as shown in Attachment 1.

Board of Regents Vice Chairperson Election

12-122. Mr. Hessing reported that at the May board meeting he appointed Dr. Givens, Mrs. Carnes, and Mr. Sanchez to serve as a nominating committee for the position of vice chair of the Board of Regents for the remainder of the biennium. Dr. Givens reported that the committee met and recommended Mr. Mike Bernhardt to serve in this position. Mr. Bryant seconded the motion and it was approved. Mr. Hessing congratulated Mr. Bernhardt on his election.

Discussion of Governing Board Structure and Responsibilities

12-123. Mr. Hessing indicated that in light of Governor Perry's recent letter to university regents throughout the state, the upcoming Southern Association of Colleges and Schools (SACS) reaffirmation of accreditation visit, as well as recent events on college campuses around the country, he asked that this item be placed on the agenda to give the regents an opportunity to discuss their role as university board members. He noted that a copy of the Texas Education Code statement on board responsibilities, as well as a statement of duties and ethics of board members was included in the board agenda. He added that these items were also given to each member during their required board training.

Mr. Hessing stated that the board's committee structure was modified in May and that he had received feedback from a number of board members. He indicated his opinion

that the board should continue to evaluate the new structure, give it some time, and then discuss again. He noted that it should likely be reevaluated in one year.

Mr. Hessing noted the document dealing with duties and ethics of board members. He indicated that the MSU board had done a good job complying with the duty of unity and speaking with one voice. He stated that this was one of the fracturing points other boards had faced. He also mentioned the information on the second page of the document dealing with the executive's role and how board members can provide support and feedback.

Mr. Bryant stated that although the board should not be involved in the day-to-day management of the university, he indicated that it was important for the board to be fully informed. Mr. Hessing agreed and mentioned that some of the challenges he had read about at other institutions were the result of information not being shared and board members not seeking information when it was not forthcoming.

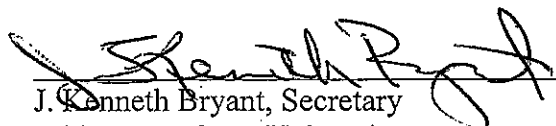
Mrs. Carnes asked if the Pennsylvania State University regents could be involved in individual lawsuits. Mr. Hessing responded that he did not know the status of lawsuits and was not aware of the board members' culpability. Mr. Macha indicated that board members individually and collectively must exercise due diligence regarding all matters that come before them. He noted that while regents at MSU are not facing the issues that have been seen at Penn State, the MSU board must be diligent in preparing the university should a similar situation occur.

Dr. Givens stated that in reading the Freeh Report regarding the Penn State case he noticed that the board was not aware of the situation when it began so the fault would have been with the administration not informing them. He added that the Freeh report found the board at fault for not acting quickly enough when they were made aware of the matter. Mr. Hessing commented that while policies and procedures are necessary, individual board members and administrators must also be diligent in following the procedures. Mr. Bryant added that board members must be careful not to rubber stamp decisions.

Adjournment

There being no further business, the meeting adjourned at 1:55 p.m.

Reviewed for submission:


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

ATTACHMENT:

1. Resolution of Appreciation – Ms. Linda Aguilera

MIDWESTERN STATE UNIVERSITY RESOLUTION OF APPRECIATION

August 9, 2012

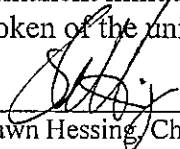
WHEREAS, Linda Aguilera was appointed by Texas Governor Rick Perry to serve as MSU Student Regent, the highest position to which a student can be appointed while enrolled in Texas public higher education, and

WHEREAS, Ms. Aguilera served in this position with distinction from June 1, 2011, until May 31, 2012, and

WHEREAS, she represented the students of Midwestern State University in discussions regarding key issues in higher education and provided input in decisions affecting the future of the university,

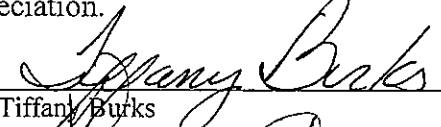
NOW, THEREFORE, BE IT RESOLVED that the members of the Board of Regents and President of Midwestern State University hereby express their most sincere appreciation to Linda Aguilera for her service, and


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

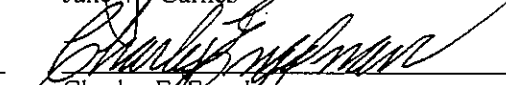

Shawn Hessing, Chairman


J. Kenneth Bryant, Secretary

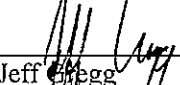

Michael Bernhardt

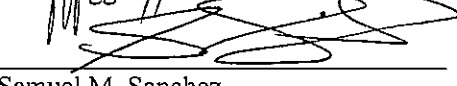

Tiffany Burks

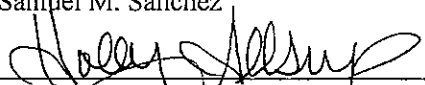

Jane W. Carnes

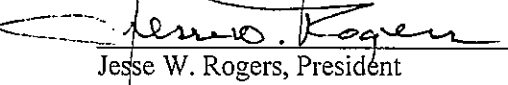

Charles E. Engelman


F. Lynwood Givens


Jeff E. Egan


Samuel M. Sanchez


Holly Allsup, Student Regent


Jesse W. Rogers, President



**MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY**

August 10, 2012

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, August 10, 2012. Regents in attendance were Mr. Shawn Hessing, Chairman; Mr. Mike Bernhardt, Vice Chairman; Mr. Kenny Bryant, Secretary; Mrs. Tiffany Burks; Mrs. Jane Carnes; Mr. Charles Engelman; Dr. Lynwood Givens; Mr. Jeff Gregg; Mr. Sam Sanchez; and Student Regent Holly Allsup.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Betty Stewart, 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; 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; Ms. Gail Ferguson, Controller; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Julie Gaynor, Director of Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director of Board and Government Relations. Special guest attending the meeting was Dr. Raymund Paredes, Commissioner of Higher Education for the Texas Higher Education Coordinating Board (THECB). Representing the news media was Ms. Ann Work, reporter for *Times Record News*.

Chairman Hessing called the meeting to order at 9:00 a.m. and Ms. Gaynor introduced the guests.

Opening Comments

Mr. Hessing welcomed everyone to the meeting and thanked them for their participation, discussion, and action at the committee meetings yesterday. He thanked Commissioner Paredes for taking time out of his schedule to travel to Wichita Falls to meet with the MSU Board of Regents.

Public Comment

Mr. Hessing 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. He noted that no one signed up to speak during this time.

Reading and Approval of Minutes

12-155 and 12-156. Minutes of the regular Board of Regents meetings May 10 and 11, 2012, were approved as presented.

Executive Committee Report

Mr. Hessing noted the items presented at the Executive Committee meeting for committee approval only, as well as the item tabled for further discussion. Information concerning these items may be found in the minutes of the Executive Committee meeting held August 9, 2012.

Items Presented for Committee Approval Only

12-124 and 12-125. Committee Minutes

Item Tabled for Discussion Friday

12-127. Approval and Execution of University Contracts

Executive Committee Consent Agenda

Mr. Hessing recommended the following item approved by the Executive Committee and placed on the Consent Agenda for the board's consideration.

- 12-126. Legislative Appropriations Request (LAR) - approved the Administrator's Statement, the exceptional item request for funding to expand critical field health science programs, and a tuition revenue bond request for the renovation of the Moffett Library facility.

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

Approval and Execution of University Contracts

- 12-127. Mr. Hessing noted that during Thursday's discussion of this item the committee asked Mr. Macha to recommend modified wording dealing with bequests to the university. The modified wording was presented to the board late Thursday evening as shown in Attachment 1. He noted that the changes were consistent with the discussion.

Mr. Bernhardt moved approval of this policy change with the modified wording. Mr. Sanchez seconded the motion and it was approved.

Finance Committee Report

Mr. Bernhardt noted the items presented at the Finance Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Finance Committee meeting held August 9, 2012.

Item Presented for Committee Approval Only

12-128. Finance Committee Minutes

Item Presented for Information Only

12-129. Summary of Financial Support 9/1/11-7/15/12

Finance Committee Consent Agenda

Mr. Bernhardt recommended the following items approved by the Finance Committee and placed on the Consent Agenda for the board's consideration.

- 12-130. Financial Reports – accepted the monthly financial reports for April, May, and June, 2012.
- 12-131. Investment Report – accepted the third quarter 2012 Investment Report.
- 12-132. Investment Management Services – selected Luther King Capital Management to provide investment management services for the Redwine Fund.
- 12-133. *Policy Manual* Changes Related to University Advancement – approved changes to policies 2.337, 4.134, and 4.145 as presented.
- 12-134. Financial Disclosure Statements – accepted the 2011 statements for the President, the Vice President for Business Affairs and Finance, and the Controller.
- 12-135. University Accounts – authorized individuals to sign on university bank accounts, purchase and sell investment instruments, perform normal banking transactions, and sign appropriate personnel retirement documents as presented.
- 12-136. Approval of Brokers/Dealers, Investment Vehicles, and Asset Holding Accounts – approved the lists as presented.
- 12-137. Review of Personnel Reports and Salary/Title/Position Changes in 2011-2012 Budget – ratified the changes as presented.
- 12-138. Operating Budget for Fiscal Year 2013 - approved the \$95,706,395 operating budget for the 2012-2013 fiscal year as presented.

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

Audit, Compliance, and Management Review Committee Report

Mr. Sanchez noted the items presented at the Audit, Compliance, and Management Review Committee Meeting for committee approval and information only. Additional information concerning these items can be found in the minutes of the committee meeting held August 9, 2012.

Item Presented for Committee Approval Only

- 12-139. Audit, Compliance & Management Review Committee Minutes

Items Presented for Information Only

- 12-140. Report on Audit Activities
- 12-141. Status of Construction Projects

Audit, Compliance, and Management Review Committee Consent Agenda

Mr. Sanchez recommended the following items approved by the Audit, Compliance, and Management Review Committee and placed on the Consent Agenda for the board's consideration.

12-142. Review of Policies and Procedures Regarding Criminal Situations on Campus – authorized Chairman Hessing to write a response to Governor Perry regarding the review of policies at Midwestern State University, with the letter signed by all board members.

12-143. Internal Audit Plan – 2012-2013 – approved the plan as presented.

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

Mr. Hessing noted that a draft of the letter to Governor Perry was included in each regent's folder. He indicated that comments could be forwarded to Ms. Barrow (a copy of the final letter is shown as Attachment 2).

Academic and Student Affairs Committee Report

Dr. Givens noted the items presented at the Academic and Student Affairs Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the committee meeting held August 9, 2012.

Item Presented for Committee Approval Only

12-144. Academic and Student Affairs Committee Minutes

Items Presented for Information Only

12-145. Faculty Report

12-146. Staff Report

12-147. Student Government Report

12-148. Athletics Report

12-149. Enrollment Report – Summer 2012

Academic and Student Affairs Committee Consent Agenda

Dr. Givens recommended the following items that were approved by the Academic and Student Affairs Committee and placed on the Consent Agenda for the board's consideration.

12-150. August 2012 Graduating Class – approved the list of candidates for graduation.

12-151. *MSU Student Handbook* Changes– approved a new policy for addressing general student complaints, and policy changes related to sexual misconduct and sex/gender discrimination.

12-152. *MSU Policies and Procedures Manual* Changes – approved changes to policies 2.393, 3.131, and 3.224 as presented.

12-153. Southern Association of Colleges and Schools (SACS) Update, Quality Enhancement Plan (QEP) and Strategic Plan – approved the QEP topic proposal and the Strategic Plan goals as presented.

12-154. Tenure – approved granting faculty tenure to the following individuals:

Ann Marie Leimer, Ph.D.	Art
Lynn Little, Ph.D.	Biology
Betty Stewart, Ph.D.	Chemistry

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

Other Business

Board of Regents Meeting Dates – 2012-2013

12-157. The proposed meeting dates for the upcoming academic year were listed in the agenda. There being no noted conflicts, the dates were approved as presented.

President's Report

12-158. Dr. Rogers presented the following information.

- A. Vice President for Business Affairs and Finance Search Update – the search process has been completed and Dr. Marilyn Fowlé has accepted the position. She holds a doctorate from the University of Pennsylvania, a Master of Business Administration from Rice University, and her bachelor's degree from the University of Houston Clear Lake. Dr. Fowlé has over 20 years experience at the vice president level.
- B. Engineering Program Update – MSU's engineering program has been very successful with 200 declared engineering majors. The administration and board had approved the proposal to offer an interdisciplinary engineering program. Following a review by the THECB, the administration was encouraged to add various specialties within the mechanical engineering degree program rather than adding a separate degree program. The THECB staff suggested that to do otherwise would simply dilute the size and success of the university's engineering program. The administration and faculty are now working on this option and plans include offering an option in petroleum engineering with a specialization in artificial lift. Dr. Rogers reported that local donors are in favor of this option and are working with the faculty to develop a relevant, needed program.
- C. Campus Conservation Efforts – it is possible that the Wichita Falls area may face Stage 3 water conservation in the next few weeks. Dr. Rogers reported that the university is already having a difficult time keeping playing fields adequately watered. He noted that the cost to replace these fields would be in the hundreds of thousands of dollars. He added that the athletics staff and students have been watering the fields by hand to help keep them alive. He reported that the administration and Physical Plan staff are continuing to look at possible solutions for campus watering.

He noted that the administration would keep the board informed as planning progresses.

Texas Higher Education Coordinating Board (THECB) Discussion

12-159. Dr. Rogers introduced Dr. Raymund Paredes, Commissioner of Higher Education of the THECB. Dr. Paredes thanked the board for the opportunity to meet with them. He also thanked the regents for their service. He presented information entitled "Progress on *Closing the Gaps* and A Look Ahead to the 83rd Legislative Session" (see Attachment 3).

Dr. Paredes reported that *Closing the Gaps*, the state's higher education master plan, included four major goals: Access, Success, Excellence, and Research. The intended outcomes of the plan were to increase the number of students that go to college in Texas, increase the percentage of students who complete post-secondary credentials, create more national research universities, improve the quality of education in general, and increase the amount of research funding received, particularly from the federal government. The two priority goals were to increase participation and success. Dr. Paredes reported that in 2000, Texas was one of only a few states to establish clear higher education goals. He added that significant progress had been made during the last decade. The first chart showed that enrollments have increased significantly and the state should meet or exceed the overall participation goal by 2015. He added that in 2000 Texas was between 45th and 49th among all states in terms of higher education attainment. Upon achieving the goal of 630,000 students participating, Texas will remain average in terms of college participation among the ten most populous states. It is expected that by 2015 approximately 53% of high school graduates in Texas will continue to some form of post-secondary education. The comparable figure in the highest achieving states, such as Massachusetts and California, is more than 65%

Another slide showed that the state is well on its way to meeting the goal of awarding 210,000 degrees and certificates by 2015. Dr. Paredes noted that, unfortunately, this progress will not be enough to keep up with the rest of the industrialized world, Texas' true competitors in the new global economy.

Dr. Paredes noted that while MSU's enrollment had been flat during the last decade the university had seen significant improvement in completion rates. He commended the administration, faculty, and board members for their efforts in this regard. He reported that MSU graduates a significantly larger number of students after 10 years than after six years. He noted that this was not typical of higher education institutions and MSU's statistics were the exception. He stated that the statewide average six-year graduation rate is 58.4% and the same is true nationwide. He added that if the University of Texas at Austin and Texas A&M University are taken out of the equation, the statewide average six-year graduation rate is only 49%. He noted that the completion rates for higher education institutions are lower than the completion rates for high schools in Texas. He pointed out that at MSU the average time to degree is 5.5 years and students accumulate an average of 150 hours to obtain a 120 hour degree. These figures slightly exceed the state average. He stated that this was, to a large extent, a function of poor advising, poor decision making by students, lack of information, and the proliferation of lower division courses offered by universities. He stated that national data has shown that by reducing the number of options students have and offering the courses that most students want to

take to complete a degree, institutions and students can save money and accelerate time to completion. He added that the THECB was considering proposing legislation that would limit the number of hours a student can accumulate for a baccalaureate degree to 135, after which students would have to pay out-of-state tuition and universities would not receive formula funding for the excess hours.

Dr. Paredes reported that the state had not made much progress in awarding STEM (science, technology, engineering and math) field degrees. He noted that part of the challenge is that not enough students who graduate from Texas high schools can do the rigorous work required in these fields. He stated that K-12 cannot fix this problem without help from higher education. He added that university faculty must work to help students succeed, particularly in these fields. Dr. Paredes added that universities are not producing enough certified teachers to meet public school demand, particularly math and science teachers, which are critical to creating and sustaining momentum in STEM fields.

In looking beyond 2015, Commissioner Paredes stated that Texas must set even higher goals and achieve higher levels of performance to reach national and global leadership. He stated that in 1973 only 28% of all jobs required some form of postsecondary education, compared to a projected 63% by 2018. The state must significantly increase the number of workers with postsecondary education and skill training if future job demands are to be met. A slide provided information regarding adults who hold an associate degree or higher by age group in Texas, Mexico, and other select Organization for Economic Cooperation and Development (OECD) countries. He noted that Texas and the nation exceed educational attainment rates of key global peers above 45 years of age and higher, but are falling behind among younger cohorts. He stated that if this trend is not reversed, Texas and the United States will not be able to compete economically. He added that the Obama administration had reported that U.S. college degree attainment rate must be increased from 40 to 60%. That increase equates to 10 million additional Americans ages 25-34 with an associate or baccalaureate degree. Texas alone will need an additional 4.1 million associate & bachelor's degrees by the year 2030 to reach the internationally accepted goal of 60% of the workforce with higher education attainment.

Dr. Paredes reported that post-secondary education financial aid must be restructured. He stated that 60% of the students coming through the K-12 pipeline are poor. Tuition and fees are increasing steadily and the ability of high school graduates to afford college is declining. He indicated that institutions must provide more low-cost degree options. He noted that when Governor Perry called for a \$10,000 baccalaureate degree at the beginning of the 2011 legislative session there was a lot of skepticism. He added that the idea originated with Bill Gates who thought a \$10,000 degree was possible with technology and new methods of course delivery. Dr. Paredes stated that McKinsey and Company published a study in 2010 entitled "Winning by Degrees: The Strategies of Highly Productive Higher Education Institutions." He noted that the study argued that there was a 15% to 30% cost inefficiency in the operating habits of institutions of higher education in the United States. He stated that this must be addressed. He indicated that the relationships between community colleges and universities must be improved, particularly to ensure that courses transferred from community colleges count toward degrees. College readiness must be improved and that will require universities to work more closely with K-12. He reported that the THECB was statutorily required to work with the Texas Education Agency (TEA) on end of course exams particularly for English

III and Algebra II. The standards were raised to levels that were considered reasonable. Unfortunately, the pass rate in the pilot phase for 90,000 high school seniors in Reading and Writing two and three percent respectively. The pass rate for Algebra II was 11%. If those standards had been implemented developmental education in Texas would have tripled. He stated that one of the most significant cost efficiency measures higher education can take in Texas is to work more closely with K-12 to get students better prepared. He reported that McKinsey found that the biggest reason for the relative gap between the United States and other high achieving countries in education (the U.S. is ranked 23rd or 24th) is the quality of our teaching. In South Korea, Singapore, Finland, and Japan, they draw K-12 teachers from the top 10% of the university classes. In the U.S., the majority of K-12 teachers come from the bottom one-third of university classes. The only way to improve is to work closing with K-12, particularly in professional development.

Dr. Paredes reviewed the outcomes-based funding recommendations and metrics that will be recommended to the legislature in 2013. If approved, 10% of the undergraduate funding would be allocated in this way.

Dr. Paredes reported that the THECB received a \$1 million grant from Educause to develop a \$10,000 degree and that they have partnered with South Texas College and Texas A&M University Commerce. He indicated that the program will be competency based and students will be able to advance at their own pace. He noted that Western Governor's University utilizes this model and are getting very good results.

Dr. Paredes thanked Dr. Rogers and the board for the opportunity to visit with them and offered to answer any questions they might have.

Mrs. Burks reported that she was aware of a high school in Dallas that had been identified as a feeder school for the University of North Texas and their students' college credits while still in high school. She asked the Commissioner about his thoughts on programs such as this. He responded that the THECB promotes these programs and added that the state is building more and more Early College High Schools. He added the El Paso has taken the lead in this arena and that the majority of students graduating from these high schools have earned an associate degree and also upper division credits.

Dr. Farrell asked the Commissioner to discuss the role of distance education in the future of higher education. Dr. Paredes responded that the U. S. Department of Education did a study last year and demonstrated that typically the best approach for the largest number of students is the blended approach. He stated that there is a lot of evidence that suggests that on-line education works better for more mature, self-motivated students. He added that on-line courses do not work nearly as well for students who are underprepared or low-achieving.

Mr. Bernhardt asked what the MSU board and administration could do to help students perform. Dr. Paredes stated that graduation rates at MSU must continue to improve. He commended Dr. Rogers for his leadership and stated that he regarded Dr. Rogers as one of the best university presidents in the state. He noted that institutions must provide better advising and must train faculty to pay better attention to students. He indicated that if a faculty member reaches out to students who are in trouble, the likelihood of

retention and persistence goes up. He stated that two myths in higher education should be addressed; the first being that in the three month period between graduating from high school and enrolling at a university young people are transformed into adults. The second myth is that earning a Ph.D. qualifies an individual to be a great teacher. Dr. Paredes encouraged offering teaching academies for young faculty taught by more experienced teaching faculty.

Dr. Rogers asked what proprietary schools are doing to attract so many students. Dr. Paredes responded that they appeal to students on the basis of accessibility. He added that while higher education institutions talk about non-traditional students, they continue with a traditional university structure. Many of the proprietary schools offer courses in four or eight week modules. They also do a good job of providing online services, to include tutoring.

Mr. Sanchez asked how the university could encourage faculty to become more integrated with K-12 efforts. Dr. Paredes responded that he encourages all universities to create vertical teams with university faculty working with community college faculty so that articulation and transfer is seamless. He added that he would want to see university faculty working with high school teachers to develop and work on curriculum that prepares students to do college level work. He stated that higher education institutions must help high school teachers achieve appropriate levels of rigor and teach up to the required levels in the various disciplines.

Mr. Hessing thanked Dr. Paredes for visiting with the board. He stated that the university looked forward to continuing to work with the THECB.


Closing Comments

Mr. Hessing thanked the regents for their service to the university. He stated that the next regular board meetings would be held November 15 and 16, 2012.

Adjournment

There being no further business, the meeting was adjourned at 10:27 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 August 10, 2012.


J. Kenneth Bryant, Secretary

ATTACHMENTS:

1. MSU Policy 2.24 – Approval and Execution of University Contracts - FINAL
2. Letter from MSU Board of Regents to Governor Rick Perry - Review of Policies and Procedures – Criminal Situations on Campus
3. Commissioner Paredes' presentation – “Progress on *Closing the Gaps* and A Look Ahead to the 83rd Legislative Session”

2.24 President's Office**BOARD CONTRACT SIGNING AUTHORIZATION**

Date Adopted/Most Recent Revision: 11/11/2011

A. General

The President of Midwestern State University, or his designate, is authorized to sign all contracts for the purchase of goods or services if the total amount of the specific contract is:

1. ~~previously approved by the Board of Regents; or~~
2. ~~part of a local, state, or national grant for educational services to the university; or~~
3. ~~\$50,000 or less; or~~
4. ~~within the range specified by the Board of Regents for construction contracts.~~

B. Contract Review Requirements

1. ~~The contract review process will begin with the initiating department.~~
2. ~~All contracts in the amount of \$10,000 or less must be signed one vice-president, the Provost, or the President.~~
3. ~~All contracts ranging from \$10,000.01 – \$50,000 must be additionally signed the Vice President for Business Affairs and Finance.~~
4. ~~All contracts that exceed \$50,000 must be additionally approved by the university's General Counsel, and signed by the President or the Vice President for Business Affairs and Finance. Should the university's General Counsel not approve the contract, Board of Regents authorization will be required.~~

C. Employment Contracts & Notices of Employment

The President, or his designate, is authorized to sign all contracts and notices of employment for university personnel.

D. Real Estate

Contracts for the purchase or sale of real property must be signed by the chairperson of the Board of Regents or his/her designate.

E. Designate Authorization

Delegation of signature authority to a designate by either the chairperson of the Board of Regents or the President of the university shall only be done in writing, but an informal letter or memorandum that is specific to the contract or the contract subject matter may suffice for this purpose.

2.24 President's Office**APPROVAL AND EXECUTION OF UNIVERSITY CONTRACTS**

Date Adopted/Most Recent Revision: 8/10/12

A. Purpose and Scope

This policy establishes the authority for the University to approve and execute contracts. A "contract" is an agreement between two or more parties who intend to create legally enforceable obligations. There are many types and variations of contracts including, but not limited to: agreements, easements, grants, leases, letters of intent, licenses, memorandums of understanding, purchase orders, and terms and conditions.

This policy applies to any type of contract that binds the University and/or obligates the University to provide payment, services, goods, or use of university property, facilities or other resources, including any amendment, alteration, change, change order, correction, extension, modification, or renewal of a signed contract. No person has the authority to bind the University contractually except in accordance with this policy. An individual who signs a contract without having the authority to do so may be individually responsible for fulfilling the obligations required by the contract.

B. Contractual Authority of the Board of Regents

By law the Board of Regents is vested with the authority to contract on behalf of the University. The Board may delegate to a representative of the Board or an employee of the

University the authority to negotiate, approve, and execute contracts. A contract that is not approved or executed (signed) in accordance with this policy is void.

C. Contract Approval Process

A *Contract Routing Sheet* prepared in accordance with section E (Administrative and Legal Review) must be attached to the contract and approved as indicated below:

Contract Term	Approval Required
Contracts of \$500,000 or more per year (except that the following are exempt from this provision: contracts related to the acceptance of bequests, gifts, or grants to the University, other than real property, in accordance with university policies and procedures; and interagency agreements for the purchase of electricity and natural gas through the Texas General Land Office's state energy marketing program)	Board of Regents
Contracts involving the acquisition, purchase, sale, or encumbrance of real property (except that a mineral interest in real property having a monetary cost or value of less than \$100,000 is exempt from this provision)	Board of Regents
Contracts in excess of five years (except that the following are exempt from this provision: a contract that can be terminated without cause with notice of 120 days or less; and leases of mineral rights having a monetary cost or value of less than \$100,000)	Board of Regents
Contracts that involve employment of the President of the University	Board of Regents
Contracts that involve athletic conference membership	Board of Regents
Contracts of \$500,000 or more per year related to: contracts related to the acceptance of bequests, gifts, or grants to the University, other than real property, in accordance with university policies and procedures; and interagency agreements for the purchase of electricity and natural gas through the Texas General Land Office's state energy marketing program	President
Contracts of \$100,000 or more, but less than \$500,000 per year	President
Contracts related to the purchase, sale, or encumbrance of a mineral interest in real property having a monetary cost or value of less than \$100,000	President
Contracts and notices of employment for University personnel	President
Licenses or other conveyances of intellectual property owned or controlled by the University	President

Contracts of less than \$100,000 per year	President or Appropriate Vice President
Contracts involving grant proposals for sponsored research, including institutional support grants	President or Appropriate Vice President; Vice President for Business Affairs & Finance
Contracts involving non-monetary affiliation and clinical agreements	President or Provost and Vice President for Academic Affairs
Fiscal approval of contracts of \$50,000 or more per year (except that all University employment contracts are exempt from this provision)	Vice President for Business Affairs & Finance
Approval of all contracts for information technology	Vice President for Administration & Institutional Effectiveness
Approval of all contracts unless using an unmodified standard contract form pre-approved in writing by the Office of General Counsel	General Counsel

D. Contract Signature Authorization Process

Prior to signing a contract, the contract review process must be completed as outlined in section C (Contract Approval Process) of this policy. The President has approved the following signature authority:

Contract Term	Signature Approval
Contract signature authorization for contracts approved by the Board in accordance with Section C (Contract Approval Process) of this policy, unless otherwise specified by the Board	President or President's designee
Contract signature authorization for contracts of \$500,000 or more per year related to: contracts related to the acceptance of bequests, gifts, or grants to the University, other than real property, in accordance with university policies and procedures; and interagency agreements for the purchase of electricity and natural gas through the Texas General Land Office's state energy marketing program	President or President's Designee
Contract signature authorization for all contracts of \$100,000 or more but less than \$500,000 per year	President or President's designee
Contract signature authorization for all contracts related to the purchase, sale, or encumbrance of a mineral interest in real property having a monetary cost or value of less than \$100,000	President or President's designee

Contract signature authorization for all contracts and notices of employment for University personnel	President or President's designee
Contract signature authorization for licenses or other conveyances of intellectual property owned or controlled by the University	President or President's designee
Contract signature authorization for all contracts of less than \$100,000 per year	President or Appropriate Vice President
Contract signature authorization for all contracts involving grants for sponsored research, including institutional support grants	President or Appropriate Vice President
Contract signature authorization for all non-monetary affiliation and clinical agreements	President or Provost and Vice President for Academic Affairs
Contract signature authorization for all contracts for information technology	President or the Vice President for Administration & Institutional Effectiveness

Delegations of signature authority to a designate may be made by the Chairperson of the Board of Regents or the President of the University only and must: be in writing; specify the need for compliance with these contract approval and signature authorization requirements; and be retained by the party making the delegation and the party receiving the delegation. A copy of the delegation shall be sent to the Controller, Office of General Counsel, and the Contract Administration Office.

Once contracts are signed, the Purchasing Office will create purchase orders (except for contracts not involving a purchase, e.g., affiliation or facility use agreements).

E. Administrative and Legal Review

1. The University's administration shall develop and implement *Contract Administration Procedures* for all contracts that include the following:
 - (a) All contracts are in writing and in the name of the University (not in the name of a department or an individual);
 - (b) Contracts comply with applicable federal and state law and regulations (including state purchasing requirements), and applicable University policies and procedures;
 - (c) Contracts are properly reviewed and approved prior to being signed by a person with delegated authority and evidenced by a properly completed *Contract Routing Sheet*;
 - (d) Contracts are properly maintained in accordance with the University's records management policy and records retention schedule and all state reporting requirements are completed in a timely manner and proper form;
 - (e) Contracts are monitored to ensure proper execution and performance; and
 - (f) The contract administration procedures will be annually assessed and identified improvements implemented.

The contract administration procedures shall also apply to any amendment, alteration, change, change order, correction, extension, modification, or renewal of a signed contract.

2. All contracts must be approved as to form and legal sufficiency by the Office of General Counsel before execution. The Office of General Counsel may approve standard contract forms which, if unmodified, may be used without obtaining further approval from the Office of General Counsel.

F. Prior Contracts

Contracts signed and approved in accordance with policies and procedures in effect prior to the effective date of this policy shall remain in full force and effect, but modifications or extensions to such contracts must be approved and signed in accordance with the provisions of this policy.



MIDWESTERN STATE UNIVERSITY

Board of Regents

3410 Taft Boulevard Wichita Falls, Texas 76308-2099

Office: 940-397-4211 Fax: 940-397-4010

August 17, 2012

The Honorable Rick Perry
Governor of the State of Texas
P. O. Box 12428
Austin, TX 78711-2428

Dear Governor Perry,

The Midwestern State University Board of Regents met Friday, August 10, for our regular board meeting. As part of our formal agenda, we spent considerable time reviewing and discussing policies and procedures at Midwestern State University to address criminal situations on campus. Additionally, we discussed our role and responsibilities as governing board members, which we take very seriously.

The MSU administration provided a list of policies, procedures, and protocols that are currently in place at our institution for our review and discussion. A copy of this document is enclosed for your information. During our discussion, the Board requested that the administration expand university policies to include a policy statement regarding Federal Timely Warning Obligations contained in the Clery Act and responsibilities of reporting abuse or neglect that are included in the Texas Penal Code and the Texas Family Code. While these are outlined in state and federal statutes, we agreed it was important that the information be readily available to all university personnel. The Board also requested that training on these particular issues be added to the current periodic training required of all university employees.

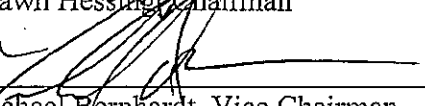
We believe we have the people and policies in place that will safeguard our institution from experiencing something like what we observed at Pennsylvania State University. We assure you that we will continue to take the necessary actions to ensure that Midwestern State University remains a safe and productive institution of higher learning in Texas. We, individually and collectively, affirm our commitment to exercising good judgment and providing due diligence in the performance of our duties as board members.

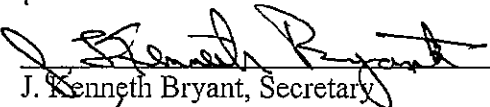
Thank you for the opportunity to serve the State of Texas and Midwestern State University.

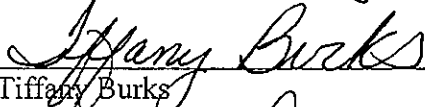
Sincerely,


Midwestern State University Board of Regents


Shawn Hessing, Chairman

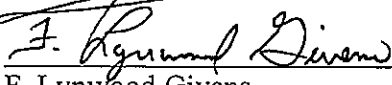

Michael Bernhardt, Vice Chairman



J. Kenneth Bryant, Secretary

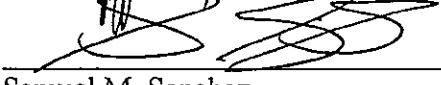

Tiffany Burks

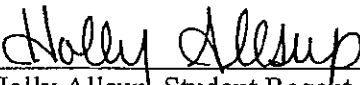

Jane W. Carnes


Charles E. Engelman


F. Lynwood Givens


Jeff Gregg


Samuel M. Sanchez


Holly Allsup, Student Regent

**Midwestern State University
Policy and Procedure Review
August 10, 2012**

The administration has surveyed its policies and procedures in response to the request by Governor Perry to review policies and procedures in place for criminal situations of the nature that occurred at Pennsylvania State University. The following items identify such policies, procedures, protocols, and training currently in place at Midwestern State University.

1. Policy 3.314 – Ethics Policy for Employees of Midwestern State University
http://personnel.mwsu.edu/policy/3.3-employee-policies/3.314-Employee_Ethics.asp
2. Policy 3.349 - Employee Background Checks
<http://personnel.mwsu.edu/policy/3.3-employee-policies/3.349-Employee-Background.asp>
3. Policy 4.152 – Police Department Administration and Regulatory Ordinances
<http://personnel.mwsu.edu/policy/4-general-university-policies/4.152-regulatory.asp>
4. Policy 4.161 – Sex Discrimination and Sexual Harassment
http://personnel.mwsu.edu/policy/4-general-university-policies/4.161-sexual_harrassment.asp
5. Policy 4.169 – Summer Camps
http://personnel.mwsu.edu/policy/4-general-university-policies/4.169-camps_conferences.asp

Legislation was approved in 2011 which established sexual abuse and child molestation training requirements for employees involved in activities for minors that are offered on the campus of institutions of higher education. Training for employees of summer camps offered on the MSU campus is required and provided on line -
<https://secure.mwsu.edu/personnel-training/Child-Protection/slideshow/>

Additionally, revisions to Policy 4.169 are in place and await formal approval by the University's Administrative Council:



Policy 4.169 camps
draft June 2012.doc

6. *Athletic Staff Code of Conduct and Ethics*



C1 COACHES AND
STAFF CODE OF CON

7. *MSU Student Handbook Standards of Conduct - Sexual Misconduct* (on page 79).
<http://students.mwsu.edu/studentaffairs/handbook.asp>

An updated statement is included in the August Board agenda for review and approval (**NOTE:** Statement approved by Board of Regents 8/10/12). This statement will ensure continued compliance with Title IX, including greater specificity of violations and University recourse.



BOR Handbook Policy
080612.pdf

8. *MSU Residence Life Handbook* (see p. 29 items #25 – Sexual Assault and #26 – Sexual harassment): <http://housing.mwsu.edu/pdf/residencehallhandbook.pdf>
9. Mandatory Sexual Harassment and Ethics Training for university employees -
<http://personnel.mwsu.edu/office/training/index.asp?LL=1669>
10. Crime Awareness and Campus Security Act – Clery Report
<http://police.mwsu.edu/awareness.asp?LL=495>
11. Anonymous Information Report to Police Department
<http://webforms.mwsu.edu/TakeSurvey.aspx?SurveyID=m2LJ452&LL=501>
12. MSU Police Department general order 7.46 (Sex Offender Registration/Protocol).



Sex Offender
Registration.docx

13. The MSU Police Department is a partner agency with Patsy's House, a local children's advocacy center. The center's protocols appear below:



Patsy's House
protocols.doc

14. MSU has an emergency alert system in place and the University's Police Department uses it in the case of criminal activity on or near the campus.

Midwestern State University



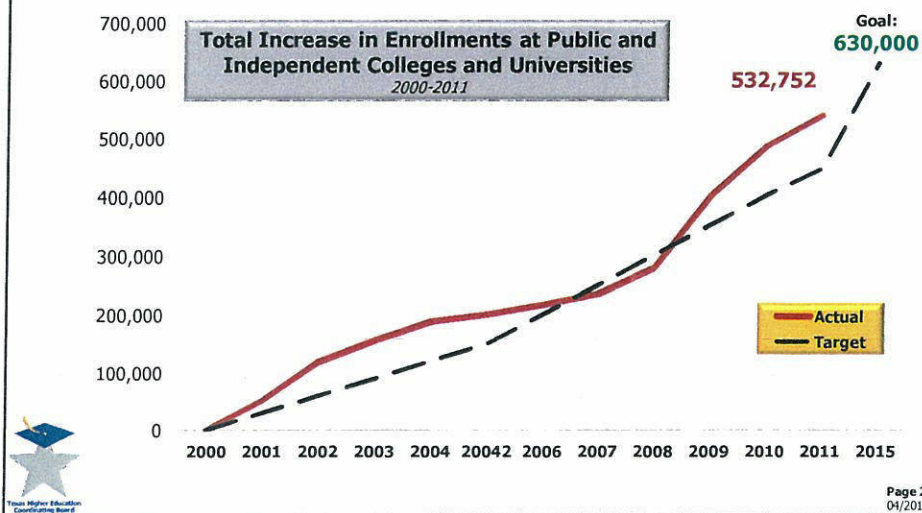
Progress on *Closing the Gaps* and A Look Ahead to the 83rd Legislative Session

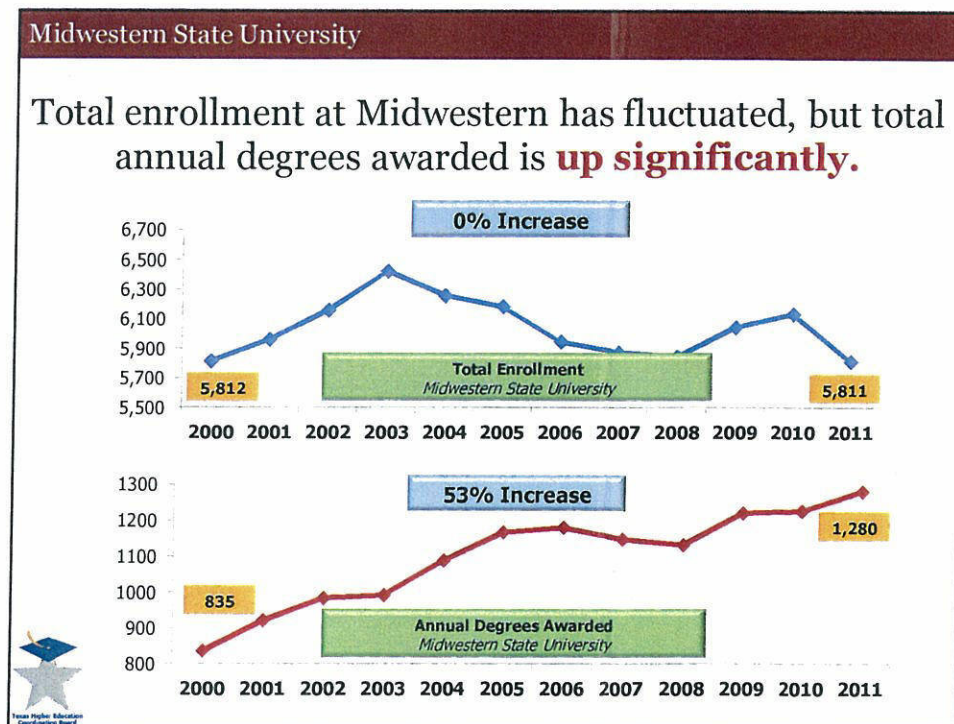
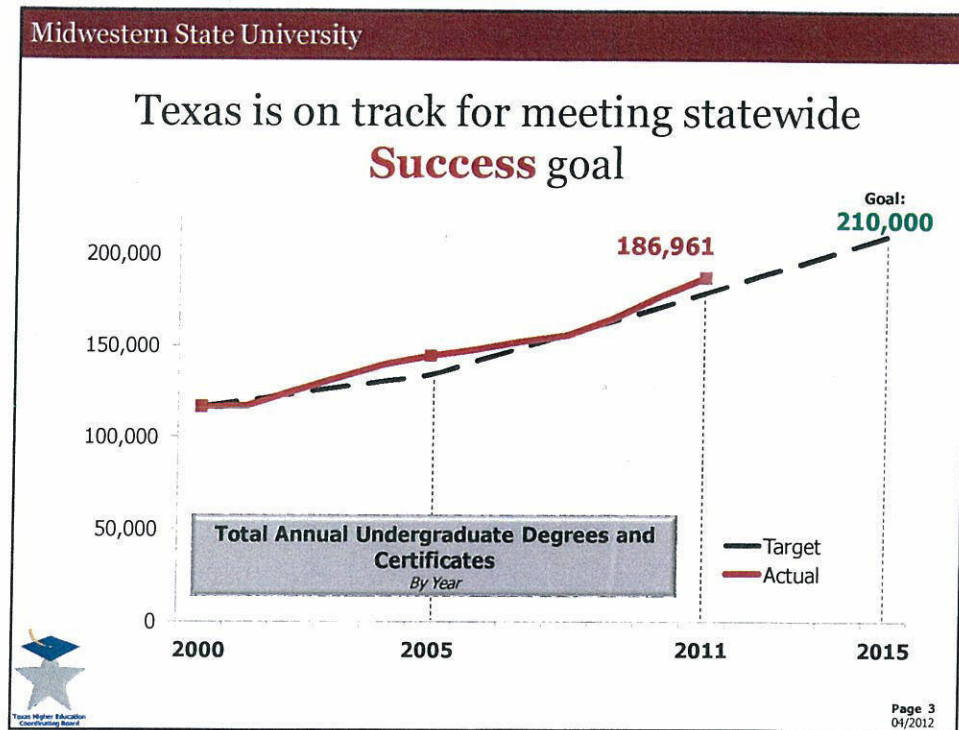
August 10, 2012

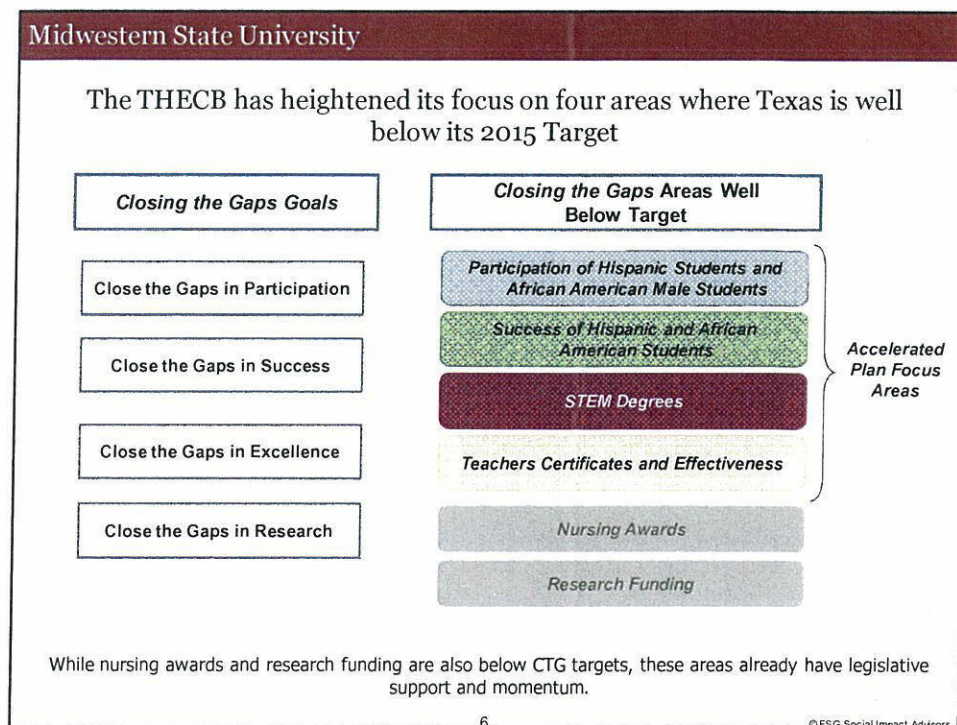
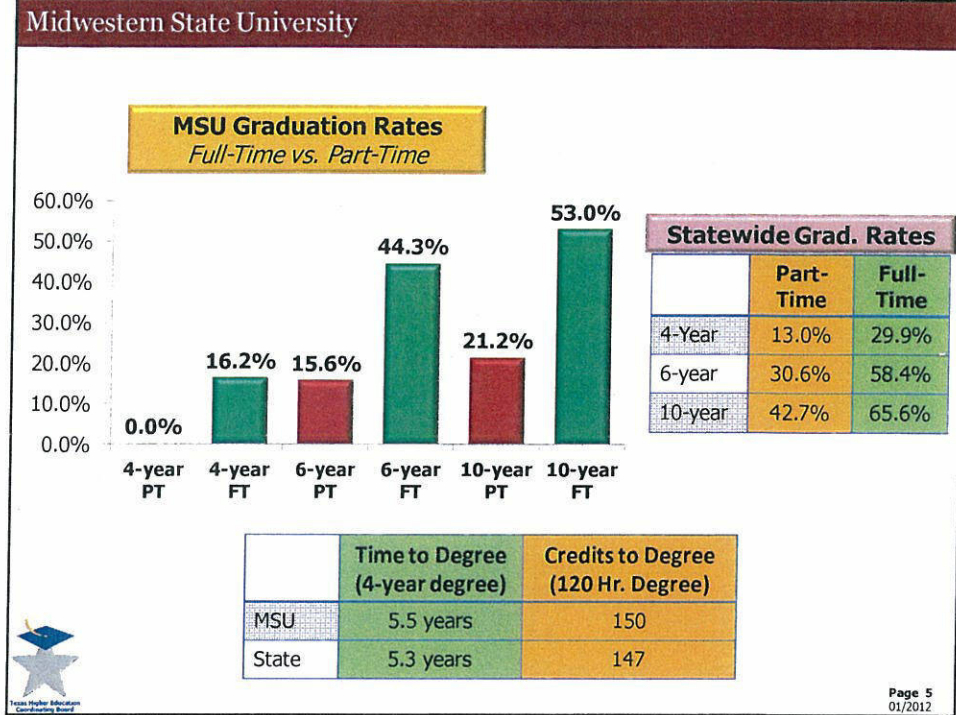
Raymund A. Paredes
Commissioner

Midwestern State University

Texas remains on track to meet statewide **Participation** goal







Midwestern State University

Hispanic enrollments have improved,
but not fast enough

	2011 Actual	% Increase over 2000
MSU	712	64%
Statewide	474,724	100%

% of Hispanic Population
Enrolled in Higher Education

- Females: **5.6%**
- Males: **3.8%**
- Goal: **5.7%**

African American enrollments are
exceeding goals, but males lag

	2011 Actual	% Increase over 2000
MSU	683	56%
Statewide	209,405	93%

% of African American Population
Enrolled in Higher Education

- Females: **8.7%**
- Males: **5.3%**
- Goal: **5.7%**

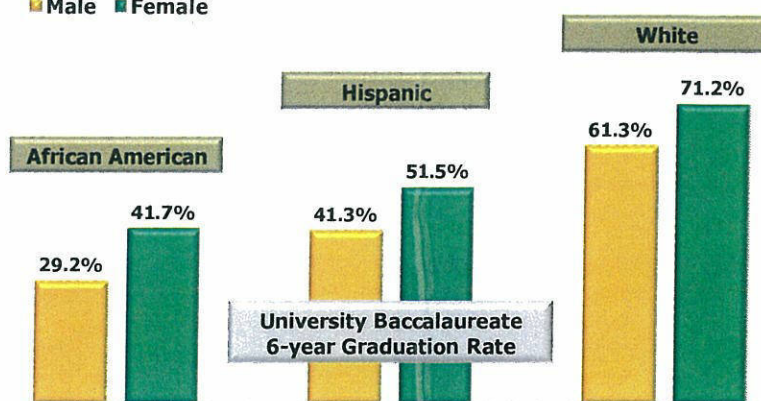


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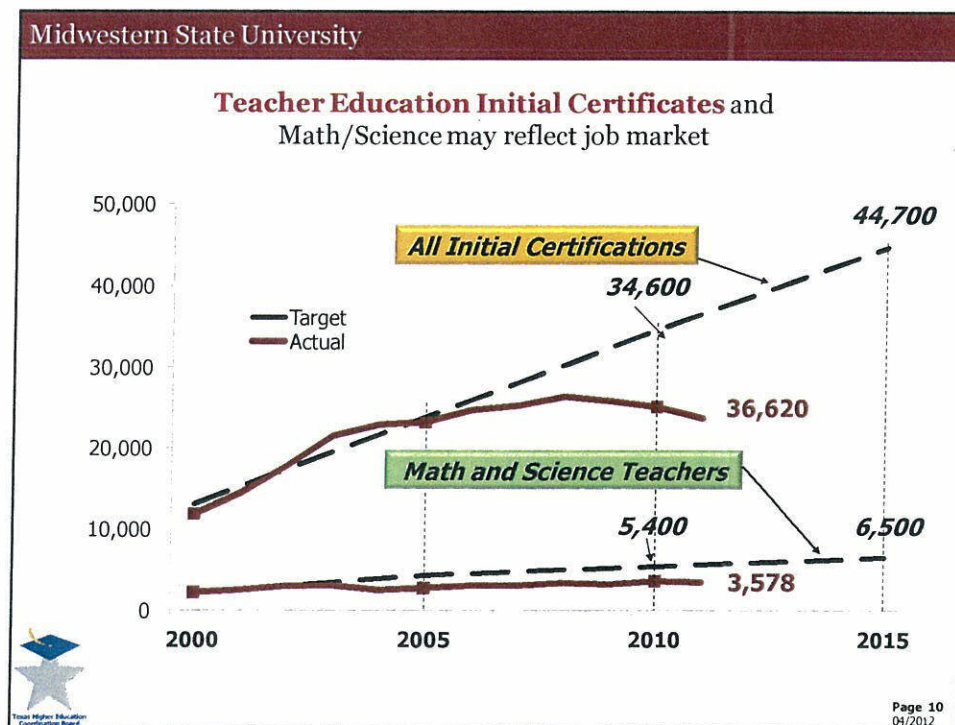
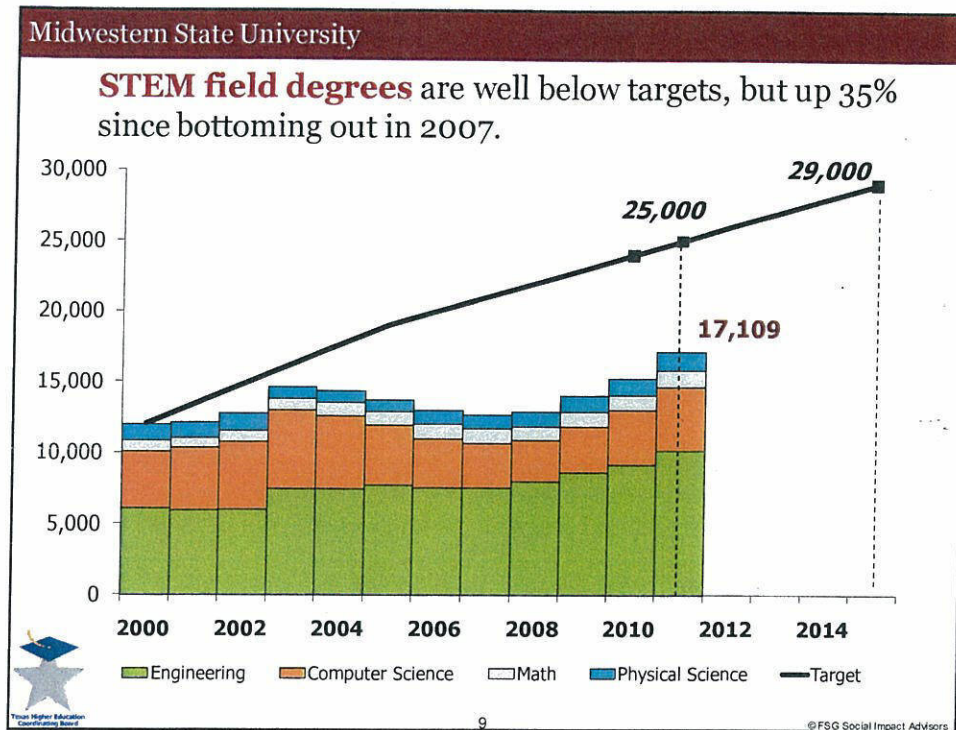
Midwestern State University

Postsecondary completions for Hispanics and
African Americans continue to trail

Male Female




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04/2012



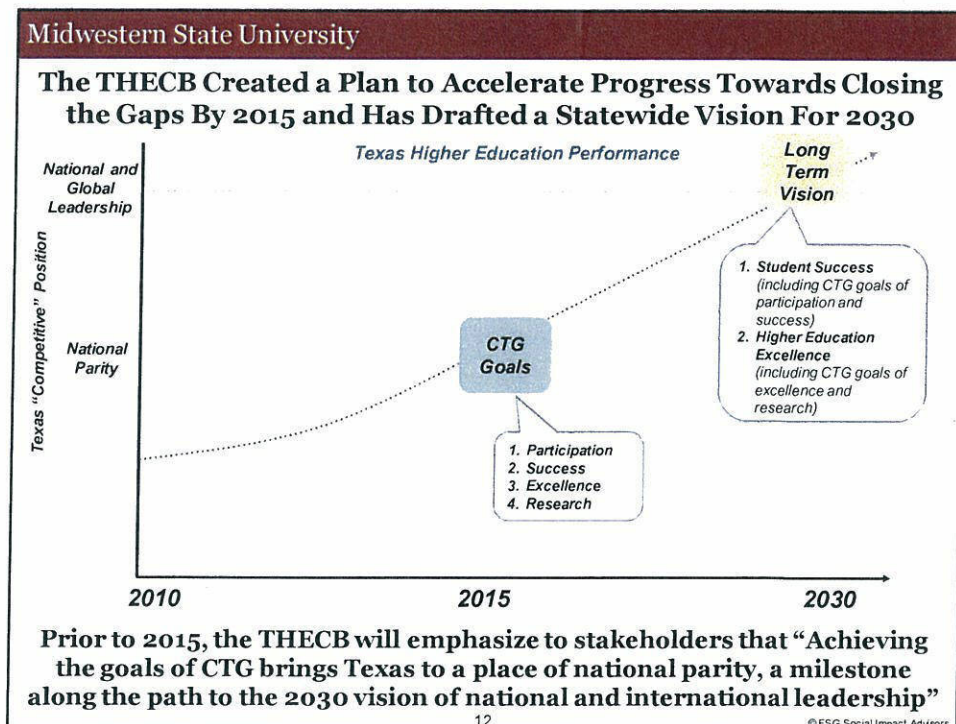
Midwestern State University

Beyond Closing the Gaps

Long Term Vision for Texas Higher Education



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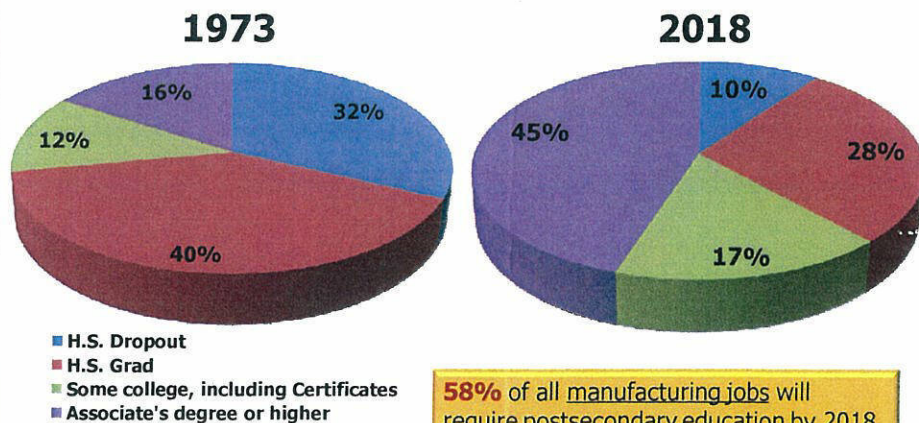
Midwestern State University

During this interim before the 83rd Legislative Session, we must explore together new strategies and initiatives to improve productivity, efficiency, and establish a policy framework for becoming a national leader and **global competitor**.



Midwestern State University

In 1973, only **28%** of all jobs in the U.S. required some postsecondary education compared to a projected **63%** by 2018.



Source: Georgetown University, Center on Education and the Workforce;
data in charts rounded.

Midwestern State University

The United States is projected to have a **mismatch between future jobs and workforce skill/education**

Demand vs. supply – 2020 projections
Millions

No high school diploma

13.6

19.5

+5.9

High school graduate

43.3

44.1

+0.8

Some college, no degree

30.7

29.1

-1.6

Associate degree

17.7

19.6

1.9

Bachelor's degree or higher

58.0

56.5

-1.5

Demand

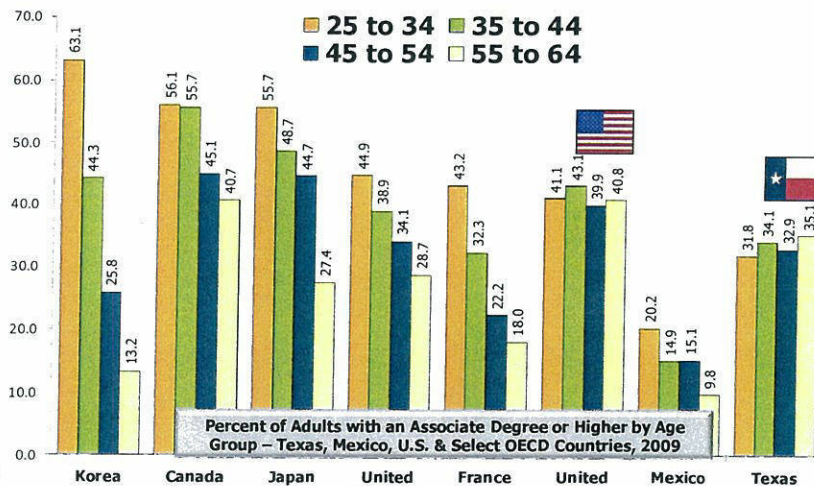
Supply



Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Mckinsey Global Institute analysis

Midwestern State University

The result: Texas is quickly falling behind which will hinder the state's global competitiveness.



Source: OECD, Education at a Glance 2011

Midwestern State University

Key strategies and initiatives

➤ Expanding Access to Higher Education

- Restructuring Financial Aid
- Low-cost degrees
- Institutionalizing LEAN culture of continuous improvement
- Strengthening Community Colleges
(Including improving transfer and aligning outcomes with workforce needs)

➤ Sustaining collaboration with P-12

- College Readiness
- Professional Development for Teachers

➤ Improving higher education outcomes

- Reinventing Developmental Education/ABE
- Outcomes-based Funding for Institutions



Midwestern State University

Outcomes-Based Funding Recommendation for Universities

- Fund outcomes outside the current formula using 10% of undergraduate funding
- Allocate funds using a 3-year rolling average on seven defined metrics
- Assign a double weight to the Critical Workforce Needs metric
- Implement beginning in Fiscal Year 2014



Midwestern State University

Outcomes-Based Funding for Universities

Metrics for Measuring Student Success

<u>Critical Workforce Needs (Double Weight)</u> Degrees awarded in fields identified as critical workforce needs.	
<u>Total Undergraduate Degrees</u> Total Bachelor's Degrees awarded at the institution	<u>Institutional Mission</u> Bachelor's Degrees awarded per 100 full time student equivalents (FTSE)
<u>Persistence</u> Points awarded for students who complete their 30th, 60th, or 90th hour at the institution	<u>At-Risk Student</u> Degrees awarded to students who meet federal criteria for being at high risk of dropping out.
<u>Time-to-Degree</u> Bachelor's Degrees awarded times the institution's six-year graduation rate	<u>Cost-to-Degree</u> Bachelor's Degrees awarded adjusted for instructional costs



19 ©ESG Social Impact Advisors



Midwestern State University

Our vision for the next generation of learners will require "disruptive innovation"

Improving the availability and effectiveness of technology on campus is an **opportunity** for institutions:

- **43%** of students agree their institutions need more technology
- **Only 1 in 4 (22%)** students strongly agree their institutions use the technology they have effectively.

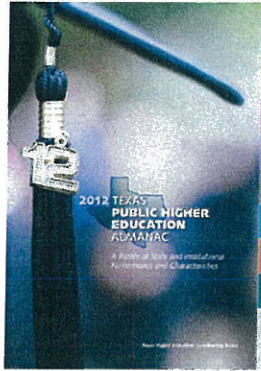



Source: EDUCAUSE Center for Applied Research

20 ©ESG Social Impact Advisors

Midwestern State University

Access to relevant data on higher education performance is critical



U.S. Chamber of Commerce, June 2012:

"When it comes to transparency and public accountability...Texas, with its comprehensive accountability system and in-depth web-based almanac of college performance, led the charge."

The **Almanac** includes:

- ❖ National rankings on key measures
- ❖ Status of *Closing the Gaps*
- ❖ Highlights of key higher education issues
- ❖ Data profiles on every public university and community college



Available online at www.thecb.state.tx.us/almanac
THECB data website: www.txhighereddata.org

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS**

September 18, 2012

The Board of Regents, Midwestern State University, met in special session in the J. S. Bridwell Board Room, Hardin Administration Building, Wichita Falls, Texas, at 8:30 a.m., Tuesday, September 18, 2012. Board members in attendance at the university were Mr. Mike Bernhardt, Vice Chairman; Mr. Kenny Bryant, Secretary; Mrs. Jane Carnes; and Mr. Charles Engelman. Regents attending the meeting via teleconference connection were Mr. Shawn Hessing, Chairman; Mrs. Tiffany Burks; Mr. Jeff Gregg; and Mr. Sam Sanchez.

Administrative staff members present at the meeting included Dr. Jesse W. Rogers, President; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; Ms. Gail Ferguson, Controller; Mr. Barry Macha, General Counsel; Mr. David Spencer, Internal Auditor; Mr. Dirk Welch, Chairman of the MSU Staff Senate; and Ms. Debbie Barrow, Director of Board and Government Relations. Representing the news media was Ms. Ann Work, reporter for the *Times Record News*.

Chairman Hessing called the meeting to order at 8:30 a.m.

Public Comment

Mr. Hessing 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. He noted that no one had signed up to speak.

Texas Public Finance Authority MSU Bond Resolution

13-01. Mr. Hessing reported that during the May meeting the board approved a resolution authorizing the refinancing of Series 2002 and Series 2003 bonds. He noted that the board must approve a final resolution as shown in the agenda. He added that each board member had been sent a copy of the full resolution. He asked Dr. Fowlé if there was anything else the board needed to know about the resolution or the refinancing process. Dr. Fowlé responded that there was nothing further to report. Mr. Hessing noted the summary of refinancing savings as shown in Attachment 1.

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

Adjournment

There being no further business, the meeting was adjourned at 8:32 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 September 18, 2012.



J. Kenneth Bryant Secretary

ATTACHMENT:

1. Refinancing Savings Estimate

SAVINGS

Texas Public Finance Authority
Taxable Series 2012B
Revenue Financing System Revenue Refunding Bonds, Series 2012A and Taxable Series 2012B
Interest based on A1/AA- Ratings
Tax-exempt and Taxable Scales as of 9/11/2012
Preliminary - For Discussion Purposes Only

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 10/09/2012 @ 2.7577355%
08/31/2013	241,422.50	206,144.43	35,278.07	34,407.82
08/31/2014	241,422.50	203,227.50	38,195.00	36,301.39
08/31/2015	241,422.50	202,576.50	38,846.00	35,929.78
08/31/2016	241,422.50	201,785.50	39,637.00	35,679.50
08/31/2017	681,297.50	642,602.50	38,695.00	33,951.90
08/31/2018	679,422.50	639,397.00	40,025.50	34,276.54
08/31/2019	681,163.75	644,547.50	36,616.25	30,539.47
08/31/2020	682,305.00	642,822.00	39,483.00	32,139.06
08/31/2021	681,602.50	643,940.00	37,662.50	29,877.27
08/31/2022	679,000.00	643,042.50	35,957.50	27,805.42
08/31/2023	679,750.00	640,560.00	39,190.00	29,562.85
08/31/2024	679,000.00	641,502.50	37,497.50	27,575.36
08/31/2025	681,625.00	645,795.00	35,830.00	25,691.54
	7,090,856.25	6,597,942.93	492,913.32	413,737.89

Savings Summary

PV of savings from cash flow	413,737.89
Plus: Refunding funds on hand	1,148.46
Net PV Savings	414,886.35

Note: Call Date: 12/1/2022