

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Executive Committee
August 4, 2016**

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 1:22 p.m., Thursday, August 4, 2016. Executive Committee members in attendance were Mr. Shawn Hessing, Chairman; Ms. Tiffany Burks, Vice Chairman; Dr. Lynwood Givens, Secretary; and Mr. Sam Sanchez, Member-at-Large. Other regents attending the meeting were Mr. Caven Crosnoe, Mr. Jeff Gregg, Ms. Nancy Marks, Dr. Shelley Sweatt, and Student Regent Lindsey Shelley.

Administrative staff members present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. Bradley Wilson, Parliamentarian, MSU Faculty Senate; Ms. Reagan Foster, Chair, MSU Staff Senate; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director of Internal Audits; Mr. Chris Stovall, Controller; 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 Government Association (SGA) was Mr. Manny Hoffman, SGA Vice President. Representing the news media were Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*; Ms. Samantha Forester, KAUZ-TV 6; Ms. Samaria Terry and Mr. Mark Campbell, KFDX-TV 3; and Mr. Dewey Cooper, *The Wichitan*. Others attending the meeting were Ms. Courtney Spellicy, Campos Engineering, and Dr. Brent Wallace, President, North Central Texas College.

Chairman Hessing called the meeting to order at 1:22 p.m. He noted that some of the items would be taken out of order to accommodate the Executive Session discussion.

Reading and Approval of Minutes

16-139. The Executive Committee approved the minutes of the May 12, 2016, meeting as presented.

Campus Master Plan and Construction Update

16-140. Mr. Hessing reported that the Board Book included project status reports as well as a report on smaller construction projects. He commented on the number of projects underway on campus and congratulated Mr. Owen and his team for the work they are doing. Mr. Owen presented photographs of current projects as shown in Attachment 1. This information related to the progress of the student housing project, the intramural/athletic turf fields, the mass communication addition project, and the West Campus Annex parking lot.

Mr. Hessing commented that this item was presented for information only and no action was necessary.

Gunn College of Health Sciences and Human Services Building Project – Project Management Assistance

16-142. Mr. Hessing reported that the administration went through a Request for Qualifications (RFQ) process and was recommending approval of Broaddus & Associates as the project management firm for the Gunn College building project. He noted that the administration further requested approval to contract with Broaddus at a value not to exceed \$800,000 for project management services, related software, and reimbursables. Mr. Owen stated that eight submissions were received through the RFQ process and two firms were interviewed. He added that Broaddus had a great deal of experience with similar projects, including the nursing building at Tarleton State University, a medical education and research building at Texas A&M University, and several large projects at M.D. Anderson Hospital.

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

Wichita Falls Museum of Art at Midwestern State University Advisory Board

16-144. Mr. Hessing noted that the Board Book contained the names of individuals recommended for appointment or reappointment to the Museum Advisory Board. Dr. Givens moved approval of these appointments; Mrs. Burks seconded the motion and it was approved.

Mrs. Marks commented that the Museum Advisory Board recently completed work on its strategic plan and the focus of the Museum is to gain accreditation. She added that more than 2,300 individuals visited the Museum during the summer.

Wichita Falls Museum of Art at Midwestern State University - Ratification of Deaccessioned Artworks

16-145. Mr. Hessing noted that the administration recommended the ratification of the deaccession of artworks shown in the Board Book. He stated that the items were donated to the Museum more than 40 years ago and were no longer appropriate for the Museum's Permanent Collection. Mrs. Burks moved approval of this item as presented. Mr. Sanchez seconded the motion and it was approved.

Dallas-Fort Worth (DFW) Expansion Update

16-143. Mr. Hessing commented that an update on the DFW Expansion was presented in the Board Book and that Dr. Shipley and Dr. Lamb would provide additional information. He added that they would also have an opportunity to hear from Dr. Brent Wallace, President of North Central Texas College. He stated that following the presentations, the Board would go into closed session to discuss property matters related to this item.

Dr. Shipley stated that the university was at a historic juncture as the Board considers action regarding whether MSU ventures into the DFW area. She urged the Board members to listen carefully to Dr. Lamb's review of material they had seen before and to consider the proforma and the leasing information he would present. She also encouraged the Board to get to know Dr. Brent Wallace, MSU's partner in this expansion. She stated her belief that expansion into the Dallas-Fort Worth area offered more opportunity than it did risk, and added that the greater risk was in not advancing into new territories.

Dr. Lamb noted that the Board Book included an update with a six-year proforma for the proposed expansion into DFW. He stated that the proforma began with the academic year 2017-2018. He then reviewed the process thus far. He reminded the Board that when the administration began considering DFW Expansion possibilities the university entered into a contract with Simpson Scarborough to do a market research study. The study showed that there is demand for adult completion degrees in the education, business, and health sciences fields. The study also showed that there is some interest in master's degrees in those areas of study. He stated that the administration attempted to mold its recommendations based on the information received. Dr. Lamb commented that the study also looked at MSU's name recognition in the DFW market and showed that MSU does not have a strong brand in the market. He added that for those individuals that have some awareness of MSU, the perception of academic quality is not as strong as the quality perception of institutions that are better known and are located in the Dallas-Fort Worth area. He stated that this was likely caused by the "halo effect" which means familiarity with a brand or item creates a halo of positive assumptions about that item. He noted that MSU establishing a presence in DFW and developing positive name recognition would likely provide a benefit to not only MSU's outreach in the DFW area, but to recruiting for the residential campus as well. The study also looked at preferred course delivery modes for the population in that area. He reported that the study showed that potential students in the area prefer in-person instruction or hybrid courses, which is a combination of online and in-person instruction. He stated that once the market study was complete the administration analyzed the adult population within ten miles of the proposed site. This analysis showed that there are 290,000 individuals 25 years of age and older within the area and approximately one-half of that population does not have the bachelor's degree. Dr. Lamb noted that by 2025 the area is estimated to realize a 27% increase in the adult population, a 63% increase in the Hispanic population, and a 39% increase in the Black population. He added that these estimates were based on only one-half of the 2000-2010 migration rates. He noted that the dramatic increase of under-represented populations in this area would effectively increase the demand for higher education in the future.

Dr. Lamb indicated that MSU had identified a strong partner in the market with North Central Texas College (NCTC). He noted that NCTC has a campus in the area MSU is considering and they are effectively out of space. He stated that the proposed framework between the institutions would have MSU leasing/building to have a presence in the area while allowing NCTC to expand their operations. The suggested framework was a 67% contribution lease by MSU and a 33% contribution from NCTC. He reported that NCTC has a number of operations on the site that could help MSU, such as security, police, library, and other service operations. Dr. Lamb stated that the MSU administration's vision was to have a seamless operation and experience for students while not producing redundant activities between the buildings. He stated that the preliminary plan for the new building was that it would house eight classrooms, which would be a combination of lecture, laboratory, and interactive television rooms. The facility would also likely house an MSU admissions office and an information technology office. He added that the current full-time admissions professional in the DFW area would office out of the new facility and would ultimately head a team of admissions officers in the area. He stated that a shared bookstore, tutoring center,

student lounge space, and community learning center were also planned for the new facility.

Dr. Lamb then reviewed the proforma that was included in the Board Book. He noted the FY 2018 estimates of 1,509 semester credit hours (SCH) produced by 126 students enrolled in 12 SCH per year. He stated that the conservative estimates were based on filling only 65% of the available classroom seats, and offering no summer courses. He commented that the operation would be operationally profitable by the third year and the deficit from the first two years would be fully retired by the sixth year. He added his expectation that enrollment would exceed these conservative projections.

Dr. Lamb thanked the Board for the opportunity to review the history of the project and to present the proforma for their information. He introduced Dr. Brent Wallace, President of North Central Texas College.

Dr. Wallace indicated this was his first opportunity to be on the MSU campus and thanked the Board for allowing him to speak. He noted that MSU and NCTC shared a founding father in Randolph Lee Clark who started what are now MSU and NCTC. He reported that NCTC was thrilled with the opportunity to be a part of providing additional educational opportunities through MSU in Denton County. He noted that NCTC is a college of five campuses where they educate approximately 13,000 students each year. He commented that NCTC is the 14th largest community college district in the state of Texas, to include credit and non-credit students. The five NCTC campuses are located in Bowie, Corinth, Gainesville, Graham, and Flower Mound. Dr. Wallace reported that each campus has its own diversity of student population and instructional programs focused on the populations they serve. He noted that the NCTC Flower Mound campus is the newest campus, adding that the campus opened in January 2011 with 800 students. He indicated that the Flower Mound campus was intended to eliminate some of the overcrowding on the Corinth campus that serves 6,000 students. However, that did not happen as the Flower Mound campus grew to the current 2,000 students and the Corinth campus enrollment stayed the same. He stated that the Flower Mound campus has 19 full-time and nine part-time staff members, 10 full-time faculty, and dozens of adjunct faculty, which is common with the community college model. He reported that the campus has full student services to include financial aid, the business office, and library. He added that they offer courses that lead to the associate degree in university transfer education or general education. He stated that they also have workforce training programs and have strong relationships with the local economy, as well as business and industry partners. Dr. Wallace reported that in 2013 NCTC completed a fairly extensive demographic study of the Denton area. The data from the study concluded that the strong trends of housing and population growth would continue through 2023. He noted that 47,000 residents were added between 2010 and 2013 in Denton County and projections indicated and were proving that an average of more than 400 single-family and 1,300 multi-family homes would be constructed during the next ten years. He indicated that they had marketed primarily to the 18-30-year-old group of people. He added that dual credit was becoming a large part of their overall enrollment and that some students earn associate degrees when they receive their high school diplomas. He noted that those students would be ready for upper-level courses at MSU at that time. Dr. Wallace stated that NCTC was confident that the partnership with MSU would be successful. He indicated that NCTC has a

permanent presence in the area with their building. He noted that they have great relationships with the City of Flower Mound, the City of Lewisville, and the surrounding areas.

Mr. Gregg stated that he would be interested in the Board traveling to NCTC Flower Mound and the Weatherford College-Wise County campus in Bridgeport. He indicated that this would help them have a better understanding of the area and the facilities. Mrs. Marks commented that she was very excited about this expansion and partnership. Mr. Hessing noted that strategic partnerships between four-year universities and two-year community colleges were being pursued nationwide. He indicated his belief that the university needed to have a three-pronged approach to providing education: the main campus, strategic partnerships with entities such as NCTC, and on-line education.

Executive Session

Mr. Hessing announced that the Board of Regents would go into Executive Session to discuss Items 16-143 (DFW Expansion) and 16-144 (Facilities Services Relocation Alternatives) as allowed by the Texas Government Code Chapter 551.072 (Deliberations Regarding Purchase, Exchange, Lease, or Value of Real Property). The Executive Session began at 1:53 p.m. Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Shelley, Mrs. Marks, Mr. Sanchez, Mr. Ayres, Dr. Sweatt, Dr. Shipley, Mr. Macha, Ms. Barrow, Dr. Stewart, Dr. Fowlé, and Dr. Lamb remained for the discussion. The closed session concluded at 2:48 p.m. and the open meeting resumed.

Open Meeting Resumes

Mr. Hessing reported that the closed session was complete, the only items discussed were the items announced, and no votes were taken.

Dallas-Fort Worth (DFW) Expansion Update

16-143. Mr. Hessing asked if there was a motion concerning this item. Mrs. Burks moved the Board approve the Letter of Intent for Build to Suit Lease/Purchase Agreement with Parker Assets I, LLC for Flower Mound property, and authorize the President to work with the Chairman of the Board of Regents to negotiate a lease for the property in Flower Mound and to negotiate a lease agreement with North Central Texas College. Mr. Sanchez seconded the motion and it was approved.

Campus Plan – Facilities Services Relocation Alternatives

16-141. Mr. Hessing noted that this was an item that was originally discussed in May. He indicated that Dr. Shipley and Dr. Fowlé would discuss additional information that was presented in the Board Book. Dr. Shipley reported that during the May Board meeting the Board discussed the relocation of Facilities Services from the Daniel Building to an area on the South Campus on Taft Boulevard, and the current location of the Kappa Alpha house. She noted that the Board asked the administration to look at other options and these were presented in the Board Book. Dr. Fowlé commented that the Board Book included a map that presented a description of the four options as well and pros and cons of each.

Dr. Shipley noted that options one and two were in such close proximity that a combination of the two might be possible. Mr. Hessing asked what the next step would

be. Dr. Shipley responded that the administration needed guidance from the Board regarding which alternatives to study.

It was agreed that additional consideration would be given to this matter, particularly regarding combining options one and two. The administration was asked to bring additional information to the Board in November.

Adjournment

The Executive Committee discussion concluded at 2:55 p.m.

Reviewed for submission:

A handwritten signature in blue ink, appearing to read 'Shawn Hessing', is written over a horizontal line.

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

ATTACHMENT:

1. Construction Update - Project Photographs

STUDENT HOUSING PROJECT



May 4, 2015



November 3, 2015



July 25, 2016



INTRAMURAL/ATHLETIC TURF



July 25, 2016



July 25, 2016



MASS COMM EXPANSION



July 25, 2016



WCA PARKING LOT



July 25, 2016



MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Academic and Student Affairs Committee
August 4, 2016

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 2:55 p.m., Thursday, August 4, 2016. Academic and Student Affairs Committee members in attendance were Dr. Lynwood Givens, Chairman; Ms. Tiffany Burks; Ms. Nancy Marks; and Mr. Sam Sanchez. Other regents attending the meeting were Mr. R. Caven Crosnoe, Mr. Jeff Gregg, Mr. Shawn Hessing, Dr. Shelley Sweatt, and Student Regent Lindsey Shelley.

Administrative staff members present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. Bradley Wilson, Parliamentarian, MSU Faculty Senate; Dr. Steve Garrison, Chair and Associate Professor of Political Science; Ms. Reagan Foster, Chair, MSU Staff Senate; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director of Internal Audits; Mr. Chris Stovall, Controller; 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 Government Association (SGA) was Mr. Manny Hoffman, SGA Vice President. Representing the news media were Ms. Lana Sweeten-Shults, *Wichita Falls Times Record News*; Ms. Samantha Forester, KAUZ-TV 6; Ms. Samaria Terry and Mr. Mark Campbell, KFDX-TV 3; and Mr. Dewey Cooper, *The Wichitan*. Ms. Courtney Spellicy with Campos Engineering also attended the meeting.

Dr. Givens called the meeting to order at 2:55 p.m.

Reading and Approval of Minutes

16-146. The Academic and Student Affairs Committee approved the minutes of the May 12, 2016, meeting as presented.

Faculty Report

16-147. Dr. Bradley Wilson, Faculty Senate Parliamentarian, reported on several matters on behalf of the Senate. He expressed the faculty's appreciation for the expansion of summer offerings which provided greater opportunities for students and faculty. He noted the faculty support of the staff raises that were recommended as a result of the compensation study. He added that the faculty appreciated the administration moving forward with DegreeWorks and that they look forward to seeing the program implemented. Dr. Wilson stated that the faculty appreciated the work of Dr. Laura Fidelie and the Campus Carry Task Force. He noted that the Task Force involved all of the stakeholders and it was appreciated. He stated that some faculty have concerns, but indicated that they look forward to the training that will be offered. He reported that the Faculty Senate was working with Dr. Shipley on student success preparedness. He

noted that several faculty members had expressed concern with the number of students who are not regularly admitted to the university. He indicated that Dr. Shipley had worked closely with the Faculty Senate Executive Committee to obtain accurate data and to begin a dialogue concerning the matter.

Dr. Wilson introduced Dr. Steve Garrison, Associate Professor and Chair of the MSU Political Science Department. He noted that Dr. Garrison's research interests are comparative politics, international relations, civil wars, Latin American politics, political protests, revolutions, and foreign policy analysis.

Dr. Garrison thanked the Board for the opportunity to visit with them. He reviewed his presentation (see Attachment 1) and noted that he was originally from Topeka, Kansas. He discussed his background and his work at MSU. He reported that he became interested in politics at an early age. He stated that during his career he had tried to increase political awareness in a non-partisan, low-key manner and he commented on some of the activities he had initiated or participated in at MSU. He noted that he is involved in faculty-student research and commented that he focuses on building marketable skills and confidence among the students. He added that he has served as an advisor to the Model United Nations team for three years and noted the benefits of the program to the students and the university. Dr. Garrison stated that in his free time he is involved in activities to support Sheppard Air Force Base, is very involved with his family, and is a Kansas State BBQ judge.

Dr. Givens thanked Dr. Wilson for his report and thanked Dr. Garrison for his presentation.

Staff Report

- 16-148. Ms. Reagan Foster, Staff Senate Chair, reported that the Staff Senate elections were recently held and seven new Senators were elected. She reported that her term on the Senate was ending and new officers would be elected the following week. She indicated that the collegiality and transparency from the administration and the opportunities provided for staff members to work together and solve problems around campus had been sincere and welcomed. She noted that the opportunity staff members had to work with faculty, staff, and students to help craft the budget was a wonderful experience. She reported that the Staff Senate appreciated the results of the Staff Compensation and Classification Study and the determination of the administration to ensure the recommendations were addressed. She added that the support from the faculty and students for this Study was appreciated, as well as the support of the Board of Regents. Ms. Foster noted that it had been a great honor for her to serve as Staff Senate Chair and to represent the MSU staff. She stated that MSU staff members are dedicated to their jobs, to the students, and to the university. She thanked the administration and faculty for their hard work and added that it had been an honor to watch the Board of Regents work on behalf of Midwestern State University. She thanked Debbie Barrow, Cindy Ashlock, and Ruth Ann Ray in the President's Office for their support and counsel during the year she served as Senate Chair. She added that Mrs. Barrow suggested that she provide information about herself and her duties at MSU for this meeting.

Ms. Foster reviewed her presentation (see Attachment 2) and indicated that while she did not envision herself working in higher education, she has a passion for serving others and this drives her in all that she does. She reported that she found a love of learning through the MSU sociology program. She reviewed her MSU work history, noting that since 2011 she has served as a professional counselor in the Counseling Center. She added that 25% of her time she works in the Athletics Department serving the student athletes. She discussed her service to the campus as well as her service to the community. She then presented information about her work in the Counseling Center and in Athletics.

Dr. Givens thanked Ms. Foster for her leadership and service to the Staff Senate.

Student Government Report

16-149. Dr. Givens noted that the MSU Student Government Association (SGA) President, Shayla Owens, was still in London with the British Studies Program and that Mr. Manny Hoffman, new Secretary of the SGA, would present the report. Mr. Hoffman thanked the Board for the opportunity to speak to them. He stated that he was a junior pre-law/political science major from Abilene, Texas. He noted that in addition to SGA he was also the Scholarship Chairman for Kappa Alpha fraternity, President of the College Republicans, and a peer counselor for Student Development and Orientation.

Mr. Hoffman reported on some of the legislation that was supported during the 2015-2016 year. He noted that the FY 17 university budget included funding for an additional emergency phone on Sikes Lake Trail, additional Automated External Defibrillator (AED) units, and exterior lighting improvements. He commented that another hydration bottle fill station would soon be added to the campus. He reported that the SGA is very supportive of a tutoring center and will ask Provost Stewart for an early fall meeting to receive an update on the status of this effort. He noted that the matter of a fall break was discussed during the year but a break was not incorporated into the recently approved FY 18 academic calendar. He stated that the SGA looks forward to continued discussions regarding this matter. He added that the SGA plans to ask Ms. Gaynor to attend a meeting early in the fall to provide an update on the school colors. During the year, an initiative was recommended to enforce the tobacco-free campus. He noted that a policy would likely be prepared in the future to accompany promotion of this initiative.

Mr. Hoffman then provided information on some of the initiatives that are planned for the upcoming year, including the following.

1. Continuation of the President's Picnic on the Sikes Lawn.
2. Increased student involvement with the SGA.
3. Updating the SGA by-laws and reviewing the Student Senate structure.
4. Developing a student mentoring program for entering freshmen.

He noted that students are excited about the various campus construction projects such as Legacy Hall, the dining area remodels, the turf fields, and the mass communication building. He stated that the students are appreciative of the transparency and opportunities they have had to be represented on various committees and task forces

such as Strategic Planning, Budget Oversight, and First Year Experience. He noted that they looked forward to continued representation and participation in the planning for the new Gunn College building and the Moffett Library remodel. He indicated that students appreciated the addition of a new coordinator to help with Greek Life, student organizations, and leadership, the additional counselor position in the Counseling Center, and the Director of Equity, Inclusion, and Multi-Cultural Affairs. He added that the SGA appreciated the Board keeping tuition and fees affordable in a manner that was consistent with the incredible value of the university.

Dr. Givens thanked Mr. Hoffman for his report.

Athletics Report

16-150. Mr. Charlie Carr, Director of Athletics, reviewed the report that was included in the Board Book. He added that he was not pleased with the Student-Athlete Academic Success numbers shown in the report and noted that the department continues working to improve. He indicated that a new program had begun called Mustangs 360 (see Attachment 3). He stated that Ms. Foster was a leader in getting MSU into the program. He added that this program should provide additional resources to help student-athletes graduate and become better people.

Mr. Sanchez asked if the two new Lone Star Conference schools would add sports other than football. Mr. Carr responded that the two schools would be full members with all of the sports they offer.

Enrollment Reports – Summer 2016

16-151. Dr. Givens reported that the summer enrollment report was in each member's folder (see Attachment 4). He noted that at the Board's request information was included in the report showing the number of students taking courses online only. He indicated that Summer I enrollment was down slightly and Summer II had an increase of 98 students. Overall, the summer headcount and semester credit hours increased 2.7% over the previous year. He asked Dr. Stewart to talk about the summer online classes and to also discuss the additional funding that was provided for summer school and how it affected course offerings. He asked Dr. Lamb to then discuss fall enrollment projections.

Dr. Stewart thanked the Board for authorizing additional funds to support summer classes. She noted that this was a base period for funding from the state and additional enrollment would positively affect funding during the next biennium. She reported that 18 additional classes were offered during the summer in the Gunn College of Health Sciences and Human Services and the College of Science and Mathematics. Dr. Stewart noted that during the first summer term almost one-half of the students took classes totally online. She reported that the university offers a May mini-semester which is entirely online in addition to the programs that are regularly offered online only.

Dr. Lamb reported that the early orientation cycle for fall enrollment was complete and five regular orientation sessions were scheduled. He stated that it was too early to tell what fall enrollment would be, adding that it could be 100 students either side of the target depending on a number of factors. He added that housing had met its budget projections and would have the capacity for growth.

Financial Aid Profile

16-152. Dr. Givens stated that during the budget workshop in June the Board asked for information on the profile of students who receive financial aid at MSU compared to the overall student population. He asked Dr. Lamb for an update. Dr. Lamb reported that the administration was working with Institutional Research to review the various categories of financial aid. He noted that the report would be forwarded to the Board when complete.

August 2016 Graduating Class

16-153. Dr. Givens reported that the administration recommended approval of the candidates for August 2016 graduation. He noted that 193 students were on the list compared to the same number in 2015. Mrs. Marks moved approval of these candidates as presented. Mrs. Burks seconded the motion and it was approved.

Petition for Bachelor of Science Degree

16-154. Dr. Givens noted that the administration recommended the granting of a Bachelor of Science degree to Dr. Robert McBroom and asked Dr. Stewart to comment. Dr. Stewart reported that Dr. McBroom was early admitted to medical school after finishing three years at Midwestern. The university received a request from Dr. McBroom's family regarding the possibility of his being awarded a degree from MSU. His transcript was reviewed and it was determined that the courses he completed in medical school sufficed for the final year at MSU. The request was subsequently reviewed and recommended for approval by the College of Science and Mathematics, the Academic Council, and the Registrar.

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

Addition to Core Curriculum

16-155. Dr. Givens noted that the administration recommended the addition of two new courses to the MSU Core Curriculum as outlined in the Board Book. Dr. Stewart commented that the university wants to give students as many options as possible to fulfill their 42-hour core. Dr. Givens asked about the vetting process prior to the recommendation being brought to the Board. Dr. Stewart responded that proposals for additional core courses are reviewed by the Core Curriculum Committee and are evaluated based on the criteria for core courses. The proposals then must move through five additional levels of approval before the course can be offered.

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

MSU Policies and Procedures Manual Change

16-156. Dr. Givens noted that the administration recommended changes to Policy 3.317, Academic Emeritus Status— Faculty and Administration, as shown in the Board Book. He indicated that the Board had previously requested that the administration look at this policy and asked Dr. Stewart to discuss the recommended changes. Dr. Stewart reported that a faculty committee with representatives from each of the colleges, plus

two additional members recommended by the Faculty Senate, looked at a number of different emeritus policies from Council of Public Liberal Arts Colleges (COPLAC) institutions, Lone Star Conference schools, and the major research institutions in Texas. She noted that each policy varied depending on the type of school. Following the review, the committee determined that the overall MSU policy was good but that the evaluation system for awarding emeritus status needed to be changed. She commented that in the proposed policy, a retiring faculty member would be recommended by the dean or chair of the college for which the faculty member taught. The letter of recommendation with a copy of the faculty member's curriculum vitae or resume would be forwarded to the University Tenure and Promotion Committee for review. She noted that the committee would review the faculty member's credentials and make a recommendation to the Provost who would make a recommendation to the President. She added that positive recommendations would be forwarded to the Board for approval. Dr. Stewart stated that the proposed policy changes were endorsed by the Faculty Senate.

Mrs. Burks moved approval of the item and Mrs. Marks seconded the motion.

Mr. Crosnoe asked if Dr. Stewart anticipated there being fewer nominees under the new policy. She responded that there would likely be fewer. Dr. Givens asked if a dean's decision could be overridden if he did not recommend a faculty member for emeritus status. Dr. Stewart responded that either the dean or the chair would have to nominate a faculty member. She noted that if neither chooses to make the recommendation the policy does not provide an option for moving forward. Dr. Givens asked what would happen if the Provost declined to recommend. Dr. Stewart responded that the nomination would still be brought to the Board for consideration.

There being no further discussion, the motion to approve the policy revisions was approved.

Emeritus Status

16-157. Dr. Givens noted that this item would be discussed in closed session later in the afternoon.

Recess

The committee went into recess at 4:00 p.m. The committee reconvened at 4:55 p.m.

Executive Session

Mr. Hessing announced that the Board of Regents would go into Executive Session to discuss Items 16-136 (Real Property), 16-137 (Gifts and Donations), 16-138A (Consultation with Attorney Regarding Legal Matters and Pending Litigation), and 16-157 (Emeritus Status) as allowed by the Texas Government Code Chapter 551 Sections .071 (Consultation with Attorney), .072 (Real Property), .073 (Gift or Donation), and .074 (Personnel Matters) The Executive Session began at 4:55 p.m. Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Shelley, Mrs. Marks, Mr. Sanchez, Dr. Sweatt, Dr. Shipley, Mr. Macha, Ms. Barrow, Dr. Stewart, Dr. Fowlé, and Dr. Lamb remained for the discussion. The closed session concluded at 5:27 p.m. and the committee meeting resumed at 5:29 p.m.

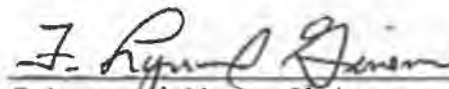
Emeritus

16-157. Dr. Givens moved that Dr. Howard Farrell be granted emeritus status upon his retirement from Midwestern State University following 29 years of service. Mrs. Marks seconded the motion and it was approved.

Adjournment

The meeting of the Academic and Student Affairs Committee adjourned at 5:30 p.m.

Reviewed for submission:



F. Lynwood Givens, Chairman

Midwestern State University

Board of Regents Academic & Student Affairs Committee

ATTACHMENTS:

1. Dr. Steve Garrison – Faculty Presentation
2. Ms. Reagan Foster – Staff Presentation
3. Mustangs 360
4. Enrollment Report – Summer 2016



Steve Garrison, Ph.D. Chair, Political Science

Education

Ph.D. Political Science, University of Kansas, 2002

MA, Political Science University of Kansas, 1996

BA, Political Science, University of Kansas, 1993



MSU Career

- 2002-2006 Assistant Professor
- 2006 –present, Associate Professor & Chair
 - Schedule classes
 - Recommend hires
 - Recruit majors
 - Assess student learning
 - Manage budget
 - Oversee MA, BA, Global Studies BA, & Women's & Gender Studies minor

Research & Teaching



- Political Protest & Revolutions
- Civil Wars
- Quantitative Research Methods
- Latin American Politics
- Foreign Policy

**JOE GARRISON
FOR PRESIDENT**



Challenges Facing MSU Political Science Students

- Many students lack an understanding of how politics can impact their lives.
- Many students lack the skills to be successful in the 21st century workforce.
- Many students lack the experience and resources to compete with students across the country.



Efforts to Address Challenges

Grounded in a Liberal Arts foundation

Support 60X30TX Goals

Completion & Marketable Skills

Involve High Impact Learning Practices

Experiential Learning

Integrative Learning



Political Awareness

- Prof Edwards Discussions in Politics
- Prof Edwards Night at the Movies
- Local political election forums
- Regular interviews for local media
- Regular talks to school & community groups



Faculty-Student Research

- Presented three conference papers
- Published one paper (w/ Daniel Lowe)
 - “Torture for Profit? The Role of Mercedes-Benz in Argentina’s Dirty War.” Pew Case Studies in International Affairs (2006): Institute for the Study of Foreign Diplomacy
- Focus on building marketable skills and confidence
 - Data Management & Analysis



Model United Nations

- Teamwork
 - Compromise
 - Diplomacy
 - Negotiation
- Communication Skills
 - Public Speaking
 - Writing
- Critical Thinking
 - Research



Benefits to MSU



- Prepare MSU students for leadership positions
- Compete against the best students in the world
- Develop student confidence
- Ensure students are competitive at highest levels
- Prepare students for advanced education
- Foster international notoriety for MSU




Free Time



- Young Ambassador, Sheppard Air Force Base
- Sponsor, Royal Saudi Arabian Air Force
- Family man
- Coach athletic teams
- Kansas State BBQ judge





The best way to find yourself
is to lose yourself in the
service of others.

Reagan A. Foster, M.A., LPC



- Graduate of Plano East Senior High School
- Transferred to MSU spring 2001
- Bachelors of Science, 2002
 - Sociology/Psychology
- Master of Arts, 2006
 - General Counseling, LPC
- Certificate in Sports Counseling, 2013
 - California University of Pennsylvania



Education

- Student worker, Clark Student Center, 2001-2002
- Graduate Assistant Coach, Women's Soccer, 2003-2005
- Assistant Director of Housing for Judicial Affairs, 2005-2007
- Assistant Director of Admissions, 2007-2010
- Professional Counselor, Counseling Center, 2011-present
- Student-Athlete Development and Life Skills 2014-present



Service to MSU

- MSU Staff Senate Chairman, 2015-2016
- MSU Staff Senate, 2012-2015
- Texas Counseling Association President, 2014-2015
- Texas Counseling Association Board of Directors, 2010-2014



Service to the Profession

- President, Junior League of Wichita Falls, 2016-2017
- 20 under 40, Class of 2014
- Chairman, Wichita Falls Area Miracle League, 2010-2012
- Board of Directors
 - North Texas Rehab Center
 - YMCA of Wichita Falls
 - Leadership Wichita Falls
- Leadership Wichita Falls Graduate, 2006



Service to the Community

Counseling Center



Why are university counseling centers important?

- Severity of mental health concerns and related behavior has increased 73% nationwide amongst college campuses. (AUCCCD Survey, 2015)
- Suicide is the second leading cause of death of college students (JED Foundation)
- Who we are:
 - 4 full-time LPC's
 - 1 part-time LPC intern
 - 2 graduate counseling students
 - 1 administrative assistant

Counseling Center



- What we do:
 - Services provided:
 - Personal, academic, and career counseling
 - Campus outreach and psycho educational programming
 - Campus wide suicide prevention training (QPR)
 - Collaborate with other SAEM offices for programming and outreach
 - 24-hour crisis response
 - 2015-2016 school year
 - Personal Counseling, 1,485 sessions
 - Academic Counseling, 182 sessions
 - Career Counseling, 191 sessions
 - Campus outreach contacts, 3,882

Athletics



Why a counselor in athletics?

- The sports environment has both risks and protective factors for mental health disorders.
- Evidence suggests that there is elevated risk of injury among athletes who experience depression or anxiety, who abuse alcohol or those who have an eating disorder. (NCAA Sports Science Institute, 2014).
- What I do:
 - Assist in the coordination of Life Skills programming for student athletes throughout the school year (time management, dealing with stress, bystander intervention, etc.).
 - Implement mental health best practices for the MSU Athletic Department.
 - Provide suicide prevention training for coaches, administrators and athletic trainers.
 - Consult with coaches and athletic trainers for care of student-athletes.
 - Provide personal, academic and career counseling for student-athletes.
 - Assist in direction and coordination of Student Athletic Advisory Committee.
 - Helped to create orientation programs for incoming student-athletes.



MSU Athletics unveils new student-athlete success program -- Mustangs 360

Trey Reed MSU Athletic Communications

General

Posted: 8/4/2016 11:18:00 AM

MORRISTOWN, NJ - Evolution Labs announced today that Midwestern State has adopted its SA360 platform as a required part of its student-athlete experience across all of its 13 NCAA Division II programs.

SA360 provides student-athletes with engaging mobile app and web-based content on topics ranging from health and wellness to avoiding risk behavior, to assessing and improving academic skills.

MSU joins other top intercollegiate athletic departments that have integrated the platform into their core programming, including Louisiana State, Virginia Commonwealth and Maryland.

"The university and the athletic department are committed to fostering students' success as scholars, athletes and citizens," MSU Athletic Director [Charlie Carr](#) said. "SA360 uses smart technology to deliver content in a manner that's more compelling and convenient to student-athletes, while enabling the athletic department to provide timely support and advice throughout the academic year. SA360 can help student-athletes whether they're on campus or traveling to an away game."

SA360 covers important success topics including mental health, physical fitness, study and test-taking skills, time management skills, drug and alcohol use, sexual assault, NCAA compliance and career preparedness.

It employs pulse surveys, social media, interactive self-tests and digital video to keep students returning for regular updates. In addition, the platform can be configured to work as part of an existing course or as an independent required curriculum.

"MSU is extremely forward-thinking in their efforts to support student-athletes," said Peter Kraft, CEO at Evolution Labs. "SA360 will reach MSU's student-athletes in many ways to facilitate a great learning environment for their development as students, athletes and as people."

About Midwestern State University

Located in Wichita Falls, Texas, Midwestern State University is heralded as the public liberal arts University of the State of Texas. Faculty, administrators, staff and students actively participate in an academic community that focuses, refines and continuously challenges points of understanding. The university offers an affordable, nurturing and challenging learning environment that serves the citizens of Texas, other states and many countries. The university strives to prepare its graduates to set high goals, be productive members of the global society, understand and relate to people and ideas different from their own, and continue to learn throughout their lives. As a member of NCAA Division II, the Mustangs compete in 13 sports as a member of the Lone Star Conference and is an associate member of the Heartland Conference in men's soccer.

About Evolution Labs

Spanning the entire student lifecycle, Evolution Labs is vastly improving the engagement experience between schools and students. The company's proprietary S360 and P360 programs help schools drive enrollment and retention, and also gain the alliance and influence of parents. Its SA360 program delivers critical success content to college student-athletes, and the company's Suite360 program engages K-12 students in highly immersive content around character development and social & emotional learning.

Enrollment Reports

Summer I 2016

Classification	2015	2016	On-line Only
New First-time Freshmen	10	7	1
Freshmen	125	91	41
Sophomores	317	254	115
Juniors	459	476	246
Seniors	831	849	354
Post-Baccalaureate	46	63	53
Graduate Degree-Seeking	<u>362</u>	<u>405</u>	<u>305</u>
Total Headcount	2,150	2,145	1,115
Semester Credit Hours	9,943	9,866	4,864

Summer II 2016

Classification	2015	2016	On-line Only
New First-time Freshmen	6	6	0
Freshmen	62	64	10
Sophomores	207	185	50
Juniors	293	311	92
Seniors	562	660	225
Post-Baccalaureate	13	11	2
Graduate Degree-Seeking	<u>203</u>	<u>207</u>	<u>136</u>
Total Headcount	1,346	1,444	515
Semester Credit Hours	5,578	6,068	1,865

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Finance Committee
August 4, 2016**

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 4:00 p.m., Thursday, August 4, 2016. Committee members in attendance were Mr. Jeff Gregg, Chairman; Mr. R. Caven Crosnoe; and Dr. Lynwood Givens. Other regents attending the meeting were Ms. Tiffany Burks, Mr. Shawn Hessing, Ms. Nancy Marks, Mr. Sam Sanchez, Dr. Shelley Sweatt; and Student Regent Lindsey Shelley.

Members of the administration present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; and Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management. Other university personnel attending the meeting included Dr. Bradley Wilson, Parliamentarian, MSU Faculty Senate; Ms. Reagan Foster, Chair, MSU Staff Senate; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director of Internal Audits; Mr. Patrick Coggins, Chief of University Police; Mr. Chris Stovall, 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 Government Association (SGA) was Mr. Manny Hoffman, SGA Vice President. Representing the news media was Ms. Lana Sweeten-Shults, *Wichita Falls Times Record News*.

Chairman Gregg called the meeting to order at 4:00 p.m.

Reading and Approval of Minutes

16-158. The Finance Committee approved the minutes of the May 12, 2016, meeting as presented.

Summary of Financial Support 9/1/15-6/30/16

16-159. Mr. Gregg noted that the report was presented in the Board Book and highlighted some of the major gifts received since the last meeting of the Board.

- A. Mr. and Mrs. Jim McCoy pledged \$963,780 for the MSU Engineering Pathway Program and engineering faculty compensation.
- B. The Board of Directors of the Rotary Club of Wichita Falls contributed \$175,000 to establish the Talkington-Downing Rotary Professorship in Business.
- C. The Gordon T. and Ellen West College of Education received \$40,000 from the ALCOA Foundation for the Young Engineer Summer (YES) Camp and the Science, Technology, Engineering, and Math (STEM) Camp.

- D. Dr. Suzanne Shipley and Mr. Randall Wadsworth donated \$30,000 to establish the President's Fund for International Research Endowment.
- E. The Lalani Center received \$30,000 from the City of Wichita Falls for Idea Wichita Falls prize money.

Mr. Gregg stated that the support from the community, alumni, and friends was outstanding. He reminded Board members that thank you notes were in their folders and encouraged them to write to the individuals they were assigned.

Financial Reports

- 16-160. Mr. Gregg reported that the administration recommended acceptance of the April, May, and June 2016 financial reports as previously distributed. He noted that Dr. Fowlé's summary of the latest report was included in the Board Book.

Mr. Crosnoe moved acceptance of these reports as presented. Dr. Givens seconded the motion, and it was approved.

Investment Report

- 16-161. Mr. Gregg noted that the administration recommended the Board's acceptance of the third quarter FY 2016 investment report as previously distributed. He stated that Dr. Fowlé's report summary was presented in the Board Book.

Dr. Givens moved the acceptance of the investment report as presented. Mr. Crosnoe seconded the motion, and it was approved.

University Accounts/Signature Authorizations

- 16-162. Mr. Gregg reported that each year the Board is asked to approve the individuals authorized to sign on university bank accounts, purchase and sell investment instruments, perform normal banking transactions, and sign retirement documents. He noted that the recommendations were included in the Board Book and were the same as those approved in 2015.

Mr. Crosnoe moved approval of this item as presented. Dr. Givens seconded the motion and asked why this action was needed if the list was the same as in the previous year. Dr. Fowlé responded that the Board was required by law to approve the list each year.

There being no further discussion the motion was approved.

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

- 16-163. Mr. Gregg noted that the administration recommended approval of the firms listed in the Board Book and noted that the list was the same as in 2015.

Dr. Givens moved approval of this item as presented. Mr. Crosnoe seconded the motion, and it was approved.

Review of Personnel Reports and Salary/Title/Position Changes in 2015-2016 Budget

16-164. Mr. Gregg stated that the reports of personnel changes in April, May, and June were presented for ratification. He noted that three staff positions were filled below the budgeted amount and five positions were reclassified which resulted in overall salary savings.

Mr. Crosnoe moved ratification of these reports as presented. Dr. Givens seconded the motion, and it was approved.

Operating Budget for Fiscal Year 2017

16-165. Mr. Gregg reported that the administration recommended approval of the \$110,548,625 operating budget for FY 17 as presented. He noted that a copy of the budget highlights was included in the Board Book. He asked for a motion and second to place the budget on the table for consideration. Dr. Givens moved approval of the budget as presented; Mr. Crosnoe seconded the motion.

Dr. Shipley thanked Dr. Fowlé and her staff for their work in developing the budget. She added that a Budget Oversight Committee was added to the budget process at her request. The members of the committee, which included faculty, staff, and students, made good recommendations, most of which were followed in the development of the budget. She added that the administration modified the approach to the staff compensation schedule following the Board's input during the budget workshop. She noted that it was mentioned during the workshop that more attention should be placed on the first year of the staff compensation plan. She stated that by setting the maximum increase that a staff member could receive at \$5,000, additional staff members would receive a larger salary increase in the first year. She reported that this change was reflected in the proposed budget. Dr. Shipley referred the Board to the Budget Highlights created by Dr. Fowlé and her staff. The highlights reported that the key increases to the budget were the result of the addition of Legacy Hall, increased Higher Education Assistance Fund (HEAF) appropriations, and salary and benefits cost increases. She reported that the budget was based on an enrollment of 6,100. She noted that almost 15 faculty and staff positions were funded by private and grant funds of more than \$1 million and added that this was very unusual for a public institution the size of MSU. She stated that of the \$110 million budget, \$25 million was appropriated by the state.

Dr. Fowlé reviewed the information shown in Attachment 1. Slide Three showed budgeted sources of funds since 2010 and Dr. Fowlé reported that the increase in auxiliaries was the result of the addition of Legacy Hall. Slide Four showed the FY 17 budgeted sources of funds as compared to FY 16. She stated that as the restricted fund's portion of the total budget decreased, it caused some of the other areas to increase percentage-wise although the actual dollars did not increase. Slides Five and Six presented information regarding budgeted uses of funds. She noted the increase in financial aid in FY 17 was the result of funding from the state for Texas Grants, a need-based program for MSU students, as well as additional scholarship funds. Dr. Fowlé discussed the increase in fringe benefit costs and reported that between FY 10 and FY 17 fringe benefit costs have increased by 50% while faculty and staff salaries have only increased 11%. She added that health insurance premiums during the same period

increased by 60%. She stated that the maintenance & operations and debt service increases were the result of the Legacy Hall bond and operating expenses.

Slide Seven outlined the investments that were included in the proposed budget to include faculty and staff salary and benefit increases. Slide Eight showed the one-time investments that were funded in the budget. Slide Nine presented information regarding the allocation of the \$5 million in HEAF.

Slide 10 showed the 7.25 FTE increases in the budget. Dr. Fowlé indicated that the Board previously approved 6.5 positions during FY 16. She added that the nine-month Counselor position and the Coordinator of Student Activities position would be paid from Student Service Fee monies. She stated that the net increase above the positions already approved by the Board during FY 16 was 1.25 positions.

Slide 11 showed estimated fund balances as of August 31, 2017. Dr. Fowlé pointed out that Auxiliary Funds had decreased some compared to what she reported one year ago because some of the funds were used to finish Legacy Hall. She added that gifts and grants were down as some of the multi-year pledge gifts were spent. Plant Funds have also been reduced through property purchases and the completion of roof repairs that were underway previously. Dr. Fowlé reported that the total overall balance was down compared to the same time last year, but was still a healthy fund balance.

Mr. Gregg asked about Undesignated Funds. Dr. Fowlé responded that Designated Funds included Interest Income and other unrestricted types of monies. Mr. Gregg asked why the Unrestricted Funds were shown as Designated and asked who designated those particular funds. Dr. Fowlé explained that some of the funds are labeled Designated, but they are designated as unrestricted monies. Mr. Hessing asked how much in the Designated Funds category was unrestricted. Dr. Fowlé stated that approximately one-half or \$4.5 million was unrestricted.

Mr. Gregg indicated that he was struggling with the terminology. Ms. Maxwell responded that regular Restricted Funds and Board Designated Funds and activities are all captured in a particular block of the university's finance system. Mr. Hessing indicated that the administration should be careful about terminology. Mr. Gregg stated that the approximately \$4.5 million that would be available in the event of an emergency should be identified as Unrestricted, Undesignated Funds. Mr. Stovall stated that the National Association of College and University Business Officers (NACUBO)/Government Accounting Standards Board (GASB) definition of where the money resides in the university's Chart of Accounts is basically Board Designated based on the nature of the fee or the statute that allows the fee to be charged. He added that there are Undesignated Revenues in the Designated Fund group. Mr. Gregg stated his belief that this was an improper use of the terminology. He stated his position that the \$4.5 million is Unrestricted and should be identified as such. Dr. Fowlé responded that she would break out the information in the future. Mr. Hessing added that the Board would like to know how much money could be spent in the event of an emergency. Mr. Crosnoe added that he would also like to know where those funds are held and if they are accessible. Dr. Shipley asked if Dr. Fowlé could provide that information at the

close of the books for FY 16. Mr. Hessing responded in the affirmative and indicated that Dr. Fowlé could provide this information in writing before the November meeting.


Mr. Gregg commended the administration for their work on developing a balanced budget.

There being no further questions, the motion to approve the budget as presented was approved.

Adjournment

The Finance Committee discussion concluded at 4:33 p.m.

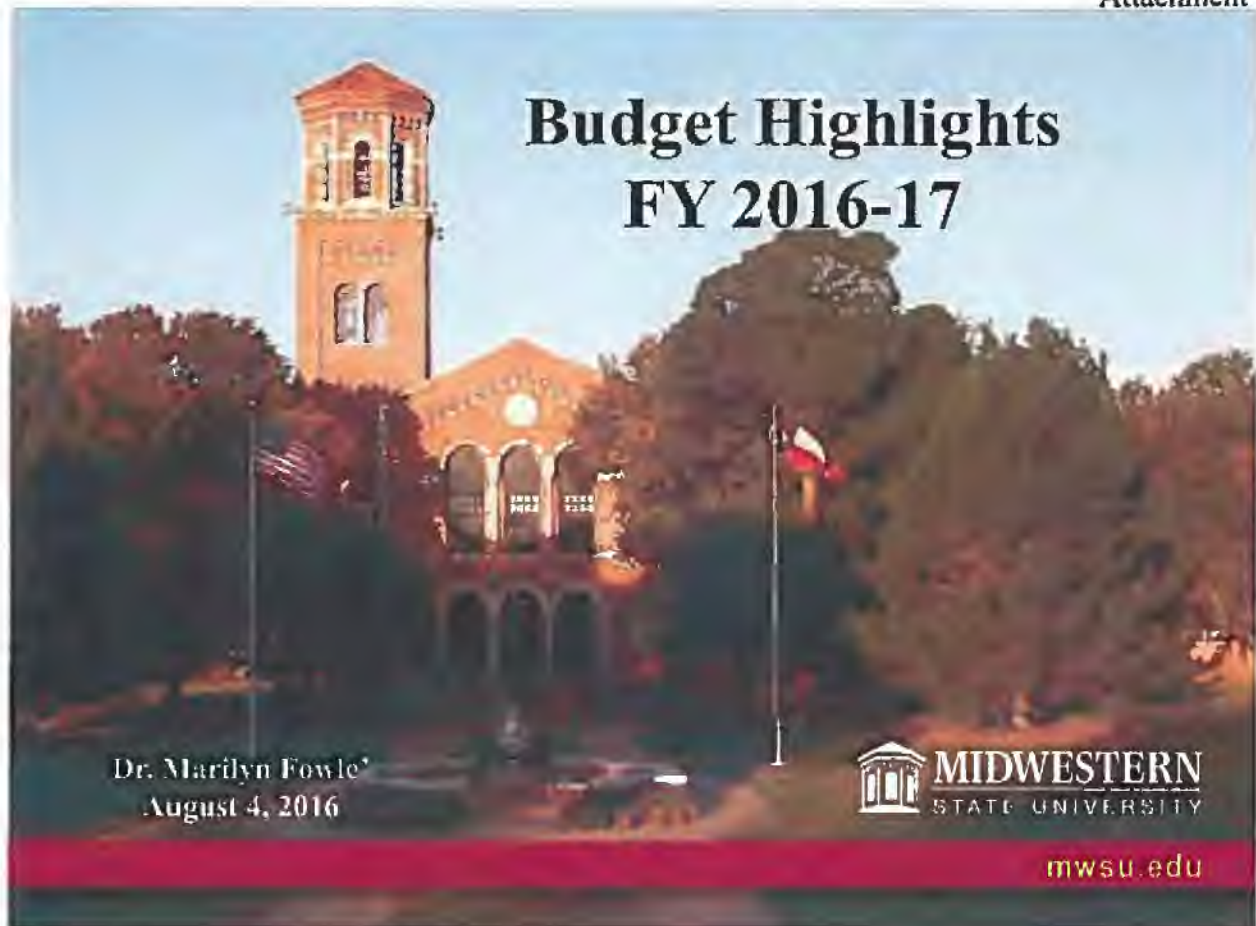
Reviewed for submission:



Jeff Gregg, Chairman
Midwestern State University
Board of Regents Finance Committee

ATTACHMENT:

1. Budget Presentation



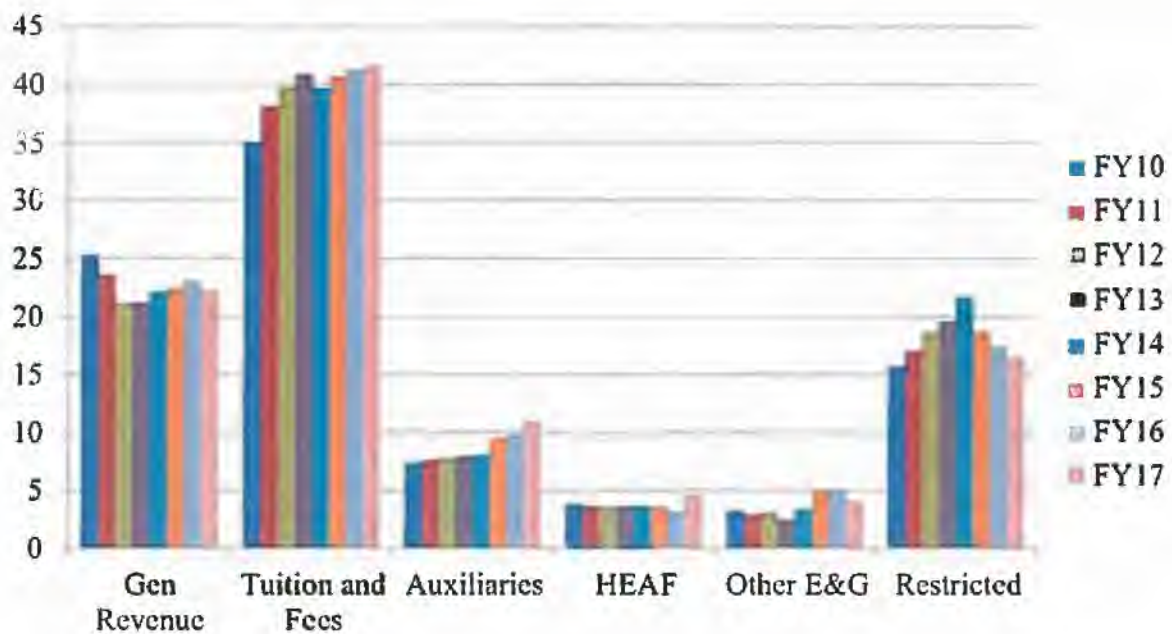
Recommended Budget



- Total proposed \$110,548,625
- Assuming 6,100 fall enrollment
- Significant investment in faculty and staff – salaries and benefits make up over one-half of the proposed budget
- With the exception of four one-time items totaling \$235,316, this is a balanced budget.

Budgeted Sources of Funds

In \$Millions

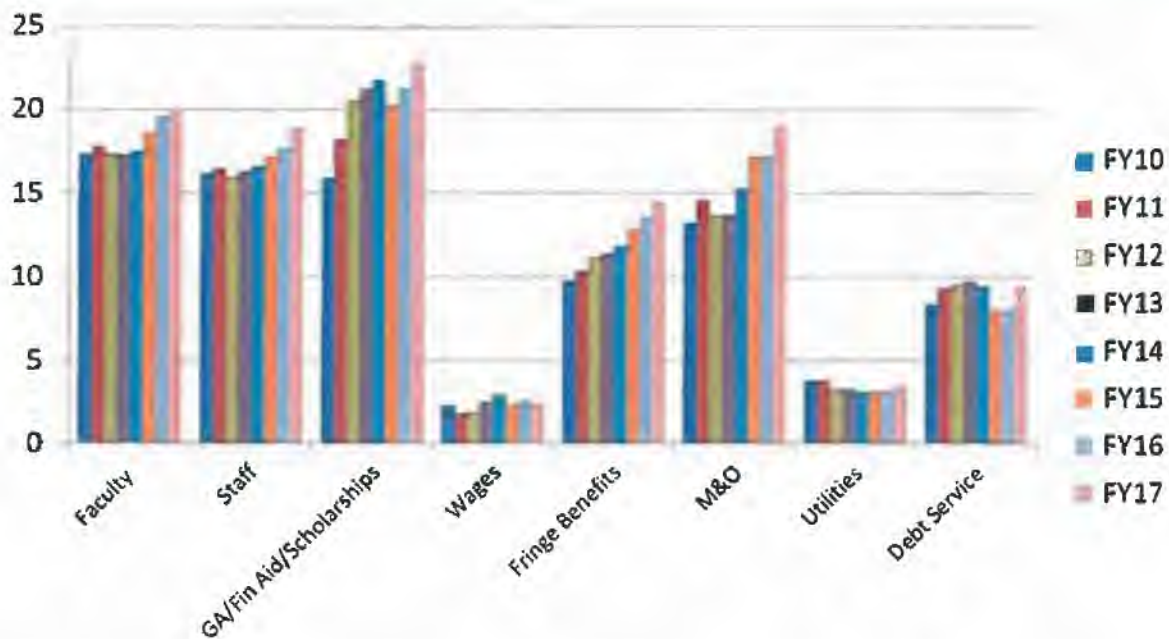


FY 17 Budgeted Sources of Funds

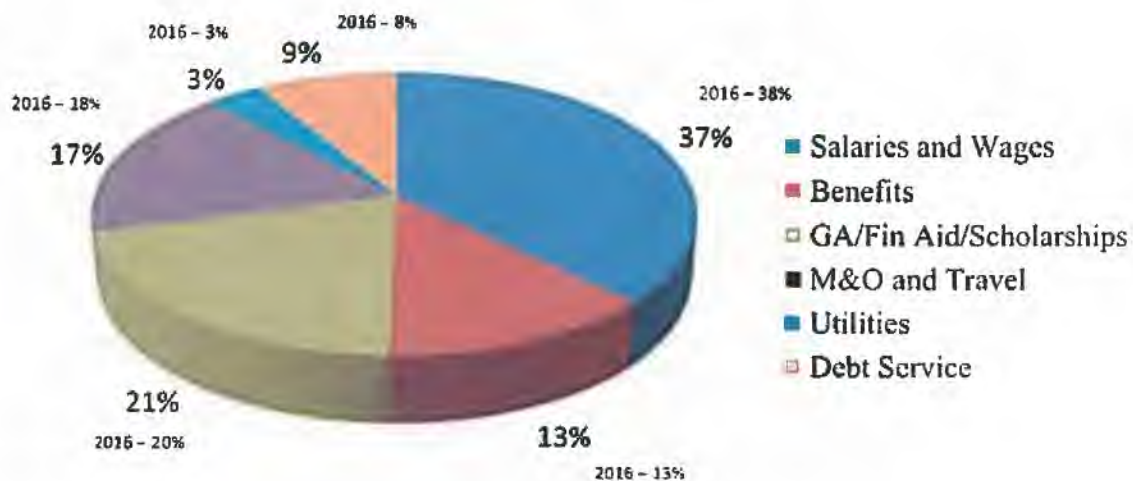


Budgeted Uses of Funds

In SMillions



FY 17 Budgeted Uses of Funds



FY17 Investments



Additional scholarship funds	\$ 1,331,000
Increased debt service on new residence hall	\$ 1,200,000
Faculty and staff pay raises (including balance of FY16 mid-year raise for staff)	\$ 958,000
Increased benefit costs	\$ 950,000
Increased IT maintenance agreements	\$ 181,000
Additional faculty and partial staff (1.25 new positions in FY17)	\$ 110,000
Additional graduate assistantships and increased stipends amounts	\$ 96,000
Graduate student recruiting	\$ 30,000

FY17 One-time Investments



Parcel lockers – Clark Student Center	\$ 65,000
Wichitan and Voices – computer purchases	\$ 15,000
Degree Works implementation	\$ 51,965
Common Learning Center and Multi-purpose room furniture	\$ 103,351
Total One-time Investments	\$ 235,316

HEAF Allocation



Facility services/maintenance	\$ 1,757,500
Debt service	1,238,744
Information technology	684,329
Library materials	550,000
Academic equipment	540,863
General university/reserve	<u>289,976</u>
Total	<u>\$ 5,061,412</u>

FTE Increases – 7.25



FTE at August 31, 2016	685.88
Internal Auditor (partial year – approved by BOR during FY15)	.50
Director of Equity and Inclusion (approved by BOR during FY16)	1.00
Legacy Hall Custodians (approved by BOR during FY16)	4.00
Legacy Hall Maintenance Technician (approved by BOR during FY16)	1.00
Faculty in Respiratory Care for Wise County	1.00
Counselor – 9 months	.75
Coordinator – Student Activities	1.00
Engineering Advisor – restricted funds	1.00
Eliminate Vice President Admin and Institutional Effectiveness	(1.00)
Eliminate Assistant to VP, Admin and Institutional Effectiveness	(1.00)
Eliminate Secretary, VP University Advancement and Public Affairs	(1.00)
FTE at September 1, 2016	<u>693.13</u>

Analysis of MSU Reserves

Estimated fund balances at August 31, 2017

State Appropriated Funds	\$ 570,485
Designated Funds (Includes tuition, fees, operational budgets, museum, athletics, library, scholarships, wellness center, etc.)	11,641,965
Auxiliary Funds (Housing, food service, etc.)	770,075
Gifts/Grants/Federal Support	5,029,729
Plant Funds (Renewal & Replacement)	1,133,039
Total All Funds	<u>\$ 19,145,356</u>



MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
Audit, Compliance, and Management Review Committee
August 4, 2016

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 4:33 p.m., Thursday, August 4, 2016. Committee members in attendance were Mr. Sam Sanchez, Chairman; Ms. Tiffany Burks; Mr. Jeff Gregg; and Dr. Shelley Sweatt. Other regents attending the meeting were R. Caven Crosnoe, Dr. Lynwood Givens, Mr. Shawn Hessing, Ms. Nancy Marks, and Student Regent Lindsey Shelley.

Administrative staff members present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; and Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management. Other university personnel attending the meeting included Ms. Reagan Foster, Chair, MSU Staff Senate; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director of Internal Audits; Mr. Patrick Coggins, Chief of University Police; Mr. Chris Stovall, Controller; 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 Government Association (SGA) was Mr. Manny Hoffman, SGA Vice President. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*.

Chairman Sanchez called the meeting to order at 4:33 p.m.

Reading and Approval of Minutes

16-166. The minutes of the May 12, 2016, Committee meeting were approved as presented.

Audit and Compliance Activities and Audit Plan

16-167. Mr. Sanchez stated that Mr. Chris Stovall, MSU Controller and Chairman of the MSU Compliance and Ethics Coordinating Committee, would update the Board on compliance activities. He noted that Mr. Stovall would be followed by Director of Internal Audits Leigh Kidwell who would report on audit activities and present the proposed FY 17 Audit Plan for approval.

Mr. Stovall stated that Ms. Kidwell, Mr. Macha, and the Compliance and Ethics Coordinating Committee had done a good job of keeping compliance in the forefront. He reported that new Policy 2.26, *Institutional Compliance and Ethics Program*, was approved by the Board of Regents in May to formally establish the program. One of the provisions of the policy requires regular updates to the Board on the content and operation of the Compliance and Ethics program. He reported that since May the compliance partners who serve on the Coordinating Committee had created compliance calendars for each of their areas to ensure continued compliance with all of the legal and regulatory requirements. These calendars will be maintained and updated as necessary and then published to the MSU Compliance and Ethics Website. He stated

that this will help ensure continuity in the event of staff turnover and will provide Ms. Kidwell with a mechanism to routinely audit those areas as part of her audit plan to provide further assurance to the Board of university-wide compliance. Two subcommittees were created to address high-priority compliance areas identified by the committee, those being the Clery Act and ADA/Accessibility. He reported that the Clery Compliance Sub-Committee had been very active during the last couple of months educating the members on the Clery Act through training and webinars. The group also created Clery Maps to identify campus locations that are subject to mandatory Clery reporting, discussing various reporting and legal requirements, and comparing the Clery Act to Title IX. The ADA/Accessibility Sub-Committee was recently formed and its charge is to review the federal and state accessibility regulations and, specifically, how those regulations apply and pertain to Information Technology (IT). The work of the sub-committee will include looking at online courses, distance education, social media, the university website, the portal, computer labs, and the library. The sub-committee will work to determine processes, responsibilities, standardization, best practices, and timeliness for retrofitting systems to ensure MSU is compliant with ADA as well as the Texas Administrative Code. Mr. Stovall reported that an Information Technology Sub-Committee will also be created in the early fall once the IT audit is complete. This sub-committee will address and correct any findings from the audit. The secondary duty of this sub-committee will be to collaborate and establish IT priorities and campus-wide goals which will help centralize the purchasing of IT products and help ensure continued compliance with the use of technology and information security regulations. Mr. Stovall reported that he continues to meet weekly with the Director of Internal Audits and the University General Counsel to discuss compliance issues. He noted that they have reviewed Senate Bill 20 (84th Legislature) with the Director of Purchasing and Contract Management to focus on how the legislation relates to contract management at MSU. An implementation plan and training will be developed and provided. He reported that the MSU Contract Management Handbook had been updated accordingly to include language from SB 20. He added that the Ethics Policy for MSU Employees would also be updated and a new Suspected Dishonest or Fraudulent Activities policy would be developed to address requirements of SB 20. Mr. Stovall reported that the Fraud, Compliance, and Ethics Concern web page was updated and moved under the Director of Internal Audits. He added that the Ethics Point anonymous hotline was implemented in December 2015, and no complaints had been made through the hotline as of the end of July.

Mr. Sanchez thanked Mr. Stovall, Ms. Kidwell, and Mr. Macha for their work as a team in the area of compliance. He indicated that their work had addressed many of the Board members' concerns.

Ms. Kidwell reported that her focus since the May Board meeting related to the FY 2017 Audit Plan and the Information Security Compliance Audit. She reported that the Internal Audit Act of Texas requires the Board of Regents to review and approve the Audit Plan each year. She noted that with the addition of a staff auditor one-half way through the year, the number of hours available for audit projects increased to more than 2700 hours, after consideration of university holidays and sick leave. She stated that many of the audit projects were required by statute and added that time would still be available to continue monitoring Information Security Compliance as well as

allocating time for projects, special requests, investigations, and administrative work. She noted that the Plan was presented for the Board's consideration and approval.

Ms. Kidwell reported that the Information Security Compliance Audit was nearing completion. She indicated that she would likely have a preliminary report in September and would bring the final report to the Board in November. She thanked Interim Chief Information Officer Jim Hall for the work he had done preparing for the audit. She added that the audit firm would prioritize any needs or concerns they find during the audit process.

Mr. Gregg moved approval of the FY 2017 Audit Plan as presented. Mrs. Burks seconded the motion, and it was approved.

MSU Policies and Procedures Manual Changes

16-168. Mr. Sanchez noted that a new policy and revised policy were presented for approval as shown in the Board Book.

- A. Campus Carry Policy - He stated that the proposed Campus Carry Policy was developed to put into the *Policy Manual* format the policies and rules that were approved by the Board in May. He noted that Dr. Shipley would provide comments and indicated that Chief Coggins and Mr. Macha were available to answer any questions the Board might have.

Dr. Shipley stated that the Campus Carry Implementation Task Force had worked during the summer to develop the proposed policy format, determine signage, and address other matters related to the implementation of Campus Carry. She noted that the Board would likely see the policy evolve over time. She added that Chief Coggins would ensure appropriate training for the campus.

Mr. Macha reported that the policy implements the work that was done by the original Campus Carry Task Force. He stated that Chief Coggins chaired the Implementation Task Force.

Mrs. Burks moved approval of the policy as presented. Dr. Sweatt seconded the motion.

Mrs. Marks indicated she was pleased with the Safe Campus Training and asked how often the training would be offered. Chief Coggins responded that a schedule had not yet been developed. Mrs. Marks asked if the training would be available to students. Chief Coggins responded that the training would be offered for anyone who wants to attend. Mr. Sanchez asked if the training would be part of the orientation process. Chief Coggins stated that it would be in a video format and would likely be part of the orientation process each semester. Mr. Sanchez asked how students would be made aware of exclusionary areas. Chief Coggins responded that all of the permanently excluded locations would have signage. Dr. Lamb stated that in addition to signage the university would also have the information on its website as well as in the *Student Handbook*. He added that students living in the residence halls would have training about the policy.

Mr. Hessing stated that it would be important for the administration to maintain communication with the students and the campus community as the policy evolves. Dr. Shipley indicated that any changes made to the policy would likely only be made once each year. Mr. Sanchez encouraged the administration to work with the Student Government Association or other student organizations to inform the students of the rules and exclusionary areas.

The motion to approve this policy was approved.

- B. Police Ordinances – Mr. Sanchez noted that changes to this policy were proposed by Chief Coggins to bring the policy up to date and in line with current procedures. Mr. Gregg moved approval of the policy changes as presented. Mrs. Burks seconded the motion, and it was approved.

Mr. Hessing thanked Chief Coggins for his hard work.

Adjournment

The Audit, Compliance, and Management Review Committee discussion concluded at 4:54 p.m.

Reviewed for submission:



Sam Sanchez, Chairman
Midwestern State University
Board of Regents Audit, Compliance, and
Management Review Committee

**MINUTES
MIDWESTERN STATE UNIVERSITY
BOARD OF REGENTS
August 4, 2016**

The Midwestern State University Board of Regents met in regular session in the J. S. Bridwell Board Room of the Hardin Administration Building at 11:00 a.m., Thursday, August 4, 2016. Regents in attendance were Mr. Shawn Hessing, Chairman; Ms. Tiffany Burks; Dr. Lynwood Givens, Secretary; Mr. R. Caven Crosnoe; Mr. Jeff Gregg; Ms. Nancy Marks; Mr. Sam Sanchez; Dr. Shelley Sweatt; and Student Regent Lindsey Shelley.

Members of the administration present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business Affairs and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. Bradley Wilson, Parliamentarian, MSU Faculty Senate; Ms. Reagan Foster, Chair, MSU Staff Senate; Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director of Internal Audits; Mr. Chris Stovall, Controller; 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 news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*. A special guest attending the first portion of the meeting was Mr. Kevin McGinnis, Executive Director, Risk Management and Benefits Administration, Texas A&M University System.

Chairman Hessing called the meeting to order at 11:00 a.m. and Ms. Gaynor introduced the guests.

Opening Comments

Mr. Hessing welcomed everyone to the meeting and thanked them for agreeing to start the meeting earlier than normal. He noted that new Student Regent Lindsey Shelley was attending her first regular board meeting having participated in the special meeting in June. He welcomed Ms. Shelley to service on the Board of Regents. He reminded individuals in attendance that the meeting was being streamed live on the internet and asked everyone to silence their cell phones.

Public Comment

Mr. Hessing stated that in accordance with Board of Regents By-Laws, MSU Policy 2.22, members of the public were invited to address the Board of Regents through written and oral testimony. He noted that no one had signed up to speak.

Texas Public Finance Authority MSU Bond Resolutions

16-132. Mr. Hessing reported that the meeting time was set to coordinate action with the Texas Public Finance Authority (TPFA) regarding the sale of a bond. He stated that the MSU Board previously authorized the sale of bonds, but during the review process the TPFA determined that MSU could save money by refinancing existing bonds. He asked Dr. Fowlé to review this action item with the Board.

Dr. Fowlé noted that the Board Book included a proposed resolution to authorize the refinancing of certain bond series. She stated that the refinancing would save the university approximately \$2.9 million in payments and added that the primary of the savings would be housing bonds. The administration recommended approval of the resolution and the refinancing of the bonds as part of the Tuition Revenue Bond issuance. Dr. Fowlé stated that once approved, the resolution would be forwarded to the TPFA and they would approve another resolution authorizing the issuance. A final resolution would then need to be approved later in the meeting by the MSU Board to finalize the approval process.

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

Mr. Hessing noted that at some point later in the meeting the Board would be asked to approve another resolution from TPFA to authorize the sale.

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

16-133. Mr. Hessing welcomed Mr. Kevin McGinnis from TAMUS to the meeting. Mr. McGinnis reminded the Board that he or someone from his office would visit with the Board in good years and in bad. He stated that while this was not a terrible year, it was certainly not a good year. He reviewed information regarding the Cash Concentration Pool and the System Endowment Fund as shown in Attachment L. The presentation included information regarding the investment objective of each of the funds. He noted that the volatility in the market during the last year had resulted in losses, while the five-, ten-, and fifteen-year performance figures remained positive. He indicated that the main drawback for the year were the funds invested in the Domestic Equity Asset Class. He added that the International Equity market was down 9%. He stated that any time equities are that volatile and are down the absolute return would also lag. He noted that while July numbers had not been reported, the markets were up. Slide Four showed the value of MSU's cash as of June 30, 2016. Mr. McGinnis reported that the System Endowment Fund was also down for the last year but by a smaller percentage owing to the performance of the Private Equity investments. Slide Seven showed the value of MSU's Endowment Accounts as of May 31. Mr. McGinnis discussed manager changes that are being made (Slide Eleven) and noted that they see all of their managers at least twice each year.

Mr. Sanchez asked how long they watch new managers underperforming before they become concerned. Mr. McGinnis responded that the standard direction they give their managers is for them to be in the top quartile over a five-year minimum period. If a manager approaches five years and is underperforming they will be placed on a watch list.

Mr. McGinnis thanked the Board for the opportunity to visit with them. He stated that he would be glad to provide a more detailed report if it were ever needed. Mr. Hessing thanked Mr. McGinnis for his report and for traveling to Wichita Falls.

Modification of Midwestern State University Organization Chart

16-134. Mr. Hessing noted that a copy of the new MSU organization chart that would go into effect September 1, 2016 was shown in the Board Book. He added that the Book included a description of the changes that were made. There being no questions, Mr. Hessing stated that this item was presented as a point of information only and no action was necessary.

Board Resolutions

16-135. Mr. Hessing reported that a resolution recognizing Megan Piehler for her service as Student Regent was sent to the Board for review and was presented for approval (see Attachment 2). Mr. Sanchez moved approval of the resolution as presented. Mr. Crosnoe seconded the motion, and it was approved.

Recess

Mr. Hessing announced that the remaining items would be deferred to Executive Session later in the afternoon. The committee of the whole stood in recess at 11:20 a.m. and reconvened at 4:55 p.m.

Executive Session

Mr. Hessing announced that the Board of Regents would go into Executive Session to discuss Items 16-136 (Real Property), 16-137 (Gifts and Donations), 16-138A (Consultation with Attorney Regarding Legal Matters and Pending Litigation), and 16-157 (Emeritus Status) as allowed by the Texas Government Code Chapter 551 Sections .071 (Consultation with Attorney), .072 (Real Property), .073 (Gift or Donation), and .074 (Personnel Matters) The Executive Session began at 4:55 p.m. Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Shelley, Mrs. Marks, Mr. Sanchez, Dr. Sweatt, Dr. Shipley, Mr. Macha, Ms. Barrow, Dr. Stewart, Dr. Fowlé, and Dr. Lamb remained for the discussion. The closed session concluded at 5:27 p.m. and the open meeting resumed.

Real Property

16-136. Dr. Givens moved that the Board authorize the President to enter into lease agreements related to the development of the University's oil, gas, and mineral interests in Reeves, County, Texas. Mr. Sanchez seconded the motion and it was approved.

Gifts and Donations

16-137. Mrs. Marks moved that the Board authorize the administration to negotiate a gift agreement with naming privileges related to Legacy Hall. Mrs. Burks seconded the motion and it was approved.

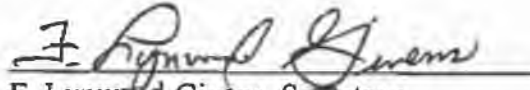
Texas Public Finance Authority MSU Bond Resolutions

16-132. Mr. Hessing reported that action related to approval of the final bond resolution would be postponed until Friday.

Adjournment

There being no further business, the meeting adjourned at 5:28 p.m.

Reviewed for submission:

A handwritten signature in cursive script, reading "F. Lynwood Givens", written over a horizontal line.

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

ATTACHMENTS

1. Texas A&M System Presentation
2. Resolution of Appreciation (Megan Piehler)

Midwestern State University Investment Overview

August 4, 2016



Kevin McGinnis
Executive Director, Risk Management

The Texas A&M University System

Cash Concentration Pool

Investment Objective

Invest the funds in a manner as to achieve a reasonable balance of growing corpus and meeting the operating needs of the system, while maintaining the system's objective of the safety and preservation of capital.

Performance Periods Ended June 30, 2016

	<u>1-YR</u>	<u>5-YR</u>	<u>10-YR</u>	<u>15-YR</u>
Long Term Cash Concentration Pool	-2.6%	4.4%	4.7%	5.1%
Long Term Balanced Index	-1.2%	4.5%	4.3%	4.9%



The Texas A&M University System

Cash Concentration Pool

Asset Allocation

Asset Class	Target Allocation	6/30/2016 Allocation
Short Term Portfolio	8.0%	7.7%
Long Term Portfolio		
Liquidity Portfolio	10.0%	9.6%
Fixed Income	22.0%	22.3%
Domestic Equity	20.0%	20.3%
International Equity	20.0%	21.3%
Absolute Return	20.0%	18.8%



The Texas A&M University System

Cash Concentration Pool

Midwestern State – Operating Funds

October 1, 2013 to June 30, 2016

Net Investment Transfers	\$24,000,000
Net Earnings Added Back*	<u>2,327,458</u>
Book Value as of June 30, 2016	\$26,327,458
Unrealized Appreciation	-277,204
Market Value as of June 30, 2016	\$26,050,254

* Interest, dividends and realized gains, less fees



The Texas A&M University System

System Endowment Fund

Investment Objectives

Provide a continuing and dependable cash payout, stable and preferably growing in real terms.

Cause the total value of the fund to appreciate, over time, exclusive of growth derived from donations.

Performance Periods Ended June 30, 2016

	<u>1-YR</u>	<u>5-YR</u>	<u>10-YR</u>	<u>15-YR</u>
System Endowment Fund	-1.1%	5.9%	5.2%	5.7%
Balanced Index	-.5%	4.4%	4.2%	4.9%

The Texas A&M University System



5

The Texas A&M University System

System Endowment Fund

Asset Allocation

<u>Asset Class</u>	<u>Target Allocation</u>	<u>6/30/2016 Allocation</u>
Fixed Income	15.0%	15.1%
Domestic Equity	20.0%	20.0%
International Equity	20.0%	18.8%
Real Assets*	15.0%	10.4%
Absolute Return	15.0%	15.2%
Private Equity	15.0%	19.9%
Money Market	0%	0.6%

*Real Assets includes timber, real estate, and energy investments.

The Texas A&M University System



6

The Texas A&M University System

System Endowment Fund

Midwestern State Endowment Accounts

May 31, 2016

Investment Transfers	\$11,926,628
Market Value	\$11,423,977
Units	1,906,977.46
FY 2015 Payout (3 rd & 4 th Qtrs)	\$254,355
FY 2016 Payout (estimated)	\$535,849
FY 2017 Payout (estimated)	\$552,093

The Texas A&M University System



7

The Texas A&M University System

System Endowment Fund

- Income is distributed to each endowment account on a quarterly basis in accordance with the spending policy outlined in the System Investment Policy.
- The quarterly payout is calculated on an annual basis and is the average of the quarterly market value for the 20 fiscal quarters ending the previous February, multiplied by 5.0% and divided by 4.
- The market value per unit as of 5/31/2016 was \$5.99 and the values for the last five years are as follows:

2/29/2012	\$5.47
2/28/2013	\$5.57
2/28/2014	\$6.00
2/28/2015	\$6.25
2/28/2016	\$5.76

The Texas A&M University System



8

The Texas A&M University System

System Endowment Fund

Quarterly Endowment Spending Rate



The Texas A&M University System



9

The Texas A&M University System

Investment Pool Comparison

	Asset Class	CCP Target Allocation	SEF Target Allocation
CCP Objectives:	Short Term Portfolio	8.0%	-
	Liquidity Portfolio	10.0%	-
	Fixed Income	22.0%	15.0%
	Domestic Equity	20.0%	20.0%
SEF Objectives:	International Equity	20.0%	20.0%
	Absolute Return	20.0%	15.0%
	Real Assets	-	15.0%
	Private Equity	-	15.0%

CCP Objectives:

- Grow reserves
- Meet operating needs
- Preserve capital

SEF Objectives:

- Dependable payout
- Increase fund value

The Texas A&M University System



10

The Texas A&M University System

Portfolio Repositioning

July 2016

- New manager – William Blair – Emerging Markets Fund
- Reallocations to fund new manager:
 - DFA Emerging Markets Value (full redemption)
 - DFA Emerging Markets Small Cap (20% reduction for CCP and 40% reduction for SEF)

August 2016

- Loomis Sayles – transition from Senior Loan Fund to a more diversified fund which includes bank loans and high yield



MIDWESTERN STATE UNIVERSITY RESOLUTION OF APPRECIATION

August 4, 2016

WHEREAS, Megan Piehler was appointed by Texas Governor Greg Abbott to serve as MSU Student Regent, the highest position to which a student can be appointed while enrolled in Texas public higher education, and

WHEREAS, Ms. Piehler served in this position with distinction from July 2, 2015, until May 31, 2016, and

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

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

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


Shawn Hessing, Chairman


Tiffany Burks, Vice Chair


F. Lynwood Givens, Secretary


Warren T. Ayres


R. Caven Crasnoe


Jeff Greer


Nancy Marks


Samuel M. Sanchez


Shelley S. Sweet


Lindsey Shelley, Student Regent


Suzanne Shipley, President



**MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY
August 5, 2016**

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 5, 2016. Regents in attendance were Mr. Shawn Hessing, Chairman; Ms. Tiffany Burks, Vice Chairman; Dr. Lynwood Givens, Secretary; Mr. R. Caven Crosnoe; Mr. Jeff Gregg; Ms. Nancy Marks; Mr. Sam Sanchez; Dr. Shelley Sweatt; and Student Regent Lindsey Shelley.

Administrative staff members present included Dr. Suzanne Shipley, President; Dr. Betty Stewart, Provost and Vice President for Academic Affairs; Dr. Marilyn Fowlé, Vice President for Business and Finance; and Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management. Other university personnel attending the meeting included Mr. Charlie Carr, Director of Athletics; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director, Internal Audits; Mr. Chris Stovall, Controller; Ms. Dawn Fisher, Director, Human Resources; Ms. Julie Gaynor, Director, Marketing and Public Information; Ms. Cindy Ashlock, Executive Assistant to the President; and Ms. Debbie Barrow, Director, Board and Government Relations. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*. Attending the first portion of the meeting were Dr. Kristen Garrison, Associate Vice President for Undergraduate Education and Assessment, and Dr. Kathryn Zuckweiler, Dean of the Billie Doris McAda Graduate School.

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

Opening Comments

Mr. Hessing asked Dr. Stewart to make two special introductions. Dr. Stewart indicated that she was pleased to welcome the new graduate dean Dr. Kathryn Zuckweiler. She noted that Dr. Zuckweiler has a Bachelor of Arts in History from Whittier College, a Master of Business Administration from the University of Houston, and a Ph.D. in Management from the University of Nebraska – Lincoln. Dr. Stewart stated that during the last four years she had served as an Associate Professor of Management and Associate Dean of Graduate Studies and Research at the University of Nebraska at Kearney.

Dr. Stewart introduced Dr. Kristen Garrison and stated she was excited to welcome her as the Associate Vice President for Undergraduate Education and Assessment. Dr. Stewart reported that Dr. Garrison was a valuable part of the faculty at MSU where she serves as an Associate Professor of English. Dr. Stewart reported that Dr. Garrison earned the Bachelor of Arts in English, a Master of Art in English, and a Master of Science in Education from the University of Kansas, and a Ph.D. in Rhetoric from Texas Woman's University. Dr. Stewart reported that Dr. Garrison would specifically be working on Freshmen Initiatives and retention issues, and would supervise many of the university's academic support programs.

Mr. Hessing welcomed everyone to the meeting and reminded them to silence or turn off their cell phones as the meeting was being streamed live on the internet.

Public Comment

Mr. Hessing stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public were invited to address the Board of Regents through written and oral testimony. He commented that no one had signed up to speak during this time.

Texas Public Finance Authority MSU Bond Resolutions

16-132. Mr. Hessing reported that the Board did not complete the business of the Committee of the Whole on Thursday and the final action for this item was postponed until today. He noted that it was time for the Board to consider the second resolution for approval as follows:

RESOLUTION
AUTHORIZING THE SALE OF THE TEXAS PUBLIC FINANCE
AUTHORITY MIDWESTERN STATE UNIVERSITY REVENUE
FINANCING SYSTEM REVENUE AND REFUNDING BONDS;
AUTHORIZING ACTIONS BY THE TEXAS PUBLIC FINANCE
AUTHORITY, MIDWESTERN STATE UNIVERSITY, AND
REPRESENTATIVES THEREOF IN CONNECTION WITH THE
SALE AND DELIVERY OF SAID BONDS; AND RESOLVING
OTHER MATTERS RELATED THERETO

Dr. Fowlé noted that this resolution would provide authority to the Chairman of the Board and the President to sign various documents dealing with this bond issuance, which would include the Paying Agent/Registrar Agreement, Escrow Agreement, General Certificate of the Board, Designated Financial Officer Certificate, Instruction Letter to the Paying Agent, and the Seal Sheet.

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

Reading and Approval of Minutes

16-169. The minutes of the Board of Regents meetings held May 12, May 13, and June 15, 2016 were approved as presented.

Executive Committee Report

Mr. Hessing noted the items presented at the Executive Committee meeting for committee approval and information only. Information concerning these items may be found in the minutes of the Executive Committee meeting held August 4, 2016.

Item Presented for Committee Approval Only

16-139. Committee Minutes

Items Presented for Information Only

- 16-140. Campus Construction Update
- 16-141. Campus Plan – Facilities Services Relocation Alternatives

Items Approved by Committee and Placed on Consent Agenda

- 16-142. Gunn College of Health Sciences and Human Services Building Project – Project Management Assistance– approved Broaddus & Associates as the project management firm for this project and authorized the administration to contract with Broaddus as presented.
- 16-143. Dallas-Fort Worth Expansion Update - approved the Letter of Intent for Build to Suit Lease/Purchase Agreement with Parker Assets I, LLC for Flower Mound property, and authorized the President to work with the Chairman of the Board to negotiate a lease for the property in Flower Mound and to negotiate a lease agreement with North Central Texas College.
- 16-144. Wichita Falls Museum of Art at MSU Advisory Board – approved the board member appointments as presented.
- 16-145. Museum Ratification of Deaccessioned Artworks -- ratified the deaccessioned items as presented.

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

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 4, 2016.

Item Presented for Committee Approval Only

- 16-146. Committee Minutes

Items Presented for Information Only

- 16-147. Faculty Report
- 16-148. Staff Report
- 16-149. Student Government Report

- 16-150. Athletics Report
- 16-151. Enrollment Reports – Summer 2016
- 16-152. Financial Aid Profile

Items Approved by Committee and Placed on Consent Agenda

- 16-153. August 2016 Graduating Class – approved the list of candidates for graduation.
- 16-154. Petition for Bachelor of Science Degree – approved granting a B.S. degree in Biology to Dr. Robert McBroom.
- 16-155. Addition to Core Curriculum – approved the addition of two courses to the university's core curriculum.
- 16-156. *Policy Manual Change* – approved changes to Policy 3.317, Academic Emeritus Status, as presented.
- 16-157. Emeritus Status – approved granting Emeritus Status to Dr. Howard Farrell following 29 years of service to MSU.

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

Finance Committee Report

Mr. Gregg 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 4, 2016.

Item Presented for Committee Approval Only

- 16-158. Committee Minutes

Item Presented for Information Only

- 16-159. Summary of Financial Support

Items Approved by Committee and Placed on Consent Agenda

- 16-160. Financial Reports – accepted the monthly financial reports for April through June, 2016.
- 16-161. Investment Report – accepted the third quarter 2016 Investment Report.

- 16-162. University Signature Authorizations– approved signature authorizations as presented.
- 16-163. Approval of Asset Holding Accounts, Investment Vehicles, and Brokers/Dealers – approved the lists as presented.
- 16-164. Personnel Reports and Changes in FY 16 Budget – ratified the changes presented.
- 16-165. Operating Budget for Fiscal Year 2017 – approved the \$110,548,625 operating budget for FY 2017 as presented.

Mr. Hessing asked if there were items any member wanted to remove from the Consent Agenda. Mr. Crosnoe seconded Mr. Gregg'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. Information concerning these items can be found in the minutes of the committee meeting held August 4, 2016.

Item Presented for Committee Approval Only

- 16-166. Committee Minutes

Items Approved by Committee and Placed on Consent Agenda

- 16-167. Audit and Compliance Activities and Audit Plan - approved the FY 17 Audit Plan as presented.
- 16-168. *MSU Policies and Procedures Manual* Changes - approved a new policy and a policy revision as follows.
 - A. New Policy 4.116– **Campus Carry Policy**
 - B. Policy 4.152 – **Police Department Administration and Regulatory Ordinances**

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

Board of Regents Meeting Dates – 2016-2017

- 16-170. Mr. Hessing noted that the proposed meetings dates for the 2016-2017 year were listed in the Board Book. He asked if any members had conflicts with the dates. There being none, the dates were approved as presented.

Election of Board Officers for FY 2017 and FY 2018

16-171. Mr. Hessing noted that discussion of this item would be postponed until later in the meeting.

President's Report and Discussion of Higher Education Issues

16-172. President Shipley stated that she would update the Board on the university's Legislative Appropriations Request (LAR) and discuss how she approaches testimony before legislators. She noted that she considers what she would be interested in if she were in their position working for the people of the state of Texas. She added that she wrote the Administrator's Statement for the LAR from that viewpoint. She stated that MSU's LAR included an exceptional item request for \$1 million in each year of the biennium to support the DFW Expansion. She added that the university would be able to ask for additional support for expanded programs in the future if this funding were approved. She stated that all state agencies and higher education institutions were required to review how they would address a four percent reduction in certain state funding. The amount of the reduction for MSU was \$200,000 during the biennium. The university was also asked to address a ten percent reduction in funding. She noted that this was something that was included in the LAR process in the past.

Dr. Shipley commented that the administration had previously discussed with the Board the possibility of including a new Tuition Revenue Bond (TRB) request in the LAR. She stated that the Texas Presidents and Chancellors who had been in the Texas political framework longer than she had suggested that the higher education institutions not ask for TRB funding in this session, but rather focus on requesting replenishment of the four percent required reduction and increased formula funding. Dr. Shipley reported that she would testify in early October before the staff of the Legislative Budget Board and the Governor's Office Budget Division. She added that early in the legislative session she would testify before the Senate Finance Committee and the House Appropriations Committee.

Dr. Shipley reported that the Board had heard from the staff, faculty, and students about shared governance and indicated that a number of groups would continue working during the new academic year. She noted that the Budget Oversight Committee would continue as a permanent committee and the membership would remain the same for the next year. She reported that Dr. Stewart was chairing the Strategic Planning Committee. She noted that the committee would use the university priorities to develop a plan with appropriate measures, timelines, and individuals responsible. She added that the administration would keep the Board informed of progress. Dr. Shipley stated that the Campus Carry Task Force had transitioned to an implementation group that would continue to meet. She stated that she was excited about a new group that would look at admissions standards, who is admitted to the university, and how the university dispenses financial aid. She added that this group would have representatives from the Faculty Senate, the Staff Senate, and the administration. She noted that the types of students the university accepts and how they are moved through the system determines retention and graduation rates. She stated that the final group that would be established was a campaign committee to launch a comprehensive campaign. She noted that the

group would be on a listening tour for the first six months to determine campaign priorities, structure, and themes.

Executive Session

Mr. Hessing announced that the Board of Regents would go into Executive Session to discuss Items 16-171 (Election of Board Officers) and 16-173A (Consultation with Attorney Regarding Legal Matters and Pending and/or Contemplated Litigation) as allowed by Texas Government Code Section 551.071 and .074. The Executive Session began at 9:22 a.m. Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Piehler, Mrs. Marks, Mr. Sanchez, Dr. Sweatt, Dr. Shipley, Mr. Macha, and Mrs. Barrow remained for the entire discussion. Dr. Stewart remained for discussion of Item 16-173A only. The closed session concluded at 10:02 a.m. and the open meeting resumed.

Open Meeting Resumes

Mr. Hessing reported that the closed session was complete, the only items discussed were the items announced, and no votes were taken.

Election of Board Officers for FY 2017 and FY 2018

16-171. Mr. Gregg moved approval of the following slate of officers for the MSU Board of Regents beginning September 1, 2016.

Chairman	Sam Sanchez
Vice Chairman	Caven Crosnoe
Secretary	Nancy Marks
Member-At-Large	Tiffany Burks

Dr. Givens seconded the motion and it was approved.

Mr. Hessing thanked the Board for the opportunity to serve as Chair during the last four years. He indicated that while he felt strongly that a two-year term was appropriate, he agreed to extend his term to help with Dr. Shipley's transition as president. He stated that he was excited to remain on the Board for his remaining four years and was thrilled with the new officers.

Dr. Givens thanked Mr. Hessing for his service on the Board. He stated that the MSU Board practices diversity through its diversity of ideas and concepts. He indicated appreciation to Mr. Hessing for helping to foster open communication. Mrs. Burks indicated that she recognized early in her MSU Board service that Mr. Hessing was a strong leader and had a strong commitment to MSU and the Wichita Falls community. She thanked him for helping her learn about the educational system and accounting and financial aspects of the university operation. Mr. Gregg thanked Mr. Hessing for his leadership and for always showing that he cared about everything that was happening at MSU. Mr. Crosnoe emphasized how extraordinary Mr. Hessing was during the presidential search and selection process and expressed appreciation for all he did. Dr. Sweatt commented that Mr. Hessing had been very welcoming to her as a new Board member. Ms. Shelley stated that she appreciated the collaboration among Board

members during meetings. Mrs. Marks commented that she appreciated Mr. Hessing's loves for MSU and Wichita Falls. She also thanked him for always being available to talk with other Board members. Mr. Sanchez stated that he echoed the thoughts of others and appreciated Mr. Hessing's honesty and passion for MSU and Wichita Falls. Dr. Shipley noted that the relationship between a president and board chair is special because the chair relies on the president not to let him down and the president relies on the chair to hear ideas and make certain she isn't making a wrong turn. She reported that she knew during the search process that she wanted to work with Mr. Hessing and added that it had been a great relationship.

Adjournment

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

I, F. Lynwood Givens, the fully appointed and qualified Secretary of the Midwestern State University Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the minutes of the Midwestern State University Board of Regents meeting August 5, 2016.


F. Lynwood Givens, Secretary