

# Midwestern State University Board of Regents Meetings



February 9 and 10, 2017

This page intentionally left blank

## **Midwestern State University**

### **Board of Regents Meetings**

#### **Schedule**

Thursday, February 9, 2017

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

Friday, February 10, 2017

9:00 a.m.      Board of Regents Meeting

Meeting Location:    Midwestern State University Campus  
                             3410 Taft Boulevard  
                             Hardin Administration Building  
                             J. S. Bridwell Board Room  
                             Wichita Falls, Texas 76308

**MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS**

Samuel M. Sanchez, Chairman  
R. Caven Crosnoe, Vice Chairman  
Nancy Marks, Secretary  
Warren Ayres  
Tiffany D. Burks  
F. Lynwood Givens, Ph.D.  
Jeff Gregg  
Shawn G. Hessing  
Shelley Sweatt, Ed.D.  
Lindsey Shelley, Student Regent



**Midwestern State University Administration  
February 2017**

Dr. Suzanne Shipley, President

Ms. Debbie Barrow, Director, Board and Government Relations

Dr. Francine Carraro, Director, Museum

Ms. Leigh Kidwell, Director, Internal Audits

Mr. Barry Macha, General Counsel

Mr. Mark McClendon, Director, Institutional Research and Assessment

Dr. James Johnston, Interim Provost and Vice President for Academic Affairs

Dr. Margaret Brown Marsden, Dean, College of Science and Mathematics

Dr. Martin Camacho, Dean, Lamar D. Fain College of Fine Arts

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

Ms. Naoma Clark, Director, Academic Success Center

Ms. Darla English, Registrar

Dr. Jeffrey Killion, Interim Dean, Robert D. and Carol Gunn College of Health Sciences and Human Services

Dr. Clara Latham, University Librarian

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

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

Ms. Juliana Lehman-Felts, Assistant Director, Redwine Honors Program

Dr. Kathryn Zuckweiler, Dean, Dr. Billie Doris McAda Graduate School

Dr. Kristen Garrison, Associate Vice President for Undergraduate Education and Assessment

Dr. Lisa Estrada-Hamby, Director, Student Support Services

Dr. Kristen Garrison, Director, University Writing Center

Dr. Michael Mills, Director, International Education

Dr. Pamela Morgan, Director, Continuing Education and Intensive English Language Institute

Dr. Magaly Rincón-Zachary, Director, Office of Undergraduate Research

Dr. Marilyn Fowlé, Vice President for Administration and Finance

Ms. Dawn Fisher, Director, Human Resources

Mr. Jim Hall, Chief Information Security Officer

Ms. Valarie Maxwell, Director, Budget and Management

Mr. Kyle Owen, Associate Vice President for Facilities Services

Ms. Kathy Rice, Director, Payroll

Dr. David Sanchez, Chief Information Officer

Mr. Stephen Shelley, Director, Purchasing and Contract Management

Mr. Chris Stovall, Controller

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

Ms. Gayonne Beavers, Director, Admissions

Mr. Patrick Coggins, Chief, University Police

Dr. Randy Glean, Director, International Services

Dr. Syreeta Greene, Director of Equity, Inclusion, and Multicultural Affairs

Ms. Debra Higginbotham, Director, Disability Support Services

Mr. Jon Lane, Postal Services Supervisor  
Ms. Kathy Pennartz-Browning, Director, Student Financial Aid  
Mr. Dirk Welch, Director, Career Management and Testing Services  
Dr. Keith Williamson, Medical Director, Vinson Health Center  
Mr. Matthew Park, Associate Vice President for Student Affairs and Dean of Students  
Ms. Cammie Dean, Director, Student Development and Orientation  
Mr. Caleb Hannon, Acting Director of Recreational Sports/Wellness Center  
Dr. Pam Midgett, Director, Counseling Center  
Mr. Dail Neely, Director, Student Conduct and Clark Student Center  
Ms. Kristi Schulte, Director, Residence Life and Housing

Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs  
Ms. Julie Gaynor, Director, Marketing and Public Information  
Ms. Leslee Ponder, Director, Alumni Relations  
Mr. Steve Shipp, Director, University Development  
Vacant, Director of Gift Planning

Mr. Kyle Williams, Interim Director of Athletics  
Mr. Damian Clarke, Head Women's Soccer Coach  
Mr. Doug Elder, Head Men's Soccer Coach  
Mr. Nelson Haggerty, Head Men's Basketball Coach  
Ms. Noel Johnson, Head Women's Basketball Coach  
Mr. Scott Linn, Head Tennis Coach  
Mr. Bill Maskill, Head Football Coach  
Mr. Kurt Portmann, Executive Associate Director of Athletics  
Mr. Jeff Ray, Head Golf Coach and Coordinator, Champs Life Skills Program  
Mr. Trey Reed, Assistant Director of Athletics for Sports Information  
Ms. Natalie Rawson, Head Volleyball Coach  
Mr. Mark Ryal, Interim Head Softball Coach  
Mr. Koby Styles, Head Women's Cross Country and Track Coach  
Vacant, Senior Woman Administrator

Dr. David Carlston, Chairman, MSU Faculty Senate  
Ms. Angie Reay, Chair, MSU Staff Senate  
Ms. Shayla Owens, President, MSU Student Government Association

## **MSU and Higher Education Acronyms**

AACSB, Intl.	Association to Advance Collegiate Schools of Business – The accrediting body for the Dillard College of Business Administration.
ABET	Engineering program accrediting body, previously the Accreditation Board for Engineering and Technology.
AFR	Annual Financial Report – This report is prepared at the conclusion of MSU’s fiscal year – August 31 each year.
AY	Academic Year – the university’s academic year official begins September 1 and ends August 31
COPLAC	Council of Public Liberal Arts Colleges – This organization advances the aims of its member institutions -MSU is the only Texas member - and drives awareness of the value of high-quality, public liberal arts education in a student-centered residential environment.
CPUPC	Council of Public University Presidents and Chancellors – An organization made up of the presidents and chancellors of all Texas public universities.
EURECA	Enhancing Undergraduate Research and Creative Activities – An MSU program designed to promote and facilitate undergraduate research by providing incentives and a support system for undergraduate students to engage in high-quality research and creative activities in an interdisciplinary environment.
E&G	Educational and General – A fund group, these funds are used to provide educational services to MSU students.
FERPA	Family Educational Rights and Privacy Act – A Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U. S. Department of Education.
FY	Fiscal Year – the university’s fiscal year begins September 1 and ends August 31
HEAF or HEF	Higher Education Assistance Fund – These funds, appropriated by the state to non-Permanent University Fund [PUF] schools, including MSU, can be used to acquire land; construct, repair, and rehabilitate buildings; and purchase capital equipment and library materials.
HIPA	Health Information Privacy Act

IPEDS	Integrated Post-Secondary Education Data System – A postsecondary education data collection program within the U.S. Department of Education.
LAR	Legislative Appropriations Request – Texas state agencies, including MSU, submit this request for funding to the legislature every two years, prior to the biennial legislative session.
LBB	Legislative Budget Board – A joint committee of the Texas Legislature that develops budget and policy recommendations for legislative appropriations, completes fiscal analyses for proposed legislation, and conducts evaluations and reviews to improve the efficiency and performance of state and local operations.
LSC	Lone Star Conference – MSU is a member of this NCAA Division II athletics conference.
M&O	Maintenance and Operations (fund group)
NCATE	National Council for Accreditation of Teacher Education – Accrediting body for MSU’s teacher education programs.
NSSE	National Survey of Student Engagement – A survey MSU students participate in that reports participation in programs and activities that are provided for students’ learning and personal development. The results provide an estimate of how undergraduate students spend their time and what they gain from attending college.
PUF	Permanent University Fund – A public endowment that provides support to 21 institutions of The University of Texas and the Texas A&M University Systems that were members of those systems prior to the creation of the HEF. These funds can be used to pay interest and principal due on PUF bonds; to provide support for a wide range of programs intended to develop excellence at The University of Texas at Austin, Texas A&M University, Prairie View University, and any new universities; and to provide for the expenses of the two respective System administrations.
SACSCOC	Southern Association of Colleges and Schools Commission on Colleges – One of six regional accreditation organizations recognized by the U.S. Department of Education and the Council for Higher Education Accreditation. SACSCOC accredits public and private institutions of higher education, including MSU. Midwestern State University’s accreditation was reaffirmed in 2013.
SCH	Semester Credit Hour
SGA	Student Government Association – the MSU SGA is a representative body of MSU students. Elections are held each year for a President, Vice

President, Secretary, and various Student Senate positions. The Student Senate is made up of senators from registered student organizations, residence halls/apartments, and student classifications (freshman, sophomore, junior, senior, and graduate).

SORM State Office of Risk Management provides risk management and insurance services to Texas state agencies, including MSU.

THECB Texas Higher Education Coordinating Board oversees public higher education in Texas including developing and overseeing the state master plan for higher education.

TPFA Texas Public Finance Authority must review requests by MSU to bond funds and administers the issuance of all MSU debt)

TRB Tuition Revenue Bond – A vehicle for funding capital improvement projects in Texas higher education. These bonds are paid from state appropriations specifically for this purpose.

# Midwestern State University Dashboard Indicator and Projections

November 2016 Board of Regents Meeting

		Annual Performance				Target	COPLAC
		2013-2014	2014-2015	2015-16	2016-17	2018-19	2015-16
<b>1. Student Access</b>							
1.1	Total Enrollment (Headcount)	5,870	5,874	6,043	6,064	6,230	3861
1.1.1	Undergraduate Enrollment (Fall)	5,193	5,144	5,287	5,319	5,450	3662
1.1.2	First-time, Full-time (Fall)	831	828	820	734	825	658
1.1.3	Undergraduate Transfer (Fall)	576	526	554	628	650	277
1.1.4	Satellite Campuses Enrollment (Fall)	n/a	n/a	n/a	n/a	126	n/a
1.1.5	Graduate Enrollment (Fall)	677	730	756	745	780	170
1.1.6	SCH Generated (Fall)	67,445	67,275	69,547	69,744	71,645	n/a
1.2	Percent of Students Receiving Pell Grant (UG Fall)	37.16%	37.90%	36.12%	36.96%	41.72%	n/a
1.3	Percentage of Hispanic Students Enrolled (enr/%) (UG)	14.0%	14.8%	16.3%	16.5%	20.0%	6.0%
1.4	Percentage of African American Students Enrolled (enr/%) (UG)	14.1%	13.8%	13.6%	14.3%	14.5%	5.1%
1.5	Percentage of FTFT Who Met Unconditional Standards (Fall)	55.0%	55.1%	57.8%		60.5%	n/a
1.6	Online and Distance Education (courses offered per year)	637	642	706		968	n/a
1.6.1	Distance Education SCH Generated (Fall)	10,361	10,168	11,353	12,454	13,000	n/a
<b>2. Residential University Experience</b>		2013-2014	2014-2015	2015-16	2016-17	2018-19	2015-16
2.1	Number of Students Living in Campus Run Facilities (Fall)		1425	1,460	1,500	1,575	n/a
2.2	Number of Students Participating in a First-year Experience (Fall)	n/a	n/a	n/a	319	700	n/a
2.4	EURECA Participation (# of students participating)	168	176	279		300	n/a
2.5	% of Upper Level UG SCH taught by Tenure or Tenure Track Faculty (Fall)	55.3%	53.9%	58.4%	61.0%	63.0%	n/a
2.6	Number of Students in Study Abroad	101	78	115		125	n/a
<b>3. Student Success</b>		2013-2014	2014-2015	2015-16	2016-17	2018-19	2015-16
3.1	First-time, Full-time Student Retention Rate (First year)	68.28%	72.85%	69.40%		75.00%	75.60%
3.1.1	First-time, Full-time Student Retention Rate (Second year)	56.40%	53.21%	55.30%		55.00%	n/a
3.2	First-time, Full-time Student Graduation Rate (Four Year Cohort)	20.64%	19.50%	20.90%		30.00%	36.4%
3.2.1	First-time, Full-time Student Graduation Rate (Six Year)	45.47%	44.90%	42.40%		50.00%	53.90%
3.2.2	Transfer Student Graduation Rate (SAM 6 yr)	n/a	52.00%	48.20%		50.00%	n/a
3.3	Total Degrees Awarded	1270	1216	1260		1300	790
3.3.1	Baccalaureate	1032	993	1020		1050	719
3.3.2	Master's	197	183	240		250	71
3.3.3	Number of Degrees Awarded in STEM Fields	115	111	108		126	109
3.3.4	Number of Degrees Awarded in Health Science Fields (UG)	396	383	359		446	n/a
<b>4. Operational Effectiveness</b>		2013-2014	2014-2015	2015-16	2016-17	2018-19	2015-16
4.1	State Appropriations per FTE Student	\$4,765	\$4,742	\$5,023		\$5,225	n/a
4.2	Total Expenditures per FTE Student	\$20,680	\$21,409	\$21,148		\$26,640	n/a
4.3	Student /Faculty Ratio (Using CDS FTE/Faculty FTE for Fall)	17.0	16.8	17.7	17.9	19.0	n/a
4.4	Administrative Cost Rate (as percent of operating budget)	10.51%	10.80%	9.00%		10.00%	n/a
4.5	Average SCH to Bachelor's degree	145.7	145.9	146.8		140.0	n/a
4.6	Average Student Debt for Graduates Who Started at MSU (FTFT) (CDS)	\$25,550	\$28,867			\$25,000	n/a
<b>5. Competitive Resources</b>		2013-2014	2014-2015	2015-16	2016-17	2018-19	2015-16
5.1	Total New Gifts and Commitments (AFR reported)	\$16,986,200	\$6,317,269	\$5,858,547		\$10,000,000	n/a
5.2	Total Endowment (university-held, Foundation, Charitable Trust)	\$73,514,557	\$68,154,607	\$69,045,395		\$75,000,000	\$21,491,170
5.3	Amount of Competitive Grants (Federal & State)		\$324,010			\$450,000	n/a
Gray shaded areas will not be updated until the end of FY					Targets in gold		MEDIAN

# Online Resume for Legislators and Other Policymakers

## MIDWESTERN STATE UNIVERSITY

Location: Wichita Falls, Northwest Region

Master's Accountability Peer Group: Angelo State Univ, Sul Ross Rio Grande, Sul Ross State Univ, Texas A&M - Central Texas, Texas A&M - Galveston, Texas A&M - San Antonio, Texas A&M - Texarkana, UNT Dallas, UT

Brownsville, UT Permian Basin, UT Tyler, Univ of H - Clear Lake, Univ of H - Downtown, Univ of H - Victoria

Out-Of-State Peers: Ramapo College Of New Jersey, Southern Oregon University, Truman State University, University Of Illinois At Springfield, Western New Mexico University

Degrees Offered: Associate's, Bachelor's, Master's

[Institutional Resumes](#)

[Accountability System](#)

[Definitions](#)

[Institution Home Page](#)

Enrollment						
Race/Ethnicity	Fall 2010		Fall 2014		Fall 2015	
	Number	Percent	Number	Percent	Number	Percent
White	3,915	63.8%	3,167	56.7%	3,111	54.3%
Hispanic	732	11.9%	856	15.3%	974	17.0%
African American	759	12.4%	838	15.0%	854	14.9%
Asian	201	3.3%	163	2.9%	182	3.2%
International	352	5.7%	239	4.3%	408	7.1%
Other & Unknown	174	2.8%	326	5.8%	205	3.6%
<b>Total</b>	<b>6,133</b>	<b>100.0%</b>	<b>5,589</b>	<b>100.0%</b>	<b>5,734</b>	<b>100.0%</b>
TX First Time Transfers	Number	% of UG	Number	% of UG	Number	% of UG
	383	7.0%	320	6.5%	346	6.8%
Two-Year Institutions	64	1.2%	43	.9%	75	1.5%
Other Institutions						

Costs				
Average Annual Total Academic Costs for Resident Undergraduate Student Taking 30 SCH				
Fiscal Year	Texas Rates			
	Institution Average	Percent Increase	Peer Group Average	Percent Increase
2011	\$7,038	.0%	\$5,877	.0%
2012	\$7,304	3.8%	\$6,174	5.1%
2013	\$7,632	4.5%	\$6,200	.4%
2014	\$7,764	1.7%	\$6,418	3.5%
2015	\$8,088	4.2%	\$6,992	8.9%
2016	\$8,305	2.7%	\$7,366	5.3%

Financial Aid						
Fiscal Year	Institution		Peer Group		OOS Peer Group	
	Percent	Avg Amt	Percent	Avg Amt	Percent	Avg Amt
Federal Student Loans						
2013	51%	\$7,319	46%	\$6,935	46%	\$5,657
2014	52%	\$7,117	40%	\$6,348	50%	\$7,166
Federal, State, Institutional or Other Grants Known by Institutions						
2013	64%	\$4,996	66%	\$5,130	64%	\$4,900
2014	65%	\$5,421	59%	\$5,307	60%	\$7,879
Federal (Pell) Grants						
2013	37%	\$3,860	43%	\$3,929	42%	\$3,160
2014	38%	\$3,941	38%	\$3,678	34%	\$4,104

Student Success							
One-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates					Graduation Rates		
		Enter Fall 2009	Enter Fall 2013	Enter Fall 2014	Cohort	Institution Rate	Peer Group Rate
Cohort		695	835	834	Fall 2006 4-year	17.8%	18.6%
Total		85.2%	82.8%	80.2%	Fall 2010 4-year	21.4%	19.8%
Same		71.9%	71.5%	68.7%	Fall 2011 4-year	22.6%	22.1%
Other		13.2%	11.3%	11.5%	Fall 2005 5-year	35.1%	34.9%
Two-Year Persistence of First-time, Full-time, Degree Seeking Undergraduates					Fall 2009 5-year	43.0%	35.7%
		Enter Fall 2008	Enter Fall 2012	Enter Fall 2013	Fall 2010 5-year	42.6%	36.0%
Institution Persistence					Fall 2004 6-year	41.2%	40.2%
Cohort		671	617	834	Fall 2008 6-year	50.1%	45.3%
Total		75.0%	70.8%	75.5%	Fall 2009 6-year	53.7%	43.7%
Same		60.2%	52.4%	60.3%	National Comparison (IPEDS Definition)		
Other		14.8%	18.5%	15.2%	Cohort	Institution Rate	OOS Peers Rate
Peer Group Persistence					Fall 2005 4-year	7.0%	25.5%
Cohort		539	507	567	Fall 2009 4-year	17.0%	20.0%
Total		72.7%	68.4%	71.1%	Fall 2010 4-year	18.0%	35.4%
Same		46.6%	45.2%	41.8%	Fall 2004 5-year	21.0%	36.0%
Other		26.2%	23.3%	29.3%	Fall 2008 5-year	37.0%	27.5%
					Fall 2009 5-year	37.0%	48.0%
					Fall 2003 6-year	30.0%	39.5%
					Fall 2007 6-year	44.0%	30.0%
					Fall 2008 6-year	45.0%	50.8%
Average Number of Fall & Spring Semesters and SCH Attempted for Bachelor's Degree							
Institution	Sam	SCH	Peer Group Average	Grade	Sam	SCH	

Average Number of Fall & Spring Semesters and SCH Attempted for Bachelor's Degree						
Year	Institution			Peer Group Average		
	Grads	Sem	SCH	Grads	Sem	SCH
FY 2011	601	10.60	148.16	434	10.96	149.18
FY 2014	564	10.50	142.21	416	12.15	143.84
FY 2015	587	10.73	143.49	445	12.18	143.53

Six-year Graduation & Persistence Rate, Fall 2009		
Student Group	Cohort	Rate
For Students Needing Dev Ed		
Institution	118	43.2%
Peer Group	151	40.4%
For Students NOT Needing Dev Ed		
Institution	577	66.0%
Peer Group	461	62.7%

\*Peer Group data is average for peer group.

Funding						
Source	FY 2010 Amount	Pct of Total	FY 2014 Amount	Pct of Total	FY 2015 Amount	Pct of Total
Appropriated Funds	\$30,483,448	39.5%	\$29,323,163	34.8%	\$29,050,596	35.7%
Federal Funds	\$12,171,244	15.8%	\$8,989,835	10.7%	\$9,217,186	11.3%
Tuition & Fees	\$27,132,101	35.1%	\$31,048,888	36.9%	\$32,331,893	39.8%
<b>Total Revenue</b>	<b>\$77,195,370</b>	<b>100.0%</b>	<b>\$84,240,687</b>	<b>100.0%</b>	<b>\$81,268,127</b>	<b>100.0%</b>

This page intentionally left blank



# BOARD OF REGENTS MEETING AGENDA

**Board of Regents Meeting**  
**February 9, 2017**  
**1:30 p.m.**

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

The meeting will be streamed live at <http://www.mwsu.edu/welcome/president/regents-minutes>.

Call to Order – Chairman Sam Sanchez

Introduction of Visitors – Ms. Julie Gaynor

Opening Comments – Chairman Sanchez

Public Comment

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

MSU Organization Chart

17-42. An updated organization chart is included on page 16 of the Board Book for information only. The chart has been modified to include the new Director of Equity, Inclusion, and Multicultural Affairs, and the new Chief Information Security Officer positions. Additionally, the University Writing Program has been added to the areas that report to the Provost, and the Gift Planning position title under the Vice President for University Advancement and Public Affairs was modified.

Executive Session

17-43. The Board will convene in Executive Session as necessary to consider matters permissible under Chapter 551 of the Texas Government Code, including:

- A. Government Code, Chapter 551, Section .071 – Consultation with Attorneys Regarding Legal Matters, Pending and/or Contemplated Litigation, or Settlement Offers, or on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code.
- B. Government Code, Chapter 551, Section .072 - Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property, including
  1. Discussion of revisions to the YMCA lease of MSU property approved in November.
- C. Government Code, Chapter 551, Section .073 - Deliberations Regarding a Negotiated Contract for a Prospective Gift or Donation.
- D. Government Code, Chapter 551, Section .074 – Personnel Matters Relating to the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal

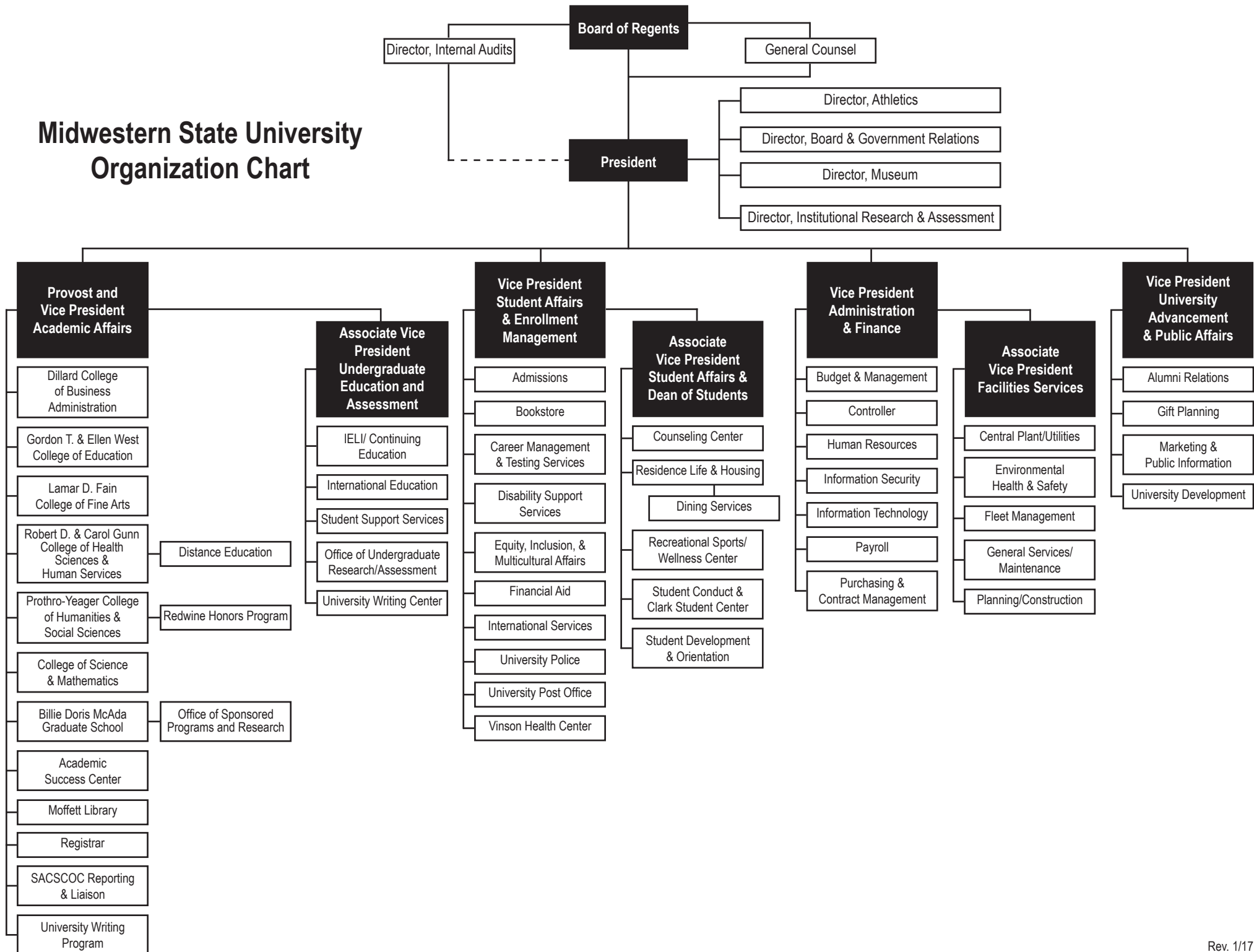
of Officers or Employees, or to Hear a Complaint or Charge Against an Officer or Employee, including

1. The annual performance, compensation, and contract review of the President.
2. The annual performance review of the Director of Internal Audits.

E. Government Code, Chapter 551, Section .079 - Deliberations Regarding Security Audits, including

1. The Information Security Program Assessment report on action taken will be discussed.

# Midwestern State University Organization Chart



# EXECUTIVE COMMITTEE

## **Executive Committee**

### Membership

Sam Sanchez, Chairman

Caven Crosnoe, Vice Chairman

Nancy Marks, Secretary

Tiffany Burks, Member-At-Large

### Reading and Approval of Minutes

17-44. The minutes of the Executive Committee meeting November 10, 2016, will be recommended for approval of the Committee as shown on page 80.

### Campus Construction Update

17-45. Information regarding current construction and repair and rehabilitation projects will be presented as shown on pages 19-23.

### Dallas-Fort Worth (DFW) Expansion Update

17-46. An update on the activities related to the expansion of MSU academic course offerings will be presented for information only.

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

17-47. In compliance with the Museum's Collections Management Policy, the Museum Director and Curator have recommended certain acquired artworks for accession into the Museum's Permanent Collection as shown on page 24. All of the artworks under consideration were gifts to the Museum's Permanent Collection and no state funds were used to purchase the artworks. The Museum Advisory Board approved this action and the administration will recommend ratification of this action by the Board of Regents.

# Projects Status as of 1/17/17

ID	Task Name	Start	Finish	2016												2017															
				A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N
1	Student Housing Project	Mon 8/18/14	Fri 4/28/17	<div></div>																											
2	Design Site Package	Mon 8/18/14	Tue 4/21/15	<div></div>																											
3	Bid - Site Package	Tue 4/21/15	Fri 5/15/15	<div></div>																											
4	Construction, Site Package	Mon 5/18/15	Mon 7/13/15	<div>100%</div>																											
5	Design Building Package	Mon 8/18/14	Tue 5/26/15	<div></div>																											
6	Bid - Building Package	Tue 5/26/15	Thu 6/18/15	<div></div>																											
7	Construction, Building Package	Wed 7/1/15	Mon 8/1/16	<div>100%</div>																											
8	Close-Out Documentation	Tue 8/30/16	Fri 3/17/17	<div>95%</div>																											
9	Landscaping	Mon 10/17/16	Fri 4/28/17	<div>40%</div>																											
10																															
11	Mass Communications Extension to Fain Fine Arts	Mon 2/16/15	Fri 3/10/17	<div></div>																											
12	Design (original completion=7/31/15)	Mon 2/16/15	Tue 9/15/15	<div>100%</div>																											
13	Bid (original completion=9/18/15)	Wed 9/16/15	Thu 11/5/15	<div>100%</div>																											
14	GMP Development	Fri 11/6/15	Fri 2/12/16	<div>100%</div>																											
15	Construction (original completion=10/6/16)	Mon 2/15/16	Fri 3/10/17	<div>90%</div>																											
16																															
17	Roofing Project	Mon 11/3/14	Fri 3/24/17	<div></div>																											
18	Shingles Design, Bidding, Mobilization	Mon 11/3/14	Thu 6/18/15	<div></div>																											
19	Shingles Roof Repair (original completion=8/14/15)	Fri 6/12/15	Fri 1/29/16	<div>99%</div>																											
20	Metal Roofing Design, Bidding, Mobilization	Mon 11/17/14	Fri 7/3/15	<div>100%</div>																											
21	Metal Roofing Repairs (original completion=8/21/15)	Mon 6/29/15	Fri 1/29/16	<div>100%</div>																											
22	Flat Roofing Design, Bidding, Mobilization (orig. date=7/31/15)	Mon 2/9/15	Fri 1/29/16	<div>100%</div>																											
23	Flat Roofing Repairs (original completion=10/15/15)	Mon 2/1/16	Fri 3/24/17	<div>90%</div>																											
24	Clay Tile Roofing Design, Bidding, Mobilization (orig=8/21/15)	Mon 2/9/15	Fri 10/9/15	<div>100%</div>																											
25	Clay Tile Roofing Repairs (original completion=11/30/15)	Mon 10/5/15	Fri 1/29/16	<div>100%</div>																											
26	Misc. Roof Items (greenhouses, HVAC coil repairs, etc.; orig completion=8/31/16)	Mon 11/2/15	Fri 3/24/17	<div>85%</div>																											
27																															
28	Athletics/Intramural/Free-Play Facilities	Mon 11/16/15	Mon 8/1/16	<div></div>																											
29	Softball Field Artificial Turf Construction	Mon 11/16/15	Fri 1/29/16	<div>100%</div>																											
30	South Campus Artificial Turf Field Construction	Mon 2/29/16	Wed 6/1/16	<div>100%</div>																											
31	Main Campus Artificial Turf Fields Construction (orig=7/1/16)	Mon 2/29/16	Mon 8/1/16	<div>100%</div>																											
32																															
33	West Campus Annex Parking Lot	Mon 2/15/16	Fri 8/12/16	<div></div>																											
34	Design, bid	Mon 2/15/16	Fri 4/22/16	<div>100%</div>																											
35	Construction	Mon 4/25/16	Fri 8/12/16	<div>100%</div>																											
36																															
37	TAS-ADA/Fire Marshal Upgrades	Mon 12/7/15	Thu 5/31/18	<div></div>																											
38	Architect Selection RFQ	Mon 12/7/15	Fri 2/12/16	<div>100%</div>																											
39	Contract Negotiations	Mon 2/15/16	Tue 4/26/16	<div>100%</div>																											
40	Design	Mon 4/25/16	Tue 2/28/17	<div>40%</div>																											
41	Construction (Fain Fine Arts, Bolin, south Hardin, Ferguson, University Press)	Wed 3/1/17	Thu 5/31/18	<div></div>																											
42																															

## Projects Status as of 1/17/17

ID	Task Name	Start	Finish	2016												2017														
				A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
43	<b>Gunn College of Health Sciences &amp; Human Services Building</b>	<b>Fri 12/18/15</b>	<b>Fri 3/1/19</b>																											
44	Architect Selection RFQ	Fri 12/18/15	Mon 2/15/16																											
45	Contract Negotiations	Tue 2/16/16	Fri 4/22/16																											
46	Design	Mon 4/25/16	Wed 5/31/17																											
47	Construction	Thu 6/1/17	Fri 3/1/19																											
48																														
49	<b>College of Health Sciences &amp; Human Services Landscaping &amp; Parking</b>	<b>Mon 1/16/17</b>	<b>Fri 8/24/18</b>																											
50	Landscape Design, East Quad	Mon 1/16/17	Fri 9/22/17																											
51	Landscape Construction, East Quad	Mon 9/25/17	Fri 8/24/18																											
52	Parking Lot Design and Bid, 3 Hampstead Lots	Mon 1/16/17	Mon 5/15/17																											
53	Parking Lot Construction, 3 Hampstead Lots	Tue 5/16/17	Fri 8/18/17																											
54																														
55	<b>Central Campus Sidewalks Project</b>	<b>Mon 9/26/16</b>	<b>Fri 3/24/17</b>																											
56	Concrete Installations	Mon 9/26/16	Fri 3/24/17																											



### Status of Board-Approved Construction Projects

Project	BOR Project Approval Date	Architect/Engineering Firm Approved	BOR Approved Project Budget	Encumbered/Spent Dollars	Additional Projected Costs	Total Project Cost	Over/Under Budget
Student Housing Project	11/7/2014, 5/15/2015	8/8/2014 Treanor Architects	\$ 35,250,000	\$ 35,160,337	\$ 89,663	\$ 35,250,000	\$ - (1)
Mass Comm Extension	11/7/2014, 11/13/2015, 2/12/2016	2/13/2015 Rees Associates	\$ 5,500,000	\$ 5,441,718	\$ 58,282	\$ 5,500,000	\$ - (2)
Roofing Project	2/13/2015	-	\$ 2,654,209	\$ 2,490,329	\$ 163,880	\$ 2,654,209	\$ -
Athletics/Intramural/Free-Play Facilities	12/16/2015, 2/12/2016	State contract	\$ 4,566,200	\$ 4,502,415	\$ -	\$ 4,502,415	\$ (63,785)
West Campus Annex Parking Lot	2/12/2016	ID/IQ-Proven Cornerstone Engineering	\$ 700,000	\$ 625,334	\$ -	\$ 625,334	\$ (74,666)
TAS-ADA/Fire Marshal Upgrades	11/13/2015, 5/13/2016	2/12/2016 Harper-Perkins Architects	\$ 5,270,000	\$ 391,689	\$ 4,878,311	\$ 4,878,311	\$ -
Gunn College of Health Sciences & Human Services Building	11/13/2015, 5/13/2016	2/12/2016 Randall Scott Architects	\$ 38,000,000	\$ 3,558,592	\$ 34,441,408	\$ 38,000,000	\$ -
Gunn College of Health Science & Human Services Landscaping & Parking Project	11/11/2016	Landscaping-KDC Associates Parking Lot-Corlett, Probst, & Boyd	\$ 1,100,000	\$ 76,825	\$ 1,023,175	\$ 1,100,000	\$ -
Central Campus Sidewalks Project	11/11/2016	Scales Concrete Construction	\$ 575,000	\$ 511,436	\$ 20,000	\$ 531,436	\$ (43,564)

(1) Increased budget by \$2 MM due to preliminary estimates.

(2) Increased budget by \$500k to match Guaranteed Maximum Price value after significant value engineering effort.



**Facilities Services**

3410 Taft Boulevard Wichita Falls, Texas 76308-2099  
o 940.397.4648 f 940.397.4859

## **Construction Projects Status Report – Item 17-45**

Projects completed since the November 2016 Board of Regents meeting include:

1. EXTERIOR PAINTING OF HARDIN'S WOODEN WINDOWS (\$130.8k).
2. REPLACE FAILED ELEVATOR JACK ASSEMBLY IN FERGUSON (\$69.6k).
3. ADDITION OF NETTING ABOVE DILLARD ENTRANCES TO PREVENT PIGEON ROOSTING (\$7.8k).
4. POST OFFICE PACKAGE MACHINE INSTALLATION & RAMP WIDENING (\$6.2k).
5. SIKES LAKE CENTER NORTH DRIVEWAY INSTALLATION (\$5.9k).

Ongoing projects:

### **GUNN COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES BUILDING: -\$38 MM**

- MSU requires architects and Construction Managers at Risk (CMAR) firms to provide cost estimates at each phase of the design process. Authorization to continue the design is not provided until the estimates between the firms are reconciled and they are within budget.
- Randall Scott Architects and the CMAR, Trinity Hughes/Sundt, recently reconciled their estimates for the Schematic Design phase and the project is expected to be within budget.

### **RENOVATION OF WEST CAMPUS ANNEX FOR TRIO: - \$249k**

- Swing space creation for TRIO so the program can relocate from McGaha; demolition of McGaha planned for summer 2017.
- Renovate eastern portion of building for fire code and Texas Accessibility Standards compliance; minimal aesthetic improvements.
- Abatement is completed, electrical modifications are underway, and carpentry work has been initiated.

### **GUNN COLLEGE OF HEALTH SCIENCES AND HUMAN SERVICES LANDSCAPING AND PARKING PROJECT: -\$1.1 MM**

- LANDSCAPING - \$750k
  - o Landscaping design of the quad area east of the new Health Sciences and Human Services building and bounded by J.S. Bridwell Hall, Dillard Building, and McCoy Hall. Will include an emergency vehicle access path.
  - o An RFQ to select an architect was issued, a firm was selected, and a purchase order was issued to initiate the process.
- PARKING LOT CONSTRUCTION - \$261k
  - o Currently in the initial phases of design.

**RENOVATION OF FAIN FINE ARTS STUDIOS FOR MUSIC/ART: -\$160k.**

- With Mass Comm moving into their new building this coming summer, the vacated space will need to be renovated for Music and Art.
- Relocation of drawing studio to old TV studio area and creation of Music practice rooms in the old drawing studio and darkrooms area.
- Design initiated with plans to bid in the spring and begin construction in mid-May for an August completion.

**ADDITIONAL PROJECTS <\$100k:**

Projects in process scheduled for completion over the spring include:

1. Installation of 64 cabinet drawers in two Bolin labs to increase lab capacities (\$35k).
2. Replace exhaust fan at Clark Student Center Grille Nation (\$23k).

## WFMA Accession Approval

NOTE: In compliance with the approved Collections Management Policy of the WFMA at MSU, the following acquired artworks are recommended by the Museum Director and Curator for accession into the Permanent Collection. The artworks are consistent with the Museum's mission, scope of collection, and code of ethics. All of the artworks under consideration were gifts to the Museum's Permanent Collection and no state funds were used to purchase the artworks. Upon the recommendation of the Museum Advisory Board and the ratification of the MSU Board of Regents, the art will be formally accessioned into the Museum's Permanent Collection in a timely manner, the donors will be thanked, and the artworks properly cared for.



Artwork: Bill Kennedy, *Untitled 06162012 #1*, 2014, Pigment ink on BFK Rives paper, 27.25 x 42.25 inches

Donor: Bill Kennedy



Artwork: Karsten Creightney, *Untitled (from Love Flower series)*, 2011, Lithograph and screenprint in color with extensive mixed-media additions, 30 x 22.25 inches

Donor: 2016 Collectors Circle



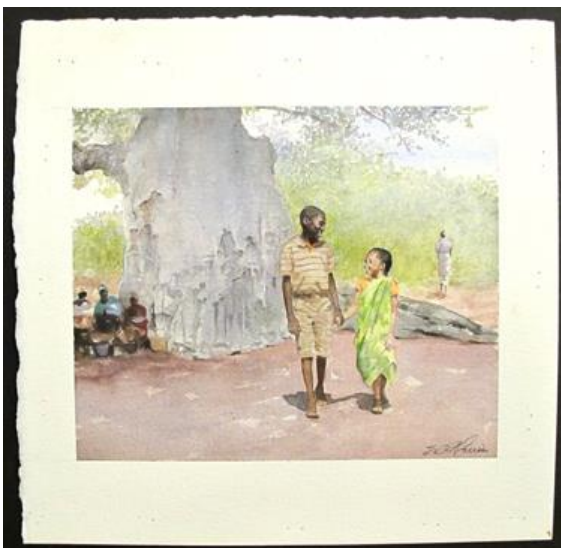
Artwork: Renee Stout, *Marie Laveau*, 2009, Color lithograph, 23 x 22.5 inches

Donor: 2016 Collectors Circle



Artwork: Mary Azarian, *Snowstorm Days*, 1998, Hand colored woodcut, Illustration from *Snowflake Bentley*, 9.125 x 18.375 inches

Donor: 2016 Collectors Circle



Artwork: EB Lewis, *Holding Hands*, 2012, Watercolor, Illustration from *Under the Baobab Tree*, 18.125 x 15.5 inches

Donor: 2016 Collectors Circle



Artwork: Jerry Pinkney, *Where Did You Get All of These Things?* 1989, Watercolor, Illustration from *The Talking Eggs*, 9.875 x 12.875 inches

Donor: 2016 Collectors Circle



Artwork: Jon J Muth, *There Was an Old Man in a Garden*, 2013, Watercolor, Illustration from *Poems to Learn by Heart*, 11.125 x 7.5 inches

Donor: Ann Lancaster



Artwork: Hideo Iida, *Waterfall*, 2016, Acrylic on canvas, 28.5 x 24 inches

Donor: Hideo Iida





Artwork: Izumi Tanabe, *Adam Light*, 2016, Oil on canvas, 28.75 x 24 inches

Donor: Izumi Tanabe



Artwork: Quilt, Marthley Texas Sewing Club, 1937, 81.5 x 67 inches

Donor: Joyce Woods

This page intentionally left blank



# ACADEMIC AND STUDENT AFFAIRS COMMITTEE

## **Academic and Student Affairs Committee**

### Membership

Lynwood Givens, Chairman  
Shawn Hessing  
Nancy Marks  
Shelley Sweatt

### Reading and Approval of Minutes

17-48. The minutes of the Academic and Student Affairs Committee meeting November 10, 2017, will be recommended for approval of the Committee as shown on page 111.

### Faculty Report

17-49. Dr. David Carlston, Faculty Senate Chairman, will provide a report on behalf of the MSU Faculty Senate. Additionally, Dr. Suzanne Lindt, Associate Professor of Curriculum and Learning, will visit with the board regarding her teaching, research activities, and interests.

### Staff Report

17-50. Ms. Angie Reay, Staff Senate Chair, will provide information on behalf of the MSU Staff Senate.

### Student Government Report

17-51. Ms. Shayla Owens, President of the MSU Student Government Association (SGA), will provide an update on Student Government.

### Athletics Report

17-52. A report on MSU Athletics is presented for information as shown on page 32.

### Enrollment Report – Spring 2017

17-53. The spring enrollment report will be presented for information of the board.

### Academic Program Degree Name Change

17-54. The administration will recommend changing the name of the Master of Education with a major in Reading Education to the Master of Education with a major in Language and Literacy Studies, effective fall 2017. This item was previously approved by the Gordon T. and Ellen West College of Education College Council, the Dr. Billie Doris McAda Graduate School Council, and the Academic Council.

Reading in schools has changed from a narrowly defined field to a much broader spectrum to include literacy and associated studies. Schools have moved away from a strictly whole language approach to one that encompasses phonics, comprehension, interpretation, and analytical reading skill. Reading specialists are required to have 160 hours of supervised experience in accredited schools. Field experience is required in several courses, which contributes to this requirement. Completion of the master's program in language and literacy studies enables the student to apply for Professional

Certification as a Reading Specialist (1-12) upon satisfactory completion of the state mandated TExES requirement.

Addition of Academic Program Concentration – Sports Administration

17-55. The administration will recommend the addition of a concentration in Sports Administration to the Master of Education degree with a major in Educational Leadership, effective fall 2017. This item has been approved by the Gordon T. and Ellen West College of Education College Council, the Dr. Billie Doris McAda Graduate School Council, and the Academic Council.

The Gordon T. and Ellen West College of Education currently offers the Master of Education degree with a major in Educational Leadership with concentrations in Bilingual/English Language Learners and in Special Education. The addition of a concentration in Sports Administration would offer students preparing for school leadership roles an additional option for earning a graduate degree in Education. All three concentrations require 42 semester credit hours.

Naming of Science Lab

17-56. The administration will recommend the naming of the Instrumentation Lab in Bolin Science Hall (Room 301). This lab houses the precise analytical equipment for chemistry teaching and research.

## **MSU Athletics Update**

### **February 2017**

- MSU Academic Accolades Fall 2016
  - 23 letter winners earned their degrees
  - 15 were on the President's Honor Roll (4.0 GPA)
  - 11 were on the Provost's Honor Roll (3.75-3.99 GPA)
  - 16 were on the Dean's Honor Roll (3.50 -3.74 GPA)
  - A total of 42 student athletes were on the MSU Academic Honor Roll
- Men's Soccer completed the 2016 season by advancing to the NCAA Division II Quarterfinals in a hard fought 2-1 loss against UC San Diego. A great year orchestrated by Coach Doug Elder saw MSU claim the Heartland Conference regular season title in MSU's inaugural season in the league. MSU recorded its 19<sup>th</sup> straight winning season, the longest active streak in NCAA DII. The Mustangs ended with an 18-4-1 season and a final national ranking of #7.
- Women's Soccer had a great season as the Mustangs got to the Lone Star Conference Championships for the 9<sup>th</sup> time in program history and beat Texas A&M Commerce to advance to the NCAA Regional Tournament for the 4<sup>th</sup> time. The Mustangs beat rival St. Edwards University to set up another great battle against A&M Commerce where the historic season ended 1-0. MSU had a season record of 13-6-5. The future looks bright for Coach Clarke and the Mustangs going forward.
- The Mustangs Cross Country team won their 6<sup>th</sup> Lone Star Conference Championship and Coach Koby Styles claimed his 5<sup>th</sup> Lone Star Conference (LSC) Coach of the Year award. The Mustangs placed five runners on the all-LSC team for the first time in MSU history, plus two on the All-Academic Team. With only four seniors, MSU Cross Country looks to be very good in the upcoming years.
- MSU Football finished the season in a blizzard in Big Rapids, Michigan against a very tough Ferris State team. The outcome was not what was wanted, however the Mustangs went 8-3 for the year and ranked 24<sup>th</sup> in the final national poll. Senior Akoakoa Paleka-Kennedy raised the bar even higher as the senior from Hawaii was awarded the Remington Award as the top center in NCAA Division II. Kennedy joins former teammate Marquis Christian, a 5<sup>th</sup> round selection in the 2016 NFL draft, as the only two Mustangs to earn top national honors. Christian now plays for the Los Angeles Rams of the National Football League. The Mustangs achieved its 17<sup>th</sup> consecutive winning season, while advancing to the NCAA Division II playoffs for the 7<sup>th</sup> time.
- MSU's 2<sup>nd</sup> annual Christmas with the Mustangs was a huge success, as both men's and women's basketball teams took part in helping 20 Boys and Girls Club members have a

better Christmas. The Mustangs met the children at Target and gave each child \$100 to spend. Both basketball teams helped the 20 kids shop for Christmas items and took them to eat at Pizza Hut. Support from Target and Pizza Hut made for a great partnership and a good time was had by all.

- Women's Basketball is struggling as they enter LSC play. With only one senior, Coach Johnson is playing with a number of young and new players to the program.
- Men's Basketball continues to be successful as they embark on a 10<sup>th</sup> LSC championship. The Mustangs rank 3<sup>rd</sup> in the NCAA Division II in attendance. Former MSU standout Eric Dawson, has signed with the UTAA-JAZZ of the National Basketball Association. Dawson played at MSU for the 2005-2007 seasons.
- Learfield Director's Cup Division II Final Fall Standings 2016-2017—Director's Cup points are awarded based on each institution's finish in the NCAA Championships. Midwestern State University scored 148 points from Men's Soccer, Women's Soccer and Football to place #1 out of the Lone Star Conference. MSU also placed #25 out of the 160 Division II schools competing in fall sports.

This page intentionally left blank

# FINANCE COMMITTEE

## **Finance Committee**

### Membership

Jeff Gregg, Chairman  
Warren Ayres  
Caven Crosnoe  
Lynwood Givens

### Reading and Approval of Minutes

17-57. The minutes of the Finance Committee meeting November 10, 2016, will be recommended for approval of the Committee as shown on page 129.

### Summary of Financial Support Through 12/31/16

17-58. These reports are shown on pages 38-40 and will be presented as information only.

### Facilities Maintenance and Debt Levels Presentation

17-59. Information will be presented as requested regarding the university's investment in facilities and long-term maintenance issues. As part of this presentation, information will be presented regarding university debt.

### FY 18 Budget Planning

17-60. The administration will present information regarding planning for the FY 18 budget. Tuition and fee recommendations for FY 18 will be presented during the May 2017 meeting of the Board of Regents. This item will be presented for information and discussion only.

### Financial Reports

17-61. The administration will recommend the FY 2016 Annual Financial Report and the September, October, November, and December, 2016, Financial Reports for acceptance. Dr. Marilyn Fowlé's summary report is shown on page 41.

### Investment Report

17-62. The administration will recommend the first quarter FY 2017 investment report for acceptance. Dr. Marilyn Fowlé's summary report is shown on page 42.

### Salary/Title/Position Changes in 2016-2017 Budget

17-63. The report of personnel changes is presented for information as shown on pages 43-47. Additionally, salary and position changes approved by the president will be presented for ratification as shown below.



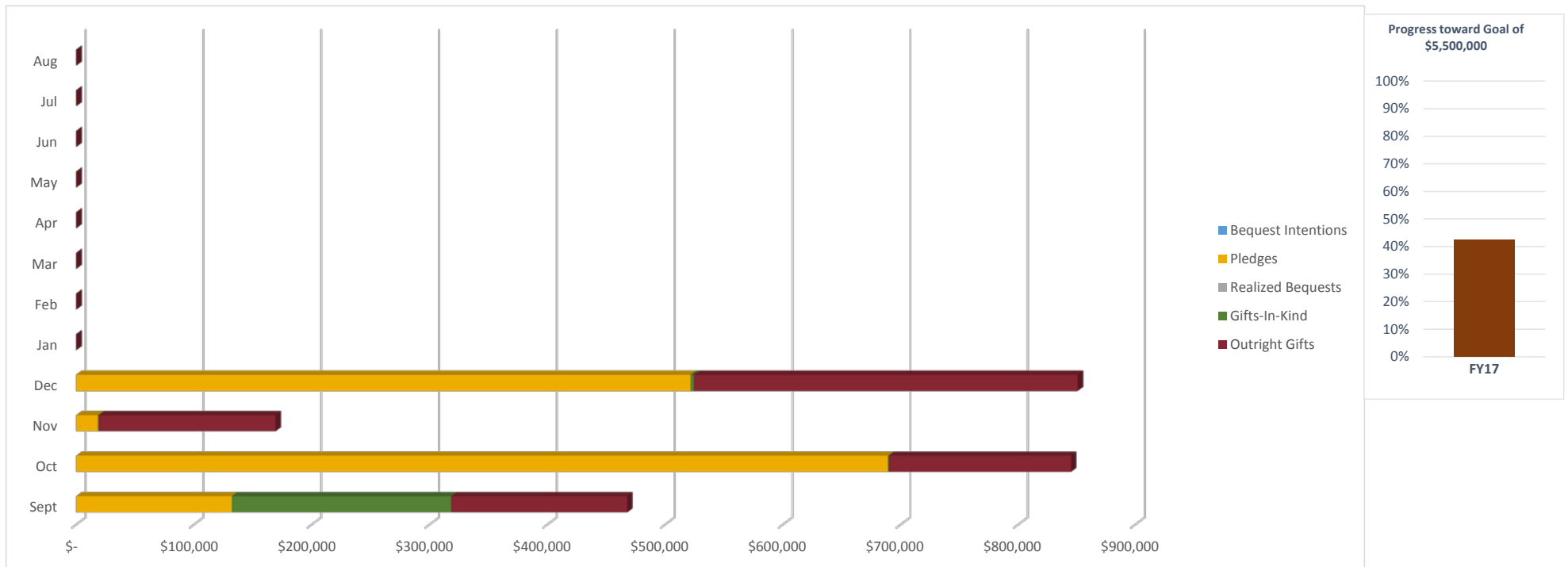
<u>Current Position</u>	<u>Action</u>	<u>Additional Funding</u>	<u>Annual Budget Increase (Decrease)</u>	<u>Net Current FY Actual Cost(Savings)</u>
Six staff positions	Filled above and below budget		(\$13,539)	(\$35,551)
Financial Aid Counselor	Reclassified to Financial Aid Specialist I above budget	Salary savings	983	(196)
Academic Advisor	Reclassified to Academic Advisor Coordinator above budget	Grant funded	8,098	8,098
<b><i>Total</i></b>			<b><i>(\$4,458)</i></b>	<b><i>(\$27,649)</i></b>

# Midwestern State University

## FY17 Monthly Comparison of New Gifts and Commitments

Gift Type	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Grand Total
Bequest Intentions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pledges	\$ 131,960	\$ 689,120	\$ 18,365	\$ 521,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,361,045
Realized Bequests	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gifts-In-Kind	\$ 186,322	\$ 1,035	\$ 965	\$ 3,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,342
Outright Gifts	\$ 149,552	\$ 154,902	\$ 149,874	\$ 326,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 780,574
<b>Grand Total</b>	<b>\$ 467,834</b>	<b>\$ 845,057</b>	<b>\$ 169,204</b>	<b>\$ 850,867</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,332,961</b>

NG&C Bar - by Gift Type

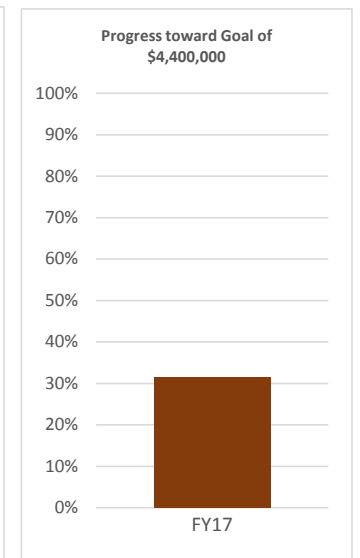
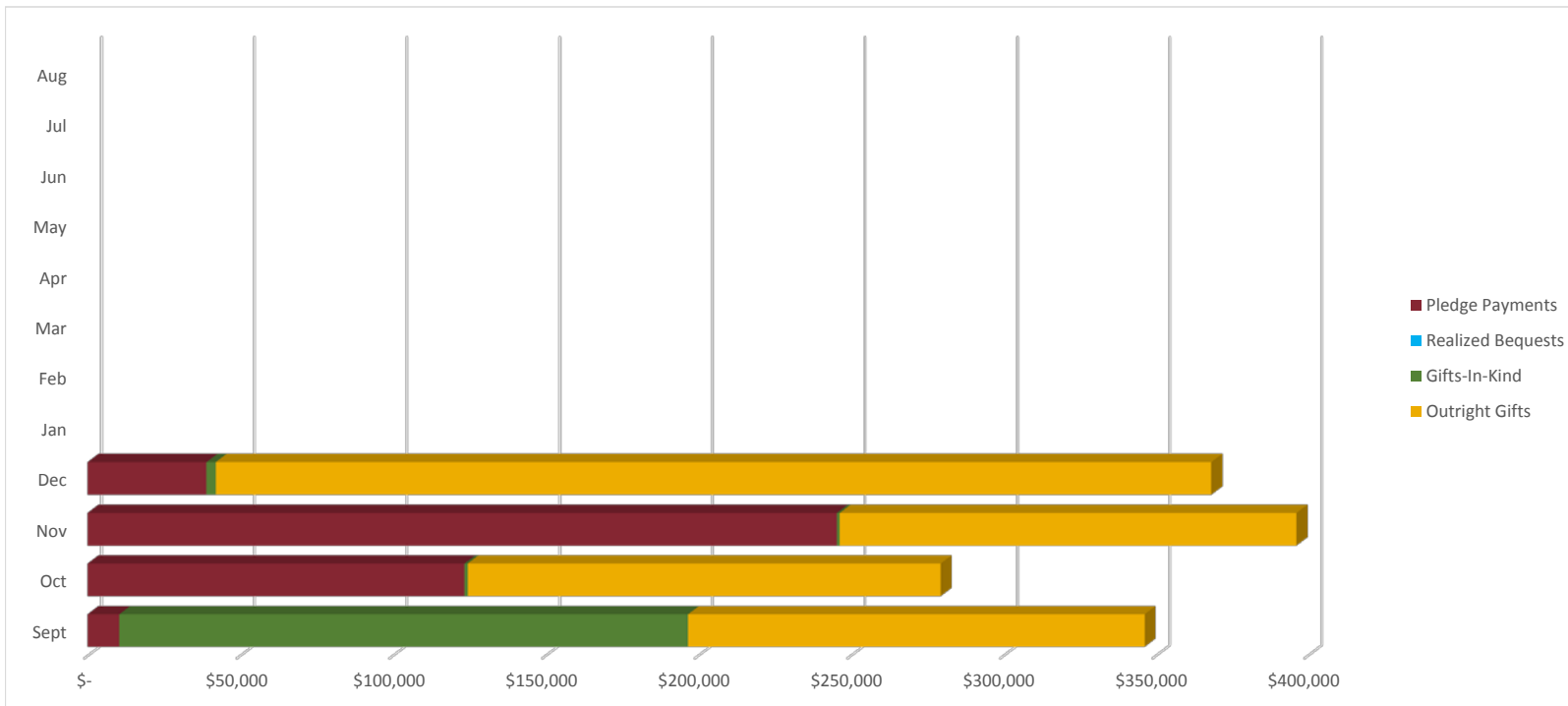


# Midwestern State University

## FY17 Monthly Comparison of Cash/Grants

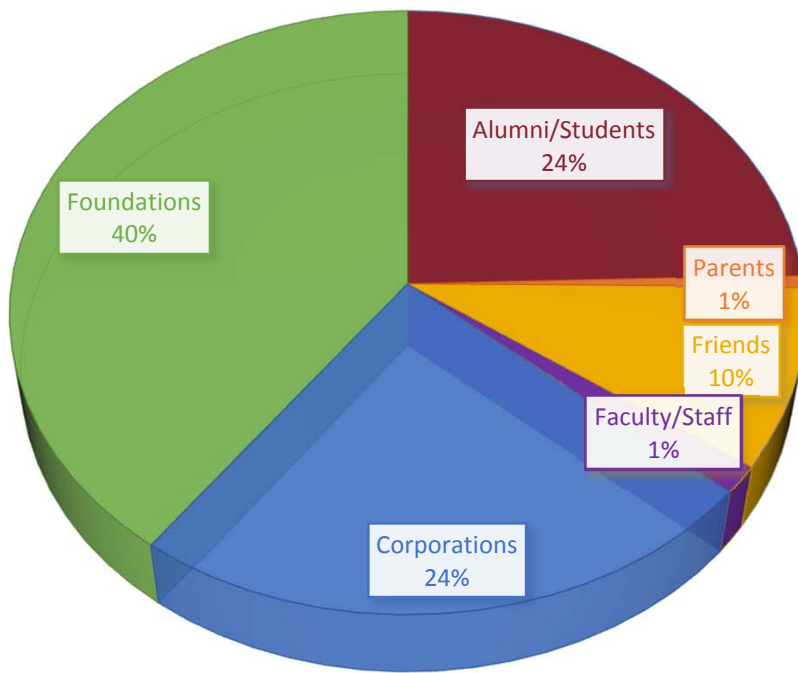
Gift Type	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Grand Total
Pledge Payments	\$ 10,422	\$ 123,473	\$ 245,463	\$ 38,999									\$ 418,357
Realized Bequests	\$ -	\$ -	\$ -										\$ -
Gifts-In-Kind	\$ 186,322	\$ 1,035	\$ 965	\$ 3,020									\$ 191,342
Outright Gifts	\$ 149,552	\$ 154,902	\$ 149,874	\$ 326,247									\$ 780,574
<b>FY17 Total</b>	<b>\$ 346,296</b>	<b>\$ 279,410</b>	<b>\$ 396,302</b>	<b>\$ 368,266</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,390,273</b>
<b>FY16 Total</b>	<b>\$ 356,293</b>	<b>\$ 387,827</b>	<b>\$ 550,778</b>	<b>\$ 516,951</b>	<b>\$ 190,431</b>	<b>\$ 110,951</b>	<b>\$ 130,576</b>	<b>\$ 916,337</b>	<b>\$ 264,938</b>	<b>\$ 420,909</b>	<b>\$ 117,007</b>	<b>\$ 182,889</b>	<b>\$ 4,145,887</b>
<b>Difference</b>	<b>(\$9,997)</b>	<b>(\$108,417)</b>	<b>(\$154,476)</b>	<b>(\$148,686)</b>	<b>(\$190,431)</b>	<b>(\$110,951)</b>	<b>(\$130,576)</b>	<b>(\$916,337)</b>	<b>(\$264,938)</b>	<b>(\$420,909)</b>	<b>(\$117,007)</b>	<b>(\$182,889)</b>	<b>(\$2,755,614)</b>

Cash Bar - by Gift Type



Outside Sources Scholarships through 12/31/2016	\$147,575.00
Alumni Memberships through 12/31/2016	\$18,220.00

**Midwestern State University  
Sources of Outright Gifts/Grants  
FY17 (Sept 1, 2016 through Dec 31, 2016)**



<b>Alumni/Students</b>		<b>\$329,986.21</b>	<b>24%</b>
Alumni	\$327,770.77		
Students	\$2,215.44		
<b>Parents</b>		<b>\$8,288.02</b>	<b>1%</b>
<b>Friends</b>		<b>\$129,125.57</b>	<b>10%</b>
<b>Faculty/Staff</b>		<b>\$19,784.26</b>	<b>1%</b>
Active	\$15,156.26		
Retired	\$4,628.00		
<b>Corporations</b>		<b>\$321,889.50</b>	<b>24%</b>
Direct Gifts & Grants	\$320,439.50		
Matching Gifts	\$1,450.00		
<b>Foundations</b>		<b>\$535,593.20</b>	<b>40%</b>
<b>TOTAL</b>		<b>\$1,344,666.76</b>	<b>100%</b>

\*Does not include Gift-in-Kind or Pledges of: \$1,008,437.00

## **Financial Reports through December 31, 2016 Summary Report**

The quarterly financial report presented is through December 31, 2016. Schedule One highlights that total revenue for the institution was \$42.9 million, up \$3.5 million compared to the same period last year. Operating revenue made up of tuition and fees, grants, and auxiliary enterprises were up \$1.8 million. Non-operating revenue including state appropriations was up \$1.1 million. Expenses have increased from \$44.2 million to \$47.3 million, an increase of \$3 million or 6.9%. The largest increase was \$.9 million in scholarships, with the growth of the merit scholarship program. The next largest increase was in repairs and maintenance, \$.8 million, caused by timing differences in booking donated software program maintenance. Materials and supplies increased with costs associated with the new residence hall of \$.7 million. Rentals and leases decreased \$1.1 million because there is no longer a need to lease off-campus overflow housing. Salaries, wages, and other payroll related costs increased a total of \$.7 million.

Schedules Two and Three show that overall revenues and expenses are tracking positively to budget, with revenues at 85.2% and expenses at only 34.1% compared to an expected 33.3% at the end of December. Schedule Three shows that the institution was very close to meeting its tuition and fee revenue goals for the fall, in total only \$90,000 shy of meeting the budget. Auxiliaries were \$318,000 under budget because of a smaller than expected freshman class with fewer students living on campus than originally budgeted.

Lastly, on Schedule Four, the ending balances of working capital funds show a use of \$477,000 in reserves. However, all of the items in the report were included in the original FY 17 budget or are items the Board has approved.

## **Investment Report through November 30, 2016 Summary Report**

The quarterly investment report presented is through November 30, 2016, as required by the Public Funds Investment Act.

The report shows that at the end of November the university held a total of \$33.5 million in cash and cash investments. Of that, \$4 million was in highly liquid cash investments, plus \$1.7 million at the state treasury. Texas A&M University System (TAMUS) held \$26.8 million of the funds. TAMUS cash investments earned \$62,000 of interest and dividends for the quarter and \$379,000 of unrealized gain since inception. The institution kept \$4 million in Texpool/Logic/Class, all short-term overnight investment vehicles. The balances of the funds, \$204,000, are held in securities purchased before the institution contracted with TAMUS and was managing its own cash. The small amount of common stock, \$71,000 in book value, is showing a \$134,000 gain since being acquired. The university has yielded on the overall cash holdings anywhere from (.05 %) to 1.69% a month over the quarter.

The university has also invested the bond proceeds on the residence hall and mass communication project, as well as the Tuition Revenue Bond (TRB) projects. At the end of November, \$3.3 million from the residence hall/mass communication bond proceeds was invested in BLB Flexible Repo Agreement which earned \$9,175 for the quarter. The TRB proceeds, \$58.1 million, were initially held in an overnight account before being moved into a BLB Flexible Repo Agreement. These investments earned \$61,000 for the quarter. The university's endowed funds are held at both American National with \$8.3 million and, as of March 1, 2015, at TAMUS with \$11.5 million. The funds held by American National had a realized gain of \$177,000 in market value since the last quarter and overall have appreciated market value of 9.7% since obtaining the funds. The university received a \$36,000 distribution from these funds for the quarter. The TAMUS Endowment Pool had a realized gain of \$123,000 in market value for the quarter, but overall has a market loss of -3.9% since inception. The university received \$10,000 in distributions net of fees for the quarter.

Also included in the report were quarterly reports provided by TAMUS on the Cash Concentration Pool and the System Endowment Funds.

## **Summary of the Personnel Position Status Reports for 9/1/16 – 12/31/16**

**Total net new positions as of 12/31/16 = 00**

**MIDWESTERN STATE UNIVERSITY**  
**PERSONNEL POSITION STATUS REPORT**  
**October 31, 2016**

	APPROVED BUDGET		POSITIONS				SALARY				TOTAL CURRENT		
	9/1/2015		ADDED (DELETED)		TOTAL POSITIONS		(SAVED)	FILLED POSITIONS		VACANT POSITIONS		POSITIONS	
POSITIONS	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	ADDED	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
EXEC, ADMIN & MANAGERIAL	44.75	4,628,584			44.75	4,628,584		42.25	4,508,835	2.50	119,749	44.75	4,628,584
REGULAR FACULTY	256.59	18,131,588			256.59	18,131,588	(24,643)	247.09	17,617,487	9.50	489,458	256.59	18,106,945
PROFESSIONAL NON-FACULTY	155.46	7,254,760			155.46	7,254,760	(18,189)	152.46	7,094,919	3.00	141,652	155.46	7,236,571
CLERICAL AND SECRETARIAL	99.58	2,524,085			99.58	2,524,085	5,809	94.08	2,455,882	5.50	74,012	99.58	2,529,894
TECH & PARAPROFESSIONAL	23.75	1,090,302			23.75	1,090,302		23.75	1,090,302	0.00	0	23.75	1,090,302
SKILLED CRAFT	29.00	1,002,944			29.00	1,002,944		29.00	1,002,944	0.00	0	29.00	1,002,944
SERVICE & MAINTENANCE	70.00	1,575,709			70.00	1,575,709	(18)	62.00	1,408,391	8.00	167,300	70.00	1,575,691
POLICE	14.00	538,224	0.00	0	14.00	538,224	2,389	14.00	540,613	0.00	0	14.00	540,613
GRAND TOTALS	693.13	36,746,196	0	0	693.13	36,746,196	(34,652)	664.63	35,719,373	28.50	992,171	693.13	36,711,544



**MIDWESTERN STATE UNIVERSITY**  
**PERSONNEL POSITION STATUS REPORT**  
**November 30, 2016**

	APPROVED BUDGET		POSITIONS		TOTAL POSITIONS		SALARY		FILLED POSITIONS		VACANT POSITIONS		TOTAL CURRENT	
	9/1/2015		ADDED	(DELETED)			(SAVED)	POSITIONS						
POSITIONS	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	ADDED	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	
EXEC, ADMIN & MANAGERIAL	44.75	4,628,584			44.75	4,628,584		41.25	4,427,798	3.50	200,786	44.75	4,628,584	
REGULAR FACULTY	256.59	18,131,588			256.59	18,131,588	(24,643)	247.09	17,617,487	9.50	489,458	256.59	18,106,945	
PROFESSIONAL NON-FACULTY	155.46	7,254,760			155.46	7,254,760	(20,892)	152.46	7,097,641	3.00	136,227	155.46	7,233,868	
CLERICAL AND SECRETARIAL	99.58	2,524,085			99.58	2,524,085	(1,351)	97.08	2,522,734	2.50	0	99.58	2,522,734	
TECH & PARAPROFESSIONAL	23.75	1,090,302			23.75	1,090,302		23.75	1,090,302	0.00	0	23.75	1,090,302	
SKILLED CRAFT	29.00	1,002,944			29.00	1,002,944		29.00	1,002,944	0.00	0	29.00	1,002,944	
SERVICE & MAINTENANCE	70.00	1,575,709			70.00	1,575,709	(18)	61.00	1,387,807	9.00	187,884	70.00	1,575,691	
POLICE	14.00	538,224	0.00	0	14.00	538,224	2,389	14.00	540,613	0.00	0	14.00	540,613	
GRAND TOTALS	693.13	36,746,196	0	0	693.13	36,746,196	(44,515)	665.63	35,687,326	27.50	1,014,355	693.13	36,701,681	

**MIDWESTERN STATE UNIVERSITY**  
**PERSONNEL POSITION STATUS REPORT**  
**December 31, 2016**

	APPROVED BUDGET		POSITIONS				SALARY				TOTAL CURRENT		
	9/1/2015		ADDED (DELETED)		TOTAL POSITIONS		(SAVED)	FILLED POSITIONS		VACANT POSITIONS		POSITIONS	
POSITIONS	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	ADDED	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
EXEC, ADMIN & MANAGERIAL	44.75	4,628,584			44.75	4,628,584		41.25	4,427,798	3.50	200,786	44.75	4,628,584
REGULAR FACULTY	256.59	18,131,588			256.59	18,131,588	(24,643)	247.09	17,617,487	9.50	489,458	256.59	18,106,945
PROFESSIONAL NON-FACULTY	155.46	7,254,760			155.46	7,254,760	(13,061)	154.46	7,177,867	1.00	63,832	155.46	7,241,699
CLERICAL AND SECRETARIAL	99.58	2,524,085			99.58	2,524,085	(1,351)	97.08	2,522,734	2.50	0	99.58	2,522,734
TECH & PARAPROFESSIONAL	23.75	1,090,302			23.75	1,090,302		23.75	1,090,302	0.00	0	23.75	1,090,302
SKILLED CRAFT	29.00	1,002,944			29.00	1,002,944		29.00	1,002,944	0.00	0	29.00	1,002,944
SERVICE & MAINTENANCE	70.00	1,575,709			70.00	1,575,709	(18)	61.00	1,387,807	9.00	187,884	70.00	1,575,691
POLICE	14.00	538,224	0.00	0	14.00	538,224	2,389	13.00	508,014	1.00	32,599	14.00	540,613
GRAND TOTALS	693.13	36,746,196	0	0	693.13	36,746,196	(36,684)	666.63	35,734,953	26.50	974,559	693.13	36,709,512

**Midwestern State University Reporting of Personnel Changes**  
**Fiscal Year 2016-2017**  
**October - December, 2016**

**I. ENTERING EMPLOYEES**

- A. Ruby Arriaga – Activities Coordinator, Student Development and Orientation – 10/01/16
- B. Wil Lambert – Business Analyst, Small Business Development Center – 10/01/16
- C. Caitlin Schultze – Assistant Coach, Softball – 10/17/16
- D. Frances Tasker – Financial Aid Processor/Counselor – 10/17/16
- E. Jesse Brown – Coordinator, Student Organization and Leadership Programs, Student Development and Orientation – 10/24/16
- F. Syreeta Greene – Director, Equity, Inclusion and Multicultural Affairs – 11/01/16
- G. Melissa Poling – Admissions Evaluator – 11/09/16
- H. Christina Britt – Secretary, Computer Science – 11/14/16
- I. Kristin Grassi – Coordinator, ADA Accommodations, Disability Support Services – 11/14/16
- J. Denissa Pope – Secretary, Mathematics – 11/14/16
- K. Samantha Mayfield – Medical Office Coordinator, Vinson Health Center – 11/15/16
- L. Wendy Dotson – Lead Custodian, Facilities Services – 11/28/16
- M. Shawna Glore – Secretary, Nursing – 11/28/16
- N. Laura Hetrick – Counselor/Psychologist, Counseling Center – 12/06/16

**II. EXITING EMPLOYEES**

- A. Kelly Peterson – Coordinator, ADA Accommodations – 10/05/16
- B. Robert Entekin – Lead Custodian, Facilities Services – 10/14/16
- C. Brett Rhine – Groundskeeper, Facilities Services – 11/11/16
- D. Timothy Grant – Custodian, Facilities Services – 11/15/16
- E. Venera Flores-Stafford – Senior Associate Director, Athletics – 11/18/16
- F. Joey Greenwood – Director, University Wellness and Recreational Sports – 11/30/16
- G. Lindsay Robinson – Academic Advisor, Education – 11/30/16
- H. Megan Johnson – Police Officer I – 12/04/16
- I. Carol Worley – Admissions Evaluator – 12/31/16

**III. RETIRING EMPLOYEES**

- A. Linda McIntier – Coordinator, Small Business Development Center – 12/31/16

This page intentionally left blank

# AUDIT, COMPLIANCE, AND MANAGEMENT REVIEW COMMITTEE

## **Audit, Compliance, and Management Review Committee**

### Membership

Tiffany Burks, Chairman

Lynwood Givens

Jeff Gregg

Shawn Hessing

### Reading and Approval of Minutes

17-64. The minutes of the Audit, Compliance, and Management Review Committee meeting November 10, 2016, will be recommended for approval of the Committee as shown on page 145.

### Compliance Activities Update

17-65. An update regarding compliance activities since the last Board meeting is presented for information only as shown on page 51.

### Audit Activities Update

17-66. An update on audit activities since the last Board meeting is presented as a point of information only as shown on page 53.

### MSU Policies and Procedures Manual Changes

17-67. Changes to the *MSU Policies and Procedures Manual* will be recommended for approval as summarized below.

- a. Policy 2.31, Administration Selection Process– modifications will be recommended to reflect current organizational structure (page 55).
- b. Policy 2.323, President's Office (Organization) – modifications will be recommended to reflect the current organizational structure and related duties (page 61).
- c. NEW Policy 4.117, Suspected Dishonest or Fraudulent Activities – this new policy will be recommended for approval as required by Texas Education Code, Section 51.9337(h), prescribed by Senate Bill 20 passed during the Texas 84<sup>th</sup> Legislative Session. It defines the expected ethical behavior of MSU employees, faculty, students and affiliates and establishes a university policy regarding internal investigations of suspected defalcations, misappropriations, or other fiscal irregularities by providing administrative steps to promptly identify and investigate them (page 63).
- d. NEW Policy 4.197, Information Security Policy – this new policy will be recommended to bring the university into compliance with Texas Administrative Code 2.02 which deals with Information Technology use and security of state information systems (page 72).

## **Compliance Activities Update February 2017**

In accordance with the requirements set forth in Policy 2.26(C)3(b), *Institutional Compliance and Ethics Program*, the following is an update regarding the content and operation of the university's compliance and ethics program.

- The Americans with Disabilities Act (ADA) sub-committee is scheduled to meet on January 27. The committee did not bring forth any compliance recommendations to the President's Cabinet in December as originally planned. The committee will continue to formalize recommendations, current MSU policies will be evaluated and updated as necessary, and new policies drafted as required.
- Policy #4.197 *Information Security Policy* establishing the authority and responsibilities of the chief information security officer and the minimum standards for the university's information security program will be recommended for Board approval. This policy was created per the recommendations from the Information Security Program Assessment.
- Policy #4.117 *Suspected Dishonest or Fraudulent Activities* will also be recommended for approval in February. The updated *Ethics Policy for Northwestern State University* should be finalized and included in the May 2017 Board of Regents Agenda.
- Dr. David Sanchez has been hired as MSU's Chief Information Officer effective February 6. Myers and Stauffer has been retained to perform the information security risk assessment. Their work will begin in March 2017. A risk assessment is required by Texas Administrative Code 202. Based on the assessment results, University management will be able to define acceptable risks, prioritize areas needing improvement, create three to five-year goals, and quantify costs of compliance.
- One hundred seventy-four contracts were processed through the university's Contract Management System in the first quarter of FY 2017 (Sept. 1, 2016 – Nov. 30, 2016). As of November 30, 2016, a total of 2,383 contracts were included in the repository with 956 being active.
- The Fair Labor Standards Act (FLSA) Task Force provided the President's Cabinet with their recommendations to assist with the implementation of the FLSA revisions.. On November 22, 2016, Judge Amos Mazzant of the United States District Court issued a preliminary injunction postponing the effective date of the U.S. Department of Labor overtime rules. The Task Force encouraged the adoption of some of the recommendations, with the exception of position reclassifications to non-exempt, until the court makes a final ruling on the proposed changes.

- A Policy Review Committee was established and met on November 30 and December 20. This group's recommendations will be taken to the President's Cabinet in the near future and will include; 1) defining a two-tier policy structure consisting of Board of Regents' policies and Campus Operating policies and procedures, 2) creating standardized policy formats, 3) and creating a policy numbering system that will accommodate growth. The group's next focus will be defining a standardized process for adopting & approving new policies as well as a process for maintaining & reviewing existing policies and researching policy management software.
- The Fiscal Management Division of the Comptroller of Public Accounts was on campus in November. The university was selected for a routine post-payment audit to ensure that the university's payroll, purchasing, procurement, and travel expenditures comply with state laws and regulations. The audit fieldwork was completed, and only a couple of minor findings were noted. The report is currently being finalized and should be available by the end of February.
- Both EthicsPoint hotline tips that were previously reported to the board have been closed, and no new tips or complaints have been received through mid-January 2017.
- New compliance activities include:
  - Office of the General Counsel website will be created in the spring 2017. It will include the Compliance and Ethics Web page as required by policy 2.26 *Institutional Compliance and Ethics Program*.





Office of Internal Audits  
3410 Taft Boulevard Wichita Falls, Texas 76308-2099  
o 940.397.4914 f 940.397.4037

## Internal Audit Activities Update

I am pleased to provide an update on this quarter's Office of Internal Audits activities.

- As reported in the Internal Audit Annual Report for Fiscal Year Ended 8/31/2016, two policies required by Texas Education Code, Section 51.9337(h) as prescribed by Senate Bill 20, remained in draft form. One of those policies, *4.117 Suspected Dishonest or Fraudulent Activities* is on the February Board of Regents Agenda for approval. Updates required to the other policy, *Ethics Policy for Midwestern State University* should be finalized and presented to Board of Regents in May.
- Completed and in-progress projects from the Fiscal Year 2017 Internal Audit Plan:
  1. Two follow-up reviews were performed to assess the progress or completion of management's corrective action plans in response to audit recommendations from; the State Auditor's Office - Audit on Benefits Proportionality, and the University's - Information Security Program Assessment/ TAC 202 Report.
  2. The contract to perform an assessment of the University's compliance with the Clery Act, Violence Against Women Act and Title IX has been awarded. The assessment will be performed during the spring of 2017, a preliminary report will be presented to management in June or July 2017, and the final report will be presented at the August Board of Regents meeting.
  3. A special project to standardize University policy structure, organization and approval processes began in November 2016 and is ongoing.
  4. Ethics and compliance advisory services were provided to various University departments during the quarter.
  5. An Auditor Independence Certification Statement was created and submitted as required by the Texas Internal Auditing Act and the International Standards for the Professional Practice of Internal Auditing.
  6. The process to build an internal audit quality assessment improvement program was begun and an internal audit policy and procedures manual will be created, as required by the Texas Internal Auditing Act and the International Standards for the Professional Practice of Internal Auditing.

Page 53 of 162

- Internal audit focus for next quarter:
  1. Hire a full time internal auditor – the Board of Regents approved in May 2015, the hiring of a full-time internal auditor during fiscal year 2017. This position will be posted in January 2017 and anticipate scheduling interviews during February.
  2. Create and distribute the annual university risk assessment survey– a new electronic format will be used to distribute the survey and capture the results.
  3. Will update the Office of Internal Audits Charter for revisions to the International Standards for the Professional Practice of Internal Auditing upon release of the Institute of Internal Auditor's guidance.

Respectfully submitted,



Leigh Kidwell, CPA, CGMA  
Director  
January 18, 2017

## 2.31

### President's Office

#### ADMINISTRATION SELECTION PROCESS

Date Adopted/Most Recent Revision: ~~05/11/2012~~

##### A. Introduction

It is the policy of Midwestern State University to fill major administrative positions through the use of search advisory committees, except when such vacancies are filled through internal promotion either from within the same department or program or a department or program from another area of the university. When search committees are used, any or all candidates recommended for a position by the search committee or administrator may be rejected by the administrator involved and the selection process begun again. All nominations for positions on the various committees will be made on the basis of two nominations to fill one vacancy with the President having final approval of the membership of the committees. The following guidelines are to be used in the filling of the major administrative positions.

##### B. President

The appointment of the president of the university shall be made by the Board of Regents. The Board of Regents may appoint a Search Advisory Committee, which may make recommendations to the board concerning candidates for the position of president. The board shall make the final selection and approve a contract with the president for a maximum of three years (Texas Education Code 51.948). A two-thirds vote of the members present and voting shall be required for the election. The president may be granted faculty status and may be awarded tenure as a faculty member by the Board of Regents (Policy 2.335). A written contract shall be signed by the board chairperson, board secretary, and the president.

The president's performance shall be evaluated by the Board of Regents at its first regular meeting each calendar year.

~~1. Internal Auditor~~

~~The Internal Auditor will be appointed by the President.~~

~~2. Director of Human Resources~~

~~The Director of Human Resources will be appointed by the President.~~

~~3. 1. General Counsel~~

~~The General Counsel will be appointed by the President.~~

~~4. 2. Museum Director~~

~~The Museum Director will be appointed by the President~~

**3. Director of Institutional Research & Assessment**

**The Director of Institutional Research & Assessment will be appointed by the President**

##### C. Director of Internal Audits

**The hiring of the Director of Internal Audits for the university shall be made by the Board of Regents.**

**The board may appoint a Search Advisory Committee, which may make recommendations to the board concerning candidates for the position. The board shall make the final selection and offer of employment**

##### D. Provost and Vice President for Academic Affairs

The Provost and Vice President for Academic Affairs will be appointed by the President. A search advisory committee for the selection of the Provost and Vice President for Academic Affairs shall be constituted by the President. The committee shall consist of no fewer than three faculty and one staff representatives, one dean, and one student. The members will be selected by the President in consultation with the Faculty Senate, the Staff Senate, and Student Government. The President will appoint the committee chair.

**1. Associate Vice President for Outreach and Engagement Undergraduate Education and Assessment**

The Associate Vice President for Outreach and Engagement Undergraduate Education and Assessment will be appointed by the President on recommendation of the Provost and Vice President for Academic Affairs.

2. **University Librarian**

The University Librarian will be appointed by the President upon recommendation of the Provost and Vice President for Academic Affairs. A search advisory committee for the selection of the University Librarian shall be constituted by the Provost and Vice President for Academic Affairs. The committee shall consist of no fewer than one librarian and one representative of the library staff, three faculty representatives, and one student. The Provost and Vice President for Academic Affairs will appoint the committee chair.

3. **Academic Success Center**

The Director of the Academic Success Center will be appointed by the President on recommendation of the Provost and Vice President for Academic Affairs.

4. **Honors Program Director**

The Honors Program Director will be appointed by the President on recommendation of the Provost and Vice President for Academic Affairs.

5. **Registrar**

The Registrar will be appointed by the President upon recommendation of the Provost and Vice President for Academic Affairs.

6. **Deans of Colleges**

- a. A search advisory committee for the selection of the dean of a college or school shall be constituted by the Provost and Vice President for Academic Affairs. The committee shall consist of no fewer than three faculty representatives from the college or school within the university. In addition, one or more persons from either within the university or from outside the university may serve on the committee. The number of persons appointed from outside the university shall not exceed one half of the membership of the committee. The Provost and Vice President for Academic Affairs will appoint the committee chair, who may have an appointment within or outside the college or school.
- b. The committee will screen applicants and recommend candidates for further consideration. The final determination of the appointment shall be made by the President in consultation with the Provost and Vice President for Academic Affairs.

7. **Department Chairs**

Each dean will nominate Academic Department Chairs as needed for the programs in that college. The nomination is subject to approval by the Provost and Vice President for Academic Affairs and the President and should be made in consultation with the faculty who teach in that program.

8. **Dean of the Graduate School**

The Dean of the Graduate School will be appointed by the President in consultation with the Provost and Vice President for Academic Affairs. The Provost and Vice President for Academic Affairs will appoint the members of the search advisory committee and appoint the committee chair. The committee will be composed of one graduate program coordinator from each college with graduate programs, a graduate faculty member, a graduate student and a college dean. When circumstances dictate or allow the consideration of candidates both external and internal to the university, the position will be advertised nationally. When circumstances do not allow the consideration of an external candidate, the position will be advertised internally.

~~D. **Vice President for Administration and Institutional Effectiveness**~~

~~The Vice President for Administration and Institutional Effectiveness will be appointed by the President. A search advisory committee for the selection of the Vice President for Administration and Institutional Effectiveness shall be constituted by the President. The committee shall consist of no fewer than two faculty and two staff representatives. The members will be selected by the President in consultation with the Faculty Senate and Staff Senate. The President will appoint the committee chair.~~

~~1. **Director of Institutional Research & Assessment**~~

~~The Director of Institutional Research & Assessment will be appointed by the President upon recommendation of the Vice President for Administration and Institutional Effectiveness.~~

**2. ~~Chief Information Officer~~**

~~The Chief Information Officer will be appointed by the President upon recommendation of the Vice President for Administration and Institutional Effectiveness.~~

**E. Vice President for ~~Business Affairs~~ Administration and Finance**

The Vice President for ~~Business Affairs~~ Administration and Finance will be appointed by the President. A search advisory committee for the selection of the Vice President for ~~Business Affairs~~ Administration and Finance shall be constituted by the President. The committee shall consist of no fewer than two faculty and two staff representatives. The members will be selected by the President in consultation with the Faculty Senate and Staff Senate. The President will appoint the committee chair.

**1. Controller**

The Controller will be appointed by the President upon recommendation of the Vice President for ~~Business Affairs~~ Administration and Finance.

**2. Associate Vice President for Facilities Services**

The Associate Vice President for Facilities Services will be appointed by the President upon recommendation of the Vice President for ~~Business Affairs~~ Administration and Finance.

**3. ~~Assistant Director of Facilities Services~~**

~~The Assistant Director of Facilities Services will be appointed by the President upon recommendation of the Vice President for Business Affairs and Finance in consultation with the Associate Vice President for Facilities Services.~~

**4. Director of Purchasing and Contract Management**

The Director of Purchasing and Contract Management will be appointed by the President upon recommendation of the Vice President for ~~Business Affairs~~ Administration and Finance.

**5. Director of Payroll-Supervisor**

The Payroll Supervisor Director of Payroll will be appointed by the President upon recommendation of the Vice President for ~~Business Affairs~~ Administration and Finance.

**6. Director of Budget and Management**

The Director of Budget and Management will be appointed by the President upon recommendation of the Vice President for ~~Business Affairs~~ Administration and Finance.

**7. Chief Information Officer**

The Chief Information Officer will be appointed by the President upon recommendation of the Vice President for Administration and Finance.

**8. Chief Information Security Officer**

The Chief Information Security Officer will be appointed by the President upon recommendation of the Vice President for Administration and Finance.

**9. Director of Human Resources**

The Director of Human Resources will be appointed by the President upon recommendation of the Vice President for Administration and Finance.

**F. Vice President for University Advancement and Public Affairs**

The Vice President for University Advancement and Public Affairs will be appointed by the President. A search advisory committee for the selection of the Vice President for University Advancement and Public Affairs shall be constituted by the President. The committee shall consist of no fewer than two faculty and two staff representatives. The members will be selected by the President in consultation with the Faculty Senate and Staff Senate. The President will appoint the committee chair.

**1. Director of Marketing and Public Information**

The Director of Marketing and Public Information will be appointed by the President upon recommendation of the Vice President for University Advancement and Public Affairs.

2. **Director of Alumni Relations**

The Director of Alumni Relations will be appointed by the President upon recommendation of the Vice President for University Advancement and Public Affairs.

3. **Director of University Development**

The Director of University Development will be appointed by the President upon recommendation of the Vice President for University Advancement and Public Affairs.

G. **Vice President for Student Affairs and Enrollment Management**

The Vice President for Student Affairs and Enrollment Management will be appointed by the President. A search advisory committee for the selection of the Vice President for Student Affairs and Enrollment Management shall be constituted by the President. The committee shall consist of no fewer than two faculty, two staff representatives, and one student. The members will be selected by the President in consultation with the Faculty Senate, the Staff Senate, and Student Government. The President will appoint the committee chair.

1. **Associate Vice President for Student Affairs and Dean of Students**

**The Associate Vice President for Student Affairs and Dean of Students will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management**

2. **Director of Admissions**

The Director of Admissions will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management

3. **Director of Career Management Center and Testing Services**

The Director of the Career Management Center and Testing Services will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

4. **Director of Student Financial Aid**

The Director of Student Financial Aid will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

5. **Director of International Services**

The Director of the Office of International Services will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

6. **Chief of Police**

The Chief of Police will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

6. **~~Dean of University Wellness and~~ Director of Recreational Sports/Wellness Center**

The ~~Dean of University Wellness and~~ Director of Recreational Sports/Wellness Center will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

7. **Director of Counseling Center**

The Director of the Counseling Center will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management. ~~in consultation with the Dean of University Wellness and Director of Recreational Sports.~~

8. **Director of Disability Support Services**

The Director of Disability Support Services will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management. ~~in consultation with the Dean of University Wellness and Director of Recreational Sports.~~

9. **Medical Director of Vinson Health Center**

The **Medical** Director of Vinson Health Center will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management. ~~in consultation with the Dean of University Wellness and Director of Recreational Sports.~~

10. **Vinson Health Center Physician**

The Vinson Health Center Physician will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of University Wellness and Director of Recreational Sports.~~

11. ~~Dean of Students and Director of Clark Student Center~~ **Director of Student Conduct**

The ~~Dean of Students and Director of Clark Student Center~~ **Director of Student Conduct** will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management.

12. **Postal Services Supervisor**

The Postal Services Supervisor will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of Students and Director of Clark Student Center.~~

13. **Director of ~~Housing and Residence Life~~ and Housing**

The Director of ~~Housing and Residence Life~~ **and Housing** will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of Students and Director of Clark Student Center.~~

14. **Director of Student Development and Orientation**

The Director of Student Development and Orientation will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of Students and Director of Clark Student Center.~~

15. **Director of Equity, Inclusion and Multicultural Affairs**

**The Director of Equity, Inclusion and Multicultural Affairs will be appointed by the President upon recommendation of the Vice President for Student Affairs and Enrollment Management**

**Contracted Services**

1. **University Food Service**

A food service vendor will be contracted for services by the Board of Regents upon recommendation of the President in consultation with the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of Students and Director of Clark Student Center.~~

2. **University Bookstore**

A bookstore vendor will be contracted for services by the Board of Regents upon recommendation of the President in consultation with the Vice President for Student Affairs and Enrollment Management ~~in consultation with the Dean of Students and Director of Clark Student Center.~~

H. **Director of Athletics**

The Director of Athletics will be appointed by the President. A search advisory committee for the selection of a Director of Athletics shall be constituted by the President. The committee shall consist of a representative from Academic Affairs, ~~Business Affairs~~ **Administration** and Finance, Student Affairs and Enrollment Management, University Advancement and Public Affairs, and the Athletics staff, and one faculty member and one student selected in consultation with the Faculty Senate and Student Government. The President will appoint the committee chair.

1. **Coaches**

a. **Full-Time Head Coaches**

The committee responsible to search and receive applications for full-time head coaching positions will consist of the Director of Athletics (serving as Chairperson), the Faculty Athletic Representative, the Dean of Students/~~Director of Clark Student Center~~ and one student athlete. The kinesiology chair and president of the MSU M-Club will serve as ex-officio, non-voting members of the committee.

b. **Less Than Full-Time Head Coaches and Assistant Coaches**

Since assistant coaches and/or graduate assistants are used for less than full-time head coaching positions in certain sports, formal search procedures are neither feasible nor desirable. Assistant Coaches and/or less than full-time head coaches will be appointed by the Director of Athletics, in consultation with the kinesiology program coordinator and with the approval of the President.

c. **Pre-Employment Certification**

Prior to offering employment to any head coach, the president or his designee shall contact the enforcement Office of the National Collegiate Athletic Association (NCAA) to determine if that coach has been sanctioned for violations of NCAA or conference rules. Employment shall not be offered to any coach who has had such sanctions imposed against him/her.

2. **Executive Associate Athletic Director/Director of Compliance**

The Executive Associate Athletic Director will be appointed by the President upon recommendation of the Director of Athletics.

3. **Associate Athletic Director and Senior Woman Administrator**

The Associate Athletic Director and Senior Woman Administrator will be appointed by the President upon recommendation of the Director of Athletics.

**4. Associate Athletic Director for Development**

**The Associate Athletic Director for Development will be appointed by the President upon recommendation of the Director of Athletics.**

4. **~~Assistant Athletic Director for Marketing, Promotions and Public Relations~~**

~~The Assistant Athletic Director for Marketing, Promotions and Public Relations will be appointed by the President upon recommendation of the Director of Athletics.~~

5. **Assistant Athletic Director for Sports Information**

**The Assistant Athletic Director for Sports Information will be appointed by the President upon recommendation of the Director of Athletics.**

5. **~~Assistant Athletic Director for Business Affairs and Event Management~~**

~~The Assistant Athletic Director for Business Affairs and Event Management will be appointed by the President upon recommendation of the Director of Athletics.~~



## **2.323 President's Office**

### **PRESIDENT'S OFFICE**

**Date Adopted/Most Recent Revision: 09/04/13**

#### **A. Office of the President**

The purpose of this office is to serve the chief executive officer of the university who serves as the university's liaison with the Board of Regents, the Texas Legislature, the Texas Higher Education Coordinating Board and the Wichita Falls area community. It also assists the President with the internal relationships of the university.

#### **B. Internal Audit Office**

The Internal Auditor is directly responsible to the Board of Regents and the President. Responsibilities of the internal auditor are not confined to but include: developing long range and annual audit plans, and obtaining approval from the President and the Board of Regents of such audit plans; conducting audits as specified in the audit plan with documented deviations; including in the annual audit plan time to follow-up on significant findings from previous audits; reviewing all operational areas for the stewardship of resources and compliance with established policies and procedures; reviewing internal administrative and accounting controls designed to safeguard resources and ensure compliance with laws and regulations; conducting special audits at the request of the President or Chairperson of the Board of Regents; reviewing institutional reports as necessary; preparing audit reports, which shall be reviewed by the President and the Board of Regents; conducting quality assurance reviews in accordance with professional standards and periodically taking part in a comprehensive external peer review; remaining free of all operational and management responsibilities that would impair the ability to make independent reviews of all aspects of the university's operations.

The Director of Internal Audits reports functionally to the Board of Regents through the board's Audit, Compliance and Management Review Committee and administratively to the President. The Director must remain free of all operational and management responsibilities that could impair his/her independence and his/her ability to carry out internal audit responsibilities in an unbiased manner. Responsibilities of the Director of Internal Audits include: ensuring compliance with the Texas Internal Auditing Act; developing an annual audit plan using an appropriate risk-based methodology and identifies the individual audits to be conducted during the year; submitting the annual audit plan to the President for review and to the Board of Regents for approval; implementing the annual audit plan including as appropriate any special projects requested by the Board of Regents, the President or university management; performing periodic audits of the university's major systems and controls; providing consulting and advisory services as appropriate; communicating the results of engagements promptly and to the appropriate individuals; maintaining a professional audit staff with sufficient knowledge, skills, experience; developing and maintaining a quality assurance and improvement program that covers all aspects of the internal audit activity; ensuring an external assessment is performed at least every three years by a qualified, independent assessor or assessment team from outside the University; assisting with any investigations of suspected fraudulent activities, defalcations, misappropriations or other fiscal irregularities; communicating to university management all recommendations to improve or strengthen internal controls, actions needed to correct existing conditions or to enhance performance based on issues uncovered during an investigation.

#### **C. Athletics Program**

The Athletics Program has as its purpose the administering of the athletics programs of the university in order to advance the interests of the students and community in sports. It encompasses the functions of dissemination of information in various sports, administration of athletics scholarships, ticket sales and distribution, development of the MSU M Club (university sports supporters), and administration of intercollegiate sports. The Director of Athletics is directly responsible to the President of the university and shall assume responsibility for administration of the intercollegiate athletics program as the President may delegate. It is further the responsibility of the Director of Athletics to develop and recommend suitable policies to the President, to advise university administrators of changes in relations with state and national athletics associations, and to recommend improvements, including facilities, for the athletics program. The Director will prepare, recommend, and administer the annual athletics budget, schedule sports events, recommend employment, and supervise coaches and assistants. The Director is also responsible for reporting immediately to the President and any conferences and/or athletic associations of which the university may be a member any violations of rules by members of the athletics department staff, student athletes, boosters, alumni and/or other representatives of the university's athletic interests. The Director of Athletics shall administer athletics grants-in-aid; ticket promotion, sales, and

distribution; transportation of athletes; and the employment of athletics event officials. The director is expected to work closely with the Intercollegiate Athletics Committee, develop the MSU M Club and administer the athletics program in the best interest of the students, faculty, and community member supporters.

**1. Coaches**

Individual sports coaches are responsible for recruiting, developing and maintaining quality student athletes through the teaching of team fundamentals and strategies.

**2. ~~Assistant Athletic Director for Business Affairs~~ Associate Athletic Director and Senior Woman Administrator**

~~This office is~~ Responsible for the financial management of the intercollegiate athletics program, to include budgeting and budget reconciliation, ticket sales, record keeping, purchasing and accounts payable.

**3. ~~Assistant Athletic Director for Marketing, Promotions and Sponsorships~~**

~~This office is Responsible for developing and implementing programs designed to increase fan interest and revenue for the intercollegiate athletics program.~~

**Associate Athletic Director for Development –  
Responsible for overseeing Athletic Marketing and Promotions as well as all private and corporate development as it relates to the Athletic program.**

**4. Assistant Athletic Director for Sports Information**

~~This office~~ Coordinates all information issued from Athletics, maintains sports statistical records, and develops brochures, media guides and game programs.

**5. ~~Compliance Coordinator~~ Executive Associate Athletic Director/Director of Compliance**

~~This office is~~ Responsible for insuring compliance with all applicable rules of the National Collegiate Athletic Association and such other athletic sanctioning associations or conferences of which the university is a member. Serves as the general manager of the MSU Athletic Department.

**D. Office of the General Counsel**

The General Counsel reports directly to the Board of Regents and to the President and works under their direction. The role of the General Counsel is to provide legal services to the university and serve as legal advisor to the Board of Regents, the President, and other administrative officers of the university. When necessary and appropriate and with the approval of the Attorney General of the State of Texas, the General Counsel is responsible for the retention, direction, and use of all outside counsel to provide legal services to the university.



## Policy 4.117: Suspected Dishonest or Fraudulent Activities

Approved MM DD, 2017

Next Scheduled Review: 11-2019

---

### I. Policy Statement

Midwestern State University (“University”) prohibits fraudulent and dishonest behavior by members of the University community and University affiliates. It is the policy of the University to prevent and detect dishonest and fraudulent activities and consistently investigate suspected cases brought to the attention of University officials.

### II. Reason for Policy

The purpose of this policy is to establish University policy regarding internal investigations of suspected defalcation, misappropriation, and other fiscal irregularities by providing for administrative steps to promptly identify and investigate such suspected cases of dishonest or fraudulent activities, demonstrating expectations of ethical behavior from members of the University community and University affiliates.

### III. Application of Policy

This policy applies to University employees, students, and affiliates. It assigns responsibilities to specific University employees involved in handling suspected cases of dishonest or fraudulent activities.

### IV. Definitions

#### *Affiliates:*

Individuals who have a business relationship with the University outside of traditional employment. They can be paid or unpaid, and include but are not limited to, affiliations associated with employees of contractors and volunteers.

#### *Dishonest or Fraudulent Activities:*

May include, but are not limited to, any or all of the following situations whether in tangible, paper or digital form as applicable:

- Misappropriation of University property or other fiscal irregularities.
- Forgery or inappropriate alteration of checks, drafts, promissory notes, or securities.
- Forgery or inappropriate alteration of employee benefit or salary-related items such as time sheets, billings, claims, surrenders, assignments, or changes in beneficiary.

- Forgery or inappropriate alteration of records relating to health.
- Forgery or inappropriate alteration of student-related items such as grade, transcripts, loans, or fee/tuition documents.
- Forgery or falsification of any official University document.
- Misappropriation of funds, securities, supplies, or any other state asset.
- Illegal or fraudulent handling or reporting of money transactions.
- Acceptance or solicitation of any gift, favor, or service that might reasonably tend to influence the employee in the discharge of his or her official duties.
- Willful and unauthorized destruction of records, furniture, fixtures, or equipment.
- Unauthorized alteration, manipulation or transfer of computer files or records.
- Fraudulent or dishonest financial reporting.
- Bribery, unlawful rebates, or kickbacks.
- Research or other academic fraud.
- Unauthorized disclosure of confidential or proprietary information of the University, student educational records, private personnel information, and medical information.
- Theft of University information, property, records or assets.
- Violation of an applicable state or federal statute.
- Violation or noncompliance with an applicable state or federal rule or regulation.
- Other similar illegal, dishonest or fraudulent conduct.

## **V. Responsibilities**

### **1. Management must:**

- a. Establish and maintain a system of internal controls which provides reasonable assurance improprieties are prevented and detected.
- b. Be familiar with the types of improprieties which might occur in his or her area and be alert for any indication of dishonest or fraudulent activity.
- c. Assure notification is made to an appropriate University official and to the Office of Internal Audits when dishonest or fraudulent activity is suspected.
- d. Support the University's fiduciary responsibilities and cooperate with law enforcement agencies in the detection, investigation, and reporting of criminal acts, including prosecution of offenders.
- e. Maintain the confidentiality of information regarding suspected cases of dishonest or fraudulent activity under investigation to the extent permitted by law.
- f. Maintain paper and electronic records in accordance with the University's records retention schedule.

**2. Office of Internal Audits must:**

- a. Ensure a link to the State Auditor's Office Fraud Hotline is included on the homepage of the University's website.
- b. Coordinate and or work with the University Police Department ("MSUPD") and the General Counsel to provide assistance to federal, state, and local law enforcement agencies.
- c. Coordinate with the Chief Information Security Officer or any other University office necessary to sufficiently investigate suspected dishonest or fraudulent activity.
- d. Assist MSUPD in investigations of suspected criminal activity that require accounting or auditing knowledge.
- e. Supervise all audits of allegations of defalcation, misappropriation, and other fiscal irregularities.
- f. Secure and limit access to investigative work papers to those individuals or entities designated by the Director of Internal Audits.
- g. Maintain the confidentiality of information gathered regarding dishonest or fraudulent activity under investigation to the extent permitted by law.
- h. Determine if additional work is needed in order to provide the University's Audit, Compliance, and Management Review Committee and appropriate University officials with a basis for taking corrective action following notification of a related investigation.
- i. As delegated by the Office of the President, notify the State Auditor's Office of suspected fraud or dishonest activity related to the operation of the University. The Office of Internal Audits shall report the reason and basis for the alleged fraud to the state auditor as required by Texas Government Code Chapter 321, Section 321.022.
- j. When appropriate, notify the President, MSUPD, and the General Counsel when the investigation of an allegation reveals suspected criminal activity which may constitute a felony offense. The President, or her or his designee, is responsible for notifying Chairperson of the Board of Regents.
- k. Consult with:
  - (1) the General Counsel about all requests for information and assistance related to investigations conducted by federal, state, and local agencies; and
  - (2) The Director of Human Resources or her or his designee about an investigation when appropriate.

**3. University Police Department must:**

- a. Coordinate investigations of all suspected criminal cases involving University operations.

- b. Coordinate assistance provided to federal, state, and local law enforcement agencies as required by the General Counsel.
  - c. Coordinate investigations of suspected criminal activity to assure appropriate investigatory techniques are used should the case result in a decision to pursue criminal prosecution.
4. General Counsel must:
- a. Advise on legal issues associated with investigations and subsequent actions.
5. Chief Information Security Officer must:
- a. Collect, secure, and preserve relevant University digital data such as transaction, access, authentication, and system logs, emails, and electronic files in anticipation of a legal request, upon request from a University official.
  - b. Assist MSUPD in investigations of suspected dishonest or fraudulent activity which require specialized knowledge of or access to the University's network, computers or other information systems.
  - c. Report significant security incidents involving the unauthorized disclosure or modification of confidential information, e.g., sensitive personal information as defined in Section 521.002(a)(2), Business and Commerce Code, promptly to his or her immediate supervisor. If the security incident is assessed to involve suspected criminal activity e.g., violations of Chapters 33, Penal Code (Computer Crimes) or Chapter 33A, Penal Code (Telecommunications Crimes) it shall be reported promptly to law enforcement in accordance with University policy and with state or federal information security or privacy laws.
6. Employees must:
- a. Notify University officials or call the EthicsPoint Hotline (855-734-4210) or website to report any suspected dishonest or fraudulent activity involving University activities or property. The hotline is available 24 hours a day, 365 days a year and allows anonymous reporting with confidentiality maintained within the confines of the law.
  - b. Not knowingly make incorrect or false accusations.
  - c. Avoid alerting suspected individuals an investigation is underway.
  - d. Cooperate fully with any investigation conducted by the University including but not limited to MSUPD, the Office of Internal Audits, and the Information Technology Department or with federal, state, and local law enforcement agencies as directed by the General Counsel.
7. Faculty, Staff, Students and the General Public may:
- a. Directly contact the Director of Internal Audits, the Chairperson of the Compliance and Ethics Coordinating Committee, University Chief of Police,

Director of Human Resources, General Counsel or other University management whenever an activity is suspected to be dishonest or fraudulent. Individuals receiving such reports shall retain the anonymity of the reporting party subject to the extent allowable by law.

## VI. Procedures

The procedures set forth in this section apply to suspected incidents of dishonest or fraudulent activity.

1. Notification Responsibilities – As described in section V. *Responsibilities*, certain individuals must make notifications under this policy. These individuals and their assigned notification responsibilities are outlined in *Appendix A - Notification Responsibilities for Suspected Dishonest or Fraudulent Activity*. This appendix includes the nature and timing of the notification required.
2. The University will vigorously pursue steps to recover any losses resulting from dishonest or fraudulent activities
3. Coordination with External Law Enforcement Agencies - As described in section V. *Responsibilities*, University officials must coordinate assistance provided to federal, state, and local law enforcement agencies.
  - a. All requests for information or assistance from such agencies received by other areas of the University shall be immediately forwarded to MSUPD.
  - b. MSUPD shall consult with the General Counsel for determination and appropriate handling of the request.
  - c. All appropriate assistance will be given to law enforcement agencies when properly requested.
4. Investigations
  - a. The Office of Internal Audits must be made aware of all suspected cases of dishonest or fraudulent activity. When an investigation reveals suspected criminal activity or is initiated due to an allegation of criminal activity, MSUPD must be notified immediately.
  - b. Investigations of suspected improprieties or irregularities shall be conducted by the University in a manner to avoid false accusations or to avoid alerting suspected individuals an investigation is underway. Accordingly, the person who made the report should not:
    - (1) Contact suspected individual to determine facts or demand restitution; or
    - (2) Discuss any facts, suspicions, or allegations associated with the case with anyone, unless specifically directed to do so by the Office of Internal Audits, MSUPD, or the General Counsel.
  - c. Confidentiality of those reporting dishonest or fraudulent activities will be maintained to the extent permitted by law, including but not limited to the applicable provisions of the Texas Public Information Act. An exception will occur when an individual is required to serve as a witness in legal proceedings.

- d. All inquiries from the suspected individual, his or her representative, or attorney shall be directed to the Office of the General Counsel.
- e. The Office of Internal Audits must keep its work papers secure and limit access to those individuals or entities as designated by the Director of Internal Audits and the General Counsel.
- f. The Director of Internal Audits has the discretion to stop the audit if the investigation fails to detect criminal activity or upon advisement from the Office of the General Counsel.
- g. For criminal investigations conducted by MSUPD, only prosecutors have the authority to make the legal determination regarding whether to pursue a criminal prosecution or terminate further investigation.
- h. The results of audits or investigations may not be disclosed or discussed with anyone other than authorized representatives of law enforcement or regulatory agencies and those persons associated within the University who have a legitimate need to know such results in order to perform their duties and responsibilities, subject to the provisions of state and federal law, including but not limited to the Texas Public Information Act.
- i. The Office of Internal Audits may communicate with management recommendations for improvements to strengthen internal controls, or actions to correct existing conditions or to enhance performance based on issues uncovered during an investigation.

**5. Non Retaliation**

- a. The University prohibits and does not tolerate retaliation against any individual who in good faith files a complaint of suspected illegal, dishonest, or fraudulent conduct or is involved as a witness or participant in the complaint or investigation process.
- b. Engaging in unlawful retaliation may result in disciplinary action, up to and including dismissal from the University.
- c. An individual who files a complaint that the individual knows or believes to be false is not protected by this provision against retaliation, and may be subject to disciplinary action up to and including dismissal from the University.
- d. The University encourages any person, who believes he or she has been subject to unlawful retaliation, or observes or is otherwise aware of an incident of unlawful retaliation in violation of this policy, to report the incident promptly to the EthicsPoint Hotline by phone (855-734-4210) or website HotLine.



## **VII. Related Statutes, Policies & Procedures and Websites**

General Appropriations Act for the 2016-17 Biennium, 84<sup>th</sup> Texas Legislature, Regular Session, Part 7. Reporting Requirements, [7.09 Fraud Reporting](#).

Texas Government Code, Title 3, Subtitle C, [Chapter 321](#).

Texas Education Code, Chapter 51. Provisions Generally Applicable to Higher Education [Sec. 51.9337\(b\)](#), as amended by [Senate Bill 20](#).

Texas Administrative Code, Chapter 202, Security Reporting [Rule Section 202.73](#).

Texas Penal Code Chapter 33 [Computer Crimes](#) and Chapter 33A [Telecommunications Crimes](#).

Ethics Policy for Employees of Midwestern State University 3.314.

Midwestern State University Office of Internal Audits [Charter](#).

## **VIII. Responsible Office(s)**

Contact: Office of Internal Audits

Phone: (940) 397-4914 Fax: (940) 397-4037

Email: [leigh.kidwell@mwsu.edu](mailto:leigh.kidwell@mwsu.edu)

## **IX. Appendix A – Notification Responsibilities for Suspected Dishonest or Fraudulent Activity [Attached]**

Appendix A

## Notification Responsibilities for Suspected Dishonest or Fraudulent Activity

Who	When	Notifies Whom
University Employees	<ul style="list-style-type: none"> <li>Immediately upon observation of suspected dishonest or fraudulent activity</li> </ul>	Notification may be made through any of these options: <ul style="list-style-type: none"> <li>University Police Department</li> <li>Director of Internal Audits</li> <li>University Compliance &amp; Ethics Coordinating Committee Chair</li> <li>Director of Human Resources</li> <li>University Management</li> <li>EthicsPoint Hotline (855-734-4210) or <a href="#">website</a></li> </ul>
University Compliance & Ethics Coordinating Committee Chair	<ul style="list-style-type: none"> <li>Immediately upon notice of possible dishonest or fraudulent activity</li> </ul>	Director of Internal Audits
Vice President for Administration and Finance	<ul style="list-style-type: none"> <li>Immediately when known significant loss has occurred (for insurance/fidelity bond claim notification)</li> </ul>	The President
Chief Information Security Officer	<ul style="list-style-type: none"> <li>Immediately when security incident has occurred to assess the business impact on affected resources and the current or potential technical effect of the incident.</li> <li>Immediately when known the security incident will result in criminal violations, involve unauthorized disclosure or modification of confidential information or assessed to involve suspected criminal activity.</li> </ul>	Vice President for Administration and Finance  Vice President for Administration and Finance, University Police Chief, General Counsel, The President
Director of Internal Audits	<ul style="list-style-type: none"> <li>As deemed appropriate when an internal audit investigation reveals suspected criminal activity which may constitute a felony offense; also when an investigation is initiated due to an allegation of criminal activity</li> </ul>	The President, University Police Chief, General Counsel, Board of Regents' Audit, Compliance & Management Review Committee Chair
	<ul style="list-style-type: none"> <li>As delegated by the President</li> </ul>	State Auditor's Office

<b>Who</b>	<b>When</b>	<b>Notifies Whom</b>
University Police Chief	<ul style="list-style-type: none"> <li>Immediately when MSUPD is involved in fraud investigation, and for periodic updates on progress of investigation</li> </ul>	Vice President for Student Affairs
General Counsel	<ul style="list-style-type: none"> <li>Periodically update on progress of Internal Audits' investigations</li> </ul>	The President, Board of Regents Chairperson
President, or her or his designee	<ul style="list-style-type: none"> <li>As deemed appropriate when an internal audit investigation reveals suspected criminal activity which may constitute a felony offense; also when an investigation is initiated due to an allegation of criminal activity.</li> </ul>	Board of Regents Chairperson



## Policy 4.197: Information Security

Approved MM DD, 2017

Next Scheduled Review: 12-2017

---

### I. Policy Statement

Midwestern State University (University) will protect, based on risk, all information and information resources against unauthorized access, use, disclosure, modification or destruction, including assuring the availability, confidentiality and integrity of information.

### II. Reason for Policy

This policy establishes the authority and responsibilities of the chief information security officer and provides the minimum standards for the information security program in accordance with the state's *Information Security Standards for Institutions of Higher Education* found in Title 1, Chapter 202, Texas Administrative Code (TAC 202) and other applicable requirements.

### III. Application of Policy

This policy applies to all information and information resources owned, leased or under the custodianship of any department, operating unit or employee of University, including resources outsourced to another institution, contractor or other source such as cloud computing.

### IV. Definitions

**Information:** Data as processed, stored, or transmitted by a computer.

**TAC 202:** Texas Administrative Code, Chapter 202. Policies of the State of Texas that apply to all state institutions of higher education.

**Catalog:** The Texas Department of Information Resources' (DIR) Security Control Standards Catalog.

**CISO:** Chief Information Security Officer

**CIO:** Chief Information Officer

**Data owners:** Entity or person that can authorize or deny access to certain data, and is responsible for its accuracy, integrity, and timeliness.

**Data custodians:** The technical partner for the data owner who is charged with keeping and protecting data for the data owner.

**Users of information resources:** Any person accessing University controlled systems and services.

## **V. Procedures and Responsibilities**

The CISO will develop, document and implement a University-wide information security program to protect information and information resources complying with University rules and policies and applicable state and federal regulations in the following elements:

### **1. INFORMATION SECURITY PLAN**

- a. The approved plan should be reviewed and updated annually taking into account changes in business, technology, threats, incidents, mission, etc.

### **2. PERIODIC RISK ASSESSMENT**

- a. The purpose of the annual risk assessment is to identify, evaluate and document the level of impact on the university's mission, functions, image, reputation, assets or individuals that may result from the operation of the university's information systems.
- b. An assessment will be conducted and documented as required by TAC 202.

### **3. DATA LOSS PREVENTION PROGRAM**

### **4. SECURITY AWARENESS TRAINING**

### **5. CREATE AND AMEND POLICIES, PROCESSES, & CONTROLS**

- a. Identify, define and document the responsibilities of data owners, data custodians and users of information resources.
- b. Reduce risks and comply with applicable state and federal regulations.
- c. Fulfill reporting requirements with applicable state and federal agencies.
- d. Follow established University procedures for approval, distribution, and appropriate education and training.

## **VI. Related Statutes, Policies & Procedures and Websites**

[Texas Administrative Code Chapter 202](#)

[Texas DIR Security Control Standards Catalog](#)

## **VII. Responsible Office(s)**

Questions or comments regarding this Policy should be directed to:

Chief Information Security Officer

[jim.hall@mwsu.edu](mailto:jim.hall@mwsu.edu)

Extension 4680

## **VIII. History**

Approval - Board of Regents MM DD, 2017

# BOARD OF REGENTS MEETING AGENDA

**Board of Regents Meeting Agenda**  
**February 10, 2017**  
**9:00 a.m.**

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

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

The meeting will be streamed live at <http://www.mwsu.edu/welcome/president/regents-minutes>.

Call to Order – Chairman Sam Sanchez

Introduction of Visitors – Ms. Julie Gaynor

Introduction of New Chief Information Officer – Dr. Marilyn Fowlé

Opening Comments - Chairman Sanchez

Public Comment

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

Reading and Approval of Minutes

17-68. Minutes of the regular Board of Regents meeting November 10 and 11, 2016, will be recommended for approval as shown on pages 148 and 151.

Executive Committee Consent Agenda, Items and Report

Academic and Student Affairs Committee Consent Agenda, Items and Report

Finance Committee Consent Agenda, Items and Report

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

President's Report and Discussion of Higher Education Issues

17-69. President Shipley will present information and discuss matters related to the federal and state political landscape.

Executive Session

17-70. The Board will convene in Executive Session as necessary to consider matters permissible under Chapter 551 of the Texas Government Code, including:



- A. Government Code, Chapter 551, Section .071 – Consultation with Attorneys Regarding Legal Matters, Pending and/or Contemplated Litigation, or Settlement Offers, or on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code.
- B. Government Code, Chapter 551, Section .072 - Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property, including
  - 1. Discussion of revisions to the YMCA lease of MSU property approved in November.
- C. Government Code, Chapter 551, Section .073 - Deliberations Regarding a Negotiated Contract for a Prospective Gift or Donation.
- D. Government Code, Chapter 551, Section .074 – Personnel Matters Relating to the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of Officers or Employees, or to Hear a Complaint or Charge Against an Officer or Employee, including
  - 1. The annual performance, compensation, and contract review of the President.
  - 2. The annual performance review of the Director of Internal Audits.
- E. Government Code, Chapter 551, Section .079 - Deliberations Regarding Security Audits, including
  - 1. The Information Security Program Assessment report on action taken will be discussed.

#### Closing Comments

#### Adjournment

This page intentionally left blank

# MINUTES

**MINUTES**  
**MIDWESTERN STATE UNIVERSITY**  
**BOARD OF REGENTS**  
**Executive Committee**  
**November 10, 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 1:24 p.m., Thursday, November 10, 2016. Executive Committee members in attendance were Mr. Sam Sanchez, Chairman; Mr. Caven Crosnoe, Vice Chairman; and Ms. Nancy Marks, Secretary. Other regents attending the meeting were Mr. Warren Ayres, Dr. Lynwood Givens, Mr. Jeff Gregg, Mr. Shawn Hessing, Dr. Shelley Sweatt, and Student Regent Lindsey Shelley. Ms. Tiffany Burks was traveling to Wichita Falls and arrived for the discussion of the last two items.

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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. James Johnston, Dean, Robert D. and Carol Gunn College of Health Sciences and Human Services; Dr. David Carlston, Chairman, MSU Faculty Senate; Dr. Robert Forrester, Assistant Professor of Finance; Ms. Angie Reay, Chair, MSU Staff Senate; Mr. Mario Ramirez, Assistant Director of Student Development and Orientation; Mr. Mark McClendon, Director of Institutional Research and Assessment; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*. Special guests attending the first portion of the meeting were Mr. Randall Scott and Mr. Preston Scott with Randall Scott and Associates.

Chairman Sanchez called the meeting to order at 1:24 p.m.

Reading and Approval of Minutes

17-05. The Executive Committee approved the minutes of the August 4, 2016, meeting as presented.

Gunn College of Health Sciences and Human Services (HSHS) Building Design Review

17-06. Mr. Sanchez reported that Randall Scott and Associates had been working with the faculty and administration on the design of the new Gunn College building. He noted that a copy of the presentation was sent to the Board of Regents the previous week for review. Dr. Fowlé indicated that Provost Betty Stewart, Dean James Johnston, and the HSHS faculty had worked closely with Randall Scott and Associates on the design. She introduced Randall Scott to review the presentation.

Mr. Scott thanked the Board for the privilege of working with the faculty and administration on this project. He mentioned that his firm designed the Sunwatcher Village project a little more than a decade ago. He indicated that when he was on campus recently he found a card on Dr. Shipley's desk that outlined the goals she set when she came to MSU. He noted that the card read "Re-Imagine Midwestern State," and he chose that title for his presentation (see Attachment 1). He reviewed the project goals and site parameters. He added that the four design tenets of his firm were timeless architecture, contextualism, sustainability, and innovation. He indicated that the Board would see each of those in the building design.

Mr. Scott reviewed departmental zoning and the functions that would be included on each of the four floors of the facility. Mr. Scott noted that the vertical design of the building would preserve campus green space. He added his suggestion that if financially feasible, the building should be designed to allow the addition of two floors in the future. He stated that while there would be an additional cost, it would be beneficial and more cost effective in the future.

He noted the project included a laboratory theater concept with collaborative locations (Slide 12). He added that glass was a key element in the building design and stated that glass was just as energy efficient as brick or other materials. He stated that the transparency would allow students to see into the building and within the building.

Mr. Scott discussed the consideration given to the individuals they were designing for (Slide 13) and reviewed on the next four slides examples of what MSU's competitors were building. Slides 18 and 19 presented photos of the MSU campus legacy buildings and Slide 20 showed photos of buildings recently built on campus.

Slide 21 presented a Site Plan for the new facility. Mr. Scott pointed out the new quadrangle area that would be surrounded by the new building, Bridwell Hall, the Dillard Building, and McCoy Hall. He also mentioned that McGaha Building, to the west of Bridwell Hall, would be razed to make room for the new building. He noted that the glass atrium wall shown in the building design would face to the east. He stated that the design included an outdoor classroom area. He noted that colonnades were placed along the north and west side of the building to provide a more human scale for the entrances.

Mr. Scott reviewed the building renderings on Slides 22-28. He stated that they would preserve as many trees as possible in the design. He noted they would use the campus-standard brick, Spanish tile roof, and white archways. He indicated that another new material, Terracotta, would be used. He noted that this is a clay product that is very much like brick, and that the orange color would tie in very well with the campus standard brick. He stated they were proposing using white Terracotta on some of the large mass areas, noting that the color would be gray, rather than pure white. He pointed out the mechanical penthouse on the top of the building. He stated that this would make it easy to maintain the equipment and keep noise away from the rest of the building.

Page 81 of 162

The view from the northeast (Slide 25) showed outdoor balcony spaces. Slides 27 and 28 showed the interior of the building. He pointed out the Learning Stair in Slide 28, which was adjacent to the stairs that go to the second floor. He stated that this was an area students could gather around to "see and be seen." This slide also showed the 80-person

classroom. He noted that the walls of the classroom could be opened and the area could be used as an event space.

Slides 29-34 showed the building floor plans. Mr. Scott noted that the campus data center would be located on the first floor of the building and would include an emergency generator. Dental hygiene would be located on the first floor; radiology, respiratory care, nursing, and intra-professional spaces would be located on the second and third floors; social work and advising would also be located on the third floor; and the fourth floor would house faculty offices. Slide 35 showed a building section diagram looking south.

Mr. Scott noted that the budget for the project was \$29.25 million. He stated that estimates had been done by the construction manager at risk as well as his firm and they were working to reconcile the differences in the numbers. He reported that they expected to have construction documents finished in June and construction started in August 2017. He stated that the anticipated move in date should be December 2018.

Mrs. Marks commented that she appreciated how they had embraced the legacy of the past with the arches, brick, and tile work. She added that the design was very appealing. She asked how many ladies rooms were in the building. Mr. Scott responded that the Gunn College faculty indicated that there were more female students in the HSHS programs than male. He stated that the first floor restrooms provided the same number of facilities for men and women since the Dental Hygiene Clinic and classrooms that will be used by other academic programs were located on the first floor. He noted that additional women's facilities would be available on each of the upper floors. He added that each floor would also contain a family restroom.

Mrs. Marks asked about the height of the building in comparison to Legacy Hall. Mr. Owen responded that the building would likely be approximately the same height.

Mr. Sanchez stated that while no action was necessary at this time the discussion was very important as the project moved forward.

#### MSU Deferred Maintenance Reports – Campus Condition Index

17-07. Mr. Sanchez noted that the reports included in the Board Book were required by statute and showed deferred maintenance projects completed in FY 16 as well as those planned for the next five years. There being no questions or discussion, Mr. Sanchez noted that this item was presented for information only and no action was necessary.

#### Campus Construction Update

17-08. Mr. Sanchez reported that the Board Book included project status reports as well as a report on smaller construction projects. Mr. Owen presented photographs of current projects as shown in Attachment 2. This information related to the progress of the student housing project, the intramural/athletic turf fields, the mass communication addition project, the West Campus Annex parking lot, and the extension of the landscaping beyond the Jesse Rogers Promenade to the north. Mr. Hessing asked about the student response to the new turf fields. Dr. Lamb responded that the fields were very popular and heavily used by the students.

Mr. Sanchez stated that this item was presented for information only and no action was necessary.

#### Dallas-Fort Worth (DFW) Expansion Update

17-09. Dr. Lamb noted that the university was very close to finalizing the lease with Parker Assets. He added that the faculty and administration had also been working with the architects on the design of the facility. He stated that the facility would be approximately 30,000 rentable square feet. He noted that Parker Assets, the owner of the facility, would take the plans to the Flower Mound Planning and Zoning Commission on November 14 and, soon after, the City Council would be asked for final approval. Dr. Lamb stated that the building would be under construction in January with a seven-month construction time frame.

Dr. Lamb reported that MSU would offer four hybrid health sciences courses at North Central Texas College (NCTC) Flower Mound in the spring 2017 semester. He noted that the courses would be largely online, but each course would meet approximately three times during the semester at NCTC Flower Mound. He added that when MSU's facility opens in fall 2017, degree completion courses in education, radiologic sciences, respiratory care, and nursing would be offered.

Mr. Sanchez asked how students would register for classes since the building would not be complete until August. Dr. Lamb responded that pre-registration would begin in the spring and would be available on-line. He added that the firm was confident the building would be ready in seven months. Mr. Sanchez asked if parking would be an issue. Dr. Lamb responded that MSU would have approximately 150 spaces as part of the lease. He added that the majority of MSU classes would be in the late afternoon or evening when other businesses were not in operation and he did not anticipate a problem with parking.

There being no further discussion, Mr. Sanchez indicated this item was presented for information only and no action was necessary.

#### Campus Plan – Facilities Services Relocation Alternatives

17-10. Mr. Sanchez noted this was an item that had been previously discussed by the Board and asked Dr. Shipley and Mr. Owen to comment. Dr. Shipley stated that at previous meetings the administration had discussed with the Board possible locations for the Facilities Services operations. She noted that the Board Book included information regarding three possible locations. She stated that while funds were not currently available to proceed with this project, the administration wanted to get Board members' opinions regarding which of the options were preferred. She added that this would help with long-term campus planning.

Mr. Owen reviewed the three options shown in the Board Book, those being the Greenhouse Option, the Taft Boulevard Option, and the Hampstead Lane Option. He noted that the Greenhouse Option was the lowest priced option, with facilities moving into the Alumni Center, Sikes Lake Center, and the Outdoor Recreation Center. He stated that while it was the least expensive option, it would likely be the least efficient for facilities operations. The Taft Boulevard Option would move facilities into one general location, and would require the immediate relocation of the Fraternity Commons building. Mr. Owen noted that this location would be farther from the center of the

campus. He discussed the Hampstead Lane Option and noted that the cost of this option was between the other two options. He noted that facilities operations would be in one location and would be closer to the center of campus. He stated that the challenges included the displacement of parking and the close proximity to a residential neighborhood. He added that when Facilities Services moved to another location, Marchman Hall could be razed and the current vehicle yard could be turned into a parking lot with approximately 80 spaces.

Mr. Crosnoe asked about the parking across Hampstead Lane. Mr. Owen responded that if three of the houses owned by MSU were razed and a lot constructed, the area could accommodate approximately 60 spaces. He added that 30 of those spaces would be needed for facilities personnel.

Dr. Shipley commented that as Mr. Owen considered the options with the administration it was agreed that the Hampstead Lane Option would likely be the best for Facilities Services. She indicated she was interested in hearing responses from the Board members.

Mrs. Marks asked about the parking spaces that would be displaced. Mr. Owen responded that the current Police Department lot has 111 spaces and if the home next to that lot is razed, 80 parking spaces could be gained. Those are the 190 spaces that would be displaced through the Hampstead Option; however, only 111 spaces are currently available. He reported that with the parking gained across Hampstead Lane and the spaces gained with the razing of Marchman Hall and using the current vehicle yard, the 111 spaces would be recovered.

Mr. Ayres asked if Facilities Services could fit on the north side of Hampstead. Mr. Owen responded that there was not enough space for the necessary buildings on the north side. Mrs. Marks asked if there were concerns about locating parking on the north side of Hampstead in a residential area. Dr. Shipley stated that she had felt encouragement from the Board to begin to address how the houses would be used. She added her understanding that the houses were originally purchased with the thought that the area would eventually be used for parking. She indicated that the parking would be made to look nice so as not to adversely affect the neighborhood.

Mr. Sanchez asked Mr. Owen if the Hampstead Option was better for convenience and efficiency of the Facilities Services operation. Mr. Owen responded that it was. Mrs. Marks asked if a decision would be made at this meeting. Dr. Shipley responded that the administration was seeking advice from the Board as to whether the Hampstead Option would be acceptable. Mr. Sanchez noted that no funding was available and no action was necessary at this time.

Page 84 of 162

Dr. Givens asked if the Police were agreeable with relocating to the house on the corner of Hampstead Lane and Glenwood Avenue. Dr. Lamb responded that they were very much in favor of a newer, better facility. He added that Chief Coggins had presented a plan to remodel the house into a police station. Dr. Givens asked if the location would enhance safety on campus. Dr. Lamb responded that the new location would not adversely affect response time. Mr. Owen added that the new facility would be slightly larger than the current location.



There being no further discussion, Mr. Sanchez noted that no action was necessary at this time.

Gunn College of Health Sciences and Human Services Landscaping and Parking Project Authorization Request

17-11. Mr. Sanchez reported that the administration was requesting authorization to proceed with a \$1.1 million project for parking and landscaping near the new HSHS building as outlined in the Board Book. He asked Dr. Fowlé to explain the request. Dr. Fowlé referred to Slide 21 in the Randall Scott presentation that showed the site plan. She explained that as part of this project a street would be removed, sidewalks and parking lots added, the plaza area developed, and landscaping installed. She noted that interest earned on the Tuition Revenue Bond (TRB) proceeds would provide funding for this project.

Mr. Crosnoe moved approval of this item as presented; Mrs. Marks seconded the motion. Mr. Ayres asked when this work would be done. Dr. Fowlé responded that the project would begin after the new building was constructed. There being no further discussion, the motion was approved.

Central Campus Sidewalks Project

17-12. Mr. Sanchez reported that funding for this project was approved as part of the overall Higher Education Assistance Fund (HEAF) budget for FY 17. He added that since the total project cost was more than \$500,000, the contract must be authorized by the Board of Regents. He noted that the administration was requesting authorization for the President to finalize this contract at a cost not to exceed \$575,000.

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

Wichita Falls Museum of Art at Midwestern State University – Code of Ethics and Emergency Response and Disaster Preparedness Plan

17-13. Mr. Sanchez stated that Mrs. Marks was the Board of Regents' liaison with the Museum Advisory Board and asked her to comment. Mrs. Marks reported that the Museum was working toward accreditation from the American Alliance of Museums (AAM). She noted that the approval of the attached documents was required as part of the accreditation process. She added that MSU Police Chief Coggins had reviewed the Emergency Response Plan and Mr. Macha had reviewed the Code of Ethics. These documents were also approved by the Museum Advisory Board.

Mr. Crosnoe moved Board approval of these items as presented. Mrs. Marks seconded the motion and it was approved.

Page 85 of 162

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

17-14. Mr. Sanchez noted that the administration recommended ratification of the deaccessioned artworks as presented in the Board Book. Mrs. Marks moved Board approval of this item as presented. Mr. Crosnoe seconded the motion and it was approved.

Adjournment

The Executive Committee discussion concluded at 2:45 p.m.

Reviewed for submission:

A handwritten signature in blue ink, consisting of stylized, overlapping loops and curves, positioned above a horizontal line.

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

**ATTACHMENTS:**

1. Gunn College Building Design Review
2. Construction Update - Project Photographs



# *Re-Imagine Midwestern State* Charting Midwestern State's Future







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine Midwestern State*

**SUPPORT AN OUTSTANDING LEARNING  
ENVIRONMENT**

CREATE A VIBRANT WORKPLACE FOR FACULTY AND STAFF

**THINK GRADS :**

GGROWTH, RETENTION, ACADEMIC EXCELLENCE  
AND DIPLOMAS



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine Midwestern State*

**ATTRACT A BROAD ARRAY OF MSU SUPPORTERS**

***CREATE A COMPELLING  
MESSAGE FOR TODAY'S  
MIDWESTERN STATE !***



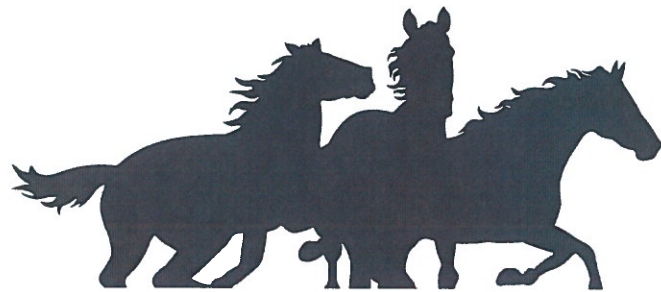
**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### Project Goals (per Dr. Johnston)

- Health Science “**Labs on Display**” to attract potential students and the public to experience the HSHSC
- **Transparency** between departments to promote Interprofessional understanding and collaborative learning
- Provide **activated teaming environments** for students
- Create collaborative lounge spaces that encourage **cross pollination** between disciplines



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### Site Parameters

- HSHSC Building will be the largest academic building on campus warranting an appropriate stature
- Houses the largest College on campus
- Respond to surrounding STEM precinct and encourage collaborative learning
- **Preserve green space** around the HSHSC through verticality (allow the building to breathe)
- Outdoor “**Placemaking**” to create a “**destination place**” for students

Page 89 of 162





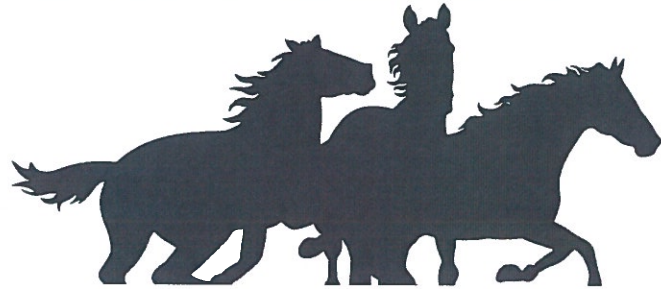
**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### Site Parameters

- Provides “campus edge” along Louis J. Rodriguez Blvd.
- Future Quad to the east with connectivity to Dillard, Bridwell (future One Stop Shop) and McCoy
- “Gateway Building” for commuters once new parking lots to the north and west are completed
- Parking for Dental Hygiene patients
- “Front Door” on the non-campus side
- Covered walkways provide cover, protection and human scale at the ground floor of the building



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### Departmental Zoning

- **First Floor (highest volume of users)**

- Lobby Atriums
- Student Collaboration & Lounge Space
- Vertical Circulation
- Dental Hygiene
- Learning Stair
- “See and Be Seen Area” (peer to peer space)
- Food Kiosk
- (1) 80 Person & (2) 18 Person Classrooms
- Outdoor Classroom
- Multi-purpose Events Space (opens up to Atrium)
- Catering Kitchen
- Public Restrooms







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

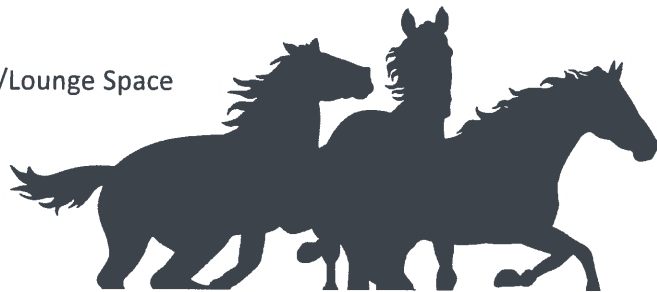
### Departmental Zoning

- **Second Floor (intermediate volume of users)**

- Nursing Simulation
- Radiologic Sciences Labs
- Respiratory Care Labs
- Interprofessional (Collaborative) Operating Simulation Room
- Classroom

- **Third Floor (intermediate volume of users)**

- Nursing Skills Labs
- Classrooms
- Student Collaboration/Lounge Space
- Social Work Dept.



**MIDWESTERN**  
STATE UNIVERSITY™

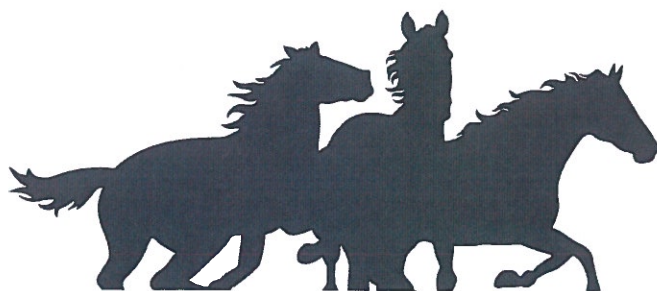
*Re-Imagine*

## Vision Statement

### Departmental Zoning

- **Fourth Floor (lowest volume of users)**

- Dean's Suite
- Faculty Offices (Radiologic Sciences, Respiratory Care & Nursing)
- Student Collaboration/Lounge Space





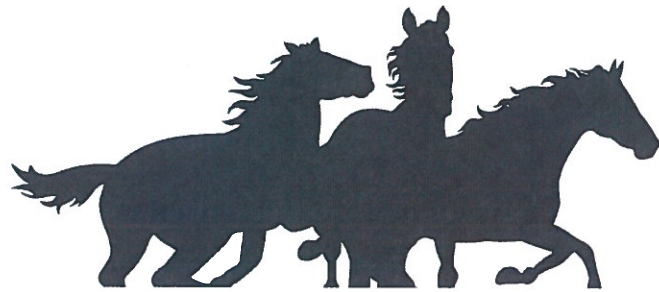
**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### Vertical vs Horizontal Design

- Four story building results in a smaller building footprint
- Preserves green space for students
- Allows the building to breathe amongst neighboring buildings
- Provides a prominent building stature for the largest College on campus
- Premium views for faculty offices will aid in the recruitment of hard to find health sciences faculty
- Consider future vertical expansion to preserve precious land on campus while providing best views of the campus and the city of Wichita Falls



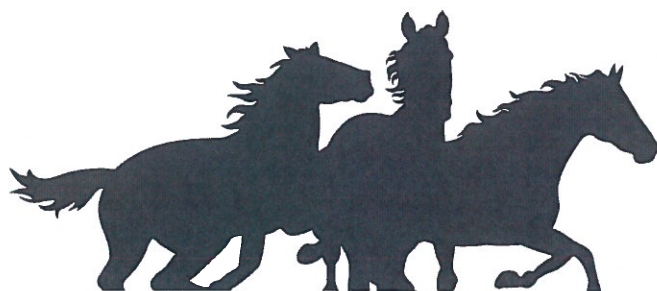
**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Vision Statement

### “The Big Idea”

- Laboratory Theatre concept creates excitement and encourages inter-professional cross-pollination of health professions students
- Atrium floor functions as unifying collaboration lounge & lobby space
- Glass enclosed elevators and grand staircase allow students, faculty and visitors moving through the building to experience health sciences
- Exterior glazing markets the College of Health Sciences to students passing through the quad





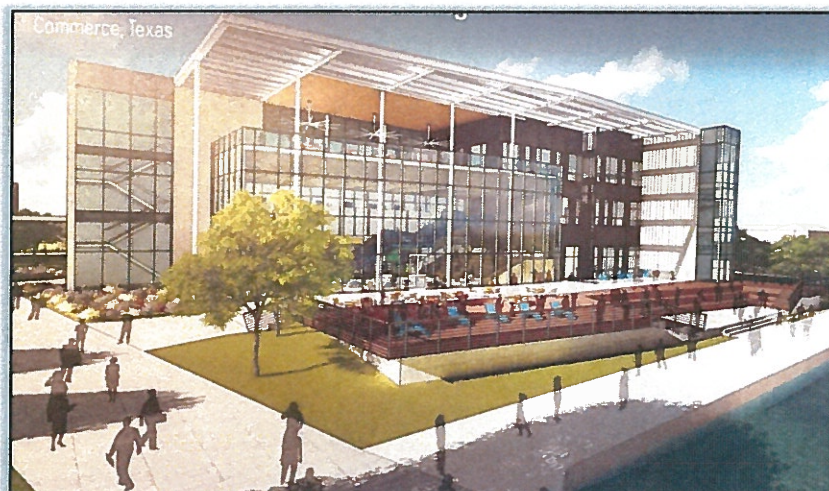
## Who We are Designing For?

- Millennials
- Centennials/Gen Z (currently in high school)
- Faculty & staff



## What MSU's Competitors are Building

Texas A&M  
Commerce Nursing &  
Health Science TRB  
Building





## What MSU's Competitors are Building

Stephen F. Austin  
State University  
STEM TRB Building

### Ed & Gwen Cole STEM Building



## What MSU's Competitors are Building

The  
University of  
Texas at  
Dallas STEM  
TRB Building







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## What MSU's Competitors are Building



The University of Houston



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

MSU Campus Context

## Legacy Buildings







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

MSU Campus Context

## Legacy Buildings



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

MSU Campus Context

## Recent Buildings on Campus



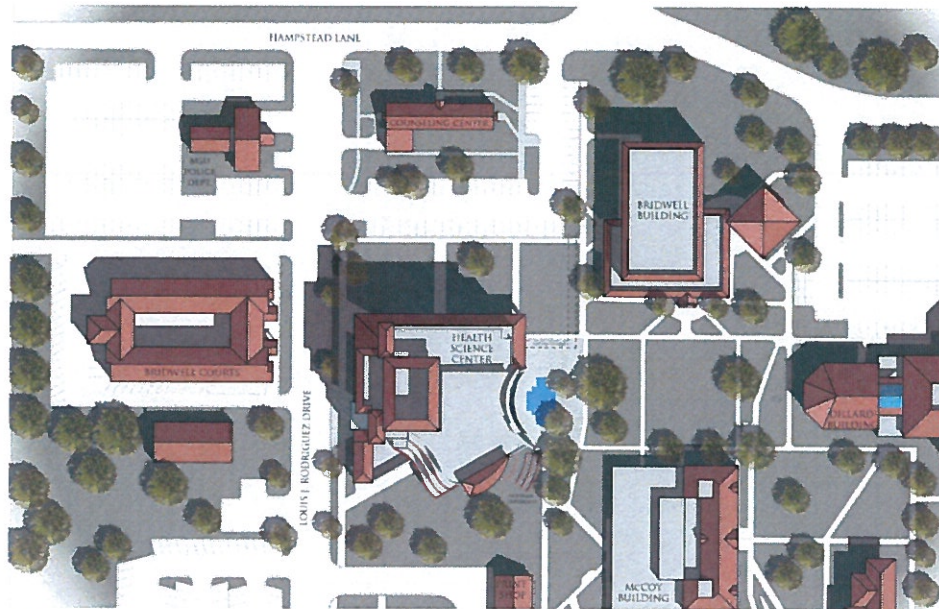




**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Site Plan



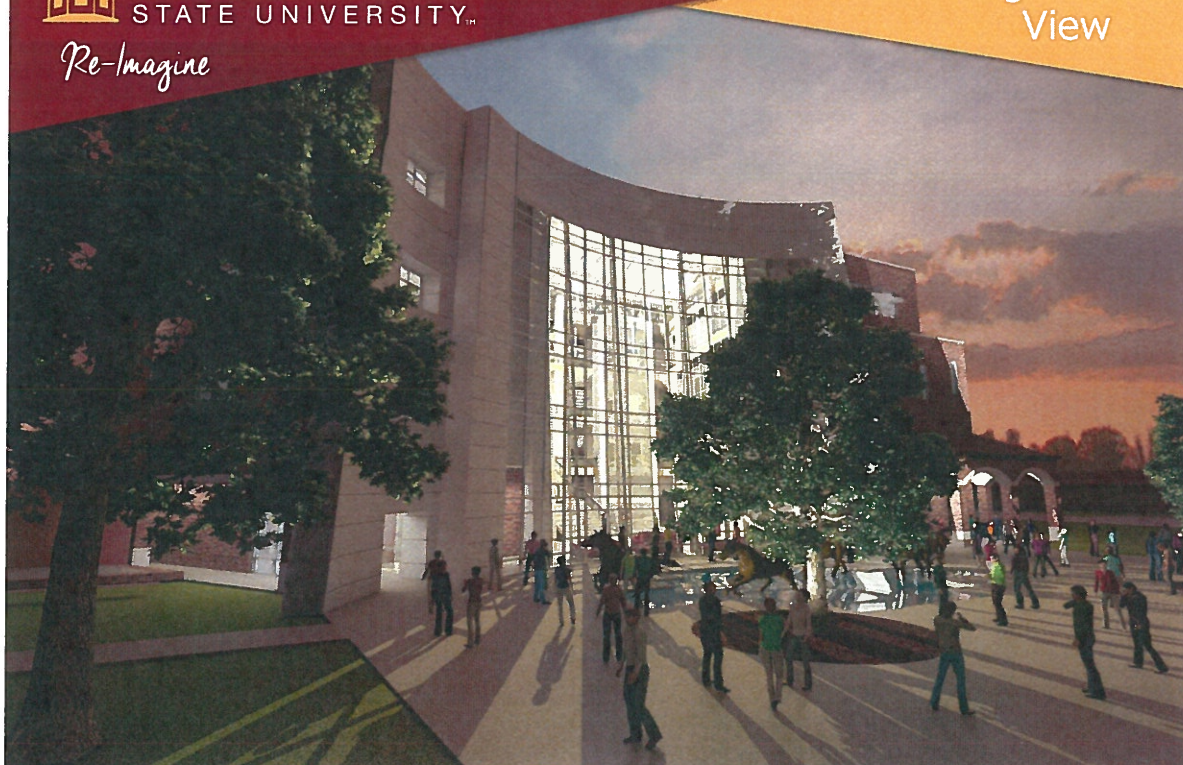
SITE PLAN



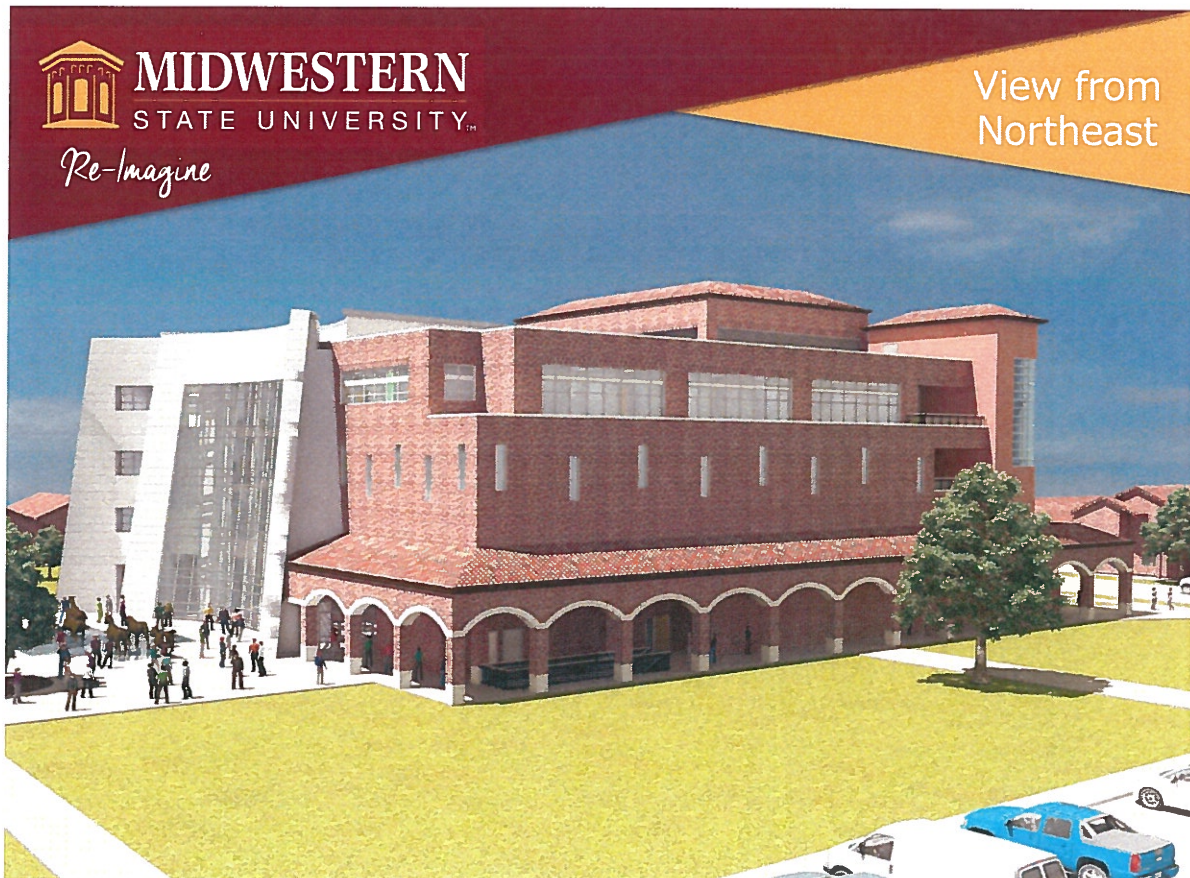
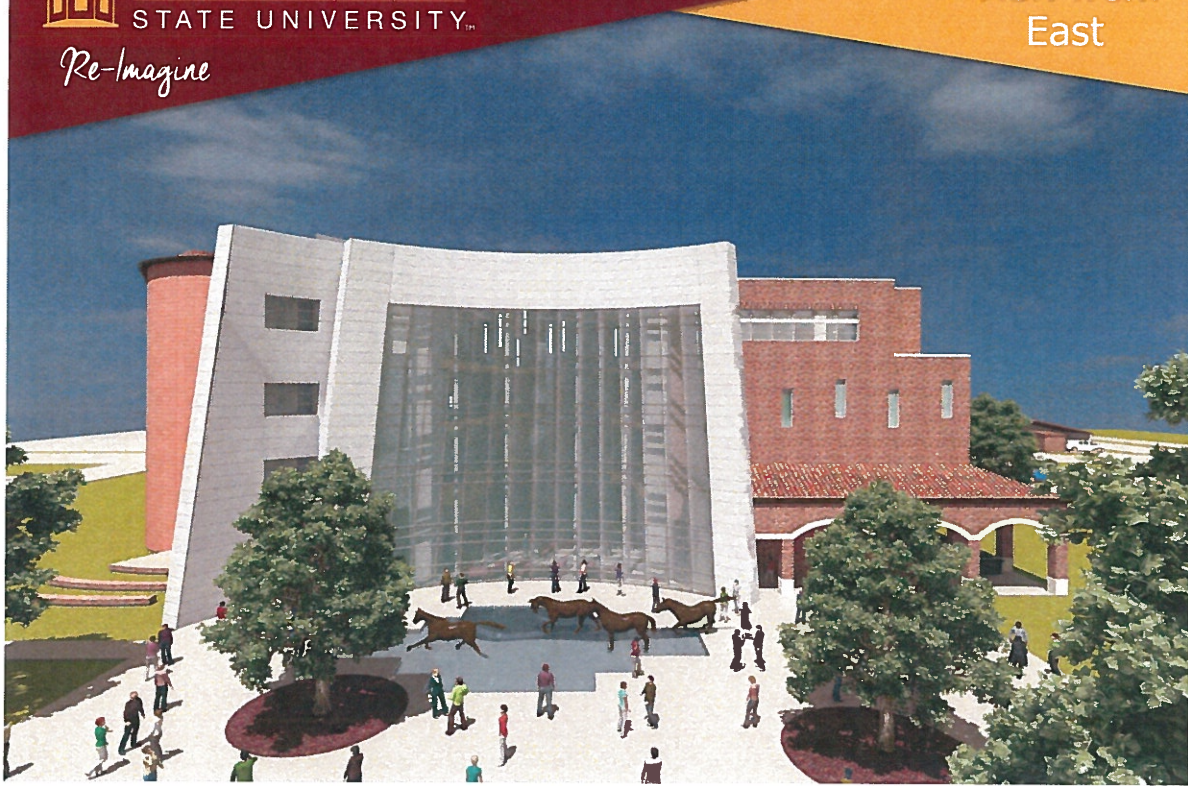
**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Night Time View











**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

View from  
Southwest



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

The Laboratory  
Theatre







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Collaborative Student Lounge



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## First Floor Plan







**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Second Floor Plan



### DEPARTMENT LEGEND

- BUILDING SUPPORT
- CIRCULATION
- CLASROOM
- CLUBHOUSE
- EXTRA PHYS. EDUCATION
- LABORATORY
- RECREATION SERVICES
- RESPIRATORY CARE
- STUDENT / STAFF SUPPORT



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Third Floor Plan



### DEPARTMENT LEGEND

- ADVISORY
- BUILDING SUPPORT
- CIRCULATION
- CLASROOM
- EXTRA PHYS. EDUCATION
- LABORATORY
- RECREATION SERVICES
- STUDENT / STAFF SUPPORT



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Fourth Floor Plan



### DEPARTMENT LEGEND

- BUILDING SUPPORT
- CIRCULATION
- DEANS SUITE
- NURSING
- RADIOLOGICAL SCIENCES
- RESPIRATORY CARE
- STUDENT / STAFF SUPPORT

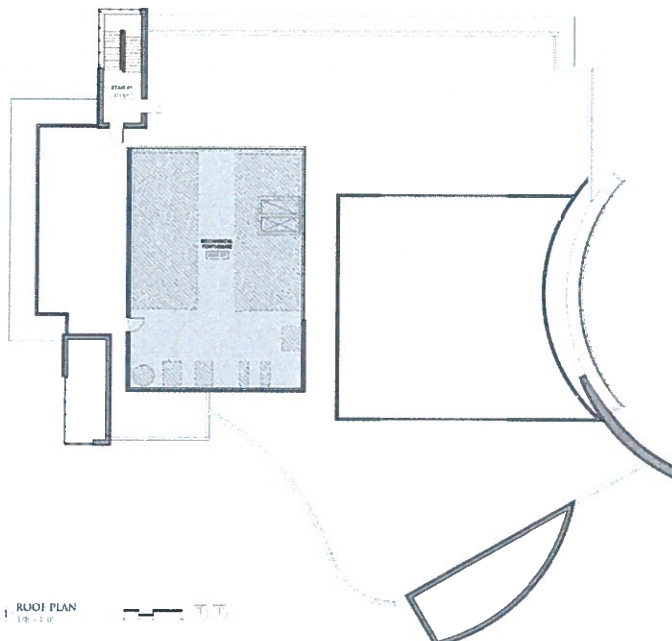
LEVEL 4  
1/8" = 1'-0"



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Penthouse Floor Plan



### DEPARTMENT LEGEND

- BUILDING SUPPORT
- CIRCULATION

ROOF PLAN  
1/8" = 1'-0"

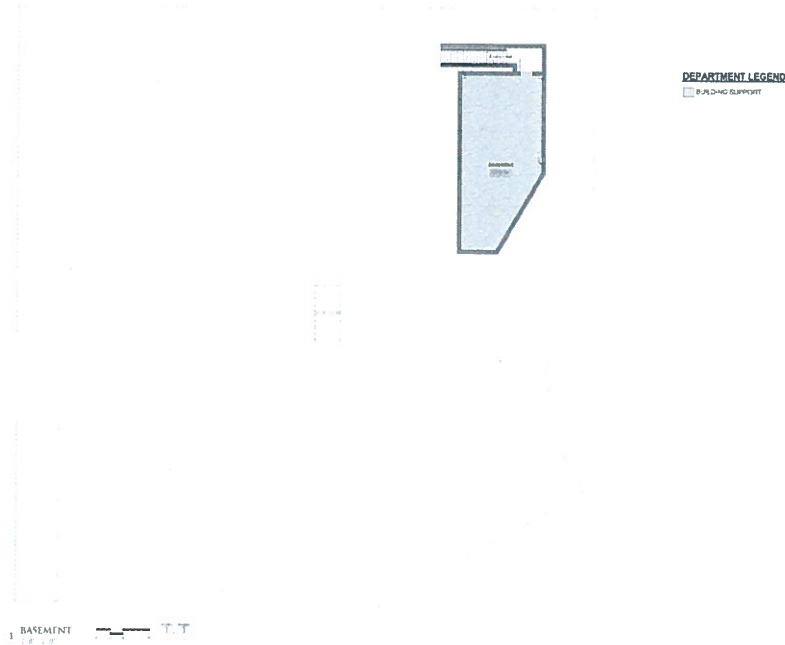




**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

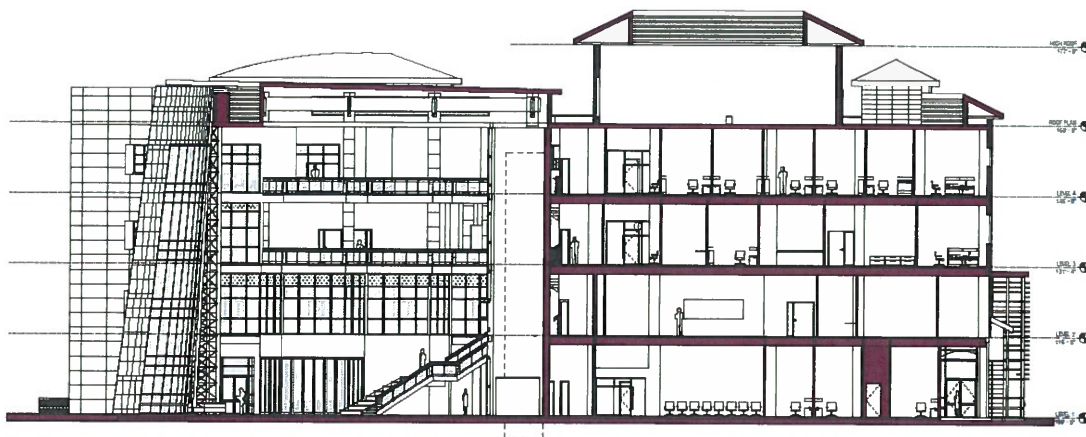
## Basement Floor Plan



**MIDWESTERN**  
STATE UNIVERSITY™

*Re-Imagine*

## Building Section Looking South



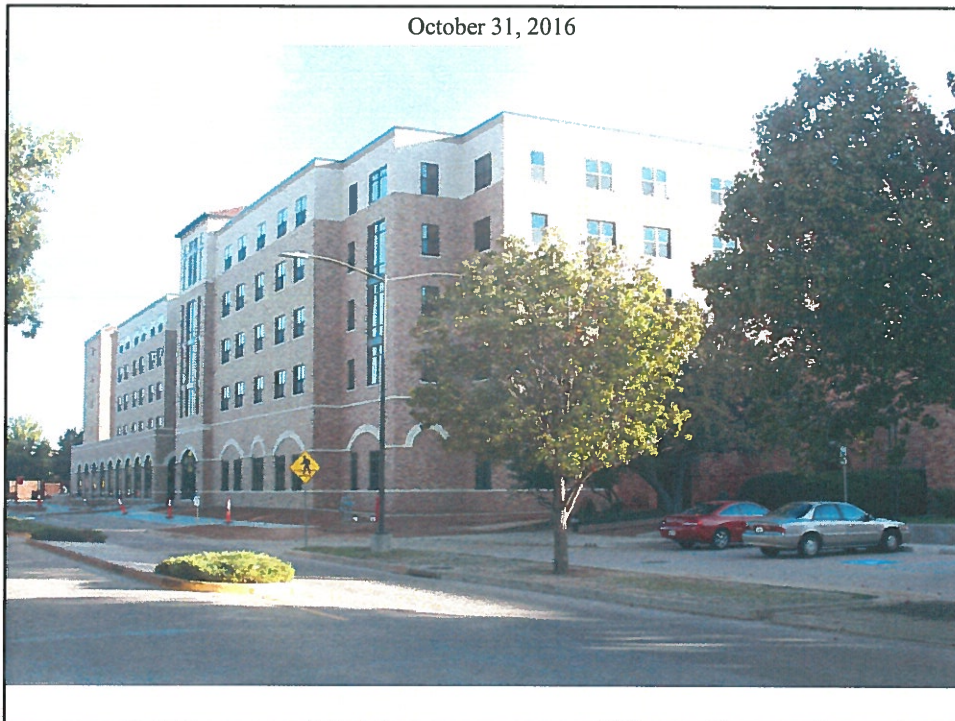




## STUDENT HOUSING PROJECT



October 31, 2016



Page 105 of 162

October 31, 2016



## INTRAMURAL/ATHLETIC TURF





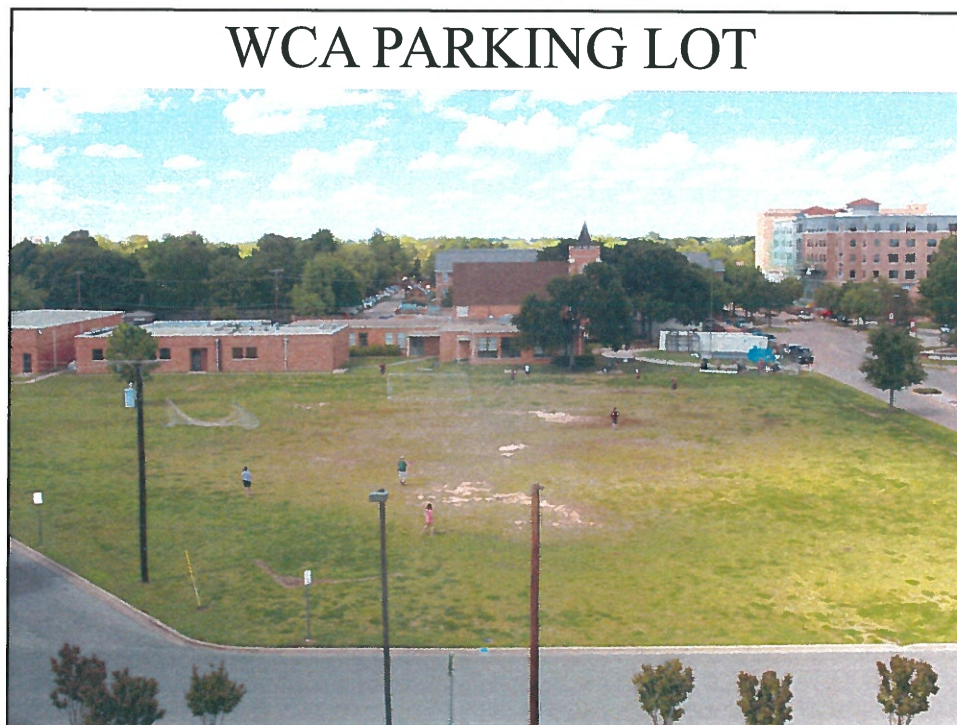
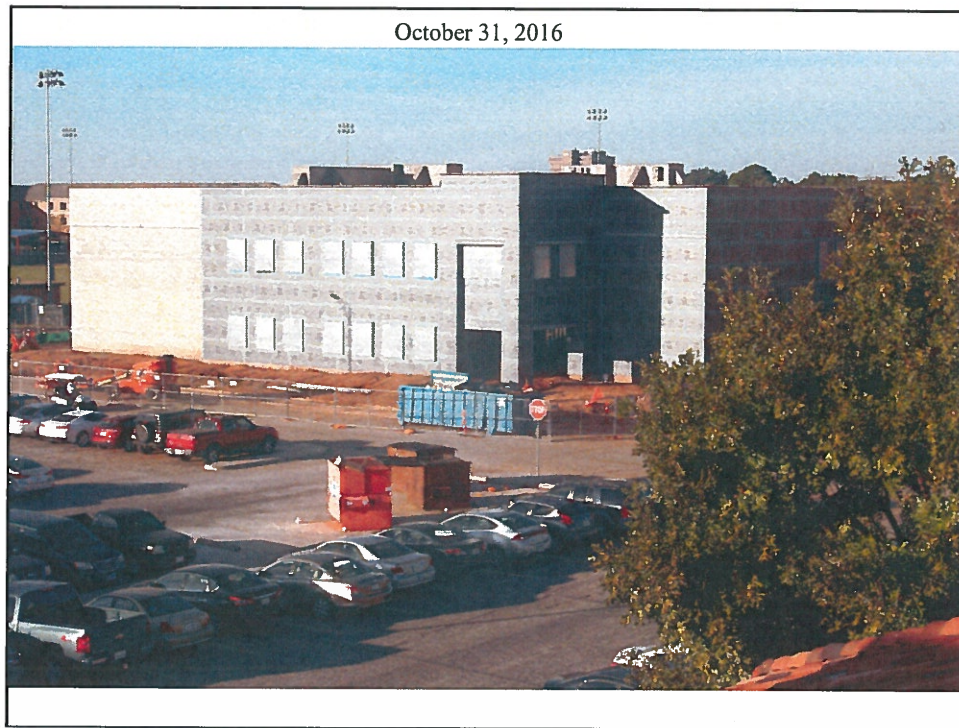
October 31, 2016



## MASS COMM EXPANSION



Page 107 of 162





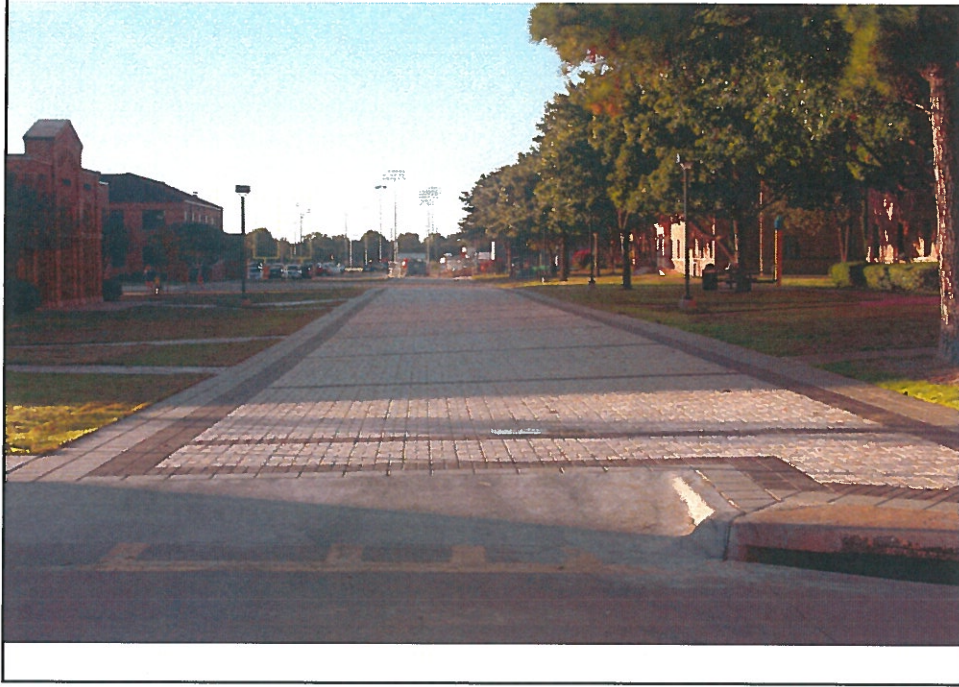
October 31, 2016



## JESSE ROGERS PROMENADE



October 31, 2016



**MINUTES**  
**MIDWESTERN STATE UNIVERSITY**  
**BOARD OF REGENTS**  
**Academic and Student Affairs Committee**  
**November 10, 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 2:45 p.m., Thursday, November 10, 2016. Academic and Student Affairs Committee members in attendance were Dr. Lynwood Givens, Chairman; Mr. Shawn Hessing; Ms. Nancy Marks; and Dr. Shelley Sweatt. Other regents attending the meeting were Mr. Warren Ayres, Ms. Tiffany Burks, Mr. R. Caven Crosnoe, Mr. Jeff Gregg, Mr. Sam Sanchez, 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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. David Carlston, Chairman, MSU Faculty Senate; Dr. Robert Forrester, Assistant Professor of Finance; Ms. Angie Reay, Chair, MSU Staff Senate; Mr. Mario Ramirez, Assistant Director of Student Development and Orientation; Mr. Mark McClendon, Director of Institutional Research and Assessment; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*.

Dr. Givens called the meeting to order at 2:45 p.m.

Reading and Approval of Minutes

17-15. The Academic and Student Affairs Committee approved the minutes of the August 4, 2016, meeting as presented.

Faculty Report

17-16. Dr. David Carlston, Chairman of the Faculty Senate, reported on several matters on behalf of the Senate. He stated that during the November meeting in 2014 he discussed with the Board the results of the faculty satisfaction survey and there was concern regarding transparency and collaboration. He noted that this was not the case at the present time and reported that the faculty had been included in a variety of important processes. He stated that faculty were involved in policy development and review related to Senate Bill 20, and were on a task force to review Admissions and Financial Aid processes. He added that faculty members were also heavily involved in the Strategic Planning process. Dr. Carlston stated that faculty look forward to summer school and that there are concerns in that regard related to budgeting and teaching opportunities. He

Page 111 of 162

added that conversations on the national scene related to accountability in higher education and tenure receive attention from the faculty.

Dr. Carlton introduced Dr. Robert Forrester, Dillard Distinguished Professor of Finance. He noted that Dr. Forrester had received Faculty of the Year Awards from the Dillard College of Business and the Student Government Association. He noted that Dr. Forrester is an excellent teacher and has published and presented multiple papers.

Dr. Forrester thanked the Board for the opportunity to visit with them. He reviewed his presentation (see Attachment 1) and discussed his motivation to teach at MSU. He reported on several courses he had developed or redesigned. He added that the students in his Advanced Issues in Corporate Finance class did a financial analysis of MSU's DFW expansion project. He reported that the analysis came out very favorably. He stated that since he had moved to the finance program, majors in that program had increased by fifty percent. He indicated that his research is in the areas of minority-owned banks, credit unions, and angel investors. He noted that one of his papers on angel investors had been downloaded more than 1,000 times, and during the last month had been downloaded 100 times from sites around the world (see Slide Six). He discussed his work with EURECA and his service to the university and community.

Dr. Givens thanked Dr. Carlston for his report and thanked Dr. Forrester for his presentation.

#### Staff Report

17-17. Ms. Angie Reay, Staff Senate Chair and Associate Director of Residence Life and Housing, indicated that she could echo some of what Dr. Carlston said about transparency on campus. She reported that the staff was actively participating in the Strategic Planning process, and had served on the Fair Labor Standards Act Task Force as well as other compliance committees. She added that the campus was also witnessing the implementation of the 2016 work of the Campus Carry Task Force and the Budget Oversight Committee. Ms. Reay thanked Dr. Shipley for providing funds for the Staff Scholarship. She reported that the fall recipients of a \$250 scholarship were Ms. Ashley Statham, Residence Hall Director, and Ms. Shanna Tole, Radiology Technologist in the Vinson Health Center. Ms. Reay reported that both of these employees were pursuing a master's degree.

Ms. Reay then introduced Mr. Mario Ramirez, Assistant Director of Student Development and Orientation. She reported that he was a past You Make A Difference Award winner and indicated that he was recognized for being a team player, going above and beyond what was needed, and his dedication to MSU.

Page 112 of 162

Mr. Ramirez reviewed his presentation (see Attachment 2) and indicated that he previously served as Activities Coordinator in Student Development and Orientation. He noted that he was a first generation student and was also the first in his family to receive his master's degree. He reviewed his duties as Activities Coordinator and now as Assistant Director. In reviewing Slide Six he noted his strengths included "Woo." Mr. Sanchez asked what Woo stood for. Mr. Ramirez explained that it was "Winning Others Over." He indicated that he appreciated the opportunities MSU had given him.



Dr. Givens thanked Ms. Reay and Mr. Ramirez for their presentations.

#### Student Government Report

17-18. Student Government Association (SGA) President, Shayla Owens, stated that the SGA had been very busy the first few months of school engaging students, meeting with faculty and staff, and crafting the organization's agenda for the 2016-2017 school year. She reported on each of these areas as follows.

##### A. Engaging Students

1. A meet and greet was held for organization executives and advisors.
2. SGA championed the fall leadership conference for executives of student organizations on campus.
3. SGA and the University Programming Board served a late-night breakfast to students in Legacy Hall.
4. The picnic with Dr. Shipley was moved from the Sikes Lawn to the Sikes Lake Center because of rain. Students enjoyed the tricycle races and great food.

B. Faculty and Staff – Students are regularly invited to participate on faculty and staff committees and students have been encouraged by SGA to make an effort to be present and engaged in the discussions.

C. Administrative Agenda for SGA – SGA officers recently attended a national conference for student governments. Ms. Owens reported that they continue to work to brand SGA as the organization that students should come to if they have issues that need to be addressed. She added that they were also working on SGA organizational efficiencies and establishing stronger ties with students.

Dr. Givens thanked Ms. Owens for her report.

#### Athletics Report

17-19. Dr. Givens noted that the report from Athletics was included in the Board Book and was presented as a point of information only. He stated that the previous week Mr. Carr announced his retirement following ten years of service to MSU. On behalf of the Board, Dr. Givens thanked Mr. Carr for his strong leadership of the Athletics Department. He noted that the Board was proud of the MSU student-athletes on and off the field and appreciated all he had done for the program. Dr. Shipley stated that Mr. Carr was unable to attend the meeting as he was preparing for men's and women's soccer team championship playoffs.

#### Enrollment Reports – Fall 2016

17-20. Dr. Givens reported that the fall enrollment report was shown in the Board Book. He noted that enrollment and semester credit hour production increased slightly. He asked Dr. Lamb to review the report. Dr. Lamb reported that the number of new first-time freshmen decreased and, while it was not shown in the report, transfer students increased by 67 students. He added that the number of juniors and seniors increased by 163 students. Mr. Ayres asked if the number of incoming freshmen was below the administration's projection. Dr. Lamb indicated that it was. Mrs. Burks asked if the administration had determined the reasons for the decline. Dr. Lamb responded that the

fall is typically the heavy recruiting time for incoming freshmen the following fall. He reported that for a large part of the fall 2015, the Admissions Office had only one admissions recruiter owing to some transitions in the office as well as individuals out on Family Medical Leave at the same time. He noted that the Admissions Office was fully staffed in the spring and they did very well with recruiting transfer students. He stated that while it was very early, applications for the fall 2017 were up by 25% compared to the same time in the previous year. He added that the number of admitted students was up by a higher percentage as well. Mrs. Burks commented that in 2016 the Board considered a recommendation to automatically admit students in the top 25%. She asked if the staffing issue had any effect on applications being reviewed in a timely manner. Dr. Lamb responded that it did not since the staffing issues related to recruiters and not processors.

#### Financial Aid Profile

17-21. Dr. Givens reported that during the special Board meeting and 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 noted that the report was presented in the Board Book and asked Dr. Lamb to review the information with the Board. Dr. Lamb stated that the information was presented by institutional scholarship category. He noted that the first category, Merit Aid, is given to incoming freshmen based solely on ACT/SAT, or to transfer students solely based on transfer grade point average. He added that students who receive Merit Aid when they enter MSU receive the same amount of money for four consecutive years if they remain in good academic standing. The report also showed Athletic Aid, as well as Activity-Based Aid, which included Student Ambassadors, Peer Counselors, and Admissions Office Tour Guides. He noted that the final category was Need-Based Grants.

Dr. Givens indicated that he was impressed with how closely the awards compared with the student population. He asked if the administration would use the data to affect how funds were distributed in the future. Dr. Lamb responded that the Admissions and Financial Aid Task Force would consider the data in crafting recommendations regarding how the University leverages its scholarship dollars.

#### MSU Strategic Plan

17-22. Dr. Givens asked Dr. Betty Stewart to update the Board on the Strategic Planning process. He noted that information was included in each Regent's folder (see Attachment 3). Dr. Stewart reported that the committee was made up of 26 members, including 14 faculty. She stated that Dr. Scott Meddaugh, Bolin Professor of Petroleum Geology, was co-chair. She noted that Dr. Shipley charged the committee with taking the strategic initiatives and developing a Strategic Plan for the University. Dr. Stewart reported that the committee began in earnest at the end of August to gather information that would help them develop strategies for the goals. She noted that during the process the committee members had learned a great deal about the university. She stated that the members want to ensure that the Plan is used in the future as decisions are made and particularly in the budget process. She reported that as of November 2 the committee members had spent 447 hours gathering information and developing the strategies. She added that the committee planned to submit the Plan to the President in March.


December 2016 Graduating Class

17-23. Dr. Givens reported that the administration recommended approval of the candidates for December 2016 graduation. He noted that 490 students were on the list compared to 437 in 2015. Dr. Sweatt moved approval of these candidates as presented. Mr. Hessing 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:

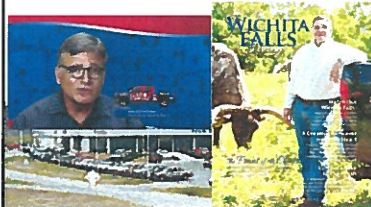
1. Dr. Robert Forrester – Faculty Presentation
2. Mr. Mario Ramirez – Staff Presentation
3. Strategic Plan Committee Information



Board of Regents Faculty Presentation  
Dr. Robert C. Forrester  
Assistant Professor  
Dillard Distinguished Professor of Finance  
November 10, 2016

## Motivation to teach at MSU

- Resident of Wichita and Clay Counties since 1979
- Undergrad degree from MSU
- MBA from MSU
- My wife, Angie, graduated from MSU
- Owned businesses in this area since 1987
- Took classes here
- Understand wants/needs of our students and professors

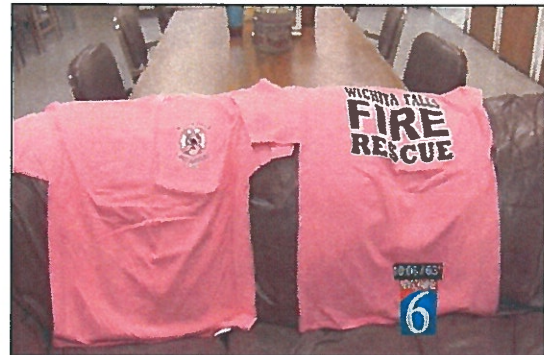


Page 116 of 162



## Teaching – Courses (re)designed & developed

**Promotions Management** – Marketing course developed as live, living laboratory for marketing students. Funded with >\$5,000 per year from Red River Best Chevy Dealers. Incorporates a new element of corporate social responsibility each year.



## Teaching – Contribution to Teaching Effectiveness

### Energy Finance MBA course

- Developed new MBA Energy Finance class. Incorporated field trips, two major industry conferences, and local business practitioners into the curriculum. I was able to get the conference to waive the \$1000 per attendee cost for students and faculty and engaged with DrillingInfo to get a valuable software license for each of our students, Dr. Stambaugh and myself donated (at least \$30,000 contribution).

### Advanced Issues in Corporate Finance

- Worked with DFW task force to incorporate real world DFW campus project into class financial analysis project.



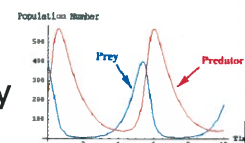
## Author Dashboard



## EURECA



- Oil Price Shocks: Estimating GDP, Local Income and Employment Effects on the North Texas Regional Economy
  - Curt Knobloch
- Too Big to Fail vs. Too Little to Succeed: An application of Lotka/Volterra Predator-Prey Models to the Banking Industry
  - Dareem Antoine
  - Kizelle Williams
- The Effect of Operating Environment on the Performance Characteristics of Single-Bond Occupational Credit Unions: A Post-2008 Recessionary Analysis
  - Evan Knobloch



## EURECA – Current Work for Local and State Impact

- Economic Impact of MSU on Local Region
  - Hezekiah Agbo
  - Nemanja Krtolica
  - Addison Thompson
- Assessing Market Risk for Student Managed Investment Funds
  - Luca Lalor
  - Hezekiah Agbo
  - Kevin Thompson
- Economic Impact of Increased Educational Attainment Levels of Hispanics on the Texas Economy
  - Yuqi Zhao
  - Jiaming Zhang

## Service – College

- DCOBA Student Managed Investment Fund Advisory Committee
- DCOBA Business Advisory Board
  - Co-Chair Outreach Committee
- DCOBA Distinguished Alumni Selection Committee
- DCOBA Strategic Planning Committee
- IDEA WF Sponsor (Sixth Straight Year)
- Munir Lalani Entrepreneurship Board (2009- 2010)
- Promotions Management Class sponsor since 2011  
(\$2500 for 2011; \$5000 annually through 2016)

Page 119 of 162

## Service – University

- MSU 2016 Annual Fund – I was the 2016 Annual Fund voice and requested funds from faculty and staff through maillots from Steve Shipp's office
- MSU Academic Advising Committee
- MSU DCOBA Wichita Falls Regional Economic Outlook Report Sponsor
- MSU DFW Campus Feasibility Task Force
- MSU Faculty Grievance Committee
- MSU Mustangs Athletic Booster
- MSU President's Excellence Member since 2009
- MSU Career Management Business Etiquette Dinner Sponsor since 2006
- Munir Lalani Entrepreneurship Board (2009- 2010)

## Service – Community

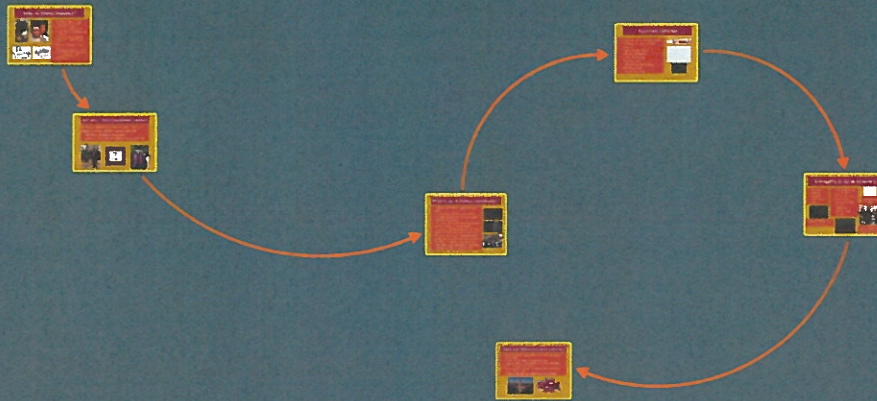
- Lighthouse for the Blind Board of Directors
- Red River Best Chevy Dealers – Founding President
- Federal Reserve Bank of Dallas – Eleventh Federal Reserve District (Texas, Southern New Mexico, Northern Louisiana) Texas Retail Outlook Survey Participant. Tenth year of a one-year term.
- Oil and the Economy: Adapting to a New Reality
- Clay County Hospital Board of Directors (2007-2011)
- Clay County Hospital Foundation – (2004 – 2011) Former Chair
- Clay County Hospital – Forrester Wellness Center – Founder 2002

## Service – Community - Previous

- Senior Junior Forum Installation Banquet – Guest Speaker
- Better Business Bureau Torch Awards – Master of Ceremonies 2012, 2013)
- BBB Torch Awards for Ethics Steering Committee 2011, 2012

Questions?





**Who is Mario Ramirez?**  
*Assistant Director  
Student Development & Orientation*

## Who is Mario Ramirez?



- I was born in Eagle Pass Texas.
- Moved to Fort Worth in 2004.
- Came to MSU in 2007.
- My wife is Norma Ramirez, the Assistant Director for Residence Life and Housing.
- I have lived in every building on Campus. I currently live in Legacy Hall.
- Don't have children, but we have Zeus.
- Started as an Activities Coordinator and now the Assistant Director of Student Development and Orientation.

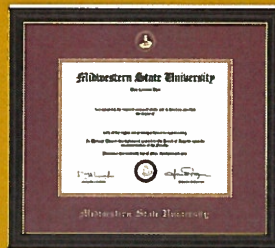




## MY MSU - First Generation Student

I came to Midwestern as my last option, but soon found that it was the best decision of my life.

- Bachelor of Music in Education
- Master of Education in Educational Leadership



## What is an Activities Coordinator?

- I advised the University Programing Board (UPB).
- I planned our traditional events such as Stampede Week, Family Day, Homecoming, Finals Frenzy and more.
- I lead some of our multicultural and diversity initiatives. Hispanic Heritage Month, International Education Week, Black History Month, Women's History Month, and more.
- The key to success is to be involved around campus and get to know as many students as possible. I encourage students to get out of their comfort zones and explore. You need to experience college to its full potential.





## Assistant Director

- Fraternity and Sorority community, including IFC, MGC and NPC Councils
- Student Organizations
- Advisor Development
- Leadership Training
- Volunteer MSU
- Multicultural Organizations
- Waikun yearbook
- Program Assessment

**VOLUNTEER MSU**  
**Get Involved**



## Strengths & Achievements

- Futuristic
- Ideation
- Positivity
- Inclusiveness
- Woo



Leadership Wichita Falls  
Class 2015

- Staff Member of the Year 2013-2014
- Staff Member of the Year 2014-2015
- Advisor of the Year 2015-2016
- Staff Senate 2016-2017, Exec. Committee



Zavala Hispanic  
Cultural Initiative, Vice  
President



Charter Member of Kappa  
Kappa Psi Gamma Alpha Chapter  
at Midwestern State University



## ***Thank you Midwestern State University!***

- I have worked hard for opportunities as a first generation Hispanic college student.
- I feel that my career allows me to impact all students.
- I enjoy the challenges that come with working with students from diverse backgrounds and cultures.
- I collaborate with and support all programs/events, athletic teams, departments and colleges.
- **I LOVE what I do, and I am thankful to call MSU my home.**



# ***Thank You!***



# THE NEW CENTURY STRATEGIC INITIATIVES

## BUILDING BRIDGES TO A VIBRANT FUTURE FOR MSU

**Welcome to Midwestern State University's New Century Strategic Initiative, the bridge from historic excellence to future opportunity.**

Bridges are engineering marvels that lift us above turbulent waters or difficult terrain. They link one place to another, one person to their neighbor. They are things of beauty in the physical world and strong vehicles for relationships in emotional terms. Bridges can be designed, built, but also repaired. In music a bridge can move us from one melody to another, from one key to the next. A bridge's span can suspend us, give us the pause necessary for transition. It is completely right to choose a bridge as the symbol for Midwestern State's planning for its second century. We have described ourselves as a family, a team, a community that depends upon connections. Let's lean into those things that connect us to each other, to our rich and storied past, to our liberal arts mission, even as we together build bridges into a future filled with promise.

### MIDWESTERN STATE UNIVERSITY WILL BUILD BRIDGES INTO OUR NEXT CENTURY BY:

#### 1. PROMOTING A STRONG UNIVERSITY COMMUNITY.

- A. Attract, retain, and reward faculty and staff who expect and extend an environment of the highest quality. Encourage all faculty and staff to actively engage students in inquiry, research, creative, athletic, service and artistic endeavors. Support faculty's dedication to excellent teaching and scholarly activity.
- B. Create a vibrant workplace that encourages diversity, values the opinions of community stakeholders, creates strong and effective governance systems, and recognizes the outstanding work of individuals and departments.

- C. Be a first-choice employer with competitive compensation and an environment that welcomes and rewards employees' passion for their work in and out of the classroom. Invest in the MSU family.

- D. Establish clearly the mission of the university and develop a comprehensive marketing and branding program that effectively translates that to the expanded region.

- E. Create benchmarks and measurements reflective of MSU's goal to be among the best Council of Public Liberal Arts Colleges (COPLAC). Be good stewards of our public liberal arts mission.



## **2. AGGRESSIVELY PURSUING NEW STUDENT POPULATIONS.**

- A.** Build upon our well-established reputation for students seeking a fulltime, residential, liberal arts experience.
- B.** Offer academic programs and degrees in multiple locations.
- C.** Actively market adult completion on-line programs, the Bachelor of Applied Arts and Sciences (BAAS), as well as K-12 teachers and retirees.
- D.** Maintain a welcoming environment for all. Reflect and serve the diverse Texas college-going population.
- E.** Add 2,000 new students by the fall 2022 semester.

## **3. CREATING A DESTINATION RESIDENTIAL UNIVERSITY.**

- A.** Increase recreational, cultural, and leadership opportunities for students of all cultural backgrounds.
- B.** Provide a strong student support system to ensure that students remain in school, are actively engaged in campus life and service, and graduate.
  - a.** Expand the Academic Success Center into a student advising and mentoring center providing centralized campus tutoring, increased supplemental instruction and advising, and a one-stop approach to student services.
  - b.** Develop a signature first-year experience.
- C.** Create appealing global learning opportunities at home and abroad.

- D.** Deliver education in modes that meet students' needs and expectations while maintaining affordability. Embrace current technological trends in administration, classrooms, and laboratories, and develop a funding plan to meet these needs.
- E.** Provide a campus that is not only considered to be the most beautiful in Texas but is also safe, readily accessible, and easy to use. Employ technology and digital media outreach to enhance undergraduate and graduate enrollment.

## **4. STIMULATING A CULTURE OF ENGAGEMENT.**

- A.** Support the Wichita Falls community by providing an educated workforce, stimulating economic development, and serving as a leader in shaping the city's future.
- B.** Support Sheppard Air Force Base and improve outreach to and articulation agreements with community colleges.
- C.** Develop premier programming in the academics, arts, and athletics for a wide range of stakeholders. Position the Wichita Falls Museum of Art at MSU (WFMA) and the NCAA Division II program as models of excellence.
- D.** Revitalize and expand the university's infrastructure and financial base to improve efficiency and affordability.
- E.** Expand the university's donor base to include new populations and engage existing donors in new ways.

Page 127 of 162

## **Committee Members/Goals for Strategic Planning**

### **Goal 1**

Cammie Dean, Director, Student Development and Orientation  
Reagan Foster\*, Counselor  
Dr. Jeff Killion, Chair, Radiologic Sciences  
Dr. Adam Lei, Bridwell Distinguished Professor of Finance  
Dr. Scott Meddaugh, Bolin Professor of Petroleum Geology  
Dr. Bev Stiles, Chair and Professor of Sociology  
Debbie Vaughn, Senior Budget Analyst, Business Affairs and Finance  
Dr. Bradley Wilson, Assistant Professor of Mass Communication

### **Goal 2**

Dr. Emily Reeves, Assistant Professor of Curriculum and Learning  
Dr. Emily Rutherford, Assistant Professor of Special Education  
Dr. Jeff Stambaugh\*, Director, Dillard Center for Energy Management  
Dr. Kathleen Williamson, Chair, Wilson School of Nursing  
Lindsey Shelley, Master's Family Nurse Practitioner student and Student Regent

### **Goal 3**

Leslie Berryhill, Instructional Designer, Extended Education  
Dr. David Carlston\*, Professor of Psychology  
Karen Dabney, Assistant Professor of Theatre  
Charles Frazier, SGA representative  
Dr. Terry Griffin, Assistant Professor, Computer Science  
Manny Hoffmann, SGA Vice President  
Newman Wong, Research Analyst

### **Goal 4**

Venera Flores-Stafford\*, Senior Associate Athletics Director and Senior Woman's Administrator  
Dr. Jeffrey Oxford, Chair and Professor of Foreign Languages  
Catherine Prose, Associate Professor of Art  
Steve Shipp, Director, University Development  
Jolene Welch, Assistant to the Provost for Academic Budgetary Affairs

\*Group Leaders

**MINUTES  
MIDWESTERN STATE UNIVERSITY  
BOARD OF REGENTS  
Finance Committee  
November 10, 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 3:50 p.m., Thursday, November 10, 2016. Committee members in attendance were Mr. Jeff Gregg, Chairman; Mr. Warren Ayres; 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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs. Other university personnel attending the meeting included Dr. David Carlston, Chairman, MSU Faculty Senate; Ms. Angie Reay, Chair, MSU Staff Senate; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*.

Chairman Gregg called the meeting to order at 3:50 p.m.

Reading and Approval of Minutes

17-24. The Finance Committee approved the minutes of the August 4, 2016, meeting as presented.

Summaries of Financial Support

17-25. Mr. Gregg noted that this item included the summaries of financial support received in FY 16 and FY 17. He stated that the Board Book contained the report in the format that had been used in the past, as well as new reports and formats developed by the Office of the Vice President for University Advancement and Public Affairs. He noted that two reports were left out of the original Board Book and were emailed to the board (see Attachment 1). He stated that before Mr. Vidmar explained the reports he would highlight some of the major gifts received since the last meeting of the Board.

- A. United Supermarkets, LLC committed to a \$1 million cash gift payable over ten years for Legacy Hall naming privileges and establishing the United Market Street Endowed Scholarship Fund.
- B. Dr. Paul Bice contributed \$20,000 to the President's Excellence Circle and the Bice Maui Sabbatical for Faculty of the Fain College of Fine Arts and the Prothro-Yeager College of Humanities and Social Sciences, valued at \$10,000.

Page 129 of 162

- C. Fairway Outdoor Advertising is an MSU Athletics Corporate Sponsor for FY 17, contributing advertising valued at \$30,000.
- D. A generous contribution of \$25,000 was received from Mr. Chris Hunnewell for the Lamar D. Fain College of Fine Arts for scholarships and other needs of the Mass Communication Department.
- E. Mr. Al Guinn donated \$20,000 for the Laing/Guinn Challenge to match new and lapsed donors to the Annual Fund.
- F. The Dalquest Desert Research Station received \$15,000 from Mr. and Mrs. Warren Ayres to purchase much-needed equipment.
- G. The MSU Cycling Team received \$15,000 from Hotter 'N Hell Hundred.

Mr. Gregg stated that the support from the community, alumni, and friends was outstanding. He then asked Mr. Vidmar to review the reports and discuss the new reporting format.

Mr. Vidmar noted that the reports presented were fundraising attainment reports. He stated that Dr. Shipley charged his area with creating reports that were clear, concise, comprehensive, and campaign friendly. He then reviewed the reports shown in the Board Book. He noted the report that outlined FY 16 Monthly Comparison of Cash/Grants included a goal of \$4 million, the various types of income, and a comparison to FY 15. He added that two types of income, Outside Sources of Scholarships and Alumni Memberships, were not included in these numbers in accordance with best practices.

The next report was FY 16 Monthly Comparison of New Gifts and Commitments. Mr. Vidmar noted that this report showed the philanthropic cash from the previous report and added Bequest Intentions and Pledges. He added that the graphic of progress to the goal was in error and should have shown 99% completion of the goal.

The third chart presented the sources of outright gifts/grants for FY 16. He noted that the chart did not include pledges or gifts-in-kind. Mr. Vidmar stated that the same reports were shown through the end of September for FY 17.

Mr. Sanchez asked how the pie chart compared to those of other universities. Mr. Vidmar responded that the percentage of gifts from alumni and friends in FY 16 appeared lower than he would expect while the gifts from foundations were higher. He added that since this was a snapshot of one year there was not enough data to determine what the comparison would be over time. Mr. Ayres asked what the numbers should be when compared to MSU's peer group. Mr. Vidmar responded that he would like to see gifts from alumni and friends in the 50% to 65% range. He added, however, that MSU had alumni and friends who were tied to foundations and that could be what was driving the gifts from the foundation higher.



Mr. Gregg thanked Mr. Vidmar for his report. He reminded Board members that thank you notes were in their folders and encouraged them to write to the individuals they were assigned.

#### FY 16 Quasi-Endowment Fund Reports

17-26. Mr. Gregg reported that the quasi-endowment reports on the Redwine Fund and the Frank and Nancy Harvey Student Development Fund were included in the Board Book for information purposes. He noted that the Redwine Fund earnings were used to support the Honors Program and university scholarships, and the Harvey Fund earnings were allocated as well to university scholarships. Mr. Gregg noted that these reports were presented as a point of information only.

#### Fair Labor Standards Act (FLSA) Changes

17-27. Mr. Gregg asked Dr. Fowlé to provide information regarding the FLSA changes. Dr. Fowlé reported that the changes related to the classification and qualification of exempt and non-exempt employees. She stated that exempt employees are not eligible for overtime. She added that an employee designated as exempt must be at a certain salary level and perform high-level work. She reported that the current law requires a salary level of \$23,660 annually for an individual to qualify as an exempt employee. She noted that the federal Department of Labor reviewed the FLSA and increased the salary level to \$47,476 annually, effective December 1. Dr. Fowlé reported that change would result in approximately 100 exempt positions at MSU would no longer meet the salary test. She noted that Dr. Shipley appointed an FLSA Task Force to look at the law, review the positions that would be affected, and make recommendations as deemed necessary. She stated that the Task Force did not recommend changes to any positions, but recommended other ways to adjust schedules and provide compensatory time when necessary. Dr. Fowlé asked Ms. Angie Reay to comment on the test program in the Office of Housing and Residence Life. Ms. Reay reported that they tested flex scheduling with the Residence Life staff, including the live-in hall directors, and that it had been very successful. Dr. Fowlé reported that the Task Force also recommended the implementation of a timekeeping system. She noted that an electronic time clock system would be implemented over time.

Mr. Crosnoe stated he had read that Admissions was an area that would be greatly affected by this change. Dr. Lamb responded that recruiters travel a great deal, attend college fairs during the day and into the evening, review applications, and communicate with prospective students. He stated that the administration would look at flex time for these employees and would also provide additional time off before and after holidays. He added that they had tracked hours during the fall recruiting season and since September the admissions officers had worked approximately 90 overtime hours.

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

Page 131 of 162

#### Financial Report

17-28. Mr. Gregg reported that the administration recommended acceptance of the July 2016 financial report as previously distributed. He stated that Dr. Fowlé's summary of the report was included in the Board Book. He asked Dr. Fowlé to provide preliminary

information regarding the FY 16 End-of-Year Report and noted the information was included in the Board Book.

Dr. Fowlé reported that Mr. Stovall was finalizing the Annual Financial Report for FY 16 and it would be forwarded to the Board in the coming weeks. She then reviewed the presentation, noting that some of the slides in the Board Book were changed after the Book was published to make the charts clearer (see Attachment 2). She explained that Net Income was the difference between revenues and expenses (see Slide 2). Slide 3 reviewed Income Sources and Dr. Fowlé explained that Sales and Services included housing and food service revenue. She noted that as the number of students living on campus increased, the Sales and Services numbers also increased. Slide 4 showed Payroll Expenses. Dr. Fowlé pointed out that salaries and wages had increased by 17% during the last seven years while payroll-related costs had increased by 77% in the same time period. She explained that the majority of the increase was the cost of health insurance for employees and retirees. Slide 5 showed Expenses Other Than Payroll and Dr. Fowlé noted the two largest expenses were Depreciation as well as Scholarships and Grants.

Mr. Crosnoe asked if depreciation was budgeted and Dr. Fowlé responded that it was not. He asked if the increased depreciation foretold a significant future expenditure related to replacement assets. Dr. Fowlé noted that the last large increase in depreciation was related to the \$8 million gift of software the university received that had to be depreciated over three years. Dr. Shipley stated that the Board should be made aware of any significant issues with needed repairs or expenditures necessary to maintain the campus. Mr. Hessing added that he would like to see information on historical repairs, maintenance, and capital expenditures in relation to the depreciation costs. Dr. Fowlé responded that this information would be provided to the Board.

Slide 6 showed the university's Financial Assets. Dr. Fowlé commented that in the area of Investments, the large increase was the result of moving cash to the Texas A&M University System, and the decrease was the Legacy Hall bond funds that were invested and then drawn on as needed. She noted that another increase would be seen with the investment of the Tuition Revenue Bond (TRB) funding. Slide 7 showed Physical Assets other than Buildings and Infrastructure. Dr. Fowlé noted that the Intangible Assets included the large gift of software that was previously mentioned. Slide 8 showed the Buildings and Infrastructure. She added that this amount is depreciated over time and the increase in FY 16 was Legacy Hall. Mr. Ayres asked if this was net of depreciation. Dr. Fowlé responded that it was.

Slide 9 showed Current Liabilities. She noted that deferred revenues were the tuition and fee payments that are made in August before the new fiscal year began in September. She indicated the increase was the result of tuition and fee increases. Slide 10 showed Non-Current Liabilities which are bond payments, with the large increase being the bond for Legacy Hall. Slide 11 showed Net Assets, or the difference between Assets and Liabilities. Slide 12 showed the university's Net Position which included capital, restricted, and unrestricted assets.

Page 132 of 162

Dr. Fowlé concluded her report with the information shown on Slide 13. She stated that she was pleased with the university's financial position and noted that it had remained

steady from the previous year. She added the university was near its limit on debt capacity. Mr. Ayres asked about the average length of debt issued for MSU. Dr. Fowlé responded that the TRB bond was for 20 years. She added that Dr. Shipley had asked her to prepare a long-term view of the university's debt to assist with future planning.

Mrs. Marks noted that the summary indicated that "some unusual occurrences" had caused an increase in assets and liabilities. She asked for an example of an unusual occurrence. Dr. Fowlé responded that an example was the opening of a new building, since it does not occur every year. Mr. Stovall added that in the previous year new accounting standards required institutions to include underfunded pensions on the books, which was an \$8 million addition to MSU liabilities.

Mr. Sanchez asked if the university had options related to rising health insurance costs. Dr. Fowlé responded that MSU's health insurance was through the Employee's Retirement System of Texas and all of the bidding and pricing was done at the state level. She noted that health insurance costs in FY 17 increased by 11% and would likely increase by a similar amount in FY 18.

Mr. Ayres asked about the amount of MSU's underfunded pension liability. Mr. Stovall responded that at year end MSU's share was \$9.6 million. Dr. Fowlé noted that this related to retirement benefits for employees participating in the Teacher Retirement System of Texas. The program is funded at the state level at 82% of future liabilities. She added that the legislature would likely continue to address this matter in the upcoming legislative session. She stated that while the state is liable for these benefits, the Governmental Accounting Standards Board (GASB) regulations required the liability to be booked. Dr. Shipley commented that she came from a state that recently addressed this matter and mounted a campaign to get the state to fund the post-retirement benefits. She noted that accrediting bodies counted the unfunded liability against the higher education institutions and it made it more difficult to receive reaccreditation. Dr. Fowlé stated that there was now discussion that GASB could possibly require the booking of the future retirement health insurance liability, which could be a much larger amount. Mr. Stovall explained that there were no fiduciary plan assets for retiree insurance. Mr. Crosnoe asked who paid the cost of retiree health benefits. Mr. Stovall responded that the state bears the cost if the retiree was paid from state funds, and the university bears the cost for employees that don't retire on state funds.

Mr. Crosnoe moved the Board accept the July financial report as presented. Dr. Givens seconded the motion and it was approved.

#### Investment Report

17-29. Mr. Gregg noted that the administration recommended the Board's acceptance of the fourth quarter FY 2016 investment report as previously distributed. He stated that Dr. Fowlé's report summary was presented in the Board Book.

Page 133 of 162

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

Review of Personnel Reports and Salary/Title/Position Changes in FY 16 and FY 17 Budgets

17-30 – 31. Mr. Gregg stated that the reports of personnel changes in July, August, and September were presented in the Board Book for ratification. He noted that the majority of the changes were related to positions being filled above or below the budgeted amount, overlaps with exiting and entering employees for continuity purposes, and a reclassification.

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

Gearing Up for a Comprehensive Campaign – New Position

17-32. Mr. Gregg noted that the item in the Board Book outlined some of the background information regarding the comprehensive campaign as well as the administration's request for a new position. Dr. Shipley reported that to move forward with a campaign she had made three requests to Foundations to support the cost of the campaign. She stated that one of the requests had been positively answered and the administration would like to apply those funds to hire an individual to assist Mr. Vidmar with the comprehensive campaign. She indicated that the administration's request was to add an Associate Vice President for Gift Planning and Development position at a salary between \$90,000-120,000, commensurate with experience and credentials.

Mr. Crosnoe moved approval of this item and Mr. Ayres seconded the motion.

Mr. Hessing asked what would happen to the position at the end of the comprehensive campaign. Dr. Shipley responded that just as staffing had been reduced during her first year at MSU, the administration would continue looking at staffing levels and making changes as needed. She stated that staffing of the advancement area would be revisited within the next five years to determine if adjustments were needed.

Mr. Gregg asked how the duties of this position differed from Mr. Vidmar's duties. Dr. Shipley responded that this individual would specifically work with deferred giving or estate gifts. She added that this person would do development work and some research work.

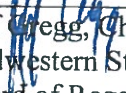
There being no further discussion, the motion was approved.

Adjournment

The Finance Committee discussion concluded at 4:45 p.m.

Reviewed for submission:

Page 134 of 162

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

**ATTACHMENTS:**

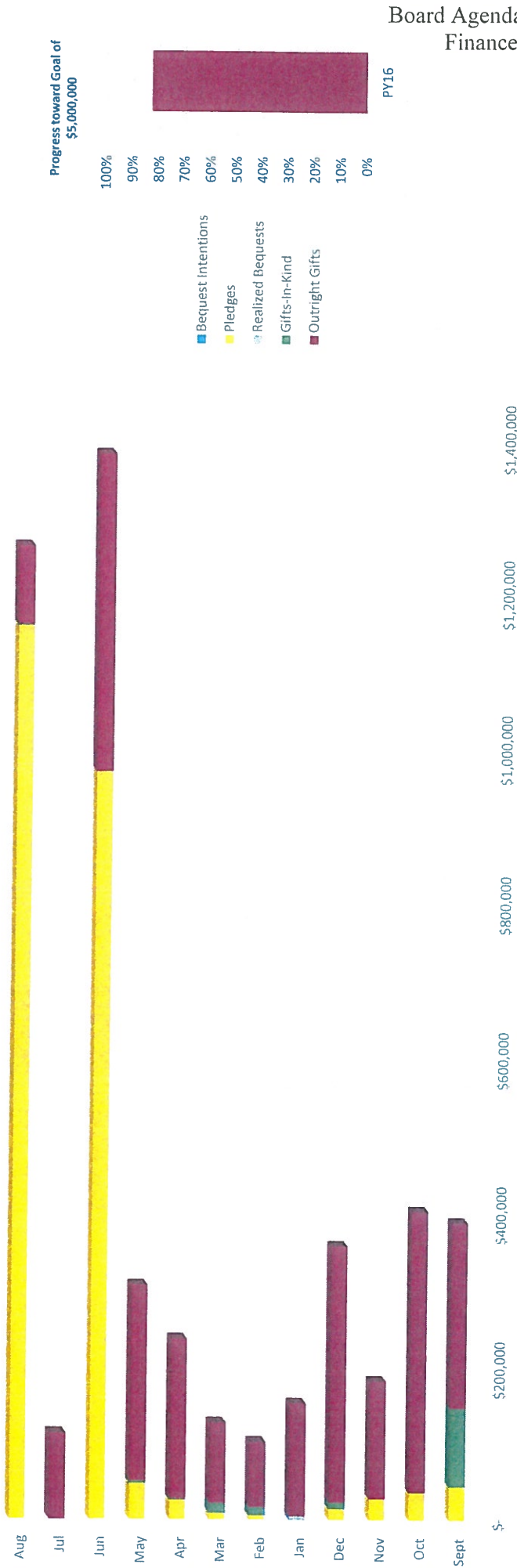
1. FY 16 and FY 17 Comparisons of New Gifts and Commitments
2. FY 16 Financial Results



FY16 Monthly Comparison of New Gifts and Commitments

Gift Type	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Grand Total
Bequest Intentions													
Pledges	\$ 43,510	\$ 35,823	\$ 28,010	\$ 14,190	\$ -	\$ -	\$ 5,436	\$ 8,334	\$ 25,000	\$ 46,380	\$ 963,780	\$ -	\$ 2,321,463
Realized Bequests	\$ -	\$ -	\$ -	\$ -	\$ 5,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,085
Gifts-In-Kind	\$ 101,967	\$ 740	\$ -	\$ 8,596	\$ 375	\$ 10,834	\$ 13,073	\$ 2,733	\$ 3,303	\$ 51	\$ 182	\$ 2,345	\$ 144,198
Outright Gifts	\$ 239,181	\$ 362,713	\$ 152,065	\$ 330,868	\$ 145,580	\$ 84,577	\$ 104,193	\$ 205,790	\$ 253,470	\$ 409,138	\$ 111,180	\$ 100,478	\$ 2,499,232
Grand Total	\$ 384,658	\$ 399,276	\$ 180,075	\$ 353,654	\$ 151,040	\$ 100,846	\$ 125,599	\$ 233,522	\$ 303,153	\$ 1,372,969	\$ 111,362	\$ 1,253,823	\$ 4,969,977

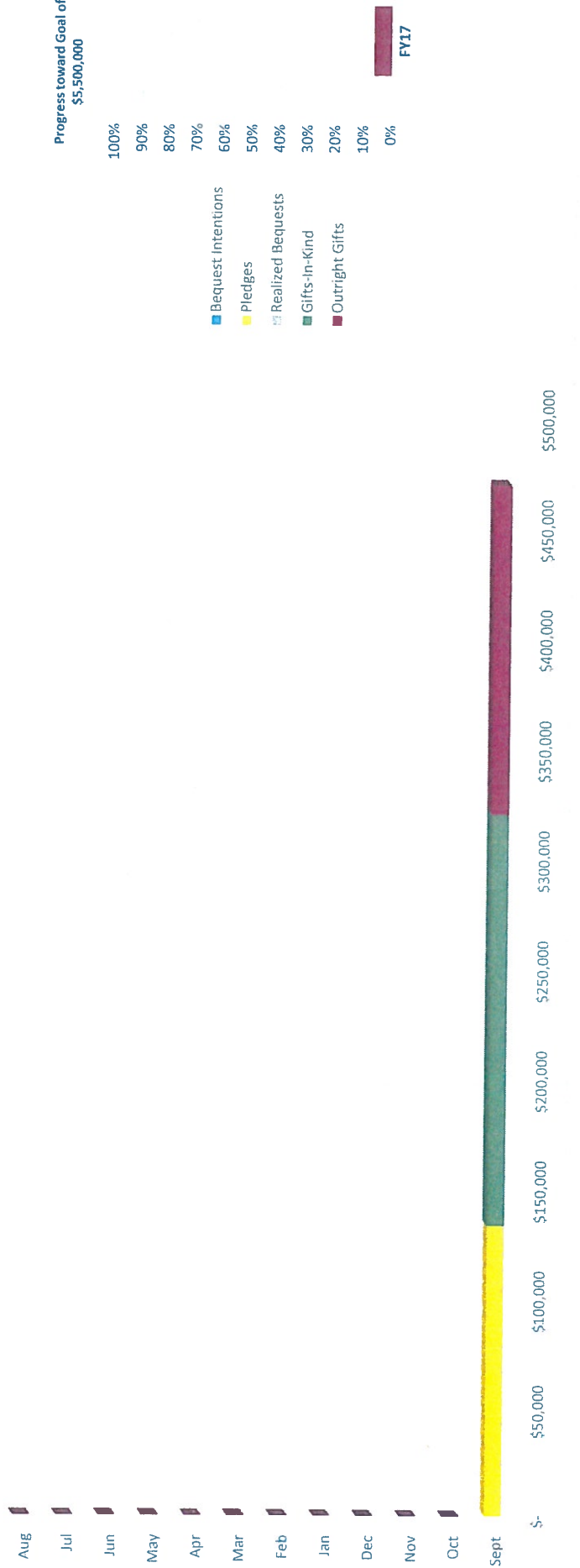
NG&C Bar - by Gift Type



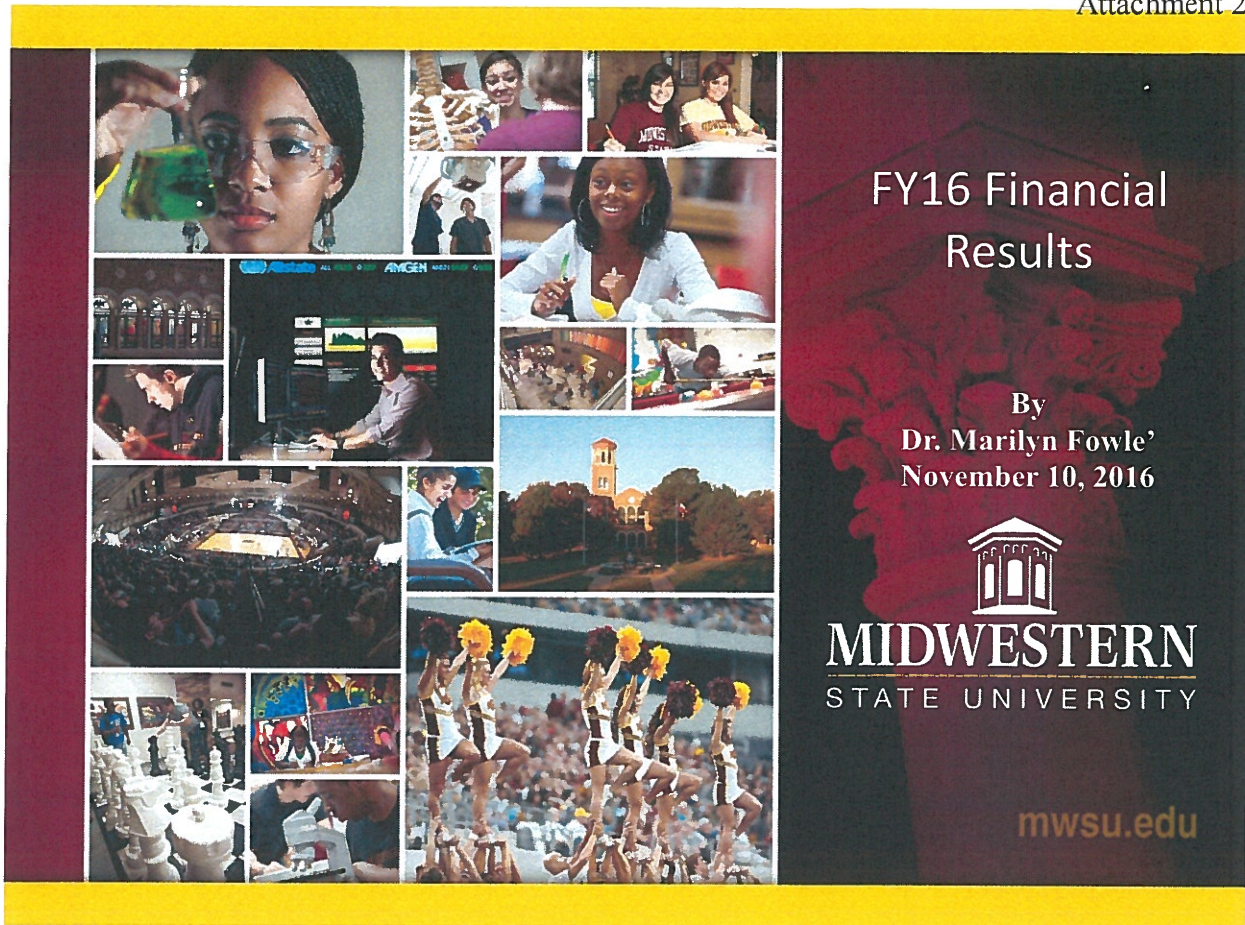
FY17 Monthly Comparison of New Gifts and Commitments

Gift Type	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Grand Total
Bequest Intentions													
Pledges	\$ 131,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Realized Bequests	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,960
Gifts-In-Kind	\$ 186,322	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Outright Gifts	\$ 149,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,322
Grand Total	\$ 467,834	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 467,834

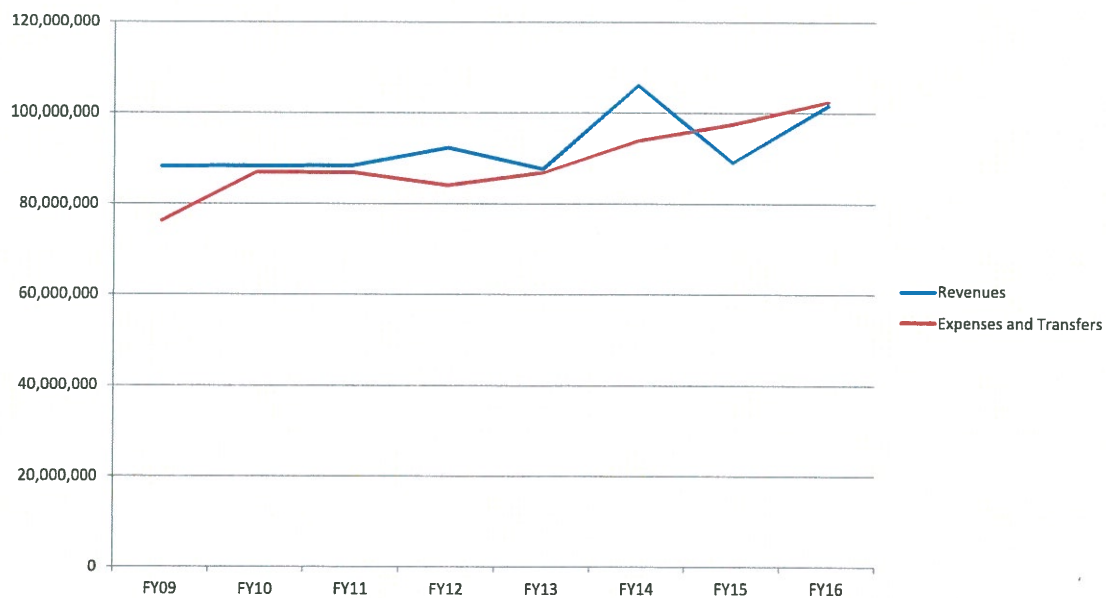
NG&C Bar - by Gift Type



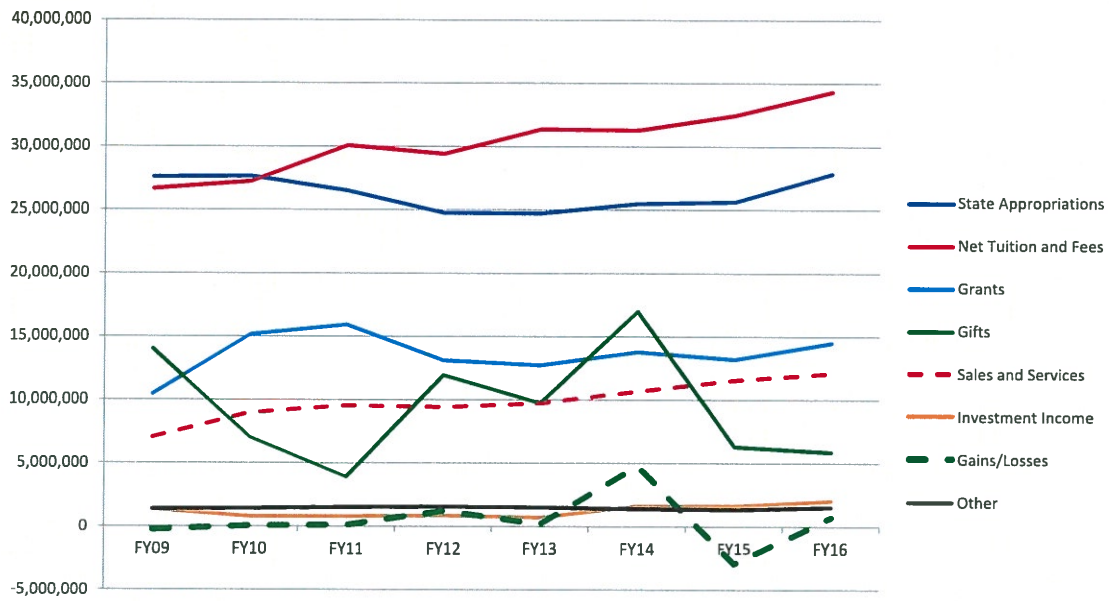




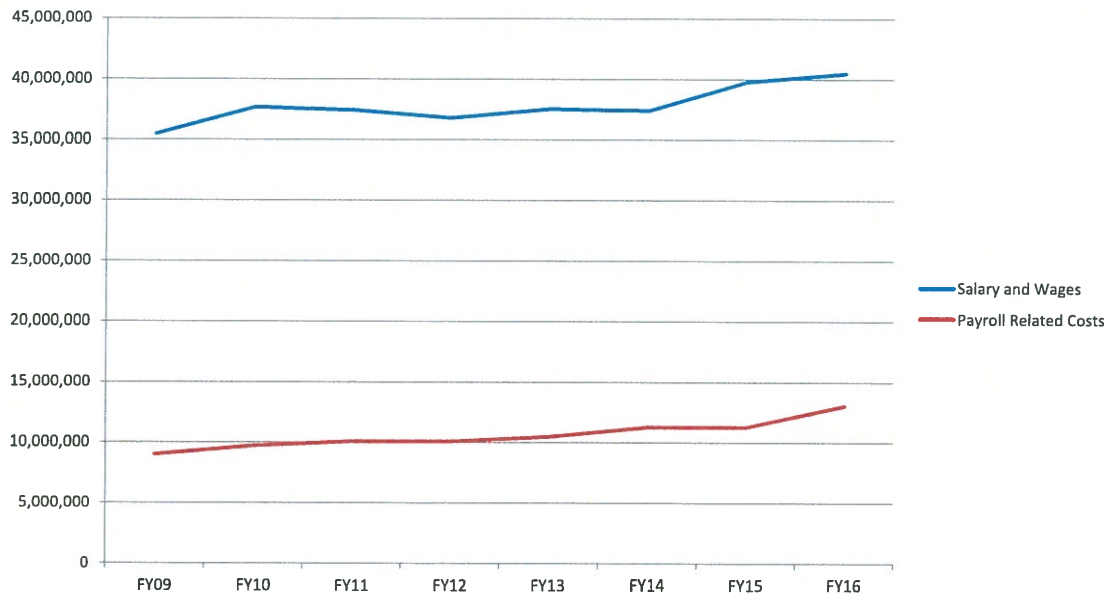
## Net Income



# Income Sources

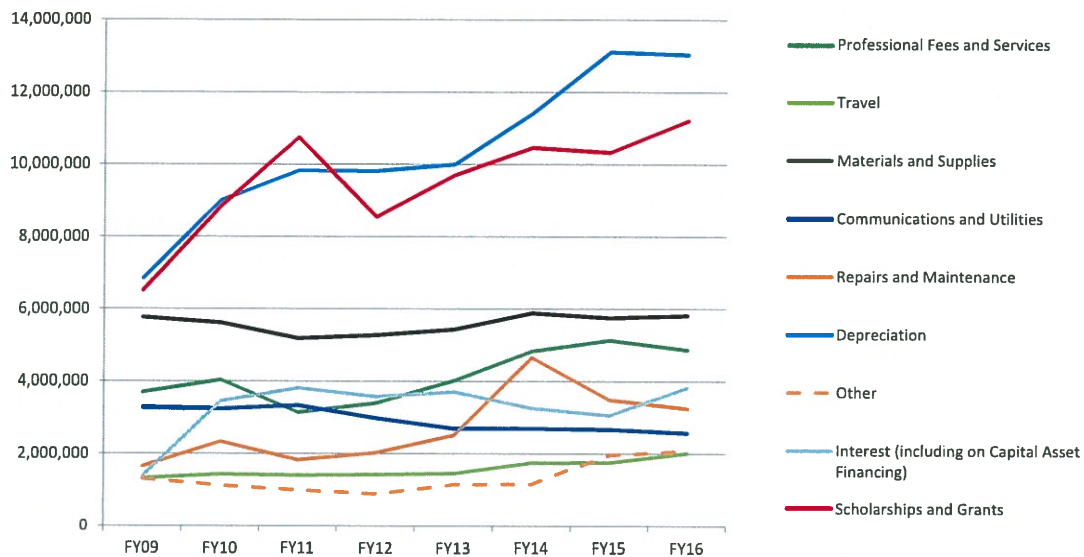


# Payroll Expenses

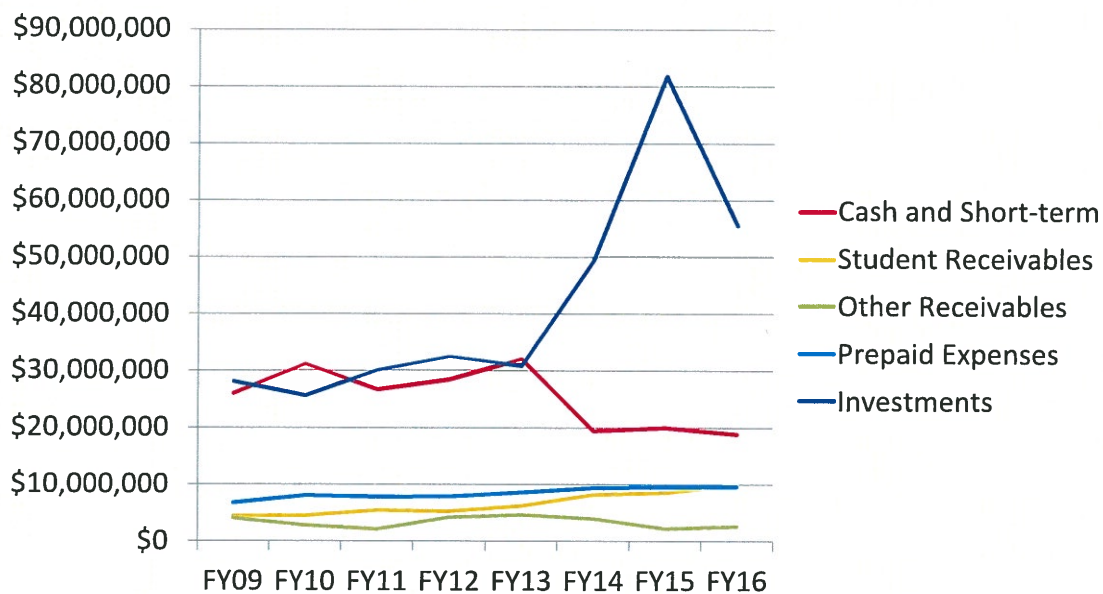




# Expenses Other Than Payroll



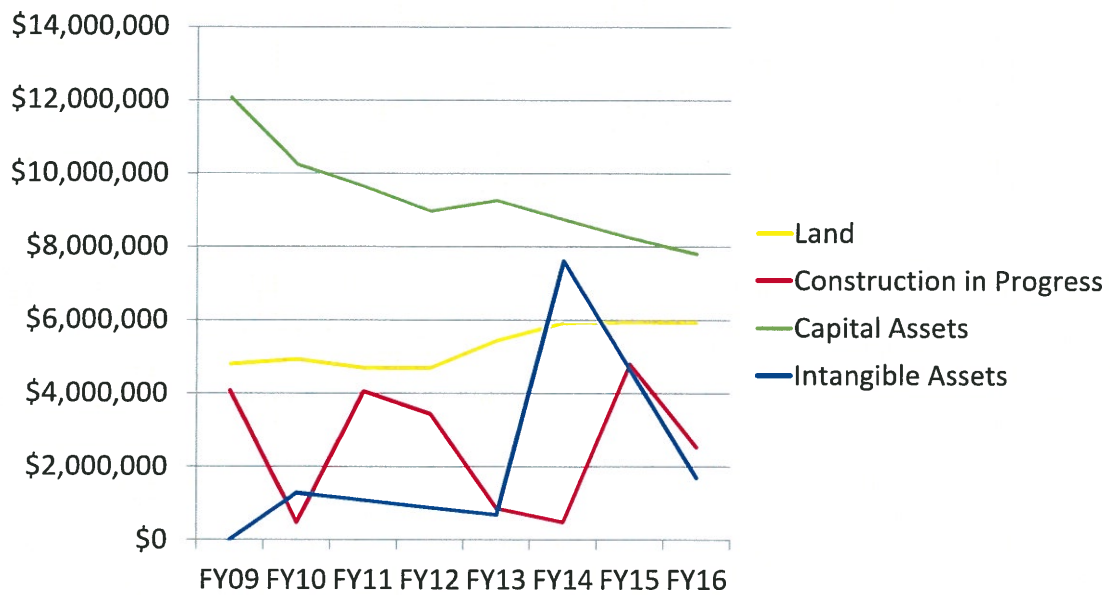
# Financial Assets



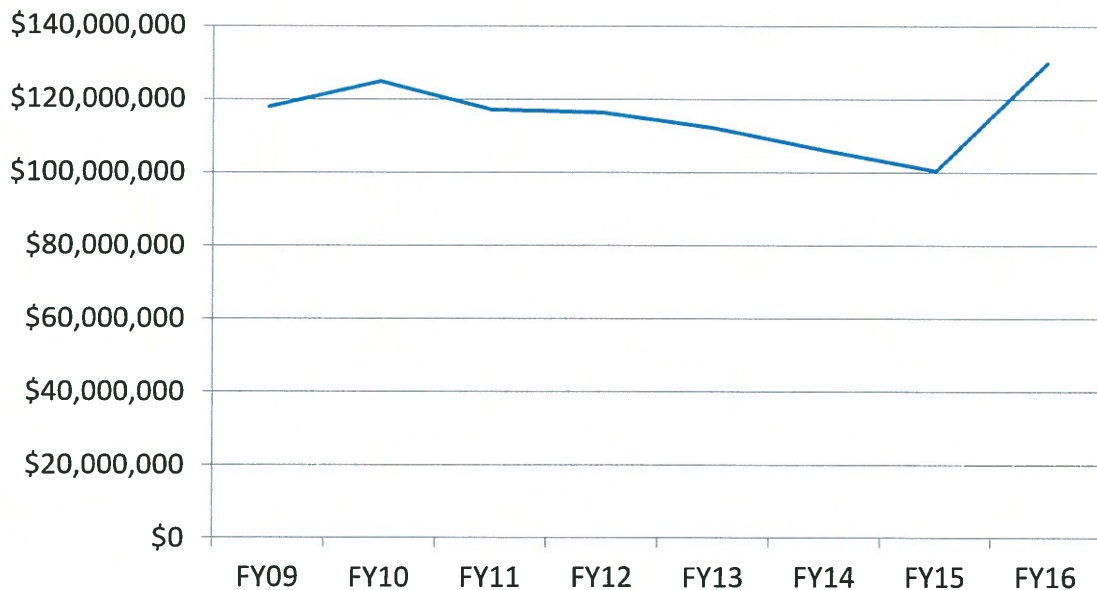


# Physical Assets

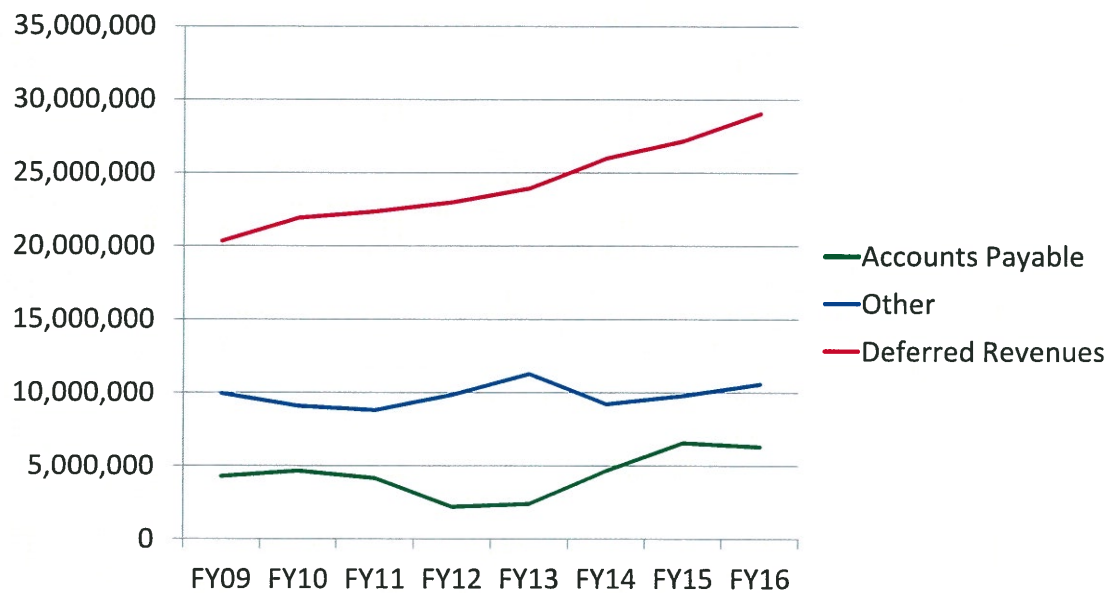
(Other than Buildings and Infrastructure)



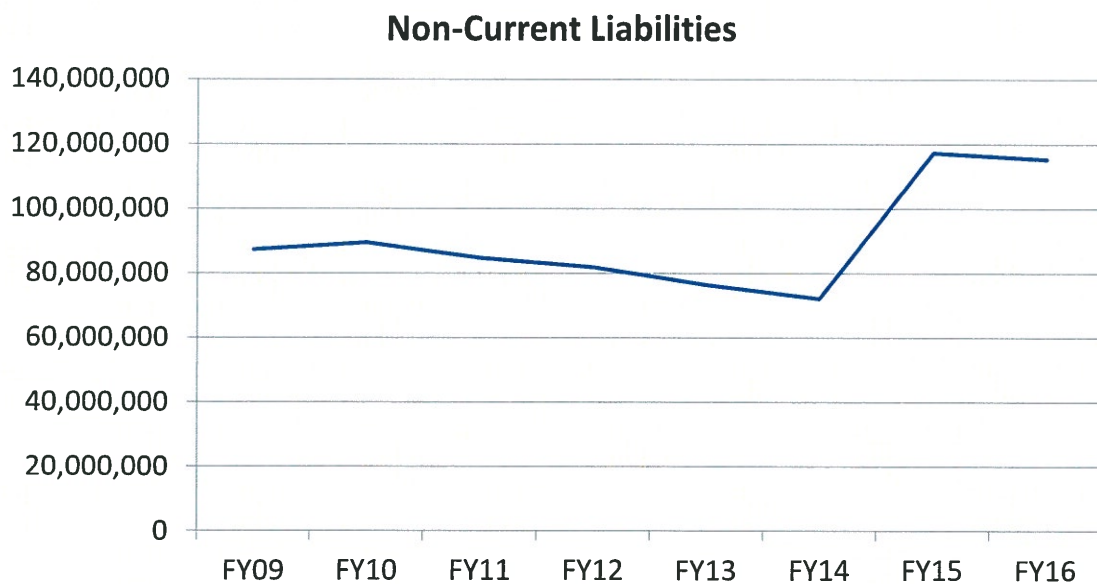
# Buildings and Infrastructure



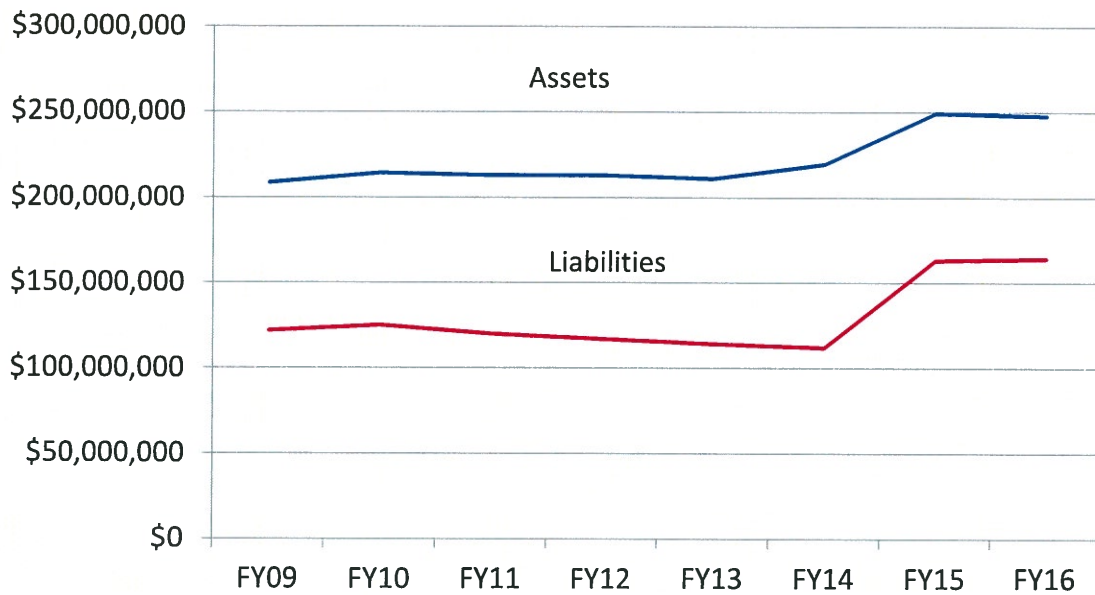
## Current Liabilities



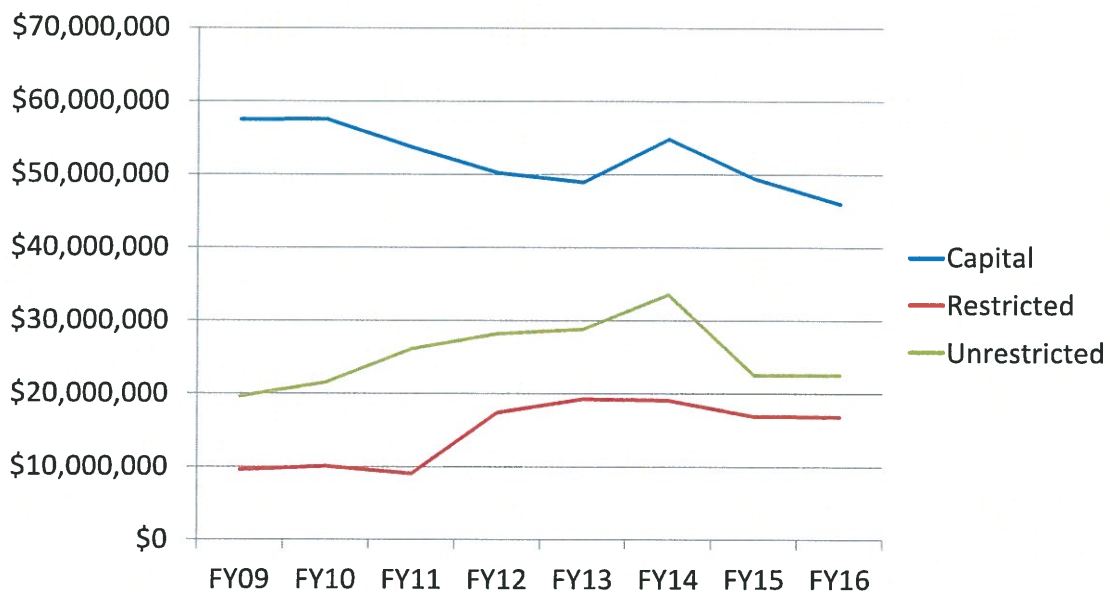
## Non-current Liabilities



# Assets and Liabilities



# Net Position



# Summary

- Increasing reliance on funding from students via tuition, fees, sales and services
- Gift income is constant and variable
- Expenses growing fastest for benefits, scholarships and depreciation
- Some unusual occurrences have increased assets (buildings) but also increased liabilities (debt)
- Continue to invest in capital assets in order to preserve asset base and cover depreciation
- Overall, financial position has remained steady from last year

**MINUTES**  
**MIDWESTERN STATE UNIVERSITY**  
**BOARD OF REGENTS**  
**Audit, Compliance, and Management Review Committee**  
**November 10, 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 4:45 p.m., Thursday, November 10, 2016. Committee members in attendance were Ms. Tiffany Burks, Chair; Dr. Lynwood Givens; Mr. Jeff Gregg; and Mr. Shawn Hessing. Other regents attending the meeting were Mr. Warren Ayres, Mr. R. Caven Crosnoe, 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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs. Other university personnel attending the meeting included Dr. David Carlston, Chairman, MSU Faculty Senate; Ms. Angie Reay, Chair, MSU Staff Senate; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*.

Chair Burks called the meeting to order at 4:45 p.m.

Reading and Approval of Minutes

17-33. The minutes of the August 4, 2016, Committee meeting were approved as presented.

Committee for Presidential Performance and Compensation Review

17-34. Mrs. Burks reported that the Board By-laws require the performance review of the President be performed in February of each year and that the Audit, Compliance, and Management Review Committee oversee this process. She noted that since FY 16 was Dr. Shipley's first year as President, the Board postponed its review of her from February until May. She stated that the review would get back on schedule in 2017. Mrs. Burks asked Dr. Shipley to forward to the Board her self-evaluation at least three weeks prior to the February Board meeting. She added that since the Director of Internal Audits now reports functionally to the Board of Regents and administratively to the President, Ms. Kidwell's performance would be evaluated in February as well. She noted that since the Board has the Audit Plan and Annual Report, no additional information was required at this time.

Page 145 of 162

There being no questions, Mrs. Burks noted that this item was presented as a point of information only.



### Historically Underutilized Business Year-End Report – FY 2016

17-35. Mrs. Burks stated that this report was shown in the Board Book as a point of information only and that Dr. Fowlé was available to answer any questions. There being no questions, Mrs. Burks noted that this item was presented as a point of information only and no action was necessary.

### Compliance Activities Update

17-36. Mrs. Burks noted that an update regarding compliance activities since the last Board meeting was prepared by Controller Chris Stovall and was presented in the Board Book as a point of information. There being no questions, Mrs. Burks noted that this item was presented as a point of information only and no action was necessary.

### Audit Activities and FY 16 Internal Audit Annual Report

17-37. Ms. Kidwell stated that the annual report included in the Board Book fulfilled the Texas Internal Audit requirement. She stated that the report was submitted to the oversight agencies in draft form in order to meet the November 1 due date. Mr. Hessing asked about the status of the internal audit operation at MSU. Ms. Kidwell responded that the past due items had been taken care of and she was working in the current year. Ms. Kidwell provided an update on current activities as shown in Attachment 1.

Mr. Hessing moved approval of the annual report as presented. Mr. Gregg seconded the motion and it was approved.

### Audit Report 16-1 – Information Security Program Assessment

17-38. Mrs. Burks reported that the Executive Summary and Background Information related to the Information Security Program Assessment audit were shown in the Board Book. She stated that discussion of the audit would be held in closed session as allowed by statute.

### Recess

The committee stood in recess at 4:52 p.m. and reconvened at 4:58 p.m.

### Executive Session

Mr. Sanchez announced that the Board of Regents Committee of the Whole and Audit, Compliance, and Management Review Committee would go into Executive Session to discuss Items 17-03 (Real Property), 17-04A (Consultation with Attorney Regarding Legal Matters and Pending and/or Contemplated Litigation), 17-04B (Gifts and Donations), 17-04C (Personnel Matters, and 17-38 (Deliberations Regarding Security Audits) as allowed by the Texas Government Code Chapter 551 Sections .071 (Consultation with Attorney), .072 (Real Property), .073 (Gift or Donation), .074 (Personnel Matters), and .079 (Security Audits) The Executive Session began at 4:58 p.m. Mr. Sanchez, Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Shelley, Mr. Ayres, Dr. Shipley, Mr. Macha, and Ms. Barrow remained for all of the discussion. Mrs. Marks and Dr. Sweatt remained for all of the discussion with the exception of Item 17-03. Ms. Kidwell, Dr. Stewart, and Dr. Lamb joined the meeting at various times as requested by the Board. The Executive Session concluded at 5:48 p.m.

Page 146 of 162

### Open Meeting

The open meeting resumed at 5:50 p.m.

Audit Report 16-1 – Information Security Program Assessment

17-38. Mr. Gregg stated that the Board of Regents views information security as one of the top priorities for the University and moved that the Board authorize the President and Cabinet to ensure the implementation of all of the recommendations included in the information security assessment are a priority for the university. Dr. Givens seconded the motion and it was approved.

Adjournment

The Audit, Compliance, and Management Review Committee discussion concluded at 5:50 p.m.

Reviewed for submission:



Tiffany Burks, Chair  
Midwestern State University  
Board of Regents Audit, Compliance, and  
Management Review Committee

## **Audit Activities Update November, 2016**

**A. Provided audit assistance to:**

1. Dept. of Education on site review- 9/20 & 9/21, Student Support Services, program to evaluate the university's compliance with the TRiO Grant requirements.
2. Fiscal Management Division of the Comptroller of Public Accounts- 11/07 to 11/11, routine post-payment audit to ensure the university's payroll, purchase, procurement and travel expenditures comply with state laws and regulations.

**B. Projects currently in-progress:**

1. Creation of a Department of Internal Audits' policies and procedures manual.
2. Revisions to the Office of Internal Audits charter to align with new Institute of Internal Auditor's standards taking effect on January 1, 2017.
3. Evaluation of qualifications for outsourced Fiscal Year 2017 Clery and Title IX compliance assessments.

**C. Completed the following projects:**

1. Department of Internal Audits web page is completed.
2. Auditor's Independence Statement created, signed and provided to Chairman Burks, Dr. Shipley and general counsel.
3. Information Security Program Assessment- Audit Report 16-1 (see Board Item 17-38).

**MINUTES**  
**MIDWESTERN STATE UNIVERSITY**  
**BOARD OF REGENTS**  
**November 10, 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 1:30 p.m., Thursday, November 10, 2016. Regents in attendance were Mr. Sam Sanchez, Chairman; Mr. R. Caven Crosnoe, Vice Chairman; Ms. Nancy Marks, Secretary; Mr. Warren Ayres; Dr. Lynwood Givens; Mr. Jeff Gregg; Mr. Shawn Hessing; 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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs; and Mr. Kyle Owen, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Dr. James Johnston, Dean, Robert D. and Carol Gunn College of Health Sciences and Human Services; Dr. David Carlston, Chairman, MSU Faculty Senate; Dr. Robert Forrester, Assistant Professor of Finance; Ms. Angie Reay, Chair, MSU Staff Senate; Mr. Mario Ramirez, Assistant Director of Student Development and Orientation; Mr. Mark McClendon, Director of Institutional Research and Assessment; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*. Special guests attending the meeting were Mr. Randall Scott and Mr. Preston Scott with Randall Scott and Associates.

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

Opening Comments

Mr. Sanchez welcomed everyone to the meeting. He stated that Mrs. Burks was driving to Wichita Falls from Dallas and would join the meeting soon. 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. Sanchez 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.

Page 148 of 162

Committee Appointments

17-01. Mr. Sanchez noted that the list of new committee appointments was shown in the Board Book and thanked the Regents for agreeing to serve as shown.

### University Dashboard

17-02. Mr. Sanchez stated that beginning in 2012 the administration developed a Dashboard that contained measures that are important to the university. He noted that since that time the Dashboard had been updated and presented to the Board each November. He added that the most current Dashboard was included in the Board Book for review. He indicated that the information was compiled by the Office of Institutional Research and Assessment and was then reviewed by Dr. Shipley and the President's Cabinet. Dr. Shipley reported that some of the previous measures were deleted and a new Section Two that reflected the growing residential nature of the campus was added. She thanked Mr. Mark McClendon, Director of Institutional Research and Assessment, for his work on the Dashboard. She stated that the structure would likely be modified again in 2017 upon the completion of the Strategic Plan, and noted that some aspects of the plan would be reflected in the Dashboard.

There being no questions or comments, Mr. Sanchez noted that the item was presented as a point of information only and no action was necessary.

### Recess

Mr. Sanchez announced that the remaining items would be deferred to Executive Session later in the afternoon. The committee of the whole stood in recess at 1:34 p.m. and reconvened at 4:58 p.m.

### Executive Session

Mr. Sanchez announced that the Board of Regents Committee of the Whole and Audit, Compliance, and Management Review Committee would go into Executive Session to discuss Items 17-03 (Real Property), 17-04A (Consultation with Attorney Regarding Legal Matters and Pending and/or Contemplated Litigation), 17-04B (Gifts and Donations), 17-04C (Personnel Matters, and 17-38 (Deliberations Regarding Security Audits) as allowed by the Texas Government Code Chapter 551 Sections .071 (Consultation with Attorney), .072 (Real Property), .073 (Gift or Donation), .074 (Personnel Matters), and .079 (Security Audits) The Executive Session began at 4:58 p.m. Mr. Sanchez, Mr. Hessing, Mrs. Burks, Dr. Givens, Mr. Gregg, Mr. Crosnoe, Ms. Shelley, Mr. Ayres, Dr. Shipley, Mr. Macha, and Ms. Barrow remained for all of the discussion. Mrs. Marks and Dr. Sweatt remained for all of the discussion with the exception of Item 17-03. Ms. Kidwell, Dr. Stewart, and Dr. Lamb joined the meeting at various times as requested by the Board. The Executive Session concluded at 5:48 p.m.

### Open Meeting

The open meeting resumed at 5:49 p.m.

### Real Property

17-03. Mr. Hessing moved the Board of Regents approve the lease of MSU property to the YMCA of Wichita Falls as presented. Mr. Crosnoe seconded the motion. The motion was approved with Mrs. Marks and Dr. Sweatt abstaining from the vote owing to a conflict of interest.

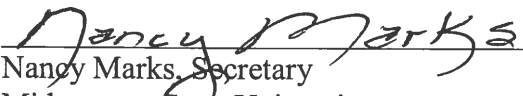
Page 149 of 162

### Adjournment

There being no further business, the meeting adjourned at 5:49 p.m.



Reviewed for submission:

  
Nancy Marks, Secretary  
Midwestern State University  
Board of Regents

**MINUTES  
BOARD OF REGENTS  
MIDWESTERN STATE UNIVERSITY  
November 11, 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, November 11, 2016. Regents in attendance were Mr. Sam Sanchez, Chairman; Mr. Caven Crosnoe, Vice Chairman; Ms. Nancy Marks, Secretary; Mr. Warren Ayres; Ms. Tiffany Burks; Dr. Lynwood Givens; 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 Administration and Finance; Dr. Keith Lamb, Vice President for Student Affairs and Enrollment Management; and Mr. Anthony Vidmar, Vice President for University Advancement and Public Affairs. Other university personnel attending the meeting included Mr. Matthew Park, Associate Vice President for Student Affairs and Dean of Students; Dr. David Carlston, Chairman, MSU Faculty Senate; Ms. Angie Reay, Chair, MSU Staff Senate; Mr. Barry Macha, General Counsel; Ms. Leigh Kidwell, Director, Internal Audits; Mr. Chris Stovall, Controller; 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. Student Government Association (SGA) representatives attending the meeting included Ms. Shayla Owens, SGA President, and Mr. Charles Frazier, SGA Observer. Representing the news media was Ms. Lana Sweeten-Shults, Wichita Falls *Times Record News*. Attending the first portion of the meeting was Dr. Syreeta Green, Director of Equity, Inclusion, and Multicultural Affairs.

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

Opening Comments

Mr. Sanchez asked Dr. Lamb to make a special introduction. Dr. Lamb introduced Dr. Syreeta Greene, MSU's first Director of Equity, Inclusion, and Multicultural Affairs. He noted that Dr. Greene was most recently with The Harbor Institute in Washington, D.C., and worked at the University of Southern California for many years prior to that. On behalf of the Board Mr. Sanchez welcomed Dr. Greene to MSU.

Mr. Sanchez 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. He stated that before the meeting began he wanted to publically thank Mr. Hessing for the phenomenal job he did as Board Chairman. He noted that Mr. Hessing stayed in the chairman position longer than he wanted to and helped the Board hire an outstanding president.

Page 151 of 162

### Public Comment

Mr. Sanchez 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.

### Reading and Approval of Minutes

17-39. The minutes of the Board of Regents meetings held August 4 and 5, 2016, were approved as presented.

### **Executive Committee Report**

Mr. Sanchez noted the items presented at the Executive Committee meeting for committee approval and information only. Information concerning these items may be found in the minutes of the Executive Committee meeting held November 10, 2016.

### Item Presented for Committee Approval Only

17-05. Committee Minutes

### Items Presented for Information Only

17-06. Gunn College of Health Sciences and Human Services Building Design Review

17-07. MSU Deferred Maintenance Reports – Campus Condition Index

17-08. Campus Construction Update

17-09. Dallas-Fort Worth Expansion Update

17-10. Campus Plan – Facilities Services Relocation Alternatives

### Executive Committee Consent Agenda

Mr. Sanchez recommended the following items that were approved by the Executive Committee and placed on the Consent Agenda for the Board's consideration.

17-11. Gunn College of Health Sciences and Human Services Landscaping and Parking Project Authorization Request – authorized the administration to proceed with a \$1.1 million project for parking and landscaping near the new building as presented.

17-12. Central Campus Sidewalks Project – authorized the President to finalize a contract for this project at a value not to exceed \$575,000.

Page 152 of 162

17-13. Wichita Falls Museum of Art at MSU – Code of Ethics and Emergency Response and Disaster Preparedness Plan – ratified the documents as presented.

17-14. Wichita Falls Museum Ratification of Deaccessioned Artworks – ratified the deaccessioned items as presented.

Mr. Sanchez asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mr. Crosnoe seconded Mr. Sanchez'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 November 10, 2016.

#### Item Presented for Committee Approval Only

17-15. Committee Minutes

#### Items Presented for Information Only

17-16. Faculty Report

17-17. Staff Report

17-18. Student Government Report

17-19. Athletics Report

17-20. Enrollment Report – Fall 2016

17-21. Financial Aid Profile

17-22. MSU Strategic Plan Update

#### Academic and Student Affairs Committee Consent Agenda

Dr. Givens recommended the following item that was approved by the Academic and Student Affairs Committee and placed on the Consent Agenda for the Board's consideration.

17-23. December 2016 Graduating Class – approved the list of candidates for graduation as presented.

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

Page 153 of 162

#### **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 November 10, 2016.

Item Presented for Committee Approval Only

- 17-24. Committee Minutes

Items Presented for Information Only

- 17-25. Summaries of Financial Support
- 17-26. FY 16 Quasi Endowment Fund Reports
- 17-27. Fair Labor Standards Act (FLSA) Changes

Finance Committee Consent Agenda

Mr. Gregg recommended the following items that were approved by the Finance Committee and placed on the Consent Agenda for the Board's consideration.

- 17-28. Financial Report – accepted the monthly financial report for July, 2016.
- 17-29. Investment Report – accepted the fourth quarter 2016 Investment Report.
- 17-30. Personnel Reports and Changes in FY 16 Budget – ratified the changes as presented.
- 17-31. Personnel Report and Changes in FY 17 Budget – ratified the changes as presented.
- 17-32. Gearing Up for a Comprehensive Campaign – New Position – authorized a new Associate Vice President position to be paid from private funds as presented.

Mr. Sanchez asked if there were items any member wanted to remove from the Consent Agenda. Mrs. Marks seconded Mr. Gregg's motion to approve the Consent Agenda as presented. The motion was approved.

**Audit, Compliance, and Management Review Committee Report**

Mrs. Burks 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

- 17-33. Committee Minutes

Page 154 of 162

Items Presented for Information Only

- 17-34. Committee for Presidential Performance and Compensation Review
- 17-35. Historically Underutilized Business Year-End Report – FY 2016



17-36. Compliance Activities Update

Audit, Compliance, and Management Review Committee Consent Agenda

Mrs. Burks recommended the following items that were approved by the Audit, Compliance, and Management Review Committee and placed on the Consent Agenda for the Board's consideration.

- 17-37. Audit Activities and FY 16 Internal Audit Annual Report - approved the FY 16 Internal Audit Annual Report as presented.
- 17-38. Audit Report 16-1 – Information Security Program Assessment – approved a statement indicating that the Board of Regents views information security as one of the top priorities for the University and approved authorizing the President and Cabinet to ensure the implementation of all of the recommendations included in the Information Security Program Assessment are a priority for the University.

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

President's Report and Discussion of Higher Education Issues

- 17-40. President Shipley stated that before she began her report Provost Betty Stewart would make an announcement. Dr. Stewart announced that thanks to the efforts of Dr. Shipley and Regent Sweatt, MSU received funding from the George and Faye Young Foundation of Dallas for a scholarship totaling \$25,000 per year for three years. The criteria for the scholarship was that the student is a full-time sophomore who had completed at least 24 credits at MSU, demonstrated financial need, earned at least a 3.0 grade point average, and majoring in Education, the health sciences, science, the environment, social work, social services, or business. A committee of deans worked with Dr. Stewart to select the recipient. Of the seventy eligible students, three were invited for interviews. Dr. Stewart reported that Ms. Carolyn Duque, a sophomore education major from Dallas, was selected to receive this scholarship. She noted that Ms. Duque attended Irma Rangel High School where she was involved in the Leaders for Readers Program. Through this program she served as a reading tutor at a local learning center. Additionally, she helped organize and contribute to major school functions such as the Women's Month and Red Ribbon Week. She also participated in the League of United Latin American Citizens (LULAC) organization and served extensively in her local church community where she assisted in teaching young children. When asked by the selection committee why she majored in Education, Ms. Duque responded that she wanted to teach third and fourth grade students to let them know that education can change their lives as it has changed hers. Dr. Stewart noted that the scholarship funds could be used for education-related expenses only, such as tuition and fees, books, and room and board. Carolyn will be required to enroll in a minimum of 15 semester credit hours each fall and spring semester, live in a residence hall, participate in a study abroad experience in London, Spain, or France, maintain a cumulative grade point average of 3.5 or better, and do some service for the university. Dr. Stewart noted that this scholarship is given to only five

Page 155 of 162

universities in the state of Texas and four of those are private institutions. The five institutions are Trinity University, St. Edwards University, Schreiner College, Austin College, and Midwestern State University. She asked Ms. Duque to say a few words about this transformational gift. Ms. Duque expressed her appreciation for receiving this scholarship and having the opportunity to meet with the Board of Regents. She stated that she came from a family that had not gone to college and that she felt this scholarship was the reward for all of her hard work since she was a child. She added that this amazing scholarship would allow her to further her education, give her new experiences, and make it possible for her to help other children achieve their dreams. Dr. Stewart noted that local Wichitan Richard Ripley was a long serving member of the Young Foundation Board. Upon his retirement from the foundation board he asked that the scholarship be given to MSU in lieu of his receiving a retirement gift. Dr. Shipley thanked Regent Sweatt for her efforts. She added that this was a wonderful tribute to the type of students attending MSU and the quality of education that is provided.

Dr. Shipley reported that she serves as a member of the Association of Governing Boards Council of Presidents. She stated that the group meets annually to provide guidance to the association and receive information regarding higher education issues, trends, and practices. The focus of the two-day meeting in the fall was Uncertainty in Higher Education and Risk. She noted that the topics covered in this meeting were listed in the Board Book and discussed each of them as follows.

- A. Higher Education's Business Model – Dr. Shipley stated that a copy of information provided on this topic was included in each Board member's folder (see Attachment 1). She noted that university presidents across the country are concerned about the changing nature of the higher education business model. She explained that public institutions face diminishing state support while all institution face diminishing federal support while reaching a ceiling on tuition that can be charged. University administrators are looking for ways to produce revenues as costs continue to increase, adding that that higher education inflation is higher than regular inflation. She stated that MSU's DFW outreach was a perfect example of diversifying the institution's educational outreach. She added that other possible options for producing revenues included offering additional online courses and expanding the use of facilities during the summer.
- B. The Regulatory Environment (and the current state of Accreditation) – Dr. Shipley reported that one of the reasons higher education budgets are more difficult to manage is the intensely increased regulatory environment. This includes requirements related to compliance and the regulations coming forward related to compliance.
- C. Risks Associated with the National Election – Dr. Shipley noted that the meeting was held approximately one month before the national election and pundits from the Beltway erroneously predicted who would win the presidency. At that time, the discussion centered around concerns about the transition of power and the resulting unrest on campuses. She noted that since the election the higher education media

has speculated about how the regulatory environment will change and what it will mean primarily for students who face immigration challenges.

- D. Campus Climate – The group discussed student safety, as well as campus unrest and protests. Dr. Shipley stated that administrators and faculty must build avenues for dialogue and communication with students so that unrest and protest are the last forms of student dissent. She noted that university presidents should be speaking with student groups, asking about their concerns, and should be aware of emerging issues. The group also discussed how to work with social media and how it can affect students and campus climate.
- E. Intercollegiate Athletics – The group discussed campus athletics and how institutions shape an athletics program to have a positive impact on the institution's image. Subjects included graduation and retention rates, balancing academic requirements, and the role athletics should play in these areas.

Dr. Shipley indicated that she wanted the Board to be aware that she is listening to national leaders and bringing ideas and concerns to the campus. She stated that it is an exciting, yet turbulent time to be in higher education.

Mr. Gregg asked about the Lone Star Conference (LSC) and whether the addition of two new schools had stabilized the conference. Dr. Shipley responded that the biggest challenge for the LSC continues to be the number of teams in the conference. She noted that by adding two more football schools, the conference would be in good shape for that sport. She added that the LSC must also continue to look at ensuring a competitive level in all of the sports. She stated that the LSC requires member schools to play football, with the exception of Texas Woman's University, but the other sports are determined by each school. For MSU, men's soccer must play in another conference because there aren't enough LSC schools with teams to compete as a conference. Dr. Shipley added that another challenge with any conference in Texas is the necessary amount of team travel. Mr. Sanchez stated that the conference situation would likely be something the administration and Board would continue to discuss. He added that MSU has a phenomenal athletics program and a great deal to be proud of.

Dr. Givens referred to Item C above and asked if the group discussed the new president, immigration laws, and how changes might affect university funding. Dr. Shipley responded that since the presenters at the meeting predicted a different election outcome, this particular scenario was not discussed. She noted that she mentioned the immigration piece because it has emerged as a possible topic of concern in the higher education media. She added that possible changes to the Affordable Care Act could also affect higher education. She stated that the change to the Fair Labor Standards Act (FLSA) that the Board discussed in the Thursday meeting was a presidentially controlled decision that could change in the future. Dr. Givens expressed concern that the university might not be prepared for an enrollment decline owing to unanticipated changes at the federal level. Dr. Shipley responded that the process of changing higher education legislation and regulations is generally slow moving. However, she noted that higher education would be

strongly negatively affected if Pell funding were reduced or eliminated. Dr. Givens asked if a committee within the university would monitor such changes and keep the Board informed of areas of concern. Dr. Shipley responded that the President's Cabinet would do so.

Adjournment

There being no further business, the meeting was adjourned at 10:31 a.m.

I, Nancy Marks, the fully appointed and qualified Secretary of the Midwestern State University Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the minutes of the Midwestern State University Board of Regents meeting November 11, 2016.

  
Nancy Marks, Secretary

ATTACHMENT:

1. AGB Higher Education Business Model

## THE BUSINESS MODEL

---



---

**“Higher education institutions use financial aid to offset their sticker price to help lower-income students pay for college and attract certain students they want to recruit. But as that practice has expanded, it has also become increasingly less tenable.”**

---

**M**ost higher learning institutions operate under several different business models. One set of economic structures might guide traditional undergraduate programs, for example, while different assumptions and practices might come into play in regard to programs for adult or online students. Generally speaking, however, all college and university business models today are experiencing a certain degree of financial stress. And business practices that brought institutions to their current state may well not be the right ones to carry them successfully into the future. Innovative thinking and practices are required.

Some of the pressures on colleges and universities today involve:

*The rising price of college.* Both public and independent colleges and universities today must rely more than ever on tuition as a core source of revenue. But over the past several years, growing evidence has suggested that students and parents are becoming increasingly resistant to higher tuitions. Many observers predict that tuition prices may soon hit a tipping point beyond which people will not be able or willing to pay. A 2015 Gallup poll, for example, found that less than a quarter (21 percent) of adults think that college is affordable.

*Deeper tuition discounting.* Higher education institutions use financial aid to offset their sticker price to help lower-income students pay for college and attract certain students they want to recruit. But as that practice has expanded, it has also become increasingly less tenable. At independent institutions, tuition discount rates—measured in terms of institutional grant dollars as a percentage of gross tuition and fee revenue—are at an all-time high. The National Association of College and University Business Officers (NACUBO) reported that discount rates for independent colleges reached 48 percent for first-time full-time freshmen and 41.6 percent for all undergraduates in 2014, in its most recent survey on the topic.

Public universities are also discounting tuition. The percentage of full-time undergraduates in public four-year institutions receiving institutional grant aid increased from 16 percent in the early 1990s to 28 percent in 2003-2004, while the percentage of full-time public two-year college students receiving grants rose from 10 percent in 1992-1993 to 16 percent in 2003-2004, according to the College Board. In 2014, the average grant at a public four-year college was \$6,110 and the average grant at a two-year college was \$5,090.

Page 159 of 162



At the same time colleges and universities are awarding more financial aid, however, many institutions are seeing flat or even declining enrollments—one effect of which is that institutions are generally not realizing the kind of growth in net tuition revenue that they would like to see and indeed need to collect. In fact, NACUBO reported that private colleges and universities had flat net tuition revenue over the 13 years prior to 2013, and net revenue was expected to grow only 0.4 percent per student in 2015.

*Diminished public funding for higher education.* State appropriations for higher education fell by 37 percent between 2000 and 2012. To make up the shortfall in revenue from state funding, institutions have had to raise tuition and recruit more full-pay students from out of state or abroad, as well as cut costs as much as possible. Meanwhile, states have continued to make greater demands on institutions to educate and graduate more students. In that same period, the number of students at America's colleges and universities grew by 45 percent.

General fund revenues from state and local governments have stabilized somewhat since the 2008 recession and are projected to increase 2 to 3 percent annually in the future. But that is still just half the rate of the average increases before the recession. And, “even without accounting for enrollment growth, those increases will be consumed by rising costs for employee benefits, which are growing at an average of 6 percent to 7 percent annually,” according to the National Commission on College and University Board Governance's report, “Consequential Boards: Adding Value Where It Matters Most.”

While state support has generally declined in recent years, federal support has been on the rise—but that is largely because of increases in support for Pell grants for financially needy students. At the same time, federally funded research and development spending for higher education has been relatively flat since 2002, and the overall amount of federal research funding for colleges and universities has actually fallen when adjusted for inflation.

*Uncertain philanthropic support.* One bright spot in the financial picture for higher education may be philanthropy. Colleges and universities reaped more than \$37 billion in charitable contributions in 2014, a record. Support jumped 10.8 percent over 2013, also a record. Yet colleges and universities that rely on such support know that past is not necessarily prologue, and weakness in the U.S. economy could readily reverse those trends. A related concern in the current political environment is increasing talk among legislators at the federal level about reviewing and possibly curtailing tax benefits for charitable donations.

A different kind of challenge manifests itself among younger alumni, who may attend several colleges. Federal data show that more than a third (37.2 percent) of college students transfer at least once within six years. Such “swirling” students, as they are called, may not have the same affinity for their alma maters as students who attend just one college or university. And fundraisers are finding that it often takes more time and resources to successfully get Millennials to donate to an institution.

*Volatile endowment returns.* The returns on institutional endowments, which cover about 20 percent of colleges' and universities' average spending per student, fluctuate according to the vagaries of the financial markets. Endowments had largely recovered from the recession of 2008 by 2014; a NACUBO-Commonfund study showed they returned an average of 15.5 percent in fiscal year 2014, versus 11.7 percent in fiscal year 2013. In response, the study found, 74 percent of respondents increased spending from their endowments. But the average endowment grew by only 2.4 percent in fiscal year 2015. And, at the time this publication is being released, the market has become increasingly volatile.

Meanwhile, the U.S. Congress, which has had a recurring interest in how colleges and universities spend their endowments, is reviving its scrutiny. In early 2016, the chairs of the Senate Finance Committee, House Ways and Means Committee, and House Ways and Means Subcommittee on Oversight wrote to 56 independent institutions with endowments larger than \$1 billion, questioning how they use their assets “to fulfill their charitable purpose,” according to *Inside Higher Ed*. And a key concern was rising tuition: “Despite these large and growing endowments, many colleges and universities have raised tuition far in excess of inflation,” the legislators commented in the letter. We do not know if the inquiry will spread beyond these few institutions, or how they will use the information that they gather.

*Limited debt capacity.* Recent low interest rates have prompted sometimes aggressive institutional borrowing across higher education. But borrowing may be getting harder: The *Wall Street Journal* recently reported that some prospective buyers of bonds are avoiding bond issues from “small, private colleges that don't have national reputations, schools that rely heavily on tuition revenue, and those in regions facing population declines.”

According to Moody's Investors Service, which rates the fiscal health of some 500 colleges and universities in the United States, the financial outlook for higher education going into 2016 was stable. Currently, Moody's reports, “universities will continue to explore expense containment and efficiencies, making it ever more difficult for universities to choose where to invest in order to remain competitive.”

## LOOKING AHEAD

Combined, the squeeze on revenues and the ongoing need to contain or lower costs create powerful motivators for institutions to rethink fundamental business models and practices. Colleges and universities are considering their programmatic offerings; looking at costs, efficiencies, and market interests; and working to identify and develop new revenue streams.

Rather than slashing budgets across the board, institutions are searching for ways to refine and rethink essential business practices, and to find and inculcate efficiencies across campus operations. Many more are turning to data analytics to produce intelligence about business practices that can inform improvements. In short, both independent and public institutions are approaching this work with new sophistication.

For example, in response to the likelihood of continued reductions in state appropriations, the University of Central Missouri embarked on a comprehensive review of its business model. Teams of administrators and faculty members at the public university identified opportunities to cut academic and administrative costs, reduce energy consumption, and refinance debt—resulting in total savings of \$7.8 million between 2011 and 2013. They also came up with 50 proposals for revenue generation in the coming years, including new instructional delivery models.

Colleges and universities are also outsourcing more programs and services. As noted in an article in *The Chronicle of Higher Education* (February 29, 2016), “It has long been the norm for colleges to outsource services in their facilities departments, payroll offices, cafeterias, and retail stores. But in the past few years, for-profit companies have increasingly been tapped to carry out core college functions, including student services like advising, and even instruction.” The article goes on to say that whether institutions actually save money with this approach depends on a number of factors, including how well they negotiate their contracts.

In the future, boards will also see the following trends:

- While some prominent and well-financed institutions may be able to continue on as they have done, many institutions may have to budget for revenues that are flat or even lower than in the past—a function both of declines in net tuition revenue and flat or declining enrollments.
- Colleges and universities will become more sophisticated and strategic in their enrollment-management operations. Demographic shifts in the composition of student bodies, for example, will drive shifts in enrollment targeting and marketing practices. They might also demand a reenvisioning of academic offerings and such things as academic schedules, locations, educational delivery systems, and services to attract students in new and different demographic groups and markets.
- A number of institutions persist in what is essentially an academic and amenities arms race—competing financially for faculty and key staff members, adding programs and centers, and building expensive facilities to entice students. Today’s market forces may dictate the need to adopt a philosophy other than expansion across the board. “Scaling back” may need to become part of an institution’s vocabulary.
- More institutions will pursue various partnerships to help meet their goals. Agreements with private-sector firms, for example, can help an institution meet its needs for new housing and other campus facilities. Cooperative agreements with other institutions can help institutions realize economies of scale in procuring supplies, fulfilling back-office functions, and even in sharing academic programs and faculty. In the days ahead, we can also expect to see more examples of institutional mergers, perhaps the ultimate partnership. (See the following section, “The Partnership Imperative.”)

This brief discussion touches on only a few of the salient issues pertaining to institutional economics and business models. The point, however, is now virtually every institution of higher learning is or should be engaged in serious discussions about profound business questions.

At one level, hard work is needed to redesign, reenvision, and reengineer programs, channels for educational offerings, business practices, and business models. At a more fundamental level, however, today’s environment for higher education essentially mandates that institutions ask themselves some basic questions: Where can we truly excel? Have we allowed program expansion and “scope creep” to muddy our mission, and is some relevant clarification needed? If constant growth—in enrollment, revenue, programs, facilities—is no longer sustainable, how can we best position ourselves for a future that might look rather different from the past? How can we adapt a mindset that is more innovative, agile, and bold while still be careful to preserve the institution’s traditional strengths?

Governing boards must be involved in helping institutional leaders raise and answer those and other challenging questions.



## QUESTIONS FOR BOARDS

- With competition between colleges and universities intensifying, how can your institution best differentiate itself while remaining true to its mission?
- Have the administration and the faculty examined whether the institution can deliver its current academic programs more cost-effectively? Are the administration and faculty exploring new programmatic offerings, structures, schedules, and delivery models that can attract new students?
- Does your institution have the capacity to collect data about its business practices and analyze those data effectively to make continuous improvements—those that result in reduced costs and improved efficiency?
- Does your board include members with the skills, knowledge, and background that your institution needs to plan for its financial future?
- Could partnerships—with the private sector, local entities, and other institutions—help your college or university advance its goals? What changes in institutional philosophy, policies, and practices would be needed to make those partnerships work?

### Resources

- Natalie Krawitz, *The Board's Role in Financial Oversight* (AGB Press, 2015).
- Stephen G. Pelletier, "Stress Testing: How Can You Ensure Your Institution's Fiscal Health?" *Trusteeship*, September/October 2015.
- Sandy Baum, "The Link between Financial Aid and Enrollment," *Trusteeship*, May/June 2015.
- Larry D. Shinn, "Reflections on the Power of Mission: Imaging a Place," *Trusteeship*, January/February 2015.
- Scott D. Pattison, "The Bond Rating: A Financial Oversight Tool for Boards," *Trusteeship*, September/October 2014.
- "Tuition Discounting" (AGB Brief).

## FACTS TO CONSIDER

- Moody's Investors Service projected 2015 net tuition revenue growth for nonprofit colleges and universities as the weakest in a decade—fueled, a spokesperson said, by "lingering price sensitivity, a public focus on affordability, and flat enrollment."
- For 2015-16, 58 percent of admissions directors said they did not meet their enrollment goals.
- Between 1986 and 2013, overall state spending on corrections grew 141 percent compared to just 5.6 percent for higher education. Spending on corrections as a percentage of funding now eclipses funding for higher education in 11 states.
- State spending for Medicaid is now more than two times than for higher education.
- Charitable contributions to colleges and universities in the United States increased 10.8 percent in 2014 to \$37.45 billion, according to the Council for Aid to Education. Both the percentage rise and the total amount raised were records.
- Endowments of American colleges and universities returned an average of 15.5 percent (net of fees) for fiscal year 2014, compared with 11.7 percent for 2013.