MINUTES
BOARD OF REGENTS
MIDWESTERN STATE UNIVERSITY

February 9, 2007

The Board of Regents, Midwestern State University, met in regular session in the Board Room, Hardin Administration Building, Wichita Falls, Texas, at 9:00 a.m., Friday, February 9, 2007. Regents in attendance were Mr. Mac Cannedy, Jr., Chairperson; Ms. Pat Haywood, Secretary; Ms. Charlye Farris; Ms. Pam Gough; Dr. Carol Gunn; Ms. Patricia Haywood; Mr. Don Ross Malone; Mr. Ben Wible; and Student Regent Jason York.

Administrative staff members present included Dr. Jesse W. Rogers, President; Dr. Friederike Wiedemann, Provost; Mr. Juan Sandoval, Vice President for Administration and Finance; Dr. Howard Farrell, Vice President for University Advancement and Student Affairs; Dr. Bob Clark, Associate Provost; Mr. Keith Lamb, Associate Vice President for Student Affairs; and Mr. Allen Goldapp, Associate Vice President for Facilities Services. Other university personnel attending the meeting included Mr. David Spencer, Internal Auditor; Dr. Robert Redmon, Chairman of the MSU Faculty Senate; Ms. Gail Ferguson, Comptroller; Ms. Valarie Maxwell, Director of Budget and Management; Ms. Barbara Merkle, Director of Admissions; Ms. Janus Buss, Director of Public Information and Marketing; Mr. Mike Snow, Director of Institutional Research and Planning; Ms. Cindy Ashlock, Assistant to the President; and Ms. Debbie Barrow, Executive Associate to the President. Representing the news media was Ms. Ann Work, reporter for the Wichita Falls Times Record News.

Chairperson Cannedy called the meeting to order at 9:02 a.m. Dr. Farrell presented the invocation and Ms. Buss introduced the guests. Mr. Cannedy noted that Mr. Gustafson could not be at the meeting because he was attending a funeral.

Public Comment
07-69. Mr. Cannedy stated that in accordance with the Board of Regents By-Laws, MSU Policy 2.22, members of the public were invited to address the Midwestern State University Board of Regents through written and oral testimony. Mr. Cannedy noted that no one signed up to speak during this time.

Reading and Approval of Minutes
07-70. The minutes of the regular Board meeting November 9, 2006, were approved as presented.

Reading and Approval of Minutes
07-71. The minutes of the regular Board meeting November 10, 2006, were approved as presented.

Executive Committee Report
Mr. Cannedy noted the item presented at the Executive Committee Meeting for committee approval only. Information concerning this item can be found in the minutes of the Executive Committee Meeting held February 8, 2007.
Executive Committee Consent Agenda
The following items were approved by the Executive Committee and placed on the Consent Agenda for consideration by the Board.

07-42. Student Recreation and Health Facility – approved the design and scope of a student recreation and health facility to be constructed on the south campus at a cost of $13.4 million as presented. Authorized the administration to pursue the issuance of 25-year bonds. Finally authorized the administration to work with the Executive Committee of the Board of Regents should the 25-year bond issue not be feasible, to recommend alternate revenue and budget sources and/or a lengthier bond issue (30-year).

07-43. Softball Field Construction – approved a project budget of $400,000 utilizing the following funding sources:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance from Board Quasi-Endowment Fund</td>
<td>$247,722</td>
</tr>
<tr>
<td>Less Pre-Designed Work Already Accomplished</td>
<td>-7,628</td>
</tr>
<tr>
<td>Designated Tuition</td>
<td>75,000</td>
</tr>
<tr>
<td>Student Service Fees</td>
<td>50,000</td>
</tr>
<tr>
<td>Transfer from other Designated Funds</td>
<td>34,906</td>
</tr>
</tbody>
</table>

**TOTAL BUDGET FINANCING** $400,000

07-44. Fowler/Engineering Building Project Update – authorized the administration to proceed with the $7.2 million project with funding as outlined in the agenda document.

07-45. Student Housing Expansion – authorized the administration to proceed with planning additional on-campus housing.

Mr. Cannedy asked if there were items any member wanted to remove from the Consent Agenda. There being none, Dr. Gunn moved approval of the Consent Agenda as presented. Mr. Lalani seconded the motion and it was approved.

Finance and Audit Committee Report
Mr. Lalani noted the item presented at the Finance and Audit Committee Meeting for committee approval only. Information concerning this item can be found in the minutes of the Finance and Audit Committee Meeting held February 9, 2007.

Item Presented for Committee Approval Only
07-46. Committee Minutes, 11/9/06 – approved by the Committee as presented.

07-48. FY 2006-2007 Items $50,000 & Under Approved by President – ratified these items as presented.

07-49. Salary/Title/Position Changes in FY 06-07 Budget Approved per Board Authorization – ratified changes as presented.

07-50. 2007-2008 Budget Discussion/Tuition and Fee Increase Review – approved the following:

A. Authorized an increase to Board Designated Tuition for the fall 2007 semester in the amount of $12 per semester credit hour, from the current $66 to $78.

B. Further authorized the administration to increase Board Designated Tuition by up to another $6 per semester credit hour after determining what the state appropriation to Midwestern State University will be. Any increase above $12 per semester credit hour would require approval of the board chairperson.

C. Authorized an increase of the Computer Use Fee for the fall 2007 semester in the amount of $3 per semester credit hour, from $12 to $15.

D. Authorized an increase in Course Fees for the fall 2007 semester as presented below:

<table>
<thead>
<tr>
<th>Course Fees/per SCH</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biology (BIOL)</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Chemistry (CHEM)</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Environmental Science (ENSC)</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Geosciences (GEOS)</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Physics (PHYS)</td>
<td>$10</td>
<td>$20</td>
</tr>
<tr>
<td>Art (ART)</td>
<td>$9</td>
<td>$12</td>
</tr>
<tr>
<td>Dental Hygiene (DNHY)</td>
<td>$9</td>
<td>$15</td>
</tr>
<tr>
<td>Nursing (NURS)</td>
<td>$9</td>
<td>$15</td>
</tr>
<tr>
<td>Manufacturing Engineering Technology (MENT)</td>
<td>$7</td>
<td>$25</td>
</tr>
<tr>
<td>Mechanical Engineering (MENG)</td>
<td>$7</td>
<td>$25</td>
</tr>
<tr>
<td>Computer Science (CMPS)</td>
<td>$6</td>
<td>$15</td>
</tr>
</tbody>
</table>

Mr. Cannedy asked if there were items any member wanted to remove from the Consent Agenda. Mr. Lalani asked that Item 07-50 be removed from the Consent Agenda for further discussion. Mr. Wible moved approval of the Consent Agenda excluding Item 07-50. Ms. Haywood seconded the motion and it was approved.

2007-2008 Budget Discussion/Tuition and Fee Review

07-50. Dr. Rogers stated that following the committee meetings he considered further the idea of guaranteeing incoming students that tuition would not increase by more than 5% per year. He stated his opinion that it would be wise for the university to commit to such a program at this time, rather than waiting until May. He indicated that this would help with
planning by the students as well as the university. Dr. Rogers stated that the administration would need to work out the details of such a plan, but the general idea of guaranteeing incoming freshmen that they would not see more than a 5% tuition increase per year for a period of time was a good idea. He commented that the concept could be approved, with the understanding that the administration could work out the details and present them to the Board at the May meeting.

Mr. Lalani stated his support and commented that this would be a great incentive for students and parents. He stated that doing this one year at a time would allow the university to evaluate the program in the short-term and long-term. Dr. Rogers added that this would not mean the university would automatically increase tuition by 5% each year; rather, it would be more of a cap on tuition.

Mr. Cannedy recommended the following addition to the overall recommendation regarding Item 07-50:

E. Authorize the administration to plan the details of a tuition cap at 5% per year for entering students effective with the fall 2007 semester, with the plan to be finalized and presented to the Board of Regents in May.

Mr. Lalani moved approval of the recommendation with the addition of Item E as presented. He noted that timing is important and students are being recruited now to attend MSU in the fall 2007. Mr. Sandoval noted that there are a number of details that need to be worked out. Dr. Rogers mentioned that a decision would need to be made relative to transfer students and how long a guarantee would be given to them. Mr. Lalani stated that the concept calls for a student having four or five years after they begin higher education to complete their program. He applauded the administration for coming forward with this recommendation. Mr. Wible seconded the motion and it was approved.

**Personnel and Curriculum Committee Report**

Ms. Haywood noted the items presented at the Personnel and Curriculum Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Personnel and Curriculum Committee Meeting held February 9, 2007.

**Item Presented for Committee Approval Only**

07-51. Committee Minutes, 11/9/06 – approved by the Committee as presented.

**Items Presented for Information Only**

07-52. Faculty Report


07-55. Beginning and Last Day Enrollment Reports, Fall 2006 Semester

07-56. Review of Personnel Reports for FY 06-07 Budget
Personnel and Curriculum Committee Consent Agenda
The following items were approved by the Personnel and Curriculum Committee and placed on the Consent Agenda for consideration by the Board:

07-57. Proposed Faculty Development Leave – 2007-2008 – approved a developmental leave during the spring 2008 semester for Dr. Dawn Slavens, Associate Professor of Mathematics, as presented.

07-58. Organization of University Administration – approved the following changes to the organizational structure of the university:

A. Created a position of Vice President for Institutional Effectiveness and Enrollment Management. The mission of the Division of Institutional Effectiveness and Enrollment Management would be to formulate strategies and develop programs and services designed to achieve the enrollment, retention, and graduation goals of the university. The division would be comprised of the offices of institutional research and planning, admissions, financial aid, registrar, testing services, international services, and upward bound (the areas which previously reported to the associate provost, with the addition of institutional research and planning).

B. Changed the title of Director of Institutional Research and Planning to Assistant to the Vice President for Institutional Effectiveness/Director of Institutional Research and Planning and moved this position to directly report to the Vice President for Institutional Effectiveness and Enrollment Management.

C. Changed the Dean of Graduate Studies to Associate Provost and Dean of Graduate Studies.

07-59. MSU Policies and Procedures Manual Changes – approved changes to the following committees included in Policy 2.338 as presented:

A. Accident Review Board and Risk Management and Safety Committee
B. Computer Information Security Committee
C. Financial Aid Advisory Appeals Committee
D. Purchasing Vendor Appeals Committee
E. Student Traffic Review Board

Mr. Cannedy asked if there were items any member wanted to remove from the Consent Agenda. There being none, Mr. Lalani moved approval of the Consent Agenda. Ms. Haywood seconded the motion and it was approved unanimously.

Student Services Committee Report
Ms. Gough noted the items presented at the Student Services Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Student Services Committee Meeting held February 9, 2007.

Item Presented for Committee Approval Only
07-60. Committee Minutes, 11/9/06 – approved by the Committee as presented.
Student Services Consent Agenda
The following items were approved by the Student Services Committee and were placed on the Consent Agenda for consideration by the Board.


Mr. Cannedy asked if there were items any member wanted to remove from the Consent Agenda. There being none, Ms. Gough moved approval of the Consent Agenda. Mr. Malone seconded the motion and it was approved unanimously.

University Development Committee Report
Mr. Cannedy noted the items presented at the University Development Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the University Development Committee Meeting held February 9, 2007.

Item Presented for Committee Approval Only
07-64. Committee Minutes, 11/9/06 – approved by Committee as presented.

Items Presented for Information Only
07-65. Summary of Gifts, Grants, and Pledges 9/1/06 – 1/12/07

University Development Committee Consent Agenda
The following item was approved by the University Development Committee and placed on the Consent Agenda for consideration by the Board.


Mr. Cannedy asked if any member wanted to remove this item from the Consent Agenda. There being none, Mr. Wible moved approval of the Consent Agenda. Ms. Farris seconded the motion and it was approved unanimously.

Athletics Committee Report
Mr. Malone noted the items presented at the Athletics Committee Meeting for committee approval and information only. Information concerning these items can be found in the minutes of the Athletics Committee Meeting held February 9, 2007.

Item Presented for Committee Approval Only
07-67. Committee Minutes, 11/9/06 – approved by the Committee as presented.
Item Presented for Information Only
07-68. Athletics Status Report

Other Business

Nominating Committee for Board Officers for the 2007-2008/2008-2009 Biennium
07-72. Mr. Cannedy appointed a special Nominating Committee to make recommendations concerning the election of a Chairperson, Vice Chairperson, Secretary, and Member-at-Large of the Executive Committee of the Board of Regents for the upcoming biennium. The election of officers will take place at the May 2007 meeting of the Board in accordance with Section 2.22 of the MSU Policies and Procedures Manual. Mr. Cannedy appointed Mr. Wible, Mr. Gustafson, and Mr. Malone to the committee and asked Mr. Malone to serve as chairman.

University President’s Annual Performance and Compensation Review and Contract
07-73. Mr. Cannedy noted that the special Presidential Performance and Compensation Review Committee appointed at the November Board meeting would review the President’s performance and make recommendations concerning the university president’s contract in accordance with Section 2.31 of the MSU Policies and Procedures Manual.

Executive Session
Mr. Cannedy announced that the Board of Regents would go into closed session as allowed by the Texas Government Code Chapter 551, Section 551.074, Personnel Matters, to consider Item 07-73. The closed session was properly announced at 9:30 a.m. Board members and Ms. Barrow remained for the discussion. Dr. Rogers joined the meeting at 9:48 a.m.

Open Meeting Resumes
The closed session ended at 10:06 a.m. with an announcement by Mr. Cannedy that no action was taken during Executive Session. The open meeting immediately resumed.

University President’s Annual Performance and Compensation Review and Contract
07-74. Mr. Lalani moved that Appendix A (Benefit Clauses) of Dr. Jesse Rogers’ current contract be modified to include Dr. Rogers’ using a university vehicle in the performance of official university business. He further recommended that in recognition of his outstanding work, Dr. Rogers’ total salary for the 2007-2008 year (including benefit replacement and longevity pay) be $237,560.00. Mr. Malone seconded the motion. Mr. Cannedy stated that the Board is very pleased with Dr. Rogers’ performance. He continues to do an outstanding job. The motion was approved.

Dr. Rogers expressed appreciation to the Board for their continued confidence and support of Midwestern State University.

President’s Report and Discussion
07-75. Dr. Rogers presented information to the Board concerning various university matters. He noted that a great deal of his report was covered during the discussions on Thursday and Friday.
A. Legislative Session Update – Dr. Rogers reported that during this legislative session there is a great deal of interest by the legislature, the lieutenant governor, and the governor in student financial aid. A number of proposals have been presented dealing with the Texas Grant program, the Be-On-Time grant program and others. He noted that the Texas Grant program has been a favorite of higher education. The Council of Public University Presidents and Chancellors has gone on record recommending that this grant program be raised to full funding. He stated that there is a great deal of interest in getting universities to promote the Be-On-Time grant program. This is a zero interest loan, but if a student graduates from college in four years with a B average, the loan is forgiven.

Dr. Rogers stated that the legislature is also discussing a possible system of incentive funding. He added that he supports a program that would add new funds to be distributed to universities based on incentives that promote the needs of the state of Texas. He stated that his only concern about incentive funding is that it be additional, above the base, funding for institutions.

Dr. Rogers indicated that there would likely be changes in the way all 35 public senior institutions are funded for deferred maintenance projects. Additional changes are proposed with regard to Higher Education Assistance Funds (HEAF), campus capital improvements, and the structure of the Tuition Revenue Bond program.

Mr. Cannedy asked Dr. Rogers to tell the Board about his upcoming meetings in Austin. Dr. Rogers stated that he and Mr. Sandoval would leave Wichita Falls Sunday afternoon to travel to Austin. On Monday, he will testify before the House Higher Education Committee regarding MSU’s access and affordability plan. On Tuesday, he will testify before the Senate Finance Committee regarding MSU’s legislative request. On Wednesday, he will testify before the House Appropriations Committee Sub-Committee on Education regarding the university’s legislative request. He indicated that he hoped to attend a meeting with the Lieutenant Governor while in Austin. He added that they would also visit with local legislators and others.

B. Out-of-State Recruiting Report – Dr. Rogers asked Ms. Merkle to present information to the Board relating to the university’s new recruiting program targeted at out-of-state students. Ms. Merkle presented information regarding recruitment pieces that had been created for the university by Graphics II (see Attachment 1). The items will be sent to out-of-state prospective students. The university is purchasing search lists and mailing these items to select high school sophomores, juniors, and seniors. She noted that each envelope that goes to an out-of-state student will have a “Texas Bound” sticker on it.

Ms. Merkle reported that Mustangs Rally for prospective students will be held February 17. Currently 362 students and 670 parents have indicated they will attend. She added that application numbers are up compared to the same time last year.
Dr. Rogers asked which states she is targeting. She indicated that the university is already getting students from Oklahoma, New Mexico, Arkansas, Louisiana, and Missouri. She added that students from Connecticut, Pennsylvania, Colorado, and Missouri are planning to attend Mustangs Rally.

Dr. Rogers stated that this recruitment program was in addition to our in-state recruiting that continues. Dr. Clark stated that MSU is the only Texas state institution that has been authorized by the Coordinating Board and our Board of Regents to offer reduced tuition to students from anywhere in the United States.

C. Other – Dr. Rogers informed the Board that a bronze sculpture of three mustangs would appear on campus in the next two to three years. He showed individuals attending the meeting a mock up of the sculpture. He indicated that local artist Jack Stevens had been commissioned to complete this sculpture for the university. Dr. Farrell reported that a benefactor has provided initial funding for the project and expect others to provide funding as well. He added that no state funds would be utilized for this project. Mr. Cannedy asked where the sculpture would be placed on campus. Dr. Farrell indicated that a decision had not yet been made. Ms. Haywood asked if the total cost was underwritten. Dr. Farrell noted that a part has been funded and one of the benefactors is seeking other friends to contribute to the project.

Adjournment
There being no further business, the meeting was adjourned at 10:30 a.m. The next regularly scheduled meetings of the Board of Regents will be Thursday and Friday, May 10 and 11, 2007.

Original Signed

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Patricia A. Haywood, Secretary

I, Patricia A. Haywood, the fully appointed and qualified Secretary of the Midwestern State University Board of Regents, hereby certify that the above and foregoing is a true and correct copy of the minutes of the Midwestern State University Board of Regents meeting February 9, 2007.

Original Signed

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Patricia A. Haywood, Secretary

ATTACHMENT:
1. Out-of-State Recruiting Information