Presentation and Board Action on Agenda Item 1:

**RENEWAL OF DESIRE2LEARN CONTRACT**

Explanation:

Desire2Learn is the system used to deliver the university's distance learning programs and other enhancements in face-to-face and blended courses. Renewal of our license is due on December 17. The administration wishes to request approval for expenditures of over $100,000 for each of years 2014, 2015, and 2016 in order to renew the license. The contract will remain the same as the previous version signed in 2013 except for the addition of the option to extend the existing contract through and until December 16, 2017.

In keeping with the allowable five percent annual increase, the yearly costs are expected to be:

- 2014 $127,036
- 2015 $133,388
- 2016 $140,057

Recommendation:

The administration recommends approval of the renewal of Desire2Learn contract for the next three years at a cost not to exceed $145,000 per year and the authorization of the president to sign the necessary paperwork.
Presentation and Board Action on Agenda Item 2:

AUTHORIZATION TO SEEK LEGISLATIVE APPROVAL – INTERCOLLEGIATE ATHLETICS FEE

Explanation:

Over the past several years, students at universities across Texas have had the opportunity through referenda to determine if they wish to levy a student fee in support of intercollegiate athletics on their campuses. Stephen F. Austin State University remains one of the only universities in the state without the legislative authority to implement an intercollegiate athletics fee.

Recommendation:

The administration recommends that the board authorize the president to seek legislative approval for a bill authorizing the establishment of an intercollegiate athletics fee at Stephen F. Austin State University. Such a fee would not be levied unless approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.
Board Consideration of the following items:

Consideration of Individual Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of an Officer or Employee, including but not limited to the director of audit services, vice presidents and the president. (Texas Government Code, Section 551.074)

Consultation with Attorney Regarding Legal Advice or Pending and/or Contemplated Litigation or Settlement Offers, including but not limited to legal issues relating to employee benefits, debt and debt financing, and ongoing audits and audit investigations, reported complaints, and procedure on investigations and employee discipline (Texas Government Code, Section 551.071)
Adjourn Executive Session  
(Scheduled for approximately 5:50 pm)  
Reconvene Board of Regents in Open Session.  

Steve McCarty  
Chair  

Presentation and Board Action on Agenda Item 3:  

ACKNOWLEDGE RECEIPT OF AUDIT SERVICES REPORT  
AND APPROVE CHANGE IN PAYROLL BENEFITS METHOD  
OF FINANCE  

Explanation:  

The Board Rules and Regulations state that the director of  
audit services shall assist the board in carrying out its  
oversight responsibilities as they relate to the university’s  
a) financial and other reporting practices, b) internal  
control, and c) compliance with laws, regulations and  
ethics. The director of audit services reports to the Board  
of Regents on the status of the annual audit plan, internal  
external reports, risk assessment and audit/compliance  
issues.  

The audit services report as presented includes  
Proportionality of Benefits Audit and an update on annual  
audit plan.  

Recommendation:  

The administration recommends that the Board of  
Regents acknowledge receipt of the audit services report  
as presented and approve the change in the institutional  
education and general payroll benefits method of finance  
from general revenue funds to designated fund balance  
for fiscal years 12, 13, and 14, and for the university to  
work with the Texas Comptroller’s office to determine the  
process for the method of finance change and  
recompensing of general revenue.  

Gina Oglesbee  
Director of Audit Services  

Adjourn Board Meeting  
(Scheduled for approximately 6:00 pm)  

Steve McCarty  
Chair