

Stephen F. Austin State University

MINUTES OF THE BOARD OF REGENTS



**Nacogdoches, Texas
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VOLUME 293

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Stephen F. Austin State University
Minutes of the Board of Regents Special Meeting
December 12, 2014
4:00 p.m.
Austin Building, Room 307
Nacogdoches, Texas
Meeting 293

A special meeting of the SFA Board of Regents was called to order on Friday, December 12, 2014, at 4:00 p.m. by Chair Steve McCarty.

PRESENT:

Board Members: Mr. Steve McCarty, Chair
 Mr. David Alders
 Ms. Kelsey Brown
 Ms. Brigettee Henderson
 Mr. Barry Nelson
 Mr. Ken Schaefer
 Mr. Ralph Todd
 Ms. Connie Ware

President: Dr. Baker Pattillo

Vice-Presidents: Dr. Richard Berry
 Mr. Danny Gallant
 Ms. Jill Still
 Dr. Steve Westbrook

General Counsel: Mr. Damon Derrick

Other SFA administrators, staff, and visitors

Board Members Scott Coleman and Bob Garrett were unable to attend the meeting.

BOARD ORDER 15-07

Upon motion by Regent Ware, seconded by Regent Todd, with all members voting aye, the following agenda item was approved:

RENEWAL OF DESIRE2LEARN CONTRACT

WHEREAS, the board members considered the following: 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

THEREFORE, it was ordered that the Desire2Learn contract be renewed for the next three years at a cost not to exceed \$145,000 per year and that the president be authorized to sign the necessary paperwork.

BOARD ORDER 15-08

Upon motion by Regent Schaefer, seconded by Regent Ware, with all members voting aye, the following agenda item was approved:

AUTHORIZATION TO SEEK LEGISLATIVE APPROVAL – INTERCOLLEGIATE ATHLETICS FEE

WHEREAS, the board members considered the following: 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.

Therefore, it was ordered that the president 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 in the university who participate in a general student election held for that purpose.

At 4:10 p.m. the board chair called for an executive session to consider 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)

At 6:05 p.m. the executive session ended, and the board meeting was reconvened in open session at 6:10 p.m.

BOARD ORDER 15-09

Upon motion by Regent Todd, seconded by Regent Ware, with all members voting aye, the following agenda item was approved.

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

WHEREAS, the board members considered the following: 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.

THEREFORE, it was ordered that the Board of Regents acknowledged receipt of the audit services report as presented and approved 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 that the university work with the Texas Comptroller's office to determine the process for the method of finance change and recompensing of general revenue.

The meeting was adjourned at 6:12 p.m.