REPORT TO THE BOARD OF REGENTS

May 9, 2014
Meeting 289

STEPHEN F. AUSTIN STATE UNIVERSITY
| Board of Regents Committee of the Whole Open Session | Steve McCarty  
Board Chair |
|---------------------------------------------------|--------------------------------------------------|
| Call to Order                                     | Steve McCarty  
Board Chair |
| Architectural Presentation on Proposed Renovations to the McGee Building | Danny Gallant  
VP for Finance and Administration |
| Recess to Executive Session  
(Approximately 2:30 p.m.) | Steve McCarty  
Chair |
EXECUTIVE SESSION
(Approximately 2:30 p.m.)

Board Consideration of the following items:

Deliberations Regarding Negotiated Contracts for Prospective Gifts or Donations (551.073)
   Possible Naming Opportunities

Consultation with Attorney Regarding Legal Advice or Pending and/or Contemplated Litigation or Settlement Offers, including but not limited to regent responsibilities (551.071)

Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of an Officer or Employee including but not limited to basketball coaches, vice presidents and the president (551.074)

Adjourn Executive Session
(Approximately 3:30 p.m.)

Reconvene Board of Regents in Open Session
(Appproximately 3:45 p.m.)

Steve McCarty
Chair
Presentation and Board Consideration of Agenda

Item 1:

ARAMARK AGREEMENT AMENDMENT

Explanation:

The university’s agreement with Aramark to provide food service on campus contains a provision for multiple infrastructure investments over the term of the agreement. An increase in these investments is necessary to fund the on-going renovations and upgrades desired to maintain the high quality food service program our students seek. Aramark has agreed to increase their financial commitment for these updates by $160,000. This addition necessitates an amendment to the original agreement.

Recommendation:

The administration recommends that the president be authorized to sign an amendment to the existing food service agreement, increasing Aramark’s financial commitment for the on-going modernization of the food service program. The amendment is shown in Appendix 1.
Presentation and Board Consideration of Agenda

Item 2:

RECREATION CENTER EQUIPMENT

Explanation:

The 2013-14 capital budget approved by the board in July 2013 includes funding for the annual replacement of equipment in the Student Recreation Center. The wording of the item unintentionally restricted the replacement to very specific items. The department continuously updates the condition and usability of its equipment. The equipment that needs to be replaced at this point is different than that specified in the original item. The amount of funding approved remains the same.

Recommendation:

The administration recommends that the original 2013-14 capital budget board item authorizing the Campus Recreation Department equipment replacement be modified to allow the department discretion regarding the equipment replaced.
Presentation and Board Consideration of Agenda
Item 3:

EXTENSION OF PREVIOUS STRATEGIC PLAN

Explanation:

It is expected by most of our accrediting agencies, including the Southern Association of Colleges and Schools Commission on Colleges, that Stephen F. Austin State University be guided in planning and decision-making by a strategic plan. Required assessments and outcomes must be tracked back to such a document. Since the previous strategic plan expired in 2013 and the new plan may not be approved until 2015, it is necessary to take official action that will cover the interim period.

Recommendation:

The administration recommends that the Board of Regents extend the effective date of Strategic Plan 2013: Preparing for the Future until the adoption of a new plan.
Presentation and Board Consideration of Agenda

Item 4:

APPROVAL OF THE MCGEE BUILDING RENOVATION CONCEPT

Explanation:

The architectural firm of Scott and Strong Architects-Interiors was engaged to develop a renovation concept for the McGee Building, which currently houses the Nelson Rusche College of Business. Scott and Strong Architects-Interiors developed the concept in association with the College of Business administration.

Recommendation:

The administration recommends approval of the renovation concept as presented by the Scott and Strong Architects Interiors, excluding design finish specifications such as colors, finishes and other design elements.

Danny Gallant
Vice President for Finance and Administration
Presentation and Board Consideration of Agenda

Item 5:

NAMING OF FIRST FLOOR COMMON AREA OF THE MCGEE BUILDING (Executive Session Item)

Explanation:

In accordance with the Board Rules and Regulations, buildings and other facilities may be named for persons, both living and deceased, who make a significant donation to the university. The board will consider the appropriate naming of the common area located on the first floor of the McGee Building, which houses the Nelson Rusche College of Business. The naming of the first floor common area will be for a period of at least ten (10) years, such ten (10) year period to begin upon approval of the Board of Regents, and contingent upon receipt of the full amount of the gift according to the executed Memorandum of Understanding.

Recommendation:

It is recommended by the administration that the Board of Regents name the first floor common area of the McGee Building as the Mattress Firm Common Area, subject to the terms and conditions stated within the Memorandum of Understanding executed by Mattress Firm and the university, and contingent upon receipt of the full amount of the gift.
Presentation and Board Consideration of Agenda Item 6:

NAMING OF THE EAST LOBBY, FIRST FLOOR, MCGEE BUILDING (Executive Session Item)

Explanation:

In accordance with the Board Rules and Regulations, buildings and other facilities may be named for persons, both living and deceased, who make a significant donation to the university. The board will consider the appropriate naming of the east lobby located on the first floor of the McGee Building, which houses the Nelson Rusche College of Business. The naming of the east lobby will be for a period of at least ten (10) years, such ten (10) year period to begin upon approval of the Board of Regents, and contingent upon receipt of the full amount of the gift according to a mutually agreed upon Memorandum of Understanding.

Recommendation:

It is recommended by the administration that the Board of Regents name the east lobby located on the first floor of the McGee Building as the Mark T. Layton East Lobby, subject to the terms and conditions stated within a mutually agreed upon Memorandum of Understanding executed by Deloitte and the university, and contingent upon receipt of the full amount of the gift.
Presentation and Board Consideration of Agenda

Item 7: CHANGES OF STATUS FOR 2013-2014 (Executive Session Item)

Explanation:

Changes of status include changes in appointment, percentage of time, salary or semesters. These changes are initiated by the department chair or director and routed through administrative channels for approval.

Recommendation:

It is recommended by the administration that the following changes of status be approved.

ATHLETICS

Brad Underwood, from Head Men’s Basketball Coach at an annual salary of $175,000 for 100 percent time, to Head Men’s Basketball Coach at an annual salary of $225,000 for 100 percent time, effective May 9, 2014.

Adjourn Meeting (Approximately 4:30 p.m.)
AMENDMENT TO UNIVERSITY FOOD SERVICE AGREEMENT

The University Food Service Agreement between STEPHEN F. AUSTIN STATE UNIVERSITY and ARAMARK EDUCATIONAL SERVICES, LLC (formerly known as ARAMARK EDUCATIONAL SERVICES, INC.), dated as of September 1, 2006 (the “Agreement”), shall be amended, effective May 9, 2014, as follows:

1. Paragraph 7, FINANCIAL COMMITMENT, shall be modified to include a revised “Aggregate New Financial Commitment” and a new financial commitment segment as follows:

7. Four Million Two Hundred Ninety Thousand Dollars ($4,290,000) is increased to Four Million Four Hundred Fifty Thousand Dollars ($4,450,000)

7.1

<table>
<thead>
<tr>
<th>Period of Operation</th>
<th>Amount of Financial Commitment Segment</th>
<th>Amortization Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 10 – Aug. 31, 2014</td>
<td>$160,000</td>
<td>7 years</td>
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</tbody>
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In all other respects, the Agreement shall remain in full force and effect. This Amendment shall be attached to, and become part of, the Agreement.

2. Appendix E, USE OF FINANCIAL COMMITMENT OUTLINED IN SECTION 7, shall be modified with the following addition:

- **Period:** May 10, 2014 – August 31, 2014
- **Financial Commitment:** $160,000
- **Amortization Period:** 7 years
- **Interest Rate Charged During Amortization Period:** 0%
- **Disposition of funds not expended during this time period:** Will be maintained by ARAMARK and applied to the next mutually agreed upon project.
- **Use:** The Contractor and the University will mutually agree upon how these funds will be used to renovate/refresh and change-out facilities as needed.

ARAMARK EDUCATIONAL SERVICES, LLC

BY: _________________________________
    Karl Stumpf
    Regional Director of Finance

The above is accepted this _____ day of __________, 2014.

STEPHEN F. AUSTIN STATE UNIVERSITY

BY: _________________________________
    Dr. Baker Pattillo, President

The above is accepted this _____ day of __________, 2014.