



**STEPHEN F. AUSTIN
STATE UNIVERSITY**
NACOGDOCHES, TEXAS



**THE TEXAS A&M
UNIVERSITY SYSTEM**

**The Texas A&M University System
Written Responses to Campus Group Questions
of Stephen F. Austin University**

On behalf of The Texas A&M University System, the Board of Regents, and Chancellor John Sharp, we appreciate the opportunity to discuss the possibility of Stephen F. Austin State University becoming a member of The Texas A&M University System. To assist you in preparation of your final report, we are providing the following written answers to your questions. Thank you for your interest in the A&M System.

Questions Submitted by the SFA Staff Council

Governance/Policies and Procedures

1. Which of the following policies and procedures will remain local and which will be adjusted to merge with system expectations following affiliation:

a. contracting/purchasing

SFA administrative decision with adherence to A&M System Policies and Regulations.

b. information technology applications

Members of the A&M System are only required to participate in four assessed, mandatory contracts (i.e., Multi-Factor Authentication, Open Records, I-9 Compliance, and Website Accessibility). Members are not required to participate in any discretionary, “opt-in” contracts.

In addition, the A&M System has implemented a strong suite of enterprise-wide applications: purchasing (Aggiebuy), travel (Concur), financials (FAMIS/Canopy), position budgeting, grants management (Maestro), time and effort, and HR/Payroll (Workday). All members of the A&M System utilize these enterprise-wide applications. The A&M System would work with Stephen F. Austin to migrate purchasing, travel, financials, position budgeting, grants management, time and effort, and HR/Payroll to the system enterprise-wide applications in a manner and in a timeframe that does not harm Stephen F. Austin’s ability to complete research, educate students, or report to the State.

In contrast to these enterprise-wide applications, each institution in the A&M System can select their own Learning Management System, Student Information System, academic technology, marketing, cybersecurity, e-Signature, HR, virtual conferencing, business services and other applications. The A&M System has a pool of 54 system-wide agreements that can be leveraged by its members.

In addition to the system-wide agreements, the A&M System formed the Council on Academic Technology and Innovative Education (CATIE) to support the educational mission of the system members in matters related to technology use in the design, development, delivery, and assessment of courses and programs. CATIE members provide collaborative strategic direction, guidance, and recommendations on technology-enriched teaching, learning, and assessment initiatives that present a continuum. This continuum begins in the classroom with learning space design and classroom technologies and expands to encompass new environments and emerging trends. More about this strategic, dynamic, collaborative, and innovative council can be found at <https://www.tamus.edu/catie/>.

c. software purchases

SFA administrative decision.

d. emergency management

SFA administrative decision with adherence to A&M System Policies and Regulations.

e. construction management

SFA administrative decision with adherence to A&M System Policies and Regulations.

f. insurance and risk services

These services would be merged with the A&M System Risk Management office, but we would work with the local risk manager for SFA. The A&M System property insurance program insures \$12.8B of property across the State of Texas, and should SFA join the A&M System, would benefit from increased buying power and overall program structure. The A&M System is self-insured for auto insurance, with rates much lower than commercial insurance products. The A&M System is also self-insured for Workers Compensation Insurance; again this allows for lower premiums than commercial insurance. Both of these self-insured programs are administered in-house; premium claims are adjudicated by A&M System employees/adjusters and premiums are assessed by the Office of Risk Management. SFA would take part in our best in class, ROCIP and builder's risk programs. These programs allow A&M System Risk Management to better control safety and claims adjudication and have saved our members millions of dollars in insurance costs.

g. hiring procedures

SFA administrative decision with adherence to A&M System Policies and Regulations.

h. holiday and academic calendars

SFA administrative decision with adherence to A&M System Policies and Regulations and state law.

i. scholarship procedures/deadlines

SFA administrative decision.

j. property inventory/management

SFA administrative decision.

k. payroll

The A&M System utilizes Workday for HR/Payroll.

l. accounts payable

SFA administrative decision.

- 2. SFA is currently without a permanent president. The selection of our next leader will be critical to our success, and our institutional commitment to shared governance means that many stakeholders will want to be part of the selection process. How will the system approach the presidential selection process?**

The presidential search process is outlined by Board policy and was discussed in an earlier question. Two regents of the A&M System serve on each presidential search advisory committee. The balance of the committee consists of faculty, students, staff, alums, etc. The composition varies by the needs, history, and culture of the university. Board policy dictates that the committee is advisory. The advisory committee conducts a national search, aided by a recognized search firm and facilitated by the A&M System Academic Affairs Office. Ultimately, the advisory committee recommends no fewer than three names to the Chancellor who then brings one name to the Board of Regents as sole finalist. This process typically takes six to eight months before the new president would be onboard. SFA would have an interim president until such time a permanent president would be named.

- 3. What level of autonomy will SFA retain regarding its institutional shared governance practices?**

SFA administrative decision.

Will there be any changes to representative bodies such as Staff Council?

SFA administrative decision.

How will the system actively facilitate staff representation in system-level and university-level conversations?

The System Office does lead several system-wide committees that are represented by members of the A&M System. These committees cover areas in finance, human resources, employee benefits, pay plan administration, and information technology.

System Resource Investment & Affiliate Accountability

4. Please provide specific examples of how system affiliation will benefit SFA with respect to:

a. legislative representation,

Each A&M System member has a Government Relations (GR) representative that works on behalf of the institution and as part of the A&M System Government Relations team at the state level. The GR team develops broad legislative goals and policy initiatives for the system based on guidance from the Chancellor and Board, and the GR team's role is to provide information to legislators and policymakers, while not advocating for or against specific legislation. Two important initiatives that developed as a result of the leadership and discussions of our board of regents are the Comprehensive Regional University initiative from the 87th legislature and the affordability initiative that we are working on for this session. The A&M System has been the catalyst for developing these two initiatives and getting other systems of higher education on board. Another policy issue where the A&M System took the lead was getting an increase for the Small Institution Supplement, within the General Academic Formulas during the 86th Legislature. With 11 campuses that are part of the group of comprehensive regional institutions, our board, chancellor and GR team have worked hard and continue to work to garner additional resources for our regional institutions.

The GR team, including the institutional representatives, develops a coordinated plan to work on both broad system-wide policy initiatives and individual institutional initiatives. The GR team provides guidance on cross cutting issues such as formula funding or other appropriations policy decisions impacting higher education, higher education policy issues, or general business policy issues impacting higher education. The GR team has experts in each of these areas that coordinate these cross cutting issues on behalf of the entire system and in coordination with other systems of higher education. These subject matter experts work closely with all system members on these issues, including legislative tracking and reporting. For example, we work very closely with the institutions in training, preparation and review of each institution's Legislative Appropriations Request to ensure quality documents are submitted. We also have a former attorney on the GR team that coordinates with our Office of General Counsel on any potential legislation, whether broad or institution specific.

The GR representative is the institution's boots on the ground in Austin both during the session and the interim, providing regular feedback to the institution president and leadership. The GR team member for each institution works directly with the President and other leadership within the institution on institution specific legislative priorities for the institution. This would include exceptional item funding initiatives, potential Capital Construction Assistance Project Requests (formerly TRBs), institution specific legislation, or any other potential legislative issues. The GR representative works closely with the institution on developing the details of any proposals, testimony, handouts, legislative and staff visits, etc. The GR representative coordinates getting the

President to Austin to make key legislative visits, works with key staff from the institution's legislative delegation on the institutional initiatives, and coordinates efforts with the GR team.

b. resource allocation,

The A&M System has a strong governmental relations team that has been working on funding initiatives for regional universities with the goal of accessing more funding. A&M System-funded initiatives such as the Regents' Grants Program, the Regents' Scholarship Program, RELLIS, software/computer system projects, to name a few, benefit all system members easing the financial burden on the members.

SFA will gain access to A&M System-funded initiatives, collaborative projects and programs, lower borrowing costs, and legislative support from our teams in Austin and Washington, DC, examples of which are addressed in answers to questions in this request. Expertise in various subject matters and administrative functions are provided by highly-skilled individuals housed at the A&M System offices will be available to assist SFA.

c. employee benefits, and

The A&M System falls under Texas Insurance Code Chapter 1601. The A&M System offers coverage for employees, retirees and their eligible dependents. All A&M System member institutions and agencies offer the same benefits to their employees.

Employee Health Benefits

Employees of the A&M System are offered the A&M Care Plan for healthcare coverage. The employee premiums for the A&M Care Plan are Employee only (E/O) = \$0.00, Employee & Spouse (E/S) = \$281.04, Employee and Children (E/C) = \$195.26, Employee and Family (E/F) = \$395.50. The A&M Care Plan has a \$400 deductible with a \$5,000 Out of pocket maximum with in network providers. The copays are \$20 for a Primary Care Physician and \$30 for a specialist. The coinsurance is 20% paid by the employee and 80% paid by the plan. Our third party plan administrator is Blue Cross Blue Shield of Texas. A designated Primary Care Physician is not required by the A&M Care Plan. The prescription benefits are a \$50 deductible with \$10 for generic and \$35 for preferred brand. Express Scripts administers the prescription benefit.

The A&M System offers dental through Delta Dental. The Dental PPO premiums are E/O \$30, E/S \$60, E/C \$63, E/F \$96. The Dental HMO premiums are E/O \$21.08, E/S \$37.48, E/C \$37.76, E/F \$58.66. Vision coverage is offered through Superior Vision. The premiums are E/O \$7.60, E/S \$16.12, E/C \$12.46, E/F \$22.22. The vision plan covers anti-reflective coating, scratch resistant coating, and polycarbonate at 100%.

The A&M System pays for Basic Life coverage of \$7,500 and Accidental Death & Dismemberment coverage of \$5,000 for all benefits-eligible employees. Optional life is offered up to six times salary or \$1,000,000 maximum. Three times salary is offered to new employees without evidence of insurability. Spouse coverage is offered up to \$200,000. Child coverage is offered up to \$10,000. Accidental Death & Dismemberment coverage is offered up to \$800,000.

The A&M System also offers Long Term Disability, Health Care Flexible Spending Accounts, Daycare Flexible Spending accounts, and an Employee Assistance Program (EAP). The EAP offers 5 in-person sessions per incident, unlimited telephonic counseling, and work/life solutions including training sessions, estate planning, legal counseling, financial education, travel planning, etc. The EAP program is 100% paid by System Benefits Administration and is not charged to the member locations.

Each A&M System member has their own wellness program led by their wellness champion. Each member can decide what programming, education, resources, events, and challenges they find best suited for the culture of their institution or agency. Each wellness program can apply for grant funds from System Benefits Administration to help fund their program.

Employee Retirement Programs

The A&M System is under Texas Government Code Chapter 821 Teacher Retirement System of Texas (TRS) for their mandatory retirement programs. All benefits-eligible employees are required to participate in TRS with some positions offered a one-time irrevocable decision to participate in the Optional Retirement Program (ORP). This is the same code that SFA currently falls under.

As set by the State of Texas, TRS participants currently contribute 8.0%, and the employer contributes 8.0%. Currently, all ORP participants contribute 6.65%. ORP participants that started in Texas ORP on or after 9/1/1995 receive a 6.6% employer contribution. Those who started in Texas ORP before 9/1/1995, receive an employer contribution of 8.5%. The ORP has 6 authorized vendors to provide investment options, Fidelity, Lincoln, Voya, TIAA, Pentegra, and AIG Retirement (VALIC).

The A&M System offers a voluntary Tax Deferred Account (TDA) 403(b) and the Texasaver 457 Deferred Compensation Plan (DCP). Both options offer Roth contributions, loans, and hardship withdrawals. The TDA has 6 authorized vendors to provide investment options, Fidelity, Lincoln, Voya, TIAA, Pentegra, and AIG Retirement (VALIC). The vendor for Texasaver is Empower Retirement.

Retiree Benefits

Under current state law, to qualify for A&M System benefits at retirement:

- You must be at least age 65 and have at least 10 years of TRS, ERS or ORP service credit, or your age plus years of service equal at least 80 and you have 10 years of service credit, and,
- 10 of those years of service are with the A&M System, or you have a combined total of 10 or more years of service with the A&M System, UT System, and ERS and the A&M System has the most years of service, and,
- you have an intact TRS or ORP account.

If SFA were to join the A&M System, time worked at SFA would count as A&M System time for retirement eligibility. This would be consistent with past affiliations.

If you qualify for A&M System benefits at retirement, all retirees receive the same employer contribution whether they were full or part time during their employment. There are no tiered amounts. Vision, dental, life insurance, and AD&D coverage are also offered to retirees at the same rate that employees pay. Life insurance is capped at \$100,000 at retirement and tiers down at 70 and 80 years old. An Employee Assistance Program (EAP) is also offered to retirees with unlimited telephonic counseling and additional services like estate planning, legal counseling, financial education, travel planning, etc.

There are two retiree options for healthcare coverage. The A&M Care plan for retirees and their covered dependents that are not Medicare eligible, and the 65 Plus plan for retirees and covered dependents that are all Medicare eligible. The retiree premiums for FY2023 are: A&M Care Plan Employee only = \$0.00, Employee & Spouse = \$281.04, Employee and Children = \$195.26, Employee and Family = \$395.50; 65 Plus Employee Only = \$0.00, Employee & Spouse = \$134.90, Employee & Children \$67.54, Employee & Family \$224.81.

The 65 Plus is for Medicare primary retirees and covered dependents. The 65 Plus Plan has a \$400 deductible with a \$1000 out of pocket maximum for medical and \$400 out of pocket maximum for prescription drugs. The 65 Plus plan pays secondary to Medicare.

Retirees that have certified other healthcare coverage can use ½ of the employer contribution for employee only coverage, \$410 for FY2023, to pay for vision, dental, life insurance, and AD&D premiums.

**Comparison of Texas A&M University System Benefits
with Stephen F. Austin State University Benefits**

A&M Care			Total Premium	Employer Contribution	Employee Contribution
		E/O	815.28	815.28	\$0.00
		E/S	1,377.36	1,096.32	\$281.04
		E/C	1,205.80	1,010.54	\$195.26
		E/F	1,606.28	1,210.78	\$395.50
ERS HealthSelect					
		E/O	\$622.60	\$622.60	\$0.00
		E/S	\$1,338.60	\$980.60	\$358.00
		E/C	\$1,102.00	\$862.30	\$239.70
		E/F	\$1,818.00	\$1,220.30	\$597.70
Consumer Directed HealthSelect (High Deductible Plan)					
		E/O	\$622.60	\$622.60	\$0.00
		E/S	\$1,302.80	\$980.60	\$322.20
		E/C	\$1,078.02	\$862.30	\$215.72
		E/F	\$1,758.22	\$1,220.30	\$537.92
Difference in Employee Premium		ERS HealthSelect	Consumer Directed HealthSelect		
	E/O	Same	Same		
	E/S	\$(76.96)	\$(41.16)		
	E/C	\$(44.44)	\$(20.46)		
	E/F	\$(202.20)	\$(142.42)		

d. vendor relations.

The A&M System has established vendor relationships in many different areas and industries with its network of eleven universities, health science center, eight state agencies, and the RELLIS Campus. We also employ a shared services model that leverages our large network to create efficiencies and savings in many areas including various information technology initiatives.

5. What will the system gain by affiliating with SFA?

As mentioned in a previous Q&A, the Texas A&M System's mission is to serve the entire State of Texas and its citizens through research, education and service. SFA would add an important region of the state to our System, while allowing us to leverage our resources already in the region in such areas as forestry, agriculture and life sciences and emergency management.

SFA already has projects and programs with Texas A&M AgriLife Research, Texas A&M Agrilife Extension, and the Texas A&M Forest Service. In addition, SFA is a member of the RELLIS Academic Alliance at the System's RELLIS campus in Bryan. We could build on these collaborations by co-locating our Deep East Texas operations for all of these agencies plus the Texas Division of Emergency Management in Nacogdoches, providing real research and educational benefits for your students and giving us the benefit of establishing a closer strategic cooperation with a university of SFA's caliber.

The A&M System is interested in building and expanding SFA as a center for forestry management research and education, teacher preparation, the health care professions, engineering and other needed academic disciplines. We are interested in helping SFA create new programs in public health, nursing, engineering and cybersecurity to name a few. We also want to make SFA the home of our Healthy East Texas effort, which would be a collaboration between SFA, the Texas A&M Health Science Center and the Texas A&M AgriLife Extension Service.

We also admire many of your existing programs and believe they will become even better through a closer collaboration with our members who share similar missions and who will benefit from SFA's experience.

We also believe that SFA's values closely align with those of the A&M System and that our organizational structure with our ten regional universities is a good fit for SFA.

6. In what ways will the system assist with increasing SFA's enrollment? Describe how the system addresses potential enrollment competition across member institutions.

The enrollment management vice presidents of the A&M System meet weekly in a Community of Practice. This allows them to share market information, experiences with software and vendors, collaborate on financial arrangements for new products, etc. They work together in various ways to their mutual benefit. There is natural competition where recruitment areas overlap (for example, many of our universities draw well from Dallas/Ft. Worth, Houston, and San Antonio). We view the competition as good for both the students and the universities. We also find that recruiters employed at A&M System universities routinely refer students to their colleagues when there clearly is a better fit for that student at a "competitor."

7. Describe system expectations of institutional performance and accountability. How will performance objectives be set and measured? What happens when expectations are not met?

A&M System expectations of institutional performance and accountability are established by the Board. These performance and accountability measures are laid out in the A&M System Board of Regents Strategic Plan.

https://assets.system.tamus.edu/files/strategicplan/pdf/2016-2021-TAMUS_Long_FINAL.pdf

Human Resources

8. Will system affiliation require adjustments to current employment benefits, such as:

a. retirement

Please see response to question 4(c) above.

b. employee assistance programs

Please see response to question #2 under the “Academic Department Chairs Forum” section.

c. leave accruals

All accumulated leave accruals would transfer over.

d. compensatory time accruals

All accumulated leave accruals would transfer over.

e. employee and dependent tuition assistance

SFA Administrative decision.

Please provide a comparison of each of these current (SFA) vs. future (system) benefits, specifically noting potential reductions.

Please see response to question #2 under the “Academic Department Chairs Forum” section.

9. Will the system allow ERS years served at SFA to count toward the 10-year minimum rule for insurance at retirement?

Please see response to question #2 under the “Academic Department Chairs Forum” section.

10. There is significant concern about the impact of system affiliation on job security. Please describe how you will address positions at SFA that overlap with positions at the system level (e.g., general counsel, Title IX, audit services, human resources) as well as positions that may be currently outsourced at other institutions affiliated with your system (e.g., financial aid verification, grounds keeping, custodial services, and skilled trades work).

The A&M System Office offers many centralized shared services that take advantage of economies of scale and provide value-added expertise that would otherwise be too expensive to acquire and maintain by the members independently. SFA and the A&M System would work collaboratively over time to determine

which operations could be most effectively performed at the campus, at the A&M System Office through a shared service, or some combination.

11. In recent years, Hanover conducted salary studies for staff and faculty positions at SFA. (Detailed findings are available [here](#) and [here](#); in short, most salaries at SFA are below average compared to peer institutions and market.) What specific actions will the system take to

a. close the gaps between SFA employee salaries and salaries at peer institutions and

The A&M System has led an interim study, under the guidance of the Board of Regents, on the issues affecting affordability and access to higher education in Texas, particularly at the four-year institutions. In testimony before the House Appropriations Committee on September 9, Chancellor Sharp outlined the need for increased investment in the core higher education funding formulas, beyond simply covering student enrollment growth since the previous session. This base funding increase is critical to our ability to recruit and retain faculty and staff in this challenging economic environment. The A&M System is leading the charge, in partnership with the other systems, to increase the base funding needed to support faculty and staff pay. We also are working with the Legislative Budget Board to draw attention to the need for our higher education employees to be considered as part of any statewide strategy to increase state agency employee pay. In addition, we have called for the Legislature to close gaps in their commitment to support the Hazlewood legacy tuition exemption and the cost of Higher Education Group Insurance. All of these strategies would provide increased revenue available to address compensation and hiring levels for faculty and staff at SFA.

b. address salary equity, compression, and disparity concerns?

The A&M System Human Resource office would work with SFA to assist with identifying pay inequities.

Organizational Structure/Institutional Alignment and Identity

12. How will SFA's organizational structure change as a result of system affiliation?

SFA administrative decision.

13. Describe the criteria that will be used to evaluate potential department realignments and position reallocations.

SFA administrative decision.

14. In what ways does the system’s mission align with the values of our local and regional communities? Please provide evidence of how the system will support the growth, health, and continued success of both our local and regional communities.

The A&M System is comprised of a diverse mix of universities and agencies. We have a major R1 research university, a Historically Black university, and four members that are minority serving institutions by national designation. Unique among university systems nationally, we also have eight state agencies involved in such vitally important areas of research and service as agriculture and life sciences, engineering and emergency management. Our members not only educate Texans, they also fight wildfires, provide workforce training, develop new types of food and are a national leader in areas like nuclear engineering, autonomous vehicles and hypersonics.

At our core, though, is our overriding goal to provide a quality, affordable education for anyone in this state who desires it. We welcome all, and proudly live by the values of respect, excellence, leadership, loyalty, integrity, and selfless service. We want to produce leaders who can shape the future of Texas and leave it in a better place than they found it. We want our member institutions to excel not only in Texas but nationally and internationally. We spend billions of dollars nationally on our mission, and we never want the people of Texas to doubt for a moment the wisdom of that investment.

It is true that our System is bigger than a single university, but we recognize that each of our members has something unique and important to offer. We want each of our members to grow and prosper and to build on their existing values and traditions to continue their legacy of education and research into the future. SFA has served Texas for nearly 100 years. That is an accomplishment that should be celebrated by all Texans. We believe your values are our values—that, in the words of our Chancellor John Sharp, we “fit like a glove.”

15. Describe how the system aligns with and will further support SFA's current commitment to non-discrimination and diversity in addition to equity, and inclusion practices.

The A&M System is strongly committed to equal opportunity, diversity and inclusion, and full compliance with HUB laws. See the following: [Policy 08.01](#) (Describing the System’s commitment to equal opportunity and compliance with civil rights laws and affirmative action programs), [Policy 11.04](#) (the Board’s policy on academic member university admissions policies), the Board’s [Statement on Diversity, Equity, and Inclusion](#), and [Policy 25.06](#) (Describing System HUB programs).

16. To what degree are member institutions allowed to maintain their traditions and unique identity? Will SFA keep its name, mascot, traditions, colors, logo, and ring? Would local traditions and/or institutional identifiers be expected to change over time?

It would be a mistake to believe that the Texas A&M University System is all Aggies and Maroon. Our flagship is a large and important university with many singular achievements, but our System also includes Panthers, Buffalos, Islanders, Javelinas, Jaguars, Texans, Warriors, Lions, Eagles and Dustdevils.

We have no desire and no intention to change SFA's name, its mascot, its colors, its school song, its traditions, its logos or its rings. We want your university to affiliate with us for your benefit and ours. It would be a mistake to change the values and traditions that make Stephen F. Austin University the unique institution that it is.

17. SFA is a current NCAA Division I member of the Western Athletic Conference. Will system affiliation result in divisional membership changes?

No.

Will the system require changes to SFA Athletics' visual intellectual property?

No.

Finance

18. What level of financial autonomy will SFA retain with respect to:

- a. local holdings &**
- b. investments**

Response for both (a) & (b):

All A&M System cash is pooled for investment in the Cash Concentration Pool and endowed assets are similarly pooled for investment in the System Endowment Fund. A portion of SFA's operating reserves and endowments are already pooled for investment in those portfolios. That relationship would continue in a similar fashion with added benefits related to endowment reporting that is not currently provided. In addition, the A&M System would manage the daily cash needs to ensure sufficient resources are available to meet immediate needs while investing any excess funds on a daily basis.

- c. construction, and**

SFA administrative decision with adherence to A&M System Policies and Regulations.

d. the procurement of goods and services.

SFA administrative decision with adherence to A&M System Policies and Regulations.

19. Please detail any costs that member institutions are required to pay to the system for support services. What benefit does SFA yield from these payments?

The A&M System has deliberately consolidated certain essential services and functions at the System Offices to take advantage of economies of scale and to provide value-added expertise that would otherwise be too expensive to acquire and maintain by the members independently, including cash, debt and investment management; health benefits, risk, and property insurance programs; facilities planning and construction; audit and legal services; real estate management; information technology services; budgeting, accounting, and payroll.

20. How does the system allocate assets between member institutions?

While A&M System member assets are pooled for investment purposes, all assets of the A&M System members are accounted for separately.

21. Will funds raised by SFA's capital campaign or SFA Alumni donations be retained as local resources, or will they be absorbed as system revenue? Please provide specific examples from a previous affiliation with your system.

Funds raised by SFA's capital campaign and alumni donation will be retained locally.



October 6, 2022

President Steve Westbrook
Stephen F. Austin State University
1936 North Street
Nacogdoches, TX 75962

Dear President Westbrook and SFA Campus Community:

Thank you very much for coordinating such a collaborative process of gathering feedback from various key stakeholders on SFA's potential affiliation with the Texas State University System (TSUS).

We greatly appreciate the thoughtfulness and extensive list of questions submitted by the Deans Council, the Academic Department Chairs Forum, the Faculty Senate, the Staff Council, Student Government, and the SFA Alumni Association.

We have tried to be brief, yet informative, in responding to the various questions and concerns, and certainly welcome any additional follow-up questions that you or the respective groups may have related to our responses, or any other issues that might inform the campus community and ultimately SFA's Board of Regents decision.

Similar to SFA, the greatest assets of the TSUS system are our faculty, staff, students, alumni, and the communities we serve. After significant research and exploration, there is absolutely no question that SFA will thrive as a member of the Texas State University System.

We truly believe the strength of both SFA and TSUS is about the heart and soul of our people, our institutional culture, and the long-term goal of serving our communities and delivering excellence to the great state of Texas.

We will work collaboratively to ensure that any institutional needs; financial, legislative or other, are addressed to ensure both short and long-term success.

TSUS guarantees that SFA will retain its unique identity, culture, and traditions, it will maintain its historical strengths, and at the same time will be encouraged, supported, and positioned to achieve transformational experiences and success for its students, for the institution, for Nacogdoches, and for all of East Texas for the next 100 years.

I look forward to continuing our discussion on SFA's potential affiliation with TSUS.

Sincerely,

Brian McCall
Chancellor

Questions Submitted by the SFA Staff Council

Governance/Policies and Procedures

1. Which of the following policies and procedures will remain local and which will be adjusted to merge with system expectations following affiliation:
 - a. contracting/purchasing, *Institutional and System*
 - b. information technology applications, *Institutional*
 - c. software purchases, *Institutional*
 - d. emergency management, *Institutional*
 - e. construction management, *System*
 - f. insurance and risk services, *System*
 - g. hiring procedures, *Institutional*
 - h. holiday and academic calendars, *Institutional*
 - i. scholarship procedures/deadlines, *Institutional*
 - j. property inventory/management, *Institutional*
 - k. payroll, *Institutional*
 - l. accounts payable? *Institutional*

Please address each item.

Please see responses incorporated within the Question.

2. SFA is currently without a permanent president. The selection of our next leader will be critical to our success, and our institutional commitment to shared governance means that many stakeholders will want to be part of the selection process. How will the system approach the presidential selection process?

According to TSUS policy, the chancellor shall recommend to the Board a candidate for the presidency of each component. The board, by majority vote, shall appoint component presidents.

By practice, when presidential vacancies occur, a presidential advisory search committee is named by the chair of the board of regents with representation from key stakeholder groups including faculty, staff, administration, students, alumni/community members, and at least several members of the board, one of which will serve as search chair.

The system engages an executive search firm to help develop a presidential prospectus (which includes conducting feedback sessions with campus stakeholders, as well as an online survey), conduct a national solicitation of applicants, and coordinate narrowing the candidate pool to a small number of highly qualified individuals who are recommended to the chancellor for consideration. The chancellor interviews candidates and selects a sole finalist to be recommended to the board for approval. The chancellor may also, on an interim basis, fill a presidential vacancy, until a permanent president is approved by the board.

3. What level of autonomy will SFA retain regarding its institutional shared governance practices? Will there be any changes to representative bodies such as Staff Council? How will the system actively facilitate staff representation in system-level and university-level conversations?

TSUS components operate very independently and autonomously within system policies and procedures. Shared governance and representative bodies will see no adverse impacts from affiliation with TSUS. Leadership from Staff Councils are welcome to meet with System Administration. In addition, it is not unusual for the Board chair to select a staff council representative to become a member of a presidential advisory search committee, as needed.

System Resource Investment & Affiliate Accountability

4. Please provide specific examples of how system affiliation will benefit SFA with respect to:
 - a. legislative representation,
 - b. resource allocation,
 - c. employee benefits, and
 - d. vendor relations.

Please see responses to previous related questions.

5. What will the system gain by affiliating with SFA?

Top 3 Ways TSUS Benefits from SFA's Participation in Our System:

- 1) ***Strong Ally, Partner, and Collaborator in East Texas to Help Achieve TSUS's Vision, Mission and Goals*** – TSUS's vision is to become the premiere university system in the country for serving first-generation and historically under-served students, transforming lives, and in the process helping to fulfill critical state and national needs in the areas of teaching, research, and service. Located in the amazing community of Nacogdoches, in the beautiful region of East Texas, SFA will serve as a strong East Texas partner with similar culture, traditions and values, in moving forward TSUS goals, which are connected to the statewide goals of increasing access, student success, excellence in faculty, research, and fundraising, inclusion, and affordability.
- 2) ***Economies of Scale*** – TSUS currently employs approximately 10,000 faculty and staff, 5,000 student workers, and enrolls over 87,000 students. Adding an additional, 1,700 faculty and staff, as well as an additional 12,000 students would increase the size of TSUS by over 10%, thus providing additional economies of

scales in purchasing, contracts, technology, licenses, and a host of other programs and services to enhance the educational experience and improve student access and success.

- 3) ***A Family Reunion: Another Historical and Unique Texas University and Community to Become Part of the TSUS Family*** –Nacogdoches is the oldest town in Texas, with a historic and unique university in SFA that serves as an anchor institution to the region. As the oldest university system in Texas, TSUS's Board, Chancellor, System Administration, and the leadership of its institutions recognize the privilege and honor for TSUS to play a role in re-uniting a former state teacher college with its original system to become a united and stronger family as a result. We look forward with great pleasure on making new friends, colleagues, and strengthening alumni networks to create a new and better Texas and a brighter future.

6. In what ways will the system assist with increasing SFA's enrollment? Describe how the system addresses potential enrollment competition across member institutions.

Growing institutional enrollment is an increasingly complex and complicated goal that requires a sophisticated and integrated strategic enrollment management plan. It will require vision and leadership, it will require additional federal, state, tuition and philanthropic resources to recruit and retain high-quality and diverse faculty and staff, it will require resources to continue to maintain college affordability and strengthen programs and services to increase student persistence, while at the same time being strategic about new innovations and programs to attract an even more diverse student population of students to the region and to the institution, and it will require an accountability framework that networks all levels of the organization so that all key stakeholders are engaged in this mission critical goal.

If history provides at least some indicator of future success, with increased legislative, financial, regional, leadership, and accountability support from TSUS over the next ten years, SFA will be the beneficiary of strategic and sustained growth, balancing the need for additional students and faculty, with the resources required to enhance the university's student-centered culture and traditions.

Over the past 12 years, TSUS has grown by 14,600 students or 21%, from 72,200 in 2010 to more than 87,000 students in 2022. If SFA grew at the same rate as the TSUS system since 2010, its current enrollment would be closer to 15,500, or on par with SHSU and LU.

Given the low levels of educational attainment rates in many regions of Texas, combined with the needs and goals outlined in the statewide strategic plan, Building a Talent Strong Texas, there is more than enough traditional and non-traditional student prospects for all institutions of higher education to grow their enrollment significantly over the next decade.

7. Describe system expectations of institutional performance and accountability. How will performance objectives be set and measured? What happens when expectations are not met?

TSUS is governed by our Board of Regents, whose members are appointed by the governor. System Administration is led by a board-appointed chancellor. TSUS presidents report directly to the chancellor and are given the authority to manage and lead their institutions independently, working within TSUS system policies and procedures, with support and guidance from System Administration to set, measure, and achieve their unique vision, mission, and goals, while maintaining their distinct culture and traditions.

The Chancellor has regular communications and meetings with presidents on various aspects of institutional performance and utilizes a comprehensive annual review process, which includes an annual meeting with the Board and an accountability system with key performance metrics in the areas of enrollment/access, student success, diversity, excellence in faculty, fundraising, and research, and college affordability. Strategic changes and corrective measures are expected when performance objectives are not met. Presidents are responsible for establishing and utilizing their own unique processes and procedures to measure and assess campus performance, with value-added support and guidance from system administration.

Human Resources

8. Will system affiliation require adjustments to current employment benefits, such as:
- a. retirement,
 - b. insurance,
 - c. worker's compensation,
 - d. employee assistance programs,
 - e. leave accruals,
 - f. compensatory time accruals, and
 - g. employee and dependent tuition assistance?

Please provide a comparison of each of these current (SFA) vs. future (system) benefits, specifically noting potential reductions.

None of the above listed items will be impacted by affiliation with TSUS.

9. Will the system allow ERS years served at SFA to count toward the 10-year minimum rule for insurance at retirement?

Insurance eligibility at retirement will not be impacted by affiliation with TSUS. Employees and retirees of TSUS component institutions participate in ERS's insurance program.

10. There is significant concern about the impact of system affiliation on job security. Please describe how you will address positions at SFA that overlap with positions at the system level (e.g., general counsel, Title IX, audit services, human resources) as well as positions that may be currently outsourced at other institutions affiliated with your system (e.g., financial aid verification, groundskeeping, custodial services, and skilled trades work).

System affiliation with TSUS will not have an impact on job security. Legal services, governmental relations, audit services, and certain business office functions will be transferred administratively to TSUS System Administration, but the employees will remain employed on campus.

11. In recent years, Hanover conducted salary studies for staff and faculty positions at SFA. (Detailed findings are available [here](#) and [here](#); in short, most salaries at SFA are below average compared to peer institutions and market.) What specific actions will the system take to
- close the gaps between SFA employee salaries and salaries at peer institutions and
 - address salary equity, compression, and disparity concerns?

Competitive salaries and benefits, and the ability to recruit the best and the brightest are key attributes within TSUS. When an institution determines there is a need for material adjustment in the compensation structure, System Administration works with institutional leadership to devise a strategy to address compensation inequities. There is no singular, uniform solution to addressing these issues.

Organizational Structure/Institutional Alignment and Identity

12. How will SFA's organizational structure change as a result of system affiliation?

Apart from SFA's President reporting to the TSUS Chancellor and the areas of legal services, audit, governmental relations and certain business services being administered by System Administration, there are no planned changes to the SFA organizational structure.

13. Describe the criteria that will be used to evaluate potential department realignments and position reallocations.

These are presidential and institutional leadership decisions. However, TSUS System Administration is an available resource to support institutions as they routinely review, strengthen, and modify new and existing academic programs, departments, schools, and colleges.

14. In what ways does the system's mission align with the values of our local and regional communities? Please provide evidence of how the system will support the growth, health, and continued success of both our local and regional communities.

TSUS's mission is to meet the critical teaching, research, service, and workforce needs of Texas and the regions our colleges and universities serve. All TSUS institutions serve as respective anchor institutions for their local and regional communities including: a well-resourced employee base that supports and stimulates local business and industry, student workers to meet local business needs, actual graduates to fill critical jobs in the region, culture, arts, sporting, and other campus events and programs that attract visitors and economic development to the region, as well as new construction and development to attract even more industry and external interest.

TSUS is the oldest system in Texas and has a proven record of community and regional support. TSUS employs about 15,000 workers, enrolls over 87,000 students, and enhances local and regional economic development in regions all of the state, many of which are run similar to Nacogdoches, including campus locations in West Texas (Alpine), in the Middle Rio Grande Region (Del Rio, Eagle Pass, and Uvalde), in Central Texas (San Marcos and Round Rock), in North Houston (Huntsville, Conroe, and the Woodlands), and in Southeast Texas (Beaumont, Orange, and Port Arthur). All of these cities and regions are thriving due in part to the historical and ongoing support of TSUS, its Board, its system administration, and the amazing work of our faculty, staff, students, and alumni in these regions.

15. Describe how the system aligns with and will further support SFA's current commitment to non-discrimination and diversity in addition to equity, and inclusion practices.

TSUS has a long-standing commitment of strengthening and supporting a diverse and inclusive environment at all levels of the organization and for all of its faculty, staff, and students. For example, over the past decade, minority growth in enrollment, degrees, and faculty headcount has outpaced overall growth in these areas, as highlighted in the table below:

TSUS Performance Metrics	2010	2021	% Change
Total Headcount	72,200	87,100	21%
Hispanic Enrollment	13,200	27,400	107%
African-American Enrollment	10,100	15,100	50%
Degrees & Certificates Awarded	15,100	21,400	42%
Degrees Awarded – Hispanics	2,500	5,900	142%
Degrees Awarded – African-American	1,400	3,100	118%
Degrees Awarded to Low Income Students	4,100	8,000	98%

Total Faculty	3,300	4,400	32%
Minority Faculty	570	1,250	122%

TSUS is a minority serving system, with about 54% of its student enrollment reported as non-white, including a large percent of African-American students (17% of undergraduates) and Hispanic students (31% of TSUS's undergraduate students). In fact, four of our seven institutions are federally designated Hispanic Serving Institutions (TXST, SRSU, LSCPA, SHSU) and two others (LIT and LU) are emerging HSIs, and about 40% of TSUS undergraduates are Pell eligible.

In terms of equity and fairness, TSUS is the only university system in Texas with no “flagship” institution. Thus, all TSUS institutions are treated equally by our Board and by system administration, which reinforces the importance of helping all employees and all students be successful. For example, TSUS academic leadership have done a great job of increasing minority faculty hires over past 10 years, increasing 122% since 2010, or four times the overall growth of faculty (32%) during this same period of time.

Other recent TSUS system and institution efforts in this area include: revamped DEI offices at a number of our institutions, including new Chief DEI officers, new toolkits and development programs for faculty, staff, and students, a new Diversity Enhancement Program at the system level to support the recruitment and retention of minority faculty, as well as TSUS's participation in equity work with other university systems across the country involved in the National Association of System Heads Equity Action Framework.

With all this being said, TSUS's DEI efforts continue to be a work in progress, and we continue to strive for excellence and inclusion in all ways.

16. To what degree are member institutions allowed to maintain their traditions and unique identity? Will SFA keep its name, mascot, traditions, colors, logo, and ring? Would local traditions and/or institutional identifiers be expected to change over time?

System Administration and the Board of Regents are not involved in the day-to-day brand development and institutional identity activities. TSUS prides itself on having diverse, non-homogenous institutions, with each controlling their own unique identity, mascot, traditions, colors, logo, and ring. We do not merely accept the diversity of our institutions; we embrace and celebrate that diversity. Further, TSUS recommends the enabling legislation to join SFA to TSUS maintain a prohibition on a name change without legislative approval.

17. SFA is a current NCAA Division I member of the Western Athletic Conference. Will system affiliation result in divisional membership changes? Will the system require changes to SFA Athletics' visual intellectual property?

Affiliation with TSUS will require no changes to either SFA's divisional membership or the athletic visual intellectual property.

Finance

18. What level of financial autonomy will SFA retain with respect to:

- a. local holdings, - *Institutional*
- b. investments, - *Institutional and System*
- c. construction, and - *Institutional and System*
- d. the procurement of goods and services. - *Institutional*

Please address each item. Please discuss how financial autonomy has been addressed during previous affiliations.

TSUS institutions maintain a high degree of financial autonomy, with system involvement in day-to-day functions only for efficiency or due to conformity with state or federal law. Choice of banking partner is delegated to TSUS presidents; however, system wide banking and merchant services contracts exist. Procurement of goods and services are also delegated to TSUS presidents to the extent allowed under state law. Investments are pooled and managed centrally to reduce costs and realized efficiencies, but oversight and decision making is delegated to the Investment Advisory Committee comprised of each institution's Chief Financial Officer or their designee. Contract management and oversight of construction projects is managed centrally, however, the needs assessment and design of the facility is predominately managed locally by the institution.

19. Please detail any costs that member institutions are required to pay to the system for support services. What benefit does SFA yield from these payments?

TSUS Administration is primarily funded through General Revenue and an assessment to member institutions. The current assessment is based on 0.65% of actual revenues of our member institutions. The estimated assessment for SFA would be \$1.4 million per year. However, this cost would be offset by transferring cost currently paid by the University to the System, including Board Office, Office of General Counsel, Office of Internal Audit, Governmental Relations and select cost within Business Services, that support functions such as construction, debt management, investment management and insurance. The net cost of membership in our system would effectively be zero or negative.

20. How does the system allocate assets between member institutions?

Each TSUS component institution has equal access to and support from System Administration and the Board regardless of size.

Each component's financial resources are intended to directly benefit the component rather than System Administration or the Board. Accordingly, financial resources are derived and maintained at the component level. TSUS does not reallocate institution assets between component institutions.

21. Will funds raised by SFA's capital campaign or SFA Alumni donations be retained as local resources, or will they be absorbed as system revenue? Please provide specific examples from a previous affiliation with your system

Institutional resources are retained under the control of the president and institutional administration.

Questions Submitted by the SFA Staff Council

Governance/Policies and Procedures

1. Which of the following policies and procedures will remain local and which will be adjusted to merge with system expectations following affiliation:

TTU System response:

One of the strengths of the Texas Tech University System (TTU System) Administration is the understanding that each university leadership team is the expert when it comes to knowing the needs specific and critical to their university's operations and mission. The universities have the authority and autonomy to make various decisions at the university level, with support and guidance – when needed and requested – from the TTU System Administration.

As such, the authority for many functions, including several listed below, remain at the university level, not the system administration level.

- a. contracting/purchasing:

TTU System response:

The authority for this function remains at the university level, in accordance with system fiscal management policies and procedures, outlined in [TTU System Regents' Rules Chapter 7, Section 12.1](#).

- b. information technology applications:

TTU System response:

The authority for this function remains at the university level, in collaboration with TTU System Administration.

- c. software purchases:

TTU System response:

Software purchases remain a university-level function, but component institutions have access to various programs through system-level contracts and in partnering with component institutions, which can offer reduced rates, cost-avoidance, and economies of scale opportunities. Some of these contracts include the following:

- *Oracle Database (covers Banner and related databases)*
- *Adobe Sign*
- *TouchNet*
- *Cayuse Research Suite*
- *Gartner*
- *Microsoft campus agreement*

- d. emergency management:

TTU System response:

The authority for this function remains at the university level, in coordination with TTU System Administration Office of Risk Management.

- e. construction management:

TTU System response:

Major construction projects include new construction projects and repair and renovation projects with a total project budget of \$4,000,000 or more. These projects remain a TTU System Administration Facilities Planning & Construction function.

Minor construction projects include new construction projects and repair and renovation projects with a total project budget less than \$4,000,000. These projects remain a university function.

More information regarding facilities can be found in the [TTU System Regents' Rules, Chapter 8](#).

- f. insurance and risk services:

TTU System response:

The authority for this function remains at the university level, in coordination with TTU System Administration Office of Risk Management, with opportunities for additional support and services.

- g. hiring procedures:

TTU System response:

With the exception of presidential searches and hires and the filling of open positions (after the time of affiliation) within Audit Services and General Counsel, no personnel changes would be initiated by the TTU System Administration upon affiliation. The authority for personnel changes (with those exceptions) would remain at the university level.

Presidential searches are a TTU System Administration-led function, with collaborative input and involvement from the university communities. Audit Services and General Counsel are centralized offices of the TTU System Administration, and these team members would become part of the TTU System Administration team hierarchy while still retaining their physical presence and offices at SFA.

- h. holiday and academic calendars:

TTU System response:

The authority for this function remains at the university level, subject to [TTU System Regents' Rules Chapter 3, Section 8](#) and [TTU System Regulations 07.12](#)

- i. scholarship procedures/deadlines:
TTU System response:
The authority for this function remains at the university level.
 - j. property inventory/management:
TTU System response:
The authority for this function remains at the university level.
 - k. Payroll:
TTU System response:
The authority for this function remains at the university level. Each university leadership team is authorized to establish faculty and staff compensation policies based on need and funds available within the institutional budget. The TTU System Administration may assist universities with additional guidance.
 - l. accounts payable:
TTU System response:
The authority for this function remains at the university level.
2. SFA is currently without a permanent president. The selection of our next leader will be critical to our success, and our institutional commitment to shared governance means that many stakeholders will want to be part of the selection process. How will the system approach the presidential selection process?

TTU System response:

*TTU System presidential searches are a collaborative and supportive process that emphasize a commitment to **including representation and feedback from university, community and alumni stakeholders of the institution** from start to finish.*

Example of success:

Immediately after Midwestern State University (MSU Texas) joined the TTU System (Sept. 2021), the Chancellor's Office launched a presidential search for the 12th president of MSU Texas.

- *TTU System Regent Mark Griffin led the search committee of 12 members.*
 - *The committee included nine people from MSU Texas and Wichita Falls, representing community members, alumni, donors, former regents, faculty, staff, students and leadership, along with two regents from the TTU System and a representative from the Chancellor's Office.*
 - *The process includes a series of campus town halls for stakeholder feedback and timely updates throughout the process from Regent Griffin.*
3. What level of autonomy will SFA retain regarding its institutional shared governance practices? Will there be any changes to representative bodies such as Staff Council? How

will the system actively facilitate staff representation in system-level and university-level conversations?

TTU System response:

The TTU System Administration and its component institutions value the shared governance model in higher education. The current SFA Board of Regents governance would be assumed by the TTU System Board of Regents.

Staff Council and Faculty Senate leaders would continue in their existing autonomy on the SFA campus and also would have the opportunity to communicate openly with TTU System leadership.

System Resource Investment & Affiliate Accountability

4. Please provide specific examples of how system affiliation will benefit SFA with respect to:
 - a. legislative representation:

TTU System response:

One of the TTU System's most important and impactful roles in serving our component institutions is leading our governmental relations initiatives and strategy – both at the state and federal levels. The chancellor and Governmental Relations (GR) team at the TTU System Administration work closely with the presidents and leadership teams at the component institutions to champion and secure key legislative initiatives and exceptional item priorities, as well as broader higher education policy and formula and non-formula funding initiatives benefiting our universities. Additionally, the GR team assists in coordination for university experts and leadership to provide public testimony to the legislatures.

With offices and professionals located in Lubbock, Austin and Washington, D.C., the TTU System Administration GR team includes experienced and recognized professionals who are leading authorities for higher education policy and work in tandem with the GR staff at each institution.

Examples of recent success:

- **Texas Tech University (TTU):** School of Veterinary Medicine (2019 and 2021 legislative support and funding).
- **Texas Tech University Health Sciences Center (TTUHSC):** mental health initiative (2019 legislative support and funding); mission-specific formula funding (2021).
- **Angelo State University (ASU):** academic and student success (2019 legislative support and funding); Cyber Security and Artificial Intelligence (2021 legislative support and funding).
- **Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso):** Woody L. Hunt School of Dental Medicine (2019 and 2021 legislative support and funding); mission-specific formula funding (2021).
- **MSU Texas: Bolin Hall** (2021 legislative CCAP funding – prior to affiliation with TTU System)

b. resource allocation:

TTU System response:

The role of the TTU System Administration is to provide our component institutions with exceptional leadership, services and resources that support the fulfillment of each university's mission and goals.

Fostering a culture of collaboration, sustainability and excellence, the TTU System Administration performs specific functions that have been strategically identified and coordinated between the component institutions to maximize consolidated expertise and efficiencies. These services and resources administered at the TTU System Administration are designed to complement those managed at the component universities and are responsive and adaptable to each university's individual needs.

Considering our comprehensive growth and success, the TTU System is recognized as a prominent leader in higher education yet is nimble in size to ensure services are allocated and available to each university.

Regarding services provided by the TTU System Administration, those include:

- *Audit Services*
- *Board of Regents*
- *Chancellor's Office*
- *Chief Financial Officer*
- *Equal Opportunity*
- *Facilities Planning & Construction*
- *General Counsel*
- *Governmental Relations*
- *Information Technology*
- *Institutional Advancement*
- *Investments*
- *Leader & Culture Development*
- *Risk Management*
- *System Relations*
- *Treasury*

In addition to offering specific services, the TTU System Administration instills a servant leadership model and provides autonomy for the management and operation of our component institutions. The leadership teams of each component university have the authority to manage its funds and allocate resources accordingly.

Beyond the services, SFA team members also would gain access to colleagues within the functions of the TTU System Administration offices listed above and at the component institutions to collaboratively share best practices and strategies.

For some existing university services, specifically in Audit Services and General Counsel, SFA employees would join the TTU System Administration team while still retaining their physical presence and offices at SFA. This approach allows the university to have access to a larger team of attorneys and auditors, who work collaboratively across the TTU System, and to a wider range of expertise in nearly all legal matters, including medical malpractice and professional liability,

real estate and construction, Title IX and athletics, as well as faculty, staff and student matters.

To be clear, **no jobs will be directly lost by joining the TTU System**. Rather, SFA employees in roles within centralized areas will become members of the TTU System Administration team hierarchy while still retaining their physical presence and offices at SFA.

c. employee benefits:

TTU System response:

State employee benefits are guided by state law. Employees of the TTU System and its component institutions are state employees and, when eligible, are provided with benefits from the [Texas Employees Group Benefits Program \(GBP\)](#) – part of the Employees Retirement System of Texas (ERS) – and with retirement benefits from the [Teacher Retirement System \(TRS\) and Optional Retirement Program \(ORP\) Annuity for Active Employees](#).

TTU System Regulations provide clarity and consistency across member institutions in regard to employee leave ([TTU System Regulation 07.12](#)) and remote work ([TTU System Regulation 07.13](#)).

The TTU System also invests in its faculty, staff and administration across the system by offering a **health and wellness program** to team members. The programs and resources available are designed to enhance the lives of all employees across the TTU System.

The TTU System Administration **Leader & Culture Development (LCD)** exists to offer services to system institutions related to people development and integration of culture based on the shared core values of each individual university or system entity. The LCD team makes regular visits to institutional campuses supporting a values-based culture and leading leadership development training. This team also assists universities throughout the system in integrating a values-based culture into recruiting, hiring and building a retention process.

d. vendor relations:

TTU System response:

The component universities of the TTU System manage their vendor relations.

5. What will the system gain by affiliating with SFA?

TTU System response:

A partnership with Stephen F. Austin State University is an opportunity to affiliate with a distinguished institution that would complement and enhance the profile and strength of the TTU System's nationally recognized brand. SFA has a storied history with a strong

base of passionate alumni, dedicated supporters and incredible employees and students who will continue to build on the legacy of excellence that 100 years has established.

Partnering with SFA would give the TTU System a presence in a new part of the state, allowing the system to serve the entire State of Texas from the furthest point west in El Paso to the eastern state border.

Most importantly, the areas that align among our institutions will allow us to find additional ways to support each other, our communities and our state. SFA and the TTU System share, among other things, a dedication to serving our regional and rural communities. Like SFA, we have a deep knowledge and proven experience in addressing and meeting the needs of rural Texas.

SFA would join a system family that aligns well with the values that are important to each component university and one that advocates for each institution's specific needs – and the needs of their communities. The Lumberjack family would join a system with the ability to elevate the visibility of the SFA brand at the state, national and global levels, with a chancellor who is committed to championing the component institutions and their missions and leading them in initiatives that have a system-wide impact.

Academic offerings at SFA align well with many of the programs at our current general academic and health-related institutions. From aviation and nursing to education and pre-professional programs, our institutions are ready to build partnerships and create two-way pipelines that develop the next generation of Lumberjack leaders, researchers and innovators.

And, as part of the TTU System, SFA would have the opportunity to continue to expand and elevate what would become the system's first and only forestry program – which would immediately become a true program of pride for the TTU System.

6. In what ways will the system assist with increasing SFA's enrollment? Describe how the system addresses potential enrollment competition across member institutions.

TTU System response:

SFA would be the shining star of the TTU System in the Deep East Texas region. The TTU System is committed to elevating and enhancing what's important to our universities through a system of support and collaboration, not conquering and consolidating. We share a passion for our rich histories and traditions while building and complementing areas of strength unique to each institution.

In the 15 years since ASU became the third member of the TTU System family, the university – and the city of San Angelo – has seen consistent growth and historic success for its students, campus population and community. ASU has brought incomparable

value to the TTU System, with top-notch undergraduate and graduate offerings and several nationally and internationally acclaimed programs.

When ASU joined the TTU System in 2007, its enrollment was 6,239 students. The Ram Family now has more than 10,500 students enrolled.

7. Describe system expectations of institutional performance and accountability. How will performance objectives be set and measured? What happens when expectations are not met?

TTU System response:

Strategic plans and accompanying accountability measures are developed at the university level and provided by the president to the chancellor and Board of Regents for approval. These are reviewed by component institutions on an annual basis with each president.

Human Resources

8. Will system affiliation require adjustments to current employment benefits, such as:
- retirement,
 - insurance,
 - worker's compensation,
 - employee assistance programs,
 - leave accruals,
 - compensatory time accruals, and
 - employee and dependent tuition assistance?

Please provide a comparison of each of these current (SFA) vs. future (system) benefits, specifically noting potential reductions.

TTU System response to question 8, section a-g:

State employee benefits are guided by state law. Employees of the TTU System and its component institutions are state employees and, when eligible, are provided with benefits from the [Texas Employees Group Benefits Program \(GBP\)](#) – part of the Employees Retirement System of Texas (ERS) – and with retirement benefits from the [Teacher Retirement System \(TRS\)](#) and [Optional Retirement Program \(ORP\) Annuity for Active Employees](#).

TTU System Regulations provide clarity and consistency across member institutions in regard to employee leave ([TTU System Regulation 07.12](#)) and remote work ([TTU System Regulation 07.13](#)).

The authority to administer university-level benefit programs like SFA's Lumberjack Education Assistance Program (LEAP) would remain at the university, not with the system administration.

9. Will the system allow ERS years served at SFA to count toward the 10-year minimum rule for insurance at retirement?

TTU System response:

As mentioned previously, employees of the TTU System and its component institutions are state employees and, when eligible, are provided with benefits from the [Texas Employees Group Benefits Program \(GBP\)](#) – part of the Employees Retirement System of Texas (ERS) – and with retirement benefits from the [Teacher Retirement System \(TRS\)](#) and [Optional Retirement Program \(ORP\) Annuity for Active Employees](#)

10. There is significant concern about the impact of system affiliation on job security. Please describe how you will address positions at SFA that overlap with positions at the system level (e.g., general counsel, Title IX, audit services, human resources) as well as positions that may be currently outsourced at other institutions affiliated with your system (e.g., financial aid verification, groundskeeping, custodial services, and skilled trades work).

As mentioned above, the role of the TTU System Administration is to provide our component institutions with exceptional leadership, services and resources that support the fulfillment of each university's mission and goals.

These services administered at the TTU System Administration are designed to complement those managed at the component universities and are responsive and adaptable to each university's individual needs.

In addition to offering specific services, the TTU System Administration instills a servant leadership model and provides autonomy for the management and operation of our component institutions. The leadership teams of each component university have the authority to manage its funds and allocate resources accordingly.

Beyond the services, SFA team members also would gain access to colleagues within the functions of the TTU System Administration offices listed above and at the component institutions to collaboratively share best practices and strategies.

For some existing university services, specifically in Audit Services and General Counsel, SFA employees would join the TTU System Administration team while still retaining their physical presence and offices at SFA. This approach allows the university to have access to a larger team of attorneys and auditors, who work collaboratively across the TTU System, and to a wider range of expertise in nearly all legal matters, including medical malpractice and professional liability, real estate and construction, Title IX and athletics, as well as faculty, staff and student matters.

*To be clear, **no jobs will be directly lost by joining the TTU System.** Rather, SFA employees in roles within centralized areas will become members of the TTU System Administration team hierarchy while still retaining their physical presence and offices at SFA.*

11. In recent years, Hanover conducted salary studies for staff and faculty positions at SFA. (Detailed findings are available [here](#) and [here](#); in short, most salaries at SFA are below average compared to peer institutions and market.) What specific actions will the system take to
- close the gaps between SFA employee salaries and salaries at peer institutions and
 - address salary equity, compression, and disparity concerns?

TTU System response:

Each university leadership team is authorized to establish faculty and staff compensation policies based on need and funds available within the institutional budget. The TTU System Administration can assist universities with additional guidance when needed.

Organizational Structure/Institutional Alignment and Identity

12. How will SFA's organizational structure change as a result of system affiliation?

TTU System response:

All presidents of TTU System component universities report to the chancellor and TTU System Board of Regents. No other organizational structure changes are anticipated to take place because of joining the TTU System, other than in the offices of Audit Services and General Counsel, as previously described.

13. Describe the criteria that will be used to evaluate potential department realignments and position reallocations.

TTU System response:

The authority would remain at the university level, not at the system level. No changes like this have been made due to a university joining the TTU System.

14. In what ways does the system's mission align with the values of our local and regional communities? Please provide evidence of how the system will support the growth, health, and continued success of both our local and regional communities.

TTU System response:

Each of the universities within the TTU System is different – with separate missions, goals and priorities – and there isn't a clear-cut way to compare any two. But one element that remains consistent throughout the TTU System is a values-based culture.

At the TTU System, we are focused on people. We've taken the time to establish and foster a values-based culture throughout our organization that takes what matters most to our employees and communities and turns those principles into the structure by which individuals conduct day-to-day business and how people treat each other. We know that The SFA Way guides the Lumberjacks in a comparable fashion.

SFA and the TTU System also share, among other things, a dedication to serving our regional and rural communities. Like SFA, we have a deep knowledge and proven experience in addressing the needs of rural Texas. By joining forces and creating programs that encourage our students to serve in these areas, we can supplement our state's resources when it comes to areas like K-12 education, health care, engineering, telemedicine, agriculture, dental medicine and veterinary medicine. Most importantly, the areas that align among our institutions will allow us to find additional ways to support each other, our communities and our state.

15. Describe how the system aligns with and will further support SFA's current commitment to non-discrimination and diversity in addition to equity, and inclusion practices.

TTU System response:

The TTU System and its component institutions are dedicated to taking innovative steps toward serving a more diverse population across Texas and opening new doors to a more diverse student body pursuing higher education and health care opportunities. Four of the five current member institutions of the TTU System have been designated as Hispanic-Serving Institutions by the U.S. Department of Education.

16. To what degree are member institutions allowed to maintain their traditions and unique identity? Will SFA keep its name, mascot, traditions, colors, logo, and ring? Would local traditions and/or institutional identifiers be expected to change over time?

TTU System response:

Stephen F. Austin State University would preserve its proud name, mascot and colors as a member institution of the TTU System – just like Angelo State University has since joining the TTU System in 2007 and Midwestern State University has since becoming a member institution of the TTU System in 2021. The TTU System celebrates the uniqueness of our universities with a shared passion for rich histories and traditions. No changes will be made to these respected and honored traditions.

17. SFA is a current NCAA Division I member of the Western Athletic Conference. Will system affiliation result in divisional membership changes? Will the system require changes to SFA Athletics' visual intellectual property?

TTU System response:

No changes of this nature would be required.

Finance

18. What level of financial autonomy will SFA retain with respect to:
a. local holdings:

TTU System response:

Over a three-year period, operating funds would be transitioned to the TTU System Consolidated Cash Pool for management and investments. SFA would identify a local depository.

More information about the TTU System Comprehensive Cash Pool can be located in the [TTU System Investment Policy Statement – CCP](#).

b. Investments:

TTU System response:

The TTU System has two types of investment services for its component institutions: operating funds, which are held in the comprehensive cash pool, and university endowments, which are held in the TTU System Long-Term Investment Fund.

- More information: [TTU System Comprehensive Cash Pool](#)
- More information: [TTU System Long-Term Investment Fund Policy](#)

c. Construction:

TTU System response:

Major construction projects include new construction projects and repair and renovation projects with a total project budget of \$4,000,000 or more. These projects remain a TTU System Administration Facilities Planning & Construction function.

Minor construction projects include new construction projects and repair and renovation projects with a total project budget less than \$4,000,000. These projects remain a university function.

More information regarding facilities can be found in the [TTU System Regents' Rules, Chapter 8](#).

d. the procurement of goods and services:

TTU System response:

The authority for this function would remain at the university level, in accordance with [TTU System Regents' Rules, Chapter 7](#).

19. Please detail any costs that member institutions are required to pay to the system for support services. What benefit does SFA yield from these payments?

TTU System response:

TTU System component institutions transfer funds to system offices to provide support for coordination, administration and other related services. Funds from the component institutions account – on average – for approximately 0.5 percent of the institution's overall budget.

20. How does the system allocate assets between member institutions?

TTU System response:

The TTU System is recognized as a prominent leader in higher education yet is nimble in size to ensure services are allocated and available to each university. Component universities of the TTU System manage the assets allocated to the institutions.

21. Will funds raised by SFA's capital campaign or SFA Alumni donations be retained as local resources, or will they be absorbed as system revenue? Please provide specific examples from a previous affiliation with your system.

TTU System response:

Yes, all philanthropic activity associated with SFA fundraising will remain with SFA. [TTU System Regents Rules, Chapter 6, Section 4](#), addresses the issue as "those gifts that are earmarked by the donor or donors for a specific purpose must be used for that purpose only." This would remain consistent with SFA as a member institution.

Examples:

- *ASU Carr Foundation*
- *ASU Foundation*
- *MSU Texas Foundation*



An Invitation to

**Stephen F. Austin
State University**

to join **The University of
Texas System**

The University of Texas System is pleased to respond to the questions posed by the Staff Council. We appreciate your extraordinary support of SFA and we look forward to an opportunity to work with you.

QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

GOVERNANCE/POLICIES AND PROCEDURES

1. Which of the following policies and procedures will remain local and which will be adjusted to merge with system expectations following affiliation:

- a. contracting/purchasing,**
- b. information technology applications,**
- c. software purchases,**
- d. emergency management,**
- e. construction management,**
- f. insurance and risk services,**
- g. hiring procedures,**
- h. holiday and academic calendars,**
- i. scholarship procedures/deadlines,**
- j. property inventory/management,**
- k. payroll,**
- l. accounts payable?**

Please address each item.

- a. Institution
- b. Institution with standardized Microsoft applications as well as having available certain systemwide contracts.
- c. Institution with standardized Microsoft applications as well as having available certain systemwide contracts.

QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

- d. Institution, with the UT System Office of Risk Management and Office of the Director of Police offering oversight and emergency response.
- e. Varies depending upon the size of the institution.
- f. System, administered by UT System Office of Risk Management
- g. Institution
- h. Institution
- i. Institution
- j. Institution. If SFA participated in the UT Share PeopleSoft instance, the underlying systems are available as a part of it.
- k. Institution. If SFA participated in the UT Share PeopleSoft instance, the underlying systems are available as a part of it.
- l. Institution. If SFA participated in the UT Share PeopleSoft instance, the underlying systems are available as a part of it. Also, a shared license for PaymentWorks is available.

2. SFA is currently without a permanent president. The selection of our next leader will be critical to our success, and our institutional commitment to shared governance means that many stakeholders will want to be part of the selection process. How will the system approach the presidential selection process?

The SFA community will play a vital role in the recommendation of a new president. The UT System uses an inclusive process to identify and recruit university presidents. The Chairman of the Board of Regents appoints a presidential search advisory committee composed of current and former regents along with representatives of the university's faculty, staff, student and alumni and civic communities. The committee engages in an intensive review process, recommends candidates, interviews them, and nominates a slate of top candidates to the regents to interview and select. This longstanding process is prescribed in Regents' Rules. In the case of a new presidential search at SFA, members of its Board of Regents would be included in the search process, along with the appointment of faculty, student, staff, alumni and local civic representatives.

3. What level of autonomy will SFA retain regarding its institutional shared governance practices? Will there be any changes to representative bodies such as Staff Council? How will the system actively facilitate staff representation in system-level and university-level conversations?

Each UT institution maintains its own shared governance practices. At the UT System level, each institution has equal representation on system-level stakeholder groups such as the Faculty Advisory Council, the Employee Advisory Council, and the Student Advisory Council.

SYSTEM RESOURCE INVESTMENT & AFFILIATE ACCOUNTABILITY

4. Please provide specific examples of how system affiliation will benefit SFA with respect to:



QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

a. legislative representation,

Each UT institution has its own Office of Governmental Relations with primary responsibility for institutional advocacy. The UT System Office of Governmental Relations works on system-wide budget and policy priorities that impact all institutions, or all eight academic or five health institutions, such as increases in formula and research funding as well as capital building projects through CCAPs. We also address broad issues like the Hazlewood legacy benefit and Higher Education Group Insurance (HEGI) that are important to all UT institutions. Each institution develops its own Legislative Appropriations Requests (LAR) exceptional items, and the UT System Office of Governmental Relations interacts with each of the institutions' Government Relations teams daily during session to support their priorities. On the policy side, we track all legislation here at the UT System to help institutions from having to take on that big task individually. Several recent issues that we have worked on at the System level are changes to statute related to Name, Image, Likeness (NIL) of student athletes, as well as issues surrounding teacher and nursing shortages, mental health, and other critical matters.

b. resource allocation,

In terms of operations, the UT System is able to fund certain costs centrally through its Direct Campus Support program instead of allocating these costs to the institutions thereby preserving institutional operating resources. Moreover, the UT System is privileged to have access to the Permanent University Fund (PUF), an asset that no other state in the nation has. PUF assets are created by oil and gas and other revenue produced on 2.1 million acres of land in West Texas called University Lands. The PUF allows the Board of Regents to invest heavily in capital construction needs for all 13 UT institutions. If SFA becomes part of the UT System, it will be eligible for and receive PUF allocations as directed by the Regents for all UT institutions. SFA will also receive allocations for Library, Equipment, Repair and Rehabilitation (LERR) projects, and support to help attract and retain the best qualified faculty through the Science and Technology Acquisition and Retention (STARs) program. **SFA would also benefit from distributions from the Regents Promise Plus endowment created to improve affordability and access across all UT academic institutions, adding at least \$1 million annual to student debt relief programs.**

c. employee benefits,

UT System offers standardized employee benefits including health (UT Select), dental, life, accidental death, disability, etc. These are administered by the UT System Office of Employee Benefits (OEB). OEB oversees standardized ORP retirement program investment options. ORP contribution levels have been standardized at 8.5% for all UT institutions. OEB also makes available a service for retiree benefits billing.

d. vendor relations.

A shared license for PaymentWorks would be available to SFA. PaymentWorks is a digital supplier onboarding for secure, compliant, and optimized business payments.



QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

5. What will the system gain by affiliating with SFA?

Texas is growing more than any state in the nation. With that growth comes extraordinary demands for education, health care, and research as key contributors to Texas' wellbeing and competitiveness. Responding to these challenges is central to our mission; we believe UT institutions have the responsibility to meet the educational, health care, and research needs to align with Texas' growth. This includes all our institutions, with a significant role for SFA. SFA will be key to impacting household incomes, health outcomes, and college-going rates in the region and the state.

The UT System envisions SFA making significant strides – not just over the next 10 years, but in the next five -- with enrollment growth, expanded academic programs that meet the pressing needs of Texas' workforce, and new collaborations with other UT institutions to allow faculty and researchers to advance their work with more partners and resources. SFA would be a vital institution in the UT System in expanding service to Texas.

In summary, the UT System envisions SFA continuing all the traditions, programs and qualities that have made the institution what it is today and using those strengths to grow and serve more Texans to successfully meet the demands of our time, with the full support of the System.

6. In what ways will the system assist with increasing SFA's enrollment? Describe how the system addresses potential enrollment competition across member institutions.

If SFA were to join the UT System, we would encourage enrollment growth in future critical fields that prepare graduates for the jobs of tomorrow and address the state's pressing workforce needs. The UT System works with its institutions to ensure a sustainable and manageable rate of enrollment growth consistent with the institution's aspirations and goals. As a university system, we are committed to meeting the educational needs of the state, which will require each institution to increase both enrollment numbers and degree attainment.

SFA would participate in Promise Plus, a \$467 million endowment to provide financial aid in addition to all federal, state, and institutional support. Through Promise Plus, SFA would receive at least \$1 million annually to help relieve the financial burden of eligible students.

We also provide additional support by bringing together leaders and staff from across the UT System to discuss their recruitment, enrollment, and retention strategies. Across the entire UT System, we have seen enrollment increases of more than 6% among undergraduate and graduate/professional students.

Two of our institutions, UT Arlington and UT Dallas, are less than 30 miles apart, and the UT System Board of Regents has provided significant financial resources to each for new facilities, faculty recruitment and retention, student success and more. Today, they are both among the Texas' fastest growing institutions in enrollment and research rankings.

QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

7. Describe system expectations of institutional performance and accountability. How will performance objectives be set and measured? What happens when expectations are not met?

The Chancellor conducts an annual evaluation of each academic president and reports it each August to the UT System Board of Regents. Each fall, presidents provide the UT System an updated description of strategic goals and priorities for the year and identify the steps they will take to achieve them. Each spring, presidents provide a self-assessment which includes a description of progress made on these goals. This assessment, as well as key performance metrics (including undergraduate and graduate student profiles; persistence, retention, and graduation rates; degree and certificate production; faculty hiring; research expenditures; and financial status and operational efficiency data) are reviewed and discussed, with a strong focus on student access and success.

HUMAN RESOURCES

8. Will system affiliation require adjustments to current employment benefits, such as:

- a. retirement,**
- b. insurance,**
- c. worker's compensation,**
- d. employee assistance programs,**
- e. leave accruals,**
- f. compensatory time accruals, and**
- g. employee and dependent tuition assistance?**

Please provide a comparison of each of these current (SFA) vs. future (system) benefits, specifically noting potential reductions.

In general, most UT System benefits are at least comparable to those offered at other state agencies or institutions of higher education. The UT System provides a variety of Insurance, Retirement and Wellness programs for University of Texas employees, retirees, and families, which can be found at the following link: [Employee Benefits](#).

- a.** The UT System participates in the Teacher Retirement System (TRS) and the Optional Retirement Program (ORP). UT System also offers optional 403(b) and 457 deferred compensation plans. The allowed ORP vendors are standard across the System. All UT institutions contribute to ORP at the 8.5% level.
- b.** The UT System offers standardized employee benefits including health (UT Select), dental, life, accidental death, disability, etc. These are administered by the UT System Office of Employee Benefits (OEB). One exception to the standardization is that employees in the Dallas/Fort Worth area have a secondary choice on health insurance (UT Connect) related to services provided by UT Southwestern. UT System benefits are not the exact same as those offered through the Employee Retirement System but are comparable.

QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

- c. The UT System administers its own worker's compensation program separate from the State Office of Risk Management.
- d. Each campus develops its own EAP.
- e. Leave accruals are consistent with state law.
- f. Each institution determines its own policy for compensatory time.
- g. Each institution determines its own policy for employee and dependent tuition assistance

9. Will the system allow ERS years served at SFA to count toward the 10-year minimum rule for insurance at retirement?

This would be subject to the provisions of the Insurance Code, and the UT System would make sure this receives our full support and is addressed in legislation during the integration of SFA into the UT System.

10. There is significant concern about the impact of system affiliation on job security. Please describe how you will address positions at SFA that overlap with positions at the system level (e.g., general counsel, Title IX, audit services, human resources) as well as positions that may be currently outsourced at other institutions affiliated with your system (e.g., financial aid verification, groundskeeping, custodial services, and skilled trades work).

These are institutional decisions based on optimal use of resources at the institution. SFA would review its own needs after a potential affiliation and make these determinations. Outsourcing of any services is an institutional decision.

11. In recent years, Hanover conducted salary studies for staff and faculty positions at SFA. (Detailed findings are available [here](#) and [here](#); in short, most salaries at SFA are below average compared to peer institutions and market.) What specific actions will the system take to (a.) close the gaps between SFA employee salaries and salaries at peer institutions and (b.) address salary equity, compression, and disparity concerns?

As part of our own preliminary analysis of faculty compensation, we concur that SFA faculty compensation levels are below the averages of those at similar UT institutions, and we believe an additional \$5.5 million would be needed at SFA to bring faculty salaries and associated fringe benefits to that level. If SFA joined the UT System, we would consider it a priority to assist SFA in closing this gap over a short period of two to three years. We plan to undertake a similar analysis of SFA staff salaries.

ORGANIZATIONAL STRUCTURE/INSTITUTIONAL ALIGNMENT AND IDENTITY

12. How will SFA's organizational structure change as a result of system affiliation?

Structure, organization and staffing decisions are made at the institution level.



QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

13. Describe the criteria that will be used to evaluate potential department realignments and position reallocations.

Any such criteria would be developed at the institution.

14. In what ways does the system's mission align with the values of our local and regional communities? Please provide evidence of how the system will support the growth, health, and continued success of both our local and regional communities.

UT institutions have the responsibility to meet the educational, health care, and research needs to align with Texas' growth. This includes all our institutions, with a significant role for SFA. SFA will be key to impacting the community by enhancing social mobility, improving health outcomes, improving college-going rates in the region and the state, and ultimately enhancing the quality of life of its graduates, their families, and the greater community.

15. Describe how the system aligns with and will further support SFA's current commitment to non-discrimination and diversity in addition to equity, and inclusion practices.

Across the UT System, we aim to develop a culture, practices, and policies that are equitable and inclusive. UT System institutions aspire to be welcoming and supportive places that embrace differences—not only because they make us a more creative, thoughtful and stronger organization, but because it is the right thing to do. Underpinning this philosophy is a belief that talent is universal—distributed evenly regardless of gender, race, national origin, ethnicity, age or anything else—but, unfortunately, opportunity is not. We believe the UT System has both an opportunity and a responsibility to lead in matching talent and opportunity, and we are determined to have a student body, leadership team and workforce that are as diverse as the people we serve.

16. To what degree are member institutions allowed to maintain their traditions and unique identity? Will SFA keep its name, mascot, traditions, colors, logo, and ring? Would local traditions and/or institutional identifiers be expected to change over time?

SFA's name, mascot, traditions, colors, logos, rings and all identifiers and traditions are time-honored and would be retained by the UT System. Decisions on university marks are made by the institution.

17. SFA is a current NCAA Division I member of the Western Athletic Conference. Will system affiliation result in divisional membership changes? Will the system require changes to SFA Athletics' visual intellectual property?

No.

QUESTIONS SUBMITTED BY THE SFA STAFF COUNCIL

FINANCE

18. What level of financial autonomy will SFA retain with respect to:

- a. local holdings,**
- b. investments,**
- c. construction, and**
- d. the procurement of goods and services.**

Please address each item. Please discuss how financial autonomy has been addressed during previous affiliations.

- a. local holdings** – While institutions can maintain their own banking arrangements, the UT System has four systemwide master banking agreements available.
- b. Investments** – The UT Board of Regents has contracted with UTIMCO for the investment management of all funds under the control and management of the Board, including both endowment and non-endowment funds. It is expected that SFA's endowment and operating funds would be invested along with the endowment and operating funds of all UT institutions in investments managed by UTIMCO, except those that SFA's affiliated foundations elect to invest elsewhere.
- c. Construction** – The UT System Office of Capital Projects (OCP) oversees capital construction. In some cases, the oversight of specific projects is delegated to the campus. For smaller institutions, OCP is more involved and may contract with outside managers for specific projects.
- d. Procurement of goods and services** – Each institution procures its own goods and services. The UT System procures larger software contracts such as Microsoft and Oracle. There is also the Supply Chain Alliance that promotes in-house group purchasing providing savings to participating institutions.

19. Please detail any costs that member institutions are required to pay to the system for support services. What benefit does SFA yield from these payments?

There are no charges for services.

20. How does the system allocate assets between member institutions?

The UT System does not allocate assets between member institutions.

21. Will funds raised by SFA's capital campaign or SFA Alumni donations be retained as local resources, or will they be absorbed as system revenue? Please provide specific examples from a previous affiliation with your system.

Any funds raised by SFA would be retained by SFA, which is consistent with how philanthropy works at all UT System institutions.