

*Subject to approval by the Board of Regents.*

**MINUTES OF THE OPEN SESSION  
OF THE  
SOUTHEAST MISSOURI STATE UNIVERSITY  
BOARD OF REGENTS  
HELD ON THE  
TWENTY-NINTH DAY OF JUNE 2011**

The Board of Regents for Southeast Missouri State University met at 10:02 a.m. on Wednesday, June 29, 2011, in Robert A. Dempster Hall, Glenn Auditorium, on the campus of Southeast Missouri State University. Regents present were: Mr. Albert M. Spradling, Vice President of the Board of Regents; Mr. Reginald D. Dickson; Mr. Brian Kelly, Student Representative to the Board; Mr. James P. Limbaugh; and Mr. Daren K. Todd. Also present were: Dr. Kenneth W. Dobbins, President of Southeast Missouri State University; Mrs. Kathy Mangels, Board Treasurer; and Mrs. Deborah S. Fulton, Board Secretary. Regents not in attendance for the open session were: Mr. Brad Bedell and Mr. Doyle Privett. Board Vice President Spradling presided.

**CONSIDERATION OF APPROVAL OF MINUTES**

A motion was made by Regent Dickson and seconded by Regent Limbaugh to approve the minutes of the open meeting of May 13, 2011. A roll call vote was taken. Voting in favor were: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

**CONSIDERATION OF MOTION TO RECESS THE OPEN MEETING AND GO INTO CLOSED SESSION**

A motion was made by Regent Limbaugh and seconded by Regent Dickson to go into closed session for consideration of the following:

- A. RSMo 610.021.1 -- pertaining to legal actions, causes of action or litigation
- B. RSMo 610.021.2 -- pertaining to lease, purchase or sale of real estate
- C. RSMo 610.021.3 -- pertaining to the hiring, firing, disciplining or promotion of personnel
- D. RSMo 610.021.14 -- pertaining to records which are protected from disclosure by law

A roll call vote was taken. Voting in favor were: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

The open meeting recessed at 10:03 a.m.

The open meeting reconvened at 10:28 a.m.

### **ANNOUNCEMENT OF ACTIONS TAKEN IN CLOSED SESSION**

President Dobbins announced that, during the closed session, the Board approved faculty promotions, tenure, post-professorial merit, and non-tenure track merit and routine faculty items. Routine non-faculty items included Ty Margenthaler, Head Coach, Women's Basketball; Dr. William Eddleman, Senior Associate Provost and Dean of Graduate Studies; Dr. Allen Gathman, Interim Dean, Online & Extended Learning; and Dr. Sophia Scott, Assistant Professor, Industrial & Engineering Technology, was named Interim Assistant to the President for Equity & Diversity Issues. Ms. Pam Sander, Controller, was also named Assistant Treasurer of the University. Bargaining unit agreements for the International Brotherhood of Teamsters Local #600 and International Union of Operating Engineers Local #148 were also approved.

In addition, the Board approved the naming of the Organ Practice Room at the River Campus for the late Dr. Gary Miller. It was noted that Dr. Miller was instrumental in the development and construction of the Earl and Margie Holland School of Visual and Performing Arts and the River Campus. He will be sorely missed, and the Board felt this was an appropriate tribute for Dr. Miller since he was a wonderful organist. A memorial service is planned for the fall, and the room will be dedicated at that time.

### **CONSIDERATION OF PROPOSED FY12 UNIVERSITY AND AUXILLIARY OPERATING BUDGETS**

President Dobbins asked Ms. Kathy Mangels, Vice President for Finance and Administration, to present the recommendation that the Board approve the proposed FY12 University and Auxiliary Operating budgets [Attachment B].

As a result of the Budget Review Committee's deliberations, the proposed FY12 University Operating Budget was submitted to President Dobbins for approval (Summary – Attachment B-1; Itemized – Attachment B-2).

The Budget Review Committee (BRC) is composed of 30 individuals who represent all major interest groups on campus. Based on the Board's directive in March 2010, BRC has been deliberating on ways to meet an anticipated budget need of \$20 million over the next five fiscal years (FY11 – FY15). This shortfall was estimated based

on the assumption that state appropriations could be reduced by a total of 15% - 20% during this period, the university would have costs to continue normal operations which average \$1.2 million per fiscal year, and the university would have to address salary needs for employees during this period.

The Governor recommended a 7% reduction in state appropriations for higher education for FY12, which equates to a \$3.13 million reduction for Southeast. Due to the previous budget planning that the BRC and university started in FY10, there were revenue enhancements and expense reductions previously identified that could be used to offset the state appropriation reduction. This included \$1,150,934 from employee benefit redesign and \$540,000 increased enrollment revenue from summer course offerings, both of which were approved by the Board on October 22, 2010. In addition, the University had assessed a 5% reduction of operation budgets on all divisions for FY11 and FY12. A total of \$1,829,919 of these identified budget reductions is available for the FY12 budget.

BRC's commitment to keeping college affordable had to be balanced with the university's need to fund the cost of continuing institutional commitments and operating expenditures and faculty and staff compensation committee reports. Considering that university faculty and staff have not received a salary increase for two years, and the demands placed on personnel to continue university operations with reduced budgets, merit based salary increases were a priority for all groups represented on BRC.

BRC and President Dobbins' recommendations in the proposed budget include (detailed in Attachment B-3):

1. Seven percent reduction in state operating appropriations.
2. Increase in incidental fee revenue net of related expenditures (e.g., scholarships and fee waivers) from increased enrollments and a \$3.00 per credit hour increase assessed to residential undergraduate students.
3. Implementation of the FY12 portion of the 5% reduction on instructional and non-instructional budgets to reduce expenditures (implemented over FY11 and FY12).
4. Administrative commitments including state mandated increase to employee retirement contributions, increases in property insurance premiums, and the salary cost of faculty merit promotions.
5. Programmatic expenditure increases and enhancements including increased staff support for international programming and web design.
6. Staff base merit salary increase of 2.0% for administrative/professional staff, 2.0% or \$450 minimum for clerical/technical/service staff and 2.0% for graduate assistant stipends.
7. Faculty base merit salary increase of 1.75% and a 0.25% salary pool to fund post-professorial merit increases.

The President's recommendations, which included funding faculty promotions as a cost to continue, creation of an administrative/professional and clerical/service/technical

staff extraordinary merit pool, and a 2% increase on the stipend for graduate assistants, was based on the possibility that the final reduction to state appropriations would be less than the 7% originally proposed by the Governor. Since the finally executed version of House Bill 3 did remain at a 7% reduction to Southeast's state appropriations, it is proposed these initiatives be funded in FY12 from one-time dollars and incorporated into the FY13 base budget by BRC. This will require \$228,763 of one-time funds, which will be available from Summer 2012 increased enrollments.

The total proposed University operating budget for FY12 is \$96.7 million, net of designated revenue. State appropriations represent 43.0% of the FY12 estimated funding sources, a decline from 49.5% just five years ago. For illustration purposes, Attachments B-4, B-5 and B-6 contain graphs that display the sources of estimated revenues and net expenditures by major division and expense category.

Members of the Board were also presented the proposed operating budgets for all auxiliary departments, all of which are balanced (Attachment B-7). The Residence Life budget incorporates FY12 room and board rates approved by the Board at their March 25, 2011 meeting.

A motion was made by Regent Dickson and seconded Regent Limbaugh to approve the proposed FY 12 University and Auxiliary Operating Budgets as presented in Attachment B. A roll call vote was taken. Voting in favor: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

### **CONSIDERATION OF APPROVAL OF CAPITAL BUDGET REQUEST FOR FY13 TO BE SUBMITTED TO THE DEPARTMENT OF HIGHER EDUCATION**

President Dobbins asked Vice President Mangels to present the recommendation that the Board approve the Capital Budget Request for FY13 to be submitted to the Department of Higher Education [Attachment C].

The Capital Budget Request (Attachment C-1) includes a FY13 Budget Request and Long-Range Plan Requests. The University's recent bond issuance has provided funding to address two projects that had been top priorities in the Capital Budget Request to CBHE in previous years, the renovation of Academic Hall and Magill Hall. The available bonding capacity only allowed the University to address priority one and two major deferred maintenance projects. Therefore, the first priority in the University's FY13 Capital Budget Request is the remaining Priority 3 campus-wide deferred maintenance projects.

The renovations in this request include updating building envelopes and mechanical, electrical, and HVAC systems throughout many of the University's oldest campus buildings. Additionally, funding is requested for roof replacements to numerous

buildings, replacement of deteriorating single-pane, metal-frame windows, and upgrades to site elements responsible for storm water drainage. As federal and state directives push to decrease energy usage within government buildings, these renovations will utilize energy efficient systems and decrease the total amount of energy used, resulting in a decreased annual cost to the University.

Also included in the campus-wide renovations is maintenance to the tunnel system. This portion of the project involves repair and/or replacement to various sections of the tunnels as well as increasing safety through added lighting, hazardous material abatement, and improved ventilation. Due to past expansion of the campus infrastructure, some sections of the tunnels have become overcrowded and do not allow proper use.

The construction of a Business Incubator is the University's next long-range priority since it was eliminated from the Lewis & Clark initiative. The Incubator will provide leased space in which parties wishing to begin small business endeavors can develop, test, and begin marketing products. The buildings will be designed to provide diverse space in terms of resources and configurations (including 50% wet lab capacity) to allow for a widespread use. Additionally, this space will allow a convenient location for advisory offices that can assist with business development.

The University's third long-range request is a complete interior renovation and seismic upgrade to the Art Building. Not having undergone a major renovation in over forty years, most of the systems in the infrastructure of the building have deteriorated and safety has been compromised according to current code. In addition to structural renovations, this restoration will include technological improvements, equipping each classroom with state-of-the-art systems.

The fourth priority in the proposed capital budget request is expansion to the River Campus. The funding available for the original construction of the River Campus did not allow for the relocation of all program and office space from the main campus. Due to a 100% enrollment increase within the School of Visual and Performing Arts since construction of the River Campus (500 majors versus 250), classroom and office space are at capacity and some areas are overcrowded. The request proposes construction of an additional building to accommodate the relocation of the second dance floor, ceramics kilns and instructional space, additional faculty offices and classrooms.

It was noted that the University is required to submit this request even though it is not anticipated that state appropriations will be available to fund capital needs. It is also important to submit this request so the State has a record of the University's infrastructure needs. The recent bond issue will allow the University to address immediate needs since the State of Missouri is not in a position to fund capital improvements.

A motion was made by Regent Limbaugh and seconded by Regent Dickson to approve the Capital Budget Request for FY13 to be submitted to the Department of

Higher Education. A roll call vote was taken. Voting in favor: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

### **CONSIDERATION OF APPROVAL OF CONSENT AGENDA ITEMS (ACADEMIC PROGRAM CHANGES)**

President Dobbins asked Provost Rosati to present the recommendation that the Board approve the following consent agenda items involving changes to Academic Programs (Attachment D 1-7):

- New Undergraduate Certificate Program – English Speakers of Other Languages (ESOL) – Attachment 1
- New Minor – Health Management Entrepreneurship – Attachment 2
- New Minor – Fashion Entrepreneurship – Attachment 3
- Program Title Change – BSBA in Organizational Administration *to* BSBA in Business Administration – Attachment 4
- Renaming of Option – BS in Technology Management: Industrial Management Option *to* BS in Technology Management: Industrial & Safety Management – Attachment 5
- Renaming of Option / Split of Options – MS in Criminal Justice – Attachment 6
  - Rename: Non-Capstone Option *to* Comprehensive Examination Option
  - Split: Internship or Capstone Seminar Option *to* Internship Option and Capstone Seminar Option
- Addition of Option / Deletion of Option – BS in Mass Communication – Attachment 7
  - Add: Multimedia Journalism Option
  - Delete: Radio Option
- Deletion of Program – BA in Mass Communication – Attachment 7

A motion was made by Regent Todd and seconded by Regent Dickson to approve the above-listed academic program changes [Attachment D 1-7]. A roll call vote was taken. Voting in favor were: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

### **PRESIDENT'S REPORT**

#### **UPDATE ON ACADEMIC HALL AND MAGILL HALL RENOVATIONS**

President Dobbins asked Vice President Mangels to present a report on renovations of Academic Hall and Magill Hall. Vice President Mangels introduced Greg Lattik with the Clark Enersen Partners and Tim Rowbottom with the Lawrence Group who provided an overview of the proposed new designs and renovations. A copy of the presentation is included in Exhibit A.

Members of the Board agreed that the proposed designs were impressive and extremely helpful. Appreciation was expressed to Mr. Lattik and Mr. Rowbottom as well as the University's Facilities Management staff headed by Mrs. Angela Meyer.

### **PROGRESS REPORT ON CONTRACTS AND FACILITIES MANAGEMENT PROJECTS**

Members of the Board were provided with a progress report on contracts and Facilities Management projects in Attachment E. No questions were asked.

### **REPORT ON REACCREDITATION WITH THE HIGHER LEARNING COMMISSION (AQIP REPORT)**

Southeast Missouri State University is accredited by the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools, one of six regional institutional accreditors in the United States [Attachment F]. Southeast participates in the Academic Quality Improvement Program (AQIP) initiative with the HLC, a continuous improvement protocol developed for previously accredited institutions. Consistent with the AQIP protocol, a team of evaluators from HLC conducted a Systems Appraisal of Southeast in 2010 during which the evaluators reviewed the University's description of how it meets its accreditation requirements, as written in a document titled the Systems Portfolio. As part of the Systems Appraisal, the evaluators made a series of recommendations about how Southeast could improve its effectiveness. Many of these recommendations involved strengthening the university's cyclical assessment, planning and budgeting procedures, with special attention to the assessment of student learning outcomes. On May 18 – 20, 2011, a team from Southeast attended a strategy forum to develop a plan for addressing the issues raised in the Systems Portfolio. Team members included President Dobbins, Provost Rosati, the University HLC liaison (Dennis Holt), a representative from the Chairpersons Council (David Probst), a professional staff representative (Alissa Vandeven), the University assessment officer (Chris Frazier), and the Dean of University Studies (David Starrett).

The team returned from the Strategy Forum with a well-defined set of goals for improving its procedures related to the assessment of institutional effectiveness. The primary objective is to develop and implement an assessment protocol which includes these components: solicits input from all stakeholder groups; incentivizes participation; utilizes a regular, cyclical process; includes frequent communication; and relies on automated processes. During the summer, the University will develop a proposed action plan for achieving those goals. A key aspect of the action plan will be the identification of a new AQIP project designed to facilitate the development of an assessment system that enhances institutional effectiveness and efficiency across the university. The

assessment system will contain the following characteristics: comprehensive, integrated, documented, and operational.

The draft action plan will be shared with the broader University community in the fall for refinement and eventual implementation prior to the end of the fall semester. Executive Staff and Administrative Council will play a key leadership role in the development of the initiative. Dr. David Starrett, as the new HLC liaison, will manage the implementation.

### **INFORMATIONAL REPORT ITEMS**

Members of the Board were provided with additional informational report items as follows: Missouri Department of Higher Education Approval of academic program changes [Attachment G]; and the River Campus 2011-2012 Season of Events [Attachment H].

### **CONSIDERATION OF MOTION TO RECESS THE OPEN MEETING AND GO INTO CLOSED EXECUTIVE SESSION**

A motion was made by Regent Limbaugh and seconded by Regent Dickson to go into closed executive session for consideration of the following:

- A. RSMo 610.021.1 -- pertaining to legal actions, causes of action or litigation
- B. RSMo 610.021.2 -- pertaining to lease, purchase or sale of real estate
- C. RSMo 610.021.3 -- pertaining to the hiring, firing, disciplining or promotion of personnel
- D. RSMo 610.021.14 -- pertaining to records which are protected from disclosure by law

A roll call vote was taken. Voting in favor were: Spradling, Dickson, Limbaugh, and Todd. The motion carried.

The open meeting recessed at 11:15 a.m.

The open session reconvened at 1:04 p.m. with Board President Bedell and Regent Privett connected via teleconference.



**MOTION TO ADJOURN THE MEETING**

A motion was made by Regent Dickson and seconded by Regent Todd to adjourn the meeting. A roll call vote was taken. Voting in favor were: Bedell, Spradling, Dickson, Limbaugh, Privett, and Todd. The motion carried.

The open meeting was adjourned at 1:05 p.m.

---

Deborah S. Fulton  
Secretary to the Board of Regents

**APPROVED:**

---

Donald B. Bedell, President  
Board of Regents  
Southeast Missouri State University