

**UNIVERSITY OF SCIENCE AND ARTS OF OKLAHOMA  
BOARD OF REGENTS  
MINUTES  
June 10, 2014**

The Board of Regents for the University of Science and Arts of Oklahoma met Tuesday, June 10, 2014, in the President's Conference Room on the USAO campus. Before the meeting was called to order, President John Feaver stated that advance public notice of this meeting was properly filed and displayed in compliance with the Open Meeting Law. Chair Kitz led the group in the Pledge of Allegiance and then called the meeting to order at 1:30 and asked for roll call.

Members present were: Mo Anderson, Hilary Kitz, Bill Lance, Chris Mosley, John Nelson and Molly Tolbert. Absentee was Dave McLaughlin. Also present were: President John Feaver, Vice President Dex Marble, Vice President Mike Coponiti, Vice President Lynn Boyce, Vice President Michael Nealeigh, Vice President Monica Trevino, Director of Communications and Marketing Kelly Arnold, Faculty Association President Dan Hanson, Alumni Association President Nancy Powell, Staff Association President Roland Nunez, and Diane Carroll, Executive Assistant to the President and Secretary to the USAO Board of Regents.

**Introductions:** President Feaver introduced Diane Ming the newest member of the USAO Board of Regents. President Feaver also introduced Joyce Horton Sanders the new Administrative Assistant in the Office of Advancement, and Nancy Martinez of the Trend.

**Presentations:** President Feaver presented an engraved gavel to outgoing Chair of the USAO Board of Regents, Hilary Kitz, and a gift to outgoing Regent Molly Tolbert.

**Approval of the Minutes of the December 10, 2013, meeting:** On a motion by Regent Nelson, seconded by Regent Mosley, the minutes were approved unanimously.

**Approval of the Minutes of the April 8, 2014, meeting:** On a motion by Regent Mosley, seconded by Regent Anderson, the minutes were approved unanimously.

**Communications:** None.

**Unfinished Business:** None.

**New Business:**

**1. Personnel –**

**Appointments:**

Rachel Jones, Assistant Professor of Biology, full time, effective August 25, 2014, salary \$45,200. Ms. Jones holds a Master of Science in Botany from University of Wyoming. She is expected to complete her Ph.D. also from University of Wyoming this May 2014.

Joyce Horton, Administrative Assistant Advancement, full time, effective May 19, 2014, salary \$25,000. Ms. Horton holds a B.S. in Organizational Leadership from Southern Nazarene University.

**Resignations:**

Jason Sherman, Systems Librarian, effective June 6, 2014

## RECOMMENDATION FOR FALL 2014 ADJUNCT

James Adams	Mathematics
Kent Barker	Music
Dan Bice	Deaf Education
Patricia Carr	Mathematics
Scott Charlson	Education
Carrie Chavers	Theatre Arts
Amber Diaz	Speech Language Pathology
David Duncan	Communication
Judy Duprez	Education
Pam Foster	Psychology
Jerry Hargis	Communication
Sam Hayden	Physical Education
Emily Hector	Theatre Arts
Rachel Jackson	Indian Studies
Lori Jech	Music
Bonnie Pendleton	Speech Language Pathology
Kim Roberts	Natural Science
Bill Robinson	Psychology
Mike Ross	Physical Education
Dwight Sehon	Accounting
Kate Sekula	Music
Joe Settlemyres	Music
Donna Settlemyres	Music
Terrence Spain	Sociology
Misty Steele	IDS

On a motion by Regent Tolbert seconded by Regent Anderson, the Board voted unanimously to approve the request.

**2. Financial Statements** – Vice President for Business and Finance Mike Coponiti covered the monthly and quarterly financials with the group.

No action was necessary.

### **3. Request Authorization to Approve Flat Rate Tuition**

Chair Kitz called on Regent Anderson who reported that the Finance and Audit Committee met on Tuesday, June 10, 2014, at 10:30 a.m. in the President's Conference Room to consider the recommendation.

Beginning with the 2014-2015 academic year, USAO proposes the implementation of a flat tuition and mandatory fee structure for full-time students carrying 12 or more credit hours. The new flat rate is based on 15 credit hours per trimester and is similar to models utilized by many public and private institutions of higher education nationwide. It encourages students to graduate in a shorter amount of time, spend less to earn their degrees and supports the goals of the Complete College America initiatives led by Governor Mary Fallin and supported by the State Regents of Higher Education.

Resident  
Trimester Flat Rate  
Tuition and Mandatory Fees  
15 credit hours

\$3,135.00

Nonresident  
Trimester Flat Rate  
Tuition and Mandatory Fees  
15 credit hours

\$7,605.00

Full-time students enrolled in 12-18 credit hours will be charged a flat rate equivalent to 15-credit hours. Students enrolled in more than 18 credit hours will be charged the flat rate plus the per credit hour rate for each credit over 18 enrolled hours. Students enrolled in less than 12 credit hours will be charged the FY 14-15 per credit hour rate.

The Presidents recommends approval to the Flat Rate Tuition and Fees.

On a motion by Regent Anderson and seconded by Regent Nelson the Board voted unanimously to approve the Flat Rate Tuition and Fee for 2014-2015.

#### **4. Request to Increase Tuition & Mandatory Fees FY2014-2015**

Chair Kitz called on Regent Anderson who reported that the Finance and Audit Committee met on Tuesday, June 10, 2014, at 10:30 a.m. in the President's Conference Room to consider the recommendation.

In 2002 the Oklahoma Legislature granted authority to the State Regents to determine tuition and mandatory fee increases not to exceed the prior year average of the State Regents established national peer groups for institutional tiers (70 O. S. 2004 Supp., Section 3218.14). Following last year's increase in tuition and mandatory fees, Oklahoma resident student cost at USAO was 64.5% of our national peer group. The increase proposed below will result in an Oklahoma resident USAO student cost equal to 68.9% of the national peer group average.

For FY14-15 the State Legislature funded higher education at the same level as the prior year. This did not address mandatory cost increases, thus creating a deficit budget of \$111,676 of mandatory cost increases. In order to continue to protect the quality of academic programs and operations, I see no option in order to offset this virtual reduction in state funding.

To serve those same priorities, presidents of all state colleges and universities this year will recommend some measure of student tuition and mandatory fee increase to their respective boards. I expect all institutions to cap increases below double digits. There is general agreement on the importance of an increase to help protect institutional quality and academic integrity. We calculate that 8.3 percent will increase in student tuition and mandatory fees will raise an estimated \$248,000 in additional revenue. A full-time Oklahoma resident student enrolled in 15 credit hours will pay \$240.00 additional tuition per trimester. We have talked to student groups about the proposed tuition increase. They are supportive of the effort to protect the quality of academic instruction and student support services.

The President recommends a combined 8.3 percent increase in tuition and mandatory fees.

On a motion by Regent Anderson and seconded by Regent Mosley the Board voted unanimously to approve the increase in Tuition and Mandatory Fees for 2014-2015.

#### **5. Request to Consider Guaranteed Student Tuition Rate for FY2014-2015**

Chair Kitz called on Regent Anderson who reported that the Finance and Audit Committee met on Tuesday, June 10, 2014, at 10:30 a.m. in the President's Conference Room to consider the recommendation.

Institutions within the Oklahoma State System of Higher Education are required by law to offer first time full-time Oklahoma resident students a tuition rate that will be guaranteed for a period not less than, but not to exceed four consecutive academic years. (70 O. S. 2007 Supp., Section 3218.8) They will remain eligible to receive this fixed rate so long as they sustain full-time, uninterrupted enrollment for consecutive year fall and spring semesters throughout the four-year period.

Students shall have the option to participate or not participate in the guaranteed tuition program and shall indicate their election at the time of enrollment or following the annual approval of tuition rates by the USAO Board of Regents.

By law, the guaranteed rate cannot exceed 115 percent of the non-guaranteed undergraduate tuition rate charged to resident students enrolling for the first time for the same academic year. Beginning in the fall 2014 semester, the proposed resident tuition rate for FY2014-2015 will be \$170.00 per credit hour, a guaranteed rate at 115 percent would translate into a guaranteed Oklahoma resident tuition rate of \$195.00 per credit hour through the 2017-2018 academic year.

The President recommends that the guaranteed USAO rate for Oklahoma resident tuition be set at \$195.00 per credit hour for the fall 2014.

On a motion by Regent Anderson and seconded by Regent Mosley the Board voted unanimously to approve the proposed Guaranteed Tuition Rate for 2014-2015.

#### **6. Consideration of Proposed FY2013-2014 Budget**

Chair Kitz called on Regent Anderson who reported that the Finance and Audit Committee met on Tuesday, June 10, 2014, at 10:30 a.m. in the President's Conference Room to consider the recommendation. Regent Anderson called on Vice President Coponiti to cover the essentials of the proposed budget.

The Education and General Budget consists of state appropriations and locally generated revolving funds. Appropriations from the Oklahoma Legislature to the higher education system are allocated to individual institutions by the Oklahoma State Regents for Higher Education.

The total FY14-15 allocation for USAO has not increased compared to beginning FY13-14. Complicating this situation, calculated mandatory cost increases for FY14-15 are just over \$111,000. At that amount, it is an effective loss in operational funds.

Thus, I am recommending an 8.3 percent increase in student tuition and mandatory fees. If approved, it will raise \$248,000 in new revenue. It would provide sufficient funds to cover mandatory cost increases and other critical needs detailed and explained in other sections of this agenda.

The attached pages contain information concerning legislative appropriations to higher education and State Regents' allocations to USAO. These materials are drawn from packets that were distributed to state institutions following the State Regents' May 30<sup>th</sup> meeting in which they authorized the FY14-15 budget for the state system and allocations to specific institutions.

Also enclosed are schedules A, B, and C of USAO's E&G FY14-15 Budget. These schedules show a total proposed expenditure of \$12,969,721. The total amount is inflated by reporting \$809,531 for authorized fee waivers. That amount is included as income and expenditures, but it represents only a waiver of tuition and not funds available for expenditure. Also included is an allocation of \$25,283 to Jane Brooks School for the Deaf for which USAO acts as the pass through agency for the State of Oklahoma.

The President recommends acceptance of the proposed FY2014-2015 budget.

**Oklahoma State Regents for Higher Education**

655 Research Parkway, Suite 200

Oklahoma City, OK 73104

**EDUCATIONAL AND GENERAL BUDGET - FY2014-2015**

**PART I - PRIMARY BUDGET**

**Schedule A**

**Summary of Educational and General Expenditures by Function**

<b>Agency #</b>	150	<b>Date Submitted:</b>	<b>June 11, 2014</b>
<b>Institution Name:</b>	University of Science and Arts of Oklahoma		
<b>President:</b>	Dr. John Feaver		

<b>EXPENDITURES BY ACTIVITY/FUNCTION</b>			
<b>Activity Number</b>	<b>Activity/Function</b>	<b>FY2014-2015 Amount</b>	<b>Percent of Total</b>
	<b>Educational &amp; General Budget - Part I:</b>		
11	Instruction	5,478,759	42.2%
12	Research	287,973	2.2%
13	Public Service	10,000	0.1%
14	Academic Support	985,881	7.6%
15	Student Services	1,302,875	10.0%
16	Institutional Support	1,850,616	14.3%
17	Operation and Maintenance of Plant	2,244,086	17.3%
18	Scholarships and Fellowships		6.2%

		809,531	
	<b>Total Expenditures by Activity/Function:</b>	<b>12,969,721</b>	<b>100.0%</b>

<b>FUNDING</b>			
<b>Fund Number</b>	<b>Fund Name</b>	<b>FY2014-2015 Amount</b>	<b>Percent of Total</b>
	<b>E&amp;G Operating Revolving Fund:</b>		
<b>290</b>	Revolving Funds	5,268,627	40.6%
<b>290</b>	State Appropriated Funds - Operations Budget	7,463,210	57.5%
<b>290</b>	State Appropriated Funds - Grants, Contracts and Reimbursements	237,884	1.8%
		-	0.0%
	<b>Total Expenditures by Fund:</b>	<b>12,969,721</b>	<b>100.0%</b>

**Schedule B**  
**Summary of Educational and General Expenditures by Object**

<b>Institution:</b>	<b>University of Science and Arts of Oklahoma</b>
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<b>EXPENDITURES BY OBJECT</b>			
<b>Object Number</b>	<b>Object of Expenditure</b>	<b>FY2014-2015 Amount</b>	<b>Percent of Total</b>
1	Personnel Services:		
1a	Teaching Salaries	3,460,930	26.7%
1b	Professional Salaries	1,931,064	14.9%
1c	Other Salaries and Wages	1,341,902	10.3%
1d	Fringe Benefits	2,839,230	21.9%
1e	Professional Services	-	0.0%
	<b>Total Personnel Service</b>	<b>9,573,126</b>	<b>73.8%</b>
2	Travel	97,571	0.8%
3	Utilities	605,710	4.7%
4	Supplies and Other Operating Expenses *	1,481,346	11.4%
5	Property, Furniture and Equipment	195,848	1.5%
6	Library Books and Periodicals	73,432	0.6%
7	Scholarships and Other Assistance	809,531	6.2%
8	Transfer and Other Disbursements **	133,157	1.0%
	<b>Total Expenditures by Object</b>	<b>12,969,721</b>	<b>100.0%</b>

**Schedule C**  
**REPORT OF EDUCATIONAL AND GENERAL REVENUE, EXPENDITURES, AND UNOBLIGATED RESERVE**

<b>Institution Name: University of Science and Arts of Oklahoma</b>	<b>University of Science and Arts of Oklahoma</b>	
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<b>Revenue Description</b>	<b>FY2014-2015 Amount</b>	<b>Percent of Total</b>
<b>1. Beginning Fund Balance July 1, 2014</b>	<b>2,634,680</b>	
<b>2. Expenditures for Prior Year Obligations</b>	<b>1,573,188</b>	
<b>3. Unobligated Reserve Balance July 1, 2014 (line 1 - line 2)</b>	<b>1,061,492</b>	<b>&lt;-Formula</b>
<b>4. Projected FY2015 Receipts:</b>		

State Appropriated Funds - For Operations	7,463,210	57.5%
State Appropriated Funds - For Grants, Contracts and Reimbursements	237,884	1.8%
Federal Appropriations	-	0.0%
Local Appropriations	-	0.0%
Resident Tuition (includes tuition waivers)	3,995,271	30.8%
Nonresident Tuition (includes tuition waivers)	415,844	3.2%
Student Fees - Mandatory and Academic Service Fees	717,000	5.5%
Gifts, Endowments and Bequests	112,512	0.9%
Other Grants, Contracts and Reimbursements	-	0.0%
Sales and Services of Educational Departments	2,000	0.0%
Organized Activities Related to Educational Departments	15,000	0.1%
Technical Education Funds	-	0.0%
Other Sources	11,000	0.1%
	-	
<b>5. Total Projected FY2015 Receipts</b>	<b>12,969,721</b>	<b>100.0%</b>
<b>6. Total Available (line 3 + line 5)</b>	<b>14,031,213</b>	<a href="#">&lt;-Formula</a>
<b>7. Less Budgeted Expenditures for FY2015 Operations</b>	<b>12,969,721</b>	<a href="#">&lt;-Link to Sch A</a>
<b>8. Projected Unobligated Reserve Balance June 30, 2015 (line 6 - line 7)</b>	<b>1,061,492</b>	<a href="#">&lt;-Formula</a>

On a motion by Regent Anderson and seconded by Regent Tolbert, the Board voted unanimously to approve the proposed FY14-15 budget.

### 7. Authorizatin to Select External Auditor for FY2013-2014

Chair Nelson called on Regent McLaughlin who reported that the Finance and Audit Committee met on Tuesday, June 11, 2013, at 10:00 a.m. in the President's Conference Room to consider the recommendation. Regent McLaughlin called on Vice President Coponiti to report on the following.

A Request for Proposal notice was published and sent to ten accounting firms in Oklahoma. On the basis of competitive bid, the Board selected on June 12, 2012 the firm of Becky Fleming, CPA, Inc. to audit the financial statements for fiscal year ending June 30, 2013. State law allows



retention of an auditing firm for up to five consecutive fiscal years, based on an annual review of service.

The audits were performed in a professional, thorough, and timely manner. The Regents expressed satisfaction with the results when presented with the latest Audit Report in the December 11, 2013 meeting of the board.

Becky Fleming, CPA, Inc. has agreed to perform the audit for the fiscal year ending June 30, 2014, for a fee of \$15,000.00, an annual assessment consistent with the agreement approved by the Regents in the initial 5-year proposal.

The President recommends Board authorization.

On a motion by Regent Anderson and seconded by Regent Mosley, the Board voted unanimously to approve the proposed Selection of External Auditor for FY2013-2014.

### **8. Request for Authorization to Purchase Computer Equipment**

Chair Kitz called on Regent Anderson who reported that the Finance and Audit Committee met on Tuesday, June 10, 2014, at 10:30 a.m. in the President's Conference Room to consider the recommendation. Regent Anderson called on Vice President Boyce to report on the following.

In the meeting of March 26, 1990, the Regents approved a Computer Plan to be implemented in phases. The purchase of new equipment is needed periodically, both with the addition of new faculty and staff as well as the need to maintain the five-year replacement cycle of outdated computers.

This request for computer equipment will replace 42 computers. Thirty-one of the computers will be purchased from Zones, Inc., 9 from Dell computers, and 2 Apple iMac computers which must be purchased directly from Apple. At this time, we are still working to get the prices down as much as possible. As we anticipate purchasing these over a three-month time span, the estimated cost will be approximately \$44,030. Funding for this purchase will come from the Section 13/New College Funds account.

The President recommends approval of purchasing computer equipment.

On a motion by Regent Anderson and seconded by Regent Mosley, the Board voted unanimously to approve the proposed Purchase of Computer Equipment.

### **9. Appointment of Regents Committees for FY2014-2015**

President Feaver indicated this was a routine action by the Board in their June meeting.

## **BOARD OF REGENTS COMMITTEES\* UNIVERSITY OF SCIENCE AND ARTS OF OKLAHOMA 2014-2015**

**Academic and Administrative Affairs** Mo Anderson, Chair  
Chris Mosley  
Vice President, Academic Affairs  
Vice President, Enrollment Management

**Finance and Audit**

John Nelson, Chair  
Bill Lance  
Vice President, Business and Finance  
Vice President, Enrollment Management

**Housing and Physical Plant**

Chris Mosley, Chair  
Hilary Kitz  
Vice President, Enrollment Management  
Vice President, Business and Finance  
Secretary, Faculty Association

**Policies and Procedures**

Bill Lance, Chair  
John Nelson  
Vice President, Academic Affairs  
Vice President, Enrollment Management  
President, Faculty Association

**University Advancement**

Hilary Kitz, Chair  
Diane Ming  
Vice President, University Advancement  
President, Alumni Association

**Student Life**

Diane Ming, Chair  
Mo Anderson  
Dean of Students  
President, Student Association  
Vice President & Treasurer, Faculty Association

**\*The Chair of the Board of Regents and the President of the University are ex-officio members of all committees**

Regent Nelson moved to accept the Regents' Committees. Regent Tolbert seconded the motion, and the Board voted unanimously to approve.

**10. Election of Officers for FY2014-2015**

In accordance with the Regents Monthly Agenda Guide, Board of Regents officers for the next fiscal year are to be elected in the June meeting. Officers ending their service for FY2013 – 2014 are:

Regent Kitz	Chair
Regent McLaughlin	Vice Chair
Regent Mosley	Secretary

In accordance with past policy, proposed officers for FY2014 – 2015 would be:

Regent McLaughlin	Chair
Regent Mosley	Vice Chair
Regent Anderson	Secretary

Regent Tolbert moved to accept the positions of Chair, Vice Chair and Secretary. Regent Mosley seconded the motion, and the Board voted unanimously to approve.

#### **11. Authorization for Regents Committees to Act on Behalf of Board**

The USAO Board of Regents normally does not meet in August. If that practice is followed this year, the Board would not meet during the two month period from July 8 to September 9. If a matter of extreme importance should arise, the Chairman could authorize a special meeting of the Board. For usual items that require Regents' action, it is recommended that the Regents' committees be authorized to act on behalf of the Board as needed with their action ratified in the September meeting.

Regent Nelson moved to accept the authorization for Regents committees to act on behalf of the Board. Regent Tolbert seconded the motion, and the Board voted unanimously to approve.

#### **12. President's Report**

The President addressed the Board on the following items:

- a. Vice President for Enrollment Management Monica Trevino reported on the recruiting and admission process.
- b. Vice President for Advancement Michael Nealeigh reported on the process of the Capital Campaign. He also reported on the progress of "It Takes a College".

#### **13. Remarks from Representatives to the Board:**

- i. Faculty Association – Dan Hanson, President of the Faculty Association reported on the activities of faculty.
- ii. Student Association – No report.
- iii. Alumni Association – Nancy Powell, President of the Alumni Association reported on electronic updates in the Alumni Office, and plans for fundraising.
- iv. Staff Association – Roland Nunez President of the Staff Association reported on the activities of staff.

#### **14. Time and Place of Next Meeting – The next meeting will be held Tuesday, September 9, 2014, at 1:30 p.m. on the USAO Campus.**

#### **15. Consideration of "any matter not known about which could not have been reasonably foreseen prior to the time of posting of the agenda" – None.**

**16. Executive Session** – Chair Kitz asked for a motion to move the meeting into executive session. On a motion by Regent Tolbert, seconded by Regent Nelson, the Board voted unanimously to move into Executive Session. Chair Kitz declared the Board in Executive Session at 2:30 p.m. in order to address the remaining agenda items.

- a. Recommendation on Faculty and Staff Salaries for FY2014-2015.
- b. Ratification of April 8, 2014 Meeting.

**17. Return to Open Session** – Chair Kitz asked for a motion to move the meeting into open session. On a motion by Regent Tolbert, seconded by Regent Lance, the Board voted unanimously to return to Open Session at 2:45 p.m.

- a. Action on Faculty and Staff Salaries for FY2014-2015.
- b. Action on Ratification of April 8, 2014 Meeting

On a motion by Regent Tolbert, seconded by Regent Nelson, the Board voted unanimously to approve Faculty and Staff Salaries for FY 2014-2015.

On a motion by Regent Lance, seconded by Regent Tolbert, the Board voted unanimously to approve the Ratification of the April 8, 2014 meeting.

**18. Adjournment** – On a motion by Regent Mosley, seconded by Regent Nelson, the Board voted unanimously to adjourn. Chair Kitz declared the Board meeting adjourned at 2:50 p.m.

Advance public notice of this meeting was properly filed and displayed in compliance with Title 25, O.S. 1981, Section 311.