

University of Central Missouri
Board of Governors
Plenary Session
June 16, 2011

The University of Central Missouri (UCM) Board of Governors convened in Plenary Session on Thursday, June 16, 2011, at 8:30 a.m. in UN 237B on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Walter Hicklin. Also in attendance were Governors Weldon Brady, Richard Phillips, Mary Long, Marvin Wright, Edward Baker, Mary Dandurand, and Darren Doherty. Also present was University President Charles Ambrose; General Counsel Henry Setser; and Assistant Secretary to the Board Monica Huffman.

Plenary Session

Call to Order – Agenda Item No. 1

Mr. Hicklin called the meeting to order and determined that a quorum was present to conduct business.

Remarks by the Board President – Agenda Item No. 2

Mr. Hicklin reflected on the amount of cooperative work accomplished over the past year by everyone on campus. These efforts have allowed the University to continue providing outstanding educational opportunities for the University's students. Mr. Hicklin extended appreciation on behalf of the Board for all of the hard work.

Mr. Hicklin said that President Ambrose announced earlier in the week Governor Nixon's decision to reduce state appropriations to higher education by 7% as part of the effort to balance the State's budget. Everyone's hard work over the past year will help the University to meet the challenges resulting from this loss.

Mr. Hicklin congratulated President Ambrose for receiving the MIAA Student Athletic Advisory Committee Mentor of the Year award. He also congratulated Jerry Hughes for receiving the NCAA Division II Athletic Director of the Year Award, and Lindsey Lettow for receiving the MIAA Kenneth B. Jones Woman Athlete of the Year award.

Remarks by the University President – Agenda Item No. 3

President Ambrose said the University has many good things that we are able to share with visitors and others. *Kauffman Scholars* and *Missouri Boys State* are visiting this week, and *Missouri Girls State* will follow next week. Also, the University recently had the opportunity to host cyclists participating in the Catholic Charities' *Cycling for Change* poverty awareness initiative and provided aid to those affected by the Joplin tornado. President Ambrose said that without the "commitment to mission" that members of the University demonstrate each day, all of this would not have been possible.

President Ambrose congratulated Mr. Hicklin who was inducted last evening into the *Boys State* Hall of Fame. He added his congratulations to the recognitions made by Mr. Hicklin with regard to athletics and noted that there is a lot of imagery around intercollegiate athletics today and used former student athlete Eric Czerwinski as one of the notable examples.

President Ambrose concluded his remarks by introducing Mike Racy, Vice President for Division II of the NCAA. Mr. Racy will be an ACE (American Council on Education) Fellow in the Fall and will spend the semester at UCM working with President Ambrose and other administrators.

Introduction of Outstanding Support Staff Member – Agenda Item No. 4

Ms. Cindy Merrifield, Vice President of the Support Staff Council, introduced the recipient of the 2011 Outstanding Support Staff Member, Ms. Barbara Fulcher. Ms. Merrifield cited the nomination stating the Ms. Fulcher is known for her boundless dedication to students that goes beyond the normal scope of her duties. The Board extended its congratulations and a photo of Ms. Fulcher was taken with Mr. Hicklin and President Ambrose.

General Session

Approval of Minutes – Agenda Item No. 5

Mr. Phillips moved that the Board of Governors approve the minutes of the following meetings:

- *April 28, 2011, Administration and Finance Committee of the Whole*
- *April 28, 2011, Work Session*
- *April 29, 2011, Plenary Session*
- *May 31, 2011, Plenary Session*

The motion was seconded by Dr. Long and carried unanimously.

Reports

Written Governance Groups Reports – Agenda Item No. 6

Mr. Hicklin noted that written governance groups reports were included under Tab 9 of the meeting materials (Attachment 1).

Legislative Update – Agenda Item No. 7

President Ambrose said that last week he announced that state higher education appropriations would be cut by \$58 million for Missouri state colleges and universities for Fiscal Year 2012. This means that the majority of state-supported institutions will have 7% less in appropriations for the next fiscal year. Additionally, there will be a \$1 million reduction statewide for Access Missouri Scholarships, \$2 million for Bright Flight Scholarships, and \$50,000 less for MORENET. President Ambrose noted that efforts were made by the State Legislature to decrease the reduction; however, the aftermath and clean-up from the Joplin tornado, which followed the Legislature's initial efforts to lower the reduction, will require resources.

President Ambrose noted that the State had discussions with higher education institutions early on about keeping the cost of tuition down for students. UCM worked hard to keep the cost of tuition at a rate equal to what was documented on its books in the last fiscal year plus the current C.P.I. Other institutions elected to increase tuition beyond C.P.I. and were penalized with an additional reduction in appropriations.

Governor Nixon will be on campus later today for *Missouri Boys State* and will sign House Bill 233, which provides an additional \$12 million from the State for nursing programs. UCM's nursing program will receive a portion of this amount. President Ambrose closed his remarks in saying that he received notification yesterday that the Governor will hold a second summit on higher education on August 25 in Jefferson City. Conversations will continue to evolve with a focus on cost containment and productivity measures linked to performance based funding.

Administrative Review – Agenda Item No. 8

Mr. Hicklin said that the Board met in Work Session the preceding afternoon. During the meeting an extensive presentation was made of the Administrative Review and the Board held an in-depth discussion. President Ambrose said that there are a large number of campus constituents who were directly involved in the work of the Administrative Review. He noted that the information presented this morning would be released with Memorandum 7 later in the day. Additionally, a campus forum will be held on Monday, June 20, at 2:00 p.m. to discuss the report.

President Ambrose advised the Board that in FY 2011, the University generated approximately \$2.6 million over the budgeted expectations for tuition revenue. He reminded the Board that the University charged no additional tuition to students in this budget year and attributed the additional revenue to enrollment growth. Efforts are being made this fiscal year to stave off cuts in the next fiscal year and revenue growth is an important part of this. Additionally, the University's fiscal process has been moved from a decentralized to centralized budget process. He noted that this paradigm change will allow the University to institutionally respond with more resources when challenges or opportunities present themselves.

The recommendations contained in the Administrative Review will centralize support and administrative resources, increase services to students, and create service satisfaction to faculty and staff. Lastly, the University will look at academic programs to identify those that meet and do not meet the greatest societal needs. Those identified as signature programs will receive the necessary resources to help them grow. Those programs not meeting societal needs will be reviewed.

President Ambrose said that the Administrative Review being presented today will ensure that all administrative assets are in place to support the academic enterprise of the institution. The cumulative effect will allow the University to maintain a stable employment base, keep tuition at a rate equal to the Consumer Price Index, and provide compensation to faculty and staff. This is a credit to the entire University.

A portion of the savings and reallocated funds resulting from the Administrative Review will be allocated to investments and improvements for moving the institution forward. Some of the funds will be used to fill the gap resulting from the loss of state revenue. Dashboards will be prepared to clearly represent the movement forward in increasing the value proposition of the University; align activities specific to the institution's mission; continue building partnerships and collaborations across the state, the region, and beyond; and continue refining what it means to be successful as a student and to ensure it is clearly demonstrated as students graduate and compete in a very tough work force. President Ambrose introduced AGB Consultant Rick Staisloff who has assisted the University in facilitating the Administrative Review.

Mr. Staisloff provided a brief overview of a presentation made during the Board's June 15, 2011, Work Session on "Creating Cost Effective Institutions" (Attachment 2). Following Mr. Staisloff's presentation, Mr. Merrigan presented a summary of the Administrative Review process and its recommendations and the FY 2012 Budget Projections (included with Attachment 2). President Ambrose presented the organizational assessment component of the Administrative Review (included with Attachment 2). He stated that this is a significant transition year because open positions in FY 2011 are being utilized to generate one-time savings. Many of these open positions that were determined unnecessary will be eliminated to produce recurring savings in FY 2012. This resets the way in which the University generates expenditure savings and payroll expenditures. Next year's budget will look differently from this year's due to this being a transitional year. In closing, Mr. Staisloff said that UCM exceeded its target going forward into FY 2012 and that there is a good structure in place for how the University moves beyond the next fiscal year.

Mr. Brady moved that the Board of Governors accept and implement the recommendations of the Administrative Review under the guidance of President Ambrose. The motion was seconded by Dr. Long and carried unanimously.

Board Committee on Student Affairs & Alumni Relations

The Board Committee on Student Affairs and Alumni Relations did not meet in June.

Board Committee on Academic Affairs

Mr. Richard Phillips, Chair of the Board Committee on Academic Affairs, asked Provost Wilson to present the following agenda items.

Military and Veterans Tuition Rates – Agenda Item No. 9

Provost Wilson reviewed information contained in a briefing paper under Tab 10 of the meeting materials related to a special military and veterans tuition rate (Attachment 3). He noted that this item and the agenda items that follow were discussed extensively at the Board Committee on Academic Affairs meeting held on June 15, 2011.

Mr. Phillips moved that the Board of Governors approve the proposed Military Tuition Package for implementation with the Fall 2011 semester. The motion was seconded by Dr. Long and carried unanimously.

Amendment to Della Lamb Charter School Agreement – Agenda Item No. 10

Provost Wilson reviewed information contained in a briefing paper under Tab 11 of the meeting materials related to an amendment to UCM's charter agreement with Della Lamb Charter School (Attachment 4). The proposed amendment would add grades 7 and 8 to the existing grades K-6.

Mr. Phillips said the Committee discussed the need to develop a position paper on why the school is being allowed to transition from a K-6 to K-8. This will be forthcoming. Provost Wilson added that care will be taken in communicating this change and the reasons for it to the Department of Elementary and Secondary Education. He said that Della Lamb is an important charter school that serves a very special function, particularly for non-English speaking students. In this context, the school has been very successful.

Mr. Phillips moved that the Board of Governors approve an amendment to the Charter of Della Lamb Elementary Charter School contract and Attachments A-L of the contract, expanding the charter to grades K-8. The motion was seconded by Mr. Wright and carried unanimously.

Emeritus Status for Retiring Faculty – Agenda Item No. 11

Provost Wilson reviewed information contained in a briefing paper under Tab 12 of the meeting materials related to Emeritus status for retiring faculty (Attachment 5). The individuals recommended were Sharon Lamson, Professor of Elementary & Early Childhood Education, and Christine Willey, Professor of Art.

Mr. Phillips moved that the Board of Governors approve Emeritus status for these individuals. The motion was seconded by Mr. Wright and carried unanimously.

Status of Faculty Report – Agenda Item No. 12

Provost Wilson referred the Board to Tab 13 of the meeting materials that contained a Status of Faculty Report (Attachment 6). He summarized the information and noted that he is proud of the faculty and the sense of responsibility they feel for recruiting and retaining students and for student engagement and success. Provost Wilson added that a list of faculty activities is being prepared and will be forthcoming at a future date. Mr. Phillips requested that at some future date, the Board receive information related to the current status of diversity among the University's faculty.

Mr. Phillips noted that an International Enrollment Report was distributed to the Board for review (Attachment 7). He added that at yesterday's Committee meeting, members also received an enrollment update for the University. Provost Wilson said that summer enrollment credit hours are up 8% from this time last year. Summer is an important revenue generator for both the general fund and the individual units that provide the service. UCM's freshmen and transfer classes are up substantially. One thing that's important to realize is that although applications and admissions are up, it has not come at the expense of standards in relation to ACT scores, g.p.a.s and aggregate admission scores as defined by the state. The same level of quality is represented as was in the past several years. President Ambrose said the initiatives around enrollment management coupled with a campus wide initiative have contributed significantly to this.

Mr. Phillips said that the Committee discussed how to recognize and acknowledge the good work of faculty and staff. Faculty Senate President Michael Bersin was asked to provide suggestions to the Committee through Provost Wilson on how this might be accomplished.

Board Committee on Administration & Finance

Mr. Weldon Brady, Chair of the Board Committee on Administration & Finance, asked John Merrigan to present the following agenda items.

FY 2013 Capital Appropriations Request – Agenda Item No. 13

Mr. Merrigan reviewed information contained in a briefing paper under Tab 14 of the meeting materials (Attachment 7) related to the proposed FY 2013 Capital Appropriations Request. Following his presentation, which was reviewed and discussed in greater detail at the June 15 Board Committee on Administration & Finance meeting, *Mr. Brady moved that the Board of Governors approve UCM's FY 2013 Capital Appropriations request and subsequent cost adjustments that will be based on an expected formula modification by the State. The motion was seconded by Mr. Wright and carried unanimously.*

FY 2013 State Appropriations Request – Agenda Item No. 14

Mr. Merrigan reviewed information contained in a briefing paper under Tab 15 of the meeting materials (Attachment 8) related to the proposed FY 2013 State Appropriations Request. He noted that the briefing paper was prepared prior to when UCM was notified of the 7% reduction in State funding and said the paper would be updated to reflect the full 7% reduction. *Mr. Brady moved that the Board of Governors approve UCM's FY 2013 State Appropriations request of \$72,852,699. The motion was seconded by Mr. Wright and carried unanimously.*

Quarterly Investment Report – Agenda Item No. 15

Mr. Merrigan reviewed the Quarterly Investment Report included under Tab 16 of the meeting materials (Attachment 9). He noted that yields are declining as a result of poor economic results that are being reported and declines in the stock market.

Quarterly Statement of Revenues & Expenses – Agenda Item No. 16

Mr. Merrigan reviewed the Quarterly Statement of Revenues & Expenses included under Tab 17 of the meeting materials (Attachment 10).

Board Business

Report of the Nominating Committee – Agenda Item No. 17

Mr. Wright gave the report of the Nominating Committee whose membership included Mr. Wright, Dr. Long, and Mr. Phillips. He commended the current officers of the Board for their leadership over the past year. In light of the transitions that have occurred over the past year and those that will continue into the next, the Committee recommended that the FY 2011 Board officers serve a second one-year term in FY 2012.

Mr. Wright moved that the Board of Governors accept the following slate of officers for FY 2012:

<i>President</i>	<i>Walter Hicklin</i>
<i>Vice President</i>	<i>Weldon Brady</i>
<i>Board Secretary</i>	<i>Mary Dandurand</i>
<i>Assistant Secretary</i>	<i>Monica Huffman</i>
<i>Treasurer</i>	<i>John Merrigan</i>

The motion was seconded by Mr. Phillips and carried unanimously.

Request for Closed Session – June 16, 2011

Dr. Long moved that pursuant to the Missouri Revised Statutes, Section 610.021, that the UCM Board of Governors meet in closed meeting, with closed record and closed vote, for the purpose of considering real estate matters, legal actions, and personnel matters. The motion was seconded by Ms. Dandurand and carried unanimously. The motion carried with the following roll call vote:

<i>Weldon Brady</i>	<i>aye</i>	<i>Marvin Wright</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>	<i>Mary Dandurand</i>	<i>aye</i>
<i>Richard Phillips</i>	<i>aye</i>	<i>Edward Baker</i>	<i>aye</i>
<i>Walter Hicklin</i>	<i>aye</i>		

Adjourn – Agenda Item No. 18

There being no further business to discuss, the Plenary Session adjourned at 10:10 a.m.

University of Central Missouri
Board of Governors
Plenary Session
Attachments Listing

<u>Attachment No.</u>	<u>Attachment Description</u>
1	<i>Written Governance Groups Reports</i>
2	<i>Administrative Review Report and Power Point Presentations</i>
3	<i>Briefing Paper – Military and Veterans Tuition Rates</i>
4	<i>Briefing Paper – Amendment to Della Lamb’s Charter Agreement</i>
5	<i>Briefing Paper – Emeritus Status for Retiring Faculty</i>
6	<i>Briefing Paper – Status of Faculty Report</i>
7	<i>International Enrollment Report</i>
8	<i>Briefing Paper – FY 2013 Capital Appropriations Request</i>
9	<i>Briefing Paper – FY 2013 State Appropriations Request</i>
10	<i>Quarterly Investment Report</i>
11	<i>Quarterly Statement of Revenues & Expenses</i>