

University of Central Missouri
Board of Governors
Plenary Session
June 21, 2013

The University of Central Missouri (UCM) Board of Governors convened in Plenary Session on Friday, June 21, 2013, at 8:30 a.m. in UN 237B on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Marvin E. Wright. Other Board members in attendance included Governors Mary Dandurand, Weldon Brady, Mary Long, Gus Wetzel II, and John Collier. Governors Walter Hicklin and Kyle Shell were unable to attend the meeting and were excused. Others present included 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. Wright 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. Wright reported that he and President Ambrose attended the Missouri Department of Higher Education's (MDHE) Board Forum earlier this month. He said the forum provided a great opportunity to talk with Board members of other higher education institutions in Missouri, and added that the foresight of UCM's President, faculty and staff has made significant contributions to the University's progression.

Mr. Wright reflected on the Spring Commencement ceremonies held in May and noted the record number of graduates. He stated his appreciation for the respectfulness shown by our guests for both the ceremony and the graduates.

Mr. Wright stated that Missouri Boys State has been on campus this week and will conclude today. Missouri Girls State will arrive to campus over the weekend. He added that participating in these programs, was a delegation of 37 young men and women from China. In closing, Mr. Wright expressed the Board's appreciation for everyone's support and efforts to make UCM the quality institution that it is.

Remarks by the University President – Agenda Item No. 3

President Ambrose also commented on how extraordinary the Spring 2013 Commencement was, adding that people were attentive and celebrated in the most appropriate way as the degrees were awarded to graduates. He stated that there are many people on campus who vest themselves into our students' journeys and that have made

significant contributions to their successes. President Ambrose also thanked the Board for their participation in the Spring Commencement and for the time and contributions they make to the University.

President Ambrose reviewed several summer activities being held on campus, including the ACE Conference in May that resulted in more than 2,000 students and visitors to our campus; Missouri Boys State, now in its 74th session on UCM's campus, has just signed another 10-year agreement to continue holding the event here; and ongoing work with the Strategic Governance for Student Success Model, now in its third year. President Ambrose said we anticipate completing the cycle of the Student Success model in 2013/2014 with the establishment of institutional metrics, performance criteria, and accountability measures that are tied to funding. He stated everyone has a stake in this and that we will identify ways in which to share information all across campus with students, faculty and staff.

General Session

Approval of the Minutes – Agenda Item No. 4

Dr. Wetzel moved that the Board of Governors approve the minutes of the April 18, 2013, Finance & Administration Committee of the Whole meeting; April 18, 2013, Work Session; April 19, 2013, Plenary Session; and May 15, 2013, Special Teleconference. The motion was seconded by Mr. Collier and carried unanimously.

Board Committee on Student Engagement & University Advancement

Ms. Dandurand, chair of the Board Committee on Student Engagement & University Advancement, reported that the Committee met yesterday afternoon. During the meeting, the committee was provided an extensive update of Student Experience and Engagement activities, which Ms. Dandurand distributed in written form (Attachment 1). The committee also briefly reviewed the revised Request for Exemption form related to the two-year residency requirement, which Ms. Dandurand asked that this be listed as a discussion item on the August Work Session agenda (Attachment 2). She then called on Dr. Jason Drummond to present the next agenda item.

Advancement Division Update – Agenda Item No. 5

Dr. Drummond's update focused on Foundation activities as shown in the attached Power Point (Attachment 3). The update included information pertaining to strategic initiatives; total giving by fiscal year; realized planned gifts; alumni giving; gift income; President's Society; net assets; investment returns and management; scholarship support and much

more. Dr. Drummond stated that all of the information reflected in his presentation is representative of the work and effort put forth from his staff. President Ambrose said there is a tremendous amount of stewardship in the Foundation and that Development staff is reviewing donor gifts to ensure they are being used as intended. Mr. Wright commended the Foundation Board and said he is pleased to sit as a member.

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Reports

Written Governance Groups' Reports – Agenda Item No. 6

Mr. Wright thanked the governance groups for their reports (Attachment 4), noting that the Board is appreciative of their service and the many activities that they are involved with.

Legislative Update - Agenda Item No. 7

President Ambrose provided an overview of the 2013 Legislative Session, including an update on Senate Bill 437 sponsored by Senator David Pearce. He noted that many people have spent a great amount of time over the past 10 months trying to determine how to best fund higher education. In the end, Senator Pearce, who chairs the Senate Education Committee, was delegated responsibility for developing a funding formula for higher education, resulting in Senate Bill 437. President Ambrose noted that due to the bill's complexity and lack of general consensus in higher education, the bill was not moved forward in this session. Instead, as state budget proposals proceeded through the legislative session, a Conference Committee formed and came to consensus on Higher Education funding for FY 2014.

On May 10, 2013, the Missouri General Assembly submitted a unified recommendation to the Governor. The truly agreed to and finally passed version of HB 3 included an increase of \$25 million over the FY 2013 budget, with allocation among higher education institutions conditional upon improved performance outcomes. UCM achieved 80% of its performance criteria, which equates to \$1,294,000. This is contingent upon Governor Nixon signing the final appropriation bill. President Ambrose said that this does not cover the MOSERs increase UCM must pay in FY 2014, and that unfortunately, the majority of our appropriations will be based on lottery proceeds.

COPHE met earlier in June with the goal of coming to some consensus on how higher education appropriations should be distributed prior to the start of the next legislative session. COPHE was able to reach consensus on three components for the distribution

of appropriations -- base funding, performance funding, and an equity distribution to help institutions that have had expansive enrollment growth during periods of limited appropriations. Members were also in agreement that appropriation distribution should occur without taking resources from one institution to reallocate to another. President Ambrose is hopeful the Legislature will be open to using this proposal as a foundation to start its discussions and see it as a mechanism that would meet its objectives. He said the Governor remains committed to performance-based funding and continues to look for resources to increase funding for higher education. However, he remains unwilling to alter the tuition cap or permit linking tuition to c.p.i.

President Ambrose said that in the grand scheme of things, UCM has done an extraordinary job of maintaining tuition increases below the c.p.i. and educating and graduating the most students despite the fact that appropriations are not keeping up with fixed costs such as MOSERS.

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President Ambrose went on to report that the single most important bill introduced during this session by Senator Will Krause was Senate Bill 253. In the Governors estimation, this presents the single largest challenge to higher education, mental health, and other state programs because the four-year estimates would result in a loss of \$600 million in state revenue, plus required reimbursement to the federal government of ½%, or approximately \$400 million for every ½% that the State gives up in sales, personal income, and corporate taxes. In total this could be a loss of \$1 billion in state revenue. President Ambrose noted that Senator Pearce voted against the bill, as did Representative Hoskins in the first reiteration; however, voted in favor of the amended version. Governor Nixon stated the bill has to be defeated in the veto session, or the impact could be detrimental to the State's support of a number of programs. President Ambrose said the University wants to exercise its best due diligence and act as aggressively and offensively as it can in expressing our position in regard to any detrimental loss of state dollars to higher education. Mr. Wright agreed after hearing Governor Nixon speak on this matter, that it would be detrimental to higher education and several other public entities. He concurred that the University needs to be aggressive in stating its position and supported contacting state representatives to share our view on the bill.

In closing, President Ambrose said Senator Pearce and Representative Hoskins will be invited to the August Board meeting to provide a legislative update before the start of the Veto Session.

Mixed Use Facility Update – Agenda Item No. 8

Mr. Jim Schraeder of Gould Evans provided an update on Phase I and II of the Mixed-Use Facility project (Attachment 5). Of particular note are the anticipated completion period

of Phase I in January/February 2014, and the start of construction for Phase II of the Mixed Use Facility in early Spring 2014. Ms. Dandurand asked if the new apartments have accessibility requirements. Mr. Schraeder answered that the apartments will be fully accessible and will be compliant with federal requirements. Present Ambrose asked when new site preparations will begin; Mr. Schraeder said that fencing will go up next week and site preparation will begin at the end of July.

Missouri Innovation Campus Update – Agenda Item No. 9

President Ambrose reported that the Missouri Innovation Campus students are interning this summer with the Cerner Corporation, DST Systems, St. Luke's Health System, and the City of Lee's Summit and doing an extraordinary job. It has been a great experience for the students and President Ambrose said they have a good chance of being employed by these partners once they graduate from college. UCM will add the second stream – Advanced Manufacturing and Applied Technology – this fall. The curriculum for this program is currently being developed.

President Ambrose also reported that Senate Bill 381 (creates the Innovation Education Campus Fund and recognized UCM's Missouri Innovation Campus) passed, and expressed appreciation to everyone who worked so hard to develop the bill and to get it passed. He

also provided an update on UCM's lease agreement with Carroll & Associates for the Summit Center and R-7 Summit Technology Academy, noting that the agency is allowing us to resign the lease agreement and rebrand the Summit Center and Summit Technology Academy as "The Missouri Innovation Campus" for less than \$10 per square foot. President Ambrose said UCM has received excellent support from the R-7 Lee's Summit School District that will allow us to be more expansive as we move forward into the future.

In closing, President Ambrose announced that the Lumina Foundation and UCM will jointly sponsor an urban strategy forum in November that will lift this project up as the new model for higher education. UCM will receive resources and grant support from the Lumina Foundation for the forum.

Learning to a Greater Degree Contract Update – Agenda Item No. 10

President Ambrose said the campus is filled with great anticipation for the incoming class of 2017, with a strong focus of graduating these students in four years. He expressed appreciation for the leadership of the Deans and their focus on completion, and noted the many efforts of Sodexo and others to ensure "24/7" opportunities for our students. President Ambrose reviewed a number of fall activities to help kick off the new academic year, including a "Get the Red Out" event on September 5 (a community-based initiative); a "Coke" sponsored concert for our students in the Multipurpose Building on September 6 (a Spring concert will also be held with the student's selection of artist); and UCM's Air Show at Skyhaven on September 7.

Note: The Board took a short recess at 10:20 a.m. and resumed meeting at 10:30 a.m.

Board Committee on Academic Affairs

Placement of Dale Carnegie Bust – Agenda Item No. 11

Dr. Wetzel, Chair of the Board Committee on Academic Affairs, distributed a diagram of the Dale Carnegie Bust and a map showing the proposed placement of the bust (Attachment 6 includes briefing paper). He noted that UCM will host the International Convention of the Carnegians in mid- to late-September and hopes to use the event to bring regional Carnegie alumni to campus to help commemorate the Carnegie legacy. Dale Carnegie is regarded by many as UCM's most famous alumnus and was bestowed an honorary doctorate degree in 1955 by the University. Mr. Carnegie's legacy of insight into human potential and development continues to be influential today as people read his most popular book, *How to Win Friends and Influence People*.

Dr. Long moved that the Board of Governors approve the placement of the Dale Carnegie Bust on UCM's main campus just west of the flagpole on the quad facing the Administration Building as shown in the diagram. The motion was seconded by Mr. Collier and carried unanimously.

Institutional Metrics/Program Viability Update – Agenda Item No. 12

Dr. Curtis said there has been much work to identify signature programs and as part of the process, a metric system was developed for use by campus decision makers to help move this initiative in the right direction. She provided an overview of the process that included both qualitative and quantitative factors. The process included a broad level of engagement including the Board, Strategic Leadership Team, Deans, and Academic governance structures, and resulted in the creation of a new infrastructure and framework for UCM. The recommended signature programs -- business, teacher education, criminal justice, and nursing – will help with UCM's brand identity, resource allocation decisions, and the creation of economic engines. Dr. Curtis noted on slide 9 of her presentation (Attachment 7) that UCM's top 12 programs account for 67% of degrees. She said, with the Board's concurrence, this information will be shared with the campus. The Board was in agreement that the information should be shared and expressed appreciation for all of the hard work and data support that has gone into this initiative.

President Ambrose said this provides a new lens for performance metrics and the purpose of releasing all of the information is to encourage and help other programs succeed. Dr. Curtis added that this is just the beginning and that a key piece in all of it is the decision makers. She expressed special appreciation to Skip Crooker for his work related to the data and to the Deans for all of their assistance throughout the process.

Status of Faculty Report – Agenda Item No. 13

Dr. Curtis provided an overview of a faculty report included in the meeting materials under Tab 13 (Attachment 8), noting that gender profiles remain consistent, and salary ranges over the past four years reflect a slight increase in medians until 2013/2014. It was recommended by the Board Committee on Academic Affairs that future Status of Faculty Reports include tables related to ethnicity and other information comparing UCM to peer institutions.

Campus Technology Report – Agenda Item No. 14

Dr. Jim Graham reviewed the Campus Technology Report included under Tab 14 of the meeting materials (Attachment 9). Highlights from his report include the transition to Google across campus; replacement and implementation of all new electronics for UCM's infrastructure; expansion and replacement of all Wi-Fi fiber; Blackboard update; implementation of Degree Works Program; installation of Windows 7 across campus and preparation for Windows 8; and ongoing support of a number of events across campus. Of particular note is the Office of Technology's reduction of 17 positions that translate into a salary and benefit cost savings of nearly \$1.4 million. Mr. Brady commended Dr.

Graham and his staff for their efficiency. President Ambrose noted that while technology does a lot of great things, it offers many challenges as well. Dr. Graham's staff does an outstanding job of supporting the campus and President Ambrose stated his appreciation for a very positive and forward-thinking attitude demonstrated by Dr. Graham's team.

Enrollment Update – Agenda Item No. 15

Dr. Sluder reviewed the content of an enrollment update provided in a Power Point (Attachment 10). Highlights include a strong summer enrollment that reflects an increase of 8% from Summer 2012 and an increase of 10% in credit hours. Enrollment Management is taking full advantage of each day to increase student enrollment before school starts in 67 days. He is monitoring data for diversity and said there are currently 300 students whose race/ethnicity is unknown. Dr. Sluder reported that the target for enrollment for the Fall Census is 12,116. President Ambrose commended Dr. Sluder and the campus community, noting that the positive enrollment report that the Board received today is not one every university campus is experiencing. Following Dr. Sluder's update, Dr. Joyce Stephenson presented an international enrollment update (included with Attachment 10).

Board Committee on Finance & Administration

Mr. Brady, Chair of the Board Committee on Finance & Administration, reported the Committee met the preceding day. He asked John Merrigan to present the following agenda items.

FY 2015 Capital Appropriations Request – Agenda Item No. 16

Mr. Merrigan reviewed information contained under Tab 16 of the Board's meeting materials related to the FY 2015 State Operating Appropriations Request (Attachment 11). The request must be submitted to the Missouri Department of Higher Education (MDHE) no later than July 1, 2013. *Mr. Brady moved that the Board of Governors approve UCM's Fiscal Year 2015 Capital Appropriations request and subsequent cost adjustments that will be based on an expected formula modification by the State, for submittal to MDHE. The motion was seconded by Ms. Dandurand and carried unanimously.*

FY 2015 State Operating Appropriations Request – Agenda Item No. 17

Mr. Merrigan distributed and reviewed the content of a briefing paper pertaining to a request for FY 2015 State Operating Appropriations (Attachment 12). The request for \$74,545,725 must be submitted to MDHE no later than August 1, 2013. *Mr. Brady moved that the Board of Governors approve UCM's Fiscal Year 2015 State Operating Appropriations request for submittal to MDHE. The motion was seconded by Ms. Dandurand and carried unanimously.*

Mechanical Services Contract – Agenda Item No. 18

Mr. Chris Bamman presented information contained in a briefing paper under Tab 17 of the meeting materials related to a mechanical services contract for technical service assistance, repair, modification, new installation, and parts replacement on mechanical, plumbing and electrical systems on an as-needed basis (Attachment 13). The contract period with the

recommended vendor would be for July 1, 2013, through June 30, 2013, with an option to renew in one-year increments, or a portion thereof, for a maximum total of four additional years. The current contractor, Foley Company, did not submit its bid prior to bid closing. *Mr. Brady moved that the Board of Governors approve award of contract for mechanical services as outlined above to P1 Group Inc. of St. Joseph, Missouri. The motion was seconded by Mr. Collier and carried unanimously.*

Third-Party Administration for Student Medical Claims Processing – Agenda Item No. 19

Dr. Geri Bliss presented information contained in a briefing paper under Tab 18 of the meeting materials pertaining to third-party medical claims processing for student medical claims (Attachment 14). *Mr. Brady moved that the Board of Governors approve award of a one-year contract, with four one-year renewal options to Vivature for third-party billing for student medical claims. The motion was seconded by Mr. Collier and carried unanimously.*

Quarterly Investment Report – Agenda Item No. 20

Mr. Merrigan reviewed a revised Quarterly Investment Report (Attachment 15).

Quarterly Statement of Revenues & Expenses – Agenda Item No. 21

Mr. Merrigan reviewed the Quarterly Statement of Revenues & Expenses included under Tab 20 of the meeting materials (Attachment 16).

Board Business

Faculty Emeritus Recommendations – Agenda Item No. 22

Dr. Curtis presented a recommendation to provide Faculty Emeritus status to Dr. Don Melichar and Ms. Naomi Williamson, who will retire June 30, 2013. Both individuals qualify for emeritus status under Board of Governors Policy 2.1.070 -- Privileges Extended to Emeriti and Retired Employees. *Ms. Dandurand moved that the Board of Governors grant Faculty Emeritus status to Dr. Don Melichar and Ms. Naomi Williamson. The motion was seconded by Mr. John Collier and carried unanimously.*

Modification to Ed Elliott Union Name – Agenda Item No. 23

President Ambrose provided some background related to the use of the Ed Elliott Union, noting there was a period when a focus was placed on using the facility for meetings and conferences. With all the initiatives the University has undertaken to focus on our

students “learning to a greater degree,” we would like to shift the focus back on our students and incorporate “Student” into the building’s name – Ed Elliott Student Union. A formal recommendation will be presented to the Board in August after President Ambrose has had an opportunity to talk with President Emeritus Elliott.

Report of the Nominating Committee – Agenda Item No. 24

Dr. Long reported on behalf of the Nominating Committee, which was comprised of Mr. Hicklin (chair) and Dr. Long. She presented the Committee's recommended slate of Board officers for Fiscal Year 2014 (July 1, 2013, to June 30, 2014). It is:

Marvin E. Wright	President
Gus Wetzell	Vice President
Mary Dandurand	Secretary
Monica Huffman	Assistant Secretary
John Merrigan	Treasurer

Mr. Wright asked if there were any nominations from the floor. There were none. *Ms. Dandurand moved that the Board of Governors approve the Nominating Committee's recommended slate of officers. The motion was seconded by Dr. Long and carried unanimously.*

Adjournment – Agenda Item No. 25

There being no further business to discuss, *Dr. Long moved that the meeting adjourn. The motion was seconded by Ms. Dandurand and carried unanimously.* The meeting concluded at 11:45 a.m.

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<u>Attachment No.</u>	<u>Attachment Description</u>
1.	<i>Student Experience & Engagement Activities Report</i>
2.	<i>Request for Exemption from UCM's Residency Requirement 2013-2014 Academic Year</i>
3.	<i>PPT – Development Update</i>
4.	<i>Written Governance Groups Reports</i>
5.	<i>PPT – Mixed Use Development Implementation Update</i>
6.	<i>Briefing Paper – Placement of Dale Carnegie Bust on Campus and Diagrams for Placement</i>
7.	<i>PPT – Signature Program Analysis</i>
8.	<i>Briefing Paper – Status of Faculty Report</i>
9.	<i>Campus Technology Report</i>
10.	<i>PPT – Enrollment Management Report and International Program Enrollment Update</i>
11.	<i>Briefing Paper – Fiscal Year 2015 Capital Appropriations Request</i>
12.	<i>Briefing Paper – Fiscal Year 2015 State Operating Appropriations Request</i>
13.	<i>Briefing Paper – Award of Contract – Mechanical Services</i>
14.	<i>Third-Party Administration for Student Medical Claims Processing</i>
15.	<i>Quarterly Investment Report</i>

16. *Quarterly Statement of Revenues & Expenses*
17. *Emeritus Status for Retiring Dr. Don Melichar and Ms. Naomi Williamson*