The Board of Curators conducted an open dialogue with the Chancellors of the University of Missouri campuses, beginning at 11:45 A.M., and concluding at approximately 1:05 P.M., in the Century Ballroom of the Millennium Student Center on the University of Missouri-St. Louis campus, pursuant to public notice given of said meeting. No action was taken by the Board of Curators during this session.

Present:
The Honorable Marion H. Cairns
The Honorable John M. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D. S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger
Ms. Maria Kerford, Student Representative to the Board of Curators

Also Present:
Dr. Elson S. Floyd, President
Mr. Marvin E. "Bunky" Wright, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Dr. Gary K. Allen, DVM, Vice President for Information Technology
Dr. Guy H. Bailey, Chancellor, University of Missouri-Kansas City
Dr. John F. Carney III, Chancellor, University of Missouri-Rolla
Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. John C. Gardner, Vice President for Research and Economic Development
Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
Mr. R. Kenneth Hutchinson, Vice President for Human Resources
Mr. Stephen C. Knorr, Vice President for Government Relations
Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
Dr. Stephen W. Lehmkuhle, Executive Vice President for Academic Affairs
Mr. James H. Ross, Chief Executive Officer of University of Missouri Health Care
Mr. David R. Russell, Chief of Staff
Mr. Scott Charton, Director of University Communications

This was purely an informal dialogue session and no action was taken by the Board of Curators.

BOARD OF CURATORS MEETING

An open meeting of the University of Missouri Board of Curators convened at 9:00 A.M., on Friday, January 26, 2007, in the Century Ballroom of the Millennium Student Center, on the University of Missouri-St. Louis campus, pursuant to public notice given of said meeting. President of the Board of Curators, Don Walsworth, presided over the meeting.

Present:
The Honorable Marion H. Cairns, Curator
The Honorable John H. Carnahan III, Curator
The Honorable Warren K. Erdman, Curator
The Honorable Bo Fraser, Curator
The Honorable Judith G. Haggard, Curator
The Honorable Doug Russell, Curator
The Honorable Cheryl D.S. Walker, Curator
The Honorable Don Walsworth, Curator
The Honorable David G. Wasinger, Curator
Ms. Maria C. Kerford, Student Representative to the Board of Curators

Also Present:
Dr. Elson S. Floyd, President
Mr. Marvin E. "Bunky" Wright, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Dr. Gary K. Allen, DVM, Vice President for Information Technology
Dr. Guy H. Bailey, Chancellor, University of Missouri-Kansas City
Dr. John F. Carney III, Chancellor, University of Missouri-Rolla
Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. John C. Gardner, Vice President for Research and Economic Development
Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
Mr. R. Kenneth Hutchinson, Vice President for Human Resources
Chairman Walsworth welcomed the three new curators to the board, Warren K. Erdman, Bo Fraser and Judith G. Haggard, and presented each with a curator lapel pin.

Chancellor George awarded Mitchell Hults a University of Missouri-St. Louis scholarship check in the amount of $5000, in recognition of his outstanding community service.

Mr. and Mrs. David G. Wasinger awarded Mitchell Hults a personal check for $1000 in recognition of his outstanding community service.

**Board President's Report** – Don Walsworth (transcription on file)

**University President’s Report** – Dr. Elson S. Floyd (transcription on file)

**Board Development** – presented by General Counsel Wright

The Board of Curators focused on three responsibilities of a governing board for effective governance: Setting missions and purposes; Insisting on strategic planning; and Serving occasionally as a court of appeal.

**Consent Agenda**

It was endorsed by President Floyd, moved by Curator Carnahan and seconded by Curator Walker, that the following item be approved by consent agenda:

1. the minutes of the following Board of Curators meetings be approved and filed in the permanent records of the University of Missouri, for:
   
   December 14-15, 2006, Board of Curators Meeting  
   January 11, 2007, Board of Curators Special Meeting

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

**Academic and Student Affairs**

**Academic and Student Affairs Committee**
Doug Russell, Chair
Marion H. Cairns
Judith G. Haggard
David G. Wasinger
Maria C. Kerford, ex officio

Curator Doug Russell, Chair of the Academic and Student Affairs Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

1. The President’s Academic Leadership Institute
2. The National Association of System Heads Initiative on Access and Success

(Due to time constraints, the information item on Intellectual Pluralism was postponed until the April 2007 Board of Curators meeting.)

**B.S. in Media Studies, UMSL** – presented by Chairman Russell

It was recommended by Senior Vice President Lehmkuhle, endorsed by President Floyd, recommended by the Academic and Student Affairs Committee, moved by Curator Russell, seconded by Curator Walker, that the following action by approved:

that the University of Missouri-St. Louis be authorized to submit the proposal for a Bachelor of Science in Media Studies (as on file with the minutes of this meeting) to the Coordinating Board for Higher Education for approval.
Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

**Compensation and Human Resources**

**Compensation and Human Resources Committee**
Cheryl D. S. Walker, Chair
Marion H. Cairns
John M. Carnahan III
Bo Fraser

Curator Cheryl Walker, Chair of the Compensation and Human Resources Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

2. Fiscal Year 2008 Benefits Costs
3. Update on Human Resources Study

**External Affairs Committee**

**External Affairs Committee**
Marion Cairns, Chair
Warren K. Erdman
Doug Russell
Don Walsworth, ex officio
Maria C. Kerford, ex officio
Elson S. Floyd, ex officio
Curator Marion Cairns, Chair of the External Affairs Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

1. Legislative Update
2. Communications Update

Finance and Audit Committee

Finance and Audit Committee
Doug Russell, Chair
Marion H. Cairns
Bo Fraser
Cheryl D. S. Walker

Curator Doug Russell, Chair of the Finance and Audit Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

1. UM Healthcare Quarterly Report
2. Strategic Financial Planning Assumptions, UM
3. FY 2008 Tuition and Fees, UM
4. Internal Audit Summary Reports, UM

Selection of Asset Allocation for the Endowment Fund and the Retirement, Disability and Death Plan, UM

It was recommended by Vice President Krawitz, endorsed by President Floyd, recommended by the Finance and Audit Committee, moved by Curator Russell and seconded by Curator Fraser and Curator Walker, that Asset Allocation Mix #7 (as on file with the minutes of this meeting) be selected as the asset allocation for the Endowment Fund and the Retirement, Disability and Death Plan, UM. The Collected Rules and Regulations, Section 140.011, Investment Policy for Endowment Fund and Section 140.012, Investment Policy for Retirement, Disability and Death Plan, UM shall then be revised accordingly.
### SECTORS ASSET ALLOCATION

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Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

**FY 2008 Student Activity, Facility, and Health Services Fees, UM**

It was recommended by the respective Chancellors, endorsed by President Floyd, recommended by the Finance and Audit Committee, moved by Curator Russell and seconded by Curator Cairns, that the schedule of rates for the Student Activity, Facility, and Health Services fees be approved (as on file with the minutes of this meeting), effective beginning with the 2007 Summer Session.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

**FY 2008 Residence Hall and Family Student Housing Rates, UM**

It was recommended by the respective Chancellors, endorsed by President Floyd, recommended by the Finance and Audit Committee, moved by Curator Russell and seconded by Curator Walker, that the schedule of rates for the Residence Halls and Family Student Housing at Columbia, Kansas City, Rolla and St. Louis (as on file with the minutes of this meeting), be approved, effective beginning with the 2007 Summer Session.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

**Engagement of KPMG LLP as Independent Auditors for 2006-2007, UM**
It was recommended by Vice President Krawitz, endorsed by President Floyd, recommended by the Finance and Audit Committee, moved by Curator Russell, seconded by Curator Carnahan, that the following action be approved:

that the Vice President for Finance and Administration be authorized to employ the firm of KPMG LLP to provide audit services to the University of Missouri for fiscal year ending June 30, 2007, for fees of $669,305, plus expenses not to exceed $54,080, with the option to renew annually for up to two additional years. The scope and fees of each annual engagement will be submitted for approval. Assuming no significant change in the scope of the audit over the five-year period, annual increases are limited to 4%.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

Governance Committee

Governance Committee
John M. Carnahan III, Chair
Warren K. Erdman
David G. Wasinger
Don Walsworth, ex officio
Dr. Elson S. Floyd, ex officio

Curator John Carnahan, Chair of the Governance Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

1. Review of Board Bylaws
2. Review of Committee Charters
3. Amendment to External Affairs Committee Charge
4. In-House Continuing Education for the Board of Curators
5. Joint Meeting with another Governing Board

Physical Facilities and Management Services Committee

Physical Facilities and Management Services
Cheryl D. S. Walker, Chair
Judith G. Haggard
David G. Wasinger

Curator Cheryl Walker, Chair of the Physical Facilities and Management Services Committee, provided a brief recap of the committee meeting on January 25, 2007, having received a complete briefing on the following:

1. Missouri Architects and Engineers Meeting, Jan. 12, 2007
2. Design and Construction Cost Estimation, UM
3. Board Policy on Collected Rules and Regulations 110.080, Naming of University Buildings, Locations and Other Major Facilities

Sole-Source Contract for Library Database Licenses with Ovid Technologies, UM

It was recommended by Vice President Krawitz, endorsed by President Floyd, recommended by the Physical Facilities and Management Services Committee, moved by Curator Walker and seconded by Curator Wasinger, that the following action be approved:

that the Vice President for Finance and Administration be authorized to approve a sole-source contract with option to renew for 5 additional years and up to $750,000 annually, with Ovid Technologies, Inc., New York City, New York, for $522,377, for library database licenses, for the University of Missouri-System.

Funding is from Library Systems: $522,377

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

**Sole-Source Contract for Coding Compliance Software and Services, UMHC**

It was recommended by Chief Executive Officer Ross, endorsed by President Floyd, recommended by the Physical Facilities and Management Services Committee, moved by Curator Walker and seconded by Curator Wasinger that the following action be approved:

that the Vice President for Finance and Administration be authorized to approve a sole-source contract with 3M Health Information Systems, Murray, Utah, for a total cost of up to $2,120,533, for coding compliance software and services, for the University of Missouri Health Care.

Funding is from:

<table>
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<td>UH General Equipment</td>
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<tr>
<td><strong>Total Funding</strong></td>
<td><strong>$2,120,533</strong></td>
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</tbody>
</table>

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.
Retain the Firms Arthur J. Gallagher & Company, Lockton Companies, Inc., and Marsh, to Provide Insurance Broker Services, UM

It was recommended by Vice President Krawitz, endorsed by President Floyd, recommended by the Physical Facilities and Management Services Committee, moved by Curator Walker and seconded by Curator Haggard, that the following action be approved:

that the Vice President for Finance and Administration be authorized to retain the firms of Arthur J. Gallagher & Company, Lockton Companies, Inc., and Marsh, to provide insurance broker services for the period February 1, 2007 thru January 31, 2012.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried unanimously.

General Business

The Good and Welfare of the Committee

Curator Walsworth would like to meet with various money managers regarding goals, support Missouri business, etc.

Curator Walsworth would like for the curators to attend an Inter-campus Faculty Council meeting this year.

Curator Carnahan would like an athletics report on each campus.

Curator Wasinger – Judy Cochran's report on literacy levels
It was moved by Curator Carnahan and seconded by Curator Walker, that there
shall be a closed meeting with a closed record and closed vote of the Board of Curators,
on Friday, January 26, 2007, for consideration of:

- Section 610.021(1), RSMo, relating to matters identified in that provision, which
  include legal actions, causes of action or litigation, and confidential or privileged
  communications with counsel;

- Section 610.021(2), RSMo, relating to matters identified in that provision, which
  include leasing, purchase, or sale of real estate;

- Section 610.021(3), RSMo, relating to matters identified in that provision, which
  include hiring, firing, disciplining, or promoting of particular employees;

- Section 610.021(12), RSMo, relating to matters identified in that provision, which
  include sealed bids and related documents and sealed proposals and related
  documents or documents related to a negotiated contract; and

- Section 610.021(13), RSMo, relating to matters identified in that provision, which
  include individually identifiable personnel records, performance ratings, or
  records pertaining to employees or applicants for employment.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

BOARD OF CURATORS CLOSED MEETING
The Board of Curators continued business in an executive session beginning at 10:55 A.M., on Friday, January 26, 2006, in the of Room 315 of the Millennium Student Center, on the University of Missouri-St. Louis campus, pursuant to public notice given of said meeting.

Present:
The Honorable Marion H. Cairns
The Honorable John H. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D.S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger
Ms. Maria Kerford, Student Representative to the Board of Curators

Also Present:
Dr. Elson S. Floyd, President
Mr. Marvin E. Wright, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration

Property Lease, UMKC – This item will be included in the minutes upon completion of transaction of subject matter.

Property Lease, UMSL – This item will be included in the minutes upon completion of transaction of subject matter.

Dr. Guy H. Bailey, Dr. John F. Carney III, Dr. Brady J. Deaton, and Dr. Thomas F. George, Chancellor, briefly joined the closed meeting.

Recess of Board of Curators Closed Meeting

Board of Curators Open Meeting
It was moved by Curator Carnahan and seconded by Curator Russell, that the following resolution be approved:

that for any application to the Missouri Development Finance Board to utilize funds under the Lewis & Clark Initiative, the University of Missouri will comply with the requirements of the Missouri Development Finance Board of those funds.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Board of Curators Closed Meeting Resumes, 11:25 A.M.

Present:
The Honorable Marion H. Cairns
The Honorable John H. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D.S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger
Ms. Maria Kerford, Student Representative to the Board of Curators

Also Present:
Dr. Elson S. Floyd, President
Mr. Marvin E. Wright, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Litigation Update – provided by General Counsel Wright (no report on file)

Personnel – discussion of performance of two individually identified employees

It was moved by Curator Russell and seconded by Curator Walker, that the meetings of the Board of Curators, January 25-26, 2007, be adjourned.

There being no further business for consideration by the Board of Curators, the meeting was adjourned at 12:40 P.M., on Friday, January 26, 2007.

Approved by the Board of Curators on April 6, 2007.

Kathleen M. Miller
Secretary of the Board of Curators