

UNIVERSITY OF MISSOURI
Columbia . Kansas City . Rolla . St. Louis



BOARD OF CURATORS

Minutes of the Board of Curators Meeting
Pierson Auditorium, University Center
University of Missouri-Kansas City Campus
Kansas City, Missouri
January 28-29, 2010

BOARD OF CURATORS MEETING – PUBLIC SESSION

A meeting of the University of Missouri Board of Curators was convened in public session at 12:55 P.M., on Thursday, January 28, 2010, in Pierson Auditorium, University Center, on the University of Missouri-Kansas City Campus, pursuant to public notice given of said meeting. Curator Judith Haggard, Chairwoman of the Board of Curators, presided over the meeting.

Present

The Honorable David R. Bradley
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Wayne Goode
The Honorable Judith G. Haggard
The Honorable Doug Russell
Student Representative Laura A. Confer

The Honorables John M. Carnahan III, Don M. Downing, and David G. Wasinger were absent from the meeting.

Also Present

Mr. Gary D. Forsee, President, University of Missouri System
Mr. Stephen J. Owens, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Media Representatives

It was recommended by Chairwoman Haggard, moved by Curator Bradley and seconded by Curator Fraser, that the following Board of Curators Executive Committee and Standing Committees appointments for 2010 be approved:

Executive Committee

Warren K. Erdman, Chairman
John M. Carnahan III
Buford M. (Bo) Fraser
Judith G. Haggard, ex officio

Academic, Student and External Affairs Committee

Buford M. (Bo) Fraser, Chairman
Don M. Downing
Warren K. Erdman
David G. Wasinger
Board Chairman, ex officio
Student Representative, ex officio
University President, ex officio

Audit Committee

John M. Carnahan III, Chairman
Don M. Downing
Wayne Goode

Compensation and Human Resources Committee

Warren K. Erdman, Chairman
David R. Bradley
Buford M. (Bo) Fraser
David G. Wasinger

Finance Committee

Doug Russell, Chairman
Don M. Downing
Wayne Goode

Governance Committee

Buford M. (Bo) Fraser, Chairman
John M. Carnahan III
Warren K. Erdman
Board Chairman, ex officio
University President, ex officio

Resources and Planning Committee

David G. Wasinger, Chairman

David R. Bradley

Doug Russell

Roll call vote:

Curator Bradley voted yes.

Curator Carnahan was absent.

Curator Downing was absent.

Curator Erdman voted yes.

Curator Fraser voted yes.

Curator Goode voted yes.

Curator Haggard voted yes.

Curator Russell voted yes.

Curator Wasinger was absent.

The motion carried.

It was moved by Curator Erdman and seconded by Curator Russell, that there shall be an executive session with a closed record and closed vote of the Board of Curators meeting, on Thursday, January 28, 2010, and as needed on Friday, January 29, 2010, 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; and
- **Section 610.021(2), RSMo**, relating to matters identified in that provision, which include leasing, purchase, or sale of real estate; and
- **Section 610.021(3), RSMo**, relating to matters identified in that provision, which include hiring, firing, disciplining, or promoting of particular employees; and
- **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; and

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan was absent.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger was absent.

The motion carried.

Standing Committee meetings commenced at 12:55 P.M., on Thursday, January 28, 2010, and concluded at 4:05 P.M., on Thursday, January 28, 2010.

BOARD OF CURATORS MEETING – EXECUTIVE SESSION

A meeting of the University of Missouri Board of Curators was convened in executive session at 4:15 P.M., on Thursday, January 28, 2010, in Pierson Auditorium, University Center, on the University of Missouri-Kansas City campus, pursuant to public notice given of said meeting. Curator Judith Haggard, Chairwoman of the Board of Curators, presided over the meeting.

Present

The Honorable David R. Bradley
The Honorable John M. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Wayne Goode
The Honorable Judith G. Haggard
The Honorable Doug Russell
Student Representative Laura A. Confer

The Honorables Don M. Downing and David G. Wasinger were absent from the executive session on January 28, 2010.

Also Present

Mr. Gary D. Forsee, President, University of Missouri System
Mr. Stephen J. Owens, General Counsel

Ms. Kathleen M. Miller, Secretary of the Board of Curators
Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. Brian Foster, Provost, University of Missouri-Columbia
Dr. Michael Middleton, Deputy Chancellor, University of Missouri-Columbia

AUDIT COMMITTEE MEETING – EXECUTIVE SESSION

Contract Extension, UM – presented by Vice President Krawitz

This item has been excluded from the minutes and may be given public notice upon completion of transaction of subject matter. No action was taken by the Committee.

It was moved by Curator Carnahan and seconded by Curator Goode, that the
Audit Committee meeting, January 28, 2010, be adjourned.

Roll call vote:

Curator Carnahan voted yes.
Curator Downing was absent.
Curator Goode voted yes.

The motion carried.

BOARD OF CURATORS MEETING – EXECUTIVE SESSION

¹⁹⁶ Off-Campus Student Housing, Rolla, Missouri, Missouri S&T – presented by Vice President Krawitz

It was recommended by Chancellor Carney, endorsed by President Forsee,
moved by Curator Erdman and seconded by Curator Bradley, that the following
action be approved:

that the Vice President for Finance and Administration be authorized to enter into a lease with Collegiate Station at Rolla, L.P., for off-campus student housing at 900 Collegiate Boulevard, Rolla, Missouri, beginning with the fall semester 2010, for 40 apartments (160 beds) for \$500 per bed, per month,

for 10 months (\$800,000), with the option to lease up to 44 additional beds for 10 months and 4 additional beds for the fall semester (5 months) at the same rate for a total, if all options are exercised, of \$1,030,000, for Missouri University of Science and Technology.

Funding is from student residential life contracts \$1,030,000

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger was absent.

The motion carried.

The lease agreement was executed on March 17, 2010.

Vice President Krawitz excused herself from the meeting at 4:27 P.M., on Thursday, January 28, 2010.

University President's Report to the Board of Curators on contracts, property and personnel – presented by President Forsee, with Chancellor Deaton, Provost Foster and Deputy Chancellor Middleton

No action was taken by the Board of Curators.

General Counsel's Report to the Board of Curators – presented by General Counsel Owens

No action was taken by the Board of Curators

Litigation Report – presented by General Counsel Owens (on file with the Office of the Secretary)

No action was taken by the Board of Curators

The Board of Curators meeting-executive session concluded at 6:05 P.M., on
Thursday, January 28, 2010.

Board of Curators Dinner Reception and Business Program

Diastole, Kansas City, Missouri

6:00 – 7:30 P.M.

Thursday, January 28, 2010

Hosted by Chancellor Leo E. Morton

Present

The Honorable David R. Bradley

The Honorable John M. Carnahan III

The Honorable Warren K. Erdman

The Honorable Bo Fraser

The Honorable Wayne Goode

The Honorable Judith G. Haggard

The Honorable Doug Russell

Student Representative Laura A. Confer

Also Present

Mr. Gary D. Forsee, President, University of Missouri System

Mr. Stephen J. Owens, General Counsel

Ms. Kathleen M. Miller, Secretary of the Board of Curators

Dr. Gary K. Allen, Vice President for Information Technology

Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology

Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia

Dr. Brian Foster, Provost, University of Missouri-Columbia

Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis

Dr. Steven Graham, Senior Associate Vice President for Academic Affairs

Dr. Gail Hackett, Provost, University of Missouri-St. Louis

Mr. Stephen C. Knorr, Vice President for Government Relations

Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City

Dr. Michael F. Nichols, Vice President for Research and Economic Development

Dr. Betsy Rodriguez, Vice President for Human Resources

Dr. W. Kent Wray, Provost, Missouri University of Science and Technology

Program: University of Missouri-Kansas City Medical Programs – presented by Dr. Robert Piepho, Dean and Professor of Pharmacy, UMKC

BOARD OF CURATORS MEETING – PUBLIC SESSION

A meeting of the University of Missouri Board of Curators was convened in public session at 8:05 A.M., on Friday, January 29, 2010, in Pierson Auditorium of the University Center, on the University of Missouri-Kansas City campus, pursuant to public notice given of said meeting. Curator Judith Haggard, Chairwoman of the Board of Curators, presided over the meeting.

Present

The Honorable David R. Bradley
The Honorable John M. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Wayne Goode
The Honorable Judith G. Haggard
The Honorable Doug Russell, via conference telephone
The Honorable David G. Wasinger, via conference telephone
Student Representative Laura A. Confer

The Honorable Don M. Downing was absent from the meeting.

Also Present

Mr. Gary D. Forsee, President, University of Missouri System
Mr. Stephen J. Owens, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Dr. Gary K. Allen, Vice President for Information Technology
Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology
Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
Dr. Steven Graham, Senior Associate Vice President for Academic Affairs
Mr. Stephen C. Knorr, Vice President for Government Relations
Ms. Natalie “Nikki” Krawitz, Vice President for Finance and Administration
Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City
Dr. Michael F. Nichols, Vice President for Research and Economic Development
Dr. Betsy Rodriguez, Vice President for Human Resources
Dr. David R. Russell, Senior Associate Vice President and Chief of Staff
Ms. Cindy Pollard, Associate Vice President of Strategic Communications
Media Representatives

Board Chairwoman's Report – presented by Chairwoman Haggard (slides on file)

University President's State of the University Report – presented by President Forsee (transcription and slides on file)

- As of January, State's revenues are off 10-11%
- Agree to hold in-State undergraduate tuition flat, in exchange for a \$24M cut to our core budget
- Governor's budget for 2011 reduces 2010 level by \$24M on "core" and \$15.5M on "other curator programs" (approximately 30%)
- New mandates or new fixed costs add \$25M to our funding requirements
- In 2012, additional federal stimulus support goes away (\$24M) – will State revenues have recovered?

UM will provide up to \$5M over the next three years in the University of Missouri Enterprise Investment Initiative.

In 2010, evaluate and examine key elements of historic paradigm shift and report to board with conclusions (October board of curators meeting):

- Bachelor's degree completion strategies – UMSL takes leadership
- eLearning – MU and System Office take leadership
- Outside-In workforce needs (focus on math, engineering, technology and science) – Missouri S&T takes leadership
- Articulation--P-20 general education pathways – UMKC takes leadership
- 3-year accelerated degrees – System-wide leadership

Annual Report on Research and Economic Development – presented by Vice President Mike Nichols (slides and Annual Report brochure on file)

State of the Campus Report, University of Missouri-Kansas City – presented by Chancellor Morton (slides on file)

Consent Agenda

It was endorsed by President Forsee, moved by Curator Carnahan and seconded by Curator Goode, that the following items be approved by consent agenda:

1. Minutes of the Board of Curators Meeting, December 10-11, 2009 – as provided to the curators for review and approval
2. Amendment to Collected Rules and Regulations 300.030 Faculty Bylaws, Missouri S&T – as on file with the minutes of this meeting (Page Open-Consent-2jj, second to last line should read: ...vote of those casting...)
3. Spinal Cord Injuries and Congenital or Acquired Disease Processes Research Program Proposals

The one research proposal approved by the Spinal Cord Injuries Research Program Advisory Board shall be approved by the board as follows:

Spinal Cord Injuries and Congenital or Acquired Disease Processes
Research Program
Proposal Recommended for Funding, 2010

- I. Feedback Determination of the Biomechanical Properties of Rodent Spinal Cord using in-vivo Diffusions MRI \$50,000
Tsang-Wei Tu
Department of Mechanical, Aerospace and Structural
Engineering, Washington University

Total funding recommended \$50,000

Roll call vote of Consent Agenda items 1-3:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.

Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Academic, Student and External Affairs

Committee Chairman Fraser provided a recap of the January 28, 2010, Academic, Student and External Affairs Committee meeting.

Information

1. eLearning Report
2. Annual Fall Enrollment and Student Success Report
3. Government Relations Report

Minutes of Academic, Student and External Affairs Committee meeting, December 10, 2009

Due to a lack of quorum in the Academic, Student and External Affairs committee meeting on January 28, 2010, the minutes were forwarded to the full board for approval.

It was moved by Curator Fraser and seconded by Curator Erdman, that the minutes of the December 10, 2009, Board of Curators Academic, Student and External Affairs Committee meeting, be approved, as on file for the committee:

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Master of Science in Explosives Engineering, Missouri S&T

It was recommended by Senior Associate Vice President Graham, endorsed by President Forsee, recommended by the Academic, Student and External Affairs Committee, moved by Curator Fraser and seconded by Curator Erdman, that the following action be approved:

the Missouri University of Science and Technology shall be authorized to submit the proposal for a Master of Science in Explosives Engineering (as on file with the minutes of this meeting) to the Coordinating Board for Higher Education for approval.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Audit

Committee Chairman Carnahan provided a recap of the January 28, 2010, Audit Committee meeting-public session.

Information

1. Internal Audit Quarterly Report
2. Internal Audit Services Review
3. Fiscal Misconduct Reporting Line Annual Report

Minutes of the Audit Committee meeting, December 10, 2009

The minutes of the December 10, 2009, Board of Curators Audit Committee meeting were approved by the Committee on January 28, 2010, as on file for the committee.

Note: On page Open-Aud-1c, paragraph four, Curator Goode would like his comment clarified.

Engagement of KPMG LLP as Independent Auditors

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Audit Committee, moved by Curator Carnahan and seconded by Curator Fraser, that the following action be approved:

the Vice President for Finance and Administration shall be authorized to employ the firm of KPMG LLP to provide audit services to the University of Missouri for fiscal year ending June 30, 2010, for fees of \$664,507 plus expenses not to exceed \$58,518.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Compensation and Human Resources

Committee Chairman Erdman provided a recap of the January 28, 2010, Compensation and Human Resources committee meeting.

Information

1. Annual Report on Benefits (slides on file)

Minutes of the October 22, 2009, Compensation and Human Resources Committee meeting

The minutes of the October 22, 2009, Board of Curators Compensation and Human Resources Committee meeting were approved in the committee meeting on January 28, 2010, as on file for the committee.

Finance

Committee member Wayne Goode provided a recap of the January 28, 2010, Finance Committee meeting.

Information

1. Investment Update (slides on file)
2. University of Missouri Health Care Quarterly Report

Minutes of the Finance Committee meeting, December 10, 2009

The minutes of the December 10, 2009, Board of Curators Finance Committee meeting were approved in the committee meeting on January 28, 2010, as on file for the committee.

Hedge Fund Manager Termination and Reallocation, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance Committee, moved by Curator Goode, and seconded by Curator Russell, that the following recommendation be approved:

the Vice President for Finance and Administration shall be authorized to:

1. terminate Ramius LLP as a hedge fund manager for the Endowment and the Retirement Funds; and
2. allocate the assets to Corbin Capital Partners and EnTrust Capital, hedge fund of fund managers.

Agreements entered into by the University are subject to review and approval by the Vice President for Finance and Administration and General Counsel.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted no.

The motion carried by a vote of seven in favor and one opposed.

Termination of U.S. Large Cap Equity Managers and Hiring of U.S. Large Cap Passive Index Manager, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance Committee, moved by Curator Goode, and seconded by Curator Russell, that the following action be approved:

the Vice President for Finance and Administration shall be authorized to:

1. terminate U.S. Large Cap Equity Managers Bernstein and Ernest as managers for the Endowment and the Retirement Funds; and
2. hire Mellon Capital to manage a passive U.S. Large Cap Equity Index representing 6% of the Retirement Trust Fund and 8.4% of the Endowment Fund, as outlined in the information on file with the minutes of this meeting.

Agreements entered into by the University are subject to review and approval by the Vice President for Finance and Administration and General Counsel.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Fiscal Year 2011 Residence Hall and Family Student Housing Rates, UM

It was recommended by the respective Chancellors, endorsed by President Forsee, recommended by the Finance Committee, moved by Curator Goode and seconded by Curator Russell, that the following recommendation be approved:

the schedule of rates (as on file with the minutes of this meeting) for the Residence Halls and Family Student Housing at the University of Missouri-Columbia, the University of Missouri-Kansas City, Missouri University of Science and Technology, and the University of Missouri-St. Louis, effective beginning with the 2010 Summer Session.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Schematic Design, Tate Hall Renovation, MU

It was recommended by Chancellor Deaton, endorsed by President Forsee, moved by Curator Goode and seconded by Curator Fraser, that:

the schematic design prepared by Simon Oswald Associates, Columbia, Missouri, for the Tate Hall Renovation at the University of Missouri-Columbia (as on file with the minutes of this meeting), shall be approved.

Funding is from:

| | |
|--------------------------------------|---------------|
| Revenue Bonds | \$8,054,047 |
| Campus Facilities Utilities Reserves | <u>25,000</u> |
| Total Funding | \$8,079,047 |

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

Schematic Design, Switzler Hall Renovation and Addition, MU

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance Committee, moved by Curator Goode and seconded by Curator Fraser, that:

the schematic design prepared by Peckham & Wright Architects, Inc., Columbia, Missouri, for the Switzler Hall Renovation and Addition at the University of Missouri-Columbia, shall be approved, as on file with the minutes of this meeting.

Funding is from:

| | |
|------------------------------------|---------------|
| Revenue Bonds | \$5,195,953 |
| Campus Facilities (CF) Capital M&R | 1,006,331 |
| CF Classroom Renovation | 800,000 |
| CF Utilities Reserves | <u>75,000</u> |
| Total Funding | \$7,077,284 |

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.
Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

General Business

Good and Welfare

Draft April 2010 Board of Curators meeting agenda – no discussion (on file)

Board of Curators Year-to-date Expenditures Report, as of December 31, 2009 – no discussion (on file)

Utilization of University of Missouri Web-stream of Board of Curators meetings, 2009 – no discussion (usage numbers on file)

It was moved by Curator Goode and seconded by Curator Fraser, that the meeting of the Board of Curators, January 28-29, 2010, shall be adjourned.

Roll call vote:

Curator Bradley voted yes.
Curator Carnahan voted yes.

Curator Downing was absent.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Goode voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Wasinger voted yes.

The motion carried.

There being no further business to come before the Board of Curators, the meeting was adjourned at 10:10 A.M., on Friday, January 29, 2010.

Respectfully submitted,



Kathleen M. Miller
Secretary of the Board of Curators

Approved by the Board of Curators on April 16, 2010.