

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



BOARD OF CURATORS

Minutes of the Board of Curators Meeting  
June 22-23, 2017  
Columbia, Missouri

**BOARD OF CURATORS MEETING – PUBLIC SESSION**

A meeting of the University of Missouri Board of Curators was convened in public session at 8:30 A.M., on Thursday, June 22, 2017, in Columns Ballroom C, D & E of the Reynolds Alumni Center on the University of Missouri-Columbia campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators  
Mr. Ryan D. Rapp, Interim Vice President for Finance  
Ms. Suzette Heiman, Interim Executive Director Marketing & Communications, UMS System  
Ms. Teresa Maledy  
Media representatives

**General Business**

Review Consent Agenda – No discussion.

Resolution for Executive Session of the Board of Curators Meeting

It was moved by Curator Steelman and seconded by Curator Phillips, that there shall be an executive session with a closed record and closed vote of the Board of Curators meeting June 22-23, 2017 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.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

The Board of Curators Health Affairs committee meeting convened at 8:33 A.M. and recessed at 8:34 A.M. on Thursday, June 22, 2017 to approve moving into executive session.

**Board of Curators Meeting – Executive Session**

A meeting of the University of Missouri Board of Curators was convened in executive session at 8:40 A.M., on Thursday, June 22, 2017, in the Donrey Media Room of the Reynolds Alumni Center on the University of Missouri - Columbia campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators  
Mr. Ryan D. Rapp, Interim Vice President for Finance and CFO  
Dr. Garnett Stokes, Interim Chancellor for University of Missouri -Columbia

Mr. Ron Ashworth was absent for the Health Affairs Committee meeting.

**Health Affairs Committee Meeting – Executive Session**

Ms. Teresa Maledy joined the meeting as a member of the Health Affairs Committee.

Others who joined the meeting included Mr. Jonathan Curtright, Dean Delafontaine, Mr. Robert Hess, Mr. Blake Schofield and Jennifer May.

Report on contracts, personnel and legal advice – presented by President Choi, Mr. Curtright and General Counsel Owens

Curator John Phillips recused himself from the meeting for one contract negotiation matter due to a potential conflict of interest.

No action taken by the Board.

The Board of Curators executive session recessed at 9:20 A.M. on Thursday, June 22, 2017.

## **Public Session**

A meeting of the University of Missouri Board of Curators was reconvened in public session at 9:45 A.M., on Thursday, June 22, 2017, in Columns Ballroom C, D & E of the Reynolds Alumni Center on the University of Missouri-Columbia campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

### Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

### Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators  
Dr. Gary K. Allen, Vice President for Information Technology  
Dr. Thomas F. George, Chancellor for University of Missouri-St. Louis  
Mr. Chris Maples, Interim Chancellor for Missouri University of Science and Technology  
Dr. Kevin G. McDonald, Chief Diversity Officer  
Mr. Leo E. Morton, Chancellor for University of Missouri-Kansas City  
Ms. Michelle M. Piranio, Interim Chief Audit Executive  
Ms. E. Jill Pollock, Interim Vice President for Human Resources  
Mr. Ryan D. Rapp, Interim Vice President for Finance  
Dr. Robert W. Schwartz, Interim Vice President for Academic Affairs, Research and Economic Development  
Dr. Garnett Stokes, Interim Chancellor for University of Missouri - Columbia  
Dr. David R. Russell, Chief of Staff, UM System  
Ms. Suzette Heiman, Interim Executive Director of Marketing and Communications  
Media representatives

Board of Curators standing committee meetings were reconvened at 9:45 A.M. and concluded at 4:22 P.M. on Thursday, June 23, 2017. Committee actions were presented to the full Board for action following each Committee vote.

## **Health Affairs Committee**

Curator Phillips provided time for discussion of committee business.

MU Health Quarterly Finance Report – presented by Jonathan Curtright and Jennifer Doll (slides on file for this information item)

MU Health Quarterly Compliance Report – presented by Jennifer May, Acting Chief Compliance Officer for MU Health (information on file)

Proposed Amendment, Collected Rules and Regulations 440.040, University Physicians Medical Practice Plan – presented by Dr. Ted Choma (slides on file for this information item).

### **Finance Committee**

Curator Steelman provided time for discussion of committee business.

Project Design for East Campus Plant Growth Facilities Complex – Phase One, MU – presented by Interim Vice President Rapp (slides and information on file for this information item)

Fiscal Year 2018 Operating Budget, UM – presented by Vice President Rapp (slides and information on file)

It was recommended by the respective Chancellors, endorsed by President Mun Y.

Choi, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Chatman, that the following recommendations be approved:

- that the President of the University System be authorized to develop the FY18 budgets in accordance with the attached planning assumptions and financial summaries, which include the allocation of FY18 state appropriations less 3.0% statutory withholdings.
- that the President of the University System be authorized to: (a) make required changes to working capital and reserve funds and (b) make supplemental allocations within the funds available to the several campuses and programs, such allocations to be made on the basis of priority and need. The President will report periodically to the Board of Curators any material changes in sources and uses of current funds;

- that the operating budget for FY18 and allocation as stated herein can be modified as necessary by the President to bring the same into harmony with the state appropriations as finally approved by the governor and any withholdings in excess of those shown above.

Roll call vote of Board of Curators:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

Amendment, Collected Rules and Regulations 140.013 Investment Policy for Endowment Pool, UM – presented by Interim Vice President Rapp (slides and information on file)

It was recommended by Interim Vice President Rapp, endorsed by President Choi, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Phillips, that changes to the Collected Rules and Regulations 140.013 Investment Policy for Endowment Pool for the University of Missouri be made as described in the attached narrative (as on file with the minutes of this meeting).

#### **Chapter 140: Investments**

##### **140.013 Investment Policy for Endowment Pool**

Bd. Min 7-22-11. Revised in entirety, Bd. Min. 6-26-12. (Note: Board approval on 6-26-12 replaced previous rules 140.010, 140.011, 140.012 and 140.013 with new language and reissued new rules 140.010 through and including 140.016.) Revised Bd. Min 6-14-13; Revised 9-12-13; Revised 6-25-15; Revised 2-4-16; Revised 4-14-16; Revised 6-22-17.

A. **Introduction** -- The University's Endowment Pool contains gifts, bequests and other funds directed to be used to support a University program in perpetuity. Some donors require such a commitment as a condition of their gift ("true endowments"). Also,

funds may be assigned to function as endowments by the Board of Curators or by University administration ("quasi endowments").

- B. Responsibilities and Authorities** – See CRR 140.010 “*Policy for Management and Oversight of Selected University Investment Pools.*”
- C. Investment Objectives** -- The Endowment Pool must be managed to provide ongoing support of endowed programs in perpetuity, in conformance with donor stipulations. To accomplish this, investment returns, net of inflation, should be sufficient over time to cover annual spending distributions while maintaining or growing the underlying purchasing power of each endowed gift.
- D. Authorized Investments** – The Endowment Pool shall be invested in externally managed funds, consistent with the guidelines established in CRR 140.011, “*Policy for Investment Manager Selection, Monitoring and Retention,*” in the following asset sectors:

Sector	Target	Asset	Allowable Range
Global equity	43%		33% - 53%
Private equity	10%		6% - 15%
Global fixed income	4%		2% - 8%
U.S. Treasuries	0%		0% - 20%
Emerging markets debt	5%		3% - 8%
Opportunistic debt	7%		4% - 10%
Hedge funds	6%		4% - 9%
Risk parity	10%		7% - 14%
Real estate/infrastructure	10%		6% - 12%
Inflation-linked bonds	3%		1% - 6%
Commodities	2%		0% - 5%
Cash and cash equivalents	0%		0% - 10%
<b>Total</b>	100%		

**E. Portfolio Rebalancing**

Sector allocations shall be monitored on an ongoing basis as changes in market behavior may result in variations from the target asset mix. Rebalancing of the portfolio shall be considered at least quarterly, and more often if necessary to maintain allocations within the allowable range. The need to rebalance shall take into account any logistical issues associated with fully funding a particular asset sector, as well as any tactical decisions to overweight or underweight a particular asset sector based on current market conditions. The University may utilize external managers to

synthetically rebalance portfolio exposures consistent with targets and allowable ranges established by this policy. Synthetic market exposures can be obtained through the use of conventional derivative instruments commonly accepted by other institutional investors, such as futures contracts and swap agreements.

Actual sector allocations shall not fall outside of the allowable ranges, with the exception of violations caused solely by periods of extreme market distress, when it may not be possible or advisable to immediately bring such allocations back to within the allowable ranges.

**F. Currency Risk Management**

In the context of a global investment portfolio, currency risk exists to the extent that investments contain exposures to foreign currencies. The desirability of this currency exposure is not necessarily aligned dollar for dollar with the desired exposure to assets denominated in foreign currencies. As such, external managers in any asset sector may implement currency strategies to alter the currency exposure of the portfolio when deemed prudent to do so in the context of the particular investment mandate. In addition, the University may utilize external managers to implement currency strategies to alter exposures in an active or passive manner as part of a portfolio or asset class overlay when deemed prudent to do so.

**G. Global Equity Portable Alpha Program**

Within the global equity sector, market exposures may be obtained through the use of passive investment vehicles, traditional long-only active management, active long/short strategies and conventional derivative instruments commonly accepted by other institutional investors, such as futures contracts and swap agreements. Equity market exposure obtained through active long/short strategies and derivative instruments shall not exceed 15% and 35% of the total global equity allocation, respectively.

To the extent that equity market exposure is obtained using derivative instruments, a portion of the underlying cash and cash equivalent balances may be managed in an active fashion by external managers as an additional tool to add excess returns above the global equity benchmark. To maximize the probability of consistently positive returns within the portable alpha portfolio, appropriate alpha strategies should exhibit low correlations to one another, and manage effective equity market beta to target levels. The allowable range of the portable alpha portfolio shall be 0-10% of the total Endowment Pool.

The Global Equity Portable Alpha Program shall be managed in accordance with prudent risk management practices established by the Treasurer, Vice President for Finance, and Investment Consultant. Such risk management practices shall include a requirement to maintain appropriate levels of margin collateral. Derivative instruments



and associated cash and cash equivalent balances shall be managed by an external investment firm with appropriate expertise, experience and depth of resources.

**H. Spending Policy** – To provide ongoing support to endowed programs in perpetuity, the spending policy must be managed in conjunction with investment objectives and other factors in compliance with applicable law, such that the spending rate plus an inflationary assumption shall not exceed expected investment returns over time. At minimum, the spending policy should be reviewed in conjunction with asset/liability studies performed by the Investment Consultant not less than once every three years.

1. The formula used to determine the Endowment Pool spending distribution for each fiscal year shall apply a rate of 4.0% to a base equal to the 28-quarter trailing average of market values as of December 31<sup>st</sup> of the prior fiscal year. Endowment spending distributions shall be paid on a monthly basis.

The transition of the rate from 4.5% to 4.0% shall be accomplished in a methodical manner over a period not to exceed the seven years ended June 30, 2024. In no case shall the transition from 4.5% to 4.0% cause the actual spending distribution to decrease from one year to the next during the transition phase.

2. In addition to the spending distribution noted above, the President shall have the discretion to distribute from the Endowment Pool an administrative fee each fiscal year to be used for support of internal endowment administration and development functions. Such administrative fee shall be calculated by applying a rate of up to 1.25% to a base equal to the 28-quarter trailing average of market values as of December 31<sup>st</sup> of the prior fiscal year. The administrative fee shall be paid on a monthly basis. In addition, internal investment management, accounting and legal expenses may be charged directly to the Endowment Pool.
3. The spending policy, spending distribution formula and administrative fee may be adjusted over time by the Board to respond to general economic conditions and other factors as appropriate and in compliance with applicable law.
4. Implementation of the spending policy is delegated to the Vice President for Finance or her/his designees.

Roll call vote full Board:

Curator Chatman voted yes.

Curator Farmer voted yes.

Curator Graham voted yes.

Curator Layman recused himself.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

Approval of Fiscal Year 2019 State Appropriations Request for Operations, UM –  
presented by Interim Vice President Rapp (slides and information on file)

It was recommended by Interim Vice President Ryan Rapp, endorsed by President Mun Y. Choi, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Snowden, that the following recommendations be approved:

The President is authorized to file a request for state appropriations for operations as follows:

- (1) Funding for Core Operations of \$427.1 million;
- (2) New requests and restoration of core line items totaling \$29.0 million consisting of:
  - a. Performance Funding increase of 5% or \$21.0 million; the President has the authority to adjust this amount as he deems appropriate. Any material deviation will be reviewed with the Board,
  - b. MU Medical School Restoration of the Core of \$5.0 million,
  - c. UMKC/MSU Pharmacy Restoration of the Core of \$1.0 million,
  - d. UMKC Satellite Dental Program at MSSU increase of \$500,000,
  - e. Missouri S&T Expansion of MSU Engineering of \$500,000, and
  - f. Missouri S&T Programs in Clay County of \$1.0 million.
- (3) Other Curator Programs Requests which includes core funding of \$6.6 million and new requests of \$1.0 million; and
- (4) Requests in Accordance with Legislative Requirements of \$7.3 million.

Roll call vote full Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

The Finance Committee recessed at noon on Thursday, June 22, 2017 for a luncheon with intercampus staff leaders and the Board.

**12:00 – 1:00 pm Luncheon by Invitation for Board of Curators, President and Intercampus Staff Advisory Council**  
Columns Room A&B, Reynolds Alumni Center

Board of Curators standing committee meetings were reconvened at 1:20 P.M. and concluded at 4:21 P.M. on Thursday, June 22, 2017. Committee actions were presented to the full Board for action following each Committee vote.

### **Finance Committee reconvened**

Curator Steelman provided time for discussion of committee business.

Approval of Fiscal Year 2019 State Capitol Appropriations Request, UM – presented by Vice President Rapp (information and slides on file)

This action item was tabled until the July Board of Curators meeting.

Asset Allocation – presented by Treasurer Tom Richards and Phil Dobrin with Bridgewater (slides and information on file for this information item)

Curator Jeffrey Layman recused himself for this presentation and discussion due to a conflict of interest.

### **Governance, Resources and Planning Committee**

2017 Master Plan Update, MU – presented by Gary Ward (slides on file)

It was recommended by Interim Chancellor Stokes, endorsed by President Choi, recommended by the Governance, Resources and Planning Committee, moved by Curator Chatman and seconded by Curator Layman, that the following action be approved:

that the 2017 University of Missouri-Columbia Campus Master Plan Update be approved.

Roll call vote Full Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

### **Academic, Student and External Affairs Committee**

Enrollment Management Update – presented by Pelema Morrice (slides on file for this information item).

### **Compensation and Human Resources Committee**

The only agenda item for this committee was a resolution for an executive session meeting to occur on Friday, June 23, 2017.

### **Audit Committee**

Internal Audit and Consulting Annual Report, UM – presented by Interim Chief Audit Executive Michelle Piranio (slides and information on file)

Fiscal Year 2018 Internal Audit Plan, UM – presented by Interim Chief Audit Executive Michelle Piranio (slides and information on file)

It was recommended by Interim Vice President Rapp, endorsed by President Choi, recommended by the Audit Committee, moved by Curator Snowden, seconded by Curator Phillips, that the Fiscal Year 2018 Internal Audit Plan be approved as presented (and as on file with the minutes of this meeting).

Roll call vote:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman was absent for vote.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

The public session of the Board of Curators meeting recessed at 4:22 P.M.

### **Board of Curators Meeting – Executive Session**

A meeting of the University of Missouri Board of Curators was reconvened in executive session at 4:38 P.M., on Thursday, June 22, 2017, in Columns Rooms C, D & E of the Reynolds Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

#### Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

#### Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators  
Interim Chancellor Garnet Stokes

### **General Business**

Mr. Jim Sterk, Ms. Mary Austin and Ms. Mitzi Clayton joined the meeting.

Legal Advice and Compliance Briefing – presented by General Counsel Owens and Ms. Mary Austin

No action taken by the Board.

Interim Chancellor Stokes, Mr. Sterk, Ms. Austin and Ms. Clayton excused themselves from the meeting.

**Consent Agenda – Executive Session**

It was endorsed by President Choi, moved by Curator Snowden and seconded by Curator Steelman, that the following items be approved by consent agenda:

**CONSENT AGENDA**

1. Property Purchase, 914 W. 10<sup>th</sup> Street, Rolla, Missouri, S&T - that the Interim Vice President for Finance be authorized to purchase 914 West 10th Street, Rolla, Missouri, from Verlinda, Inc., for a purchase price of \$180,000 plus related closing expenses, for Missouri University of Science & Technology.

Funding is from:

Missouri S&T Reserves	\$180,000 plus related closing expenses
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Roll call vote of the full Board:

Curator Chatman voted yes.

Curator Farmer voted yes.

Curator Graham voted yes.

Curator Layman voted yes.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

The Board of Curators meeting recessed at 5:30 P.M. on Thursday, June 22, 2017.

**University of Missouri System Awards Reception, Dinner and Program (By Invitation)**

6:00 – 8:30 P.M.

Thursday, June 22, 2017

Hosted by: The University of Missouri Board of Curators and President Choi

Location: Stotler Lounge, Memorial Student Union, University of Missouri campus

System Honorees (program on file)

Thomas Jefferson Award – Elizabeth A. Baker, University of Missouri - Columbia

Student Entrepreneur of the Year – Drew Rogers, University of Missouri-Columbia

C. Brice Ratchford Memorial Fellowship Award – David E. Baker, University of Missouri – Columbia

President’s Award for Community Engagement – Joan M. McDowd, University of Missouri – Kansas City

President’s Award for Cross-Cultural Engagement – Daniel B. Oerther, Missouri University of Science and Technology

President’s Award for Leadership – Ming C. Leu, Missouri University of Science and Technology

President’s Award for Service - Fraser Berkley Hudson, University of Missouri – Columbia

President’s Award for Early Career Excellence – Justin R. Walensky, University of Missouri – Columbia

President’s Award for Sustained Career Excellence – Wai-Yim Ching, University of Missouri – Kansas City

President’s Award for Innovative Teaching – Bonnie J. Bachman, Missouri University of Science and Technology

President’s Award for Economic Development – James M. Niemann, University of Missouri - Columbia

**BOARD OF CURATORS MEETING**

**PUBLIC SESSION**

A meeting of the University of Missouri Board of Curators reconvened in public session at 9:00 A.M. on Friday, June 23, 2017 in Columns Room 208 C, D & E of the Reynolds

Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators  
Dr. Gary K. Allen, Vice President for Information Technology  
Dr. Thomas F. George, Chancellor for University of Missouri-St. Louis  
Mr. Chris Maples, Interim Chancellor for Missouri University of Science and Technology  
Dr. Kevin G. McDonald, Chief Diversity Officer  
Mr. Leo E. Morton, Chancellor for University of Missouri-Kansas City  
Ms. Michelle M. Piranio, Interim Chief Audit Executive  
Ms. E. Jill Pollock, Interim Vice President for Human Resources  
Mr. Ryan D. Rapp, Interim Vice President for Finance  
Dr. Robert W. Schwartz, Interim Vice President for Academic Affairs, Research and Economic Development  
Dr. Garnett Stokes, Interim Chancellor for University of Missouri - Columbia  
Dr. David R. Russell, Chief of Staff, UM System  
Ms. Suzette Heiman, Interim Executive Director of Marketing and Communications  
Media representatives

**General Business**

University of Missouri System President's Report – presented by President Choi (slides on file)

The President discussed system investments to support campus success and the need for creativity and innovation to achieve goals.

Information Technology Annual Report – presented by Vice President Allen (slides on file for this information item).



Critical Issue Discussion – Experiential Learning – presented by Senior Associate Vice President Graham and a panel including Steve Cawlfeld, Jim Spain, Kim McNeely and Andy Goodman.

Presentation and discussion were held regarding experiential learning – a learning that supports students in applying their knowledge and conceptual understanding to real-world problems or situations.

Rescinding Honorary Degree Conferred on William H. Cosby, Jr., MU – presented by President Choi

It is recommended by the MU Faculty Council, endorsed by President Choi, moved by Curator Snowden and seconded by Curator Farmer that:

The University of Missouri’s honorary degree of Doctor of Humane Letters conferred on William H. Cosby, Jr. be rescinded.

Roll Call of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

### **Consent Agenda**

It was endorsed by President Choi, moved by Curator Phillips and seconded by Curator Snowden, that the following items be approved by consent agenda:

### **CONSENT AGENDA**

1. Minutes, April 27-28, 2017 Board of Curators Meeting
2. Minutes, April 27-28, 2017 Board of Curators Committee Meetings
3. Minutes, May 2, 2017 Special Board of Curators Meeting

4. Minutes, May 22, 2017 Executive Committee Meeting
5. Minutes, May 23, 2017 Special Board of Curators Meeting and Finance Committee Meeting
6. Degrees, Summer Semester 2017 for all campuses
7. June 2017 Security Resolution
8. Sole Source - XOS/Catapult Software Upgrade – MU
9. Sole Source - Mouse Racks/Caging System – MU
10. New Vision Plan Administrator, UM
11. Dental Plan Administrator, UM

1. Minutes, April 27-28, 2017 Board of Curators Meeting – as provided to the curators for review and approval.
2. Minutes, April 27-28, 2017 Board of Curators Committee Meetings - as provided to the curators for review and approval.
3. Minutes, May 2, 2017 Board of Curators Special Meeting – as provided to the curators for review and approval.
4. Minutes, May 22, 2017 Executive Committee Meeting – as provided to the curators for review and approval.
5. Minutes, May 23, 2017 Board of Curators Special Meeting – as provided to the curators for review and approval.
6. Degrees, Summer Semester 2017 for all campuses –

That the action of the President of the University of Missouri System in awarding degrees and certificates to candidates recommended by the various faculties and committees of the four University of Missouri System campuses who fulfill the requirements for such degrees and certificates at the end of the Summer Semester 2017, shall be approved, and that the lists of said students who have been awarded degrees and certificates be included in the records of the meeting.

7. June 2017 Security Resolution –

The Curators of the University of Missouri agree that the following individuals occupying the designated offices shall constitute a Security Executive Committee with full authority and responsibility for the negotiation, execution and administration of Department of Defense, or User Agency classified contracts as described in DoD 5520.22-M, “National Industrial Security Program”:

Interim Chancellor and Provost, University of Missouri-Columbia, Garnett S. Stokes, Ph.D.

The members of this Security Executive Committee have been processed for a personnel security clearance for access to classified information up to the level of the facility security clearance granted to this institution, as provided for under the aforementioned security program.

Once the following personnel complete all the requirements for a Department of Defense Top Secret personnel security clearance, they too will become full voting members of the Security Executive Committee.

- President, University of Missouri System, Mun Y. Choi, Ph.D.
- Chair, Board of Curators, University of Missouri System, Maurice B. Graham
- Chancellor Designate, University of Missouri-Columbia, Alexander N. Cartwright, Ph.D.
- Chancellor, University of Missouri-Kansas City, Leo E. Morton
- Provost, University of Missouri-Kansas City, Barbara A. Bichelmeyer, Ph.D.
- Interim Chancellor, Missouri University of Science and Technology, Christopher G. Maples, Ph.D.
- Provost, Missouri University of Science and Technology, Robert J. Marley, Ph.D.

The Security Executive Committee is hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the Department of Defense or User Agencies awarded to the Curators of the University of Missouri.

The following officers and members of the University of Missouri Board of Curators shall not be required, shall not have, and can be effectively excluded from access to all classified information in the possession of the Curators of the University of Missouri, and do not occupy positions that would enable them to affect adversely the policies and practices of the Curators of the University of Missouri in the performance of classified contracts for the Department of Defense or User Agencies awarded to the Curators of the University of Missouri, and need not be processed for a personnel security clearance:

All members of the Board of Curators, except the Chair:

- Darryl M. Chatman
- Jamie L. Farmer
- Jeffrey L. Layman
- John R. Phillips
- Phillip H. Snowden
- David L. Steelman

Officers:

- General Counsel, Stephen J. Owens, J.D.
- Interim Vice President for Academic Affairs, Research and Economic Development, Robert Schwartz, Ph.D.
- Interim Vice President for Finance and CFO, Ryan Rapp
- Interim Vice President for Human Resources, E. Jill Pollock
- Vice President for Information Technology, Gary K. Allen, DVM, Ph.D.
- Chancellor, University of Missouri-St. Louis, Thomas F. George, Ph.D.
- Interim Chief of Staff, David Russell, Ph.D.

8. Sole Source – XOS/Catapult Software Upgrade - MU –

that MU be authorized to purchase XOS/Catapult Software Upgrade from XOS Digital, Inc., Wilmington, Massachusetts, at a total cost of \$1,103,195.

Funding is as follows:

MU Football	C4816 777100
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9. Sole Source – Mouse Racks/Caging System - MU –

That the MU Office of Animal Resources and MU School of Medicine be authorized to purchase Mouse Racks/Caging System from Allentown Inc. at a total cost of \$604,045.

Funding is as follows:

MU Office of Animal Resources Operating Fund	DHA49 777600
MU School of Medicine Operating Fund	DW411 777600

10. New Vision Plan Administrator, UM –

that the President be authorized to award a contract for a vision benefit insurance plan to Eyemed Vision Care for a one year term with an annual renewal option for

up to four additional years, on terms identified in the Request for Proposal process, with the final contract subject to approval by the Office of the General Counsel as to legal form.

11. Dental Plan Administrator, UM –

that the President be authorized to award a contract for dental benefit plan and administrative services to Delta Dental for a one year term with an annual renewal option for up to four additional years, on terms identified in the Request for Proposal process, with the final contract subject to approval by the Office of the General Counsel as to legal form.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

**General Business**

Good and Welfare

Draft July 28, 2017 Board of Curators meeting agenda – no discussion (on file)

Board Chairman Graham announced for the Board that the July Development Session planning is underway and that they would serve as discussion liaisons for specific sessions.

The public session of the Board of Curators meeting recessed at 11:05 A.M. on Friday, June 23, 2017.

**Executive Session**

A meeting of the University of Missouri Board of Curators was reconvened in executive session at 11:45 A.M., on Friday, June 23, 2017, in the Donrey Media Room 211 of the

Reynolds Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Maurice B. Graham, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Darryl M. Chatman  
The Honorable Jamie L. Farmer  
The Honorable Maurice B. Graham  
The Honorable Jeffrey L. Layman  
The Honorable John R. Phillips  
The Honorable Phillip H. Snowden  
The Honorable David L. Steelman

Also Present

Dr. Mun Y. Choi, President  
Mr. Stephen J. Owens, General Counsel  
Ms. Cindy Harmon, Secretary of the Board of Curators

**Health Affairs Committee – Executive Session**

This committee reconvened in executive session with Mr. Curtright, Dean Delafontaine, Vice President Rapp, Robert Hess and Blake Schofield joining the meeting.

Curator John Phillips recused himself from the discussion due to a conflict of interest.

Contract Negotiation and Legal Advice – presented by Mr. Curtright and Mr. Robert Hess

Mr. Curtright, Dean Delafontaine, Vice President Rapp, Robert Hess and Blake Schofield excused themselves from the meeting.

**Compensation and Human Resources Committee – Executive Session**

Annual Performance Review, Interim Chief Audit Executive Michelle Piranio – presented by Curator Layman

A review of the performance of Interim Chief Audit Executive, Michelle Piranio for the period November 17, 2016 through June 30, 2017, was conducted. In light of financial constraints, there will be no increase to her base salary effective September 1, 2017.

No action taken by the Board.

Fiscal Year 2018 Performance Goals, Interim Chief Audit Executive Michelle Piranio – presented by Curator Layman

It was recommended by the Compensation and Human Resources Committee, moved by Curator Layman and seconded by Curator Chatman, that the performance goals for Interim Chief Audit Executive Piranio for the period July 1, 2017 – June 30, 2018 be approved as presented.

Roll call vote of Board of Curators:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

Approval, Compensation Adjustment to the Treasurer for the University of Missouri System – presented by Curator Layman

It was recommended by Interim Vice President Rapp, moved by Curator Layman and seconded by Curator Farmer, that the following recommendation be approved:

That the compensation of Tom Richards in his role as Treasurer for the University of Missouri System be modified and fixed as stated in the attached compensation adjustment letter (as on file with the minutes of this meeting). The compensation adjustment letter has been approved by General Counsel as to legal form.

Roll call vote:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.

Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

### **General Business**

#### Appointment of Vice President of Finance and CFO at the University of Missouri System – presented by President Choi

It was recommended by President Choi, moved by Curator Steelman and seconded by Curator Phillips, that the following recommendation be approved:

That President Choi be authorized to negotiate the appointment of Ryan Rapp for the position of Vice President, Finance and Chief Financial Officer for the University of Missouri System under the same or substantially similar terms as in the attached appointment letter (as on file with the minutes of this meeting). The final appointment letter shall be approved by General Counsel as to legal form.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

#### Extension of Interim Appointment of Vice President for Human Resources and CHRO for the University of Missouri System – presented by President Choi

It was recommended by President Choi, moved by Curator Steelman and seconded by Curator Phillips, that the following recommendation be approved:



That President Choi be authorized to extend the interim appointment of E. Jill Pollock for the position of Vice President, Human Resources and Chief Human Resources Officer for the University of Missouri System under the same or substantially similar terms as in the attached appointment extension letter (as on file with the minutes of this meeting). The final appointment extension letter shall be approved by General Counsel as to legal form.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

Appointment, Mark McIntosh as Vice President of Academic Affairs and Vice Chancellor of Research, Graduate Studies and Economic Development – presented by President Choi

It was recommended by President Choi, moved by Curator Steelman and seconded by Curator Phillips, that the following recommendation be approved:

That President Choi in coordination with the Interim Chancellor Stokes and Chancellor Designate Cartwright be authorized to negotiate the joint appointment of Mark McIntosh for the positions of Vice President, Academic Affairs and Vice Chancellor, Research, Graduate Studies, and Economic Development at the University of Missouri System and University of Missouri-Columbia respectively under the same or substantially similar terms as in the attached appointment letter (as on file with the minutes of this meeting). The final appointment letter shall be subject to review by General Counsel as to legal form.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.

Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

Approval, Organizational Restructuring Resulting in Departures from Vice President Roles  
– presented by President Choi

It was recommended by President Choi, moved by Curator Steelman and seconded by Curator Phillips, that the following recommendation be approved:

That President Choi be authorized, as part of the President's organizational restructuring efforts at the University of Missouri System, to negotiate organizational exits or alternative appointments for the current Interim Vice President, Academic Affairs (Bob Schwartz) and the Vice President, University Relations (Steve Knorr) with end dates in their current appointments not to be later than the end of the first quarter of FY18. Any agreement made with the affected Vice Presidents will be subject to review by General Counsel as to legal form.

Roll call vote of the Board:

Curator Chatman voted yes.  
Curator Farmer voted yes.  
Curator Graham voted yes.  
Curator Layman voted yes.  
Curator Phillips voted yes.  
Curator Snowden voted yes.  
Curator Steelman voted yes.

The motion carried.

President's Report on personnel and contracts – presented by President Choi.

No action taken by the Board.

General Counsel's Report – presented by General Counsel Owens

No action taken by the Board.

It was moved by Curator Snowden and seconded by Curator Steelman, that the meeting of the Board of Curators, June 22-23, 2017, be adjourned.

Roll call vote of the Board:

Curator Chatman voted yes.

Curator Farmer was absent for vote.

Curator Graham voted yes.

Curator Layman voted yes.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

There being no other business to come before the Board of Curators, the meeting was adjourned at 1:45 P.M. on Friday, June 23, 2017.

Respectfully submitted,



Cindy S. Harmon  
Secretary of the Board of Curators  
University of Missouri System

Approved by the Board of Curators on September 28, 2017.