

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



BOARD OF CURATORS

Minutes of the Board of Curators Meeting
February 4-5, 2016
University of Missouri
Columbia, Missouri

BOARD OF CURATORS MEETING – PUBLIC SESSION

A meeting of the University of Missouri Board of Curators was convened in public session at 10:00 A.M., on Thursday, February 4, 2016, in Columns Room 208 C, D and E of the Reynolds Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps
The Honorable Maurice B. Graham
The Honorable Pamela Q. Henrickson
The Honorable John R. Phillips
The Honorable Phillip H. Snowden
The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President
Mr. Stephen J. Owens, General Counsel
Ms. Cindy Harmon, Secretary of the Board of Curators
Miss Tracy H. Mulderig, Student Representative to the Board of Curators
Dr. Gary K. Allen, Vice President for Information Technology
Dr. Brian D. Burnett, Vice President for Finance
Dr. Henry “Hank” Foley, Interim Chancellor for University of Missouri-Columbia
Dr. Thomas F. George, Chancellor for University of Missouri-St. Louis
Mr. Stephen C. Knorr, Vice President for University Relations
Mr. Leo E. Morton, Chancellor for University of Missouri-Kansas City
Dr. Cheryl B. Schrader, Chancellor for Missouri University of Science and Technology
Dr. Robert W. Schwartz, Interim Vice President for Academic Affairs, Research and Economic Development

Ms. Kelley Stuck, Interim Vice President for Human Resources
Ms. Zora Z. Mulligan, Chief of Staff, UM System
Mr. John Fougere, Chief Communications Officer, UM System
Media representatives

General Business

Review of Consent Agenda – No discussion.

Approval of Board of Curators Executive Committee and Standing Committee Appointments, 2016

It was recommended by Chair Henrickson, moved by Curator Graham and seconded by Curator Phillips, that the following Board of Curators Executive Committee and Standing Committees appointments be approved for 2016:

Executive Committee

Pamela Q. Henrickson, Chair
Maurice B. Graham
Phillip H. Snowden

Academic, Student and External Affairs Committee

Phillip H. Snowden, Chair
Donald L. Cupps
John R. Phillips
David L. Steelman
Tracy Mulderig, Student Representative

Audit Committee

Maurice B. Graham, Chair
Donald L. Cupps
John R. Phillips
David L. Steelman

Compensation and Human Resources Committee

John R. Phillips, Chair
Maurice B. Graham
David L. Steelman

Finance Committee

David L. Steelman, Chair

Donald L. Cupps
Maurice B. Graham
Phillip H. Snowden
Tracy Mulderig, Student Representative

Governance, Resources and Planning Committee

Donald L. Cupps, Chair
Phillip H. Snowden
David L. Steelman
Pamela Q. Henrickson, ex officio
Michael A. Middleton, ex officio

Roll call vote:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

Resolution for Executive Session of the Board of Curators Meeting

It was moved by Curator Phillips and seconded by Curator Snowden, that there shall be an executive session with a closed record and closed vote of the Board of Curators meeting February 4-5, 2016 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
- **Section 610.021(14), RSMo**, relating to matters identified in that provision, which include records which are protected from disclosure by law; and
- **Section 610.021 (17), RSMo**, relating to matters identified in that provision, which include confidential or privileged communications between a public governmental body and its auditor.

Roll call vote of the Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
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 10:06 A.M. on Thursday, February 4, 2016.

Board of Curators Meeting – Executive Session

A meeting of the University of Missouri Board of Curators was convened in executive session at 10:10 A.M., on Thursday, February 4, 2016, in 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 Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps
The Honorable Maurice B. Graham
The Honorable Pamela Q. Henrickson
The Honorable John R. Phillips
The Honorable Phillip H. Snowden
The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President
Mr. Stephen J. Owens, General Counsel
Ms. Cindy S. Harmon, Secretary of the Board of Curators
Miss Tracy Mulderig, Student Representative to the Board of Curators
Dr. Henry “Hank” Foley, Interim Chancellor for University of Missouri - Columbia
Ms. Kelley Stuck, Vice President for Human Resources
Ms. Marsha Fischer, Attorney, UM System

General Business

Legal Advice - General Counsel Owens

No action taken by the Board.

An executive session of the Compensation and Human Resources Committee was convened at 11:10 A.M.

Performance Goals, UM System Interim President Michael A. Middleton – presented by Committee Chair Phillips

It was recommended by the Compensation and Human Resources Committee, moved by Curator Phillips and seconded by Curator Steelman, that the performance goals for Interim President Michael A. Middleton for the period of November 12, 2015 to November 11, 2016 be approved as below and presented to the Board at the February 4-5, 2016 meeting.

1. Repair relationships and rebuild trust with key stakeholders.

Metric/Deliverable Continually update outreach plan and report regularly to the board on progress.

2. Work with the Board of Curators, system staff, and campus leaders to ensure continuity, progress, and excellence during the interim presidency.

Metric/Deliverable Continue to make and report on progress on the strategic plan.

Make reasonable progress toward implementation of any board-approved changes to benefits plans.

Retain and support key staff.

Successfully implement changes in the organizational structure of the University of Missouri Health Care system

and the MU schools of medicine, nursing, and health professions; support the leadership of those units; and maintain excellence in the areas of medical education and research.

Support the chancellor's work to maintain MU's membership in the AAU.

3. Launch campus and system efforts to make the University of Missouri System a national leader on diversity and inclusion.

Metric/Deliverable Continue to make and report on progress on the plan announced by the board on November 9, 2015.

Roll call vote of the Board:

Curator Cupps voted yes.

Curator Graham voted yes.

Curator Henrickson voted yes.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

The executive session of the Board of Curators meeting recessed at 1:15 PM.

PUBLIC SESSION

A meeting of the University of Missouri Board of Curators was reconvened in public session at 1:24 P.M., on Thursday, February 4, 2016, in Columns Room 208 C, D and E of the Reynolds Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps

The Honorable Maurice B. Graham

The Honorable Pamela Q. Henrickson

The Honorable John R. Phillips

The Honorable Phillip H. Snowden

The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President
Mr. Stephen J. Owens, General Counsel
Ms. Cindy Harmon, Secretary of the Board of Curators
Miss Tracy H. Mulderig, Student Representative to the Board of Curators
Dr. Gary K. Allen, Vice President for Information Technology
Dr. Brian D. Burnett, Vice President for Finance
Dr. Henry “Hank” Foley, Interim Chancellor for University of Missouri-Columbia
Dr. Thomas F. George, Chancellor for University of Missouri-St. Louis
Mr. Stephen C. Knorr, Vice President for University Relations
Mr. Leo E. Morton, Chancellor for University of Missouri-Kansas City
Dr. Cheryl B. Schrader, Chancellor for Missouri University of Science and Technology
Dr. Robert W. Schwartz, Interim Vice President for Academic Affairs, Research and
Economic Development
Ms. Kelley Stuck, Interim Vice President for Human Resources
Ms. Zora Z. Mulligan, Chief of Staff, UM System
Mr. John Fougere, Chief Communications Officer, UM System
Media representatives

Board of Curators standing committee meetings were convened at 1:26 P.M. and concluded at 3:55 P.M. on Thursday, February 4, 2016. Committee actions were presented to the full Board for action following each Committee vote.

Finance Committee

Chairman Steelman provided time for discussion of committee business.

Information

1. Overview of Recent Credit Review of UM System (slides on file)
2. Stewart Hall Renovation, MU (slides and information on file)

Fiscal Year 2017 Student Housing and Dining Rates, UM – presented by Vice President Burnett (slides and information on file)

It was recommended by the respective Chancellors, endorsed by Interim President Middleton, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Graham, that the attached schedule of rates (and as on file with the minutes of this meeting) for the Residence Halls and Family Student Housing at MU,

UMKC, Missouri S&T, and UMSL be approved effective beginning with the 2016 Summer Session.

Roll call vote of Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

Project Approval: Applied Learning Center – Trulaske College of Business, MU – presented by Vice President Burnett (information on file)

It was recommended by Interim Chancellor Foley, endorsed by Interim President Middleton, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Graham, that the following action be approved:

the project approval for Applied Learning Center – Trulaske College of Business at the University of Missouri – Columbia.

Funding of the project budget is from:

State Appropriation	\$10,000,000
Private Gifts	\$10,000,000
Total Funding	<u>\$20,000,000</u>

Roll call vote Full Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

A/E Approval: McKee Hall – Building Replacement – New Undergraduate STEM Learning Center, MU – presented by Vice President Burnett (information on file)

It was recommended by Interim Chancellor Foley, endorsed by Interim President Middleton, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Graham, that the following action be approved:

hire Cannon Design, Inc., - St. Louis, Missouri, for the McKee Hall – Building Replacement – New Undergraduate STEM Learning Center for University of Missouri – Columbia.

Funding of the A/E fee is from:

Campus Reserves \$1,169,800

Roll call vote Full Board:

Curator Cupps voted yes.

Curator Graham voted yes.

Curator Henrickson voted yes.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

Approval of Amendment to Collected Rules and Regulations 140.013 and 140.015 Investment Pool Policies, UM – presented by Vice President Burnett (information on file)

It was recommended by Vice President Burnett, endorsed by Interim President Middleton, recommended by the Finance Committee, moved by Curator Steelman and seconded by Curator Graham, that the:

Existing investment policies of Collected Rules and Regulations, Sections 140.013 and 140.015, be amended as outlined in the attached documents (and as on file with the minutes of this meeting):

Roll call vote of Board of Curators:

Curator Cupps voted yes.

Curator Graham voted yes.

Curator Henrickson voted yes.

Curator Phillips voted yes.

Curator Snowden voted yes.

Curator Steelman voted yes.

The motion carried.

Collected Rules and Regulations

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.

- 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% - 12%
Global fixed income	4%		2% - 8%
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%
Total	100%	

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.

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.

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.

E. **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 4.5% to a base equal to the 28-quarter trailing average of market values as of December 31st of the prior fiscal year. Endowment spending distributions shall be paid on a monthly basis.

The transition of the rate from 5.0% to 4.5% shall be accomplished in a methodical manner over a period not to exceed the seven years ended June 30, 2019. In no case shall the transition from 5.0% to 4.5% 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% to a base equal to the 28-quarter trailing average of market values as of December 31st of the prior fiscal year. The administrative fee shall be paid on a monthly basis.

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 and Administration or her/his designees.

Collected Rules and Regulations

Chapter 140: Investments

140.015 Investment Policy for Retirement, Disability and Death Plan

Bd. Min. 6-26-12, Revised Bd. Min. 6-14-13, Revised Bd. Min 9-12-13, Revised Bd. Min. 6-25-15; Revised Bd. Min 2-4-16.

- A. **Introduction** – The University's Retirement, Disability and Death Benefit Plan (“Plan”) was established to provide retirement income and other stipulated benefits to qualified employees in amounts and under the conditions described in the plan. A Trust was established in 1958 and is being funded to provide the financial security of those benefits.
- B. **Responsibilities and Authorities** – See CRR 140.010, “*Policy for Management and Oversight of Selected University Investment Pools.*”
- C. **Investment objectives** – The primary objective to be achieved in the active management of Trust assets is to provide for the full and timely payment of retirement, disability and death benefits to qualified employees. In order to fulfill this objective the University must maintain a prudent actuarially sound funding of the Plan's liabilities. This funding requirement is derived from two principal sources; the total investment return on Trust assets and the amount of University contributions. In order to minimize the University's required contributions it is imperative that total investment returns be maximized.
- D. **Authorized Investments** – The Plan 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:

Sectors	Target Asset Mix	Allowable Range
Global equity	37%	27% - 47%
Private equity	10%	6% - 12%
Global fixed income	4%	2% - 8%

Emerging markets debt	6%	4% - 9%
Opportunistic debt	12%	9% - 15%
Hedge funds	6%	4% - 9%
Risk parity	10%	7% - 14%
Real estate/infrastructure	8%	4% - 10%
Inflation-linked bonds	4%	2% - 7%
Commodities	3%	0% - 6%
Total	100%	

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.

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.

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 Retirement Fund.

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.

- E. **Other** – The Board of Curators delegates to the President of the University the following responsibilities with respect to the Plan:
1. Recommend contributions to the Plan.
 2. Recommend annuity, mortality and other tables as may be useful in actuarial determination.
 3. Recommend actuarial valuations made by experts retained for that purpose.
 4. Maintain data necessary for actuarial valuations of the assets of the Plan.
 5. Maintain accurate records for the Plan.

Compensation and Human Resources Committee

Chairman Phillips provided time for discussion of committee business.

Information

1. Retiree Insurance Benefits (slides and information on file)

2. Total Rewards Annual Update (slides and information on file)
3. Presidential Search Update (information on file)

Presidential Search Committee Composition and Nomination Process – presented by Curator Phillips (information on file)

It was moved by Curator Phillips and seconded by Curator Graham, that the composition of the search committee for the new President of the University of Missouri System include individual members of the Board of Curators, the Student Representative to the Board of Curators, and four additional members to be nominated and selected as follows:

1. Student Representative: The Intercampus Student Council will submit nominations, after consulting with each campus student council, for a representative from each campus. The Board of Curators Executive Committee will recommend to the full board a member to represent this constituency.
2. Faculty Representatives: The Intercampus Faculty Council will submit nominations, after consulting with each campus faculty council, for a representative from each campus. The Board of Curators Executive Committee will recommend to the full board two members to represent this constituency.
3. Staff Representative: The Intercampus Staff Council will submit nominations, after consulting with each campus staff council, for a representative from each campus. The Board of Curators Executive Committee will recommend to the full board a member to represent this constituency.

Nominations will be representative of the campuses and diverse in nature. Final composition of the committee is under the sole discretion of the Board, therefore, the Board reserves the right to request additional nominations.

Roll call vote of the Full Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

Academic, Student and External Affairs Committee

Chairman Snowden provided time for discussion of committee business.

Information

1. University Relations Report (slides on file)

Audit Committee

Chairman Graham provided time for discussion of committee business.

Information

1. Internal Audit and Consulting Quarterly Report, UM (information and slides on file)
2. Ethics and Compliance Hotline, Annual Report 2015, UM (information and slides on file)

Engagement of Independent Auditors and Related Fees, UM – presented by Vice President Burnett (information on file)

It was recommended by Vice President Burnett, endorsed by Interim President Middleton, recommended by the Audit Committee, moved by Curator Phillips, seconded by Curator Cupps, that the following action be approved:

that the Vice President for Finance be authorized to employ the firm of BKD LLP to provide audit services to the University of Missouri for fiscal year ending June 30, 2016 for fees of \$641,000.

Roll call vote of the full Board:

- Curator Cupps voted yes.
- Curator Graham voted yes.
- Curator Henrickson voted yes.
- Curator Phillips voted yes.
- Curator Snowden was absent for vote.
- Curator Steelman voted yes.

The motion carried.

The public session of the Board of Curators meeting recessed at 3:55 P.M.

Board of Curators Meeting – Executive Session

A meeting of the University of Missouri Board of Curators was reconvened in executive session at 4:07 P.M., on Thursday, February 4, 2016, in 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 Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps
The Honorable Maurice B. Graham
The Honorable Pamela Q. Henrickson
The Honorable John R. Phillips
The Honorable Phillip H. Snowden
The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President
Mr. Stephen J. Owens, General Counsel
Ms. Cindy S. Harmon, Secretary of the Board of Curators
Miss Tracy Mulderig, Student Representative to the Board of Curators

Audit Committee – Executive Session

Chief Audit Executive Rapp and Vice President Burnett joined the meeting.

UMKC Ethics and Compliance Hotline Call Report – presented by Chief Audit Executive Rapp and Vice President Burnett.

No action taken by the Board.

Chief Audit Executive Rapp excused himself from the meeting.

General Business

²⁷⁰Property Purchase, Missouri S&T – this item is excluded from the minutes and may be given public notice upon completion.

Report on property and contracts – presented by Vice President Burnett and General Counsel Owens.

No action taken by the Board.

Curators' Professor Emeritus: Barbara Reys, MU – presented by Senior Associate Vice President Graham (information on file)

It was recommended by Interim Chancellor Henry C. Foley, endorsed by Interim President Michael A. Middleton, recommended by the Academic, Student and External Affairs Committee, moved by Curator Snowden, and seconded by Curator Graham, that the following action be approved:

that upon the recommendation of Interim Chancellor Henry C. Foley it is recommended that Professor Barbara Reys be named to the position University of Missouri Curators' Professor Emeritus, effective January 1, 2016.

The complete nomination record is on file in the Academic Affairs office

Roll call vote of Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

Interim Chancellor Foley and Vice Chancellor Williamson join the meeting.

President's Report on Personnel and Contracts – presented by Interim President Middleton.

No action taken by the Board.

The Board of Curators meeting recessed at 6:00 p.m.

Reception and Dinner by Invitation for the Board of Curators, President and General Officers

6:30 – 8:30 P.M.

Thursday, February 4, 2016

Hosted by: Interim Chancellor Foley and Dr. Foley

Topic: Focus on Health Care by Improving Lives through Research, Teaching and Patient Care

Presenter: Mr. Mitch Wasden

Location: South Providence Medical Park Building, 551 E. Southampton Drive, Columbia, Missouri 65201

BOARD OF CURATORS MEETING – PUBLIC SESSION

MU Faculty Council Breakfast and Presentation with the Board of Curators

8:00 – 8:45 A.M.

Friday, February 5, 2016

Topic: Recognition of Outstanding MU Students

Presenters: Anurag Chandran, Samantha Franks and Bianca Zachary

Location: Columns Room 208 A&B, Reynolds Alumni Center

A meeting of the University of Missouri Board of Curators reconvened in public session at 9:10 A.M., on Friday, February 5, 2016, in Columns Room 208 C,D and E of the Reynolds Alumni Center on the University of Missouri campus, Columbia, Missouri, pursuant to public notice given of said meeting. Curator Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps

The Honorable Maurice B. Graham

The Honorable Pamela Q. Henrickson

The Honorable John R. Phillips

The Honorable Phillip H. Snowden

The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President

Mr. Stephen J. Owens, General Counsel

Ms. Cindy Harmon, Secretary of the Board of Curators

Miss Tracy H. Mulderig, Student Representative to the Board of Curators

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

Dr. Brian D. Burnett, Vice President for Finance
Dr. Henry “Hank” Foley, Interim Chancellor for University of Missouri-Columbia
Dr. Thomas F. George, Chancellor for University of Missouri-St. Louis
Mr. Stephen C. Knorr, Vice President for University Relations
Mr. Leo E. Morton, Chancellor for University of Missouri-Kansas City
Dr. Cheryl B. Schrader, Chancellor for Missouri University of Science and Technology
Dr. Robert W. Schwartz, Interim Vice President for Academic Affairs, Research and
Economic Development
Ms. Kelley Stuck, Interim Vice President for Human Resources
Ms. Zora Z. Mulligan, Chief of Staff, UM System
Mr. John Fougere, Chief Communications Officer, UM System
Media representatives

General Business

Board Chair Report – A student panel presented information regarding a culture of respect and was facilitated by Chuck Henson. The student panelists included Kelcea Barnes, Timothy Love, Sean Joy and Jasmine Morgan.

University of Missouri System President’s Report – presented by Interim President Middleton

Interim President Middleton presented a status update of diversity, inclusion and equity initiatives that were outlined on November 9, 2015 by the Board of Curators and progress at the capitol in Jefferson City and at the federal level.

Consent Agenda

It was endorsed by Interim President Middleton, moved by Curator Cupps and seconded by Curator Graham, that the following items be approved by consent agenda:

CONSENT AGENDA

1. Minutes, November 9, 2015 Board of Curators Special Meeting
2. Minutes, November 11, 2015 Board of Curators Special Meeting
3. Minutes, November 20, 2015 Board of Curators Special Meeting
4. Minutes, December 10-11, 2015 Board of Curators Meeting
5. Minutes, December 10-11, 2015 Board of Curators Committee Meetings
6. Minutes, December 22, 2015 Board of Curators Special Meeting
7. Minutes, January 13, 2016 Board of Curators Special Meeting

8. Approval of Spinal Cord Injuries and Congenital or Acquired Disease Processes Research Program Proposals
9. Sole Source: CareAware MultiMedia (CAMM) Software Solution, UMHC

Roll call vote of the full Board:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

1. Minutes, November 9, 2015 Board of Curators Special Meeting – as provided to the curators for review and approval.
2. Minutes, November 11, 2015 Board of Curators Special Meeting - as provided to the curators for review and approval.
3. Minutes, November 20, 2015 Board of Curators Special Meeting - as provided to the curators for review and approval.
4. Minutes, December 10-11, 2015 Board of Curators Meeting - as provided to the curators for review and approval.
5. Minutes, December 10-11, 2015 Board of Curators Committee Meetings - as provided to the curators for review and approval.
6. Minutes, December 22, 2015 Board of Curators Special Meeting - as provided to the curators for review and approval.
7. Minutes, January 13, 2016 Board of Curators Special Meeting – as provided to the curators for review and approval.
8. Approval of Spinal Cord Injuries and Congenital or Acquired Disease Processes Research Program Proposals as presented:

PROPOSAL RECOMMENDED FOR FUNDING - 2016

I. Using acute intermittent hypoxia to stimulate axon regeneration in the injured spinal cord

Valeria Cavalli
Associate Professor
Washington University in St. Louis

Total funding recommended \$322,898

II. Gene Discovery in Syringomyelia and Chairi I Malformation Morphology

Christina Gurnett
Assistant Professor
Washington University in St. Louis

Total funding recommended \$498,676

III. Generation of Human Spinal Cord Motor Neurons By MicroRNA-Mediated Direct Conversion of Fibroblasts

Andrew Yoo
Associate Professor
Washington University in St. Louis

Total funding recommended \$498,817

9. Sole Source: CareAware MultiMedia (CAMM) Software Solution, UMHC

That the University of Missouri Health Care (UMHC) be authorized to purchase a CareAware MultiMedia (CAMM) Archival System and SkyVue Image Viewer from Cerner Corporation at a total cost of \$1,102,000.

Funding is as follows:

University Hospital Information	H2790-739800	\$1,102,000
Technology Software & Support		
Operating Accounts		

University of Missouri Strategic Plan Highlights – presented by Interim Chancellor Foley (slides on file)

Resolution, Jack W. Watring, Retired MU/UM System Police Chief

It was endorsed by Interim President Middleton, recommended by Chair Henrickson, moved by Curator Graham and seconded by Curator Steelman, that the following resolution recognizing the dedicated service of Chief Jack Watring to the University of Missouri be approved:

RESOLUTION

WHEREAS, the Members of the University of Missouri Board of Curators are proud to applaud the achievements of an individual who has long distinguished himself through his conscientious and dedicated service to the University of Missouri: Chief Jack Watring of the University of Missouri Police Department; and

WHEREAS, after serving his country as an active member of the U.S. Navy during the Vietnam War and serving the State of Missouri as a Missouri State Highway Patrol Trooper, Chief Watring embarked on his career with the University in 1971, graduating from the first University of Missouri Police Academy; and

WHEREAS, after serving as an officer, sergeant, shift captain, major and associate director, Chief Watring took over interim command of MUPD in 2003 and was appointed chief of the University of Missouri Police Department in 2004; and

WHEREAS, during the course of his career, MUPD was the first university police department to achieve and has successfully maintained accreditation through the Commission on Accreditation for Law Enforcement Agencies, Inc., achieving its highest “Gold Standard” award and demonstrating MUPD’s commitment to professionalism, stewardship, integrity, diversity, objectivity, knowledge, accountability and collaboration; and

WHEREAS, under his able leadership, MUPD achieved and has maintained separate accreditation through the International Association of Campus Law Enforcement Administrators, demonstrating its adherence to the highest professional standards for campus law enforcement and protective services; and

WHEREAS, throughout his career Chief Watring has achieved a number of distinctions, including completion of both the FBI National Academy and the Northwestern School of Staff and Command; and, in 1993, he was honored by the MU Staff Advisory Council with the Mick Deaver Memorial Award; and

WHEREAS, he has served as a member of numerous professional organizations and committees, including International Association of Campus Law Enforcement

Administrators, International Association of Police Chiefs, Missouri Police Chiefs Association, Mid Missouri Major Case Squad, and Boone County Disaster Preparedness Board; and

WHEREAS, he has dedicated his entire career to serving and protecting Mizzou's students, faculty, staff, retirees, alumni, and visitors, partnering with members of the Mizzou family to provide a safe environment and peaceful quality of life on campus; and

WHEREAS, Chief Watring has contributed invaluable and pioneering leadership, undying commitment, and tireless effort, and has remained an impressive and influential presence in the field of law enforcement throughout his career; and

WHEREAS, Chief Watring has traveled extensively around the state of Missouri providing security for countless Board of Curators dinners, award programs and meetings, spending endless hours waiting for them to adjourn, and always doing so with a smile; and

WHEREAS, Board Chair Pam Henrickson recalls Chief Watring's dedication to his important work, and appreciates his willingness to always make the safety of the board his priority; and

WHEREAS, Chief Watring retired from the University of Missouri on June 15, 2015, after 44 years of exemplary service; and

WHEREAS, he will have much more time to bass fish with the Ozark Mountain Anglers Club, win more tournaments and trophies, and tell more amazing fishing stories:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Curators, on behalf of the students, faculty, staff and alumni of the University of Missouri System, and on behalf of the citizens of the State of Missouri, does hereby adopt this resolution in appreciation of the dedicated and devoted service of Chief Jack Watring; and

BE IT FURTHER RESOLVED, that the Secretary of the Board of Curators cause this resolution to be spread upon the minutes of this meeting and a duly inscribed copy thereof be furnished to Chief Jack Watring.

Roll call vote:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson voted yes.
Curator Phillips voted yes.
Curator Snowden voted yes.
Curator Steelman voted yes.

The motion carried.

Good and Welfare

Draft April 14-15, 2016 Board of Curators meeting agenda – no discussion (on file)

It was moved by Curator Steelman and seconded by Curator Graham, that the public session of the Board of Curators meeting, February 4-5, 2016, be adjourned.

Roll call vote:

Curator Cupps voted yes.
Curator Graham voted yes.
Curator Henrickson 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 public session meeting was adjourned at 11:36 A.M. on Friday, February 5, 2016.

Board of Curators Meeting – Executive Session

A meeting of the University of Missouri Board of Curators was reconvened in executive session at 12:10 P.M., on Thursday, February 5, 2016, in 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 Pamela Q. Henrickson, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Donald L. Cupps
The Honorable Maurice B. Graham
The Honorable Pamela Q. Henrickson
The Honorable John R. Phillips
The Honorable Phillip H. Snowden

The Honorable David L. Steelman

Also Present

Mr. Michael A. Middleton, Interim President

Mr. Stephen J. Owens, General Counsel

Ms. Cindy S. Harmon, Secretary of the Board of Curators

Miss Tracy Mulderig, Student Representative to the Board of Curators

General Business

President's Report on Personnel and Contracts – presented by Interim President Middleton.

Litigation Report – presented by General Counsel Owens.

No action taken by the Board.

It was moved by Curator Cupps and seconded by Curator Phillips, that the Board of Curators meeting, February 4-5, 2016, be adjourned.

Roll call vote:

Curator Cupps voted yes.

Curator Graham voted yes.

Curator Henrickson 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 Board meeting was adjourned at 1:39 P.M. on Friday, February 5, 2016.

Respectfully submitted,

A handwritten signature in cursive script that reads "Cindy S. Harmon".

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

Approved by the Board of Curators on April 15, 2016.