

University of Central Missouri
Board of Governors
Plenary Session
August 25, 2017

The University of Central Missouri's (UCM) Board of Governors convened in Plenary Session on Friday, August 25, 2017, at 9:30 a.m. in Union 237B on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board Vice President John Collier. Other Board members present were Mary Dandurand, Marvin E. Wright, Mary Long, Weldon Brady, Walter Hicklin, and Mathew Martinez. University President Charles Ambrose, General Counsel Hayley Hanson, and Assistant Secretary to the Board Monica Huffman were also present. Board President Gus Wetzel was unable to attend the meeting and was excused.

Plenary Session

Call to Order – Agenda Item No. 1

Mr. Collier called the meeting to order and determined a quorum was present to conduct business.

Remarks by the Board Vice President – Agenda Item No. 2

Mr. Collier welcomed everyone to the meeting. He stated that fall is an exciting time of the year that brings change. Mr. Collier had an opportunity to attend the annual Emeriti Dinner recognizing and celebrating the service of several individuals who are retiring. He expressed appreciation for their many contributions to the University and to our students' success. In closing, Mr. Collier wished President Ambrose Happy Birthday.

Remarks by the University President – Agenda Item No. 3

President Ambrose highlighted two events including a celebration later in the day for the completion of W.C. Morris Science building renovations, which were possible as the result of a bond passed by former Governor Jay Nixon two years ago. He noted Lieutenant Governor Mike Parsons and other legislators would attend. The second event is the grand opening of The Missouri Innovation Campus scheduled for September 5. President Ambrose expressed appreciation to the Board and for the partnership of Gould Evans and McCownGordon.

President Ambrose spoke about the viability and sustainability of higher education in relation to Missouri's current financial situation that has resulted in decreased funding. More specifically, he addressed the relationship to employee health care. Blue Cross Blue Shield representatives were present at the preceding day's Work Session and outlined a three-year plan where rates would remain level. This plan does not exist anywhere else. If successful, the plan will help mitigate the rising cost of health care for UCM and its employees during the three-year period and possibly even reduce costs.

Despite declining state support, President Ambrose stated UCM continues working to avoid passing the costs on to its students. He discussed other matters contributing to UCM's budget challenges including a significant loss in international enrollment. President Ambrose and others plan to

travel to India, Nepal and Saudi Arabia in September in an effort to recruit new students and to meet with a large number of UCM alumni to let them of their importance to UCM.

A positive note, President Ambrose shared UCM experienced a growth in first time, full-time enrollment; transfer students; and in persistence and completion of current students this fall. This does not happen without a great effort from faculty and staff. Additionally, President Ambrose commended the Admissions' staff; college deans; and Dr. Bax and the Student Experience and Engagement staff.

In closing, President Ambrose welcomed students from the College Student Personnel Administration program that were in attendance at the meeting, and encouraged everyone's participation at the upcoming *Get the Red Out/Military Appreciation Day* events that will include a B-2 flyover.

General Session

Minutes of June 15, 2017, Work and Plenary Sessions; and July 20, August 8, 9, and 10, 2017, Special Plenary Sessions – Agenda Item No. 4

Ms. Dandurand moved that the Board of Governors approve the minutes of June 15, 2017, Work and Plenary Sessions; and July 20, August 8, 9, and 10, 2017, Special Plenary Sessions. The motion was seconded by Mr. Wright and carried unanimously.

Reports/Updates

Written Governance Groups Reports – Agenda Item No. 5

Mr. Collier noted that written governance groups reports (Attachment 1) were included under Tab 8 of the meeting materials and thanked the leadership of those groups for the information.

Information Updates – Agenda Item No. 6

President Ambrose gave the following updates:

UCM – Lee's Summit – There is a lot of excitement surrounding the new Missouri Innovation Campus (MIC), which will be celebrated with a grand opening event on September 5. The MIC offers a new platform for delivering education in Lee's Summit, and has the potential of providing every student in the school district the opportunity to earn enough dual credit through a partnership between UCM, Lee's Summit R-7, and MCC-Longview, to complete a bachelor's degree in three years. A team representing the three schools are collaborating on how to accomplish this.

Learning to a Greater Degree Contract for Completion – Provost Curtis is in Jefferson City participating in meetings related to articulation and transfers. President Ambrose and Provost Curtis recently met with the Education Advisory Board (EAB) in Washington, D.C. to discuss aligning EAB resources to UCM's strategic priorities. UCM invested in several EAB modules that need to align to ensure student success.

Legislative Update – The State of Missouri expects a significant shortfall in revenue this year, and as a result, higher education anticipates deep cuts in state appropriations. There is discussion about forming a Higher Education Caucus in the Legislature to help stress the importance of higher education to the State’s economy. Senator Hoskins has been supportive and will attend future Board meetings to provide legislative updates.

Intercollegiate Athletics Update – Agenda Item No. 7

Mr. Hughes played a video that highlighted several UCM athletic teams’ and student athletes’ accomplishments. Following the video, he expressed appreciation to Katie Richardson and KMOS for their assistance in preparing it. Mr. Hughes discussed the benefit of “walk-ons,” noting Athletics had increased its number of student athletes by 81 from the previous year. However, budget challenges present an issue related to the number of walk-ons that are accepted. President Ambrose said there are many programs at UCM that help to drive enrollment, and adding student athletes to roster positions results in a net gain in enrollment. Although this is not the solution to budget challenges, it complements the University’s enrollment growth. In closing, Mr. Hughes shared Radio 810 held its Talk Show at *Traditions* last week, and resulted in great advertisement for the University.

Board Committee on Student Engagement & University Advancement

Ms. Dandurand, Chair of the Board Committee on Student Engagement & University Advancement, said the committee met the preceding day. She asked Dr. Shari Bax to provide first week highlights for the new academic year. Dr. Bax reported 3,364 students are living in the residence halls this fall and more than 1,400 freshmen participated in the freshmen *Kickoff* event from August 10-13. She expressed appreciation for the 91 Mule team members that returned to campus one week early to work with freshmen and help them through their first few days of college life. Dr. Bax distributed detailed information about the fall start-up and a fall activities schedule (Attachment 2). President Ambrose added several faculty and staff came out on Saturday to help returning students move into the residence halls. All of this lends itself to helping our students be successful.

Advancement Update – Agenda Item No. 8

President Ambrose expressed appreciation for the leadership Jason Drummond provided during his time at UCM. The search for a new Vice President for University Advancement resulted in the hire of Lance Cavanaugh who was present at the meeting and introduced. President Ambrose thanked Board members who were able to meet with each of the candidates.

Board Committee on Academic Affairs

Dr. Long, Chair of the Board Committee on Academic Affairs, said the committee met the preceding day. The committee was pleased to have students from the Governance in Finance class in attendance. Dr. Long asked Dr. Koch to present the following agenda items.

Emeritus Status – Agenda Item No. 9

Dr. Koch informed the Board that Dr. Theresa Gordon, Associate Professor of Social Work; Mr. Stephen Ciafullo, Assistant Professor of Child and Family Development; Mr. Mark Lyle, Plumber I; Dr. Robert Lawrence, Professor of Music; Ms. Suzan Brown, Office Professional II; Dr. John Gole, Associate Professor of Biology; Dr. Susan Stockton, Associate Professor of Nutrition; Dr. Kyle Palmer, Professor of Computer Aided Drafting and Design Technology; Ms. Deborah Noland, Office Professional III; Ms. Barbara Wales, Professor of Library Services; Ms. Lynnette Yearns, Library Assistant V; Dr. John Zelazek, Assistant Dean for Data Management and Professor of Educational Foundations; Dr. Paul Polychronis, Director of Counseling Center; Ms. Joyce Westerhold, Library Assistant V; Dr. Kim Andrews, Vice Provost of Academic Programs and Services; Dr. Celia Kingsbury, Professor of English; Ms. Mary Ragland, Associate Professor of Academic Enrichment; Ms. Jody Ritter, Administrative Assistant; and Ms. Deborah Hobson, Director of Union and Meeting/Conference Services all qualify for emeritus status in accordance with *Board of Governors Policy 2.1.070, Privileges Extended to Emeriti and Retired Employees* (Attachment 3).

Mr. Hicklin moved that the Board of Governors approve emeritus status for Dr. Theresa Gordon, Mr. Stephen Ciafullo, Mr. Mark Lyle, Ms. Suzan Brown, Dr. John Gole, Ms. Deborah Noland, Ms. Barbara Wales, Ms. Lynnette Yearns, Dr. John Zelazek, Dr. Kim Andrews, Dr. Celia Kingsbury, Ms. Mary Ragland, and Ms. Jody Ritter who retired July 31, 2017; and, for Dr. Robert Lawrence, Dr. Susan Stockton, Dr. Kyle Palmer, Dr. Paul Polychronis, Ms. Joyce Westerhold, and Ms. Deborah Hobson who will retire August 31, 2017. The motion was seconded by Ms. Dandurand and carried unanimously.

Proposed Master of Science Degree in Big Data Analytics and IT – Agenda Item No. 10

Dr. Someswar Kesh, reviewed information contained in a briefing paper (Attachment 4) related to a proposed Master of Science Degree in Big Data Analytics and IT. The program is an extension of the Bachelor of Science Degree in Big Data Analytics previously approved by the Board, and will focus on knowledge and training needed to help organizations utilize and analyze data using predictive analytics and machine learning for strategic decision making in business. Dr. Kesh stated research shows 1.5 million managers and analyst are needed in this area of the job market. In the program, students will learn to design and implement an infrastructure that can support big data. This major, based on functional areas of business including computer information systems, finance, and economics, is further enhanced with statistics. Students obtaining this degree will be equipped for careers in any of the functional areas of business that require big business data analysis.

Dr. Long moved that the Board of Governors approve the Master of Science in Big Data Analytics and IT pending approval of the Coordinating Board for Higher Education at the September 2017 meeting. The motion was seconded by Mr. Wright and carried unanimously.

Dr. Long stated Agenda Items No. 11, 12, and 13 were deferred and will be presented to the Board at a future date.

Educational Specialist Degree in Adult, Career, and Technical Education – Agenda Item No. 11

Education Specialist Degree in Professional Counseling – Agenda Item No. 12

Education Specialist Degree in School Library Leadership – Agenda Item No. 13

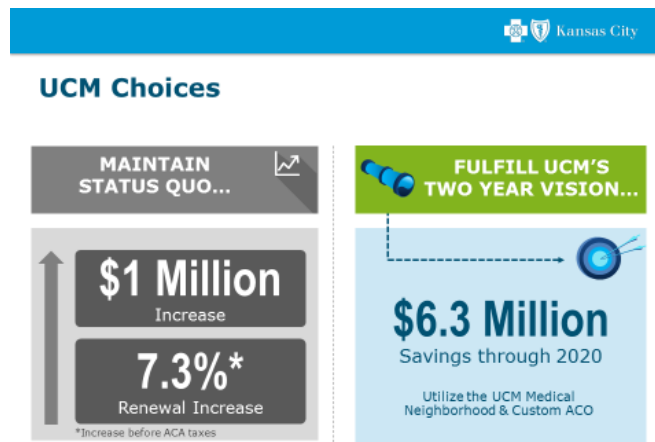
Board Committee on Finance & Administration

Calendar Year 2018 Employee Health Insurance – Agenda Item No. 14

Dr. Best and Ms. Taylor provided an overview of the proposed 2018 employee health insurance, which Blue Cross Blue Shield representatives presented extensively at the preceding day’s Work Session. The current plan includes a Preferred Provider Option and a Qualified High Deductible offering. These options will be available in 2018; however, a third option – Exclusive Provider Option (EPO) – will be added and is expected to generate costs savings for employees and the University. The EPO creates a custom network for employees through Western Missouri Medical Center and St. Luke’s Hospital Systems and their physicians.

Maintaining the current plan would result in significant costs increases for both employees and the University. Dr. Best added the current insurance plan has a self-insurance component. Under the proposed 2018 plan UCM would be fully insured through Blue Cross Blue Shield, which not only reduces its risk, but also frees up funds that would otherwise have to be placed into reserves should high claims result.

Blue Cross Blue Shield made a commitment to guarantee and hold level UCM’s 2018 premium-rate for years 2018 through 2020, which is something rarely done in the insurance industry. President Ambrose said if UCM stays with the current plan; UCM could anticipate a \$1 million increase in health insurance costs; as opposed to a \$6.3 million savings through 2020 under the proposed 2018 plan. The savings generated would help fund the \$1 million increase UCM is experiencing in MOSERS costs.



In addition to the plan offerings in 2018, UCM will place greater emphasis on employee wellness, which helps people stay healthier and keep the claims experience down. President Ambrose noted there are three components that will help lower health insurance costs – elimination of self-insurance; three-year rate guarantee; and an MOU with Blue Cross Blue Shield, Western Missouri Medical Center, and St. Luke’s Health System to share data with UCM for institutional health. He added for 2019, UCM would work more aggressively to establish a provider network on campus, noting that Western Missouri Medical Center has invested a great amount of money to establish the local network now in place.

Mr. Brady asked how the 50% savings was arrived at for year one. Dr. Best responded Blue Cross Blue Shield made this prediction; however, UCM is optimistic the savings will be higher. He explained the three-tier premium rate system based on salaries and used to determine employee contributions to insurance premiums. Overall, employees will save money by selecting the EPO. Mr. Brady asked how the 2018 insurance plan options would be communicated. Dr. Best said an extensive communication and education plan would ensure employees have every opportunity to receive the information and to ask questions so they can make a well-informed choice when selecting their health insurance plan option. President Ambrose added following the Board's action, an administrative memorandum would be distributed to the campus notifying them of the changes and the information that will be provided to make well-informed decisions.

Ms. Taylor noted changes to the premiums and cost share distribution to employees as outlined in Appendix A of the briefing paper (Attachment 5) also need approval.

Mr. Wright move that the Board of Governors approve 1) the addition of the Exclusive Provider Option (EPO) as an enhanced benefit option; 2) the plan design changes to the Preferred Provider Option and Qualified High Deductible Plan; and, 3) changes to the premiums and the cost share distributions as set forth in Appendix A of the briefing paper. The motion was seconded by Mr. Hicklin and carried unanimously.

Skyhaven Airport Construction Project - Agenda Item No. 15

Mr. Toni Monetti reviewed information contained in a briefing paper (Attachment 6) related to Skyhaven Airport runway reconstruction and parallel taxiway relocation. Grant application was made through the FAA's Airport Improvement Program. To date, the FAA has issued a grant to MoDOT for runway funding only. MoDOT will wait to issue a sub-grant to UCM until it receives the grant for the taxiway, which is expected in September.

UCM's Procurement Office issued a Request for Bids for the airport construction project that resulted in seven bid proposals. KAT Excavation Inc. was determined to be the lowest and best offer at \$6,750,891.08, which was approximately 8.9% lower than the engineer's estimate, and covers late changes in the project related to additional electrical work and changes in runway grade and placement of a gas pipeline. Grant funds for the construction phase would pay 90% of eligible improvements for main runway reconstruction and parallel taxiway relocation, excluding \$30,000 for furnishing the Runway 19 PAPI. It is expected the will start in spring 2018 and take six months to complete.

As an aside, the Aviation Department is working with the Foundation to identify funding for a new terminal. The existing facility will be demolished. In the meantime, alternate space has been identified for classroom instruction of students. Mr. Collier stressed the current terminal is not in use and has been closed for several years. Dr. Best said the bidder would be responsible for excavating the property.

Mr. Brady moved that the Board of Governors approve the Skyhaven Airport Construction Project, contingent upon grant issuance for 90% of the project costs. The recommendation includes award of contract to KAT Excavation, Inc. to reconstruct runway 1-19 and relocate the parallel taxiway at the Skyhaven Airport; and delegation of signatory authority to the President or Provost for the Grant offer and a 5% project contingency, subject to grant match eligibility. The motion was seconded by Mr. Wright and carried unanimously.

Pertle Springs Recreational Project – Agenda Item No. 16

Dr. Best reviewed information contained in a briefing paper (Attachment 7) pertaining to road improvements at Pertle Springs. An Invitation for Bid was issued in July 2017, and one bid was received from Higgins Asphalt Paving Company of Tipton, Missouri for \$385,245.50. The bid was evaluated and determined responsive. The bid amount for roadway improvements along Pertle Drive is \$360,945.50, and for roadway improvements along Par Drive is \$24,300. Board authorization of contingency for both sections is \$36,095 and \$2,430. *Mr. Hicklin moved that the Board of Governors approve the award of the Pertle Springs road improvement project to Higgins Asphalt Paving of Tipton, Missouri for \$385,245.50, and authorize up to \$38,525 for project contingency. The motion was seconded by Ms. Dandurand and carried unanimously.*

Transportation for UCM Athletics – Agenda Item No. 17

Mr. Hughes presented information (Attachment 8) related to transportation for UCM Athletics. In June 2017, an Invitation to Bid was issued and included a requirement that the awarded contractor be an approved NCAA Go Ground Service Provider; provide firm fixed pricing inclusive of all transportation expenses; and serve UCM between the Central location and destinations on dates specified. Mr. Hughes stated several years ago, the NCAA implemented a requirement for post-season transportation to be provided by a “Go Ground” certified provider. The Invitation to Bid resulted in three responses, two of which were unresponsive because they did not meet the mandatory Go Ground Service Provider requirement. Arrow State Lines was determined to be the lowest and best bid. *Mr. Wright moved that the Board of Governors approve a one-year contract with Arrow Stage Lines of Kansas City, Missouri to provide transportation for UCM athletic teams at a cost of \$227,368. The motion was seconded by Mr. Hicklin and carried unanimously.*

Blackboard Transact – Agenda Item No. 18

Mr. Patrick Bradley presented information (Attachment 9) related to a five-year extension for the Blackboard Transact and BB One software licenses. The Blackboard Transact is an operating system to allow electronic student purchases using Central Cash and UCM Dining Dollars. The BB One software tracks and verifies student’s eligibility to access a multitude of student services. Mr. Bradley reviewed the schedule for the software licenses and renewals, noting a 3% increase in cost for the five years:

- FY18 - \$56,228 + \$3,200 for BB One Management Fee
- FY19 - \$57,915 + \$3,200 for BB One Management Fee
- FY20 - \$59,652 + \$3,200 for BB One Management Fee
- FY21 - \$61,442 + \$3,200 for BB One Management Fee
- FY22 - \$63,285 + \$3,200 for BB One Management Fee

Mr. Hicklin moved that the Board of Governors approve the Blackboard five-year schedule for annual software renewal licenses as presented. The motion was seconded by Ms. Dandurand and carried unanimously.

Digital Advertising – Agenda Item No. 19

Ms. Kelly Waldram, presented information (Attachment 10) supporting a proposal to award digital marketing advertising to Google for FY 2018 and FY 2019. She explained that UCM has proactively adapted and increased its digital advertising strategies to more effectively compete in higher education for the recruitment of students.

Each year, a portion of budgeted dollars spent on traditional advertising has been reallocated to digital advertising to maximize UCM's return on investment. University Relations has \$225,000 budgeted for Google digital marketing services. Taking into account advertising done for other areas on campus, as well as Extended Campus, the projected cost for digital advertising is \$425,000 annually. Google is a single source vendor because it has approximately 90% of the market share across search and user-generated video content, plus ad placement agreements across a wide range of digital publishers. Other search companies would not provide the efficiencies or return on investment necessary to successfully affect UCM's recruitment goals.

Mr. Brady moved that the Board of Governors approve the award of digital marketing advertising to Google for an estimated annual cost of \$425,000 for FY 2018 and FY 2019. The motion was seconded by Mr. Wright and carried unanimously.

Board Business

Special Honors and Awards – Agenda Item No. 20

President Ambrose presented background information (Attachment 11) for Kenneth Kamau J. King and the late Sentwali Aiyetoro (formerly David Brown), both UCM students in the late 1960s who fought for change at a tumultuous time in the United States and UCM history. Both were persistent in seeking justice for individuals and pursued opportunities to improve the lives of others that eventually led them into careers in law and service activities that served people in the United States and around the world. *Dr. Long moved that the Board of Governors approve the award of an Honorary Doctor of Laws degree to Kenneth Kamau J. King and posthumously to Sentwali Aiyetoro (formerly David Brown) at a future Commencement. The motion was seconded by Mr. Wright and carried unanimously.*

President Ambrose also presented background information (Also Attachment 11) for Jose "Joe" Arce, a newspaper owner and civic leader in Kansas City who has extended his passion and love for the Latino/Hispanic community from his hometown to the halls and classrooms on the University of Central Missouri campus. *Ms. Dandurand moved that the Board of Governors approve the award of an Honorary Doctor of Humane Letters to Jose Arce at a future Commencement. The motion was seconded by Mr. Wright and carried unanimously.*

Adjournment – Agenda Item No. 21

There being no further business to conduct, *Mr. Hicklin moved that the meeting adjourn. The motion was seconded by Mr. Wright and carried unanimously.* The meeting concluded at 10:55 a.m.

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Attachment Listing*

<u>Attachment No. 1</u>	<u>Attachment Description</u>
1	2017 Fall Start Up and 2017 Fall Activities
2	Monthly Governance Group Reports
3	Emeritus Status Requests
4	Proposed Master of Science Degree in Big Data Analytics and IT
5	Calendar Year 2018 Employee Health Insurance
6	Skyhaven Airport Construction Project
7	Pertle Springs Road Improvements
8	Transportation for UCM Athletics
9	Blackboard Transact
10	Digital Advertising
11	Special Honors and Awards