

University of Central Missouri
Board of Governors
Work Session
April 18, 2012

The University of Central Missouri (UCM) Board of Governors convened in Work Session at 2:30 p.m. on Wednesday, April 18, 2012, in Union 237A on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Walter Hicklin. Others in attendance were Board members Weldon Brady, Mary Dandurand, Marvin E. Wright, Gus Wetzel II, Mary Long, and Kyle Shell. Governor Edward Baker participated in the meeting via conference call. Also present was Board President Charles Ambrose; General Counsel Henry Setser; Assistant Secretary to the Board Monica Huffman; Vice President for Finance John Merrigan; and University Director of Intercollegiate Athletics Jerry Hughes.

Call to Order – Agenda Item No. 1

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

FY 2013 Operating Budget - Agenda Item No. 2

President Ambrose discussed efforts by the House of Representatives to retain a stable funding base for higher education. If the Senate and the Governor approve legislation submitted by the House, it could mean a 0% reduction in state funding for the University and other higher education institutions. If this legislation does not pass, higher education could experience as much as a 7.8% reduction in state appropriations. Mr. Merrigan added that another possibility is for the State to withhold funds for a period of time. Mr. Wright asked if this were to happen, does the University have sufficient reserves to carry it through until the monies are restored. President Ambrose said the University does have the necessary funds to carry it through.

Mr. Merrigan presented a detailed FY 2013 budget that included two scenarios – (1) a worse-case scenario based on a 7.8% reduction in state appropriations; and (2) a best-case scenario based on stable funding from the State with a 0% reduction in appropriations, as outlined in a briefing paper and Power Point included under Tab 15 of the meeting materials.

The Board discussed each budget scenario in depth. It was noted that Scenario 2 – 0% Appropriation Reduction allows for a 1% across-the-board salary increase or \$600 per employee, whichever is greater, contingent upon the Missouri General Assembly and Governor approving the House of Representatives' Higher Education appropriations bill. Dr. Wetzel asked if other higher education institutions are proposing salary increases. President Ambrose was not certain, but noted there are some that have not provided employees an increase for several years. He noted that the State will give its employees a 2% increase in FY 2013; however, it will not be implemented until January 2013.

Following the budget presentation and discussion, the Board agreed to move the proposed FY 2013 budget including the two scenarios forward for Board approval at the April 19, 2012, Plenary Session. If the State budget results in something different than a 0% or 7.8% reduction, a special meeting of the Board will be held to discuss any amendment that is needed to UCM's FY 2013 budget. President Ambrose will keep the Board apprised of any changes in the State's budget.

Capital Projects – Agenda Item No. 3

President Ambrose stated that following Gould Evan's presentation of the Master Plan at the March meeting, the University is now ready to move to a project development phase. He noted that because things will move rapidly, a lead project team comprised of Governor Brady, Mr. Setser, Mr. Merrigan, and Mr. Wellman, is being formed to help guide the project and project teams in their work. Messrs. Brady and Setser will lead the process for determining which project development process to use -- pure construction management or a design build concept.

Phase 1 of the project development is the relocation of the General Services Building (GSB), which will be followed by Phase 2, construction of a multi-use facility. It was noted that the cost to move the GSB is estimated at \$6.7 million, which will entail the relocation of the football locker room presently located on the lower level of the GSB. Mr. Hughes discussed the layout of the new locker facility and weight room, which will be located at Walton Stadium and cost an estimated \$3.2 million. Mr. Hughes is working with the Foundation to identify potential donors and to prepare fundraising materials.

Other – Agenda Item No. 4

There was no other business to discuss.

Request for Closed Session – April 18, 2012

Dr. Long moved pursuant to the Missouri Revised Statutes, Section 610.021, that the UCM Board of Governors meet in closed meeting, with closed record and closed vote, for the purpose of considering real estate matters, legal actions, and personnel matters. The motion was seconded by Ms. Dandurand and carried with the following roll call vote:

<i>Edward Baker</i>	<i>aye</i>	<i>Mary Dandurand</i>	<i>aye</i>
<i>Marvin E. Wright</i>	<i>aye</i>	<i>Gus Wetzel II</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>	<i>Walter Hicklin</i>	<i>aye</i>
<i>Weldon Brady</i>	<i>aye</i>		

The meeting adjourned at 4:20 p.m.