

University of Central Missouri
Board of Governors
Work Session
August 22, 2013

The University of Central Missouri (UCM) Board of Governors convened in Work Session on Thursday, August 22, 2013, at 1:00 p.m. in UN 237A on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Marvin E. Wright. Other Board members in attendance included Governors Mary Dandurand, Mary Long, Weldon Brady, Walter Hicklin, Gus Wetzell II, John Collier, and Kyle Shell. Also present were University President Charles Ambrose, General Counsel Henry Setser, Assistant Secretary to the Board Monica Huffman; staff members Deborah Curtis, John Merrigan, Jerry Hughes, Shari Bax, and Rick Dixon; and consultant Bob Charlesworth of Charlesworth & Associates, LLC.

Call to Order – Agenda Item No. 1

Mr. Wright called the meeting to order and determined that a quorum was present to conduct business. He noted that today's meetings would conclude by 3:00 p.m. so that those wishing to attend the memorial service for former President Aaron Podolefsky may do so.

Board Operations Review – Agenda Item No. 2

The 2014 meeting schedule included with the meeting materials was revised and distributed (Attachment 1). The revision includes combining the January and February meetings into a single month – February, and conversion of the April and August meetings to conference calls. Mr. Wright stated that if the Board approves the modified schedule, it may become necessary to place some authority with the Executive Committee so that there are no delays for staff in conducting business. Mr. Wright stated that committee appointments in 2014 will remain the same as 2013.

Discussion was held concerning the schedule. Mr. Hicklin asked if it becomes necessary, could a conference call be replaced with an actual meeting. Mr. Wright said the schedule can be modified as needed. President Ambrose noted that August and April are very busy times at the University with the start-up of school in August and the wrap-up in April. Mr. Wright said that conference calls would still allow for regular meetings as well as special meetings of the Board as necessary. The Board will take action to approve the 2014 meeting schedule at the August 23, 2013, Plenary Session.

Mixed-Use Facility – Phase II Design Update – Agenda Item No. 3

John Merrigan introduced Jim Schraeder of Gould Evans Architects who shared with the Board an actual model of the Mixed-Use Facility. Mr. Schraeder noted that the model would remain on campus and that Charlie Rutt has agreed to find a place to store or display the

model. President Ambrose said that given the current momentum of enrollment, there needs to be a collective consensus of the Board so that the University can promote the facility as “Coming in 2015.” He said there are a fair amount of people in the community that are questioning if the University will follow through on the project.

Mr. Schraeder said that things are progressing very well and the transformation of Southeast Elementary into the new Facilities Planning and Operations facility is well underway. With regard to the Mixed-Use Facility, Gould Evans plans to recommend a design builder at the October Board meeting.

Mr. Brady said he thought the Board had already expressed consensus on the project and that they supported forward movement unless the costs were so far out of reach that we couldn’t obtain the funding to do so. Mr. Wright agreed with Mr. Brady and expects that the facility will open for students in 2015.

Mr. Schraeder stated he feels very good about the design teams that will submit proposals and anticipates great results. President Ambrose said a strategy for public release will be developed and shared. Mr. Wright noted frequent reference of the Mixed-Use facility as “Holden Village” and asked that consideration be given to different naming possibilities. Mr. Schraeder said the term is used only as a project identifier. He then reviewed a Power Point focused largely on the Bookstore (Attachment 2). With regard to the Stadium, Mr. Brady noted that 3,000 seats would be removed as a result of the elimination of the “horseshoe” in the stadium seating area and that efforts would be made to ensure that we continue to accommodate our current patronage.

2014 Employer Health Insurance – Agenda Item No. 4

Mr. Dixon introduced Mr. Bob Charlesworth of Charlesworth & Associates, LLC. Mr. Dixon reviewed the information pertaining to the bid process that was included in the briefing paper under Tab 16 of the meeting materials. In short, five carriers responded to the Request for Proposals, with three rising to the top – Blue Cross/Blue Shield of Kansas City, Coventry, and Cigna. Of these three, Blue Cross/Blue Shield ranked the highest due to its lower rates. Mr. Dixon said that the Committee came to the realization after going through the bid process that the University needs to rebid its health insurance again in two years due to the changing landscape in health care and many unknowns of the Affordable Care Act. Mr. Dixon reviewed the different plan options listed in the briefing paper and pointed out a fourth option that is similar to, but not less than Plan A, that eliminates Plan B, and implements a Qualified High Deductible Plan with a Health Savings Account and a Health Maintenance Organization.

Following a discussion of the bids and the bid process, it was determined that following the Board’s formal action to approve the health insurance carrier at its August 23, 2013, Plenary Session, that staff would prepare and present a specific health insurance plan at the September meeting for the Board’s consideration and approval. Once approved, the plan would be utilized for a period of two years.

FY 2014 Budget Contingency Plan – Agenda Item No. 5

President Ambrose said that the University has been in a contingency planning mode since 2010 due to a number of budget uncertainties. There has been much discussion in the House and Senate related to a new tax structure under Senate Bill 253, and the Governor has indicated there could be a loss of as much as \$600 million to \$1.2 billion in state revenue. This equates to \$200,000 per month or \$2 million per year for UCM, and creates additional fiscal challenges for UCM as we work to balance our budget, particularly with the recent \$1.5 million increase in MOSERS. If the withholding remains in place, UCM may be required to make some very difficult decisions.

On a positive note, Mr. Merrigan said we have met budget targets for FY 2013. Enrollment is good, which has helped the University's revenue. As we wait for the veto session, Mr. Merrigan's office will continue extensive analyses of departmental trends in spending.

Mr. Wright stressed the importance of continuing to provide our students with a quality education and to keeping their costs down. Senator David Pearce and Representative Denny Hoskins will be in attendance at the August 23, 2013, Plenary Session to give a legislative update. The Board agreed that it would state its position that supports the veto of House Bill 253 and ask Senator Pearce and Representative Hoskins to support it as well.

Housing Exemption – 2013/2014 – Agenda Item No. 6

Dr. Curtis and Dr. Bax shared information about the Learning to a Greater Degree Contract. As part of launch, the Housing Exemption form 2013/2014 was updated for use by students requesting exemption from the residency requirement. Dr. Bax noted that while there are more students this year, fewer requests have been submitted.

President Ambrose said that Fox 4 News recently did a news piece on the Learning to a Greater Degree Contract and that it aired yesterday. The reporter randomly solicited comments from students. All of the students interviewed were very positive in their remarks. The student leadership on our campus has done much to engage students into college life. Provost Curtis added that she has met with large groups of parents who are very receptive and pleased to learn about the LTAGDC.

Mr. Collier asked if there is any indication of the number of students who decided to attend UCM as a result of the LTAGDC. While the numbers are not known, President Ambrose shared an example of a new student athlete whose parents helped make that decision based on the LTAGDC.

NCAA Reorganization – Agenda Item No. 7

Mr. Hughes provided a brief update on discussions that are occurring within the NCAA about a possible reorganization and the impact it could have on college football.

Other – Agenda Item No. 8

There was no other business to discuss.

Request for Closed Session – August 22, 2013

Dr. Long moved that 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 Mr. Collier and carried with the following roll call vote:

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

The session concluded at 2:15 p.m.

**University of Central Missouri
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Attachments Listing**

<u>Attachment No.</u>	<u>Attachment Description</u>
1	Briefing Paper – 2014 Board of Governor Meeting Schedule
2	PPT – Mixed-Use Facility Update