

University of Central Missouri
Board of Governors
Work Session
January 27, 2022

The University of Central Missouri (UCM) Board of Governors convened in Work Session on January 27, at 11:15 a.m. in Union 237B on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Stephen Abney. Others participating in the meeting from Union 237B were Governors Mary Long, Mary Dandurand, Gus Wetzel II, Kenneth Weymuth, John Collier, and Zachary Racy. Governor Marvin E. Wright participated by phone. Staff participating from Union 237B were University President Roger Best; General Counsel Lindsay Chapman; Assistant Board Secretary Monica Huffman; and staff members Mr. Bill Hawley and Ms. Sondra Savage-Moore.

Call to Order - Agenda Item No. 1

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

MOSERS Review – Agenda Item No. 2

Mr. Hawley and Ms. Savage-Moore provided an overview of UCM's retirement benefit plan, which falls under the Missouri State Employees' Retirement System (MOSERS). Ms. Savage-Moore explained that the University is required to follow Governmental Accounting Standards Board (GASB) 68 Accounting and Financial Reporting for Pensions when reporting expenses related to its employees' pension benefits.

Mr. Hawley stated MOSERS is a defined benefit plan for all staff employees, and covers all faculty hired before July 1, 2002. There are currently three MOSERS plans -- MSEP, MSEP 2000, and MSEP 2011. Employees' retirement benefits are determined by salary and credited service.

Mr. Hawley and Ms. Savage-Moore discussed the impact of GASB 68 on UCM's financial statements. GASB 68 requires recognition of the University's Net Pension Liability -- the difference between the Total Pension Liability and the Plan Fiduciary Net Position for pensions administered by MOSERS. This translates to the portion of the pension liability that is unfunded (unfunded liability). Also, the financial commitment of each governmental employer to MOSERS is limited to the contributions determined by Missouri statutes. Changes in calculating the employer's pension expense have no impact on the cash remitted to MOSERS.

Regarding reports made in accordance with GASB 68, all state universities report the same information related to pension plans. Additionally, IPEDs has added schedules to ensure this information can be extracted from the financials for reporting and comparison purposes, and the Higher Learning Commission has added schedules to their annual report to calculate key ratios with and without GASB 68. It was noted that GASB 68 currently has no effect on the University's Bond rating.

Mr. Abney asked if there are universities that did not accrue the appropriate amounts for their schools. Ms. Savage-Moore said she was not aware of any. She added that MOSERS is included

in the annual audit. President Best stated that as the number of employees who are required to contribute to MOSERS increases, the unfunded liability will decrease.

Strategic Plan Update – Agenda Item No. 3

President Best provided a Strategic Plan Update. Soon after assuming the position of university president Dr. Best established a group to develop elements of a more traditional Strategic Plan. In August 2019, proposed goals and objectives were presented to the Board and approved. The President's Council later met and established a timeline of 2019 to 2024 for the plan. The Strategic Plan is now at mid-cycle, which is a good time to review it for relevancy and to make any necessary adjustments.

President Best reviewed documents that were distributed to the Board prior to the meeting. He noted the document, UCM Strategic Goals and Objectives, was revised to include a set of core values, as well as revised goals and objectives. President Best explained each core value was defined based on feedback received from faculty and staff. During President Best's review of revised goals and objective, Mr. Wright expressed concern about the wording of Goal 1. Following Board discussion, President Best said he would revise Goal 1 to address Mr. Wright's concern.

Regarding the timeline, President Best noted COVID-19 was a disruption that required the University to shift its focus, and as such the plan's timeline should be updated from 2019-2024 to 2019-2026. President Best said he would ask the Board to approve the revised goals and objectives, and the updated timeframe during the Plenary Session.

Other – Agenda Item No. 4

There was no other business

Adjourn – Agenda Item No. 5

The meeting concluded at 12:00 noon.

