REvised

All public session meetings to be held in Columns Room 208 C, D & E of the Reynolds Alumni Center, University of Missouri campus, Columbia, Missouri unless otherwise noted.

WEDNESDAY, JANUARY 29, 2014

BOARD OF CURATORS MEETING – PUBLIC SESSION

1:00 P.M. Call to Order

General Business

Action
1. Approval of 2014 Executive Committee and Board Standing Committee Appointments
2. Resolution for Executive Session of Board of Curators Meeting, January 29 – February 1, 2014

1:10 P.M. Finance Committee Meeting
(Curators Covington, Cupps, Goode, Phillips, Steward)

Additional Action
Resolution for Executive Session of the Finance Committee Meeting

1:15 P.M. Compensation and Human Resources Committee Meeting
(Curators Phillips, Bradley, Henrickson, Goode, Ponder)

Action

AGENDA – 1
1. Resolution for Executive Session of the Compensation and Human Resources Committee Meeting

1:20 P.M. COMPENSATION AND HUMAN RESOURCES COMMITTEE MEETING -EXECUTIVE SESSION (time is approximate)
Donrey Media Room 211, Reynolds Alumni Center, MU Campus

The Compensation and Human Resources Committee will hold an executive session of the meeting on January 29, 2014 and January 30 – February 1, 2014 as needed, pursuant to Section 610.021(1), 610.021(12); 610.021(13) RSMo, for consideration of certain confidential or privileged communications with University Counsel, contract and personnel items, as authorized by law and upon approval by resolution of the Compensation and Human Resources Committee.

Recess Compensation and Human Resources Committee meeting

3:15 P.M. FINANCE COMMITTEE MEETING -EXECUTIVE SESSION (time is approximate)
Donrey Media Room 211, Reynolds Alumni Center, MU Campus

The Finance Committee will hold an executive session of the meeting on January 29, 2014 and January 30 – February 1, 2014 as needed, pursuant to Section 610.021(1), RSMo, for consideration of certain confidential or privileged communications with University Counsel, as authorized by law and upon approval by resolution of the Finance Committee.

4:00 P.M. Finance Committee Meeting – Public Session
(Curators Covington, Cupps, Goode, Phillips, Steward)

Action
1. FY 2015 Resident Undergraduate Tuition, UM
2. FY 2015 Student Activity, Facility and Health Service Fees, UM
3. FY 2015 Residence Hall and Family Student Housing Rates, UM
4. FY 2015 Tuition and Other Related Enrollment Fees, UM
5. Collected Rules and Regulations 230.060 eLearning and Special Program Tuition and Fees – Exception, MU

Recess Finance Committee meeting

Recess Public Session

6:30 P.M. COMPENSATION AND HUMAN RESOURCES COMMITTEE MEETING -EXECUTIVE SESSION (time is approximate)

AGENDA – 2
The Compensation and Human Resources Committee will hold an executive session of the meeting on January 29, 2014 and January 30 – February 1, 2014 as needed, pursuant to Section 610.021(1), 610.021(12); 610.021(13) RSMo, for consideration of certain confidential or privileged communications with University Counsel, contract and personnel items, as authorized by law and upon approval by resolution of the Compensation and Human Resources Committee.

THURSDAY, JANUARY 30, 2014

8:30 A.M. BOARD DEVELOPMENT SESSION, until 5:00 P.M.
Topic: Alternative Sources of Revenue – University Advancement
Location: Student Center, Room 2205 A&B and 2206, University of Missouri campus, Columbia, Missouri

5:30 P.M. Reception and Dinner for Board Development Session Attendees (by invitation)
Location: Providence Point, 1900 South Providence Road, Columbia, Missouri 65203

7:30 P.M. Dinner concludes

FRIDAY, JANUARY 31, 2014

BOARD OF CURATORS MEETING – PUBLIC SESSION

8:00 A.M. MU Faculty Council Breakfast and Presentation (by invitation)
Topic: Thinking Right In Sport: Missouri Volleyball
Presenter: Ms. Scotta Morton
Location: Columns Room 208 A&B, Reynolds Alumni Center

9:00 A.M. Reconvene Public Session

General Business

Information
1. Review Consent Agenda

9:10 A.M. Academic, Student and External Affairs Committee meeting

AGENDA – 3
Information
1. Financial Aid Report, UM
2. Dashboard Demo – Strategic Plan
3. University Relations Report
4. Upcoming Committee Meeting Topics

Action
1. Adjourn Academic, Student and External Affairs Committee meeting

10:30 A.M. Reconvene Finance Committee meeting
(Curators Covington, Cupps, Goode, Phillips, Steward)

Information
1. Strategic Investment in our Facilities, UM
2. Upcoming Committee Meeting Topics

Action
6. Project Approval and Supplemental Student Fee Approval, Optometry and Nursing Building Project Phase One – Optometry Clinic, UMSL
7. Adjourn Finance Committee Meeting

11:15 A.M. Audit Committee meeting
(Curators Henrickson, Bradley, Phillips, Ponder, Steward)

Information
1. Internal Audit Quarterly Report, UM
2. Ethics and Compliance Hotline, Annual Report 2013, UM
3. University of Missouri Code of Conduct Review, UM
4. Upcoming Committee Meeting Topics

Action
1. Engagement of Independent Auditors and Related Fees, UM
2. Adjourn Audit Committee Meeting

12:00 P.M. Reconvene Compensation and Human Resources Committee meeting
(Curators Phillips, Bradley, Henrickson, Goode, Ponder)

Information
1. Annual Total Rewards Update
2. Upcoming Committee Meeting Topics
Action
2. Adjourn Compensation and Human Resources Committee Meeting

12:30 P.M. Luncheon for the Board of Curators, President, General Officers and Faculty and Student Leaders
Location: Columns A&B, Reynolds Alumni Center

1:15 P.M. Reconvene Public Session

General Business
Information
2. Board Chairman’s Report
3. University President’s Report

Consent Agenda
Action
1. Minutes, November 21-22, 2013 Board of Curators Meeting
2. Minutes, November 21-22, 2013 Board of Curators Committee Meetings
3. Minutes, November 17, 2013 Special Board of Curators Meeting
4. Minutes, November 27, 2013 Board of Curators Executive Committee Meeting
5. Security Resolution, 2014
6. Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM

General Business
Information
4. Good and Welfare of the Board

Action
3. Adjourn Board of Curators Meeting, Public Session

2:30 P.M. BOARD OF CURATORS MEETING-EXECUTIVE SESSION (time is approximate)
Location: Donrey Media Room 211, Reynolds Alumni Center, MU Campus
The Board of Curators will hold an executive session of the January 29 – February 1, 2014 meeting, pursuant to Sections 610.021(1), 610.021(2), 610.021(3), 610.021(12) and 610.021(13) RSMo, for consideration of certain confidential or privileged communications with University Counsel, personnel, property, litigation and contract items all as authorized by law and upon approval by resolution of the Board of Curators.

5:30 P.M.  Recess Board of Curators Meeting

6:30 P.M.  Dinner for the Board of Curators, President and General Officers (By Invitation)
Hosted by Interim Chancellor Stephen J. Owens and Deputy Chancellor Michael A. Middleton
Presentation by: Paul Dale, M.D., Biodesign and Innovation Program
Location: Patient Care Tower, Second Floor, Ellis Fischel Cancer Center, One Hospital Drive, Columbia, Missouri 65212

SATURDAY, FEBRUARY 1, 2014

8:30 A.M.  BOARD OF CURATORS MEETING-EXECUTIVE SESSION (time is approximate)
Location: Donrey Media Room 211, Reynolds Alumni Center, MU Campus

The Board of Curators will hold an executive session of the January 29 – February 1, 2014 meeting, pursuant to Sections 610.021(1), 610.021(2), 610.021(3), 610.021(12) and 610.021(13) RSMo, for consideration of certain confidential or privileged communications with University Counsel, personnel, property, litigation and contract items all as authorized by law and upon approval by resolution of the Board of Curators.

Upcoming meetings of the Board of Curators:
April 10-11, 2014  Missouri University of Science and Technology
June 19-20, 2014  University of Missouri System, Columbia
July 25, 2014  TelePresence Meeting
October 2-3, 2014  University of Missouri-Kansas City
December 11-12, 2014  University of Missouri – St. Louis
GENERAL BUSINESS

DAY ONE
Recommended Action - Approval of Board of Curators Executive Committee and Standing Committee Appointments, 2014

It was recommended by Chairman Downing, moved by Curator __________ and seconded by Curator ____________, that the following Board of Curators Executive Committee and Standing Committees appointments be approved for 2014:

**Executive Committee**
Don M. Downing, Chairman
Donald L. Cupps
David L. Steward

**Academic, Student and External Affairs Committee**
Michael Ponder, Chairman
Ann K. Covington
Donald L. Cupps
Pamela Q. Henrickson
David L. Steward
Amy Johnson, Student Representative

**Audit Committee**
Pamela Q. Henrickson, Chairwoman
David R. Bradley
John R. Phillips
Michael Ponder
David L. Steward

**Compensation and Human Resources Committee**
John R. Phillips, Chairman
David R. Bradley
Pamela Q. Henrickson
Wayne Goode
Michael Ponder
Finance Committee
Ann K. Covington, Chairwoman
Donald L. Cupps
Wayne Goode
John R. Phillips
David L. Steward
Amy Johnson, Student Representative

Governance, Resources and Planning Committee
Wayne Goode, Chairman
David R. Bradley
Ann K. Covington
Don Downing, ex officio
Tim Wolfe, ex officio

Roll call vote: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ____________.
Recommended Action – Resolution for Executive Session of the Board of Curators Meeting, January 29 – February 1, 2014

It was moved by Curator __________ and seconded by Curator __________, that there shall be an executive session with a closed record and closed vote of the Board of Curators meeting January 29 – February 1, 2014 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.

Roll call vote of the Board:    YES    NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ____________.

January 29 – February 1, 2014

OPEN – GB – 2-1
FINANCE COMMITTEE

Ann K. Covington, Chairwoman
Donald L. Cupps
Wayne Goode
John R. Phillips
David L. Steward
Amy G. Johnson–Student Representative

The Finance Committee may have referred to it matters relating to the fiscal and accounting functions of the University and associated programs and policies.

1. The Vice President for Finance and Administration of the University or some other person or persons designated by the President of the University shall be an ex officio member of this Committee. The Vice President for Finance and Administration shall be responsible for the agenda and for transmitting Committee recommendations.

2. The Finance Committee shall be the Board Committee on investments.

3. The Finance Committee shall be the Board Committee on physical facilities and management services. The Finance Committee may have referred to it matters relating to the planning, building, maintenance and operation of the physical facilities of the University, and the purchasing of equipment and supplies utilized by the University.
Recommended Action - Resolution for Executive Session of the Finance Committee

It was moved by Curator __________ and seconded by Curator __________, that there shall be an executive session with a closed record and closed vote of the Board of Curators Finance Committee meeting on Wednesday, January 29, 2014 and January 30 – February 1, 2014, as needed, 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.

Roll call vote of the Committee: YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ________________________.
The Compensation and Human Resources Committee may have referred to it matters relating to the compensation, benefits and other human resource functions of the University and associated programs and policies.

1. The Vice President for Human Resources of the University of Missouri or some other person or persons designated by the President of the University shall be an ex officio member of this Committee.

2. The Compensation and Human Resources Committee shall be the Board Committee for executive compensation based on established individual dollar threshold and multi-year contract arrangements; Retirement Disability and Death Benefits Program; medical plan and all other benefit programs of the University; human resource and labor policy; and attendant financial considerations associated with these programs with the exception of the Retirement Trust. The Compensation and Human Resources Committee has broad responsibility for oversight in matters involving personnel and compensation throughout the University. The President shall regularly consult with the committee in the following areas:

   a. Multi-year employment contracts and extensions;
   b. Compensation and salary levels for General Officers, faculty, and staff;
   c. Performance and annual review protocols;
   d. Market and wage comparator groups;
   e. Evaluating benefits, retirement, and post-retirement plans; and
   f. Promulgating employee recruitment, hiring, and termination policies.
No. 1

Recommended Action - Resolution for Executive Session of the Compensation and Human Resources Committee

It was moved by Curator __________ and seconded by Curator __________, that there shall be an executive session with a closed record and closed vote of the Board of Curators Compensation and Human Resources Committee meeting on Wednesday, January 29, 2014 and January 30 – February 1, 2014, as needed, 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(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.

Roll call vote of the Committee: YES NO

Curator Bradley
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder

The motion ____________________.

January 29 – February 1, 2014

OPEN – C&HR – 1-1
The Finance Committee may have referred to it matters relating to the fiscal and accounting functions of the University and associated programs and policies.

1. The Vice President for Finance and Administration of the University or some other person or persons designated by the President of the University shall be an ex officio member of this Committee. The Vice President for Finance and Administration shall be responsible for the agenda and for transmitting Committee recommendations.

2. The Finance Committee shall be the Board Committee on investments.

3. The Finance Committee shall be the Board Committee on physical facilities and management services. The Finance Committee may have referred to it matters relating to the planning, building, maintenance and operation of the physical facilities of the University, and the purchasing of equipment and supplies utilized by the University.
In December 2013, preliminary information about recommended changes to tuition and fees were presented to the Board. In an effort to improve access and affordability for Missourians, the university is recommending no increase in resident undergraduate tuition. This action item is to approve FY2015 tuition rates at the same level as FY2014 tuition rates for Missouri resident undergraduate students.

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit</td>
<td>Academic</td>
<td>Per Credit</td>
</tr>
<tr>
<td></td>
<td>Hour</td>
<td>Year</td>
<td>Hour</td>
</tr>
<tr>
<td>MU</td>
<td>$274.00</td>
<td>$8,220</td>
<td>$274.00</td>
</tr>
<tr>
<td>UMKC</td>
<td>$270.10</td>
<td>$8,103</td>
<td>$270.10</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>$274.00</td>
<td>$8,220</td>
<td>$274.00</td>
</tr>
<tr>
<td>UMSL</td>
<td>$315.80</td>
<td>$9,474</td>
<td>$315.80</td>
</tr>
</tbody>
</table>

UMKC and UMSL have Metropolitan undergraduate tuition rates for students from Kansas and Illinois counties in their market area. The Metropolitan tuition rates are the same as Missouri resident rates.

Governor Nixon’s FY 2015 budget recommendation includes an approximate 5% increase in our core state appropriation, assuming the University meets all of its performance-based funding targets. Along with the recommended increase, the governor issued a challenge to Missouri’s public universities to hold tuition rates flat for resident undergraduate students. The legislature must still act upon the governor’s recommendation. The following compares net incremental revenue under the governor’s budget recommendation vs. a baseline scenario that assumes a CPI increase (1.5%) in both state appropriations and resident undergraduate tuition.

<table>
<thead>
<tr>
<th></th>
<th>$ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPI Increase in State Appropriation, Net</td>
<td>$5.9</td>
</tr>
<tr>
<td>CPI Increase in Resident Undergrad Tuition, Net</td>
<td>3.8</td>
</tr>
<tr>
<td>Total Baseline Revenue</td>
<td>9.7</td>
</tr>
<tr>
<td>Governor’s recommended increase in State Appropriation, Net</td>
<td>20.7</td>
</tr>
<tr>
<td>Potential Incremental Revenue</td>
<td>$11.0</td>
</tr>
</tbody>
</table>
Recommended Action - FY2015 Resident Undergraduate Tuition - UM

It was recommended by the respective Chancellors, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ________________ and seconded by Curator ________________, that the following schedule of rates for Missouri resident undergraduate tuition be approved, effective beginning with the 2014 Summer Session.

Effective beginning with the 2014 summer session, the Board of Curators revokes and repeals all previous tuition schedules and adopts the following rates for Missouri resident undergraduate tuition. The Board finds such action to be necessary for the maintenance and operation of the University. These rates are unchanged from FY2014.

<table>
<thead>
<tr>
<th></th>
<th>FY2015 Per Credit Hour Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU</td>
<td>$274.00</td>
</tr>
<tr>
<td>UMKC</td>
<td>$270.10</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>$274.00</td>
</tr>
<tr>
<td>UMSL</td>
<td>$315.80</td>
</tr>
</tbody>
</table>

UMKC and UMSL have Metropolitan undergraduate tuition rates for students from Kansas and Illinois counties in their market area. The Metropolitan tuition rates are the same as Missouri resident rates.

Roll call vote Finance Committee: YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ________________

January 29-February 1, 2014
OPEN – FIN – 1-2
Roll call vote of Board of Curators: YES NO

Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ______________.
Attached are proposals for student activity, facility and health service fees for fiscal year 2015 which are being presented to the Board for approval at the January 29, 2014 meeting. Rates will become effective with the 2014 Summer Session. Total activity, facility and health service fees on each campus increase at or slightly above the rate of CPI. There are no new fees proposed.

The table below shows a summary of the total semester activity, facility and health service fees for full-time undergraduate students for the current year and the changes as proposed by each campus. UMSL restructured their fees in FY2014 and combined the activity, facility and health service fees into a single base tuition.

<table>
<thead>
<tr>
<th>Campus</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU</td>
<td>$405.62</td>
<td>$411.73</td>
<td>$ 6.11</td>
<td>1.5%</td>
</tr>
<tr>
<td>UMKC</td>
<td>$475.28</td>
<td>$482.64</td>
<td>$ 7.36</td>
<td>1.5%</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>$445.30</td>
<td>$451.40</td>
<td>$ 6.10</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Graduate activity, facility and health fees are proposed to increase by 1.7% at MU and by 1.5% at UMKC and S&T.
Recommended Action - FY2015 Student Activity, Facility, and Health Service Fees, UM

It was recommended by the respective Chancellors, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ________________ and seconded by Curator ________________, that the attached schedule of rates for the Student Activity, Facility, and Health Service fees be approved, effective beginning with the 2014 Summer Session.

Roll call vote Finance Committee: YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward
The motion ________________.

Roll call vote of Board of Curators: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward
The motion ________________.
Attached are proposals for student activity, facility and health service fees for fiscal year 2015. These recommendations are being presented as an action item for approval at the January 29, 2014 board meeting. The rates will become effective in the 2014 Summer Session. Total activity, facility and health service fees on each campus increase at or slightly above the rate of CPI. There are no new fees proposed.

The fee proposals were prepared under the direction of the Vice Chancellors or Vice Provosts for Student Affairs on each campus. Planning for fee changes are conducted using operating assumptions unique to each campus and activity, within the context of general economic guidelines communicated by the Assistant Vice President of Planning and Budget. The appropriate advisory groups, affected students, and/or their elected officers reviewed and approved the activity, facility, and health service fee proposals.

These rate changes are in compliance with SB 389 (section 173.1003; RSMO). Increases in required fees that are charged to all Missouri resident undergraduates do not exceed the annual rate of inflation, which was 1.5% as of December 2013. Increases in undergraduate activity, facility and health fees are MU 1.5% or $6.11, UMKC 1.5% or $7.36, and Missouri S&T 1.4% or $6.10. UMSL restructured their tuition and required fees into a single combined tuition rate in FY2014 and will no longer be separately assessing activity, facility and health service fees. Graduate fees increase by 1.7% at MU and by 1.5% at UMKC and S&T.

Fees are assessed predominantly on a per credit hour basis with a plateau of 12 credit hours per semester and 6 credit hours for the summer session. However, at MU the graduate and professional student plateau is 9 credit hours per semester. Some fees are assessed at a flat rate per semester.

The total undergraduate student activity and facility fees at MU will increase at the rate of inflation as recommended by the Student Fee Review Committee. The student activity fee component will increase $2.64 per semester. At MU, Student Activity Fees include fees to fund: Student Government, Student Organizations, Multicultural Student Organizations, Readership Program, Sustainability Program, Sports Clubs, Associated Students, Capital Improvement, Divisional Councils, Transportation System, Student Unions, Student Life, Counseling Center, Jesse Auditorium and the Parking Garage. The Recreation Activity and Facility fee will increase $1.98 and the Student Health Fee will increase by $1.49 for a total increase of $6.11.

The Graduate activity and facility fees are proposed to increase slightly above inflation due to a request by the Graduate Professional Council to increase the funding available for travel awards for graduate students and to expand the National Issues Coordinator position to maintain national distinction and increase advocacy for graduate and professional students.

January 29-February 1, 2014

OPEN – FIN – 2-3
At Mizzou the Student Fee Review Committee, which is comprised of a representative mix of undergraduate and graduate students, annually reviews activity, facility and health service fees in detail. They make a recommendation to the Vice Chancellor of Student Affairs regarding any increases or reallocations. The proposed increases represent the Committee’s recommendations.

At UMKC the total activity, facility, and health service fees will increase at 1.5% or $7.36. The Student Activity fee provides funding for the Student Government Association, Academic Student Councils, student organizations and clubs, and Student Involvement. The Athletic fee supports UMKC’s NCAA Division I Intercollegiate Athletics program. Facility fees include the University Center, Student Union, Physical Plant Facility fee, and the Recreation Facility fee, which funds the Swinney Recreation Center and student intramurals. The Student Health fee provides health services and outreach to students.

At Missouri S&T activity, facility and health service fees are proposed to increase by $6.10 a semester or 1.4%. The Student Activity Fee is proposed to increase $2.70 per semester or 1.9%. The Health Service Fee is proposed to increase by $1.00 or 1.0%. The Intramural Facility fee is proposed to increase by $1.70 or 4.2% and the University Center Fee is proposed to increase by $1.40 or 4.4%. The University Center Debt Fee will remain flat and the Rollamo Year Book fee will decline by $0.70 or -7.8%. These changes are based on the student organization needs and determined by Student Council and budget needs within the SB 389 overall increase framework.

In 2014 the UMSL campus restructured their tuition and required fees into a base tuition rate. The campus no longer assesses activity, facility and health service fees separately.

Table 1 on the next page shows the proposed fees compared to current fees by campus.
<table>
<thead>
<tr>
<th></th>
<th>MU</th>
<th>UMKC</th>
<th>Missouri S&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Activity</strong></td>
<td><strong>FY2014</strong></td>
<td><strong>FY2015</strong></td>
<td><strong>Recommended Increase</strong></td>
</tr>
<tr>
<td><strong>Maximum Fees per Term</strong></td>
<td><strong>Semester Rates (12 or more credit hours)</strong></td>
<td><strong>Summer Rates (7 or more credit hours)</strong></td>
<td><strong>Semester Rates (12 or more credit hours)</strong></td>
</tr>
<tr>
<td>Undergraduate Students</td>
<td>Student Activity Fee</td>
<td>$167.76</td>
<td>$170.40</td>
</tr>
<tr>
<td></td>
<td>Recreation Activity and Facility</td>
<td>138.69</td>
<td>140.67</td>
</tr>
<tr>
<td></td>
<td>Health Service Fee</td>
<td>99.17</td>
<td>100.66</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$405.62</td>
<td>$411.73</td>
</tr>
<tr>
<td>Graduate and Professional Students</td>
<td>Student Activity Fee</td>
<td>$147.60</td>
<td>$150.57</td>
</tr>
<tr>
<td></td>
<td>Recreation Activity and Facility</td>
<td>138.69</td>
<td>140.67</td>
</tr>
<tr>
<td></td>
<td>Health Service Fee</td>
<td>99.17</td>
<td>100.66</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$385.46</td>
<td>$391.90</td>
</tr>
<tr>
<td><strong>University Center Fee</strong></td>
<td>$80.34</td>
<td>$81.95</td>
<td>$1.61</td>
</tr>
<tr>
<td><strong>Student Union Fee</strong></td>
<td>175.49</td>
<td>178.13</td>
<td>2.64</td>
</tr>
<tr>
<td><strong>Transportation Fee</strong></td>
<td>14.24</td>
<td>14.45</td>
<td>0.21</td>
</tr>
<tr>
<td><strong>Student Activity Fee</strong></td>
<td>59.87</td>
<td>60.71</td>
<td>0.84</td>
</tr>
<tr>
<td><strong>Phys. Facility Fee</strong></td>
<td>8.73</td>
<td>8.73</td>
<td>-</td>
</tr>
<tr>
<td><strong>Student Health Fee</strong></td>
<td>48.96</td>
<td>49.70</td>
<td>0.74</td>
</tr>
<tr>
<td><strong>Rec. Facility Fee</strong></td>
<td>31.21</td>
<td>31.68</td>
<td>0.47</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$475.28</td>
<td>$482.64</td>
<td>$7.36</td>
</tr>
</tbody>
</table>

Note: UMSL restructured their tuition & required fees into a single combined tuition rate in FY2014 and will no longer be separately assessing activity, facility & health service fees.
Attached are rate proposals for residence halls and family student housing for fiscal year 2015. The rates would become effective in Summer Session 2014. These recommendations are being presented as an action item for approval at the January 29, 2014 board meeting.

Room and board charges vary across the four campuses and within each campus based on the residence facility and meal plan selected. The table below shows current and proposed rates for predominant room and board plan on each campus. The proposed increases are driven by various factors that impact housing and dining differently and campus operations differently including but not limited to utility costs, debt service, food costs, labor costs, and contractual arrangements with third party vendors.

Summary of Predominant Room and Board Plans for an Academic Year

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU</td>
<td>$8,780</td>
<td>$9,070</td>
<td>$290</td>
<td>3.3%</td>
</tr>
<tr>
<td>UMKC</td>
<td>$9,267</td>
<td>$9,451</td>
<td>$184</td>
<td>2.0%</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>$8,545</td>
<td>$8,810</td>
<td>$265</td>
<td>3.1%</td>
</tr>
<tr>
<td>UMSL</td>
<td>$9,640</td>
<td>$9,788</td>
<td>$148</td>
<td>1.5%</td>
</tr>
</tbody>
</table>
No. 3

Recommended Action - FY2015 Residence Hall and Family Student Housing Rates, UM

It was recommended by the respective Chancellors, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ______________ and seconded by Curator ______________, that the attached schedule of rates for the Residence Halls and Family Student Housing at MU, UMKC, Missouri S&T, and UMSL be approved effective beginning with the 2014 Summer Session.

Roll call vote Finance Committee: YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ______________.

Roll call vote of Board: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ______________.

January 29-February 1, 2014

OPEN –FIN – 3-2
Attached are rate proposals for residence halls (housing and dining) and family student housing for fiscal year 2015. These rates would become effective in Summer Session 2014. These recommendations are being presented as an action item for approval at the January 29, 2014 board meeting.

Fee proposals were prepared under the direction of the Vice Chancellors or Vice Provosts for Student Affairs on each campus. Planning for fee changes are conducted using operating assumptions unique to each campus and activity, within the context of general economic guidelines communicated by the Assistant Vice President of Planning and Budget. Student housing and dining rate proposals were developed with input from affected students and Residence Hall Associations. These groups had the opportunity to review, ask questions, and provide comments as proposed room and board rates and plans were developed.

- The proposed predominant room and board plan at MU will cost $9,070 per academic year for FY2015 and consist of a renovated traditional double room and a dining plan that provides 225 meals per semester (roughly 14 meals per week). There are a wide variety of accommodations and housing facilities to choose from. Housing rates for FY2015 range from a high of $8,640 per academic year for a single suite open over breaks to a low of $4,810 for an un-renovated traditional double room. Students choose their own housing assignments and demand is highest for the more expensive options, but lower cost options exist. Three different dining plans are available for students that live on-campus in residence halls and range from a high of $3,520 per academic year for 275 meals per semester to a low of $2,660 for 175 meals per semester. Students living on extended campus and off campus have a fourth option of a Mizzou Block 125 + $430 Prepaid E.Z. Charge in place of the Mizzou Block 175. If approved, the combined room and board contract rate for the predominant plan would increase by $290 or 3.3% for the academic year.

A key factor in funding the MU Strategic Operating Plan is to attract and retain students. Safe, attractive, and modernized housing facilities significantly aid in the recruitment of new students to MU. Housing rates reflect the required financial commitment to the comprehensive Residential Life Master Plan. Since 2004, 11 new halls have been constructed and nine halls have been renovated for a total of more than 5,000 beds. Johnston Hall is currently being renovated and will open in time to house students this fall. Wolpers Hall and a new residence hall (Virginia Avenue South is the project name) will be under renovation and construction respectively during FY2015. Both halls will reopen in the fall of 2015 (FY16). To meet student needs, extended campus apartment rental will continue. Housing rates also support MU’s nationally-recognized living and learning programs which have significantly increased students’ academic achievement, retention and graduation for many years.
The requested housing rate increase is 4.0%. An increase to debt service of approximately $1 million annually will accompany the opening of Johnston Hall in August of 2014. In addition, utility costs, which are 20% of total expenditures for Residential Life, are expected to increase 8%. Campus Dining Services will have additional utility costs beyond the rate increase due to the completion of the Sabai renovation and the Plaza 900 expansion. A 3% salary pool and an expected increase to the flat benefit rate also contribute to the need for increased rates.

In an effort to keep rates as low as possible, Residential Life and Campus Dining Services continue to look for efficiencies and opportunities to reduce costs. For example, dining plan rates are proposed to increase only 2% even though food and labor costs, the primary costs for Campus Dining Services, are expected to increase 3.0%. The difference is offset by cost reduction efforts and more effective operations such as tray-less dining to reduce food waste, more effective application of inventory management software, menu changes, and savings from vendor contracts. Expenses in Residential Life are also increasing by more than the requested rate increase. Strategic investments in more energy-efficient appliances, which have a higher initial cost but save money over time, are essential to address rapidly increasing utility rates. In addition, changes in cleaning methods and equipment have reduced cleaning times and use of cleaning chemicals while maintaining or improving cleanliness standards. Reductions in transfers to plant reserves for maintenance and repair were used to balance the budget after other cost reduction efforts were exhausted.

Increases in monthly rents for graduate and family student apartments range from 2.6% to 3.3% depending on facility and room type, but will remain well below market rate.

- The predominant room and board plan at UMKC for FY2015 will cost $9,451 per academic year and consists of a traditional double room and a 180 block meal plan with $175 in Flex cash per semester. This is an increase of 2.0% over FY2014. Room rates will increase by 1.5% and Oak Place Apartment rents will increase by 3%. Room rates vary by type of room ranging from a high of $9,740 for a single apartment to a low of $6,422 for a traditional double room. Beacon Hill Apartments will open for FY2015 adding additional capacity of 243.

UMKC food service is outsourced to a third party vendor. Meal plan rates will increase by 3.0% per adjustment clauses in the third party contract. Five different meal plans are available ranging from a high of $3,263 per academic year for a 140 meal block with $300 in Flex cash per semester to a low of $2,915 for 12 meals per week with $175 in Flex cash per semester.

- The preliminary cost of living adjustment for housing and dining services at Missouri S&T suggests that a 1.5% adjustment will be needed to generate the funding needed.
to sustain our services at their current levels. However, impeding needs for facility improvements and additional program support for Missouri S&T strategic initiatives necessitates a recommendation that the housing and dining rates be increased by 3.0%. These adjustments are expected to generate $160,000 in revenue beyond the 1.5% inflationary increase. Enrollment growth at S&T has taxed the capacity of the university’s housing and dining facilities and without some investment in both new facilities as well as improvements to existing facilities, S&T will soon be unable to meet the demand created for housing and dining services.

This facility dilemma is accelerating due to a sooner than anticipated need to close the 420 bed, Quadrangle residential complex. This is an aging complex that had been slated to be closed in the 2000 housing master plan after a successor facility was brought on line. Since that decision, most major maintenance has been deferred and the cost savings has been diverted to constructing new residential facilities. The intention had been to begin planning this year for a replacement residential facility and to cease operations of the Quadrangle facilities in either summer 2016 or summer 2017. This replacement schedule needs to be accelerated. The geothermal project will not have the capacity to deliver steam to this facility and short term options for providing steam to these buildings will cost significantly more than had been projected. With the short lifespan of these buildings, cost of a new steam delivery system does not merit making a significant investment in these facilities. As a result the Rayl Cafeteria and all but one building of the Quad Complex will be closed for FY2015.

In addition, some of the new funding will be used to fund program efforts in the S&T residential communities that support initiatives to engage freshmen and sophomores in experiential learning and campus involvement opportunities. This program effort supports some of the key elements in the S&T strategic plan. Its intent is to develop the residential experience into one that funnels students into the various campus learning experiences that compliments their personal and career objectives.

The predominant room and board plan will cost $8,810 per academic year for FY2015 and consists of a renovated double room and 12 meals per week plus $167.50 declining balance dollars per semester. The increase in the predominant room and board plan at S&T is 3.1% or $265 for the academic year. Housing rate increases range from 2.2% to 3.1% for residence halls and 4.0% for Miner Village apartments. Room rates range from a high of $8,260 for a single suite to a low of $3,420 for a traditional triple room.

Increases in meal plans at S&T range from 3.0%-3.1% with the exception of the five meals per week and $167.50 declining balance dollars plan that increases $60 or 3.9%. The same seven meal plans will be available in FY2015 and range from a high of $3,450 per academic year for 19 meals per week and $70 declining balance per semester to a low of $1,590 for five meals per week with $167.50 declining balance.
per semester. Missouri S&T uses a third party vendor for dining services and rate increases reflect the inflationary adjustments required in the contract.

- Housing and dining rates at UMSL are recommended to increase at the rate of inflation or 1.5% on average. The predominant room and board plan for FY2015 will increase $148 and will cost $9,788 per academic year. The predominant plan consists of a single room in Oak Hall and a 100 block meal plan plus $350 declining balance dollars per semester.

Housing rates will increase by 1.5% for FY2015. Housing options range from a high of $6,590 for a single room in Oak Hall to a low of $4,450 for a small single room in Villa Hall, which is primarily reserved for Optometry and older students.

UMSL’s meal plans are contracted with a third party food service provider. Four meal plans are offered and range from a low of $3,198 per academic year for a 100 meal block with a $350 declining balance per semester to a high of $3,680 for a 200 meal block with a $150 declining balance per semester. Meal plan costs will increase 1.5% per the inflationary clauses in the contract and campus negotiations.

The table on the next page summarizes the room and board predominant plan for each campus as well as the range of plan options.

Campus specific tables on the following pages show the detail contract rates for housing and dining options for each campus.
# Summary of Housing Contracts, Effective Beginning with the 2014 Summer Session

## Room and Board Plans

### MU

<table>
<thead>
<tr>
<th>Academic Year - 2 Semesters</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board - Predominant Plan</td>
<td>$8,780</td>
<td>$9,070</td>
<td>$290</td>
<td>3.3%</td>
</tr>
<tr>
<td>Renovated traditional double room</td>
<td>5,750</td>
<td>5,980</td>
<td>230</td>
<td>4.0%</td>
</tr>
<tr>
<td>225 Meal Block per semester (roughly 14 meals/week)</td>
<td>3,030</td>
<td>3,090</td>
<td>60</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

**Range of Plan Options**

- **Housing Options**
  - High: $8,310
  - Low: $4,625

- **Meal Plan Options**
  - High: $3,450
  - Low: $2,610

## Room and Board Plans

### UMKC

<table>
<thead>
<tr>
<th>Academic Year - 2 Semesters</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board - Predominant Plan</td>
<td>$9,267</td>
<td>$9,451</td>
<td>$184</td>
<td>2.0%</td>
</tr>
<tr>
<td>Traditional Double A/C</td>
<td>6,327</td>
<td>6,422</td>
<td>95</td>
<td>1.5%</td>
</tr>
<tr>
<td>Meal Plan Block 180 Meal w/$175 Flex per semester</td>
<td>2,940</td>
<td>3,029</td>
<td>89</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

**Range of Plan Options**

- **Housing Options**
  - High: $9,445
  - Low: $6,327

- **Meal Plan Options**
  - High: $3,168
  - Low: $2,830

## Room and Board Rates

### S&T

<table>
<thead>
<tr>
<th>Academic Year - 2 Semesters</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board - Predominant Plan</td>
<td>$8,545</td>
<td>$8,810</td>
<td>$265</td>
<td>3.1%</td>
</tr>
<tr>
<td>Renovated Double</td>
<td>5,795</td>
<td>5,975</td>
<td>180</td>
<td>3.1%</td>
</tr>
<tr>
<td>Meal Plan 5 - 12 Meals/Wk + DBD $167.50/sem</td>
<td>2,750</td>
<td>2,835</td>
<td>85</td>
<td>3.1%</td>
</tr>
</tbody>
</table>

**Range of Plan Options**

- **Housing Options**
  - High: $8,030
  - Low: $3,320

- **Meal Plan Options**
  - High: $3,350
  - Low: $1,530

## Room and Board Plans

### UMSL

<table>
<thead>
<tr>
<th>Academic Year - 2 Semesters</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board - Predominant Plan</td>
<td>$9,640</td>
<td>$9,788</td>
<td>$148</td>
<td>1.5%</td>
</tr>
<tr>
<td>Single Room</td>
<td>6,490</td>
<td>6,590</td>
<td>100</td>
<td>1.5%</td>
</tr>
<tr>
<td>100 Block Meals - DBD $350/sem</td>
<td>3,150</td>
<td>3,198</td>
<td>48</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Range of Plan Options**

- **Housing Options**
  - High: $6,490
  - Low: $4,384

- **Meal Plan Options**
  - High: $3,630
  - Low: $3,150

January 29-February 1, 2014

**OPEN –FIN – 3-7**
# University of Missouri - Columbia, Proposed Changes in Housing Contracts

**Effective Beginning with the 2014 Summer Session**

## Room and Board Plans

<table>
<thead>
<tr>
<th>Predominant Plan</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room and Board</td>
<td>$8,780</td>
<td>$9,070</td>
<td>$290</td>
<td>3.3%</td>
</tr>
<tr>
<td>Renovated traditional double room</td>
<td>5,750</td>
<td>5,980</td>
<td>230</td>
<td>4.0%</td>
</tr>
<tr>
<td>225 Meal Block per semester</td>
<td>3,030</td>
<td>3,090</td>
<td>60</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

## Meal Plans Options

### Regular Academic Year (Two Semesters)

<table>
<thead>
<tr>
<th>Meal Plans Options</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>275 Meal Block per semester</td>
<td>$3,450</td>
<td>$3,520</td>
<td>$70</td>
<td>2.0%</td>
</tr>
<tr>
<td>225 Meal Block per semester</td>
<td>3,030</td>
<td>3,090</td>
<td>60</td>
<td>2.0%</td>
</tr>
<tr>
<td>175 Meal Block per semester</td>
<td>2,610</td>
<td>2,660</td>
<td>50</td>
<td>1.9%</td>
</tr>
<tr>
<td>125 Meal Block per semester including $430 prepaid EZ charge</td>
<td>2,610</td>
<td>2,660</td>
<td>50</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

### Summer Session (Eight Weeks)

<table>
<thead>
<tr>
<th>Meal Plans Options</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>140 Meal Block per semester</td>
<td>878</td>
<td>896</td>
<td>18</td>
<td>2.1%</td>
</tr>
<tr>
<td>114 Meal Block per semester</td>
<td>771</td>
<td>783</td>
<td>12</td>
<td>1.6%</td>
</tr>
<tr>
<td>88 Meal Block per semester</td>
<td>664</td>
<td>669</td>
<td>5</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

## Housing Options*

### Regular Academic Year (Two Semesters)

#### Suite Style

<table>
<thead>
<tr>
<th>Housing Options</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-Suite Single</td>
<td>$8,310</td>
<td>$8,640</td>
<td>$330</td>
<td>4.0%</td>
</tr>
<tr>
<td>Single w/bath</td>
<td>8,310</td>
<td>8,640</td>
<td>330</td>
<td>4.0%</td>
</tr>
<tr>
<td>Suite Single</td>
<td>8,310</td>
<td>8,640</td>
<td>330</td>
<td>4.0%</td>
</tr>
<tr>
<td>Single (traditional)</td>
<td>7,280</td>
<td>7,570</td>
<td>290</td>
<td>4.0%</td>
</tr>
<tr>
<td>Double</td>
<td>6,820</td>
<td>7,095</td>
<td>275</td>
<td>4.0%</td>
</tr>
<tr>
<td>Double (traditional)</td>
<td>5,750</td>
<td>5,980</td>
<td>230</td>
<td>4.0%</td>
</tr>
<tr>
<td>Semi-Suite Double</td>
<td>6,820</td>
<td>7,095</td>
<td>275</td>
<td>4.0%</td>
</tr>
<tr>
<td>Suite Double</td>
<td>7,285</td>
<td>7,575</td>
<td>290</td>
<td>4.0%</td>
</tr>
<tr>
<td>Extended Campus</td>
<td>6,315</td>
<td>6,570</td>
<td>255</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

#### Renovated Traditional

<table>
<thead>
<tr>
<th>Housing Options</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$7,280</td>
<td>$7,570</td>
<td>$290</td>
<td>4.0%</td>
</tr>
<tr>
<td>Double</td>
<td>5,750</td>
<td>5,980</td>
<td>230</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

#### Unrenovated Traditional

<table>
<thead>
<tr>
<th>Housing Options</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single (Jones, Lathrop, Laws)</td>
<td>6,160</td>
<td>6,405</td>
<td>245</td>
<td>4.0%</td>
</tr>
<tr>
<td>Double (Jones, Lathrop, Laws)</td>
<td>4,625</td>
<td>4,810</td>
<td>185</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

*Rooms open over breaks cost $235 more per year.

---

January 29-February 1, 2014

OPEN – FIN – 3-8
### MU Changes in Housing Contracts (continued)

#### Room and Board Plans (continued)

<table>
<thead>
<tr>
<th>Plan Description</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Increase/Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summer Session (Eight Weeks)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>$1,495</td>
<td>$1,555</td>
<td>$60</td>
<td>4.0%</td>
</tr>
<tr>
<td>Double</td>
<td>1,065</td>
<td>1,105</td>
<td>40</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

#### Family Student Housing (Per Month)

<table>
<thead>
<tr>
<th>Housing Location</th>
<th>Plan Description</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Increase/Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Heights and University Village</td>
<td>1 Bedroom (Basic)</td>
<td>$426</td>
<td>$440</td>
<td>$14</td>
<td>3.3%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Basic)</td>
<td>504</td>
<td>520</td>
<td>16</td>
<td>3.2%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Renov.)</td>
<td>588</td>
<td>605</td>
<td>17</td>
<td>2.9%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Enlarged)</td>
<td>614</td>
<td>630</td>
<td>16</td>
<td>2.6%</td>
</tr>
<tr>
<td>Manor House Apartments</td>
<td>1 Bedroom Efficiency</td>
<td>$489</td>
<td>$505</td>
<td>$16</td>
<td>3.3%</td>
</tr>
<tr>
<td></td>
<td>1 Bedroom</td>
<td>572</td>
<td>590</td>
<td>18</td>
<td>3.1%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom</td>
<td>697</td>
<td>720</td>
<td>23</td>
<td>3.3%</td>
</tr>
<tr>
<td>Tara Apartments</td>
<td>1 Bedroom (Basic)</td>
<td>$530</td>
<td>$545</td>
<td>$15</td>
<td>2.8%</td>
</tr>
<tr>
<td></td>
<td>1 Bedroom (Basic with Laundry)</td>
<td>562</td>
<td>580</td>
<td>18</td>
<td>3.2%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Basic)</td>
<td>567</td>
<td>585</td>
<td>18</td>
<td>3.2%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Basic with Laundry)</td>
<td>582</td>
<td>600</td>
<td>18</td>
<td>3.1%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Large)</td>
<td>603</td>
<td>620</td>
<td>17</td>
<td>2.8%</td>
</tr>
<tr>
<td></td>
<td>2 Bedroom (Large with Laundry)</td>
<td>640</td>
<td>660</td>
<td>20</td>
<td>3.1%</td>
</tr>
</tbody>
</table>
# University of Missouri - Kansas City, Proposed Changes in Housing Contracts

**Effective Beginning with the 2014 Summer Session**

<table>
<thead>
<tr>
<th>Room and Board Plans</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Predominant Plan</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room and Board</td>
<td>$9,267</td>
<td>$9,451</td>
<td>$184</td>
<td>2.0%</td>
</tr>
<tr>
<td>Traditional Double - A/C</td>
<td>$6,327</td>
<td>$6,422</td>
<td>95</td>
<td>1.5%</td>
</tr>
<tr>
<td>Meal Plan Block 180 Meal w/$175 Flex per sem</td>
<td>2,940</td>
<td>3,029</td>
<td>89</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Meal Plans Defined</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meal Plan 1 - 15 meal - w/$125 Flex/sem</td>
<td>$2,957</td>
<td>$3,046</td>
<td>$89</td>
<td>3.0%</td>
</tr>
<tr>
<td>Meal Plan 2 - 12 meal - w/$175 Flex/sem</td>
<td>2,830</td>
<td>2,915</td>
<td>85</td>
<td>3.0%</td>
</tr>
<tr>
<td>Meal Plan 3 - 180 Block Meal w/ $175 Flex/sem</td>
<td>2,940</td>
<td>3,029</td>
<td>89</td>
<td>3.0%</td>
</tr>
<tr>
<td>Meal Plan 4 - 160 Block Meal w/$200 Flex/sem</td>
<td>2,940</td>
<td>3,029</td>
<td>89</td>
<td>3.0%</td>
</tr>
<tr>
<td>Meal Plan 5 - 140 Block Meal w/$300 Flex/sem</td>
<td>3,168</td>
<td>3,263</td>
<td>95</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Housing Options - Regular Academic Year (Two Semesters)</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnson Hall</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Double A/C</td>
<td>$6,327</td>
<td>$6,422</td>
<td>$95</td>
<td>1.5%</td>
</tr>
<tr>
<td>Single Private Bath A/C</td>
<td>8,007</td>
<td>8,127</td>
<td>120</td>
<td>1.5%</td>
</tr>
<tr>
<td>Single Shared Bath A/C</td>
<td>7,832</td>
<td>7,949</td>
<td>117</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Oak Street East</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Double A/C</td>
<td>$6,327</td>
<td>$6,422</td>
<td>$95</td>
<td>1.5%</td>
</tr>
<tr>
<td>Single Private Bath A/C</td>
<td>8,007</td>
<td>8,127</td>
<td>120</td>
<td>1.5%</td>
</tr>
<tr>
<td>Single Shared Bath A/C</td>
<td>7,832</td>
<td>7,949</td>
<td>117</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Oak Place Apts</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quad Apt</td>
<td>$7,375</td>
<td>$7,596</td>
<td>$221</td>
<td>3.0%</td>
</tr>
<tr>
<td>Double Apt</td>
<td>8,560</td>
<td>8,817</td>
<td>257</td>
<td>3.0%</td>
</tr>
<tr>
<td>Single Apt</td>
<td>9,445</td>
<td>9,728</td>
<td>283</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beacon Hill Apts</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quad Apts</td>
<td>-</td>
<td>$7,740</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Double Apt</td>
<td>-</td>
<td>8,820</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Single Apt</td>
<td>-</td>
<td>9,740</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

January 29-February 1, 2014

OPEN – FIN – 3-10
UMKC Changes in Housing Contracts (continued)

<table>
<thead>
<tr>
<th>Summer Session</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oak Street East - Room Only</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>$1,745</td>
<td>$1,771</td>
<td>$26</td>
<td>1.5%</td>
</tr>
<tr>
<td>Double</td>
<td>1,424</td>
<td>1,445</td>
<td>21</td>
<td>1.5%</td>
</tr>
<tr>
<td>Johnson Hall - Room Only</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>$1,745</td>
<td>$1,771</td>
<td>$26</td>
<td>1.5%</td>
</tr>
<tr>
<td>Double</td>
<td>1,424</td>
<td>1,445</td>
<td>21</td>
<td>1.5%</td>
</tr>
<tr>
<td>Oak Place Apts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quad Apt</td>
<td>$1,432</td>
<td>$1,475</td>
<td>$43</td>
<td>3.0%</td>
</tr>
<tr>
<td>Double Apt</td>
<td>1,662</td>
<td>1,712</td>
<td>50</td>
<td>3.0%</td>
</tr>
<tr>
<td>Single Apt</td>
<td>1,854</td>
<td>1,910</td>
<td>56</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

January 29-February 1, 2014

OPEN –FIN – 3-11
Missouri University of Science and Technology, Proposed Changes in Housing Contracts

Effective Beginning with the 2014 Summer Session

<table>
<thead>
<tr>
<th>Predominant Plan</th>
<th>Missouri S&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY2014</td>
</tr>
<tr>
<td>Predominant Plan</td>
<td>$8,545</td>
</tr>
<tr>
<td>Predominant Plan</td>
<td></td>
</tr>
<tr>
<td>Thomas Jefferson North Renovated Double</td>
<td>5,795</td>
</tr>
<tr>
<td>Meal Plan 5 - 15 Meals + $145 DBD</td>
<td>2,750</td>
</tr>
</tbody>
</table>

| Meal Plans Defined                                    |         |         |         |                  |
| Meal Plan 1 – Dec Bal Dollars                        | $2,635  | $2,715  | $80     | 3.0% |
| Meal Plan 2 – 300 Meal Block + $220 DBD              | 2,980   | 3,070   | 90      | 3.0% |
| Meal Plan 3 – 19 Meals/Wk + $140 DBD                 | 3,350   | 3,450   | 100     | 3.0% |
| Meal Plan 4 – 15 Meals/Wk + $145 DBD                 | 2,800   | 2,885   | 85      | 3.0% |
| Meal Plan 5 – 12 Meals/Wk + $335 DBD                 | 2,750   | 2,835   | 85      | 3.1% |
| Meal Plan 6 – 10 Meals/Wk + $450 DBD                 | 2,750   | 2,835   | 85      | 3.1% |
| Meal Plan 7 – 5 Meals/Wk + $335 DBD                  | 1,530   | 1,590   | 60      | 3.9% |

| Housing Options - Regular Academic Year (Two Semesters) |         |         |         |                  |
| Quadrangle Rooms                                      |         |         |         |                  |
| Triple                                                | $3,320  | $3,420  | $100    | 3.0% |
| Double                                                | 4,815   | 4,960   | 145     | 3.0% |
| Single                                                | 6,050   | 6,230   | 180     | 3.0% |
| Farrar Hall Co-op                                     |         |         |         |                  |
| Double                                                | $5,890  | $6,065  | $175    | 3.0% |
| Single                                                | 7,265   | 7,485   | 220     | 3.0% |
| Residential College Suites                           |         |         |         |                  |
| Double                                                | $6,760  | $6,910  | $150    | 2.2% |
| Deluxe Double                                         | 7,310   | 7,475   | 165     | 2.3% |
| Single                                                | 8,030   | 8,260   | 230     | 2.9% |
| Single in Triple Suite                                | 7,400   | 7,565   | 165     | 2.2% |
| Thomas Jefferson North                                |         |         |         |                  |
| Double Room                                           | $5,795  | $5,975  | $180    | 3.1% |
| Single Room                                           | 7,145   | 7,360   | 215     | 3.0% |
| Thomas Jefferson South                                |         |         |         |                  |
| Double Room                                           | $5,915  | $6,090  | $175    | 3.0% |
| Large Double Room                                     | 6,115   | 6,300   | 185     | 3.0% |
| Single Room                                           | 7,275   | 7,495   | 220     | 3.0% |
| Miner Village Apartments                               |         |         |         |                  |
| 4 Bedroom Apartments                                  | $6,550  | $6,810  | $260    | 4.0% |
| 2 Bedroom Apartments                                  | 7,050   | 7,330   | 280     | 4.0% |

January 29-February 1, 2014

OPEN –FIN – 3-12
### Summer Session-Combined Room and Board Rates

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thomas Jefferson—full meals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Double</td>
<td>$1,610</td>
<td>$1,660</td>
<td>$50</td>
<td>3.1%</td>
</tr>
<tr>
<td>Single</td>
<td>1,815</td>
<td>1,870</td>
<td>55</td>
<td>3.0%</td>
</tr>
<tr>
<td><strong>Thomas Jefferson—partial meals</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Double</td>
<td>$1,510</td>
<td>$1,555</td>
<td>$45</td>
<td>3.0%</td>
</tr>
<tr>
<td>Single</td>
<td>1,715</td>
<td>1,765</td>
<td>50</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

### Family Student Housing (Per Month)

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Decrease</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Bedroom (Basic)</td>
<td>$665</td>
<td>$685</td>
<td>$20</td>
<td>3.0%</td>
</tr>
<tr>
<td>2 Bedroom (Furnished)</td>
<td>760</td>
<td>785</td>
<td>25</td>
<td>3.3%</td>
</tr>
<tr>
<td>Murry (Furnished)</td>
<td>840</td>
<td>865</td>
<td>25</td>
<td>3.0%</td>
</tr>
<tr>
<td>Murry (Furnished Plus)</td>
<td>855</td>
<td>880</td>
<td>25</td>
<td>2.9%</td>
</tr>
</tbody>
</table>
University of Missouri - St. Louis, Proposed Changes in Housing Contracts
Effective Beginning with the 2014 Summer Session

<table>
<thead>
<tr>
<th>Predominant Plan</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Room and Board</strong></td>
<td>$9,640</td>
<td>$9,788</td>
<td>$148</td>
<td>1.5%</td>
</tr>
<tr>
<td>Oak Single Room</td>
<td>6,490</td>
<td>6,590</td>
<td>100</td>
<td>1.5%</td>
</tr>
<tr>
<td>100 Block Meals - $350 declining balance/sem</td>
<td>3,150</td>
<td>3,198</td>
<td>48</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Meal Plans Defined**

<table>
<thead>
<tr>
<th>Plan Description</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/ Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 Block Meals - DBD $350/sem</td>
<td>$3,150</td>
<td>$3,198</td>
<td>$48</td>
<td>1.5%</td>
</tr>
<tr>
<td>150 Block Meals - DBD $250/sem</td>
<td>3,530</td>
<td>3,580</td>
<td>50</td>
<td>1.4%</td>
</tr>
<tr>
<td>200 Block Meals - DBD $150/sem</td>
<td>3,630</td>
<td>3,680</td>
<td>50</td>
<td>1.4%</td>
</tr>
<tr>
<td>All Declining Balance Dollars (DBD)</td>
<td>3,300</td>
<td>3,350</td>
<td>50</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

**Housing Options - Regular Academic Year (Two Semesters)**

**Oak Hall**

- **Double Room**: $5,200 → $5,280, Increase: $80, Percent Change: 1.5%
- **Single Room**: 6,490 → 6,590, Increase: 100, Percent Change: 1.5%

**Villa Hall**

- **Double Room**: $4,048 → $4,294, Increase: $246, Percent Change: 6.1%
- **Shared Full Bath**: 4,294 → 4,404, Increase: 110, Percent Change: 2.6%
- **Private Full Bath**: 4,404 → 4,554, Increase: 150, Percent Change: 3.5%
- **Small Single Room**: $4,384 → $4,450, Increase: 66, Percent Change: 1.5%
- **Private Full Bath**: 4,670 → 4,620, Decrease: 50, Percent Change: 1.4%
- **Private Half Bath**: 4,554 → 4,560, Increase: 6, Percent Change: 0.1%

**Standard Single Room**

- **Double Room**: $5,310 → $5,390, Increase: 80, Percent Change: 1.5%
- **Shared Half Bath**: 5,395 → 5,470, Increase: 75, Percent Change: 1.4%
- **Shared Full Bath**: 5,445 → 5,520, Increase: 75, Percent Change: 1.4%
- **Private Half Bath**: 5,480 → 5,560, Increase: 80, Percent Change: 1.5%
- **Private Full Bath**: 5,580 → 5,660, Increase: 80, Percent Change: 1.4%

**Super Single Room**

- **Double Room**: $5,766 → $5,850, Increase: 84, Percent Change: 1.5%
- **Shared Half Bath**: 5,850 → 5,940, Increase: 90, Percent Change: 1.5%
- **Private Full Bath**: 6,030 → 6,120, Increase: 90, Percent Change: 1.5%
- **Shared Full Bath**: 5,920 → 6,008, Increase: 88, Percent Change: 1.5%

**Villa Honors & Optometry only**

- **Double Room**: $4,450 → $4,510, Increase: 60, Percent Change: 1.3%

January 29-February 1, 2014
OPEN –FIN – 3-14
UM-St. Louis, Changes in Housing Contracts (continued)

<table>
<thead>
<tr>
<th>Summer Session - Room Only</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oak Hall Double Room</td>
<td>$1,975</td>
<td>$2,005</td>
<td>$30</td>
<td>1.5%</td>
</tr>
<tr>
<td>Oak Hall Single Room</td>
<td>2,465</td>
<td>2,500</td>
<td>35</td>
<td>1.4%</td>
</tr>
<tr>
<td>Small Single Room</td>
<td>1,646</td>
<td>1,670</td>
<td>24</td>
<td>1.5%</td>
</tr>
<tr>
<td>Private Half Bath</td>
<td>-</td>
<td>1,755</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>Standard Single Room</td>
<td>1,990</td>
<td>2,020</td>
<td>30</td>
<td>1.5%</td>
</tr>
<tr>
<td>Shared Half Bath</td>
<td>-</td>
<td>2,060</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>Shared Full Bath</td>
<td>-</td>
<td>2,090</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>Private Full Bath</td>
<td>-</td>
<td>2,155</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>Super Single Room</td>
<td>2,160</td>
<td>2,190</td>
<td>30</td>
<td>1.4%</td>
</tr>
<tr>
<td>Shared Half Bath</td>
<td>-</td>
<td>2,240</td>
<td>(3)</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Family Student Housing (Per Month)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Increase/Decrease</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mansion Hill 1 Bedroom</td>
<td>$640</td>
<td>$645</td>
<td>$5</td>
<td>0.8%</td>
</tr>
<tr>
<td>Mansion Hill 2 Bedroom</td>
<td>830</td>
<td>840</td>
<td>10</td>
<td>1.2%</td>
</tr>
<tr>
<td>Mansion Hill Dept &amp; Student Leader 1 Bedroom</td>
<td>-</td>
<td>545</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>Mansion Hill Dept &amp; Student Leader 2 Bedroom</td>
<td>-</td>
<td>740</td>
<td>(4)</td>
<td>-</td>
</tr>
<tr>
<td>Mansion Hill Efficiency Unit</td>
<td>555</td>
<td>555</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Mansion Hill Loft Unit</td>
<td>640</td>
<td>645</td>
<td>5</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

Notes:
1. Villa Hall double room type will not be an available room option.
2. Villa North Honors only option is being converted to the Villa Honors & Optometry housing option.
3. Room types being added for FY2015 as available room options during the summer semester.
   Rates are consistent with the various bath options during the fall and spring semesters.
4. FY2015 represents new apartment housing options for student leaders.
FY2015 Tuition and Other Related Enrollment Fees
UM

In November 2013, preliminary information about recommended changes to tuition and fees was presented to the Board. These recommendations have been refined and adjusted to incorporate the impact of the CPI actual change of 1.5% versus the November estimate of 1.7%. This page provides a summary of the FY2015 recommendations, which are being presented for approval at the January 29, 2014 Board meeting. Rationale for the increases and details of the recommendations are provided on the following pages.

- Undergraduate nonresident and graduate resident and nonresident tuition rates are proposed to increase as shown in the table below.

<table>
<thead>
<tr>
<th></th>
<th>Nonresident Undergrad</th>
<th>Resident Graduate</th>
<th>Nonresident Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU</td>
<td>3.0%</td>
<td>1.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>UMKC</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>3.0%</td>
<td>1.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>UMSL</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

- Professional School tuition rates are proposed to increase from 0% to 6% depending on the program. Two graduate programs in the UMKC Medical School are recommending declines in nonresident tuition. The only changes from November were due to the change in the inflation rate.

- In general, supplemental fee rates are proposed to increase at the rate of inflation rounded to the nearest $0.10. Exceptions are:
  - Fees/increases approved by the Board last year that were to be phased in.
  - Proposed increases greater than inflation for selected schools and colleges at MU, UMKC, and S&T.
  - New supplemental fees at MU for Engineering, Arts & Science, Health Management and Informatics and the Truman School of Public Policy.

- eLearning, Special Program Delivery and Continuing Education Fees will increase at inflation or remain flat with the following exceptions:
  - MU CE Instructional Fee Maximum will increase to $1,000.
  - UMSL is restructuring its CE Distance Learning Fee.
No. 4

Recommended Action - FY 2015 Tuition and Other Related Enrollment Fees, UM

It was recommended by the respective Chancellors, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ___________________ and seconded by Curator ________________, that the attached schedule of rates for tuition and supplemental fees be approved, effective beginning with the 2014 Summer Session.

1. Tuition, supplemental fees, and eLearning, special program delivery and continuing education fees as shown in the attached schedules and described in the Board materials be approved and become effective beginning with the 2014 summer session. Specifically this includes:

a. Tuition rates to increase as follows:
   i. Nonresident undergraduate tuition to increase 1.5% at UMKC and UMSL, and 3% at MU and S&T.
   ii. Resident graduate tuition to increase 1.5%.
   iii. Nonresident graduate tuition to increase 1.5% at UMKC and UMSL, 3% at MU and 6% at S&T.
   iv. Professional school tuition to increase from 0-6% with declines in two graduate programs in UMKC medical school for nonresidents of 20%.

b. eLearning, Special Program Delivery and Continuing Education Fees will increase at inflation or remain flat with the following exceptions:
   i. MU CE instructional Fee Maximum will increase to $1,000.
   ii. Restructure CE Distance Learning Fee at UMSL as proposed.

c. Supplemental fees will increase at the rate of inflation rounded to the nearest $0.10 will the exceptions described below.
   i. Multiyear increases approved by the Board last year.
   ii. College of Ag, Food and Natural Resources course fee will increase to $48.70 per credit hour.
   iii. College of Education course fee at MU will increase to $47.60 per credit hour.
   iv. School of Health Professions course fee at MU will increase to $92.40 per credit hour.
v. MU School of Journalism course fee will increase to $74 per credit hour.
vi. MU Sinclair School of Nursing undergraduate course fee will increase to $70 and graduate clinical nursing fee will increase to $190 per credit hour.
vii. UMKC School of Education course fee will increase to $15.50 per credit hour.
viii. UMKC Engineering course fee will increase to $72.20 per credit hour.
ix. Supplemental course fees at S&T for Engineering will increase to $90.50 per credit hour.
x. S&T Science supplemental fee for Biological Sciences and Chemistry will increase to $88 per credit hour.
xii. S&T Science supplemental fee Physics will increase to $43.10 per credit hour.
xii. S&T Business, IS&T and M&IS course fee will increase to $44 per credit hour.

d. New supplemental course fees will be approved as follows:
   i. MU College of Arts & Science course fee of $25 per credit hour in FY15 increasing to $40 over four years for 2000 level and above A&S courses as well as 2000 level and above science courses taught by the School of Medicine.
   ii. MU Engineering Excellence course fee of $30 per credit hour for resident students and $70 for nonresident students increasing over the following four years in a similar manner.
   iii. Health Management and Informatics graduate course fee of $30 per credit hour at MU.
   iv. MU Truman School graduate course fee of $40 per credit hour.

2. Effective beginning with the 2014 summer session, the Board of Curators revokes and repeals all previous tuition and fee schedules and adopts the attached tuition and other related enrollment fee schedules. The Board finds such action to be necessary for the maintenance and operation of the University.
Roll call vote Finance Committee:  YES  NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ______________.

Roll call vote of Board of Curators:  YES  NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ______________
FY2015 Tuition and Other Related Enrollment Fees

Following are the recommendations regarding tuition and other related enrollment fees effective beginning with the 2014 summer session. Specifically, the materials include recommendations concerning nonresident undergraduate tuition, graduate tuition, professional schools tuition, supplemental fees, eLearning and special delivery program fees, and continuing education fees. Fee rate schedules are located at the end of the document.

**Undergraduate Tuition**

*Resident*
Resident undergraduate tuition rates are recommended to remain flat and were presented in a separate action item.

*Nonresident*
Nonresident undergraduate tuition rates are recommended to increase 3% at MU and S&T and 1.5% at UMKC and UMSL. This recommendation is based on the economic and market circumstances of each of the campuses. Even with the recommended increases, nonresident tuition still compares favorably with both our peer and competitor institutions.

**Graduate Tuition**

*Resident and Non-Resident*
Resident graduate tuition rates are recommended to increase at the rate of inflation or 1.5% for all campuses. Nonresident rates increase 1.5% at UMKC and UMSL, 3% at MU and 6% at S&T. This recommendation is based on the economic and market circumstances as well as the strategic plan of each of the campuses, and is detailed for residents below.

**FY2015 Graduate Tuition for Resident Students**

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit Hour</td>
<td>Academic Year</td>
<td>Per Credit Hour</td>
</tr>
<tr>
<td>MU</td>
<td>$342.20</td>
<td>$8,213</td>
<td>$347.30</td>
</tr>
<tr>
<td>UMKC</td>
<td>$337.40</td>
<td>$8,098</td>
<td>$342.50</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>$370.10</td>
<td>$8,882</td>
<td>$375.70</td>
</tr>
<tr>
<td>UMSL</td>
<td>$409.10</td>
<td>$9,818</td>
<td>$415.20</td>
</tr>
</tbody>
</table>
UMKC and UMSL have Metropolitan graduate tuition rates for students from Kansas and Illinois counties in their market area. The Metropolitan tuition rates are the same as Missouri resident rates.

**Professional School Tuition**

Professional school tuition rates are recommended to increase at varying levels based on cost and market analysis of the particular schools and their relationship to the campus strategic plans. These recommendations are summarized below.

<table>
<thead>
<tr>
<th>Professional School Program</th>
<th>Resident</th>
<th>Non Resident</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU Law, JD and LLM</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>MU Medicine, MD</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>MU Veterinary Medicine</td>
<td>6.0%</td>
<td>2.5%</td>
</tr>
<tr>
<td>UMKC Dental School, DDS</td>
<td>4.8%</td>
<td>4.8%</td>
</tr>
<tr>
<td>UMKC Dental School, Grad</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>UMKC Law, JD and LLM</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>UMKC Medicine Years 1-2</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>UMKC Medicine Years 3-6</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
<tr>
<td>UMKC Medicine, Anesthesia MS</td>
<td>0.5%</td>
<td>-20.0%</td>
</tr>
<tr>
<td>UMKC Medicine, Physician Asst. MS</td>
<td>0.0%</td>
<td>-20.0%</td>
</tr>
<tr>
<td>UMKC Pharmacy, Dpharm</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>UMSL Optometry, OD</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

The 6% increase in rates for College of Veterinary Medicine resident students at MU will be used to increase competitiveness of teaching faculty salaries, fortify experiential learning on off-campus sites, and enhance CVM imaging infrastructure. Currently MU is below the average cost for tuition and fees amongst the 28 U.S. Veterinary Colleges, and will remain below the average after this fee increase.

Average Resident tuition & fee: $24,861 (2012-2013)
Missouri Resident tuition & fee: $20,092 (2012-2013)

The 20% decline in nonresident tuition rates for UMKC Medical School graduate programs of Anesthesia and Physician Assistant are revenue neutral as they are currently heavily discounted to nonresident students. This decline in tuition rates will be offset by a corresponding decline in financial aid, and will improve the marketing of the programs.
eLearning, Special Program Delivery and Continuing Education Fee Rates

Many of these fees are linked to other tuition rates and will increase accordingly. Recommended other changes are described below:

- MU is recommending their CE Instructional Fee Maximum increase to $1,000 which is below S&T and UMSL.
- UMSL is proposing to restructure its CE Distance Learning Fee and replace it with four fee rates; CE Distance Learning - Business, CE Distance Learning - Education, CE Distance Learning - Nursing, and CE Distance Learning - Other. The proposal is revenue neutral but will more accurately reflect cost of delivery of the programs.

Supplemental Fees

Supplemental fees are assessed for enrollment in specific courses and are not subject to SB389, with the exception of the Information Technology fee which is assessed for enrollment in all courses. Supplemental fees represent about 6% of net tuition and fees for the university. While they are not a significant part of the total net tuition and fees budget, they can be critically important in meeting strategic needs of particular schools and colleges.

An analysis was made of the use of supplemental academic fees by the major institutions in the states contiguous to Missouri. Results of this analysis show all of the institutions use either variable tuition by college or school, supplemental fees for courses by college or school, or supplemental course fees for specific courses. Most institutions use two or more of these types of supplemental fees. In addition, many also charge a supplemental fee to all students related to technology.

There are four types of changes in supplemental fees recommended for FY2015:

- Increases previously approved by the Board and phased in over multiple years,
- Increases at the rate of inflation rounded to the nearest $0.10,
- Increases greater than the rate of inflation for selected schools and colleges, and
- New supplemental fees.

Additional information is provided below for increases in supplemental fees greater than the rate of inflation and on the new fee requests.

Increases in Supplemental Fees Greater than Inflation

MU needs $60 million to fund its strategic plan in FY2015. Increased revenues from new fees and increases in fees are estimated at $6.1 million. Of this amount, 35% will be generated from nonresident students.
The table below shows the increases requested beyond CPI, impact on students, funding generated, and the link to the campus strategic plan. These increases in supplemental fees are anticipated to generate $1.3 million in FY2015.

### Proposed Supplemental Fee Changes Greater than Inflation

<table>
<thead>
<tr>
<th>College or School</th>
<th>New Rate</th>
<th>Increase Amount</th>
<th>Student Impact Amount</th>
<th>Dollars Generated</th>
<th>Strategic Plan Lever(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAFNR</td>
<td>$48.70</td>
<td>$2.50</td>
<td>3,830</td>
<td>$127,600</td>
<td>1.4, 3.1, &amp; 3.2</td>
</tr>
<tr>
<td>Education Undergrad</td>
<td>47.60</td>
<td>8.00</td>
<td>1,000</td>
<td>147,710</td>
<td>1.4</td>
</tr>
<tr>
<td>Health Professions</td>
<td>92.40</td>
<td>16.00</td>
<td>2,700</td>
<td>817,000</td>
<td>1.3, 2.1, 2.3, &amp; 3.1</td>
</tr>
<tr>
<td>Journalism</td>
<td>74.00</td>
<td>13.00</td>
<td>2,850</td>
<td>114,448</td>
<td>2.3, &amp; 3.2</td>
</tr>
<tr>
<td>Nursing Undergrad</td>
<td>70.00</td>
<td>3.10</td>
<td>303</td>
<td>62,933</td>
<td>1.4 &amp; 3.2</td>
</tr>
<tr>
<td>Nursing Grad</td>
<td>190.00</td>
<td>4.40</td>
<td>239</td>
<td>3,155</td>
<td>1.4 &amp; 3.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$1,272,846</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Lower Classmen $169, Yr. 3 $195, Yr. 4 $208, Masters $240, PhDs $133-$200

The UMKC Computing and Engineering supplemental course fee is recommended to increase to $72.20 per credit hour, an increase of $3.40 per credit hour. It will impact approximately 1,271 students by approximately $44 annually. Net fee revenue generated from the increase is anticipated to be $56,000.

During a recent accreditation visit, ABET program evaluators noted the need for additional lab components in the junior and senior years for both the Computer Science Electrical Engineering (CSEE) and Civil and Mechanical Engineering (CME) departments. CSEE recently added a new electronics lab and CME is planning to add a mechatronics lab in their junior year. The two labs will require $30-40,000 per year to replenish instructional components and materials. Currently, the School of Computing & Engineering (SCE) funds its teaching laboratories with a combination of supplemental fee revenues and discretionary funds. However, these sources are severely strained and cannot accommodate additional demands. SCE has explored alternative plans to require students to purchase their own consumables, but those plans have major drawbacks for both students and departments and are much more expensive. Fees generated will be dedicated to implementation of additional lab components recommended by ABET program. Funds will primarily be used to provide and replace lab consumables and allow dedication of discretionary funds to capital improvements.

The UMKC School of Education course fee is recommended to increase $2 to $15.50 per credit hour. It will impact approximately 1,246 students by approximately $35 annually. The net fee revenue generated from the increase is anticipated to be $43,800.

The Missouri State Board of Education approved new Standards for the Preparation of Educators (MoSPE) that will require our professional education students to...
submit video segments of their teaching and service delivery to students and clients. To enable students to check out digital video cameras to meet this new requirement and to use computers that have high-quality video-editing capabilities, the SOE will need to purchase additional video cameras and update software. Additionally, this modest increase will enable the SOE to update its instructional technology equipment housed in the Teaching and Learning Lab as an instructional resource for ALL SOE students. Lastly, with new demands being placed on students through state standards and national accreditation bodies, students will need more assistance in learning and utilizing new technology equipment and software. A portion of the fee increase will be used to hire student workers to assist students in learning and effectively using the new technology to meet their course and program requirements.

S&T is requesting increases above inflation in their science, engineering, and business supplemental fees. The increases will range from $5.60 to $11.80 per credit hour. From the 2012 National Study of Instructional Costs & Productivity, direct costs for engineering, science and business disciplines are more than twice as much as their other programs. S&T’s costs mirror the same differential reflected in national median data for these disciplines.

Enrollment has grown dramatically over the past several years in these programs. Since 2000 Engineering enrollment has grown 85% to a total of 6,062. Freshmen Engineering has grown by 118%, which foreshadows increased growth in the future. The Science disciplines have grown by 73%. Business and Information Technology enrollments have quadrupled. Just this past year, Business and Information Technology enrollments grew over 20% to 358 students. Since 2000, total enrollment at Missouri S&T has grown 76% while the faculty has only grown 3%.

The need to maintain quality is an important component of this request. Laboratory intensive programs have challenging issues related to rapid growth. Laboratory sections are typically smaller classes that allow for increased faculty to student interaction and experiential learning. Enrollment growth, then, requires the creation of multiple lab sections due to space and equipment constraints. These multiple lab sections put an additional strain on our faculty. Of course, one immediately thinks of the Science, Engineering and Information Technology programs when discussing laboratories; however S&T’s Business programs are unique in they are technology based and have similar constraints with respect to rapid growth. Missouri S&T has had to place students on wait lists for laboratory sections because sections are at capacity. For example, this spring a transfer student could not get into engineering physics and subsequently has delayed his start date until fall.

S&T expects these fee increases to generate approximately $1,365,000. The additional funds will be used to add full and part time faculty as well as graduate teaching assistants to support the Missouri S&T strategic plan initiatives.
New Supplemental Fees

MU is proposing new supplemental fees for its graduate programs in Health Management and Informatics and Truman School of Public Policy. These requests are detailed below.

**Health Management and Informatics Course Fee: $30 per credit hour.**
This fee will impact 70 students in the two-year graduate program. The impact is $900 per student per year; net funds generated are $63,000.

Funds will be used to update and expand classroom equipment, software and subscription services for applied and practical learning, and to support students’ professional development and provide career services. Cost of the program with fee increase is still a value compared to other state programs. This course fee supports Strategic Goals 3.12 and 3.15 of the campus strategic plan.

**Truman School of Public Policy Course Fee: $40 per credit hour** (new students only). This fee will impact 125 students at a cost of approximately $960 each. Net funds generated are expected to be $120,000 annually.

This fee is necessary to ensure the School can provide career services their students require and their peer competitors already provide. Graduate tuition and program fees will remain very competitive inclusive of the new fee. Revenues generated will be used to enhance career and professional development services, including creation of an office of career and alumni services, and to support student participation in professional meetings and other off-campus activities crucial for professional development of MPA and PhD students. This proposal supports Strategic Goals 1.1 and 2.3 of the campus strategic plan.

MU is requesting new supplemental fees that impact both undergraduate and graduate students in Engineering and Arts and Sciences. These new fees are anticipated to generate $1.5 million and $1.8 million respectively.

The **College of Engineering** has experienced 77% growth in undergraduate students since fall 2004 compared to campus growth of 29%. This has resulted in high student to faculty ratios and large class sizes. While quality has been maintained, as evidenced by average ACT scores of 27.9 and a graduation rate of 76%, this school is at a tipping point and quality is at risk unless additional income is generated.

The college requests a new Engineering Excellence Course Fee of $30 for resident students and $70 for nonresident students for FY2015. These fees would increase at similar rates for the following four years. This plan would generate an additional $1.5 million in year one increasing to $6 million annually at the end of the five-year plan.
The newly generated funds would be used to:

- hire 20 new faculty,
- fund high-performing faculty and staff raises,
- renovate labs and other instructional/research space at a cost of $3.5 million,
- fund equipment/lab development and technical support, and
- hire instructors and other teaching support.

The impact of the fee increases on students in year one is estimated to be $180 for a resident freshman and $900 for a resident senior. For nonresident students, the impact is $420 for a freshman and $2,100 for a senior in year one.

The College of Arts and Sciences (A&S) at MU is requesting a new supplemental course fee for all courses at the 2000 level and above. This fee would apply to 2000 level and above science courses taught by the School of Medicine as well. A&S is also proposing to eliminate the current lab fees. A $25 per credit hour fee is recommended for FY2015, increasing to $40 over the next three years. These changes are anticipated to result in net new revenue of $1.8 million in year one and $4 million annually when fully implemented. The fee has been discussed with the A&S student government and has their support.

Approximately $1.2 million of new revenue will be spent in year one to renovate instructional STEM laboratories. Of the remaining funds from year one $200,000 will be used for student support through scholarships for study abroad emphasizing STEM, and $400,000 for improved faculty salaries for high performers. Additional Tenure Track faculty hiring will begin in year two.

Impact of the fee increase for an upperclassman majoring in A&S is $475 in year one. For a non-A&S major the impact is estimated to be $88. When fully implemented, impact on an upperclassman in A&S will be $1,284 compared to $282 for a non A&S major.

Rate schedules for tuition and other enrollment fees proposed in this action are shown on the following pages.
# UNIVERSITY OF MISSOURI - Columbia
## Tuition Rates

**Beginning with the 2014 Summer Session**

**January 29, 2014**

<table>
<thead>
<tr>
<th>TUTION</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Level or Professional Program</td>
<td>Per Credit Hour Rate</td>
<td>Flat Rate</td>
</tr>
<tr>
<td>Residence Status</td>
<td>Term Type</td>
<td>Plateau</td>
</tr>
<tr>
<td>**Undergraduate * **</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td><strong>Graduate</strong></td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td><strong>Law, UMC JD</strong></td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td><strong>Law, UMC LLM</strong></td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td><strong>Medicine, UMC MD</strong></td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Missouri</td>
<td>Summer</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Summer</td>
</tr>
<tr>
<td><strong>Veterinary Medicine, UMC, DVM</strong></td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
</tbody>
</table>

## UNIVERSITY OF MISSOURI - Columbia
## Supplemental Course Fees

**Beginning with the 2014 Summer Session**

**January 31, 2014**

<table>
<thead>
<tr>
<th>SUPPLEMENTAL FEES</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit Hour Rate</td>
<td>Flat Rate</td>
</tr>
<tr>
<td><strong>Information Technology Fee</strong></td>
<td>$12.80</td>
<td>$13.00</td>
</tr>
<tr>
<td>College of Ag, Food and Natural Resources Course Fee</td>
<td>$46.20</td>
<td>$48.70</td>
</tr>
<tr>
<td>College of Arts &amp; Science Course Fee **</td>
<td>NA</td>
<td>$25.00</td>
</tr>
<tr>
<td>Trulaske College of Business Undergraduate Course Fee</td>
<td>$71.30</td>
<td>$72.40</td>
</tr>
<tr>
<td>Trulaske College of Business Graduate Course Fee</td>
<td>$83.70</td>
<td>$85.00</td>
</tr>
<tr>
<td>College of Education Graduate Course Fee</td>
<td>$39.60</td>
<td>$40.20</td>
</tr>
<tr>
<td>College of Education Undergrad Course Fee</td>
<td>$39.60</td>
<td>$47.60</td>
</tr>
<tr>
<td>College of Engineering Course Fee</td>
<td>$78.40</td>
<td>$79.60</td>
</tr>
<tr>
<td>Engineering Excellence Course Fee - Resident</td>
<td>NA</td>
<td>$30.00</td>
</tr>
<tr>
<td>Engineering Excellence Course Fee -Non-Resident</td>
<td>NA</td>
<td>$70.00</td>
</tr>
<tr>
<td>School of Health Professions Course Fee</td>
<td>$76.40</td>
<td>$92.40</td>
</tr>
<tr>
<td>Health Management and Informatics Course Fee</td>
<td>NA</td>
<td>$30.00</td>
</tr>
<tr>
<td>School of Journalism Course Fee</td>
<td>$61.00</td>
<td>$74.00</td>
</tr>
<tr>
<td>Sinclair School of Nursing Clinical Nursing Graduate Fee</td>
<td>$185.60</td>
<td>$190.00</td>
</tr>
<tr>
<td>Sinclair School of Nursing Undergraduate Course Fee</td>
<td>$66.90</td>
<td>$70.00</td>
</tr>
<tr>
<td>College of Human Environmental Sciences Course Fee</td>
<td>$42.90</td>
<td>$43.50</td>
</tr>
<tr>
<td>Truman School Course Fee</td>
<td>NA</td>
<td>$40.00</td>
</tr>
<tr>
<td>Lab Fee **</td>
<td>$16.50</td>
<td>$20.80</td>
</tr>
<tr>
<td>Accountancy Program Fee</td>
<td>$200.00</td>
<td>$400.00</td>
</tr>
<tr>
<td>Medical School Laboratory/Resource Fee</td>
<td>$584.90</td>
<td>$593.70</td>
</tr>
<tr>
<td>Applied Music Fee</td>
<td>$230.80</td>
<td>$234.30</td>
</tr>
</tbody>
</table>

* Falls under SB389
** If the College of Arts & Sciences Course Fee is approved the Lab Fee will be eliminated.
# UNIVERSITY OF MISSOURI - Columbia
# eLearning, Special Program Delivery and Continuing Education Fee Rates
# Beginning with the 2014 Summer Session
# January 29, 2014

<table>
<thead>
<tr>
<th>eLEARNING, SPECIAL PROGRAM DELIVERY &amp; CONT ED</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Minimum</td>
<td>$342.20</td>
<td>$347.30</td>
</tr>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Maximum</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
</tr>
<tr>
<td>Examination Only - Graduate Enrollment</td>
<td>$274.00</td>
<td>$274.00</td>
</tr>
<tr>
<td>CE Instructional Fee - Minimum</td>
<td>$883.60</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Student Level or Professional Program</td>
<td>Residence Status</td>
<td>Term Type</td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-----------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Undergraduate *</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Metropolitan</td>
<td>Semester</td>
</tr>
<tr>
<td>Graduate</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Metropolitan</td>
<td>Semester</td>
</tr>
<tr>
<td>Anesthesia, UMKC</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>MS</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>Med Physician Asst</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>MS</td>
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<td>Semester</td>
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<tr>
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</tr>
<tr>
<td>Dentistry, UMKC</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>DDS</td>
<td>Nonresident</td>
<td>Semester</td>
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<tr>
<td></td>
<td>Nonresident</td>
<td>Summer</td>
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<tr>
<td></td>
<td></td>
<td>Summer</td>
</tr>
<tr>
<td>Dentistry, UMKC</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>Graduate Certificate and MS</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Summer</td>
</tr>
<tr>
<td>Law, UMKC JD</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>JD</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
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<td></td>
<td></td>
<td>Summer</td>
</tr>
<tr>
<td>Law, UMKC LLM</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>LLM</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Summer</td>
</tr>
<tr>
<td>Medicine, UMKC MD, Years 1 and 2</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>MD, Years 1 and 2</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Regional</td>
<td>Semester</td>
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<tr>
<td></td>
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<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Summer</td>
</tr>
<tr>
<td>Medicine, UMKC MD, Years 3 thru 6</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>MD, Years 3 thru 6</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Regional</td>
<td>Semester</td>
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<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Summer</td>
</tr>
<tr>
<td>Pharmacy, UMKC Dpharm</td>
<td>Missouri</td>
<td>Semester</td>
</tr>
<tr>
<td>Dpharm</td>
<td>Nonresident</td>
<td>Semester</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Summer</td>
</tr>
</tbody>
</table>

* Falls under SB389
### UNIVERSITY OF MISSOURI - Kansas City

**Supplemental Course Fees**

**Beginning with the 2014 Summer Session**

January 29, 2014

#### SUPPLEMENTAL FEES

<table>
<thead>
<tr>
<th>Description</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit Hour</td>
<td>Flat Rate</td>
</tr>
<tr>
<td><strong>Information Technology Fee</strong> *</td>
<td>$13.40</td>
<td>$13.60</td>
</tr>
<tr>
<td>Graduate Cluster 1 Supplemental Fee</td>
<td>$36.50</td>
<td>$37.00</td>
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<tr>
<td>Bloch School Graduate Business Supplemental Fee</td>
<td>$84.00</td>
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<tr>
<td>Bloch School Undergraduate Course Fee</td>
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<tr>
<td>Bloch School Public Administration Graduate Course Fee</td>
<td>$15.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>School of Education Course Fee, UMKC</td>
<td>$13.50</td>
<td>$15.50</td>
</tr>
<tr>
<td>Engineering Course Fee (undergrad and engineering grad cluster)</td>
<td>$68.80</td>
<td>$72.20</td>
</tr>
<tr>
<td>Studio Arts Fee, UMSL (BFA), &amp; UMKC</td>
<td>$27.80</td>
<td>$28.20</td>
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<tr>
<td>Clinical Nursing Fee, MS (&amp; Pre-Licensure level at UMKC)</td>
<td>$183.00</td>
<td>$185.70</td>
</tr>
<tr>
<td>Science Lab Fee, including Geo Science</td>
<td>$12.30</td>
<td>$12.50</td>
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<tr>
<td>Biological Sciences Lab Fee</td>
<td>$12.70</td>
<td>$12.90</td>
</tr>
<tr>
<td>Media &amp; Communications Studies Lab/Studio Course Fee</td>
<td>$30.60</td>
<td>$31.10</td>
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<tr>
<td>Applied Dance Fee</td>
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<td>$165.00</td>
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<td>Studio Voice Fee</td>
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<tr>
<td>Applied Music Fee</td>
<td></td>
<td>$227.50</td>
</tr>
</tbody>
</table>

* Falls under SB389

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### UNIVERSITY OF MISSOURI - Kansas City

**eLearning, Special Program Delivery and Continuing Education Fee Rates**

**Beginning with the 2014 Summer Session**

January 29, 2014

#### eLEARNING, SPECIAL PROGRAM DELIVERY & CONT ED

<table>
<thead>
<tr>
<th>Description</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit Hour</td>
<td>Flat Rate</td>
</tr>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Minimum</td>
<td>$337.40</td>
<td>$342.50</td>
</tr>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Maximum</td>
<td>$871.10</td>
<td>$884.20</td>
</tr>
<tr>
<td>Examination Only - Graduate Enrollment</td>
<td>$337.40</td>
<td>$342.50</td>
</tr>
<tr>
<td>CE Instructional Fee - Minimum</td>
<td>$270.10</td>
<td>$270.10</td>
</tr>
<tr>
<td>CE Instructional Fee - Maximum</td>
<td>$871.10</td>
<td>$884.20</td>
</tr>
</tbody>
</table>
### MISSOURI UNIVERSITY OF SCIENCE AND TECHNOLOGY
#### Tuition Rates
Beginning with the 2014 Summer Session
January 29, 2014

<table>
<thead>
<tr>
<th>Student Level or Professional Program</th>
<th>Residence Status</th>
<th>Term Type</th>
<th>Plateau</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Per Credit Hour Rate</td>
<td>Flat Rate</td>
</tr>
<tr>
<td>Undergraduate*</td>
<td>Missouri</td>
<td>Semester</td>
<td>None</td>
<td>$274.00</td>
<td>$274.00</td>
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<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
<td>None</td>
<td>$779.50</td>
<td>$802.90</td>
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<tr>
<td>Graduate</td>
<td>Missouri</td>
<td>Semester</td>
<td>None</td>
<td>$370.10</td>
<td>$375.70</td>
</tr>
<tr>
<td></td>
<td>Nonresident</td>
<td>Semester</td>
<td>None</td>
<td>$955.50</td>
<td>$1,012.80</td>
</tr>
<tr>
<td>Business, MBA</td>
<td>Missouri</td>
<td>Semester</td>
<td>na</td>
<td>$627.90</td>
<td>$637.30</td>
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<tr>
<td>MBA</td>
<td>Nonresident</td>
<td>Semester</td>
<td>na</td>
<td>$1,004.60</td>
<td>$1,064.90</td>
</tr>
</tbody>
</table>

* Falls under SB389

### MISSOURI UNIVERSITY OF SCIENCE AND TECHNOLOGY
#### Supplemental Course Fees
Beginning with the 2014 Summer Session
January 29, 2014

<table>
<thead>
<tr>
<th>SUPPLEMENTAL FEES</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Credit Hour Rate</td>
<td>Flat Rate</td>
</tr>
<tr>
<td>Information Technology Fee *</td>
<td>$13.60</td>
<td>$13.80</td>
</tr>
<tr>
<td>Engineering Course Fee</td>
<td>$78.70</td>
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<tr>
<td>Science Supplemental Fee for Biological Sciences and Chemistry</td>
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<td>Science Supplemental Fee for Computer Science, Geology, and Geophysics</td>
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<tr>
<td>Science Supplemental Fee for Physics</td>
<td>$37.50</td>
<td>$43.10</td>
</tr>
<tr>
<td>Business, IS&amp;T and M&amp;IS Course Fee</td>
<td>$38.30</td>
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* Falls under SB389

### MISSOURI UNIVERSITY OF SCIENCE AND TECHNOLOGY
#### eLearning, Special Program Delivery and Continuing Education Fee Rates
Beginning with the 2014 Summer Session
January 29, 2014

<table>
<thead>
<tr>
<th>eLEARNING, SPECIAL PROGRAM DELIVERY &amp; CONT ED</th>
<th>2013-2014 RATES</th>
<th>2014-2015 RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Minimum</td>
<td>$370.10</td>
<td>$375.70</td>
</tr>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Maximum</td>
<td>$3,000.00</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Examination Only - Graduate Enrollment</td>
<td>$370.10</td>
<td>$375.70</td>
</tr>
<tr>
<td>CE Instructional Fee - Minimum</td>
<td>$274.00</td>
<td>$274.00</td>
</tr>
<tr>
<td>CE Instructional Fee - Maximum</td>
<td>$3,000.00</td>
<td>$3,000.00</td>
</tr>
</tbody>
</table>
### UNIVERSITY OF MISSOURI - St. Louis

#### Tuition Rates

**Beginning with the 2014 Summer Session**

**January 29, 2014**

<table>
<thead>
<tr>
<th>Student Level or Professional Program</th>
<th>Residence Status</th>
<th>Term Type</th>
<th>Plateau</th>
<th>2013-2014 Rates</th>
<th>2014-2015 Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Undergraduate</strong></td>
<td>Missouri</td>
<td>Semester</td>
<td>None</td>
<td>$315.80</td>
<td>$315.80</td>
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<tr>
<td></td>
<td>Missouri</td>
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<td>None</td>
<td>$814.30</td>
<td>$826.50</td>
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<td></td>
<td>Metropolitan</td>
<td>Semester</td>
<td>None</td>
<td>$315.80</td>
<td>$315.80</td>
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<tr>
<td><strong>Graduate</strong></td>
<td>Missouri</td>
<td>Semester</td>
<td>None</td>
<td>$409.10</td>
<td>$415.20</td>
</tr>
<tr>
<td></td>
<td>Missouri</td>
<td>Semester</td>
<td>None</td>
<td>$1,008.50</td>
<td>$1,023.60</td>
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<tr>
<td></td>
<td>Metropolitan</td>
<td>Semester</td>
<td>None</td>
<td>$409.10</td>
<td>$415.20</td>
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<tr>
<td><strong>Optometry, UMSL</strong></td>
<td>Missouri</td>
<td>Semester</td>
<td>16</td>
<td>$677.70</td>
<td>$10,843.20</td>
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<tr>
<td></td>
<td>Missouri</td>
<td>Semester</td>
<td>16</td>
<td>$1,163.20</td>
<td>$18,611.20</td>
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</tbody>
</table>

* Falls under SB389

### UNIVERSITY OF MISSOURI - St. Louis

#### Supplemental Course Fees

**Beginning with the 2014 Summer Session**

**January 29, 2014**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Cluster 1 Supplemental Fee</td>
<td>$37.70</td>
<td>$38.30</td>
</tr>
<tr>
<td>Graduate Cluster 2 Supplemental Fee</td>
<td>$68.20</td>
<td>$69.20</td>
</tr>
<tr>
<td>Business School Undergraduate Course Fee</td>
<td>$40.40</td>
<td>$41.00</td>
</tr>
<tr>
<td>Engineering Course Fee</td>
<td>$68.20</td>
<td>$69.20</td>
</tr>
<tr>
<td>Studio Arts Fee, UMSL (BFA)</td>
<td>$28.70</td>
<td>$29.00</td>
</tr>
<tr>
<td>Clinical Nursing Fee, MS</td>
<td>$189.20</td>
<td>$192.00</td>
</tr>
<tr>
<td>Nursing Course Fee, BSN, 4-Year</td>
<td>$175.10</td>
<td>$177.70</td>
</tr>
<tr>
<td>Science Lab Fee</td>
<td>$12.50</td>
<td>$12.70</td>
</tr>
<tr>
<td>Media &amp; Communications Studies Lab/Studio Course Fee</td>
<td>$30.70</td>
<td>$31.20</td>
</tr>
<tr>
<td>Social Work Practicum Supplemental Fee</td>
<td>$5.50</td>
<td>$5.60</td>
</tr>
<tr>
<td>Theater and Dance Supplemental Fee</td>
<td>$30.70</td>
<td>$31.20</td>
</tr>
<tr>
<td>College of Education Supplemental Fee</td>
<td>$5.00</td>
<td>$5.10</td>
</tr>
<tr>
<td>Art History Supplemental Fee</td>
<td>$3.30</td>
<td>$3.30</td>
</tr>
<tr>
<td>Applied Music Fee</td>
<td>$235.20</td>
<td>$238.70</td>
</tr>
</tbody>
</table>

### UNIVERSITY OF MISSOURI - St. Louis

#### eLearning, Special Program Delivery and Continuing Education Fee Rates

**Beginning with the 2014 Summer Session**

**January 29, 2014**

<table>
<thead>
<tr>
<th>eLEARNING, SPECIAL PROGRAM DELIVERY &amp; CONT ED</th>
<th>2013-2014 Rates</th>
<th>2014-2015 Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Minimum</td>
<td>$409.10</td>
<td>$415.20</td>
</tr>
<tr>
<td>Graduate eLearning and Special Program Delivery Tuition Maximum</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>UMSL Online Supplemental Fee</td>
<td>$59.20</td>
<td>$59.20</td>
</tr>
<tr>
<td>Nursing Undergraduate Online Program</td>
<td>$445.10</td>
<td>$451.80</td>
</tr>
<tr>
<td>CE Distance Learning Fee (undergraduate and graduate)</td>
<td>$57.40</td>
<td>NA</td>
</tr>
<tr>
<td>CE Distance Learning Fee - Business</td>
<td>$57.40</td>
<td>$51.10</td>
</tr>
<tr>
<td>CE Distance Learning Fee - Education</td>
<td>$57.40</td>
<td>$15.10</td>
</tr>
<tr>
<td>CE Distance Learning Fee - Nursing</td>
<td>$57.40</td>
<td>$71.40</td>
</tr>
<tr>
<td>CE Distance Learning Fee - (all Other)</td>
<td>$57.40</td>
<td>$10.00</td>
</tr>
<tr>
<td>Examination Only - Graduate Enrollment</td>
<td>$409.10</td>
<td>$415.20</td>
</tr>
<tr>
<td>CE Instructional Fee - Minimum</td>
<td>$315.80</td>
<td>$315.80</td>
</tr>
<tr>
<td>CE Instructional Fee - Maximum</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
</tr>
</tbody>
</table>
MU has requested an exception to CRR 230.060(A)(1) that would allow it to set the eLearning tuition rate for MU undergraduate nonresident distance students at $350 per credit hour. Under the terms outlined in the CRR, the rate would otherwise be $774.90 per credit hour in FY15. By comparison, the tuition rate for MU resident undergraduate students is currently $274 per hour.

The proposed rate of $350 per credit hour would apply only to nonresident distance students. Nonresident undergraduate students enrolled on campus would continue to pay the published rate of $774.90 per credit hour for eLearning courses.

Since the existing pricing structure was adopted in February 2012, MU has seen a significant drop in undergraduate nonresident distance students enrolled in eLearning courses. As an example, new nonresident students in Respiratory Therapy eLearning courses have declined by nearly 80%, Bachelors of Health Sciences has seen a decrease in excess of 70% and new nonresident distance students in the RN-BSN program have declined by 30%.

Market research has determined that the existing eLearning pricing structure for nonresident undergraduate distance students is simply not competitive. As such, the campus has actually experienced a decline in revenues since the time that the existing pricing structure was established. Market analysis conducted by MU suggests that $350 per credit hour represents a competitive price point within its market area.

Because this is an evolving issue that likely impacts all four campuses to some extent, the intent is to revisit the pricing structure outlined in CRR 230.060 with the Board of Curators no later than the June 2014 board meeting.
Recommended Action - Collected Rules and Regulations 230.060 eLearning and Special Program Tuition and Fees, Exception - MU

It was recommended by Interim Chancellor Owens, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ___________ and seconded by Curator ___________, that the following be approved:

the eLearning tuition rate for MU undergraduate nonresident distance students shall be set at $350 per credit hour, as an exception to CRR 230.060 (A)(1), with the understanding that the terms of CRR 230.060 will be revisited by the Board of Curators no later than the June 2014 board meeting.

Roll call vote of the Committee: YES NO
Curator Cupps
Curator Covington
Curator Goode
Curator Phillips
Curator Steward

The motion ________________.

Roll call vote of Board of Curators: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.

January 29-February 1, 2014

OPEN – FIN – 5-2
GENERAL BUSINESS
DAY TWO
REVIEW CONSENT AGENDA

There are no materials for this information item.
The Academic, Student and External Affairs Committee may have referred to it matters relating to curricula, faculty and student affairs, government relations and external relations.

1. The Vice President for Academic Affairs, the Vice President for Government Relations and the Assistant Director of Strategic Communications, of the University or some other person(s) designated by the President shall be an ex officio member of this Committee and be responsible for the agenda and for transmitting Committee recommendations.

2. The Academic, Student and External Affairs Committee shall be the Board Committee on external affairs and shall be responsible for review of University of Missouri System, including each campus, activities and efforts that effect public perception of the entire University System and its mission.
   a. Coordinate policy and planning relative to institutional relations with outside constituencies in conjunction with the President of the University and the offices of Governmental Relations and Strategic Communications. This may include activities pertaining to government affairs, alumni affairs, community relations, parent organizations and the media.
   b. Consider, with the President, all recommendations and observations that the Board directs to the committee and to report to the Board all recommended actions and policies for Board consideration to advance the University.
c. Support long range planning efforts of the Board by developing plans aimed toward elevating the status of public higher education to all local, state and federal constituencies and agencies, including the Missouri Legislature and the general public.

d. Assist the Board and administration with articulating the mission of the University, its resource and revenue requirements to all local, state and federal constituencies and agencies, including the Missouri Legislature and the general public.

e. Assist the Board and the University administration (the University System and each of its campuses), in establishing and maintaining such development and fund raising policies, procedures and programs as are deemed appropriate to obtain donor financial support for the University as a whole and each of its campuses in order to fulfill identified financial goals necessary for the University to accomplish its mission. The committee shall assist the Board in identifying ways to participate and encourage active participation of the Board and its individual members in the development activities of the University.
Purpose of University of Missouri Financial Aid Report

This report examines current trends in the distribution of financial aid at the University of Missouri from FY09 to FY13 and the extent to which these trends have been influenced by recent increases in tuition and required fees and changes to state and federal financial aid programs. Ten questions are addressed:

1. What are the major sources of financial aid for all students at the University of Missouri?
2. What is the total amount of financial aid awarded by student level?
3. What are the major sources and types of financial aid for undergraduates at the University of Missouri?
4. How does the University determine financial need and how is aid distributed?
5. How do the campuses approach merit-based aid?
6. How do the campuses approach need-based aid?
7. To what extent is the financial need of Missouri resident undergraduates and non-resident undergraduates being met?
8. How do the state funded financial aid programs impact University of Missouri undergraduate students?
9. What has been the impact of changes in state and Federal financial aid on our neediest high ability students?
10. How does financial aid for part-time students differ from aid awarded to full-time students?

Three reports on undergraduate financial aid FY2009-FY2013, Missouri resident, non-resident and metro with detailed information by campus can be found on the University of Missouri System website at http://www.umsystem.edu/ums/fa/planning/financialaid.

Executive Vice President Foley will present information during the January Board meeting.
DASHBOARD DEMO – STRATEGIC PLAN

There are no materials for this information item.
UNIVERSITY RELATIONS REPORT

There are no materials for this information item.
UPCOMING COMMITTEE MEETING TOPICS

There are no materials for this information item.
Recommended Action - Adjourn Board of Curators Academic, Student and External Affairs Committee Meeting.

It was moved by Curator __________ and seconded by Curator __________, that the Board of Curators Academic, Student and External Affairs Committee meeting, January 29-February 1, 2014, be adjourned.

Roll call vote of the Committee: YES NO
Curator Covington
Curator Cupps
Curator Henrickson
Curator Ponder
Curator Steward

The motion ____________.
FINANCE COMMITTEE

Ann K. Covington, Chairwoman

Donald L. Cupps
Wayne Goode
John R. Phillips
David L. Steward
Amy G. Johnson–Student Representative

The Finance Committee may have referred to it matters relating to the fiscal and accounting functions of the University and associated programs and policies.

1. The Vice President for Finance and Administration of the University or some other person or persons designated by the President of the University shall be an ex officio member of this Committee. The Vice President for Finance and Administration shall be responsible for the agenda and for transmitting Committee recommendations.

2. The Finance Committee shall be the Board Committee on investments.

3. The Finance Committee shall be the Board Committee on physical facilities and management services. The Finance Committee may have referred to it matters relating to the planning, building, maintenance and operation of the physical facilities of the University, and the purchasing of equipment and supplies utilized by the University.
STRATEGIC INVESTMENT IN OUR FACILITIES, UM

There are no materials for this information item.
UPCOMING COMMITTEE MEETING TOPICS

There are no materials for this information item.
The University of Missouri-St. Louis requests Project Approval and Supplemental Student Fee Approval to design and construct the Optometry Clinic, Phase One of the Optometry and Nursing Building Project, on the South Campus. The Phase One total project budget of $17 million is funded by $12 million in debt financing, and $5 million of campus (College of Optometry) reserves. This project was introduced to the Board at the November 2013 meeting as an information item.

Funding the estimated annual debt service of $781,000 will come from two sources: approximately 56% ($437,360) from internal reallocations within the College of Optometry and approximately 44% ($343,640) from a supplemental student fee. The reallocations will be achieved by eliminating two vacant faculty positions, one with primarily teaching and research responsibilities and one with administrative responsibilities, and through a reduction in scholarships awarded, from the approximately 25% of tuition that is projected for FY2014 to approximately 20% of tuition by FY2019. The $450/semester supplemental student fee would be charged to each student enrolled in the College of Optometry starting Fall 2014. When construction begins, the fee will increase to $900/semester for each student. This additional fee of $1,800/calendar year will increase the four-year cost of education by $7,200 or about 9% for a Missouri resident student. Since optometry students enroll in 21 credit hours during a typical semester, the new fee represents a cost of approximately $43 per credit hour. In October 2013, 99% of eligible optometry students voted in a referendum with 79% in favor of the fee. The new patient care center will enhance the reputation of UMSL and positively impact student recruitment. Thus, we anticipate more applicants will select UMSL. We therefore expect total enrollment to go from 172 in FY2014 to 192 in FY2019, a 12% increase. The college expects to incur no additional direct instructional costs from this increase. The larger cohorts will be managed through expansion of section sizes and other efficiencies.

UMSL offers the only Doctor of Optometry program in Missouri and is one of only 21 optometry schools/colleges in the United States. The quality of UMSL’s optometry students and graduates is competitive with its peers. However, current facilities impede progress toward development of a top tier program.

In 2009, a Planning Study was done to investigate the co-location of the College of Optometry and College of Nursing in a building on the South Campus. In 2013, another study was completed to address the immediate need for clinical space to enhance student clinical education experiences, prepare a phasing plan, and update the project budget. The Optometry Clinic represents phase one of a three-phase plan that will eventually result in the construction of approximately 253,000 GSF of new space that will include classrooms, instructional labs, research labs and support space, faculty and administrative offices, multipurpose, and building support areas. The three-phase plan...
will create unique educational and patient care experiences differentiating UMSL from other programs.

Phase One is directed toward clinical education of students for patient care experience and will provide approximately 48,000 GSF of integrated health care facility that includes 35,000 SF of space for child and adult eye care, primary health care, and administrative/support space, and 13,000 SF of leasable shell space for complementary services such as ambulatory surgery and dental health.

The future Phase Two will provide an additional 95,000 GSF for the College of Optometry and Phase Three will provide an additional 110,000 GSF for the College of Nursing.

Hellmuth Obata Kassabaum (HOK), St. Louis, Missouri is the recommended project architect for Phase One of this project. It is also recommended HOK continue to serve as architect of record for subsequent phases of the project, conditional on satisfactory performance. The HOK team demonstrated the needed experience and knowledge to provide high quality design services, and has completed projects of similar scope, reflecting their ability to provide engaging and innovative building design. The design team will also include David Mason and Associates [MBE], St. Louis, Missouri, for structural engineering; Civil Design, Inc. [WBE], St. Louis, Missouri, for civil engineering; and KJWW, St. Louis, Missouri, for mechanical, electric, plumbing, and information technology engineering. The total minority and woman owned business participation goal is 10%. Archimages, St. Louis, Missouri, Cannon, St. Louis, Missouri, and Christner, St. Louis, Missouri, were also interviewed.

The fee for basic architectural and engineering services has been determined by using the University of Missouri’s “Architectural and Engineering Basic Services Estimating Guidelines” at 6.1% of Phase One construction cost of $12,617,350 or $769,658, as stated in the consultant RFQ.

Total construction cost for Phase One is $263/GSF. This compares with similar facilities construction cost ranges in our region. The design is expected to be completed in August 2014 and construction is expected to be completed in June of 2016.

Page 6-4 provides cash flow projections for the Optometry Clinic project. Page 6-5 provides cash flow projections for the College of Optometry for five years. The projections show an initial debt service coverage ratio of .93 in FY2016 when it is assumed the debt will be issued. The ratio increases to 1.51 in FY2017 when the facility is projected to be opened and then increases to 1.69 in FY2018 and 1.87 in FY2019.

As part of shared governance, approval for both the Optometry Clinic building and the need for campus internal reallocations to fund operating costs of the facility were obtained. On Friday, January 17, 2014, members of the University Assembly Physical Facilities, Space, and General Services Committee voted and approved the building and

January 29-February 1, 2014

OPEN – FIN – 6-2
its campus operating support, estimated at $493,000 in FY2017 when the facility opens and increasing in subsequent years.

On Wednesday, January 22, 2014, these same two issues were considered by the University Assembly Budget and Planning Committee. Committee members were provided information regarding UMSL’s current and projected Facilities Condition Needs Index and those of the other UM campuses. One advantage of constructing new facilities is the campus can use vacated space as swing space when it undertakes renovation projects. In the case of the Optometry clinic, approximately 12,000 GSF in Marillac Hall will become available for use as swing space.

Committee members were also provided information about UM System’s bond ratings and that there is limited debt capacity. A study is underway to estimate debt capacity by campus. After all information was presented, members of the Budget and Planning Committee voted and approved the building and internal reallocations needed for its operating costs.
### Project Cash Flow

**Bonds Issued Fall 2015; Student Assessment 100% Fall 2015**

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<tr>
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<tbody>
<tr>
<td><strong>Student Headcount (2)</strong></td>
<td>172</td>
<td>176</td>
<td>180</td>
<td>184</td>
<td>188</td>
<td>192</td>
</tr>
<tr>
<td><strong>Student Fee Assessment Percentage (3)</strong></td>
<td>0%</td>
<td>50%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
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<tr>
<td><strong>Student Fee/Semester</strong></td>
<td>n/a</td>
<td>$450</td>
<td>$900</td>
<td>$900</td>
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<td>$900</td>
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#### Inflows

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<tr>
<th></th>
<th>Fall</th>
<th>Winter</th>
<th>Subtotal</th>
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<tbody>
<tr>
<td>Fall</td>
<td>$</td>
<td>79,000</td>
<td>162,000</td>
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<tr>
<td>Winter</td>
<td></td>
<td>79,000</td>
<td>162,000</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>324,000</td>
<td>332,000</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>338,000</td>
<td>346,000</td>
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#### Outflows

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<tr>
<td><strong>Project Design Phase</strong></td>
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<td>-</td>
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<td>-</td>
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<tr>
<td><strong>Project Construction Phase</strong></td>
<td>-</td>
<td>2,112,000</td>
<td>11,446,000</td>
<td>2,084,000</td>
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<td>-</td>
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<tr>
<td><strong>Post Construction Phase</strong></td>
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<td>-</td>
<td>-</td>
<td>679,000</td>
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<td><strong>Bond Debt Service $12M, 5%, 30 Years</strong></td>
<td>-</td>
<td>-</td>
<td>781,000</td>
<td>781,000</td>
<td>781,000</td>
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</tr>
<tr>
<td><strong>Total Outflows</strong></td>
<td>31,000</td>
<td>2,760,000</td>
<td>12,227,000</td>
<td>3,544,000</td>
<td>781,000</td>
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</table>

**Total Inflows** at $5,000,000, $158,000, $12,643,000, $768,000, $774,000, $782,000

**Total Outflows** at $4,969,000, $(2,602,000), $416,000, $(2,776,000), $(7,000), $1,000

**Beginning Balance** at $4,969,000, $2,367,000, $2,783,000, $7,000, $- 

**Ending Balance** at $4,969,000, $2,367,000, $2,783,000, $7,000, $- $1,000

**Notes**

1. **Timeline Assumptions**
   - November 2013: BOC information regarding FY2015 Optometry supplemental fee and project.
   - January 2014: Request approval of internal reallocation by the Campus Physical Facilities Committee.
   - January 2014: Request approval of internal reallocation by the Campus Budget & Planning Committee.
   - January 2014: Request BOC approval of the project, A/E, debt financing and supplemental fee.
   - February - December 2014: Design phase; contractor bid and award.

2. Student headcount dependent on expanding classroom space in Marillac Hall; will request Strategic Plan matching funds.

3. Per Student Referendum; 100% assessment of the new fee starts in FY2016 when construction begins.
University of Missouri - St. Louis  
College of Optometry  
Five Year Cash Flow (1)

<table>
<thead>
<tr>
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<td>Student Headcount (2)</td>
<td>168</td>
<td>172</td>
<td>176</td>
<td>180</td>
<td>184</td>
<td>188</td>
<td>192</td>
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<tr>
<td>Student Facility Fee Assessment (3)</td>
<td>0%</td>
<td>0%</td>
<td>50%</td>
<td>100%</td>
<td>100%</td>
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<tr>
<td>Student Facility Fee/Semester</td>
<td>na</td>
<td>na</td>
<td>$450</td>
<td>$900</td>
<td>$900</td>
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<td>$900</td>
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</table>

**Operating Revenue**

- **Tuition and Fees (4)**: $5,218,338 $5,424,000 $5,661,000 $5,905,000 $6,157,000 $6,417,000 $6,685,000
- **General Revenue Allocation (5)**: $701,804 $774,000 $789,000 $805,000 $821,000 $837,000 $854,000
- **Sales and Service - Clinics (6)**: $925,720 $835,000 $852,000 $869,000 $950,000 $969,000 $988,000
- **Student Facility Fees (3)**: - - $158,000 $324,000 $332,000 $338,000 $346,000
- **Campus Opening New Bldg. Funds (7)**: - - - - $493,000 $502,000 $512,000
- **Clinic Rental Revenue (8)**: - - - - - -
- **Other Operating Revenues (9)**: $81,236 $52,000 $52,000 $52,000 $34,000 $34,000 $34,000

**Total Operating Revenues**: $6,927,098 $7,085,000 $7,512,000 $7,955,000 $8,787,000 $9,097,000 $9,419,000

**Operating Expense**

- **Salary & Wages (10)**: $3,812,502 $3,984,000 $4,064,000 $4,026,000 $3,985,000 $4,065,000 $4,146,000
- **Benefits (11)**: $1,170,017 $1,315,000 $1,361,000 $1,369,000 $1,375,000 $1,423,000 $1,472,000
- **Supplies and Other Operating Costs (12)**: $693,704 $614,000 $626,000 $639,000 $702,000 $716,000 $730,000
- **Student Aid (13)**: $1,271,725 $1,318,000 $1,318,000 $1,198,000 $1,222,000 $1,246,000 $1,271,000
- **New Facility Operating Costs (14)**: - - $323,000 $329,000 $336,000 $346,000

**Total Operating Expenses**: $6,947,948 $7,231,000 $7,369,000 $7,232,000 $7,607,000 $7,779,000 $7,955,000

**Net Increase (Decrease) from Operations**: $(20,850) $(146,000) $143,000 $723,000 $1,180,000 $1,318,000 $1,464,000

**Nonoperating Revenues (Expenses)**

- **Debt Service (15)**: - - - $(781,000) $(781,000) $(781,000) $(781,000)
- **Capital M&R Reserve (16)**: - - $(170,000) $(173,000) $(176,000)
- **Transfer to Plant Reserves (17)**: - $(1,000,000) $(500,000) $(400,000) $(500,000)

**Net Nonoperating Revenue (Expenses)**: $781,000 $(500,000) $(300,000) $0 $(500,000)

**Excess of Revenue Over Expense**: $(20,850) $(1,466,000) $(357,000) $(558,000) $(71,000) $(36,000) $7,000

**Beginning Balance**: $2,402,937 $2,382,087 $1,236,087 $879,087 $321,087 $250,087 $214,087

**Ending Balance**: $2,382,087 $2,382,087 $1,236,087 $879,087 $321,087 $250,087 $214,087 $221,087

**Debt Coverage Ratio**: 0.93 1.51 1.69 1.87

**Notes**

1. Cash Flow excludes restricted funds such as gifts, grants, plant funds and endowments.
2. Student Headcount increase dependent on expanding classroom space in Marillac; will request UM System Strategic Plan matching funds.
3. Per Student Referendum; 100% assessment of the new fee starts in FY2016 when construction begins.
4. Tuition and fees per student increase 2% per year.
5. Direct campus support for the College of Optometry above the amount of tuition and fees.
6. FY2014 decrease caused primarily by closing Harvester Clinic; increase starting in FY2017 due to opening of new clinic.
8. Assume no clinic rental revenue.
9. Decreases due to State of Nebraska ending a contract to fund one or more students in the College of Optometry.
10. Vacant positions caused decreased in FY2016 and FY2017; annual 2.0% inflation applied.
11. Overall benefit costs as a % of S&W increase .5% per year.
12. FY2014 decrease caused by closing Harvester Clinic; increase starting in FY2017 due to opening of new clinic.
13. FY2016 scholarships decrease; increase 2% per year starting in FY2017.
14. Utilities, custodial and routine M&R in FY2017; annual 2.0% inflation applied in subsequent years.
15. Bond Debt Service on $12M at 5% for 30 years.
16. Amount equal to 1% of replacement value (project cost) in FY2017; annual 2.0% inflation applied in subsequent years.
17. Transfer to Optometry plant reserves for items such as other capital projects, furniture, fixtures and equipment.
Recommended Action - Project Approval and Supplemental Student Fee Approval, Optometry and Nursing Building Project Phase One – Optometry Clinic, UMSL

It was recommended by Chancellor George, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ______________ and seconded by Curator ______________, that the following action be approved:

the project approval and supplemental student fee approval for the Optometry and Nursing Building Project Phase One – Optometry Clinic, for the University of Missouri-St. Louis. The supplemental student fee of $450/semester will be charged to each student enrolled in the College of Optometry beginning with Fall 2014. This fee will increase to $900/semester per student once construction begins.

Funding of the Phase One project budget is from:

\[
\begin{array}{c|c}
\text{Debt Financing} & 12,000,000 \\
\text{College of Optometry Reserves} & 5,000,000 \\
\hline
\text{Total Funding} & 17,000,000 \\
\end{array}
\]

Roll call vote Finance Committee

YES  NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ________________.

Roll call vote Full Board:

YES  NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ______________ by a vote of ____________.

January 29-February 1, 2014

OPEN – FIN – 6-6
Recommended Action - Adjourn Board of Curators Finance Committee Meeting

It was moved by Curator __________ and seconded by Curator __________, that the Board of Curators Finance Committee Meeting, January 29-February 1, 2014, be adjourned.

Roll call vote of the Committee: YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ________________.

January 29-February 1, 2014
OPEN – FIN – 7-1
The Audit Committee will assist the Board of Curators in fulfilling its oversight responsibilities relating to: the integrity of the University's financial statements, the systems of internal control, the performance of the University's independent auditors and internal audit function, the independent auditor's qualifications and independence, and the University's compliance with legal and regulatory requirements.

a. The Audit Committee shall be the Board Committee on audit.
b. The Audit Committee shall meet four times per year to consider business related to its audit function. Sufficient opportunity for the internal and independent auditors to meet with the Committee should be provided. At least annually, the Audit Committee, as part of its audit function, shall meet solely with the independent auditor and the internal auditor.
c. The Audit Committee in its audit role may investigate any matter brought to its attention with full access to all records, facilities, and personnel of the University and the authority to engage other individuals as necessary to carry out its duties.
d. The responsibilities of the Audit Committee in its audit function include, but are not limited to, a review of the internal audit plan, a review of audits completed, a review of annual audited financial statements, and recommending to the full Board of Curators the appointment of the University's independent and internal auditors.
e. The Audit Committee may establish processes, procedures, and regulations governing their oversight of the internal and external audit process.
Listed below are the internal audit reports that were issued since the September 2013 meeting of the Board of Curators. A summary of action items by category and an executive summary of the audits are included for your information.

PricewaterhouseCoopers LLP (PwC) will be presenting a summary overview of the audits and will be available to answer questions. The date indicated on each audit is the date when the audit report was issued. There is a time-lag between when field work is completed and when a report is issued in order to provide appropriate time for audit recommendations and the corresponding management responses to be written. The full audit reports are available upon request from the Office of the Vice President for Finance.

<table>
<thead>
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<th>Observations by Risk</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
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<tbody>
<tr>
<td>1. College of Nursing, UMSL, October 2013</td>
<td>-</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>2. School of Nursing &amp; Health Studies, UMKC, November 2013</td>
<td>-</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>3. Payroll Data Analytics, UM System-Wide, November 2013</td>
<td>-</td>
<td>3</td>
<td>2</td>
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<tr>
<td>5. Non-Employment Physician Contracting, MUHS, January 2014</td>
<td>-</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Total</td>
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The reports include our findings and assessed level of risk, as well as management's remediation plan for the findings. Below is the criteria used for the assessment of risk.

**Assessment of Risk:**

**High (H)** – Significant impact to the Institution, campus, or unit. Individually or aggregate material in terms of financial impact, external compliance violation, adverse publicity, significant or pervasive weakness in control environment, significant inefficiencies, etc.

**Medium (M)** – Moderate in terms of impact to the Institution, campus, or unit. Individual instance or an aggregate of low risk items considered moderate terms of financial impact, compliance violation, adverse publicity, weakness in control environment, efficiency, etc.

**Low (L)** – Low in terms of impact to the Institution, campus, or unit. Relatively immaterial in terms of financial impact, no external compliance violation, little adverse publicity, minor inefficiencies, etc.
Background:
The fiscal year 2013 Internal Audit Plan included an assessment of the University of Missouri – St. Louis (“UMSL”) College of Nursing (the “College”). The purpose of the audit was to analyze the efficiency and effectiveness of operations with a focus on financial controls and compliance with policies.

In Fiscal Year 2013, the College had a budget of $7.4 million and served over 1,000 undergraduate and graduate students during the fall and spring semesters. The College has approximately 70 full time faculty and staff and an additional 40 part time employees. In 2013, the College underwent administrative restructuring to improve the efficiency and support for administrative functions and business operations of the college. The College has multiple degree programs including Baccalaureate, Master’s, Doctor of Nursing and PhD degrees.

Scope and Approach:
The scope of work included activity occurring during Fiscal Years 2012 and 2013. Procedures focused on relevant processes and key internal controls to analyze the efficiency and effectiveness of operations and test for compliance with University of Missouri System and UMSL policies and regulations.

Key Highlights:

- Ensure new fiscal personnel complete relevant training to perform job responsibilities.
  The on-boarding procedures for new fiscal personnel do not have a formal process to ensure that job responsibilities are clearly communicated and all relevant training is completed. Without appropriate training and communication of requirements, fiscal staff may not be able to monitor financial activity and other staff effectively which could result in improper use of funds and/or violation of University policies and procedures. (M)

- Clearly define, document and communicate monitoring policies and procedures.
  The College would benefit from documented policies and procedures that are more prescriptive and specific to the monitoring requirements of the College. This could delineate appropriate owners for controls and administrative processes, improve efficiency and effectiveness, and drive accountability. (M)

- Improve the monitoring of the financial activity for the College.
  The College could improve the monitoring of financial activity for departmental accounts through consistent review procedures such as utilizing the review tools and reports already available in PeopleSoft. (M)
➢ **Improve controls over the cash receipts process.**
The controls over the College’s cash receipts process can be improved to reduce the risk that any one individual could negatively impact the College and provide greater visibility for monitoring the cash receipts process. Specifically, the College should implement proper segregation of duties, improve check log documentation, and ensure timely deposits of checks. (M)
Background:
The fiscal year 2013 Internal Audit Plan was amended to include an assessment of the University of Missouri – Kansas City (“UMKC”) School of Nursing & Health Studies (the “School”).

The mission of the School is to prepare students in the nursing and health professions fields as leaders through inter-professional practice, research, and education. Fifty staff and seventy faculty members serve a current student body of approximately 1,700 students within the School. In Fiscal Year 2013, the School had revenues of $11.0 million, mostly from program instruction ($4.9 million) and grants ($3.5 million). On August 1, 2013, the School welcomed Ann Cary as the new Dean.

The School offers two main undergraduate nursing options: the pre licensure – Bachelor of Science in Nursing (BSN) and the Registered Nurse (RN) – BSN track. The School also offers research opportunities. The School’s research mission is to discover knowledge that will improve health for all people. Research is funded from both internal and external sources. Funding sources include National Institutes of Health, Department of Health and Human Services, the American Heart Association, the University of Missouri Research Board, and UMKC Faculty Research Grants.

Scope and Approach:
The scope of work included activity occurring within Fiscal Year 2012, Fiscal Year 2013 and Fiscal Year 2014 through August 31, 2013. Procedures focused on relevant processes and key internal controls to analyze the efficiency and effectiveness of operations and to assess compliance with University of Missouri System policies and regulations.

Key Highlights:

- **Improve the cash receipts process**
  The cash receipts process could be improved, reducing the amount of time from collection to deposit. Cash and checks are collected in various locations throughout the school and reviewed by multiple individuals, leading to cash deposits not being made timely. Internal Audit noted multiple opportunities for improvement regarding the cash receipts process including: a Hospital Hill drop box, timelier review/logging, a potential cash receipts schedule and the plausibility of utilizing technology to create efficiencies in the process. (M)

- **Improve compliance with University procurement policies**
  Overall compliance with the University procurement policies could improve. Internal Audit identified instances where purchases did not adhere to established review procedures, policies relating to required documentation, preferred method of purchase, and allowable purchases. By enforcing compliance to the University
polices, ensuring the School is retaining documentation, obtaining required approval and using the Show-Me-Shop (SMS) catalog, management can reduce the risk of unauthorized purchases and realize cost savings. (M)

➢ **Establish a formalized budgetary review process**

Internal processes over budgetary review can be improved both at a School-wide and business unit level. Review is currently held on an informal basis and the process would benefit from a more structured, timely review process. This process should include a budget-to-actual variance discussion, documentation of actions to be taken as a result of the review and ‘read-only’ access within PeopleSoft for all business units, and as a result would allow for greater transparency throughout the School and assist management in decision making. (M)

➢ **Improve the timeliness of transaction processing**

The timeliness and efficiency of payment processing and cost transfers could be improved. The School should also invite appropriate staff from other business units and grant projects to the monthly staff meetings, ensuring consistent communication within the School. By completing these processes in a timely manner, the school can reduce the risk of unpaid invoices and more accurately track expenses. (M)
Background:
The fiscal year 2013 Internal Audit Plan included an assessment of the University of Missouri System payroll expense activity. The purpose of the audit was to assess whether payroll activity, both regular and additional, is in compliance with University policy and procedures.

The UM System Central Payroll Office ("CPO") collaborates with campus payroll and accounting offices to design and implement policies and procedures and related internal controls. The CPO is responsible for tax reporting, maintenance of payroll tables in the PeopleSoft Human Resources/Payroll system, development of payroll schedules and oversight of the bi-weekly, monthly and retired payroll processing. The CPO is responsible for processing garnishments for all employees and retirees of the University.

Payroll is processed in-house by the UM System Payroll Processing Team. Departments are responsible for reviewing and approving time entered into the Time and Labor system as prescribed in Accounting Policy Manual 55.60.01 “Entering, Approving and Reconciling Payroll – Time and Labor”. Campus HR is responsible for submitting the payroll for their campus to Central Payroll for processing. The Controller’s Office is responsible for reconciling each payroll cycle to the General Ledger.

Total salaries and wages expense for fiscal year 2012 was $1.3 billion, a 3.6% increase when compared to fiscal year 2011 amounts.

Scope and Approach:
The scope of work includes Payroll activity occurring in fiscal year 2012 and fiscal year 2013 through May 31, 2013. Our approach included performing data analytics tests using audit command language, conducting interviews with appropriate University personnel and performing detail testing of select transactions.

Key Highlights:
- Evaluate the use of the OTH earn code in PeopleSoft.
  Management should review the types of payments processed through the OTH earn code which is for other extra compensation. During the scope of the audit, 8,405 transactions for approximately $14 million were processed through OTH. Management should clarify the types of payments that are appropriate for OTH and process recurring payments through other earn codes. This should reduce the number of transactions processed through OTH and allow Management to better monitor these payments to ensure they are appropriate and equitable. (M)
Assess the business need for all current PeopleSoft earn codes.
Management should review the business need for all current PeopleSoft earn codes. There are currently 536 active earn codes; however, only 244 earn codes were used during the scope of the audit. The remaining 292 active earn codes were not utilized for a single payment during the scope of the audit. An additional 26 earn codes were utilized for less than 10 payments and another 16 earn codes were used for less than 25 payments. Management should evaluate the business need for all PeopleSoft earn codes. Earn codes without a business need should be removed. (M)

Improve PeopleSoft leave accrual review processes and controls.
PeopleSoft system leave controls and processes could be improved. Throughout the audit, Internal Audit identified instances in which employee vacation and sick leave accrual balances were not in compliance with established University policy. Multiple employees with a negative vacation balance and one employee with a vacation balance in excess of the maximum allowed balance were identified. Further, there was one employee who accrued sick time in excess of the allowed amount. Management should implement preventative controls in PeopleSoft Time and Labor or develop exception reports as a compensating detective control. (M)
Background:
The fiscal year 2013 Audit Plan included a transactional review of University of Missouri System purchasing card ("p-card") activity. Data analysis tools were utilized to evaluate UM System-wide purchasing activity in the aggregate and select transactions for detailed review to assess compliance with University policies.

During fiscal year 2013, there was approximately $100 million spent across the System through the p-card program. The p-card program, provided by JPMorgan, is utilized to increase efficiencies regarding routine purchases and payments, to reduce paperwork and processing time within individual departments, Procurement and Accounting departments and to provide cost savings through consolidated payments.

A System-wide corporate card redesign initiative is currently underway, which includes review of the p-card, travel, and fleet card programs. Procurement, Accounting and Information Technology personnel from each business unit are involved in evaluating the structure, policies and procedures of the current p-card program. The objectives of the redesign include: more clearly defined roles, responsibilities and policies; electronic workflow approval; improved ability to track spend data; and an evaluation of card needs, limits and preferred method of payment. The p-card redesign will result in a streamlined process that allows for increased ability to monitor p-card spend data and a more controlled review and approval process.

Scope and Approach:
The scope of work included purchasing card activity from October 1, 2012 through July 31, 2013. This audit included transactional review of select p-card activity to test for compliance with current University policy and procedures. Evaluation of components of the p-card redesign project (appropriateness of p-card limits, compliance with preferred method of payment, appropriateness of policies, etc.) was not in scope.

Key Highlights:

- **Ensure p-cards are deactivated upon termination and properly managed during leaves of absence.**
  Internal Audit noted instances in which a terminated employee or an employee on leave made purchases on his or her p-card after the employee’s termination date or during their leave of absence. Management should ensure employees’ p-cards are closed prior to termination and properly managed during leaves of absences to help mitigate the risk of inappropriate purchases and help ensure University funds are being spent properly. (M)

January 29–February 1, 2014

OPEN – AUD – INFO 1-8

This information has been prepared solely for the use and benefit of the University of Missouri and is not intended for reliance by any other person.
Ensure compliance with policies related to the stringing of purchases.
Internal Audit noted 21 instances of splitting or stringing of purchases, which is prohibited per University policy. Splitting or stringing is the practice of committing multiple purchasing card transactions to circumvent delegated authority levels. Management should enforce compliance with stringing policies to reduce the risk of unauthorized purchases and to ensure University funds are being utilized appropriately. (M)
Background:
The fiscal year 2013 Internal Audit Plan included an assessment of non-employment physician contracts at the University of Missouri Health System (MUHS). The purpose of the audit was to identify University contracts with physicians and assess if the contracts were current and properly documented. Physician contracts are initiated within University of Missouri Health Care (MUHC) and University of Missouri School of Medicine (SoM). The process and parties responsible for the administration and maintenance of contracts differs between MUHC and SoM.

MUHC
The MUHC Contracts Administration Department authorizes and oversees purchasing and contracting activities for the hospitals and clinics. MUHC utilizes public and competitive bidding to contract goods and services. Additionally, MUHC also participates in cooperative purchasing agreements when identical or similar contracting procedures have previously been used to award the contract. Certain contracts may also be administered and authorized by MUHC Executive management.

MU SoM
University of Missouri (MU) Business Services is responsible for maintaining SoM contracts and ensuring contracts are in compliance with University policy. MU Business Services must review and coordinate approval of any contract for services in excess of $500. Further, MU Business Services is responsible for reviewing and coordinating approval of any contract or agreement related to intellectual property rights, real estate, clinical experience agreements and cooperative program agreements with other educational institutions.

Scope and Approach:
The scope of work included activity occurring in Fiscal Year 2013. Procedures focused on relevant processes and procedures relating to non-employment physician contracts and service agreements within MUHC and MU’s SoM. The scope of this audit was focused on expenditure related contracts that may have physician interests.

Key Highlights:

- **Implement a process to identify, track and monitor physician contracts.**
  MUHS does not currently have a system-wide process in place to identify, track and monitor physician contracts entered into on its behalf. The implementation of a tracking process would allow management to account for and monitor physician contracts to help ensure the contracts are current, paid according to contract terms, and have been properly approved. (M)
Establish a central repository for final contracts and ensure essential elements are included in physician contracts.

There is currently not a single, central repository for retention of final contracts. As a result, evidence of complete, approved physician contracts was not always easily produced. In addition, contracts were signed after the commencement date of work and did not include a retroactive clause which would make the contract valid during the full service period. Other contracts included evergreen clauses which results in an automatic renewal of the contract without additional review and approval of management. (M)
University of Missouri System
Board of Curators
January 31 – February 1, 2014
Audit Committee
Internal Audit Quarterly Report
UM
Summary of Internal Audit Activity
Since our September 2013 Report to the Audit Committee

- Completed five internal audits
- Drafted four reports
- Planning/performing fieldwork for five internal audits
Internal Audit Projects Completed
Since our September 2013 Report to the Audit Committee

- College of Nursing, UMSL
- School of Nursing & Health Studies, UMKC
- Payroll Data Analytics, UM System-Wide
- Purchasing Card Transactional Review, UM System-Wide
- Non-Employment Physician Contracting, MUHS

Note – One page summaries and the full reports have been provided in advance to the Committee.
College of Nursing, UMSL

Background and Scope

- In Fiscal Year 2013, the College had a budget of $7.4 million and served over 1,000 undergraduate and graduate students.
- The scope of work included activity occurring during Fiscal Years 2012 and 2013. Procedures focused on relevant processes and key internal controls to analyze the efficiency and effectiveness of operations.

Key Highlights

- Ensure new fiscal personnel complete relevant training to perform job responsibilities.
- Clearly define, document and communicate monitoring policies and procedures.
- Improve the monitoring of the financial activity for the College.
- Improve controls over the cash receipts process.
School of Nursing & Health Studies, UMKC

Background and Scope

- In Fiscal Year 2013, the School had revenues of $11.0 million, mostly from program instruction ($4.9 million) and grants ($3.5 million), and a current student body of approximately 1,700.
- On August 1, 2013, the School welcomed Ann Cary as the new Dean.
- The scope of work included activity occurring within Fiscal Years 2012, 2013 and 2014 through August 31, 2013. Procedures focused on relevant processes and key internal controls to analyze the efficiency and effectiveness of operations.

Key Highlights

- Improve the cash receipts process.
- Improve compliance with University procurement policies.
- Establish a formalized budgetary review process.
- Improve the timeliness of transaction processing.
Payroll Data Analytics, UM System-Wide

Background and Scope

- The UM System Central Payroll Office ("CPO") collaborates with campus payroll and accounting offices to design and implement policies and procedures and related internal controls.
- The CPO is responsible for tax reporting, maintenance of payroll tables in PeopleSoft, development of payroll schedules and oversight of the bi-weekly, monthly and retired payroll processing.
- The audit utilized data analytics tools to test payroll activity, both regular and additional pay, for compliance with University policies. The scope period included Fiscal Years 2012 and 2013 through May 31, 2013.

Key Highlights

- Assess the usage and business need for all current PeopleSoft earn codes, including the OTH earn code.
- Improve PeopleSoft leave accrual review processes and controls.
Purchasing Card Transactional Review, UM System-Wide

Background and Scope

- The System utilizes the purchasing card ("p-card") program to increase efficiencies regarding routine purchases and payments, to reduce paperwork and processing time, and to provide cost savings through consolidated payments.
- A System-wide corporate card redesign initiative is currently underway to create a more streamlined process that allows for increased ability to monitor p-card spend data and a more controlled review and approval process.
- The audit included compliance testing of select p-card activity for transactions from October 1, 2012 – July 31, 2013.

Key Highlights

- Ensure p-cards are deactivated upon termination and properly managed during leaves of absence.
- Ensure compliance with policies related to stringing of purchases.
Non-Employment Physician Contracting, MUHS

Background and Scope

- Physician contracts are initiated within University of Missouri Health Care (MUHC) and University of Missouri School of Medicine (SoM). The processes and parties responsible for the administration and maintenance of contracts differs between MUHC and SoM.
- The scope of work included expenditure activity occurring in Fiscal Year 2013 for MUHC and SoM. Procedures included identifying contracts with physician interests and testing for compliance with University policies and standard procedures.

Key Highlights

- Implement a process to identify, track and monitor physician contracts.
- Ensure essential elements are included in physician contracts. Establish a central repository for final contracts.
Questions?
In their 2012 Report to the Nation on Occupational Fraud and Abuse, the Association of Certified Fraud Examiners (ACFE) stated that tips (i.e., reports/information provided by individuals to organizations regarding alleged fraud) have been the “most common method of detection” of occupational frauds since they first began tracking the data in 2002. Over 43% of fraud was reported through tips, a large percent of which were through anonymous reporting mechanisms. They further stated that “tools such as hotlines, which allowed an individual to report misconduct without fear of retaliation can help facilitate this process” and that organizations with some form of hotline in place showed a much higher likelihood that fraud would be detected by tip, than those without a hotline in place. Further, they stated that hotlines were “the control with the greatest associated reduction in median loss, reinforcing their value as an effective anti-fraud measure”. The ACFE also credited hotlines as an effective way of encouraging employees to report misconduct who might otherwise choose not to do so. The University’s internal and external auditors and the American Institute of Certified Public Accountants (AICPA) also recommended implementation of a hotline, and confidential hotlines have been implemented by scores of institutions nationally.

The University of Missouri first implemented its hotline for reporting financial fraud in December 2007 and further expanded it to include medical/health, human resources, research, athletics, and environmental health and safety in January 2011.

This annual report covers the time period from January 1, 2013 through December 31, 2013.

**Number of Reports**
There have been 86 initial reports for calendar year 2013; 10 related to MU, 5 to UMKC, 2 to S&T, 1 to UMSL, 53 to the MU Health System, 3 to UM System, and 12 reports
were information referral reports (questions regarding the hotline purpose, process, etc.); no campus information was reflected in these reports. Follow-up reports and subsequent contact from 9 callers totaled 12 for the one year period.

The following graphic shows the number of initial reports by campus since the inception of the hotline in December 2007. With the expansion of the hotline in January 2011, the number of reports increased considerably, from 15 to 70. The following year, the total number of reports declined to 47, and in 2013 the number of reports increased substantially, to 86. This was due in large part to the marked increase in the number of reports relating to MU Health System, which increased from 18 to 53 over the three-year period from 2011 through 2013.

![University of Missouri Ethics and Compliance Hotline Number of Initial Reports by Campus, 2008* - 2013](image)

**Reports by Allegation**  
The six areas where ethics or compliance abuse can be reported are: financial, medical/health, human resources, research, athletics, and environmental health and safety. In 2013, reports were spread across four of the six categories (no reports in the areas of research or athletics were submitted). Almost one-third of the reports were
medical (a large number of which were allegations related to disclosure of confidential health information) and quality control allegations (the majority of which related to allegations of lack of service/quality effectiveness at MU Health System).

Below is a table reflecting the number of Initial Reports by Allegation type.

<table>
<thead>
<tr>
<th>Number of Initial Reports by Allegation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial</strong></td>
</tr>
<tr>
<td>Accounting and Auditing Practices</td>
</tr>
<tr>
<td>Disclosure of Confidential Information</td>
</tr>
<tr>
<td>Gifts, Bribes and Kickbacks</td>
</tr>
<tr>
<td>Misuse of Resources</td>
</tr>
<tr>
<td>Theft</td>
</tr>
<tr>
<td>Quality Control</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
</tr>
<tr>
<td>Accreditation Issues</td>
</tr>
<tr>
<td>Billing and Coding Issues</td>
</tr>
<tr>
<td>Disclosure of Confidential Health Information - HIPAA</td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
</tr>
<tr>
<td>Conflict of Interest - Personal</td>
</tr>
<tr>
<td>Discrimination</td>
</tr>
<tr>
<td>Harassment - Sexual</td>
</tr>
<tr>
<td>Inappropriate Behavior</td>
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<tr>
<td>Unfair Employment Practices</td>
</tr>
<tr>
<td><strong>Environmental Health &amp; Safety</strong></td>
</tr>
<tr>
<td>EH&amp;S</td>
</tr>
<tr>
<td>Substance Abuse</td>
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<tr>
<td>Threats or Phsyical Violence</td>
</tr>
<tr>
<td>Workplace Health or Safety Violation</td>
</tr>
<tr>
<td><strong>Other</strong></td>
</tr>
<tr>
<td>Information referral</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

* Majority relate to allegations/complaints about service quality / effectiveness at MU Healthcare.

**Frequency of Reports**
The number of reports per month varied between 4 and 12 per month, and averaged just over 7 per month.
**Resolution of Reports**
Twelve of the above 86 reports were information referral reports; no action was required for these reports.

Of the remaining 74 cases, 49 have been closed after investigation. Of these, in 33 of the cases, the complaints were found to have no merit; for 16 reports, appropriate action was taken. Five reports were closed without investigation because there was insufficient information provided. There were 19 reports pending investigation as of year-end, 18 of which were at MU Health System.

- Appropriate action was taken: 16 (18.6%)
- Investigated and no action was deemed necessary: 33 (38.4%)
- Insufficient information to investigate: 5 (5.8%)
- No action necessary – Open Records Request: 1 (1.2%)
- Information referral: (no action required): 12 (14.0%)
- Pending: 19 (22.1%)
Part of the responsibility of the Board of Curator’s Audit Committee is to periodically review the university’s code of conduct to ensure that it is adequate and up to date. This review is to occur on a biennial basis at the January/February Board meeting.

Attached are three documents relating to the University’s code of conduct which relate to policies on ethics and conflict and interest. The first, CRR 10.090, relates to the Board of Curators’ responsibilities. The second, CRR 330.015, covers University employees’ conduct as it relates to conflict of interest. The third document is the Code of Ethics Statement adopted by the Office of Finance.

10.090 Ethics and Conflict of Interest
Chapter 10: Board of Curators
http://www.umsystem.edu/ums/rules/collected_rules/administration/ch10/10.090_ethics_and_conflict_of_interest

330.015 Policy on Conflict of Interest
Chapter 330: Employee Conduct

Finance Code of Ethics
http://www.umsystem.edu/ums/fa/ethics
10.090 Ethics and Conflict of Interest

Board Minutes 7-21-06, Amended 2-6-09, Amended 1-27-11, 6-26-12.

Each member of the University of Missouri Board of Curators (hereinafter "Board") has a fiduciary obligation and responsibility with respect to his or her service on the Board, which is ultimately responsible and accountable for governing the University pursuant to Article IX, Section 9(a) of the Missouri Constitution of 1945 and applicable statutes. Each member of the Board is expected to serve the public trust and to exercise his or her duties and responsibilities solely in the interest of the public, the University and the Board and not in the member's own interest, the interest of his or her spouse, parents, siblings or children or in the interest of any business with which any of the foregoing are associated.

To implement the foregoing general principles, the Board has adopted the following:

A. Prohibited Transactions

1. No member of the Board shall vote on, attempt to influence the vote of other members of the Board or attempt to influence the decision of the University with regard to any matter under consideration by the Board or by the University in which said action will result in a material financial gain or personal gain for said Board member, his or her spouse, parents, siblings or children or any business with which any of the foregoing are associated.

2. No member of the Board shall act or refrain from acting, in connection with his or her duties and responsibilities as a member of the Board, by reason of the payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary value by said Board member, by his or her spouse, parents, siblings or children or any business with which any of the foregoing are associated.

3. No member of the Board shall use in any manner whatsoever or disclose to others confidential information obtained in connection with his or her duties and responsibilities as a member of the Board with the intent to result in material financial gain or personal gain for said Board member, for his or her spouse, parents, siblings or children or any business with which any of the foregoing are associated.

4. Consistent with Section 320.115 of the Collected Rules and Regulations of the University of Missouri, no member of the Board shall be employed by the University, either full-time or part-time, during his or her service as a member of the Board or for two (2) years after the cessation of such service. Further, no member of the Board shall enter into any contract to provide goods or services under contract with the University during his or her service.
her service as a member of the Board or for two (2) years after the cessation of such service; provided, however, that such prohibition shall not apply if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

5. Consistent with the provisions of Article VII, Section 6 of the Missouri Constitution of 1945, Section 172.310, RSMo 2000 and Section 320.040 of the Collected Rules and Regulations of the University of Missouri, no person who is related by blood or marriage to any member of the Board shall, during said Board member's service as a member of the Board, be appointed to any position in the University as officer, member of any faculty or employee.

B. Full Disclosure

1. Each member of the Board shall complete and shall submit annually to the Secretary of the Board on or before August 15 of each year, the University of Missouri Board of Curators' Conflict of Interest Disclosure Form, for the purpose of disclosing to the Board and to the public said Board member's financial interests and the financial interests of his or her spouse, parents, siblings or children, including the identity of any business with which any of the foregoing are associated. Each member of the Board of Curators shall file with the Secretary of the Board of Curators a copy of the required filing which they make with the State of Missouri Ethics Commission entitled Personal Financial Disclosure Statement. Additionally, all current members of the Board, as of August 15, 2006, and in the future new Board members, upon initial appointment to the Board of Curators, shall file with the Secretary of the Board of Curators a listing containing the name of the member's spouse, parents, siblings and children together with their current place of employment and the name of any business in which the person has an ownership interest in excess of ten percent. A Board member shall promptly update this listing when warranted by a change in circumstances.

2. If a member of the Board reasonably believes that he or she or another Board member has a conflict of interest, a potential conflict of interest or reasonably believes that the general public might perceive that a conflict of interest exists with regard to any matter that is under consideration by the Board, he or she shall report such conflict of interest, potential conflict of interest or perceived conflict of interest to the Chair of the Board at the earliest opportunity and, if possible, prior to any discussion, deliberation or vote by the Board on that matter. Unless the member of the Board voluntarily agrees to abstain from all such discussions and voting on the matter, the Chair of the Board shall determine whether an actual or
perceived conflict of interest exists and, if so, shall request that such member of the Board refrain from all such discussions and voting on the matter. If the Chair of the Board is the Board member whose financial or personal interest is at issue, the Vice Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that the Chair of the Board refrain from all such discussions and voting on the matter. In all cases the Board is the final authority on conflict of interest issues. The Board member whose financial or personal interest is the subject of any vote shall not be eligible to vote thereon.

3. If a member of the Board becomes aware that the University is about to engage in a permitted transaction, as defined below, with the Board member, his or her spouse, parents, siblings or children or with any business with which any of the foregoing are associated, the Board member shall inform the other members of the Board at the earliest opportunity and, if possible, prior to the execution of the permitted transaction. The disclosure required in this paragraph shall be required whether or not the Board is expected to be involved in discussing or approving the permitted transaction.

C. Prohibition Against Acceptance of Gifts

Members of the Board of Curators of the University of Missouri shall avoid accepting gifts for personal use, directly or indirectly, from prohibited sources, except as permitted in Section 10.090 C.2. below.

1. For the purposes of this policy, the following definitions shall apply:
   a. Gift -- Gift shall mean any tangible or intangible item or items having a monetary value in excess of $75.
   b. Prohibited Source -- Prohibited source shall mean any person or entity, public or private, outside the University, with interests, financial or otherwise, that may be substantially affected by the recommendations, decisions, performance or non-performance of the official duties of the Board member.

2. Exceptions -- The following shall not be considered a violation of this policy:
   a. Gifts that are available to the Board member on the same conditions as for the general public;
   b. Educational materials utilized in the performance of the Board member's official duties;
   c. Awards or honoraria administered by or through the University;
   d. Gifts from the Board member's relatives, by blood or marriage;
e. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be considered as lavish.

D. Permitted Transactions

1. Contingent upon compliance with the requirements of this Board Policy on Ethics and Conflict of Interest, it shall not be inappropriate for a Board member, his or her spouse, parents, siblings or children or for any business with which any of the foregoing are associated to enter into a contract with the University if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

E. Definitions

1. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "business with which any of the foregoing are associated" shall include the following:

2. Any sole proprietorship owned by the Board member, the Board member's spouse, parents, siblings or children;

3. Any partnership or joint venture in which the Board member, the Board member's spouse, parents, siblings or children is/are a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member, the Board member's spouse, parents, siblings or children is/are an officer or director or of which either the Board member, the Board member's spouse, parents, siblings or children, whether singularly or collectively, owns in excess of ten percent of the outstanding shares of any class of stock or partnership units; or

4. Any trust in which the Board member is a trustee or settlor or in which the Board member, the Board member's spouse, parents, siblings or children, whether singularly or collectively, is a beneficiary or holder of a reversionary interest of ten percent or more of the corpus of the trust.

5. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "conflict of interest" shall mean any act, action or situation that could lead to a violation of any of the matters set forth above entitled "PROHIBITED TRANSACTIONS" and shall further include an existing or potential financial interest of the

January 29-February 1, 2014

OPEN – AUD – INFO 3-5
Board member, his or her spouse, parents, siblings or children, in any
matter pending before the Board or under consideration by the University.

6. For purposes of interpreting and applying the provisions of this Board
Policy on Ethics and Conflict of Interest, the phrase "spouse, parents,
siblings or children," whether in the singular or the plural or the
conjunctive or the disjunctive, shall mean any current spouse, regardless
of residence or degree of support by the Board member; and shall mean
any and all parents, stepparents, foster parents, siblings, stepsiblings,
foster siblings, children, stepchildren or foster children residing in the
Board member's household or who receive in excess of fifty percent of
their support from the Board member.

7. For purposes of interpreting and applying the provisions of this Board
Policy on Ethics and Conflict of Interest, the phrase "material financial
gain" shall mean a financial gain of more than a nominal amount and
which is distinguishable from the anticipated realizable financial gain of
the public at large or of a special class of the public at large. For example,
a curator will not be considered to have the potential for material financial
gain if he or she participates in a decision on whether or not there should
be a change in tuition and/or fees at the University of Missouri for all
similarly situated students even if such curator, his or her spouse,
parents, siblings or children will be affected by such increase.

F. Conflict of Interest Disclosure Form

1. Conflict of Interest Disclosure Form (PDF)

G. Family Disclosure Form

1. Family Disclosure Form (PDF)
330.015 Policy on Conflict of Interest

Bd. Min. 1-25-90, Amended 10-05-07, Amended 11-29-07, Amended 3-22-11, Amended 7-27-12.

A. Conflict of Interest -- General Provisions

1. Applicability. This policy is applicable to all University employees. Investigators involved in proposed or funded NSF or PHS (including NIH) research must also comply with CRR 420.030 pertaining to potential Conflicts with the Interests of Federal Grant Agencies. Additionally, for research involving human subjects, Researchers and certain University Officials must also comply with CRR 410.020 pertaining to Institutional Conflicts of Interest in Human Subjects Research.

2. Policy. University employees shall faithfully discharge their duties and shall refrain from knowingly engaging in any outside matters of financial interest incompatible with the impartial, objective, and effective performance of their duties. They shall not realize personal gain in any form which would influence improperly the conduct of their University duties. They shall not knowingly use University property, funds, position or power for personal or political gain. They shall inform their supervisors in writing of reasonably foreseen potential conflicts.

3. Sanctions. Conduct by an employee that violates the University's policies, regulations or rules pertaining to conflict of interest shall constitute a breach of the employment contract and may lead to disciplinary action.

B. Use of Confidential Information -- Employees shall not use confidential information about the University obtained by reason of their employment with intent to cause financial gain to themselves or unfair advantage for another person.

C. Prohibition Against Acceptance of Gifts -- Employees of the University of Missouri shall avoid accepting gifts for personal use, directly or indirectly, from prohibited sources, except as permitted in Section 330.015C.2 below.

1. For the purposes of this policy, the following definitions shall apply:
   a. Gift -- Gift shall mean any tangible or intangible item or items having a monetary value in excess of $75.
   b. Prohibited Source -- Prohibited source shall mean any person or entity, public or private, outside the University, with interests, financial or otherwise, that may be substantially affected by the recommendations, decisions, performance or non-performance of the official duties of the employee.

January 29-February 1, 2014

OPEN – AUD – INFO 3-7
2. Exceptions -- The following shall not be considered a violation of this policy:

a. Gifts that are available to the employee on the same conditions as for the general public;
b. Educational materials utilized in the performance of the employee's University job;
c. Awards or honoraria administered by or through the University;
d. Gifts from the employee's relatives, by blood or marriage;
e. Any item of food, refreshment, entertainment or other benefit provided to the employee while attending a meeting, conference or convention provided on the same conditions as for other attendees; provided that if the item could be considered as lavish, than approval must be obtained under subparagraph f below;
f. Any gift if approved in writing in advance by an administrative superior who is a University General Officer, or in the event of the President, then approval of the Chair of the Board of Curators.

3. Each General Officer approving acceptance of gifts under Section 330.015C.2.f shall report all such approvals annually to the President.

D. Outside Business Interests of University Personnel -- An employee's outside employment or business activities and interests must not interfere with the employee's regular duties nor represent a conflict of interest.

1. Grants and Contracts. When it is proposed that the University of Missouri enter into (1) contracts for the sale of goods or services, or (2) research contracts or grants, or (3) other contracts, including those for technological transfer, with private firms or corporations in which a University employee knows he or she has a direct or indirect financial interest, the following procedure shall be followed:

a. Before the proposed contract is executed by the University, the University employee shall make a full disclosure of such financial interest, in writing, which disclosure shall be forwarded to the official having contract approval authority. This disclosure shall also be filed in a registry appropriately located for public scrutiny for a period of at least ten (10) days prior to the approval of the contract.
b. If there is a change in the financial interest of a University employee during the term of the contract, the change shall be reported immediately, in writing, and forwarded to the official having contract approval authority, and shall also be filed as required in Paragraph D.1.a above.
c. If the financial interest of the University employee in the private firm or corporation is such that it could influence the decision-making process of the private firm or corporation and the

January 29-February 1, 2014

OPEN – AUD – INFO 3-8
employee could also influence the decision-making process of the University in entering into or performing the contract:

(1) The University shall not enter into the contract or shall cancel the contract, if the terms of the contract so permit; or

(2) The University employee shall take such action as is necessary to remove her or him from a relationship with the private firm or corporation which could influence the decision-making process of the private firm or corporation; or

(3) The University shall establish a procedure to remove any opportunity for the University employee to influence the entering into the contract by the University or the manner in which the contract is performed by the University.

2. **Overlapping Business Activities.** Before an employee enters into a business activity which overlaps with the University's teaching, research, or service missions, the employee shall make full disclosure, in writing, to her or his immediate chairperson/supervisor, and such disclosure shall be filed as required in Paragraph D.1.a. above. The chairperson/supervisor and her or his dean/director/supervisor must approve or disapprove in writing the proposed activity.

3. **Full-time Employment - Faculty and Exempt Personnel.** Full-time faculty and full-time exempt personnel may not be concurrently employed full-time with another employer.[1]

4. **Teaching.** An employee of the University who teaches either credit or non-credit courses not connected with the University may have a conflict of interest. To avoid conflicts of interest an employee must disclose the proposed teaching activity and secure written approval in advance from her or his department chairperson/supervisor and dean/director or the Provost on campuses having no schools or colleges. Approval for such teaching shall be granted unless the proposed teaching is not in the best interests of the University. In reaching the decision, the department chairperson/supervisor and dean/director or Provost on campuses having no schools or colleges should consider all relevant matters including such concerns as duplication of University courses or programs and accreditation standards.

5. **Faculty-Authored Textbooks and Other Educational Materials.** Textbooks, tapes, software and other materials authored by the course instructor may be assigned to be purchased by students for a course taught by the author if the royalties arising from the purchase of the assigned materials are returned to the University of Missouri, another educational institution, a charitable organization, or a not-for-profit

January 29-February 1, 2014

OPEN – AUD – INFO 3-9
foundation. Any proceeds from other University uses of such materials, such as purchase by the library, shall be the property of the author. Course instructors or any other employee responsible for selecting, ordering, assigning course materials cannot accept gifts, development grants, or other compensation from any company or organization for the adoption of course textbooks, software or other educational material. See 330.015(C) for a description of gifts.

E. **Faculty and Exempt Personnel Consultation** -- Consultation, whether income producing or otherwise, is the application of professional and scholarly expertise in the external community. It is a significant means of professional improvement as well as a form of community service. However, consultation may in some instances also constitute a business interest requiring disclosure and approval when the entity for which the employee consults transacts business with the University or is in competition with the University, or where the consultation itself competes with the work of the University. In these instances the procedure in Paragraph D.1.a. is applicable.

It is the policy of the University to permit consulting activities which:
1. are related to the professional interest and development of the faculty member or other exempt person,
2. do not interfere with regular duties,
3. do not utilize University materials, facilities, or resources except as provided in the University Business Policy and Procedure Classification Code 01-21 dated May 1, 1979,
4. are in agreement with the American Association of University Professors/American Council on Education (AAUP/ACE) Statement on Conflict of Interest and with the requirements of accreditation for the particular school or unit in question,
5. do not compete with the work of the University, and are not otherwise contrary to the best interest of the University,
6. do not violate federal or state law, and
7. do not represent a conflict of interest under other policies of the University.

Each division shall make an annual report to the Chancellor, or appropriate Vice President, indicating the aggregate time and the nature of the service performed for each individual engaged in consulting, including the area of technological transfer. These reports shall be transmitted annually to the President.

F. **Use of University Stationery** -- Official University stationery may not be used in outside business, personal, and other private or political activities of employees. However, for use in such activities, faculty may have printed at their own expense personal business stationery carrying their academic title, University address and telephone number.
G. **Use of University Logo** -- It is a violation of University policy to employ the name of the University or any of its graphic identification symbols in printed materials intended to endorse or promote individual enterprises or to otherwise enhance private gain without the written permission of the University President.

H. **Appeals** -- Appeals of decisions made under these procedures should be brought to resolution informally and at the lowest possible administrative level. Should attempts to resolve appeals informally fail, procedures set forth in Collected Rules and Regulations, 370.010 and 380.010, shall be followed.

[1] Effective September 1, 1983, an employee classified as at least 75% full-time equivalence with an indicated appointment duration of at least six months and who is regularly scheduled to work a minimum of 30 hours per week is considered a full-time employee.
Code of Ethics Statement  
Office of Finance

Finance staff shall

1. perform their duties in accordance with the appropriate recognized ethical and legal standards;

2. practice honesty and integrity in all aspects of their work;

3. exhibit professionalism in the workplace, and conduct themselves in a way that will continue to promote the public’s confidence in the integrity of the University;

4. be fair-minded, non-discriminatory, and treat all individuals, both internal and external to the University community equitably, with civility, respect and dignity;

5. fulfill their assigned responsibilities, and be proactive in developing the skills necessary to provide high job performance;

6. exercise fiduciary responsibility with respect to safeguarding the University’s assets;

7. exercise custodial responsibility with respect to the use of University property and resources;

8. exercise, within the requirements of the Missouri Public Records law, confidentiality with respect to information, records, and data management, respecting the rights and privacy of individuals;

9. take action to mitigate any real or perceived conflicts of interest; and

10. comply with Federal and State laws and regulations and University policies and procedures.
UPCOMING COMMITTEE MEETING TOPICS

There are no materials for this information item.
The Interim Vice President for Finance and Treasurer recommends that KPMG LLP be employed to provide audit services to the University of Missouri for fiscal year 2014 for fees of $778,059 plus expenses not to exceed $68,577. The total fees and expenses of $846,636 represent a 3% increase in fees and expenses for normal audit services over the prior fiscal year plus known scope changes as explained in the attached fee schedule. This is the fifth year of the current five-year engagement agreement. In accordance with the current engagement agreement, professional fees were decreased by 2% in fiscal year 2010, remained flat with no increase in fiscal year 2011, and had 3% increases in fiscal years 2012, 2013 and 2014.

Fiscal year 2014 fees cover the following audit services: combined financial statements of the University of Missouri System, compliance audit of the University of Missouri System in accordance with OMB Circular A-133, financial statements of University of Missouri Health Care; financial statements of Capital Region Medical Center; and, minimum agreed-upon procedures required by the NCAA for the Intercollegiate Athletics Departments of the Columbia and Kansas City campuses.

The 2014 fees do not include minimum agreed-upon procedures required by the NCAA for the Intercollegiate Athletics Departments of the Missouri University of Science and Technology campus and UM – St. Louis campus. The NCAA requires that minimum agreed-upon procedures for a Division 2 university intercollegiate athletic program be performed every three years. These procedures were performed for the Missouri University of Science and Technology campus and the UM – St. Louis campus in fiscal year 2012 and are not required in fiscal year 2014.
## University of Missouri System
Fiscal year ended June 30, 2014

### Combined financial statements of the University of Missouri System

<table>
<thead>
<tr>
<th>6/30/2013 Fees</th>
<th>3% Increase</th>
<th>Known scope change</th>
<th>Total Fees FY 2014</th>
<th>6/30/2013 Expenses</th>
<th>3% Increase</th>
<th>Known scope change</th>
<th>Total Expenses FY 2014</th>
<th>Total Fees &amp; Expenses FY 2013</th>
<th>Total Fees &amp; Expenses FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>$307,477</td>
<td>$9,225</td>
<td></td>
<td>$316,702</td>
<td>$33,706</td>
<td>$1,011</td>
<td></td>
<td>$34,717</td>
<td>$341,183</td>
<td>$351,419</td>
</tr>
</tbody>
</table>

### Compliance audit of the University of Missouri System in accordance with OMB Circular A-133

| $151,608       | $4,548      | $22,000            | $178,156           | $9,897           | $297        | $2,000            | $12,194           | $161,505                  | $190,350                    |

### Financial statements of the University Health System

| $138,146       | $4,144      |                    | $142,290           | $11,833           | $355        |                   | $12,188           | $149,979                  | $154,478                    |

### Financial statements of the Capital Region Medical Center

| $94,967        | $2,849      |                    | $97,816            | $6,573           | $197        |                   | $6,770            | $101,540                  | $104,586                    |

### Minimum agreed-upon procedures required by the NCAA for the Intercollegiate Athletics Departments of the Columbia and Kansas City campuses

| $41,840        | $1,255      |                    | $43,095            | $2,629           | $79         |                   | $2,708            | $44,469                   | $45,803                     |

### Total

| $734,038       | $22,021     | $22,000            | $776,059           | $64,638          | $1,939      | $2,000            | $68,577           | $798,676                  | $846,636                    |

Additional audit hours incurred beyond the anticipated normal scope of auditing services will be discussed with UMS management on a timely basis and additional billings will be negotiated at an hourly rate of $199.00. The following instances are considered a change in the normal scope of the audits: 1) greater than six major federal award programs under OMB Circular A-133 Single Audit and the effects of requirements imposed on Federal dollars related to the American Recovery and Reinvestment Act of 2009 (ARRA), or any other changes to the Circular for FY 2014, 2) implementation of new Governmental Accounting Standards Board Statements (including the effects of GASB 65, 67, 68, 70, and 71 to the extent applicable and effective), Accounting Standards Codifications (including the additional effects that ASC's may have at CRMC), or AICPA Auditing Standards, 3) scope of audit work changing dramatically, significant difficulties encountered beyond the expected scope of the audits, or inefficiencies caused by delays in PBC's not being completed according to originally agreed upon schedule. The above noted fees assume between 150 and 200 hours of direct audit assistance will be provided from a University Intern.

A The fee for 2013 was based on five major programs, however, the fee for 2014 is based on six major programs. The additional fee is an estimated fee as the specific major program is not yet known.
No. 1

Recommended Action – Engagement of Independent Auditors and Related Fees, UM

It was recommended by Interim Vice President Richards, endorsed by President Wolfe, recommended by the Audit Committee, moved by Curator __________, seconded by Curator __________, and __________, that the following action be approved:

that the Interim Vice President for Finance be authorized to employ the firm of KPMG LLP to provide audit services to the University of Missouri for fiscal year ending June 30, 2014 for fees of $778,059 plus expenses not to exceed $68,577.

Roll call vote of Committee: YES   NO
Curator Bradley
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

Roll call vote: YES   NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion __________ by a vote of __________.
Recommended Action - Adjourn Board of Curators Audit Committee Meeting.

It was moved by Curator __________ and seconded by Curator __________, that the Board of Curators Audit Committee meeting, January 29-February 1, 2014, be adjourned.

Roll call vote of the Committee:  YES  NO
Curator Bradley
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ______________.
The Compensation and Human Resources Committee may have referred to it matters relating to the compensation, benefits and other human resource functions of the University and associated programs and policies.

1. The Vice President for Human Resources of the University of Missouri or some other person or persons designated by the President of the University shall be an ex officio member of this Committee.

2. The Compensation and Human Resources Committee shall be the Board Committee for executive compensation based on established individual dollar threshold and multi-year contract arrangements; Retirement Disability and Death Benefits Program; medical plan and all other benefit programs of the University; human resource and labor policy; and attendant financial considerations associated with these programs with the exception of the Retirement Trust. The Compensation and Human Resources Committee has broad responsibility for oversight in matters involving personnel and compensation throughout the University. The President shall regularly consult with the committee in the following areas:
   a. Multi-year employment contracts and extensions;
   b. Compensation and salary levels for General Officers, faculty, and staff;
   c. Performance and annual review protocols;
   d. Market and wage comparator groups;
   e. Evaluating benefits, retirement, and post-retirement plans; and
   f. Promulgating employee recruitment, hiring, and termination policies.
Annual Total Rewards Update

An update on the university’s benefit programs is provided each year to the Board of Curators. This year’s update includes both compensation and benefits, branded as “Total Rewards.”

Compensation comprises 48% of the university’s operating expenses in FY 2013, with benefits adding another 14%; therefore, any decisions and projected growth regarding these line items, either separately or in combination, will have a substantial financial impact on the university.

The information on pay and benefits includes comparisons to peer institutions. The benefits information focuses on the two main expenses, medical insurance and retirement plans, including cost efficiencies, plan value and cost projections.

This item is presented to the Board of Curators for information only.
UM Total Rewards Update

Board of Curators

January 29 - February 1, 2014
What is Total Rewards?

- All of the tools used to recruit, reward, and retain talented faculty and staff.
- Includes everything employees perceive to be of value resulting from the employment relationship
- Communication strategy and graphic design developed in 2011 to help faculty and staff recognize information, programs and services related to the university’s Total Rewards package
UM Compensation Philosophy

- Supportive of the university’s mission and strategy
- Fairly and consistently administered
- Internally equitable
- Externally competitive within the appropriate labor market and higher education industry
- Performance based
- Structured system-wide but flexible enough to meet campus/hospital needs
## Faculty Pay: UM Campuses vs Peers

<table>
<thead>
<tr>
<th>Rank</th>
<th>Peers</th>
<th>MU</th>
<th>Peers</th>
<th>UMKC</th>
<th>Peers</th>
<th>UMSL</th>
<th>Peers</th>
<th>S&amp;T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor</td>
<td>$135,900</td>
<td>$117,200</td>
<td>$111,300</td>
<td>$106,000</td>
<td>$108,100</td>
<td>$96,700</td>
<td>$133,000</td>
<td>$117,300</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>$91,500</td>
<td>$78,000</td>
<td>$80,600</td>
<td>$77,400</td>
<td>$79,900</td>
<td>$69,700</td>
<td>$94,000</td>
<td>$81,500</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>$80,400</td>
<td>$63,800</td>
<td>$69,800</td>
<td>$64,000</td>
<td>$69,000</td>
<td>$57,100</td>
<td>$88,150</td>
<td>$71,900</td>
</tr>
</tbody>
</table>
Staff Compensation Project

- Campus-wide project began 2010 and will be fully operational in April 2014
  - Creates consistency and equity in job evaluation and salary structure
  - Reduces the number of titles and salary ranges
  - Enables the organization to compare staff salaries to the market
  - Provides a career path for employees wishing to advance
## Staff Pay

<table>
<thead>
<tr>
<th></th>
<th>MU</th>
<th>UMKC</th>
<th>UMSL</th>
<th>S&amp;T</th>
<th>UMSYS</th>
<th>HOSPT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Count</td>
<td>5,219</td>
<td>1,295</td>
<td>1,021</td>
<td>702</td>
<td>459</td>
<td>260</td>
</tr>
<tr>
<td>Average Staff Salary</td>
<td>$46,007</td>
<td>$48,926</td>
<td>$48,400</td>
<td>$45,574</td>
<td>$66,396</td>
<td>$36,211</td>
</tr>
<tr>
<td>Total Salary</td>
<td>$240,110,623</td>
<td>$63,359,088</td>
<td>$49,416,075</td>
<td>$31,992,847</td>
<td>$30,475,564</td>
<td>$9,414,847</td>
</tr>
<tr>
<td>Revised Projected Cost to GGS</td>
<td>$1,011,853</td>
<td>$288,890</td>
<td>$49,055</td>
<td>$195,499</td>
<td>$61,607</td>
<td>$17,767</td>
</tr>
</tbody>
</table>

Revised Projected Cost to GGS Minimum
FY13 Total Rewards Spend = $1.7 Billion
Benefit Eligible Employees only
Components of Benefit Spend FY14*
Total Spend = $303,603,777

- Medical: 47%
- Retirement: 31%
- Unemployment/Workers Comp: 3%
- Other: 10%
- Retiree Health: 5%
- Life/LTD: 2%
- Dental: 2%

*Based on the flat rate for FY14
Benefit Rate History
(actual rates for FY03-FY14 and estimated rates for FY15-FY18)
## Benefit Eligible Employees Enrolled for 2014

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Employees</th>
<th>Enrolled in Medical</th>
<th>Dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td>MU/Extension</td>
<td>8,719</td>
<td>8,147</td>
<td>9,677</td>
</tr>
<tr>
<td>MU Health Care</td>
<td>4,540</td>
<td>4,063</td>
<td>4,767</td>
</tr>
<tr>
<td>UM System</td>
<td>452</td>
<td>433</td>
<td>535</td>
</tr>
<tr>
<td>UMKC</td>
<td>2,715</td>
<td>2,353</td>
<td>2,443</td>
</tr>
<tr>
<td>S&amp;T</td>
<td>1,241</td>
<td>1,107</td>
<td>1,442</td>
</tr>
<tr>
<td>UMSL</td>
<td>1,539</td>
<td>1,384</td>
<td>1,407</td>
</tr>
<tr>
<td>Long-Term Disability</td>
<td>230</td>
<td>195</td>
<td>110</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>19,436</strong></td>
<td><strong>17,682</strong></td>
<td><strong>20,381</strong></td>
</tr>
</tbody>
</table>

91% of benefit eligible employees enroll in medical plans
# Medical Cost to Premium Ratio – Plan Year 2013

<table>
<thead>
<tr>
<th>Plan Year 2013</th>
<th>Active Employees, LTD and Pre-65 Retirees</th>
<th>Post-65 Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrolled</td>
<td>18,519</td>
<td>4,344</td>
</tr>
<tr>
<td>Premiums</td>
<td>$186,750,957</td>
<td>$19,141,214</td>
</tr>
<tr>
<td>Cost (Claims + Admin)</td>
<td>$177,170,367</td>
<td>$18,008,604</td>
</tr>
<tr>
<td>Cost to Premium Ratio*</td>
<td>95%</td>
<td>94%</td>
</tr>
</tbody>
</table>

* Target is 100% or below.
2014 Open Enrollment Results (Employees)

- **MyOptions**
  - Pre-Open Enrollment: 1,357
  - Post-Open Enrollment: 1,913

- **MyChoice**
  - Pre-Open Enrollment: 15,376
  - Post-Open Enrollment: 15,978
Medical Cost Benchmarks-Industry Breakouts

Database Findings: University of Missouri’s Cost vs. the Gov’t/Public Sector/Education Industry Cost

- University of Missouri: $10,131
- Government/Public Sector/Education: $11,897
- Database: $11,372

 UM has 15% lower costs than the Gov’t/Public Sector/Education industry.

Source: Towers Watson Benefit 360 Analysis
Medical Cost Benchmarks
Understanding Your Population: Plan Value (vs. database by plan type)

University of Missouri’s plan values are 10% higher than the database average

Source: Towers Watson Benefit 360 Analysis
# UM Cost Impact of Affordable Care Act

<table>
<thead>
<tr>
<th>Year</th>
<th>Provisions</th>
<th>Cost impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-2011</td>
<td>• Adult child coverage to age 26</td>
<td>• $864,000</td>
</tr>
<tr>
<td></td>
<td>• No lifetime dollar limits/restricted annual dollar limits on essential</td>
<td>• No impact</td>
</tr>
<tr>
<td></td>
<td>health benefits</td>
<td>• No impact</td>
</tr>
<tr>
<td></td>
<td>• No pre-existing condition exclusions for enrollees under 19</td>
<td>• No impact</td>
</tr>
<tr>
<td></td>
<td>• First-dollar preventive care coverage</td>
<td>• Minimal impact</td>
</tr>
<tr>
<td>2013</td>
<td>• W-2 issued (using 2012 information)</td>
<td>• Minimal impact</td>
</tr>
<tr>
<td></td>
<td>• Additional Medicare tax &amp; unearned income contribution</td>
<td>• No impact to UM</td>
</tr>
<tr>
<td></td>
<td>• $2,500 cap on pretax contributions to health FSAs</td>
<td>• Minimal impact to UM</td>
</tr>
<tr>
<td>2014</td>
<td>• Revenue raisers</td>
<td>• $2.4 Million TRF</td>
</tr>
<tr>
<td></td>
<td>• Transitional reinsurance fee (TRF)</td>
<td>• $43,623 PCORI</td>
</tr>
<tr>
<td>2015-2017</td>
<td>• Employer mandate</td>
<td>• Non-compliance $39 million</td>
</tr>
<tr>
<td></td>
<td>• Automatic enrollment – required to enroll eligible employees in a plan</td>
<td>• To be determined</td>
</tr>
<tr>
<td>2018</td>
<td>• Excise Tax</td>
<td>• To be determined</td>
</tr>
</tbody>
</table>
# UM’s Two Core Retirement Plans

<table>
<thead>
<tr>
<th></th>
<th>Employee Retirement Investment (new) Plan</th>
<th>Retirement, Disability and Death Benefit Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Defined Benefit Portion</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Multiplier Formula</strong></td>
<td>1.0% of pay</td>
<td>2.2% of pay</td>
</tr>
<tr>
<td><strong>UM DB Contribution</strong></td>
<td>Varies based on annual contribution</td>
<td>Varies based on annual contribution</td>
</tr>
<tr>
<td><strong>Vesting</strong></td>
<td>5 years</td>
<td>5 years</td>
</tr>
<tr>
<td><strong>Employee Mandatory Contribution</strong></td>
<td>1% up to $50,000, 2% of amount above $50,000</td>
<td>1% up to $50,000, 2% of amount above $50,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Defined Contribution Portion</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UM Automatic DC Contribution</strong></td>
<td>2% of pay</td>
<td></td>
</tr>
<tr>
<td><strong>UM Match to employee voluntary contribution</strong></td>
<td>100% up to an additional 3% of pay</td>
<td>Varies based on DB annual contribution</td>
</tr>
<tr>
<td><strong>Vesting</strong></td>
<td>3 years (need not be consecutive)</td>
<td></td>
</tr>
<tr>
<td><strong>UM Contribution</strong></td>
<td>Varies based on DB annual contribution</td>
<td>Varies based on DB annual contribution</td>
</tr>
</tbody>
</table>
Employee Retirement Investment Plan (New Plan) Since October 2012

- 2,667 participants (includes terminated employees)
- 96% of participants retained the opt-in participation rate
- Projected that 50% of all retirement plan participants will be in this plan by 2019 and 85% by 2034
History and Projected Future Contributions in Dollars to University Retirement Plan

- Employer Contributions
- Employee Contributions
- (To)Fr Stabilization Reserve

FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18

$ in millions

180.0
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
-20.0
-40.0

Advancing Missouri

UMSYSTEM.EDU

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# UM Voluntary Retirement Plans

<table>
<thead>
<tr>
<th>Plan</th>
<th>Participants</th>
<th>Market Value as of 9/30/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>401(a)</td>
<td>216</td>
<td>$33.4 million</td>
</tr>
<tr>
<td>403(b)</td>
<td>7,287*</td>
<td>$498.9 million</td>
</tr>
<tr>
<td>457(b)</td>
<td>2,993</td>
<td>$112.1 million</td>
</tr>
<tr>
<td>ERIP</td>
<td>2,667</td>
<td>$1.7 million</td>
</tr>
</tbody>
</table>

*Some individuals may have an account at both TIAA and Fidelity*
Total Rewards Task Force Objectives

- Retirement plan benefits may not be reduced but additional options may be considered.
- Establish competitive benchmarks for benefit costs.
- Remain competitive within applicable employee peer groups.
- Considered of value by employees and retirees.
- Increase cost predictability for both participants and the university.
2014 Committee Business

Regular Committee Agenda Items:

- April: Total Rewards Task Force report
  - Annual retirement plan valuation report
- June:
- October:
- December:

Other Topics for Consideration?

Total Rewards Task Force Implementation Update
UPCOMING COMMITTEE MEETING TOPICS

For this information item, see the last slide of C&HR Info 1 (Slide 22)
Recommended Action - Adjourn Board of Curators Compensation and Human Resources Committee Meeting.

It was moved by Curator __________ and seconded by Curator __________, that the Board of Curators Compensation and Human Resources Committee meeting, January 29-February 1, 2014, be adjourned.

Roll call vote of the Committee:   YES  NO

Curator Bradley  
Curator Goode  
Curator Henrickson  
Curator Phillips  
Curator Ponder

The motion ______________.
BOARD CHAIRMAN’S REPORT

There are no materials for this information item.
UNIVERSITY OF MISSOURI SYSTEM
PRESIDENT’S REPORT

There are no materials for this information item.
Recommended Action - Consent Agenda

It was endorsed by President Wolfe, moved by Curator ___________ and seconded by Curator ___________, that the following items be approved by consent agenda:

CONSENT AGENDA

1. Minutes, November 21-22, 2013 Board of Curators Meeting
2. Minutes, November 21-22, 2013 Board of Curators Committee Meetings
3. Minutes, November 17, 2013 Special Board of Curators Meeting
4. Minutes, November 27, 2013 Board of Curators Executive Committee Meeting
5. Security Resolution, 2014
6. Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM

Roll call vote of the full Board: YES NO

Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion __________________.
Consent 1

Recommended Action - Minutes, November 21-22, 2013 Board of Curators Meeting

It was moved by Curator _______________ and seconded by Curator _______________, that the minutes of the November 21-22, 2013 Board of Curators meeting be approved as presented.

Roll call vote:    YES    NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.
It was moved by Curator ____________ and seconded by Curator ____________, that the minutes of the November 21-22, 2013 Board of Curators Committee meetings be approved as presented.

Roll call vote:   YES   NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.
Consent 3

Recommended Action - Minutes, November 17, 2013 Board of Curators Special Meeting

It was moved by Curator _______________ and seconded by Curator _______________, that the minutes of the November 17, 2013 Board of Curators Special meeting be approved as presented.

Roll call vote: YES NO
Curator Bradley  
Curator Covington  
Curator Cupps  
Curator Downing  
Curator Goode  
Curator Henrickson  
Curator Phillips  
Curator Ponder  
Curator Steward

The motion ________________.
Consent 4

Recommends Action - Minutes, November 27, 2013 Board of Curators Executive Committee Meeting

It was moved by Curator ____________ and seconded by Curator ____________, that the minutes of the November 27, 2013 Board of Curators Executive Committee meeting be approved as presented.

Roll call vote: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.

January 29 – February 1, 2014

OPEN – CONSENT – 4-5
Recommended Action - 2014 Security Resolution

It was endorsed by President Wolfe, moved by Curator ___________ and seconded by Curator ___________, that the following resolution be approved:

Resolution

The Curators of the University of Missouri agree that the following individuals occupying the designated offices shall constitute a Security Executive Committee with full authority and responsibility for the negotiation, execution and administration of Department of Defense, or User Agency classified contracts as described in DoD 5520.22-M, “National Industrial Security Program”:

President, University of Missouri System, Timothy M. Wolfe
Executive Vice President for Academic Affairs, Henry C. Foley, Ph.D.
Facility Security Officer, University of Missouri System and University of Missouri-Columbia, Leon M. Hoffsette

The members of this Security Executive Committee have been processed for a personnel security clearance for access to classified information to the level of the facility security clearance granted to this institution, as provided for under the aforementioned security program.

Once Chancellor, University of Missouri-Columbia, Richard B. Loftin, Ph.D. completes all the requirements for a Department of Defense Top Secret personnel security clearance, he too will become a full voting member of the Security Executive Committee.

The said Security Executive Committee is hereby delegated all of the Board’s duties and responsibilities pertaining to the protection of classified information under classified contracts of the Department of Defense or User Agencies awarded to the Curators of the University of Missouri.

The following officers and members of the University of Missouri Board of Curators shall not be required, shall not have, and can be effectively excluded from access to all classified information in the possession of the Curators of the University of Missouri, and do not occupy positions that would enable them to affect adversely the policies and practices of the Curators of the University of Missouri in the performance of classified contracts for the Department of Defense or User Agencies awarded to the Curators of the University of Missouri, and need not be processed for a personnel security clearance:

January 29 – February 1, 2014

OPEN – CONSENT 5-2
All nine members of the Board of Curators:
    David R. Bradley
    Ann K. Covington
    Donald L. Cupps
    Don M. Downing
    Wayne Goode
    Pamela Q. Henrickson
    John R. Phillips
    J. Michael Ponder
    David L. Steward

Acting General Counsel, Phillip J. Hoskins
Interim Vice President for Finance and Treasurer, Thomas F. Richards
Vice President for Information Technology, Gary K. Allen, DVM, Ph.D.
Vice President for Human Resources, Elizabeth A. Rodriguez, Ph.D.
Vice President for University Relations, Stephen C. Knorr
Interim Chancellor, University of Missouri-Columbia, Stephen J. Owens, J.D.
Chancellor, University of Missouri-Kansas City, Leo E. Morton
Chancellor, University of Missouri-St. Louis, Thomas F. George, Ph.D.
Chancellor, Missouri University of Science and Technology, Cheryl B. Schrader, Ph.D.
Chief of Staff, Robert W. Schwartz

Roll Call Vote of the Board:  YES  NO

Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ____________.

January 29 – February 1, 2014

OPEN – CONSENT 5-3
Amendment to Collected Rules and Regulations
Section 490.020 Medical, Professional and Patient General Liability
UM

The University of Missouri’s Collected Rules and Regulations Defense and Protection – Medical, Professional and Patient General Liability (CRR 490.020) governs the defense of medical professionals associated with The Curators of the University of Missouri. It addresses trust plan definitions, covered persons, limits of liability exclusions, and other coverage details.

The new language serves to clarify the applicability related to University of Missouri-Kansas City School of Medicine health care professionals jointly employed by the University of Missouri-Kansas City School of Medicine and any other entity. Risk and Insurance Management is recommending the following policy revisions which were developed with the Office of the General Counsel. This issue was discussed with the Board of Curators at the September 2013 meeting as part of the presentation on the UMKC School of Medicine.

The changes specifically impact three (3) areas of CRR 490.020 as follows:

Section 490.020 A.10

Article I: Definitions – As used herein:

Employee -- Except as otherwise provided in this paragraph, the term "employee" shall mean a person whose services are secured by written agreement by "Employer" at a "medical facility" or a person employed by "Employer" at a "medical facility" or who has administrative or supervisory authority with respect to a "medical facility" or personnel thereof and at the time of an "occurrence" was in the performance of his or her regularly assigned duties as determined by the appropriate person having supervisory authority of the employee, including the performance of attending to emergency medical care (commonly known as Good Samaritan Service) and incidental and non-continuing medical service with the permission of the appropriate person having supervisory authority of the employee and shall also include non-employee volunteers rendering service at such "medical facility" as well as enrolled students of the University of Missouri pursuing courses of instruction at or under the direction or auspices of the "medical facility". The term "employee" shall not include medical residents employed by Employer as part of the residency program at the University of Missouri-Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.
Section 490.020 C.2

Article III: Covered Persons – Each of the following is a covered person under the plan to the extent set forth below:

Coverage shall not extend to medical residents employed by Employer as part of the residency program at the University of Missouri-Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.

Section 490.020 E.3

Article V: Exclusions -- The Plan does not apply:

To medical residents employed by Employer as part of the residency program at the University of Missouri-Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.
Recommended Action - Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM

It was recommended by Interim Vice President Richards, endorsed by President Wolfe, recommended by the Finance Committee, moved by Curator ______________ and seconded by Curator ______________, that the following action be approved:

that Collected Rules and Regulations 490.020 Medical, Professional and Patient General Liability be amended to clarify the policy regarding its applicability related to University of Missouri-Kansas City School of Medicine health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any other entity other than employer, as reflected in the attached.

Roll call vote Finance Committee YES NO
Curator Covington
Curator Cupps
Curator Goode
Curator Phillips
Curator Steward

The motion ________________.

Roll call vote Full Board: YES NO
Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.
Collected Rules and Regulations
Benefit Plans
Chapter 490: Defense and Protection

490.020 Medical, Professional and Patient General Liability

Bd. Min. 2-24-78, Amended Bd. Min. 5-26-78, Amended Bd. Min. 7-27-79; Revised 1-21-98; Revised 10-1-98, Amended Bd. Min. 11-22-02.

A. Article I: Definitions -- As used herein:

1. Plan -- The term "Plan" shall mean the University of Missouri Medical Professional and Patient General Liability Plan.

2. Employer -- The term "Employer" shall mean The Curators of the University of Missouri, a public corporation, including all its campuses, divisions, branches and parts.

3. Injury -- The term "injury" shall mean physical damage to or destruction of tangible property, bodily or mental injury, sickness or disease, including death, to which the Plan applies and resulted from an "occurrence" while the Plan was in effect. The term "injury" shall not be deemed to mean intentional torts.

4. Damages -- The term "damages" shall mean any monetary consideration due a claimant, including but not limited to money, services, waiver of amounts payable from patients and any other similar consideration approved pursuant to the Plan or the amount of a final judgment awarded by a court of competent jurisdiction.
5. **Covered Person** -- The term "covered person" shall mean any person or organization designated in the Covered Persons provision of the Plan.

6. **Occurrence** -- The term "occurrence" shall mean an "incident", including continuous or repeated exposure to conditions, which results in an "injury" neither expected nor intended from the standpoint of the covered person and/or neither expected nor intended from the standpoint of the claimant.

7. **Incident** -- The term "incident" shall mean any happening which is not consistent with the routine or commonly practiced care of a patient, including an accident or a situation which might result in an accident. An incident is also an actual or alleged injury arising out of the rendering or failure to render professional services by a "covered person" or by any person for whose acts or omissions the "covered person" is legally responsible, which resulted from or was attendant to a therapeutic or diagnostic procedure. Also included as an incident is a claim by or on behalf of a "patient" that there was a failure to obtain an informed consent from a person or entity with the legal authority to provide such consent. An incident shall also include a claim of negligence in regard to the handling of or performing post-mortem examinations on human bodies or animal bodies.

8. **Director** -- The term "Director" shall mean the Director of Insurance and Risk Management, or the successor position thereto by whatever name it is entitled, a UM position.

9. **Medical Facility** -- The term "medical facility" shall mean any hospital, Student Health Service, School of Medicine, School of Dentistry, School of Pharmacy, School of Nursing, College of Veterinary Medicine and any other similar facilities owned or operated by the "Employer"
approved for coverage by the "Assistant Vice President" or a facility to which "covered persons" have been assigned by the "Employer" or at which "covered persons" rendered professional services with the permission of the "Employer" where the health care and treatment of persons or animals are performed.

10. Employee -- Except as otherwise provided in this paragraph, the term "employee" shall mean a person whose services are secured by written agreement by "Employer" at a "medical facility" or a person employed by "Employer" at a "medical facility" or who has administrative or supervisory authority with respect to a "medical facility" or personnel thereof and at the time of an "occurrence" was in the performance of his or her regularly assigned duties as determined by the appropriate person having supervisory authority of the employee, including the performance of attending to emergency medical care (commonly known as Good Samaritan Service) and incidental and non-continuing medical service with the permission of the appropriate person having supervisory authority of the employee and shall also include non-employee volunteers rendering service at such "medical facility" as well as enrolled students of the University of Missouri pursuing courses of instruction at or under the direction or auspices of the "medical facility". The term "employee" shall not include medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.
11. **Plan Territory** -- The term "Plan Territory" shall mean:

a. the United States of America (including its territories and possessions), Puerto Rico and Canada;

b. international water or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above, or

c. anywhere in the world if:

i. the injury or damage arises out of:
   
   (1) goods or products made or sold by the University or covered persons in the territory described in a. above, or
   
   (2) the activities of any covered person permanently domiciled in the territory described in a. above, though temporarily outside such territory, and

ii. the original suit for damages because of any such injury or damage is brought within the United States of America (including its territories and possessions), Puerto Rico or Canada.

12. **Incident and Claim Review Committee** -- The term "Incident and Claim Review Committee" (ICRC) shall mean any group or committee established at or for a "medical facility" and whose responsibilities under the "Plan" are to review incidents occurring at a "medical facility", resulting claims or suits brought, including recommendations on settlements of such claims or suits.
13. **Gender** -- Persons described or referred to in the masculine gender include females and persons described or referred to in the feminine gender include males.

14. **Patient** -- The term "patient" shall mean an animal or a natural person who is in or on the premises of a "medical facility" or in transit when in the care of a "covered person", for the purpose of receiving professional care or services rendered directly or indirectly by the "medical facility" or by a "covered person".

15. **Assistant Vice President** -- The term "Assistant Vice President" shall mean the Assistant Vice President for Management Services, or the successor position thereto by whatever name it is entitled, a UM System position.

**B. Article II: Effective Date** -- The effective date of the Plan shall be July 1, 1978.

**C. Article III: Covered Persons** -- Each of the following is a covered person under the Plan to the extent set forth below:

- The Employer and any of Employer's administrative personnel;
- Individual members of the Board of Curators of the University of Missouri and the Board of Curators of the University of Missouri; and
- All employees.

1. Coverage shall not extend to a covered person while in the exercise of his duties where an occurrence is within the provisions of the Federal Tort Claims Act as provided in 38 USC4116 or any other federal legislation or program. In the event the covered person does not come under the provisions of said Federal Tort Claims Act, the covered person shall come under the provisions of the Plan.

January 29-February 1, 2014

OPEN – CONSENT – 6-8
2. Coverage shall not extend to medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.

3. The coverage afforded applies separately to each covered person against whom claim is made or suit is brought, except with respect to the limits of the Plan's liability.

D. Article IV: Coverage Agreement

1. The Employer, based on the provisions of the Plan and from the Plan Trust will pay on behalf of the covered person all sums which the covered person shall become legally obligated to pay as damages because of injury to the person or property of a patient arising out of the operations of a medical facility or because of injury arising out of the rendering of or failure to render, while the Plan is in effect, professional services by the covered person, or by any person for whose acts or omissions such covered person is legally responsible, performed in the practice of the individual covered person's profession including service by the individual covered person as a member of a formal accreditation or similar professional board or committee of a medical facility or professional society.

2. The Employer shall have the right and duty to defend any suit seeking such damages against the covered person, even if any or all of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and such settlement of any claim or suit as it deems expedient, but the Employer shall not be obligated...
to pay any claims or judgment or to defend any suit after the applicable limit of the Plan's liability has been exhausted by payment of judgments or settlements. In the event that a claim or suit is being defended at the time the applicable limit of the Plan's liability becomes exhausted, such defense shall continue as provided by Employer.

3. In the event that any covered person elects to employ his own legal counsel (see ARTICLE VI below) and declines legal counsel provided by Employer, there is no obligation under the Plan to pay any sum such covered person may become legally obligated pay, unless payment of settlement or judgment is approved by the Assistant Vice President (see ARTICLE VII below).

E. **Article V: Exclusions** -- The Plan does not apply:

1. To bodily injury to any employee of the Employer arising out of and in the course of his employment by the Employer;

2. To any obligation for which the Employer or any carrier as his insurer may be held liable under any workmen's compensation law, unemployment compensation law or disability benefits law, or under any similar law;

3. To medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.

4. To the Nuclear Energy hazard as follows:
a. Under any Liability coverage, to bodily injury or property damage;
   (1) With respect to which a covered person under the Plan is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
   (2) Resulting from the hazardous properties of nuclear material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the covered person is, or had the Plan not been established, would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

b. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.

c. Under any Liability Coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if
   (1) The nuclear material (a) is at any nuclear facility owned by, or operated by or on behalf of, a covered
person or (b) has been discharged or dispersed therefrom;
(2) The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a covered person; or
(3) The bodily injury or property damage arises out of the furnishing by a covered person of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to property damage to such nuclear facility and any property thereat.

d. The provisions of Section 490.020 E.4.a, b and c above notwithstanding, this exclusion shall not apply to any covered person as respects his liability for injury arising from the treatment in a medical facility; provided however, this exclusion shall apply if such injury is otherwise covered by any other policy of insurance of the Employer and such other policy of insurance was in effect and the covered person under the Plan was a covered person under such other policy of insurance at the time of the occurrence.

5. **As used in this exclusion:**
   a. "**Hazardous properties**" include radioactive, toxic or explosive properties;
   b. "**Nuclear material**" means source material, special nuclear material or byproduct material;
c. **"Source material"**, "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

d. **"Spent fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

e. **"Waste"** means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (1) or (2) thereof;

f. **"Nuclear facility"** means

(1) Any nuclear reactor,
(2) Any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or utilizing spent fuel, or (c) handling, processing or packaging waste,
(3) Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
(4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,
(5) And includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
g. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

h. "Property damage" includes all forms of radioactive contamination of property.

F. Article VI: Legal Services

1. The furnishings of all legal services, including legal defense, shall be the responsibility of the Employer through its General Counsel. Required legal services may be provided by the General Counsel and his staff, or if outside legal counsel and services are needed, such may be engaged by the General Counsel.

2. Any covered person may request the employment of outside counsel, including recommending the desired counsel or law firm. Such request must be made in writing and forwarded through the ICRC to the General Counsel for consideration.

3. In the event a covered person desires, in addition to the legal services provided above through the General Counsel to employ legal counsel of his choice, such employment of legal counsel shall be at the covered person's expense. In the event that the covered person elects to employ his own legal counsel to assist the General Counsel or counsel hired by the General Counsel, the right to make all decisions in regard to the defense of the claim or suit shall remain the rights and the duty of the Employer and its General Counsel.

G. Article VII: Claims Adjustment
1. All claims adjustment activities shall be deemed to be carried out for the sole and only purpose of assisting the Office of the General Counsel in defending potential legal action, causes of action or litigation against the Employer or any covered person, and shall be closed meetings, records and votes.

2. Procedures for claims adjustment, including claim payments, denials and suit settlements shall be as determined by the Assistant Vice President and shall include the duties of a medical facility Risk Manager of the ICRC and the Office of the General Counsel.

3. Since under the Plan written consent or approval in claim or suit settlement will not be required from an employee, input from any employee should be made to the ICRC.

4. The Assistant Vice President and the Director, shall after consultation with the General Counsel or his designee, notify the Director of the disposition to be made of each claim or suit. The Director will notify the medical facility Risk Manager of the disposition. The Risk Manager will be responsible for notifying the ICRC and other appropriate parties.

H. Article VIII: Payment of Claims and Suits

1. Subject to the provisions of ARTICLE VII and IX, the payment of the claims and suit judgments from the Trust Fund will be on certification to the Trustee by the Director.

2. Payments from a Trust Fund will be made in the order that claims or suit final judgments become payable, without regard to claim reserves previously established, date of incident, date of claim demand or date suit was filed.

3. The amount for a specific claim or suit judgment that can be paid from the Trust Fund will be determined by the
Director based on the balance of the Trust Fund on the day such claim or suit judgment is payable. Any deficiency in the Trust Funds which would not permit full payment of such claim or suit judgment shall not impose any liability on the Employer.

I. Article IX: Limits of Liability

1. The Plan's Limits of Liability are as follows:
   - $7,500,000 per occurrence and $15,000,000 annual aggregate;
   - or the balance of the Trust Fund (see ARTICLE XI) as of the day a claim or suit final payment is due, whichever is less. Claim reserves will not be encumbered against the Trust Fund.

J. Article X: Plan Funding -- The Board of Curators instructs the administration to fund the Plan under the following guidelines:

1. The funding of the Plan shall be determined by the Board of Curators based on actuarial projections of an independent actuary employed by the Employer.
2. The level of amount of funding shall be sufficient to support or pay for actuarially projected costs of claims and Plan expenses such as claims adjustment, loss prevention and legal defense.
3. The amount of contribution to the fund will, within applicable fiscal constraints of HEW reimbursement regulations, consider the lag between the time a claim arises and when payment is to be made.
4. To the extent that it can be actuarially projected, the level of funding for each medical facility for the period July 1, 1978 through June 30, 1979, shall be based on each facility's previous claim experience as modified and

January 29-February 1, 2014
OPEN – CONSENT – 6-16
trended to account for anticipated current year incidents and cost, including shock-losses as actuarially determined.

5. Second and subsequent year funding levels determination shall include, where appropriate, the factors outlined in Section 490.020 J.4, but in addition will include the actuarial review of claim reserves established for each medical facility. Based on this review and the cost-trending to determine the estimated ultimate claim cost of each reserve and the anticipated year(s) in which payment or payments would be due, the level of funding for each medical facility will be determined.

6. The Director will advise the appropriate fiscal office(s) of the required level of funding, as determined above, for each medical facility in order that such amounts can be transferred to the Trust Fund.

7. To the extent that it can be determined by means of the above procedures, each medical facility will be ultimately charged only for its share of Plan expenses and the claim costs for which each medical facility is responsible and incurs.

8. The Medical Practice Income Plan, as the same has been approved and adopted by the Board of Curators, shall for the sole and only purpose of contributions and level of funding under this ARTICLE X and the possible return of contributions under paragraph 1 of ARTICLE XI (Section 490.020 K.1), be considered as a medical facility.

K. Article XI: Trust Fund

1. The Plan fund and all additions thereto shall be set aside and dedicated as a Trust Fund and so shall remain as long as any claim or expense payable under the Plan or any changes adopted thereto prior to its termination, may be outstanding and may become payable. Such Trust Fund
shall be use solely for the purpose of payment of such claims and expenses and not be subject to diversion for any other purpose by the Board of Curators so long as said Trust shall exist. It is the intent of the Board of Curators that upon termination of the trust all funds not needed as specified above shall be returned proportioned to the various accounts of the University from which contributions were made.

2. The Plan fund shall be held by the Employer as Trustee or a bank or other financial institution as Trustee. Selection of the Trustee shall be by the Vice President for Finance and Administration, upon the recommendation of the General Counsel and approved by the Board of Curators.

3. The Plan Trust Fund shall be the sole source of all payments authorized by the Plan and in no circumstances shall any other funds of the Employer, any member of the Board of Curators individually, employees of the Employer or any other covered persons of the Plan be liable or responsible therefor.

4. Employer's General Counsel shall prepare the required Trust Agreement and shall have same properly executed after the approval of the Board of Curators.

L. Article XII: Miscellaneous Provisions

1. Covered Person’s Duties in the Event of Occurrence, Claim or Suit -- Upon the covered person becoming aware of an incident in which the covered person is involved resulting in any alleged injury to which the Plan applies, written notice containing particulars sufficient to identify the injured person and covered person and also reasonable obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall
be given by or for the covered person to the Director as soon as practical.

If claim is made or suit is brought against a covered person, the covered person shall forward to the Director every demand, notice, summons or other process received by him or his representative as soon as possible.

The covered person shall cooperate with the Employer and, upon the Employer's request, assist in making settlements, in the conduct of suits and enforcing any right of contribution or indemnity against any person or organization who may be liable to the covered person because of injury or damage with respect to which coverage is afforded under the Plan; and the covered person shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The covered person shall not, except as his own cost, voluntarily make any payment, assume any obligation or incur any expense.

Failure of the covered person to cooperate with the Employer shall constitute a waiver of the coverage provisions provided by the plan.

2. **Action Against the Plan** -- No action shall be maintained by a covered person against the Employer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of the Plan, not until the amount of the Plan's obligation to pay shall have been finally determined either by final judgment against the covered person or by written agreement of the Employer and the Claimant.

No person or organization shall have any right under the Plan to join the Employer as a party to any action against the covered person to determining the covered person's liability, nor shall the Employer be impeded by the covered
person or his legal representative. Nothing in the Plan shall be construed as a waiver of any governmental immunity of the Employer, the Board of Curators of the University of Missouri nor any of its employees in the course of their official duties.

3. **Other Insurance of Covered Person** -- The coverage afforded by the Plan is primary coverage, except when stated to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the covered person has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Plan's payment shall not be reduced by the existence of such other insurance.

   When both the Plan and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Plan shall not be liable for a greater proportion of the loss than that stated in the applicable contribution provision below:

   a. **Contribution by Equal Shares** -- If all of such other valid and collectible insurance provides for contribution by equal shares, the Plan shall not be liable for a greater proportion of such loss than would be payable if the Plan and the insurance covering each covered person contributes an equal share until the share of each equals the lowest applicable limit of liability under any one policy or Plan or the full amount of the loss is paid, and with respect to any amount of loss not so paid the Plan and remaining insurance on covered persons then continue to contribute equal shares of the remaining amount of the loss until the Plan and each insurance
policy on such covered person has paid its limit in full or the full amount of the loss is paid.

b. Contribution by Limits -- If any of such other insurance does not provide for contribution by equal shares, the Plan shall not be liable for a greater proportion of such loss than the applicable limit of liability under the Plan for such loss bears to the total applicable limit of liability of the Plan and all valid and collectible insurance against such loss.

4. **Subrogation** -- In the event of any payment under the Plan, the Employer shall be subrogated to all the covered person's rights or recovery therefor against any person or organization and the covered person shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The covered person shall do nothing after loss to prejudice such rights. Any such recovery by the Employer shall be used to adjust the next annual contribution to the Trust Fund from the medical facility on whose behalf the subrogation was effected.

5. **Changes in the Plan** -- All changes in the Plan subsequent to the first approval of the Plan by the Board of Curators on the date appearing on the Plan cover page, shall be prepared by the Assistant Vice President and forwarded to the ICRC for review and recommendation. After approval as to legal form by the General Counsel, the Assistant Vice President will submit the changes to the President of the Board of Curators. Changes shall become effective on the date fixed by the Board of Curators.

6. **Assignment** -- The interest hereunder of any covered person is not assignable. If the covered person shall die or

January 29-February 1, 2014

OPEN – CONSENT – 6-21
be adjudged incompetent or cease for any reason to be a covered person under the Plan, this coverage shall thereupon terminate, but shall cover the covered person's legal representative as the covered person with respect to damages previously incurred and to which this Plan applies.

7. **Cancellation** -- The Plan may be canceled by the Employer effective July 1 of any year, with notice of such cancellation being given to all covered persons at least ninety (90) days prior to the effective date of such cancellation.

8. **Plan Territory** -- The coverages provided by the Plan apply only to an occurrence within the Plan territory and then only when claim is made and suit is brought within the United States of America, its territories, or possessions, Puerto Rico or Canada.

9. **Plan Review** -- As of June 30, 1979, and each year thereafter that the Plan remains in effect, the Assistant Vice President will submit an evaluation report of the Plan to the President of the University. The report shall contain, but not be limited to, the following:
   a. Adequacy of coverage;
   b. Funding levels commensurate with desired limits of liability and actual claim experience;
   c. Investment income earned; and
   d. Plan changes under consideration. The ICRC may submit a report to the Assistant Vice President covering any or all of the above parts or covering
any other part of the Plan, including recommended changes of the Plan.

10. Plan Constitutionality -- In the event that any part of the Plan is held to be unconstitutional or otherwise declared illegal, the other parts of the Plan will remain in full force and effect.
Collected Rules and Regulations
Benefit Plans
Chapter 490: Defense and Protection

490.020 Medical, Professional and Patient General Liability

Bd. Min. 2-24-78, Amended Bd. Min. 5-26-78, Amended Bd. Min. 7-27-79; Revised 1-21-98; Revised 10-1-98, Amended Bd. Min. 11-22-02.

A. Article I: Definitions -- As used herein:

1. **Plan** -- The term "Plan" shall mean the University of Missouri Medical Professional and Patient General Liability Plan.

2. **Employer** -- The term "Employer" shall mean The Curators of the University of Missouri, a public corporation, including all its campuses, divisions, branches and parts.

3. **Injury** -- The term "injury" shall mean physical damage to or destruction of tangible property, bodily or mental injury, sickness or disease, including death, to which the Plan applies and resulted from an "occurrence" while the Plan was in effect. The term "injury" shall not be deemed to mean intentional torts.

4. **Damages** -- The term "damages" shall mean any monetary consideration due a claimant, including but not limited to money, services, waiver of amounts payable from patients and any other similar consideration approved pursuant to the Plan or the amount of a final judgment awarded by a court of competent jurisdiction.
5. **Covered Person** -- The term "covered person" shall mean any person or organization designated in the Covered Persons provision of the Plan.

6. **Occurrence** -- The term "occurrence" shall mean an "incident", including continuous or repeated exposure to conditions, which results in an "injury" neither expected nor intended from the standpoint of the covered person and/or neither expected nor intended from the standpoint of the claimant.

7. **Incident** -- The term "incident" shall mean any happening which is not consistent with the routine or commonly practiced care of a patient, including an accident or a situation which might result in an accident. An incident is also an actual or alleged injury arising out of the rendering or failure to render professional services by a "covered person" or by any person for whose acts or omissions the "covered person" is legally responsible, which resulted from or was attendant to a therapeutic or diagnostic procedure. Also included as an incident is a claim by or on behalf of a "patient" that there was a failure to obtain an informed consent from a person or entity with the legal authority to provide such consent. An incident shall also include a claim of negligence in regard to the handling of or performing post-mortem examinations on human bodies or animal bodies.

8. **Director** -- The term "Director" shall mean the Director of Insurance and Risk Management, or the successor position thereto by whatever name it is entitled, a UM position.

9. **Medical Facility** -- The term "medical facility" shall mean any hospital, Student Health Service, School of Medicine, School of Dentistry, School of Pharmacy, School of Nursing, College of Veterinary Medicine and any other
similar facilities owned or operated by the "Employer" approved for coverage by the "Assistant Vice President" or a facility to which "covered persons" have been assigned by the "Employer" or at which "covered persons" rendered professional services with the permission of the "Employer" where the health care and treatment of persons or animals are performed.

10. **Employee** -- Except as otherwise provided in this paragraph, the term "employee" shall mean a person whose services are secured by written agreement by "Employer" at a "medical facility" or a person employed by "Employer" at a "medical facility" or who has administrative or supervisory authority with respect to a "medical facility" or personnel thereof and at the time of an "occurrence" was in the performance of his or her regularly assigned duties as determined by the appropriate person having supervisory authority of the employee, including the performance of attending to emergency medical care (commonly known as Good Samaritan Service) and incidental and non-continuing medical service with the permission of the appropriate person having supervisory authority of the employee and shall also include non-employee volunteers rendering service at such "medical facility" as well as enrolled students of the University of Missouri pursuing courses of instruction at or under the direction or auspices of the "medical facility". The term "employee" shall not include medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or health care professionals jointly employed by Employer at the
University of Missouri-Kansas City School of Medicine and any entity other than Employer.

11. **Plan Territory** -- The term "Plan Territory" shall mean:
   a. the United States of America (including its territories and possessions), Puerto Rico and Canada;
   b. international water or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above, or
   c. anywhere in the world if:
      i. the injury or damage arises out of:
         (1) goods or products made or sold by the University or covered persons in the territory described in a. above, or
         (2) the activities of any covered person permanently domiciled in the territory described in a. above, though temporarily outside such territory, and
      ii. the original suit for damages because of any such injury or damage is brought within the United States of America (including its territories and possessions), Puerto Rico or Canada.

12. **Incident and Claim Review Committee** -- The term "Incident and Claim Review Committee" (ICRC) shall mean any group or committee established at or for a "medical facility" and whose responsibilities under the "Plan" are to review incidents occurring at a "medical facility", resulting claims or suits brought, including recommendations on settlements of such claims or suits.
13. **Gender** -- Persons described or referred to in the masculine gender include females and persons described or referred to in the feminine gender include males.

14. **Patient** -- The term "patient" shall mean an animal or a natural person who is in or on the premises of a "medical facility" or in transit when in the care of a "covered person", for the purpose of receiving professional care or services rendered directly or indirectly by the "medical facility" or by a "covered person".

15. **Assistant Vice President** -- The term "Assistant Vice President" shall mean the Assistant Vice President for Management Services, or the successor position thereto by whatever name it is entitled, a UM System position.

**B. Article II: Effective Date** -- The effective date of the Plan shall be July 1, 1978.

**C. Article III: Covered Persons** -- Each of the following is a covered person under the Plan to the extent set forth below:

- The Employer and any of Employer's administrative personnel;
- Individual members of the Board of Curators of the University of Missouri and the Board of Curators of the University of Missouri; and
- All employees.

1. Coverage shall not extend to a covered person while in the exercise of his duties where an occurrence is within the provisions of the Federal Tort Claims Act as provided in 38 USC4116 or any other federal legislation or program. In the event the covered person does not come under the
provisions of said Federal Tort Claims Act, the covered person shall come under the provisions of the Plan.

2. Coverage shall not extend to medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the University of Missouri-Kansas City School of Medicine and any entity other than Employer.

3. The coverage afforded applies separately to each covered person against whom claim is made or suit is brought, except with respect to the limits of the Plan's liability.

D. Article IV: Coverage Agreement

1. The Employer, based on the provisions of the Plan and from the Plan Trust will pay on behalf of the covered person all sums which the covered person shall become legally obligated to pay as damages because of injury to the person or property of a patient arising out of the operations of a medical facility or because of injury arising out of the rendering of or failure to render, while the Plan is in effect, professional services by the covered person, or by any person for whose acts or omissions such covered person is legally responsible, performed in the practice of the individual covered person's profession including service by the individual covered person as a member of a formal accreditation or similar professional board or committee of a medical facility or professional society.

2. The Employer shall have the right and duty to defend any suit seeking such damages against the covered person, even if any or all of the allegations of the suit are
groundless, false or fraudulent, and may make such investigation and such settlement of any claim or suit as it deems expedient, but the Employer shall not be obligated to pay any claims or judgment or to defend any suit after the applicable limit of the Plan's liability has been exhausted by payment of judgments or settlements. In the event that a claim or suit is being defended at the time the applicable limit of the Plan's liability becomes exhausted, such defense shall continue as provided by Employer.

3. In the event that any covered person elects to employ his own legal counsel (see ARTICLE VI below) and declines legal counsel provided by Employer, there is no obligation under the Plan to pay any sum such covered person may become legally obligated pay, unless payment of settlement or judgment is approved by the Assistant Vice President (see ARTICLE VII below).

E. Article V: Exclusions -- The Plan does not apply:

1. To bodily injury to any employee of the Employer arising out of and in the course of his employment by the Employer;

2. To any obligation for which the Employer or any carrier as his insurer may be held liable under any workmen's compensation law, unemployment compensation law or disability benefits law, or under any similar law;

3. To medical residents employed by Employer as part of the residency program at the University of Missouri - Kansas City School of Medicine so long as professional liability coverage is provided to those medical residents by an entity other than the Employer or to health care professionals jointly employed by Employer at the
University of Missouri-Kansas City School of Medicine and any entity other than Employer.

4. To the Nuclear Energy hazard as follows:

   a. Under any Liability coverage, to bodily injury or property damage;

      (1) With respect to which a covered person under the Plan is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

      (2) Resulting from the hazardous properties of nuclear material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the covered person is, or had the Plan not been established, would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

   b. Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to first aid, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
c. Under any Liability Coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if

(1) The nuclear material (a) is at any nuclear facility owned by, or operated by or on behalf of, a covered person or (b) has been discharged or dispersed therefrom;
(2) The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a covered person; or
(3) The bodily injury or property damage arises out of the furnishing by a covered person of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to property damage to such nuclear facility and any property thereat.

d. The provisions of Section 490.020 E.4.a, b and c above notwithstanding, this exclusion shall not apply to any covered person as respects his liability for injury arising from the treatment in a medical facility; provided however, this exclusion shall apply if such injury is otherwise covered by any other policy of insurance of the Employer and such other policy of insurance was in effect and the covered person under the Plan was a covered person under such other policy of insurance at the time of the occurrence.
5. **As used in this exclusion:**

   a. "**Hazardous properties**" include radioactive, toxic or explosive properties;

   b. "**Nuclear material**" means source material, special nuclear material or byproduct material;

   c. "**Source material**", "special nuclear material"", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

   d. "**Spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

   e. "**Waste**" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (1) or (2) thereof;

   f. "**Nuclear facility**" means

      (1) Any nuclear reactor,
      (2) Any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or utilizing spent fuel, or (c) handling, processing or packaging waste,
      (3) Any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
(4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,
(5) And includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

g. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

h. "Property damage" includes all forms of radioactive contamination of property.

F. Article VI: Legal Services

1. The furnishings of all legal services, including legal defense, shall be the responsibility of the Employer through its General Counsel. Required legal services may be provided by the General Counsel and his staff, or if outside legal counsel and services are needed, such may be engaged by the General Counsel.

2. Any covered person may request the employment of outside counsel, including recommending the desired counsel or law firm. Such request must be made in writing and forwarded through the ICRC to the General Counsel for consideration.

3. In the event a covered person desires, in addition to the legal services provided above through the General Counsel to employ legal counsel of his choice, such employment of legal counsel shall be at the covered person's expense. In the event that the covered person elects to employ his own legal counsel to assist the General Counsel or counsel
hired by the General Counsel, the right to make all decisions in regard to the defense of the claim or suit shall remain the rights and the duty of the Employer and its General Counsel.

G. Article VII: Claims Adjustment

1. All claims adjustment activities shall be deemed to be carried out for the sole and only purpose of assisting the Office of the General Counsel in defending potential legal action, causes of action or litigation against the Employer or any covered person, and shall be closed meetings, records and votes.

2. Procedures for claims adjustment, including claim payments, denials and suit settlements shall be as determined by the Assistant Vice President and shall include the duties of a medical facility Risk Manager of the ICRC and the Office of the General Counsel.

3. Since under the Plan written consent or approval in claim or suit settlement will not be required from an employee, input from any employee should be made to the ICRC.

4. The Assistant Vice President and the Director, shall after consultation with the General Counsel or his designee, notify the Director of the disposition to be made of each claim or suit. The Director will notify the medical facility Risk Manager of the disposition. The Risk Manager will be responsible for notifying the ICRC and other appropriate parties.

H. Article VIII: Payment of Claims and Suits
1. Subject to the provisions of ARTICLE VII and IX, the payment of the claims and suit judgments from the Trust Fund will be on certification to the Trustee by the Director.

2. Payments from a Trust Fund will be made in the order that claims or suit final judgments become payable, without regard to claim reserves previously established, date of incident, date of claim demand or date suit was filed.

3. The amount for a specific claim or suit judgment that can be paid from the Trust Fund will be determined by the Director based on the balance of the Trust Fund on the day such claim or suit judgment is payable. Any deficiency in the Trust Funds which would not permit full payment of such claim or suit judgment shall not impose any liability on the Employer.

I. **Article IX: Limits of Liability**

1. The Plan's Limits of Liability are as follows:
   - $7,500,000 per occurrence and $15,000,000 annual aggregate;
   - or the balance of the Trust Fund (see ARTICLE XI) as of the day a claim or suit final payment is due, whichever is less. Claim reserves will not be encumbered against the Trust Fund.

J. **Article X: Plan Funding** -- The Board of Curators instructs the administration to fund the Plan under the following guidelines:

1. The funding of the Plan shall be determined by the Board of Curators based on actuarial projections of an independent actuary employed by the Employer.
2. The level of amount of funding shall be sufficient to support or pay for actuarially projected costs of claims and

January 29-February 1, 2014

OPEN – CONSENT – 6-36
Plan expenses such as claims adjustment, loss prevention and legal defense.

3. The amount of contribution to the fund will, within applicable fiscal constraints of HEW reimbursement regulations, consider the lag between the time a claim arises and when payment is to be made.

4. To the extent that it can be actuarially projected, the level of funding for each medical facility for the period July 1, 1978 through June 30, 1979, shall be based on each facility's previous claim experience as modified and trended to account for anticipated current year incidents and cost, including shock-losses as actuarially determined.

5. Second and subsequent year funding levels determination shall include, where appropriate, the factors outlined in Section 490.020 J.4, but in addition will include the actuarial review of claim reserves established for each medical facility. Based on this review and the cost-trending to determine the estimated ultimate claim cost of each reserve and the anticipated year(s) in which payment or payments would be due, the level of funding for each medical facility will be determined.

6. The Director will advise the appropriate fiscal office(s) of the required level of funding, as determined above, for each medical facility in order that such amounts can be transferred to the Trust Fund.

7. To the extent that it can be determined by means of the above procedures, each medical facility will be ultimately charged only for its share of Plan expenses and the claim costs for which each medical facility is responsible and incurs.

8. The Medical Practice Income Plan, as the same has been approved and adopted by the Board of Curators, shall for the sole and only purpose of contributions and level of

January 29-February 1, 2014

OPEN – CONSENT – 6-37
funding under this ARTICLE X and the possible return of contributions under paragraph 1 of ARTICLE XI (Section 490.020 K.1), be considered as a medical facility.

K. Article XI: Trust Fund

1. The Plan fund and all additions thereto shall be set aside and dedicated as a Trust Fund and so shall remain as long as any claim or expense payable under the Plan or any changes adopted thereto prior to its termination, may be outstanding and may become payable. Such Trust Fund shall be use solely for the purpose of payment of such claims and expenses and not be subject to diversion for any other purpose by the Board of Curators so long as said Trust shall exist. It is the intent of the Board of Curators that upon termination of the trust all funds not needed as specified above shall be returned proportioned to the various accounts of the University from which contributions were made.

2. The Plan fund shall be held by the Employer as Trustee or a bank or other financial institution as Trustee. Selection of the Trustee shall be by the Vice President for Finance and Administration, upon the recommendation of the General Counsel and approved by the Board of Curators.

3. The Plan Trust Fund shall be the sole source of all payments authorized by the Plan and in no circumstances shall any other funds of the Employer, any member of the Board of Curators individually, employees of the Employer or any other covered persons of the Plan be liable or responsible therefor.

4. Employer's General Counsel shall prepare the required Trust Agreement and shall have same properly executed
after the approval of the Board of Curators.

L. Article XII: Miscellaneous Provisions

1. Covered Person's Duties in the Event of Occurrence, Claim or Suit -- Upon the covered person becoming aware of an incident in which the covered person is involved resulting in any alleged injury to which the Plan applies, written notice containing particulars sufficient to identify the injured person and covered person and also reasonable obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the covered person to the Director as soon as practical.

If claim is made or suit is brought against a covered person, the covered person shall forward to the Director every demand, notice, summons or other process received by him or his representative as soon as possible.

The covered person shall cooperate with the Employer and, upon the Employer's request, assist in making settlements, in the conduct of suits and enforcing any right of contribution or indemnity against any person or organization who may be liable to the covered person because of injury or damage with respect to which coverage is afforded under the Plan; and the covered person shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The covered person shall not, except as his own cost, voluntarily make any payment, assume any obligation or incur any expense.

Failure of the covered person to cooperate with the Employer shall constitute a waiver of the coverage
provisions provided by the plan.

2. **Action Against the Plan** -- No action shall be maintained by a covered person against the Employer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of the Plan, not until the amount of the Plan's obligation to pay shall have been finally determined either by final judgment against the covered person or by written agreement of the Employer and the Claimant.

   No person or organization shall have any right under the Plan to join the Employer as a party to any action against the covered person to determining the covered person's liability, nor shall the Employer be impeded by the covered person or his legal representative. Nothing in the Plan shall be construed as a waiver of any governmental immunity of the Employer, the Board of Curators of the University of Missouri nor any of its employees in the course of their official duties.

3. **Other Insurance of Covered Person** -- The coverage afforded by the Plan is primary coverage, except when stated to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the covered person has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Plan's payment shall not be reduced by the existence of such other insurance.

   When both the Plan and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Plan shall not be liable for a greater
proportion of the loss than that stated in the applicable contribution provision below:

a. Contribution by Equal Shares -- If all of such other valid and collectible insurance provides for contribution by equal shares, the Plan shall not be liable for a greater proportion of such loss than would be payable if the Plan and the insurance covering each covered person contributes an equal share until the share of each equals the lowest applicable limit of liability under any one policy or Plan or the full amount of the loss is paid, and with respect to any amount of loss not so paid the Plan and remaining insurance on covered persons then continue to contribute equal shares of the remaining amount of the loss until the Plan and each insurance policy on such covered person has paid its limit in full or the full amount of the loss is paid.

b. Contribution by Limits -- If any of such other insurance does not provide for contribution by equal shares, the Plan shall not be liable for a greater proportion of such loss than the applicable limit of liability under the Plan for such loss bears to the total applicable limit of liability of the Plan and all valid and collectible insurance against such loss.

4. Subrogation -- In the event of any payment under the Plan, the Employer shall be subrogated to all the covered person's rights or recovery therefor against any person or organization and the covered person shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The covered person shall do nothing after loss to prejudice such rights. Any such
recovery by the Employer shall be used to adjust the next annual contribution to the Trust Fund from the medical facility on whose behalf the subrogation was effected.

5. **Changes in the Plan** -- All changes in the Plan subsequent to the first approval of the Plan by the Board of Curators on the date appearing on the Plan cover page, shall be prepared by the Assistant Vice President and forwarded to the ICRC for review and recommendation. After approval as to legal form by the General Counsel, the Assistant Vice President will submit the changes to the President of the Board of Curators. Changes shall become effective on the date fixed by the Board of Curators.

6. **Assignment** -- The interest hereunder of any covered person is not assignable. If the covered person shall die or be adjudged incompetent or cease for any reason to be a covered person under the Plan, this coverage shall thereupon terminate, but shall cover the covered person's legal representative as the covered person with respect to damages previously incurred and to which this Plan applies.

7. **Cancellation** -- The Plan may be canceled by the Employer effective July 1 of any year, with notice of such cancellation being given to all covered persons at least ninety (90) days prior to the effective date of such cancellation.

8. **Plan Territory** -- The coverages provided by the Plan apply only to an occurrence within the Plan territory and then only when claim is made and suit is brought within
the United States of America, its territories, or possessions, Puerto Rico or Canada.

9. **Plan Review** -- As of June 30, 1979, and each year thereafter that the Plan remains in effect, the Assistant Vice President will submit an evaluation report of the Plan to the President of the University. The report shall contain, but not be limited to, the following:

   a. Adequacy of coverage;

   b. Funding levels commensurate with desired limits of liability and actual claim experience;

   c. Investment income earned; and

   d. Plan changes under consideration. The ICRC may submit a report to the Assistant Vice President covering any or all of the above parts or covering any other part of the Plan, including recommended changes of the Plan.

10. **Plan Constitutionality** -- In the event that any part of the Plan is held to be unconstitutional or otherwise declared illegal, the other parts of the Plan will remain in full force and effect.
GOOD AND WELFARE OF THE BOARD

There are no materials for this information item.
Recommended Action - Adjourn Public Session of the Board of Curators Meeting, January 29-February 1, 2014.

It was moved by Curator __________ and seconded by Curator __________, that the public session of the Board of Curators meeting, January 29-February 1, 2014, be adjourned.

Roll call vote: YES NO

Curator Bradley
Curator Covington
Curator Cupps
Curator Downing
Curator Goode
Curator Henrickson
Curator Phillips
Curator Ponder
Curator Steward

The motion ________________.

Time: ________________________ Date: ________________________