THURSDAY, JUNE 21, 2018

BOARD OF CURATORS MEETING – PUBLIC SESSION

8:30 A.M. Call to Order

General Business

Action
1. Resolution for Executive Session of the Board of Curators Meeting, June 21-22, 2018

8:30 A.M. HEALTH AFFAIRS (time is approximate)
(Curators Sundvold, Graham, Phillips, Snowden and Mr. Ashworth and Ms. Maledy)

Information
1. MU Health Quarterly Finance Report (written report only)
2. MU Health Quarterly Compliance Report
3. Proposed Amendment, Collected Rules and Regulations 440.040, University Physicians Medical Practice Plan
4. Update - Recommendation for MU Health Boards Structure and Meetings

Action
1. Minutes, April 12, 2018 Health Affairs Committee Meeting
2. Resolution for Executive Session of the Health Affairs Committee

9:15 A.M.   HEATH AFFAIRS COMMITTEE MEETING – EXECUTIVE SESSION
            (time is approximate)
            Location: Donrey Media Room 211, Reynolds Alumni Center

The Health Affairs Committee will hold an executive session of the meeting on June 21-22, 2018 pursuant to Section 610.021(1); 610.021(3); 610.021(12) and 610.021(13) RSMo for consideration of certain confidential and privileged communications with university counsel, contract, and personnel items as authorized by law and upon approval by resolution of the Health Affairs Committee.

10:00 A.M.  BOARD OF CURATORS MEETING -EXECUTIVE SESSION (time is approximate)
            Donrey Media Room, Reynolds Alumni Center

The Board of Curators will hold an executive session of the June 21-22, 2018 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, litigation, personnel, property and contract items all as authorized by law and upon approval by resolution of the Board of Curators.

10:30 A.M.  Meeting by Invitation for the Board of Curators, President and Intercampus Faculty Council
            Columns A&B, Reynolds Alumni Center

12:15 P.M.  Luncheon by Invitation for the Board of Curators, President, General Officers and Intercampus Staff Advisory Council Members
            Great Room, Reynolds Alumni Center

2:00 P.M.   RECONVENE PUBLIC SESSION

General Business

Information
1. Student Representative to the Board of Curators Report
2. Review Consent Agenda

Consent Agenda
Action
1. Minutes, April 12-13, 2018 Board of Curators Meeting
2. Minutes, April 12-13, 2018 Board of Curators Committee Meetings
3. Minutes, May 21, 2018 Special Board of Curators Meeting and Committee Meetings
4. Degrees, Summer Semester 2018 for all campuses
5. June 2018 Security Resolution
6. Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM
7. Amendment, Collected Rules and Regulations Section 300.040, Faculty Bylaws of the University of Missouri – St. Louis, UMSL
8. Project Approval, Medical Science Building – Research Vivarium Upgrades and Maintenance, MU
9. Naming Opportunity, MU

2:15 P.M.   FINANCE (time is approximate)
(Curators Brncic, Chatman, Layman, Snowden, Sundvold)

Information
1. Administrative Review Report, UM

Action
1. Approval of Fiscal Year 2019 Operating Budget, UM
2. Approval of Fiscal Year 2020 State Appropriations Request for Operations, UM
3. Adjourn, Finance Committee meeting

3:15 P.M.   EXTERNAL AFFAIRS, MARKETING & ADVANCEMENT
(time is approximate)
(Curators Farmer, Layman, Graham, Sundvold)

Information
1. Advancement Report – University of Missouri – Kansas City (Jay Wilson)
2. Advancement Report – University of Missouri – St. Louis (Martin Leifeld)

Action
1. Adjourn, External Affairs, Marketing and Advancement Committee Meeting

4:00 P.M.   COMPENSATION AND HUMAN RESOURCES (time is approximate)
(Curators Phillips, Brncic, Chatman, Farmer)

Action
1. New Collected Rules and Regulations Section 350.051, Layoff and Transition Assistance; Amendment to the Collected Rules and Regulations, Section 350.050; Layoff; and Extension of, Transition Assistance Program
2. Amendment to the Collected Rules and Regulations 340.030; Sick Leave
3. Amendment to the Collected Rules and Regulations, Sections 340.060; Personal Days
4. Resolution for Executive Session of the Compensation and Human Resources Committee

4:20 P.M. AUDIT (time is approximate)
(Curators Graham, Brncic, Farmer, Snowden)

Information
1. Internal Audit and Consulting Annual Report, UM

Action
1. Fiscal Year 2019 Risk Assessment and Internal Audit Plan, UM
2. Adjourn, Audit Committee meeting

4:45 P.M. BOARD OF CURATORS MEETING - EXECUTIVE SESSION (time is approximate)
Donrey Media Room, Reynolds Alumni Center

The Board of Curators will hold an executive session of the June 21-22, 2018 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, litigation, personnel, property and contract items all as authorized by law and upon approval by resolution of the Board of Curators.

5:20 P.M. BOARD OF CURATORS COMPENSATION AND HUMAN RESOURCES COMMITTEE MEETING - EXECUTIVE SESSION (time is approximate)
Location: Donrey Media Room 211, Reynolds Alumni Center

The Compensation and Human Resources Committee will hold an executive session of the June 21-22, 2018 meeting, pursuant to Section 610.021(1), 610.021(3), 610.021(12), 610.021(13) and 610.021(17) RSMo, for consideration of certain confidential or privileged communications with university counsel, contract, personnel items and confidential or privileged communications between a public governmental body and its auditor, as authorized by law and upon approval by resolution of the Compensation and Human Resources Committee.
5:50 P.M.  Recess Board of Curators Meeting

6:00 P.M.  University of Missouri System Awards Reception, Dinner and Program (By Invitation)
Hosted by: The University of Missouri System Board of Curators and President Choi
Location: Stotler Lounge, Memorial Student Union, University of Missouri Campus

FRIDAY, JUNE 22, 2017

BOARD OF CURATORS MEETING – PUBLIC SESSION

8:45 A.M.  Call to Order

General Business

Information
3. Information Technology Annual Report
4. President’s Report
5. Resolution, Research and Excellence
6. Critical Issue Discussion – including time for University Community Input for The University Task Force

General Business

Information
7. Good and Welfare of the Board

Action
2. Adjourn Board of Curators Meeting, Public Session

11:15 A.M.  Press Conference with Board Chair and President
(at conclusion of public session)
Columns A&B, Reynolds Alumni Center

11:30 A.M.  BOARD OF CURATORS MEETING - EXECUTIVE SESSION (time is approximate)

AGENDA – 5
The Board of Curators will hold an executive session of the June 21-22, 2018 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, litigation, personnel, property and contract items all as authorized by law and upon approval by resolution of the Board of Curators.

**12:30 P.M. BOARD OF CURATORS COMPENSATION AND HUMAN RESOURCES COMMITTEE MEETING - EXECUTIVE SESSION**
(time is approximate)
Location: Donrey Media Room 211, Reynolds Alumni Center

The Compensation and Human Resources Committee will hold an executive session of the June 21-22, 2018 meeting, pursuant to Section 610.021(1), 610.021(3), 610.021(12), 610.021(13) and 610.021(17) RSMo, for consideration of certain confidential or privileged communications with university counsel, contract, personnel items and confidential or privileged communications between a public governmental body and its auditor, as authorized by law and upon approval by resolution of the Compensation and Human Resources Committee.

**Upcoming meetings of the Board of Curators:**
July 26-27, 2018    Springfield, Missouri
September 20-21, 2018    University of Missouri – Kansas City
November 15-16, 2018    University of Missouri – St. Louis
GENERAL BUSINESS

DAY ONE
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 June 21-22, 2018 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 Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion _________________.

June 21-22, 2018
OPEN – GB – 1-1
HEALTH AFFAIRS COMMITTEE
University of Missouri Health Care

Board of Curators
Financial Update
June 21, 2018
Financial performance – April F2018

- Total operating revenue of $838 million was $58 million, or 7.4%, favorable to plan
- Operating income of $90 million was $47 million favorable to plan
- Operating margin of 10.8% exceeded plan and prior year
Variance to financial plan – April F2018

- The operating income favorability of $47 million was driven by higher patient utilization, favorable service mix and reimbursements, and cost efficiencies.
Patient utilization – average daily census

- Average Daily Census was 7.2% higher than plan reflecting a higher census at all hospitals
- Patient acuity as measured by case-mix-index was higher than plan reflecting an increase in acuity at the Orthopaedic Institute and Psychiatric Center
Patient utilization – clinic visits

- Clinic visits were 4.6%, or 24,890 visits, favorable to plan with favorable visits at all operating units.
Operating units performance

- All operating units reported favorable total operating revenue and operating income
- Favorable results for the University Hospital were driven by favorable patient utilization, reimbursement levels, and cost efficiencies
- Favorable results for the Women’s & Children’s Hospital were due to favorable patient utilization and cost efficiencies

<table>
<thead>
<tr>
<th>Operating unit</th>
<th>Total Operating Revenue</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Plan</td>
</tr>
<tr>
<td>University Hospital</td>
<td>$ 552.4</td>
<td>$ 508.3</td>
</tr>
<tr>
<td>Orthopedic Institute</td>
<td>66.1</td>
<td>65.4</td>
</tr>
<tr>
<td>Psychiatric Center</td>
<td>11.4</td>
<td>10.7</td>
</tr>
<tr>
<td>Ambulatory clinics</td>
<td>27.0</td>
<td>23.5</td>
</tr>
<tr>
<td>Women’s &amp; Children’s Hospital</td>
<td>177.1</td>
<td>169.9</td>
</tr>
<tr>
<td>Central administration</td>
<td>4.5</td>
<td>2.6</td>
</tr>
<tr>
<td>MUHC</td>
<td>$ 838.5</td>
<td>$ 780.4</td>
</tr>
</tbody>
</table>
## Financial performance

### April F18

<table>
<thead>
<tr>
<th>Actual</th>
<th>Plan</th>
<th>Consolidated Financial Results</th>
<th>Prior Year</th>
<th>FY18 Annual Plan</th>
<th>Moody's A Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>($000's)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$838,504</td>
<td>$780,494</td>
<td>Total Operating Revenue</td>
<td>$770,858</td>
<td>$938,952</td>
<td></td>
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<tr>
<td>748,163</td>
<td>737,186</td>
<td>Operating Expenses*</td>
<td>692,426</td>
<td>886,446</td>
<td></td>
</tr>
<tr>
<td>90,341</td>
<td>43,308</td>
<td>Operating Income</td>
<td>78,432</td>
<td>52,506</td>
<td></td>
</tr>
<tr>
<td>(22,230)</td>
<td>(16,047)</td>
<td>Non-operating Expenses, Net</td>
<td>(16,651)</td>
<td>(17,739)</td>
<td></td>
</tr>
<tr>
<td>$68,111</td>
<td>$27,261</td>
<td>Change in Net Assets</td>
<td>$61,781</td>
<td>$34,767</td>
<td></td>
</tr>
</tbody>
</table>

*Includes University purchased clinical services annual budget of $44 million.

### Financial Ratios and Benchmarks

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Plan</th>
<th>Benchmark</th>
<th>FY18 Annual Plan</th>
<th>Moody's A Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin Percent</td>
<td>10.8%</td>
<td>5.5%</td>
<td>10.2%</td>
<td>5.6%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Annualized Return on Total Assets</td>
<td>6.7%</td>
<td>2.9%</td>
<td>6.4%</td>
<td>2.9%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Cash to Total Debt</td>
<td>177.7%</td>
<td>166.3%</td>
<td>151.3%</td>
<td>169.6%</td>
<td>121.5%</td>
</tr>
<tr>
<td>Debt to Capitalization</td>
<td>27.9%</td>
<td>29.0%</td>
<td>30.9%</td>
<td>28.6%</td>
<td>33.9%</td>
</tr>
<tr>
<td>Maximum Annual Debt Service Coverage</td>
<td>5.4</td>
<td>3.6</td>
<td>5.2</td>
<td>3.6</td>
<td>5.0</td>
</tr>
<tr>
<td>Days Cash on Hand</td>
<td>228.7</td>
<td>216.4</td>
<td>224.3</td>
<td>217.8</td>
<td>215.5</td>
</tr>
<tr>
<td>Net Days Revenue in AR</td>
<td>48.9</td>
<td>51.0</td>
<td>53.9</td>
<td>51.0</td>
<td>48.1</td>
</tr>
</tbody>
</table>

- Operating income of $90 million was $47 million favorable to plan driven primarily by higher patient utilization, favorable service-mix, and labor cost efficiencies

- Net income of $68 million was $41 million favorable to plan driven by favorable operating income and investment income, reduced by higher performance based academic mission support
F2019 operating margin target

Operating margin target of 7.8% approximates the 75th percentile of academic health systems.
Change to F2018 projection

- The decline in operating income is primarily due to inflationary cost increases in excess of payer rate increases and certain investments focused on future growth and capabilities.
CIA Reporting Period 2

- July 1, 2017 – June 30, 2018
- CIA Compliance Obligations
  - Outlined in Activities Summary and Completion Tracking Document (see handout)
  - Outline of materials reviewed during Board and/or Health Affairs Committee meetings (see handout)
  - Most items will be completed on or before June 30, 2018
  - Claims Review process is designed to start after the close of the Reporting Period; will end prior to submission of Annual Report
Executive Compliance Committee (ECC) – Overview of Activities FY18

- General
  - 10 meetings (*monthly except December and March*)
  - Assessed sub-committee structure
  - Reviewed Chief Compliance Officer position

- Topic Reports included
  - Corporate Integrity Agreement Updates
  - Compliance Reports
  - Risk Assessment and Work Plans
• Ethics and Compliance Hotline
  – FY17 Year End: 57 cases, 13 referred Title VII/IX
  – FY18 Year to Date: 54 cases, 13 referred to Title VII/IX
• Bias Hotline
  – CY 2017 Year End: 16
  – CY 2018 to date: 5
• Transition to single hotline
  – Project underway to update hotline reporting system and integrate both the Ethics and Compliance Hotline and Bias Hotline to eliminate confusion and provide a single portal for individuals to report and for the organization to manage cases
• Training and Education
  – CIA-mandated training transitioned to internal learning management software platform, Saba
  – As of May 31, 98.3% of current employees completed training modules
  – Implemented new live training session to educate leaders (managers and above) on the Code of Conduct

• Management Certifications
  – Annually, certifications of compliance must be made by management level personnel, as identified in the CIA
  – Process will be completed by June 30, 2018
• Exclusion Screening
  – In April 2018, engaged with a new screening vendor; working on an updated review of all employees and vendors (12,000+ records)
  – Anticipate completion in late June
  – No identified issues to date

• Risk Assessment and Compliance Plan for FY19
  – Completed risk assessment in collaboration with UM System Internal Audit Services
  – Interviewed stakeholders from hospital and academic units (15 meetings)
Monitoring and auditing projects scheduled for FY18 will be completed on time. This included:

- 14 audits covering coding accuracy
- 5 audits focused on documentation sufficiency
- 2 reviews of the 340B Drug Pricing Program
- 14 projects covering various topics, including:
  - Diagnostic Cardiac Catheterizations, Denials Identification and Processing, Medicare Outpatient Observation Notice (MOON) Processes, Two-Midnight Rule Compliance, Advance Practice Professionals Oversight Obligations, Transcatheter Aortic Valve Replacement (TAVR) Program Compliance, and Primary Care Exception Clinics.
CIA Resolution Language

• “The Health Affairs Committee of the Board of Curators of the University of Missouri has made a reasonable inquiry into the operations of the Compliance Program of MU Health (sometimes referred to as University of Missouri Health System or UMHS) including the performance of the Chief Compliance Officer and the Compliance Committee. Based on its inquiry and review, the Health Affairs Committee has concluded that, to the best of its knowledge, UMHS has implemented an effective Compliance Program to meet Federal health care program requirements and the obligations of the Corporate Integrity Agreement.”

• Request for adoption will be made at an upcoming Health Affairs Committee meeting
Memo

To: Board of Curators  
University of Missouri System

From: Jennifer P. May, J.D.  
Chief Compliance Officer  
MU Health

Date: June 21, 2018

Re: Compliance Program Update

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A. Executive Compliance Committee – Overview of Activities FY18  
   a. General  
      i. 10 meetings (monthly except December and March)  
      ii. Assessed sub-committee structure (July, Oct)  
      iii. Reviewed Chief Compliance Officer position (July)
   b. Topic Reports
      i. Corporate Integrity Agreement Updates  
         1. Obligations Review and Status Update (July, April, May, June)  
         4. Training Plan review (Nov)  
         5. Annual Report comments review (Feb)  
         6. Management Certifications review (April)  
      ii. Compliance Reports  
         1. General Program updates (monthly)  
         2. Ethics and Compliance Hotline (Aug, Feb)  
         3. Privacy Program Update (Sept, Oct, April)  
      iii. Risk Assessment and Work Plans  
         1. Internal Audit update (Sept, Jan)  
         2. Risk Assessment Policy and Process (Jan)  
         3. FY18 Compliance Work Plan update (April, May)  
         4. FY19 proposed work plans (May, June)  
      iv. Other  
         2. Office of Research (Feb)
3. Conflict of Interest Reporting Process (Feb)
4. Case Management software (Feb)

B. Ethics and Compliance Hotline
   a. FY17 Year End: 57 cases, 13 referred Title VII/IX
   b. FY18 Year to Date: 54 cases, 13 referred to Title VII/IX
      i. FY18 Q1: 17 cases; all closed, 4 referred
      ii. FY18 Q2: 23 cases; 3 pending, 7 referred
      iii. FY18 Q3: 13 cases; 5 pending, 2 referred

C. Bias Hotline
   a. CY 2017 Year End: 16
   b. CY 2018 to date: 5
   c. Transition to single hotline
      i. Discussions ongoing to update hotline reporting system and integrate both the Ethics and Compliance Hotline and Bias Hotline to eliminate confusion and provide a single portal for individuals to report and for the organization to manage cases.

D. Compliance Program Update
   a. Training and Education
      i. CIA-mandated training transitioned to internal learning management software platform, Saba
      ii. As of May 31, 98.3% of current employees completed training modules
          1. Ongoing efforts to ensure completion by all employees
          2. rolling process with HR to identify new employees
      iii. Orientation for all new employees on the Code of Conduct (bi-weekly)
      iv. Implemented new live training session to educate leaders (managers and above) on the Code of Conduct; three sessions conducted during FY18 with over 60 participants
   b. Management Certifications
      i. Annually, certifications of compliance must be made by management level personnel, as identified by title in the CIA
      ii. Process will be completed by June 30, 2018 (end of the reporting period)
   c. Exclusion Screening
      i. Monthly checks conducted by a vendor
ii. No identified issues to date
iii. April 2018 – engaged with a new screening vendor; working on an
updated review of all employees and vendors (12,000+ records);
anticipate completion in late June

d. Monitoring and auditing projects scheduled for FY18 will be completed on
time. This included:
i. 14 audits covering coding accuracy
ii. 5 audits focused on documentation sufficiency
iii. 2 reviews of the 340B Drug Pricing Program
iv. 14 projects covering various topics, including Diagnostic Cardiac
Catheterizations, Denials Identification and Processing, Medicare
Outpatient Observation Notice (MOON) Processes, Two-Midnight Rule
Compliance, Advance Practice Professionals Oversight Obligations,
Transcatheter Aortic Valve Replacement (TAVR) Program
Compliance, and Primary Care Exception Clinics.
e. Risk Assessment and Compliance Plan for FY19
i. Completed risk assessment in collaboration with UM System Internal
Audit Services
ii. Interviewed stakeholders from hospital and academic units (15
meetings)
iii. Proposed Compliance Plan for FY19 includes:
1. Review of processes to establish, maintain and update staff
education to ensure accurate documentation, ordering, and the
resulting accuracy of coding and billing.
2. Procedure development for fair market value and commercial
reasonableness determinations in support of physician
services proposals, and documentation of rate development
and assumptions to support contracting decisions.
3. Compliance infrastructure reviews related to new and
established collaborations with local provider groups, both
pre- and post-affiliation.
4. Monitoring of regulatory changes to codes, procedures, drugs
and medical devices, assessment of the impact to the
organization of these changes, and development of policies,
procedures and monitoring efforts to support impacted areas.
5. Development of standard processes for review, editing,
education and monitoring related to Compliance policies and
procedures.
6. Projects will also be identified and scoped based on Annual Report comments from the OIG as well as IRO audit findings.
Memo

To: Board of Curators
   University of Missouri System

From: Jennifer P. May, J.D.
      Chief Compliance Officer
      MU Health

Date: June 21, 2018

Re: Summary of Materials Reviewed in Oversight of MU Health Compliance Program

In addition to discussions which occurred during both open and closed sessions of the Board meetings, below is a description of the documents, topic updates, and other materials reviewed by the Board of Curators and/or the Health Affairs Committee during the second Reporting Period under the Corporate Integrity Agreement and in support of its oversight of the MU Health Compliance Program.

July 28, 2017
- Summary of Materials Reviewed during Reporting Period 1
- Status Tracking Report of Reporting Period 1 CIA Obligations
- Management Certification Policy
- Reporting Period 1 Resolution (accepted and adopted)

September 14, 2017
- CIA Reporting Period 1 Annual Report Update
- Claims Review Status
- Notification of New OIG Monitor

September 28, 2017
- Compliance Program Update
- CIA Reporting Period 2 Expectations

December 1, 2017
- CIA Obligations and Status Report
- Education on Fraud, Waste and Abuse policies, monitoring and reporting
- Notification of new Information Security Officer
March 21, 2018
- OIG Comments received on first Annual Report
- CIA board resolution language and expectations
- Overview of elements of MU Health Compliance program, with focus on monitoring and auditing efforts
- MU Health Compliance program organizational chart
- General program updates

June 21, 2018
- Compliance Program Update
- Status Tracking Report of Reporting Period 2 CIA Obligations
- Discussion of board resolution and request for approval
<table>
<thead>
<tr>
<th>CIA Section #</th>
<th>CIA Section Title / Content Summary</th>
<th>Action Item</th>
<th>Date Due</th>
<th>Assigned To</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>III.A.1</td>
<td>Chief Compliance Officer</td>
<td>quarterly reports to BOC</td>
<td>30-Jun-2018</td>
<td>CCO / BOC Office</td>
<td>21-Jun-2018</td>
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<tr>
<td>III.A.2</td>
<td>Compliance Committee</td>
<td>quarterly meetings of ECC</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>19-Jun-2018</td>
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<td>III.A.3</td>
<td>BOC Compliance Obligations</td>
<td>description of materials reviewed</td>
<td>29-Aug-2018</td>
<td>BOC (CCO)</td>
<td>21-Jun-2018</td>
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<tr>
<td>III.A.3</td>
<td>BOC Compliance Obligations</td>
<td>resolution</td>
<td>29-Aug-2018</td>
<td>BOC (CCO)</td>
<td>21-Jun-2018</td>
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<td>III.A.4</td>
<td>Management Certification</td>
<td>annual certification of compliance</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>annual review of COC</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>annual distribution to all Covered Persons</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>annual review of all compliance policies</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<td>III.C.1</td>
<td>Training Plan</td>
<td>furnish training to all Covered Persons</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<td>III.C.3</td>
<td>Certification</td>
<td>Covered Persons certification of training</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
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<tr>
<td>III.C.5</td>
<td>Update of Training Plan</td>
<td>annual review of training plan</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
</tr>
<tr>
<td>III.C.5</td>
<td>Update of Training Plan</td>
<td>changes to training plan (requires OIG approval)</td>
<td>if warranted</td>
<td>CCO</td>
<td>if necessary</td>
</tr>
<tr>
<td>Appendix B</td>
<td>Claims Review</td>
<td>annual review</td>
<td>29-Aug-2018</td>
<td>IRO</td>
<td>1-Jul-2018</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.1.c. Population</td>
<td>furnish patient census and payor mix to OIG</td>
<td>6-Apr-2018</td>
<td>CCO / UP / Finance</td>
<td>6-Apr-2018</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.1.c. Population</td>
<td>proposed subset of claims for review (not req’d)</td>
<td>90 days prior RP end</td>
<td>CCO / Finance</td>
<td>6-Apr-2018</td>
</tr>
<tr>
<td>Appendix B</td>
<td>A.3 Repayment of Overpayments</td>
<td>UMHS shall repay IRO-identified overpayments</td>
<td>60 days post notice</td>
<td>Finance</td>
<td>if necessary</td>
</tr>
<tr>
<td>III.E</td>
<td>Risk Assessment and Internal Review</td>
<td>annual risk assessment conducted</td>
<td>30-Jun-2018</td>
<td>CCO / Internal Audit</td>
<td>30-Jun-2018</td>
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<tr>
<td>III.F</td>
<td>Disclosure Program</td>
<td>maintain disclosure log / record of disclosures</td>
<td>on-going</td>
<td>CCO</td>
<td>30-Jun-2018</td>
</tr>
<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current Covered Persons - annually - SAM</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
</tr>
<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current Covered Persons - monthly - LEIE</td>
<td>30-Jun-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
</tr>
<tr>
<td>III.J.2</td>
<td>Reporting of Reportable Event</td>
<td>notification to OIG of reportable event</td>
<td>30 days post determ.</td>
<td>CCO / CPO</td>
<td>as necessary</td>
</tr>
<tr>
<td>V.B</td>
<td>Annual Reports</td>
<td>submission of annual report</td>
<td>29-Aug-2018</td>
<td>CCO</td>
<td>29-Aug-2018</td>
</tr>
<tr>
<td>V.C.1</td>
<td>Certifying Employees</td>
<td>management certifications in annual report</td>
<td>29-Aug-2018</td>
<td>CCO</td>
<td>30-Jun-2018</td>
</tr>
<tr>
<td>V.C.2</td>
<td>CCO and EVC-HA</td>
<td>certification by CCO and EVC-HA in annual report</td>
<td>29-Aug-2018</td>
<td>CCO / EVC-HA</td>
<td>29-Aug-2018</td>
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*Effective Date is June 30, 2016 / Reporting Period (RP) is each 1 yr period after effective date*
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<th>CIA Section #</th>
<th>CIA Section Title / Content Summary</th>
<th>Action Item</th>
<th>Date Due</th>
<th>Assigned To</th>
<th>Completed</th>
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<tr>
<td>III.A.2</td>
<td>Compliance Committee</td>
<td>appmt of Committee (ECC) / CCO chair</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<td>III.A.4</td>
<td>Management Certification</td>
<td>written process for certifications</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>implementation of code of conduct</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.B.1</td>
<td>Code of Conduct</td>
<td>performance eval process includes Code of Conduct</td>
<td>Completed RP1</td>
<td>HR</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>implementation of compliance policies</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>performance eval process includes policies</td>
<td>Completed RP1</td>
<td>HR</td>
<td>Completed RP1</td>
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<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>(see a. - h. for policy topics)</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.B.2</td>
<td>Policies &amp; Procedures</td>
<td>policies available to all Covered Persons</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
</tr>
<tr>
<td>III.C.1</td>
<td>Training Plan</td>
<td>develop written training plan</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.C.2</td>
<td>BOC Training</td>
<td>provide 2-hour training to BOC (certifications signed)</td>
<td>Completed RP1</td>
<td>CCO / BOC Office</td>
<td>Completed RP1</td>
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<tr>
<td>III.D.1.a</td>
<td>Engagement of IRO</td>
<td>engage IRO, as required in Appendix A</td>
<td>Completed RP1</td>
<td>Finance</td>
<td>Completed RP1</td>
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<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>screen current CPs - initial</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.G.2.b</td>
<td>Screening Requirements</td>
<td>policy for Covered Persons to disclose exclusion</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>III.I.2</td>
<td>Overpayments Policies and Procedures</td>
<td>develop and implement written policy</td>
<td>Completed RP1</td>
<td>Finance</td>
<td>Completed RP1</td>
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<tr>
<td>V.A</td>
<td>Implementation Report</td>
<td>submission of implementation report</td>
<td>Completed RP1</td>
<td>CCO</td>
<td>Completed RP1</td>
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<tr>
<td>V.C.3</td>
<td>CFO of UMHS</td>
<td>first annual report only; cert of settlement agmt</td>
<td>Completed RP1</td>
<td>CFO</td>
<td>Completed RP1</td>
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**COMPLETED PRIOR TO EFFECTIVE DATE**

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<tr>
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<tr>
<td>III.A.1</td>
<td>Chief Compliance Officer</td>
<td>appmt of CCO/job duties</td>
<td>Completed Prior</td>
<td>Completed Prior</td>
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<td>III.E</td>
<td>Risk Assessment and Internal Review</td>
<td>annual risk assessment process established</td>
<td>Completed Prior</td>
<td>CCO / Internal Audit</td>
<td>Completed Prior</td>
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<td>III.F</td>
<td>Disclosure Program</td>
<td>establish disclosure program (hotline)</td>
<td>Completed Prior</td>
<td>CCO / Internal Audit</td>
<td>Completed Prior</td>
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<tr>
<td>III.G.2.a</td>
<td>Screening Requirements</td>
<td>screening process for prospective Covered Persons</td>
<td>Completed Prior</td>
<td>HR</td>
<td>Completed Prior</td>
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<tr>
<td>ACTIVITY TYPE</td>
<td>Scope/Objectives</td>
<td>Start Date</td>
<td>Status</td>
<td>End Date</td>
<td>Collaboration</td>
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<tr>
<td>IRO Claims Review - &quot;Deep Dives&quot;</td>
<td>Coding reviews based on BKD findings during the CIA Claims Review process</td>
<td>TBD</td>
<td>University Physicians (UP) / Departments</td>
<td>multiple reviews will be scoped and conducted based on Claims Review findings</td>
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<tr>
<td>Patient Records Review</td>
<td>Evaluate sample records from all providers in a department to determine documentation sufficiency, coding and billing accuracy</td>
<td>TBD</td>
<td>UP/ Health Information Services (HIS)</td>
<td>multiple reviews will be scoped and conducted based on findings in other audits/reviews</td>
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<tr>
<td>Affiliated Practice Coder Accuracy</td>
<td>Evaluate coder accuracy for services coded by affiliated practices (Columbia Family Medical Group (CFMG); Columbia Surgical Associates (CSA))</td>
<td>TBD</td>
<td>CMFG/CSA</td>
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<tr>
<td>Contracted Coder Accuracy</td>
<td>Evaluation of coder accuracy for professional services coders by outsourced functions (Zotec; CodeRyte; Optum)</td>
<td>TBD</td>
<td>UP</td>
<td></td>
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<tr>
<td>Contracted Coder Accuracy</td>
<td>Evaluation of coder accuracy for facility services coders by outsourced functions (TrustHCS, T-Systems)</td>
<td>TBD</td>
<td>HIS</td>
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<tr>
<td>Coder Accuracy Wrap-Up</td>
<td>Ensure minimum annual review of all coders; those included here were not already reviewed during other audit processes</td>
<td>TBD</td>
<td>UP/HIS</td>
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<tr>
<td>340B Pharmacy Purchasing Program - Compliance Review</td>
<td>Assurance of compliance with state and federal statutes and regulations in relation to the 340B Drug Pricing Program</td>
<td>TBD</td>
<td>Pharmacy will be conducted twice during FY19</td>
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<tr>
<td>Pelvic Floor Therapy</td>
<td>Follow-up review regarding use of codes for bio-feedback and/or application per Medicare</td>
<td>TBD</td>
<td>OB/GYN</td>
<td></td>
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<tr>
<td>JW Modifier</td>
<td>Review use of and documentation of the JW modifier for pharmaceutical drug wastage</td>
<td>TBD</td>
<td>Pharmacy</td>
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<td>Prospective Coding Reviews (prior to billing)</td>
<td>Review sample of coded records of professional services prior to billing</td>
<td>Weekly, Ongoing</td>
<td>N/A</td>
<td>UP</td>
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<tr>
<td>Regulatory Reviews</td>
<td>Scope/Objectives</td>
<td>Start Date</td>
<td>Status</td>
<td>End Date</td>
<td>Collaboration</td>
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<tr>
<td>Conditions of Participation: Clinical Services Vendors</td>
<td>Review of contracts process for proactive tracking, evaluation and monitoring of vendors providing clinical services</td>
<td>TBD</td>
<td>Supply Chain / Contracting</td>
<td></td>
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<tr>
<td>Missouri Senate Bill 5</td>
<td>Compliance monitoring for reporting to MO DHSS on abortion services</td>
<td>TBD</td>
<td>OB/GYN</td>
<td></td>
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<tr>
<td>Orders</td>
<td>Process review for order types (verbal, non-specific, etc); confirmation of supporting documentation, and preparations for Decision Support requirements</td>
<td>TBD</td>
<td>Departments</td>
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<tr>
<td>Automatic Edits</td>
<td>Review of edits set for charge explosion and sending bills to hold for accuracy and efficiency</td>
<td>TBD</td>
<td>Revenue Cycle</td>
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<tr>
<td>School of Medicine (SOM) Accreditation Review Outcomes</td>
<td>Review of outcomes documentation and comparison for themes in both clinical and departmental areas</td>
<td>TBD</td>
<td>SOM</td>
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<tr>
<td>Academic Affiliation Agreements</td>
<td>Review of processes and comparison with AAMC-issued best practices information</td>
<td>TBD</td>
<td>SOM</td>
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<tr>
<td>ACTIVITY TYPE</td>
<td>Scope/Objectives</td>
<td>Start Date</td>
<td>Status</td>
<td>End Date</td>
<td>Collaboration</td>
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<tr>
<td><strong>Monitoring Projects</strong></td>
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<tr>
<td>New Provider Reviews</td>
<td>Documentation and coding reviews of 10 claims once providers have completed 30 claims</td>
<td>Monthly, Ongoing</td>
<td>N/A</td>
<td>Departments</td>
<td>considering revisions for FY19</td>
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<tr>
<td>Regulatory Changes Monitoring</td>
<td>Review government and professional association materials for regulatory changes; distribute information as appropriate</td>
<td>Monthly, Ongoing</td>
<td>N/A</td>
<td>Departments</td>
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<tr>
<td>Opioid Letters to Prescribing Physicians</td>
<td>MO DSS tracking of opioid prescriptions and letters to providers</td>
<td>TBD</td>
<td>Medical Staff</td>
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<td><strong>Compliance - Other</strong></td>
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<tr>
<td>Compliance Education and Training Program Review</td>
<td>Development of a standard process for review and editing of education and monitoring on Compliance policies and procedures</td>
<td>TBD</td>
<td>Center for Education and Development</td>
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<tr>
<td>FMV/Commercial Reasonableness for Outreach Activities</td>
<td>Review structure supporting fair market value and commercial reasonableness determinations and documentation</td>
<td>TBD</td>
<td>Contracting and Outreach</td>
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<tr>
<td><strong>Additions to Work Plan</strong></td>
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<tr>
<td>TBD</td>
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</table>
• University Physicians Members Are Being Asked to Approve Changes to Collected Rule and Regulation 440.040;

• If Approved by the UP members, the Changes Would Need to Be Approved by the Dean of the School of Medicine, the Chancellor, the President, and the Board of Curators, see CRR 440.040.I;

• Anticipate Asking the Board of Curators to Approve the Changes at its September, 2018, Meeting.
Proposed Changes to CRR 440.040:

• Gender – Neutral Pronouns
• Clarify Who is a UP Voting Member
• Updates Officer Titles (e.g., “Hospital Executive Director”)
• Defines Plan Income to Include Collections for Professional Services Associated with Duties of Employment
440.040 University Physicians Medical Practice Plan

Amended February 27, 1976 & Bd. Min. 12-14-79 & 3-17-87; Amended Bd. Min. 9-28-17 & [REV_DATE].

A. Definitions

1. University Physician Medical Practice Plan -- These rules and regulations shall be known and referred to as the "University Physicians Medical Practice Plan."

2. Plan -- The word "Plan" as used in these regulations shall be construed to mean the Plan herein created for the rendering of professional services to patients, consultation or any other services related to their professional skills rendered to others than the University by members of the Faculty of the School of Medicine of the University of Missouri–Columbia, providing for the use of any fees or compensation received for such services and providing for additional compensation for those Faculty members who become participants in the Plan.

3. Plan Income -- The words "Plan Income" shall be construed to mean all income received by the University by assignment which are derived from direct-patient care activities inside and outside the Health Sciences Center within the State of Missouri from sources identified in Section 440.040.D.

4. MU Health Sciences-CenterCare -- The words "MU Health Sciences-CenterCare" or "MUHC" as used herein shall refer to the University Hospital and Clinics facilities owned, operated or that are affiliates of MU Health Care and the School of Medicine,
University of Missouri-Columbia. This includes the University of Missouri and University of Missouri System.

5. **Participant** -- The word "Participant" as used in these regulations shall be construed to mean any member of the all Faculty of the School of Medicine who are members of the MUHC Medical Staff who as part of their faculty responsibilities generate income from professional activities documented by a signed contract for patient care related services which is assigned to the University pursuant to the Plan.

6. **Department** -- The words "Department" or "Departments" shall refer to those departments of the School of Medicine for whom departmental accounts have been recommended by the University Physicians Management Committee and approved by the Dean and in which one or more Faculty members shall have qualified as participants in the Plan.

7. **Departmental Account** -- The words "Departmental Account" or "Departmental Accounts" shall refer to those departmental accountability records maintained in the University Physicians Administration Office in support of the percentage portion of the Plan income credited to the department as determined by the Plan.

8. **UNIVERSITY PHYSICIANS** -- The words "University Physicians" shall mean the operating name of the University Physicians Medical Practice Plan.

9. **Section/Division** -- The words "Section/Division" or "Sections/Divisions" shall refer to those sections/divisions of departments of the School of Medicine which have a separate account as provided in Section 440.040 G.3.

10. **Section/Division Chief** -- The words "Section/Division Chief" shall refer to the head of a section/division within a department qualified under the Plan.

11. **Section/Division Account** -- The words "Section/Division Account" or "Section/Division Accounts" shall refer to those sectional accountability records maintained in the University
Physicians Administration Office in support of the portion of the Plan income credited to the section as determined by the Plan.

12. **Dean** -- The word "dean" shall refer to the Dean of the School of Medicine, University of Missouri–Columbia.

13. **Chancellor** -- The word "Chancellor" shall refer to the Chancellor of the University of Missouri–Columbia.

14. **President** -- The word "President" shall refer to the President of the University of Missouri System.

15. **Chief of Staff** -- The words "Chief of Staff" shall refer to the Chief of Staff, University Hospital and Clinics, University of Missouri–Columbia MU Health Care.

16. **School of Medicine** -- The words "School of Medicine" shall refer to the School of Medicine, University of Missouri–Columbia.

17. **University** -- The word "University" shall refer to The Curators of the University of Missouri and University of Missouri System.

18. **Hospital** -- The word "Hospital" shall refer to the University Hospital and Clinics at the University of Missouri–Columbia facilities owned, operated or are affiliates of MU Health Care.

19. **Department ChairmanChair** -- The words "Department ChairmanChair" or "Department ChairmanChairmenChair" shall refer to the head of a department in which one or more Faculty members shall have qualified as participants in the Plan.

20. **Chief Executive Director Officer of the University HospitalMU Health Care** -- The words "Chief Executive Director Officer of the University HospitalMU Health Care" shall refer to the Chief Executive Director Officer of the University Hospital and Clinics University of Missouri–Columbia MU Health Care.

21. **University Physicians Management Committee** -- The words "University Physicians Management Committee" shall refer
to the committee established by the Plan. As an exception to the general regulation providing for the appointment of University committees, there is hereby created a committee to be known as the University Physicians Management Committee.

22. **Executive Director of University Physicians** -- The words "Executive Director of University Physicians" shall refer to the Executive Director of University Physicians.

23. **Base Salary Contract** -- The words "Base Salary Contract" shall refer to the regular employment contract approved by the University of Missouri.

24. **Participant Body** -- The words "Participant Body" shall refer to the total collective participants in the Plan.

25. **Deduction Rate** -- The words "Deduction Rate" or "Deduction Rates" shall refer to the percentage(s) accounted and budgeted annually for the costs of operation of the Plan.

26. **Group** -- The word "Group" shall refer to participants within a department and/or section/division who pool their Plan income.

27. **Gender** -- Where the masculine pronoun is used it shall be interpreted as feminine where applicable.

### B. Purposes of the Plan

Faculty members of the School of Medicine of the University of Missouri-\emph{Columbia} may be engaged in one or more of the following employment duties: teaching, research and patient care. Patient care is an integral part of the educational mission of the school for it provides to the instructor and the medical student the clinical experience essential to medical education. In the course of rendering patient care services, faculty members may generate income described in this Plan as plan income.

This plan has been created to provide a means for establishing salary compensation for employment services rendered by plan participants to their employer, the University of Missouri an educational organization. All payments to plan participants made pursuant to the provisions of this plan are salary payments by the
employer to the participants as employees and subject to the rules and regulations of the University of Missouri governing the approval and payment of salaries. All plan income referred to in Section 440.040 D. shall be irrevocably assigned to the employer by the plan participants as agents (employees) of the employer; no plan participant shall have any right, title or interest in any such plan income; and the employer shall have the unrestricted right to such income and complete control over its disposition. Provisions in this plan for accounting for plan income and expenses and for recommendations from plan participants are not intended to and shall not be construed to confer on plan participants any right, title or interest in plan income, any right control the disposition of plan income and expenses, or any right to determine salaries. In addition, the plan is created to implement the following purposes:

1. To provide a system by which the faculty is enabled to achieve fulfillment of their commitment to high quality patient care.

2. To recognize that high quality patient care is related to faculty participation in teaching and research and also that high quality clinical teaching is dependent upon the faculty being engaged in active medical practice, thereby assuring an adequate supply of clinical material for educational purposes.

3. To establish incentive mechanisms for faculty compensation which enhance the attainment of the Health Sciences Center goals of patient care, teaching and research.

4. To assure a University Physicians Medical Practice Plan which will be competitive with income plans of other academic medical centers in the United States.

5. To assist with the retention of qualified faculty by contributing to their total compensation.

6. To establish and maintain a set of policies for the management of professional income which is sufficiently flexible to respond to the needs of all participating individuals, sections and departmental differences.
7. To provide a mechanism to support programs that benefit the School of Medicine.

8. To establish a methodology of professional income generation, distribution and utilization.

C. **Participants** -- All Faculty of the School of Medicine who are members of the University Hospital Medical Staff who as part of their faculty responsibilities generate income from professional activities for patient care related services which is assigned to the University pursuant to the Plan shall be participants in the Plan.

1. For each participant, a written Agreement shall be executed annually and filed in the Business Office of University Physicians. Each Agreement shall contain a statement that the participant will abide by all provisions of the Plan.

D. **Plan Income** -- Within the framework of the Plan, Plan income means:

   - All professional fee for service
   - All income derived from patient care and other income derived from patient care provided by a participant in the performance of regularly assigned duties for the University as determined by the appropriate person having supervisory authority of the participant. For participants who are full time employees (0.75 FTE or greater), such participants may not engage in income-generating patient care activities outside of their regularly assigned duties for the University unless such outside activity complies with applicable law and University policy and has been approved by the Dean and Department chairman.

1. As unique instances of patient care occur, the University Physicians Management Committee will recommend whether income derived from these instances constitute Plan income.

2. Income of participants not related to patient care shall not be Plan income.
3. Section 490.020 of the Collected Rules and Regulations of the University establishes the terms and conditions of coverage for Medical, Professional, and Patient General Liability for University employees and should be separately reviewed to determine whether and to what extent coverage exists for activities done outside of regularly assigned duties for the University.

E. Distribution of Plan Income

1. Costs of Operations -- The costs of operations of the Plan will be funded by applying an approved deduction rate (percent) to Plan Income. The costs of operation of the Plan may include expenditures for the following items and activities:

   - Billing and Collections Costs
   - Professional Liability Insurance
   - Support personnel, services and facilities
   - Administrative costs
   - Retirement
   - Other items that are deemed necessary in the operation of the Plan

   Annually and as requested by the University Physicians Management Committee, the Executive Director of the University Physicians will report to the University Physicians Management Committee the expenditures to date for the costs of operation of the Plan. A final accounting report will be issued after the close of the accounting period.

   An annual budget will be submitted for the costs of operation of the Plan. Based on the budget that is submitted the University Physicians Committee shall recommend a deduction rate to be proposed for the period covered by the budget. The proposed deduction rate and budget for the next fiscal year must be approved by the Dean.

   Further, for certain types of Plan income, such as contract income and certain other types of "lump sum" income, requiring
a minimum of administrative and business office expense, it may be appropriate to establish a special deduction rate(s) to cover operating costs.

In exceptional circumstances, it may be necessary to alter the deduction rate during the fiscal year. Such an alteration will be recommended by the University Physicians Management Committee and approved by the Dean.

Separate accounts will be established for each category of expenditures authorized in this Section 440.040 E.1. Expenditures from these accounts will be in accordance with standard University standards.

From time to time good accounting practice and effective fiscal management may well indicate a need to revise, expand, contract or otherwise modify the accounting system relative to the Plan. Nothing in this Plan shall be interpreted as preventing such accounting revision, expansion, modification or contraction so long as they adhere to generally accepted accounting principles and University policy.

2. **Dean's Office Account** -- A Dean's office account shall be maintained. The account shall be credited with 6 percent of the Plan income. Any expenditures or transfers from this account must conform to standard University budgeting policy.

   The Dean's Office account is established to support research and development costs, capital improvements, new members of the faculty, renovation, the Health Sciences Library and for such other purposes that are of general benefit to the School of Medicine.

3. **Departmental Accounts** -- A departmental and or Sectional/Divisional account shall be maintained for each department and/or section/division. The departmental accounts shall be credited with 10 percent of the departmental Plan income.

   Annually on the date established by the Dean, the department
is to submit a comprehensive budget to include the distribution of the department's share of Plan income. This annual budget must be approved by the Chairman of the Department and the Dean.

Expenditure from these accounts shall be in accordance with standard University policy.

Voluntary contributions to the Dean's Office account may be made annually from each departmental and/or sectional/divisional account. The University Physicians Administration Office shall supply the Dean and the University Physicians Management Committee with a periodic statement of account for each departmental and/or sectional/divisional account. A periodic statement of account shall be furnished to each Department Chairman or Section/Division Head for his own departmental or sectional/divisional account.

F. Distribution of Net Plan Income

1. **For purpose of this section, the following definition applies:** The words "Net Plan Income" shall be construed to be plan income (Section 440.040 A.3) less the distribution of plan income as outlined in Section 440.040 E. Net Plan Income will be those funds available to meet base salary contract commitments as outlined in Section 440.040 F.2, and incentive income as outlined in Section 440.040 G.

2. **Salary Contract -- Base Salary** -- A participant's base salary may be budgeted from plan income and/or from funds derived outside the Plan Recommendation of the individual faculty member's base salary contract from all sources including Plan income shall be made by the appropriate Departmental Chairman and approved by the Dean to the appointing authority with this determination becoming a part of the recommended School of Medicine budget. That portion of the faculty member's base salary which is budgeted from Plan income shall preferably reflect the extent of his efforts in
patient care. The salary contract will be negotiated in the same manner as other School of Medicine faculty contracts.

The portion of base salary budgeted from plan income is payable only to the extent of departmental net plan income. If Departmental net plan income is not sufficient to meet budgeted base salary, then the individual Department Trust funds or the School of Medicine funds will meet the remainder of the obligation.

Under normal circumstances the portion of the individual's base salary budgeted from Plan income will be derived through only one Section/Division or Department. Under the special circumstances of interdisciplinary programs individuals with joint appointments may derive salary measured by Plan income from more than one Section/Division or Department with the approval of the participant, the Section/Division Chief or Chiefs, the Department Chairmen, University Physicians Management Committee and the Dean.

The faculty contract year for the purposes of the Plan will be the faculty contract year of the University of Missouri-columbia. Faculty members who commence employment subsequent to the beginning of the faculty contract year may be a participant for the remainder of the year.

3. **Payment of Base Salary** -- A departmental or divisional/sectional base salary pool shall be established for each department or division/section in which net plan income will be pooled and from which base salaries as outlined above (Section 440.040 F.2) will be paid.

G. **Distribution of Incentive Income**

1. For purposes of this section, the following definition applies: The words "Incentive Income" will refer to net plan income less the costs of base salary contract commitments as outlined in Section 440.040 F.
2. **Individual Participant**

   a. In addition to base salary (440.040 F. above) a participant may receive available incentive income as incentive salary. A participant can receive incentive salary only if the participant generated net revenue sufficient to meet his/her portion of base salary as described in Section 440.040 F.2. Individual participants may allow reductions of incentive salary for support of his/her Department or Section/Division. This amount will be determined by negotiations between the individual and his/her Department Chairman with approval of the Dean. Such arrangements and the allocation of such incentive salary shall be determined prior to the commencement of the salary contract year and agreed to in writing by the participant and approved by the Chief of the Section/Division, the Department Chairman and the Dean.

3. **Group Participants**

   a. In some circumstances it may be appropriate for participants within a department and/or section/division to practice as a group and pool their incentive income. Such arrangements and the allocation of such incentive salary among the participants in the department or section/division shall be determined prior to the commencement of the salary contract year and agreed to in writing by each participant and approved by the chief of the section/division, the Department Chairman and the Dean.

   b. Annually on the date established by the Dean the appropriate Departments will submit proposals to practice as departmental or sectional/divisional groups to pool their Plan income under Section 440.040 G.3.a.
4. **Participant's Account** -- An account shall be established for each Participant which shall be credited with the participant's portion of the Plan income as determined by the University Physicians Medical Practice Plan base salary contract and the incentive income distribution schedule. All expenditures or transfers from this account will conform with the participant's plan contract provisions relating to the participant's share of any incentive income.

**H. Administration of the Plan**

1. **University Physicians Management Committee** -- The membership of the University Physicians Management Committee will include all Department ChairmanChairmen or approved alternates, six members from the participants at large or their elected alternate. The Dean of the School of Medicine, the Executive Director of University Physicians, the Chief of Staff of University Hospital and Clinics and the Executive Director of University Hospital and Clinics shall be ex-officio members without vote. The Department ChairmanChair will appoint the individuals to serve as their alternate. The members at large and their alternates will be elected by the participant body for three year terms but may not serve for more than two consecutive terms. In the first year of the Plan, the six members at large and their alternates will be elected for staggered terms; two members and two alternates for three years, two members and two alternates for two years, and two members and two alternates for one year. Thereafter an annual election will be held for the purpose of electing two members at large and their alternates to serve three year terms.

    The Committee shall organize by electing from the membership of the Plan a ChairmanChair and a Secretary. The term of office for the ChairmanChair and the Secretary will be two years. The Secretary shall function as the Vice ChairmanChair. In the first year of the Plan the ChairmanChair will be elected for a two year term and the Secretary for a one
year term. Thereafter, annually the Committee will elect either a Chairman or the Secretary to serve a two year term.

In the event the Chairman or Secretary is unable to complete the term of office and more than six months of the term remains, a special election will be held to elect a replacement to complete the term of office.

The Committee shall meet at least quarterly. Additional Committee meetings may be called by the Chairman of the Committee or at the request of a majority of the members of the Committee.

2. Functions of the University Physicians Management Committee

a. To establish an Executive Committee consisting of the Chairman of the Plan and seven members of the University Physicians Management Committee. The seven members of the Committee shall be selected in the following manner. Four members shall first be elected by the University Physicians Management Committee from its voting membership. These members shall be elected to a two year term of office and may not serve more than two consecutive terms. In the first year of the Plan the four members will be elected for staggered terms; two members for one year and two members for two years. Thereafter an annual election will be held for the purpose of electing two members for the Committee. After the election of these members the Chairman of the Plan shall appoint an additional three members from the voting membership of the University Physicians Management Committee to the Executive Committee. The Chairman shall appoint three members annually at the date of the election of the other Committee members. There shall be no restrictions on the number of terms an appointee of the Chairman may serve.

The Executive Committee is to review and recommend
items for the agenda of the University Physicians Management Committee and to review other items as deemed necessary by the Chairman or the University Physicians Management Committee.

b. To review the functioning of the Plan to assure it is meeting the objective of the Plan.

c. To annually review the operating costs of the Plan and the appropriateness of individual expenditures. It shall make any appropriate recommendations for changes in the operation of the Plan to the University.

d. To recommend the hiring and be responsible for the administrative direction of the Executive Director of University Physicians in accordance with University Policy and Personnel guidelines.

e. To develop and recommend such detailed policies and procedures as necessary to assure the effective implementation and operation of the Plan to the University.

f. To make recommendations for revision of the Plan to the Participants.

g. To recommend the budget for the costs of operation of the Plan including the amount of the Deduction Rate or Rates to the University.

h. To initiate and approve professional fees schedules of the participants with the advice of the Clinical Department Chairmen.

i. To discharge such other duties necessary to the efficient operation of the Plan and Committee.

3. Participant Body -- The participant body will consist of all Plan participants, each with one vote, and will meet for the following reasons:

   a. To elect the University Physicians Management Committee members at large and their alternates.
b. To vote on recommended revisions of the Plan.

c. For business as called by the ChairmanChair of the Committee.

d. As petitioned by 20% of the voting body to consider issues and develop recommendations for the Committee.

e. To consider business referred by 2/3 vote of the Committee.

— The Participant Body shall meet annually, as provided below, and at such other times as appropriate. Written notices giving the date, hour and place of all meetings shall be given to all participants in the Plan by the Committee ChairmanChair at least 15 days prior to the meeting date. The Committee ChairmanChair will preside and in his their absence the Vice-ChairmanChair. Fifty percent (50%) of the Plan Participants shall constitute a quorum and a majority vote of those present and voting shall be required to conduct business, except voting to approve recommendations for revisions of the Plan shall follow Section 440.040 I. of the document.

4. **Annual Meeting** -- In May of each year, the ChairmanChair of the Committee shall call a meeting of all participants in the Plan for the purpose of electing two committee representatives from the membership at large and conducting other business as appropriate. Nominations shall be made from the floor. Voting for the Committee shall be by secret ballot. No more than two members at large may be from the same Department. In the event a quorum is not present the ChairmanChair shall reschedule the meeting to a definite date and hour, but not more than ten days hence and written notice of such meeting shall be given to all participants in the Plan; or the ChairmanChair may, at his their discretion, direct that the election be held by mail or electronic ballot, in which event a ballot shall be sent to each participant of the Plan and the participants receiving the highest
number of votes cast shall be elected the representative of the Committee.

I. **Revision of the Plan** -- The University Physicians Management Committee shall take all recommendations for revision of the Plan to the Plan participants. The Chairman of the Committee shall call a meeting of all participants and the Plan for the purpose of voting on the proposed revisions of the Plan. A two-thirds affirmative vote of a 50% quorum shall be required for revisions to the Plan. Voting for the revisions shall be by secret ballot. In the event a quorum is not present the Chairman shall reschedule the meeting to a definite date and hour, but not more than ten days hence, and written notices of such meeting shall be given to all participants in the Plan; or the Chairman may at discretion direct that the revision be voted on by mail or electronic ballot in which even a ballot shall be sent to each participant in the Plan. If approved the proposed revisions shall be forwarded through the Dean, Chancellor, and President, to the Board of Curators, University of Missouri for their approval.

J. **Appeal Process for the Individual** -- Any participant(s) perceiving unfair treatment under the provisions of the Plan may request a hearing before the university Physicians Management Committee. The request must be in writing to the Chairman of the Committee. The Chairman will call a special meeting of the Committee in not less than ten days nor more than thirty days following receipt of the request. The participant(s) and the Committee may be represented by legal counsel at the hearing. A report of the hearing along with recommendations for action will be prepared by the University Physicians Management Committee for the Chancellor. Copies of the report and recommendation will be provided the participant, Department Chairman, and the Dean, all of whom will offer their comments directly to the Chancellor who shall make the final decision.

K. **Professional Charges** -- Each participant may review their schedule of fees and recommend any changes to the Section/Division
Chief, Departmental Chairman and the Committee. It shall be the responsibility of the Committee to recommend general operating policies under which professional fees will not be billed to the patient or third party.

L. **Billing and Collection of Professional Fees** -- All professional charges will be initiated and signed by the provider of the service and submitted to the University Physicians Business Office for processing. Billing for professional charges will be distinct from other services and will indicate the name of a participant or group of participants of the Plan. Fees collected shall be credited to the account of the participant or participants rendering the services for which the fee is collected as otherwise provided for in the Plan.

When it is clearly the intent of the payor to satisfy a specific portion of the patient's obligation to the Health Sciences Center, the monies received will be deposited in the account or accounts corresponding to the payor intent. In those instances where the intent of the payor is unclear, University Physicians Management Committee procedures for the allocation of monies received to the proper account shall apply.

In the instance of contractual agreements, special billing arrangements may be accomplished through other mechanisms as provided for in the contractual agreement.

M. **Retirement and Other Staff Benefits** -- For the purposes of determining average regular annual salary of a plan participant under the University of Missouri Retirement Disability and Death Benefit Plan and for purposes of determining regular salary of a plan participant for other staff benefits such as life insurance and disability insurance the base salary as provided in 440.040 F. of this plan shall be used and incentive salary under 440.040 G. of this plan shall be excluded.

N. **Special Situations** -- All fees for professional services rendered by a plan participant are assigned to The Curators of the University of Missouri, and a plan participant shall at no time have any ownership interest in uncollected fees. For situations described below the
disposition of uncollected fees and payments to a plan participant shall be made in accordance with this section.

1. **Termination of Employment - Voluntary or Involuntary** --
   Upon termination or resignation of employment a plan participant shall be entitled to receive salary payments in accordance with their current salary contract for services rendered to the effective date of termination or resignation. Incentive salary, if any, will be based upon fees earned and collected at the effective date of termination or resignation; provided that, if the plan participant resigns, the plan participant shall provide written notice to the participant’s Department Chairman sixty (60) days before the effective date of the resignation to receive incentive salary for the final incentive period during the participant’s employment. If the plan participant provides less than 60 days advance written notice of resignation to the Department Chairman, the plan participant shall not receive incentive salary for the final incentive period during the participant’s employment unless the Department Chairman for the plan participant waives the 60 day notice requirement. Uncollected fees at the effective date of termination or resignation which are subsequently collected shall be allocated to the departmental base salary pool (Section 440.040 F.3) after deductions for the cost of operation of the plan (Section 440.040 E.1) School of Medicine Account (Section 440.040 E.2), and Departmental Account (Section 440.040 E.3).

2. **Death or Disability of a Plan Participant** -- Upon the death or disability of a plan participant there shall be paid to the participant or the participant's estate all salary payments then due in accordance with their current salary contract for services rendered to the date of death or disability. Incentive salary, if any, will be based upon fees earned and collected at the date of death or disability. In addition there shall be paid to the participant or the deceased participant's estate an amount equal to the participant's incentive salary based on uncollected
fees at the time of his/her death or disability, reduced by the amount of such fees that are not in disability. Reasonable efforts shall be taken to collect all such accounts within the six month period. This additional payment shall be made to the participant or the estate of the deceased participant as soon after the end of the six month period as is practicable. Income from any fees uncollected at the end of the six month period which are subsequently collected shall be allocated to the departmental base salary pool (Section 440.040 F.3), School of Medicine Account (Section 440.040 E.2), and Departmental Account (Section 440.040 E.3).

3. **Termination of Plan Participation** -- If the plan participant ceases to generate income from professional fees he will no longer be a participant in the plan. The effective day off the termination of his/her participation shall be recommended by the Department Chair subject to review by the Committee, and determined by the Dean. On termination of his/her participation, income from any uncollected fees which are subsequently collected shall be allocated to the departmental base salary pool (Section 440.040 F.3), School of Medicine Account (Section 440.040 E.2), and Departmental Account (Section 440.040 E.3).

O. **Fiscal Year and Transition** -- The fiscal year of the Plan shall be the fiscal year of the University of Missouri-Columbia. Unencumbered balances in all accounts shall be carried forward to the succeeding year.

Upon implementation of this Plan, current departmental and Dean's Office accounts will become part of the new departmental, sectional/divisional, or School of Medicine Dean's Office account as appropriate or as otherwise specified in this Plan.

P. **Assignment of Fees** -- Each Participant shall annually execute an assignment in a form to be approved by the Executive Committee of the University Physicians Management Committee. For fiscal year
2018, the assignment form shall be substantially similar to the following form:

ASSIGNMENT
09/01/20__ through 08/31/20__

In consideration of my employment by The Curators of the University of Missouri and the salary payments described in this Plan, I hereby assign to The Curators of the University of Missouri all Plan Income, as defined by the University Physicians Medical Practice Plan. This assignment shall be an absolute assignment, subject only to the conditions that the fees charged by me shall not be altered, except as provided in the rules and regulations establishing said Plan.

I further agree that all monies received by me for such services shall be promptly turned over to the Business Office of University Physicians and all checks made payable to me for such fees shall be promptly endorsed and delivered to said Business Office. It is distinctly understood that this assignment applies only to the income specifically identified in the University Physicians Medical Practice Plan.

In consideration of my being permitted to participate in the University Physicians Practice Plan, I agree to fully cooperate therein and comply with all the rules and regulations of the Plan and my Department. I acknowledge receipt of the attached materials regarding billing, documentation, and compliance policies for rendering professional services.

I agree that I will comply with all applicable billing and documentation policies, including but not limited to those outlined in the Teaching Physician Regulations of the Centers for Medicare and Medicaid Services (CMS). Further, I agree to participate in the mandatory education programs on billing and documentation that are provided by the University Physicians Medical Practice Plan. These education programs will include regular and periodic reviews of billing and documentation practices and focused education with follow-up billing and documentation audit for any deficiencies identified. I understand that if deficiencies in compliance are identified after my participation in focused education, a comprehensive audit of my billing and documentation will be conducted at my expense and I may be subject to loss of eligibility for incentive income and other corrective actions specified in the University Physicians policies. I understand that failure to comply with these requirements may result in suspension of billing privileges, and may include disciplinary action by The Curators of the University of Missouri.
Attachments: Introduction, Policy Statement, Definitions

Medicare Claims Processing Manual Chapter 12 - Physicians/Nonphysician Practitioners CMS Carrier Manual

The University of Missouri Health System's Integrity and Compliance Program and Code of Conduct:
https://mymuhealth.org/body_sub.cfm?id=3123&fr=true

Guidelines for Teaching Physicians, Interns, and Residents

HIPAA Confidentiality:
- At the March and April 2018, meetings, the Health Affairs Committee and Board of Curators discussed making changes to the Board-level governance of the University’s health care activities to develop strategic approaches to address current challenges and future opportunities.

- At the June 11 Health Affairs Committee meeting and this Board meeting, we are discussing details of an implementation proposal.

- It is anticipated final changes will be adopted at the September Board meeting.
Board-level governance of MU Health Care will be consolidated with the Health Affairs Committee composed of University leaders and outside appointees with health care or academic medicine expertise.

1. Top-level oversight of MU Health Care operations will be focused in the Health Affairs Committee.

2. Streamline the subsidiary boards creating focus on operational issues.

3. Enhance our ability to align, manage and govern as an integrated academic health system.
DETAILS OF REORGANIZATION PROPOSAL
COMMITTEE COMPOSITION

The Health Affairs Committee would be reorganized to consist of nine individuals appointed by the Board of Curators.

- The President would serve as the Chair of the Committee.
- A consultant would be retained to advise the Committee.

5 At-large members nominated by the Committee

3 University of Missouri Members:
- Curator
- System President
- MU Chancellor

1 Member nominated by Capital Region Medical Center
The Board of Curators would charge the Committee with:

| Strategic oversight of MU Health Care and affiliated facilities | Ensure financial success and appropriate risk management for MU Health Care | Ensure implementation of strategic plan to achieve excellence in patient care, innovative education and breakthrough research | Additional responsibilities as determined by the Board of Curators |
The Committee would have delegated authority over:

**Strategic Vision:**
Developing the mission and vision of MU Health Care and approving its strategic plans

**Personnel:**
Hiring and terminating MU Health Care CEO

**Collaboration:**
Consulting with the MU Chancellor and Provost and other campuses on academic, research and strategic initiatives that rely on support from MU Health

**Finance:**
Approving annual capital, operating and school support budgets AND significant financial decisions for MU Health Care
The Board of Curators would retain all powers not delegated to the Committee to include:

- Ultimate governing responsibility including the ability to change any decision at any time as provided in the Collected Rules and Regulations
- Appointing and removing all members of the Committee
- Approval over major financial and strategic decisions for MU Health Care such as:
  - Decisions deemed germane to mission alignment
  - Capital expenditures > $XX Million
  - Debt issuance, expansions, creation of new entities/subsidiaries
  - The use of intellectual property

- The Committee would report to the Board of Curators at least semi-annually or as requested by the Board of Curators
Consolidate strategic functions of other MU Health Care boards with the reorganized Health Affairs Committee

- University of Missouri Columbia Medical Alliance, Inc.
- Health Care Advisory Board
- Columbia Surgical Services, Inc.
- Columbia Family Medical Services, Inc.

Corporate subsidiary boards would be focused on operations rather than strategic planning

Health Care Advisory Board would be eliminated
... to achieve excellence in patient care, innovative education and breakthrough research
No. 1

Recommended Action - Minutes, April 12, 2018 Health Affairs Committee Meetings

It was moved by ____________ and seconded by ________________, that the minutes of the April 12, 2018 Health Affairs Committee meetings be approved as presented.

Roll call vote of Committee: YES NO

Mr. Ashworth
Curator Graham
Ms. Maledy
Curator Phillips
Curator Snowden
Curator Sundvold

The motion ________________.
Recommended Action – Resolution for Executive Session of the Health Affairs Committee Meeting, June 21-22, 2018

It was moved by _________ and seconded by __________, that there shall be an executive session with a closed record and closed vote of the Health Affairs Committee meeting June 21-22, 2018 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(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 Committee: YES NO

Mr. Ashworth
Curator Graham
Ms. Maledy
Curator Phillips
Curator Snowden
Curator Sundvold

The motion ________________.

June 21-22, 2018

OPEN – HEALTH AFF – 2-1
GENERAL BUSINESS

DAY ONE (continued)
STUDENT REPRESENTATIVE TO THE
BOARD OF CURATORS REPORT

There are no materials for this information item.
REVIEW CONSENT AGENDA

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

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

**CONSENT AGENDA**

<table>
<thead>
<tr>
<th>Action</th>
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<tbody>
<tr>
<td>1. Minutes, April 12-13, 2018 Board of Curators Meeting</td>
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<td>2. Minutes, April 12-13, 2018 Board of Curators Committee Meetings</td>
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<td>3. Minutes, May 21, 2018 Special Board of Curators Meeting and Committee Meetings</td>
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<tr>
<td>4. Degrees, Summer Semester 2018 for all campuses</td>
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<tr>
<td>5. June 2018 Security Resolution</td>
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<td>6. Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM</td>
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<td>7. Amendment, Collected Rules and Regulations Section 300.040, Faculty Bylaws of the University of Missouri – St. Louis, UMSL</td>
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<tr>
<td>8. Project Approval, Medical Science Building – Research Vivarium Upgrades and Maintenance, MU</td>
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<tr>
<td>9. Naming Opportunity, MU</td>
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</tbody>
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Roll call vote of the Board:          YES          NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion __________________.
Recommended Action - Minutes, April 12-13, 2018 Board of Curators Meeting Minutes

It was moved by Curator _______________ and seconded by Curator _______________, that the minutes of the April 12-13, 2018 Board of Curators meeting be approved as presented.

Roll call vote: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion _________________.

June 21-22, 2018

OPEN – CONSENT – 1-1
Consent 2

Recommended Action - Minutes, April 12-13, 2018 Board of Curators Committee Meetings

It was moved by Curator _______________ and seconded by Curator _______________, that the minutes of the April 12-13, 2018 Board of Curators committee meetings be approved as presented.

Roll call vote: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.
It was moved by Curator _______________ and seconded by Curator _______________, that the minutes of the May 21, 2018 special Board of Curators meeting be approved as presented.

Roll call vote:    YES    NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion _________________.

June 21-22, 2018
Recommended Action - Approval of Degrees, Summer Semester 2018, for all campuses

It was recommended by Chancellors, endorsed by President Choi, recommended by the Academic, Student Affairs and Research & Economic Development Committee, moved by Curator ______________, seconded by Curator ________________, that the following action by approved:

that the action of the President of the University of Missouri System in awarding degrees and certificates to candidates recommended by the various faculties and committees of the four University of Missouri System campuses who fulfill the requirements for such degrees and certificates at the end of the Summer Semester 2018, shall be approved, and that the lists of said students who have been awarded degrees and certificates be included in the records of the meeting.

Roll call vote of the Board: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________.
June 2018 Security Resolution

The Security Executive Committee, first formed by Curator resolution in 1999, has the authority and responsibility for the negotiation, execution and administration of Department of Defense (DoD) and its User Agencies classified contracts. To perform their duties, these individuals are required, by the DoD’s Defense Security Service, to obtain personnel security clearances for access to classified materials to the level of the University’s facility security clearance (currently at the TOP SECRET level). To date, there has been only one relatively minor policy decision decided by this committee.

The DoD’s Defense Security Service (DSS) requires that personnel security clearance exemptions be by individual name and not by position, so now that DSS has recommended that the Chancellors and Provosts at all campuses with faculty engaged in classified research, and a designated member of the Board of Curators, be cleared and become committee members once fully cleared, and there have been additional changes in the personnel requiring clearances, a new resolution must be passed by the Board of Curators.
Consent 5

It was endorsed by President Choi, 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”:

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

Once the following personnel complete all the requirements for a Department of Defense Top Secret personnel security clearance, they too will become full voting members of the Security Executive Committee.

- President, University of Missouri System, Mun Y. Choi, Ph.D.
- Curator, University of Missouri System (TBD)
- Chancellor, University of Missouri-Columbia, Alexander N. Cartwright, Ph.D.
- Provost, University of Missouri-Columbia (TBD)
- Chancellor Designate, University of Missouri-Kansas City, C. Mauli Agrawal, Ph.D.
- Provost, University of Missouri-Kansas City, Barbara A. Bichelmeyer, Ph.D.
- Interim Chancellor, Missouri University of Science and Technology, Christopher G. Maples, Ph.D.
- Provost, Missouri University of Science and Technology, Robert J. Marley, Ph.D.

The 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

June 21-22, 2018

OPEN – CONSENT – 5-2
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:

All members of the Board of Curators, except the designated member of the Security Executive Committee:

- Julia G. Brncic
- Darryl M. Chatman
- Jamie L. Farmer
- Maurice B. Graham
- Jeffrey L. Layman
- John R. Phillips
- Phillip H. Snowden
- David L. Steelman
- Jon T. Sundvold

Officers:

- General Counsel, Stephen J. Owens, J.D.
- Vice President for Research and Economic Development, Mark McIntosh, Ph.D.
- Vice President for Finance and CFO, Ryan Rapp
- Vice President for Human Resources, Marsha Fischer
- Vice President for Information Technology, Gary K. Allen, DVM, Ph.D.
- Chancellor, University of Missouri-St. Louis, Thomas F. George, Ph.D.
- Chief of Staff, Christine Holt

Roll Call Vote: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.
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.

Background

CRR 490.020 currently provides for the defense and protection of claims seeking damages due to injuries to a patient against University employed health care providers. In addition to malpractice claims, health care providers may be subject to administrative inquiries and complaints arising out of the same episode of care. The defense of the malpractice claim and administrative claim are frequently intertwined, involve many of the same issues, and require coordination. Accordingly, insurance offerings for individual providers and group practices often include defense coverage for administrative proceedings within appropriate limits.

Summary

The suggested amendment would provide employed health care workers defense coverage for disciplinary, licensure or similar administrative proceeding brought by a federal, state, or local government agency when approved by the General Counsel and Assistant Vice President of Management Services, when the proceeding arises out of acts or omissions that could have the potential to result in a damages claim otherwise covered under the Plan. Other coverage requirements are similar to those provided in the University’s general defense and protection rule (CRR 490.010). The cost of defense would be capped at $50,000 per proceeding and an aggregate limit of $100,000. Fines, penalties, and costs incurred by a provider in the proceeding other than defense costs are not covered. The cost of the coverage would be funded by the clinical entities.

A redline copy of the rule is attached.
Recommended Action - Amendment to Collected Rules and Regulations Section 490.020 Medical, Professional and Patient General Liability, UM

It was recommended by Vice President Rapp, endorsed by President Choi, 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 provide employed health care workers defense coverage for disciplinary, licensure or similar administrative proceeding brought by a federal, state, or local government agency, when the proceeding arises out of acts or omissions that could have the potential to result in a damages claim otherwise covered under the Plan. These proposed changes and the areas they would impact are reflected in the attached.

Roll call vote Finance Committee   YES     NO

Curator Brmcic
Curator Chatman
Curator Layman
Curator Snowden
Curator Sundvold

The motion _____.

Roll call vote Full Board:   YES     NO

Curator Brmcic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion _____
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 and also including subsidiaries and affiliates of the University that are designated for coverage under this Plan by the Assistant Vice President.

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;

   June 21-22, 2018
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).

4. The Employer, upon the approval of the Assistant Vice President and General
Counsel or their designees, may provide the defense of any disciplinary, licensure or similar administrative proceeding brought against a covered person by a federal, state, or local government agency, subject to the following conditions and restrictions:

a. The proceeding must arise from the rendering or failure to render professional services to a patient which would otherwise be covered under the Plan.

b. Either:

(1) The proceeding must be filed during or subsequent to the Employer’s defense of the covered person in a claim for damages arising from the same acts or omissions as such claim; or

(2) The Employer, at its sole discretion, must determine a claim for damages is likely to be made against the covered person as a result of the same act or omission.

c. The covered person shall submit:

(1) A brief description of the circumstances surrounding the incident giving rise to the administrative proceeding;

(2) Documentation to verify that the named individual was acting within the scope of his or her official duties at the time of the incident; and

(3) A copy of the summons or petition served on the named individual or any other information concerning the proceeding.

d. The Assistant Vice President and General Counsel or their designees have determined that the named individual was acting in good faith and within the scope of his/her employment or authority and that the rendering or failure to render professional services did not arise out of malfeasance or willful or wanton action or neglect of duty.

e. In determining whether to approve the defense of a disciplinary, licensure, or similar administrative proceeding, the Assistant Vice President and General Counsel or their designees may request a recommendation regarding coverage from the chief administrative officer or dean of the respective Medical Facility or their designees.

f. The employer will not pay more than Fifty Thousand and No/100 Dollars ($50,000.00) on behalf of a Covered Person for any single proceeding. Furthermore, the Employer will not pay more than One Hundred Thousand and No/100 Dollars ($100,000.00) on behalf of a Covered Person for all such proceedings covered under this program.

g. The Employer will not pay any fines, penalties, or other costs
incurred by or assessed against the Covered Person as a result of any such proceeding.

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 furnishing 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

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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 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.

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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 June 21-22, 2018

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

490.20 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; Revised 1-31-14; Revised 12-11-14.

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 and also including subsidiaries and affiliates of the University that are designated for coverage under this Plan by the Assistant Vice President.

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).

4. The Employer, upon the approval of the Assistant Vice President and General
Counsel or their designees, may provide the defense of any disciplinary, licensure or similar administrative proceeding brought against a covered person by a federal, state, or local government agency, subject to the following conditions and restrictions:

a. The proceeding must arise from the rendering or failure to render professional services to a patient which would otherwise be covered under the Plan.

b. Either:
   
   (1) The proceeding must be filed during or subsequent to the Employer’s defense of the covered person in a claim for damages arising from the same acts or omissions as such claim; or
   
   (2) The Employer, at its sole discretion, must determine a claim for damages is likely to be made against the covered person as a result of the same act or omission.

c. The covered person shall submit:
   
   (1) A brief description of the circumstances surrounding the incident giving rise to the administrative proceeding;
   
   (2) Documentation to verify that the named individual was acting within the scope of his or her official duties at the time of the incident; and
   
   (3) A copy of the summons or petition served on the named individual or any other information concerning the proceeding.

d. The Assistant Vice President and General Counsel or their designees have determined that the named individual was acting in good faith and within the scope of his/her employment or authority and that the rendering or failure to render professional services did not arise out of malfeasance or willful or wanton action or neglect of duty.

e. In determining whether to approve the defense of a disciplinary, licensure, or similar administrative proceeding, the Assistant Vice President and General Counsel or their designees may request a recommendation regarding coverage from the chief administrative officer or dean of the respective Medical Facility or their designees.

f. The employer will not pay more than Fifty Thousand and No/100 Dollars ($50,000.00) on behalf of a Covered Person for any single proceeding. Furthermore, the Employer will not pay more than One Hundred Thousand and No/ 100 Dollars ($100,000.00) on behalf of a Covered Person for all such proceedings covered under this program.

g. The Employer will not pay any fines, penalties, or other costs
incurred by or assessed against the Covered Person as a result of any such proceeding.

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 furnishing 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 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 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.
Amendment to Collected Rules and Regulations
300.040 Faculty Bylaws of the University of Missouri - St. Louis

**Background:**
The proposed bylaw changes are a result of recommendations that came from last year’s Senate 5-year review. The Senate voted to create an ad-hoc committee to review the current bylaws and recommend changes. This ad-hoc committee, called the Ad-hoc Committee on Shared Governance, was charged with two goals:

- Codify the current relationship between the Senate and the Administration, specifically the shared governance practices that have been developed at UMSL.
- Designate or develop a committee to review proposed changes to the CRR or to the bylaws that could affect faculty’s academic freedom or working conditions.

The ad-hoc committee considered the other campuses’ bylaws to examine what procedures/policies were already in place within the system that might work at UMSL. Interestingly, UMSL is unique in the system: no other campus has a similar body such as UMSL’s University Assembly.

After it completed its work, the ad-hoc Committee on Shared Governance presented proposed changes to the Senate’s Bylaws and Rules Committee. The Bylaws and Rules Committee then presented the proposed changes to the Faculty Senate. The Faculty Senate approved the proposed changes on Jan. 23, 2018. The Bylaws and Rules Committee also presented proposed changes that would affect the University Assembly. The University Assembly approved the proposed changes on Feb. 20, 2018. The Faculty Senate Chair presented the proposed bylaw changes to the Faculty at the Spring Faculty Meeting. The Faculty approved the bylaw changes on May 10, 2018. The changes have been vetted by the UM Office of the General Counsel and are being forwarded to the UM System Board of Curators for final approval.

**Summary of Proposed Bylaw Changes:**

- Add a preamble. (Section 300.040.A)
- Items regarding the Faculty membership, responsibilities, and rights
  - Revise the description of the membership of the Faculty (Section 300.040.B.1) to include tenured, tenure-track, and full-time, ranked, NTT faculty with a professorial designation rather than “regular” faculty.
  - Add a section on Faculty Rights (Section 300.040.B.2)
  - Revise the descriptions of the faculty, student body, senate and assembly’s “functions” in relation to university governance to address “responsibilities” instead. (Section 300.040.B.3; Section 300.040.C.2; Section 300.040.E.1; Section 300.040.F.2)
  - Describe three types of faculty authority: direct and primary, shared, and advisory and specify the areas or topics to which each type of authority applies. (Section 300.040.B.4)
Items regarding the Faculty Senate and its authority as derived from the Faculty as a whole
  • Describe how authority of the Senate is delegated to it by the Faculty. (Section 300.040.B.4.d)
  • Add wording about how Senate authority can be withdrawn - that is, how the faculty can override a vote of the Senate (Section 300.040.B.4.d and 300.040.E.2); Basically 25 faculty members from at least two parallel units need to sign a petition within 10 days, at which point it goes to the Faculty for a vote.

Items regarding meetings of the Faculty as a whole
  • Specify that at least two units represented must be present to constitute a quorum for the faculty when discussing items included in the agenda of a meeting of the Faculty (Section 300.040.B.5.b)
  • Specify that a larger portion of the Faculty must be present for a quorum when items are being discussed that are not on the agenda. (Section 300.040.B.5.b)
  • Simplify the rules regarding record keeping for meetings of the Faculty (Section 300.040.B.5.e)

Define the membership and responsibilities of the UMSL Staff using language borrowed from the Staff Association’s Bylaws (Section 300.040.D)

Adapt the responsibilities of the Bylaws and Rules Committee to include receiving, reviewing and recommending interpretations of changes to the CRR in addition to UMSL bylaws – but not of initiating changes to the CRRs. (Section 300.040.E.3.l)

Include two adjunct faculty in the voting membership of the University Assembly (Section 300.040.F.1)

Describe in more detail the functions of the Assembly to make it more consistent with the presentation of the functions of the Senate (Section 300.040.F.2)

Clarify the responsibilities of the Budget and Planning committee (Section 300.040.E.4.b)

Correct the description of the Promotion of Non Tenure Track Faculty Committee so that reference to parallel units is the same as it is in all other places in the Bylaws

Recommendation:
UMSL Faculty Senate/University Assembly kindly requests that these changes be approved at the next Board of Curators meeting in order to make the necessary updates and to alleviate any confusion in the current bylaws.

The proposed revisions were presented by the Bylaws and Rules Committee and approved by the Faculty Senate on January 23, 2018, the University Assembly on February 20, 2018, and the UMSL Faculty on May 10, 2018. These revisions have also been reviewed and approved by General Counsel.

OPEN – CONSENT – 7-2          June 21-22, 2018
No. 7

Recommended Action – Amendment Collected Rules and Regulations, section 300.040, Faculty Bylaws of the University of Missouri – St. Louis

It was recommended by Senior Associate Vice President Steve Graham, endorsed by President Mun Y. Choi, recommended by the Academic, Student Affairs and Research & Economic Development Committee, moved by Curator ______________, seconded by Curator ________________, that the following action be approved:

that Collected Rules and Regulations, section 300.040, Faculty Bylaws of the University of Missouri – St. Louis be amended as attached.

Roll call vote of the Board:  

YES  NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________.
Chapter 300: Faculty Bylaws (Redlined version – proposed May 2018)

300.040 Faculty Bylaws of the University of Missouri - St. Louis

Bd. Min 3-19-71; Amended 10-12-73; 2-18-77; 12-15-78; 6-18-82; 2-11-83; 6-24-83; 5-4-84; 5-3-85; 7-29-88; 3-10-89; 6-22-90; 5-3-91; 1-29-92; 5-8-92; 5-6-93; 3-29-94; 3-24-95; 4-25-96; 5-29-97; 10-16-98; 5-27-99; 3-23-00; 9-28-01; 12-01-05; 12-15-06; 06-06-08; 12-10-10; 11-21-13; 4-10-15; 6-26-15; 10-7-16.

A. Purpose of Governing Practices: The purpose of these Bylaws is to establish a body that represents the voice of the Faculty and to establish an effective vehicle for the needs and concerns of the Faculty to be presented for discussion and debate. These Bylaws assume that Faculty may participate in academic decision processes. The right of the Faculty to organize and to carry out the responsibilities and functions delegated to them by the Board of Curators (Board) is recognized in Section 10.030.D.2 of Collected Rules and Regulations of the University of Missouri.

B. FACULTY

1. Membership - The Faculty of the University of Missouri-St. Louis shall consist of the President, the Chancellor, tenured and tenure-track faculty, and all full-time, ranked, non-tenure track (NTT) faculty with professorial designation, all persons with regular full time academic appointment and others elected by the Faculty. Elected members so designated by the Faculty shall be non-voting members of the Faculty. Campus-wide faculty votes on issues specific to tenure or tenured/tenure track (T/TT) faculty will be restricted to T/TT faculty.

2. Faculty Rights
   a. Academic Rights -- Each faculty member has the right to freedom of inquiry, discourse, teaching, research and publication, as well as the responsibilities correlative with this right.
   b. Civil Rights -- The constitutional rights of the Faculty members shall be preserved.
   c. Employment Rights -- Faculty members shall have rights consistent with their continuous appointment or term appointment (during the term), except for cause, retirement or financial exigencies.
   d. Notification of Appointment or Changes Thereto -- Faculty members shall be notified of their appointments and workload, or any changes thereto, as much in advance of the beginning of institutional responsibilities as possible (as stated in the Board’s Rules and Regulations).
   e. Right to be Kept Informed -- The Faculty shall be kept informed of actions and activities of committees and executive officers, and of other occurrences that pertain to
3. Functions Responsibilities -- The Faculty of the University of Missouri-St. Louis, together with appropriate administrative officers, shall bear primary responsibility for recommending and implementing educational policy, particularly in areas of curriculum, degree requirements, methods of instruction, research, requirements for admission, student affairs, and faculty status. The Faculty may also make recommendations to the Chancellor and other persons or offices concerning general policy matters affecting the University. Where appropriate, the Faculty may delegate its responsibility to separate schools, colleges, or such other parallel units as may be created from time to time, to the Faculty Senate, and the University Assembly within the University of Missouri-St. Louis.

4. Authority -- The faculty's authority, as delegated by the Board of Curators, is of three types: primary and direct, in which the Faculty has essential decision-making authority; shared, in which the Faculty participates with others; and advisory, in which the Faculty counsels with the person or offices with ultimate decision-making authority. (On those matters requiring multi-campus coordination, the Faculty shall act through its appropriate bodies, UM System 300.040.B.5.)

a. Primary and Direct Authority -- The UMSL faculty has essential decision-making authority in matters directly affecting the educational program of UMSL, including but not limited to:

(1) Articulation and maintenance of standards of academic performance -- this includes but is not limited to guidelines for appropriate research, service, and scholarships; requirements for graduation; and related matters.

(2) Development and approval of courses of instruction and of curricula.

(3) Development and approval of procedures governing educational support programs on the UMSL campus.

(4) Formulation of criteria determining professional standing of faculty -- including but not limited to such matters as tenure, promotion, termination, guidelines for responsibility, faculty standing with regard to graduate faculty membership and
(5) Determination of an appropriate faculty committee structure.
(6) Determination of minimum admission requirements.
(7) Selection of awardees for academic scholarships.

b. Shared Authority -- The UMSL faculty has shared authority by which it participates cooperatively with other persons or offices in matters such as:
(1) Development and articulation of students' rights and responsibilities.
(2) Determination of an appropriate academic calendar.
(3) Selection of awardees for honorary degrees.
(4) Application of criteria affecting professional standing of faculty, such as required professional licensure.

c. Advisory Authority -- The UMSL faculty has advisory authority and responsibility with other persons or offices in matters such as:
(1) Budget and resource allocation.
(2) Planning, including capital expenditures and physical facilities.
(3) Selection of departmental, divisional, campus, and university-level administrators.
(4) Determination of the campus standing committee structure.
(5) Development and implementation of general business procedures that facilitate academic program excellence.
(6) Use of facilities for program activities.
(7) Application of criteria affecting promotion, tenure and termination.
(8) Structure of academic departments and units.

d. Faculty Delegation of Authority -- The Faculty, recognizing that handling matters through meetings of the Faculty is cumbersome, that attendance at such meetings varies, and that it is often difficult to have complete discussion of issues at such meetings, may delegate its authority to separate schools, colleges, or such other parallel units as may be created from time to time, and to the Faculty Senate within the University of Missouri-St. Louis. The actions of the Senate, in those areas in which they have delegated authority, shall be deemed final unless challenged within 10 days. Such challenge shall require a petition signed by at least twenty-five (25) faculty members from at least two parallel units calling for a review by the Faculty of a particular Senate action.
5. **Meetings** - The Faculty of the University of Missouri-St. Louis shall meet at least twice each year and at such additional times as the President, Chancellor, or the Faculty itself may determine. Upon written request of at least twenty-five (25) members of the Faculty, the Chancellor shall call a meeting within two weeks.
   a. The President, or in the President’s absence, the Chancellor, or in the Chancellor’s absence, a member of the Faculty designated by the Chancellor shall preside at each faculty meeting.
   b. A quorum shall consist of at least ten (10) percent of the voting members of the Faculty representing at least two parallel units when business described in the published agenda is being considered. When other items of business not described in the published agenda are being considered, a quorum shall consist of at least fifty (50) percent of the voting members representing at least two parallel units.
   c. Notice of all meetings of the Faculty shall be sent to each member of the Faculty at least five school days prior to the meeting. Such notice includes the agenda for the meeting.
   d. Proceedings in Faculty meetings shall be in accordance with the rules set forth in the most recent edition of Robert’s Rules of Order except where otherwise provided for in these Bylaws or the regulations of the University of Missouri-St. Louis.
   e. Official minutes shall be kept and made available to each member of the Faculty within a week of the meeting.
   f. The Chancellor shall appoint each year a Secretary of the Faculty who shall keep an official record of the proceedings of each meeting and shall transmit copies of the minutes to each member of the Faculty.

6. **The Intercampus Faculty Council** - Three campus representatives will serve on the
Intercampus Faculty Council. Two of the three shall be elected by the University of Missouri-St. Louis Faculty to serve three-year staggered terms so that no more than one of the two elected members will be replaced or reelected in any year. The Senate Chairperson shall serve as the third member of the Intercampus Faculty Council.

7. **Campus Standing Committees** –
   a. **Grievance Resolution Panel (GRP)** – The Panel shall perform the responsibilities prescribed by the Collected Rules and Regulations of the University of Missouri (370.010.C.1), “Academic Grievance Procedure.” The role of the GRP is to address grievances brought by faculty members. The panel should consist of a senior administrator appointed by the Chancellor and two tenured faculty members, and two alternate faculty members. The faculty members will be chosen by the Faculty Senate after consultation with the Chancellor or the Chancellor’s designee. Members shall serve two-year staggered renewable terms.

   b. **Degree Revocation Committee** – In accordance with 220.025, this committee shall have jurisdiction to consider any case in which revocation of a degree, diploma and/or certificate is proposed. The Committee shall be called the Campus Degree Revocation Committee. Four (4) members of the Campus Degree Revocation Committee and an alternate to serve in the event one of the four (4) members cannot serve, shall be appointed annually by the Chancellor after consultation with the Faculty Council or Faculty Senate. Each of the members of the Committee and the alternate shall be a faculty member on continuous appointment at the rank of Professor or Associate Professor.

   In the event that the Chancellor approves the initiation of the procedures for revocation of a degree, diploma and/or certificate, the Chancellor shall appoint a fifth member of the Campus Degree Revocation Committee, who shall also be a faculty member at one of the campuses of the University of Missouri System on continuous appointment at the rank of Professor or Associate Professor.
Associate Professor or Professor and who shall be from the same discipline or a related discipline as the department faculty who recommended the award of the degree, diploma and/or certificate, but who shall not be a faculty member in such department. The Campus Degree Revocation Committee shall elect a Chair from among its five (5) members.

C. STUDENT BODY
   1. Membership - The student body of the University of Missouri-St. Louis shall consist of all persons who are officially enrolled as regular full-time or part-time students in the University of Missouri-St. Louis.
   2. Functions Responsibilities - The student body shall have the responsibility to participate in the recommending and implementing of educational policy, particularly in the areas of academic and student affairs. The student body may, through its official representatives, make recommendation to the Vice Provost for Student Affairs or the Chancellor concerning general policy matters affecting the University of Missouri-St. Louis.

D. STAFF
   1. Membership – Non-academic staff members participate in shared governance through The UMSL Staff Association, whose membership includes all benefits eligible administrative, service and support staff of the University of Missouri-St. Louis.
   2. Responsibilities - The staff of the University of Missouri-St. Louis, through its official representatives, shall have the responsibility of considering methods and means by which employment conditions may be improved and the operating efficiency of the University of Missouri-St. Louis increased; receiving and considering matters concerning working conditions; making such recommendations that it deems appropriate, and communicating problems of mutual concern to the University of Missouri-St. Louis administration.

DE. FACULTY SENATE OF THE UNIVERSITY OF MISSOURI-ST. LOUIS (Hereinafter referred to as Senate)
   1. Functions Responsibilities - The Faculty Senate is the legislative and policy-making
body of the Faculty. It shall be the responsibility of the Senate to exercise those functions of the Faculty (see Section UM System 300.040 A B.3 2) not reserved by the Faculty as a body or specifically delegated to the University Assembly (Section 300.040 D E). The Senate, as a representative faculty voice, shall advise the chancellor and the UMSL faculty on questions of UMSL policy submitted by either to the Senate. It may also initiate recommendations concerning changes in UMSL policy for consideration and appropriate action by the chancellor or UMSL faculty.

2. **Delegation of Authority**
   a. Since the authority of the Senate is delegated to it by the Faculty, it is subject to over-rule by the Faculty.
   b. All authority delegated by the Senate to committees or individuals is subject to revocation by the Senate.

3. **Committees of the Senate** - In their deliberations the committees shall, when appropriate, consult with the Chancellor or other administrative officers; with representatives of the separate schools, colleges, and other parallel units which may be created from time to time; with departments and concerned faculty; and with students and student organizations. Committee recommendations shall be made to the Senate or to the appropriate administrative officer.

The Senate shall establish the following standing committees:

**a. Committee on Committees** - The Committee on Committees shall be responsible for nominating for election all faculty members of the committees of the Senate and the University Assembly. The chair of the Committee shall be a faculty Senator.

**b. Steering Committee of the Faculty Senate and University Assembly** (hereinafter referred to as the Steering Committee) - The Steering Committee shall consist of the Senate Chairperson, who shall serve as Chairperson of the Steering Committee, the Chancellor, the Secretary of the Senate, and three elected Senators. Chairs of Senate and Assembly Committees will be asked to attend Steering Committee meetings when their committees have items for the agenda of the next Senate or Assembly meeting. It shall be the responsibility of the Steering Committee:

(1) To call regular and special meetings of the Senate and Assembly and to prepare the
agenda prior to each meeting.
(2) To coordinate the work and activities of the Senate and Assembly and of Senate
and Assembly committees.
(3) To meet regularly and frequently with the Chancellor to discuss matters of policy
concerning the University of Missouri-St. Louis.
(4) As an agency of the Senate and Assembly, to maintain avenues of communication
with the Faculty and student body of the University of Missouri-St. Louis, with campus administrative officers and the governing board of the University.
(5) To establish all guidelines for elections for membership in the Senate and Assembly and to supervise said elections.

c. Committee on Curriculum and Instruction - The Committee shall have general
responsibility for recommending to the Senate policies and procedures in the area of
curriculum and instruction. It shall also recommend policies regarding graduation
requirements, special honors programs, and academic publications such as catalogs and
schedules of courses.
(1) The Committee also shall regularly recommend to the Senate the calendar of the
University. It shall recommend policies relating to schedules of classes and final
examination schedules. Departures from calendars and examination schedules will be
recommended by this Committee.
(2) New degrees and degree programs proposed by the separate schools, colleges, and
such other parallel units as may be created from time to time, shall be submitted by the
appropriate dean or equivalent to the Committee for recommendation to the Senate.
(3) Curricular additions and changes will be sent by the appropriate dean or equivalent
to the Committee to be examined for overlap and duplication. In the absence of overlap and/or duplication, such proposals will be reported to the Senate.

d. Committee on Appointments, Tenure, and Promotion - The Committee shall
consist of full professors holding a tenure appointment. There shall be one member on
the Committee elected from each of the parallel units. There shall also be two members
The Committee shall elect a chairperson from among its members.

(1) Initial academic appointments to the University of Missouri-St. Louis recommended as tenure appointments shall be submitted by the Department or Division concerned through the Dean or equivalent of the appropriate school, college, or other parallel unit. The Dean or equivalent shall forward the Department’s or Division’s recommendations with the Dean’s or equivalent’s own recommendations for approval or disapproval.

After consideration, the Committee on Appointments, Tenure, and Promotion shall submit its recommendations to the Chancellor.

(2) Tenure recommendations for Faculty holding term appointments, and recommendations for promotion above the rank of assistant professor, shall be made in accordance with the procedure outlined above.

(3) It shall be the responsibility of this Committee together with the appropriate administrative officers, to establish, develop, and maintain in all areas of the University the highest standards of faculty quality.

e. Committee on Promotion of Non-Tenure Track Faculty – The Committee shall consist of eligible faculty holding the rank of Teaching Professor, Clinical Professor, Extension Professor, or Research Professor and at least one full professor. There shall be one member on the Committee elected from each of the parallel units. There shall be one member on the Committee elected from each of the following units: Humanities, Natural Sciences/Mathematics, Social Sciences, Fine Arts & Communication, Business Administration, Education, Nursing, Optometry, and such parallel units as may be created from time to time. There shall also be two faculty members elected at large from the campus. The Committee shall elect a chairperson from among its members.

(1) The Dean or equivalent shall forward the Department’s or Division’s recommendations with the Dean’s (or equivalent) own recommendation for approval or disapproval of
promotion to the Committee. After consideration, the Committee shall submit its recommendation to the Chancellor.

(2) Promotion recommendations will be made in accordance with procedures determined by the Committee, consistent with the *Collected Rules and Regulations of the University of Missouri*.

(3) The committee shall use standards created by the academic units and shall not create additional campus-wide standards.

(4) It shall be the responsibility of this Committee, together with the appropriate administrative officers, to establish, develop, and maintain in all areas of the University the highest standards of faculty quality.

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**f. Committee on Research** - The Committee shall consist of two panels, one meeting in the fall semester and the other meeting in the spring semester.

(1) The Fall and Spring panels shall meet in the fall to elect a committee chairperson for each panel, to clarify program objectives, to coordinate deadlines, and to set guidelines for research proposals and awards. Thereafter, the panels shall meet during their semester of service to advise and make recommendations on:

(a) Competitions for internal grant funds, including financial support during the summer and during research leaves, support for research assistants, grants for equipment and supplies, and funds for travel to research locations, and

(b) Nominations for campus, University, and external research awards that are available campus-wide.

(2) Each panel shall also meet after completing its work in order to review procedures and develop recommendations for the following year’s committee to consider.

(3) The committee chairperson shall vote only as a member of the panel to which he/she has been elected.

(4) Panel members are ineligible to receive funding and awards under the jurisdiction.
of the panel on which they serve during the period of their service on the panel. The
committee chairperson is ineligible to receive funding and awards under the Committee’s jurisdiction during the entire year of his/her service as chairperson.
g. Committee on University Libraries - The Committee shall advise the Dean of Libraries on policy issues, including budgetary issues; serve as liaison between the libraries and the University community via the Senate; advise the University administration about policies and recommendations adopted by the Senate or the Committee; and consider any matter referred by the Senate, the Dean of Libraries, or any member of the campus community.
h. Committee on Faculty Teaching and Service Awards - The Committee shall formulate and publish guidelines for campus-wide teaching and service awards; solicit nominations for these awards as well as University and external teaching and service awards; and recommend candidates to the Chancellor. Members of the Committee are ineligible to receive awards under the Committee’s jurisdiction during the entire period of their service on the Committee.
i. Committee on the Assessment of Educational Outcomes - The Committee shall have the general responsibility of making recommendations concerning policies in the area of assessment of educational outcomes and related matters. The Committee shall also regularly review and advise on policies and procedures in this area and recommend changes when appropriate.
j. Committee on Research Policy - The Committee on Research Policy shall be responsible for recommending and reviewing policy in the areas of research and research administration.
k. Academic Advisory Committee - The Committee shall have the general responsibility of making recommendations to the Vice Chancellor for Academic Affairs on academic issues affecting the University, including recommending general policies and procedures governing the evaluation of academic instruction and advisement.
I. Committee on Bylaws and Rules for the Faculty Senate and University Assembly –
   The Committee shall:
   (1) Receive all proposals for changes to the Bylaws and the Collected Rules and Regulations,
       initiate the process of Bylaws changes as smoothly and infrequently as possible.
   (2) Recommend interpretation of the Bylaws and Collected Rules and Regulations upon the
       written request of the Senate Chairperson, and report its conclusions to the Senate.
   (3) Compile and maintain a current set of Senate and Assembly Operating Rules, consider changes in Operating Rules, and report recommendations regarding Operating
       Rules to the Senate.

m. Committee on Research Misconduct - The Committee shall perform the responsibilities
   prescribed by the Collected Rules and Regulations of the University of Missouri (420.010), “Research Misconduct.”

n. Committee on Issues of Tenure Removal - The Committee shall conduct hearings in
   removal cases or in disputed cases involving tenure rights and status as provided for in
   the Academic Tenure Regulations of the University of Missouri. This committee is
   referred to as the Campus Faculty Committee on Tenure in the Academic Tenure
   Regulations (310.050). Grievances by faculty members shall be handled through the
   Academic Grievances Procedure.

o. Oversight Committee - The Committee shall perform the responsibilities prescribed
   by the Collected Rules and Regulations of the University of Missouri (370.010.C.11),
   “Academic Grievance Procedure.” The role of the Oversight Committee is to monitor
   the grievance process as neutral observers and provide feedback on the process to the
   Faculty Senate, the Faculty, and the Provost’s and Chancellor’s offices.

p. Ad hoc Committees - As the need arises, the Senate shall establish or recommend to
   the Chancellor establishment of ad hoc committees. Ad hoc Senate Committees shall be established through Senate approval of nominees

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selected by the Senate Committee on Committees or by nomination from the floor of
the Senate. The faculty composition for each ad hoc committee shall be
determined by
the Senate.

q. University-Wide and Statewide Committees - Reports from University-wide and
statewide committees may be presented to the Senate. Whenever possible,
representatives of the University of Missouri-St. Louis serving on University-wide
and/or statewide committees should advise the Senate Steering Committee if a report
to the Senate is necessary.

E F. UNIVERSITY ASSEMBLY OF THE UNIVERSITY OF MISSOURI-ST.
LOUIS
(Hereinafter referred to as Assembly)
1. Membership - The voting members of the Assembly shall consist of the elected members
of the Senate; the President; the Chancellor; the Vice Chancellor for Academic Affairs;
the Dean of the Graduate School; the Vice Provost for Student Affairs; student representatives
equal in number to one-third of the faculty members of the Assembly; two members of the
adjunct faculty; and three staff members, including the President of the Staff Association.
Non-voting members shall consist of vice chancellors and vice provosts not already included,
deans of all colleges and schools (whether or not their faculties are represented), the Dean of
Libraries, and the President of the Student Government Association.
2. Functions Responsibilities - The Assembly provides a forum for many of the major stakeholders of the University, including administrators, faculty, staff and students, to work
together. It shall be the responsibility of the Assembly to may exercise those functions
responsibilities of the Faculty (see Section 300.040 A B.2 3) that are delegated by the Faculty
as a body.
3. Meetings and Officers - The Assembly shall meet regularly every other month during the
academic year or in special meetings as called by the Steering Committee of the Senate and
the Assembly (hereinafter referred to as the Steering Committee). The Steering Committee

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shall call a special meeting of the Assembly on request of the Chancellor or of any five members of the Assembly. Proceedings in Assembly meetings shall be in accordance with the rules set forth in the most recent edition of Robert’s Rules of Order. A quorum shall consist of a majority of elected representatives.
   a. The elected officers of the Assembly shall be the same as those for the Senate.
   b. The Chairperson, or in the Chairperson’s absence a voting member of the Assembly designated by the Chairperson, shall be the presiding officer at each meeting of the Assembly.

4. Committees of the Assembly - All members of the eligible faculty, Administration, and Staff shall be eligible to serve on Assembly committees. Students who satisfy the eligibility requirements for service on the Assembly shall also be eligible to serve on Assembly committees. The standing committees of the Assembly shall be elected each year at the second organizational meeting of the Senate.

The Assembly shall establish the following standing committees:

a. Administrator Evaluation - The Committee shall annually conduct an evaluation of administrators on the UM-St. Louis campus.

b. Budget and Planning Committee – This Committee makes recommendations to the Faculty Senate, the Chancellor and the Vice-Chancellor for Administration and Finance on matters concerning the long-range vision of the campus; plans to fulfill this vision; and budgetary matters as a consequence of the vision. This includes, but is not limited to, significant matters of a budgetary nature, and policies and priorities for strategic action plans. The Committee studies the Campus budget, keeps informed of its preparation and status, and consults with and advises the Chancellor on significant matters pertaining to budgetary affairs. The Committee shall examine general budgetary allocations and priorities, shall consider questions relating to the development of the University of Missouri-St. Louis and to the University of Missouri as a whole, and shall make recommendations on development and fiscal matters to the Chancellor. The Committee shall report on its work at each Assembly and each Senate meeting.
c. Committee on Recruitment, Admissions, Retention, and Student Financial Aid

The Committee shall:
(1) Monitor processes associated with recruitment, admissions, retention, and student financial aid and facilitate reporting to the Assembly.
(2) Recommend policies and procedures to the Assembly, the Dean of Enrollment, the Director of Student Retention Services, and the Director of Student Financial Aid regarding recruitment, admissions, retention, and student financial aid.
(3) Facilitate discussion with administrators and students on policies and procedures regarding scholarships, advisement and appeals.

d. Committee on Student Affairs - The Committee on Student Affairs shall be responsible for recommending and reviewing policy in the areas of non-academic regulations and student services, and for advising the Vice Provost for Student Affairs. The responsibilities of the Committee may be exercised by subcommittees established in any of the above areas. Faculty and staff members with administrative responsibilities in these areas shall be members of the subcommittees dealing in those areas. This charge does not contradict nor supersede the explicit charge of any of the other standing committees of the Assembly.

e. Committee on Student Publications - The Committee on Student Publications shall be responsible for recommending and reviewing policy concerning student publications which are directly funded by the University. This charge does not contradict nor supersede the explicit charge of any of the other standing committees of the Assembly.

f. Committee on Physical Facilities, Space, and General Services - The Committee shall have the general responsibility for recommending to the Assembly policies and procedures in the areas of campus facilities and general services. It shall act in an advisory and fact-finding capacity for the planning of physical facilities, review and report priority matters relating to maintenance, construction, and support services to the Assembly, and review and process complaints and suggestions regarding physical facilities and services.
The Committee shall be responsible for formulating long-range space recommendations including the type and amount of space needed, and priorities. Proposals for a long-term or campus-wide nature will be brought to the Assembly for discussion, debate, and ultimate recommendation to the Chancellor. Allocation of existing unused space will be recommended to the Chancellor by the Committee and reported to the Assembly.

g. **Committee on Information Technology** – The Committee shall be responsible for general policy issues regarding campus information technology.

h. **Ad hoc Committees** - As the need arises, the Assembly shall establish or recommend to the Chancellor establishment of ad hoc committees. Ad hoc Assembly committees shall be established through Assembly approval of nominees selected by the Senate/Assembly Committee on Committees or by nomination from the floor of the Assembly. The composition for each ad hoc committee shall be determined by the University Assembly.

**G. AMENDMENTS**

1. Proposed changes to these Bylaws shall be submitted to, or initiated by, the Bylaws and Rules Committee, which will follow the relevant procedures outlined above (C D.2.1) and then provide them in written form to the Senate or Assembly as appropriate. The appropriate body shall then recommend passage or rejection of the proposed amendment(s) by majority vote. Upon passage of an amendment by the Senate or Assembly, the Chancellor shall submit the proposed change to the Faculty of the University of Missouri-St. Louis for a vote at the Spring Faculty Meeting. Bylaw changes recommended by the Senate or Assembly shall be adopted by a majority of votes cast by the Faculty. Any amendments or modifications shall be presented by the Chancellor through the President to the Board of Curators for its approval before becoming effective.

2. Senate Operating Rules may be amended by majority vote of the Senate.

3. Assembly Operating Rules may be amended by majority vote of the Assembly.
Chapter 300: Faculty Bylaws

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Bd. Min 3-19-71; Amended 10-12-73; 2-18-77; 12-15-78; 6-18-82; 2-11-83; 6-24-83; 5-4-84; 5-3-85; 7-29-88; 3-10-89; 6-22-90; 5-3-91; 1-29-92; 5-8-92, 5-6-93; 3-29-94; 3-24-95; 4-25-96; 5-29-97; 10-16-98; 5-27-99; 3-23-00; 9-28-01; 12-01-05; 12-15-06; 06-06-08, 12-10-10; 11-21-13; 4-10-15; 6-26-15; 10-7-16.

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The purpose of these Bylaws is to establish a body that represents the voice of the Faculty and to establish an effective vehicle for the needs and concerns of the Faculty to be presented for discussion and debate. These Bylaws assume that Faculty may participate in academic decision processes. The right of the Faculty to organize and to carry out the responsibilities and functions delegated to them by the Board of Curators (Board) is recognized in Section 10.030.D.2 of the Collected Rules and Regulations of the University of Missouri.

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   Faculty. Campus-wide faculty votes on issues specific to tenure or tenured/tenure
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2. Faculty Rights
   a. Academic Rights -- Each faculty member has the right to freedom of inquiry, discourse, teaching, research and publication, as well as the responsibilities correlative with this right.
   b. Civil Rights -- The constitutional rights of the Faculty members shall be preserved.
   c. Employment Rights -- Faculty members shall have rights consistent with their continuous appointment or term appointment (during the term), except for cause, retirement or financial exigencies.
   d. Notification of Appointment or Changes Thereof -- Faculty members shall be notified of their appointments and workload, or any changes thereto, as much in
advance of the beginning of institutional responsibilities as possible (as stated in the
Board’s Rules and Regulations).
e. **Right to be Kept Informed** -- The Faculty shall be kept informed of actions and
activities of committees and executive officers, and of other occurrences that
pertain to the University of Missouri-St. Louis. When possible, such information shall be
made available to the Faculty before being made available to the general public.

3. **Responsibilities** -- The Faculty of the University of Missouri-St. Louis shall bear primary
responsibility for recommending and implementing educational policy, particularly in areas
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admission, student affairs, and faculty status. The Faculty may also make recommendations to the Chancellor and other persons or offices concerning general policy
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counsels with the person or offices with ultimate decision-making authority. (On those
matters requiring multi-campus coordination, the Faculty shall act through its
appropriate bodies, [UM System 300.040.B.5](#).)

a. **Primary and Direct Authority** -- The UMSL faculty has essential decision-making
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not limited to:
(1) Articulation and maintenance of standards of academic performance -- this includes
but is not limited to guidelines for appropriate research, service, and scholarships;
requirements for graduation; and related matters.
(2) Development and approval of courses of instruction and of curricula.
(3) Development and approval of procedures governing educational support programs.
on the UMSL campus.

(4) Formulation of criteria determining professional standing of faculty -- including but not limited to such matters as tenure, promotion, termination, guidelines for responsibility, faculty standing with regard to graduate faculty membership and doctoral dissertation supervision.

(5) Determination of an appropriate faculty committee structure.

(6) Determination of minimum admission requirements.

(7) Selection of awardees for academic scholarships.

b. Shared Authority -- The UMSL faculty has shared authority by which it participates cooperatively with other persons or offices in matters such as:

(1) Development and articulation of students' rights and responsibilities.

(2) Determination of an appropriate academic calendar.

(3) Selection of awardees for honorary degrees.

(4) Application of criteria affecting professional standing of faculty, such as required professional licensure.

c. Advisory Authority -- The UMSL faculty has advisory authority and responsibility with other persons or offices in matters such as:

(1) Budget and resource allocation.

(2) Planning, including capital expenditures and physical facilities.

(3) Selection of departmental, divisional, campus, and university-level administrators.

(4) Determination of the campus standing committee structure.

(5) Development and implementation of general business procedures that facilitate academic program excellence.

(6) Use of facilities for program activities.

(7) Application of criteria affecting promotion, tenure and termination.

(8) Structure of academic departments and units.

d. Faculty Delegation of Authority -- The Faculty, recognizing that handling matters through meetings of the Faculty is cumbersome, that attendance at such meetings varies, and that it is often difficult to have complete discussion of issues at such meetings, may delegate its authority to separate schools, colleges, or such other parallel units as may be created from time to time, and to the Faculty Senate within the University of Missouri-St. Louis. The actions of the Senate, in those areas in which they have delegated authority, shall be deemed final unless challenged within
10 days. Such challenge shall require a petition signed by at least twenty-five (25) faculty members from at least two parallel units calling for a review by the Faculty of a particular Senate action.

5. **Meetings** - The Faculty of the University of Missouri-St. Louis shall meet at least twice each year and at such additional times as the President, Chancellor, or the Faculty itself may determine. Upon written request of at least twenty-five (25) members of the Faculty, the Chancellor shall call a meeting within two weeks.
   a. The President, or in the President’s absence, the Chancellor, or in the Chancellor’s absence, a member of the Faculty designated by the Chancellor shall preside at each faculty meeting.
   b. A quorum shall consist of at least ten (10) percent of the voting members of the Faculty representing at least two parallel units when business described in the published agenda is being considered. When other items of business not described in the published agenda are being considered, a quorum shall consist of at least fifty (50) percent of the voting members representing at least two parallel units.
   c. Notice of all meetings of the Faculty shall be sent to each member of the Faculty at least five school days prior to the meeting. Such notice includes the agenda for the meeting.
   d. Proceedings in Faculty meetings shall be in accordance with the rules set forth in the most recent edition of Robert’s Rules of Order except where otherwise provided for in these Bylaws or the regulations of the University of Missouri-St. Louis.
   e. Official minutes shall be kept and made available to each member of the Faculty within a week of the meeting.

6. **The Intercampus Faculty Council** - Three campus representatives will serve on the Intercampus Faculty Council. Two of the three shall be elected by the University of Missouri-St. Louis Faculty to serve three-year staggered terms so that no more than one of
the two elected members will be replaced or reelected in any year. The Senate Chairperson shall serve as the third member of the Intercampus Faculty Council.

7. Campus Standing Committees –
   a. Grievance Resolution Panel (GRP) – The Panel shall perform the responsibilities prescribed by the Collected Rules and Regulations of the University of Missouri (370.010.C.1), “Academic Grievance Procedure.” The role of the GRP is to address grievances brought by faculty members. The panel should consist of a senior administrator appointed by the Chancellor and two tenured faculty members, and two alternate faculty members. The faculty members will be chosen by the Faculty Senate after consultation with the Chancellor or the Chancellor’s designee. Members shall serve two-year staggered renewable terms.
   b. Degree Revocation Committee – In accordance with 220.025, this committee shall have jurisdiction to consider any case in which revocation of a degree, diploma and/or certificate is proposed. The Committee shall be called the Campus Degree Revocation Committee. Four (4) members of the Campus Degree Revocation Committee and an alternate to serve in the event one of the four (4) members cannot serve, shall be appointed annually by the Chancellor after consultation with the Faculty Council or Faculty Senate. Each of the members of the Committee and the alternate shall be a faculty member on continuous appointment at the rank of Professor or Associate Professor.
   In the event that the Chancellor approves the initiation of the procedures for revocation of a degree, diploma and/or certificate, the Chancellor shall appoint a fifth member of the Campus Degree Revocation Committee, who shall also be a faculty member at one of the campuses of the University of Missouri System on continuous appointment at the rank of Associate Professor or Professor and who shall be from the same discipline or a related discipline as the department faculty who recommended the award of the degree, diploma.
and/or certificate, but who shall not be a faculty member in such department. The Campus Degree Revocation Committee shall elect a Chair from among its five (5) members.

C. STUDENT BODY

1. Membership - The student body of the University of Missouri-St. Louis shall consist of all persons who are officially enrolled as regular full-time or part-time students in the University of Missouri-St. Louis.

2. Responsibilities - The student body shall have the responsibility to participate in the recommending and implementing of educational policy, particularly in the areas of academic and student affairs. The student body may, through its official representatives, make recommendation to the Vice Provost for Student Affairs or the Chancellor concerning general policy matters affecting the University of Missouri-St. Louis.

D. STAFF

1. Membership – Non-academic staff members participate in shared governance through The UMSL Staff Association, whose membership includes all benefits eligible administrative, service and support staff of the University of Missouri-St. Louis.

2. Responsibilities - The staff of the University of Missouri-St. Louis, through its official representatives, shall have the responsibility of considering methods and means by which employment conditions may be improved and the operating efficiency of the University of Missouri-St. Louis increased; receiving and considering matters concerning working conditions; making such recommendations that it deems appropriate, and communicating problems of mutual concern to the University of Missouri-St. Louis administration.

E. FACULTY SENATE OF THE UNIVERSITY OF MISSOURI-ST. LOUIS
(Hereinafter referred to as Senate)

1. Responsibilities - The Faculty Senate is the legislative and policy-making body of the Faculty. It carries out the responsibilities of the Faculty (see UM System 300.040 B.3) not reserved by the Faculty as a body or specifically delegated to the University Assembly (Section 300.040 E). The Senate, as a representative faculty voice, shall advise the
chancellor and the UMSL faculty on questions of UMSL policy submitted by either to the Senate. It may also initiate recommendations concerning changes in UMSL policy for consideration and appropriate action by the chancellor or UMSL faculty.

2. **Delegation of Authority**
   a. Since the authority of the Senate is delegated to it by the Faculty, it is subject to over-rule by the Faculty.
   b. All authority delegated by the Senate to committees or individuals is subject to revocation by the Senate.

3. **Committees of the Senate** - In their deliberations the committees shall, when appropriate, consult with the Chancellor or other administrative officers; with representatives of the separate schools, colleges, and other parallel units which may be created from time to time; with departments and concerned faculty; and with students and student organizations.

   Committee recommendations shall be made to the Senate or to the appropriate administrative officer.

   The Senate shall establish the following standing committees:

   a. **Committee on Committees** - The Committee on Committees shall be responsible for nominating for election all faculty members of the committees of the Senate and the University Assembly. The chair of the Committee shall be a faculty Senator.

   b. **Steering Committee of the Faculty Senate and University Assembly** (hereinafter referred to as the Steering Committee) - The Steering Committee shall consist of the Senate Chairperson, who shall serve as Chairperson of the Steering Committee, the Chancellor, the Secretary of the Senate, and three elected Senators. Chairs of Senate and Assembly Committees will be asked to attend Steering Committee meetings when their committees have items for the agenda of the next Senate or Assembly meeting. It shall be the responsibility of the Steering Committee:
      (1) To call regular and special meetings of the Senate and Assembly and to prepare the agenda prior to each meeting.
      (2) To coordinate the work and activities of the Senate and Assembly and of Senate and Assembly committees.
      (3) To meet regularly and frequently with the Chancellor to discuss matters of policy concerning the University of Missouri-St. Louis.
      (4) As an agency of the Senate and Assembly, to maintain avenues of communication
with the Faculty and student body of the University of Missouri-St. Louis, with campus administrative officers and the governing board of the University.

(5) To establish all guidelines for elections for membership in the Senate and Assembly and to supervise said elections.

c. **Committee on Curriculum and Instruction** - The Committee shall have general responsibility for recommending to the Senate policies and procedures in the area of curriculum and instruction. It shall also recommend policies regarding graduation requirements, special honors programs, and academic publications such as catalogs and schedules of courses.

(1) The Committee also shall regularly recommend to the Senate the calendar of the University. It shall recommend policies relating to schedules of classes and final examination schedules. Departures from calendars and examination schedules will be recommended by this Committee.

(2) New degrees and degree programs proposed by the separate schools, colleges, and such other parallel units as may be created from time to time, shall be submitted by the appropriate dean or equivalent to the Committee for recommendation to the Senate.

(3) Curricular additions and changes will be sent by the appropriate dean or equivalent to the Committee to be examined for overlap and duplication. In the absence of overlap and/or duplication, such proposals will be reported to the Senate.

d. **Committee on Appointments, Tenure, and Promotion** - The Committee shall consist of full professors holding a tenure appointment. There shall be one member on the Committee elected from each of the parallel units. There shall also be two members elected at large from the campus. The Committee shall elect a chairperson from among its members.

(1) Initial academic appointments to the University of Missouri-St. Louis recommended as tenure appointments shall be submitted by the Department or Division concerned through the Dean or equivalent of the appropriate school, college, or other parallel unit.

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The Dean or equivalent shall forward the Department’s or Division’s recommendations with the Dean’s or equivalent’s own recommendations for approval or disapproval. After consideration, the Committee on Appointments, Tenure, and Promotion shall submit its recommendations to the Chancellor. (2) Tenure recommendations for Faculty holding term appointments, and recommendations for promotion above the rank of assistant professor, shall be made in accordance with the procedure outlined above. (3) It shall be the responsibility of this Committee together with the appropriate administrative officers, to establish, develop, and maintain in all areas of the University the highest standards of faculty quality. 

e. Committee on Promotion of Non-Tenure Track Faculty – The Committee shall consist of eligible faculty holding the rank of Teaching Professor, Clinical Professor, Extension Professor, or Research Professor and at least one full professor. There shall be one member on the Committee elected from each of the parallel units. There shall also be two faculty members elected at large from the campus. The Committee shall elect a chairperson from among its members. (1) The Dean or equivalent shall forward the Department’s or Division’s recommendations with the Dean’s (or equivalent) own recommendation for approval or disapproval of promotion to the Committee. After consideration, the Committee shall submit its recommendation to the Chancellor. (2) Promotion recommendations will be made in accordance with procedures determined by the Committee, consistent with the Collected Rules and Regulations of the University of Missouri. (3) The committee shall use standards created by the academic units and shall not create additional campus-wide standards. (4) It shall be the responsibility of this Committee, together with the appropriate administrative officers, to establish, develop, and maintain in all areas of the University the highest standards of faculty quality. 

f. Committee on Research - The Committee shall consist of two panels, one meeting in
the fall semester and the other meeting in the spring semester.

(1) The Fall and Spring panels shall meet in the fall to elect a committee chairperson for each panel, to clarify program objectives, to coordinate deadlines, and to set guidelines for research proposals and awards. Thereafter, the panels shall meet during their semester of service to advise and make recommendations on:
(a) Competitions for internal grant funds, including financial support during the summer and during research leaves, support for research assistants, grants for equipment and supplies, and funds for travel to research locations, and
(b) Nominations for campus, University, and external research awards that are available campus-wide.

(2) Each panel shall also meet after completing its work in order to review procedures and develop recommendations for the following year’s committee to consider.

(3) The committee chairperson shall vote only as a member of the panel to which he/she has been elected.

(4) Panel members are ineligible to receive funding and awards under the jurisdiction of the panel on which they serve during the period of their service on the panel. The committee chairperson is ineligible to receive funding and awards under the Committee’s jurisdiction during the entire year of his/her service as chairperson.

**g. Committee on University Libraries** - The Committee shall advise the Dean of Libraries on policy issues, including budgetary issues; serve as liaison between the libraries and the University community via the Senate; advise the University administration about policies and recommendations adopted by the Senate or the Committee; and consider any matter referred by the Senate, the Dean of Libraries, or any member of the campus community.

**h. Committee on Faculty Teaching and Service Awards** - The Committee shall formulate and publish guidelines for campus-wide teaching and service awards; solicit nominations for these awards as well as University and external teaching and service awards; and recommend candidates to the Chancellor. Members of the Committee are
ineligible to receive awards under the Committee’s jurisdiction during the entire period of their service on the Committee.

i. Committee on the Assessment of Educational Outcomes - The Committee shall have the general responsibility of making recommendations concerning policies in the area of assessment of educational outcomes and related matters. The Committee shall also regularly review and advise on policies and procedures in this area and recommend changes when appropriate.

j. Committee on Research Policy - The Committee on Research Policy shall be responsible for recommending and reviewing policy in the areas of research and research administration.

k. Academic Advisory Committee - The Committee shall have the general responsibility of making recommendations to the Vice Chancellor for Academic Affairs on academic issues affecting the University, including recommending general policies and procedures governing the evaluation of academic instruction and advisement.

l. Committee on Bylaws and Rules for the Faculty Senate and University Assembly – The Committee shall:
   (1) Receive all proposals for changes to the Bylaws and the Collected Rules and Regulations, review proposed changes to the Bylaws and the Collected Rules and Regulations, and initiate the process of Bylaws changes as smoothly and infrequently as possible.
   (2) Recommend interpretation of the Bylaws and Collected Rules and Regulations upon the written request of the Senate Chairperson, and report its conclusions to the Senate.
   (3) Compile and maintain a current set of Senate and Assembly Operating Rules, consider changes in Operating Rules, and report recommendations regarding Operating Rules to the Senate.

m. Committee on Research Misconduct - The Committee shall perform the responsibilities prescribed by the Collected Rules and Regulations of the University of Missouri (420.010), “Research Misconduct.”

n. Committee on Issues of Tenure Removal - The Committee shall conduct hearings in removal cases or in disputed cases involving tenure rights and status as provided for in
the Academic Tenure Regulations of the University of Missouri. This committee is referred to as the Campus Faculty Committee on Tenure in the Academic Tenure Regulations (310.050). Grievances by faculty members shall be handled through the Academic Grievances Procedure.

**o. Oversight Committee** - The Committee shall perform the responsibilities prescribed by the Collected Rules and Regulations of the University of Missouri (370.010.C.11), "Academic Grievance Procedure.” The role of the Oversight Committee is to monitor the grievance process as neutral observers and provide feedback on the process to the Faculty Senate, the Faculty, and the Provost’s and Chancellor’s offices.

**p. Ad hoc Committees** - As the need arises, the Senate shall establish or recommend to the Chancellor establishment of ad hoc committees. Ad hoc Senate Committees shall be established through Senate approval of nominees selected by the Senate Committee on Committees or by nomination from the floor of the Senate. The faculty composition for each ad hoc committee shall be determined by the Senate.

**q. University-Wide and Statewide Committees** - Reports from University-wide and statewide committees may be presented to the Senate. Whenever possible, representatives of the University of Missouri-St. Louis serving on University-wide and/or statewide committees should advise the Senate Steering Committee if a report to the Senate is necessary.

**F. UNIVERSITY ASSEMBLY OF THE UNIVERSITY OF MISSOURI-ST. LOUIS** (Hereinafter referred to as Assembly)

1. **Membership** - The voting members of the Assembly shall consist of the elected members of the Senate; the President; the Chancellor; the Vice Chancellor for Academic Affairs; the Dean of the Graduate School; the Vice Provost for Student Affairs; student representatives equal in number to one-third of the Faculty members of the Assembly; two members of the
adjunct faculty; and three staff members, including the President of the Staff Association.
Non-voting members shall consist of vice chancellors and vice provosts not already included,
deans of all colleges and schools (whether or not their faculties are represented), the Dean of
Libraries, and the President of the Student Government Association.
2. Responsibilities - The Assembly provides a forum for many of the major stakeholders of
the University, including administrators, faculty, staff and students, to work together.
The Assembly may exercise those responsibilities of the Faculty (see Section 300.040 B.3)
that are delegated by the Faculty as a body.
3. Meetings and Officers - The Assembly shall meet regularly every other month
during the academic year or in special meetings as called by the Steering Committee of the Senate
and the Assembly (hereinafter referred to as the Steering Committee). The Steering Committee shall
call a special meeting of the Assembly on request of the Chancellor or of any five members of
the Assembly. Proceedings in Assembly meetings shall be in accordance with the rules set
forth in the most recent edition of Robert’s Rules of Order. A quorum shall consist of a
majority of elected representatives.
   a. The elected officers of the Assembly shall be the same as those for the Senate.
   b. The Chairperson, or in the Chairperson’s absence a voting member of the
      Assembly designated by the Chairperson, shall be the presiding officer at each meeting of the Assembly.
4. Committees of the Assembly - All members of the eligible faculty, Administration, and
   Staff shall be eligible to serve on Assembly committees. Students who satisfy the eligibility
   requirements for service on the Assembly shall also be eligible to serve on Assembly committees. The standing committees of the Assembly shall be elected each year at the second
   organizational meeting of the Senate.

The Assembly shall establish the following standing committees:
   a. Administrator Evaluation - The Committee shall annually conduct an evaluation of

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administrators on the UM-St. Louis campus.

**b. Budget and Planning Committee** – This Committee makes recommendations to the Faculty Senate, the Chancellor and the Vice-Chancellor for Administration and Finance on matters concerning the long-range vision of the campus; plans to fulfill this vision; and budgetary matters as a consequence of the vision. This includes, but is not limited, to significant matters of a budgetary nature, and policies and priorities for strategic action plans. The Committee studies the Campus budget, keeps informed of its preparation and status, and consults with and advises the Chancellor on significant matters pertaining to budgetary affairs.

**c. Committee on Recruitment, Admissions, Retention, and Student Financial Aid**

The Committee shall:

1. Monitor processes associated with recruitment, admissions, retention, and student financial aid and facilitate reporting to the Assembly.
2. Recommend policies and procedures to the Assembly, the Dean of Enrollment, the Director of Student Retention Services, and the Director of Student Financial Aid regarding recruitment, admissions, retention, and student financial aid.
3. Facilitate discussion with administrators and students on policies and procedures regarding scholarships, advisement and appeals.

**d. Committee on Student Affairs** - The Committee on Student Affairs shall be responsible for recommending and reviewing policy in the areas of non-academic regulations and student services, and for advising the Vice Provost for Student Affairs. The responsibilities of the Committee may be exercised by subcommittees established in any of the above areas. Faculty and staff members with administrative responsibilities in these areas shall be members of the subcommittees dealing in those areas. This charge does not contradict nor supersede the explicit charge of any of the other standing committees of the Assembly.

**e. Committee on Student Publications** - The Committee on Student Publications shall be
responsible for recommending and reviewing policy concerning student publications which are directly funded by the University. This charge does not contradict nor supersede the explicit charge of any of the other standing committees of the Assembly.

f. Committee on Physical Facilities, Space, and General Services - The Committee shall have the general responsibility for recommending to the Assembly policies and procedures in the areas of campus facilities and general services. It shall act in an advisory and fact-finding capacity for the planning of physical facilities, review and report priority matters relating to maintenance, construction, and support services to the Assembly, and review and process complaints and suggestions regarding physical facilities and services. The Committee shall be responsible for formulating long-range space recommendations including the type and amount of space needed, and priorities. Proposals for a long-term or campus-wide nature will be brought to the Assembly for discussion, debate, and ultimate recommendation to the Chancellor. Allocation of existing unused space will be recommended to the Chancellor by the Committee and reported to the Assembly.

g. Committee on Information Technology – The Committee shall be responsible for general policy issues regarding campus information technology.

h. Ad hoc Committees - As the need arises, the Assembly shall establish or recommend to the Chancellor establishment of ad hoc committees. Ad hoc Assembly committees shall be established through Assembly approval of nominees selected by the Senate/Assembly Committee on Committees or by nomination from the floor of the Assembly. The composition for each ad hoc committee shall be determined by the University Assembly.

G. AMENDMENTS
1. Proposed changes to these Bylaws shall be submitted to, or initiated by, the Bylaws and Rules Committee, which will follow the relevant procedures outlined above (D.2.1) and then provide them in written form to the Senate or Assembly as appropriate. The
appropriate body shall then recommend passage or rejection of the proposed amendment(s) by majority vote. Upon passage of an amendment by the Senate or Assembly, the Chancellor shall submit the proposed change to the Faculty of the University of Missouri-St. Louis for a vote at the Spring Faculty Meeting. Bylaw changes recommended by the Senate or Assembly shall be adopted by a majority of votes cast by the Faculty. Any amendments or modifications shall be presented by the Chancellor through the President to the Board of Curators for its approval before becoming effective.

2. Senate Operating Rules may be amended by majority vote of the Senate.
3. Assembly Operating Rules may be amended by majority vote of the Assembly.
The University of Missouri – Columbia requests Project Approval for the Medical Science Building – Research Vivarium Upgrades and Maintenance. The total project budget of $12,900,000 is funded by Campus Reserves.

The existing vivarium in the Medical Science Building (MSB) consists of approximately 17,400 gross square feet (GSF) on the First Floor. The vivarium was constructed in 1954 and expanded in 1964. There have only been two modest renovations over the ensuing years, along with a number of minor remodels and repurposing of specific spaces. The configuration of the space is outdated by today’s standards. As a result, many building systems are inefficient and have exceeded their life expectancy, surfaces are difficult to keep clean, and workflow through the space makes contamination control hard to manage. Given the extensive interdisciplinary School of Medicine (SOM) collaborations across campus with Engineering; Veterinary Medicine; Agriculture, Food, and Natural Resources; Arts & Science; and Human Environmental Sciences, the outdated vivarium infrastructure is creating widespread research inefficiency across the MU campus. The MSB vivarium has emerged as a limiting factor for research growth within the SOM and the campus.

A MSB Vivarium Feasibility and Costing Study, completed in April 2016, recommended a concept to completely vacate the existing facility and utilize temporary facilities at an off-site campus location to allow a full facility renovation in a single phase. The renovation consists of approximately 20,900 GSF with programmatic improvements including increasing procedure space; replacing all mechanical, electrical and plumbing systems; installing a fire suppression system; and providing a backup power system generator with the capacity to serve the entire MSB in the future.

The Clark Enersen Partners, P.C., Kansas City, Missouri, is the recommended architect for this project. The interview was engaging and provided an in-depth discussion of their integration of research animal housing planning and design experience to maximize facility flexibility and efficiency, which particularly resonated with the academic members of the selection committee. The Clark Enersen team includes SK Design Group (MBE), Overland Park, Kansas for civil engineering; FSC, Inc. (MBE), Kansas City, Missouri for building code consulting; and Energy Studio, Inc. (WBE), Omaha, Nebraska, for energy modeling.

The selection committee also interviewed Christner, Inc., St. Louis, Missouri; HERA, Inc. (WBE), St. Louis, Missouri; and BSA Life Structures, St. Louis, Missouri.
The fee for basic architectural and engineering services was stated in the RFQ and was determined using the University of Missouri’s “Architectural and Engineering Basic Services Fee Estimating Guidelines” at 9.5% of the $8,460,000 construction cost or $803,700. The Clark Enersen Partners agreed to a 9.0% fee, $762,220. Additional services for equipment planning, relocation of the exterior biohazard storage facility, design bid alternate for updating adjacent MSB public corridor finishes, design coordination assistance with Owner’s enabling project for temporary offsite animal housing, and detailed field verification of existing infrastructure conditions is anticipated at $26,000 for a total design fee of $788,220.

The total construction cost is $405/GSF, including the MSB backup power infrastructure cost of $64/GSF, and is expected to be complete by January 2020.
Recommended Action - Project Approval, Medical Science Building – Research Vivarium Upgrades and Maintenance, MU

It was recommended by Chancellor Cartwright, endorsed by President Choi, recommended by the Finance Committee, moved by Curator ________________ and seconded by Curator ________________ , that the following action be approved:

the project approval for the Medical Science Building – Research Vivarium Upgrades and Maintenance project, University of Missouri-Columbia.

Funding for the project budget is from:
Campus Reserve Funds $12,900,000

Roll call vote of the Committee: YES NO
Curator Brncic
Curator Chatman
Curator Layman
Curator Snowden
Curator Sundvold

The motion ________________.

Roll call vote: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.
At the December 2016 Board of Curators meeting, the Board approved the School of Music Phase One project. The total project budget of $24,000,000 is funded by $16,000,000 in private gifts and $8,000,000 in campus reserves. The new School of Music building is being phased to accommodate ongoing fundraising efforts.

Phase One of the new music building, which is currently under construction at the northeast corner of Hitt Street and University Avenue, will consolidate many School of Music programs and activities under one roof and will open space across campus for use by other schools and colleges. Phase Two will provide additional class laboratories, student rehearsal space and faculty studios to allow the relocation of the remaining programs in the Fine Arts Building. Phase Three creates a 500-seat concert hall, completing the consolidation of the School of Music into one facility.

The University of Missouri-Columbia requests authorization to name the new School of Music building the Jeanne and Rex Sinquefield Music Center in honor of principal donors Jeanne and Rex Sinquefield for their significant gift contribution of $10,000,000 to this project as well as their generosity to Mizzou. The Sinquefields have been long-time supporters of the University of Missouri, especially the School of Music and music composition. They have provided significant support to students, faculty, and programs; including the creation of the Mizzou New Music Initiative and the Sinquefield Composition Prize. With their support, the Sinquefields seek to advance and enhance education and performance of music at MU; to position Missouri as a major center for the music of tomorrow; and agree that an important component is having world-class music facilities on the MU campus. The Sinquefields have found a meaningful way to advance their passion for musical composition and performance at the University, furthering the MU School of Music as a recognized leader in music composition nationally and internationally. In addition to the $10 million building gift, the Sinquefields significant generosity has supported other music initiatives, primarily creation of new music.

Jeanne Cairns Sinquefield was named by the late UM President Gordon Lamb as one of the "Missouri 100" for promoting the University's missions of excellence in teaching, world-class research, and service through scientific discovery. She also serves on the National Campaign Cabinet for the current $1.3 billion campaign and previously served as a board member for the For All We Call Mizzou steering committee, which raised $1 billion for scholarships, professorships, programs, and new buildings at Mizzou.

University of Missouri President, Mun Choi, MU Chancellor Alexander Cartwright, Vice Chancellor of MU University Advancement Tom Hiles, and MU Interim Provost, Jim Spain are all in support of honoring the Sinquefields’ contribution to this project as well as their generosity to Mizzou by naming the new School of Music building the Jeanne and Rex Sinquefield Music Center.
Recommended Action -  Naming Opportunity, School of Music Building, MU

It was recommended by Chancellor Cartwright, endorsed by President Choi, moved by Curator _______________ and seconded by Curator ________________, that the following action be approved:

that the MU School of Music building be named the Jeanne and Rex Sinquefield Music Center.

Roll call vote Full Board:     YES      NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ____________________.
There are no materials for this information item.
The Board will review the Fiscal Year 2019 University of Missouri System budget for approval at the June 21-22, 2018 meeting. The FY 19 all funds revenue budget is $3.2 billion, half of which is from sales, services and patient revenues. The following table shows the FY 19 revenue budget by revenue source.

<table>
<thead>
<tr>
<th>FY19 Revenue Budget</th>
<th>MU</th>
<th>MUHC</th>
<th>UMKC</th>
<th>S&amp;T</th>
<th>UMSL</th>
<th>UWide</th>
<th>Total</th>
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<tbody>
<tr>
<td>Net Tuition &amp; Fees</td>
<td>244</td>
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<td>132</td>
<td>80</td>
<td>72</td>
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<td>State Appropriations</td>
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<td>56</td>
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<tr>
<td>Sales, Services &amp; Patient Rev</td>
<td>485</td>
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<td>Gifts, Grants &amp; Contracts</td>
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<td>75</td>
<td>47</td>
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<td>1</td>
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<tr>
<td>Other Income</td>
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<tr>
<td>Total Revenue</td>
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<td>379</td>
<td>213</td>
<td>205</td>
<td>96</td>
<td>3,226</td>
</tr>
</tbody>
</table>

(Dollars in Millions)

The pie chart on the left shows the distribution of the all funds budget by fund type. The operations fund, where the majority of the teaching, public service, economic development and supporting activities are budgeted accounts for 35% of the total. Auxiliary and Hospital operations combined are 51% of the revenue budget. The chart on the right shows that 61% of the total budget is spent for compensation, 6% for depreciation and 33% of all other types of expenditures.

Attached is the recommended action followed by supporting narrative and FY 19 summary budgets by fund group by campus.
Recommended Action - Approval of Fiscal Year 2019 Operating Budget, UM

It was recommended by the respective Chancellors, endorsed by President Mun Y. Choi, recommended by the Finance Committee, moved by Curator ____________ and seconded by Curator __________, that the following recommendations be approved:

• that the President of the University System be authorized to develop the FY 19 budgets in accordance with the attached planning assumptions and financial summaries, which include the allocation of FY 19 state appropriations less 3.0% statutory withholdings.

• that the President of the University System be authorized to: (a) make required changes to working capital and reserve funds and (b) make supplemental allocations within the funds available to the several campuses and programs, such allocations to be made on the basis of priority and need. The President will report periodically to the Board of Curators any material changes in sources and uses of current funds;

• that the operating budget for FY 19 and allocation as stated herein can be modified as necessary by the President to bring the same into harmony with the state appropriations as finally approved by the governor and any withholdings in excess of those shown above.

Roll call vote Finance Committee:   YES  NO
Curator Brncic
Curator Chatman
Curator Layman
Curator Snowden
Curator Sundvold

The motion __________________________

Roll call vote of Board of Curators:   YES  NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion __________________________
The FY 19 total revenue budget of the University of Missouri is approximately $3.2 billion and is comprised of current funds, loan funds, endowment funds and plant funds. Current funds make up 98% of the total budget and are the focus of this paper.

**Current Fund Budgets**
Current funds include resources of the University that are expendable for any purpose directly related to the primary missions of the University, i.e., instruction, research, public service, and economic development as well as related support services. Current funds are further broken down into fund groups, depending on their purpose and external restrictions.

The diagram below shows the purpose, funding streams, and spending flexibility of the different types of current funds.

![Current Fund Budget Diagram](diagram)

The operations fund, shown in green on the chart is where the bulk of the University’s teaching, academic creative works, public service, and supporting service activities occur. Its primary funding sources are tuition and fees and state appropriations, although it does receive some support from unrestricted auxiliary and other enterprise like operations in the form of overhead payments for services provided by the operations fund (such as accounting, procurement, legal, grant management, facilities, etc.). In addition, the operations fund receives facilities and administrative cost recovery funding from grants and contracts to partially offset the costs of providing space and support services (overhead) to grants and contracts. Operations fund revenues are the most valuable because they are the least constrained by third parties. Operations fund revenues contribute 36% of total current fund revenues.
Other unrestricted funds are shown in shades of yellow on the chart. The primary source of funding for this group is fees for services provided. These operations are treated as separate enterprises and are expected to set fees for their services to cover their current operating costs plus depreciation, which is set aside for future capital and equipment replacement. Included in this category are University Hospitals and Clinics, student auxiliaries (housing, dining, bookstores, and recreation centers), intercollegiate athletics, student unions, research reactor, service operations (energy management, facilities design and construction, telecommunications, etc.), continuing education and self-insurance funds. These activities comprise 55% of the current fund budget.

Third parties, primarily donors and granting agencies, restrict the remainder of the current funds. These funds are shown in red on the chart because there is very little flexibility in how the funds are spent. The primary funding sources are gifts, spendable distributions from the endowment funds, and external grants and contracts. Grants and contracts are primarily for specific research, although some grants and contracts fund public service and instructional activities. This fund is also where federal financial aid is budgeted and accounted for due to the restricted nature of these funds. Restricted funds contribute 9% of the current funds budget.

**Loan, Endowment, and Plant Fund Budgets**
Loan, endowment and plant funds primarily affect the University’s balance sheet and make up only about 2% of the revenue budget. The primary funding streams for the plant fund are investment from the university’s current funds, capital gifts, and capital appropriations. The primary uses of funds are for debt payments and capital expenditures. Because capital expenditures are investment in the physical plant, the primary expenses in the plant fund are interest expense and depreciation.

The primary funding streams for loan and endowment funds are gift revenue and investment returns. These gifts are typically permanently restricted. The loan fund benefits the university’s students by providing loans to students. The endowment fund’s spending distribution provides endowment income to the current funds. In public universities, these funds are primarily restricted in use by the donor and provide funding for scholarships, professorships, and other university support.

**FY 19 Budget Planning Process**
The April Board meeting budget paper discussed how the University is facing financial challenges that are not unique. With the decreases in state funding, other universities have pursued new ways to generate revenue and decrease costs. Faculty and administrators across the country have responded to funding challenges by cutting administrative costs, especially in purchasing, information technology (IT), and human resources (HR). In addition to the focus on administrative functions, institutions have also embarked upon wider collaborations and explored sharing faculty across departments and campuses to generate additional efficiency.

The University of Missouri budget process is an iterative process that has both top down and bottom up components and spans several months. It is also a very collaborative process involving over 200 college/school divisions with over 1,100 departments and almost 30,000 cost centers and is the collective work of 500 people. The FY 19 challenges required each unit
to evaluate and consider its revenue and expenses and many areas will have cost reductions and eliminations.

Beyond cutting costs, the University will use the FY 19 budget to create detailed financial models and financial plans for the short, medium and long-term. With falling support from the state and enrollment challenges, the University must take a longer-term approach to manage and understand its revenue streams and set reasonable financial goals. We are establishing performance metrics with the goal of increasing institutional accountability. While administrative cost control helps manage expenses, as discussed previously administrative cost reduction alone is not enough to balance the model in the long-run with the pressures faced by the industry.

The University of Missouri cannot cut its way to greatness, but it also cannot avoid hard choices to remain a viable academic institution. As a university, we must find new sources of revenue and growth to drive our institution forward. We need to start evaluating plans against the financial return they provide instead of the dollars they spend. We must redirect resources towards our mission, and find new ways to generate resources through our mission.

The commitment to excellence and challenge to become a stronger academic institution that began in FY 18 continued in the development of the FY 19 budget. Budget reductions are being implemented to address long-term financial plans as well as find recurring resources for strategic investment to grow and support programs of excellence.

**FY19 Budget Plan Summaries**
Following is the FY 19 University of Missouri System budget. Schedule 1 is the UM System Total FY 19 budget by fund group as of June 1, 2018. Schedules 2-8 show the same information by campus and UM System units. These summary budgets incorporate the campus plans to the degree that actions have been finalized. Some initiatives including restructuring and consolidations will continue to evolve during the year.

While the state legislature has provided appropriation targets for FY 19 that exceed those proposed earlier in the appropriation process, we are still budgeting a revenue reduction from the previous year budget of $10.4 million based on the truly agreed bill.

Total UM System FY 19 Operation Fund budget reflects a $1.9 million surplus. The $37.7 million net assets increase in all funds is mainly attributed to Hospital Operations increase offset by auxiliary fund investment at MU School of Medicine plus plant funds expenditures by several units including depreciation, debt interest expense, and plant investment.
The FY 19 MU budget planning process involved tasking every college/school/division (CSD) leader with analyzing how they would take a 10, 12.5 and 15 percent cut in general revenue for the year. Meetings were held with the leader and fiscal officer of each CSD to go over their scenarios. Each unit worked to protect the key investments that are important to the future of the University. Mizzou is focused on student success, strengthening research productivity and engaging with Missourians to help find solutions to grand challenges. The plan includes focused, strategic investments to ensure that happens.

MU’s final general revenue shortfall in FY 19 will be approximately $49 million. More than 90% ($45 million) of the recurring loss of revenue will be dealt with through permanent reductions in general revenue allocated and the remaining gap will be covered with one-time funds from reserves.

Cuts to colleges, schools or divisions were not across the board. Decisions regarding the level of cut at each CSD were made after reviewing the numerous budget scenarios noted above. Cuts include more than 180 positions eliminated, less than 15% of which are expected to be through layoffs.

MU FY 19 operating budget reflects a $7.1 million surplus. This is a result of revenues that will be carried forward for future investments.

Schedule 1. University of Missouri Budget Planning: FY19 Budget as of June 1, 2018 (Dollars in Millions)

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<tr>
<th>Revenues</th>
<th>Operations</th>
<th>Other</th>
<th>Auxiliary</th>
<th>Hospital</th>
<th>Restricted</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
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<th>Other</th>
<th>Auxiliary</th>
<th>Hospital</th>
<th>Restricted</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
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<td>(117.7)</td>
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<td>Non-Mandatory Transfers (In) Out</td>
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<td>5.1</td>
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<td>($2.2)</td>
<td>$73.3</td>
<td>($35.6)</td>
<td>$37.7</td>
</tr>
</tbody>
</table>

MU (Schedule 2)

The FY 19 MU budget planning process involved tasking every college/school/division (CSD) leader with analyzing how they would take a 10, 12.5 and 15 percent cut in general revenue for the year. Meetings were held with the leader and fiscal officer of each CSD to go over their scenarios. Each unit worked to protect the key investments that are important to the future of the University. Mizzou is focused on student success, strengthening research productivity and engaging with Missourians to help find solutions to grand challenges. The plan includes focused, strategic investments to ensure that happens.
The negative change in net assets for MU Auxiliary Enterprise is driven primarily by the School of Medicine. Their budget includes a planned investment of $10 million in the approved Vivarium as well as potential revenue fluctuations related to enhanced Medicaid payments.

MUHC (Schedule 3)
University of Missouri Health Care’s (MUHC) FY 19 financial plan is a product of an extensive planning process. The roadmap for achieving our strategic objectives and ensuring the clinical, research and teaching missions are achieved continues to provide the direction in investments. Coming off five solid years of financial performance, MUHC has set the foundation for strategic long-term investments.

Executive leadership worked collaboratively with leadership in the School of Medicine (SOM) to develop the core patient volumes for the plan. Financial targets were built based on those volumes, key financial and operational assumptions and performance expectations. A multidisciplinary leadership team reviewed requests for additional operating and capital investments. Approved investments were added to the financial plan. In May 2018, MUHC executive leadership approved the final financial plan.

The health care service sector is expected to see continued downward pressure on operating margins reflecting inflationary cost increases, continued downward pressure on third-party reimbursements, and moderate organic growth. Reimbursement rates continue to be a focus for MUHC with shifts to value-based versus volume initiatives, increasing risks to net revenues. Medicaid reimbursement, specifically, is an area with recent payment cuts and uncertainty of future cuts. Inflationary cost increases are projected to exceed aggregate...
reimbursement rate increases. Despite these headwinds, MUHC’s FY 19 operating margin exceeds the 75th percentile of peer academic medical organizations and MUHC’s FY 19 plan increases CARTS funding to the SOM and provides investments in the clinical mission with our University Physician partners.

The FY 19 MUHC budget is reflecting an $80.8 million surplus in the Operations Fund and a $33.8 million spend down in Plant Fund.

**Schedule 3. MUHC FY19 Budget as of June 1, 2018 (Dollars in Thousands)**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Operations</th>
<th>Other</th>
<th>Unrestricted</th>
<th>Auxiliary Enterprises</th>
<th>Hospital Operations</th>
<th>Restricted Funds</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>Less: Scholarship Allowances</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<td>$0</td>
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<tr>
<th>Expenditures</th>
<th>Operations</th>
<th>Other</th>
<th>Unrestricted</th>
<th>Auxiliary Enterprises</th>
<th>Hospital Operations</th>
<th>Restricted Funds</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
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<td><strong>$0</strong></td>
<td><strong>$0</strong></td>
<td><strong>$48,060</strong></td>
<td><strong>$0</strong></td>
<td><strong>$48,060</strong></td>
<td><strong>(25,997)</strong></td>
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<td>$0</td>
<td>$0</td>
<td>$80,753</td>
<td>$683</td>
<td>$81,435</td>
<td>($33,800)</td>
<td>($47,635)</td>
<td>($47,635)</td>
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</tbody>
</table>

**UMKC (Schedule 4)**

The FY 19 budget process for UMKC has virtually been a year-long process as the campus worked to achieve a balanced budget and overcome structural deficiencies through a variety of means. In September, the findings from the academic portfolio and efficiency/productivity review were released to the campus community. Information from this review helped UMKC identify opportunities for realigning our academic programs with our institutional mission and student success. This was followed by an administrative services review aimed at improving operational efficiencies and identifying opportunities to reduce costs. The campus also revised and redesigned its resource investment model and allocation process, with a preliminary release of its design and results in March.

As UMKC worked toward the development of the FY 19 budget beginning in February, campus units were asked to identify how they could achieve balanced budgets with cuts of 10, 15 and 20 percent. Final allocation and targets were provided to the units in late May, and units continue to work toward finalization of the FY 19 budget. However, although budgets are not final, the campus has already cut one program and eliminated 17 filled positions through...
layoffs. The campus has also began the process of moving core administrative positions and costs for Human Resources, Finance, Information Technology, Advancement and Development out of the academic core into centralized functions. At this infant stage, the savings are minimal but it is hopeful to gain more savings as the shared service initiative becomes more mature and robust.

Additionally, the campus has made recruitment and enrollment growth a priority. The campus requested and the Board approved in February new tuition rates for Kansas undergraduates and the undergraduate Heartland rate; as there is opportunity in this area to attract more students to UMKC. The campus has also invested in the realignment of enrollment management and admission function to more strategically manage their greatest resource.

Overall, the all-funds budget for UMKC is balanced. Auxiliaries has a negative change in net assets of approximately $548,000 due to negative performance in Housing and Athletics. The Housing fund deficit is due to the closure of Oak Place Apartments. Athletics also has negative performance; work is ongoing in this area to find ways to balance financial performance.

**Schedule 4. UMKC FY 19 Budget as of June 1, 2018 (Dollars in Thousands)**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Operations</th>
<th>Other Unrestricted</th>
<th>Auxiliary Enterprises</th>
<th>Hospital Operations</th>
<th>Restricted Funds</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition and Fees</td>
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<td>0</td>
<td>0</td>
<td>(24,717)</td>
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<table>
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<tr>
<th>Expenditures</th>
<th>Operations</th>
<th>Other Unrestricted</th>
<th>Auxiliary Enterprises</th>
<th>Hospital Operations</th>
<th>Restricted Funds</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
</tr>
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<tbody>
<tr>
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<td><strong>$0</strong></td>
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<td>(500)</td>
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<td>0</td>
<td>49</td>
<td>(49)</td>
<td>9,161</td>
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<td>0</td>
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<td>$301</td>
<td>($144)</td>
<td><strong>$1,159</strong></td>
<td><strong>$1,015</strong></td>
</tr>
</tbody>
</table>

**S&T (Schedule 5)**
Missouri S&T began the FY 19 budget planning process by evaluating anticipated available resources for FY 19 and determining the marginal resources available. When anticipated declines in the state appropriations based on the Governor’s recommendation were combined with anticipated changes in net tuition and fees and other revenues the net decline was about $1.4 million. New funding needs of $3.6 million were identified including $2.5 million in strategic investments in faculty and staff compensation, $0.6 million in faculty positions and academic support, and $0.5 million in other mandatory cost increases. The resulting budget
deficit was $5.0 million or about 4 percent of the general allocation to units. The next step was to involve the campus community by communicating the budget targets and soliciting their input for budget reduction and revenue enhancement opportunities. Each division prepared budget reduction scenarios at 8 and 13 percent to allow options for the campus to consider and to provide additional funding for strategic investments. Leadership then reviewed budget reduction suggestions and scenarios at the department, division and college level.

The guiding principles for the FY 19 budget were (1) Enhance the academic core (2) Enhance revenue streams and (3) Strategic investments for better service. Final strategic reduction targets and investments varied across the campus academic and support units from a low of 2.7 percent in marketing and communications to a high of 16.3 percent in the Chancellor’s office. Some units, such as advancement and the academic colleges, experienced both reductions and strategic investments as these units enhance the academic core and enhance revenue streams. The budget reduction targets identified net of allocated strategic investments totaled 5 percent as some of the actions are still under evaluation. When final reductions and efficiencies are realized, any available funds will be invested in the campus’s next highest return opportunity. One-time costs associated with recurring reductions included in the FY 19 budget for eliminated positions is approximately $0.5 million.

The S&T campus plans to invest $10.6 million of its accumulated reserves in strategic initiatives in FY 19. This includes $6.2 million in research support for faculty start-up packages previously set aside and anticipated to be needed in FY 19. In addition, $4.4 million will be invested in laboratory renovations and other high priority capital projects. These investments are consistent with our strategic objective to grow funded research. The additional $3.9 million core state appropriations approved by the legislature in excess of the Governor’s budget recommendation have not been allocated in the FY 19 budget. If these funds are received they will be allocated to high priority projects as part of the FY 20 budget process. The net impact of these budget actions is a reduction in net assets of $6.7 million in the operations fund and $0.4 million in other unrestricted. The Auxiliary enterprises FY 19 budget shows an increase in net assets of $1.6 million that is being saved for investment in FY 20.
Similar to FY 17 and FY 18, UMSL will begin the year with a budget that does not balance. In FY 17, the campus entered the year with a $3.6 million deficit, but through monthly financial management and review with the colleges and divisions, ended the year with a $2.2 million operating surplus. In FY 18, the campus entered the budget year with a $6.0 million deficit, and by using a similar management approach, is forecasting to end the budget year with an approximate $8.0 million surplus.

The FY19 budget has been prepared and currently contains an $8.6 million performance challenge. As in other years, UMSL will close that gap to complete the fiscal year with a minimum committed surplus of $1.4 million in the Operations Fund. This will be achieved by:

- increasing revenues by positively affecting enrollment where opportunities permit (UMSL NOW, increase in ‘out-of-market' recruiting, etc.), effective use of fundraising opportunities to offset planned expenditures, and use of scholarships to draw more new students to the campus;
- decreasing expenditures through the management of attrition, grade and salary adjustments, decreasing the number of courses offered while simultaneously increasing class size, streamlining administrative processes and tools as defined in the recent activity analysis, and realignment of programs and fields of study as defined in the recent academic review;
- and investing in opportunities and programs with projected positive returns.

The UMSL FY 19 budget reflects a negative change in net assets for the auxiliary fund of $678,000. This deficit is primarily in the Housing Auxiliary. Restricted Funds are projected to
spend $1.7 million more than the budgeted revenues due to additional scholarships from gifts being made at the college/school/department level. The Loan, Endowment and Plant Funds decrease of net assets of $10.0 million represents investments in space consolidation and other building improvements by the campus.

**UM System (Schedule 7)**

The UM System Business Unit includes the administrative and support functions including service centers that provide unduplicated support to the four campuses and health system. UM System had significant reductions and restructures in the FY 18 budget cycle. Therefore, only minor adjustments were needed in the FY 19 process to address the $303,000 reduction in state appropriations.

The negative net asset performance in the other unrestricted funds is related to research park operations.

The primary auxiliary budget unit funded at UM System is the Missouri Research and Education Network (MOREnet). MOREnet is a data network service and provides technical services and resources to Missouri's public sector entities, including K-12 schools, colleges and universities, public libraries, health care, government and other affiliated organizations. The positive change in net assets, if realized, will be used for infrastructure and other plant needs in the future.

The negative change in Loan, Endowment and Plant Funds of $5.1 million is due mainly to plant fund depreciation. The other activities in these funds are anticipated to be approximately balanced.
University-wide Business Units (Schedule 8)
University-wide Business Units are used to hold resources and deliver programs that are utilized by the entire institution. These include the endowed chair programs that were established with recurring state appropriation to match endowment distributions, self-insurance related to health, welfare and risk management programs, and activities of the central bank.
### Schedule 8. University-wide Units FY19 Budget as of June 1, 2018 (Dollars in Thousands)

<table>
<thead>
<tr>
<th>Operations</th>
<th>Other Unrestricted</th>
<th>Auxiliary Enterprises</th>
<th>Hospital Operations</th>
<th>Restricted Funds</th>
<th>Total Current Funds</th>
<th>Loan, Endowment, and Plant Funds</th>
<th>Total All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<td>$0</td>
</tr>
<tr>
<td>Less: Scholarship Allowances</td>
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<td>0</td>
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<td>(40)</td>
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<td>$0</td>
<td>$0</td>
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<td>$0</td>
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<td>0</td>
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</tr>
<tr>
<td>Gift Income</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
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<td>Sales &amp; Services &amp; Patient Revenue</td>
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<td>0</td>
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<td>0</td>
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<td>$0</td>
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<td>0</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tr>
<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
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<td>$10,040</td>
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</table>

June 21-22, 2018

OPEN – FIN – 1-14
As a land-grant university and Missouri’s only public research and doctoral level institution, the University of Missouri provides outstanding education, creates breakthrough research and enhances community and industry development. Our partnership with the State of Missouri is key to our ability to carry out this important mission.

The University’s first priority for the FY 20 request is the continuation of the FY 19 core appropriations at the same level and combining the special line items into a single core line. The second priority is an increase for performance funding for new investments in academic excellence. This includes investments in research and creative works, student access and success, and outreach and engagement. In addition, the University submits appropriation requests for other programs and the continuation of those core appropriation lines is included as a priority. The University also makes appropriation requests in accordance with legislative directives.

The following table summarizes the University’s request. The request details are discussed in the body of this paper followed by Appendix A with background on each line item and Appendix B contains appropriation context and history.

### Request Summary - FY 20

| Description                                                  | Amount  
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<tr>
<td><strong>Total FY 20 Request for Operations</strong></td>
<td><strong>$454.4</strong></td>
</tr>
</tbody>
</table>

Dollars in Millions
No. 2

Recommended Action - Fiscal Year 2020 State Appropriations Request for Operations, UM

It was recommended by Vice President Ryan Rapp, endorsed by President Mun Y. Choi, recommended by the Finance Committee, moved by Curator ____________ and seconded by Curator ___________, that the following recommendations be approved:

The President is authorized to file a request for state appropriations for operations as follows:

(1) Funding the Core Operations of $416.8 million;  
(2) Continuing the Greenley Research and Project Lead the Way line items at $0.5 million;  
(3) Submit a new request for Performance Funding increase of 5% or $20.8 million; the President has the authority to adjust this amount as he deems appropriate. Any material deviation will be reviewed with the Board;  
(4) Submit Other Curator Programs Requests which includes core funding of $7.0 million and new requests of $1.2 million; and  
(5) Submit requests in Accordance with Legislative Requirements of $8.1 million.

Roll call vote Finance Committee
Curator Brncic
Curator Chatman
Curator Layman
Curator Snowden
Curator Sundvold

The motion ____________

Roll call vote full Board:
Roll call vote:  YES  NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ____________.
The University of Missouri has a unique role to play in improving the quality of life for all Missourians through sustainable excellence in each of our missions: teaching, research, public service, and economic development. The University has made difficult decisions to address the FY 19 budget targets and strategic investments. The University will continue to make bold decisions and invest in programs of excellence as part of a long-term plan. These actions will result in a stronger institution of higher education with an emphasis in growing research and creative works, high-quality affordable education, engaged service and outreach to citizens and industries in Missouri. The partnership with the state and its financial support are critical for the University to continue fulfilling its mission, and playing an instrumental role in Missouri’s future.

The University’s first priority for the FY 20 appropriation cycle is continuation of the FY 19 core appropriation at the same level and combining the special line items into a single core line. Table 1 summarizes the core operations as identified in the truly agreed and finally passed (TAFP or final legislative) bill prior to the Governor’s action.

Table 1: Funding for Core Operations - FY 20 Core Continuance

<table>
<thead>
<tr>
<th>UM Core Operations</th>
<th>$416.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Base (Core)</td>
<td></td>
</tr>
<tr>
<td>Greenley Research Water Works</td>
<td>0.3</td>
</tr>
<tr>
<td>Project Lead the Way</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total Funding (prior year TAFP bill)</strong></td>
<td>$417.3</td>
</tr>
</tbody>
</table>

Dollars in Millions

If the Governor signs the appropriation bill with the line items noted in Table 1, then the University will request continuation of these appropriations in FY 20.

The University’s second priority is an increase in core operating appropriations of $20.8 million for performance funding. This increase is computed as 5% of the FY 19 core appropriation ($416.8 million). The proposed increase in performance funding would be utilized to make new investments in academic excellence. Academic excellence encompasses the academic enterprise and delivery of the highest quality education and transformational research to serve the citizens of Missouri and beyond. Academic excellence will align each department’s activities with the central mission of the institution. Investments are required to achieve continued improvement in academic productivity, expansion of research and creative works, outreach and engagement with the citizens of Missouri, and continued focus on student access and success. While the University will continue to reprioritize and make strategic investment in these areas, continued investment by the state is critically important to the University’s success.

Six of our existing professional and outreach programs were partially funded in FY 19 and rolled into our Core Operations appropriation of $416.8 million. The University will not request additional core or core restoration for these items. The six items and amounts added to the UM Core are:

- MU Medical School partnership in southwest Missouri funded at $6.0 million,
- UMKC Pharmacy satellite at MSU funded at $1.2 million,
• UMKC and MSSU Dental Program funded at $0.6 million,
• UMKC Neighborhood Initiative funded at $0.4 million,
• Missouri S&T and MSU for undergraduate degrees in engineering funded at $0.6 million, and
• Missouri S&T for Project Lead the Way at $0.2 million.

The General Assembly also provided core increases to Missouri State University of $0.6 million for the collaborative engineering program and to Missouri Southern State University of $1.2 million for the dental program.

The University also submits appropriation requests for other programs. These are identified in Table 2 below. As with the other operating appropriations, the first goal in the FY 20 appropriations request is to maintain FY 19 core appropriations. In addition, the State Historical Society of Missouri (SHSMO) will occupy a new state funded building in Columbia in FY 20 and has submitted a request for new funding. The SHSMO will need recurring funds for the building operating costs and will need additional positions due to the greatly enhanced public access. One-time funding for move costs is also included in the request.

<table>
<thead>
<tr>
<th>Other Curator Programs</th>
<th>Dollars in Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMSL International Collaboration (Core)</td>
<td>$0.5</td>
</tr>
<tr>
<td>Missouri Kidney Program (Core)</td>
<td>1.8</td>
</tr>
<tr>
<td>Missouri Telehealth Network (Core)</td>
<td>0.4</td>
</tr>
<tr>
<td>Show-Me Extension for Community Healthcare Outcomes (Core)</td>
<td>1.5</td>
</tr>
<tr>
<td>State Historical Society of Missouri (Core)</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>Total Recurring Funding (prior year TAFP bill)</strong></td>
<td><strong>$7.0</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Requests</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>State Historical Society of Missouri (Recurring)</td>
<td>$0.8</td>
</tr>
<tr>
<td>State Historical Society of Missouri (One-time)</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total Other Programs</strong></td>
<td><strong>$8.2</strong></td>
</tr>
</tbody>
</table>

The University has certain appropriation requests made annually as one-time or recurring requests in accordance with legislative authority. Table 3 summarizes these requests. Of the five requests, only the Missouri Returning Heroes and Alzheimer’s Research are funded from state general revenue. These two have not been appropriated in recent years. The others have special fund sources that cannot be used for any other purpose and have been annually appropriated.
Table 3: Requests in Accordance with Legislative Requirements - FY 20

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Offset Tax Authority (Recurring)</td>
<td>$1.4</td>
</tr>
<tr>
<td>Missouri Returning Heroes (One-time)</td>
<td>0.9</td>
</tr>
<tr>
<td>Alzheimer's Research (One-time)</td>
<td>0.5</td>
</tr>
<tr>
<td>Spinal Cord Injury Research (Increase from prior year)</td>
<td>2.0</td>
</tr>
<tr>
<td>Seminary Fund (One-time)</td>
<td>3.3</td>
</tr>
<tr>
<td><strong>Total Requests in Accordance with Legislative Requirements</strong></td>
<td><strong>$8.1</strong></td>
</tr>
</tbody>
</table>

Dollars in Millions

This represents the full FY 20 request for appropriations. Appendix A provides background information on each line item. Appendix B provides state appropriation context and history information.
Appendix A

This appendix provides background information on each appropriation line item.

**UM Core Operations**

The $416.8 million **Operating Appropriation** contributes 37% of the University’s operating fund revenue budget used for student instruction, research, public service, and supporting activities. Continued core funding is required to provide high quality student instruction, improvement in academic productivity, expansion of research and creative works, outreach and engagement with the citizens of Missouri, and continued focus on student access and success.

The **MU Lee Greenly Jr Memorial Research Center** evaluates efficient and profitable crop production while emphasizing soil conservation, water quality and energy efficiency. It is involved in developing a systems approach for irrigation and drainage using drain tile and studying paired watersheds to evaluate the impact of agroforestry practices on water quality. Funds have been appropriated in FY 17 and FY 18 but withheld both of those years. The status for FY 19 will not be known until later in June.

The **Missouri S&T Project Lead the Way** appropriation permits S&T to partner with Southern Ozarks Alliance for Rural Development (SOAR) to increase the number of school districts utilizing Project Lead the Way (PLTW). The goal of PLTW is to help students understand STEM education is relevant in their lives and see potential for future careers. This appropriation was provided in FY 17 to help school districts offset costs of these programs and to provide state match for potential federal grant money. Most of the funding was withheld in FY 17 and all was withheld in FY 18. The funding received was used to fund grants to four school districts within the targeted 10 county area for their needs in teaching STEM curriculums. Total impact so far with using $113,000 in FY 17 is 2,093 students.

The **Performance Funding (Funding for Improved Outcomes)** initiative was developed by the CBHE Performance Funding Task Force (2012) as a way to advocate for increased appropriations for base funding for higher education institutions. Pursuant to Missouri statute section 178.638, performance funding applies to at least 90 percent of new appropriations from the state, and the funding earned in one year will be added to the University’s base appropriation the following year. Performance measures are evaluated on a three-year rolling average with success being defined as improvement over the prior three-year average, or sustained excellence. The University has previously been successful in meeting all five of its key performance measures:

- Student success and progress
- Increased degree attainment
- Quality of student learning
- Financial responsibility and efficiency
- Improvement in research and development activities

Beginning in FY 20, there will be a sixth performance measure related to graduate outcomes.

June 21-22, 2018
Other Curator Programs

The purpose of the UMSL International Collaboration appropriation is to increase international collaboration and promote economic opportunity that helps attract and retain new economic activity to the St. Louis region. University of Missouri-St. Louis works with BioSTL, a regional nonprofit dedicated to advancing prosperity in St. Louis through the growth of biosciences and other targeted innovation clusters. The centerpiece of the program is the GlobalSTL program (formerly known as) St. Louis-Israel Innovation Connection, which connects the economies of St. Louis and targeted international locations (including Israel, Ireland, and other countries) with a robust pipeline that engages and links experienced professionals to identify international companies who are likely to be attracted by St. Louis’ convergence of corporate, university, and entrepreneurial strengths. Specific business strategies will partner prospective international companies with St. Louis and Missouri resources that might lead to recruitment of a presence in St. Louis. BioSTL is providing matching funds.

The mission of the Missouri Kidney Program (MoKP) is to assist Missouri residents suffering the tragedy of total kidney failure to meet their medical, psychosocial and educational needs. The expense of treatment is staggering for the individual and society. Although most chronic kidney disease (stage 5) patients qualify for automatic Medicare benefits, there are many gaps, deductibles and co-pays for both medical treatment and medications. State kidney programs such as the MoKP are necessary to fill this void in coverage, as well as to provide assistance with transportation and insurance premiums.

The Missouri Telehealth Network (MTN) gives patients in underserved areas access to University of Missouri Health Care specialists without leaving their communities. The network saves patients transportation, discomfort and emotional costs. While all states have at least one telehealth network, Missouri has one of the most developed telehealth networks in the country. The MTN started out with ten sites in 1994 and has since expanded to more than 200 sites in 56 Missouri counties. The state provides funding for this effort from the Healthy Families Trust Fund.

Show-Me Extension for Community Healthcare Outcomes (ECHO) provides comprehensive, best-practice care to patients with complex health conditions, in their local community. Show-Me ECHO facilitates collaboration between specialty and primary care that expands access to best-practice medical care across Missouri. It links expert specialist teams at an academic ‘hub’ with primary care clinicians in local communities – the ‘spokes’ of the model. Together, they participate in regularly scheduled Show-Me ECHO clinics, which are virtual grand rounds, combined with mentoring and patient case presentations and discussions. The state provides this general revenue funding for creating and implementing up to eight ECHO programs. Four of the programs are required to focus on Hepatitis, Diabetes, Chronic Pain Management and Childhood Asthma.

The State Historical Society of Missouri (SHSMO) is the premier research center for the study of Missouri state and local history. Founded in May 1898 by the Missouri Press Association and established as a trustee of the state a year later, SHSMO collects, preserves, and publishes materials that enhance research and support learning opportunities in the study of Missouri and the Midwest. The general revenue core appropriation supports the operations for the SHSMO and the University is a fiscal agent for the SHSMO.
SHSMO will complete construction and occupy a new building in Columbia in FY 20; this building was funded by state bonds. An additional $800,000 in recurring funding is needed in FY 20 and beyond to operate the new building. Of this increase, $500,000 will be used to supplement the $250,000 appropriated by the General Assembly in FY 18 to cover remaining operating costs of the new building. In addition, the Society will need three new positions to operate the new building and to meet the anticipated increase in patron demand. The new positions include a library support specialist, archivist, and event services manager. The anticipated cost of these three positions, with benefits, is approximately $206,488. Recurring funds of $90,000 are also requested to provide employees performance salary increases in the future. In addition, SHSMO is requesting $350,000 in one-time funds for move costs to the new building.

Requests in Accordance with Legislative Requirements

The University annually makes certain requests, one-time or recurring, in accordance with legislative authority.

The Debt Offset Tax Authority appropriation is to cover unpaid debts owed to the institution by state taxpayers. This reduces bad debt expense to the institution by capturing state income tax refunds to pay overdue accounts owed to the University. The appropriation request is for $1.4 million, from the Debt Offset Escrow Fund.

The Missouri Returning Heroes Act limits the amount of tuition charged to combat veterans who meet certain criteria but provides institutions may request the tuition waived in the following year’s appropriation request. The University is requesting an appropriation equivalent to tuition waived in FY 18 estimated at $900,000. This request was not funded in previous years, FY 09 through FY 17, but has benefited over 1,700 unduplicated students at an estimated $4.8 million.

State statute (section 172.801, RSMo) requires the Board of Curators to annually request an appropriation to fund Alzheimer’s Research. The statue indicates the amount of the request be computed annually and be not less than $200,000 adjusted for inflation. In addition, the request is to include administrative costs not to exceed ten percent of the appropriation for research. The estimated amount in FY 20 is $500,000. No appropriations have been provided for this program since FY 05.

The Spinal Cord Injury Fund supports research in Missouri in the area of spinal cord injuries and congenital or acquired disease processes. The Spinal Cord Injury Fund was established by legislature in 2001 and is funded from a two dollar surcharge on all county ordinance, criminal and traffic violation cases. State statute stipulates the Board of Curators shall request annually an appropriation for research awards and award administration from the Spinal Cord Injury Fund. Research awards are a maximum of $250,000 per award. An appropriation of $2.0 million is needed to ensure the new and existing awards can be funded. In future years this appropriation will need to decrease due to the fund balance available.

The state Seminary Fund provides income for the general operation of University of Missouri – Columbia’s College of Agriculture and Missouri Science and Technology’s School of Mines and Metallurgy. This fund consists primarily from the sale of land grant
property and other moneys donated on behalf of the University to the State of Missouri. Per state statute, the Seminary monies belong to the University but the state must hold the securities. A request must be made to the state annually for earnings, estimated at $275,000, from the monies to be distributed to the University. An appropriation request must also be made for any reinvestment of the principal from maturing investments but is only used when the government securities mature and must be sold and reinvested. The $3.0 million dollar appropriation level is sufficient for all investments to be reinvested in one fiscal year.
Appendix B

This appendix provides State appropriation history information.

The chart below compares the recurring state appropriations per student FTE provided (blue line) to the amounts received (red line) for the last 40 years.

The chart below compares recurring state appropriations per student FTE provided (blue line) to the amounts received (red line) since the decline of state appropriations in FY01.
No. 3

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, June 21-22, 2018, be adjourned.

Roll call vote of the Committee: YES NO

Curator Brncic
Curator Chatman
Curator Layman
Curator Snowden
Curator Sundvold

The motion ________________.
Development Overview
By Jay M. Wilson
Interim President

June 21-22, 2018
UMKC Foundation

MISSION

To foster a culture that inspires philanthropy to achieve university priorities.

VISION

To be the valued and trusted partner that inspires, enlists and unites philanthropic support for Kansas City’s premier urban university.
Purpose

• A separate 501(c)(3) nonprofit dedicated to providing philanthropic support for UMKC’s priorities.
• Foundation Board composed of community constituents who play a critical role in providing support.
• Allows for greater flexibility raising and managing private support than state or government subdivisions.
• Greater diversification, providing greater investment return and increased support for educational needs.
• Accountable to donors, students, faculty, staff, and the IRS.
Program Components

- Board and Volunteers
- Chancellor and University Leadership
- Advancement Services / Data Management
- Alumni Relations Program
- Annual Giving Program
- Major Gifts Program
- Planned Giving Program
Board of Directors

OFFICERS
Thomas M. Bloch, Chair
Kent W. Sunderland, Vice Chair
Robert D. Regnier, Secretary
Kevin E. Bryant, Treasurer
Terrence P. Dunn, Past Chair

DIRECTORS
Warren K. Erdman
Gary D. Forsee
James A. Polsinelli
Ryan D. Rapp
Jerry D. Reece
Nelson R. Sabates, M.D.
Marny Sherman
L. Josh Sosland
Frank J. Wewers

PROVOST
Barbara A. Bichelmeyer, Ph.D.

EMERITUS DIRECTORS
Alan L. Atterbury
G. Kenneth Baum
Thomas D. Hyde
Natalie “Nikki” Krawitz
Leo E. Morton
John J. Sherman
Elizabeth T. (Betsey) Solberg
Charles S. Sosland
R. Wayne Thompson, D.D.S.
Hugh J. Zimmer

CHANCELLOR
C. Mauli Agrawal, Ph.D.

UMKC FOUNDATION INTERIM PRESIDENT
Jay M. Wilson
Campaign for UMKC

July 1, 2009 – June 30, 2016

$302,534,370

Facilities
Faculty/Staff Support
Scholarships
Programs
Unrestricted
Sponsored Research
Fundraising Successes

- School of Computing & Engineering Plaster Enterprise Center – raised over $20.1 million out of $32 million
- Last Campaign – 299 new endowments with 85% being scholarships
- Transitioned the Vision Research Foundation, a separate 501(c)(3), under the UMKC Foundation’s umbrella into the new UMKC Research Foundation
KPI Update
As of June 4, 2018

- KPI#1 - $34,782,127 raised (116%)
- KPI#2 - completed 1,779 discovery contacts (89%)
- KPI#3 - raised $677,658 in annual giving dollars (112%)
- KPI#4 - 16 planned gifts booked (107%)
- KPI#5 - raised $129,788 in unrestricted gifts to UMKC Foundation (87%)
UMKC Foundation’s ROI

For FY17, UMKC Foundation’s cost to raise was $0.09 on the dollar, or for every $1.00 invested, we returned $10.91.

| Investment | $1.00 |
| Return     | $10.91 |
| ROI        | 990.97% |

(Return-Investment)/Investment
Plan to 2020

1. Provide a philanthropic experience that builds loyalty and trust.

2. Increase the alumni giving rate.


4. Increase planned giving expectancies.

5. Become recognized as an employer of choice.
Building a Culture of Philanthropy
University of Missouri–St. Louis

Advancement Division Leadership

Vice Chancellor Martin Leifeld

Beth Krumm, Associate Vice Chancellor
Development/Fundraising

Jennifer Jezek-Taussig, Associate Vice Chancellor
Alumni/Annual Giving

Bob Samples, Associate Vice Chancellor
Jackie Schlarman, Assistant Vice Chancellor
Marketing/Communications

Tim Eby, General Manager
St. Louis Public Radio/KWMU
University Development Values and Guiding Principles

- Excellence in Everything We Do
- Leaders with a serving heart
- Commitment to Diversity
- Joyful Attitude
Strategic Planning

Goals determined through discussions with University leadership

- Top Down: Senior Administration → University Advancement → Unit Leadership
- Bottom Up: Unit Leadership → University Advancement → Senior Administration

Major Gift Planning Retreat

Annual goals submitted to Chancellor

End of year reporting and analysis
Strategies

- Targeted personal outreach to potential major gift donors
- Purposeful and strategic moves management process
- Strategic investment in pipeline development utilizing direct mail, campus call center, as well as renewed focus on leadership annual giving efforts
- Increased emphasis on superior stewardship of donors
### Capital Projects – Philanthropic Support

**College of Nursing Learning Resource & Simulation Lab**

<table>
<thead>
<tr>
<th>Goal</th>
<th>Raised to Date</th>
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<tbody>
<tr>
<td>$2,500,000</td>
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**College of Business Administration Building**

<table>
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</thead>
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<tr>
<td>$50,000,000</td>
<td>$27,400,000</td>
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Metrics

- Daily Fundraising Summary

- Monthly Dashboards
  - Dollars raised
  - Personal visits
  - Number and value of proposals submitted
  - Number and value of proposals accepted
  - Additional metrics:
    - “Touches” and “Moves”
    - Time spent in internal/external meetings
    - Professional development occurrences
    - Other non-fundraising projects (committee work, task force, etc.)

- Annual Goal Analysis
Opportunities for Future Success

Development
- Leadership Annual Giving
- Colleges of Business and Arts & Sciences
- Mercantile Library
- Professional Programs
- Athletics
- Corporate/Foundation Relations
- Campaign manager

Advancement Services
- Programmers
- Project managers
- Gift processors

Technology
- Cryptocurrency
- Digital communication
University of Missouri-St. Louis
University Advancement
Recommended Action - Adjourn Board of Curators External Affairs, Marketing and Advancement Committee Meeting

It was moved by Curator __________ and seconded by Curator __________, that the Board of Curators External Affairs, Marketing and Advancement Committee Meeting, June 21-22, 2018, be adjourned.

Roll call vote of the Committee: YES NO
Curator Farmer
Curator Layman
Curator Graham
Curator Sundvold

The motion ________________.
COMPENSATION AND HUMAN RESOURCES COMMITTEE
Transition Assistance Program (TAP) and Layoff

**Background**

Transition Assistance Program (TAP), which applies to administrative staff only, comes to the board on an annual basis for approval and renewal. The current TAP program is effective through June 30, 2018.

During the layoffs in 2017, eligible, ranked Non-Tenure Track (NTT) faculty received some transition pay if impacted by non-renewals because of budget reduction. The individual payments were based on the following factors:

- NTT Faculty with more than 3, but less than 10 consecutive calendar or academic years of benefit eligible service would receive $5,000 in Transition Pay
- NTT Faculty with more than 10, but less than 15 consecutive calendar or academic years of benefit eligible service would receive $10,000 in Transition Pay
- NTT Faculty with 15 or more consecutive calendar or academic years of benefit eligible service would receive $12,500 in Transition Pay

Employees on other non-regular academic appointments (e.g., lecturers, instructors, research associates, extension associates, etc.) did not receive transition assistance.

Collected Rules and Regulations Section 350.050, Layoff, is separate from TAP and allows eligible employees to participate in the University’s benefit program during the layoff leave of absence. There is currently not a requirement to sign an agreement or release to receive these continued benefits.

Our current review of transition assistance pay included:
- evaluating how the current program compares to peer institutions;
- determining how best to integrate transition assistance with Section 350.050, Layoff;
- determining how best to incorporate the NTT and other non-regular academic employees into the program moving forward; and
- creating a program that is sustainable.

Over the previous three years, the University of Missouri System has spent between roughly $1.5 to $2.9 million annually in Transition Assistance Pay for administrative staff. Adding full-time ranked non-regular Non-Tenure Track (NTT) and other full-time non-regular academic appointees would represent an increase of ~20% to the covered population.

**Benchmarking**

Part of our review included researching other peer institutions (AAU Public Universities) policies and practices. Based on that review we were able to find the following:
Coverage of Faculty Population
Based on information reviewed it does not appear that teaching/faculty employees are covered under Layoff/Severance policies at other Universities.

Severance or Transition Pay
- 13 of 33 (39%) of the peer institutions had a defined Severance or Transition Pay Policy and Notice Period
  - Transition Assistance Pay ranged from 50% of one month’s pay up to 52 weeks of pay
- 20 of 33 (61%) of the peer institutions either had no plan or offered a Notice Period
  - Noticed Periods ranged from 14 days up to one (1) year

Layoff Leave Benefits
- 3 of 33 (9%) offered continued subsidized benefit coverage beyond the severance/transition period
  - Continued subsidized benefit coverage ranged from one year to 18 months
- 5 of 33 (15%) offered continued benefit coverage during the severance/transition period
- 25 of 33 (76%) offered only COBRA

1 note this research included reviewing the Universities publically available policy and procedure manuals. There may be other programs offered by the institutions that are not publically available.

Costing
Based on impacted Non-Tenure Track (NTT) faculty in 2017 compared to the overall impacted population, we estimate an additional annual cost of roughly $500,000 to add full-time ranked non-regular NTT faculty and other full-time non-regular academic appointees to the Layoff and Transition Assistance Pay programs. However, by making additional recommended changes to the programs as described below, we estimate we will offset these additional annual costs. The recommended changes allow us to continue to offer a sustainable program for a larger group of impacted employees.

Vetting Process
Throughout this review, multiple constituency groups were consulted and provided feedback. Groups included:
- UM HR Policy Committee
- UM HR Operations Committee
- UM HR Council (HRC)
- MU NTT Standing Committee
- Intercampus Staff Advisory Council (ISAC)
- UM Academic Officers (UMAO)
- Intercampus Faculty Council (IFC)
- General Officers and Chief Financial Officers

**Recommended Changes**

- Extend current Transition Assistance Program (TAP) for administrative staff through December 31, 2018.
- Sunset the current Collected Rules and Regulations Section 350.050 Layoff, so that it applies only to layoffs of administrative staff that are effective December 31, 2018 or earlier.
- Approve a new rule (Collected Rules and Regulations Section 350.051 Layoff and Transition Assistance), which combines transition assistance and layoff benefits.
- Include all benefit eligible administrative staff, and full-time ranked non-regular NTT faculty and other full-time non-regular academic appointees, as outlined more specifically in the proposed new CRR.
  - Exclude tenured and tenure track faculty; adjuncts; academic appointees who received one year or more notice of non-renewal; trainee/learner appointments such as fellows, interns, residents, and post-docs; non-benefit-eligible employees; other positions as determined by CHRO not to be consistent with expectation or purposes of layoff benefits.
- Provide up to a maximum of 20-weeks\(^2\) of transition assistance pay, or $50,000 whichever is less.
  - Currently there is no maximum dollar amount
  - Currently up to 26-weeks of transition assistance pay for administrative staff
- Reduce the maximum length of layoff leave of absence benefit coverage from twelve (12) months to six (6) months.
- Remove the preferential hiring provision and the disqualification to receive transition assistance pay if employee refuses to accept a transfer to a comparable position.
- Make the effective date August 30, 2018 for full-time ranked non-regular NTT faculty and other full-time non-regular academic appointees and January 1, 2019 for eligible administrative staff.
- Require an agreement and release to receive transition assistance and continued benefit coverage.

\(^2\)the number of weeks of transition assistance pay is calculated based on the number of years of continuous benefit-eligible employment immediately prior to layoff. Eligible employees will receive a minimum of four (4) weeks of pay and eligible employees with five (5) or more years of continuous benefit-eligible employment immediately prior to layoff will receive one week of pay per year up to the maximum cap.

**Statistics Related to Recommended Changes**

Based on data from the previous three (3) years:
- Less than 10% of employees who received transition assistance pay would have been impacted by the $50,000 limit.
- Less than 20% of employees who received transition assistance pay would have been impacted by reducing the maximum amount of weeks from 26 to 20.
- 64% of employees who were eligible to receive twelve (12) months of layoff leave of absence benefit coverage stayed on for six (6) months or less; 36% stayed on for 7 months or more; 17% stayed on for the entire twelve (12) months.
No. 1

Recommended Action: New Collected Rules and Regulations Section 350.051, Layoff and Transition Assistance; Amendment to the Collected Rules and Regulations Section 350.050, Layoff; and Extension of Transition Assistance Program

It was recommended by Associate Vice President and Chief Human Resources Officer Marsha Fischer, endorsed by President Choi, moved by Curator _______ and seconded by Curator ________, that the following action be approved:

New Collected Rules and Regulations Section 350.051, Layoff and Transition Assistance as set forth in the attached;

Amendment to the Collected Rules and Regulations Section 350.050, Layoff, as set forth in the attached; and

Extension of Transition Assistance Program as set forth in the attached;

Roll call vote of the Committee: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Phillips

The motion ____________________.

Roll call vote of the Board: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ____________________.
UNIVERSITY OF MISSOURI
TRANSITION ASSISTANCE PROGRAM
FOR ADMINISTRATIVE, SERVICE & SUPPORT EMPLOYEES
Approved by the Curators of the University of Missouri, __________

Introduction
The University of Missouri provides transition assistance, short term, temporary income (transition assistance pay) and benefits, to employees subject to an involuntary layoff. Transition assistance applies to administrative, service and support employees. Employees not explicitly covered in HR 117: Layoff (HR117) are not eligible for seniority and preferential hiring rights with all other layoff provisions remaining in effect.

The transition assistance program, as described in this document, applies to all layoffs, beginning on or after the date of the program's approval by the Curators of the University of Missouri through December 31, 2018 June 30, 2018, and supersedes all previous transition assistance programs, documents, and approved processes.

Eligibility
All regular administrative, service and support employees (see HR 101: Employee Status (HR101)) who have successfully completed their probationary period may be eligible for transition assistance. Employees whose positions are discontinued due to a reduction in the workforce may be eligible for transition assistance, regardless of funding source. Non-regular (HR101) and probationary employees are ineligible to participate in the program.

In order for an employee to be eligible to receive transition assistance payment, the employee is required to sign the University of Missouri Transition Assistance Payment Agreement and Release.

Disqualifying Circumstances
To qualify for transition assistance, an employee must remain in good standing. The following circumstances will disqualify an employee for the purposes of transition assistance eligibility and payments.

- Failure to perform duties in a satisfactory manner after layoff notification through the effective date of the layoff
- Refusal to accept a transfer or assignment to a comparable regular position.
- Any of the following events that occur prior to or during the transition assistance payment period, to the employee, without exception:
  - Death
  - Retirement
  - Termination
  - Receipt of Long Term Disability (LTD) benefits
  - Acceptance of another regular University position
**Notice Period**
Affected employee will be given a written notice of layoff at least two weeks before the effective date. The university may choose to pay affected employees two weeks of regular pay in lieu of notice. Layoff notification must be coordinated through campus human resources.

**Transition Pay**
Eligible employees will receive one week of pay, with a minimum payment of 4 weeks and a maximum payment of 26 weeks, for each year of continuous regular employment immediately prior to layoff. For regular employees with a specified contract end date, transition pay will not exceed the earnings an employee would have been paid through the contract end date. Transition payments are typically paid in accordance with an employee’s current pay schedule, but may be paid as a lump sum payment at the discretion of the university. Transition payment and the employee’s repayment obligations shall be in accordance with the *University of Missouri Transition Assistance Payment Agreement and Release* and shall not begin until the effective date of the agreement.

**Transition Benefits**
Eligible employees with at least five years of continuous regular university employment immediately prior to layoff, including those excepted by HR117, may be placed on a layoff leave of absence for one year from the effective date of layoff. Eligible employees with less than five years of continuous regular University employment prior to the layoff, including those excepted by HR117, may be placed on a layoff leave of absence for three months from the effective date of layoff. In all cases, this is provided that the layoff leave of absence not exceed any applicable contract end date.

During the layoff leave of absence, the employee will be eligible to participate in university benefit programs (medical, dental, life, accidental death and long-term disability). The university will continue to pay the employer portion of the benefit premiums during the layoff leave of absence. Employees who elect to retire following layoff notice are responsible for the full cost of their retiree medical benefits, offset as applicable, by any university subsidy that an employee may be eligible for as determined by the University of Missouri System Benefits department.

Employees placed on a layoff leave of absence are required to notify campus human resources if they obtain employment outside the university and/or if they become eligible for other benefit coverage as a result of employment. Participation in the university’s benefit programs will be discontinued if an employee becomes eligible for benefit coverage as a result of employment outside the University.

The qualifying event date for COBRA eligibility is the first of the month following the effective date of the layoff leave of absence. The COBRA benefit period will run concurrently with the layoff leave of absence. Once the layoff leave of absence has expired, COBRA benefits can continue, with full costs paid by the individual, for the remainder of the COBRA eligibility period allowed (not to exceed 18 months in total). The University of Missouri Benefits department will coordinate the mailing of information regarding COBRA benefits, including the timeframe for COBRA election.

Employees notified of layoff will receive any unused accrued vacation leave as a lump sum payment in the pay period following the commencement of the layoff action (*i.e.*, last day of active employment). This rule applies without exception.
Transition Services

Transition services may be available through the campus human resources office, including, but not necessarily limited to:

- Resume preparation
- Development of job search strategies
- Contact information for the appropriate Division of Employment Security

Effective: March 1, 2009

Last Revised: June 15, 2017
Collected Rules and Regulations
Personnel
Chapter 350: Labor Policy

350.050 Layoff


Layoff is defined as the cessation of regular employment due to a permanent or temporary reduction in force. Employees laid off due to a reduction in force retain seniority accumulated to the date of layoff, for a period not to exceed one year. All things being equal, job security shall be commensurate with an employee's seniority. If the abilities, skills, training, and other relevant qualifications to fill existing positions are considered equivalent among affected employees, the employee with the longest seniority will be retained and the employee with the shortest seniority will be the first to be laid off.

The University reserves the right in any given instance, to determine if an employee possesses the relevant qualifications such as ability, training, and skill to fill the position.

A. Seniority -- For regular Administrative, Service and Support employees, other than Service and Maintenance personnel, seniority consists of continuous service in the same department. If relative service among employees is equal, the employee with the greatest University service is the most senior employee. For Service and Maintenance employees, see Understanding of Policies, Article VIII, Seniority. The definition of seniority for service and maintenance employees as outlined in the Understanding of Policies is applicable only if the University has a signed agreement with the unions. If no agreement exists, the definition of seniority for regular Administrative, Service and Support employees will apply.

B. Retention and Accrual -- Seniority accrues from the first day of regular employment. Seniority should not impact employment decisions for regular employees until the completion of the probationary period. An employee who is laid off retains his/her seniority for a period of one year from the effective date of the layoff but does not continue to accrue seniority during the layoff leave of absence. In the event an employee who is notified of a layoff or who has been laid off transfers to another department, he/she continues to maintain seniority in the department where the layoff occurred for a period of one year from the effective date of the layoff or the transfer, whichever occurs.
first. During a work-related injury or military leave of absence, an employee continues to accrue seniority.

C. Recall -- The University shall, in its sole discretion, after a reduction in force, determine the occasion and the advisability of recall of part or all of the laid off employees. The University shall consider seniority, ability, and qualifications, as well as the nature of the jobs for which the employees will be recalled.

D. Hiring Preference -- Employees retain preferential hiring rights in the department in which they have been laid off. "Hiring preference" within a department shall mean that if laid off departmental employees meet the stated qualifications the department may only consider the laid off employee(s) and other benefit eligible employees in the same department for openings in that department. "Department" is defined as an organizational entity that has fiscal, programmatic and administrative responsibilities for employees.

E. Eligibility -- Regular Administrative, Service and Support employees who have satisfactorily completed their probationary periods are covered by this policy with the exception of executive and managerial employees.

F. Benefits -- Eligible employees with a minimum of five (5) years of continuous regular employment with the University immediately prior to layoff will be placed on a layoff leave of absence for one (1) year from the effective date of layoff. Eligible employees with less than five (5) years of continuous regular employment with the University immediately prior to layoff, will be placed on a layoff leave of absence for three (3) months from the effective date of layoff. During the layoff leave of absence, the employee would be eligible to participate in the University's benefit programs. The University will continue to pay its portion of the benefit premiums during the layoff leave of absence.

G. Service Credit -- The period of leave of absence is excluded in computing length of service under the University of Missouri Retirement, Disability, and Death Benefit Plan; however, the leave of absence does not constitute an interruption of service. A layoff leave of absence does not count toward vesting in the University of Missouri Retirement, Disability and Death Benefit Plan.

H. Effective Date -- The provisions of this rule apply with respect to layoffs of eligible Regular Administrative, Service and Support employees with an effective date of layoff of December 31, 2018 or earlier. Layoffs of Regular Administrative, Service and Support employees with an effective date of layoff of January 1, 2019 or later will be governed by Section 350.051 of these Collected Rules and Regulations.
NEW Collected Rule and Regulation - 350.051 Layoff and Transition Assistance

I. Summary

Conditions may arise that result in the reduction of the university work force, including but not limited to lack of funds, lack of work, or reorganization. This rule addresses principles and benefits involved in layoffs, including eligibility for transition assistance pay, layoff leave of absence and associated benefits. All layoffs are subject to approval by the appropriate campus, hospital or system Office of Human Resources.

II. Definition

A. Layoff is defined as the cessation of regular employment due to a reduction in force for a period of one year or more.

III. Eligibility

To be eligible for layoff leave of absence and transition assistance pay, an employee must fall within the positions described below and must satisfactorily complete all other requirements as identified in this rule, including completion of the required agreement.

A. Positions Eligible

The following types of employees may be eligible for layoff leave of absence with associated benefit coverage and transition assistance pay regardless of the funding source of their salaries, unless they are excluded as stated below.

1. Regular Administrative, Service and Support employees who have satisfactorily completed their probationary period; and
2. Employees on full-time academic staff appointments as defined in Section 310.020.A of these Collected Rules and Regulations (including Non-Tenure Track Faculty as defined in Section 310.035 of these Collected Rules and Regulations, full-time unranked non-regular faculty, and other full-time non-regular academic appointments).

B. Positions Not Eligible

The following types of employees are not eligible for layoff leave of absence or transition assistance pay. In cases of doubt, the System Chief Human Resources Officer will determine whether an employee falls within categories listed below, after consultation with campus/hospital chief human resources officers and provosts as appropriate.
1. Regular academic staff appointments as defined in Section 310.020.A.1 of these Collected Rules and Regulations (i.e., tenured and tenure-track appointments);
2. Adjunct appointments;
3. Employees on full-time academic staff appointments who have been given one year or more notice of non-renewal;
4. Benefit-eligible positions in which a principle purpose of the position is the education, training, or learning of the employee, such as fellows, interns, residents, and post-doctoral positions;
5. Non-benefit-eligible positions; and
6. Any other position determined by the System Chief Human Resources Officer not to be eligible because the nature of the appointment is not consistent with the expectation or purposes of layoff benefits.

C. Other Eligibility Requirements

1. To be eligible for a layoff leave of absence and transition assistance pay, eligible employees must submit a completed University of Missouri Layoff and Transition Assistance Agreement to the appropriate campus, hospital or system Office of Human Resources within thirty (30) calendar days after written notice of layoff.

The content and form of the University of Missouri Layoff and Transition Assistance Agreement will be approved by the System Chief Human Resources Office and the Office of the General Counsel.

2. If any of the following circumstances occur prior to or during the layoff leave of absence, the employee no longer will be eligible to receive transition assistance payments or layoff leave of absence and associated benefits coverage.

   a. Failure to submit completed University of Missouri Layoff and Transition Assistance Agreement by the established deadline;

   b. Failure to perform duties in a satisfactory manner after layoff notification through the effective date of the layoff;

   c. Receipt of Long Term Disability (LTD) benefits;

   d. Acceptance of a full-time benefit-eligible University of Missouri position;

   e. Retirement; or

   f. Death.
IV. Layoff Leave of Absence and Benefit Coverage

A. Upon layoff, an eligible employee will be placed on a layoff leave of absence. The length of layoff leave of absence is determined as follows:

1. Eligible employees with less than five (5) years of continuous regular employment with the University immediately prior to layoff, will be placed on a layoff leave of absence for three (3) months from the effective date of layoff.

2. Eligible employees with a minimum of five (5) years of continuous regular employment with the University immediately prior to layoff will be placed on a layoff leave of absence for six (6) months from the effective date of layoff.

B. During the layoff leave of absence, the eligible employee will be eligible to participate in the University's benefit programs (e.g. medical, dental, life, accidental death, and long-term disability). The University will continue to pay its portion of the benefit premiums during the layoff leave of absence.

V. Transition assistance payment

Eligible employees who are laid off will receive transition assistance pay. Eligible employees with four years of continuous benefit-eligible employment or less immediately prior to layoff will receive four (4) weeks of pay. Eligible employees with five or more years of continuous benefit-eligible employment immediately prior to layoff will receive one (1) week of pay for each year of continuous benefit-eligible employment immediately prior to layoff up to a maximum of twenty (20) weeks of pay. In no case will the transition assistance pay exceed $50,000. Transition payments may be paid in accordance with an employee’s regular pay schedule or in a lump sum payment at the discretion of the University.

VI. Continuous Employment

For purposes of calculating continuous employment under this rule, an employee who completes a nine-month academic appointment will be considered to have accrued one year of employment. Consecutive nine-month academic appointments will be considered as continuous employment. Additional summer months of employment by an employee on a nine-month academic appointment will not affect calculation of continuous employment under this rule.

VII. Seniority
A. For employees on full-time academic staff appointments and regular Administrative, Service and Support employees, other than Service and Maintenance personnel subject to a union agreement, seniority consists of continuous employment in the same department. If relative length of employment among employees is equal, the employee with the greatest length of University employment is the most senior employee.

B. For Service and Maintenance employees subject to a union agreement, see Understanding of Policies, Article VIII, and Seniority. The definition of seniority for service and maintenance employees as outlined in the Understanding of Policies is applicable only if the University has a signed agreement with the unions. If no agreement exists, the definition of seniority for regular Administrative, Service and Support employees will apply.

C. All things being equal, job security shall be commensurate with an employee's seniority. If the abilities, skills, training, and other relevant qualifications to fill existing positions are considered equivalent among affected employees, the employee with the longest seniority will be retained and the employee with the shortest seniority will be the first to be laid off. The University reserves the right in any given instance, to determine if an employee possesses the relevant qualifications such as ability, training, and skill to fill the position.

D. Seniority accrues from the first day of regular employment. Seniority should not impact employment decisions for regular employees until the completion of the probationary period. Employees laid off retain seniority accumulated to the date of layoff, for a period not to exceed six months. An employee who is laid off retains seniority for a period of six months from the effective date of the layoff but does not continue to accrue seniority during the layoff leave of absence. In the event an employee who is notified of a layoff or who has been laid off transfers to another department, the employee continues to maintain seniority in the department where the layoff occurred for a period of six months from the effective date of the layoff or the transfer, whichever occurs first. During a work-related injury or military leave of absence, an employee continues to accrue seniority.

VIII. Recall

The University shall, in its sole discretion, after a reduction in force, determine the occasion and the advisability of recall of part or all of the laid off employees. The University shall consider seniority, ability, and qualifications, as well as the nature of the jobs for which the employees will be recalled.

IX. Refilling Eliminated Position
A. Positions which are eliminated due to layoff may not be filled for a minimum of one (1) year.

B. If special circumstances occur which create good cause for the position to be filled sooner, approval must be granted by contacting the appropriate campus, hospital or system Office of Human Resources.

X. Service credit

The period of leave of absence is excluded in computing length of service under the University of Missouri Retirement, Disability, and Death Benefit Plan; however, the leave of absence does not constitute an interruption of service. A layoff leave of absence does not count toward vesting in the University of Missouri Retirement, Disability and Death Benefit Plan.

XI. Application in the Event of Discontinuance of Programs or Departments of Instruction

In the event that an employee is laid off in connection with the discontinuance of a program or a department under Section 320.150 of these Collected Rules and Regulations, the employee will:

A. Be eligible to receive transition assistance pay if the employee meets all eligibility requirements stated in this rule; and

B. Receive the leave of absence and benefits stated in Section 320.150 and will not receive layoff leave of absence or associated benefit coverage under the terms of this rule, notwithstanding any provision to the contrary.

XII. Effective date

A. The provisions of this rule will apply with respect to layoffs of eligible employees on full-time academic staff appointments with an effective layoff date of August 30, 2018 or later.

B. The provisions of this rule will apply with respect to layoffs of regular Administrative, Service and Support employees with an effective date of layoff of January 1, 2019 or later.
Amendment to Collected Rule and Regulation 340.030, Sick Leave
Summary

**Removal of 12-day family sick limit**

**Background**

With the creation of CRR 340.055, Principles for the Establishment of a Shared Leave Program, it became necessary to review certain limitations that existed in our current leave programs that could have interfered with the equitable application of the newly established Shared Leave Program.

The following are limitations or requirements from the current Sick Leave and Shared Leave CRRs:

- The current *Sick Leave CRR* contains language limiting the number of sick days (12) that can be used in a calendar year for illness of an immediate family member or Sponsored Adult Dependent.
- A component of the *Shared Leave CRR* is that all forms of paid leave must be fully exhausted before an employee can receive additional paid leave benefits from the Shared Leave pools.

Because of the limitation on the number of sick days that can be used for illness of an immediate family member or Sponsored Adult Dependent, there could be a scenario in which an employee could not exhaust their Sick Leave, thus limiting their eligibility to request additional paid leave through the newly established Shared Leave Program.

In addition to the above scenario the following also were considered:

- Currently there is no systematic way to automatically restrict an employee from using more than 12-days, which could result in inconsistent application of the policy throughout the institution.
- Removal of the limitation promotes greater work/life quality for eligible employees and their family during times of illness/injury.
- Removal of the limitation allows for employees to use all accumulated sick leave for family purposes before requesting “leave without pay”

**Recommendation**

Remove language from the Sick Leave CRR that limits the number of sick days that can be used in a calendar year for illness related to immediate family members or Sponsored Adult Dependents.
Amending Language related to care of Adoptive Child, or Foster Child, and the birth of a child

Background

There is not consistent language within the current Sick Leave CRR related to use of sick leave as it relates to birth care and adoption or foster care.

As it relates to the adoption of a child the current language states “An employee may use up to 12 days of accumulated sick leave each calendar year for the purpose of placement of an adoptive child in the employee's home or the care of that child immediately after placement.”

As it relates to the birth of a child the current language states “Disability due to pregnancy will be treated as any other illness or disability.”

Problems with the current language include:

- Currently there is no systematic way to automatically restrict an employee from using more than 12 days, which could result in inconsistent application of the policy throughout the institution.
- Removing the 12 day limit and keeping in the eligibility to use sick leave for adoption provides unlimited usage for adopting a child, but 12 weeks FMLA limit for the birth of a child.
- Removing the 12 day limit and not including eligibility to use sick leave for the adoption of a child does not provide any sick leave coverage for adopting parents.

The following principles were taken into consideration when determining the recommended changes:

- Care of a child who is adopted and the birth of a child should be consistent.
  o Placement of a foster child should also be covered.
- Limit to 480 hours, prorated by FTE, for each parent, in order to be consistent with limits under Family Medical Leave Act (FMLA)

Recommendation

Amend the current language from the Sick Leave CRR, pursuant to the red-lined version of the updated CRR, to state the following as it relates to the use of sick leave:

1. Sick leave is available for use once it is accrued, subject to appropriate supervisory approval.
2. Eligible employees may use accrued sick leave in any amount to cover absences related to:
   a. The employee’s own illness, injury, pregnancy, or preventative care; or
b. An immediate family member’s illness, injury, pregnancy or preventative care.

3. Eligible employees also may use accrued sick leave subject to limits stated below related to:
   a. The placement of an adoptive or foster child in the employee’s home or care of that child within 12 months after placement; or
   b. The care of an employee’s child within 12 months after birth.
   c. When used in these instances, the amount of accrued sick leave plus all other forms of paid leave (e.g., vacation, personal) used by an employee may not exceed 480 hours for each instance of placement and associated care of child or care of child after birth. This 480 hour limit will apply on a basis of 100% full-time equivalence (FTE) and will be reduced on a pro-rata basis for an employee working on a basis of 0.75 – 0.99 FTE. In instances where both parents are eligible employees, each will have a separate 480 hour limit.
Recommended Action: Amendment to the Collected Rules and Regulations Section
340.030, Sick Leave

It was recommended by Associate Vice President and Chief Human Resources Officer
Marsha Fischer, endorsed by President Choi, moved by Curator ________ and
seconded by Curator ________, that the following action be approved:

That Collected Rule and Regulations Section 340.030, Sick Leave, be amended as set
forth in the attached to be effective July 1, 2018.

Roll call vote of the Committee: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Phillips

The motion ________________.

Roll call vote of the Board: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.
Collected Rules and Regulations
Personnel
Chapter 340: Employee Absences

340.030 Sick Leave


A. Sick Leave

The university provides paid sick leave to eligible employees to encourage time off to care for one’s own health, and the health of immediate family members. The following sick leave applies to Accrual—Regular Administrative, Service and Support employees and certain non-regular academic employees as approved by the Chancellor and President accrue sick leave at the rate of 12 working days per year accrued over each pay period.

B. Accruals

1. Sick leave is accrued from the first day of eligible employment beginning of employment.
2. Eligible employees accrue sick leave at the rate of 12 working days per year accrued over each pay period.
2.3 Credit for sick leave accumulates during vacations, sick leave, excused absence with pay and any leave of absence without pay granted for an on-the-job injury compensable under Workers’ Compensation. Credit does not accumulate when an employee is receiving shared leave. Sick leave accruals will be available to the employee only after returning to work in regular status.

C. Using Sick Leave

1. Sick leave is available for use once it is accrued, subject to appropriate supervisory approval.
2. Eligible employees may use accrued sick leave to cover absences related to:
   a. the employee’s own illness, injury, pregnancy, or preventative care; or
   b. an immediate family member’s illness, injury, pregnancy, or preventative care.
3. Eligible employees also may use accrued sick leave subject to limits stated below to cover absences related to:

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a. the placement of an adoptive or foster child in the employee’s home or
care of that child within twelve (12) months after placement; or
b. the care of an employee’s child within twelve (12) months after birth.
c. When used in these instances, the amount of accrued sick leave plus all
other forms of paid leave (e.g., vacation, personal) used by an employee may
not exceed 480 hours for each instance of placement and associated care of
child or care of child after birth. This 480 hour limit will apply on a basis of
100% full-time equivalence and will be reduced on a pro-rata basis for an
employee working on a basis of 75 percent – 99 percent full-time equivalence.
In instances where both parents are eligible employees, each will have a 480
hour limit.

Reasonable time may be used for the purpose of medical or dental
appointment. Requests for such time off shall be made as far in advance as
possible.

An employee may use up to 12 days of accumulated sick leave each
calendar year for illness in the immediate family or Sponsored Adult
Dependent. An employee may use up to 12 days of accumulated sick leave
each calendar year for the purpose of placement of an adoptive child in the
employee’s home or the care of that child immediately after placement.

Disability due to pregnancy will be treated as any other illness or
disability.

D. Separation of Employment—Termination—

Upon separation termination of employment, employees will shall not receive
payment for any unused accumulated sick leave accrued sick leave and accruals
will be canceled.

D.E. Retirement -- Employees will receive additional creditable service in
calculating retirement benefits for all unused accumulated sick leave, subject to
the terms of the applicable retirement plan. Sick leave credit is allowed only upon
retirement, and does not apply to deferred vested benefits.
Collected Rules and Regulations

Personnel

Chapter 340: Employee Absences

340.030 Sick Leave


A. Sick Leave

The university provides paid sick leave to eligible employees to encourage time off to care for one’s own health, and the health of immediate family members. The following sick leave applies to Regular Administrative, Service and Support employees and certain non-regular academic employees as approved by the Chancellor and President

B. Accruals

1. Sick leave is accrued from the first day of eligible employment
2. Eligible employees accrue sick leave at the rate of 12 working days per year accrued over each pay period.
3. Credit for sick leave accumulates during vacations, sick leave, excused absence with pay and any leave of absence without pay granted for an on-the-job injury compensable under Workers’ Compensation. Credit does not accumulate when an employee is receiving shared leave. Sick leave accruals will be available to the employee only after returning to work in regular status.

C. Using Sick Leave

1. Sick leave is available for use once it is accrued, subject to appropriate supervisory approval.
2. Eligible employees may use accrued sick leave to cover absences related to:
   a. the employee’s own illness, injury, pregnancy, or preventative care; or
   b. an immediate family member’s illness, injury, pregnancy, or preventative care.
3. Eligible employees also may use accrued sick leave subject to limits stated below to cover absences related to:
a. the placement of an adoptive or foster child in the employee’s home or care of that child within twelve (12) months after placement; or
b. the care of an employee’s child within twelve (12) months after birth.
c. When used in these instances, the amount of accrued sick leave plus all other forms of paid leave (e.g., vacation, personal) used by an employee may not exceed 480 hours for each instance of placement and associated care of child or care of child after birth. This 480 hour limit will apply on a basis of 100% full-time equivalence and will be reduced on a pro-rata basis for an employee working on a basis of 75 percent – 99 percent full-time equivalence. In instances where both parents are eligible employees, each will have a 480 hour limit.

D. Separation of Employment—
Upon separation of employment, employees will not receive payment for any unused accumulated sick leave

E. Retirement -- Employees will receive additional creditable service in calculating retirement benefits for all unused accumulated sick leave, subject to the terms of the applicable retirement plan. Sick leave credit is allowed only upon retirement, and does not apply to deferred vested benefits.
Amendment to the Collected Rule and Regulation 340.060, Personal Days

Summary

**Background**

In May 2017 it was proposed that language limiting the use of personal days to two (2) days during the first six months probationary period be removed from CRR 340.060.

Reasons for removal of the language include:

- Currently there is no systematic way to automatically restrict an employee from using more than two personal days during the first six months probationary period, which could result in inconsistent application of the policy throughout the institution.

**Recommendation**

Amend the CRR to remove the language limiting the use of personal days to two (2) during the first six months probationary period.
Recommended Action: Amendment to the Collected Rules and Regulations Section 340.060, Personal Days

It was recommended by Associate Vice President and Chief Human Resources Officer Marsha Fischer, endorsed by President Choi, moved by Curator ________ and seconded by Curator ________, that the following action be approved:

That Collected Rules and Regulations Section 340.060, Personal Days be amended as set forth in the attached.

Roll call vote of the Committee: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Phillips

The motion ________________.

Roll call vote of the Board: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.
Collected Rules and Regulations
Personnel
Chapter 340: Employee Absences

340.060 Personal Days

Bd. Min. 7-30-82, effective 9-1-82; Bd. Min. 7-15-86; Amended 9-26-97; Amended Bd. Min. 7-17-98; Amended Bd. Min. 7-19-02; Amended Bd. Min. 9-13-13.

A. Eligible Employees -- Regular Administrative, Service and Support employees and certain non-regular academic employees as approved by the Chancellor and President will be granted four personal days each year. The year will be calculated using the employee's beginning employment date. Personal days are to be used at the employee's discretion, subject to supervisory review and approval. Personal days must be taken before the end of the anniversary year and accumulation beyond the year is not permitted.

New employees will be granted 2 personal days which may be used during their six-months probationary period, with balance to be used before the end of the first year of employment.
Collected Rules and Regulations
Personnel
Chapter 340: Employee Absences

340.060 Personal Days

Bd. Min. 7-30-82, effective 9-1-82; Bd. Min. 7-15-86; Amended 9-26-97; Amended Bd. Min. 7-17-98; Amended Bd. Min. 7-19-02; Amended Bd. Min. 9-13-13.

A. Eligible Employees -- Regular Administrative, Service and Support employees and certain non-regular academic employees as approved by the Chancellor and President will be granted four personal days each year. The year will be calculated using the employee's beginning employment date. Personal days are to be used at the employee's discretion, subject to supervisory review and approval. Personal days must be taken before the end of the anniversary year and accumulation beyond the year is not permitted.
Recommended Action - Resolution for Executive Session of the Compensation and Human Resources Committee, June 21-22, 2018

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 June 21-22, 2018, 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(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; and

- **Section 610.021(17), RSMo**, relating to matters identified in that provision, which include confidential or privileged communications between a public governmental body and its auditor.

Roll call vote of the Committee:  YES  NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Phillips

The motion ________________.

June 21-22, 2018

OPEN – C&HR – 4-1
AUDIT COMMITTEE
Status of the FY2018 Annual Audit Plan

FY2018 Audit Plan changes since the April 2018 Board of Curators meeting.

<table>
<thead>
<tr>
<th>Internal Audit Plan (includes 11 audits brought forward from the FY2017 Plan)</th>
<th>Number of Audits</th>
</tr>
</thead>
<tbody>
<tr>
<td>+Additions to Plan</td>
<td>0</td>
</tr>
<tr>
<td>-Audits Reported Canceled at the April Board Meeting</td>
<td>-6</td>
</tr>
<tr>
<td>-Recommended cancellations*</td>
<td>-24</td>
</tr>
<tr>
<td>-Moved forward to the FY2019 Internal Audit Plan</td>
<td>-15</td>
</tr>
<tr>
<td>Adjusted Total</td>
<td>30</td>
</tr>
</tbody>
</table>

*See FY2019 Risk Assessment and Internal Audit Plan for detail

Status of remaining audits brought forward from the FY2017 Audit Plan:
- Eight audits completed
- Three audits in process

Status of remaining audits (including changes noted above) in the FY2018 Audit Plan
- Seven audits completed
- Twelve audits in process
Internal Audit and Consulting Services (IACS) has completed 15 projects from the fiscal year 2018 Plan with another 15 in progress. The Annual Audit Plan is dynamic as IACS continues adapting to emerging concerns and priorities throughout the year. The table below details the completed and in progress audits.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Assurance Projects</th>
<th>Consulting Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM System</td>
<td>5</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>MU</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>MU Health</td>
<td>7</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>UMKC</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>UMSL</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19</td>
<td>11</td>
<td>30</td>
</tr>
</tbody>
</table>

**FY2018 Internal Audit Work Focuses on:**

**Safeguarding Financial Assets**

A major portion of IACS’s time in FY2018 has been, and continues to be, spent on assessing the effectiveness of safeguarding financial assets.

1. **Purchasing Card Transactions.** For five months, all Internal Audit resources were dedicated to completing desk audits of purchasing card transactions across the UM System, its four campuses and MU Health. Brown, Smith Wallace was also engaged to apply data analytics to two years of transactions. This work assisted in more accurately identifying areas of concern for further review. Results for each unit are being finalized as is an assessment of the enhanced process for managing and approving purchasing card transactions.

   No major issues of inappropriate use were identified but there is opportunity to align policies and procedures with the reality of operations. These will be part of the recommendations provided to management in the final report.

2. **Fraud Investigation Follow-Up.** Three audits were added to the FY2018 Plan as a result of a fraud investigation completed by IACS. These are in progress and will provide
leadership with assurance as to the effectiveness of safeguards to reduce the risk for misappropriation of assets or fraud.

These are:
  a. University Bank Accounts
  b. Student Bank Accounts
  c. Cash Operations

3. Vendor Master File. Management of the Vendor Master File is another safeguard against fraud when procedures designed to prevent or detect the establishment of fake vendors are implemented. This audit is currently in process.

4. Accounts Payable Audit. IACS is proposing an Accounts Payable Audit for the FY2019 Plan. This will complete a review of all major areas and processes related to safeguarding of University financial assets.

Assessing HIPAA Compliance
The University of Missouri System is a hybrid entity as defined by the Health Insurance Portability and Accountability Act (HIPAA) meaning it has some activities covered by HIPAA and others that are not. Units that engage in activities covered by HIPAA are designated as covered components.

The largest of the University’s covered components is MU Healthcare but each of the campuses as well as the System have other units that are also considered covered components. In order to provide some assurance each of these areas is complying with HIPAA, IACS began a program in FY16 to regularly evaluate some aspect of HIPAA compliance. To date those evaluations have either been in the form of an audit or a facilitated self-assessment.

A facilitated self-assessment involves the audit team working with the area to help them conduct a risk analysis (considered a threshold issue for HIPAA Security Rule compliance.) It’s done when an area knows such an analysis is needed but there are questions about how to best accomplish it. In those circumstances, it’s far more useful than an audit which would simply restate what is already known.
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Covered Component</th>
<th>Type of Engagement</th>
<th>Description of Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>MU Healthcare</td>
<td>Audit</td>
<td>Business Associate Agreements—assess the efficiency and effectiveness of the policies,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>processes and controls related to establishing and maintaining these agreements.</td>
</tr>
<tr>
<td>2017</td>
<td>MU Healthcare</td>
<td>Audit</td>
<td>Security Rule gap analysis—determine if the activities typically associated with Security Rule compliance are occurring.</td>
</tr>
<tr>
<td>2017</td>
<td>UMKC Student Health and Wellness</td>
<td>Audit</td>
<td>Security Rule compliance—ensure the risk analysis activities meet the requirements of the HIPAA Security Rule.</td>
</tr>
<tr>
<td>2018</td>
<td>Missouri S&amp;T Student Health Services</td>
<td>FacilitatedSelf-Assessment</td>
<td>Security Rule compliance—ensure the clinic has a completed risk analysis and methodology for completing future analyses.</td>
</tr>
<tr>
<td>2018</td>
<td>UM Benefits Plan</td>
<td>FacilitatedSelf-Assessment</td>
<td>Security Rule compliance—ensure the clinic has a completed risk analysis and methodology for completing future analyses.</td>
</tr>
<tr>
<td>2018</td>
<td>UMKC Dental School</td>
<td>FacilitatedSelf-Assessment</td>
<td>Security Rule compliance—ensure the clinic has a completed risk analysis and methodology for completing future analyses.</td>
</tr>
</tbody>
</table>

Operations Reviews
IACS was able to validate and/or recommended improvements to processes in the following areas:

1. College of Arts, Science and Business  Missouri S&T
2. Parking Operations MU
3. College of Human Environmental Sciences MU
4. Bookstore Inventory Process MU
5. School of Medicine HR Processes MU Health
6. Department of Medicine MU Health
7. Client Generated Construction Change Orders MU Health
8. Encryption – Desktops, Laptops, Mobile Devices MU Health
9. Higher Learning Commission Pre-accreditation Review Missouri S&T
Additional Support Provided by IACS

1. The MU Finance Division has developed FaCTS (Financial Competency Training Series), an innovative approach to educating employees about fiscal responsibilities. The Internal Audit Team is privileged to be part of this training.

2. The IACS staffs and supports the Ethics and Compliance Hotline.
Audit Completion since April 2018

Listed below are the internal audit assurance reports issued since the April 2018 meeting of the Board of Curators. An executive summary of the audits is included for your information.

The Interim Chief Audit Executive will be available to answer questions. There is a time-lag between when field work is completed and when a report is issued in order to provide appropriate time for agreed upon action plans to be written. The full audit reports are available upon request from the Office of Internal Audit and Consulting Services.

<table>
<thead>
<tr>
<th>Internal Audit Assurance Reports</th>
<th>Report Risk Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Construction Change Orders, MU Health May 2018</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2. Higher Learning Commission Pre-Accreditation Review</td>
<td>1 2 3 4 5</td>
</tr>
</tbody>
</table>

The reports include an executive summary including our assessed level of risk, as well as a summary of issues and management's action plan. The following page contains the criteria used for the assessment of risk.

In addition, the Office of Internal Audit and Consulting Services completed one consulting project and a facilitated self-assessment:

1. Risk Assessment and Audit Plan Development
2. HIPAA Security Rule Assessment: Student Health Services, Missouri S&T
Assessment of Risk:

5 **Extreme** – Very significant impact to the Institution, campus, or unit. Significantly material in terms of financial impact, external compliance violation, adverse publicity, significant or pervasive weakness in control environment, significant inefficiencies, etc. Typically requires campus and UM System administration along with Board attention to resolve.

4 **High** – Major impact to the Institution, campus, or unit. Material in terms of financial impact, external compliance violation, adverse publicity, significant or pervasive weakness in control environment, significant inefficiencies, etc. Typically requires campus and/or UM System administration to resolve.

3 **Medium** – Moderate in terms of impact to the Institution, campus, or unit. Individual instance or an aggregate of low risk items considered moderate in terms of financial impact, compliance violation, adverse publicity, weakness in control environment, efficiency, etc. Typically requires leadership attention for the selected audit area to resolve with some input from campus and/or UM System administration.

2 **Low** – Minor 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. Typically limited to leadership of the selected audit area to resolve.

1 **Negligible** – Incidental or no impact to the Institution, campus, or unit. Immaterial or no financial impact, no external compliance violation, no adverse publicity, minor inefficiencies, etc. Typically requires little or no action to resolve.
Internal Audit Summary Report  
MU Health Construction Change Orders  
May 2018

Audit Background
In late 2015, Internal Audit initiated an MU Health Construction Change Orders Audit, which was designed to evaluate change order controls, as well as the effectiveness of recent improvements made to reduce client-generated change orders for MU Health construction projects. Phase I of this two-part audit analyzed client-generated change orders initiated before the following construction improvements were implemented:

- Improved communication between MU Health and Campus Facilities, Planning and Development.
- Consistent construction managers and project managers.
- Increased education on MU Health construction process.
- MU Health staff no longer working in construction areas on side projects (contractor to complete all work prior to substantial completion).
- Performing cost studies to create budget-driven projects aligned with strategy.
- Incorporation of alternate projects.
- No longer requiring equipment purchases by end of fiscal year (June 30th).
- Engaging the right players at the right time.

Based on the analysis completed for the MU Health construction projects selected in Phase I, 88% of the “Client Revision” change orders would have been eliminated or drastically reduced if the above-mentioned improvements were in place during the life of the Phase I projects.

The second part of the audit evaluated whether the construction improvements had a positive effect on the client-generated change orders initiated during a subsequent large-scale project. Phase II, which began in April of 2018, analyzed client-generated change orders initiated throughout the Missouri Orthopaedic Institute’s (MOI) Addition and Renovation project, which was completed in August 2017.

Issues Summary
No issues were identified.

Management Action Plan Summary
No management action plans are necessary

Risk Rating Rationale
The construction improvements appeared to reduce both the number and overall cost of client-generated change orders initiated during the MOI Addition and Renovation. There are no recommendations.
Audit Background
The Missouri University of Science and Technology (Missouri S&T) is accredited through the Higher Learning Commission (HLC), a process that follows a 10-year cycle. Comprehensive evaluations are conducted twice during this cycle, and include an Assurance Review, a review of Federal Compliance Requirements, a student opinion survey, and an on-site visit by a team of HLC peer reviewers. The most recent HLC review was completed in 2009, with the University issuing its response in the 2011 Missouri S&T Assessment Progress Report. A team representing the HLC will conduct its next comprehensive evaluation of Missouri S&T in October of 2018.

In preparation for the 2018 HLC review, Missouri S&T requested Internal Audit and Consulting Services provide assurance on specific accreditation components that will be part of the 2018 review: progress made to date on the development and implementation of a program to assess graduate student learning outcomes; and the data accuracy and reliability of five key indicators, four of which are federally reported.

Issues Summary
- Missouri S&T should ensure its Graduate Learning Outcomes (GLO) program has an institutional home, and designate who will be responsible and accountable for implementing the program. Additionally, the University should consider ways to promote faculty ownership of the assessment process to help demonstrate a “culture of assessment” during the Higher Learning Commission’s 2018 accreditation review.
- The University follows very specific processes, including multiple validations, when generating and reporting key data indicators to the federal government. This data will be part of the HLC accreditation review and there is no evidence the data is unreliable. However, when the federal government changes the definitions of those key data indicators, the University should adequately document how those changes are addressed within PeopleSoft and other relevant systems, including documenting all approvals given prior to making changes, to help ensure continued data reliability when collecting and reporting institutional data.
- Providing a link to student outcome data in a more prominent location, such as the Missouri S&T home page, would ensure compliance with the HLC requirement that this information be made available to the public, and would also make it easier for the public to access this information.

Management Action Plan Summary
A position of Vice Chancellor for Research and Dean of Graduate Studies has been created and is currently being filled. Once in place, that leader will be given responsibility for ensuring the continuation of the GLO program.
A service request will be entered in the Division of IT (DoIT) service management software (currently BMC Remedy) to identify and document the change request and appropriate approvals. Prior to release of the change to production, a Change Management Request will be entered and approved according to DoIT Change Management procedures.

The Missouri S&T Office of Marketing and Communications will be engaged to provide a link to student outcome data which is prominent and easy to see on the Missouri S&T home and also on the Future Students Web Page.

**Risk Rating Rationale**
Missouri S&T can demonstrate it has implemented half of the recommendations from the 2009 HLC accreditation review related to assessing graduate learning outcomes. There is also no evidence that key data indicators, which will be part of the HLC accreditation review, are based on unreliable data.
Attached is the proposed Risk Assessment and Internal Audit Plan being presented to the Board for approval at the June 21-22, 2018 meeting. The proposed plan contains 54 Internal Audit projects for FY 2019. A brief breakdown of the projects by campus and type is included below. Additionally, 24 projects from FY 2018 are proposed to be cancelled.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Assurance Projects</th>
<th>Consulting Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM System</td>
<td>9</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>UMKC</td>
<td>6</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>MU</td>
<td>11</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>MU Health</td>
<td>11</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>UMSL</td>
<td>8</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49</strong></td>
<td><strong>5</strong></td>
<td><strong>54</strong></td>
</tr>
</tbody>
</table>
Recommended Action – Fiscal Year 2019 Risk Assessment and Internal Audit Plan, UM

It was recommended by Vice President Rapp, endorsed by President Choi, recommended by the Audit Committee, moved by Curator __________, seconded by Curator __________, that the attached Fiscal Year 2019 Risk Assessment and Internal Audit Plan be approved.

Roll call vote of Committee: YES NO
Curator Brncic
Curator Farmer
Curator Graham
Curator Snowden

Roll call vote: YES NO
Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion __________.
Internal Audit & Consulting Services

FY19 Risk Assessment and Internal Audit Plan

June 2018
Introduction

This document provides the results of the annual risk assessment for the UM System, its four campuses and MU Health and includes the fiscal year 2019 Internal Audit Plan. The objective of a risk assessment is to align internal audit resources to those processes that pose the highest risk to the System’s ability to achieve its objectives. This was a highly collaborative process facilitated by Internal Audit with assistance from the Office of Corporate Compliance for the MU Health Risk Assessment. Senior Leaders and leaders from selected support services from each campus and the health system provided their perspectives. (See Appendix A for participants by campus, MU Health and department/function).

Risk Categories Definitions

The following categories were used in developing the risk profile and internal audit plan:

Strategic Risk: Impairment to the strategic mission of the UM System, its campuses, and MU Health

Operational Risk: Impairment of the ability to carry out the operations of the UM System, its campuses and MU Health

Compliance Risk: Failure to comply with laws, regulations and policies

Reputational Risk: Damage to the public image or reputation by actions of a unit or individual connected to the UM System, its campuses and MU Health.

UM System Higher Education Risk Assessment

To focus on appropriate areas Internal Audit considered the major initiatives underway for the organization. These include the compacts (Excellence in Student Success, Research and Creative works, Engagement and Outreach, and Planning Operations and Stewardship); the administrative review; increased visibility with state leaders; increasing collaboration across the campuses; and the development of strategic plans for each campus. Four themes emerged during the risk assessment dialogues. These are:

1. Capability for Transformation
   The ability to execute on transformative issues, particularly the challenge of shifting to a more collaborative, innovative and accountable culture focused on resolving issues and moving forward.

2. Business Processes
   How inefficient processes contribute to the inability to move quickly on change initiatives. It is important to identify processes that hinder the integration of innovation. The manual nature of many work processes diverts staff time from building relationships with faculty and students so concerns can be better understood and
addressed. There was a general sense that processes across campuses were reinvented too much and moving towards a collaborative/shared model is as necessary as improving and automating the processes.

3. **Technology**
   Technology was viewed as an enabler for changing the underlying business models for educating students, conducting research and providing infrastructure to assist with collaborative efforts across campuses. Specific challenges noted to utilizing technology for change and collaboration included the need for a data analytics approach, better tools for timely reporting without manual processes to compile information, and increased automation of workflow in general.

4. **Talent**
   The ability to retain and/or attract the talent needed to position the organization for sustainable, long-term success. Specifically noted were the ability to attract and retain researchers which is important to retaining the AAU designation; and the ability to offer competitive salaries to ensure staff skill sets needed as the administrative functions are reorganized.
## FY2019 Higher Education Risk Profile

<table>
<thead>
<tr>
<th>Risk #</th>
<th>Risk Category</th>
<th>Risk Description</th>
<th>Proposed Audit/Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategic</td>
<td>Risk that the culture of decentralized operations, lack of trust and tendency to prefer the status quo will result in sub-optimal execution of transformational initiatives.</td>
<td>Assessment of progress to plan for Administrative Review recommendations</td>
</tr>
<tr>
<td>2</td>
<td>Strategic</td>
<td>Capability to fund the strategic plans currently under development.</td>
<td>None recommended</td>
</tr>
<tr>
<td>3</td>
<td>Strategic</td>
<td>Ability to impact change is challenging for those who are not the decision-makers. This results in lost opportunity to surface innovative ideas that may assist in moving the organization forward.</td>
<td>None recommended</td>
</tr>
<tr>
<td>4</td>
<td>Operational</td>
<td>Failure to have a salary structure, talent management and benefits strategy aligned with institutional priorities to ensure skill sets necessary for moving the organization forward.</td>
<td>None recommended at this time due to Administrative Review Implementation</td>
</tr>
<tr>
<td>5</td>
<td>Operational</td>
<td>Failure to align recruiting, benefits, working environment and job structure with younger workforce needs.</td>
<td>None recommended at this time due to Administrative Review Implementation</td>
</tr>
<tr>
<td>6</td>
<td>Operational</td>
<td>Infrastructure to facilitate collaborations across campuses for moving forward with organizational objectives is needed (i.e. collaboration tools such as Microsoft Teams).</td>
<td>None recommended</td>
</tr>
<tr>
<td>7</td>
<td>Operational</td>
<td>Current data analytics approach impacts the ability to raise donor dollars, compare data, track metrics, benchmark, and generally use information to make informed and timely decisions.</td>
<td>None recommended</td>
</tr>
<tr>
<td>8</td>
<td>Operational</td>
<td>Decentralization of systems leads to fragmentation, data inconsistencies and manual processes.</td>
<td>Data Management in research activities</td>
</tr>
<tr>
<td>9</td>
<td>Operational</td>
<td>Current approach to policy management results in unaligned policies at different levels of the organization, unclear guidance to users and difficulty in finding the policy/policies that apply when performing work.</td>
<td>None recommended at this time due to Administrative Review Implementation</td>
</tr>
<tr>
<td>Risk #</td>
<td>Risk Category</td>
<td>Risk Description</td>
<td>Proposed Audit/Project</td>
</tr>
<tr>
<td>--------</td>
<td>---------------</td>
<td>-----------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>10</td>
<td>Operational</td>
<td>Failure of information systems to adequately protect the critical data and infrastructure from theft, piracy, corruption, unauthorized usage, viruses, theft of service or sabotage.</td>
<td>Assessment of controls over network devices from deployment to end of service to ensure protection of information (MUHC)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>HIPAA Security Rule Compliance related to Management Requirement for Risk Analysis (various areas)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Controlled, Unclassified Information</td>
</tr>
<tr>
<td>11</td>
<td>Operational</td>
<td>Inability to recover from and continue uninterrupted operations during times of extraordinary events, systems or implementation failures.</td>
<td>IT Business Continuity</td>
</tr>
<tr>
<td>12</td>
<td>Reputational</td>
<td>Fraudulent or illegal acts by management, employees or third parties leave the organization at risk as to consequences of these actions.</td>
<td>Implementation of Fraud audits</td>
</tr>
<tr>
<td>13</td>
<td>Reputational</td>
<td>Social media strategy that positions the organization to proactively manage messages and its story with the public.</td>
<td>Assessment of social media policies/procedures and practices at all campuses</td>
</tr>
</tbody>
</table>
| 14     | Compliance    | Compliance with regulations related to:  
  - Employment regulations  
  - Philanthropy  
  - Digital Accessibility  
  - Research Grants & Contracts |  
  - Assessment of scholarship awards to compliance with donor restrictions (MU, UMKC, UMSL)  
  - Digital Accessibility Gap Analysis (MU)  
  - Effort Reporting Review (all campuses) |
<table>
<thead>
<tr>
<th>Risk #</th>
<th>Risk Category</th>
<th>Risk Description</th>
<th>Proposed Audit/Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Compliance</td>
<td>Adequate protection of intellectual property and technology transfer to avoid becoming public property when investigator publishes.</td>
<td>None recommended</td>
</tr>
<tr>
<td>16</td>
<td>Compliance</td>
<td>Increasing compliance regulations place a burden on operating units already functioning with reduced FTEs.</td>
<td>None recommended</td>
</tr>
<tr>
<td>17</td>
<td>Finance</td>
<td>Appropriate safeguarding of assets.</td>
<td>- Assessment of One Card Controls</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Two Unannounced One Card Audits</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Construction Manager at Risk – South End Zone (MU)</td>
</tr>
</tbody>
</table>

**MU Healthcare Risk Assessment**

The continuing transition of healthcare from pay for volume to value based care and population health management is a driving factor in organizations pushing to manage operations efficiently to lower cost, the need to effectively use technology and to focus on patient experience and engagement. MU Health continues to seek affiliations that contribute to its mission.

*To advance the health of all people, especially Missourians. Through exceptional clinical services, University of Missouri Health Care supports the education and research mission of the University of Missouri.*

Growth of clinical services was the consistent theme throughout the risk assessment dialogues. MU Health continues the growth of clinical services through affiliations and the ongoing success of the narrow network strategy. Leadership understands the need to balance growth with preparing the organization for value based care. To accommodate this growth, leadership and staff continue to find new and creative ways to:

- Utilize existing space
- Onboard affiliates and ensure standards of care and compliance are met
- Staff the facilities
<table>
<thead>
<tr>
<th>Risk #</th>
<th>Risk Category</th>
<th>Risk Description</th>
<th>Proposed Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strategic/Health Care Reform</td>
<td>Continued growth through affiliations and contracting directly with small business, combined with aging infrastructure, limited space and hiring challenges, particularly a low unemployment rate, could impair ability to meet all MU Health obligations.</td>
<td>None recommended</td>
</tr>
<tr>
<td>2</td>
<td>Strategic/Health Care Reform</td>
<td>With changes in reimbursement models (ACOs, bundled payments, Value Based Purchasing, Direct to Employer Risk Corridors, etc.) being able to operationalize the multitude of models in a financially and compliantly successful way.</td>
<td>None recommended</td>
</tr>
<tr>
<td>3</td>
<td>Strategic/Health Care Reform</td>
<td>Failure to perform thorough due diligence prior to executing agreements may lead to operational challenges that could have been avoided.</td>
<td>None recommended</td>
</tr>
</tbody>
</table>
| 4     | Compliance & Regulatory  | Due to complex and changing regulations within the health care industry, risk exists within the following areas:  
- Coding/Billing  
- Hospital Based versus Provider Based Clinics  
- DME – Off the shelf orthotics  
- HIPAA- Mercy Nurses Contract, Privacy & Security  
- New approach to pre-natal visits at WCH  
- Urgent Care new location- EMTALA concerns  
- Observation/Short Stay versus Inpatient  
- Oversight of controlled substances  
- Physician contracts and incentive compensation  
- High use outpatient physical therapy                                                                                                                                                                                                 | High Use Outpatient Physical Therapy  
Physician Contracts  
Physician Compensation  
Drug Diversion                                                                                               |
<p>| 5     | Compliance &amp; Regulatory  | Ongoing risks with managing the MU Health Corporate Integrity Agreement.                                                                                                                                                                                                                                                                               | Office of Corporate Compliance will cover            |</p>
<table>
<thead>
<tr>
<th>Risk #</th>
<th>Risk Category</th>
<th>Risk Description</th>
<th>Proposed Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Operations</td>
<td>An overall systemic risk when implementing IT systems is the technology and processes may not work as intended or result in loss of functionality, delays in processing payments. (Revenue Cycle software conversion).</td>
<td>Cardiology PACS System Retail Pharmacy System</td>
</tr>
<tr>
<td>7</td>
<td>Operations</td>
<td>Failure of information systems to adequately protect the critical data and infrastructure from theft, piracy, corruption, unauthorized usage, viruses, theft of service or sabotage.</td>
<td>End User Device Encryption HIPAA Security Rule Compliance</td>
</tr>
<tr>
<td>8</td>
<td>Operations</td>
<td>Adjusting established IT operations to new business models and integrating wholly-owned subsidiaries with variations to systems.</td>
<td>None recommended</td>
</tr>
<tr>
<td>9</td>
<td>Operations</td>
<td>Ability to manage commercial payer terms in physician/clinic practices is increasing in difficulty given changes to terms (bundling codes, pre-certifications) that are not done using a transparent process similar to that followed by CMS.</td>
<td>Physician clinic audit of pre-certifications for commercial payers</td>
</tr>
<tr>
<td>10</td>
<td>Operations</td>
<td>Lack of governance for data analytics to drive population health strategy, ability to impact quality measures, and other relevant initiatives requiring data-driven performance.</td>
<td>None recommended</td>
</tr>
<tr>
<td>11</td>
<td>Operations</td>
<td>Variability of processes across clinics can result in risk to the cost per case and the ability to manage population health.</td>
<td>None recommended</td>
</tr>
<tr>
<td>12</td>
<td>Operations</td>
<td>Risk that recruiting, benefits, working environment and job structure is not in alignment with younger workforce needs.</td>
<td>None recommended</td>
</tr>
<tr>
<td>13</td>
<td>Operations</td>
<td>Inventory management improvements will be critical to supporting cost controls and ensuring appropriate resourcing for all units.</td>
<td>None recommended</td>
</tr>
<tr>
<td>14</td>
<td>Operations</td>
<td>Research infrastructure investments will be necessary to meet the stated goals and initiatives to enhance research expenditures and drive collaboration between research areas and clinical units.</td>
<td>None recommended</td>
</tr>
</tbody>
</table>
Development of the Internal Audit Plan

UM System and Campuses
In developing the proposed FY2019 Internal Audit Plan for the UM System and campuses, Human Resources, Information Technology and Finance areas that will be restructuring reporting lines and approaches to work processes were not considered, except for assessing progress to plan.

Consideration was given to conducting consistent audits across all four campuses when that approach would provide useful information as to the variability and effectiveness of processes. These audits include: Controlled Unclassified Information, Scholarship Awards, Social Media, Lab Safety, and Effort Reporting for Grants.

The Office of Internal Audit & Consulting Services is in the process of hiring a Certified Fraud Examiner (CFE) who will work to establish a consistent approach to audits designed to detect misuse of funds and/or fraud. This resource will be available to management in designing monitoring routines for the same purpose. Two audits will be conducted in FY2019 related to One Card transactions. The timing and areas of these reviews will be unannounced.

Internal audits of one college/department for each campus are part of the plan. Selection of the college/department will be done with leadership input and assessment of other factors.

MU Health
The Internal Audit and Compliance Plans for MU Health were based on risks identified in the risk assessment process and through ongoing knowledge of challenges and concerns of personnel in the Office of Corporate Compliance and Internal Audit. The MU Health Executive Compliance Committee reviewed, discussed and approved the Risk Assessment and resulting Plans.
## FY2019 Proposed Internal Audit Plan

<table>
<thead>
<tr>
<th>Unit</th>
<th>Engagement</th>
<th>Engagement Description</th>
<th>Engagement Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM System</td>
<td>Administrative Review Implementation</td>
<td>Assessment of progress to plan for Administrative Review recommendations.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>IT Procurement Processes</td>
<td>Review IT procurement activities for compliance with the requirements of BPM-12004 while also determining if the requirements of the policy are an effective and efficient means of accomplishing the stated objective.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Accounts Payable</td>
<td>Assessment of Accounts Payable, with particular attention to processes connected to procurement.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>PeopleSoft Access Control</td>
<td>Assess the mechanisms for requesting, approving, granting, modifying and terminating access to PeopleSoft to ensure each user has the appropriate level of access at all times.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>IT Business Continuity Plan</td>
<td>Assessment of business continuity plan for a key IT system.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>HIPAA Security Rule Compliance</td>
<td>Facilitated self-assessment related to the Risk Analysis/Management requirement for the Wellness Program.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>One Card</td>
<td>One Card transaction reviews in two selected areas – Unannounced.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>One Card - All campuses</td>
<td>Review of controls over the One Card approval process implemented in 2017.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Management of the Ethics &amp; Compliance Hotline</td>
<td>Staff support for managing the hotline and conducting investigations.</td>
<td>Consulting</td>
</tr>
<tr>
<td></td>
<td>Risk Assessment and Audit Plan Development</td>
<td>Continue to review key enterprise risks and response plan and use as the basis for the FY 2020 Audit plan.</td>
<td>Consulting</td>
</tr>
<tr>
<td></td>
<td>Monitoring of Management Action Plan Implementation</td>
<td>Review the status of prior audit recommendations.</td>
<td>Assurance</td>
</tr>
<tr>
<td>Unit</td>
<td>Engagement</td>
<td>Engagement Description</td>
<td>Engagement Type</td>
</tr>
<tr>
<td>-----------------</td>
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<td>-----------------</td>
</tr>
<tr>
<td>UMKC</td>
<td>Scholarship Awards</td>
<td>Assessment of scholarship awards to donor restrictions.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Social Media</td>
<td>Assessment of policies and controls related to social media.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Controlled Unclassified Information</td>
<td>Assess compliance with requirements established by applicable statute/regulation for protecting information classified as Controlled Unclassified Information.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Lab Safety</td>
<td>Assessment of lab safety.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College/Department Review - TBD</td>
<td>Assessment of controls over selected finance, operations and compliance controls.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Grants Effort Reporting</td>
<td>Assess effort reporting processes related to research grants.</td>
<td>Assurance</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>Social Media</td>
<td>Assessment of policies and controls related to social media.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Controlled Unclassified Information</td>
<td>Assess compliance with requirements established by applicable statute/regulation for protecting information classified as Controlled Unclassified Information.</td>
<td>Assurance</td>
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<td></td>
<td>Lab Safety</td>
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<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Grants Effort Reporting</td>
<td>Assess effort reporting processes related to research grants.</td>
<td>Assurance</td>
</tr>
<tr>
<td>MU</td>
<td>Digital Accessibility Gap Analysis</td>
<td>Assist in developing an approach for assessing the digital accessibility gap. Area to be determined.</td>
<td>Consulting</td>
</tr>
<tr>
<td></td>
<td>Scholarship Awards</td>
<td>Assessment of scholarship awards to donor restrictions.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Construction Manager at Risk- South End Zone</td>
<td>Tracking of allowable expenses to contract.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Recreation Facility</td>
<td>Assessment of controls over selected finance, operations and compliance controls.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College/Department Review - TBD</td>
<td>Assessment of controls over selected finance, operations and compliance controls.</td>
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</tr>
<tr>
<td>Unit</td>
<td>Engagement</td>
<td>Engagement Description</td>
<td>Engagement Type</td>
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<tr>
<td>--------------------------</td>
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</tr>
<tr>
<td>MU</td>
<td>Data Management in Research Activities</td>
<td>Assess the sufficiency and effectiveness of IT security controls during each step of the research lifecycle. Area to be determined.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>HIPAA Security Rule Compliance</td>
<td>Facilitated self-assessment related to the Risk Analysis/Management requirement for the Counseling Center.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Lab Safety</td>
<td>Assessment of lab safety.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Grants Effort Reporting</td>
<td>Assess effort reporting processes related to research grants.</td>
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<tr>
<td></td>
<td>Controlled Unclassified Information</td>
<td>Assess compliance with requirements established by applicable statute/regulation for protecting information classified as Controlled Unclassified Information.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Social Media</td>
<td>Assessment of policies and controls related to social media.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Athletic Compliance Effectiveness</td>
<td>Evaluate effectiveness of compliance program and procedures in place in order to prevent and detect NCAA policy violations.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College of Agriculture, Food and Natural Resources</td>
<td>Assist CAFNR Finance staff in establishing annual reviews of research farms.</td>
<td>Consulting</td>
</tr>
<tr>
<td>MU Health</td>
<td>End User Device Encryption</td>
<td>Assessment of controls over encrypting, deploying and end of service processes for devices on the MU Health network.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>HIPAA Security Rule Compliance</td>
<td>Audit or facilitated self-assessment related to the Risk Analysis/Management requirement for either the School of Health Professionals, Thompson Center or an Affiliate to complement efforts of the MUH Information Security Officer. Specific area TBD.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Healthcare provider credentialing review</td>
<td>Assessment of process and controls for credentialing providers.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Physician Contracts</td>
<td>Review of processes to ensure compliance with regulations.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Drug Diversion</td>
<td>Assessment of the proactive diversion surveillance and monitoring processes.</td>
<td>Assurance</td>
</tr>
<tr>
<td>Unit</td>
<td>Engagement</td>
<td>Engagement Description</td>
<td>Engagement Type</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>MU Health</td>
<td>Physician Clinics</td>
<td>Pre-authorizations for commercial payer processes.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>University Physicians</td>
<td>Physician Incentive Compensation review for operational efficiencies. (Implementation September 1).</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>High Use Outpatient Physical Therapy</td>
<td>Assessment of compliance with CMS regulations for high use outpatient physical therapy consistent with OIG reviews.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Cardiology PACS System</td>
<td>Post implementation review.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Retail Pharmacy System</td>
<td>Review of financial and operational activities post-implementation.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Affiliates</td>
<td>Assessment of processes for CSA and CFMG payroll (outsourced) and tracking/calculation of benefits (MUHC HR).</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Delegation of Authority</td>
<td>Assessment of current authority structure for entering into legally binding contracts and recommendations for improvement.</td>
<td>Consulting</td>
</tr>
<tr>
<td></td>
<td>Arts &amp; Science Children's Service Fund Contracts</td>
<td>Evaluate Children's Service Fund contracts and assess compliance.</td>
<td>Assurance</td>
</tr>
<tr>
<td>UMSL</td>
<td>Campus Facilities Management</td>
<td>Review current practices and processes for managing operations and inventory.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Social Media</td>
<td>Assessment of policies and controls related to social media.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Controlled Unclassified Information</td>
<td>Assess compliance with requirements established by applicable statute/regulation for protecting information classified as Controlled Unclassified Information.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College/Department Review - TBD</td>
<td>Assessment of controls over selected finance, operations and compliance controls.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Scholarship Awards</td>
<td>Assessment of scholarship awards to donor restrictions.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Lab Safety</td>
<td>Assessment of lab safety.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>HIPAA Security Rule Compliance</td>
<td>Facilitated self-assessment related to the Risk Analysis/Management requirement for two covered components. Specific departments to be determined.</td>
<td>Assurance</td>
</tr>
</tbody>
</table>
FY2019 Proposed Internal Audit Plan Summary

Internal Audit will coordinate with each campus and MU Health as to the priority of completing the audit work. The plan will be adapted to address any emerging issues or concerns as the fiscal year progresses.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Assurance Projects</th>
<th>Consulting Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM System</td>
<td>9</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>UMKC</td>
<td>6</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>MU</td>
<td>11</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>MU Health</td>
<td>11</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>UMSL</td>
<td>8</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49</strong></td>
<td><strong>5</strong></td>
<td><strong>54</strong></td>
</tr>
</tbody>
</table>
### FY2018 Audit Plan Recommended Cancellations

The following audits/consulting engagements are recommended for cancellation.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Engagement</th>
<th>Reason for Cancellation</th>
<th>Engagement Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>UM System</td>
<td>Faculty Awards Programs (all campuses) and GCI Plans (MU &amp; S&amp;T)</td>
<td>Changes are under consideration for these programs.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Implementation Review of Secure Auth</td>
<td>Will be part of the IT Business Continuity Planning audit in FY2019 as a key system.</td>
<td>Consulting</td>
</tr>
<tr>
<td>UMKC</td>
<td>Swinney Recreation Center</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>New Model for Chargebacks to Units</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Student Billing</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Tuition Fee Framework</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td>Missouri S&amp;T</td>
<td>Campus Research Administration and Research Centers</td>
<td>Allow an opportunity for the new Vice Chancellor to have an impact.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Technology Transfer Center</td>
<td>Allow an opportunity for the new Vice Chancellor to have an impact.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College of Engineering &amp; Computing</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Chancellor’s Office</td>
<td>Discontinuing practice of leadership transition audits unless there is a reason for a review.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Graduate Student Financial Aid Administration</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td>Unit</td>
<td>Engagement</td>
<td>Reason for Cancellation</td>
<td>Engagement Type</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>MU</td>
<td>College of Education</td>
<td>Could be College selected for evaluation as part of the FY2019 Plan</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College of Arts &amp; Sciences</td>
<td>Internal Audit completed in FY2017.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>College of Agriculture, Food &amp; Natural Resources</td>
<td>Internal Audit completed in FY2017.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>IT Fee-for-Service Model Review</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Chancellor’s Office</td>
<td>Discontinuing practice of leadership transition audits unless there is a reason for a review.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Provost’s Office</td>
<td>Discontinuing practice of leadership transition audits unless there is a reason for a review.</td>
<td>Assurance</td>
</tr>
<tr>
<td>MU Health</td>
<td>Narrow Network Strategy</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Radiology PACS System</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Department of Psychiatry Financial Process Review</td>
<td>Examining processes at the department level is not effective for implementing sustainable issues.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Department of Emergency Medicine Financial Process Review</td>
<td>Examining processes at the department level is not effective for implementing sustainable issues.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Department of Child Health Financial Process Review</td>
<td>Examining processes at the department level is not effective for implementing sustainable issues.</td>
<td>Assurance</td>
</tr>
<tr>
<td>UMSL</td>
<td>Capitalization Policies &amp; Procedures</td>
<td>Not identified as a priority project for FY2019.</td>
<td>Assurance</td>
</tr>
<tr>
<td></td>
<td>Faculty Workload Policy Compliance</td>
<td>Allow an opportunity for the new Provost to have an impact</td>
<td>Consulting</td>
</tr>
</tbody>
</table>
### UM System Audit Universe

#### Administrative Units

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>President's Office</td>
</tr>
<tr>
<td>2</td>
<td>Information Systems*</td>
</tr>
<tr>
<td>3</td>
<td>Human Resources*</td>
</tr>
<tr>
<td>4</td>
<td>Finance*</td>
</tr>
<tr>
<td>5</td>
<td>General Counsel</td>
</tr>
<tr>
<td>6</td>
<td>Academic Affairs</td>
</tr>
<tr>
<td>7</td>
<td>Board of Curator's Office</td>
</tr>
<tr>
<td>8</td>
<td>Benefits (Total Rewards)*</td>
</tr>
<tr>
<td>9</td>
<td>Self-Insurance (Risk and Insurance)</td>
</tr>
<tr>
<td>10</td>
<td>Central Bank (Treasurer's Office)*</td>
</tr>
</tbody>
</table>

#### Auxiliary Units/Enterprise Like Operations

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Research Parks</td>
</tr>
<tr>
<td>12</td>
<td>MOREnet</td>
</tr>
</tbody>
</table>

*Indicates the unit has received an audit in last 5 years
# MU Audit Universe

## Academic Units
1. Ag, Food & Nat Resources*  
2. Business  
3. Education  
4. Arts & Science*  
5. Engineering*  
6. Human Environmental Sciences*  
7. School of Health Professions*  
8. Journalism*  
9. Law  
10. Library  
11. Medicine*  
12. Nursing  
13. Provost*  
14. Truman School of Public Affairs  
15. Veterinary Medicine*  
16. Research, Graduate Studies & Econ Development  
17. University Extension

## Enterprise Like Operations
28. Medical Contracted Services  
29. Adventure Club*  
30. Assessment Resources Center  
31. Research Reactor  
32. Student Health Center  
33. Vet Medicine Diagnostic Lab  
34. Vet Medicine Teaching Hospital  
35. University Physicians*

## Auxiliary Units
36. Bookstore*  
37. Other Auxiliary & Svc Ops  
38. Parking & Transportation*  
39. Housing (Residential Life)*  
40. University Centers  
41. Dining Services  
42. Independent Study Student Svcs  
43. Intensive English Program  
44. International Center  
45. Recreation Facility  
46. Television Station  
47. University Catering  
48. University Press  
49. eMINTS  
50. Intercollegiate Athletics*

## Administrative Units
18. Information & Access Tech Svcs*  
19. Campus Operations  
20. Campus Facilities  
21. Alumni & Advancement  
22. Chancellor's Office  
23. Business Services - Gen Admin  
24. Vice Chancellor for Finance  
25. Student Affairs*  
26. Marketing & Communications  
27. Enrollment Management

## Service Operations
51. Building Services  
52. Planning, Design & Construction  
53. Telecommunications  
54. AES Research Support Services  
55. Energy Management

*Indicates the unit has received an audit in last 5 years
MU Health Audit Universe

**Provider Units**
- 1 University Hospital*
- 2 Women & Children's Hospital*
- 3 Missouri Orthopedic Center
- 4 Ellis Fischel Cancer Center
- 5 Missouri Psychiatric Center
- 6 Hospital Based Clinics*
- 7 Non-Hospital Based Clinics

**Professional Services Units**
- 8 Laboratory
- 9 Radiology*
- 10 Pharmacy*
- 11 Rehabilitation Services
- 12 Cardiopulmonary
- 13 Respiratory Therapy
- 14 Mizzou Therapy Services

**Support Services**
- 15 Food/nutrition
- 16 Environmental
- 17 Plant Engineering Maintenance*
- 18 Housekeeping
- 19 Security/Parking
- 20 Engineering Services

**Administrative Units**
- 21 Public Relations
- 22 Patient Financial Services*
- 23 Human Resources*
- 24 Compliance*
- 25 Quality*
- 26 Finance*
- 27 Graduate Medical Education
- 28 Managed Care
- 29 Marketing & Planning*
- 30 Sourcing & Supply Chain
- 31 Medical Records*
- 32 Admitting/Registration/Scheduling

**Clinical Services Units**
- 33 Nursing Services
- 34 Surgical Services
- 35 Emergency Services
- 36 Women's Health
- 37 Medical Services
- 38 Pediatrics
- 39 ICU/CCU

**Affiliates**
- 40 Health Network of Missouri
- 41 Columbia Surgical Services*
- 42 Capital Region Medical Center
- 43 Columbia Family Medical Group

*Indicates the unit has received an audit in last 5 years
### UMKC Audit Universe

#### Academic Units
1. College of Arts & Sciences  
2. School of Biological Sciences  
3. **Bloch School of Management**  
4. Office of Cultural Events  
5. **School of Dentistry**  
6. **School of Education**  
7. Continuing Education & Extension  
8. School of Graduate Studies  
9. Institute for Human Dev  
10. Honors College  
11. UMKC Innovation Center  
12. School of Law  
13. Libraries  
14. **School of Medicine**  
15. Conservatory of Music & Dance  
16. **School of Nursing & Health St**  
17. Online Learning  
18. School of Pharmacy  
19. Research  
20. **School of Computing & Engineering**  
21. University College

#### Administrative Units
22. **Provost's Office**  
23. **Information Services**  
24. **Finance & Administration**  
25. **University Advancement**  
26. Chancellor's Office  
27. **Diversity Office**  
28. Human Resources  
29. **Marketing & Communications**  
30. Financial Aid  
31. **Student Affairs & Enrollment**  
32. Facilities

#### Auxiliary Units
33. **Intercollegiate Athletics**  
34. University Bookstore  
35. Printing Operations  
36. Campus Utilities  
37. **Parking**  
38. Student Housing & Dining  
39. Student Rec Center  
40. Student Auxiliaries

*Indicates the unit has received an audit in last 5 years
### Missouri S& T Audit Universe

#### Academic Units
<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>Graduate Studies*</td>
</tr>
<tr>
<td>2</td>
<td>Global &amp; Online Learning*</td>
</tr>
<tr>
<td>3</td>
<td>Undergraduate Studies</td>
</tr>
<tr>
<td>4</td>
<td>College Arts, Science &amp; Business*</td>
</tr>
<tr>
<td>5</td>
<td>College Engr &amp; Computing*</td>
</tr>
<tr>
<td>6</td>
<td>Research Centers</td>
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#### Administrative Units
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<tbody>
<tr>
<td>7</td>
<td>Provost's Office*</td>
</tr>
<tr>
<td>8</td>
<td>Info Access &amp; Tech Services</td>
</tr>
<tr>
<td>9</td>
<td>Finance &amp; Administration*</td>
</tr>
<tr>
<td>10</td>
<td>University Advancement*</td>
</tr>
<tr>
<td>11</td>
<td>Chancellor's Office*</td>
</tr>
<tr>
<td>12</td>
<td>Sponsored Programs*</td>
</tr>
<tr>
<td>13</td>
<td>Human Res, Equity &amp; Inclusion</td>
</tr>
<tr>
<td>14</td>
<td>Global &amp; Strategic Partnerships</td>
</tr>
<tr>
<td>15</td>
<td>Enrollment Management</td>
</tr>
<tr>
<td>16</td>
<td>Student Affairs History &amp; Political Science</td>
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</tbody>
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#### Auxiliary Units
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<tbody>
<tr>
<td>17</td>
<td>Student Housing &amp; Dining</td>
</tr>
<tr>
<td>18</td>
<td>Student Rec Center</td>
</tr>
<tr>
<td>19</td>
<td>University Centers</td>
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</tbody>
</table>

#### Service Operations
<p>| | |</p>
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<tbody>
<tr>
<td>20</td>
<td>Building Services</td>
</tr>
<tr>
<td>21</td>
<td>Planning, Design &amp; Construction</td>
</tr>
<tr>
<td>22</td>
<td>Telecommunications</td>
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</tbody>
</table>

*Indicates the unit has received an audit in last 5 years
UMSL Audit Universe

**Academic Units**

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>College of Arts &amp; Sciences &amp; Fine Arts*</td>
</tr>
<tr>
<td>2</td>
<td>Center for Academic Development</td>
</tr>
<tr>
<td>3</td>
<td>College of Business Admin*</td>
</tr>
<tr>
<td>4</td>
<td>Office of Int Stud &amp; Programs</td>
</tr>
<tr>
<td>5</td>
<td>College of Education</td>
</tr>
<tr>
<td>6</td>
<td>UMSL/Washington Univ. Engineer</td>
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<tr>
<td>7</td>
<td>Evening College</td>
</tr>
<tr>
<td>8</td>
<td>Graduate School &amp; Research*</td>
</tr>
<tr>
<td>9</td>
<td>Libraries</td>
</tr>
<tr>
<td>10</td>
<td>College of Nursing*</td>
</tr>
<tr>
<td>11</td>
<td>Online Education</td>
</tr>
<tr>
<td>12</td>
<td>College of Optometry*</td>
</tr>
<tr>
<td>13</td>
<td>Honors College</td>
</tr>
<tr>
<td>14</td>
<td>Office of Public Policy</td>
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<tr>
<td>15</td>
<td>School of Social Work</td>
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**Administrative Units**

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<tbody>
<tr>
<td>22</td>
<td>Student Support Services*</td>
</tr>
<tr>
<td>23</td>
<td>Chancellor</td>
</tr>
<tr>
<td>24</td>
<td>Provost Office (Academic Affairs)</td>
</tr>
<tr>
<td>25</td>
<td>University Advancement*</td>
</tr>
<tr>
<td>26</td>
<td>University Advancement Marketing</td>
</tr>
<tr>
<td>27</td>
<td>Finance &amp; Administration</td>
</tr>
<tr>
<td>28</td>
<td>Human Resources</td>
</tr>
<tr>
<td>29</td>
<td>Information Technology Services*</td>
</tr>
<tr>
<td>30</td>
<td>Institutional Safety</td>
</tr>
<tr>
<td>31</td>
<td>Performing Arts Center</td>
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**Enterprise Like Operations**

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<tbody>
<tr>
<td>32</td>
<td>Bookstore</td>
</tr>
<tr>
<td>33</td>
<td>Child Development</td>
</tr>
<tr>
<td>34</td>
<td>Multi-Purpose Building</td>
</tr>
<tr>
<td>35</td>
<td>Housing (Residential Life)</td>
</tr>
<tr>
<td>36</td>
<td>Rental Property</td>
</tr>
</tbody>
</table>

**Auxiliary Units**

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*Indicates the unit has received an audit in last 5 years.
Appendix A: Risk Assessment Participants by Campus and Function

**UM System**
1. Information Technology
2. Finance
3. Marketing/Communications
4. Diversity

**MU**
1. Leadership – Chancellor, Provost, CFO, CHRO, CIO
2. Enrollment Management (Registrar, Recruiting, Admissions, Financial Aid)
3. Finance
4. Campus Operations
5. Student Affairs/Residential Life
6. Alumni & Advancement
7. On-Line Program
8. Athletics
9. International Center
10. Extension

**UMKC**
1. Leadership – Chancellor/Provost, CFO, CHRO, CIO
2. Research
3. Advancement
4. Online Learning
5. Student Affairs
6. Financial Aid
7. Finance
8. Enrollment Management
9. Registrar
10. Athletics
11. Marketing/Communications

**Missouri S&T**
1. Leadership – Chancellor, Provost, CFO, CHRO, CIO
2. Finance
3. Online Learning/International Programs
4. Research/Sponsored Programs
5. Advancement
6. Marketing/Communications
7. Enrollment Management /Registrar
8. Student Affairs/Security/Athletics

June 21-22, 2018

OPEN – AUD – 1-26
UMSL
1. Leadership – Chancellor, Provost, CFO, CHRO, CIO
2. Research
3. Finance Division and Deans
4. International Studies and Programs
5. Night, Online and Weekend Programs
6. Advancement
7. Student Affairs
8. Registrar

MU Health
1. Office of General Counsel
2. School of Medicine Leadership
3. Pharmacy
4. Laboratory
5. Ambulatory Care
6. Operations & Facilities
7. Quality, Infection Control, Risk Management & Regulatory Affairs
8. Revenue Cycle (Patient Access, Care Coordination, Medical Records, Patient Billing, Training)
9. Human Resources
10. Business Development, Marketing & Managed Care
11. Information Technology, Privacy & Security
12. Research Compliance
13. Supply Chain
14. Finance
15. University Physicians
No. 2

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, June 21-22, 2018, be adjourned.

Roll call vote of the Committee: YES NO
Curator Brncic
Curator Farmer
Curator Graham
Curator Snowden

The motion _____________.

June 21-22, 2018
OPEN – AUD 2-1
GENERAL BUSINESS

DAY TWO
INFORMATION TECHNOLOGY ANNUAL REPORT

There are no materials for this information item.
UM SYSTEM PRESIDENT’S REPORT

There are no materials for this information item.
RESOLUTION, RESEARCH AND EXCELLENCE

There are no materials for this information item.
CRITICAL ISSUE DISCUSSION

There are no materials for this information item.
GOOD AND WELFARE OF THE BOARD

There are no materials for this information item.
No. 2

Recommended Action - Adjourn Public Session of the Board of Curators Meeting, June 21-22, 2018

It was moved by Curator _________ and seconded by Curator _________, that the public session of the Board of Curators meeting, June 21-22, 2018, be adjourned.

Roll call vote: YES NO

Curator Brncic
Curator Chatman
Curator Farmer
Curator Graham
Curator Layman
Curator Phillips
Curator Snowden
Curator Steelman
Curator Sundvold

The motion ________________.

Time: ________________________ Date: ________________________

June 21-22, 2018

OPEN – GB – 2-1