

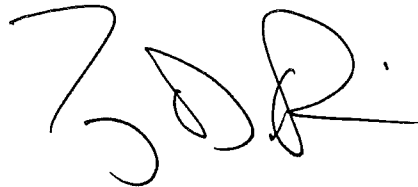
NOTICE OF MEETING
Board of Governors, Truman State University
Friday, October 10, 2014

The Board of Governors for Truman State University will hold a /meeting on Friday, October 10, 2014, beginning at 1:00 p.m. The meeting will be held in the Conference Room (3000) of the Student Union Building located on the University campus in Kirksville, Missouri, and the public is invited to attend.

The tentative agenda for the meeting is attached to this notice. Items N, O, P and Q on the attached agenda are eligible for consideration in closed session under the provisions of Section 610.010 thru 610.030 of the Revised Statutes of Missouri, commonly known as the Open Meetings Law. During the open session of the meeting, the Board of Governors will select the items of business to be conducted in closed session and will state its reasons for considering such items in closed session.

Persons with disabilities who may need assistance for the meeting should contact the President's Office at Truman State University (200 McClain Hall or by telephone 660-785-4100).

Dated this 3rd day of October, 2014.

A handwritten signature in black ink, appearing to read 'Troy D. Paino', written in a cursive style.

Troy D. Paino
President of the University

TENTATIVE AGENDA
Board of Governors, Truman State University
Friday, October 10, 2014

Monday, October 6, 2014

- 8:00 a.m. Budget and Capital Projects Committee Conference Call Meeting, President's Office, McClain Hall 200
(Governors O'Donnell, Bonner, Cozette and Plassmeyer)
- 3:30 p.m. Academic and Student Affairs Committee Conference Call Meeting, President's Office, McClain Hall 200
(Governors Haber, Kochanski, Zito and Plassmeyer)

Wednesday, October 8, 2014

- 8:00 a.m. Finance and Auditing Committee Conference Call Meeting, President's Office, McClain Hall 200
(Governors Burkemper, LaBeth, Potter and Plassmeyer)

Friday, October 10, 2014

- 8:00 a.m. Foundation Board of Directors Meeting, Conference Room, Student Union Building
(Governors Burkemper, O'Donnell and Plassmeyer)
- 11:00 a.m. Board Policy Review Committee Meeting, Room 3201, Student Union Building
(Governors Potter, Burkemper, Cozette, Haber and Plassmeyer)
- 12:00 noon Joint Boards Luncheon, Activities Room, Student Union Building
- 1:00 p.m. Open Session of Board of Governors Meeting, Conference Room, Student Union Building
- ITEM A Call to Order and Chair Report
 - ITEM B Minutes for Open Session of Meeting on August 2, 2014
 - ITEM C President's Report
 - ITEM D Academic Affairs Report
 - ITEM E Annual Enrollment Management Report
 - ITEM F Advancement/Foundation Board Report
 - ITEM G Finance and Auditing Committee Report
 - ITEM G.1 Audit Report
 - ITEM G.2 Financial Report
 - ITEM H Academic and Student Affairs Committee Report
 - ITEM I Budget and Capital Projects Committee Report
 - ITEM I.1 Construction Projects Report
 - ITEM I.2 Contracts for Construction Projects and Equipment Purchases Report
 - ITEM I.3 Architectural Services—2015 Roofing and Building Repairs Project
 - ITEM I.4 Equipment Purchase
 - ITEM I.5 Early Retirement Incentive 2015
 - ITEM J Board Policy Review Committee Report
 - ITEM J.1 Code of Policies Correction
 - ITEM K Agenda Items for Future Meetings

- ITEM L Dates for Future Meetings
- ITEM M Agenda Items for Closed Session
Closed Session of Board of Governors Meeting, Conference Room, Student Union Building
- ITEM N Minutes for Closed Session of Meeting on August 2, 2014
- ITEM O Personnel Actions Report
- ITEM P General Counsel Report
- ITEM Q Real Estate
- ITEM Q.1 Motion to Adjourn

4:45 p.m. Boards and Honorees Reception, University Residence

6:00 p.m. Alumni and Friends/Hall of Fame Celebration, Georgian Room, Student Union Building

Saturday, October 11

8:00 a.m. Boards and Special Guests Complimentary Breakfast, President's Office, McClain Hall 200

8:45 a.m. Board of Governors and Honorees transported to Homecoming Parade

9:00 a.m. Homecoming Parade

10:45 a.m. Planetarium and Multimedia Theater Ribbon-Cutting Ceremony, between Student Union and northwest corner of Magruder Hall

11:00 a.m. Bulldog Forever Tailgate Barbecue, parking lots south of Centennial Hall and west of the Pershing Building

2:00 p.m. Bulldog Football vs. William Jewell, Stokes Stadium

NOTE: Additional Homecoming activities can be found on the following page.



Truman State University

Homecoming 2014 Schedule

FRIDAY, October 10

7:15 a.m. - Noon

Truman Alumni Board of Directors Meeting—Alumni Room, SUB

10 a.m. to 4 p.m.

Alumni Center—Lower Level, SUB

10:30 - 11:20 a.m.

Classical & Modern Languages Alumni Panel—Down Under, SUB

Noon - 4:45 p.m.

Alumni Leaders Conference—Alumni Room, SUB

Noon

Women's Soccer: Truman vs. Saint Joseph's—Soccer Field

2:30 p.m.

Men's Soccer: Truman vs. Saint Joseph's—Soccer Field

6 p.m.

Alumni Celebration Banquet*(\$)—Georgian Rooms, SUB; recognition of Homecoming honorees, Hall of Fame Inductees, Golden Alumni Diploma Ceremony; \$20 adults, \$10 children

SATURDAY, October 11

8 a.m.

5K Run/Walk*(\$)—Registration opens at 7 a.m. at Barnett Hall; co-sponsored by the Truman Alumni Association, Cardinal Key, Intramural Recreational Sports & Phi Epsilon Kappa; entry fee \$10. **After September 26: \$15 . Advance registration closes October 3. Register after that date at the event.**

Alumni Center

A temporary Alumni Center is in the lower level of the Student Union Building and will serve as alumni headquarters during Homecoming.

- Pick up Truman gifts for alumni (while supplies last); limit one Truman insulated cooler bag per alumna/us
- Purchase tickets for Homecoming events
- Register for door prizes
- Buy apparel
- Leave messages for friends
- Enjoy FREE refreshments and drinks courtesy of the Truman Alumni Association

Alumni Center Hours:

Friday, October 10: 10 a.m. - 4 p.m.

Saturday, October 11: 9 - 11:30 a.m.

SATURDAY continued

8 - 9 a.m.

Complimentary Coffee, Hot Chocolate & Donuts for Alumni—Georgian Room, SUB

9 - 11:30 a.m.

Alumni Center Open—Lower Level, SUB

9 a.m.

Parade— **EAST SIDE** of Franklin Street; co-sponsored by Blue Key and the Truman Alumni Association (indoor seating available in the Georgian Room, SUB, for Golden Alumni) Please stay off grass in the boulevard medians!

10:45 a.m.

Magruder Hall Planetarium & Multimedia Theater Ribbon Cutting—near the NW corner of Magruder Hall outside the SUB

11 a.m. - 1:45 p.m.

Bulldog Homecoming Tailgate—Parking lots at SW corner of Franklin & Patterson Streets; BBQ catered by Sodexo, bring your own wine and beer — no glass, hard liquor or hard liquor products; review the Bulldog Forever Homecoming Tailgate policy online
- \$5 Lunch Ticket includes choice of burger/veggie burger; chips, drink and cookie; gluten-free buns available
- Alpha Gamma Delta Alumni Tailgate—RSVP to Paige Bergan eoagdalum@gmail.com, 913-952-3669
- Alpha Phi Omega-Epsilon Tailgate—RSVP to Matt LaPointe, mpl3156@truman.edu, 573-230-3003
- A. T. Still University Tailgate—RSVP communications@atsu.edu, 660-626-2272
- Black Alumni Tailgate—RSVP to Carol Bennett at cbennett@truman.edu, 660-785-4142

- Blue Key Honors Society Tailgate—

RSVP to Chris Melvin at jcm2662@truman.edu, 913-991-4596

- Cardinal Key Alumni Luncheon—RSVP to Liz Jorn, ljorn@truman.edu, 660-785-4462

- Catholic Newman Center—RSVP to Emma Vonder Haar & Katherine Winterowd, alumni@trumannewman.org, 314-971-8352

- Center for Student Involvement—Stop by to get your official Homecoming apparel!

- Greek Life Tailgate—RSVP to Taylor Thompson at tmt1161@truman.edu, 573-225-6407

- Lambda Chi Alpha Alumni Tailgate—RSVP to Vince LaRosa at vjl4261@truman.edu, 314-537-1504

Bulldog Homecoming Tailgate cont.

- School of Business Tailgate—RSVP to ladowell@truman.edu, 660-785-4346

- Touchdown Club—RSVP to Pat Leckrone at leck1@comcast.net, 217-519-2838

11 a.m. - 1:15 p.m.

Enjoy Lunch in a Residence Hall*(\$)—Ryle Hall, Centennial Hall, Missouri Hall; Pay at the door. \$4.90 per person; cash only

11:30 a.m. - 1:15 p.m.

Golden Alumni Class Reunion/Class of 1964 & Prior Classes*(\$)—Georgian Room, SUB; \$10/adults \$7/children; advance purchase preferred

11:30 a.m. - 1:30 p.m.

Multi-Cultural Affairs Alumni Barbecue Free meal for MAC Alumni, hosted at the MAC; also stop by their table at the Homecoming Tailgate

1:15 p.m.

Pep Rally—Bulldog Forever Homecoming Tailgate, Crowning of Royalty

1:30 p.m.

Pre-Game Activities*(\$)—Stokes Stadium

2 p.m.

Football Game Truman vs. William Jewell*(\$)—Stokes Stadium; \$8/adults, \$5/children & senior citizens FREE admission with 2014 Truman alumni chapter membership card

5:30 - 7:30 p.m.

CML Renewing Ties—The Manhattan, 108 S. Elson, light refreshments

6 p.m.

Catholic Newman Center Dinner*—Dinner for current members and alumni, \$10, RSVP

7 p.m.

NPHC Step Show—Baldwin Hall Auditorium

SUNDAY, October 12

12 p.m.

Women's Soccer: Truman vs. Indianapolis—Soccer Field

2:30 p.m.

Men's Soccer: Truman vs. Indianapolis—Soccer Field

*Tickets required or preregistration requested.

All events subject to change.

SUB = Student Union Building

For more information, call 660-785-4133, 800-452-6678 or email bulldogforever2@truman.edu

Events added online daily; truman.edu/alumni-donors/events/homecoming/



ITEM A

Call to Order and Chair Report

Susan Plassmeyer, Chair of the Board, will call the meeting to order, recognize Board members participating by phone or absent and provide a Chair Report as needed.

RECOMMENDED ACTION

This is a discussion item only.

ITEM B
Minutes for Open Session of Meeting on August 2, 2014

RECOMMENDED ACTION

BE IT RESOLVED that the minutes for the open session of the meeting on August 2, 2014, be approved.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ATTACHMENT

Minutes for Open Session of Meeting on August 2, 2014

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
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BOARD OF GOVERNORS

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OPEN SESSION
OF MEETING ON
AUGUST 2, 2014

The Board of Governors for Truman State University met on Saturday, August 2, 2014, on the University campus in Kirksville, Missouri. The meeting was held in the Conference Room of the Student Union, and the open session of the meeting was called to order shortly after 1:30 p.m. by the Chair of the Board of Governors, Susan Plassmeyer.

Participating in the meeting were five of the seven voting members: Cheryl J. Cozette, Karen Haber, Jim O'Donnell, Susan Plassmeyer and Matthew W. Potter. Sarah Burkemper and Mike LaBeth were unable to participate in the meeting due to other commitments and their absence was recorded as excused.

All three non-voting members also participated in the meeting: David Bonner and Michael A. Zito, the two out-of-state members, and Kelly Kochanski, student representative.

Call to Order and Chair Report

Susan Plassmeyer, Chair of the Board of Governors, called the meeting to order and welcomed all in attendance.

Minutes for Open Sessions of Meetings on June 14 and July 14, 2014

Matthew W. Potter moved the adoption of the following resolution:

BE IT RESOLVED that the minutes for the open sessions of the meetings on June 14 and July 14, 2014, be approved.

The motion was seconded by Jim O'Donnell and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

President's Report

Dr. Troy D. Paino, University President, shared a selected engagements report summarizing his external and internal relations activities from June 14, 2014 through August 1, 2014. He noted that much of his time over the course of the past six weeks had been spent with fundraising and alumni relations as part of the continuing quiet phase of the Pursue the Future capital campaign. As highlighted in the morning committee meetings, he noted that many individuals on campus have devoted a great deal of time to the issue of sexual assault as a result of the demands on higher education to change the way institutions respond to sexual assault cases. In addition, the campus has been busy preparing for the upcoming academic year, hiring new faculty and staff, monitoring campus construction projects, and anticipating the arrival of Dr. Sue Thomas, Executive Vice President for Academic Affairs. President Paino provided a legislative update. He reported that he continues to monitor the political situation in Jefferson City as well as the prospects for the Fiscal Year 2015 budget. Since the last Board meeting, Governor Jay Nixon withheld higher education's performance funding in anticipation of reduced state revenue after the passage of several tax cut bills in the General Assembly. The Governor's withholding amounted to a little over 5% of Truman's state appropriation or just over \$2 million, and the University responded by withholding 8% from all operating budgets and deferring major equipment purchases until after the September special session. President Paino ended his report by sharing a document for the Board's review that relates to performance indicators as follow-up to the discussion held at the June Retreat. President Paino noted that the goal of the exercise is to identify those indicators that address the challenges of the University and best reflect success and progress.

Student Affairs Report

Dr. Lou Ann Gilchrist, Dean of Student Affairs, provided a summary of the recommended changes to the Student Conduct Code.

Athletics Report: Intercollegiate Athletics—Operating by the Rules

Linda Anderson, Associate Director of Athletics for Compliance and Operations, provided an athletics report entitled Intercollegiate Athletics—Operating by the Rules. Intercollegiate athletics is a member of the National Collegiate Athletic Association DII (NCAA) and the Great Lakes Valley Conference (GLVC). Members of these two organizations create rules and regulations with the intent to provide a level playing field for their athletic teams to compete. Each compliance office is responsible for making certain their school operates by these rules, and Ms. Anderson provided a general overview on how these rules are created, implemented and regulated.

Financial Report

Judy Mullins, Comptroller, provided a review of the financial report. The report included a review as of June 30, 2014, of education and general revenues and expenditures and auxiliary systems revenues and expenditures and a review as of June 30, 2014, of the Truman State University Foundation revenues and expenditures

Budget and Capital Projects Committee Report

Jim O'Donnell, chair of the Budget and Capital Projects Committee, provided a report on the committee meeting held on the morning of August 2.

Construction Projects Report

Jim O'Donnell provided an update on construction projects which had been approved by the Board at previous meetings.

Contracts for Construction Projects and Equipment Purchases Report

Jim O'Donnell reported that one construction project totaling \$25,000 to \$100,000 had been approved since the last meeting of the Board:

<u>Project Name</u>	<u>Project Budget</u>
Miscellaneous Exterior Painting	\$34,610

Local Capital Budgets for Fiscal Year 2015

Karen Haber moved the adoption of the following resolution:

BE IT RESOLVED that the "Local State Funds Capital Budget – FY 2015" and the proposed "Auxiliary Funds Capital Budget – FY 2015" be approved and that copies of the budgets be attached to the minutes as exhibits.

The motion was seconded by Cheryl J. Cozette and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit A.

General Revenue Request for Fiscal Year 2016

Cheryl J. Cozette moved the adoption of the following resolution:

BE IT RESOLVED that the General Revenue Request for Fiscal Year 2016 be approved and ratified; and

BE IT FURTHER RESOLVED that a copy of the General Revenue Request for Fiscal Year 2016, which lists the total amount of \$101,017,218 with a State Funds Appropriations Request of \$48,897,862, be attached to the minutes as an exhibit and that the President of the University be authorized to modify this request based upon input from the staff of the Coordinating Board for Higher Education, Office of Administration, and the Legislature as appropriate.

The motion was seconded by Matthew W. Potter and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit B.

Academic and Student Affairs Committee Report

Karen Haber, chair of the Academic and Student Affairs Committee, provided a report on the committee meeting held on the morning of August 2.

Board Policy Review Committee Report

Matthew W. Potter, chair of the Board Policy Review Committee, provided a report on the committee meeting held on the morning of August 2.

Resolution Amending Chapter 7 of the Code of Policies of the Board of Governors Pertaining to Student Affairs-General

Matthew W. Potter moved the adoption of the following resolution:

BE IT RESOLVED that Chapter 7 of the Code of Policies of the Board of Governors entitled Student Affairs-General, is hereby amended by the deletion of the language shown in [*italics, underlined and enclosed by brackets*] and by the incorporation of the new language shown in **bold type and underlined**:

CHAPTER 7

STUDENT AFFAIRS – GENERAL

Sections:

- 7.020. Student Housing
- 7.030. AIDS and AIDS Related Conditions
- 7.040. Student Government

7.020. Student Housing. The policies regarding student housing are set forth in the following manner.

- 7.020.1. Freshmen to Live on Campus. All single freshman students under 21 years of age are required to live in campus housing, unless they are living with [*relatives*] **parents, grandparents or legal guardians** in the Kirksville area [*or commuting from home*]. **Exceptions to the policy may be granted by the Director of Residence Life if it is determined that such an exception would enhance the opportunity for student success.**
- 7.020.2. Coeducational Housing. The President of the University is authorized to develop and implement appropriate policies and procedures for coeducational housing with the understanding that students will be offered options on their choice of living arrangements [*including a single sex housing alternative,*] and that changes in coeducational housing, which require the alteration of physical facilities, will be implemented at a rate which is affordable to the University.
- 7.020.3. Conduct and Discipline in Residence Halls and Colleges. The President of the University, and his or her designees, are authorized to adopt, approve, or amend rules of conduct for the various units of University housing. Students are required to comply with all applicable rules and regulations for such housing, including but not limited to the rules and regulations contained [*in the Residential Living Handbook*] **on the Residence Life Online Handbook**. Violators of such rules and regulations are subject to disciplinary action and/or termination of their housing contracts by the University. The housing contracts are not leases of real property, but are merely licenses to use the designated facilities. The University reserves the right for residence hall personnel and other appropriate officials to enter student rooms for the purpose of inspection, maintenance or repair. The University further reserves the right for its appropriate officials to enter student rooms to inspect the possessions of the occupants if reasonable cause exists to believe that the students or their guests have violated University rules and regulations.
- 7.030. AIDS and AIDS Related Conditions. Current medical evidence indicates that individuals with Acquired Immune Deficiency Syndrome (AIDS), or others who are seropositive (blood tests positive) for the Human Immune Deficiency Virus (HIV), do not pose a health risk to students or employees in the University community through casual contact. Therefore, the University follows the American College Health Association recommendation that institutions should not adopt blanket policies concerning students with AIDS and AIDS related conditions. If an HIV positive person requires special accommodations or protection from communicable diseases, then the Student Health [*Clinic*] **Center** medical staff, in consultation with the **student's** attending physician, will respond to each case on an individual basis making recommendations in accordance with applicable statutes. The President of the University, and his or her designees, are authorized to establish policies, procedures, and guidelines to implement this section in accordance with the recommendations of the American College Health Association.
- 7.040. Student Government. The Student Government is the official elected governing body of the Student Association and exists to represent the long-term best interests of the Student Association in the formulation of University policy and in the fulfillment of the University's mission. It is the policy of the Board of Governors that the Student Government should feel free to approach the President of the University with its suggestions and recommendations relating to the formulation of University policy and the achievement of the mission of the University.

The motion was seconded by Karen Haber and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

Resolution Amending Chapter 11 of the Code of Polices of the Board of Governors Pertaining to Fiscal and Business Affairs – Fees and Charges

Matthew W. Potter moved the adoption of the following resolution:

BE IT RESOLVED that Chapter 11 of the Code of Policies of the Board of Governors entitled Fiscal and Business Affairs – Fees and Charges, is hereby amended by the deletion of the language shown in [*italics, underlined and enclosed by brackets*] and by the incorporation of the new language shown in **bold type and underlined**:

CHAPTER 11

FISCAL AND BUSINESS AFFAIRS - FEES AND CHARGES

Sections:

- 11.010. Enrollment Fees
- 11.020. Housing Charges
- 11.030. Other Student Fees and Charges
- 11.050. Allocation of Enrollment Fees to Student Union
- 11.060. Allocation of Housing Charges to General Budget
- 11.070. Residency for Fee Purposes
- 11.080. Waiver of Enrollment Fees for Senior Citizens
- 11.090. Faculty and Staff Discount for Enrollment Fees
- 11.100. Pro Rata Refunds of Student Fees and Charges
- 11.110. Other Refunds of Student Fees and Charges

- 11.010. Enrollment Fees. Enrollment fees for full-time students are set annually by the Board of Governors, and such fees continue in force until revised by the Board. The President of the University is authorized to establish a schedule of enrollment fees, based on the fees for full-time students, for students enrolled in other University classes and workshops, both on-campus and off-campus, including but not limited to the fees for part-time students, students enrolled on an overload basis, and students enrolled during interim or summer semesters. The President, and his or her designees, are authorized to establish policies and procedures for payments, refunds, and other administrative matters. Copies of the latest enrollment fees approved by the Board are available for review at the President's Office.
- 11.020. Housing Charges. Housing charges for major categories of room and/or board are set annually by the Board of Governors, and such charges continue in force until revised by the Board. The President of the University is authorized to establish other room and/or board charges including but not limited to room and board charges for students living in University housing during summer semesters or any other periods shorter or longer than an academic year, optional board charges for students not living in the residence halls, room and board charges for residence hall students who elect to utilize 15 meals per week or other alternate food plans agreed upon by the food service contractor and the University, and charges for rooms in the apartment buildings being used as residence hall rooms when needed for that purpose. The President, and his or her designees, are authorized to establish policies and procedures for payments, deposits, refunds, and other administrative matters. Copies of the latest housing charges approved by the Board are available for review at the President's Office.

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- 11.030. Other Student Fees and Charges. The President of the University, and his or her designees, are authorized to establish 1) supplemental fees for classes or workshops involving laboratory materials, private music lessons, travel expenses, or other additional costs, 2) parking, health clinic, and other student fees based on usage, and 3) fines and penalties for violating traffic, parking, library, and other similar rules.
- 11.050. Allocation of Fees to Student Union. The designated fee for the Student Union is the amount [*of \$40 per student for each semester*] **most recently approved by the Board of Governors**. Such amounts are allocated from the regular student fees established by the Board of Governors and are not separate fees to be paid by the students. The designated fees for the Student Union are computed on the basis of the full-time equivalent (FTE) enrollment of all students for each semester.
- [*11.060. Allocation of Housing Charges to General Budget. In order to cover the cost of instructional services to residence hall students, the residence hall charges to be paid by students are divided into two categories with \$75 for each residence hall student during each semester to be credited to educational fees income in the general operating budget and with the remainder of the residence hall charges during each semester to be credited to the system revenue fund in the auxiliary budget.*]
- 11.070. Residency for Fee Purposes. For the purpose of permitting in-state fees, Missouri residence is determined in the following manner.
- 11.070.1. Criteria. The rule adopted by the Department of Higher Education for determination of student residency, together with any amendments or substitutions of such rule subsequently adopted by the Department of Higher Education, is used to determine student residency at the University.
- 11.070.2. Application for Resident Status. Students who are classified by the University as non-residents and who believe they are entitled to resident status may seek a change in their classification by filing appropriate applications with the Registrar. The Registrar reviews each application and then notifies the student of the action on his or her application for residency status.
- 11.070.3. Appeals. A student whose application for resident status is denied by the Registrar may appeal such decision to the Vice President for Enrollment Management by filing a written request for such an appeal within two weeks after receipt of the Registrar's decision. After providing an opportunity for the student to be heard, the Vice President for Enrollment Management either affirms or denies the appeal and then notifies the student of his or her decision. A student whose appeal is denied by the Vice President for Enrollment Management may appeal such decision to the Executive Vice President for Academic Affairs by filing a written request for such an appeal within two weeks after receipt of the Vice President for Enrollment Management's decision. After providing an opportunity for the student to be heard, the Executive Vice President for Academic Affairs, or his or her designee, either affirms or denies the appeal and then notifies the student of his or her decision, which shall be final on behalf of the University.
- 11.070.4. Designees. In the event of absences or vacancies in the positions of Registrar, Vice President for Enrollment Management, or Executive Vice President for Academic Affairs, the President of the University may designate another person to act in their stead for the purpose of determining student residency.
- 11.070.5. Procedural Standards. Procedures established for the determination of student residency adhere to the guidelines set forth in the published rule and to the concepts of procedural fairness and reasonableness to the student, to the University, and to the taxpaying public of the state.

- 11.080. Waiver of Enrollment Fees for Senior Citizens. Fees for course enrollment and for admission to all social, athletic and Lyceum Series activities are waived for senior citizens who qualify for the University's fee-waiver program for senior citizens, as stated in the following guidelines.
1. Age: For purpose of the fee waiver, a Senior Citizen shall be any person 65 years of age or older as of the date of application.
 2. Extent of Waiver: The waiver shall include only regular enrollment and admission fees. Lab fees, music fees, out-of-state tuition, and activity fees shall be assessed and charged. Applicants desiring an I.D. card must pay a \$5.00 activity fee which shall cover the full semester. The fee waiver will not apply to extension courses, correspondence courses, workshops, or books and supplies.
 3. Curriculum: Senior citizens are eligible for a fee waiver in any course offered in the official University semester class schedule on a space available basis.
 4. Registration: Senior Citizens seeking a fee waiver shall apply and register for classes through procedures promulgated by the President of the University.
- 11.090. Faculty and Staff Discount for Enrollment Fees. Current officers and full-time employees of the University hired prior to September 1, 2012 are accorded a 75 percent reduction in enrollment fees for regular on-campus classes for academic credit at the University. The same reduction is accorded to spouses and children of such officers or full-time employees. The same reduction is also accorded to former full-time employees and to their spouses and children, if such former full-time employee:
- (1) is disabled and has been granted a written leave of absence from the University due to such disability, or
 - (2) has retired from the University and been granted emeritus status, or
 - (3) has retired from the University with a minimum of fifteen (15) years of service to the University, or
 - (4) has completed at least ten years full time-employment service with the University and who was employed by the University on a full-time basis at the time of his or her death.

For all new full-time employees hired after September 1, 2012, the following additional rules shall apply:

- (1) New full-time employees must be employed by the University for one year before they will be accorded a 75 percent reduction in enrollment fees for regular on-campus classes for academic credit at the University.
- (2) This same waiting period shall apply to spouses and children of such new full-time employees. The amount of the fee reduction for regular on-campus classes for academic credit at the University for spouses and children of new full-time employees shall be 75 percent.

Definitions:

--For the purpose of this policy, the term "officers" means the members of the Board of Governors and the other persons designated as officers in the bylaws of the Board of Governors, who are in office at the beginning of the applicable classes.

--The term "full-time employees" means the persons who were employed by the University prior to September 1, 2012 on a full-time basis, and who continue in such employment at the beginning of the applicable classes. Former full time employees who resume full time employment with the University subsequent to September 1, 2012 are considered "new full time employees" under this policy.

--The term "new full-time employees" means the persons who began employment with the University subsequent to September 1, 2012 on a full-time basis and who continues in such employment at the beginning of the applicable classes.

--The term "spouses" means the persons legally married to qualified officers or employees at the beginning of the applicable classes.

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--The term "children" means: (1) natural or legally adopted children under the age of twenty-five (25) at the beginning of applicable classes, or (2) step-children who are legal dependents for income tax purposes and under the age of twenty-five (25) at the beginning of the applicable classes.

--The reduction in enrollment fees is not available for other relatives of such officers and employees even though such relative may live with, be supported by, or be the legal ward of such officers or employees.

--The reduction in enrollment fees applies only to in-state enrollment fees for regularly scheduled on-campus classes and does not apply to other charges, such as out-of-state tuition, course overload charges, supplemental class fees, residence hall charges, travel costs, summer camp fees, workshop fees, academy fees, or off-campus course fees.

- 11.100. Pro Rata Refunds of Student Fees and Charges. Any student who is attending the University for the first time, whose withdrawal date is before the 60 percent point in time for the period of enrollment, and who is receiving some form of federal assistance will be eligible for a pro rata refund of student fees and charges under this section.
- 11.100.1. First Time Students. First time students include either those who have not previously attended at least one class at the University or who have received a 100 percent refund of tuition and fees, less any permitted administrative fee, under the University's refund policy for previous periods of enrollment.
- 11.100.2. Withdrawal Prior to Enrollment Period. Eligible students who withdraw from the University prior to the first day of the period of enrollment for which the students have been charged will have their tuition, fees, room, board and other charges reduced to zero. For housing and food service charges, the first day of the enrollment period includes any mandatory orientation programs. However, the University may assess [an administrative fee that may not exceed the lesser of five percent of the tuition, fees, room, board, and other charges or \$100] fees. The amount of the fee will be published [in all appropriate materials] appropriately.
- 11.100.3. Withdrawals During First 60 Percent of Enrollment Period. Eligible students who begin but then withdraw prior to 60 percent completion in time of the enrollment period will be refunded that portion of the tuition, fees, room, board, and other charges assessed the students equal to the portion of the period of enrollment for which the students have been charged that remains on the withdrawal date, rounded down to the nearest 10 percent, less any unpaid amount of a scheduled cash payment for the period of enrollment for which the students have been charged. The portion of the enrollment period that remains is calculated by dividing the number of weeks remaining in the period as of a student's withdrawal date by the total number of weeks in the enrollment period. The University may also assess [an administrative fee that will not exceed the lesser of five percent of the tuition, fees, room, board, and other charges or \$100] fees. The amount of the fee will be published [in all appropriate materials] appropriately.
- 11.100.4. Withdrawals After the First 60 Percent of Enrollment Period. Students who withdraw from the University after the 60 percent period in time described above will not receive a refund for tuition and other enrollment fees. However, housing and food service charges will be assessed only through the last day of the week in which the student withdraws. In addition, the students will forfeit their [\$50] deposits and will pay [\$60] fees for breaching their housing contracts. **The amount of these fees will be publicized appropriately.**
- 11.100.5. Other Charges. Other charges may include books and supplies issued by the University for which a student is billed. In addition, if the University specifies a separate charge for equipment that the student actually obtains, or if the University refers the student to a vendor operated by or affiliated with the University, such equipment charges will also be included. However, the University may specify in the enrollment agreement the conditions under which equipment is not returnable as long as those conditions remain consistent with applicable federal regulations.

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- 11.100.6 Date of Withdrawal. The date of withdrawal is defined as the date the student notifies the University or the date of withdrawal specified by the student, whichever is later. If the student withdraws without notifying the University, the last recorded date of class attendance as documented by the University will be the date of withdrawal. **For students who withdraw but live in University housing, room and board fees will be prorated to the date the student leaves their assigned housing or the academic withdrawal date, whichever is later.**
- 11.110. Other Refunds of Student Fees and Charges. Students not eligible for refunds under the preceding section may be eligible for refunds of student fees and charges under this section.
- 11.110.1. Tuition and Enrollment Fees. Students who withdraw from the University prior to the first day of the period of enrollment for which the students have been charged will have their tuition, fees, and other enrollment charges reduced to zero. The University may, however, retain any nonrefundable charges or deposits as long as the charges or deposits are clearly designated as nonrefundable. Students who begin but then withdraw prior to completion of the enrollment period, will be refunded tuition, fees, and other enrollment charges in the following manner:
1. The University will refund 90 percent of the charges if the student submits written notice of withdrawal between the first day of the enrollment period and the first 10 percent in time of the enrollment period;
 2. The University will refund 50 percent of the charges if the student submits written notice of withdrawal between the end of the first 10 percent in time and the end of the first 24 percent in time of the enrollment period; or
 3. The University will refund 25 percent of the charges if the student submits written notice of withdrawal between the end of the first 25 percent in time and the end of the first 50 percent in time of the enrollment period.
- The University will notify all students that notification of withdrawal from the University must be made in writing before the above calculations are applicable. The burden of establishing the withdrawal date rests with the student.
- 11.110.2. Housing Charges. The University will refund all housing rental charges, less a designated nonrefundable deposit, as long as written notification of cancellation is made prior to the publicized date that provides reasonable opportunity to make the space available to other students. Students who withdraw from the University during the contract period will have housing charges assessed only through the [last day of the week in which the students withdraw] **the date on which the students leave housing.** In addition, the students will forfeit their [\$50] deposits and will pay [\$60] fees for breaching their contract.
- 11.110.3 Board Charges. The University will refund all board charges, less designated nonrefundable deposit, as long as written notification of cancellation is made prior to the first day of the contract period. Written notification received after the first day of the contract period will result in a pro rata refund of board charges whereby food service charges will be assessed through the last day of the week in which the student withdraws. **Additional board charges may be applied for students who cancel during the contract period and use an inappropriate amount of pro-rata meals for certain meal plans.**

The motion was seconded by Cheryl J. Cozette and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

Resolution Amending Section 12.020 of the Code of Policies of the Board of Governors Pertaining to Guest Speakers

Matthew W. Potter moved the adoption of the following resolution:

BE IT RESOLVED that Section 12.020 of the Code of Policies of the Board of Governors entitled Guest Speakers, is hereby amended by the deletion of Sections 12.020.3 and 12.020.4 from the Code of Policies, said sections shown below in *[italics, enclosed in brackets and underlined]*.

12.020. Guest Speakers. The policies regarding guest speakers are set forth in the following manner.

12.020.1. Categories. Guest speakers desiring to use University facilities must fall into one of three categories:

1. Speakers invited by faculty members who are in charge of classes or workshops;
2. Speakers invited by administrative officers of the University; or
3. Speakers invited by the faculty sponsor and president of a university-chartered organization.

12.020.2. Responsibility. The person or persons extending the invitation, or who authorized the invitation, shall assume the responsibility for the speaker. Speakers invited by the faculty sponsor and president of a chartered student organization shall also be the responsibility of the membership of that chartered organization if the membership of that organization has authorized the invitation.

[12.020.3. Use of Facilities. The faculty sponsor of the chartered student organization shall make appropriate arrangements for the use of physical facilities and shall file with the Dean of Student Affairs, at least 15 days before the speech is to occur, a signed form listing whatever information is required by the administration of the University.]

12.020.4. Implementation. Implementation of this resolution may include (but shall not be restricted to):

1. Review of application by the Dean of Student Affairs, and, if he or she deems it appropriate, recommendation by a faculty advisory committee;
2. Review, on appeal, by a joint faculty-student committee appointed by the President of the University;
3. Review, on further appeal, by the President of the University; and
4. Review, on further appeal, by the Board of Governors.]

The motion was seconded by Karen Haber and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

Resolution Amending Section 16.030 of the Code of Policies of the Board of Governors Pertaining to Drug-Free and Alcohol-Free Campus

Matthew W. Potter moved the adoption of the following resolution:

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BE IT RESOLVED that Section 16.030 of the Code of Policies of the Board of Governors entitled Drug-Free and Alcohol-Free Campus, is hereby amended by the incorporation of the new language shown in **bold type and underlined**:

- 16.030. Drug-Free and Alcohol-Free Campus. The University subscribes to the Drug-Free Schools and Communities Act of 1986 and endorses the following statement of policy to prevent the use of illicit drugs and the abuse of alcohol by students and employees.
- 16.030.1. Statement of Policy. The unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited on all property owned or operated by the University, herein referred to as the University campus. The manufacture, distribution, dispensing, possession or use of intoxicating beverages is also prohibited on the University campus, except in accordance with a written policy promulgated, approved and published by the President of the University, such policy to describe the times, places and purposes for the distribution, dispensing and possession or use of intoxicating beverages on the University campus. The presence of persons under the influence of unlawful drugs or intoxicating beverages, regardless of where the use or consumption of such drugs or beverages may have occurred, is also prohibited on the University campus. Any employee who violates this policy will be subject to disciplinary action, up to and including termination of employment, and any student who violates this policy will be subject to disciplinary action, up to and including expulsion from the University. As a condition of their employment, due to the University's receipt of federal grants, employees of the University, both full-time and part-time, 1) must abide by the prohibition against controlled substances, and 2) must notify the University, no later than five days after their conviction, of any criminal drug statute conviction for a violation occurring on the campus.
- 16.030.2. Awareness Program. The President of the University is authorized and directed to establish a drug abuse and alcohol abuse awareness program, which shall inform employees and students about:
1. The dangers of drug abuse and alcohol abuse on the campus;
 2. The University's policy of maintaining a drug-free and alcohol-free campus;
 3. Any available drug counseling, alcohol counseling, rehabilitation, employee assistance, and student assistance programs; and
 4. The penalties that may be imposed on employees and students for drug abuse or alcohol abuse violations on the University campus.
- 16.030.3. Notice of Policy. Each employee of the University shall be given a copy of the foregoing Statement of Policy upon adoption of this policy, and, in future years, each person then employed by the University shall be given a copy of the Statement of Policy at the beginning of each academic year. Students of the University shall be given notice of the policy by inclusion of the Statement of Policy in the catalog and other appropriate publications. **Notice may also be provided electronically via the University's website.**
- 16.030.4. Notification of Federal Agency. The President of the University, or his or her designees, shall notify the United States Department of Education, or other appropriate

federal agency, within ten days after notice from an employee that he or she has been convicted of any criminal drug statute for a violation occurring on the campus, or within ten days after otherwise receiving notice of such conviction.

- 16.030.5. Disciplinary or Remedial Action. Within 30 days of receiving notice that an employee has been convicted of any criminal drug statute for a violation occurring on the campus, the President of the University, or his or her designees, shall 1) take appropriate disciplinary action against such employee, up to and including termination, 2) require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency, or 3) utilize a combination of such disciplinary and remedial measures. Nothing in this section is intended to prevent earlier action for violations of the Statement of Policy, and the President of the University, and his or her designees, are encouraged to act quickly in response to any suspected violations and to take appropriate action, either disciplinary or remedial, when violations are established by proper evidence. In all such cases, the guilt or innocence of the students and employees shall be determined by the normal rules of due process.
- 16.030.6. Good Faith Effort. The University shall be committed to making a good faith effort to maintain a drug-free and an alcohol-free campus.

The motion was seconded by Jim O'Donnell and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

Resolution Amending Chapter 8 of the Code of Policies of the Board of Governors Pertaining to Student Conduct Code

Karen Haber moved the adoption of the following resolution:

BE IT RESOLVED that Chapter 8 of the Code of Policies of the Board of Governors of Truman State University is hereby amended by repealing Chapter 8, entitled Student Conduct Code, in its entirety and enacting in lieu thereof a new Chapter 8, entitled Student Conduct Code, as set out in Exhibit 1, attached hereto and made a part by reference as though full set out herein.

The motion was seconded by Matthew W. Potter and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit 1.

Agenda Items for Future Meetings

The Board reviewed a list of proposed agenda items for the regular meetings during the next year.

Dates for Future Meetings

Matthew W. Potter moved the adoption of the following resolution:

BE IT RESOLVED that the next regular meeting of the Board of Governors be scheduled for Friday, October 10, 2014, on the University campus in Kirksville, Missouri, beginning at 1:00 p.m., with the understanding that the Chair may alter

the starting time and/or place for the meeting by giving due notice of such change;
and

BE IT FURTHER RESOLVED that other regular meetings of the Board during
the next year be tentatively scheduled for the following dates:

Saturday, December 6, 2014;
Saturday, February 7, 2015;
Saturday, April 11, 2015;
Saturday, June 13, 2015; and
Saturday, August 1, 2015.

The motion was seconded by Jim O'Donnell and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

Agenda Items for Closed Session

Karen Haber moved the adoption of the following resolution:

BE IT RESOLVED that this meeting be continued in closed session, with closed records and closed votes as permitted by law, for consideration of the following items as authorized by Section 610.021, Revised Statutes of Missouri:

1. Approval of minutes for the closed session of the last meeting under Subsection 14 of the statute for "Records which are protected from disclosure by law";
2. Individual personnel actions under Subsection 3 of the statute for "Hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded"; and
3. Confidential communications with the General Counsel; and
4. Purchase of real estate under Subsection 2 of the statute for "Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and

BE IT FURTHER RESOLVED that if any business not covered by the stated reasons for the closed session is raised during the closed session, then this meeting shall be reopened to the public and an announcement about a resumption of the open session shall be made in the hallway outside of the meeting room.

The motion was seconded by Cheryl J. Cozette and carried by a unanimous vote of 5 to 0. Susan Plassmeyer then declared the motion to be duly adopted.

The closed session of the meeting began shortly after 3:30 p.m.

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OPEN SESSION
OF MEETING ON
AUGUST 2, 2014

Sarah Burkemper
Secretary of the Board of Governors

I hereby certify that the foregoing minutes
were approved by the Board of Governors
on the 10th day of October, 2014.

Susan Plassmeyer
Chair of the Board of Governors

ITEM C
President's Report

DESCRIPTION AND BACKGROUND

Dr. Troy D. Paino, President of the University, will provide a report on several items of current interest.

RECOMMENDED ACTION

This is a discussion item only.

ITEM D

Academic Affairs Report

DESCRIPTION AND BACKGROUND

Dr. Sue Thomas, Executive Vice President for Academic Affairs and Provost, will be joined by students and their faculty mentors from the School of Science and Mathematics and the School of Social and Cultural Studies to provide a report on Truman's nationally recognized work in undergraduate research.

RECOMMENDED ACTION

This is a discussion item only.

ITEM E
Annual Enrollment Management Report

DESCRIPTION AND BACKGROUND

Regina Morin, Vice President for Enrollment Management, will provide the annual enrollment management report.

RECOMMENDED ACTION

This is a discussion item only

ITEM F

Advancement/Foundation Board Report

DESCRIPTION AND BACKGROUND

Mark Gambaiana, Vice President for University Advancement, will provide a report on advancement activities, the Foundation Board Meeting held earlier in the day and the “Pursue the Future” Campaign.

RECOMMENDED ACTION

This is a discussion item only



“Pursue the Future” Quiet Phase Enters Second Year

Truman State University
Board of Governors
Fall Meeting

October 10, 2014

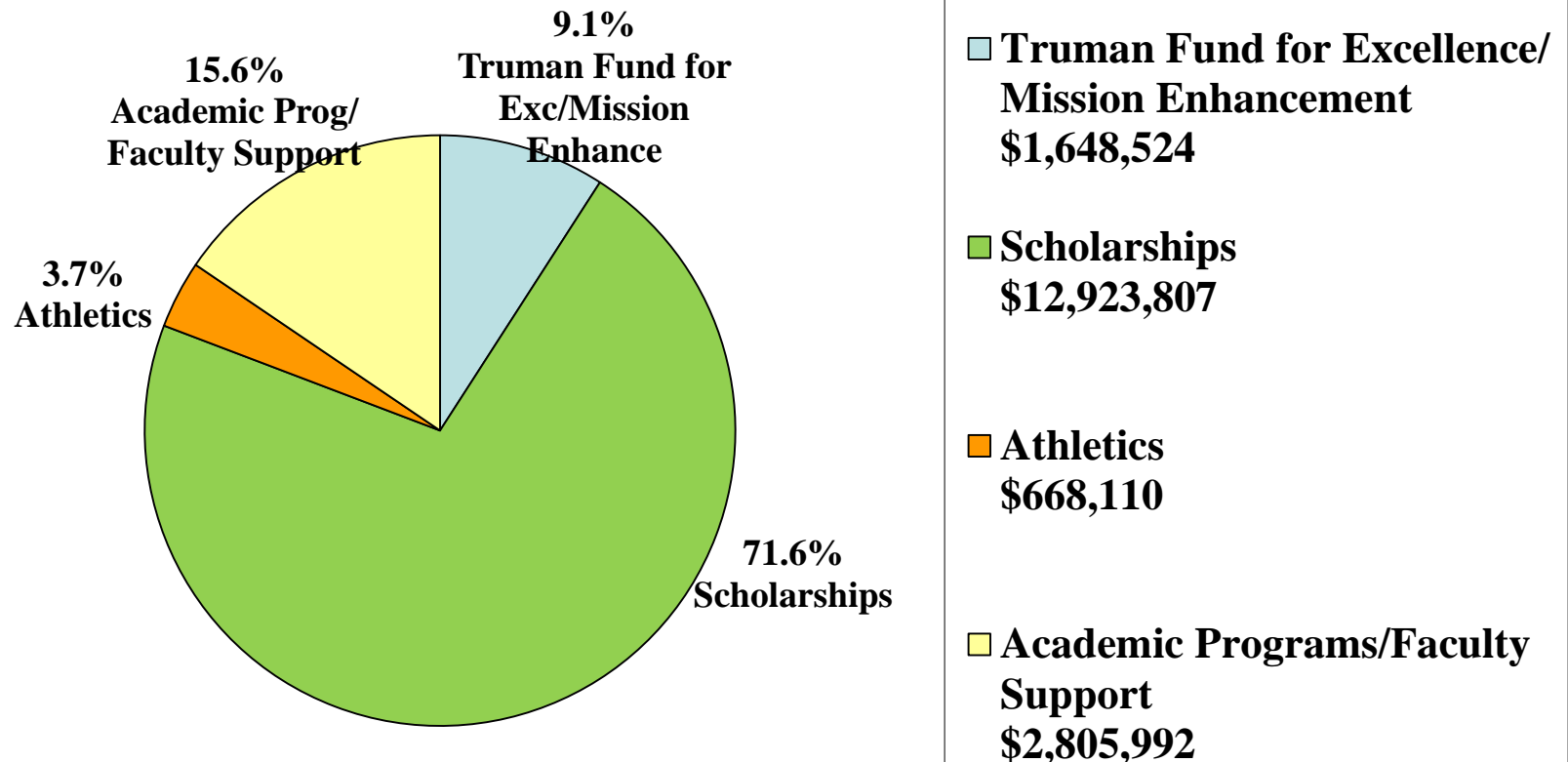


Quiet Phase Campaign Progress Report (9/24/14)



Cash	\$2,609,862
Pledges	\$1,628,821
Total Cash and Pledges	\$4,238,683
Deferred Gifts	<u>\$13,807,750</u>
Total Campaign Commitments	\$18,046,433
Percentage of Goal	45.1%

Total Support to Pursue the Future



Total: \$18,046,433

(as of September 24, 2014)

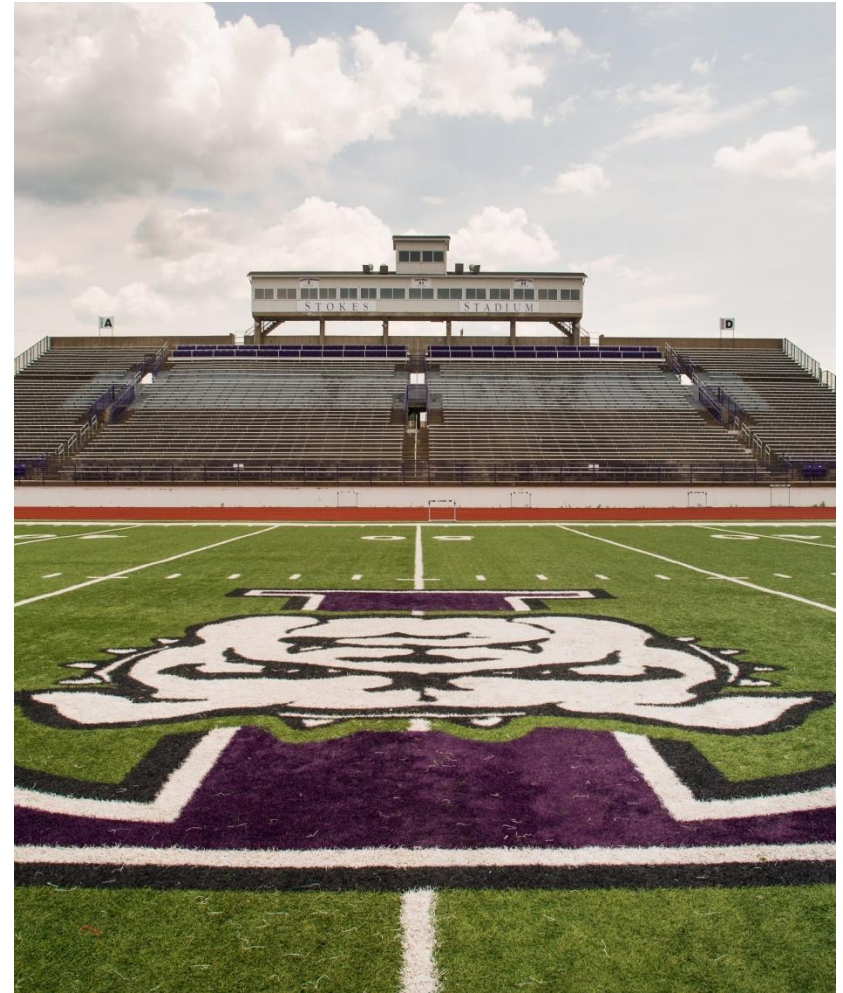


Campaign Highlights

- Fast Start to Second Year
- Scholarships Set Pace
- Proposals Pending
- Steering Team Engagement
- Public Phase Pre-Planning to Begin Soon
- New St. Louis-based Staff Member

New Gift Commitments

- Planetarium Named/Grand Opening
- McClaskey Commitment
- Press Box Funding Efforts
- Children's Literature Festival
- Shelby County Scholarship
- Boeing Funding
- Planned Gift Commitments



ITEM G**Finance and Auditing Committee Report****DESCRIPTION AND BACKGROUND**

Sarah Burkemper, chair of the Finance and Auditing Committee, will provide a report on the committee meeting held on October 8.

RECOMMENDED ACTION

This is a discussion item only.

ITEM G.1
Audit Report

DESCRIPTION AND BACKGROUND

Representatives of RubinBrown LLP accounting firm will be present to review a draft of the annual audit of the University.

RECOMMENDED ACTION

This is a discussion item only

ATTACHMENT

Audit Report



Presentation of the Results of the Annual Audit
Truman State University

For The Year Ended June 30, 2014





Truman State University

Board of Governors, Audit Committee and
Members of Management
Truman State University

We have audited the basic financial statements of Truman State University (the University) for the year ended June 30, 2014. Our audit was performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement and presented in accordance with accounting principles generally accepted in the United States of America. Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. We also evaluated the appropriateness of accounting policies used by the University and the reasonableness of significant accounting estimates made by the University's management, as well as evaluated the overall presentation of the financial statements.

Auditing standards require the auditor to ensure that those charged with corporate governance receive additional information regarding the scope and results of the audit that may assist the governing body in overseeing the financial reporting and disclosure process for which management is responsible. The following section describes matters which are required to be reported to you.

This information is intended solely for the use of the Board of Governors, Audit Committee and management of the University and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

*



Auditor Communications

Truman State University

AREA	COMMENTS
<p>Auditors' Responsibility Under U.S. Generally Accepted Auditing Standards, Government Auditing Standards and OMB Circular A-133</p> <p>Our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with our assistance are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and that the University complied in all material respects with the applicable compliance requirements of its major federal programs. Our audit of the financial statements and compliance does not relieve you or management of responsibility for the accuracy of the financial statements or compliance with applicable compliance requirements.</p> <p>Professional standards also require that we obtain a significant understanding of the University's internal control to plan the audit. However such understanding is required for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. Accordingly, we express no such assurance.</p>	<p>We will issue the following:</p> <ul style="list-style-type: none">➤ An unmodified opinion on the University's financial statements for the year ended June 30, 2014.➤ A report on compliance and on internal control over financial reporting based on an audit of the financial statements in accordance with <i>Government Auditing Standards</i>. <p>It is anticipated the following single audit report will be issued:</p> <ul style="list-style-type: none">➤ An unmodified opinion on compliance and our report on internal controls over federal financial assistance in accordance with OMB Circular A-133.



Auditor Communications (Continued)

Truman State University

AREA	COMMENTS
<p>Other Information In Documents Containing Audited Financial Statements</p>	<ul style="list-style-type: none"> ↔ The 2014 audited financial statements of the University will be included in the financial statements of the State of Missouri. To our knowledge, the 2014 audited financial statements are not included within any other document. ↔ Management's discussion and analysis: <ul style="list-style-type: none"> ⌘ We applied certain limited procedures in accordance with auditing standards generally accepted in the United States of America. ⌘ We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to do so.
<p>Planned Scope And Timing Of The Audit</p>	<p>We performed the audit according to the planned scope and timing previously communicated to management and the Audit Committee on June 14, 2014, in our meeting regarding the nature, timing and extent of our audit procedures.</p>



Auditor Communications (Continued)

Truman State University

AREA	COMMENTS
<p>Qualitative Aspects Of Accounting Practices</p> <p>Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about appropriateness of accounting policies and their application.</p>	<ul style="list-style-type: none">➤ Significant accounting policies are described in Note 1 to the financial statements.➤ No new accounting policies that had a material or significant impact on the financial statements were adopted and the application of existing policies was not changed.➤ We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus.➤ No significant transactions have been recognized in a different period than when the transactions occurred.



Auditor Communications (Continued)

Truman State University

AREA	COMMENTS
<p>Management Judgments And Accounting Estimates</p> <p>The preparation of the financial statements requires the use of accounting estimates. Certain estimates are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from management's expectations.</p>	<p>The most notable estimates affecting the financial statements are:</p> <ul style="list-style-type: none">❖ Depreciable lives used to calculate depreciation of buildings and equipment. Management's estimate of depreciable lives is based on the assets' estimated useful lives.❖ Allowance for uncollectible loans and student accounts receivable: Management has derived an estimated amount of loans and student accounts receivable that will not be collected in the future, utilizing a historical collection percentage.❖ Accrued post-employment benefits: Management estimates the future liability for post-employment benefits based upon a projection of future health insurance costs for eligible retirees participating in the program, discounted to present value.❖ Self-insurance accrual: Management estimates the future liability for incurred but not reported insurance claims. <p>We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.</p>



Auditor Communications (Continued)

Truman State University

AREA	COMMENTS
<p>Financial Statement Disclosures</p> <p>The disclosures are neutral, consistent and clear. Certain disclosures are particularly sensitive because of their significance to the financial statements' users.</p>	<p>The most sensitive disclosures affecting the financial statements are:</p> <ul style="list-style-type: none">• Deposits and investments• Long-term liabilities
<p>Difficulties Encountered In Performing The Audit</p>	<p>There were no difficulties encountered in dealing with management related to the performance of the audit.</p>
<p>Corrected And Uncorrected Misstatements</p>	<p>We accumulated several reclassification entries, which did not have an impact on the change in net assets. Management agreed with us and recorded these entries.</p> <p>During our audit procedures, we did not accumulate any other corrected or uncorrected misstatements.</p>
<p>Disagreements With Management</p>	<p>We are pleased to report that there were no such disagreements that were encountered during the audit.</p>



Auditor Communications (Continued)

Truman State University

AREA	COMMENTS
Management Representations	We requested certain representations from management that are included in the management representation letter.
Management Consultations With Other Independent Accountants	None
Other Audit Findings Or Issues	There were no matters of significant discussion that affected our retention as the University's auditors.



Opportunities For Improvement

Truman State University

RECOMMENDATION	MANAGEMENT'S RESPONSE
<p>Develop a periodic internal review (performed by non HR or Payroll staff) of payroll activity to ensure that established internal controls are operating effectively. Areas of focus could include:</p> <ul style="list-style-type: none"> •Compliance with time card and hourly reporting for student workers •Search for duplicate payments •Validation for approved rate of pay •Verification of benefit elections and elective deferrals 	<p>Payroll will be reviewed by an area outside Payroll/Human Resources this November. Plans are for an annual review of the area focusing on controls and processes. The University will also expand this process to other business office areas.</p>
<p>Review administration of Perkins loan program and establish a process to ensure that the loan funds are utilized to the fullest potential. Cash balance in the fund amounted to approximately \$1M at June 30, 2014.</p>	<p>Representatives from the business office and financial aid office met in April 2014 and established a Perkins loan amount of \$800,000 for FY15 based on estimated cash flow of payments, disbursements and cancellations in the fund. For the future, the business office will meet quarterly with representatives from the financial aid office to update amounts available to loan.</p>
<p>During the current year, we noted an instance that a IT system user (employee) had access to edit information in the system that should have been prohibited by the individual's established user profile. The University has subsequently addressed this access issue. We recommend that the University review the established user rights and profiles, and perform a scan of information accessed during the known period to which the control was not operating effectively to determine if information was incorrectly accessed and/or adjusted.</p>	<p>The University's Information and Applications Steering Committee will complete a university wide review of Banner software users with access to add/update entities, paying special attention to internal control issues. This review will be done annually beginning in September of this year. A scan will also be performed to identify information that might have been incorrectly accessed and/or adjusted for the FY14 year and future scans will be planned on an ongoing basis.</p>



Ratio Analysis

Truman State University

	Truman State University And Foundation			Recommended
	2014	2013	2012	Threshold*
Primary Reserve Ratio Expendable net assets compared to total expenses	0.73	0.71	0.71	0.40
Viability Ratio Expendable net assets compared to plant related debt	1.36	1.21	1.18	≥ 1.0

* The ratios and recommended thresholds above are taken from the publication *Strategic Financial Analysis for Higher Education, Seventh Edition* by Phil Tahey, Ron Salluzzo, Fred Prager, Lou Mezzina and Chris Cowen. This publication recommends several ratios that universities should use to evaluate their financial performance.

See the accompanying independent auditors' report on additional information.



Emerging Financial Reporting Requirements

Truman State University

- ❖ GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*
 - ❖ **Most rating agencies have already factored this into their analysis for Public Institutions of Higher Education**
 - ❖ Under this statement, an employer will recognize a net pension liability equal to its total pension liability, net of plan net position restricted for pension (i.e., unfunded amount)
 - ❖ Effective for periods beginning after June 15, 2014 (July 1, 2014). Statement is retroactive, therefore prior periods presented will be restated
 - ❖ Management of the University has a meeting scheduled with representatives from MOSERS on October 20 to discuss the impact and implementation of this new accounting standard.



Independent Auditors' Report On Additional Information

Truman State University

Board of Governors, Audit Committee and Management
Truman State University
Kirksville, Missouri

Our report on our audit of the basic financial statements of Truman State University (the University) for June 30, 2014, appears in the financial statements of the University. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information contained herein is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*

TRUMAN STATE UNIVERSITY
A COMPONENT UNIT OF THE
STATE OF MISSOURI
FINANCIAL STATEMENTS
JUNE 30, 2014

DRAFT FOR
DISCUSSION PURPOSES
ONLY



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Independent Auditors' Report

Board of Governors and Audit Committee
Truman State University
Kirksville, Missouri

Report On The Financial Statements

We have audited the accompanying financial statements of the business-type activities of Truman State University (the University), a component unit of the State of Missouri, as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Truman State University as of June 30, 2014 and 2013, and its changes in financial position and cash flows thereof and for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated *_____, on our consideration of the University's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

* _____

TRUMAN STATE UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Truman State University (the University) annual financial report presents management's discussion and analysis of the financial condition and performance of the University during the fiscal years ended June 30, 2014, 2013 and 2012. This discussion should be read in conjunction with the accompanying financial statements and footnotes. The financial statements, footnotes and this discussion are the responsibility of University management.

Using The Annual Financial Statement

This annual report consists of financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statements No. 35, *Basic Financial Statements and Management Discussion and Analysis for Public Colleges and Universities*. The financial statements prescribed by GASB Statement No. 35 (the statement of net position, statement of revenues, expenses, and changes in net position and the statement of cash flows) are prepared under the accrual basis of accounting, whereby revenues, and assets are recognized when the service is provided and expense and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

About The University

The University was established in 1867 and is governed by a ten-member Board of Governors. The University is Missouri's only public highly selective institution. It was designated as the statewide liberal arts and sciences institution in 1986 and offers undergraduate and graduate degree programs, minors, and several additional areas of specialization within academic departments.

In the Fall of 2014, the University enrolled 6,248 students. The primary mission of the institution is undergraduate education, and the enrollment data reflects this mission.

	2014	2013	2012
Undergraduate	5,910	5,898	5,872
Graduate	338	327	365
	<u>6,248</u>	<u>6,225</u>	<u>6,237</u>

Most students enrolled at the University are full-time, degree-seeking undergraduates who live in residence halls or in the Kirksville community.

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (*Continued*)

The University has a diverse student body with the majority from Missouri. The remaining students come from 41 states (including Missouri) and 50 foreign countries. Approximately 6.4% of the students are international students, and the enrollment also includes 10.9% from minorities including African-American, Hispanic, American Indian, and Asian American.

Key ratios include the following:

Student/Faculty Ratio	16:1
Graduate and Professional School Placement Rate	56%

These indicators help demonstrate that the University is focusing resources on activities which enhance student learning.

Statements Of Net Position

The statement of net position includes all assets and liabilities of Truman State University and Truman State University Foundation (the Foundation). The difference between total assets and total liabilities, or net position, is one indicator of the current financial condition of the University, while the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year when considered with nonfinancial facts such as enrollment levels and condition of the facilities.

Nonexpendable restricted net position is subject to externally imposed stipulations that may be maintained permanently by the University. Expendable restricted net position is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to the stipulations or that expire by the passage of time. The category of unrestricted net position is not subject to externally imposed stipulations. They may be designated by specific purposes by action of management or the Board of Governors, or may be limited by contractual agreements with outside parties.

TRUMAN STATE UNIVERSITYManagement's Discussion And Analysis (*Continued*)**Condensed Statements Of Net Position
As Of June 30, 2014, 2013 And 2012**

	2014	2013	2012
Assets			
Current Assets	\$ 18,516,221	\$ 25,950,378	\$ 74,309,857
Noncurrent Assets	306,359,374	297,429,443	245,637,453
Total Assets	<u>324,875,595</u>	<u>323,379,821</u>	<u>319,947,310</u>
Liabilities			
Current Liabilities	13,563,361	15,462,868	13,840,951
Noncurrent Liabilities	55,141,816	56,909,083	60,232,943
Total Liabilities	<u>68,705,177</u>	<u>72,371,451</u>	<u>74,073,894</u>
Net Position			
Net investment in capital assets	154,180,473	154,321,294	150,310,014
Restricted, expendable	24,044,450	19,671,316	18,337,579
Restricted, nonexpendable	26,532,513	25,465,435	24,183,783
Unrestricted	51,412,982	51,550,325	53,042,040
Total Net Position	<u>\$ 256,170,418</u>	<u>\$ 251,008,370</u>	<u>\$ 245,873,416</u>

At June 30, 2014, 2013 and 2012, the University's current assets of \$18.5 million, \$25.9 million and \$74.3 million, respectively, were sufficient to cover current liabilities of \$13.6 million, \$15.5 million and \$13.8 million, respectively. Noncurrent assets include capital assets of \$209.4 million at June 30, 2014, \$212.7 million at June 30, 2013 and \$211.2 million at June 30, 2012. See Note 4 for a recap of the capital asset activity.

University liabilities total \$68.7 million, \$72.4 million and \$74.1 million at June 30, 2014, 2013 and 2012, respectively, with noncurrent liabilities of \$55.1 million, \$56.9 million and \$60.2 million, respectively, consisting of revenue bonds payable as the largest liability. See Note 5 for a recap of the long-term debt activity.

Net position increased by \$5.2 million from 2014 compared to 2013 and \$5.1 million from 2013 compared to 2012.

TRUMAN STATE UNIVERSITYManagement's Discussion And Analysis (*Continued*)**Condensed Statements Of Revenues, Expenses, And Changes In Net Position
For The Years Ended June 30, 2014, 2013 And 2012**

The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A public university's dependency on state aid and gifts could result in operating deficits because the financial reporting model classifies state appropriations and gifts as nonoperating revenues. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

	2014	2013	2012
Total Operating Revenues	\$ 55,982,974	\$ 56,511,604	\$ 54,809,603
Total Operating Expenses	100,638,937	97,948,498	98,665,066
Operating Loss	(44,655,963)	(41,436,894)	(43,855,463)
Net Nonoperating Revenues	48,823,821	45,576,307	42,875,493
Income (loss) before other revenues, expenses, gains and losses	4,167,858	4,139,413	(979,970)
Additions to permanent endowments	994,190	995,541	1,881,599
Total Increase In Net Position	\$ 5,162,048	\$ 5,134,954	\$ 901,629
Operating Revenues			
Tuition and fees, net	\$ 27,675,006	\$ 28,015,354	\$ 26,792,968
Federal, state grants and private contracts and grants	2,917,804	2,511,910	2,694,014
Auxiliary enterprises, net	22,652,440	23,617,093	23,004,736
Sales and services of educational activities and other	2,737,724	2,367,247	2,317,885
	\$ 55,982,974	\$ 56,511,604	\$ 54,809,603
Nonoperating Revenues			
State appropriations	\$ 38,542,055	\$ 38,722,022	\$ 38,733,033
Investment income	6,785,082	3,874,492	852,552
Grants, contributions and other	5,909,176	5,976,098	6,181,185
	\$ 51,236,313	\$ 48,572,612	\$ 45,766,770
Nonoperating Expenses			
Change in value of annuity and trust obligations	\$ 46,436	\$ 51,334	\$ 42,999
Interest on capital asset related debt	2,366,056	2,944,971	2,848,278
Other	—	—	—
	\$ 2,412,492	\$ 2,996,305	\$ 2,891,277

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (Continued)

	2014	2013	2012
Operating Expenses			
Salaries and wages	\$ 45,270,801	\$ 45,042,155	\$ 44,437,141
Fringe benefits	15,192,120	13,877,874	14,737,606
Supplies and other services	15,651,430	15,572,324	15,919,112
Scholarship and fellowships	524,585	655,271	636,494
Depreciation	10,974,259	10,981,858	11,363,766
Utilities	4,784,069	4,423,995	4,143,601
Other	8,241,673	7,395,021	7,427,346
	<u>\$ 100,638,937</u>	<u>\$ 97,948,498</u>	<u>\$ 98,665,066</u>

Comparisons 2014 To 2013

The most significant sources of revenue for the University were state appropriations at \$38.5 million in 2014 compared to \$38.7 million in 2013; student tuition and fees totaling \$27.7 million in 2014 compared to \$28.0 million in 2013; and auxiliary services totaling \$22.7 million in 2014 compared to \$23.6 million in 2013.

Operating expenses totaled \$100.6 million in 2014 compared to \$97.9 million in 2013 with salaries and wages up 0.5%, fringe benefits up 9.5%, supplies and other services up 0.5%, scholarships down 19.9%, depreciation remaining flat, utilities up 8.1%, and other expenses up 11.5%.

Comparisons 2013 To 2012

The most significant sources of revenue for the University were state appropriations at \$38.7 million in 2013 and 2012; student tuition and fees totaling \$28.0 million in 2013 compared to \$26.8 million in 2012; and auxiliary services totaling \$23.6 million in 2013 compared to \$23.0 million in 2012.

Operating expenses totaled \$97.9 million in 2013 compared to \$98.7 million in 2012 with salaries and wages up 1.4%, fringe benefits down 5.8%, supplies and other services down 2.2%, scholarships up 3.0%, depreciation down 3.4%, utilities up 6.8%, and other expenses down 0.4%.

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (Continued)

Condensed Statements Of Cash Flows For The Years Ended June 30, 2014, 2013 And 2012

The statement of cash flows presents the University's flows of cash by defined categories. The primary purpose of the statement of cash flows is to provide information about the University's cash receipts and payments during the year.

	2014	2013	2012
Cash And Cash Equivalents Provided By (Used In)			
Operating activities	\$ (34,497,930)	\$ (29,977,751)	\$ (32,437,230)
Noncapital financing activities	45,360,042	45,874,767	46,969,332
Capital and related financing activities	(13,254,268)	(17,094,080)	(9,946,264)
Investing activities	2,286,591	1,932,521	(3,804,159)
Net increase (decrease) in cash and cash equivalents	(105,565)	735,457	781,679
Cash And Cash Equivalents, Beginning Of Year	7,055,124	6,319,667	5,537,988
Cash And Cash Equivalents, End Of Year	\$ 6,949,559	\$ 7,055,124	\$ 6,319,667

The major source of operating cash was student tuition and fees (\$27.7 million, \$28.2 million and \$26.7 million in 2014, 2013 and 2012, respectively) and auxiliary enterprises (\$22.7 million, \$23.6 million and \$23.0 million in 2014, 2013 and 2012, respectively). The largest use of operating cash was payments to employees (\$60.9 million, \$59.3 million and \$58.6 million in 2014, 2013 and 2012, respectively) and payments to suppliers (\$16.3 million, \$15.2 million and \$16.6 million in 2014, 2013 and 2012, respectively).

The most significant source of noncapital financing activities was state appropriations of \$38.5 million, \$38.7 million and \$38.7 million in 2014, 2013 and 2012, respectively.

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (Continued)

Expenses By Functional Categories

The University also tracks expenses by functional categories (such as Instruction, Research, and Student Services) for the State of Missouri and other external agency purposes. The functional categorization of expenses also helps the University monitor expenditures in mission-critical areas such as Instruction. For the year ended June 30, 2014, depreciation and operation and maintenance of plant have been allocated among the other functional expenses to conform with the Integrated Postsecondary Education Data System (IPEDS) finance survey. Functional operating expenses for 2014, 2013 and 2012 were:

	2014	Percent
Instruction		
Credit and noncredit courses.	\$ 51,278,090	50.95%
Research		
Activities specifically organized to produce research outcomes from funds awarded by external agencies, as well as internally supported programs.	919,671	0.91
Public Service		
Activities that primarily provide noninstructional services to individuals and groups outside of the University. Expenditures are primarily for community service.	1,879,475	1.87
Academic Support		
Supporting services to instruction, research and public service. Includes libraries, academic administration and instructional media.	7,451,820	7.40
Student Services		
Activities which primarily contribute to student's well being outside the formal instruction program. Includes admissions and registrar, student activities, and financial aid administration.	10,403,342	10.34
Institutional Support		
Activities which generally provide support to the entire University. Includes executive management, fiscal operations, personnel, development, fundraising activities and general administrative services.	6,494,527	6.45
Scholarships And Fellowships		
Awards for grant-in-aid stipends to students based on financial need and/or merit.	524,585	0.52
Auxiliary Enterprises		
Expenditures of essentially self-supporting activities such as Student Union Building, housing, cafeterias and recreation center.	21,687,427	21.56
Total Operating Expenses	<u>\$ 100,638,937</u>	<u>100.00%</u>

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (*Continued*)

	<u>2013</u>	<u>Percent</u>
Instruction		
Credit and noncredit courses.	\$ 47,899,890	48.90%
Research		
Activities specifically organized to produce research outcomes from funds awarded by external agencies, as well as internally supported programs.	856,535	0.87
Public Service		
Activities that primarily provide noninstructional services to individuals and groups outside of the University. Expenditures are primarily for community service.	1,826,001	1.86
Academic Support		
Supporting services to instruction, research and public service. Includes libraries, academic administration and instructional media.	5,635,787	5.75
Student Services		
Activities which primarily contribute to student's well being outside the formal instruction program. Includes admissions and registrar, student activities, and financial aid administration.	10,368,764	10.59
Institutional Support		
Activities which generally provide support to the entire University. Includes executive management, fiscal operations, personnel, development, fundraising activities and general administrative services.	6,438,907	6.57
Scholarships and Fellowships		
Awards for grant-in-aid stipends to students based on financial need and/or merit.	655,271	0.67
Auxiliary Enterprises		
Expenditures of essentially self-supporting activities such as Student Union Building, housing, cafeterias and recreation center.	24,267,343	24.79
Total Operating Expenses	<u>\$ 97,948,498</u>	<u>100.00%</u>

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (Continued)

	2012	Percent
Instruction		
Credit and noncredit courses.	\$ 47,277,487	47.86%
Research		
Activities specifically organized to produce research outcomes from funds awarded by external agencies, as well as internally supported programs.	938,367	0.95
Public Service		
Activities that primarily provide noninstructional services to individuals and groups outside of the University. Expenditures are primarily for community service.	2,273,521	2.30
Academic Support		
Supporting services to instruction, research and public service. Includes libraries, academic administration, and instructional media.	5,978,844	6.05
Student Services		
Activities which primarily contribute to student's well being outside the formal instruction program. Includes admissions and registrar, student activities, and financial aid administration.	10,577,210	10.71
Institutional Support		
Activities which generally provide support to the entire University. Includes executive management, fiscal operations, personnel, development, fundraising activities and general administrative services.	6,381,277	6.46
Scholarships and Fellowships		
Awards for grant-in-aid stipends to students based on financial need and/or merit.	636,494	0.64
Auxiliary Enterprises		
Expenditures of essentially self-supporting activities such as Student Union Building, housing, cafeterias and recreation center.	24,715,508	25.03
Total Operating Expenses	<u>\$ 98,665,066</u>	<u>100.00%</u>

Physical Plant

The University has completed its multiyear plan to fully renovate and upgrade its residence halls and the Student Union building. A total of \$98 million has been invested to improve these facilities. On the academic side, renovation and infrastructure improvements have exceeded \$61 million since 2001, and over \$3 million in improvements have been made to athletic facilities.

Looking Forward

The University's outlook is closely related to the financial status of the State of Missouri. Traditionally, the largest source of Education and General Revenue has come through the state appropriations, and the operating funds from the state for fiscal year

TRUMAN STATE UNIVERSITY

Management's Discussion And Analysis (*Continued*)

2015 increased by 5%, based on the new performance funding model implemented for FY2015.

The Missouri Coordinating Board for Higher Education has recommended level state funding for the University for FY 2016. However, additional funds have been requested for performance funding which may be added at a later date that would increase operating appropriations by 5%. While the State of Missouri has placed a partial limitation on the ability of institutions to increase tuition beyond the consumer price index (CPI), the statutes permit larger increases in extenuating circumstances with the approval of the Coordinating Board for Higher Education. The University will counteract these limitations by enhancing enrollment and seriously exploring alternative revenue-generating opportunities.

In terms of student enrollment, fall 2014 is at 6,249, which is comparable to fall 2013.

Additional information can be obtained by calling (660) 785-4150 or writing to Truman State University, Attn: Business Office, 100 E. Normal, Kirksville, MO 63501.

DRAFT FOR DISCUSSION PURPOSES ONLY

TRUMAN STATE UNIVERSITY

STATEMENT OF NET POSITION

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	June 30,	
	2014	2013
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,938,671	\$ 3,200,216
Restricted cash	1,873,984	1,644,940
Restricted short-term investments	892,466	909,487
Short-term investments	7,808,493	15,270,512
Accounts receivable, net of allowance of \$208,000 in 2014 and \$300,000 in 2013	1,067,624	1,049,164
Interest receivable	183,431	283,974
Federal and state grants receivable	763,224	568,337
Other receivables	105,640	76,896
Inventories	530,741	481,557
Loans to students, net of allowance of \$15,900 in 2014 and \$18,000 in 2013	1,562,201	1,858,090
Prepaid expenses	789,746	607,205
Total Current Assets	18,516,221	25,950,378
Noncurrent Assets		
Investments	91,467,840	79,264,592
Restricted investments	2,565,585	2,562,157
Loans to students, net of allowance of \$58,700 in 2014 and \$65,000 in 2013	2,626,746	2,531,714
Capital assets, net	209,361,857	212,742,852
Cash value of life insurance	96,338	87,120
Other assets, net	241,008	241,008
Total Noncurrent Assets	306,359,374	297,429,443
Total Assets	324,875,595	323,379,821

TRUMAN STATE UNIVERSITY

STATEMENT OF NET POSITION

Page 2 Of 2

	June 30,	
	2014	2013
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 7,601,142	\$ 9,594,077
Accrued early retiree termination benefits	205,063	236,882
Accrued compensated absences	971,397	1,145,968
Unearned Revenue	2,604,740	2,402,571
Annuities and trusts payable	70,892	70,569
Long-term debt - current portion	1,729,943	1,674,420
Deposits held in custody for others	380,184	337,881
Total Current Liabilities	13,563,361	15,462,368
Noncurrent Liabilities		
Accrued compensated absences	555,751	323,957
Accrued early retiree termination benefits	293,519	540,701
Annuities and trusts payable	487,661	509,074
Long-term debt	53,804,885	55,535,351
Total Noncurrent Liabilities	55,141,816	56,909,083
Total Liabilities	68,705,177	72,371,451
Net Position		
Net investment in capital assets	154,180,473	154,321,294
Restricted for:		
Nonexpendable:		
Endowment	21,999,979	20,921,399
Loans	4,532,534	4,544,036
Expendable:		
Scholarships and fellowships	7,687,850	4,999,504
Loans	4,411,624	3,931,978
Debt service	3,511,997	3,480,962
Other	8,432,979	7,258,872
Unrestricted	51,412,982	51,550,325
Total Net Position	\$ 256,170,418	\$ 251,008,370

TRUMAN STATE UNIVERSITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	For The Years Ended June 30,	
	2014	2013
Operating Revenues		
Tuition and fees, net	\$ 27,675,006	\$ 28,015,354
Federal grants and contracts	2,604,909	2,342,361
State grants and contracts	287,404	114,471
Private grants and contracts	25,491	55,078
Interest on student loans receivable	195,867	219,812
Sales and services of educational activities	465,528	460,147
Auxiliary enterprises, net	22,652,440	23,617,093
Other operating revenues	2,076,329	1,687,288
Total Operating Revenues	55,982,974	56,511,604
Operating Expenses		
Salaries and wages	45,270,801	45,042,155
Fringe benefits	15,192,120	13,877,874
Supplies and other services	15,651,430	15,572,324
Scholarships and fellowships	524,585	655,271
Depreciation	10,974,259	10,981,858
Utilities	4,784,069	4,423,995
Other	8,241,673	7,395,021
Total Operating Expenses	100,638,937	97,948,498
Operating Loss	(44,655,963)	(41,436,894)
Nonoperating Revenues (Expenses)		
State appropriations	38,542,055	38,722,022
Federal grants and contracts	4,762,787	4,362,818
Contributions	838,108	1,255,793
Change in value of annuity and trust obligations	(46,436)	(51,334)
Income from trusts	191,191	81,776
Investment income	6,593,891	3,792,716
Interest on capital asset-related debt	(2,366,056)	(2,944,971)
Gain (loss) on disposal of capital assets	8,635	1,266
Other nonoperating revenues	299,646	356,221
Nonoperating Revenues (Expenses), Net	48,823,821	45,576,307
Income Before Additions To Permanent Endowments	4,167,858	4,139,413
Additions To Permanent Endowments	994,190	995,541
Increase In Net Position	5,162,048	5,134,954
Net Position - Beginning Of Year - As Restated	251,008,370	245,873,416
Net Position - End Of Year	\$ 256,170,418	\$ 251,008,370

TRUMAN STATE UNIVERSITY

STATEMENT OF CASH FLOWS

	For The Years Ended June 30,	
	2014	2013
Cash Flows From Operating Activities		
Tuition and fees	\$ 27,667,887	\$ 28,172,129
Grants and contracts	2,813,358	2,726,965
Payments to suppliers	(16,340,980)	(15,233,266)
Payments for utilities	(4,784,069)	(4,423,995)
Payments to employees	(60,684,699)	(59,345,640)
Payments for scholarships and fellowships	(524,585)	(655,271)
Loans issued to students	(889,108)	(653,397)
Collections of loans to students	1,285,832	1,310,369
Sales and services of auxiliary enterprises	22,695,629	23,563,066
Sales and services of educational activities	465,528	460,147
Other payments	(6,202,723)	(5,898,858)
Net Cash Used In Operating Activities	(34,497,930)	(29,977,751)
Cash Flows From Noncapital Financing Activities		
State appropriations	38,542,055	38,722,022
Gifts and grants for other than capital purposes	5,600,895	5,818,002
Investments subject to annuity and trust obligations	54,290	31,555
Payments of annuity and trust obligations	(121,816)	(76,797)
Endowment gifts	994,190	995,541
Other receipts	290,428	384,444
Net Cash Provided By Noncapital Financing Activities	45,360,042	45,874,767
Cash Flows From Capital And Related Financing Activities		
Proceeds from sales of capital assets	9,901	6,543
Purchase of capital assets	(9,188,906)	(11,393,682)
Interest paid on capital debt and leases	(2,400,320)	(2,979,235)
Proceeds from issuance of bonds	—	21,238,831
Principal paid on capital debt and leases	(1,674,943)	(23,966,537)
Net Cash Used In Capital And Related Financing Activities	(13,254,268)	(17,094,080)
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	66,097,553	152,703,274
Investment income	1,665,341	1,239,565
Distributions from perpetual trusts	191,191	81,776
Purchases of investments	(65,667,494)	(152,092,094)
Net Cash Provided By Investing Activities	2,286,591	1,932,521
Net Increase (Decrease) In Cash And Cash Equivalents	(105,565)	735,457
Cash And Cash Equivalents - Beginning Of Year	7,055,124	6,319,667
Cash And Cash Equivalents - End Of Year	\$ 6,949,559	\$ 7,055,124

TRUMAN STATE UNIVERSITY
STATEMENT OF CASH FLOWS (Continued)

	For The Years Ended June 30,	
	2014	2013
Reconciliation Of Cash And Cash Equivalents To The Statement Of Net Assets		
Cash	\$ 2,938,671	\$ 3,200,216
Restricted cash - current	1,873,984	1,644,940
Cash equivalents included in short-term investments	1,761,608	1,905,875
Cash equivalents included in investments - noncurrent	375,296	304,093
Total Cash And Cash Equivalents	\$ 6,949,559	\$ 7,055,124
Reconciliation Of Operating Loss To Net Cash Used In Operating Activities		
Operating loss	\$ (44,655,963)	\$ (41,436,894)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization expenses	10,974,259	10,981,858
Changes in assets and liabilities:		
Receivables, net	(242,091)	198,004
Inventories	(49,184)	2,583
Loans receivable	200,857	437,160
Prepaid expenses and other assets	(191,176)	(118,310)
Accounts payable and accrued liabilities	(557,326)	275,617
Unearned income	202,169	137,001
Accrued compensated absences and post-employment benefits	(221,778)	(425,611)
Deposits held in custody for others	42,303	(29,159)
Net Cash Used In Operating Activities	\$ (34,497,930)	\$ (29,977,751)
Supplemental Disclosure Of Cash Flow Information		
Noncash gifts received	\$ 112,652	\$ 241,467
Accounts payable incurred for capital asset purchases	493,171	2,088,813
Unrealized gain on investments	5,029,093	2,398,815

TRUMAN STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2014 And 2013

1. Nature Of Operations And Summary Of Significant Accounting Policies

Nature Of Operations

Truman State University (the University) is a state-assisted university with its campus located in Kirksville, Missouri, operating under the jurisdiction of its Board of Governors. The University is a component unit of the state of Missouri. The University is fully accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The University awards graduate and undergraduate degrees from five schools and serves a population of approximately 6,200 students.

Reporting Entity

The University determines its financial reporting entity pursuant to GASB Statement No. 14, *The Financial Reporting Entity* as amended by (GASB Statement No. 61). As a result of the application of this pronouncement, the University includes the Truman State University Foundation (the Foundation), a legally separate not-for-profit corporation, as a blended component unit within its financial statements. Representatives of the University hold a voting majority of the seats on the Foundation's Nominating Committee, which in turn appoints a voting majority of the members of the Foundation's Board of Trustees. Additionally, the Foundation provides a financial benefit to the University, as the University is able to access the Foundation's resources. Finally, the Foundation provides services entirely to the University. Accordingly, GASB Statement No. 61 requires the University to present the Foundation as a blended component unit.

Pursuant to the blended method of component unit presentation, the financial data of the Foundation is combined with the financial data of the University within these financial statements. Transactions between the University and the Foundation have been eliminated as part of the combination process.

Separately issued financial statements for the Foundation can be obtained by calling 660-785-4150, or writing to Truman State University, Attn: Office of Advancement, 100 E. Normal, Kirksville, MO 63501.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

Basis Of Accounting And Presentation

The University prepares its financial statements as a business type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). The financial statements of the University have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. The University first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position is available.

The University has adopted GASB Statement No. 65, Items Previously Reported as Assets and Liabilities (GASB 65), amends or supersedes the accounting and financial reporting guidance for certain items previously required to be reported as assets or liabilities. As a result of the adoption of this accounting principle, the University has retroactively restated the financial statements to reflect the impact of this change.

In addition, as a result of implementing this statement, certain reclassifications and presentation changes to the statement of net position were required. The effect of these changes has been applied retroactively; as a result the beginning of year net position has been changed to reflect the expensing of bond issuance costs. The impact of these changes on the University's financial statements is as follows:

	<u>July 1, 2012</u>
Net position, as previously reported	\$ 246,434,069
Effect of change in accounting principle related to bond issuance costs	<u>(560,653)</u>
	<u>\$ 245,873,416</u>

Cash Equivalents

The University considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2014 and 2013, cash equivalents consisted primarily of money market funds.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

Investments And Investment Income

Investments in equity securities, fixed income securities and mutual funds are carried at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit and repurchase agreements are carried at cost, which approximates fair value.

Investment income includes interest income, dividend income, net realized gains and losses from the sale of securities, and net unrealized gains and losses that represent the change in the fair value of securities for the year.

The Foundation maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

Accounts Receivable

Accounts receivable consists mostly of enrollment fee charges to students and charges for auxiliary enterprise services provided to students. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollected amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Inventories

Inventories consist of farm animals and supplies. Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Loans To Students

The University makes loans to students under various federal and other loan programs. Loans to students are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollected amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to loans to students.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the University:

Land improvements	20 years
Buildings and improvements	20 - 50 years
Infrastructure	20 years
Furniture, fixtures and equipment	3 - 20 years
Library materials	10 years

The University capitalizes interest costs as a component of construction in progress, based on the interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing.

All interest costs of \$2,366,056 and \$2,944,971 incurred in 2014 and 2013, respectively, were charged to expense.

Compensated Absences

University policies permit nonacademic employees to accumulate vacation and compensating time benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits when earned, whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Unearned Revenue

Unearned revenue primarily represents tuition and student fees not earned during the current year, as well as advances on grants and contract awards for which the University has not met all of the applicable eligibility requirements.

Net Position

Resources are required to be classified for accounting and reporting purposes into the following three net position categories:

- **Net Investment in Capital Assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

- **Restricted:**

Nonexpendable - Net position subject to externally imposed stipulations that the University maintain them permanently. Such assets include the Foundation's permanent endowment funds.

Expendable - Net position whose use by the University is subject to the externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time.

- **Unrestricted** - Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Governors or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designation for academic and research programs and initiatives, and capital programs.

Classification Of Revenues

The University has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues - Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances, (2) sales and services of auxiliary enterprises (3) certain federal grants and (4) interest on student loans.

Nonoperating revenues - Nonoperating revenues include activities that have the characteristics of certain nonexchange transactions. In a nonexchange transaction, the University receives value without directly giving equal value back, such as with gifts and contributions. Additionally, certain significant revenue relied upon for operations, such as state appropriations, Pell and similar funding, federal and state grants, investment income and endowment income, are reported as nonoperating revenue.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

Scholarship Discounts And Allowances

Student enrollment fee revenues and revenues from auxiliary enterprises are reported net of scholarship allowances in the statements of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, including federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenues while Pell grants are reported as nonoperating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition, fees, or auxiliary services, the University has recorded a discount and allowance. The total scholarship allowances on enrollment fees for the years ended June 30, 2014 and 2013 were \$23,837,373 and \$22,533,119, respectively. The total scholarship allowances on fees charged for auxiliary enterprises for the years ended June 30, 2014 and 2013 were \$1,690,730 and \$1,489,600, respectively.

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Income Taxes

As a state institution of higher education, the income of the University is generally exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code (the Code) and a similar provision of state law. The Foundation is exempt from income taxes under Section 501(c)(3) of the Code and a similar provision of state law.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

2. Deposits And Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The University's deposit policy for custodial credit risk requires compliance with the provisions of Missouri state law. The Foundation's policy does not currently include that provision.

Missouri state law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. Agencies or instrumentalities or the State of Missouri; bonds of any city, county, school district or special road district of the State of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. As of June 30, 2014 and 2013, the University's and Foundation's deposits were properly insured or collateralized.

Investments

The University and Foundation may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. Agencies and instrumentalities, fixed income securities, bankers acceptances, commercial paper, corporate bonds, and bank repurchase agreements. The Foundation may also invest real estate and equity securities.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

At June 30, 2014, the University and Foundation had the following investments and maturities:

Type	Fair Value	Maturities In Years			
		Less Than 1	1 - 5	6 - 10	More Than 10
Cash and cash equivalents	\$ 2,136,904	\$ 2,136,904	\$ —	\$ —	\$ —
Fixed income -					
corporate notes	19,914,312	100,013	15,857,034	2,602,550	1,354,715
Municipal bonds	1,031,095	100,063	600,865	120,371	209,796
U.S. Agency Securities	17,670,657	—	17,320,059	99,803	250,795
U.S. Treasury Securities	21,371,439	892,466	20,333,182	—	145,791
Asset Backed Securities	1,615,870	—	506,300	110,044	999,526
		<u>\$ 3,229,446</u>	<u>\$ 54,617,440</u>	<u>\$ 2,932,768</u>	<u>\$ 2,960,623</u>
Equity mutual funds and funds and corporate stocks	25,444,911				
Fixed income funds mutual funds	1,575,066				
Real estate mutual funds	<u>2,112,512</u>				
	<u>\$ 92,872,766</u>				

At June 30, 2013, the University and Foundation had the following investments and maturities:

Type	Fair Value	Maturities In Years			
		Less Than 1	1 - 5	6 - 10	More Than 10
Cash and cash equivalents	\$ 2,209,968	\$ 2,209,968	\$ —	\$ —	\$ —
Fixed income -					
corporate notes	21,678,557	—	18,193,520	1,608,797	1,876,240
Municipal bonds	1,230,084	199,984	710,979	116,642	202,479
U.S. Agency Securities	12,512,032	—	12,235,269	97,178	179,585
U.S. Treasury Securities	27,875,026	6,304,123	21,570,903	—	—
		<u>\$ 8,714,075</u>	<u>\$ 52,710,671</u>	<u>\$ 1,822,617</u>	<u>\$ 2,258,304</u>
Equity mutual funds and corporate stocks	20,287,076				
Fixed income mutual funds	1,782,475				
Real estate mutual funds					
mutual funds	<u>2,444,496</u>				
	<u>\$ 90,019,714</u>				

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

Interest Rate Risk

The University's policy manages interest rate risk by maintaining adequate liquidity for short-term cash needs. The University seeks to avoid the need to sell securities prior to maturity by making longer-term investments only with funds that are not needed for cash flow purposes; by establishing maximum individual investment maturity (or duration) and maximum portfolio average maturity (or portfolio limits); and by structuring the investment portfolio so that securities mature in time to meet expected cash requirements for ongoing operations. The policy limits the portfolio's maximum average duration to three years.

The Foundation's policy has no constraint on the maturity of any single fixed income security. However, the dollar weighted average duration of the investment grade portion of the portfolio should not exceed a range of +/- 35% of that of the fixed income benchmarks for investment grade securities.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The University's policy limits credit risk by establishing minimum credit ratings for each non-government security type; by implementing a credit review and approval process or by hiring an outside registered investment advisor who has such a process; and by diversifying the portfolio to reduce the risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or type of security.

It is the Foundation's policy to limit its investments in fixed income securities to ratings of investment grade or higher at the time of purchase by NRSROs, with the exception that up to 25% of the fixed income holdings of the portfolio may be rated below investment grade. At no time, however, shall more than 10% of the total portfolio be invested in noninvestment grade (high yield) fixed income instruments. At June 30, 2014 and 2013, approximately 30% and 28% of the University's portfolio was composed of corporate bonds, respectively.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

At June 30, 2014, the following ratings were available for the University's fixed income investments:

Type	Fair Value	Quality Ratings		
		AAA	AA	A
Asset Backed Securities	\$ 1,615,870	\$ 908,065	\$ 237,826	\$ 246,986
Fixed income - Corporate Notes	19,914,312	312,615	5,465,954	12,031,836
Fixed income mutual funds	1,575,066	—	—	—
Municipal Bonds	1,031,095	225,220	500,907	205,007
U.S. Agency Securities	17,670,657	—	17,419,862	—
	\$ 40,191,130	\$ 537,835	\$ 23,386,723	\$ 12,236,843

Type	Fair Value	Quality Ratings		
		BBB	BB	Not Rated
Asset Backed Securities	\$ 1,615,870	\$ —	\$ —	\$ 222,993
Fixed income - Corporate Notes	19,914,312	1,949,917	54,246	99,744
Fixed income mutual funds	1,575,066	—	—	1,575,066
Municipal Bonds	1,031,095	—	—	99,961
U.S. Agency Securities	17,670,657	—	—	250,795
	\$ 40,191,130	\$ 1,949,917	\$ 54,246	\$ 2,025,566

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University or Foundation will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Custodial credit risk for deposits is the risk that in the event of a bank failure, a government's deposit may not be returned to it. The University's deposit policy for the custodial credit risk requires compliance with the provisions of state law. Collateralization for the University is required for three types of investments: certificates of deposit, repurchase agreements, and letters of credit from the Federal Home Loan Bank. All securities serving as collateral shall be kept at a nonaffiliated custodial facility.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

Concentration Of Credit Risk

The University's investment in bankers acceptances must be issued by domestic banks rated A-1, P-1, or the equivalent by at least two nationally recognized statistical rating organizations and maturity may not exceed 270 days. Commercial paper rated A-1, P-1, or the equivalent by at least two nationally recognized statistical rating organizations may be held from issuing corporations with commercial paper programs with sizes in excess of \$500,000,000 as well as long term debt ratings, if any, of "A" or better. Purchases of commercial paper may not exceed 270 days to maturity. No more than 30% of the University's portfolio can be invested in callable U.S. Government agencies; no more than 50% of the portfolio can be invested in bankers acceptances and commercial paper combined; no more than 20% of the portfolio can be invested in corporate bonds; and no more than 20% of the portfolio can be invested in money market mutual funds.

The Foundation places certain limits on the amount that may be invested in any one issuer. Investments in any one individual equity security should not exceed approximately 10% of the market value of the investment manager portfolio, and investment in any one economic sector should not exceed 25% of the market value of the investment manager portfolio. Holdings of any single issue in the portfolio should not exceed more than 5% of the total outstanding common stock of any one company. Fixed income securities of any single issuer, with the exception of U.S. government and agency securities, are limited to no more than 10% of the market value of the fixed income portion of the investment manager's portfolio. Corporate securities are limited to no more than 75% of the market value of the fixed income portion of the portfolio.

Within the fixed income portion of the portfolio, allocations to "plus" fixed income sectors (such as high yield corporate bonds, high yield bank loans, preferred stock, international bonds (denominated in U.S. dollars and non-U.S. dollars) and emerging market bonds (denominated in U.S. dollars and non-U.S. dollars) are allowed up to a maximum of 30% of the market value of the fixed income portion of the portfolio.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

At June 30, 2014, the University's and Foundation's combined investments in U.S. Treasuries and a certain U.S. agency obligation (Fannie Mae), exceeded 5% of the combined investment portfolio.

At June 30, 2013, the University's and Foundation's combined investments in U.S. Treasuries and a certain U.S. agency obligation (Fannie Mae), exceeded 5% of the combined investment portfolio.

Foreign Currency Risk

This risk relates to adverse affects on the fair value of an investment from changes in exchange rates. The University's investment policy does not address foreign currency risk. The Foundation's investment policy permits it to hold up to 20% of total investments in international equities. The University and the Foundation had no direct investments (mutual funds are not considered direct investments) in international equities at June 30, 2014 or 2013.

Summary Of Carrying Values

The carrying values of deposits and investments shown above are included in the statement of net position as follows at June 30:

	2014	2013
Carrying value		
Deposits	\$ 14,674,273	\$ 12,832,190
Investments	92,872,766	90,019,714
	<u>\$ 107,547,039</u>	<u>\$ 102,851,904</u>
Included in the following statement of net assets captions:		
Cash and cash equivalents	\$ 2,938,671	\$ 3,200,216
Restricted cash - current	1,873,984	1,644,940
Restricted short-term investments	892,466	909,487
Short-term investments	7,808,493	15,270,512
Long term investments	91,467,840	79,264,592
Restricted investments	2,565,585	2,562,157
	<u>\$ 107,547,039</u>	<u>\$ 102,851,904</u>

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

Investment Income

Investment income for the years ended June 30, 2014 and 2013 consists of:

	2014	2013
Interest and dividend income	\$ 1,564,798	\$ 1,393,901
Net realized and unrealized gains on investments	5,029,093	2,398,815
	<u>\$ 6,593,891</u>	<u>\$ 3,792,716</u>

3. Endowments And Similar Funds

The Board of Directors of the Foundation has established an investment policy with the objectives of protecting the principal of the endowment funds and maximizing total investment return without assuming extraordinary risks. It is the goal of the Foundation to provide spendable income levels that are reasonably stable and sufficient to meet budgetary requirements and to maintain a spending rate, currently established on a fund-by-fund basis, which ensures a proper balance between the preservation of corpus and enhancement of the purchasing power of investment earnings.

In August 2009, the State of Missouri adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has reviewed the provisions of this act and determined (utilizing the criteria prescribed by UPMIFA) that declines in the fair value of invested, nonexpendable assets to the extent that they exceed the original gift made by the donor (i.e., the assets are "underwater") are not available for spending, until such fair value is re-established to an amount above the original gift made by the donor. There were three funds that were considered to be underwater at June 30, 2014; the Foundation did not make any expenditures out of these funds during the year. There were five funds with such deficiencies at June 30, 2013.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

4. Capital Assets

Capital assets activity for the year ended June 30, 2014 was:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Nondepreciable:					
Land	\$ 14,742,071	\$ —	\$ —	\$ —	\$ 14,742,071
Art	177,535	—	—	—	177,535
Construction in progress	10,407,500	1,140,144	—	(10,407,501)	1,140,143
Total Capital Assets, Nondepreciable	25,327,106	1,140,144	—	(10,407,501)	16,059,749
Capital Assets, Depreciable:					
Buildings and improvements	296,442,886	4,697,121	—	10,068,953	311,208,960
Furniture, fixtures and equipment	25,147,703	1,235,638	684,413	—	25,698,928
Library materials	16,577,837	208,922	793,504	—	15,993,255
Infrastructure	15,996,936	294,818	—	338,548	16,630,302
Total Capital Assets, Depreciable	354,165,362	6,436,499	1,477,917	10,407,501	369,531,445
Less Accumulated Depreciation:					
Buildings and improvements	121,713,583	8,933,752	—	—	130,647,335
Furniture, fixtures and equipment	23,077,322	756,689	701,034	—	23,132,977
Library materials	13,299,226	628,590	793,504	—	13,134,312
Infrastructure	8,659,485	655,228	—	—	9,314,713
Total Accumulated Depreciation	166,749,616	10,974,259	1,494,538	—	176,229,337
Total Capital Assets, Depreciable, Net	187,415,746	(4,537,760)	(16,621)	10,407,501	193,302,108
Total Capital Assets - Net	\$ 212,742,852	\$ (3,397,616)	\$ (16,621)	\$ —	\$ 209,361,857

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TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

Capital assets activity for the year ended June 30, 2013 was:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital Assets, Nondepreciable:					
Land	\$ 14,742,071	\$ —	\$ —	\$ —	\$ 14,742,071
Art	177,535	—	—	—	177,535
Construction in progress	2,314,319	9,165,607	—	(1,072,426)	10,407,500
Total Capital Assets, Nondepreciable	17,233,925	9,165,607	—	(1,072,426)	25,327,106
Capital Assets, Depreciable:					
Buildings and improvements	293,903,873	1,663,848	—	875,165	296,442,886
Furniture, fixtures and equipment	26,629,798	741,897	2,223,992	—	25,147,703
Library materials	16,218,418	617,127	257,708	—	16,577,837
Infrastructure	15,498,885	300,790	—	197,261	15,996,936
Total Capital Assets, Depreciable	352,250,974	3,323,662	2,481,700	1,072,426	354,165,362
Less Accumulated Depreciation:					
Buildings and improvements	112,708,814	9,004,769	—	—	121,713,583
Furniture, fixtures and equipment	24,615,025	681,012	2,218,715	—	23,077,322
Library materials	12,914,844	642,090	257,708	—	13,299,226
Infrastructure	8,005,498	653,987	—	—	8,659,485
Total Accumulated Depreciation	158,244,181	10,981,858	2,476,423	—	166,749,616
Total Capital Assets, Depreciable, Net	194,006,793	(7,658,196)	5,277	1,072,426	187,415,746
Total Capital Assets, Net	\$ 211,240,718	\$ 1,507,411	\$ 5,277	\$ —	\$ 212,742,852

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

5. Long-Term Liabilities

The following is a summary of long-term obligation transactions for the University for the year ended June 30, 2014:

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds and capital leases					
Student Housing System Revenue Bonds - 2013	\$ 20,495,000	\$ —	\$ 740,000	\$ 19,755,000	\$ 755,000
Student Housing System Revenue Bonds - 2008	21,680,000	—	510,000	21,170,000	530,000
Student Housing System Revenue Bonds - 2006	14,120,000	—	385,000	13,735,000	405,000
Total bonds payable	56,295,000	—	1,635,000	54,660,000	1,690,000
Unamortized premium on bonds payable	877,026	—	30,411	846,615	30,411
Total bonds payable plus unamortized premium	57,172,026	—	1,665,411	55,506,615	1,720,411
Capital lease obligations	37,745	—	9,520	28,213	9,532
Total bonds and capital leases	57,209,771	—	1,674,931	55,534,828	1,729,943
Other noncurrent liabilities					
Accrued termination benefits	777,583	—	279,001	498,582	205,063
Accrued compensated absences	1,469,925	125,473	68,250	1,527,148	971,397
Annuities and trusts payable	579,643	54,290	75,380	558,553	70,892
Total other noncurrent liabilities	2,827,151	179,763	422,631	2,584,283	1,247,352
Total noncurrent liabilities	\$ 60,036,922	\$ 179,763	\$ 2,097,562	\$ 58,119,111	\$ 2,977,295

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

The following is a summary of long-term obligation transactions for the University for the year ended June 30, 2013:

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Bonds and capital leases					
Student Housing System Revenue Bonds - 2013	\$ —	\$ 20,495,000	\$ —	\$ 20,495,000	\$ 740,000
Student Housing System Revenue Bonds - 2008	22,175,000	—	495,000	21,680,000	510,000
Student Housing System Revenue Bonds - 2006	14,490,000	—	370,000	14,120,000	385,000
Student Housing System Revenue Bonds - 2004	22,960,000	—	22,960,000	—	—
Total bonds payable	59,625,000	20,495,000	23,825,000	56,295,000	1,635,000
Unamortized premium on bonds payable	265,212	743,831	132,017	877,026	29,888
Total bonds payable plus unamortized premium	59,890,212	21,238,831	23,957,017	57,172,026	1,664,888
Capital lease obligations	47,265	—	9,520	37,745	9,532
Total bonds and capital leases	59,937,477	21,238,831	23,966,537	57,209,771	1,674,420
Other noncurrent liabilities					
Accrued termination benefits	1,224,244	—	446,661	777,583	236,882
Accrued compensated absences	1,448,875	116,077	95,027	1,469,925	1,145,968
Annuities and trusts payable	573,551	25,768	19,676	579,643	70,569
Total other noncurrent liabilities	3,246,670	141,845	561,364	2,827,151	1,453,419
Total noncurrent liabilities	\$ 63,184,147	\$ 21,380,676	\$ 24,527,901	\$ 60,036,922	\$ 3,127,839

The Foundation has been the recipient of several gift annuities which require future payments to the donor or their named beneficiaries. The assets received from donors are recorded at fair value on the date of the gift. The foundation has recorded a liability at June 30, 2014 and 2013, of \$558,553 and \$579,643, respectively, which represents the present value of the future annuity obligations. The liability has been determined using discount rates ranging from approximately 2% to 7%.

Revenue Bonds Payable

On April 18, 2013, the University issued a series of auxiliary system revenue bonds in order to refund the remaining outstanding bonds from the 2004 bond issuance. The principal amount issued, with its related premium, totaled \$20,495,000 and matures in annual installments through 2033. The current refunding decreased the University's total debt service payments by \$4,821,742 and results in an economic gain (difference between the present value of the old and new debt service payments) of \$3,609,390.

On February 26, 2008, the University issued a series of auxiliary system revenue bonds to fund the construction of improvements to the residence halls and related facilities. The principal amount issued, with its related premium, totaled \$23,644,349 and matures in annual installments through 2037.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

On January 15, 2006, the University issued a series of auxiliary system revenue bonds to fund the construction of improvements to the residence halls and related facilities. The principal amount issued, with its related premium, totaled \$16,439,060 and matures in annual installments through 2035.

On December 1, 2004, the University issued a series of student housing system revenue bonds to fund the construction of new suite style facilities, improvements to the student union and existing apartment facilities. The principal amount issued, with its related premium, totaled \$26,968,535 and matures in annual installments through 2034.

The various issues of the auxiliary system revenue bonds are payable, both as to principal and interest, solely out of the net income and revenues arising from the operation of the auxiliary system and out of any grant-in-aid which may be received from any source.

The bonds outstanding bear interest at rates ranging from 3% to 6% per annum and are collateralized by a first lien on and pledge of the net revenue derived from the operation and ownership of the housing system which includes all housing, dining and social facilities owned or operated by the University.

The revenue bond issues require the University to establish and fund various Debt Service Reserve and Repair and Replacement Reserve Funds. At June 30, 2014 and 2013, all required Debt Service Reserve and Repair and Replacement Reserve Funds have been fully funded.

The bond debt service requirements as of June 30, 2014, are as follows:

Year Ending June 30,	Principal	Interest	Total
2015	\$ 1,690,000	\$ 2,342,303	\$ 4,032,303
2016	1,745,000	2,291,128	4,036,128
2017	1,815,000	2,222,653	4,037,653
2018	1,875,000	2,149,578	4,024,578
2019	1,950,000	2,082,778	4,032,778
2020-2024	11,060,000	9,128,881	20,188,881
2025-2029	13,770,000	6,490,369	20,260,369
2030-2034	15,455,000	3,396,299	18,851,299
2035-2039	5,300,000	527,175	5,827,175
	<u>\$ 54,660,000</u>	<u>\$ 30,631,164</u>	<u>\$ 85,291,164</u>

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

6. Pension Plans

MOSERS

The University contributes to the Missouri State Employees' Retirement System (MOSERS), a cost-sharing, multiple-employer, defined benefit pension plan administered by the state of Missouri. Pension expense is recorded for the amount the University is contractually required to contribute for the year. The plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. State law assigns the authority to establish and amend benefit provisions to the plan's Board of Trustees, which is appointed by the governor with the approval of the state legislature. The plan issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report may be obtained by writing to the plan at P.O. Box 209, Jefferson City, MO 65102, or by calling 573-632-6100.

The authority to establish and amend requirements of plan members and the University is set forth in state law and is vested in the plan's Board of Trustees. No plan member contributions are required or permitted. The University is required to contribute at an actuarially determined rate; the rate was 16.98%, 14.45%, and 13.97% of annual covered payroll for 2014, 2013 and 2012, respectively. The University's contributions to the plan for the years ended June 30, 2014, 2013 and 2012 were \$5,564,625, \$4,846,289 and \$4,667,338, respectively, which equaled the required contributions for each year.

CURP

All faculty on full-time, regular appointment are enrolled in the College and University Retirement Plan (CURP) if they have not previously been enrolled in MOSERS. CURP is a noncontributory 401(a) defined contribution retirement plan which uses TIAA-CREF as its third-party administrator. The University is required to contribute at an actuarially determined rate; the rate was 6.38%, 6.80%, and 6.92% of annual covered payroll for 2014, 2013 and 2012, respectively. The University's contributions to the plan for the years ended June 30, 2014, 2013 and 2012 were \$346,733, \$345,530 and \$274,716, respectively, which equaled the required contributions for each year. CURP provides a retirement program which offers interstate portability, immediate vesting and no minimum service requirement. Contributions made by the University are self-directed by participants into their selected individual accounts. After participating in CURP for at least six years, a faculty member may elect to become a member of MOSERS.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

7. Employee Health And Welfare Benefits

Effective January 1, 2012, the University established a self-insured medical program covering substantially all employees. The University's liability has been limited by the purchase of specific (\$150,000 in fiscal year 2014) and aggregate (\$1,000,000 in fiscal year 2014) reinsurance. The University has recorded a reserve for expenses incurred but not reported of \$359,498 and \$577,055 as of June 30, 2014 and 2013, respectively, which is included in accrued liabilities on the statement of net position.

The liability reported for claims incurred but not reported are based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information obtained prior to the issuance of the financial statements indicates it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Changes in the balance of the insurance reserve liability during the years ended June 30, 2014 and 2013 were as follows:

Liability, July 1, 2012	\$ 775,185
Current year claims and changes in estimate	3,510,808
Claim payments	<u>(3,708,938)</u>
Liability, June 30, 2013	577,055
Current year claims and changes in estimate	5,742,946
Claim payments	<u>(5,960,503)</u>
Liability, June 30, 2014	<u>\$ 359,498</u>

Total employee health and welfare expense was \$5,529,908 and \$5,185,684 for the years ended June 30, 2014 and 2013, respectively.

8. Early Retiree Termination Benefits

The University pays health insurance premiums for qualified retired employees who have chosen to participate in early retirement programs established by the Board of Governors until the employee reached the age of 65. Separate programs were established in fiscal years 2010, 2011 and 2012. For participants that have not chosen the lump-sum payment method, the University has recorded a liability at the present value of the estimated future cash flows for the program, which amounted to \$498,582 and \$777,583 at June 30, 2014 and 2013, respectively.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

During the years ended June 30, 2014 and 2013, the University paid \$276,617 and \$304,036, respectively, of reimbursements under this plan. There were no lump sum payments to participants during 2014. Lump sum payments to participants totaled \$228,463 during 2013. At June 30, 2014, there were 33 retirees participating in the program.

9. Commitments And Contingencies

Claims And Litigation

The University is currently involved in various claims and pending legal actions related to matters arising from the ordinary conduct of business. The University administration believes the ultimate disposition of the actions will not have a material effect on the financial statements of the University.

Government Grants

The University is currently participating in numerous grants from various departments and agencies of the federal and state governments. The expenditures of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the granting department or agency, the grants are considered closed.

Construction

The University had outstanding commitments of \$2,378,328 related to construction contracts at June 30, 2014.

10. Risk Management

The University is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to workers' compensation and natural disasters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. The State of Missouri self-insures workers' compensation benefits for all state employees, including University employees. Claims are administered by the Missouri Office of Administration, Risk Management Section.

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (Continued)

11. Segment Information

A segment is an identifiable activity reported within a stand-alone entity for which one or more revenue bonds are outstanding. A segment has a specific identifiable revenue stream pledged in support of revenue bonds and has related expenses, gains and losses, assets and liabilities that are required by an external party to be accounted for separately. Pursuant to the reporting requirements of GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statements No. 21 and No. 34*, the University had one segment at June 30, 2014 and 2013.

The segment consists of Housing System Revenue Bonds Series 2006, dated January 15, 2006, and Housing System Revenue Bonds Series 2008, dated February 26, 2008, and Housing System Revenue Bonds Series 2013, dated April 18, 2013. These accounts are established to account for activities of the Housing System, as defined by the bond resolutions.

The condensed financial information for the Housing System Revenue Bond Fund as of June 30, 2014 and 2013, are as follows:

Condensed Statement Of Net Position

	2014	2013
Current Assets	\$ 7,940,208	\$ 11,949,377
Noncurrent Assets		
Capital assets, net of depreciation	90,584,315	90,786,423
Other	155,805	155,805
Total Assets	98,680,328	102,891,605
Current Liabilities	3,853,859	5,640,630
Noncurrent Liabilities	52,917,571	54,604,812
Total Liabilities	56,771,430	60,245,442
Net Position		
Net investment in capital assets	35,924,315	33,544,677
Restricted	3,458,051	3,471,644
Unrestricted	2,526,532	5,629,842
Total Net Position	\$ 41,908,898	\$ 42,646,163

TRUMAN STATE UNIVERSITY

Notes To Financial Statements (*Continued*)

**Condensed Statement Of Revenues,
Expenses And Changes In Net Assets**

	2014	2013
Operating Revenue		
Housing and food service net of scholarship allowance	\$ 18,205,309	\$ 19,405,803
Other operating revenues	600,267	524,787
Total Operating Revenue	18,805,576	19,930,590
Operating Expenses		
Compensation and benefits	3,311,582	3,204,220
Supplies and other services	8,706,006	8,869,697
Depreciation	4,540,718	4,750,677
Utilities	1,895,650	1,875,683
Total Operating Expenses	18,453,956	18,700,277
Operating Income	351,620	1,230,313
Nonoperating Revenue (Expenses)		
Student fees for capital projects	1,082,828	1,149,271
Investment income	225,621	231,521
Interest on capital asset related debt	(2,397,334)	(2,769,007)
Net Nonoperating Expenses	(1,088,885)	(1,388,215)
Decrease In Net Position	(737,265)	(157,902)
Net Position Beginning Of Year - As Restated	42,646,163	42,804,065
Net Position End Of Year	\$ 41,908,898	\$ 42,646,163

Condensed Statement Of Cash Flows

	2014	2013
Net cash provided by operating activities	\$ 351,620	\$ 1,230,313
Net cash used in capital and related financing activities	(1,889,349)	(545,183)
Net cash (used in) provided by investing activities	2,106,784	(892,835)
Net increase (decrease) in cash and cash equivalents	569,055	(207,705)
Cash and cash equivalents - beginning of year	18,749	226,454
Cash and cash equivalents - end of year	\$ 587,804	\$ 18,749

ITEM G.2
Financial Report

DESCRIPTION AND BACKGROUND

The following financial reports include a review as of August 31, 2014, of education and general revenues and expenditures and auxiliary systems revenues and expenditures and a review as of August 31, 2014, of the Truman State University Foundation revenues and expenditures.

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Financial Report

Truman State University
Financial Report
August 31, 2014 compared to August 31, 2013

Education & General (Pages A1-A3)

Revenues total \$33.9 million this year compared to \$33.5 million a year ago, representing 35.8% of revenue budgeted for FY15 compared to 36.1% of the revenue budgeted for FY14. Total revenues are up \$419,549, or 1.25% over last year.

State Appropriations for FY15 totals \$42,602,063 compared with \$40,512,994 for FY14, up \$2,089,069. As of August 31, 2014, the withholdings from the FY15 appropriation included the traditional 3% plus \$2,026,397 outcomes funding. As of September, the extra withholding of \$2,026,397 was restored. At year end, if the traditional 3% withholding stands, FY15 appropriations will total \$41.3 million compared to \$38.5 million in FY14.

The enrollment and related fee category is up \$15,396 from last year, or .06%. Fall semester enrollment income was down \$89,946. Enrollment is steady with fall headcount for the University at 6,248 this fall compared to 6,225 last fall, up 23 students. Full-time equivalent enrollment (FTE) is at 5,535 this year compared to 5,609 last year, down 74 students. There are 1,484 new undergraduate students (first-time freshman and transfers) compared to 1,479 last year, an increase of 5 students.

Overall expenditures are up \$459,443, or 2.4% over last year. There are two expenditure categories up more than \$200,000, scholarships and travel. One category is down more than \$200,000, equipment and capitalized expenses.

Scholarship expense is up \$360,242 (up 3.7%) primarily due to a change in scholarship policy*. Equipment and capitalized expense is down \$398,907 because equipment orders were held due to the withholding of state funds. Travel expense is up \$291,193 primarily due to the timing of study abroad and athletic team trips.

**Classification Change - In prior years, the Midwest Student Exchange Program (MSEP) was shown in the board report as a net to enrollment fees. We have classified the MSEP expenses as scholarship expense for FY15 and have restated FY13 and FY14 data to be consistent and the increase of \$360,443 in scholarship expense results from including MSEP expenses as scholarship expense for both years. This accounting classification reallocation does not change the "bottom line". It increases revenues and that increase is offset by an increase in expenses.*

Auxiliary Systems (Pages B1-B3)

Revenues total \$12.7 million this year compared to \$11.8 million a year ago, representing 52.5% of the budgeted revenues for this year compared to 47.5% for last year. Total revenues are up \$887,408 or 7.5% over last year. Housing occupancy is at 2,659 residents compared to 2,516 a year ago. Housing

occupancy is up 143 residents from the prior year due to an increase in renewals and more transfer students living on campus.

Truman State University Foundation (Pages C1-C3)

Statement of Net Position (Page C-1)

Net assets increased from \$37.6 million a year ago to \$43.1 million this year, an increase of \$5.5 million. The most significant asset, cash and investments, is up from \$37.3 million last year to \$42.8 million this year, an increase of \$5.5 million.

Liabilities are down from \$606,150 last year to \$581,698 this year, or down \$24,452, primarily due to a reduction in long term liabilities.

Statement of Revenues, Expenses and Changes in Net Position (Pages C2)

Through the end of August, contributions and additions to permanent endowments total \$366,968 this year compared to \$379,839 last year, a decrease of \$12,871. Contributions are up \$48,212 while additions to endowments are down \$61,083, thus the decrease.

Investment returns total \$511,406 this year compared to \$453,228 last year, an increase of \$58,178. A majority of the change is in the unrealized gains and losses category. Unrealized gains total \$400,000 this year compared to \$346,219 last year.

Expenses, investment fees, and Transfers to Truman total \$575,472 this year compared to \$444,599 last year, an increase of \$130,873. Significant differences are in scholarships (up \$108,489) and travel expenses (up \$17,122).

Investments Schedule (Page C-3)

In addition to investments included in the statement of net position (\$42.6 million this year compared to \$37.1 million last year) the Foundation has beneficial interest in three trusts that are not on the Foundation's financial statements. The value of the trusts is up \$219,222 totaling \$3.5 million this year compared to \$3.3 million last year.

**Truman State University
Educational & General
Budget to Actual
For the period ending August 31**

	<u>FY15 Budget</u>	<u>FY15 To Date</u>	<u>Percent of Budget This Year</u>	<u>Percent of Budget Last Year</u>
Education & General				
Revenues				
State Appropriation	\$ 42,538,644	\$ 6,549,602	15.40%	
Local Income	\$ 52,119,356	\$ 27,329,649	52.44%	
Total Budgeted Revenues	<u>\$ 94,658,000</u>	<u>\$ 33,879,251</u>	<u>35.79%</u>	<u>36.06%</u>
Roll over from prior year	\$ 1,771,770			
Total Resources to Spend	<u>\$ 96,429,770</u>			
Expenses				
Salaries & Fringe Benefits				
Faculty/Staff Salaries	\$ 37,630,971	\$ 3,198,496	8.50%	
Student Employment	\$ 16,030,667	\$ 1,099,720	6.86%	
Fringe Benefits	<u>\$ 3,204,619</u>	<u>\$ 1,428,954</u>	44.59%	
Total Salaries & Fringe Benefits	<u>\$ 56,866,257</u>	<u>\$ 5,727,170</u>	<u>10.07%</u>	<u>10.35%</u>
Equipment & Capitalized Expense	<u>\$ 2,635,965</u>	<u>\$ 89,177</u>	<u>3.38%</u>	<u>13.12%</u>
Operations				
Other Expense	\$ 13,809,859	\$ 2,780,764	20.14%	
Scholarships	\$ 19,587,480	\$ 9,999,522	51.05%	
Utilities	<u>\$ 3,530,209</u>	<u>\$ 598,208</u>	16.95%	
Total Operations	<u>\$ 36,927,548</u>	<u>\$ 13,378,494</u>	<u>36.23%</u>	<u>32.46%</u>
Total Education & General Expense	<u>\$ 96,429,770</u>	<u>\$ 19,194,841</u>	<u>19.91%</u>	<u>19.26%</u>

**Truman State University
Operating Receipts by Fund
For the period ending August 31**

	<u>FY13 Receipts</u>	<u>FY14 Receipts</u>	<u>FY15 Receipts</u>	<u>Change FY14 to FY15</u>	<u>% Change FY14 to FY15</u>
Education & General					
State Appropriation					
State Appropriation	\$ 6,385,558	\$ 6,286,196	\$ 6,549,602	\$ 263,406	4.19%
Total State Sourced Income	<u>\$ 6,385,558</u>	<u>\$ 6,286,196</u>	<u>\$ 6,549,602</u>	<u>\$ 263,406</u>	<u>4.19%</u>
Enrollment Fees					
Enrollment Fees	\$ 24,497,510	\$ 25,926,403	\$ 25,932,993	\$ 6,590	0.03%
Student Activity Fees	\$ 239,404	\$ 238,757	\$ 252,698	\$ 13,941	5.84%
Athletic Fees	\$ 284,968	\$ 284,110	\$ 280,775	\$ (3,335)	-1.17%
Health Clinic Fees	\$ 153,883	\$ 153,419	\$ 151,619	\$ (1,800)	-1.17%
Total Student Fees	<u>\$ 25,175,765</u>	<u>\$ 26,602,689</u>	<u>\$ 26,618,085</u>	<u>\$ 15,396</u>	<u>0.06%</u>
Other Income	\$ 451,055	\$ 570,817	\$ 711,564	\$ 140,747	24.66%
Total Education & General	<u>\$ 32,012,378</u>	<u>\$ 33,459,702</u>	<u>\$ 33,879,251</u>	<u>\$ 419,549</u>	<u>1.25%</u>

Truman State University
Operating Expense by Fund
For the period ending August 31

	<u>FY13</u> <u>Expense</u>	<u>FY14</u> <u>Expense</u>	<u>FY15</u> <u>Expense</u>	<u>Change</u> <u>FY14 to FY15</u>	<u>% Change</u> <u>FY14 to FY15</u>
Education & General					
Salaries & Fringe Benefits					
Faculty & Staff Salaries	\$ 3,168,570	\$ 3,246,257	\$ 3,198,496	\$ (47,761)	-1.47%
Student Salaries	\$ 1,092,384	\$ 1,094,063	\$ 1,099,720	\$ 5,657	0.52%
Fringe Benefits	\$ 1,219,599	\$ 1,332,452	\$ 1,428,954	\$ 96,502	7.24%
Total Salary & Fringe Benefits	<u>\$ 5,480,553</u>	<u>\$ 5,672,772</u>	<u>\$ 5,727,170</u>	<u>\$ 54,398</u>	<u>0.96%</u>
Equipment & Capital Expenses	<u>\$ 196,155</u>	<u>\$ 488,084</u>	<u>\$ 89,177</u>	<u>\$ (398,907)</u>	<u>-81.73%</u>
Operations					
Scholarships	\$ 8,813,591	\$ 9,639,280	\$ 9,999,522	\$ 360,242	3.74%
Professional Services	\$ 234,828	\$ 169,315	\$ 214,653	\$ 45,338	26.78%
Travel	\$ 269,054	\$ 257,038	\$ 548,231	\$ 291,193	113.29%
Utilities	\$ 529,401	\$ 534,492	\$ 598,208	\$ 63,716	11.92%
Supplies	\$ 257,415	\$ 250,923	\$ 352,550	\$ 101,627	40.50%
Maintenance Contracts	\$ 661,141	\$ 627,684	\$ 608,179	\$ (19,505)	-3.11%
Communications	\$ 58,622	\$ 99,042	\$ 109,890	\$ 10,848	10.95%
Other Expense	\$ 983,070	\$ 996,768	\$ 947,261	\$ (49,507)	-4.97%
Total Operations	<u>\$ 11,807,122</u>	<u>\$ 12,574,542</u>	<u>\$ 13,378,494</u>	<u>\$ 803,952</u>	<u>6.39%</u>
Total Education & General	<u>\$ 17,483,830</u>	<u>\$ 18,735,398</u>	<u>\$ 19,194,841</u>	<u>\$ 459,443</u>	<u>2.45%</u>

**Truman State University
Auxiliary
Budget to Actual
For the period ending August 31**

	<u>FY15 Budget</u>	<u>FY15 To Date</u>	<u>Percent of Budget This Year</u>	<u>Percent of Budget Last Year</u>
Auxiliary Systems				
Revenues				
Residence Halls	\$ 20,782,500	\$ 11,289,002	54.32%	
Student Union	\$ 1,395,000	\$ 573,829	41.13%	
Recreation Center	\$ 1,335,000	\$ 746,448	55.91%	
Other Auxiliary	\$ 686,000	\$ 85,781	12.50%	
Total Budgeted Revenues	<u>\$ 24,198,500</u>	<u>\$ 12,695,060</u>	<u>52.46%</u>	<u>47.58%</u>
Rollover from prior year	\$ 879,829			
Total Resources to Spend	<u>\$ 25,078,329</u>			
Expenses				
		\$ -		
Salaries & Fringe Benefits				
Salaries	\$ 2,100,248	\$ 332,472	15.83%	
Student Salaries	\$ 1,404,915	\$ 363,716	25.89%	
Fringe Benefits	\$ 1,116,091	\$ 177,533	15.91%	
Total Salaries & Fringe Benefits	<u>\$ 4,621,254</u>	<u>\$ 873,721</u>	<u>18.91%</u>	<u>19.02%</u>
Equipment /Capitalized Expense	<u>\$ 763,883</u>	<u>\$ 2,273</u>	<u>0.30%</u>	<u>1.54%</u>
Operations				
Bond Principal & Interest	\$ 4,032,393	\$ -	0.00%	
Meals/Banquets/Refreshments	\$ 7,150,000	\$ 130,954	1.83%	
Other Expense	\$ 5,124,444	\$ 729,757	14.24%	
Scholarships	\$ 1,575,000	\$ 946,514	60.10%	
Utilities	\$ 1,811,355	\$ 380,218	20.99%	
Total Operations	<u>\$ 19,693,192</u>	<u>\$ 2,187,443</u>	<u>11.11%</u>	<u>10.86%</u>
Total Auxiliary Expense	<u>\$ 25,078,329</u>	<u>\$ 3,063,437</u>	<u>12.22%</u>	<u>12.02%</u>

**Truman State University
Operating Receipts by Fund
For the period ending August 31**

Auxiliary	<u>FY13 Receipts</u>	<u>FY14 Receipts</u>	<u>FY15 Receipts</u>	<u>Change FY14 to FY15</u>	<u>% Change FY14 to FY15</u>
Residence Halls	\$ 10,825,264	\$ 10,386,033	\$11,289,002	\$ 902,969	8.69%
Student Union	\$ 637,905	\$ 593,081	\$573,829	\$ (19,252)	-3.25%
Recreation Center	\$ 706,742	\$ 755,306	\$746,448	\$ (8,858)	-1.17%
Other Auxiliary	\$ 69,376	\$ 73,232	\$85,781	\$ 12,549	17.14%
Total Auxiliary	<u>\$ 12,239,287</u>	<u>\$ 11,807,652</u>	<u>\$ 12,695,060</u>	<u>\$ 887,408</u>	<u>7.52%</u>

Truman State University
Operating Expense by Fund
For the period ending August 31

	<u>FY13</u> <u>Expense</u>	<u>FY14</u> <u>Expense</u>	<u>FY15</u> <u>Expense</u>	<u>Change</u> <u>FY14 to FY15</u>	<u>% Change</u> <u>FY14 to FY15</u>
Auxiliary					
Salaries & Fringe Benefits					
Salaries	\$ 353,910	\$ 345,197	\$ 332,472	\$ (12,725)	-3.69%
Student Wages	\$ 347,134	\$ 369,990	\$ 363,716	\$ (6,274)	-1.70%
Fringe Benefits	\$ 149,969	\$ 160,772	\$ 177,533	\$ 16,761	10.43%
Total Salary & Fringe Benefits	\$ 851,013	\$ 875,959	\$ 873,721	\$ (2,238)	-0.26%
Equipment & Capital Expenses	\$ 80,459	\$ 12,570	\$ 2,273	\$ (10,297)	-81.92%
Operations					
Scholarships	\$ 775,079	\$ 876,799	\$ 946,514	\$ 69,715	7.95%
Supplies	\$ 142,357	\$ 198,298	\$ 107,018	\$ (91,280)	-46.03%
Maintenance Contracts	\$ 90,326	\$ 57,113	\$ 36,179	\$ (20,934)	-36.65%
Communications	\$ 28,398	\$ 16,122	\$ 16,499	\$ 377	2.34%
Meals	\$ 94,369	\$ 120,994	\$ 130,954	\$ 9,960	8.23%
Utilities	\$ 404,887	\$ 399,227	\$ 380,218	\$ (19,009)	-4.76%
Professional Services	\$ 92,633	\$ 72,070	\$ 87,391	\$ 15,321	21.26%
Bond Principal & Interest				\$ -	0.00%
Other Expense	\$ 575,209	\$ 483,896	\$ 482,670	\$ (1,226)	-0.25%
Total Operations	\$ 2,203,258	\$ 2,224,519	\$ 2,187,443	\$ (37,076)	-1.67%
Total Auxiliary	\$ 3,134,730	\$ 3,113,048	\$ 3,063,437	\$ (49,611)	-1.59%

Truman State University Foundation
Statement of Net Position
August 31, 2013 Compared to August 31, 2014

Assets	<u>31-Aug-13 FY14</u>	<u>31-Aug-14 FY15</u>
Current Assets		
Cash	\$ 209,275	\$ 175,636
Short Term Investments	\$ 1,945,560	\$ 1,813,436
Prepaid Expenses	\$ 1,947	\$ -
Loans Receivable, net of allowance	\$ 331,317	\$ 301,717
Total Current Assets	<u>\$ 2,488,099</u>	<u>\$ 2,290,789</u>
Non Current Assets		
Investments	\$ 35,124,812	\$ 40,823,946
Loans Receivable, net of allowance	\$ 526,350	\$ 464,063
Cash Value of Life Insurance	\$ 87,120	\$ 96,338
Total Non-Current Assets	<u>\$ 35,738,282</u>	<u>\$ 41,384,346</u>
Total Assets	<u><u>\$ 38,226,381</u></u>	<u><u>\$ 43,675,135</u></u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 37,770	\$ 34,410
Annuities & Trusts Payable	\$ 48,219	\$ 59,992
Total Current Liabilities	<u>\$ 85,988</u>	<u>\$ 94,401</u>
Non-Current Liabilities		
Annuities & Trusts Payable	\$ 520,162	\$ 487,297
Total Non-Current Liabilities	<u>\$ 520,162</u>	<u>\$ 487,297</u>
Total Liabilities	<u><u>\$ 606,150</u></u>	<u><u>\$ 581,698</u></u>
Total Net Position	<u><u>\$ 37,620,231</u></u>	<u><u>\$ 43,093,437</u></u>

Truman State University Foundation
Statement of Revenues, Expenses & Changes in Net Position
August 31, 2013 Compared to August 31, 2014

	31-Aug-13 FY14	31-Aug-14 FY15
Operating Revenue		
Interest on Student Loan Receivable	\$ 7,164	\$ 5,532
Total Operating Revenues	<u>\$ 7,164</u>	<u>\$ 5,532</u>
Operating Expenses		
Scholarships	\$ 257,867	\$ 366,356
Supplies & Other Services	\$ 40,211	\$ 41,466
Travel Expense	\$ 12,048	\$ 29,170
Other Expense	\$ 11,880	\$ 18,935
Total Operating Expenses	<u>\$ 322,005</u>	<u>\$ 455,926</u>
Operating Gain (Loss)	<u>\$ (314,841)</u>	<u>\$ (450,394)</u>
Non-Operating Revenues (Expenses)		
Contributions	\$ 171,113	\$ 219,325
Interest & Dividends	\$ 104,335	\$ 113,631
Realized Gain (Loss)	\$ 2,674	\$ (2,225)
Unrealized Gain (Loss)	\$ 346,219	\$ 400,000
Other Non-Operating Income	\$ 4,696	\$ 7,636
Other Non-Operating Expense	\$ (27,045)	\$ (27,997)
Net Non-Operating Revenues (Expenses)	<u>\$ 601,992</u>	<u>\$ 710,370</u>
Income before other Revenues, Expenses, Gains, Losses & Transfers	\$ 287,151	\$ 259,977
Additions to Permanent Endowments	\$ 208,726	\$ 147,643
Transfers to Education & General for Administration	\$ (19,883)	\$ (19,883)
Transfers to Education & General	\$ (70,864)	\$ (69,628)
Transfer to Auxiliary - Other	<u>\$ (4,802)</u>	<u>\$ (2,038)</u>
Increase (Decrease) in Net Assets	\$ 400,328	\$ 316,070
Net Position, Beginning of Year	\$ 37,219,903	\$ 42,777,367
Net Position Ending Balance	<u><u>\$ 37,620,231</u></u>	<u><u>\$ 43,093,437</u></u>

**Truman State University Foundation
Investments Schedule
August 31, 2013 Compared to August 31, 2014**

Investments	<u>31-Aug-13 FY14</u>	<u>31-Aug-14 FY15</u>
Invested with Outside Manager		
Endowment Pool	\$ 33,580,742	\$ 39,127,335
Total Endowment Pool	<u>\$ 33,580,742</u>	<u>\$ 39,127,335</u>
Short-Term Pool	\$ 1,945,560	\$ 1,813,436
Long Trust	\$ 621,795	\$ 692,072
Courtright Elmwood Unitrust	\$ 33,079	\$ 36,050
Rufener M.E.T. Unitrust	\$ 29,646	\$ 31,544
Annuities Payable - CGA	\$ 758,438	\$ 835,238
Fitzpatrick - CA CGA	\$ 71,718	\$ 75,531
Annuities Payable - FL CGA	\$ 29,395	\$ 26,176
Total Investments	<u><u>\$ 37,070,372</u></u>	<u><u>\$ 42,637,382</u></u>
 Beneficial Interest in Trusts		
Invested through Citizens Bank, Chillicothe, MO		
Ludlow Trust	\$ 219,978	\$ 237,223
Invested through First Bankers Trust, Quincy, IL		
Cozean Trust	\$ 289,851	\$ 317,895
Invested through Citizens Bank, Chillicothe, MO		
Lyle Ingraham Trust	\$ 2,750,224	\$ 2,924,157
Total Beneficial Interest in Trusts	<u><u>\$ 3,260,053</u></u>	<u><u>\$ 3,479,275</u></u>

ITEM H**Academic and Student Affairs Committee Report****DESCRIPTION AND BACKGROUND**

Karen Haber, chair of the Academic and Student Affairs Committee, will provide a report on the committee meeting held on October 6.

RECOMMENDED ACTION

This is a discussion item only.

ITEM I
Budget and Capital Projects Committee Report

DESCRIPTION AND BACKGROUND

Jim O'Donnell, chair of the Budget and Capital Projects Committee, will provide a report on the committee meeting held on October 7.

RECOMMENDED ACTION

This is a discussion item only.

ITEM I.1
Construction Projects Report

DESCRIPTION AND BACKGROUND

The following report is an update on construction projects which have been approved by the Board at previous meetings.

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Construction Projects Report

Construction Projects Report

<u>Project Name</u>	<u>Project Budget</u>	<u>Approval Date</u>	<u>Expenditure To Date</u>	<u>Status*</u>	<u>Completion Occupancy**</u>	<u>Project Completion</u>	<u>Final Project Cost</u>
Centennial Hall Renovations	\$13,900,000	4-14-12	\$13,857,616	100%	7-15-14	8-15-14	\$13,857,616
Planetarium and Multi-Media Theatre	\$ 495,000	10-18-13	\$ 448,660	91%		10-10-14	
(Dome, projection system and related components)			\$ 394,913				
(Seating component)			\$ 80				
(Construction component)			\$ 53,667				
Ophelia Parrish Acoustical Improvements	\$ 260,000	4-12-14	\$ 240,886	100%	9-12-14	10-12-14	\$ 240,886
Kirk Memorial Interior	\$ 1,290,000	4-12-14	\$ 419,190	32%		1-14-15	
2014 Roofing, Masonry and Windows	\$ 1,686,000	4-12-14	\$ 724,647	42%	NA	6-30-15	
General Services Building Chiller Replacement	\$ 53,000	6-14-14	\$ 50,288	100%		8-13-14	\$ 50,288

*completion status based on payments made

**occupancy date based on primary construction contract

ITEM I.2

Contracts for Construction Projects and Equipment Purchases Report

DESCRIPTION AND BACKGROUND

The following is a report of construction projects and equipment purchases totaling \$25,000 to \$100,000 which have been approved since the last meeting of the Board.

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Contracts for Construction Projects/Equipment Purchases

Contracts for Construction Projects

The following construction projects totaling \$25,000 to \$100,000 have been approved since the last meeting of the Board.

<u>Project Name</u>	<u>Cost</u>
University Residence Sewer Piping Replacement Project	\$35,662

This project was to replace badly corroded sanitary sewer piping below the basement floor slab as well as connecting the new piping to the existing sanitary sewer piping in the back yard. This project was bid and advertised. Of the six contractors invited to bid, two firms responded with a "No Bid" because of their work schedule and one response was received. The award was made to Mid-State Petroleum Equipment. Work was completed August 8, 2014.

Baldwin Hall Little Theatre Replacement Seating Project	\$50,944
---------------------------------------------------------	----------

The seating was replaced in the Little Theatre in Baldwin Hall to include attached tablets for classroom use. Several styles of seating were considered. The final selection was awarded to Krueger International which is a part of a cooperative procurement group. The seating installation was completed in August.

Equipment Purchases

The following single items of equipment totaling \$25,000 to \$100,000 have been approved since the last meeting of the Board.

<u>Description</u>	<u>Cost</u>
None to report	

ITEM I.3

Architectural Services—2015 Roofing and Building Repairs Project

DESCRIPTION AND BACKGROUND

This project will address several maintenance and repair issues at three major campus buildings. At the Recreation Center work includes replacement of the original roof and repairs to masonry which has deteriorated. Work on Kirk Building will involve masonry repairs including tuck pointing as necessary on the exterior. Work on Missouri Hall also involves masonry repairs and tuck pointing. As part of this project, sidewalk replacements will occur near the Library Bell Tower and East of Pershing where major settling has occurred. Sewer replacement is also required at the Pershing site.

The procedure for state agencies seeking architectural engineering or land surveying services is outlined in statute. It involves a review of qualifications of firms on file or those which have submitted qualifications for a proposed project. In evaluating the qualifications, the following criteria are used:

1. The specialized experience and technical competence of the firm with respect to the type of services required;
2. The capacity and capability of the firm to perform the work in question, including specialized services, within the time limitations fixed for the completion of the project;
3. The past record of performance of the firm with respect to such factors as control of costs, quality of work, and ability to meet schedules;
4. The firm's proximity to and familiarity with the area in which the project is located.

A committee including representatives from Truman's Physical Plant and Campus Planning offices as well as administrators from the Recreation Center and Residential Living reviewed qualifications of four architectural firms to select a firm to provide professional services for this project. These firms had previously submitted statements of qualifications to Truman for earlier projects or had expressed interest in work here. Based on their qualifications and our previous experience with this firm on recent projects, including the 2013 work on the Kirk Memorial exterior and the 2014 work on McClain Hall the committee recommends that William B. Ittner of St. Louis be selected to provide architectural and engineering services for this project. A copy of the proposal is attached and the fees are within the guidelines for remodeling projects utilized by the University of Missouri Design and Construction office.

RECOMMENDED ACTION

BE IT RESOLVED that the proposal from William B. Ittner, Inc. to provide architectural services for the 2015 Roofing and Building Repairs Project, with the fees and work for such services to be within the guidelines of the proposal, be approved; and

Board of Governors
October 10, 2014

BE IT FURTHER RESOLVED that the President of the University, or his designee, be authorized to execute a contract with the firm for the project; and

BE IT FURTHER RESOLVED that a copy of the proposal be attached to and made a part of the minutes for this meeting.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ATTACHMENT

Proposal Summary



September 23, 2014

Mr. Mark Schultz, AIA, CSI
Campus Planning Office, McClain Hall
Truman State University
100 East Normal
Kirksville, Missouri 63501

RE: Kirk Building, Missouri Hall, & Student Recreation Center
Limited Exterior Improvements

Dear Mark:

We appreciate the opportunity to provide continuing services on the Truman State University campus. The attached proposal, outlining the scope of work and compensation, will form the basis of the AIA contract once the project is approved by the Board of Governors.

As always, should you have any questions following your review or need additional information, please call me at your earliest convenience.

Sincerely,
Wm. B. Ittner, Inc.

Dennis Young
President & CEO

INSIDE
knowledge.

Wm. B. Ittner, Inc.
Architectural Leadership

611 North Tenth Street
Suite 200
Saint Louis, Missouri 63101
P 314.421.3542
F 314.421.4821

333 Salem Place
Suite 110
Fairview Heights, Illinois 62208
St. Clair County
P 618.624.2080
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www.ittnerarchitects.com

Page 1 of 1

Proposal

Kirk Building, Missouri Hall, & Student Recreation Center Limited Exterior Improvements Truman State University

September 23, 2014

Project Description:

Kirk Building

The exterior masonry is a barrier wall masonry system in need of cleaning, tuckpointing repairs, caulking and sealing. Overall, the 1920's era building exhibits the effects of long-term environmental weathering and staining, and some vegetative growth damage. It is important to note that brick tuckpointing operations may be much more difficult and labor intensive than those on similar previous University projects due to mortar material being smeared over the edges of the existing brick faces creating the appearance of overly wide mortar joints (in the one-inch range). The excess mortar material may also be concealing brick damage caused by over-grinding from a previous tuckpointing project. Additionally, several areas of brick and stone façade have deteriorated to the extent that patching repairs or unit replacement will be required.

Initial pre-design field tests involving a masonry contractor will need to be conducted in select areas to determine the extent of any brick damage and to establish a procedure for mortar removal in a manner that does not further compromise brick integrity. Mortar removal will most likely involve manual hand tool work, proprietary acidic cleaners and scrubbing or pressure washing to remove smeared masonry from the edges and ridges of existing brick faces.

Missouri Hall

The building's exterior masonry requires cleaning, spot tuckpointing, caulking and sealing. Several areas of brick and stone façade have deteriorated to the extent that patching repairs or unit replacement will be required. Additionally, the original window vents located within glass block filled glazed openings in core building areas are deteriorated and will be replaced.

Student Recreation Center

The existing EPDM roof for this building has deteriorated to a condition that requires complete replacement. Included in this work will be the repair and re-setting of all stone copings. The building's exterior masonry also requires cleaning, spot tuckpointing, caulking and sealing. No structural work has been determined to be required though there is the possibility that some existing roof deck may be discovered to be deteriorated and will have to be replaced.

Scope of Services:

Ittner will provide the overall project management and architectural services for these projects. Trabue, Hansen and Hinshaw (THH) will provide civil engineering services. Environmental services shall be provided by the University's environmental consultant.

I. Part One – Assessment, Design, and Bidding Services

A. Review of Existing Documents:

Ittner has been provided hard copies of available record drawings. While this information was helpful in preparing this proposal, and will be scanned and digitized to create CAD backgrounds, more detailed information will be gathered in the field

Proposal

Kirk Building, Missouri Hall, & Student Recreation Center

Limited Exterior Improvements

Truman State University

September 23, 2014

to understand the entire building envelope and to document the exterior elevations.

- B. Due to the straightforward scope of this project, we will develop the construction documents for the corrective measures in one Construction Document stage, omitting the traditional Schematic Design and Design Development phases. Our design process will include an estimate of the probable construction cost and a project schedule.
- C. We will assist the University throughout the competitive bidding process and subsequent contractor negotiations. Our services shall include:
- Prepare the bid advertisements. Arrange for the printing and handle the distribution to bidders. The cost of printing and mailing shall be a reimbursable expense.
 - Answer bidder questions, prepare and issue addenda to all plan holders as needed.
 - Review product substitution requests.
 - Conduct the pre-bid meeting and the bid opening meeting.
 - Review the bids and make recommendations for award to the University.

D. Field Investigation Process:

After reviewing the above information, a detailed work plan will be finalized to guide the field observation team to conduct a thorough, yet efficient investigation. The work plan will detail the requirements for the two types of investigations anticipated for the four buildings: general visual and limited probes.

1. **General visual** – This will include the base drawings on which field notes can be applied as well as for locating photos that will be taken to illustrate the current conditions in a report. This investigation involves the use of a University provided lift needed for our field personnel to access high areas on the building exterior elevations and roof edges.
2. **Limited probes** – This will involve testing mortar removal methods at specific areas of the building to discover concealed problems and determine the best course of corrective action. This investigation will involve the use of a masonry restoration contractor to provide the equipment, tools and repair materials needed to expose the concealed condition and then properly repair the area to the University's satisfaction until the final corrective program is implemented.

II. Part Two – Construction Services

The scope of services for this type of work requires that compensation for construction services be provided in the following two categories.

- A. **Category #1 – General Administration.** Compensation for the services provided under this category shall be a lump sum fee, plus reimbursable expenses. The following services are included in Category #1 – General Administration services.
- Answer questions of contractors and prepare/issue Clarifications, Change Proposal Requests, Construction Change Directives and/or Change Orders.
 - Review Shop Drawings.

Proposal

Kirk Building, Missouri Hall, & Student Recreation Center Limited Exterior Improvements Truman State University

September 23, 2014

- When the Contractor notifies Ittner that the project is ready for the punchlist to be prepared, Ittner will inspect the project with the University in attendance. Ittner will provide a single punchlist and will make two return trips to confirm that deficiencies noted in the punchlist have been corrected. Additional punchlists and return trips will be considered additional services.
- B. **Category #2 - Field Observations.** While field observations services for new construction are relatively predictable, the nature of renovation work to correct concealed deficiencies makes it impossible to predict the field time that will be required. We anticipate visiting the site at least weekly during the construction to assess contractor's compliance with contract documents and to resolve issues that are discovered during the renovation. However, our experience tells us that unforeseen construction deviations are often discovered in this particular type of renovation that will require additional unplanned trips to develop timely and appropriate solutions. Therefore, the fee for field observation services is not included in the lump sum fee for Category #1 – General Administration. We recommend that at a minimum, weekly field visits be budgeted for the construction phase, plus reimbursable expenses.

Compensation:

Compensation for the Kirk Building, Missouri Hall, and Student Recreation Center Limited Exterior Improvements shall be in accordance with Attachment A – Compensation Analysis and its attachments.

Compensation Analysis
Kirk Building, Missouri Hall, & Student Recreation Center
Limited Exterior Improvements

Attachment A



Truman State University

Date: September 23 2014

Task Description	Manhour Budget	Billing Rate (avg)	Detail Subtotal	Grand Totals
I. Assessment, Design & Bidding Phase Services				
A. Ittner in-house services:				
1. Project Management/administration	20			
2. Field verify As-Built conditions (All 3 Bldgs)	24			
3. Pre-Design Field Tests (Kirk Bldg only)	24			
4. Drawings				
a. Kirk Building				
i. Cover Sheet	4			
ii. Perimeter Floor Plans	12			
iii. Bldg Elevations	40			
iv. Details	24			
b. Missouri Hall				
i. Roof Plans	8			
i. Perimeter Floor Plans (Main & Typical Upper Floor)	8			
ii. Bldg Elevations	40			
iii. Details	24			
c. Student Recreation Center				
i. Roof Plans	24			
ii. Bldg Elevations	24			
iii. Roof details	16			
5. Project specifications	40			
6. Estimate of Probable Construction Costs	8			
7. Quality checking	8			
8. Coordination meetings w/ University (2 staff)	16			
9. Bid Printing and Distribution	4			
10. Answer questions and issue Addendum	16			
11. Prebid conference - prep and meeting minutes	16			
12. Attend Bid Opening and prepare Tabulation	16			
13. Evaluate bids & recommend award	8			
Ittner labor cost for Assessment, Design & Bidding:	424	x \$ 135 =	\$ 57,240	
B. McClure electrical engineering services:			Not Applicable	
C. THH structural engineering services:			\$ 9,200	
Total Labor Cost for Assessment, Design & Bidding Phase:			\$ 66,440	\$ 66,440



Compensation Analysis
 Kirk Building, Missouri Hall, & Student Recreation Center
 Limited Exterior Improvements

Attachment A

Truman State University



Date: September 23 2014

Task Description	Manhour Budget	Billing Rate (avg)	Detail Subtotal	Grand Totals
II. Construction Phase services (Category #1 - only):				
A. Ittner in-house services:				
1. Shop Drawings, RFIs & Change Orders	40			
2. Develop and distribute punchlist (one trip)	16			
3. Project Admin/Pay Apps/Project closeout	16			
Ittner labor cost for Construction Phase:	<u>72</u>	x \$ 120 =	\$ 8,640	
B. McClure electrical engineering services:			Not Applicable	
C. THH structural engineering services:			\$ 1,725	
Labor Cost for Construction Phase (Category #1 only):			\$ 10,365	\$ 10,365
Grand Total Lump Sum Fee, excluding reimbursable expenses:				\$ 76,805

September 23, 2014

Mr. Todd Powers, AIA
Wm. B. Ittner, Inc.
611 North Tenth Street, Ste. 200
St. Louis, MO 63101

Re: Pickler Memorial Library – New Site Plaza
TSU Project Number xxxx

Dear Todd,

Trabue, Hansen, and Hinshaw, Inc. (*THHinc*) is pleased to provide Wm. B. Ittner, Inc with our *revised* proposal for civil engineering services for sidewalk and drainage improvements near Pickler Memorial Library, along with sanitary sewer and sidewalk improvements near Grim Hall and the Pershing Building, on the Truman State University campus. We appreciate this opportunity to serve you.

PROJECT DESCRIPTION: Replacement of the existing sidewalk and associated grading and drainage design near the southeast corner of the Pickler Memorial Library. Replace the existing sanitary sewer service at Grim Hall, along with potentially a short section of sewer main as needed. Replace failing brick sidewalk along the east side of Grim Hall and the Pershing building, generally from Patterson Street to the entry plaza at Pershing.

Wm. B. Ittner, Inc. and Trabue, Hansen, and Hinshaw, Inc. (*THHinc*) agree as follows:

SCOPE OF SERVICES: *THHinc* will provide the Client the following professional services:

1. *THHinc* will meet with the owner, review the Owner's concept, and review the site to assess and confirm the project's design parameters and requirements.
2. *THHinc* will design the civil portion of the Pickler sidewalk replacement area and Grim Hall sewer service replacement for combination with overall project documents prepared by the Client. Services include the following:
 - a. Research of Owner archives and previous project documents to identify potential conflicts.

- b. Field investigation of Grim Hall and Pershing sites.
 - c. Layout plan with dimensions and coordinates for layout.
 - d. Grading and Drainage plan.
 - e. Grim Hall sewer service replacement plan/profile
 - f. Sanitary sewer main replacement plan/profile at Grim Hall site, as needed
 - g. Sidewalk replacement on east side of Grim and Pershing.
 - h. Details to support the design.
 - i. Technical Specifications supporting our portion of the design.
 - j. *THHinc* will provide Bid Phase support including answering Contractor Questions, and preparation of the civil portion of any Addenda
3. *THHinc* will provide Construction Phase support as follows:
- a. Review of Submittals
 - b. Preparation of ASI responses to Contractor RFIs
 - c. Preparation of record Drawings
 - d. Construction Observation Visits including pre-final and/or final inspections may be provided on a per each basis as an additional service
4. Mileage and meals are considered reimbursable services over and above the contract fees

CLIENT RESPONSIBILITIES: It will be your responsibility to provide the following:

1. Coordination with the Owner and team members
2. Design of the electrical / lighting portion of the project
3. Preparation of the bid and contract documents
4. Timely review of submittals

SCHEDULE: We will begin our services upon you direction or receipt of a signed contract which will serve as our Notice to Proceed. We will complete the design phase services within 4-weeks.

COMPENSATION: We propose to provide the professional services described in the Scope on a Lump Sum basis for a contract fee of \$10,925.00, unless the Client authorizes additional services. Mileage and meals are considered reimbursable costs over and above the contract amounts. The breakdown of fee is as follows:

Mr. Todd Powers, AIA
September 23, 2014
Page 3 of 3

- | | |
|----------------------------------------|------------------|
| 1. Civil Design and Bid Phases | \$ 9,200.00 |
| 2. Construction Administration Support | \$ 1,725.00 |
| 3. Construction Site Visits | \$ 720.00 / each |

ADDITIONAL SERVICES: If requested by the Owner *THHinc* may provide the following additional services for this project:

1. Expand survey limits
2. Investigation of underground utilities in plaza area for potential damage
3. Provide Construction Layout

EXHIBITS:

1. Work Plans
2. *THHinc* Rate schedule

Thank you for the opportunity to provide this proposal. Please contact us if you have any questions.

Very Truly Yours,

TRABUE, HANSEN, AND HINSHAW, INC.



Thomas P. Wooten, P.E., CDT
Project Engineer / Associate

Cc: John Huss, *THHinc*

RATE SCHEDULE

(effective 1-1-2014)

Professional Services (hourly)

Principal	\$160.00
Engineer 5	\$140.00
Engineer 4	\$120.00
Engineer 3	\$105.00
Engineer 2	\$90.00
Engineer 1	\$75.00
Professional Land Surveyor 2	\$95.00
Professional Land Surveyor 1	\$80.00
Technician 5	\$85.00
Technician 4	\$70.00
Technician 3	\$60.00
Technician 2	\$50.00
Technician 1	\$40.00
Administrative	\$50.00

Expert Testimony

Consultant Services	listed hourly rate
Deposition and Trial	\$225.00

Reimbursable Expenses

Mileage	IRS rate
GPS Equipment	\$30.00 / hour
Large Format Copies (B/W)	\$1.50 / each
Large Format Mylar (B/W)	\$5.50 / each
Xerox Copies (8 1/2 x 11)	\$0.15
Xerox Copies (11 x 17)	\$0.25
Other Reimbursables	cost + 10%
Consultants	cost + 10%

**ITEM I.4
Equipment Purchase**

DESCRIPTION AND BACKGROUND

Information Technology Network Security Upgrade

The upgrade of the campus network security equipment is needed to support the increased internet bandwidth on campus, and will ensure that electronic traffic flowing both to and from the University will continue to be done in a secure and reliable manner.

The new equipment will allow Truman faculty, staff and students to take advantage of all of the bandwidth available to campus users. The current systems can now support only 75% of the potential traffic in a secure mode, and in order to securely support use of the remaining 25% of the internet bandwidth, we need to upgrade two security systems (the firewall and a router) that serve as the first line of defense to Truman's campus network.

Once implemented, the entire campus network will be protected by:

- Firewalls that prevent unauthorized access to or from a private network.
- Virtual private networks that allow access to campus resources and protect against data theft by encrypting user sessions.
- Appropriate transmission between Truman's trusted network and any outside untrusted networks.
- Redundant systems that will ensure availability to and from Truman's campus network.
- Load balancing across both internet connections, allowing for full utilization of the internet bandwidth.
- Seamless availability in the event of equipment failure or power loss in one building. Equipment will be located in both of the University Data Centers so if one Data Center or building is unavailable, internet service will still be available to the rest of the campus.

The proposed equipment is compatible with the other network equipment already supported on campus, and is available on a statewide contract. The funding for this item is available in the Information Technology Services capital expenditures and operations budgets.

RECOMMENDED ACTION

BE IT RESOLVED that the purchase of the following item of equipment be approved:

<u>Project Name</u>	<u>Project Budget</u>
Information Technology Network Security Upgrade	\$102,870

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ITEM I.5
Early Retirement Incentive 2015

DESCRIPTION AND BACKGROUND

During the last decade numerous higher education institutions have implemented retirement incentives for faculty. The attached proposal is designed to offer a retirement incentive for full-time tenured faculty which would be available during an application window which closes December 12, 2014.

RECOMMENDED ACTION

WHEREAS, it is the desire of the Board of Governors of Truman State University to establish a one-time retirement incentive for faculty;

NOW, THEREFORE, BE IT RESOLVED that the attached document, entitled "Faculty Early Retirement Incentive Program 2015" shall be the policy of the Board of Governors and shall automatically expire on December 12, 2014; and

BE IT FURTHER RESOLVED that the President of the University, or his designee, be authorized to implement the policy; and

BE IT FURTHER RESOLVED that a copy of the document, as reviewed at the meeting, be attached to the minutes as an exhibit.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ATTACHMENT

Faculty Early Retirement Incentive Program 2015 document

Faculty Early Retirement Incentive Program 2015

Purpose

The Board of Governors of the Truman State University recognizes that early retirement should be for the mutual benefit of the faculty member and the University. This policy permits some tenured faculty members another alternative in planning for retirement.

I. Time Limits

The Early Retirement Incentive option is available to eligible full-time faculty members, with a separation/retirement date no later than December 31, 2015.

II. Eligibility

Eligible for the program are all full-time tenured faculty members currently employed at Truman, of at least 60 years of age, with 15 or more net years of service at Truman as of May 31, 2015. Faculty, who have already indicated they are going to retire are not eligible for this incentive. The Early Retirement Incentive is not a guaranteed benefit. Eligible faculty members must request the Early Retirement Incentive in writing to the Office of Human Resources not later than December 12, 2014. The program is limited to ten (10) applicants. Therefore, if interest exceeds ten (10) applicants, selection will be based upon years of service at Truman State University as calculated from May 31, 2015. Such definition of "seniority" is used solely for the purpose of this program. In the event two applicants have the same seniority date, then the first come, first serve criteria will apply if necessary. Approved applicants will be notified by Human Resources and must complete and sign the Retirement Agreement and Release within ten (10) working days of notification of approval.

III. Incentive

The Retirement Incentive consists of the following:

A cash incentive payment of \$25,000 or retention of Truman State University's contribution to the individual health insurance monthly premium benefit for five consecutive years from date of retirement or until the retiree becomes Medicare eligible, whichever occurs first. *Members would be responsible for any dependent coverage.*

IV. Enrollment Period

This incentive is being offered beginning October 20, 2014. Applications for early retirement must be received by December 12, 2014.

ITEM J
Board Policy Review Committee Report

DESCRIPTION AND BACKGROUND

Matthew W. Potter, chair of the Board Policy Review Committee, will provide a report on the committee meeting held earlier in the day.

RECOMMENDED ACTION

This is a discussion item only.

ITEM J.1
Code of Policies Correction

DESCRIPTION AND BACKGROUND

In April 2014, the President recommended and the Board took action to change the title of “Provost and Vice President for Academic Affairs” to “Executive Vice President for Academic Affairs.” The President is now recommending that the title of “Executive Vice President for Academic Affairs” be changed to “Executive Vice President for Academic Affairs and Provost,” thus reinserting “Provost” into the title of the University’s chief academic officer (CAO). The intent of the change was to provide clarity for external constituents; however, in retrospect, the change has created internal confusion. All other Missouri public universities use “Provost” in their CAO’s title; thus, to avoid confusion, both internally and externally, it is recommended that “Provost” be reinserted into the title.

RECOMMENDED ACTION

BE IT RESOLVED that the Code of Policies of the Board of Governors and the Bylaws of the Board of Governors are both hereby corrected by deleting all references to “Executive Vice President for Academic Affairs” and substituting the title “Executive Vice President for Academic Affairs and Provost” in lieu thereof; and

BE IT FURTHER RESOLVED that the General Counsel is hereby authorized and directed to correct the Code of Policies of the Board of Governors and the Bylaws of the Board of Governors to effect this change in nomenclature immediately.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____

ITEM K
Agenda Items for Future Meetings

DESCRIPTION AND BACKGROUND

A list of projected agenda items for the regular meetings during the next year follows this page.

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

List of Projected Agenda Items

LIST OF PROJECTED AGENDA ITEMS
Regular Meetings of Board of Governors
Year Following the December 2014 Meeting

December 2014 Meeting

Participation in campus events
Minutes for open session of last meeting
President's report
Advancement and/or foundation report
Academic affairs report
Student affairs report
Annual athletics report
Financial report
Construction projects report
Housing charges for next fiscal year
Selection of officers for 2015 calendar year
Annual board committee appointments
Annual foundation board appointments
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Paid leaves of absence for next fiscal year
Tenure review for faculty members completing their review period at end of fall semester

February 2015 Meeting

Participation in campus events
Annual photograph of board and president
Recognition of 2014 board chair
Minutes for open session of last meeting
President's report
Advancement and/or foundation report
Academic affairs report
Student affairs report
Annual student government report
Financial report
Construction projects report
External audit firm (as contract expires)
Academic calendar (as needed)
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Annual general counsel evaluation committee appointments

April 2015 Meeting

Participation in campus events
Minutes for open session of last meeting

(NOTE: Agenda items noted in red are discretionary reports and subject to change.)

President's report
Advancement and/or foundation report
Academic affairs report
Student affairs report
Annual faculty senate report
Financial report
Construction projects report
Depository bank for next two fiscal years (as contracts expire)
Food service contractor (as contracts expire)
Bookstore contractor (as contracts expire)
Enrollment fees for next fiscal year
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Treasurers for next fiscal year
Annual general counsel evaluation and appointment for next fiscal year
Board begins annual presidential review process as outlined in presidential review timeline

June 2015 Meeting/Retreat

Participation in campus events
Minutes for open session of last meeting
President's report
Advancement and/or foundation report
Academic affairs/assessment report
Student affairs report
Financial report
Construction projects report
State capital funds request for next legislative session
Operating budgets for next fiscal year
Salary policies for next fiscal year
Union agreement renewal (in even numbered years)
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Tenure review
Faculty promotions
Annual presidential review and salary consideration
Annual general counsel salary consideration

August 2015 Meeting

Participation in campus events
Minutes for open session of last meeting
President's report
Advancement and/or foundation report
Academic affairs report
Student affairs report
Annual athletics report

(NOTE: Agenda items noted in red are discretionary reports and subject to change.)

Financial report
Construction projects report
Local capital budgets for FY2016
General revenue request for FY2017
Honorary degree consideration
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Board concludes annual presidential review process as outlined in presidential review timeline

October 2015 Meeting

Participation in campus events
Minutes for open session of last meeting
President's report
Advancement and/or foundation report
Academic affairs report
Student affairs report
Annual enrollment management report
Financial report
Audit report
Construction projects report
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report

The following items will be added to the agendas as needed:

University strategic plan reports
Campus master plan reports
Reports from administrative areas
Approval of new or revised policies
Approval of architects and/or engineers for construction projects
Approval of new construction projects over \$100,000
Approval of equipment purchases and leases over \$100,000
Approval of consulting services over \$10,000
Approval of change orders for major changes in construction projects
Approval of real estate acquisitions
Litigation and legal action reports

(NOTE: Agenda items noted in red are discretionary reports and subject to change.)

ITEM L

Dates for Future Meetings

DESCRIPTION AND BACKGROUND

It is helpful to schedule, at least tentatively, the dates for board meetings during the next year. The tentatively scheduled dates are subject to change by the Board, but the preliminary action permits both Board members and staff members to avoid the scheduling of other activities on the targeted dates for board meetings. In addition to the regularly scheduled meetings, special meetings can be called by the President of the Board or by three members of the Board. A schedule of calendar events for the next year follows this page.

RECOMMENDED ACTION

BE IT RESOLVED that the next regular meeting of the Board of Governors be scheduled for Saturday, December 6, 2014, on the University campus in Kirksville, Missouri, beginning at 1:00 p.m., with the understanding that the Chair may alter the starting time and/or place for the meeting by giving due notice of such change; and

BE IT FURTHER RESOLVED that other regular meetings of the Board during the next year be tentatively scheduled for the following dates:

- Saturday, February 7, 2015;
- Saturday, April 11, 2015;
- Saturday, June 13, 2015;
- Saturday, August 1, 2015; and
- Friday, October 9, 2015.

Moved by _____
 Seconded by _____
 Vote: Aye _____
 Nay _____

ATTACHMENT

Calendar of Events October 2014 – October 2015

CALENDAR OF EVENTS
October 2014 - October 2015

2014

October	6-11	Homecoming Week
	10	BOARD OF GOVERNORS MEETING
	11	Home Football - William Jewell
	16-17	Mid-Term Break
	18	Home Football - University of Indianapolis
November	8	November Showcase
	8	Home Football - Quincy University
	14	Lyceum, Rhonda Vincent
	27	Thanksgiving
December	6	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	13	Winter Commencement, 11:00 a.m.
	25	Christmas Day

2015

January	1	New Year's Day
	12	Spring Classes Begin
	19	Martin Luther King Day
	24	January Showcase
February	7	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	14	Lyceum, Montana Repertory Theater - "The Great Gatsby"
	19	University Conference
March	3	Lyceum, Seven Brides for Seven Brothers
	9-13	Mid-Term Break
	20	Lyceum, American Shakespeare Center
	21	Senior Showcase
April	6	Spring Break
	11	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	11	Foundation Board Meeting and Banquet (Tentative)
	14	Student Research Conference
	19-21	Association of Governing Boards National Conference on Trusteeship (Phoenix, Arizona)
	25	Junior Showcase
May	9	Spring Commencement, 2:00 p.m.
	25	Memorial Day
	26	Summer School Begins
June	13	BOARD OF GOVERNORS MEETING/RETREAT (TENTATIVE DATE)

July	4	Independence Day
August	1	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	15	Fall Semester Begins with Truman Week
September	7	Labor Day
	19	Family Day
October	5-10	Homecoming Week
	9	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	15-16	Mid-Term Break

ITEM M
Agenda Items for Closed Session

RECOMMENDED ACTION

BE IT RESOLVED that this meeting be continued in closed session, with closed records and closed votes as permitted by law, for consideration of the following items as authorized by Section 610.021, Revised Statutes of Missouri:

1. Approval of minutes for the closed session of the last meeting under Subsection 14 of the statute for “Records which are protected from disclosure by law”;
2. Individual personnel actions under Subsection 3 of the statute for “Hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded”;
3. Confidential communications with the General Counsel; and
4. Purchase of real estate under Subsection 2 of the statute for “Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and

BE IT FURTHER RESOLVED that if any business not covered by the stated reasons for the closed session is raised during the closed session, then this meeting shall be reopened to the public and an announcement about a resumption of the open session shall be made in the hallway outside of the meeting room.

Moved by _____
Seconded by _____
Vote: Aye _____
Nay _____