The Board of Governors for Truman State University met on Saturday, August 4, 2012, 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 1:00 p.m. by the Chair of the Board of Governors, Kenneth L. Read.

Participating in the meeting were all seven voting members: Sarah Burkemper, Cheryl J. Cozette, Karen Haber, Matthew W. Potter, Jim O’ Donnell, Susan Plassmeyer and Kenneth L. Read.

Also participating in the meeting were all three non-voting members. Michael J. Bushur, the student representative, and Michael A. Zito, one of the out-of-state members, participated in person. John Hilton, the other out-of-state member, participated by conference call.

Call to Order
Kenneth L. Read, as Chair of the Board of Governors, called the meeting to order and welcomed all in attendance.

Minutes for Open Sessions of Meetings on June 16 and July 11, 2012
Sarah Burkemper moved the adoption of the following resolution:

BE IT RESOLVED that the minutes for the open sessions of the meetings on June 16 and July 11, 2012, be approved.

The motion was seconded by Matthew W. Potter, who noted that the June 16 minutes should reflect that Affton High School is spelled with two f’s rather than one. The correction was duly noted and the motion carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted.

President’s Report
Dr. Troy D. Paino, University President, began his report by sharing a document summarizing his external and internal relations activities from June 16 to August 3, 2012, noting that the campus had been busy preparing for the start of the academic year and the arrival of first-year students. In relation to how quickly the world is changing especially in higher education, President Paino noted two recent trends that are having an effect on Truman’s enrollment: a recent Sallie Mae report which stated that families are responding to the “college affordability” issue by having their students live at home while taking classes and a decline in high school graduates in Missouri that will continue for another two years. Although Truman should be over 6,000 students for the third straight year, President Paino noted that hitting the University’s target on traditional first-year students will be a huge challenge and that the Admission team has developed an aggressive plan that includes new marketing strategies for both in- and out-of-state students. President Paino shared an update on the work of the guiding coalition to articulate a vision and strategy that will reaffirm Truman’s public purpose and liberal arts and sciences mission while also recognize the need for change in order to reach an increasingly diverse student population. President Paino noted that following his presentation to the Board in June, he met with faculty governance and department chairs to seek their input, and that the vision will be shared with the entire campus as an opportunity for even further input at the Fall Opening Assembly to be held on campus in mid-August. President Paino highlighted a recent trip on his engagement report to Washington, D.C., where he was invited to participate in a White House briefing and roundtable discussion on the President’s Interfaith Campus Challenge and where Truman was recognized as a member of the 2012 President’s Higher Education
Community Service Honor Roll. He also noted that he had been invited to be a member of the Association of American Colleges and Universities’ (AAC&U’s) Presidents’ Trust for Liberal Education and America’s Promise (LEAP), a group of 100 presidents who work together to be public advocates for the role of education but also liberal education that is important for our democracy. President Paino then engaged the Board in a dialogue regarding items and issues that the Board as a whole would like to hear more about throughout the coming year. Following that discussion, President Paino highlighted a tobacco tax referendum, led by the American Cancer Society, which is designed to help address Missouri's health, smoking and school funding problems through a $.73 tax increase on tobacco products. He shared a new on-line publication developed by the Truman Institute entitled *Harry*, and he noted that the Truman vs. University of Central Missouri football game will be televised on the CBS Sports Network on September 20 in recognition of the 100th anniversary of the MIAA. President Paino ended his remarks by highlighting Truman’s accounting program, noting that the University’s graduates performed exceptionally well during the 2011 Certified Public Accountants (CPA) examination, placing Truman 4th in the nation among large programs.

**Foundation Report**
Sarah Burkemper, President of the Foundation Board of Directors, provided a review of final fundraising totals for the year ending June 30, 2012, and an update on the work of the Foundation Board to prepare for the next comprehensive campaign which is scheduled to begin July 1, 2013.

**Academic and Student Affairs Committee Report**
Karen Haber, chair of the Academic and Student Affairs Committee, provided a report on the committee meeting. Mrs. Haber noted that the committee reviewed a listing of possible annual reports to the committee, including a student affairs assessment report which was shared with the committee at its meeting earlier in the day.

**Finance and Auditing Committee Report**
Sarah Burkemper, chair of the Finance and Auditing Committee, provided a report on the committee meeting held earlier in the day.

**Financial Report**
Mrs. Burkemper provided a review of the financial reports of the University, which included a review as of June 30, 2012, of education and general revenues and expenditures and auxiliary systems revenues and expenditures, and a review as of June 30, 2012, of the Truman State University Foundation revenues and expenditures.

**External Audit Scope Revision**
Mrs. Burkemper moved the adoption of the following resolution:

> WHEREAS, an audit scope change is necessary under the provisions of Office of Management and Budget, Circular A-133, “*Audits of States, Local Governments and Non-Profit Organizations*” that requires additional audit steps for certain federal programs;

> NOW, THEREFORE, BE IT RESOLVED that the President of the University be authorized to execute an agreement with RubinBrown LLP of St. Louis, Missouri,
for additional federal funds audits, as deemed necessary, for the period ending June 30, 2012.

The motion was seconded by Susan Plassmeyer and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted.

Faculty and Staff Discount for Enrollment Fees
Mrs. Burkemper moved the adoption of the following resolution:

BE IT RESOLVED that the effective date of the child age limitation provision in action ITEM H.2, pertaining to Faculty and Staff Discount for Enrollment Fees, adopted by the Board of Governors on June 16, 2012 shall be January 1, 2013.

The motion was seconded by Karen Haber and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted.

Budget and Capital Projects Committee Report
Matthew W. Potter, chair of the Budget and Capital Projects Committee, provided a report on the committee meeting held earlier in the day. In addition to the items on the full Board agenda, the committee also requested that the Director of Public Safety be invited to the committee’s next meeting to provide a report on Truman’s emergency operations plan.

Construction Projects Report
Mr. Potter provided an update on construction projects which had been approved by the Board at previous meetings.

Contracts for Construction/Technology Projects Report
Mr. Potter provided a report on construction/technology projects totaling $25,000 to $50,000 which had been approved since the last meeting of the Board. Mr. Potter noted that two construction projects had been approved since the last meeting.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pershing Arena and Small Gym Window Replacement</td>
<td>$45,600</td>
</tr>
<tr>
<td>Student Recreation Center Floor Refinishing</td>
<td>$30,227</td>
</tr>
</tbody>
</table>

Annual Auxiliary Facilities Update
Mr. Potter reviewed the annual report which summarized the four phases of the Auxiliary Facilities Initiative.

Local Capital Budgets for Fiscal Year 2013
Mr. Potter moved the adoption of the following resolution:

BE IT RESOLVED that the “Local State Funds Capital Budget – FY2013” and the proposed “Auxiliary Funds Capital Budget – FY 2013” be approved and that copies of the budgets be attached to the minutes as exhibits.
The motion was seconded by Sarah Burkemper and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted, and the Secretary designated a copy of the documents as Exhibit A.

General Revenue Request for Fiscal Year 2014
Mr. Potter moved the adoption of the following resolution:

BE IT RESOLVED that the General Revenue Request for Fiscal Year 2014 be approved and ratified; and

BE IT FURTHER RESOLVED that a copy of the General Revenue Request for Fiscal Year 2014, which lists the total amount of $97,101,899 with a State Funds Appropriations Request of $45,807,899, 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 Sarah Burkemper and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit B.

Stokes Stadium Bleacher Replacement Project
Mr. Potter moved the adoption of the following resolution:

BE IT RESOLVED that the description and budgeted amount for the following construction project be approved:

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stokes Stadium Bleacher Replacement Project</td>
<td>$155,000</td>
</tr>
</tbody>
</table>

BE IT FURTHER RESOLVED that the President of the University, or his designee, be authorized to accept the lowest and best bid for this project: and

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

The motion was seconded by Susan Plassmeyer and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit C.

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

Dates for Future Meetings
Cheryl J. Cozette 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 19, 2012, on the University campus in Kirksville, 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 1, 2012;
Saturday, February 9, 2013;
Saturday, April 13, 2013;
Saturday, June 15, 2013; and
Saturday, August 3, 2013.

The motion was seconded by Karen Haber and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted.

Agenda Items for Closed Session
Cheryl J. Cozette 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”;
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 Susan Plassmeyer and carried by a unanimous vote of 7 to 0. Mr. Read then declared the motion to be duly adopted.
The closed session of the meeting began shortly after 2:00 p.m.

Cheryl J. Cozette  
Secretary of the Board of Governors

I hereby certify that the foregoing minutes were approved by the Board of Governors on the 19th day of October, 2012

Kenneth L. Read  
Chair of the Board of Governors
LOCAL CAPITAL BUDGETS FOR FISCAL YEAR 2013

Projected Resources: Local State Funds Capital Budget

Table 1 outlines the projects for the Local State Funds Capital Budget. The total recommended for the FY2013 budget is $3,062,419.

The FY2013 State Maintenance and Repair Funds of $1,286,000 have been budgeted for on-going projects and repairs to HVAC systems. If these funds are not needed for these projects, they will be used for other priority maintenance and repair needs, subject to approval by the Board of Governors.

The estimated FY2012 carry-over funds and interest income from Education and General total $1,776,419. These funds will be used for University needs and priorities that cannot be funded by State Maintenance and Repair Funds or for which the M&R funds are inadequate. Included among these are utility and infrastructure improvements such as masonry and roofing repairs ($600,000), utility and infrastructure improvement ($1,076,419), as well as land acquisition and site development ($100,000).

All proposed project expenditures will come before the Board of Governors following the usual procedures and will be subject to individual Board approval.

Projected Resources: Auxiliary Funds Capital Budget

For FY2013 the funding source for the Auxiliary Funds Capital Budget include the operating carry-over from the auxiliary enterprises for FY2012. This operating carry-over and auxiliary interest income total is $2,507,660.

Table 2 shows $2,507,660 of 2013 funds allocated to the projects identified as the Auxiliary Facilities Initiative. This includes the residence halls, Student Union Building and Recreation Center. The primary project which these auxiliary funds will support is the on-going renovation of Centennial Hall.

Board of Governors
August 4, 2012
Table 1

Local State Funds Capital Budget – FY2013

<table>
<thead>
<tr>
<th>State Maintenance and Repair Funds</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>On-going Repairs to HVAC and Building Systems</td>
<td>$1,286,000</td>
</tr>
<tr>
<td>State Maintenance and Repair Subtotal</td>
<td>$1,286,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2012 Carry-over and Interest Income</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition &amp; Site Development</td>
<td>100,000</td>
</tr>
<tr>
<td>Masonry and Roofing Repairs</td>
<td>600,000</td>
</tr>
<tr>
<td>Utility and Other Infrastructure Improvements</td>
<td>1,076,419</td>
</tr>
<tr>
<td>Carry-over Subtotal</td>
<td>$1,776,419</td>
</tr>
</tbody>
</table>

Grand Total Local State Funds Capital Budget: $3,062,419

Notes: If actual funds available are less or costs for top priority projects increase above projected funds, some work would be deferred. Any balance or additions to the funds available would provide for project contingencies for existing projects. Withholdings of state funds may reduce the total available for the FY2013 Local State Funds Capital Budget.
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2012 Carry-over</td>
<td>$2,507,660</td>
</tr>
<tr>
<td>For funding related to the design and construction of</td>
<td></td>
</tr>
<tr>
<td>projects for the Auxiliary Facilities including</td>
<td></td>
</tr>
<tr>
<td>Residence Halls, Student Union Building and</td>
<td></td>
</tr>
<tr>
<td>Recreation Center, with expenditures consistent with</td>
<td></td>
</tr>
<tr>
<td>the funds available in each account.</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$2,507,660</td>
</tr>
<tr>
<td>Total Auxiliary Funds Capital Budget</td>
<td>$2,507,660</td>
</tr>
</tbody>
</table>

Board of Governors
August 4, 2012
I. Base Request

State funding from General Revenue and the lottery currently provides 44% of the Education & General operating budget for Truman State University. The top budgetary priority involves funding for areas which will maintain educational quality and affordability at Truman. The following factors, which cover the costs of continuing current programs, were utilized to develop this portion of the FY 2014 funding request.

**Salaries – Benefits:** An increase of 4% for all personal service categories is requested. This includes faculty and staff salaries as well as fringe benefits. The goal is to provide funds to help increase faculty and staff salaries and cover escalating benefit costs such as retirement and health insurance. No general raises provided for faculty and staff during the 2010 and 2011 fiscal years, and modest increases were provided for the 2012 and 2013 fiscal years.

**Equipment:** The FY 2014 request calls for an additional 3% for equipment additions and replacement. This will provide funding for much needed equipment for both academic and support areas. With the proposed increase, academic equipment would be replaced to meet technological changes.

**Library Operations:** Due to the costs of library acquisitions and materials and the need to maintain library budgets, the request for this area is increased by 6%. This includes funds for books, periodicals and on-line subscription services and databases.

**Utilities:** Utility costs for FY 2014 are projected to increase by 9% over FY 2013 planned expenditures. This is due to anticipated increases in the cost of natural gas and electricity.

**Other Operations:** For FY 2014 all other operations expenditures are increased by 3%. Operations include office supplies, travel, educational supplies and similar items.

The table on the next page outlines FY 2013 planned expenditures for these categories and the FY 2014 request based on these factors. This base request item is the “cost to continue” current activities at Truman and is a 5.3% increase in state support. Additional Decision Items are summarized on page 3 of this document. The requested core increase plus the Decision Items result in an 14.7% increase in requested state funding compared to the FY 2013 core.
GENERAL REVENUE REQUEST  
TRUMAN STATE UNIVERSITY  
FOR FISCAL YEAR ENDING JUNE 30, 2014

<table>
<thead>
<tr>
<th>I. Base Request</th>
<th>FY2013 Planned Expenditures</th>
<th>Increase</th>
<th>Requested Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries – Benefits</td>
<td>$52,886,984</td>
<td>4%</td>
<td>$ 2,115,479</td>
</tr>
<tr>
<td>Equipment</td>
<td>3,074,615</td>
<td>3%</td>
<td>92,238</td>
</tr>
<tr>
<td>Library Operations</td>
<td>1,443,500</td>
<td>6%</td>
<td>86,610</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,365,000</td>
<td>9%</td>
<td>302,850</td>
</tr>
<tr>
<td>Other Operations</td>
<td>30,443,511</td>
<td>3%</td>
<td>913,305</td>
</tr>
<tr>
<td>Total</td>
<td>$91,213,610</td>
<td></td>
<td>$ 3,510,542</td>
</tr>
</tbody>
</table>

x 60%  

Requested General Revenue Increase  
$ 2,106,289

II. Decision Items

1. Funds for Mandatory Increases  
   $ 1,057,000
2. Maintenance and Repair: Protecting Investments  
   1,675,000
3. Strategic Funding: STEM Programs  
   1,050,000

Decision Items Total  
$ 3,782,000

Total Requested General Revenue Increase  
$ 5,888,289

FY 2013 Planned Core Budget Expenditures  
$91,213,610

TOTAL FY 2014 BUDGET REQUEST  
$97,101,899

State Funds Appropriation FY 2013  
$39,919,610

State Funds Appropriation Request FY 2014  
*(FY 2013 Base + increases+decision items)  
$45,807,899
II. Decision Items

1. Funds for Mandatory Increases

Funds are being requested by many four-year campuses to cover mandatory or non-avoidable cost increases which have been absorbed by institutions in recent years. This includes required contributions to MOSERS (the state retirement system), increases in property and liability insurance rates, and increases in health insurance premiums. A two percent increase in state support is requested to fund these mandatory personal service and operational cost increases. This decision item request is for $1,057,000.

2. Maintenance and Repair: Protecting Investments

Truman currently has over one-million square feet of state-funded buildings, and additional funds are requested for the upkeep of campus facilities. Prior to the core appropriation reduction for FY03, the CBHE funding formula provided $1,688,000 to Truman each year for maintenance and repair. Based on projected FY 2013 building replacement costs ($209,000,000) and the generally accepted standard of 2% of replacement costs, Truman needs $4.2 million annually for maintenance and repair. When combined with the current budget ($1,460,000) in this category, the requested additional $1,675,000 of state funding for maintenance and repair would make progress toward the goal of budgeting two percent of the current value of the state-funded facilities. If funded, this request would increase the maintenance and repair budget to 1.5% of the current building replacement value. This decision item request is for $1,675,000.

3. Strategic Funding: STEM Programs

One of the state and national priorities is increasing the number of individuals trained in Science, Technology, Engineering, and Mathematics (STEM). Truman has strong programs in the sciences as well as mathematics and computer science. Additional assets include the modern scientific labs and research facilities in Magruder Hall. To leverage these assets Truman is requesting additional faculty as well as equipment and operations funds which will allow the expansion of these programs. This request includes funds to hire 10 faculty in these fields, equipment funds, and operating funds to expand summer programs designed to attract students to Truman science and mathematics programs. This decision item request totals $1,050,000.

Budget Timetable

This is the first step in the FY 2014 budget process. Truman’s request will be reviewed by the MDHE staff in August and September, and in October the Coordinating Board for Higher Education will make official budget recommendations for each campus. The next major step in the process occurs in January when the Governor presents budget recommendations to the General Assembly. Committee hearings will follow with appropriations finalized in May, 2013.
ITEM H.6
Stokes Stadium Bleacher Replacement Project

DESCRIPTION AND BACKGROUND

Stokes Stadium is located on the south side of campus, and currently is utilized for a great variety of the student and community events. The bench seating is currently fiberglass which was installed over the original wood bleachers in 1984. The new bench seating will replace the existing with aluminum, and as a part of this replacement project the perimeter railing will be replaced and aisle rails will be added making the aisles slightly wider. These changes will increase safety. The project will also include an area of VIP seating under the press box. This area will have chairs with cup holders and more generous circulation. This type of chair will also be used for improvements to the ADA seating. The Request for Proposals was sent to six firms and the project was advertised.

The University received three complete bids for the project. The low bid was Sportscon LLC. It is recommended to accept their base bid plus the alternate for vinyl coating on the perimeter railings, for a total project budget of $155,000 including advertising.

Funds for this project are available from the student athletic fee budget and work would begin in November.

RECOMMENDED ACTION

BE IT RESOLVED that the description and budgeted amount for the following construction project be approved:

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Project Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stokes Stadium Bleacher Replacement Project</td>
<td>$155,000</td>
</tr>
</tbody>
</table>

BE IT FURTHER RESOLVED that the President of the University, or his designee, be authorized to accept the lowest and best bid for this project: and

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

Moved by ________________________________
Seconded by _______________________________

Vote: Aye ________________________________
Nay ________________________________

Board of Governors
August 4, 2012