OFFICIAL MINUTES
OF THE
BOARD OF GOVERNORS

TRUMAN STATE UNIVERSITY
Kirkville 63501

OPEN SESSION
OF MEETING ON
DECEMBER 5, 2009

The Board of Governors for Truman State University met on Saturday, December 5, 2009, on the University campus in Kirkville, 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, Cheryl J. Cozette.

A quorum was present with all seven voting members in attendance: Cheryl J. Cozette, Mike Greenwell, Karen Haber, Matthew W. Potter, Kenneth L. Read, John W. Siscel, III, and Mark S. Wasinger.

Also participating in the meeting were all three of the non-voting members. Cody Sumter, the student representative, and John Hilton, one of the out-of-state members, participated in person. Peter T. Ewell, the other out-of-state member, participated by conference call.

Call to Order
Dr. Cozette opened the meeting by extending a welcome to all in attendance.

Selection of Officers for 2010 Calendar Year
Dr. Cozette noted her appointment of Mr. Wasinger, Mr. Greenwell, and Ms. Haber to serve as the nominating committee to provide a proposed slate of officers for the 2010 Calendar Year. Mr. Wasinger then reported that it was the decision of the nominating committee to propose Matthew W. Potter for the office of chair, John W. Siscel, III for the office of vice chair, and Kenneth L. Read for the office of secretary. Mr. Wasinger then moved the adoption of the following resolution:

BE IT RESOLVED that the following persons be duly elected as officers of the Truman State University Board of Governors, taking office for a term of one year commencing at the first regular meeting of the 2010 Calendar Year:

Chair Matthew W. Potter
Vice Chair John W. Siscel, III
Secretary Kenneth L. Read

The motion was seconded by Mr. Greenwell and carried by a unanimous vote of 7 to 0. Dr. Cozette then declared the motion to be duly adopted.

Minutes for Open Sessions of Meetings on October 9 and October 27, 2009
Dr. Siscel moved the adoption of the following resolution:

BE IT RESOLVED that the minutes for the open sessions of the meetings on October 9 and October 27, 2009, be approved.

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

Resolution of Commendation – Andrew J. McCall
Mr. Potter moved the adoption of the following resolution:

WHEREAS, Andrew J. McCall has been an active member of the Truman State University student body, enrolling as a Pershing Scholar in August 2006; and
WHEREAS, he serves as captain of the Truman State University swim team, is a five-time Division II All-American swimmer, and plays violin in the University symphony; and

WHEREAS, he was selected as a 2010 recipient of the distinguished Rhodes Scholarship, the oldest international educational fellowship which brings outstanding students from many countries around the world to the University of Oxford; and

WHEREAS, only thirty-two recipients from the United States of America were selected among eight hundred and five applicants based on their physical, intellectual, and moral capabilities of leadership; and

WHEREAS, Andrew J. McCall is the first Rhodes Scholar from Truman State University;

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Truman State University hereby expresses its great appreciation and commendation to Andrew J. McCall for his extraordinary achievement and for his fine representation of this University; and

BE IT FURTHER RESOLVED that a copy of this resolution be presented to him as a tangible expression of appreciation and felicitation.

The motion was seconded by Dr. Siscel and carried by a unanimous vote of 7 to 0. Dr. Cozette then declared the motion to be duly adopted. A framed copy of the resolution was then presented to Andrew J. McCall.

Resolution of Appreciation – Dr. Patricia S. Burton

Mr. Read moved the adoption of the following resolution:

WHEREAS, Dr. Patricia S. Burton, Professor of Philosophy, has been an active member of the Truman State University faculty since 1987; and

WHEREAS, Dr. Burton was among the group that applied for and was granted a Truman State University chapter of Phi Beta Kappa, the nation’s oldest and most widely known academic honor society, which honors outstanding student scholars at the University with membership; and

WHEREAS, during Dr. Burton’s time at Truman State University she has devoted much of her energy to the nurturing of the best among the best, and a large proportion of the University’s strongest candidates for nationally competitive scholarships were guided and mentored by her, including the University’s first Rhodes Scholar, Andrew J. McCall;

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Truman State University hereby expresses its great appreciation and commendation to Dr. Patricia S. Burton for her extraordinary achievement and for her fine representation of this University; and

BE IT FURTHER RESOLVED that a copy of this resolution be presented to her as a tangible expression of appreciation and felicitation.
The motion was seconded by Mr. Greenwell and carried by a unanimous vote of 7 to 0. Dr. Cozette then declared the motion to be duly adopted. A framed copy of the resolution was then presented to Dr. Patricia S. Burton.

President’s Report
Dr. Darrell W. Krueger, President of the University, congratulated Andrew J. McCall and Dr. Patricia S. Burton for their achievements. President Krueger began his report by providing updates on the Pershing Building Addition and Renovation Project and the University’s projected state funding for the next fiscal year. President Krueger thanked the Board for their support of Governor Jay Nixon’s FY2011 Potential Budget Agreement, an agreement in which the Governor has promised to maintain higher education funding at approximately 95% of the current fiscal year’s appropriation in exchange for four-year institutions not imposing a tuition increase on in-state, undergraduate students for the 2010-2011 school year. President Krueger noted that the agreement is subject to approval by the General Assembly. President Krueger reported that he and his staff have begun the review of various business practices throughout the University, looking to ensure that the best practices are in place while at the same time trimming unnecessary costs. President Krueger noted that as a result of the work of the Scholarship Oversight Committee, Gina Morin, Associate Vice President for Enrollment Management, had been appointed as the person responsible for the distribution of scholarships and the scholarship renewal process. President Krueger ended his report by providing an enrollment update and a report on new graduate programs.

Academic Affairs Report: Student Interview Project
Dr. Troy Paine, Provost and Vice President for Academic Affairs, and Dr. Jeffrey Vittengl, Associate Professor of Psychology, provided a report on the Student Interview Project.

Dr. Siscel left the meeting at approximately 1:30 p.m. The absence of Dr. Siscel was noted as excused.

Enrollment/Scholarship Report
Regina Morin, Associate Vice President for Enrollment Management, and David R. Rector, Vice President for Administration, Finance and Planning, provided a report on enrollment comparisons and scholarship oversight committee progress.

Presidential Review Process
Dr. Ewell, as chair of the Presidential Evaluation Committee, provided an update on the work of the committee. Dr. Ewell noted that it is anticipated that a resolution to incorporate the committee’s suggestion process into the Code of Policies of the Board of Governors will be presented to the Board at its February meeting.

Housing Charges
Mr. Potter, as chair of the Budget and Capital Projects Committee, reported on the committee meeting which was held earlier that day. Following discussion, Mr. Read moved the adoption of the following resolution:

BE IT RESOLVED that the following major categories of housing charges be approved, effective with the 2010 Fall Semester:

1) Room and board rates for students living in the University’s residence halls with the regular food plan:

<table>
<thead>
<tr>
<th>CENTENNIAL</th>
<th>Charge for Academic Year</th>
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<tbody>
<tr>
<td>Size of Room</td>
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<tr>
<td>Two Occupant Rooms</td>
<td>$6,780 per student</td>
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<tr>
<td>Three or Four Occupant Rooms</td>
<td>$6,365 per student</td>
</tr>
<tr>
<td>Super Single Rooms</td>
<td>$7,995 per student</td>
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</tbody>
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MISSOURI/DOBSON
Size of Room  Charge for Academic Year
Two Occupant Rooms  $6,990 per student
Three Occupant Rooms  $6,590 per student
Single Occupant Rooms  $7,845 per student
Super Single Rooms  $8,290 per student
Deluxe Double Rooms  $7,535 per student

BLANTON/NASON/BREWER
Size of Room  Charge for Academic Year
Two Occupant Rooms  $7,350 per student
Three or Four Occupant Rooms  $6,925 per student
Single Occupant Rooms  $8,220 per student
Super Single Rooms  $8,645 per student
Deluxe Double Rooms  $7,890 per student

GRIM
Size of Room  Charge for Academic Year
Two Occupant Rooms  $6,555 per student
Single Occupant Rooms  $7,325 per student
Super Single Rooms  $7,680 per student

RYLE (during remodeling)
Size of Room  Charge for Academic Year
Two Occupant Rooms  $6,995 per student
Three or Four Occupant Rooms  $6,570 per student
Single Occupant Rooms  $7,810 per student
Super Single Rooms  $8,015 per student

2) West Campus Suites, including regular meal plan:
Four Occupant Suites  Charge for Academic Year
      $8,020 per student
Super Single  $9,590 per student

3) Fair Apartments:
Two Occupant Apartments, with meals  Charge for Academic Year
      $6,805 per student
ADA—Single Room, no meals  $5,775 per student

4) Room rates (without meals) for students living in the University’s apartments:
Unmarried Student Apartments
Randolph Street Apartments  Charge for Academic Year
One Bedroom Units  $3,725 per student
Two Occupants
Two Bedroom Units  $3,580 per student
Four Occupants
Campbell Apartments
One Bedroom Units
  Two Occupants $4,080 per student
  Three Occupants $3,985 per student

Family Apartments in Campbell Apartments (when available)
  Charge for Academic Year
  One Bedroom Apartments $6,385 per family
  Two Bedroom Apartments $7,260 per family

BE IT FURTHER RESOLVED that the other residence hall fees and room and board
charges including short-term rates not listed in this resolution be established by the
President of the University, based on the above fees and charges, in accordance with

The motion was seconded by Ms. Haber and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion
to be duly adopted.

Purchase of Equipment
Mr. Greenwell moved the adoption of the following resolution:

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

Item                                      Budget

Cage and Bottle Washer                    $70,000

Graphite Furnace Atomic Absorption Spectrophotometer $60,000

The motion was seconded by Mr. Wasinger and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion
to be duly adopted.

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 noted that there were no construction/technology projects totaling $25,000 to $50,000 which had been
approved since the last meeting of the Board.

Financial Report
Mr. Wasinger, as chair of the Finance and Audit Committee, reported on the committee meeting which was held earlier
that day. Mr. Wasinger, along with Judy Mullins, Comptroller, then provided a review of the financial reports of the
University, which included a review as of October 31, 2009, of education and general revenues and expenditures and
auxiliary systems revenues and expenditures, and a review as of October 31, 2009, of the Truman State University
Foundation revenues and expenditures.

Amendment to Code of Policies – Fiscal Misconduct
Mr. Wasinger moved the adoption of the following resolution:
BE IT RESOLVED that Chapter 14 of the Code of Policies of the Board of Governors of Truman State University is hereby amended by adding Section 14.180 entitled Fiscal Misconduct, as set out in Exhibit A, attached and made part of this resolution by reference.

The motion was seconded by Mr. Potter and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion to be duly adopted, and the Secretary designated a copy of that document as Exhibit A.

Amendment to Code of Policies – Endowed Funds-Spending Policy
Mr. Wasinger moved the adoption of the following resolution:

BE IT RESOLVED that Chapter 13 of the Code of Policies of the Board of Governors of Truman State University is hereby amended by adding Section 13.040 entitled Endowed Funds-Spending Policy, as set out in Exhibit B, attached and made part of this resolution by reference.

The motion was seconded by Mr. Greenwell and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion to be duly adopted, and the Secretary designated a copy of that document as Exhibit B.

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
Ms. Haber moved the adoption of the following resolution:

BE IT RESOLVED that the next regular meeting of the Board of Governors be scheduled for Saturday, February 6, 2010, on the University campus in Kirksville, beginning at 1:30 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, April 10, 2010;
- Friday and Saturday, June 18-19, 2010;
- Saturday, August 14, 2010;
- Friday, October 15, 2010; and
- Saturday, December 4, 2010.

The motion was seconded by Mr. Read and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion to be duly adopted.

Agenda Items for Closed Session
Mr. Wasinger 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. 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
4. Confidential communications with the General Counsel.

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 Ms. Haber and carried by a unanimous vote of 6 to 0. Dr. Cozette then declared the motion to be duly adopted.

The closed session of the meeting began shortly after 2:40 p.m.

I hereby certify that the foregoing minutes were approved by the Board of Governors on the 6th day of February, 2010.

Matthew W. Potter
Chair of the Board of Governors
14.180 **Fiscal Misconduct** It is desirable that University employees observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees have a responsibility to students, parents, donors and citizens of the State of Missouri to use University resources prudently, ethically and for the purposes for which they are intended and in full compliance with laws, regulations and policies. Every member of the faculty, staff and any other person acting on behalf of the University is responsible for ethical conduct consistent with University policies and procedures. Business activities undertaken on behalf of the University must reflect honesty, integrity and fairness. Even the appearance of impropriety should be avoided.

The purpose of this policy is to provide an avenue for employees and others to raise concerns they may have about the subjects covered by this policy and to protect any employee or other member of the University community who makes a good faith disclosure of suspected Fiscal Misconduct. Additionally, this policy is intended to encourage the disclosure of violations of law or breaches of University policy pertaining to all forms of fiscal matters. This policy provides a process for reporting of Fiscal Misconduct; protects those who report violations from retaliation for making such a report and provides a process to investigate and mitigate any such retaliatory behavior.

1. **Definitions** Under this policy, the term **Fiscal Misconduct** is defined as follows:

   a. an activity or series of activities that intentionally lead to the spending of University funds, which spending is not properly approved; or

   b. inappropriate use of University resources including assets and personnel; or

   c. violation of Board of Governors policies, state or federal laws or regulations, or University policies or procedures pertaining to fiscal matters; or

   d. manipulation of University data and documentation to allow spending in circumstances where funds do not exist, or intentionally misreporting University transactions or intentionally misleading others with regard to University transactions; or

   e. an activity which aids another in committing Fiscal Misconduct or conceals the Fiscal Misconduct of another.

**Employee** For purposes of this policy, the term Employee is intended to include persons who are directly employed by the University as well as the broader University community such as outside contractors of the University upon whom the University relies for recommendations with regard to use and allocation of University funds and assets.

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2. a. It is the policy of the Board of Governors that all members of the University community shall adhere to all of the University's policies and procedures pertaining to fiscal matters and to all state and federal laws and regulations in such matters, as well.

b. supervisors are responsible for fiscal integrity within their units. Supervisors are expected to provide leadership, oversight and management to ensure that all University funds are managed according to the goals, objectives and mission of the University and in accordance with all applicable University polices and rules and all applicable state and federal rules and regulations. This oversight includes an obligation to ensure that funds are budgeted and spent according to policies and that processes and internal controls are in place and that University assets and funds are safeguarded and that transactions are recorded and reported accurately. No supervisor or other University official may compel a University employee to violate any law or policy regarding fiscal matters.

3. The University business office is to provide up-to-date policies and procedures in the various fiscal areas and is to provide training to employees and contractors with regard to policy implementation. The business office is also responsible for maintaining information about this Fiscal Misconduct policy on its web site and to communicate the policy provisions to the campus community.

Additionally, the Comptroller will be responsible for reporting a summary of complaints received regarding Fiscal Misconduct, including the disposition of those complaints, to the President of the University and to the Board of Governors Audit Committee at least annually.

4. Violations of this policy may be reported to one of the officers listed below except that the Report should not be made to the officer responsible for supervising the activity which is the matter of concern. (For example, possible misconduct by an employee under the supervision of the Provost and Vice President for Academic Affairs should not be reported to the Provost and Vice President for Academic Affairs but rather to another of the officials listed below.)

A report should be made in person, or in writing to the Provost and Vice President for Academic Affairs; the Vice President for Finance, Budget and Planning or the Dean of Students. If the alleged misconduct implicates one of these officials, the report may be made to the President of the University. If the alleged misconduct implicates the President of the University, the report may be made to a member of the Board of Governors Audit Committee. The members of the Board of Governors Audit Committee are identified on the Board of Governors website.

The Comptroller shall serve as a central data collection officer for purposes of monitoring activity and investigations under this policy. Any report of Fiscal Misconduct shall be investigated thoroughly and in a timely manner. The person responsible for the investigation will advise the Comptroller of the report, the progress of the investigation and

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the final determination of the investigation. In the event that the Comptroller is the subject 
of an investigation under this policy, the President of the University shall fully inform the 
Audit Committee of the nature of the complaint, the progress of the investigation and the 
final determination on the matter.

5. An employee who engages in Fiscal Misconduct is subject to disciplinary action including 
dismissal from employment. A contractor whose agents or employees engage in Fiscal 
Misconduct is subject to cancellation of its contract with the University. The President of 
the University will determine what action will be taken in the event a finding of Fiscal 
Misconduct is reported.

6. Retaliation against an employee for making a report of Fiscal Misconduct is prohibited. 
Anyone who retaliates against one who acts in good faith when reporting a violation is 
subject to disciplinary action including termination of employment or termination of 
contractor status. Anyone who has been subjected to an adverse employment action in 
retaliation for reporting Fiscal Misconduct may contest the action by filing a written 
complaint with the Executive Director of Human Resources/EOO and Affirmative Action 
Officer who will investigate the matter and make appropriate recommendations for 
resolution of the complaint. Nothing in this policy is intended to interfere with legitimate 
employment decisions. Any employee who knowingly makes a false report under this policy 
is subject to disciplinary action including termination of employment status and such 
employee will have no right to bring a retaliation complaint under this policy. Any 
contractor who knowingly makes a false report under this policy is subject to cancellation of 
its contract.

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Exhibit B

13.040 **Endowed Funds-Spending Policy** It is the intention of the Board of Governors to establish a spending policy pertaining to endowed funds in order to comply with provisions of Missouri law adopted in 2009 and known as the Uniform Prudent Management of Institutional Funds Act. This policy pertains to all endowed funds of the University to which the donor has not specifically stated their intent as to:

(a) the amount of the endowment that should be maintained in perpetuity by the University;
(b) the amount or rate to which funds may be spent from the endowment in any given period;
(c) the manner in which the endowment funds should be invested; or
(d) the treatment of appreciation or depreciation of the value of the invested endowment funds.

It shall be the policy of Truman State University that all endowed funds of the University, however held, shall be maintained at or above their Historic Dollar Value. For purposes of this policy, the term "Historic Dollar Value" means the aggregate fair value in dollars of:

(a) An institutional endowment fund at the time it became an endowment fund;
(b) Each subsequent donation to the fund at the time it is made; and
(c) Each accumulation made pursuant to a direction in the applicable gift instrument or by the Board of Governors at the time the accumulation is added to the fund. Any determination of Historic Dollar Value made by the Board of Governors is conclusive. The Truman State University Foundation Board of Directors may make such determination for the Board of Governors while acting in its capacity as Trustee for the University.

If, at any time, an endowed fund's balance falls below its Historic Dollar Value, no further appropriation or expenditure of monies from that fund will be permitted unless and until the fund's value increases above its Historic Dollar Value. While any endowed fund is valued above its Historic Dollar Value, it shall be the policy of the University that such increase above the Historic Dollar Value may be appropriated and spent in accordance with University and Foundation spending policies. Further, any appropriation and spending of endowed funds and endowed fund earnings or increase shall be subject to the intent and wishes of the donor as expressed in the applicable gift instrument.

This policy shall be a standing policy from year to year and shall govern appropriations from endowed funds on an ongoing and continual basis without need of further action by the Board of Governors. This policy represents the University's interpretation of how such endowment funds should be prudently managed, given the considerations and guidance as prescribed in the Uniform Prudent Management of Institutional Funds Act, as adopted by the State of Missouri. In exceptional circumstances, the Board of Governors will consider staff or Truman State University Foundation Board requests to waive this policy for specific funds and will in such an exceptional circumstance base its decision on an analysis made in accordance with provisions of the Uniform Prudent Management of Institutional Funds Act before making a final determination.

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