

NOTICE OF MEETING
Board of Governors, Truman State University
Saturday, August 3, 2019

The Board of Governors for Truman State University will hold a meeting on Saturday, August 3, 2019, 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. The public is invited to attend.

The tentative agenda for the meeting is attached to this notice. Items K through M on the attached agenda are eligible for consideration in closed session under the provisions of Section 610.010 through 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 26th day of July, 2019.

A handwritten signature in cursive script that reads "Susan L. Thomas".

Susan L. Thomas, Ph.D.
President of the University

TENTATIVE AGENDA

Board of Governors, Truman State University Saturday, August 3, 2019

- 11:00 a.m. Board of Governors Academic and Student Affairs Committee Meeting
Room 3201, Student Union Building
(Governors Dameron, Cozette, Middlemas and Crandall)
- 11:00 a.m. Board of Governors Budget and Capital Projects Committee Meeting
Room 3202, Student Union Building
(Governors Miller, Bonner, O'Donnell and Crandall)
- 11:00 a.m. Board of Governors Finance and Auditing Committee Meeting
Room 3203, Student Union Building
(Governors Burkemper, Gingrich, McClaskey and Crandall)
- 12:00 noon Board of Governors Luncheon
Georgian Room C, Student Union Building
- 1:00 p.m. Open Session of Board of Governors Meeting
Conference Room (3000), Student Union Building
- ITEM A Call to Order and Chair Report
 - ITEM B Minutes for Open Session of Meeting on June 15, 2019
 - ITEM C President's Report
 - ITEM D Annual Athletics Report
 - ITEM E Finance and Auditing Committee Report
 - ITEM E.1 Financial Report
 - ITEM F Academic and Student Affairs Committee Report
 - ITEM F.1 Honorary Degree Consideration
 - ITEM G Budget and Capital Projects Committee Report
 - ITEM G.1 Construction Projects Report
 - ITEM G.2 Contracts for Construction Projects and Equipment Purchases Report
 - ITEM G.3 Operating Budgets for Fiscal Year 2020 (revised)
 - ITEM G.4 Local Capital Budgets for Fiscal Year 2020
 - ITEM G.5 State Appropriation Request for Fiscal Year 2021
 - ITEM G.6 Engineering Services - Greenwood Site Development Project
 - ITEM G.7 Naming Opportunity
 - ITEM H Agenda Items for Future Meetings
 - ITEM I Dates for Future Meetings
 - ITEM J Agenda Items for Closed Session
- Closed Session of Board of Governors Meeting
- ITEM K Minutes for Closed Session of Meeting on June 15, 2019
 - ITEM L Personnel Actions Report
 - ITEM L.1 Conclusion of Annual Presidential Review
 - ITEM M General Counsel Report
 - ITEM M.1 Motion to Adjourn

ITEM A

Call to Order and Chair Report

DESCRIPTION AND BACKGROUND

Governor Laura A. Crandall, 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 June 15, 2019

RECOMMENDED ACTION

BE IT RESOLVED that the minutes for the open session of the meetings on June 15, 2019, be approved.

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

ATTACHMENT

Minutes for Open Session of Meeting on June 15, 2019

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 1

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

The Board of Governors for Truman State University met on Saturday, June 15, 2019, on the University campus in Kirksville, Missouri. A retreat was held in conjunction with the Board of Governors meeting. The retreat began at 9:00 a.m. and was held in Baldwin Hall 257. The meeting began at 1:00 p.m. and was held in Baldwin Hall 231.

Participating in the retreat and meeting were all seven voting members: Sarah Burkemper, Cheryl J. Cozette, Laura A. Crandall, Jennifer Kopp Dameron, Nancy Gingrich, K. Brooks Miller, Jr., and Jim O'Donnell.

Also participating in the retreat and meeting were two of the three non-voting members: David Lee Bonner, an out-of-state member, and Tiffany Middlemas, student representative. The other out-of-state member, Mike McClaskey, was unable to participate and his absence was recorded as excused.

On June 3, 2019, Missouri Governor Michael L. Parson reappointed Sarah Burkemper to the Truman State University Board of Governors for a term ending January 1, 2023. Since the appointment was made when the Missouri Senate was not in session, the reappointment of Governor Burkemper took effect immediately and is subject to confirmation when the Senate reconvenes.

On June 3, 2019, Missouri Governor Michael L. Parson appointed Nancy Gingrich to replace Mike LaBeth as a member of the Truman State University Board of Governors for a term ending January 1, 2025. Since the appointment was made when the Missouri Senate was not in session, the appointment of Governor Gingrich took effect immediately and is subject to confirmation when the Senate reconvenes.

Call to Order

Laura A. Crandall, Chair of the Board, called the retreat to order shortly after 9:00 a.m. and welcomed all in attendance.

The focus of the retreat was strategic planning with the University President and the Executive Leadership Team participating in the discussion.

The retreat ended at approximately 12:00 noon.

Call to Order and Chair Report

Governor Crandall called the meeting to order shortly after 1:00 p.m. and welcomed all in attendance.

Minutes for Open Session of Meetings on April 13 and April 18, 2019

Sarah Burkemper moved the adoption of the following resolution:

BE IT RESOLVED that the minutes for the open session of the meetings on April 13 and April 18, 2019, be approved.

The motion was seconded by Jennifer Kopp Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 2

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

Recognition of Newly Appointed Board Members – Sarah Burkemper and Nancy Gingrich

Governor Crandall noted the reappointment of Sarah Burkemper to the Truman State University Board of Governors and welcomed Nancy Gingrich as a new member of the Truman State University Board of Governors.

Resolution of Appreciation – Mike LaBeth

Governor Dameron moved the adoption of the following resolution:

WHEREAS, the Honorable Mike LaBeth served as a member of the Board of Governors of Truman State University from January 2013 through June 2019, serving as Secretary in 2015, Vice Chair in 2016 and Chair in 2017; and

WHEREAS, during this tenure on the Board, Governor LaBeth effectively served as Chair of the Budget and Capital Projects Committee, providing valuable leadership to the Board with the goal of best managing the resources necessary for the University to achieve success; and

WHEREAS, as a member of the Kirksville community, Governor LaBeth fostered positive and productive relationships with individuals in the community and the City of Kirksville by serving on various boards and committees including the Kirksville Area Chamber of Commerce and the Kirksville Regional Economic Development, Inc.; and

WHEREAS, hallmarks of Governor LaBeth's service on the Board include his commitment to fiscal accountability, his concern for the welfare of our students, and his willingness to serve as the Board's ambassador at various campus events including the annual Fall Opening Assembly, the Ready-or-Not Faculty and Staff Luncheon, and the Service Recognition Luncheon;

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Truman State University hereby expresses its sincerest gratitude to the Honorable Mike LaBeth for his distinguished and commendable service as a member and officer of the Board; and

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

The motion was seconded by Cheryl J. Cozette and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

President's Report

Dr. Susan L. Thomas, University President, provided a report on several items of current interest. President Thomas shared a selected engagements report detailing her activities since her last President's Report. She

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 3

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

provided a legislative update related to the Fiscal Year 2020 budget. She noted that the recommended budget was developed using level funding recommended by Missouri Governor Parson in the Executive Budget and she recommended salary policies remain at the same level as Fiscal Year 2019. President Thomas noted that since the budget was developed, the Governor signed the appropriation bill providing an increase for next year; however, enrollment for the 2019-20 Academic Year has not been finalized. If the increased appropriation continues to remain in place and if enrollment for the Fall 2019 Semester remains relatively stable, a revised FY2020 budget will be submitted to the Board in August and salary recommendations will be readdressed with the Board in October and/or December. In regard to enrollment, President Thomas noted the continued work with SME Branding, the firm selected to assist the University with marketing, and noted that Dr. Tyana Lange will begin her duties as Vice President for Enrollment Management and Marketing on July 29. President Thomas ended her remarks by noting that for the second time in three years, Truman won the Great Lakes Valley Conference (GLVC) James R. Spaulding Overall Sportsmanship Award and by sharing a video highlighting the come from behind finish by the men's 4x400 meter relay team at the GLVC Championships thus capturing the first mile relay conference championship by the Bulldogs since the 1979 Mid-America Intercollegiate Athletics Association (MIAA) meet.

Finance and Auditing Committee Report

Governor Burkemper, Chair of the Finance and Auditing Committee, provided a report on the committee meeting held on June 11.

Financial Report

Governor Burkemper provided a review as of April 30, 2019, of education and general revenues and expenditures and auxiliary systems revenues and expenditures and a review as of April 30, 2019, of the Truman State University Foundation revenues and expenditures.

Investment Management Services

Governor Dameron moved the adoption of the following resolution:

BE IT RESOLVED that the proposal from PFM Asset Management, LLC to provide investment management services for the University, with the fees and work for such services to be within the guidelines of the proposal, be approved; and

BE IT FURTHER RESOLVED that the President of the University, or her designee, be authorized to execute a contract with the firm.

The motion was seconded by Governor Cozette and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Resolution Amending Chapter 13 of the Code of Policies of the Board of Governors Pertaining to Endowed Funds

Governor Dameron moved the adoption of the following resolution:

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 4

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

BE IT RESOLVED that Section 13.040 of Chapter 13 of the Code of Policies is hereby amended by increasing the administrative fee from 1% to 1.5%. Changes to Section 13.040 are shown in the text below by deleting the language shown in **[brackets and bold type]** and adding new language shown in ***bold, underlined italics***. In all other respects, Section 13.040 remains unchanged and in effect.

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.

In addition, such increase above its Historic Dollar Value may be subject to the imposition of an administrative fee to reimburse the University for operating expenses associated with the Truman State University Foundation and to provide unrestricted operating funds for said Foundation for fundraising and associated costs. This administrative fee is authorized at an annual rate not to exceed **[1%]**

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 5

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

1.5% of the market value of funds invested in the long term investment pool of the University, held in trust for the University by the Truman State University Foundation. The administrative fee, if imposed, is to be assessed twice a year: December 30 and June 30. Further, any appropriation and spending of endowed funds and endowed fund earnings or increase and any imposition of an administrative fee 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.

The motion was seconded by Governor Cozette and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Resolution Amending Chapter 13 of the Code of Policies of the Board of Governors Pertaining to Non-Endowed Gifts

Nancy Gingrich moved the adoption of the following resolution:

BE IT RESOLVED that Chapter 13 of the Code of Policies is hereby amended by the addition of one new section titled "13.045. Non-endowed Gifts", in words and figures as set out below.

13.045. Non-endowed Gifts. The Truman State University Foundation, as legal trustee for the University, acts as the repository for restricted and unrestricted gifts not designated for endowment.

An administrative fee is authorized on these gifts to strengthen the Advancement program and partially defray the costs of the University Advancement Office. This fee may not exceed 5% of the gift amount and is to be assessed at the time the gift is received.

This administrative fee will be deposited in a separate fund and applied to the University Advancement effort. Donors are to be advised of this administrative fee at the time they make their gifts and are to be given the opportunity to object to the imposition of the fee. The fee will not be deducted from the gift if the donor objects.

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 6

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

The President of the University is authorized and directed to develop and promulgate appropriate policies for the full implementation of this Board policy.

The motion was seconded by Governor Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Academic and Student Affairs Committee Report

Governor Dameron, Chair of the Academic and Student Affairs Committee, provided a report on the committee meeting held on June 12.

Budget and Capital Projects Committee Report

K. Brooks Miller, Jr., Chair of the Budget and Capital Projects Committee, provided a report on the committee meeting held on June 12.

Construction Projects Report

Governor Miller provided an update on construction projects which had been approved by the Board at previous meetings.

Contracts for Construction Projects and Equipment Purchases

Governor Miller noted that no construction projects totaling \$25,000 to \$100,000 had been approved since the last meeting of the Board.

Equipment Purchase – Information Technology Networking Equipment Upgrade for Violette and Magruder Halls Project

Governor Miller moved the adoption of the following resolution:

BE IT RESOLVED that the President of the University be authorized to proceed with the Information Technology Networking Equipment Upgrade for Violette and Magruder Halls Project at a cost not to exceed \$400,000.

The motion was seconded by Governor Burkemper and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Naming Opportunity

Governor Miller moved the adoption of the following resolution:

BE IT RESOLVED that the Presidential Reading Room in Pickler Memorial Library be named The Clayton B. and Odessa Ofstad Presidential Reading Room in recognition of a gift of \$100,000 which meets the requirement for naming opportunities per Foundation Board policy; and

BE IT FURTHER RESOLVED that the Board of Governors reserves the right to change or remove the name of the facility if it is determined that the name is no longer in the best interests of the University.

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 7

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

The motion was seconded by Governor Burkemper and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

State Capital Improvement and Maintenance Request

Governor Miller moved the adoption of the following resolution:

BE IT RESOLVED that the FY 2021 State Capital Improvement and Maintenance Request, to be submitted to the Coordinating Board for Higher Education and the Office of Administration, be approved and ratified; and

BE IT FURTHER RESOLVED that a copy of the document, which lists total requests of \$137,534,000 for FY 2021 thru FY 2025, be attached to the minutes as an exhibit; and

BE IT FURTHER RESOLVED that the President of the University is authorized to revise costs estimated based on additional input from the Office of Administration and to negotiate the priorities list and requested amount with the legislature, Governor and MDHE staff as appropriate.

The motion was seconded by Governor Cozette and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit A.

Operating Budgets for FY2020

Governor Miller moved the adoption of the following resolution:

BE IT RESOLVED that the "Operating Budgets for Fiscal Year 2020" be approved and adopted for the 2019-2020 Fiscal Year; and

BE IT FURTHER RESOLVED that the President of the University is authorized to adjust the operating budget should state appropriations levels change; and

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

The motion was seconded by Governor Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted, and the Secretary designated a copy of the document as Exhibit B.

Salary Policies for FY2020

Governor Miller moved the adoption of the following resolution:

BE IT RESOLVED that the following salary and wage policies for the 2019-2020 Fiscal Year be approved:

- 1) 2019-2020 Policy for Faculty and Exempt Staff Salaries;
- 2) 2019-2020 Policy for Hourly Personnel Wage Rates;
- 3) 2019-2020 Policy for Unit I Wage Rates; and
- 4) 2019-2020 Policy for Off-Campus and Workshop Faculty Salaries; and

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

The motion was seconded by Governor Burkemper and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted, and the Secretary designated copies of the document as Exhibit C.

Enrollment Fees

Governor Miller moved the adoption of the following resolution:

WHEREAS, Truman State University's permitted increase for Missouri resident undergraduate full time students for the 2019-20 academic year is 6.9% under the terms of the Higher Education Student Funding Act; and

WHEREAS, it is advisable to book this increase at this time; and

NOW, THEREFORE, BE IT RESOLVED that Truman State University will waive collecting 1.9% of the 6.9% increase which will result in an increase of 5% for students for the 2019-20 academic year under the terms of the Higher Education Student Funding Act; and

BE IT FURTHER RESOLVED that the following enrollment fees for full-time students be approved, effective with the 2019 Fall Semester:

- 1) Undergraduate students who are enrolled in 12 or more, but less than 18, hours of academic credit for each semester:

Missouri Students.....	\$8,024 per academic year
Out-of-State Students.....	\$15,427 per academic year

- 2) Graduate students who are enrolled in 12 or more, but less than 15, hours of academic credit for each semester:

Missouri Students.....	\$9,428 per academic year
Out-of-State Students.....	\$16,326 per academic year

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
BOARD OF GOVERNORS

Page 9

OPEN SESSION
OF MEETING ON
JUNE 15, 2019

BE IT FURTHER RESOLVED that the designated fee for the Student Recreation Center included above be maintained at \$222 for each full-time equivalent student per academic year; and

BE IT FURTHER RESOLVED that the designated fee for the Student Union included above be increased by \$10 to \$200 for each full-time equivalent student per academic year; and

BE IT FURTHER RESOLVED that the following additional enrollment fees for students enrolled in 6 or more semester hours during the academic year be approved as follows:

- 1) A student activity fee of \$90 per academic year (\$45 per semester); and
- 2) A student health fee of \$74 per academic year (\$37 per semester); and
- 3) An athletic fee of \$116 per academic year (\$58 per semester); and
- 4) An information/technology (itech) fee of \$34 per academic year (\$17 per semester); and
- 5) A sustainability fee of \$10 per academic year (\$5 per semester)

BE IT FURTHER RESOLVED that the freshman orientation fee be \$350 for freshman students during the fall semester, and a corresponding fee for freshman students participating in comparable orientation programs during other semesters, with each freshman student to pay such an orientation fee only a single time; and

BE IT FURTHER RESOLVED that the President of the University is authorized to establish summer school rates designed to enhance enrollment in such programs; and

BE IT FURTHER RESOLVED that the enrollment fees for part-time students, interim sessions, study abroad, professional development, on-line classes and the other enrollment fees, and miscellaneous charges not listed in this resolution, be established by the President of the University, based on the above fees and charges, in accordance with Section 11.010 and 11.020 of the Code of Policies.

The motion was seconded by Governor Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Agenda Items for Future Meetings

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

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
ON
BOARD OF GOVERNORS

Page 10

OPEN SESSION
OF MEETING

JUNE 15, 2019

Dates for Future Meetings

Governor Cozette moved the adoption of the following resolution:

BE IT RESOLVED that the next regular meeting of the Board of Governors be scheduled for Saturday, August 3, 2019, 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:

Friday, October 18, 2019;
Saturday, December 7, 2019;
Saturday, February 8, 2020;
Saturday, April 4, 2020; and
Saturday, June 13, 2020.

The motion was seconded by Governor Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

Agenda Items for Future Meetings

Governor Burkemper 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

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.

TRUMAN STATE UNIVERSITY
Kirksville 63501

DRAFT MINUTES
OF THE
ON
BOARD OF GOVERNORS

Page 11

OPEN SESSION
OF MEETING

JUNE 15, 2019

The motion was seconded by Governor Dameron and carried by a unanimous vote of 7 to 0. Governor Crandall declared the motion to be duly adopted.

The closed session of the meeting began shortly after 2:30 p.m.

K. Brooks Miller, Jr.
Secretary of the Board of Governors

I hereby certify that the foregoing minutes were approved by the Board of Governors on the 3rd day of August, 2019.

Laura A. Crandall
Chair of the Board of Governors

ITEM C
President's Report

DESCRIPTION AND BACKGROUND

Dr. Susan L. Thomas, University President, will provide a report on several items of current interest.

RECOMMENDED ACTION

This is a discussion item only.

ITEM D
Annual Athletics Report

DESCRIPTION AND BACKGROUND

Jerry Wollmering, Director of Athletics, will provide the annual report on Athletics.

RECOMMENDED ACTION

This is a discussion item only.

ITEM E

Finance and Auditing Committee Report

DESCRIPTION AND BACKGROUND

Governor Sarah Burkemper, Chair of the Finance and Auditing Committee, will provide a report on the committee meeting held earlier in the day.

RECOMMENDED ACTION

This is a discussion item only.

ITEM E.1
Financial Report

DESCRIPTION AND BACKGROUND

The Financial Report includes a review as of June 30, 2019, of education and general revenues and expenditures and auxiliary systems revenues and expenditures and a review as of June 30, 2019, 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

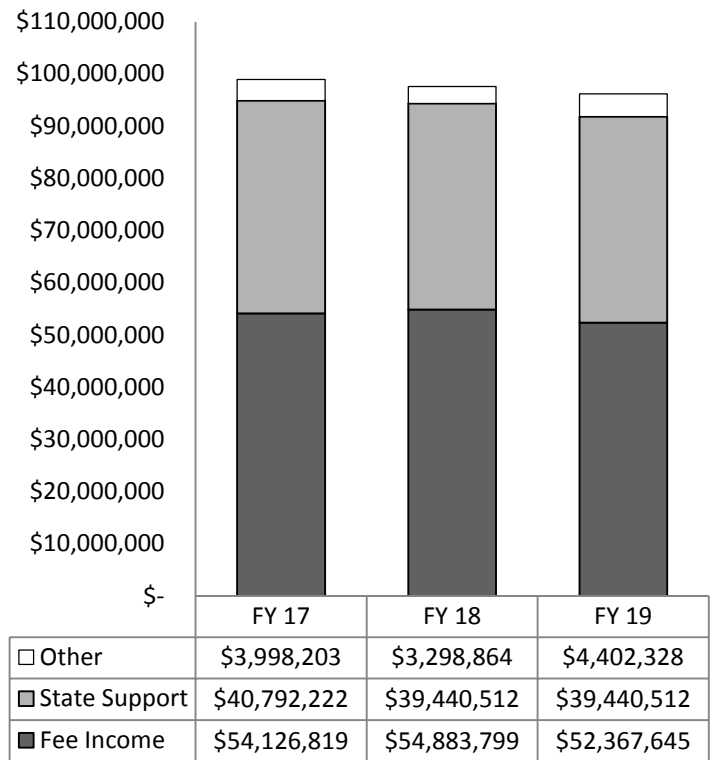
June 30, 2019 compared to June 30, 2018

Education & General (Pages A1-A3)

Year-over-year revenues fell by \$1.4M (1.45%) to \$96.2M primarily due to a \$3.6M tuition shortfall. While the price of FY19 tuition was increased by 1%, the loss of revenue was the result of 419 and 405 fewer students enrolled for the fall and spring semesters, respectively. The revenue distribution over the last three fiscal years is outlined in Figure 1. Overall revenues were at 101% of the fiscal 2019 budget.

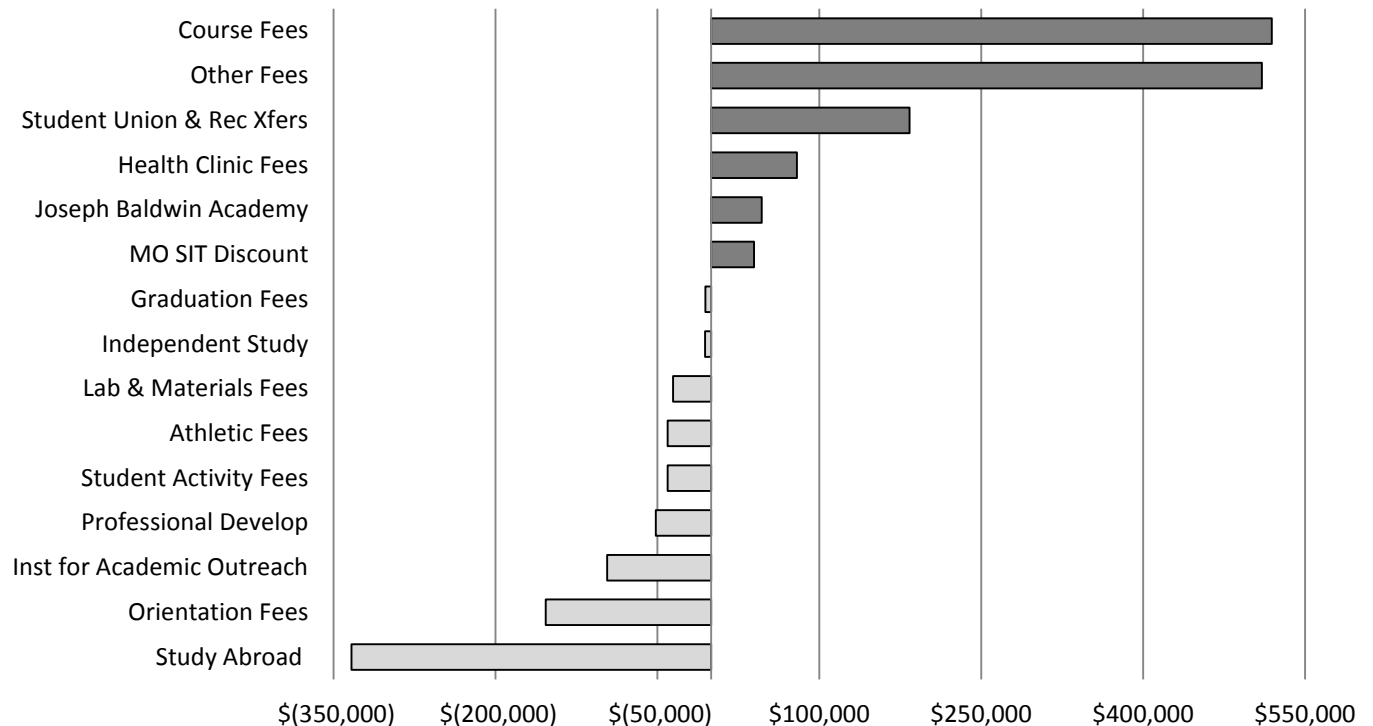
State appropriations were unchanged at \$39.4M. The aforementioned unfavorable tuition variance was partially offset by a \$1M increase in course and other fees (based on a revised fee model including a new instructional technology fee). In addition, other income also grew \$1.1M over prior year. The increase in other income reflected recent Foundation transfers for ongoing capital projects and year-over-year improvements in interest income and unrealized investment gains.

Figure 1: Education & General Revenues



Significant variances in local fee revenue (excluding tuition) are outlined in Figure 2 below.

Figure 2: Local Fee Revenue Variances (FY 18 to FY 19)

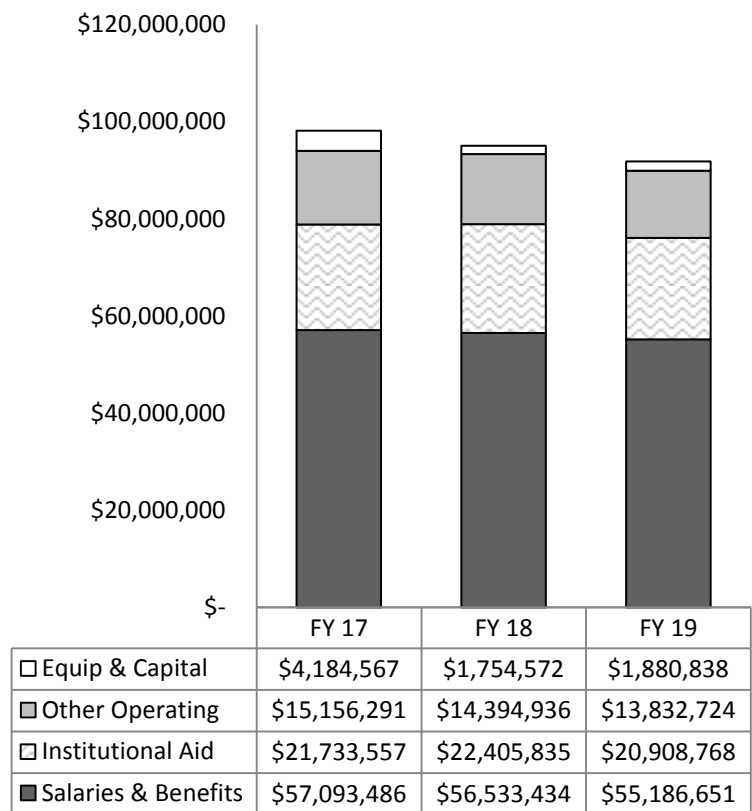


Year-over-year expenses fell by \$3.3M (3.5%) to \$91.8M primarily due to a \$1.5M (6.7%) decrease in institutional aid resulting from a 228 student reduction in freshman enrollment.

The University also reduced salaries and fringe benefits by \$1.3M (2.4%). While faculty and staff received a 3% salary increase for fiscal year 2019, overall salary expense decreased by \$911,510 as a result of hiring replacements at lower costs and by reducing 35 overall positions. Reductions in accrued vacation, early retirement incentive payments and health insurance claims also contributed to the \$466,937 decrease in employee benefit costs. Student employment costs did increase slightly by \$31,664 due to the recent change in minimum wage.

Expenses over the last three fiscal years are outlined in Figure 3. Overall expenses were at 92.9% of the fiscal 2019 budget.

Figure 3: Education & General Expenses



Other operating expense variances were identified in the following categories:

- Travel expenses fell by \$344,572 (12.3%) as a result of reduced study abroad activity (\$195,861), less international travel (\$62,507) and an overall decrease in faculty and staff travel expenditures.
- Professional Services grew by \$343,773 (21.9%) due to enrollment consulting (\$156,885), marketing / branding expenditures (\$78,259), executive position search fees (\$79,888) and admissions training payments (\$14,200).
- Communication expenses fell by \$155,182 (15.5%) due to reduction in on- and off- campus printing costs of \$72,074 and \$55,620, respectively.
- Office Contract expense fell by \$130,645 (10.5%) due to savings in network and software agreements including Bluebird Network (\$50,600), Panopto Video Services (\$18,921) and Ellucian/Banner enterprise resource planning software (\$15,570).
- Equipment and capital expense increased by \$126,266 (7.2%) due to ITS classroom technology purchases (\$86,037), musical instrument purchases (\$46,823) and the replacement of certain fleet vehicles (\$31,108).
- Supplies expense fell by \$114,310 (6%) due to a decrease in computer expense (\$95,782), fewer office furniture purchases (\$50,123) and a reduction in general office supply expense (\$44,607).

Certain accounts will be continued as current fund resources to cover expenditures ordered with fiscal year 2019 funds (but not delivered by June 30). Other fiscal year 2019 balances will be rolled over to future years for specific uses (such as athletic fee & student activity fee funds). In addition, parking revenues will be transferred to the Plant Fund for parking lot maintenance. Based on unaudited results, an estimated \$1.3M will be reallocated to the fiscal year 2020 Local Funds Capital budget.

Auxiliary Systems (Pages B1-B3)

Year-over-year auxiliary revenues fell by \$2.4M (8.5%) to \$26.2M primarily due to a \$2.3M shortfall in residence hall income. This variance was driven by a residency reduction of 235 and 287 students for the fall and spring semesters, respectively.

The revenue distribution over the last three fiscal years is outlined in Figure 4. Overall revenues were at 103.4% of the fiscal 2019 budget.

Reduced enrollment also impacted the Student Union and Recreation Center. Fees in these areas fell by \$17,807 and \$88,860, respectively. Finally, other auxiliary revenue decreased by \$50,772 due to reduced printing income.

Auxiliary expenses fell by \$1.2M (5.3%) to \$22.3M primarily due to a \$600,951 reduction in meal costs and a \$363,660 decrease in institutional aid. Other expense variances were identified in the following categories:

- Supplies fell by \$210,636 (24.3%) as the prior year included the non-recurring installation cost of wireless access points in the residence halls. Printing supplies also fell \$48,993 in the current year.
- Equipment purchases were \$172,510 less than prior year, as prior year spending included a non-recurring purchase of a Student Union dishwasher at a cost of \$141,609.
- Salary and fringe benefits increased by \$154,109 (3.7%) due primarily to the replacement of the Vice President of Student Affairs (a position that had been vacant for a portion of the prior year), and higher student labor costs resulting from an increase to the minimum wage.

Overall expenses were at 86.3% of the fiscal 2019 budget. Year-over-year expense variances are outlined in Figure 5.

Figure 4: Auxiliary Revenues

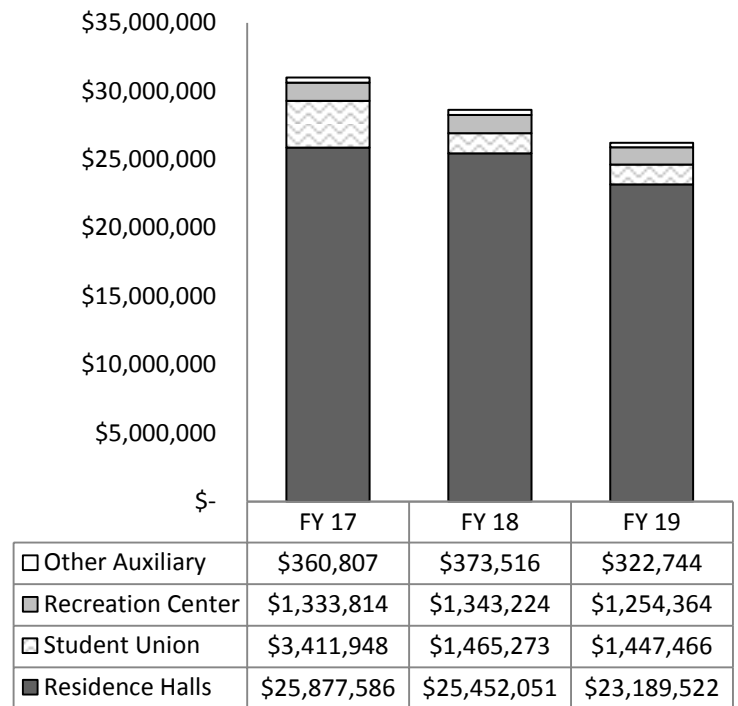
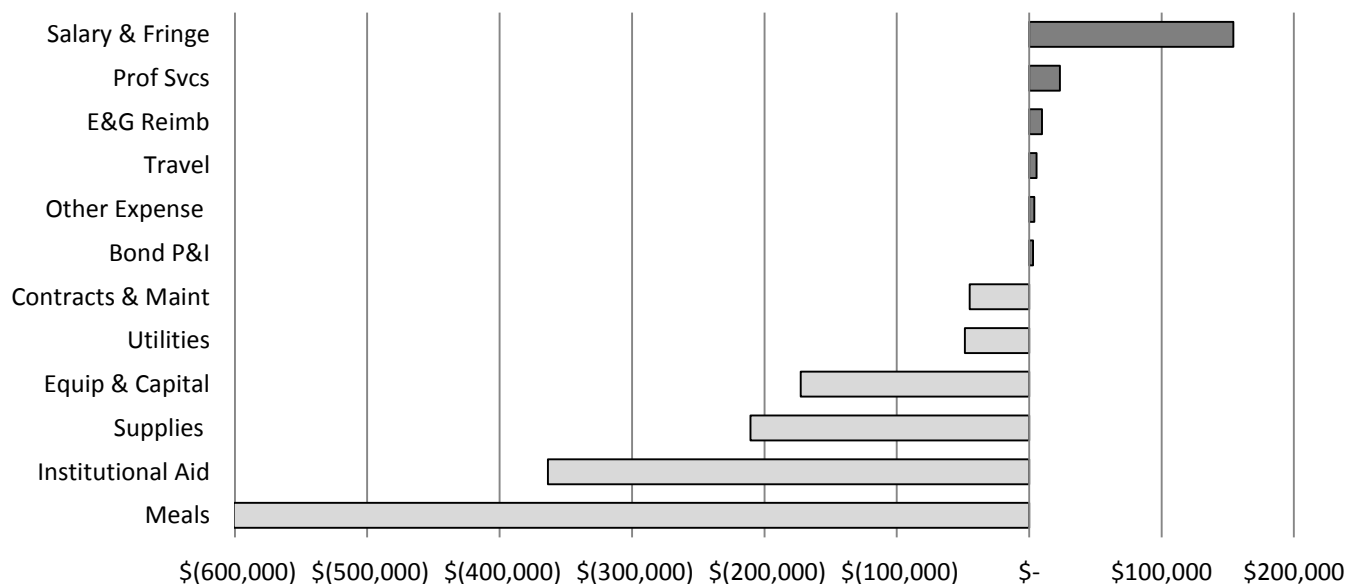


Figure 5: Auxiliary Expense Variances (FY 18 to FY 19)



Certain accounts will be continued as current fund resources to cover expenditures ordered with fiscal year 2019 funds (but not delivered by June 30). Other fiscal year 2019 balances will be rolled over to future years for specific uses (such as fund balances in the Recreation Center and the Student Union). The \$1.2M reinvested by Sodexo will be transferred to plant funds to pay for future food service renovations. In addition, parking revenues will be transferred to the Plant Fund for parking lot maintenance. Based on unaudited results, an estimated \$3.1M may be reallocated to internal capital funds for Housing, Student Union and Recreation center building improvements.

Truman State University Foundation (Pages C1-C3)

Statement of Net Position (Page C1)

Fiscal year-end net position was \$58.2M (a \$3.4M improvement over prior year). Year-over-year, current assets grew by \$1.8M due to a corresponding increase in short-term investments. The Foundation received a \$1M advance payment from the Sandra K. Giachino Reavey Trust. These trusts proceeds were invested on a short-term basis to ensure their availability to meet construction costs associated with the Sesquicentennial Plaza (as construction was already underway). Other short-term investment increases were comprised of transfers from the endowed investment pool to support budgeted expenditures. Cash balances fell by \$186,531 after making certain scholarship and marketing payments. Non-current assets grew by \$1.6M to \$53.3M based on increases of a \$1.4M and \$191,241 in long-term investments and loans receivable, respectively.

Current liabilities decreased slightly by \$3,295 to \$83,991. Current liabilities consisted primarily of \$67,566 in accounts payable and \$13,488 in potentially refundable contributions related to the men's tennis and wrestling teams. In the event these conditional contributions meet the thresholds for funding the aforementioned athletic programs, then the donations will be reclassified as assets in a future period.

Statement of Revenues, Expenditures and Changes in Net Position (Page C2)

Contributions and additions to permanent endowments were \$3.5M (down \$52,360 from prior year).

The fiscal year 2019 investment gain (net of fees) was \$3.6M compared to a \$3.5M investment gain a year ago. Interest and dividends grew by \$250,996 due to improving interest rates. Realized gains increased by \$1.8M; however, unrealized gains fell by roughly the same amount.

Expenses and transfers totaled \$3.6M this year compared to \$2.8M a year ago. The variance was primarily due to a corresponding \$756,172 increase in transfers to Truman State University. These transfers were comprised of (1) a \$74,394 transfer to support the wrestling team, (2) \$150,000 for marketing and branding initiatives, and (3) \$474,538 of capital funds for the Parents' Red Barn Pavilion, the Sesquicentennial Plaza, the President's Reading Room and upgrades to the Towne Museum.

Investments Schedule (Page C3)

Foundation investments (including endowments, short-term, long term trusts & annuities) grew by \$3.3M to \$57.7M. The Foundation also holds a beneficial interest in three trusts excluded from the financial statements. These trusts have increased in value by \$144,308 to \$3.8M at the end of June.

**Truman State University
Educational & General
Budget to Actual
For the period ending June 30**

	<u>FY19 Budget</u>	<u>FY19 To Date</u>	<u>Percent of Budget This Year</u>	<u>Percent of Budget Last Year</u>
Education & General				
Revenues				
State Sourced Income	\$ 40,660,322	\$ 39,440,512		
Local Income	\$ 54,583,000	\$ 56,769,973		
Total Budgeted Revenues	<u>\$ 95,243,322</u>	<u>\$ 96,210,485</u>	<u>101.02%</u>	<u>103.26%</u>
Rollover from prior year	\$ 3,628,313			
Total Resources to Spend	<u>\$ 98,871,635</u>			
Expenses				
Salaries & Fringe Benefits				
Faculty/Staff Salaries	\$ 38,219,330	\$ 37,063,003	96.97%	
Student Employment	\$ 3,780,536	\$ 2,802,904	74.14%	
Fringe Benefits	\$ 14,462,020	\$ 15,320,744	105.94%	
Total Salaries & Fringe Benefits	<u>\$ 56,461,886</u>	<u>\$ 55,186,651</u>	<u>97.74%</u>	<u>98.70%</u>
Equipment & Capitalized Expense	<u>\$ 2,949,354</u>	<u>\$ 1,880,838</u>	<u>63.77%</u>	<u>83.10%</u>
Operations				
Other Expense	\$ 17,779,265	\$ 11,656,571	65.56%	
Institutional Aid	\$ 19,050,000	\$ 20,908,768	109.76%	
Utilities	\$ 2,631,130	\$ 2,176,153	82.71%	
Total Operations	<u>\$ 39,460,395</u>	<u>\$ 34,741,492</u>	<u>88.04%</u>	<u>93.27%</u>
Total Education & General Expense	<u>\$ 98,871,635</u>	<u>\$ 91,808,981</u>	<u>92.86%</u>	<u>96.20%</u>

**Truman State University
Operating Receipts by Fund
For the period ending June 30**

	<u>FY17 Receipts</u>	<u>FY18 Receipts</u>	<u>FY19 Receipts</u>	<u>Change FY18 to FY19</u>	<u>% Change FY18 to FY19</u>
Education & General					
State Appropriation					
State Appropriation	\$ 40,226,391	\$ 39,440,512	\$ 39,440,512	\$ -	0.00%
Autism Funds	\$ 565,831	\$ -	\$ -	\$ -	0.00%
Total State Sourced Income	<u>\$ 40,792,222</u>	<u>\$ 39,440,512</u>	<u>\$ 39,440,512</u>	<u>\$ -</u>	<u>0.00%</u>
Enrollment Fees					
Enrollment Fees	\$ 50,554,730	\$ 51,107,647	\$ 47,556,090	\$ (3,551,557)	-6.95%
Course Fees	\$ 1,672,715	\$ 1,894,611	\$ 2,421,101	\$ 526,490	27.79%
Other Fees	\$ 523,196	\$ 526,387	\$ 1,036,689	\$ 510,302	96.94%
Student Activity Fees	\$ 469,564	\$ 462,220	\$ 421,810	\$ (40,410)	-8.74%
Athletic Fees	\$ 618,631	\$ 609,296	\$ 568,983	\$ (40,313)	-6.62%
Health Clinic Fees	\$ 287,983	\$ 283,638	\$ 362,972	\$ 79,334	27.97%
Total Student Fees	<u>\$ 54,126,819</u>	<u>\$ 54,883,799</u>	<u>\$ 52,367,645</u>	<u>\$ (2,516,154)</u>	<u>-4.58%</u>
Other Income	\$ 3,998,203	\$ 3,298,864	\$ 4,402,328	\$ 1,103,464	33.45%
Total Education & General	<u>\$ 98,917,244</u>	<u>\$ 97,623,175</u>	<u>\$ 96,210,485</u>	<u>\$ (1,412,690)</u>	<u>-1.45%</u>

**Truman State University
Operating Expense by Fund
For the period ending June 30**

	<u>FY17 Expense</u>	<u>FY18 Expense</u>	<u>FY19 Expense</u>	<u>Change FY18 to FY19</u>	<u>% Change FY18 to FY19</u>
Education & General					
Salaries & Fringe Benefits					
Faculty & Staff Salaries	\$ 39,324,452	\$ 37,974,513	\$ 37,063,003	\$ (911,510)	-2.40%
Student Employment	\$ 2,927,994	\$ 2,771,240	\$ 2,802,904	\$ 31,664	1.14%
Fringe Benefits	\$ 14,841,040	\$ 15,787,681	\$ 15,320,744	\$ (466,937)	-2.96%
Total Salary & Fringe Benefits	<u>\$ 57,093,486</u>	<u>\$ 56,533,434</u>	<u>\$ 55,186,651</u>	<u>\$ (1,346,783)</u>	<u>-2.38%</u>
Equipment & Capital Expenses	<u>\$ 4,184,567</u>	<u>\$ 1,754,572</u>	<u>\$ 1,880,838</u>	<u>\$ 126,266</u>	<u>7.20%</u>
Operations					
Institutional Aid	\$ 21,733,557	\$ 22,405,835	\$ 20,908,768	\$ (1,497,067)	-6.68%
Travel	\$ 2,965,583	\$ 2,803,905	\$ 2,459,333	\$ (344,572)	-12.29%
Utilities	\$ 2,239,169	\$ 2,150,726	\$ 2,176,153	\$ 25,427	1.18%
Professional Services	\$ 1,622,738	\$ 1,572,151	\$ 1,915,924	\$ 343,773	21.87%
Supplies	\$ 1,564,279	\$ 1,906,795	\$ 1,792,485	\$ (114,310)	-5.99%
Office Contracts	\$ 1,287,712	\$ 1,242,003	\$ 1,111,358	\$ (130,645)	-10.52%
Library Acquisitions	\$ 1,142,747	\$ 1,172,941	\$ 1,123,032	\$ (49,909)	-4.26%
Communications	\$ 1,125,177	\$ 1,002,566	\$ 847,384	\$ (155,182)	-15.48%
Energy Lease Principal & Interest	\$ 840,000	\$ 840,000	\$ 840,000	\$ -	0.00%
Maintenance & Repair	\$ 435,348	\$ 373,682	\$ 285,995	\$ (87,687)	-23.47%
Other Expense	\$ 1,933,538	\$ 1,330,167	\$ 1,281,060	\$ (49,107)	-3.69%
Total Operations	<u>\$ 36,889,848</u>	<u>\$ 36,800,771</u>	<u>\$ 34,741,492</u>	<u>\$ (2,059,279)</u>	<u>-5.60%</u>
Total Education & General	<u>\$ 98,167,901</u>	<u>\$ 95,088,777</u>	<u>\$ 91,808,981</u>	<u>\$ (3,279,796)</u>	<u>-3.45%</u>

**Truman State University
Auxiliary
Budget to Actual
For the period ending June 30**

	FY19 Budget	FY19 To Date	Percent of Budget This Year	Percent of Budget Last Year
Auxiliary Systems				
Revenues				
Residence Halls	\$ 22,375,076	\$ 23,189,522	103.64%	
Student Union	\$ 1,334,549	\$ 1,447,466	108.46%	
Recreation Center	\$ 1,199,097	\$ 1,254,364	104.61%	
Other Auxiliary	\$ 449,105	\$ 322,744	71.86%	
Total Budgeted Revenues	\$ 25,357,827	\$ 26,214,096	103.38%	109.83%
Rollover from prior year	\$ 480,233			
Total Resources to Spend	\$ 25,838,061			
Expenses				
Salaries & Fringe Benefits				
Salaries	\$ 2,224,267	\$ 1,914,864	86.09%	
Student Salaries	\$ 663,514	\$ 696,124	104.91%	
Fringe Benefits	\$ 2,011,656	\$ 1,742,309	86.61%	
Total Salaries & Fringe Benefits	\$ 4,899,436	\$ 4,353,297	88.85%	90.30%
Equipment /Capitalized Expense	\$ 781,203	\$ 43,386	5.55%	23.44%
Operations				
Bond Principal & Interest	\$ 3,655,184	\$ 3,655,184	100.00%	
Meals-Contract Food Service	\$ 8,550,000	\$ 7,708,422	90.16%	
Other Expense	\$ 3,896,237	\$ 3,305,381	84.84%	
Institutional Aid	\$ 1,900,000	\$ 1,488,849	78.36%	
Utilities	\$ 2,156,000	\$ 1,751,192	81.22%	
Total Operations	\$ 20,157,421	\$ 17,909,028	88.85%	90.51%
Total Auxiliary Expense	\$ 25,838,061	\$ 22,305,711	86.33%	88.16%

**Truman State University
Operating Receipts by Fund
For the period ending June 30**

	<u>FY17 Receipts</u>	<u>FY18 Receipts</u>	<u>FY19 Receipts</u>	<u>Change FY18 to FY19</u>	<u>% Change FY18 to FY19</u>
Auxiliary					
Residence Halls	\$ 25,877,586	\$ 25,452,051	\$ 23,189,522	\$ (2,262,529)	-8.89%
Student Union	\$ 3,411,948	\$ 1,465,273	\$ 1,447,466	\$ (17,807)	-1.22%
Recreation Center	\$ 1,333,814	\$ 1,343,224	\$ 1,254,364	\$ (88,860)	-6.62%
Other Auxiliary	\$ 360,807	\$ 373,516	\$ 322,744	\$ (50,772)	-13.59%
Total Auxiliary	<u>\$ 30,984,155</u>	<u>\$ 28,634,064</u>	<u>\$ 26,214,096</u>	<u>\$ (2,419,968)</u>	<u>-8.45%</u>

Truman State University
Operating Expense by Fund
For the period ending June 30

	<u>FY17</u> <u>Expense</u>	<u>FY18</u> <u>Expense</u>	<u>FY19</u> <u>Expense</u>	<u>Change</u> <u>FY18 to FY19</u>	<u>% Change</u> <u>FY18 to FY19</u>
Auxiliary					
Salaries & Fringe Benefits					
Administrative & Staff Salaries	\$ 1,779,455	\$ 1,839,723	\$ 1,914,864	\$ 75,141	4.08%
Student Wages	\$ 661,756	\$ 681,902	\$ 696,124	\$ 14,222	2.09%
Fringe Benefits	\$ 1,530,477	\$ 1,677,563	\$ 1,742,309	\$ 64,746	3.86%
Total Salary & Fringe Benefits	\$ 3,971,688	\$ 4,199,188	\$ 4,353,297	\$ 154,109	3.67%
Equipment & Capital Expenses	\$ 1,935,429	\$ 215,896	\$ 43,386	\$ (172,510)	-79.90%
Operations					
Institutional Aid	\$ 1,956,215	\$ 1,852,509	\$ 1,488,849	\$ (363,660)	-19.63%
Supplies	\$ 977,896	\$ 867,885	\$ 657,249	\$ (210,636)	-24.27%
Office Contracts	\$ 224,987	\$ 154,623	\$ 179,148	\$ 24,525	15.86%
Communications	\$ 73,093	\$ 77,934	\$ 74,778	\$ (3,156)	-4.05%
Meals-Contract Food Service	\$ 8,035,522	\$ 8,334,959	\$ 7,708,422	\$ (626,537)	-7.52%
Meals-Other	\$ 428,438	\$ 442,210	\$ 467,796	\$ 25,586	5.79%
Utilities	\$ 1,826,662	\$ 1,799,713	\$ 1,751,192	\$ (48,521)	-2.70%
Professional Services	\$ 154,805	\$ 188,832	\$ 212,096	\$ 23,264	12.32%
Reimbursement to E & G	\$ 663,700	\$ 995,000	\$ 1,004,621	\$ 9,621	0.97%
Bond Principal & Interest	\$ 3,662,336	\$ 3,652,284	\$ 3,655,184	\$ 2,900	0.00%
Maintenance & Repair	\$ 241,333	\$ 212,220	\$ 142,632	\$ (69,588)	0.00%
Other Expense	\$ 584,440	\$ 554,653	\$ 567,061	\$ 12,408	2.24%
Total Operations	\$ 18,829,427	\$ 19,132,822	\$ 17,909,028	\$ (1,223,794)	-6.40%
Total Auxiliary	\$ 24,736,544	\$ 23,547,906	\$ 22,305,711	\$ (1,242,195)	-5.28%

Truman State University Foundation
Statement of Net Position
June 30, 2018 Compared to June 30, 2019

ASSETS	30-Jun-18 FY18	30-Jun-19 FY19	Change FY18 to FY19
Current Assets			
Cash	\$ 371,344	\$ 184,813	\$ (186,531)
Short Term Investments	\$ 3,195,632	\$ 5,085,692	\$ 1,890,060
Prepaid Expenses	\$ 5,885	\$ 24,755	\$ 18,870
Loans Receivable, net of allowance	\$ 205,187	\$ 252,662	\$ 47,475
Total Current Assets	\$ 3,778,048	\$ 5,547,923	\$ 1,769,875
Non-Current Assets			
Investments	\$ 51,144,164	\$ 52,578,382	\$ 1,434,219
Loans Receivable, net of allowance	\$ 398,304	\$ 589,545	\$ 191,241
Cash Value of Life Insurance	\$ 125,135	\$ 134,422	\$ 9,287
Total Non-Current Assets	\$ 51,667,602	\$ 53,302,349	\$ 1,634,747
Total Assets	\$ 55,445,650	\$ 58,850,272	\$ 3,404,621
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 58,265	\$ 67,566	\$ 9,302
Refundable Advance	\$ 29,022	\$ 13,488	\$ (15,534)
Annuities & Trusts Payable	\$ -	\$ 2,937	\$ 2,937
Total Current Liabilities	\$ 87,286	\$ 83,991	\$ (3,295)
Non-Current Liabilities			
Annuities & Trusts Payable	\$ 541,540	\$ 531,570	\$ (9,970)
Total Non-Current Liabilities	\$ 541,540	\$ 531,570	\$ (9,970)
Total Liabilities	\$ 628,826	\$ 615,561	\$ (13,265)
NET POSITION	\$ 54,816,824	\$ 58,234,711	\$ 3,417,887

Truman State University Foundation
Statement of Revenues, Expenses & Changes in Net Position
June 30, 2018 Compared to June 30, 2019

	<u>30-Jun-18</u> <u>FY18</u>	<u>30-Jun-19</u> <u>FY19</u>	<u>Change</u> <u>FY18 to FY19</u>
Operating Revenue			
Interest on Student Loan Receivable	\$ 25,444	\$ 37,095	\$ 11,651
Total Operating Revenues	<u>\$ 25,444</u>	<u>\$ 37,095</u>	<u>\$ 11,651</u>
Operating Expenses			
Scholarships	\$ 1,325,217	\$ 1,404,096	\$ 78,879
Supplies & Other Services	\$ 595,363	\$ 572,423	\$ (22,940)
Travel Expense	\$ 143,751	\$ 199,588	\$ 55,837
Other Expense	\$ 146,619	\$ 125,273	\$ (21,347)
Total Operating Expenses	<u>\$ 2,210,950</u>	<u>\$ 2,301,379</u>	<u>\$ 90,429</u>
Operating Gain (Loss)	<u>\$ (2,185,506)</u>	<u>\$ (2,264,285)</u>	<u>\$ (78,779)</u>
Non-Operating Revenues (Expenses)			
Contributions	\$ 1,981,721	\$ 2,411,121	\$ 429,400
Interest & Dividends	\$ 1,161,180	\$ 1,412,175	\$ 250,996
Realized Gain (Loss)	\$ 860,993	\$ 2,662,492	\$ 1,801,499
Unrealized Gain (Loss)	\$ 1,553,616	\$ (416,232)	\$ (1,969,848)
Other Non-Operating Income	\$ 68,701	\$ 74,007	\$ 5,305
Other Non-Operating Expense	\$ (114,633)	\$ (118,887)	\$ (4,254)
Actuarial loss on Annuity & Trust Obligation	\$ -	\$ (4,886)	\$ (4,886)
Net Non-Operating Revenues (Expenses)	<u>\$ 5,511,577</u>	<u>\$ 6,019,789</u>	<u>\$ 508,213</u>
Income before other Revenues, Expenses, Gains, Losses & Transfers	<u>\$ 3,326,071</u>	<u>\$ 3,755,505</u>	<u>\$ 429,434</u>
Additions to Permanent Endowments	\$ 1,537,863	\$ 1,056,103	\$ (481,760)
Transfers to Education & General for Administration	\$ (119,300)	\$ (119,300)	\$ -
Transfers to Education & General	\$ (406,696)	\$ (702,723)	\$ (296,027)
Transfer to Auxiliary - Other	\$ (39,844)	\$ (33,534)	\$ 6,310
Transfer to Auxiliary - Housing	\$ -	\$ (300)	\$ 300
Transfer to Fundraising	\$ (840)	\$ -	\$ 840
Transfer to Auxiliary - Student Union	\$ (455)	\$ (3,385)	\$ (2,930)
Transfer to Capital Fund -Current	\$ (10,473)	\$ -	\$ 10,473
Transfer to Capital Fund - Plant	\$ -	\$ (474,538)	\$ (474,538)
Increase (Decrease) in Net Assets	<u>\$ 4,286,326</u>	<u>\$ 3,477,828</u>	<u>\$ (807,898)</u>
Net Position, Beginning of Year	\$ 50,530,498	\$ 54,756,883	
Net Position Ending Balance	<u><u>\$ 54,816,824</u></u>	<u><u>\$ 58,234,711</u></u>	<u><u>\$ 3,417,887</u></u>

**Truman State University Foundation
Investments Schedule
June 30, 2018 Compared to June 30, 2019**

Investments	30-Jun-18 FY18	30-Jun-19 FY19
Invested with Outside Manager		
Endowment Pool	\$ 49,122,084	\$ 50,551,277
Total Endowment Pool	<u>\$ 49,122,084</u>	<u>\$ 50,551,277</u>
Short-Term Pool	\$ 3,195,632	\$ 5,085,692
Student Investment Fund	\$ 115,778	\$ 127,604
Long Trust	\$ 727,355	\$ 752,392
Courtright Elmwood Unitrust	\$ 32,421	\$ 40
Annuities Payable - CGA	\$ 1,051,216	\$ 1,052,672
Fitzpatrick - CA CGA	\$ 68,659	\$ 67,051
Annuities Payable - FL CGA	\$ 26,651	\$ 27,345
Total Investments	<u><u>\$ 54,339,796</u></u>	<u><u>\$ 57,664,074</u></u>
 Beneficial Interest in Trusts		
Invested through Citizens Bank, Chillicothe, MO		
Ludlow Trust	\$ 233,481	\$ 240,050
Invested through First Bankers Trust, Quincy, IL		
Cozean Trust	\$ 334,703	\$ 342,249
Invested through Citizens Bank, Chillicothe, MO		
Lyle Ingraham Trust	\$ 3,076,041	\$ 3,206,234
Total Beneficial Interest in Trusts	<u><u>\$ 3,644,225</u></u>	<u><u>\$ 3,788,533</u></u>

ITEM F

Academic and Student Affairs Committee Report

DESCRIPTION AND BACKGROUND

Governor Jennifer Kopp Dameron, Chair of the Academic and Student Affairs Committee, will provide a report on the committee meeting held earlier in the day.

RECOMMENDED ACTION

This is a discussion item only.

ITEM F.1
Honorary Degree Consideration

DESCRIPTION AND BACKGROUND

Governor Cheryl J. Cozette, Chair of the Honorary Degrees Committee, will report on the work of the committee in reviewing the nomination of W. Jack Magruder for an Honorary Degree from Truman State University.

RECOMMENDED ACTION

BE IT RESOLVED that W. Jack Magruder be awarded the honorary degree of Doctor of Humane Letters at the Winter 2019 Commencement exercises of Truman State University.

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

ITEM G
Budget and Capital Projects Committee Report

DESCRIPTION AND BACKGROUND

Governor K. Brooks Miller, Chair of the Budget and Capital Projects Committee, will provide a report on the committee meeting held earlier in the day.

RECOMMENDED ACTION

This is a discussion item only.

ITEM G.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>Budget</u>	<u>Approval Date</u>	<u>Expenditure to Date</u>	<u>Completion Status*</u>	<u>Occupancy**</u>	<u>Project Completion</u>	<u>Final Project Cost</u>
Campbell Apartments Balcony Repair Project	\$ 689,000	2-3-18	\$ 601,490	100%	7-31-18	6-30-19	\$601,490
Sesquicentennial Plaza/ Fountain Project	\$1,575,000	2-9-19	\$ 387,484	24%	9-20-19		
Violette Hall Roof Replacement and Recreation Center Repairs Project	\$1,485,000	2-9-19	\$ 524,869	35%	8-2-19		
Greenwood Window Replacement Project	\$ 650,000	2-9-19	\$ 536,644	82%	9-6-19		
Natatorium Pool Liner Replacement Project	\$ 127,500	2-9-19	\$ 0	0%	8-1-19		
Chiller Replacement Project, Violette Hall and Student Union Building (includes \$75,000 for engineering services)	\$ 850,000	4-13-19 4-18-19	\$ 246,058	29%	10-31-19		

*completion status based on payments made

**occupancy date based on primary construction contract

ITEM G.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>
None to report	

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 G.3
Operating Budgets for FY 2020 (revised)

DESCRIPTION AND BACKGROUND

Projected state appropriations for FY 2020 have been revised based on the funding bill signed by the Governor on June 10, 2019. This will provide \$1,000,000 in additional state support, and a revised Operating Budgets for Fiscal Year 2020 is provided in the attachment. No changes are proposed in FY 2020 Auxiliary Budget approved at the Board of Governors meeting on June 15, 2019. After the 3 percent withholding from the additional state funds, a total of \$970,000 is available for the Education and General Budget and Restricted Funds Budget. Sections that have been edited are highlighted.

RECOMMENDED ACTION

BE IT RESOLVED that the “Operating Budgets for Fiscal Year 2020” previously approved on June 15, 2019, be revised to reflect additional state appropriations for the Education and General Budget; and

BE IT FURTHER RESOLVED that the President of the University is authorized to adjust the operating budget should state appropriations levels change; and

BE IT FURTHER RESOLVED that a copy of the document entitled “Operating Budgets for Fiscal Year 2020 - Revised” be attached to the minutes as an exhibit.

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

ATTACHMENT

Operating Budgets for Fiscal Year 2020 - Revised



**OPERATING BUDGETS
FOR
FISCAL YEAR 2020**

Revised

FY 2020 BUDGET DOCUMENTS

A. The FY 2020 Education and General Budget	Page
1. Executive Summary	1
2. General Budget Priorities	1
3. Revenue Assumptions	1
4. Planned Expenditures	5
5. FY 2020 Education and General Revenue by Category	11
6. FY 2020 Education and General Expenditures by Category	15
B. The FY 2020 Auxiliary Budget	
1. Executive Summary	20
2. General Budget Priorities	20
3. Revenue Assumptions	20
4. Planned Expenditures	21
5. FY 2020 Auxiliary Revenue by Category	24
6. FY 2020 Auxiliary Expenditures by Area	26
C. The FY 2020 Restricted Funds Budget	
1. Executive Summary	28
2. Projected Restricted Revenues and Expenditures	28
3. FY 2020 Estimated Restricted Revenue and Expenditures	31
D. Combined Operating Budget Summary	
1. Operating Budgets	33
2. Revenue Sources	34

FISCAL YEAR 2020 EDUCATION AND GENERAL BUDGET NARRATIVE

Executive Summary

The Education and General (E&G) Budget is the operating budget which supports the primary functions of the University including instruction, research, public service, and the various support areas. It is funded by state appropriations, student fees, and other miscellaneous sources. The Governor recommended level funding for FY 2020 state appropriations for higher education and the appropriation passed by the General Assembly added core funds to the institutions. The FY 2020 budget has been developed with the state appropriations as approved by the Governor. Tuition and fee income for FY 2020 is projected based on lower enrollment and an average increase of five percent in tuition rates.

General Budget Priorities

The FY 2020 budget was developed using the following guiding principles:

1. Protect core instructional/academic functions as much as possible.
2. Sustain key student support functions.
3. Continue to develop administrative efficiencies and reduce administrative costs whenever possible.
4. Provide funds for academic innovation and new program development.
5. Target funds to improve recruitment and retention of students.
6. Review every vacant position to justify continuation, reconfiguration or elimination.
7. No across the board cuts were utilized. Allocations within broad areas – instruction, student services, athletics, and institutional support – are based on priorities set within those functional areas.

Revenue Assumptions

General Revenue

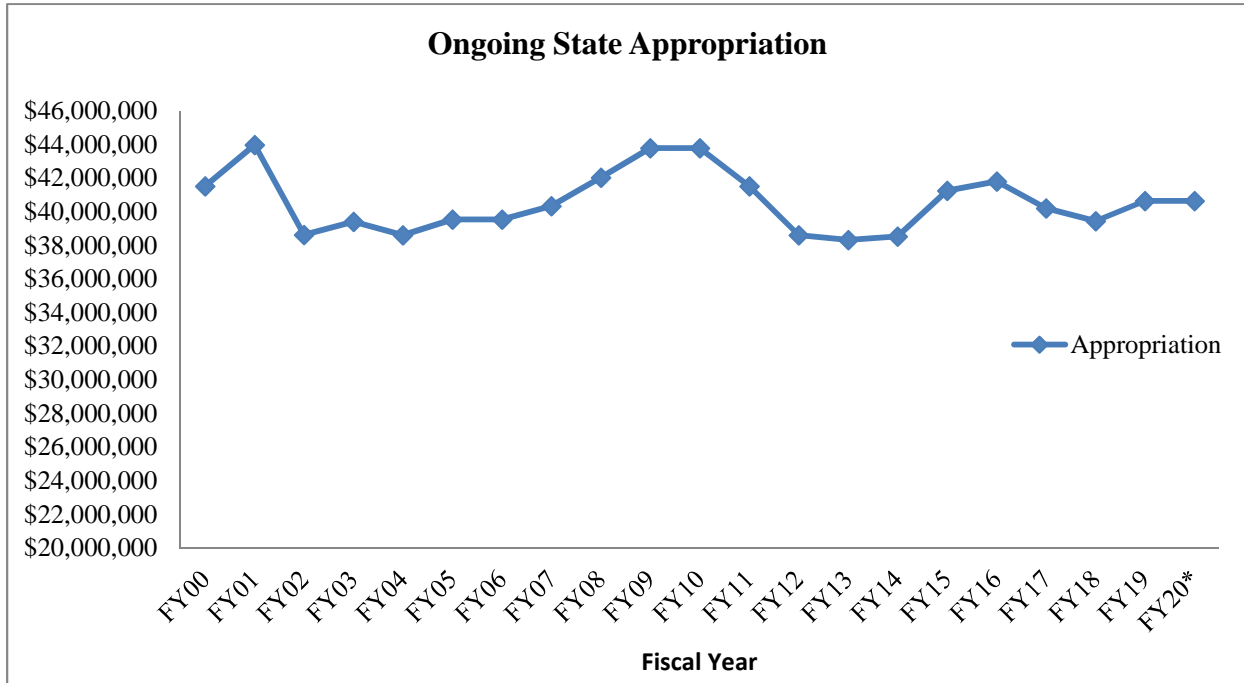
The base general revenue appropriation for Truman from the State of Missouri and approved by the General Assembly included \$1 million more than the amount appropriated for FY 2019. Total funds approved by the Governor from general revenue and lottery proceeds for FY 2020 are \$41,660,322. Historically, the Governor withholds at least three percent of these funds as a contingency. For Fiscal Year 2020 this requires a reserve of \$1,249,800 for the

standard withholding. Table 1 provides a snapshot of total state revenue trends for FY 2000 through FY 2020 and reflects the actual funds received after all state withholding actions, including those beyond the 3% level. A comparison of initial appropriations and state funds received after withholding for FY05-FY20 is found on Table 2.

Enrollment Fees and Other Income

The Fall 2019 enrollment is projected for budget purposes at approximately 4,800 full-time equivalent students. Spring 2020 enrollment is projected at the historical average of 93 percent of the fall semester total. Recommended tuition and required fees for 2019-2020 call for an increase for Missouri resident as well as for non-resident undergraduate students, and graduate students. The operating budget is based on this proposed tuition increase. Sources of income in addition to enrollment fees include special fees, fines, charges for services, and interest income. Due to modest increases in interest rates on invested funds, the interest income available in FY 2020 is projected to be above FY 2019.

**Table 1
GENERAL REVENUE TRENDS**



Ongoing State Appropriations Actually Received

Fiscal Year	Appropriation	% Change
FY00	\$41,522,860	6.2%
FY01	\$43,987,383	5.6%
FY02	\$38,640,023	-12.2%
FY03	\$39,427,733	2.0%
FY04	\$38,619,423	-2.1%
FY05	\$39,545,109	2.4%
FY06	\$39,545,109	0.0%
FY07	\$40,346,396	2.0%
FY08	\$42,040,945	4.2%
FY09	\$43,806,665	4.2%
FY10	\$43,806,665	0.0%
FY11	\$41,526,613	-5.2%
FY12	\$38,619,750	-7.0%
FY13	\$38,325,596	-0.8%
FY14	\$38,542,604	0.6%
FY15	\$41,262,248	7.1%
FY16	\$41,816,820	1.3%
FY17	\$40,226,391	-3.8%
FY18	\$39,450,989	-1.9%
FY19	\$39,440,512	0.0%
FY20*	\$40,410,512	+2.5%

*Projected

Note: This table excludes funds appropriated but withheld and one-time funds.

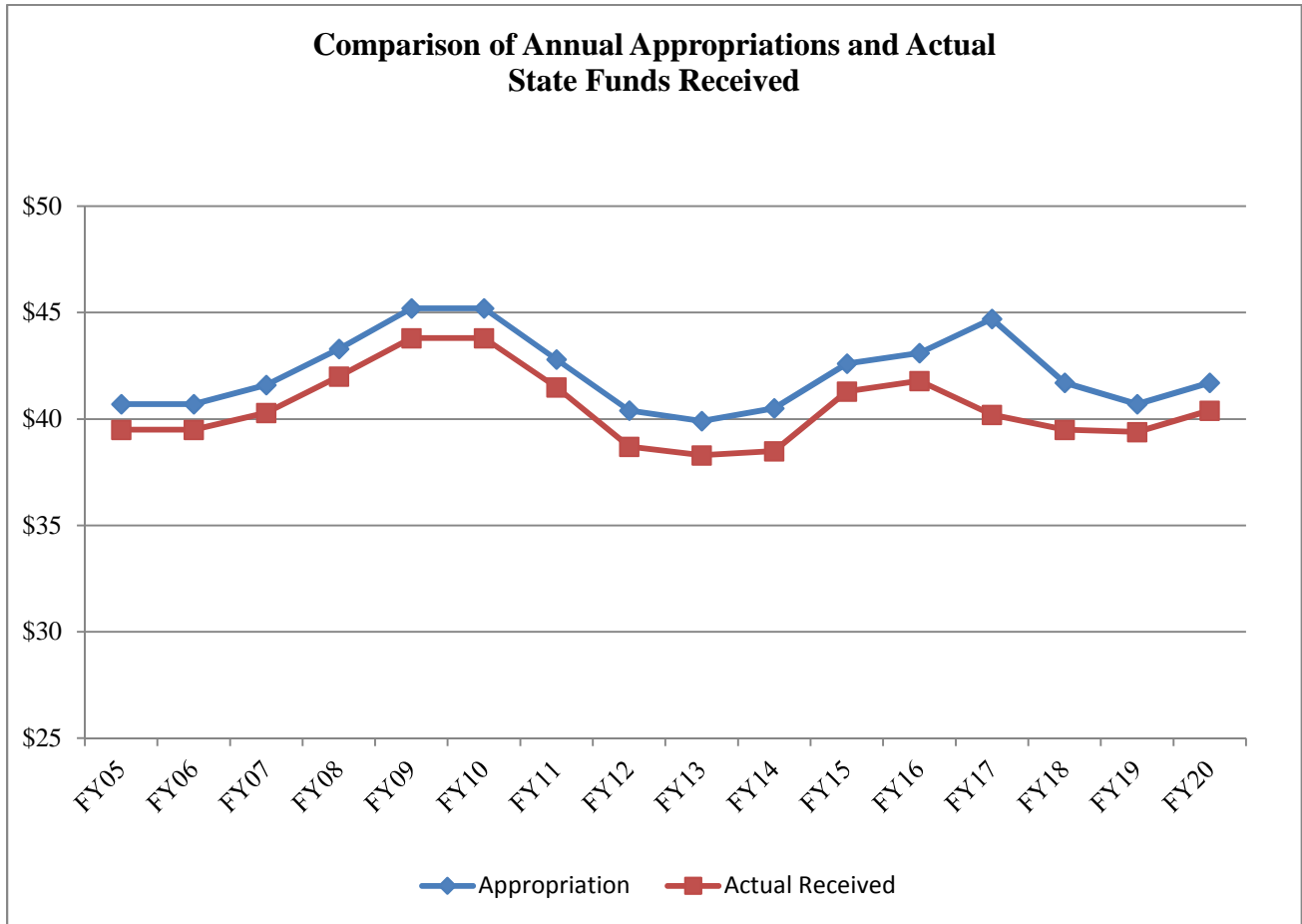
For FY10, one-time federal funds of \$756,339 are excluded.

For FY17, a one-time Autism Clinic fund excluded, and reflects extra midyear withholding.

For FY18, an additional withholding was imposed by the Governor.

For FY20, the 3% standard withholding is assumed.

Table 2



	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Appropriation	40.7	40.7	41.6	43.3	45.2	45.2	42.8	40.4	39.9	40.5	42.6	43.1	44.7	41.7	40.7	41.7
Actual Received	39.5	39.5	40.3	42.0	43.8	43.8	41.5	38.7	38.3	38.5	41.3	41.8	40.2	39.5	39.4	40.4

FY10 excludes one-time federal fund designated for Caring for Missourians.
 FY17 excludes one-time Autism Clinic funds and reflects extra withholding.
 FY20 is projected based on the **appropriation minus** standard 3% withholding.

Planned Expenditures

General

In order to balance the FY 2020 Education and General budget, planned expenditures were reduced by approximately \$800,000, from \$95.2 million to \$94.4 million. Included in the budget are funds to cover the increase in the required MOSERS retirement system contribution which impacted fringe benefit costs. The contribution rate for FY 2020 increased by 1.56% to 21.77%. Table 3 outlines expenditure trends by Personal Service (salaries and benefits), Equipment/Operations, and Total for the last 10 years.

Personal Services

A major portion of the operating budget is utilized for salaries and fringe benefits. For FY 2020, Truman is budgeting \$56.4 million in this category, or 60% of the total Education and General budget. This includes funds for faculty and staff salaries, student employment, and fringe benefits such as retirement, medical insurance, and social security. The breakdown for Personal Services is as follows.

Salaries	\$37,125,575
Fringe Benefits	\$15,277,435
Student Employment	\$ 4,077,692
Total	\$56,480,702

Within the FY 2020 budget, several positions were eliminated through attrition or retirements and others were reconfigured to meet current needs. Positions eliminated include office and physical plant support staff as well as faculty positions.

Operations and Equipment

The following provides a brief summary of operations and equipment trends by major segments of the campus.

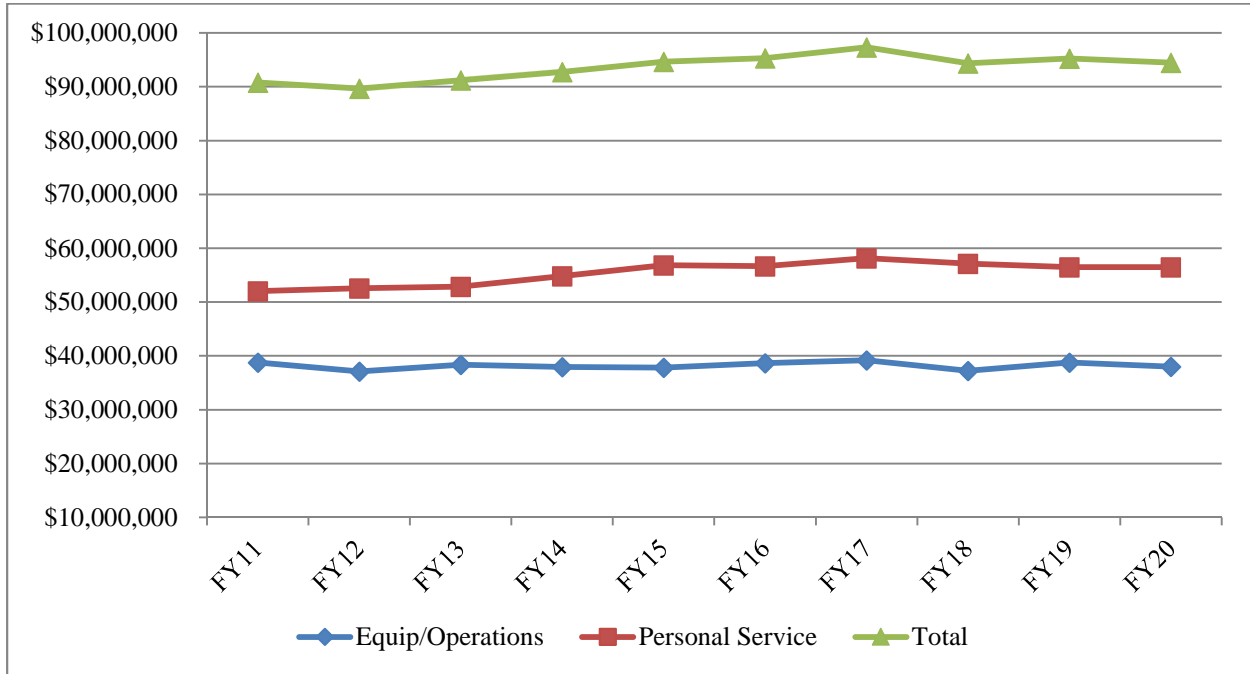
1. Academic Affairs. Operations funds have been allocated to meet needs in instruction, research and public service areas. A total of over \$4.5 million dollars in operations is budgeted in core areas including the academic departments. Equipment for

instructional use will be budgeted approximately the same as the FY 2019 level. This academic equipment is in addition to the campus technology funds. Table 4 outlines academic and research equipment budgets for FY 2007-FY 2020 and shows the asset renewal rate for these areas. Research funding totals are nearly \$500,000 for FY 2019, with most of the funds in the operations and equipment categories.

2. Student Services. Operating and equipment budgets in the Student Services category have been allocated to meet priorities in various areas. The offices and functions in this category within the Education and General budget include Admission, Athletics, Counseling, Financial Aid, Health Clinic, International Students, Testing Services, and Registrar. Nearly \$2.8 million is budgeted for equipment and operations in the student services category. This includes the funds generated by the student athletic fee. Additional Student Services areas including Residential Living, the Student Union, and Recreation Center are funded in the Auxiliary Budget and are not included here.
3. Computing and Technology. The FY 2020 operating budget includes significant allocations for computing and technology. A total of \$3.5 million is budgeted for technology services which include staff, operations, equipment and maintenance of existing systems and networks with over 2,000 laptop and desktop workstations on campus, and a network with 8,800 ports. In FY 2019 funding was increased for classroom technology that was budgeted based on revenue from the new instructional technology fee. Continued technology investment is necessary to remain competitive. For 2019-2020, technology areas are budgeted at 3.9 percent of the institutional total.
4. Maintenance and Repair Fund. In the mid 1990's the General Assembly provided designated appropriations from General Revenue to handle campus maintenance and repair. These funds were added to the base appropriation for each campus with the intention to meet needs such as renovations, roof replacements and upgrades to heating and air conditioning systems. For FY 2020, a total of \$1,450,000 is budgeted for maintenance and repair. Table 5 outlines trends in the Maintenance & Repair budget for FY 2010-FY 2020.

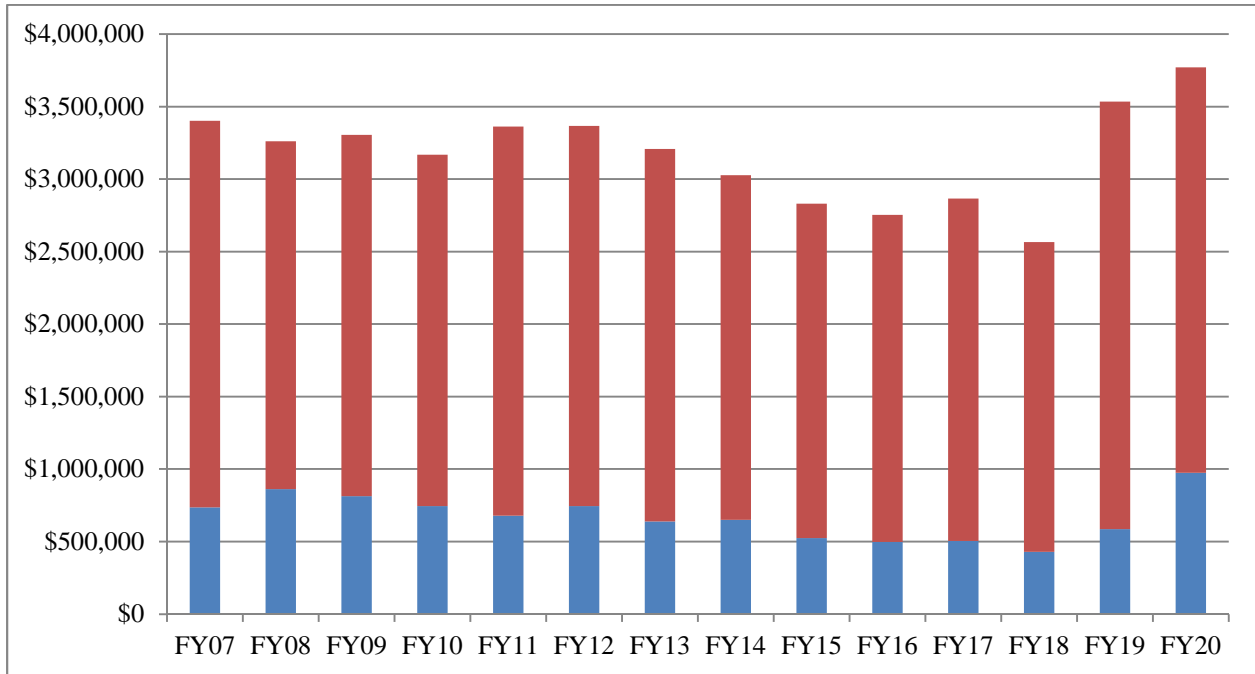
5. Utilities. Due to increases in utility costs and increased demand, utility budgets have historically increased each year. However, as a result of continued energy efficiency efforts for 2019-20 utility costs are projected to be stable. Total funds budgeted for utilities, including operation of the central steam plant, are \$2.9 million. The Auxiliary Budget includes additional funds to cover utilities in those facilities.
6. Institutional Support. This area includes many administrative functions such as Alumni/Advancement, Business Office, President's Office, Public Relations, and other support areas. The combined operations and equipment total for this category is over \$1.9 million, which includes funds transferred from the Foundation to support advancement and fundraising efforts.
7. Scholarships. For FY 2020, funds for scholarships have been reduced to cover projected expenditures for institutionally funded academic and athletic grants.
8. Student Employment. Student employment budgets are targeted to assist students and supplement staff in multiple areas. Funds allocated for student employment in the Education and General budget total over \$4.0 million.

**Table 3
Education and General Budget by Category
FY 2008 – FY 2019**



	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
TOTAL	90,799,907	89,683,895	91,213,610	92,770,780	94,658,000	95,302,000	97,317,725	94,368,295	95,243,322	94,468,218
Personal Service	52,039,986	52,548,445	52,886,984	54,834,643	56,866,257	56,643,753	58,132,124	57,129,494	56,461,886	56,480,702
Equipment/ Operations	38,759,921	37,135,450	38,326,626	37,936,137	37,791,743	38,658,247	39,185,601	37,238,801	38,781,436	37,987,516

**Table 4
Academic & Research Equipment Budgets**

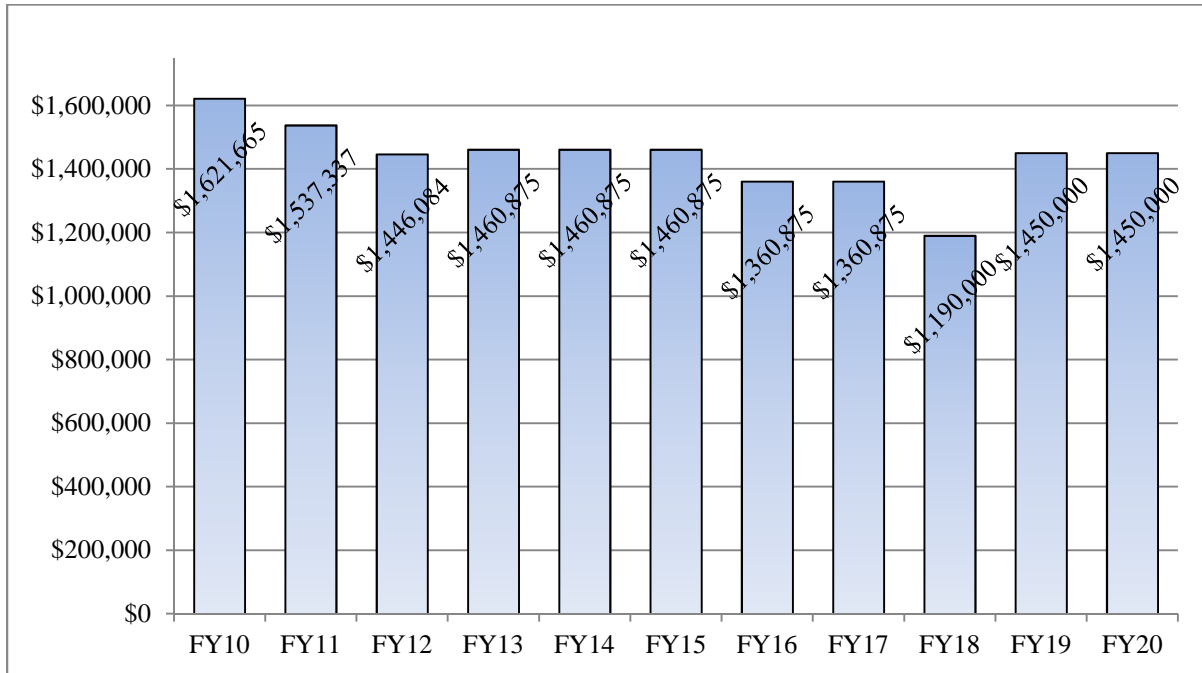


(000's omitted)

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Equipment Budget	2,665	2,400	2,491	2,423	2,682	2,622	2,568	2,378	2,305	2,255	2,360	2,138	2,949	2,798
Actual \$ Available	737	862	814	744	679	744	640	649	525	498	504	429	585	973

Note: Equipment budgets include significant amounts designated to cover the 3% withholding in state funds and contingency amounts including the 5% reserve. The plan is to focus these funds on academic purchases should they be released during the fiscal year. This chart shows the portion of annual equipment budgets actually available for academic and research purchases. It should be noted that changes in definitions or the threshold price for equipment have reduced this budget significantly in recent years.

**Table 5
Maintenance & Repair Budget**



	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Operating M&R	1,621,665	1,537,337	1,446,084	1,460,875	1,460,875	1,460,875	1,360,875	1,360,875	1,190,000	1,450,000	1,450,000

FY 2020 EDUCATION AND GENERAL REVENUE BY CATEGORY

The page that follows provides a summary of projected revenue for FY 2020 in several major categories. General Revenue, or state funds, provides 44.1% of the proposed budget.

Board policy calls for net tuition income not to exceed a target of 35 percent of the total budget. This policy has specific guidelines regarding the calculation which allow for the omission of designated or restricted fees. The policy also compensates for budgeted student aid.

Page 13 of this section provides the detail for the calculation to determine adherence to the policy for FY 2020. The portion of the adjusted budget supported by student tuition is 31.6% and, therefore, is within the policy.

Table 6 illustrates budgeted sources of funds for FY 2020. Trends in recent years include reductions in state funding, increases in student fees, and more revenues from other miscellaneous sources. As a result, state support now accounts for approximately 44.1% of budgeted Education and General revenues.

**EDUCATION AND GENERAL
FY 2020 REVENUE BY CATEGORY**

General Revenue

\$41,660,322

This represents the entire amount recommended by the Governor in the budget. A contingency budget of **\$1,420,000** has been established for the traditional 3% standard withholding by the Governor. In recent decades only a small portion of the 3% withholding has been released, and no funds are expected to be released in FY 2020.

Student Tuition and Enrollment Fees

\$50,720,000

FY 2020 enrollment income for budget purposes is based upon a 300 FTE decline in student enrollment. Spring semester enrollment is based on a 93% retention rate. Missouri students are assumed to make up 69% of the total enrollment; graduate enrollment is expected to be stable; and summer enrollment is projected at the 2019 summer level. This category also includes fees for off-campus courses, the athletic fee, the student activity fee, study abroad programs, and other special enrollment fees.

Other Local Income and Transfers

\$ 2,087,896

This includes various revenue sources: investments, athletic gate receipts, sales and services of educational activities (such as summer camps), rollover from FY 2019, indirect costs from grants and other miscellaneous sources. Transfers from Auxiliary sources and the Foundation are also included here.

GRAND TOTAL ALL SOURCES

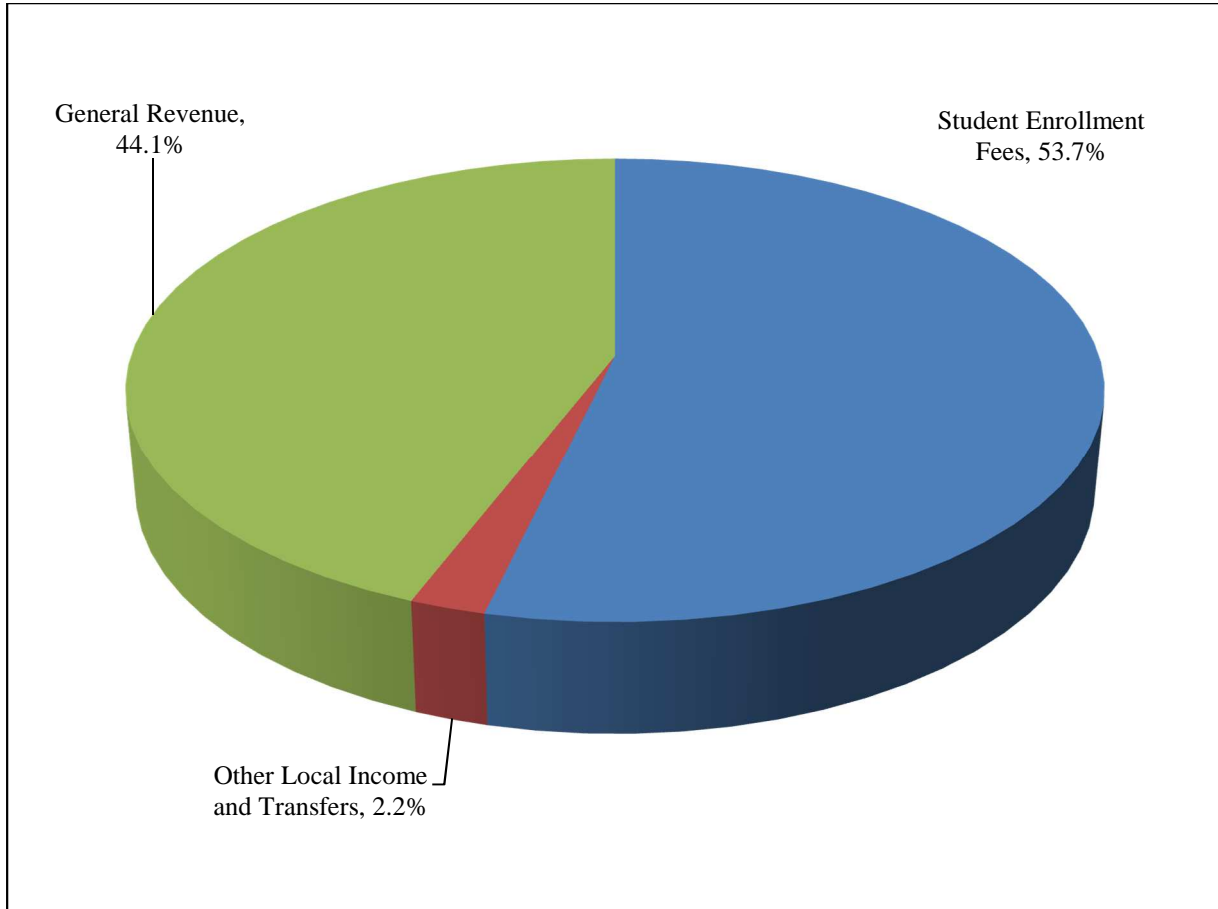
\$94,468,218

SEGREGATION OF ON-CAMPUS FEE INCOME FOR FY 2020 IS AS FOLLOWS:

	Total Fee Income	Undesignated & Unrestricted
Enrollment Fees		48,463,000
Less Restricted/Designated		
Student Union	-960,000	
“out-of-state” Missouri taxpayer discount	-65,000	
Recreation Center	-1,035,000	
Orientation Week Fee	-350,000	
Joseph Baldwin Academy	-445,000	
Student Health Center Fee	-345,000	
Student Activity Fee	-382,000	
Athletic Fee	-527,000	
Technology Fee	-158,000	
Student Sustainability Fee	-45,500	
Classroom Technology Fee	-500,000	
Total designated/restricted funds	-4,812,500	
		<hr/>
Total unrestricted funds		43,650,500
The percentage calculation is shown as follows:		
1. Undesignated and unrestricted fees (above)		43,650,500
2. Less Academic Scholarships, Experienceships and Athletic Grants in Aid		-20,143,000
NET UNRESTRICTED TUITION & FEES		23,507,500
		<hr/>
1. Total Education and General Budget		94,468,218
2. Less Academic Scholarships, Experienceships and Athletic Grants in Aid		-20,143,000
ADJUSTED E&G TOTAL		74,325,218
		<hr/>
NET UNRESTRICTED TUITION AS A PERCENTAGE OF ADJUSTED E&G		31.6%

NOTE: Includes projected on-campus student fee income and excludes off-campus courses and study abroad program fees.

Table 6
FY 2020 BUDGETED E&G REVENUE



FY 2020 PLANNED E&G EXPENDITURES BY CATEGORY

The Missouri Coordinating Board for Higher Education and Office of Administration have developed a budget reporting structure which follows federal financial reporting standards for higher education. The broad budget categories and totals for FY 2020 are as follows:

Instruction

\$42,047,484

This includes all expenditures such as faculty salaries, operating funds and equipment which support instructional activities.

Research

\$ 490,230

Activity organized to produce research outcomes is included in this category. Internal research grants, research equipment, and undergraduate research stipends are in this budget.

Public Service

\$ 48,845

Non-instructional services beneficial to external groups are included in public services. Matching funds for the Upward Bound program are budgeted here.

Academic Support

\$ 4,747,306

The Library and academic administration are in this category. Expenses for operation of the library represent over one-half of this budget.

Student Services

\$ 9,234,745

This includes areas such as student services administration, counseling services, admissions and records, intercollegiate athletics, health services, and testing services.

Institutional Support \$ 7,262,018

Support areas including fiscal operations, alumni and public relations, and general administration are in this category.

Physical Plant \$ 9,014,590

General physical plant operations, including maintenance, grounds and custodial, and public safety are in this category. Funds for fuel and utilities are also included here.

Maintenance and Repairs \$ 1,450,000

Funds designated for campus building repairs and preventive maintenance are in this category.

Student Aid \$ 20,143,000

Student scholarships, experienceships and athletic aid are included here.

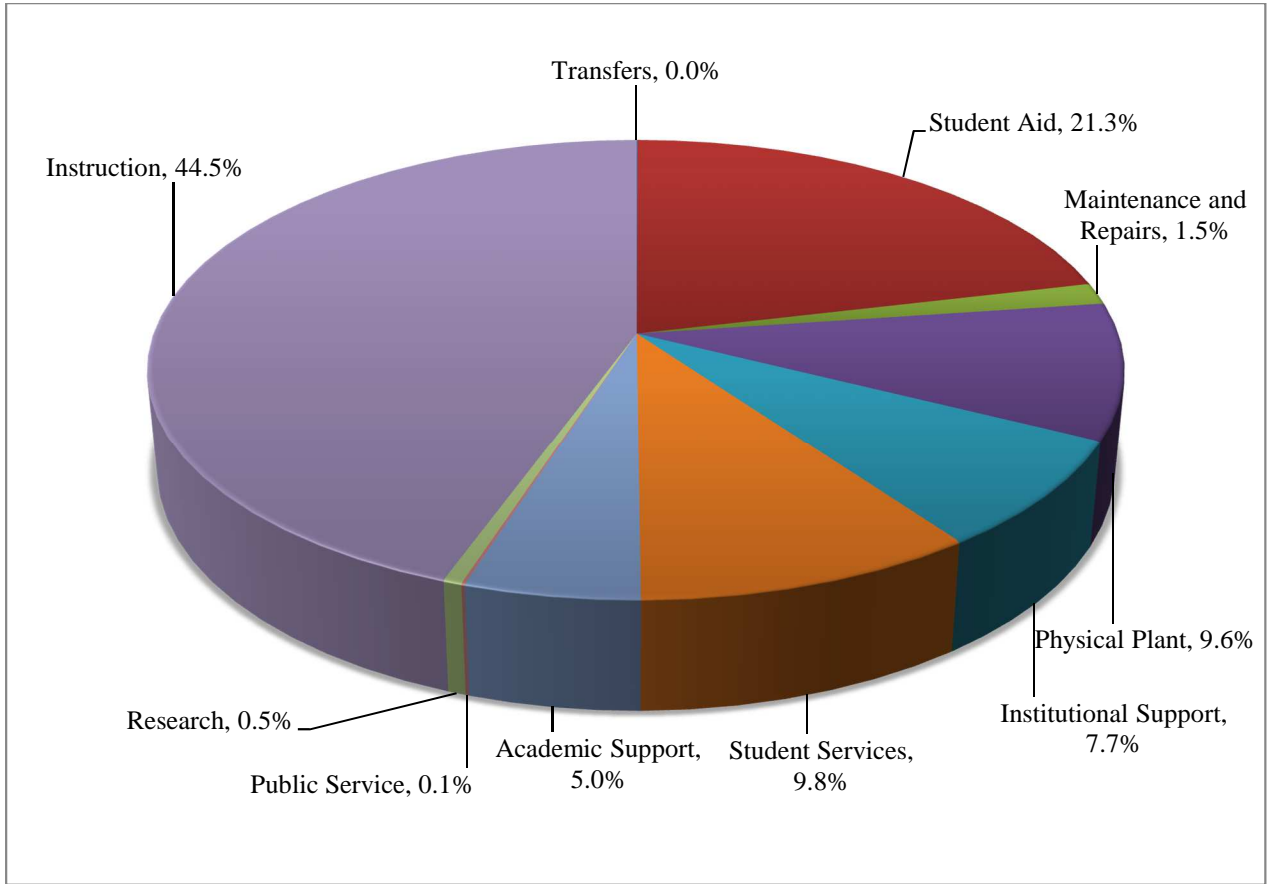
Transfers \$ 30,000

Mandatory transfers for federal aid programs (Perkins and SEOG) comprise this budget.

TOTAL \$94,468,218

Note: Several significant changes in categories have been made to match the Uniform Financial Reporting Manual developed by the Missouri Department of Higher Education as well as the most recent National Association of College and University Business Officers guidance regarding classification of various functional areas.

Table 7
FY 2020 PLANNED E&G EXPENDITURES



FY 2020 EDUCATION AND GENERAL EXPENDITURES BY CATEGORY

	Personal Service	Equipment	Operations	Total
Instruction	35,159,460	2,547,636	4,340,388	42,047,484
Research	84,000	250,000	156,230	490,230
Public Service	21,658	0	27,187	48,845
SUBTOTAL	35,265,118	2,797,636	4,523,805	42,586,559
Academic Support	3,182,912	50,000	1,514,394	4,747,306
Student Services	6,378,438	61,000	2,795,307	9,234,745
Institutional Support	5,285,120	62,100	1,914,798	7,262,018
Physical Plant	4,019,114	183,000	4,812,476	9,014,590
Maintenance & Repairs	0	0	1,450,000	1,450,000
Student Aid	2,350,000	0	17,793,000	20,143,000
Transfers	0	0	30,000	30,000
TOTALS	56,480,702	3,153,736	34,833,780	94,468,218

Note: Categories match the Uniform Financial Reporting Manual developed by the Missouri Department of Higher Education as well as the most recent National Association of College and University Business Officers guidance regarding classification of various functional areas.

**COMPARISON OF EDUCATION AND GENERAL BUDGET BY CATEGORY
FY 2013 – FY 2020**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services	52,886,984	54,834,643	56,866,257	56,643,753	58,132,124	57,129,494	56,461,882	56,480,702
Equipment	3,074,615	2,844,715	2,635,965	2,570,303	2,659,869	2,282,569	2,949,354	3,153,736
Operations	35,252,011	35,155,492	35,155,788	36,087,944	36,525,732	34,956,232	35,832,086	34,833,780
TOTAL	91,213,610	92,770,780	94,658,000	95,302,000	97,317,725	94,368,295	95,243,322	94,468,218

Notes: Equipment category includes funds to cover 3% state withholding and other major contingency accounts. Due to reclassification of equipment under GASB year-to-year comparisons may not be valid.

FISCAL YEAR 2020 AUXILIARY BUDGET NARRATIVE

Executive Summary

Revenue from combined auxiliary operations is projected to decrease in FY 2020. This estimate is based on the number housed in the residence halls as well as budgets which are tied to student enrollment such as the Student Union and Recreation Center. Occupancy levels in the residence halls are budgeted based on a decrease from the actual number this past academic year. The rates charged to students for residence halls including room and board were increased by an average of 2.6% for the 2019-20 academic year.

Several changes in operating and equipment budgets have been recommended for 2019-2020. For FY 2020, one residence hall, Dobson Hall, has been closed to reduce operating costs. The major changes in the Auxiliary Budget for FY 2020 include allocating funds to cover projected food costs as well as MOSERS contributions. Savings realized with the refinancing of bonds and the energy conservation project continues to be reflected in the operating budgets for FY 2020.

General Budget Priorities

This budget was prepared to meet priorities such as improving services to students, and activities which will provide more efficient operations. Asset renewal is also important in the auxiliary area, particularly in the residence halls and Student Union Building. The budget for auxiliary operations must be balanced and also meet bond payment requirements.

Revenue Assumptions

1. **Residence Halls.** Room and board rates were raised by an average of 2.6% for FY 2020. A student living in a typical two-person room will pay \$9,012 for the 2019-2020 academic year. Based upon the projected occupancy rate of 2,150 for the fall semester and 93 percent returning for the spring semester, revenue from residence halls and apartments is projected at \$19,950,000.

2. Other Residence Hall Income. Income from off-campus students who dine in the halls and from rentals, commissions, and miscellaneous sources is projected at \$2,038,158 for FY 2020. Additional revenue sources include interest income and miscellaneous fees which should generate approximately \$200,000.
3. Student Union. The Student Union is primarily funded by a transfer from enrollment income to this budget at a rate of \$100 per full-time equivalent student per semester, an increase from the previous \$90 per semester. This fee was established to build, maintain, and cover debt service for the Student Union. The Student Activity Fee helps fund the Center for Student Involvement, which is housed in the Student Union. Additional income sources include room rentals, bookstore, and food service commission. Total revenue for the Student Union Building for FY 2020 is projected at \$1,260,000.
4. Recreation Center. Major expenses for the Recreation Center include personnel, operations and debt service. A designated fee of \$111 per semester per full-time equivalent student is included in enrollment fees. Debt on the Recreation Center has been retired so funds are being budgeted to help finance future renovations. Total revenue for FY 2020 is projected at \$1,245,000 for the Recreation Center.
5. Service Departments. Revenue from auxiliary service departments such as Printing Services is projected at \$450,000 for FY 2020.

Planned Expenditures

A significant portion of the Auxiliary Budget is utilized to operate the residence halls. Staff includes the Residential Living Office, hall directors, housekeepers, and physical plant employees assigned to these non-academic areas. Table 8 outlines Auxiliary Budget equipment trends for FY 2000-FY 2020 and illustrates the emphasis on asset renewal in these areas.

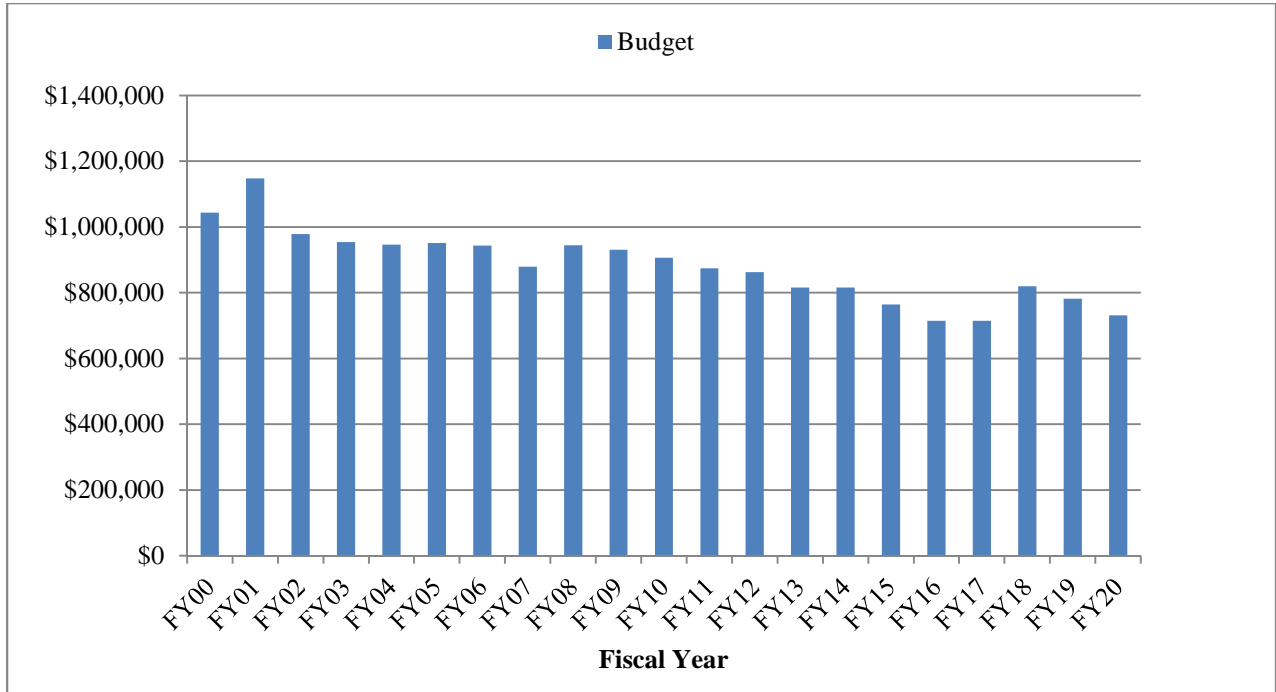
Operating funds for Residential Living include utilities, repairs and renovations, and food service contracts. Funds are included for furniture replacements, food service equipment, and general repairs to the facilities. Food service costs will increase to cover increased costs as agreed to in the food service contract, which is the largest single component of this budget.

Utility costs are projected to be stable in 2019-2020 from the current year actual expenditures and the budget reflects this. A major portion of the Residential Living operating budget is the \$3,347,000 set aside for bond repayments.

On a smaller scale, the Student Union Building budget also covers personnel, operating costs such as utilities, and funds for replacement and repair of the equipment. Funds are also included to cover general maintenance of this building and funds have been increased for student employment. This budget includes \$314,810 for bond repayments.

The Recreation Center budget is continued at a level slightly above to the previous year since student employment has been increased. This will provide for continued staffing and operations funds to meet the usage of this facility. Utility costs are a major component in the operating budget for this area, and the student employment costs have been increased due to minimum wage increases. An equipment budget is also provided to replace and update items as needed. Funds are also budgeted for future equipment and renovation to this facility.

Table 8
Auxiliary Equipment Budget Trends
FY00-FY20



<u>Fiscal Year</u>	<u>Equipment Budget</u>	<u>% change</u>
FY00	\$ 1,043,858	3.3%
FY01	\$ 1,147,858	9.9%
FY02	\$ 978,464	-14.7%
FY03	\$ 954,166	-2.5%
FY04	\$ 945,906	-0.9%
FY05	\$ 950,796	0.5%
FY06	\$ 942,796	-0.8%
FY07	\$ 878,780	-6.8%
FY08	\$ 944,488	7.4%
FY09	\$ 930,488	-1.5%
FY10	\$ 906,247	-2.6%
FY11	\$ 874,233	-3.5%
FY12	\$ 862,633	-1.3%
FY13	\$ 815,883	-5.4%
FY14	\$ 815,883	0.0%
FY15	\$ 763,883	-6.4%
FY16	\$ 714,583	-6.5%
FY17	\$ 714,583	0.0%
FY18	\$ 820,060	+14.7%
FY19	\$ 781,203	-4.7%
FY20	\$ 730,793	-6.4%

Note: Includes equipment funds for residence halls, food service, Student Union, etc.

FY 2020 AUXILIARY REVENUE BY CATEGORY

RESIDENCE HALLS

Room and Board \$19,950,000

This projection is based on an occupancy rate of 2,150 for residence halls and apartments. Spring occupancy is historically 93 percent of the fall semester.

Investment Income \$ 200,000

Income from investment is projected to be higher than the previous year's total.

Off-Campus Student Meal Sales \$ 1,158,000

This source represents income from purchase of residence hall meal cards by students who live off-campus. The projection is based on FY 2018 levels of sales and the increase in dining rates.

Other Income \$ 880,158

Revenue from deposits, processing fees, rentals, parking registrations, commissions, and similar sources is projected to be down slightly from FY 2019.

TOTAL RESIDENCE HALL INCOME \$22,188,158

STUDENT UNION**\$ 1,260,000**

This revenue source includes the transfer of enrollment fees based on full-time equivalent (FTE) students. Total revenues are projected based on FY20 enrollment and additional income sources include rentals, bookstore, and food service commission.

RECREATION CENTER**\$ 1,245,000**

Funds for operation of the Recreation Center and repayment of construction bonds come primarily from the transfer of enrollment fees based on FTE students. Other sources of income include rental of the facility to outside groups and faculty/staff membership fees.

SERVICE DEPARTMENTS**\$ 450,000**

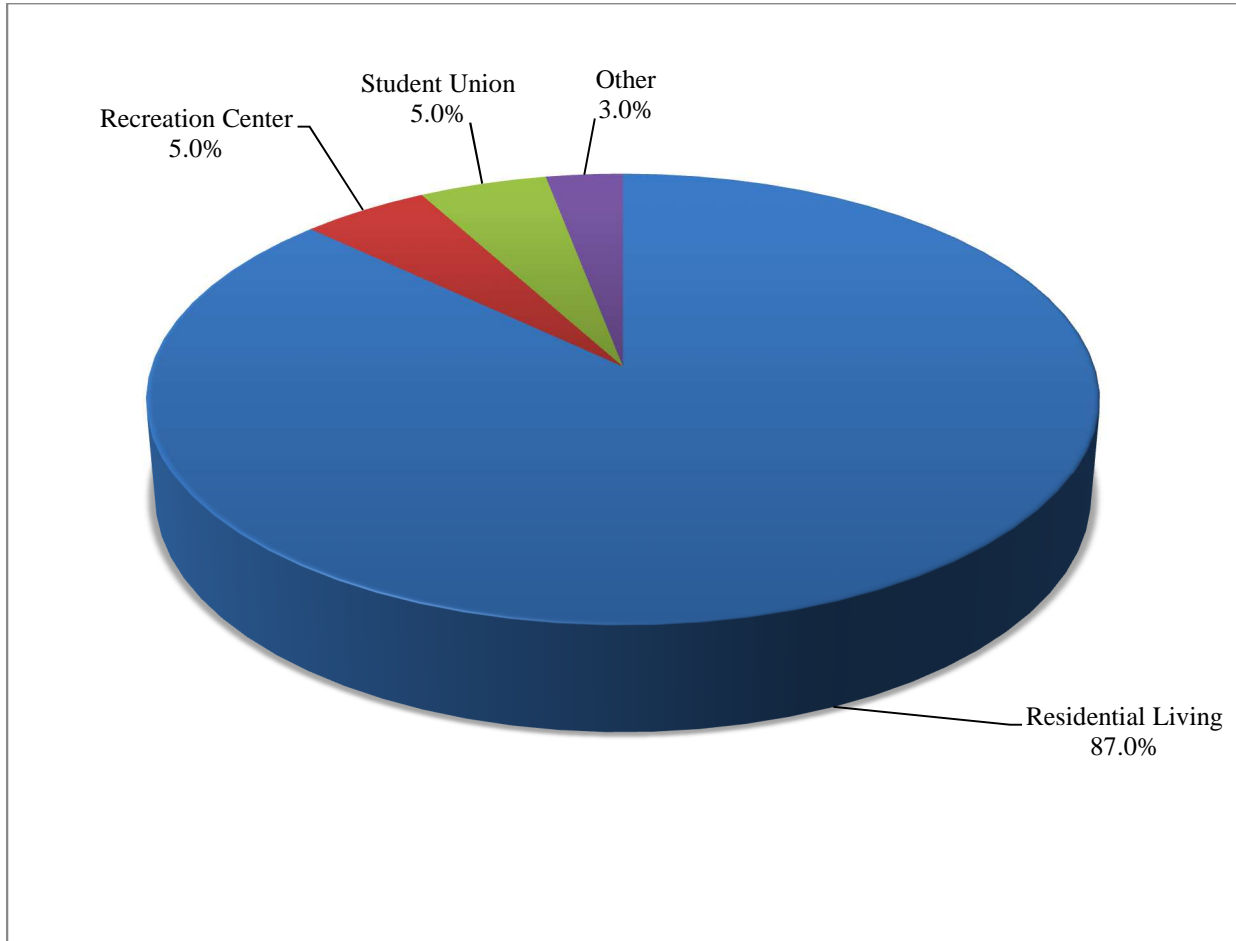
Certain service departments are operated as auxiliary enterprises. Currently this includes Campus Printing Services. Revenue is projected to be down slightly for FY20.

GRAND TOTAL AUXILIARY REVENUE**\$25,143,158**

FY 2020 AUXILIARY EXPENDITURES BY AREA

	Personal Services	Equipment	Operations	Total
Residential Living	3,366,988	629,250	14,532,546	18,528,784
Residential Living Bond Payments	0	0	3,347,434	3,347,434
Student Union	459,145	66,543	418,121	943,809
Student Union Bond Payment	0	0	314,810	314,810
Printing Services	198,213	5,000	249,870	453,083
Auxiliary Administration	97,268	0	15,000	112,268
Other Auxiliary	0	0	20,000	20,000
Recreation Center	567,241	30,000	197,374	794,615
Recreation Center Reserve	0	0	450,000	450,000
Transfer/Surplus	0	0	178,355	178,355
TOTAL	4,688,855	730,793	19,723,510	25,143,158

Table 9
FY 2020 AUXILIARY EXPENSES
BY MAJOR AREA



FISCAL YEAR 2020 RESTRICTED FUND BUDGET

Executive Summary

This budget includes funds from outside grants and other sources (state and federal) which are restricted in nature. Examples include federal programs such as McNair and Upward Bound and state-funded activities such as the Regional Professional Development Center. Due to the nature of these programs and the fact that the federal fiscal year does not match Truman's fiscal year, all revenues in this budget are estimated.

Projected Restricted Revenues and Expenditures

Major activities supported through restricted funds include the following:

Upward Bound \$ 465,810

This program is part of the federal TRIO program funded by the Department of Education. It is designed to assist high school students in building the skills and motivation necessary for college success.

McNair \$ 280,658

Truman has received McNair funding since 1992. The program is designed to provide disadvantaged college students with preparation for graduate programs.

Regional Professional Development Center \$ 1,147,800

The Regional Professional Development Center is operated in conjunction with Truman's School of Health Sciences and Education. The center is funded by the Missouri Department of Elementary and Secondary Education and provides training and support to public schools in the northeast region. Any fee income generated by Regional Professional Development Center activities is restricted and must be returned to the state if not used for the program.

NSF-(S-STEM) A Scaffolded Learning Community to Increase Self-Efficacy and Persistence in STEM \$ 185,790

This grant will support students pursuing majors in the agriculture science, biology, chemistry, and physics departments.

NSF-Robert Noyce Scholars Program for Secondary Mathematics & Physics Teaching \$ 700,000

This project will strive to impact physics and mathematics teacher shortages in Missouri and nationwide by creating a dual mathematics/physics secondary teacher preparation tract. The program will recruit and support students following this new contract.

NSF-Network Upgrades to Improve Engagement in Science Discovery & Education \$399,105

This project will upgrade networking equipment in two buildings to support a ten-fold increase in data access rates.

Pell \$4,950,000

Pell Grants are provided from federal funds to eligible students based on need. This amount is a projection as awards are contingent on the number of qualifying students enrolled.

SEOG \$ 101,284

Supplemental Educational Opportunities Grants are provided from federal funds to eligible students.

Work Study \$ 310,818

The College Work-Study Program includes federal funds to support part-time student workers.

Federal TEACH Grant \$ 40,000

This grant provides up to \$4,000 to eligible undergraduate and graduate students who agree to teach specified high-need subjects at schools serving primarily disadvantaged populations for four years within eight years of graduation. This amount is a projection as awards are contingent on the number of qualifying students enrolled.

MoExels Program \$ 271,191

This program provides funds for the MoExels workforce initiative to support the graduate level Data Science program and the Mental Health Counseling program.

Other \$ 323,700

There are numerous smaller grants and contracts from foundations and governmental sources designed for instruction, research and public service activities. This includes programs supported by NSF, U.S. Small Business Administration, and NASA.

TOTAL ESTIMATED FY 2020 RESTRICTED \$9,176,156

FISCAL YEAR 2020
ESTIMATED RESTRICTED REVENUE AND EXPENDITURES

<u>Area or Program</u>	<u>FY 2020 Estimate</u>
Upward Bound	\$ 465,810
McNair	\$ 280,658
Regional Professional Development Center	\$ 1,147,800
NSF S-STEM	\$ 185,790
NSF Robert Noyce Scholars Program	\$ 700,000
NSF Network Upgrades	\$ 399,105
Pell	\$4,950,000
SEOG	\$ 101,284
Work-Study	\$ 310,818
Federal TEACH Grant	\$ 40,000
MoExels Program	\$ 271,191
Other	\$ 323,700
TOTAL	\$9,176,156

COMBINED OPERATING BUDGET SUMMARY

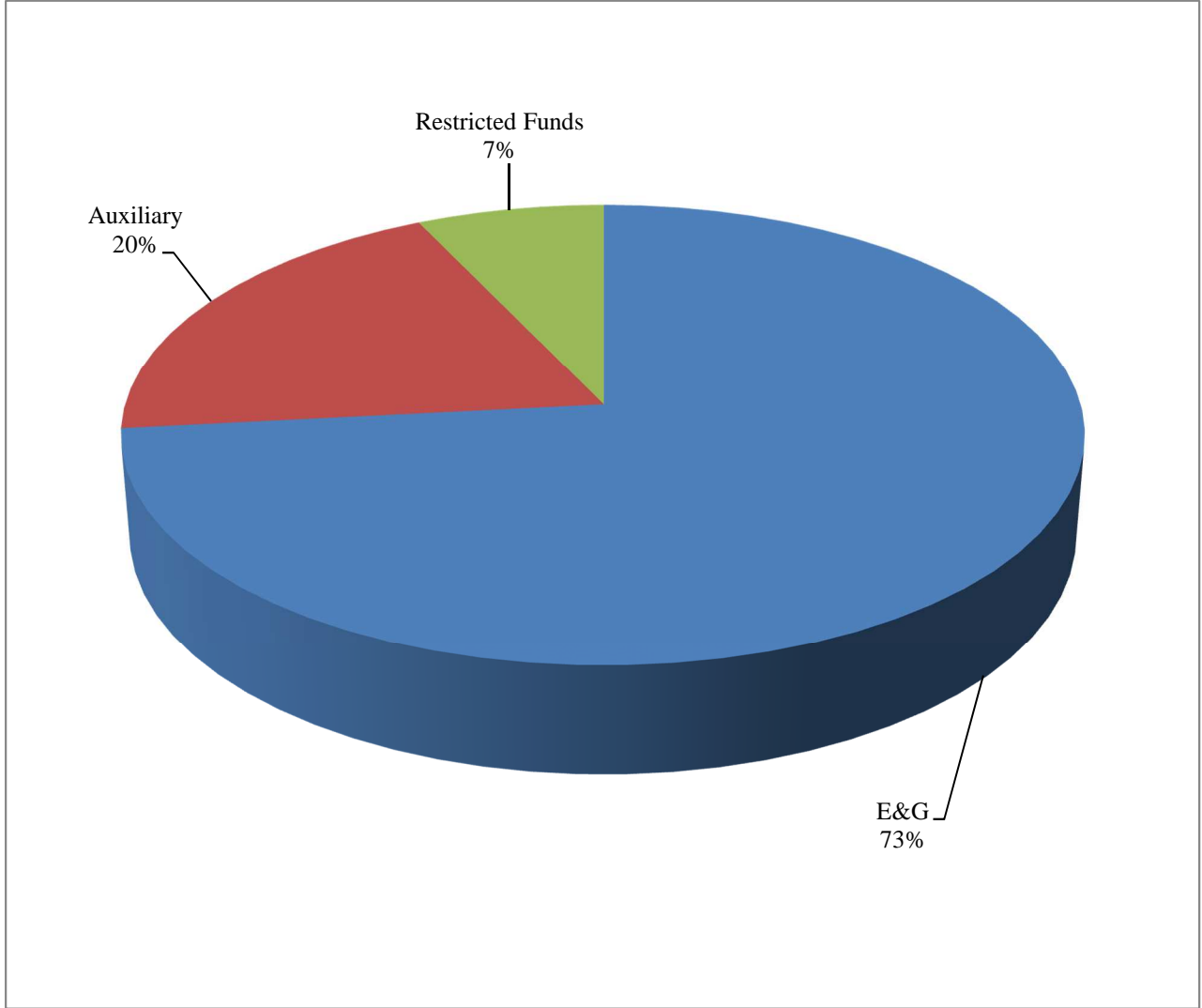
The combined operating budget for Fiscal Year 2020 totals \$128,787,532.

Education and General	\$ 94,468,218
Auxiliary	\$ 25,143,158
Restricted Funds	\$ 9,176,156
Total	\$128,787,532

Table 10 illustrates the combined operating budget distributed by type, and the Education and General budget represent 73% of the total.

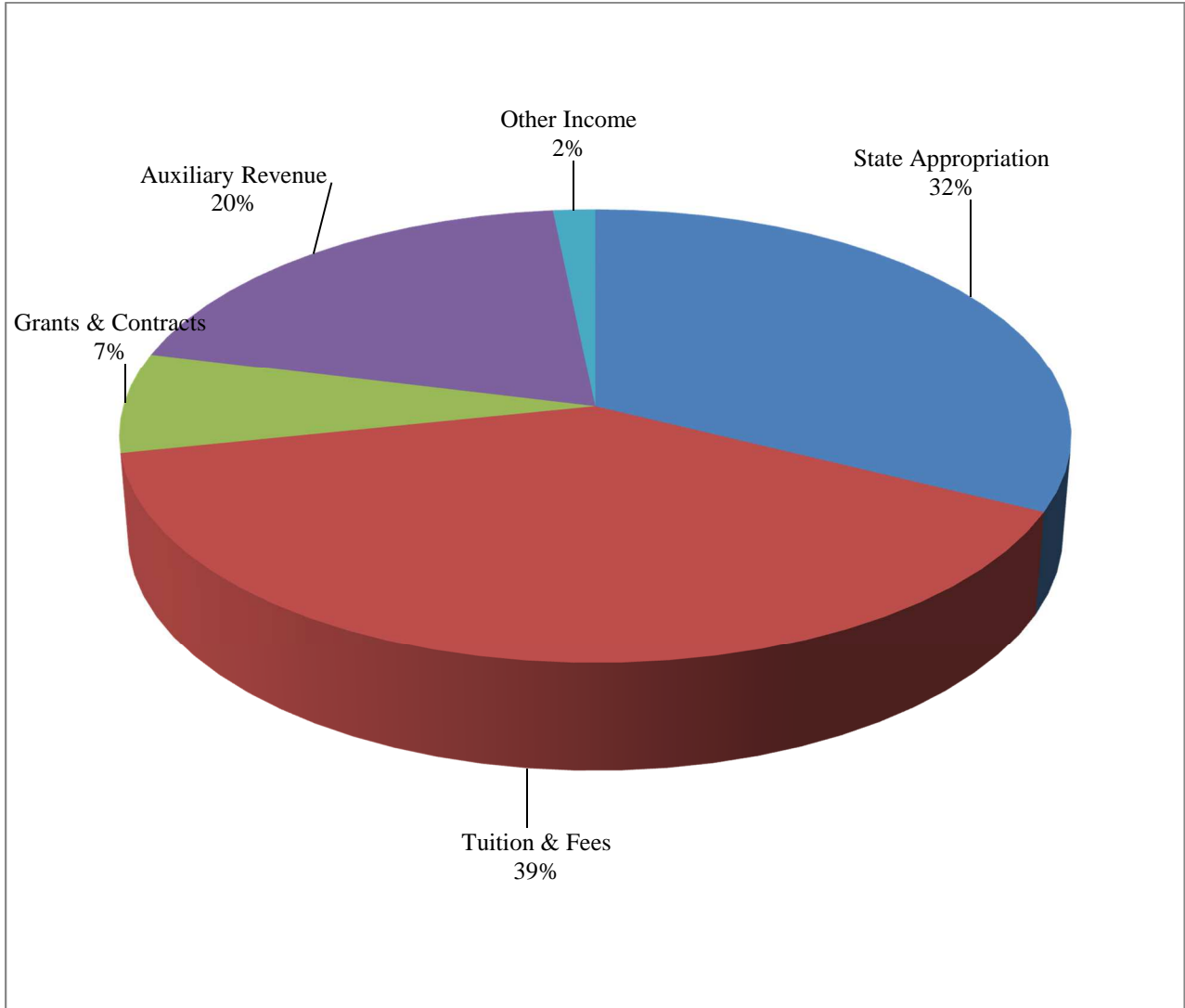
Projected revenues are equal to the various operating budgets, and Table 11 illustrates the sources of revenue which are combined to produce the funds needed. Major sources, in descending order, are Student Tuition and Fees, State Appropriations, Auxiliary Revenue, Grants and Contracts, and Other Income.

**Table 10
FY 2020 OPERATING BUDGETS**



Operating Budget	\$ Amount
E&G	\$94,468,218
Auxiliary	\$25,143,158
Restricted Funds	\$ 9,176,156

Table 11
FY 2020 Revenue Sources



Revenue Sources	\$ Amount
State Appropriation	\$41,660,322
Tuition & Fees	\$50,720,000
Grants & Contracts	\$ 9,176,156
Auxiliary Revenue	\$25,143,158
Other Income	\$ 2,087,896

**ITEM G.4
Local Capital Budgets for Fiscal Year 2020**

DESCRIPTION AND BACKGROUND

The local capital improvement budgets are reviewed and approved annually to provide funding for major building and renovation projects for the campus. These budgets are divided into two categories based upon the primary function of the facility. The Local State Funds Capital Budget is utilized for projects related to facilities which are eligible for capital appropriations from the State of Missouri. This includes the academic buildings and the infrastructure which supports these facilities. The Auxiliary Funds Capital Budget is utilized to address needs related to facilities which are not funded via state appropriations. This includes auxiliary enterprises such as the residence halls, the Student Union, Recreation Center, and related site work surrounding these buildings such as walkways and parking lots.

The budgets that follow are designed to reflect institutional priorities identified in Truman’s Strategic Plan and the Campus Master Plan and provide general budget parameters. As capital projects are designed and bid, approval by the Board of Governors will be obtained for each project following established procedures.

The total recommended for FY 2020 Capital Budgets for the Local State Funds Capital Budget is \$1,338,000 and for the Auxiliary Funds Capital Budget is \$3,132,776.

RECOMMENDED ACTION

BE IT RESOLVED that the “Local State Funds Capital Budget – FY 2020” of \$1,338,000 and the proposed “Auxiliary Funds Capital Budget – FY 2019” of \$3,132,776 be approved and that copies of the budgets be attached to the minutes as exhibits.

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

ATTACHMENT

Local Capital Budgets for Fiscal Year 2020

LOCAL CAPITAL BUDGETS FOR FISCAL YEAR 2020

Local State Funds Capital Budget – FY 2020

The estimated FY 2019 carry-over funds from Education and General totaled \$1,338,000. These funds will be used for University needs and priorities that cannot be funded by Maintenance and Repair Funds. Included among these are utility and infrastructure improvements such as masonry and roofing repairs, storm drainage improvements, utility and infrastructure improvement, as well as HVAC system replacements.

Auxiliary Funds Capital Budget – FY 2020

For FY 2020 the primary funding source for the Auxiliary Funds Capital Budget is the FY 2019 operating carry-over from the auxiliary enterprises. The operating carry-over, and auxiliary interest income, total was \$3,132,776.

Funds from the Student Union Building (\$99,711) and Student Recreation Center (\$529,971) will be set aside for use in these facilities. Funds received through Sodexo for reinvestment (\$1,224,736) will be set aside for future dining and kitchen projects. Surplus funds from the Residence Hall System totaling \$1,277,201 will be available for projects within the housing system.

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

ITEM G.5
State Appropriation Request for Fiscal Year 2021

DESCRIPTION AND BACKGROUND

The University’s Fiscal Year 2021 State Appropriation request is submitted to the Missouri Department of Higher Education (MDHE) as well as the State Office of Administration. This request is for funding to support the Education and General Budget.

For FY 2021, the request is based upon the higher education appropriation for FY 2020 that was approved by the legislature and signed by the Governor. This is the Truly Agreed and Finally Passed (TAFP) appropriation prior to expenditure restrictions. Truman’s FY 2021 request includes funding based on the Performance Funding model, additional funds to expand training for mental health professionals, additional funds to expand the Nursing Program, as well as funds to continue to support the cooperative programs with community college programs and additional Maintenance and Repair funding.

Table 1 provides a summary of the request, and Table 2 provides more detailed information. This request will be prepared in a more specific format as required by state budget submission guidelines.

This is the first step in the FY 2021 budget process. Truman’s request will be reviewed by the MDHE staff in August and September, and the Coordinating Board for Higher Education (CBHE) will make official budget recommendations for each institution in October. 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 by the legislature in May 2020.

RECOMMENDED ACTION

BE IT RESOLVED that the State Appropriation Request for Fiscal Year 2021 totaling \$47,555,132 be approved and ratified; and

BE IT FURTHER RESOLVED that a copy of the State Appropriation Request for Fiscal Year 2021, 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.

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

ATTACHMENTS

- Table 1
- Table 2

TABLE 1

Fiscal Year 2021 State Appropriation Request for Operating Funds

Appropriation Base (Truly Agreed and Finally Passed) for FY 2020	\$41,660,322
New Requests for FY 2021	
Funding for Improved Outcomes (3%)	\$ 1,249,810
MoExcel Proposals	\$ 350,000
Additional Maintenance and Repair Funds	\$ 3,250,000
Nursing Program Expansion	\$ 770,000
Cooperative Community College Program Investments	<u>\$ 275,000</u>
Total New Requests	\$ 5,894,810
TOTAL FY 2021 FUNDING REQUEST (FY 2020 appropriation + new)	\$47,555,132

TABLE 2

The state appropriations request for FY 2021 includes two components: the Core Operating request based on FY 2020 actual appropriations and the new requests for FY 2021. Requests beyond the core are typically referred to as Decision Items or New Investments.

1. Funding for Core Operations: State Request \$41,660,322
The funding priority is to maintain the existing base. These funds provide 43% of the Education and General budget for FY 2020, and they are crucial to meeting the institution's mission.

2. New Requests for FY 2021 \$ 5,894,810

A. Funding for Improved Outcomes \$ 1,249,810

The funding for Improved Outcomes (Performance Funding) was developed in 2012 by the CBHE Performance Funding Task Force and modified in 2017. It is designed to demonstrate success, and reward outcomes, with increased appropriations. For FY 2021 requests, COPHE institutions are recommending the three performance funding measures:

Student Success and Progress

1. Completions per full-time equivalent student (FTE)
2. Percent of students meeting, or exceeding, the established performance threshold on the following assessment:
 - a. Improvements in assessments in the major field

Graduate Outcomes

3. Institutions administer the First Destination Survey developed by the National Association of Colleges and Employers (NACE). Students are deemed successful if employed full time, participating in a volunteer or service program, serving in the military, or enrolled in continuing education within six months following graduation.

Success on each measure is defined as improvement over the previous year's performance (both measured with three-year rolling averages), year-over-year improvement or, where applicable, sustained performance relative to an external benchmark. If all three measures are met, a three percent increase in base funding would result. The increase requested in this category (\$1,249,810) represents 3% of the FY 2020 core appropriation.

B. MoExcels \$ 350,000

Both Missouri, and the Midwest region, have a significant and continuing need for qualified mental health professionals. This funding request would support two new programs designed to make Truman students ready for employment in the behavioral health labor sector.

1. The Applied Behavioral Analyst Program would be comprised of a 6 to 8 course sequence culminating in a Board Certified Behavior Analyst (BCBA) certification.
2. The Addiction Studies curriculum is an undergraduate program that would prepare students to function as Substance Abuse and Addiction Counselors.

- C. Maintenance and Repair: Protecting Investments \$ 3,250,000
Truman has over 1 million square feet of state-funded buildings, and additional funds are needed to maintain campus facilities. Based on projected FY 2019 building replacement costs of \$235 million, and the generally accepted standard of 2% of replacement costs, Truman needs \$4.7 million annually for maintenance and repair. Combined with its current maintenance and repair budget (\$1.45 million), additional state funding would allow Truman to make significant progress towards improving its current campus (including repurposing existing space to accommodate growth in specific academic programs).
- D. Nursing Program Expansion \$ 770,000
Each year Truman is forced to deny hundreds of qualified applicants entry into its Nursing Program due to limited program capacity. Truman is requesting funding to expand this important, and popular program. Included in this request are funds for additional faculty and associated operating expenses.
- E. Cooperative Community College Program Investments \$ 275,000
Truman currently has a cooperative program with Moberly Area Community College (TruMACC) designed to make the transfer process more seamless for transfer students. This request would extend the program to additional community colleges, and it includes adding staff at these campuses to facilitate student success.

ITEM G.6

Engineering Services – Greenwood Site Development Project

DESCRIPTION AND BACKGROUND

Included in the approved FY 2020 budget is \$1.15 million toward the renovation of the Greenwood Center located at the northwest corner of East Normal Street and South Halliburton Street. Engineering Services are required for design and preparation of bid documents to move this phase of the project forward. Included in this phase are structural, site development and Mechanical/Electrical/Plumbing (MEP) components, with the final project scope adjusted to match the funds available for the project.

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.

In 2016, a committee including representatives from Truman's faculty, Physical Plant, and Campus Planning reviewed the qualifications of three firms for this work. Mackey Mitchell Architects was recommended and approved by the Board for the project. Before funding was withheld by the state, Anderson Engineering of Columbia, Missouri was part of Mackey Mitchell Architects team and had already done some of the civil design work for the Greenwood Center. At that time, if funding had been appropriated, Anderson Engineering would have been utilized.

RECOMMENDED ACTION

BE IT RESOLVED that the proposal from Anderson Engineering to provide engineering services for the Greenwood Site Development Project, with the fees and work for such services to be within the guidelines of the proposal, be approved; and

BE IT FURTHER RESOLVED that the President of the University, or her 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

Revised July 17, 2019

Truman State University – Campus Planning

Mr. Mark Schultz, AIA, CSI
McClain Hall 100
100 East Normal Avenue
Kirksville, MO 63501-4221

Re: Greenwood Building Site Improvements
Kirksville, MO

Via: e-mail – mschultz@truman.edu

Dear Mark

Anderson Engineering, Inc. (**AE**) is pleased to provide our *revised* proposal to Truman State University for professional services related to the site improvements at the Greenwood Center in Kirksville, Missouri. **AE** will provide civil and structural engineering services and retain The McClure Corporation of St. Louis for MEP services. We appreciate this opportunity to serve you.

PROJECT DESCRIPTION: The project includes site development around the Greenwood Center at the northwest corner of East Normal Street and South Halliburton Street in Kirksville, Missouri. Development generally conforms to the schematic design drawings prepared by Mackey Mitchell dated May 2017. The Project includes the following components.

- A. Structural – remove west lower level door and below ground open well, repair concrete portion of wall, temporary closure above concrete, and water-proofing the foundation wall. The covered well with air handling vent and gas service remains.
- B. Site Development – remove and fill well at back of building, site grading, install parking lot, construct south building entrance for accessibility, repair sections of existing walk, install north drive / dumpster pad, storm drainage system; replace sanitary service, new water service to inside of building, and yard restoration
 - 1. Project may include bid alternates such as the ornamental fencing, sodding, etc. as determined by project budget
- C. MEP – install new weather head and conduit to transformer pad and into building, determine location for new water service entrance, determine maintenance of existing electric service entrances, and parking lot lighting system.

Truman State University (Client) and Anderson Engineering, Inc. (**AE**) agree as follows:

THE BEST PLACE TO WORK WITH AND THE BEST PLACE TO WORK FOR



SCOPE OF SERVICES: *AE* will provide the Client professional services as follows:

- A. Services will conform to the standards of Truman State University and the City of Kirksville where appropriate.
- B. Structural Engineering design services:
 1. One site visit to evaluate the foundation and obtain information for waterproofing and closing section of subsurface wall
 2. Design structural improvements to close the door opening, remove part of the well, and waterproof the foundation wall
- C. Civil Engineering design services:
 1. Attendance at a pre-development meeting and two (2) progress / review meetings during Design.
 2. Preparation of Construction Drawings and Bid Documents for the improvements. Receivables will generally include the following:
 - a. Standard Note & Legend Drawing
 - b. Demolition Plan
 - c. Erosion Control Plan, Land Disturbance Application, and SWPPP
 - d. Layout Plan and Grading Plan of improvements
 - e. Stormwater management plan and plan-profiles of storm sewers
 - f. Site Utility Plan and plan profiles of sanitary sewers and waterlines – sanitary reconnection occurs outside the building footprint; water service will extend through the foundation wall.
 - g. Detail Sheets
 - h. Project Manual with Technical Specifications
- D. MEP Engineering design services:
 1. Attendance at a site review meeting and one (1) progress / review meetings during Design.
 2. Preparation of Construction Drawings and Bid Documents for the MEP improvements. Receivables include the following:
 - a. Lighting Layout Plan
 - b. Lighting Photometric Plan
 - c. Electrical drop (weather head), conduit to transformer pad, and conduit into the building
 - d. Determine location of new water service into mechanical room
 - e. Determine if existing electrical service can be decommissioned and re-fed from the south or method to maintain service entrances and filling



**ANDERSON
ENGINEERING**
EMPLOYEE OWNED

- f. Replace gas service to building
- g. Technical specifications
- h. Detail Sheets

3. Preparation of an Opinion of Probable Bid Price

E. Bid and Construction Phase Services:

1. Bid Phase Services:

- a. Attendance at a pre-bid meeting
- b. Preparation of addenda if required
- c. Evaluation / bid recommendation

2. Construction Phase Services include:

- a. Attendance at a Pre-Construction Meeting, 2 civil site visits, 1 MEP site visit, and 1 structural site visit
- b. Submittal review
- c. RFI responses (ESIs)
- d. Preparation of Record Drawings

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

- A. Release to utilize prior contract documents for base design drawings
- B. Access to the site for review and evaluation(s)
- C. Bidding, contracting, and construction contract administration
- D. Coordination with the City for any right of use agreements
- E. Permit Fees
- F. Timely Review of submittals

SCHEDULE: We will begin services upon your verbal acceptance of this proposal. General Schedule follows:

- | | |
|---|--------------------|
| A. Verbal Contract approval | July 26, 2019 |
| B. TSU Board Contract Approval | August 6, 2019 |
| C. Formal Agreement / DD Review Meeting | August 9, 2019 |
| D. CD Review Meeting | August 29, 2019 |
| E. Bid Call | September 2, 2019 |
| F. Bid Opening | September 26, 2019 |



**ANDERSON
ENGINEERING**
EMPLOYEE OWNED

- | | |
|----------------------------|------------------|
| G. Board Contract Approval | October 18, 2019 |
| H. Notice to Proceed | October 21, 2019 |
| I. Complete Construction | June 30, 2020 |

COMPENSATION: We will provide the professional services described in the Scope for a Lump Sum fee of \$56,300.00 plus reimbursable expenses (mileage, meals). The Cost breaks down as follows:

- | | |
|--------------------------------|--------------|
| A. Design Phase Services | \$ 42,425.00 |
| B. Bid and Construction Phases | \$ 13,875.00 |

The terms of this proposal are valid for 60 days from the date of this proposal.

ADDITIONAL SERVICES:

- A. Additional design phase meetings or construction site visits.
- B. Alternate service includes a structural evaluation of the second floor over the mechanical room for installation of equipment. This can be a two-step process.
 - 1. Base service obtains load information of the mechanical equipment, site review and using profometer or ground penetrating radar to determine steel reinforcement location and visual condition, and calculating original design capacity to compare to proposed loading. This provides a report with findings. The cost of the base service is \$3,250.00
 - 2. If proposed load exceeds capacity or if testing is preferred, perform load test in conformance with ACI 318 and 437. We are working on obtaining the cost of this, but the test is believed to be approximately \$5,000.00.

EXHIBITS:

- A. Work Plans

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

OFFER BY: **Anderson Engineering, Inc.**

John V. Huss, P.E., CDT
Vice President

ITEM G.7
Naming Opportunity

DESCRIPTION AND BACKGROUND

During the 2019 Spring Semester, Student Government submitted a naming proposal requesting that the former Fair Apartments lot be renamed Fair Grounds. Within their proposal, they noted that the word “Fair” will maintain the legacy and memory of Dr. Eugene Fair, the Sixth President of the University and after whom Fair Apartments was originally named. The word “Grounds” will assist with their goal of expanding upon the purpose of the green space allowing students to use the space as an outdoor recreational area to convene, relax and play.

RECOMMENDED ACTION

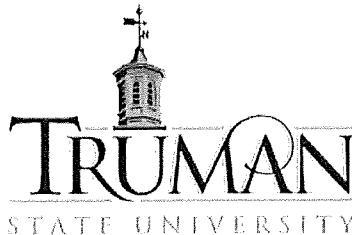
BE IT RESOLVED that the former Fair Apartments lot be renamed Fair Grounds in recognition of the Student Government Green Space Naming Proposal, a request which meets the requirements for naming opportunities per Board of Governors policy; and

BE IT FURTHER RESOLVED that the Board of Governors reserves the right to change or remove the name of the facility if it is determined that the name is no longer in the best interest of the University.

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

ATTACHMENTS

Student Government Resolution 118.023
Student Government Green Space Naming Proposal



Student Government Resolution 118.023
A Resolution Outlining the Development of the Former Fair Apartments Lot
Sponsored by Jared Kolok, Environmental Affairs Committee Chair; Hannah Wissler,
Ethics Justice; Rachel Holt, External Affairs Committee Chair

WHEREAS,

- The Student Government is the official governing body of the Student Association and exists to represent the present and long-term best interests of the Student Association in the formulation of the University policy and in the fulfillment of the University mission; and
- On March 25, 2019 a proposal¹ to rename the former Fair Apartments Lot to the 'Fair Grounds' was submitted in line with University naming procedures to President Sue Thomas and for subsequent review by the Board of Governors; and
- The naming proposal allows for future development of the former Fair Apartments Lot by Student Government and the Student Association²; and
- The naming proposal includes a plan for Student Government to develop and implement a rock labyrinth on the former Fair Apartments Lot³; and
- Truman State University's Student Government, Student Association, and Administration are concerned with recent and chronic mental health issues on campus, including depression, anxiety, and suicide; and
- The Student Government has been considering holistic health solutions and their implementation as a direct response and potential solution to some of the mental health issues on campus; and
- The former Fair Apartments Lot offers a unique location to provide this holistic approach to mental and physical health by implementing a labyrinth; and
- The Student Recreation Center has suggested developing an outdoor Fitness Center⁴ on the former Fair Apartments Lot in addition to the labyrinth; and
- The labyrinth, a space for meditative walking and relaxation, offers a restful, meditative environment that provides a mechanism to reduce anxiety and elicit a "relaxation response"

¹ <https://docs.google.com/document/d/1o4PeBV9nF-3nP2loZNm1S5fHrkfcBW3unm67IBYWcO4/edit>

² Ibid.

³ <https://www.labyrinthcompany.com/pages/about-labyrinths>

⁴ <https://nationalfitnesscampaign.com/>

that coincides with a personal journey from start to end to re-center oneself through a brief walk⁵; and

- An outdoor labyrinth, if implemented, would provide a mechanism for the Truman Community to engage in light physical activity which has been shown to positively impact mental wellbeing since even gentle exercise has been shown to increase quality of life⁶; and
- These improvements to campus are in the best interest of the Student Association in order to provide proactive solutions to mental health issues in line with the JED Committee's recommendations⁷;

THEREFORE, BE IT RESOLVED THAT THE STUDENT GOVERNMENT

- Does not support the implementation of an outdoor Fitness Court advanced by the Student Recreation Center in the former Fair Apartments Lot at this time; and
- Suggests further communication between the Student Recreation Center and the Student Government to explore the possibility of an outdoor fitness court to ensure that adequate student opinion is gathered on the subject before implementation; and
- Requests continued communication between the Student Government, the Administration and the faculty as is relevant to the development of the former Fair Apartments Lot; and
- Will continue to develop the former Fair Apartments Lot in line with a holistic approach to mental health; and
- Supports all efforts to create a healthier campus that encourages mental health and spending time outdoors; and
- Directs the Environmental Affairs Committee to continue development and implementation of the labyrinth in the former Fair Apartments Lot; and
- Directs the 2018-2019 Environmental Affairs Committee to draft a report outlining:
 - Total expected cost
 - Required materials
 - Requested equipment from the Physical Plant
 - Expected location of the labyrinth
 - Expected source of labor
- Directs that this report be published in the 2018-2019 Environmental Affairs end of year report; and
- Requests the 2019-2020 Environmental Affairs Committee move forward with the labyrinth in the Fall 2019 semester; and
- Directs that the 2019-2020 Student Government set aside at least \$1000 to be dedicated to this rock labyrinth coming from rollover of the 2018-2019 Student Government budget; and
- Encourages other interested Student Government parties to support the development of future projects around campus in order to continue to better student wellness; and

⁵ <https://www.labyrinthcompany.com/pages/about-labyrinths>

⁶ <https://www.mentalhealth.org.uk/a-to-z/p/physical-health-and-mental-health>

⁷ <https://docs.google.com/spreadsheets/d/1Np13sglnkDxm2xwli2AbA46HuLz2meAroAsYC7tYQRU/edit#gid=0>

- Encourages the 2019-2020 Environmental Affairs Committee sets aside money to inform the student body about the benefits and uses of the Labyrinth.

THE STUDENT GOVERNMENT DIRECTS THAT

Additional copies of this resolution be disseminated to President Sue Thomas; Truman State University Board of Governors; Janna Stoskopf, Vice President for Student Affairs; Ernie Hughes, Vice President for University Advancement; Lori Shook, Project Planner and Coordinator; Sam Guth, Physical Plant Director and Safety Manager; Susan Limestall, Director of Campus Recreation; William Nelsen, Interim Director of Residence Life; Donna Liss, Chair of the President's Sustainability Action Committee; Environmental Sustainability Fee Accountability Committee; Ryle Hall Council; Truman Media Network; and the University Archives.

Student Government Green Space Naming Proposal

Background and Name Proposal:

After the removal of Fair Apartments, there was a lot of discussion among students concerning what the space would be used for. Upon inquiry, Student Government discovered that the area was slated as a green space by administration, which sparked additional brainstorming concerning the possibilities of what the University could do with such a significant green space and how to get students excited about using the area.

However, many students outside of Student Government do not know that the lot is being designated an open green space and, when explaining where this green space is, it has become quite tedious to continually refer to the area as, “the lot where Fair Apartments used to be.” We realized that the first step in the process of getting students to know about and use the area is to name it. Through additional discussion by the Student Government and consulting our fellow students, we arrived at the possible name “Fair Grounds” for the green space.

We wanted a name that simultaneously preserved the history of the location while representing its new function as a green space. It is our hope that the name “Fair Grounds” will help maintain the legacy and memory of President Fair, after whom the Fair Apartments were originally named, while also serving as a nostalgic reminder for alumni who lived in the Fair Apartments during their time at Truman. As for the “Grounds” portion of the name, it is our goal to expand upon the purpose of a green space and open up the area so that students can use the it as an outdoor recreational area to convene, relax, and play.

Specifications, Collaborators, and Cost Estimates:

This “Fair Grounds” space would constitute the current green space between Ryle Hall and Pershing Building that extends to the Bike Co-Op, excluding the parking lot.

In hopes to incentivize usage of the space by students, Student Government is currently pursuing the construction of a rock labyrinth on the east side of this green space. Rock labyrinths are known for their benefits to relieving stress and promoting good mental health habits, which would be beneficial to Truman students. After researching various rock labyrinth options and entering in discussions with departments across campus, we would ultimately like to construct an octagon-shaped labyrinth, 24 feet in diameter. Additionally, Student Government is interested in pursuing planting more greenery and trees in the near future to further beautify the area and solidify its status as a green space. It is also expected that further development will occur through the Recreation Center and Student Government through the potential purchase of hammocks or outdoor games.

Residence Life, Physical Plant, Campus Planning, and the Vice President of Advancement, Ernie Hughes, have all given their consent to the proposed labyrinth. Student Government is developing a thorough plan for the labyrinth and expects to pay \$1200 from our

annual budget. This money would go towards the pebbles, pavers, landscaping fabric, and metal liners necessary for the labyrinth's construction. Physical plant has agreed to supply equipment as necessary to level and clear the area for construction purposes.

Continued Maintenance:

Student Government is purposely designing the labyrinth so that maintenance levels are low. This is in accordance with requests from Physical Plant to make maintenance of the area simple. It is expected that, when the labyrinth is completed, maintenance will be done by Facilities. After extensive consultation of the Physical Plant, it is expected that no drastic changes in their upkeep activities will be needed to maintain the area.

ITEM H

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 October 2019 Meeting

October 2019 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
Enrollment management report
Annual staff council 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

December 2019 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
Enrollment management report
Financial report
Construction projects report
Housing charges for next fiscal year
Governmental relations services (as contract expires)
Selection of officers for next 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 2020 Meeting

Participation in campus events
Annual photograph of board and president
Recognition of past board chair
Minutes for open session of last meeting
President's report

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

Advancement and/or foundation report

Academic affairs report

Student affairs report

Enrollment management report

Annual legislative consultant report

Annual student government report

Financial report

Construction projects report

External audit firm (as contract expires)

Academic calendar (as needed)

Board of Governors conflict of interest policy review

Dates and agenda items for future meetings

Minutes for closed session of last meeting

Personnel actions report

Annual general counsel evaluation committee appointments

April 2020 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

Enrollment management 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

Annual presidential review committee appointments

June 2020 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

Enrollment management report

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

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 (expected to move to October or December)
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

August 2020 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

Enrollment management report

Annual athletics report
Annual staff council report
Financial report
Construction projects report
Local capital budgets for current fiscal year
State appropriation request for next fiscal year
Honorary degree consideration
Dates and agenda items for future meetings
Minutes for closed session of last meeting
Personnel actions report
Conclusion of presidential review process

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 bold italics are discretionary reports and subject to change.)

ITEM I

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 Chair 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 Friday, October 18, 2019, 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 7, 2019;
- Saturday, February 8, 2020;
- Saturday, April 4, 2020; and
- Saturday, June 13, 2020; and
- Saturday, August 1, 2020.

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

ATTACHMENT

Calendar of Events August 2019 – August 2020

CALENDAR OF EVENTS
August 2019 - August 2020

2019

August	3	BOARD OF GOVERNORS MEETING
	14	Fall Semester Begins with Truman Week
	14	Fall Opening Assembly, Ophelia Parrish Performance Hall, 2:30 p.m. "Ready or Not" Faculty/Staff Appreciation Luncheon,
	16	Student Union Building Georgian Room, 12:00 p.m.
September	2	Labor Day
	14	Home Football - Wayne State
	21	Family Day
	21	Home Football - Valparaiso
	28	Admission Showcase Event
October	5	Home Football - Southwest Baptist
	10-11	Mid-Term Break
	14	Admission Weekday Open House
	14-19	Homecoming Week
	18	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	19	Home Football - Missouri S&T
November	2	Admission Showcase Event
	2	Home Football - McKendree
	22	Thanksgiving Day
December	7	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	14	Fall Commencement, 11:00 a.m.
	25	Christmas Day

2020

January	1	New Year's Day
	13	Spring Classes Begin
	20	Martin Luther King, Jr. Day
	25	Admission Showcase Event
February	8	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
March	9-13	Spring Break
	28	Admission Showcase Event
April	4	BOARD OF GOVERNORS MEETING (TENTATIVE DATE)
	4	Foundation Board Meeting and Banquet
	13	Term Break
	16	Student Research Conference
	25	Admission Showcase Event
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)
	12	Fall Semester Begins with Truman Week

ITEM J
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”; and
3. Confidential communications with the General Counsel; 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 _____