

February 5-6, 2009

UNIVERSITY OF MISSOURI
Columbia . Kansas City . Rolla . St. Louis



February 5-6, 2009

Mr. Stephen J. Owens, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Ms. Natalie “Nikki” Krawitz, Vice President for Finance and Administration
Mr. Brian McNamee, Manager of Investments, University of Missouri System
Members of the UM Faculty and Staff
Media Representatives

Agenda

Information

1. Investments Update
2. Investment Consultant Interviews

Action

1. Investment Consultant Selection
2. Revision to Collected Rules and Regulations, Section 140.011, Investment Policy for Endowment Fund, and Section 140.012, Investment Policy for Retirement, Disability and Death Benefit Plan

Investments Update – provided by Vice President Krawitz (handouts on file)

Investment Consultant Interviews

Investment Consultant Selection Overview – presented by Vice President Krawitz

Interview: Summit Strategies Group – Mr. Stephen P. Holmes and Mr. Mark Caplinger

Interview: Rocaton Investment Advisors, LLC – Ms. Robin Pellish and Mr. Roger Fenningdorf

Discussion of Investment Consultants (Ms. Pellish was not present for the discussion or vote on Investment Consultants)

Investment Consultant Selection, UM

February 5-6, 2009

It was recommended by Vice President Krawitz, endorsed by President Forsee, moved by Curator Walsworth and seconded by Curator Cairns, that the Finance and Audit Committee make the following recommendation to the Board of Curators for approval on February 6, 2009:

the Vice President for Finance and Administration shall be authorized to retain the investment consultant firm, Rocaon Investment Advisors, LLC, for the University of Missouri Endowment Fund and University of Missouri Retirement, Disability and Death Benefit Plan, for a two-year period, subject to review upon completion of those two years.

Agreements entered into by the University of Missouri are subject to review and approval by the Vice President for Finance and Administration and General Counsel.

Roll call vote of the Committee:

Curator Cairns voted yes.
Curator Fraser voted yes.
Curator Russell voted yes.
Curator Walsworth voted yes.

It was suggested that the fee be renegotiated for the two years to be locked in without the 5% increase.

Revision to Collected Rules and Regulations Section 140.011, Investment Policy for Endowment Fund, and Section 140.012 Investment Policy for Retirement, Disability and Death Benefit Plan, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, moved by Curator Walsworth and seconded by Curator Fraser, that the Finance and Audit Committee make the following recommendation to the Board of Curators for approval:

February 5-6, 2009

BOARD OF CURATORS MEETING – PUBLIC SESSION

A meeting of the University of Missouri Board of Curators was convened in public session at 1:15 P.M., on Thursday, February 5, 2009, in the Columns Ballroom of the Reynolds Alumni Center, on the University of Missouri-Columbia campus, pursuant to public notice given of said meeting. Curator Bo Fraser, Chairman of the Board of Curators, presided over the meeting.

Present

The Honorable Marion H. Cairns, by phone
The Honorable John M. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D.S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger
Student Representative Anton H. Luetkemeyer

Also Present

Mr. Gary D. Forsee, President, University of Missouri System
Mr. Stephen J. Owens, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Dr. Gary K. Allen, Vice President for Information Technology
Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology
Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
Dr. Steven Graham, Interim Vice President for Academic Affairs
Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City
Dr. Michael F. Nichols, Vice President for Economic Development
Ms. Betsy Rodriguez, Vice President for Human Resources
Dr. David R. Russell, Chief of Staff
Ms. Cindy Pollard, Associate Vice President for Strategic Communications
Media Representatives

February 5-6, 2009

Dr. Gordon H. Lamb, Executive Vice President, was absent from the meeting for medical reasons.

General Business

February 5-6, 2009

Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology
 Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
 Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
 Dr. Steven Graham, Interim Vice President for Academic Affairs
 Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
 Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City
 Dr. Michael F. Nichols, Vice President for Economic Development
 Ms. Betsy Rodriguez, Vice President for Human Resources
 Dr. David R. Russell, Chief of Staff
 Ms. Cindy Pollard, Associate Vice President for Strategic Communications
 Media Representatives

Agenda

Information

1. Benefits Update

Action

1. Delegation of Authority to University of Missouri President, Transition Assistance Procedure
2. Delegation of Authority to University of Missouri President, Employee Furloughs
3. Change in Collected Rules and Regulations 350.040 Standby, Call-In and Call-Back, MU, and 360.050 Overtime
4. University of Missouri Retirement, Disability, and Death Benefit Plan
5. Resolution, Executive Session of the Compensation and Human Resources Committee

Benefits Update – presented by Associate Vice President Michael Paden (Actuarial Valuation as of October 1, 2008, The Segal Group, Inc., and slides on file)

Annual Review of University of Missouri's Benefit and Compensation Strategies – presented by Chairman Erdman

It was recommended by Vice President Rodriguez, endorsed by President Forsee, moved by Curator Carnahan and seconded by Curator Walsworth, that the

February 5-6, 2009

Such contributions shall be made on a before-tax basis as currently allowed by federal and state regulations.

Such action is contingent on formal plan language amendments being submitted to the Board of Curators for approval, as required by the terms and conditions of the Plan, prior to the effective date.

Roll call vote of Committee:

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Walsworth voted yes.

The motion carried.

Delegation of Authority to University of Missouri President, Transition Assistance Procedure – presented by Vice President Rodriguez

It was recommended by Vice President Rodriguez, endorsed by President Forsee, moved by Curator Fraser and seconded by Curator Walsworth, that the Compensation and Human Resources Committee make the following recommendation to the Board of Curators for approval:

that the Board of Curators authorizes the President of the University of Missouri to implement a transition assistance procedure for Administrative, Service and Support employees who are laid off or terminated as a result of budget or financial constraints. The president has the authority to institute such a procedure for a period of time as he deems necessary.

This procedure allows recognition of length of service through continuation of benefits and financial compensation for finite periods of time based on length of service.

February 5-6, 2009

This procedure shall condition receipt of transition assistance upon the affected employee's willingness to sign a release waiving the right to file an internal grievance or a lawsuit.

The president shall advise the Board of Curators if such a procedure is implemented, the period of time it shall remain in effect and the terms and conditions of such procedure.

Roll call vote of Committee:

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Walsworth voted yes.

The motion carried.

Proposed Amendment to Recommended Action 2: Delegation of Authority to University of Missouri President, Employee Furloughs – presented by Chairman Erdman

It was moved by Curator Erdman and seconded by Curator Carnahan to lay Recommended Action 2 on the table for consideration by the Compensation and Human Resources Committee.

FIRST PROPOSED AMENDMENT TO RECOMMENDED ACTION 2

It was recommended by President Forsee, moved by Curator Walsworth and seconded by Curator Fraser, that the Compensation and Human Resources Committee recommend to the Board of Curators approval of the amendment to the motion that would revise and replace paragraph 5 and include a new paragraph 6, as follows:

February 5-6, 2009

“5. The President shall not implement any employee furloughs pursuant to this delegation of authority without prior consultation with and advice to the Board of Curators”;

“6. This delegation of authority from the Board of Curators to the President of the University of Missouri shall expire on June 30, 2009, the end of the 2008-09 fiscal year.”

Roll call vote of Committee:

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Walsworth voted yes.

The motion carried.

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February 5-6, 2009

February 5-6, 2009

3. If implemented, employees will be placed in a temporary non-duty, non-pay status for a specified amount of time. Consistent with University of Missouri Collected Rules and Regulations 10.030 A.9 Board Bylaws, all similarly situated faculty and administrative, service, and support employees will be included across the board on an equitable basis.
4. During any such furlough leave, an employee may continue to participate in all University programs in which he/she is enrolled at the beginning of the furlough period. Coverage will not be interrupted and University contributions will remain the same.
5. The President shall not implement any employee furloughs pursuant to this delegation of authority without prior consultation with and advice to the Board of Curators.
6. This delegation of authority from the Board of Curators to the President of the University of Missouri shall expire on June 30, 2009, the end of the 2008-09 fiscal year.

Roll call vote of Committee:

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Walsworth voted yes.

The motion carried.

Change in Collected Rules and Regulations 350.040 Standby, Call-In and Call-Back,
UMC

February 5-6, 2009

that effective April 19, 2009, the overtime policies (CRR 350.040 Standby, Call-In and Call-Back, UMC and 360.050 Overtime) for non-exempt employees of the University of Missouri shall be revised (as on file with the minutes of this meeting) and shall be implemented in a manner consistent with existing agreements and law.

Roll call vote of the Committee:

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Walsworth voted yes.

The motion carried.

Resolution, Executive Session of the Compensation and Human Resources Committee

It was moved by Curator Carnahan and seconded by Curator Fraser, that there shall be an executive session with a closed record and closed vote of the Board of Curators Compensation and Human Resources Committee meeting on Thursday, February 5, 2009, for consideration of:

- Section 610.021(1), RSMo, relating to matters identified in that provision, which include confidential or privileged communication with attorneys; and
- Section 610.021(12), RSMo, relating to matters identified in that provision, which include sealed bids and related documents and sealed proposals and related documents or documents related to a negotiated contract; and
- Section 610.021(13), RSMo, relating to matters identified in that provision, which include individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment.

February 5-6, 2009

Roll call vote of the Committee:

Curator Carnahan voted yes.
 Curator Erdman voted yes.
 Curator Fraser voted yes.
 Curator Walsworth voted yes.

The motion carried.

There being no further business to be considered by the Compensation and Human Resources Committee in public session, the meeting concluded at 2:35 P.M., on Thursday, February 5, 2009.

Finance and Audit Committee Meeting (reconvened from morning session)

Curator Doug Russell, Chair
 Curator Marion H. Cairns
 Curator Bo Fraser
 Curator Don Walsworth

The public meeting of the Finance and Audit Committee reconvened at 2:35 P.M., on Thursday, February 5, 2009, in the Columns Ballroom of the Reynolds Alumni Center on the University of Missouri-Columbia campus, pursuant to public notice given of said meeting. Curator Russell, Chairman of the Finance and Audit Committee, presided over the meeting.

Present

The Honorable Marion H. Cairns, by phone
 The Honorable John M. Carnahan
 The Honorable Warren K. Erdman
 The Honorable Bo Fraser
 The Honorable Judith G. Haggard
 The Honorable Doug Russell
 The Honorable Cheryl D. S. Walker
 The Honorable Don Walsworth
 The Honorable David G. Wasinger
 Student Representative Anton H. Luetkemeyer

February 5-6, 2009

Also Present

Mr. Gary D. Forsee, President, University of Missouri System

Mr. Stephen J. Owens, General Counsel

Ms. Kathleen M. Miller, Secretary of the Board of Curators

Dr. Gary K. Allen, Vice President for Information Technology

Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology

Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia

Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis

Dr. Steven Graham, Interim Vice President for Academic Affairs

Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration

Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City

Dr. Michael F. Nichols, Vice President for Economic Development

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February 5-6, 2009

February 5-6, 2009

meeting. Curator Walsworth, Chairman of the Governance Committee, presided over the meeting.

Present

The Honorable Marion H. Cairns, by phone
 The Honorable John M. Carnahan III
 The Honorable Warren K. Erdman
 The Honorable Bo Fraser
 The Honorable Judith G. Haggard
 The Honorable Doug Russell
 The Honorable Cheryl D. S. Walker
 The Honorable Don Walsworth
 The Honorable David G. Wasinger
 Student Representative to the Board of Curators Anton H. Luetkemeyer

Also Present

Mr. Gary D. Forsee, President of the University of Missouri System
 Mr. Stephen J. Owens, General Counsel
 Ms. Kathleen M. Miller, Secretary of the Board of Curators
 Dr. Gary K. Allen, Vice President for Information Technology
 Dr. John F. Carney III, Chancellor, Missouri University of Science and Technology
 Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
 Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
 Dr. Steven Graham, Interim Vice President for Academic Affairs
 Mr. Stephen C. Knorr, Vice President for Government Relations
 Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
 Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City
 Dr. Michael F. Nichols, Vice President for Research and Economic Development
 Ms. Betsy Rodriguez, Vice President for Human Resources
 Dr. David R. Russell, Chief of Staff
 Ms. Cindy Pollard, Associate Vice President of Strategic Communications
 University of Missouri Faculty and Staff Representatives
 Media Representatives

Agenda

Information

1. Amendment to Collected Rules and Regulations 10.030 4. Board bylaws,

February 5-6, 2009

February 5-6, 2009

Committee become the board's committee on physical facilities and management services. Going forward, the responsibilities of the current Physical Facilities and Management Services Committee, as listed in Collected Rules and Regulations 10.050 Board of Curators Standing Committees, shall be assumed by the Finance Committee.

Roll call vote of Committee:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Walsworth voted yes.

The motion carried.

It was moved by Curator Walsworth and seconded by Curator Carnahan, that the Governance Committee recommend to the Board of Curators that the Academic and Student Affairs Committee be renamed the Academic, Student and External Affairs Committee and that this newly named committee become the board's committee on external affairs. Going forward, the respcerc001forwsw 8.01errrent

February 5-6, 2009

February 5-6, 2009

- e. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be

February 5-6, 2009

- Section 610.021(1), RSMo, relating to matters identified in that provision, which include legal actions, causes of action or litigation, and confidential or privileged communications with counsel; and
- Section 610.021(2), RSMo, relating to matters identified in that provision, which include leasing, purchase, or sale of real estate; and
- Section 610.021(3), RSMo, relating to matters identified in that provision, which

February 5-6, 2009

Compensation and Human Resources Committee Meeting – Executive Session

February 5-6, 2009

BOARD OF CURATORS MEETING – EXECUTIVE SESSION

Present

The Honorable Marion H. Cairns, by phone
The Honorable John M. Carnahan
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D. S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger
Student Representative Anton H. Luetkemeyer

Also Present

Mr. Gary D. Forsee, President
Mr. Stephen J. Owens, General Counsel
Ms. Kathleen M. Miller, Secretary of the Board of Curators
Dr. Steven Graham, Interim Vice President for Academic Affairs
Ms. Natalie “Nikki” Krawitz, Vice President for Finance and Administration

Curators’ Professorship, Professor James Birchler, UMC – presented by Interim Vice President Graham

It was recommended by Chancellor Deaton, endorsed by President Forsee, recommended by the Academic and Student Affairs Committee, moved by Curator Walsworth and seconded by Curator Haggard, that the following action be approved:

upon the recommendation of Chancellor Deaton, the Provost, and the Dean of the College of Arts and Science, Professor James Birchler shall be named to the position University of Missouri Curators’ Professor, effective January 1, 2009. Professor Birchler will receive a \$10,000 annual stipend as long as he holds this position. \$5,000 will go to increased compensation (salary and benefits less applicable taxes) with the remaining \$5,000 available for professional expenses associated with his teaching, research, or creative activities.

Roll call vote:

February 5-6, 2009

Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Curators' Professorship, Professor Kattesh V. Katti, UMC – presented by Interim Vice President Graham

It was recommended by Chancellor Deaton, endorsed by President Forsee, recommended by the Academic and Student Affairs Committee, moved by Curator Walsworth and seconded by Curator Haggard, that the following action be approved:

upon the recommendation of Chancellor Deaton, the Provost, and the Dean of the School of Medicine, Professor Kattesh V. Katti shall be named to the position University of Missouri Curators' Professor, effective January 1, 2009. Doctor Katti will receive a \$10,000 annual stipend as long as he holds this position. \$5,000 will go to increased compensation (salary and benefits less applicable taxes) with the remaining \$5,000 available for professional expenses associated with his teaching, research, or creative activities.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

February 5-6, 2009

¹⁷⁷ Property Lease, Missouri, MU – This lease was executed on May 1, 2009, as on file with the Office of the Secretary of the Board of Curators.

¹⁷⁸ Property Lease, Missouri S&T – This lease was executed on April 24, 2009, as on file with the Office of the Secretary of the Board of Curators.

¹⁷⁹ Property Lease, MU – This lease was executed on March 31, 2009, as on file with the Office of the Secretary of the Board of Curators.

Vice President Krawitz excused herself from the executive session.

University President's Report on personnel – President Forsee (no report on file)

The executive session of the Board of Curators meeting recessed at approximately 5:15 P.M., on Thursday, February 5, 2009, to be reconvened upon conclusion of the public session on Friday, February 6, 2009.

Board of Curators Working Dinner

The Board of Curators attended a working dinner with the University President and General Officers at 5:30 P.M., on Thursday, February 5, 2009, in the Eckles Hall dining room on the University of Missouri-Columbia campus, pursuant to public notice given of said meeting.

Present

The Honorable John M. Carnahan III
The Honorable Warren K. Erdman
The Honorable Bo Fraser
The Honorable Judith G. Haggard
The Honorable Doug Russell
The Honorable Cheryl D. S. Walker
The Honorable Don Walsworth
The Honorable David G. Wasinger

February 5-6, 2009

Reports

February 5-6, 2009

Dr. Brady J. Deaton, Chancellor, University of Missouri-Columbia
Dr. Thomas F. George, Chancellor, University of Missouri-St. Louis
Dr. Steven Graham, Interim Vice President for Academic Affairs
Ms. Natalie "Nikki" Krawitz, Vice President for Finance and Administration
Mr. Leo E. Morton, Chancellor, University of Missouri-Kansas City
Dr. Michael F. Nichols, Vice President for Economic Development
Ms. Betsy Rodriguez, Vice President for Human Resources
Dr. David R. Russell, Chief of Staff
Ms. Cindy Pollard, Associate Vice President for Strategic Communications
Media Representatives

Dr. Gordon H. Lamb, Executive Vice President, was absent from the meeting for medical reasons.

General Business

Board Chair Report – provided by Chairman Bo Fraser (transcription on file)

University President's State of the University Report – provided by President Gary Forsee (transcription and slides on file)

University of Missouri-Columbia Campus Update – provided by Chancellor Brady Deaton (slides on file)

Chancellors' Reports: Budget Development

Chancellor Deaton
Chancellor Carney
Chancellor George (handouts on file)
Chancellor Morton

Consent Agenda

Action

1. Minutes of the December 12, 2008, Board of Curators Meeting
2. Revised 2009 Board of Curators Meeting Calendar
3. Identity Theft Prevention Program
4. Engagement of KPMG LLP as Independent Auditors for 2008-2009, UM

February 5-6, 2009

5. Amendment to Collected Rules and Regulations: 340.070 Faculty Leave

Minutes of the December 12, 2008, Board of Curators Meeting

It was moved by Curator Walsworth and seconded by Curator Russell that the minutes of the December 12, 2008, Board of Curators meeting (as on file with the respective meeting) be approved, provided that a correction be made on page 1y of the draft December 2008 minutes, "Curator Erdman moved to lay the recommendation on the table", from the committee meeting.

Revised 2009 Board of Curators Meeting Calendar

It was recommended by Chairman Fraser, endorsed by President Forsee, moved by Curator Walsworth and seconded by Curator Russell, that the revised 2009 Board of Curators meeting calendar shall be approved as follows, provided that the December 2009 date be reconsidered:

(REVISED) 2009 BOARD OF CURATORS MEETING CALENDAR

Thursday-Friday	February 5-6, 2009	MU
Thursday-Friday	April 2-3, 2009	Missouri S&T
Thursday-Friday	June 4-5, 2009	UM-Kansas City
-Friday	July 24, 2009	Teleconference (Columbia)
Thursday-Friday	October 22-23, 2009	Columbia
Thursday-Friday	December 10-11, 2009	UM-St. Louis

Identity Theft Prevention Program, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance and Audit Committee, moved by Curator Walsworth and seconded by Curator Russell, that the following recommendation be approved:

February 5-6, 2009

- an Identity Theft Prevention Program for the University of Missouri as presented (on file with the minutes of this meeting) shall be implemented;
- the Vice President for Finance and Administration shall be appointed as the Program Administrator.

Engagement of KPMG LLP as Independent Auditors for 2008-2009, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance and Audit Committee, moved by Curator Walsworth and seconded by Curator Russell, that the following action be approved:

the Vice President for Finance and Administration shall be authorized to employ the firm of KPMG LLP to provide audit services to the University of Missouri for fiscal year ending June 30, 2009, for fees of \$715,468, plus expenses not to exceed \$57,615, forr iMedpe6yeaaclnshTw 0 -1.11 T-Prlss-3(e)-fvicru003z-4(003z)1(.34-3(n)1

February 5-6, 2009

travel funds and leave related expenses may be provided as deemed appropriate.

3. **Sabbatical Leave.** Tenured faculty members are eligible to apply for a sabbatical leave after six or more years of service, and can reapply for subsequent sabbatical leaves six years after the prior sabbatical leave. Sabbatical leaves may be taken for a period of time up to a full year. A faculty member on a sabbatical leave will receive up to one-half their regular annual salary. Additional travel funds and leave related expenses may be provided as deemed appropriate.
- B. **Personal Leave** - Within the specifications described below, each campus will develop an application and review process to approve personal leaves and stipulate the duration (not to exceed one year) and support associated for each leave.
1. **Leave of Absence.** Faculty members may apply for a personal leave without pay. A leave of absence may be granted in cases of exceptional personal or institutional reasons, such as medical leave beyond the requirements of the Family and Medical Leave Act (FMLA). A leave of absence without pay may be granted for a period not to exceed one year and may not extend past the ending date of the faculty member's appointment. Any extension of the one year limit must be approved by the chancellor.
 2. **Family and Medical Leave.**
 - a. **Summary:** FMLA is a federal law that requires an employer to provide eligible employees with the right to take a leave of absence for family or medical reasons, and leave for military families while maintaining job protection.
 - b. **Eligibility:** Any faculty member who has been employed by the University for a total of at least 12 months at the time of the leave of absence, and who has worked at least 1250 hours in the 12-month period preceding the leave is eligible for a family –and medical leave.
 - c. **General Leave:**
 - (1) The University will provide up to 12 work weeks of leave within any 12-month period for the birth of a faculty member's child(ren); the adoption of a child by a faculty member, or official placement of a child with a faculty member for foster care (leaves for birth or adoption must be taken within 12 months of the event); the care of a son, daughter, spouse or parent (not parent-in-law) having a serious health condition; and the incapacity of a faculty member as a result of a serious health condition. Leave for

February 5-6, 2009

the care of an adult son or daughter (at least 18 years old) is not covered unless required as a result of "mental or physical disability" as those terms are defined under the Americans with Disabilities Act.

(2) The University requires a 30-day notice if the leave is foreseeable. For unforeseen circumstances, the University requires as much notice as is practicable.

(3) The University requires the health care provider to certify the necessity of the medical leave. Medical leave will be limited to the duration of the serious health condition, as defined by FMLA. A faculty member may take intermittent leave or leave on a reduced work schedule if medically necessary for his/her own serious health condition or the serious health condition of an immediate family member. Intermit takleavflya-2(l)(r)-4 eo3(n)4(a)1(r)-1(ed) 4(l1(e)-3(D1

February 5-6, 2009

of leave in a single 12-month period to care for the service member. The University requires medical certification from the military that the service member is recovering from a serious

February 5-6, 2009

period. Any other extension of the probationary period is left to the discretion of the chancellor.

- E. **Definition of Full-time, Ranked, Non-Tenure (NTT) Faculty.** For purposes of this policy, there shall be four main types of full-time, ranked NTT faculty. Each should have primary responsibility in a single area: teaching, or research, or clinical practice, or extension activities. The titles should identify the area. Within each area, there shall be three ranks:
1. Research faculty (Research Professor, Associate Research Professor, Assistant Research Professor)
 2. Teaching faculty (Teaching Professor, Associate Teaching Professor, Assistant Teaching Professor)
 3. Clinical/Professional Practice faculty (Clinical Professor, Associate Clinical Professor, Assistant Clinical Professor or Professional Practice Professor, Associate Professional Practice Professor, Assistant Professional Practice Professor)
 4. Extension faculty (Extension Professor, Associate Extension Professor, Assistant Extension Professor)

Approval of Consent Agenda

It was endorsed by President Forsee, moved by Curator Walsworth and seconded by Curator Russell, that the consent agenda be approved, provided that a correction be made on page 1y of the draft December 2008 minutes, "Curator Erdman moved to lay the recommendation on the table", from the committee meeting, and that the December 2009 board meeting date be reconsidered.

Roll call vote on Consent Agenda:

Curator Cairns voted yes.
 Curator Carnahan was absent for the vote.
 Curator Erdman voted yes.
 Curator Fraser voted yes.
 Curator Haggard voted yes.
 Curator Russell voted yes.
 Curator Walker voted yes.

February 5-6, 2009

Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Compensation and Human Resources

Committee Chair Report – provided by Curator Erdman

Delegation of Authority to University of Missouri President, Transition Assistance Procedure

It was recommended by Vice President Rodriguez, endorsed by President Forsee, recommended by the Compensation and Human Resources Committee, moved by Curator Erdman and seconded by Curator Walker, that the following recommendation be approved:

the Board of Curators

February 5-6, 2009

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted no.

The motion carried with eight votes in favor and one opposed.

Delegation of Authority to University of Missouri President, Employee Furloughs, Collected Rules and Regulations 10.030 A.9.

It was recommended by Vice President Rodriguez, endorsed by President Forsee, recommended by the Compensation and Human Resources Committee, moved by Curator Erdman and seconded by Curator Walker, that the following recommendation be approved, as amended by the Compensation and Human Resources Committee on February 5, 2009:

the Board of Curators has authority under the provisions of Section 10.030 A.9. of the Collected Rules and Regulations of the University of Missouri to adjust salaries and benefits, on a prospective basis only, for all employees including, without limitation, those on continuous appointments.

1. The Board of Curators has concluded that a large number of layoffs, nonrenewals or terminations of officers and employees will adversely affect the quantity and quality of the services it provides to its students and to the citizens of the State of Missouri. Further, the Board of Curators has concluded that the current state of the economy and the continuing budgetary and financial constraints on the University may make it necessary

February 5-6, 2009

and/or the magnitude of layoffs, nonrenewals and terminations of officers and employees.

2. Based upon the foregoing conclusions and in the event the circumstances described above continue, President Forsee is hereby authorized to implement employee furloughs, in accordance with University of Missouri Collected Rules and Regulations 10.030 A.9. Board Bylaws.
3. If implemented, employees will be placed in a temporary non-duty, non-pay status for a specified amount of time. In accordance with University of Missouri Collected Rules and Regulations 10.030 A.9. Board Bylaws, all similarly situated faculty and administrative, service, and support employees will be included across the board on an equitable basis.
4. During any such furlough leave, an employee may continue to participate in all University programs in which he/she is enrolled at the beginning of the furlough period. Coverage will not be interrupted and University contributions will remain the same.
5. The President shall not implement any employee furloughs pursuant to this delegation of authority without prior consultation with and advice to the Board of Curators.
6. This delegation of authority from the Board of Curators to the President of the University of Missouri shall expire on June 30, 2009, the end of the 2008-09 fiscal year.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

February 5-6, 2009

Change in Collected Rules and Regulations 350.040 Standby, Call-In and Call-Back, UMC, and 360.050 Overtime

It was recommended by Vice President Rodriguez, endorsed by President Forsee, recommended by the Compensation and Human Resources Committee, moved by Curator Erdman and seconded by Curator Walker, that:

effective April 19, 2009, the overtime policies (CRR 350.040 Standby, Call-In and Call-Back, UMC and 360.050 Overtime) for non-exempt employees of the University of Missouri shall be revised (as on file with the minutes of this meeting) and shall be implemented in a manner consistent with existing agreements and law.

Collected Rules and Regulations

Personnel

Chapter 350: Labor Policy

350.040 Standby, Call-In and Call-Back, UMC

Effective July 15, 1968, the following Standby, Call-In, Call-Back Policy will be

February 5-6, 2009

B. Standby

1. Employees will not normally be scheduled for standby, except for certain UM Health Care positions routinely scheduled for standby, but the University may schedule employees when it determines there is a need for standby. Usually, if this occurs, it will be on occasion of an emergency or for other special reasons. The University will be solely responsible for determining the need for and the number and qualifications of employees required for standby.
2. Hours paid for standby will not be credited toward hours worked in the week for overtime purposes, unless required by law. Certain UM Health Care employees routinely scheduled for standby will be paid a flat rate per hour of call. Those hours will not be credited towards overtime unless required by law.

Collected Rules and Regulations

Personnel

Chapter 360: Compensation

360.050 Overtime

Bd. Min. 1-19-68, p. 33,610; Bd. Min. 6-28-68, p. 33,907; Bd. Min. 7-15-86; Bd. Min. 2-6-09

- A. **Overtime Wages Under Fair Labor Standards Act** -- Effective February 1, 1968, the provisions of the Fair Labor Standards Act requiring time and one-half the regular rates of pay for work in excess of 40 hours in a work week (or 80 hours in a bi-weekly period) apply to the non-exempt employees of the University of Missouri.
- B. **Overtime, Compensation**
 1. **Overtime, Defined** -- Overtime is all authorized time worked by a non-exempt employee for the University that is in excess of 40 hours in a work week (or in excess of the FLSA approved standard for police and certain hospital employees).

Paid time off does not apply in calculating overtime.

February 5-6, 2009

2. **Rate** -- Overtime work will be paid for at the rate of time and one-half of the employee's regular straight time wage rate, plus the cost of University paid meals and shift differentials where applicable.

Paid time off does not apply in calculating overtime.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

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February 5-6, 2009

Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

University of Missouri Retirement, Disability, and Death Benefit Plan

It was recommended by Vice President Rodriguez, endorsed by President Forsee, recommended by the Compensation and Human Resources Committee, moved by Curator Erdman and seconded by Curator Walsworth, that:

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February 5-6, 2009

Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Revision to Collected Rules and Regulations Section 140.011, Investment Policy for Endowment Fund, and Section 140.012 Investment Policy for Retirement, Disability and Death Benefit Plan, UM

It was recommended by Vice President Krawitz, endorsed by President Forsee, recommended by the Finance and Audit Committee, moved by Curator Russell and seconded by Curator Walker, that the following recommendation be approved:

the University of Missouri Collected Rules and Regulations, Section 140.011 Investment Policy for Endowment Fund, and Section 140.012 Investment Policy for Retirement, Disability and Death Benefit Plan, shall be amended (as on file with the minutes of this meeting) to incorporate passive investment management and modifications to the global fixed income guidelines, and an amendment that a minimum bond quality rating for the global fixed income sector be capped at **A-**:

- Adopt the Barclays (formerly Lehman) Global Aggregate Bond Index as the University's new global fixed income guideline. This replaces the previous benchmark which consisted of 50% Citigroup World Government Bond Index Hedged and 50% Lehman Brothers Global Aggregate Bond Index.
- Adopt a minimum bond quality rating of **A-** for the global fixed income sector. This replaces the previous minimum rating of **A**.
- Delete the language from the guidelines that discussed allocations between U.S. and non-U.S. bonds. The managers have always had full discretion to choose between U.S. and non-U.S. bonds. The deleted language had no impact on the managers' portfolio decisions.

Roll call vote:

Curator Cairns voted yes.

February 5-6, 2009

Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Fiscal Year 2010 Residence Hall and Family Student Housing Rates, UM

It was recommended by the respective Chancellors, endorsed by President Forsee, recommended by the Finance and Audit Committee, moved by Curator Russell and seconded by Curator Walker, that the following action be approved:

the schedule of rates for the Residence Halls and Family Student Housing at the University of Missouri-Columbia, the University of Missouri-Kansas City, Missouri University of Science and Technology, and the University of Missouri-St. Louis, effective beginning with the 2009 Summer Session, shall be approved,

February 5-6, 2009

February 5-6, 2009

- b. Educational materials utilized in the performance of the Board member's official duties;
- c. Awards or honoraria administered by or through the University;
- d. Gifts from the Board member's relatives, by blood or marriage; and
- e. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be considered as lavish.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

Amendment to Collected Rules and Regulations 10.050 Board of Curators Standing Committees

It was recommended by Chairman Fraser and the Governance Committee, moved by Curator Walsworth and seconded by Curator Carnahan, that the following standing committees of the board of curators, and the corresponding amendments to the Collected Rules and Regulations 10.050 Board of Curators Standing Committees, be approved:

February 5-6, 2009

Board of Curators Standing Committees

Academic, Student and External Affairs Committee

Audit Committee

Compensation and Human Resources Committee

Finance Committee

Governance Committee

Resources and Planning Committee

Collected Rules and Regulations

Administration

Chapter 10: Board of Curators

10.050 Standing Committees

Bd. Min. 11-10-67, p. 33,579; Amended 8-6-71, p. 35,988; Amended 5-23-03; Amended 9-9-04; Amended 3-23-06, Amended 7-21-06, Amended 10-6-06, Amended 4-6-07, Amended 6-1-07, Amended 2-6-09.

The Chair of the Board of Curators, subject to the approval of the Board, shall appoint the following standing committees: ACADEMIC, STUDENT AND EXTERNAL AFFAIRS COMMITTEE; AUDIT COMMITTEE; COMPENSATION AND HUMAN RESOURCES COMMITTEE; FINANCE COMMITTEE, GOVERNANCE COMMITTEE, AND RESOURCES AND PLANNING COMMITTEE. The Board Chair shall designate one member of each committee as committee chair. The Chair of the Board shall consider in making such appointment that it is desirable for each Board member to serve on as many committees as possible during his/her term, but that no committee should be left without continuity.

A. Academic, Student and External Affairs Committee - The Academic, Student and External Affairs Committee may have referred to it matters relating to curricula, faculty and student affairs.

1. The Vice President for Academic Affairs, the Vice President for Government Relations and the Assistant Director of Strategic Communications, of the University or some other person(s) designated by the President shall be an ex officio member of this Committee and be responsible for the agenda and for transmitting Committee recommendations.
2. The Academic, Student and External Affairs Committee shall be the Board Committee on external affairs and shall be responsible for review of University of Missouri System, including each

February 5-6, 2009

campus, activities and efforts that effect public perception of the entire University System and its mission.

- a. Coordinate policy and planning relative to institutional relations with outside constituencies in conjunction with the President of the University and the offices of Governmental Relations and Communications. This may include activities pertaining to government affairs, alumni affairs, community relations, parent organizations and the media.
- b. Consider, with the President, all recommendations and observations that the Board directs to the committee and to report to the Board all recommended actions and policies for Board consideration to advance the University.
- c. Support long range planning efforts of the Board by developing plans aimed toward elevating the status of public higher education to all local, state and federal constituencies and agencies, including the Missouri Legislature and the general public.
- d. Assist the Board and administration with articulating the mission of the University, its resource and revenue requirements to all local, state and fe4(d)0(e)7(t)4(ue)-3(1 t)7(o)3(le.-1(it)4(

February 5-6, 2009

the independent auditor's qualifications and independence, and the University's compliance with legal and regulatory requirements.

- a. The Audit Committee shall be the Board Committee on audit.
- b. The Audit Committee shall meet four times per year to consider business related to its audit function. Sufficient opportunity for the internal and independent auditors to meet with the Committee should be provided. At least annually, the Finance and Audit Committee, as part of its audit function, shall meet solely with the independent auditor and the internal auditor.
- c. The Audit Committee in its audit role may investigate any matter brought to its attention with full access to all records, facilities, and personnel of the University and the authority to engage other individuals as necessary to carry out its duties.
- d. The responsibilities of the Audit Committee in its audit function include, but are not limited to, a review of the internal audit plan, a review of audits completed, a review of annual audited financial statements, and recommending to the full Board of Curators the appointment of the University's independent and internal auditors.
- e. The Audit Committee may establish processes, procedures, and regulations governing their oversight of the internal and external audit process.

C. Compensation and Human Resources Committee - The Compensation and Human Resources Committee may have referred to it matters relating to the compensation, benefits and other human resource functions of the University and associated programs and policies.

1. The Vice President for Human Resources of the University of Missouri or some other person or persons designated by the President of the University shall be an ex officio member of this Committee.
2. The Compensation and Human Resources Committee shall be the Board Committee for executive compensation based on established individual dollar threshold and multi-year contract arrangements; Retirement Disability and Death Benefits Program; medical plan and all other benefit programs of the University; human resource and labor policy; and attendant financial considerations associated with these programs with the exception of the Retirement Trust. The Compensation and Human Resources Committee has broad responsibility for oversight in matters involving personnel and

February 5-6, 2009

compensation throughout the University. The President shall regularly consult with the committee in the following areas:

- a. Multi-year employment contracts and extensions;
- b. Compensation and salary levels for General Officers, faculty, and staff;
- c. Performance and annual review protocols;
- d. Market and wage comparator groups;
- e. Evaluating benefits, retirement, and post-retirement plans; and
- f. Promulgating employee recruitment, hiring, and termination policies.

D. Finance Committee - The Finance Committee may have referred to it matters relating to the fiscal and accounting functions of the University and associated programs and policies.

1. The Vice President for Finance and Administration of the University or some other person or persons designated by the President of the University shall be an ex officio member of this Committee. The Vice President for Finance and Administration shall be responsible for the agenda and for transmitting Committee recommendations.
2. The Finance Committee shall be the Board Committee on investments.
3. The Finance Committee shall be the Board Committee on physical facilities and management services. The Finance Committee may have referred to it matters relating to the planning, building, maintenance and operation of the physical facilities of the University, and the purchasing of equipment and supplies utilized by the University.
4. The Finance Committee shall be the Board Committee on resources and strategic planning. The Finance Committee of the Board of Curators shall engage in activities and meaningful work with the University of Missouri Administration to: (1) assist the Board of Curators in securing adequate resources for the University of Missouri to respond to its challenges and responsibilities as Missouri's major public research university; and (2) to provide oversight and guidance for the University of Missouri's academic and financial planning, both short-and long-term.

In assisting the Board of Curators and the University of Missouri secure adequate resources, the Finance Committee will monitor and

February 5-6, 2009

recommend changes, as appropriate, in policies and procedures related to:

- a. support from the taxpayers of Missouri, as recommended by the Governor and appropriated by the General Assembly;
- b. federal support for the University of Missouri's research and other educational programs and for student financial aid at both the undergraduate and graduate levels; and
- c. The Committee's role in planning includes leadership leading to the annual establishment and assessment of goals and priorities for the University of Missouri system and its campuses and the intermediate-term strategic planning (three to five year time horizon) and longer term environmental forecasting for the University of Missouri system and its campuses, all intended to assist the University of Missouri in establishing current and future needs of the University of Missouri and systems or means to accomplish the future ambitions of the University of Missouri.

E. Governance Committee –

1. The governance committee shall consist of three curators. The board chair and the president of the university shall serve as ex officio members of the committee. Ordinarily, not more than two of the three committee members shall be new in any given year. When possible, the immediate past chair of the board shall serve as chair of the committee.
2. The committee shall have a broad mandate from the board to work with the board chair and the president of the university to help the board function effectively, efficiently and with integrity. Its responsibilities shall minimally include:
 - a. ensuring that a substantive orientation process is in place for all new board members
 - b. overseeing, or determining with the board chair and president, the timing and process of periodic board self-assessment;
 - c. encouraging board members to participate periodically in in-service education opportunities;
 - d. ensuring that the board adheres to its rules of conduct, including conflict-of-interest and disclosure policies, and that it otherwise maintains the highest levels of integrity in everything it does; and
 - e. shall periodically review the adequacy of the board's bylaws and other Collected Rules and Regulations adopted by the Board that

February 5-6, 2009

pertain to its internal operations. All recommendations for bylaws amendment shall first be considered by this committee.

In sum, this committee is responsible for good governance especially those policies and practices affecting the performance of the governing board and its members in service to the University of Missouri

February 5-6, 2009

2. Said Committees shall investigate the matters referred to them and make recommendations to the Board.
3. Each of said Committees shall meet as business requires and upon the call of the Chairman of the Committee.

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.
Curator Erdman voted yes.
Curator Fraser voted yes.
Curator Haggard voted yes.
Curator Russell voted yes.
Curator Walker voted yes.
Curator Walsworth voted yes.
Curator Wasinger voted yes.

The motion carried.

General Business

Naming. New Residence Hall, UMKC

It was recommended by Chancellor Morton, endorsed by President Forsee, recommended by the Physical Facilities and Management Services Committee, moved by Curator Erdman and seconded by Curator Walker, that the following action be approved:

the new residence hall at 5000 Oak Street, on the University of Missouri-Kansas City campus, shall be named the "Herman and Dorothy Johnson Residence Hall."

Roll call vote:

Curator Cairns voted yes.
Curator Carnahan voted yes.

February 5-6, 2009

February 5

February 5-6, 2009

General Counsel's Report – presented by General Counsel Owens (Litigation Report on file with the Office of General Counsel.)

There being no further business to come before the Board of Curators, the meeting was adjourned at 12:40 P.M., on Friday, February 6, 2009.

Respectfully,

Kathleen M. Miller
Secretary of the Board of Curators

Approved by the Board of Curators on April 3, 2009.