



Board of Governors Finance & Facilities Committee Meeting

Plaster Student Union, Ballroom East

Thursday, 5/9/2024

10:00 - 11:45 AM CT

- I. Roll Call Presented By: Governor Tim Francka**
- II. Approval of Minutes Presented By: Governor Tim Francka**
 - A. Approval of the minutes of the Finance and Facilities Committee Meeting of February 16, 2024**
 - II.A. Minutes of the February 16, 2024, Finance and Facilities Committee Meeting - Page 2*
- III. Review Year to Date Financial Statements Presented By: Matt Morris, Vice President for Administration and Finance, and Cindy Schull, Assistant Vice President Finance & Accounting**
 - III. Year to Date Financial Statements thru 3.31.2024 - Page 5*
- IV. Jefferson City Budget Update Presented By: President Clif Smart**
- V. Review Fiscal Year 2025 Operating Budget Recommendations**
 - A. FY2025 Springfield Campus Operating Budget Recommendations Presented By: President Clif Smart & Matt Morris, Vice President for Administration and Finance**
 - V.A. FY2025 Springfield Campus Operating Fund Budget Review - Page 11*
 - B. FY2025 West Plains Campus Operating Budget Recommendations Presented By: President Clif Smart and Dr. Dennis Lancaster, Chancellor of the West Plains Campus**
 - V.B. FY2025 West Plains Campus Operating Fund Budget Review - Page 12*
- VI. Procurement & Financial Presented By: Matt Morris, Vice President for Administration and Finance**
 - A. Review of Procurement Activity Report**
 - VI.A. Review of Procurement Activity Report - Page 13*
- VII. Facilities & Equipment Presented By: Matt Morris, Vice President for Administration and Finance**
 - A. Facilities Update**
- VIII. Foundation Review Presented By: Brent Dunn, Vice President for University Advancement**
 - A. Development Report**
 - VIII.A. Development Report - Page 22*
 - B. Review of Memorandum of Understanding Between Missouri State University and the Missouri State University Foundation**
 - VIII.B. Review of Resolution and Memorandum of Understanding Between Missouri State University and the Missouri State University Foundation - Page 28*
- IX. Resolution Authorizing Closed Meeting, Pursuant to Sections 610.021(1), (2), (3), (6), (9), (11), (12), (13), (14) and/or (17) of the Revised Statutes of Missouri**
 - IX. Closed Meeting Resolution - FFC - Page 40*
- X. Adjournment Presented By: Governor Tim Francka**

**MINUTES OF THE
BOARD OF GOVERNORS FINANCE AND FACILITIES COMMITTEE
MISSOURI STATE UNIVERSITY
FRIDAY, FEBRUARY 16, 2024**

Governor Tim Francka, Chair of the Finance and Facilities Committee, called the meeting to order at 10:14 a.m. in the Plaster Student Union, Ballroom East, on the Missouri State University Springfield Campus in Springfield, Missouri.

Roll Call

Present – Tim Francka, Committee Chair
Bradley Cooper, Committee Member
Anson Elliott, Committee Member (via Zoom)
Travis Freeman, Committee Member
Missy Gourley, Committee Member
Ann Kampeter, Committee Member
Lynn Parman, Committee Member
Jeff Schrag, Committee Member
Chris Waters, Committee Member

Also present – Clif Smart, President
Brad Bodenhausen, Vice President for Community and Global Partnerships
Jeff Coiner, Chief Information Officer
Rachael Dockery, General Counsel and Vice President for Legal Affairs
and Compliance
Brent Dunn, Vice President for University Advancement
Algerian Hart, Assistant to the President for Inclusive Engagement
John Jasinski, Provost
Dennis Lancaster, Chancellor of the West Plains Campus
Natalie McNish, Director of Internal Audit and Risk Management
Kyle Moats, Director of Athletics
Matt Morris, Vice President for Administration and Finance
Zora Mulligan, Executive Vice President
Suzanne Shaw, Vice President for Marketing and Communications
Dee Siscoe, Vice President for Student Affairs
Mark Smith, Dean of the McQueary College of Health and Human Services
Rowena Stone, Secretary to the Board of Governors

Approval of Minutes

Governor Francka called for a motion to approve the minutes of the December 14, 2023, Finance and Facilities Committee meeting. Governor Chris Waters provided a motion for approval, receiving a second from Governor Lynn Parman.

Motion passed 8-0.

Foundation Review

Brent Dunn, Vice President for University Advancement, provided a development report from the Missouri State University Foundation through January 31, 2023. He shared that annual gifts are up slightly, capital facilities are up significantly, and that one time gifts are down compared to this time last year.

Mr. Dunn shared information on the sale of the Meyer Alumni Center and that a resolution will be presented during the full Board meeting later in the day for approval of a consultant and authority to enter into an agreement for professional services for an architect for design services for construction of the New Alumni Center. Mark Wheeler, University Architect and Director of Planning, Design, and Construction, shared renderings of the proposed project. Matt Morris, Vice President for Administration and Finance, reviewed the resolution for approval.

Facilities Update

Mr. Morris provided an update on facilities projects and review of resolutions for approval during the regular Board meeting later in the day. Highlights of his report included phase II renovations of Kampeter Health Sciences Hall, turf replacement at Allison South Stadium, and improvements to Hammons Student Center and Hammons Field.

Review of Year-to-Date Financial Statements

Mr. Morris called upon Cindy Schull, Assistant Vice President for Finance and Accounting, to review the year-to-date financial statements through December 31, 2023. Ms. Schull shared that the university is financially sound and tracking well for both the Springfield and West Plains campuses.

Preliminary FY2025 Springfield Budget Discussion

President Smart led a preliminary discussion of the FY2025 budget and provided an overview of the budget process and timeline. President Smart provided a FY2024 budget update and reviewed proposed estimates for FY2025.

President Smart reviewed historical data for tuition and fees at Missouri State University from FY2013 to present. He reviewed comparative data for both undergraduate and graduate tuition of other public Missouri higher education institutions.

Dr. John Jasinski, Provost, and Dr. Julie Masterson, Associate Provost and Dean of the Graduate College, presented a draft of considerations for 2024-2025 graduate tuition and fees.

Dr. Jasinski, Dr. Tammy Jahnke, Dean of the College of Natural and Applied Sciences, and Dr. Mark Smith, Dean of the McQueary College of Health and Human Services, presented a draft of considerations for 2024-2025 college fees.

President Smart reviewed salary adjustment history for the Springfield campus over the past 12 years. He shared that employee compensation is critical to the university's efforts to recruit and retain faculty and staff, but that the university's compensation lags its peers.

The Board held discussion on tuition and compensation. The Board was supportive of the university working on a compensation increase of 4% and of a 4% increase to tuition. President Smart shared that the university will continue to work on putting together a balanced budget for Board approval at a future meeting.

Preliminary FY2025 West Plains Budget Discussion

The preliminary FY2025 West Plains Budget Discussion was not held as scheduled due to time constraints.

Adjournment

With no additional information needing to be discussed, Governor Francka called for a motion to adjourn the meeting. Governor Waters provided a motion, receiving a second from Governor Travis Freeman.

Motion passed 8-0.

Meeting adjourned at 12:05 p.m.

Tim Francka
Committee Chair

Passed at the meeting of
May 9, 2024

Rowena Stone
Secretary to the Board

III.

**Missouri State University
Statement of Net Position - unaudited
All Funds**

	March 31, 2024	March 31, 2023
Assets		
Cash, cash equivalents and investments	\$ 199,515,993.46	\$ 223,194,950.42
Receivables, net of allowance for doubtful accounts	66,811,356.91	43,699,601.38
Interfund receivables (payables)	0.00	(0.00)
Prepaid MOSERS	5,481,550.77	5,958,891.53
Inventories	4,555,195.68	5,322,568.77
Other assets	(763,609.36)	(732,594.96)
Fixed Assets & CIP	1,176,805,290.19	1,126,413,294.82
Accumulated depreciation	(530,410,678.86)	(502,568,382.32)
Deferred outflows of resources related to pension and bonds	69,964,952.17	48,746,797.17
Total Assets	<u>\$ 991,960,050.96</u>	<u>\$ 950,035,126.81</u>
Liabilities		
Accounts payable/other	\$ 3,511,446.74	\$ 3,935,762.93
Accrued salaries	24,455,892.27	23,478,049.40
Deferred revenue	7,782,928.13	8,650,919.24
Net pension & OPEB liability	361,412,677.00	271,908,453.00
Deferred inflow of resources related to pension/OPEB/leases	13,423,567.07	67,756,978.79
Notes, bonds and leases payable	155,476,122.84	161,273,659.96
Total Liabilities	<u>\$ 566,062,634.05</u>	<u>\$ 537,003,823.32</u>
Net Position	<u>425,897,416.91</u>	<u>413,031,303.49</u>
Total Liabilities and Net Position	<u>\$ 991,960,050.96</u>	<u>\$ 950,035,126.81</u>

Missouri State University
Statement of Revenues, Expenses and Changes in Net Position - unaudited
Operating Funds

	Current YTD March 31, 2024	Prior YTD March 31, 2023	FY2024 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 144,701,307.91	\$ 137,053,685.24	\$ 145,728,325.00	99.3%	5.58%
Scholarships and fellowships	(33,209,639.06)	(29,683,992.83)	(30,307,994.00)	109.6%	11.88%
Grants and contracts	33,658.82	29,065.55	150,000.00	22.4%	15.80%
Other revenues	1,790,180.48	1,667,131.89	1,717,878.00	104.2%	7.38%
Total Operating Revenue	113,315,508.15	109,065,889.85	117,288,209.00	96.6%	3.90%
Operating Expenses					
Salaries	96,480,666.34	91,559,294.54	122,826,577.39	78.6%	5.38%
Benefits	41,894,822.10	39,626,224.04	56,949,307.41	73.6%	5.72%
Utilities	3,870,111.19	4,862,054.84	6,234,046.00	62.1%	-20.40%
Travel	1,511,950.62	1,307,431.08	1,173,346.83	128.9%	15.64%
Supplies and services	15,151,457.02	13,705,457.44	16,334,990.55	92.8%	10.55%
Other	6,101,542.54	6,063,196.30	13,297,727.40	45.9%	0.63%
Total Operating Expenses	165,010,549.81	157,123,658.24	216,815,995.58	76.1%	5.02%
Operating Income (Loss)	(51,695,041.66)	(48,057,768.39)	(99,527,786.58)		
Other Non-operating Revenues (Expenses)					
State appropriations	73,672,317.00	70,758,686.74	98,304,762.00	74.9%	4.12%
Gifts	573,239.53	982,058.26	1,008,540.00	56.8%	-41.63%
Other	6,414,285.79	4,061,177.69	7,767,000.00	82.6%	57.94%
Debt Service Transfers	(2,716,937.50)	(2,624,238.75)	(2,716,938.00)	100.0%	3.53%
Increase (Decrease) in Net Position Before Operating Transfers	26,247,863.16	25,119,915.55	4,835,577.42		4.49%
Operating Transfers, net	(7,728,799.19)	(5,876,611.34)	(8,833,578.20)		
Operating Transfers, Capital	(18,468,502.05)	1,228,742.28			
Operating Transfers, Federal Grants	-	-	-		
Increase (Decrease) in Net Position	\$ 50,561.92	\$ 20,472,046.49	\$ (3,998,000.78)		

Missouri State University
Statement of Revenues, Expenses and Changes in Net Position - unaudited
Designated Funds

	Current YTD March 31, 2024	Prior YTD March 31, 2023	% Increase/ (Decrease) to Prior YTD
Operating Revenue			
Tuition and fees	\$ 24,405,723.85	\$ 22,076,335.26	10.6%
Scholarships and fellowships	(1,013,904.42)	\$ (856,997.43)	18.3%
Grants and contracts	3,374,953.39	\$ 3,133,367.77	7.7%
Other revenues	13,129,130.09	10,889,404.42	20.6%
Total Operating Revenue	<u>39,895,902.91</u>	<u>35,242,110.02</u>	13.2%
Operating Expenses			
Salaries	13,213,911.32	11,892,227.76	11.1%
Benefits	4,585,971.10	3,985,532.46	15.1%
Utilities	(71,285.30)	(41,918.62)	70.1%
Travel	1,985,706.81	859,282.39	131.1%
Supplies and services	7,153,605.44	5,511,872.09	29.8%
Other	3,392,677.64	1,754,130.01	93.4%
Total Operating Expenses	<u>30,260,587.01</u>	<u>23,961,126.09</u>	26.3%
Operating Income (Loss)	<u>9,635,315.90</u>	<u>11,280,983.93</u>	
Other Non-operating Revenues (Expenses)			
State appropriations	668,457.00	668,457.00	0.0%
Gifts	2,299,684.64	1,800,025.02	27.8%
Other	866,556.22	405,752.26	113.6%
Debt Service Transfers	(2,155,729.83)	(1,969,144.85)	
Increase (Decrease) in Net Position Before Operating Transfers	<u>11,314,283.93</u>	<u>12,186,073.36</u>	
Operating Transfers, net	(52,753.21)	2,931,463.92	
Operating Transfers, Capital Purchase	40,439.29	-	
Increase (Decrease) in Net Position	<u>\$ 11,301,970.01</u>	<u>\$ 15,117,537.28</u>	

Missouri State University
Statement of Revenues, Expenses and Changes in Net Position - unaudited
Auxiliary Funds

	Current YTD March 31, 2024	Prior YTD March 31, 2023	FY2024 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 12,072,018.06	\$ 10,691,735.86	\$ 11,424,873.00	105.7%	12.91%
Scholarships and fellowships	(5,993,963.06)	(5,749,590.24)	(5,968,220.00)	100.4%	4.25%
Grants and contracts	65,970.00	58,600.00	60,000.00		
Other revenues	45,134,398.16	41,636,017.29	46,982,888.00	96.1%	8.40%
Total Operating Revenue	51,278,423.16	46,636,762.91	52,499,541.00	97.7%	9.95%
Operating Expenses					
Salaries	16,692,207.46	15,455,671.86	22,875,737.75	73.0%	8.00%
Benefits	5,640,405.22	5,089,142.14	7,962,230.08	70.8%	10.83%
Utilities	1,728,494.06	2,320,311.98	2,558,503.00	67.6%	-25.51%
Travel	2,814,615.35	2,469,238.73	2,968,744.00	94.8%	13.99%
Supplies and services	13,233,261.40	11,441,456.35	16,545,383.00	80.0%	15.66%
Other	2,589,057.72	2,539,139.47	3,265,487.00	79.3%	1.97%
Total Operating Expenses	42,698,041.21	39,314,960.53	56,176,084.83	76.0%	8.61%
Operating Income (Loss)	8,580,381.95	7,321,802.38	(3,676,543.83)		
Other Non-operating Revenues (Expenses)					
State appropriations	-	-	-		
Gifts	1,159,582.27	1,623,022.65	4,060,416.00	28.6%	-28.55%
Other	441,967.28	239,264.08	57,500.00	768.6%	84.72%
Debt Service Transfers	(10,132,230.32)	(9,955,056.91)	(10,131,827.28)	100.0%	1.78%
Increase (Decrease) in Net Position Before Operating Transfers	49,701.18	(770,967.80)	(9,690,455.11)		-106.45%
Operating Transfers, net	5,802,184.45	6,203,001.18	9,966,370.00		
Operating Transfers, Capital Purchase	(706,086.55)	(24,028,304.11)	-		
Operating Transfers, Federal Grants	-	-	-		
Increase (Decrease) in Net Position	\$ 5,145,799.08	\$ (18,596,270.73)	\$ 275,914.89		

Missouri State University
Statement of Revenues, Expenses and Changes in Net Position - unaudited
West Plains Operating, Designated and Auxiliaries

	Current YTD March 31, 2024	Prior YTD March 31, 2023	FY2024 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 5,698,151.00	\$ 5,009,585.73	\$ 4,584,165.00	124.3%	13.74%
Scholarships and fellowships	(638,696.50)	(501,738.09)	(528,478.00)	120.9%	27.30%
Grants and contracts	85,363.87	43,260.12	-		
Other revenues	1,427,949.71	1,423,366.05	1,590,867.00	89.8%	0.32%
Total Operating Revenue	6,572,768.08	5,974,473.81	5,646,554.00	116.4%	10.01%
Operating Expenses					
Salaries	6,118,666.61	6,083,670.68	7,769,325.78	78.8%	0.58%
Benefits	2,431,607.72	2,339,761.93	2,993,510.25	81.2%	3.93%
Utilities	339,456.44	325,006.24	369,244.00	91.9%	4.45%
Travel	196,147.62	174,207.63	140,576.81	139.5%	12.59%
Supplies and services	1,459,843.26	1,360,655.91	915,458.51	159.5%	7.29%
Other	630,780.16	663,026.38	1,292,343.09	48.8%	-4.86%
Total Operating Expenses	11,176,501.81	10,946,328.77	13,480,458.44	82.9%	2.10%
Operating Income (Loss)	(4,603,733.73)	(4,971,854.96)	(7,833,904.44)		
Other Non-operating Revenues (Expenses)					
State appropriations	5,636,925.00	5,285,493.00	7,515,889.00	75.0%	6.65%
Gifts	69,885.45	134,697.46	206,720.00	33.8%	-48.12%
Other	133,411.89	86,220.18	130,200.00	102.5%	54.73%
Debt Service Transfers	(88,752.25)	(77,352.25)	(88,750.97)	100.0%	14.74%
Increase (Decrease) in Net Position Before Operating Transfers	1,147,736.36	457,203.43	(69,846.41)		151.03%
Operating Transfers, net	(40,552.90)	42,783.19	(84,443.20)		
Operating Transfers, Federal Grants	-	45,332.36	-		
Increase (Decrease) in Net Position	\$ 1,107,183.46	\$ 545,318.98	\$ (154,289.61)		

Missouri State University
Statement of Revenues, Expenses and Changes in Net Position - unaudited
All Funds

	Current YTD March 31, 2024	Prior YTD March 31, 2023	% Increase/ (Decrease) to Prior YTD	Variance (Decrease) to Prior YTD
Operating Revenue				
Tuition and fees	\$ 186,927,731.82	\$ 174,885,648.59	6.89%	\$ 12,042,083.23
Scholarships and fellowships	(82,466,662.58)	\$ (72,745,150.62)	13.36%	(9,721,511.96)
Grants and contracts	50,987,932.71	\$ 38,766,112.88	31.53%	12,221,819.83
Other revenues	61,493,458.44	55,719,439.65	10.36%	5,774,018.79
Total Operating Revenue	216,942,460.39	196,626,050.50	10.33%	20,316,409.89
Operating Expenses				
Salaries	138,873,371.16	130,979,765.87	6.03%	7,893,605.29
Benefits	56,542,966.13	52,692,528.18	7.31%	3,850,437.95
Utilities	5,866,776.39	7,465,454.44	-21.41%	(1,598,678.05)
Travel	6,880,130.17	5,209,639.98	32.07%	1,670,490.19
Supplies and services	38,664,596.96	33,601,934.92	15.07%	5,062,662.04
Other	23,202,688.41	20,470,303.94	13.35%	2,732,384.47
Total Operating Expenses	270,030,529.22	250,419,627.33	7.83%	19,610,901.89
Operating Income (Loss)	(53,088,068.83)	(53,793,576.83)		705,508.00
Other Non-operating Revenues (Expenses)				
State appropriations	79,977,699.00	79,030,985.92	1.20%	946,713.08
State appropriations-capital	8,517,970.37	1,183,889.35		7,334,081.02
Federal Pell grants to students	24,343,762.48	20,930,645.73	16.31%	3,413,116.75
HEERF/CARES ACT funds Institutional	-	45,059.15		(45,059.15)
HEERF/CARES ACT funds Student Funds	-	273.21		(273.21)
Scholarships and fellowships HEERF				-
Gifts	4,102,391.89	4,441,417.36	-7.63%	(339,025.47)
Gifts capital projects	(137,242.81)	12,102,285.68		(12,239,528.49)
Other	4,934,749.50	1,642,193.18	200.50%	3,292,556.32
Debt Service Transfers	-	(0.00)		0.00
Increase (Decrease) in Net Position Before Operating Transfers	68,651,261.60	65,583,172.75	4.68%	3,068,088.85
Operating Transfers, net	-	-		-
Increase (Decrease) in Net Position	\$ 68,651,261.60	\$ 65,583,172.75	4.68%	\$ 3,068,088.85

FY2024 Budget Update

Springfield Operating Fund

Tuition and Student Fees	
Summer tuition shortfall to current rates	(112,584.25)
Fall tuition overage	564,576.90
Spring tuition overage	1,220,138.92
Scholarships Higher than Budget	(2,158,535.89)
Estimated Summer/Fall/Spring Revenue Budget Updates	<u>(486,404.32)</u>

Budget Updates

Increased Interest Income	813,223.79
Returning Heroes-line item vetoed	<u>(75,000.00)</u>
Total Budget Updates	738,223.79

Anticipated Increase (Shortfall) Base FY2024 Budget 251,819.47

FY2025 Budget Draft

Anticipated Increase (Shortfall) Base FY2024 Budget 251,819.47

FY2025 Costs/Revenue Impact

State Appropriation Increase 2,946,894.90 3.00%

Tuition Rate Increase - Undergraduate 4,840,000.00 4.00%

Tuition Rate Increase - Graduate 2,610,000.00 9.00%

Increase Fall 2024 Credit Hours - Flat enrollment

Increase Spring 2025 Credit Hours - Flat enrollment

Scholarships Budget Changes (1,200,000.00) increase due to increased tuition rate

Course fee changes 1,186,000.00

Grizzly Loft repayment 313,000.00

Lower Interest Income (987,000.00) 4.50%

Net Revenue Items **9,708,894.90**

Raise with Fringe Only Full Time Employees (4,500,000.00) 3.00%

Fringe Rate Increase for MOSERS/Health Care (1,700,000.00)

Faculty Promotions and PSIP, includes Fringe (463,845.00)

Staff salary range adjustments, includes fringe (75,000.00)

Graduate Fee Waivers (603,000.00)

Compensation/Benefits **(7,341,845.00)** in line with graduate tuition incr

Athletics (1,119,880.00) Acrobatics & Tumbling and Stunt program addition

Increased Utilities (63,700.00) Rate increase

Adm Services Budget Increases (290,800.00) Additional Square footage, Chilled water & Bldg automation

Police Substation (42,900.00) Contract increase

Other Expense Increases **(1,517,280.00)**

VP GCP (318,900.00) 3rd FTE for the Employer Partnerships funding plan; international recruitment

EVP (14,000.00) Student wages for peer-assisted study sessions

Marketing and Communication (60,700.00) Digital Marketing Specialist 1.0 FTE

Legal Affairs & Compliance (29,520.00) Paralegal funding increase & fringe; Access Advisor salaries

Provost (36,125.00) Bear Bridge/faculty onboarding supplemental

Student Affairs (160,900.00) 1.0 FTE Case Manager; 1.0 FTE and PT for Bears Lead

University Advancement (478,700.00) 1.0 FTE gift processor, 1.0 FTE annual funds; restore funding

New Budget Items **(1,098,845.00)**

FY2025 Costs/Revenue Impact (249,075.10) (249,075.10)

Net 2,744.37

V.B.
Missouri State University-West Plains FY2025 Operating Fund Budget Review

FY2024 Budget Update

West Plains Operating Fund

FY24 Tuition shortfall/overage	28,396	
Interest Income	85,000	
Property insurance	(2,059)	
Utilities	(100,000)	

Adjusted Increase/(Shortfall) FY24 Base Budget 11,337

FY25 DRAFT budget

Adjusted Increase/(Shortfall) FY24 Base Budget 11,337

FY25 Appropriation Change	210,927	3.0%
China revenue	120,000	
Interest income increase	50,000	
Finance charge revenue increase	53,000	
Surplus auction revenue	15,000	
Estimated Tuition Increase for FY25 (based on FY24 credit hours)	188,895	4.0%
Scholarship increase	(320,480)	
New Programs Tuition Increase		
Baseball	193,750	
Rodeo	58,125	
Cheer	34,875	
JV Basketball	58,125	
Music program pilot	38,750	
New Nursing cohort	153,750	
ASCEND	38,750	
Dual Credit	13,950	
VESTA	115,200	

Increased in line with tuition incr and new sports enrollment
 Expected increased enrollment

Total New Tuition from new programs 705,275
Net Revenue Income 1,022,616

Faculty Promotions Including Fringe	(7,225)	
Cost of new salary minimums	(9,000)	
ATB Pay increase FT only	(255,000)	3.0%
Estimated MOSERS increase	(95,911)	

Compensation/Benefits (367,136)

Civic Center Lease	(4,149)	Annual CPI increase
Increased utilities	(38,341)	Rate increase anticipated 5%
Banner Contractal Cost	(14,387)	Rate increase

Other Expense Increases (56,876)

New costs for assessment program	(82,350)	
University Community Programs position	(93,376)	Re-establish 1.0 FTE
Transfer ending from Grizzly House	(59,286)	Transfer in eliminated

New Program Costs	
Baseball	(185,800)
Rodeo	(140,000)
Cheer	(202)
JV Basketball	(22,000)
Volleyball	8,184
Softball	(883)
Gen Athletics	(33,735)

Total New Program Costs (374,436)

New Budget Items (609,448)

FY2025 Costs/Revenue Impact (10,844) (10,844)

Net 493

Notes:

Grizzly Loft payment - paid to Springfield out of Auxiliary (313,000) Paid out of Auxiliary

VI.A.

MISSOURI STATE UNIVERSITY

BOARD RESOLUTION

PURCHASING ACTIVITY REPORT NO. 533-24
Approval of Procurement Activity Report

BE IT RESOLVED by the Board of Governors for Missouri State University that the attached Activity Report for all reportable actions since the last Board of Governors' meeting, as presented by the Office of Procurement Services, be approved.

Lynn Parman
Board Chair

Passed at meeting of
May 9, 2024

Rowena Stone
Secretary to the Board

COMMENTS:

Recommend the attached report summarizing all reportable Office of Procurement Services activity from February 6, 2024 through April 30, 2024 be approved.

**ACTIVITY REPORT
MISSOURI STATE UNIVERSITY
OFFICE OF PROCUREMENT SERVICES**

FOR INFORMATIONAL PURPOSES ONLY

Other purchases at the discretion of the Director of Procurement Services with approval from the Vice President for Administration and Finance or President, with description of the rationale

**Online Class – The Global Tech Experience
College of Business**

Revenue Contract

Missouri State University’s College of Business (COB) seeks to enter into an agreement with Podium Education Incorporated (Podium) to provide University students access to an online class, The Global Tech Experience.

Podium has developed custom content, technology, and services to deliver a unique online course, with an emphasis on both technology and intercultural skills, via its Platform, Global HQ. Renowned subject matter experts were utilized to design and produce world-class quality online content that features real-world global industry projects. University students would interact with students from throughout the United States and abroad.

Students are provided 24/7 technical support and academic assistance with Podium’s technology and services platform. A COB professor would serve as the instructor of record and as the liaison with Podium. While the primary target audience would be business students, COB would collaborate with other academic units wishing to make the online course available to their students.

Enrollment can be in one or more designated Missouri State University classes, based on standard tuition and fees and a *separate* program fee of \$1,800.00 that will be remitted, less applicable refunds, to Podium. The University’s standard Refund Schedule would apply to tuition and fees retained by the University, and program fees collected on behalf of and remitted to Podium.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE TWO**

**Podium Enrollment and Revenue Estimates
Program Fee Per Student: \$1,800.00**

Year	Semester	Year	Students	Fees Collected / Remitted	Fees Aggregate
1	Summer	2024	10	\$18,000.00	\$18,000.00
	Fall	2024	8	\$14,400.00	\$32,400.00
	Spring	2025	8	\$14,400.00	\$46,800.00
2	Summer	2025	10	\$18,000.00	\$64,800.00
	Fall	2025	8	\$14,400.00	\$79,200.00
	Spring	2026	8	\$14,400.00	\$93,600.00
3	Summer	2026	10	\$18,000.00	\$111,600.00
	Fall	2026	8	\$14,400.00	\$126,000.00
	Spring	2027	8	\$14,400.00	\$140,400.00
4	Summer	2027	10	\$18,000.00	\$158,400.00
	Fall	2027	8	\$14,400.00	\$172,800.00
	Spring	2028	8	\$14,400.00	\$187,200.00
5	Summer	2028	10	\$18,000.00	\$205,200.00
	Fall	2028	8	\$14,400.00	\$219,600.00
	Spring	2029	8	\$14,400.00	\$234,000.00

Podium has been selected by the College due to its focus:

- Turn-key, fully online experiential content mapped to credit-bearing coursework
- Content in emerging technology disciplines featuring real-world company projects
- Content that includes an intercultural learning framework
- Technology platform that delivers content to students around the globe

The Global Tech Experience associated with this February 2024 through February 2029 contract would be offered from summer 2024 through spring 2029.

Note: Funding to be revenue.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE THREE**

Additional program fee associated with The Global Tech Experience would be disclosed in promotional material and in the registration system.

Program fees would be placed in a new COB restricted fund used exclusively to collect and remit program fees on behalf of Podium.

Exercise of contract renewal option for the purchase of goods and services estimated > \$100,000

**Books, North American/United Kingdom English Language Editions \$147,262.50
Meyer Library (Estimated)**

Renewal of Contract C7817-1 initiated with Gobi Library Solutions from EBSCO, for the purchase of Class I B Books.

Pursuant to University Policy, request approval for the Fifth Renewal for the contract term July 1, 2024, through June 30, 2025, with one additional University optional one-year renewal through June 30, 2026. **Subject to continued satisfactory performance, the University will continue to exercise the remaining available annual renewal options as needed.**

Note: Funding to be from ongoing operational budgets.

Single purchase > \$100,000 that was competitively bid

**Overhead Bridge Cranes \$147,843.00
Jordan Valley Innovation Center (JVIC)**

Recommend award to GH Cranes and Components for two five-ton top-running single bridge cranes that will be installed within the Jordan Valley Innovation Center, Building Six.

Crane systems are to include a bridge, trolley, hoist, power, control circuit conductors, safety and control mechanisms, and all other parts and services as defined in the specifications. The hoist and appurtenances are to be designed to withstand all stresses imposed under safe operating conditions, while handling loads within the rated capacity. Material, equipment and installation are to be included in the bid.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE FOUR**

GH Cranes and Components were one of three solicitation respondents to the RFQ that contained specifications from the University Planning, Design and Construction office on how the cranes should be installed and interface with the new building structure.

The cranes will be used to interface with a large composite braiding system within JVIC, Building Six by transporting materials and mandrels. The cranes are needed in order to accomplish tasks in the statement of work for a federally funded program through a Cooperative Agreement with the U.S. Air Force titled *Large Scale Prototyping Development Braider for Rapid Manufacture of Affordable Composite Structures*.

Note: Fifty percent (50%) funding to be from Cooperative Agreement FA8650-21-2-5261 with the United States Air Force, paid through Center for Applied Science and Engineering (CASE) Development Braider I02972 072008 75003 021.

Fifty percent (50%) funding to be from Center for Applied Science and Engineering (CASE) Service Agreements B02364 072008 75003 021.

Single purchase > \$100,000 from established cooperative contract

Recreational Equipment Foster Recreation Center Administration	\$149,110.00
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Pursuant to University policy, which allows for participation in contract agreements established by other public entities, the University requests approval to utilize NJPA Sourcewell Cooperative PRECOR Contract 081120-PCR. Equipment procured will be utilized through the University Foster Recreation Center.

Campus Recreation/Student Affairs is seeking to upgrade its PRECOR equipment systems. PRECOR offers a full selection of commercial-grade fitness equipment for cardio, strength, agility, and rehabilitation training, as well as digital fitness training solutions and services.

Included in cooperative contract terms is an initial four-year period from September 29, 2020, through October 1, 2024, with the option to renew for one additional one-year period ending October 1, 2025.

Note: Funding to be from ongoing operational budgets.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE FIVE**

Single Feasible Source > \$100,000

National Public Radio (NPR) Core & Program Fees **\$215,000.00**
Broadcast Services – KSMU Radio **(Estimated One-Year)**

Recommend approval to process payment to National Public Radio (NPR) as the single feasible source (SFS 7955) for FY25 programming membership fees for the period of October 1, 2024 through September 30, 2025.

Subject to ongoing need and satisfactory performance, future annual payments will be made on a continuing basis.

NPR is the sole distributor of the following programs aired on KSMU Radio: *Morning Edition*, *All Things Considered*, *Fresh Air*, and *Here and Now*. These programs are established parts of KSMU's broadcast schedule.

Note: Funding to be from ongoing operational budgets.

Exercise of contract renewal option for the purchase of goods and services estimated > \$100,000

Audit and Related Accounting Services **\$242,477.00**
Financial Services **(Estimated Core Services One Year)**

Execution of renewal of Contract 6102-1-AMD 2 with FORVIS to provide Audit and Related Accounting Services for the period of July 1, 2024 through June 30, 2025. This renewal is the first of four contract renewal options, and per the contract terms and conditions it will allow for a 3.2% increase in fees from the previous year.

Initial approval was given in 2023 to execute a five-year contract with FORVIS to provide Audit and Related Accounting Services for the initial period of July 1, 2023, through June 30, 2024, with four included renewal options.

Subject to ongoing satisfactory performance, the University will continue to exercise remaining available annual renewable options as needed.

Auditing services were quoted at a fixed rate for each year. Other services, such as tax and management consulting, foundation audits, and/or advisory services may also be requested

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE SIX**

on an as-needed basis throughout the effective period of the contract and will be billed under the terms of the proposal.

Note: Funding to be from ongoing operational budgets.

FOR APPROVAL

Contract for the purchase of goods and services estimated > \$100,000 that was competitively bid

**Bank Depository Services
Financial Services**

Revenue Contract

In response to a depository services solicitation posted on the internet, and sent to multiple area banks, ten bids were received.

Proposals were evaluated, and opportunities were extended to three respondents to make live presentations and to submit Best and Final Offers (BAFOs). Award is recommended to the incumbent, Cadence Bank, as the best overall value.

- Collateralization of Funds – Securities per State of Missouri requirements
- Competitive Interest on Deposits
- Low Investment Fee (Wealth Management)
- Strong Financial Strength
- Ongoing Gift Agreement for Foundation
- Waiver of Account Analysis Fees by Bank
- Payroll Processing Services Option
- Meetings Quarterly with University Finance for Depository Review
- Financial Literacy Education and Discounts to Employees and Students

The original contract period is to be July 1, 2024 through June 30, 2025, with three (3) optional one-year renewal periods.

Note: Revenue Contract – Funding source does not apply.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE SEVEN**

Single purchase > \$250,000 from established cooperative contract

**Software Video Management System (VMS) \$463,729.32
Computer Services**

Pursuant to University policy, which allows the University to participate in contract agreements established by other public entities, the University seeks to utilize The Interlocal Purchasing System (TIPS) Contract 211101 through Radiophone.

This project provides and installs six servers and software to operate the university's video management system (VMS). The VMS stores the data from the university's surveillance cameras and makes it available for monitoring and retrieval by dispatch personnel and others. The current system is no longer supported and reached its maximum capacity.

An interdepartmental team evaluated a range of systems over the past six months, ultimately selecting the Motorola Avigilon system because of its server-based analytics which will maximize the capabilities of our existing cameras. The new system will have the capacity to support up to 1,000 cameras, which will allow for all current cameras and the addition of cameras for projects currently in progress or being planned. It is expandable to support additional needs throughout the life of the system.

Note: Funding to be from ongoing the operational budget.

February 6, 2024 through April 30, 2024

**ACTIVITY REPORT
PAGE EIGHT**

Other purchases at the discretion of the Director of Procurement Services with approval from the Vice President for Administration and Finance or President, with description of the rationale

**Buildings and Contents Insurance \$2,306,747.00
All Campuses**

Recommend approval to process payment to FM Global and Acrisure, for the buildings and contents insurance premium and service fees for the period June 30, 2024 to June 30, 2025.

FM Global’s Renewal Proposal with the same \$1 billion coverage, negotiated by Acrisure, contemplates a premium reduction of about two percent (2%) from the expiring program. As a result, the FM Global proposal continues to be the best available for the University, even more so than last year.

Total insurable values for the University are \$2,843,634,975, which is approximately a three percent (3%) increase over last year’s values, making the two percent (2%) premium reduction even more meaningful. The standard deductible is \$250,000.00, with a \$500,000.00 Flood deductible, and a one percent (1%) per location deductible for Wind and Hail.

A leading world Property insurer, FM Global employs a non-traditional business model where risk and premiums are determined by engineering analysis and actuarial calculations, as opposed to only historically based actuarial calculations. Its business approach considers that property losses can be prevented or mitigated, and FM Global engineering personnel travel to insured locations to evaluate hazards and recommend improvements to property and work practices to reduce physical and financial risks if a loss occurs.

Note: Funding to be from ongoing operational budgets.

February 6, 2024 through April 30, 2024

**Report of Gifts
to the
Missouri State University Foundation
Monthly and Year-to-Date**

	Year	MONTHLY						YEAR-TO-DATE		
		Designations under \$1,000		Designations \$1,000 and over		Totals for April		Running Totals		Year
		No.	Amount	No.	Amount	No.	Amount	No.	Amount	
Annual Gifts	FY 23	6,861	\$165,854	73	\$482,493	6,934	\$648,347	71,141	\$8,467,539	FY 23
	FY 24	6,792	\$168,684	64	\$273,937	6,856	\$442,621	68,529	\$8,296,886	FY 24
Capital Facilities	FY 23	10	\$1,279	3	\$135,611	13	\$136,890	230	\$3,582,773	FY 23
	FY 24	10	\$554	8	\$59,900	18	\$60,454	212	\$18,008,980	FY 24
One Time Gifts	FY 23	0	\$0	4	\$279,834	4	\$279,834	131	\$7,978,193	FY 23
	FY 24	0	\$0	12	\$111,500	12	\$111,500	148	\$2,930,038	FY 24
TOTALS	FY 23	6,871	\$167,133	80	\$897,938	6,951	\$1,065,071	71,502	\$20,028,505	FY 23
	FY 24	6,802	\$169,238	84	\$445,337	6,886	\$614,575	68,889	\$29,235,924	FY 24

**MISSOURI STATE UNIVERSITY FOUNDATION
INCOME SUMMARY TOTALS BY TYPE AND SOURCE
07/01/2023 TO 04/30/2024**

SOURCE	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	NON-GIFT INCOME*	TOTAL 07/01/2023 TO 04/30/2024	TOTAL 07/01/2022 TO 04/30/2023
ALUMNI	\$70,076	\$3,419,468	\$660,672	\$255,807	\$271,441	\$4,676,994	\$3,576,586
FRIENDS	10,312	1,669,205	347,419	967,232	139,044	\$3,133,212	3,486,833
PARENTS	1,350	77,042	7,285	99	7,960	\$93,736	179,959
FOUNDATIONS	8,200	13,337,295	395,275	0	0	\$13,740,770	2,067,169
ORGANIZATIONS	32,200	984,955	1,305,871	11,658	0	\$2,334,684	4,861,850
BUSINESSES	16,364	1,320,611	247,192	3,013,448	658,913	\$5,256,528	5,856,107
GIFT TOTAL	\$138,502	\$20,808,576	\$2,963,714	\$4,248,244	\$1,077,358	\$29,235,924	\$20,028,504

**Per the Tax Cuts and Jobs Act, the US Tax reform bill signed into law effective in 2021, income received from athletics seat assessments and suites are no longer tax deductible.*

DEFERRED GIFT COMMITMENTS

	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	TOTAL 07/01/2023 TO 04/30/2024	TOTAL 07/01/2022 TO 04/30/2023
DEFERRED GIFTS	1,000,000	0	1,959,641	0	\$ 2,959,641	\$ 6,072,002

GRAND TOTAL FOR TESTAMENTARY GIFTS YET TO BE RECEIVED: \$82M

	NUMBER OF DONORS 07/01/2023 TO 04/30/2024	NUMBER OF DONORS 07/01/2022 TO 04/30/2023
ALUMNI	5,718	5,922
FRIENDS	10,659	11,109
PARENTS	674	761
FOUNDATIONS	50	51
ORGANIZATIONS	306	294
BUSINESSES	698	671
TOTAL	18,105	18,808

**Report of Gifts
to the
Missouri State University Foundation
Monthly and Year-to-Date**

	Year	MONTHLY						YEAR-TO-DATE		
		Designations under \$1,000		Designations \$1,000 and over		Totals for March		Running Totals		
		No.	Amount	No.	Amount	No.	Amount	No.	Amount	Year
Annual Gifts	FY 23	8,858	\$348,339	112	\$532,897	8,970	\$881,236	64,207	\$7,819,191	FY 23
	FY 24	9,013	\$329,324	92	\$368,152	9,105	\$697,476	61,659	\$7,821,903	FY 24
Capital Facilities	FY 23	14	\$2,029	7	\$62,000	21	\$64,029	217	\$3,445,883	FY 23
	FY 24	58	\$4,589	7	\$30,525	65	\$35,114	194	\$17,939,398	FY 24
One Time Gifts	FY 23	0	\$0	10	\$348,258	10	\$348,258	127	\$7,698,359	FY 23
	FY 24	0	\$0	17	\$252,600	17	\$252,600	134	\$2,687,408	FY 24
TOTALS	FY 23	8,872	\$350,368	129	\$943,155	9,001	\$1,293,523	64,551	\$18,963,433	FY 23
	FY 24	9,071	\$333,913	116	\$651,277	9,187	\$985,190	61,987	\$28,448,709	FY 24

**MISSOURI STATE UNIVERSITY FOUNDATION
INCOME SUMMARY TOTALS BY TYPE AND SOURCE
07/01/2023 TO 03/31/2024**

SOURCE	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	NON-GIFT INCOME*	TOTAL 07/01/2023 TO 03/31/2024	TOTAL 07/01/2022 TO 03/31/2023
ALUMNI	\$67,847	\$3,353,894	\$545,890	\$227,790	\$255,208	\$4,450,159	\$3,247,314
FRIENDS	10,526	1,468,698	311,498	966,701	135,661	\$2,893,084	3,288,335
PARENTS	910	72,986	5,915	99	7,960	\$87,870	175,536
FOUNDATIONS	8,200	13,285,235	395,275	0	0	\$13,688,710	1,968,135
ORGANIZATIONS	27,500	883,188	1,239,563	11,633	0	\$2,161,884	4,631,297
BUSINESSES	10,927	1,253,860	237,667	3,010,435	654,113	\$5,167,002	5,652,816
GIFT TOTAL	\$125,910	\$20,317,861	\$2,735,808	\$4,216,658	\$1,052,942	\$28,448,709	\$18,963,433

**Per the Tax Cuts and Jobs Act, the US Tax reform bill signed into law effective in 2021, income recieved from athletics seat assessments and suites are no longer tax deductible.*

DEFERRED GIFT COMMITMENTS

	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	TOTAL 07/01/2023 TO 03/31/2024	TOTAL 07/01/2022 TO 03/31/2023
DEFERRED GIFTS	1,000,000	0	1,959,641	0	\$ 2,959,641	\$ 6,040,000

GRAND TOTAL FOR TESTAMENTARY GIFTS YET TO BE RECEIVED: \$82M

	NUMBER OF DONORS 07/01/2023 TO 03/31/2024	NUMBER OF DONORS 07/01/2022 TO 03/31/2023
ALUMNI	5,490	5,768
FRIENDS	10,251	10,675
PARENTS	650	755
FOUNDATIONS	45	47
ORGANIZATIONS	276	282
BUSINESSES	651	629
TOTAL	17,363	18,156

**Report of Gifts
to the
Missouri State University Foundation
Monthly and Year-to-Date**

	Year	MONTHLY						YEAR-TO-DATE		
		Designations under \$1,000		Designations \$1,000 and over		Totals for February		Running Totals		Year
		No.	Amount	No.	Amount	No.	Amount	No.	Amount	
Annual Gifts	FY 23	6,985	\$169,336	65	\$1,680,232	7,050	\$1,849,568	55,238	\$6,938,233	FY 23
	FY 24	6,174	\$1,582,067	55	\$191,514	6,229	\$1,773,581	52,244	\$7,069,259	FY 24
Capital Facilities	FY 23	15	\$2,307	4	\$12,000	19	\$14,307	195	\$3,381,576	FY 23
	FY 24	12	\$1,148	8	\$281,274	20	\$282,422	175	\$17,907,725	FY 24
One Time Gifts	FY 23	0	\$0	12	\$2,785,390	12	\$2,785,390	116	\$7,327,946	FY 23
	FY 24	0	\$0	10	\$507,047	10	\$507,047	117	\$2,434,808	FY 24
TOTALS	FY 23	7,000	\$171,643	81	\$4,477,622	7,081	\$4,649,265	55,549	\$17,647,755	FY 23
	FY 24	6,186	\$1,583,215	73	\$979,835	6,259	\$2,563,050	52,536	\$27,411,792	FY 24

**MISSOURI STATE UNIVERSITY FOUNDATION
INCOME SUMMARY TOTALS BY TYPE AND SOURCE
07/01/2023 TO 02/29/2024**

SOURCE	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	NON-GIFT INCOME*	TOTAL 07/01/2023 TO 02/29/2024	TOTAL 07/01/2022 TO 02/28/2023
ALUMNI	\$59,156	\$3,175,978	\$481,968	\$226,515	\$251,825	\$4,194,972	\$2,935,026
FRIENDS	7,086	1,255,850	292,087	966,448	135,577	\$2,657,048	2,957,185
PARENTS	410	48,572	5,590	4	7,960	\$62,536	121,499
FOUNDATIONS	7,700	13,143,165	267,395	0	0	\$13,418,260	1,933,311
ORGANIZATIONS	27,450	872,457	1,207,513	10,624	0	\$2,118,044	4,302,744
BUSINESSES	10,451	1,177,128	223,617	2,910,623	639,113	\$4,960,932	5,397,990
GIFT TOTAL	\$112,253	\$19,673,150	\$2,478,170	\$4,114,214	\$1,034,475	\$27,411,792	\$17,647,755

**Per the Tax Cuts and Jobs Act, the US Tax reform bill signed into law effective in 2021, income recieved from athletics seat assessments and suites are no longer tax deductible.*

DEFERRED GIFT COMMITMENTS

	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	TOTAL 07/01/2023 TO 02/29/2024	TOTAL 07/01/2022 TO 02/28/2023
DEFERRED GIFTS	1,000,000	0	1,959,641	0	\$ 2,959,641	\$ 6,040,000

GRAND TOTAL FOR TESTAMENTARY GIFTS YET TO BE RECEIVED: \$82M

	NUMBER OF DONORS 7/1/2023 TO 02/29/2024	NUMBER OF DONORS 7/1/2022 TO 02/28/2023
ALUMNI	4,506	4,894
FRIENDS	8,769	9,458
PARENTS	471	540
FOUNDATIONS	43	39
ORGANIZATIONS	259	262
BUSINESSES	608	601
TOTAL	14,656	15,794

VIII.B.

MISSOURI STATE UNIVERSITY

BOARD RESOLUTION

AGREEMENT NO. 476-24

Approval of Memorandum of Understanding
between Missouri State University and the
Missouri State University Foundation

WHEREAS, Missouri State University (“University”) was established by the Missouri General Assembly in 1905;

WHEREAS, the Missouri State University Foundation (“Foundation”) was established as a non-profit, 501(c)(3) corporation in 1981, for the purpose of advancing and supporting the work and mission of the University;

WHEREAS, the Association of Governing Boards of Universities and Colleges (“AGB”) recommends as a best practice the creation and implementation of a memorandum of understanding (“MOU”) between universities and their foundations, for the purpose of memorializing the relationship between the two (2) entities and clarifying the roles and responsibilities of each;

WHEREAS, the University and the Foundation are currently working together to design and construct the Clifton M. Smart III University Advancement Center, at considerable expense to both parties, which has prompted the creation of the proposed MOU; and

WHEREAS, the Foundation’s Board of Trustees approved the proposed MOU on April 25, 2024, and University Administration recommends approval of the attached MOU by the University’s Board of Governors.

NOW, THEREFORE, BE IT RESOLVED that the Board of Governors of Missouri State University approves the attached Memorandum of Understanding, authorizes the Board Chair and University President to execute same on behalf the University.

Lynn Parman
Board Chair

Passed at meeting of
May 9, 2024

Rowena Stone
Secretary to the Board

COMMENTS:

Term

The initial term of the MOU is 20 years, subject to renewal upon mutual agreement of the parties.

Executive Director of the Foundation

The Executive Director (“ED”) is employed by the University, which is responsible for hiring, compensating, evaluating, and terminating the ED. The Chair of the Foundation’s Board of Trustees shall serve on any search committee to select a new ED. Additionally, on a no less than annual basis, the University President, the Chair of the Foundation’s Board of Trustees, and the ED shall meet to establish the ED’s goals and to evaluate the ED’s performance.

University Representation on the Foundation’s Board of Trustees

Both the University President and a member of the Board of Governors shall serve as *ex officio* members of the Foundation’s Board of Trustees, as well as the Board of Trustees’ Executive Committee.

Foundation Representation in University Presidential Searches

In the event that the Board of Governors establishes a search committee to select a new University President, with said committee to be comprised of some individuals other than Board members, the Board shall include one (1) member of the Foundation’s Board of Trustees Executive Committee on the search committee.

Construction and Funding of Clifton M. Smart III University Advancement Center

The Foundation sold the Kenneth E. Meyer Alumni Center, which was owned by the Foundation, with the understanding that the University would build another building on its main campus for use by the Foundation.

The construction of the new building – which is to be named the Clifton M. Smart III University Advancement Center – is to be funded from: (a) the net sale proceeds of the Meyer Alumni Center, totaling \$5.8M; (b) \$6M in external money to be fundraised by the Foundation; (c) \$4M from the Foundation’s reserves. Construction costs above and beyond the \$15.8M shall be funded equally (i.e., 50%/50%) between the University and the Foundation.

Primary Use of Clifton M. Smart III University Advancement Center

For the initial term of the MOU (i.e., 20 years), the Clifton M. Smart III University Advancement Center will be for the primary use of the Foundation (including the Missouri State Alumni Association and the Office of University Advancement).

Missouri State University Foundation

EXHIBIT

1

Memorandum of Understanding Between the Board of Governors of Missouri State University and the Missouri State University Foundation

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) was entered into as of this 9th day of May, 2024 by and between the BOARD OF GOVERNORS OF MISSOURI STATE UNIVERSITY (the “UNIVERSITY”) and the MISSOURI STATE UNIVERSITY FOUNDATION (the “FOUNDATION”).

RECITALS:

- The FOUNDATION was organized and incorporated in 1981 as a Missouri not-for-profit corporation qualifying under Section 501(c)(3) of the Internal Revenue Code.
- The FOUNDATION’s stated mission: to unite with passionate supporters and donors of the UNIVERSITY in pursuit of the UNIVERSITY’s goals and priorities, and to create significant philanthropic resources for the UNIVERSITY, its students, faculty, and staff, while serving as a responsible steward of those resources.
- The vision of the FOUNDATION is to be a valued advocate, catalyst for engagement and philanthropy, and trusted partner of the UNIVERSITY.
- The UNIVERSITY designates the FOUNDATION as the repository of private gifts made in support of the UNIVERSITY unless otherwise specified by the donor. In this capacity, the FOUNDATION has authority to endorse checks made out to the UNIVERSITY for gifts.
- The FOUNDATION, in connection with its fundraising and asset-management activities, utilizes staff (“Foundation Staff”) with expertise in alumni engagement, advancement services, fundraising, gift planning, investment management, and other capacities necessary for the fulfillment of its mission.
- The FOUNDATION has policies and procedures governing its investments and the management of its assets; it is solely responsible for these matters.
- The FOUNDATION has established gift-acceptance policies, naming policies, and provisions for the establishment of scholarships, chairs, and other endowed purposes.
- Consistent with its mission and to advance the plans and objectives of the UNIVERSITY, the FOUNDATION is allowed to associate the name “Missouri State University”, “MSU” or other similar names in connection with the operations of the FOUNDATION; however, the

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FOUNDATION operates under its own seal and logotype and does not use the UNIVERSITY seal or other identifying marks in the promotion of its business and activities unless specifically authorized to do so.

AGREEMENT

In consideration of the mutual commitments herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

SECTION 1: UNIVERSITY RESPONSIBILITIES

A. General Responsibilities

1. The UNIVERSITY Board of Governors (the “UNIVERSITY Board”) is responsible for overseeing the mission, leadership, and operations of the UNIVERSITY.
2. The UNIVERSITY Board is legally responsible for the performance and oversight of all aspects of UNIVERSITY operations.
3. The UNIVERSITY Board is responsible for the employment, compensation, and evaluation of all UNIVERSITY employees, including the President of the UNIVERSITY (the “President”).
4. The President is responsible for communicating on a regular basis the priorities and long-term plans of the UNIVERSITY, as approved by the UNIVERSITY Board, to the FOUNDATION.
5. The UNIVERSITY recognizes that the FOUNDATION is a separate, private corporation with the authority to keep all records and data confidential, consistent with law.
6. The President shall serve as an ex-officio member, without voting privileges, of the FOUNDATION Board of Trustees (the “FOUNDATION Board”) and the FOUNDATION Executive Committee (the “Executive Committee”), and shall assume a prominent role in fundraising activities.
7. One member of the UNIVERSITY Board designated by such Board shall serve as an ex-officio member, without voting privileges, of the FOUNDATION Board and the Executive Committee.
8. The Executive Director of the FOUNDATION (the “Executive Director”) shall be included as a member of the President’s senior administrative team.
9. The UNIVERSITY shall include the Executive Director as a participant in strategic planning for the UNIVERSITY.
10. The UNIVERSITY acknowledges that the FOUNDATION is a separate and distinct legal entity from the UNIVERSITY, that the FOUNDATION’s records are separate and distinct from

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the UNIVERSITY'S records, and that the UNIVERSITY does not serve as custodian of records for the FOUNDATION. The UNIVERSITY acknowledges that, under current Missouri law, the FOUNDATION's records (including, without limitation, those related to donor records) are not subject to the disclosure requirements of the Missouri Sunshine Law, as set forth in Mo. Rev. Stat. § 610.010 *et. seq.*

11. The UNIVERSITY recognizes that the FOUNDATION bears major responsibility for fundraising. UNIVERSITY representatives will coordinate fundraising initiatives, including major gifts solicitations with the FOUNDATION.

12. The President and certain other senior administrators of the UNIVERSITY will work with the leadership of the FOUNDATION Board and the Executive Director to identify, cultivate, and solicit prospects for private gifts.

13. The UNIVERSITY Board acknowledges the unique relationship it has with the FOUNDATION and the importance of input from the FOUNDATION being included in future presidential searches. In furtherance of this relationship, in the event that the UNIVERSITY Board selects a search committee that includes individuals other than UNIVERSITY Board members (e.g., University administrators, faculty, staff, or students, and/or community members), such search committee shall include at least one (1) voting member of the Executive Committee.

14. Subject to Sections 2.A.5 and 2.A.6, the UNIVERSITY is responsible for the employment and compensation of employees designated to work with the FOUNDATION, including the Executive Director. The UNIVERSITY Board and President hold the full and sole authority to hire, evaluate, and terminate the employment of the Executive Director so long as such individual is employed by the UNIVERSITY. Nevertheless, the FOUNDATION Executive Committee will be consulted in decisions regarding the hiring and termination of the Executive Director.

B. New Foundation/Alumni Building

1. In addition to the responsibilities set forth above, the UNIVERSITY shall undertake to design and construct a new building on the campus of the UNIVERSITY at the campus entrance located on the north corner of East Bear Boulevard and South National Avenue (the "New Building"), with completion of the New Building as soon as practicable, but not later than December 31, 2026.

2. The New Building will be approximately 28,000 square feet with adjacent parking facilities (including designated guest parking) and will be dedicated to the FOUNDATION for its headquarters offices for Foundation Staff and alumni activities.

3. The UNIVERSITY will provide the entire New Building for the primary use of the FOUNDATION, Missouri State Alumni Association, and the Office of University Advancement

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for the initial term of this MOU (i.e., 20 years), and any extension thereof. Use by the UNIVERSITY shall be coordinated with the Executive Director in order to ensure that such University use does not unduly interrupt or interfere with normal operations of the FOUNDATION, Missouri State Alumni Association, and/or the Office of University Advancement. For the avoidance of doubt, during the initial term of this MOU, the New Building shall house the offices of the FOUNDATION, Missouri State Alumni Association, and the Office of University Advancement.

4. The UNIVERSITY will pay all utilities (including telephone service, internet, cable) and maintenance costs for the New Building. It will fully furnish the space to be occupied or used by the FOUNDATION and provide all furniture, fixtures, and equipment reasonably necessary for the FOUNDATION's operation.

5. The UNIVERSITY acknowledges that the FOUNDATION has sold the Kenneth E. Meyer Alumni Center building and intends to transfer an initial sum (as set out in Section 2.A.8 below) to the UNIVERSITY from the proceeds of such sale to assist with the cost of construction and furnishing of the New Building and further acknowledges that the FOUNDATION is relying on the UNIVERSITY to complete the New Building.

SECTION 2: FOUNDATION RESPONSIBILITIES

A. General Responsibilities

1. The FOUNDATION shall maintain its status as a separately incorporated 501(c)(3) nonprofit organization created to raise, manage, distribute, and steward private resources to support the various priorities of the UNIVERSITY.

2. The FOUNDATION Board is responsible for the control and management of all assets of the FOUNDATION, including the prudent management of all gifts, consistent with donor intent.

3. The FOUNDATION is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws that clearly addresses the Board's fiduciary responsibilities, including expectations of individual board members based upon ethical guidelines and policies. The FOUNDATION will apprise the UNIVERSITY of significant changes made to the bylaws.

4. The FOUNDATION shall establish and enforce policies to identify and manage potential conflicts of interest and ensure that FOUNDATION assets do not directly or indirectly unduly benefit an individual or other person.

5. So long as the Executive Director remains a UNIVERSITY employee, the FOUNDATION shall participate with the UNIVERSITY in the hiring and the termination of its Executive Director, in the following manner:

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- a. The Chair of the FOUNDATION (the “FOUNDATION Chair”) shall serve on the UNIVERSITY search committee to select a new Executive Director. The Executive Committee will meet with all candidate finalists and with the President to provide its input and recommendation.
 - b. Should there be cause to terminate the Executive Director, the President and the FOUNDATION Chair shall confer before termination, provided, however, that the UNIVERSITY Board and President retain ultimate responsibility and authority to terminate the Executive Director.
 - c. All of the above shall be done in accordance with UNIVERSITY policies and procedures.
6. Prior to the start of the UNIVERSITY’s annual employee review process, the Executive Committee and the Executive Director will (a) establish goals for the Executive Director to be included in the Executive Director’s Appraisal and Development Plan (or similar document utilized by the UNIVERSITY (“ADP”)) for the upcoming calendar year and (b) evaluate the Executive Director’s performance based on the goals established in the Executive Director’s immediately preceding ADP, if applicable. The President will solicit input from the Chair prior to conducting the Executive Director’s annual review and establishing the goals and priorities in the Executive Director’s ADP for the upcoming year. In the event that the FOUNDATION, rather than the UNIVERSITY, employs the Executive Director, the Chair shall likewise solicit input from the President prior to conducting the Executive Director’s annual review and establishing the goals and priorities in the Executive Director’s ADP (or similar assessment tool) for the upcoming year. Additionally, regardless as to whether the UNIVERSITY continues to employ the Executive Director, or the FOUNDATION assumes employment of the Executive Director, the President and the Chair shall meet with the Executive Director on an annual basis to discuss the Executive Director’s goals and progress in achieving same.
7. The FOUNDATION will pay to the UNIVERSITY from its unrestricted funds as may be necessary to reimburse the UNIVERSITY for certain costs and expenses. The FOUNDATION may also provide for a discretionary fund for the President (or designees of the President) and will reimburse appropriate presidential expenditures. From time to time the FOUNDATION may also provide discretionary funds to units of the UNIVERSITY for special projects, events, speakers, and the like. All such expenditures must comply with the IRS 501(c)(3) code and be consistent with the FOUNDATION’s mission. Such funds will be audited as part of the FOUNDATION’s annual independent audit. This fund will be approved in advance by the FOUNDATION Board, along with the entire budget of the FOUNDATION.
8. The cost of constructing and furnishing the New Building referenced in Section 1.B.1 above shall be funded from the following sources: (a) the net proceeds from the sale of the Kenneth E. Meyer Alumni Center, (b) \$4,000,000 from the unrestricted reserves of the FOUNDATION,

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(c) donations designated for the New Building, and (d) the remainder by the UNIVERSITY. The FOUNDATION shall reimburse the UNIVERSITY for 50% of the funds expended by the UNIVERSITY pursuant to clause (d) of the preceding sentence (the “Reimbursable Amount”) by paying the UNIVERSITY in installments (without interest) of the Reimbursable Amount over a mutually agreeable period. Exhibit “A”, attached, provides an example of how the New Building funding model will work.

9.

B. Fundraising

1. The FOUNDATION shall create an environment conducive to increasing levels of private support for the mission and priorities of the UNIVERSITY.

2. The FOUNDATION is responsible for planning and executing comprehensive fundraising and donor-acquisition programs in support of the strategic priorities identified by the President and FOUNDATION Board. These programs include alumni activities, annual giving, major gifts, planned gifts, special projects, and campaigns as appropriate. The FOUNDATION provides such services, not as an employee or agent of the UNIVERSITY, but as an independent organization.

3. The FOUNDATION will establish, adhere to, and periodically assess its gift- management and acceptance policies. It will promptly acknowledge and issue receipts for all gifts and provide appropriate recognition and stewardship of such gifts.

4. The FOUNDATION shall not accept grants from state or federal agencies, except in special circumstances that are approved by the FOUNDATION Board and the governmental agency.

5. The FOUNDATION shall establish and enforce policies to protect donor confidentiality and rights.

C. Asset Management

1. The FOUNDATION will receive, hold, manage, invest, and disburse contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.

2. The FOUNDATION will establish prudent asset-allocation, disbursement, and spending policies that adhere to applicable federal and state laws including the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

3. The FOUNDATION will engage an independent accounting firm annually to conduct an audit of the FOUNDATION’s financial and operational records and will provide the

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UNIVERSITY with a copy of the annual audited financial statements, including management letters.

4. The FOUNDATION will establish internal controls and other enterprise risk management practices commensurate with the FOUNDATION Board's fiduciary responsibility.

D. Entrepreneurial Activities

1. In consultation with the UNIVERSITY President, the FOUNDATION will explore current opportunities, including acquisition and management of real estate or personal property on behalf of the UNIVERSITY, for future allocation, transfer, or use.

2. The FOUNDATION may serve as an instrument for entrepreneurial activities for the UNIVERSITY and engage in such activities as purchasing, developing, or managing real estate for campus expansion and student housing, or participating in joint ventures that advance the mission of the UNIVERSITY.

3. The FOUNDATION may also acquire, hold, and manage real estate, personal property, licensing agreements and other forms of intellectual property, borrow or guarantee debt issued by third parties, or engage in other activities to increase FOUNDATION revenue with no direct connection to an institutional purpose.

E. Engagement and Alumni Relations

The FOUNDATION will foster and promote alumni relations. It will provide resources and Alumni and Engagement staff to engage with alumni and friends individually and through events, chapters, and affinity groups. The Missouri State University Alumni Association is under the auspices of the FOUNDATION which supports its activities and operation.

SECTION 3: FINANCES AND ADMINISTRATION

A. Transfer of Funds

1. The FOUNDATION will transfer funds to the designated entity within the UNIVERSITY in compliance with applicable laws, UNIVERSITY and FOUNDATION policies, and gift agreements.

2. The FOUNDATION will disclose to the UNIVERSITY any terms, conditions, or limitations imposed by donor or legal determination on the gift. The UNIVERSITY will abide by such restrictions and provide appropriate documentation, to the extent permitted by applicable law.

3. The FOUNDATION's disbursements on behalf of the UNIVERSITY must be reasonable business expenses that support the UNIVERSITY, are consistent with donor intent, and do not conflict with the law.

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4. All requests for FOUNDATION funds other than regular disbursements and expense reimbursements must be submitted to the FOUNDATION by the President or his or her designee.

B. Funding

1. The FOUNDATION, through its Executive Director, is responsible for working with the UNIVERSITY establishing a financial plan to fund the cost of FOUNDATION programs, operations, and services.

2. The value of all space and equipment, supplies, personnel, and other services which the UNIVERSITY provides to the FOUNDATION shall not exceed the benefit received by the UNIVERSITY from the FOUNDATION in any fiscal year. The UNIVERSITY will regularly keep track of the space and equipment, supplies, personnel, and other services it is providing to assure that this maximum amount is not being exceeded.

3. Consistent with its charitable purpose to support and advance the work of Missouri State University, the FOUNDATION Board has the right to use, as it sees fit, the annual unrestricted funds and assess fees for services; or assess fees on gifts, endowed funds, and other investments.

4. The FOUNDATION shall maintain, at its own expense, copies of the plans, budgets, and donor and alumni records developed in connection with the performance of its obligations.

5. The FOUNDATION will provide access to data and records to the UNIVERSITY on a need-to-know basis in accordance with applicable laws, FOUNDATION policies, and guidelines. The FOUNDATION will provide copies of its annual report and other information that may be publicly released.

SECTION 4: TERM OF THE MEMORANDUM OF UNDERSTANDING

1. This MOU is intended to set forth terms and conditions that will contribute to the coordination of the mutual activities of the FOUNDATION and the UNIVERSITY.

2. To ensure effective achievement of the items of the MOU, the UNIVERSITY and FOUNDATION officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and to ensure open and continuing communications and alignment of priorities. The UNIVERSITY and FOUNDATION will review and, if appropriate, amend this MOU at least every five (5) years.

3. The initial term of this MOU is twenty (20) years. Following the initial term and each renewal term, the MOU shall automatically renew for a term of five (5) years unless either party gives written notice to the other party at least ninety (90) days prior to the end of the then current term of its intention to terminate the MOU. The party initiating termination of the MOU must act

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in good faith to provide an opportunity for a meeting to include the President (or the President's designee) and the FOUNDATION Board Chair (or the Board Chair's designee) within thirty (30) days of initial written notice of intention to terminate the MOU.

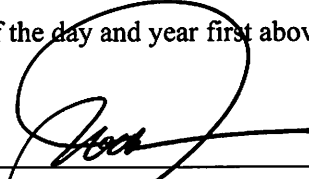
4. Notwithstanding the foregoing, either party may terminate this MOU in the event the other party defaults in the performance of its obligations and fails to cure the default within a reasonable time after receiving written show cause notice.

5. Should the UNIVERSITY choose to terminate this MOU, the FOUNDATION may require the UNIVERSITY to pay, within 180 days of written notice, all debt incurred by the FOUNDATION on the UNIVERSITY's behalf (if any), including, but not limited to, lease payments, advanced funds, and funds borrowed for specific initiatives. Should the FOUNDATION choose to terminate this MOU, the UNIVERSITY may require the FOUNDATION to pay debt it holds on behalf of the FOUNDATION (if any) in like manner.

6. Consistent with provisions appearing in the FOUNDATION's bylaws and its articles of incorporation, should the FOUNDATION cease to exist or cease to be an Internal Revenue Code 501(c)(3) nonprofit corporation, the FOUNDATION will transfer its assets and property to the UNIVERSITY, to a reincorporated successor FOUNDATION, to another 501(c)(3) organization affiliated with the UNIVERSITY, or to the state or federal government for public purposes, in accordance with the law and donor intent.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and year first above written.

Lynn Parman, Chair
Board of Governors of Missouri State
University




James H. Wilson, Chair
Board of Trustees of Missouri State
University Foundation

Date: _____

Date: 4-30-24

Clifton M. Smart, III, President
Missouri State University



W. Brent Dunn, Executive Director
Missouri State University Foundation



Missouri State University Foundation

Date: _____

Date: 4-30-24

EXHIBIT "A"

Funding Model for the New Building*

	\$ 5,800,000	Net Sale Proceeds from Meyer Alumni Center
	\$ 6,000,000	Fundraising for New Building (3-5 year pledges)
	<u>\$ 4,000,000</u>	Foundation reserves
	\$ 15,800,000	
	\$ 20,000,000	University's preliminary construction budget
	<u>\$ 15,800,000</u>	
	\$ 4,200,000	Balance will be split between University and Foundation
		\$2,100,000 from University
		\$2,100,000 from Foundation which will be funded by \$262,500 a year for 8 years

* NOTE: This Exhibit A is intended to set forth the methodology for funding the New Building. The parties acknowledge that the actual financial responsibilities of the parties are contingent upon the actual, final construction budget for the New Building.

IX.

BE IT RESOLVED by the Board of Governors for Missouri State University that a closed meeting, with closed records and closed vote, be held during a recess of the Finance and Facilities Committee meeting of the Board of Governors to consider items pursuant to the [revised statutes of the State of Missouri 610.021](#):

- A. R.S.Mo. 610.021(1). “Legal actions, causes of action, or litigation involving a public governmental body...”
- B. R.S.Mo. 610.021(2). “Leasing, purchase or sale of real estate by a public governmental body...”
- C. R.S.Mo. 610.021(3). “Hiring, firing, disciplining or promoting of particular employees by a public governmental body...”
- D. R.S.Mo. 610.021(6). “Scholastic probation, expulsion, or graduation of identifiable individuals...”
- E. R.S.Mo. 610.021(9). “Preparation, including any discussions or work product, on behalf of a public governmental body or its representatives for negotiations with employee groups;”
- F. R.S. Mo. 610.021(11) and (12). “Specifications for competitive bidding...;” and “Sealed bids and related documents...;”
- G. R.S.Mo. 610.021(13). “Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment...;”
- H. R.S.Mo. 610.021(14). “Records which are protected from disclosure by law;” and
- I. R.S.Mo. 610.021(17). “Confidential or privileged communications between a public governmental body and its auditor,...”