



Board of Governors Finance & Facilities Committee Meeting

Plaster Student Union, Ballroom East

Thursday, 5/18/2023

8:30 - 10:15 AM CT

I. Roll Call Presented By: Governor Lynn Parman

II. Approval of Minutes Presented By: Governor Lynn Parman

A. Approval of the minutes of the Finance and Facilities Committee Meeting of February 16, 2023

II.A. 2.16.2023.FFC.Minutes - Page 2

III. Facilities & Equipment Presented By: Matt Morris, Vice President for Administrative Services

A. Facilities Update

B. Review of Consent Agenda

III.B. Review of Consent Agenda - Page 5

IV. Foundation Review Presented By: Brent Dunn, Vice President for University Advancement

A. Development Report

IV.A. Development Report - Page 6

V. Review Year to Date Financial Statements Presented By: Steve Foucart, Chief Financial Officer

V. March 2023 YTD Financial Statements - Page 8

VI. Jefferson City Budget Update Presented By: Clif Smart, President

VI. State Legislative Budget Update - Page 14

VII. Review Fiscal Year 2024 Operating Budget Recommendations

A. FY2024 Springfield Campus Operating Budget Recommendations Presented By: President Clif Smart & Steve Foucart, Chief Financial Officer

VII.A. FY2024 SGF Budget Recommendations - Page 15

B. FY2024 West Plains Campus Operating Budget Recommendations Presented By: President Clif Smart; Steve Foucart, Chief Financial Officer; and Dr. Dennis Lancaster Chancellor of the West Plains Campus

VII.B. FY2024 WP Budget Recommendations - Page 17

VIII. Procurement & Financial Presented By: Steve Foucart, Chief Financial Officer

A. Review of Procurement Activity Report

VIII.A. Review of Procurement Activity Report Approvals - Page 18

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 22

X. Adjournment Presented By: Governor Lynn Parman

II.A.

**MINUTES OF THE
BOARD OF GOVERNORS FINANCE AND FACILITIES COMMITTEE
MISSOURI STATE UNIVERSITY
THURSDAY, FEBRUARY 16, 2023**

Governor Lynn Parman, Chair of the Finance and Facilities Committee, called the meeting to order at 1:55 p.m. in the Robert W. Plaster Student Union, Ballroom East on the Missouri State University campus in Springfield, Missouri.

Roll Call

Present – Lynn Parman, Committee Chair
Amelia “Amy” Counts, Committee Member
Anson Elliott, Committee Member
Craig Frazier, Committee Member
Carol Silvey, Committee Member
Chris Waters, Committee Member

Absent – Gabriel Gore, Committee Member
Ann Kampeter, Committee Member

Also present – Clif Smart, President
Jim Baker, Assistant to the President for Governmental Relations
Brad Bodenhausen, Vice President for Community and Global Partnerships
Jeff Coiner, Chief Information Officer
Rachael Dockery, General Counsel and Chief Compliance Officer
Brent Dunn, Vice President for University Advancement
Steve Foucart, Chief Financial Officer
Algerian Hart, Interim Chief Diversity Officer and Assistant to the President
John Jasinski, Provost
Dennis Lancaster, Chancellor of the West Plains Campus
Victor Matthews, Dean of the College of Humanities and Public Affairs
Natalie McNish, Director of Internal Audit and Risk Management
Matt Morris, Vice President for Administrative Services
Zora Mulligan, Executive Vice President
Suzanne Shaw, Vice President for Marketing and Communications
Dee Siscoe, Vice President for Student Affairs
Rowena Stone, Secretary to the Board of Governors

Approval of Minutes

Governor Parman called for a motion to approve the minutes of the December 15, 2022, Finance and Facilities Committee meeting. Governor Chris Waters provided a motion, receiving a second from Governor Carol Silvey.

Motion passed 6-0.

Year to Date Financial Review

Steve Foucart, Chief Financial Officer, reviewed year-to-date financial statements through December 31, 2022. He stated that the university is tracking well.

Preliminary FY2024 Springfield Budget Discussion

President Smart led a preliminary discussion of the FY2024 budget. Governor Parson has proposed a 7% operating appropriation increase for Missouri State University. Governor Parson also proposed \$37 million for university capital projects comprised of \$35 million over two years for the Center for Transformational Education for Life, Physical, and Health Sciences and \$2 million of one-time MoExcels funds to establish a construction education and training hub at Kemper Hall. The university is very grateful to Governor Parson for his budget recommendations.

He shared that the university projects a \$3.6 million revenue shortfall in FY2023 and has made expense reductions to reflect the revenue decrease in the draft FY2024 budget. The university is facing expense increases in areas such as pension and health plan contributions, property insurance, utilities, and technology costs.

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.

Governor Gabriel Gore joined the meeting at this time.

President Smart shared options for tuition and fee increases in order to combat inflation and help retain employees. He shared that the Executive Budget Committee met on Wednesday and their recommendation for a 4.5% increase resulting in a \$12 credit hour increase. President Smart shared that these numbers are anticipated to be similar to increases of other Missouri universities.

The Board held discussion on tuition and compensation. The Board was supportive of the university working on a compensation increase of 4-5% and a 4.5% increase to tuition. President Smart shared the university will continue to work on putting together a balanced budget for Board approval at a future meeting.

Dr. John Jasinski, Provost, reviewed the 2023-2024 fee schedule summary for the Springfield campus. President Smart shared that the college fees, even with the proposed increases, were at or below competitors. Dr. Dee Siscoe, Vice President for Student Affairs, reviewed the proposed increases to student service fees to help fund improvements to Plaster Student Union and online courses and an increase to the international health insurance fee to expand services. Dr. Siscoe reviewed increases for Residence Hall housing fees and provided additional information on the private room incentive for returning students. Returning students may opt to live in Freudenberger or Wells House in a private room at the normal room rate plus an additional \$800 per semester.

Preliminary FY2024 West Plains Budget Discussion

Dr. Dennis Lancaster, Chancellor of the West Plains Campus, led a preliminary discussion of the FY2024 budget and reviewed the 2023-2024 proposed fee summary for the West Plains campus.

Administrative Services/Financial Services Reorganization Discussion

President Smart reviewed a proposed reorganization for Administrative Services and Financial Services under Matt Morris, Vice President for Administrative Services. Mr. Foucart reviewed changes to the organization chart that are included for approval in the consent agenda of the full Board meeting with an effective date of March 1, 2023. Mr. Morris reviewed the organization chart effective July 1, 2023, for the Division of Administration and Finance.

Facilities Update

The facilities update was deferred to the full Board meeting the following day.

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 compared to this time last year, the university is up in total gifts.

Adjournment

With no additional information needing to be discussed, Governor Parman called for a motion to adjourn the meeting. Governor Waters provided a motion, receiving a second from Governor Amy Counts.

Motion passed 7-0.

Meeting adjourned at 3:47 p.m.

Lynn Parman
Committee Chair

Passed at the meeting of
May 18, 2023

Rowena Stone
Secretary to the Board

III.B.

MISSOURI STATE UNIVERSITY

BOARD RESOLUTION

AGREEMENT NO. 465-23

Approval of an Intergovernmental
Agreement Regarding Law Enforcement
Services with Missouri State University for
Fiscal Year 2024

BE IT RESOLVED by the Board of Governors for Missouri State University that the University continue the Intergovernmental Agreement for Law Enforcement Services for Fiscal Year 2024 with the City of Springfield at a cost of \$1,015,794.42; and

BE IT FURTHER RESOLVED that the Intergovernmental Agreement will be effective from July 1, 2023 through June 30, 2024, and will continue on a month-to-month basis as needed; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors for Missouri State University that the proposed Intergovernmental Agreement Regarding Law Enforcement Services be approved and that the President of the University or the Vice President for Administrative Services be authorized to sign said Agreement on behalf of the Board of Governors and perform those acts necessary to carry out and perform the terms of the agreement.

Chris Waters
Board Chair

Passed at meeting of
May 18, 2023

Rowena Stone
Secretary to the Board

COMMENTS:

The agreement with the City of Springfield provides for law enforcement services associated with the Springfield Police Department and the Missouri State University Springfield Police Substation. This annual contract represents a 7.27% increase from Fiscal Year 2023. This increase of \$68,867.17 covers an increase in salary and benefits for the 10 officers, an increase in Vehicle Maintenance and Repairs, but was slightly offset by a decrease in fuel, vehicle depreciation, and bicycle costs.

The annual contract will be distributed between Missouri State University budget accounts as indicated below:

<u>Total Cost</u>	<u>E&G</u>	<u>Residence Life</u>
\$1,015,794.42	\$761,845.82	\$253,948.60

The University General Counsel has reviewed the agreement for legal sufficiency.

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

		MONTHLY						YEAR-TO-DATE		
		Designations under \$1,000		Designations \$1,000 and over		Totals for April		Running Totals		
		No.	Amount	No.	Amount	No.	Amount	No.	Amount	Year
Annual Gifts	FY 22	6,656	\$165,174	64	\$746,401	6,720	\$911,575	66,625	\$9,392,358	FY 22
	FY 23	3,663	\$113,936	64	\$461,996	3,727	\$575,932	67,112	\$10,269,684	FY 23
Special Campaigns	FY 22	21	\$3,973	7	\$364,000	28	\$367,973	900	\$5,285,780	FY 22
	FY 23	10	\$1,279	3	\$15,111	13	\$16,390	1,022	\$3,763,097	FY 23
One Time Gifts	FY 22	0	\$0	5	\$51,228	5	\$51,228	140	\$4,073,508	FY 22
	FY 23	0	\$0	7	\$377,175	7	\$377,175	121	\$5,873,097	FY 23
TOTALS	FY 22	6,677	\$169,147	76	\$1,161,629	6,753	\$1,330,776	67,665	\$18,751,646	FY 22
	FY 23	3,673	\$115,215	74	\$854,282	3,747	\$969,497	68,255	\$19,905,878	FY 23

**MISSOURI STATE UNIVERSITY FOUNDATION
INCOME SUMMARY TOTALS BY TYPE AND SOURCE
07/01/2022 TO 4/30/2023**

SOURCE	UNRESTRICTED CURRENT	RESTRICTED CURRENT	ENDOWMENT	GIFTS OF PROPERTY	NON-GIFT INCOME*	TOTAL 07/01/2022 TO 4/30/2023	TOTAL 07/01/2021 TO 4/30/2022
ALUMNI	\$110,803	\$2,181,179	\$961,662	\$30,718	\$278,972	\$3,563,334	\$4,394,227
FRIENDS	14,187	2,139,374	225,763	859,604	171,371	\$3,410,299	4,234,302
PARENTS	2,072	151,108	12,845	965	11,605	\$178,595	194,236
FOUNDATIONS	9,124	2,016,864	34,391	0	6,790	\$2,067,169	2,554,765
ORGANIZATIONS	27,951	1,541,594	3,243,099	5,286	43,920	\$4,861,850	3,586,277
BUSINESSES	27,750	1,328,650	81,439	3,623,111	763,681	\$5,824,631	3,787,839
GIFT TOTAL	<u>\$191,887</u>	<u>\$9,358,769</u>	<u>\$4,559,199</u>	<u>\$4,519,684</u>	<u>\$1,276,339</u>	<u>\$19,905,878</u>	<u>\$18,751,646</u>

**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 07/01/2022 TO 4/30/2023	TOTAL 07/01/2021 TO 4/30/2022
DEFERRED GIFTS	50,000	700,000	1,822,002	3,500,000	\$ 6,072,002	\$ 5,054,723

GRAND TOTAL FOR TESTAMENTARY GIFTS YET TO BE RECEIVED: \$78M

	NUMBER OF DONORS 7/1/2022 TO 4/30/2023	NUMBER OF DONORS 7/1/2021 TO 4/30/2022
ALUMNI	5,835	5,127
FRIENDS	11,050	10,618
PARENTS	779	838
FOUNDATIONS	51	47
ORGANIZATIONS	291	264
BUSINESSES	657	737
TOTAL	<u>18,663</u>	<u>17,631</u>

V.

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

	Current YTD March 31, 2023	Prior YTD March 31, 2022	FY2023 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 137,053,685.24	\$ 139,617,061.32	\$ 143,992,498.50	95.2%	-1.84%
Scholarships and fellowships	(29,683,992.83)	(27,598,642.72)	(28,206,250.00)	105.2%	7.56%
Grants and contracts	29,065.55	26,346.55	150,000.00	19.4%	10.32%
Other revenues	1,667,131.89	1,740,999.84	1,717,878.00	97.0%	-4.24%
Total Operating Revenue	109,065,889.85	113,785,764.99	117,654,126.50	92.7%	-4.15%
Operating Expenses					
Salaries	91,559,294.54	87,250,704.83	119,176,959.86	76.8%	4.94%
Benefits	39,626,224.04	34,394,301.69	54,335,548.95	72.9%	15.21%
Utilities	4,862,054.84	4,199,282.14	5,480,210.00	88.7%	15.78%
Travel	1,307,431.08	797,571.70	1,216,098.00	107.5%	63.93%
Supplies and services	13,705,457.44	11,433,065.37	15,482,256.01	88.5%	19.88%
Other	6,063,196.30	5,436,336.19	12,081,216.28	50.2%	11.53%
Total Operating Expenses	157,123,658.24	143,511,261.92	207,772,289.10	75.6%	9.49%
Operating Income (Loss)	(48,057,768.39)	(29,725,496.93)	(90,118,162.60)		
Other Non-operating Revenues (Expenses)					
State appropriations	70,758,686.74	65,219,355.00	94,622,075.00	74.8%	8.49%
Gifts	982,058.26	494,075.46	807,728.00	121.6%	98.77%
Other	4,061,177.69	3,375,535.65	2,581,000.00	157.3%	20.31%
Debt Service Transfers	(2,624,238.75)	(2,399,205.51)	(2,624,239.00)	100.0%	9.38%
Increase (Decrease) in Net Position Before Operating Transfers	25,119,915.55	36,964,263.67	5,268,401.40		-32.04%
Operating Transfers, net	(5,876,611.34)	(6,242,268.40)	(8,192,524.20)		
Operating Transfers, Capital	1,228,742.28	(7,109,211.64)			
Operating Transfers, Federal Grants	-	14,295,590.56	-		
Increase (Decrease) in Net Position	\$ 20,472,046.49	\$ 37,908,374.19	\$ (2,924,122.80)		

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

	Current YTD March 31, 2023	Prior YTD March 31, 2022	FY2023 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 10,691,735.86	\$ 10,706,194.20	\$ 11,424,873.00	93.6%	-0.14%
Scholarships and fellowships	(5,749,590.24)	(5,481,281.67)	(5,928,774.00)	97.0%	4.89%
Grants and contracts	58,600.00	56,000.00	60,000.00		
Other revenues	41,636,017.29	39,772,837.16	46,570,100.00	89.4%	4.68%
Total Operating Revenue	<u>46,636,762.91</u>	<u>45,053,749.69</u>	<u>52,126,199.00</u>	89.5%	3.51%
Operating Expenses					
Salaries	15,455,671.86	14,360,201.26	21,805,290.49	70.9%	7.63%
Benefits	5,089,142.14	4,501,244.90	7,322,070.20	69.5%	13.06%
Utilities	2,320,311.98	1,862,240.74	2,523,569.00	91.9%	24.60%
Travel	2,469,238.73	2,136,996.04	2,811,429.00	87.8%	15.55%
Supplies and services	11,441,456.35	10,238,632.00	16,161,526.00	70.8%	11.75%
Other	2,539,139.47	2,602,870.33	3,250,852.00	78.1%	-2.45%
Total Operating Expenses	<u>39,314,960.53</u>	<u>35,702,185.27</u>	<u>53,874,736.69</u>	73.0%	10.12%
Operating Income (Loss)	<u>7,321,802.38</u>	<u>9,351,564.42</u>	<u>(1,748,537.69)</u>		
Other Non-operating Revenues (Expenses)					
State appropriations	-	-	-		
Gifts	1,623,022.65	2,122,961.96	3,940,339.00	41.2%	-23.55%
Other	239,264.08	139,232.46	57,500.00	416.1%	71.85%
Debt Service Transfers	(9,955,056.91)	(7,288,754.21)	(9,954,056.00)	100.0%	36.58%
Increase (Decrease) in Net Position Before Operating Transfers	<u>(770,967.80)</u>	<u>4,325,004.63</u>	<u>(7,704,754.69)</u>		-117.83%
Operating Transfers, net	6,203,001.18	6,058,670.75	8,927,039.00		
Operating Transfers, Capital Purchase Residence Hall	(24,028,304.11)		-		
Operating Transfers, Federal Grants	-	6,278,483.02	-		
Increase (Decrease) in Net Position	<u>\$ (18,596,270.73)</u>	<u>\$ 16,662,158.40</u>	<u>\$ 1,222,284.31</u>		

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

	Current YTD March 31, 2023	Prior YTD March 31, 2022	% Increase/ (Decrease) to Prior YTD
Operating Revenue			
Tuition and fees	\$ 22,076,335.26	\$ 18,737,257.18	17.8%
Scholarships and fellowships	(856,997.43)	(1,117,710.64)	-23.3%
Grants and contracts	3,133,367.77	2,613,021.92	19.9%
Other revenues	<u>10,889,404.42</u>	<u>9,937,536.17</u>	9.6%
Total Operating Revenue	<u>35,242,110.02</u>	<u>30,170,104.63</u>	16.8%
Operating Expenses			
Salaries	11,892,227.76	11,259,782.73	5.6%
Benefits	3,985,532.46	3,612,715.18	10.3%
Utilities	(41,918.62)	(55,442.80)	-24.4%
Travel	859,282.39	728,348.12	18.0%
Supplies and services	5,511,872.09	5,729,829.10	-3.8%
Other	<u>1,754,130.01</u>	<u>2,751,303.26</u>	-36.2%
Total Operating Expenses	<u>23,961,126.09</u>	<u>24,026,535.59</u>	-0.3%
Operating Income (Loss)	<u>11,280,983.93</u>	<u>6,143,569.04</u>	
Other Non-operating Revenues (Expenses)			
State appropriations	668,457.00	668,457.00	0.0%
Gifts	1,800,025.02	1,391,836.31	29.3%
Other	405,752.26	403,565.84	0.5%
Debt Service Transfers	<u>(1,969,144.85)</u>	<u>(2,013,062.55)</u>	
Increase (Decrease) in Net Position Before Operating Transfers	<u>12,186,073.36</u>	<u>6,594,365.64</u>	
Operating Transfers, net	2,931,463.92	(1,876,837.60)	
Operating Transfers, Federal Grants	<u>-</u>	<u>1,207,025.27</u>	
Increase (Decrease) in Net Position	<u>\$ 15,117,537.28</u>	<u>\$ 5,924,553.31</u>	

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

	Current YTD March 31, 2023	Prior YTD March 31, 2022	FY2023 Original Budget	Current YTD % of Budget	% Increase/ (Decrease) to Prior YTD
Operating Revenue					
Tuition and fees	\$ 5,009,585.73	\$ 4,890,850.08	\$ 4,948,107.00	101.2%	2.43%
Scholarships and fellowships	(501,738.09)	(681,298.52)	(505,448.00)	99.3%	-26.36%
Grants and contracts	43,260.12	34,839.59	-		
Other revenues	<u>1,423,366.05</u>	<u>1,106,749.09</u>	<u>1,657,910.00</u>	85.9%	28.61%
Total Operating Revenue	<u>5,974,473.81</u>	<u>5,351,140.24</u>	<u>6,100,569.00</u>	97.9%	11.65%
Operating Expenses					
Salaries	6,083,670.68	5,657,088.77	7,771,061.71	78.3%	7.54%
Benefits	2,339,761.93	2,077,094.38	2,843,294.63	82.3%	12.65%
Utilities	325,006.24	276,765.46	342,984.00	94.8%	17.43%
Travel	174,207.63	168,504.69	105,811.81	164.6%	3.38%
Supplies and services	1,360,655.91	1,225,021.56	845,951.81	160.8%	11.07%
Other	<u>663,026.38</u>	<u>567,662.46</u>	<u>1,417,572.00</u>	46.8%	16.80%
Total Operating Expenses	<u>10,946,328.77</u>	<u>9,972,137.32</u>	<u>13,326,675.96</u>	82.1%	9.77%
Operating Income (Loss)	<u>(4,971,854.96)</u>	<u>(4,620,997.08)</u>	<u>(7,226,106.96)</u>		
Other Non-operating Revenues (Expenses)					
State appropriations	5,285,493.00	5,028,237.00	7,279,303.00	72.6%	5.12%
Gifts	134,697.46	67,000.00	190,640.00	70.7%	101.04%
Other	86,220.18	36,473.23	30,150.00	286.0%	136.39%
Debt Service Transfers	<u>(77,352.25)</u>	<u>(44,835.61)</u>	<u>(77,352.22)</u>	100.0%	72.52%
Increase (Decrease) in Net Position Before Operating Transfers	<u>457,203.43</u>	<u>465,877.54</u>	<u>196,633.82</u>		-1.86%
Operating Transfers, net	42,783.19	(2,566,286.70)	(162,763.20)		
Operating Transfers, Federal Grants	<u>45,332.36</u>	<u>507,659.17</u>	<u>-</u>		
Increase (Decrease) in Net Position	<u>\$ 545,318.98</u>	<u>\$ (1,592,749.99)</u>	<u>\$ 33,870.62</u>		

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

	Current YTD March 31, 2023	Prior YTD March 31, 2022	% Increase/ (Decrease) to Prior YTD	Variance (Decrease) to Prior YTD
Operating Revenue				
Tuition and fees	\$ 174,885,648.59	\$ 173,893,878.78	0.57%	\$ 991,769.81
Scholarships and fellowships	(72,745,150.62)	(69,808,868.31)	4.21%	(2,936,282.31)
Grants and contracts	38,766,112.88	30,904,891.08	25.44%	7,861,221.80
Other revenues	55,719,439.65	52,684,568.63	5.76%	3,034,871.02
Total Operating Revenue	196,626,050.50	187,674,470.18	4.77%	8,951,580.32
Operating Expenses				
Salaries	130,979,765.87	123,449,743.00	6.10%	7,530,022.87
Benefits	52,692,528.18	45,950,106.46	14.67%	6,742,421.72
Utilities	7,465,454.44	6,283,157.71	18.82%	1,182,296.73
Travel	5,209,639.98	4,028,327.19	29.33%	1,181,312.79
Supplies and services	33,601,934.92	30,262,981.44	11.03%	3,338,953.48
Other	20,470,303.94	19,334,315.37	5.88%	1,135,988.57
Total Operating Expenses	250,419,627.33	229,308,631.17	9.21%	21,110,996.16
Operating Income (Loss)	(53,793,576.83)	(41,634,160.99)		(12,159,415.84)
Other Non-operating Revenues (Expenses)				
State appropriations	76,712,636.74	69,801,931.69	9.90%	6,910,705.05
State appropriations-capital	3,502,238.53	2,903,529.85		598,708.68
Federal Pell grants to students	20,930,645.73	20,730,757.12	0.96%	199,888.61
HEERF/CARES ACT funds Institutional	45,059.15	21,088,018.10		(21,042,958.95)
HEERF/CARES ACT funds Student Funds	273.21	22,472,836.00		(22,472,562.79)
Scholarships and fellowships HEERF		(22,514,366.45)		22,514,366.45
Gifts	4,539,803.39	4,075,873.73	11.38%	463,929.66
Gifts capital projects	12,003,899.65	5,539,444.51		6,464,455.14
Other	1,642,193.18	1,094,769.02	50.00%	547,424.16
Debt Service Transfers	-	-		-
Increase (Decrease) in Net Position Before Operating Transfers	65,583,172.75	83,558,632.58	-21.51%	(17,975,459.83)
Operating Transfers, net	(0.00)	(0.00)		(0.00)
Increase (Decrease) in Net Position	\$ 65,583,172.75	\$ 83,558,632.58	-21.51%	\$ (17,975,459.83)

Missouri State University
Statement of Net Position - unaudited
All Funds

	March 31, 2023	March 31, 2022
Assets		
Cash, cash equivalents and investments	\$ 223,194,950.42	\$ 286,794,771.98
Receivables, net of allowance for doubtful accounts	43,699,601.38	26,336,841.19
Interfund receivables (payables)	0.00	-
Prepaid MOSERS	5,958,891.53	-
Inventories	5,322,568.77	4,837,443.54
Other assets	(732,594.96)	(922,593.26)
Fixed Assets & CIP	1,126,413,294.82	1,038,993,449.00
Accumulated depreciation	(502,568,382.32)	(471,597,020.19)
Deferred outflows of resources related to pension and bonds	48,746,797.17	50,114,784.17
Total Assets	<u>\$ 950,035,126.81</u>	<u>\$ 934,557,676.43</u>
Liabilities		
Accounts payable/other	\$ 3,935,762.93	\$ 6,322,753.90
Accrued salaries	23,478,049.40	23,729,162.33
Deferred revenue	8,650,919.24	4,178,781.09
Net pension & OPEB liability	271,908,453.00	324,095,364.00
Deferred inflow of resources related to pension/OPEB/leases	67,756,978.79	5,124,324.00
Notes, bonds and leases payable	161,273,659.96	169,334,988.57
Total Liabilities	<u>\$ 537,003,823.32</u>	<u>\$ 532,785,373.89</u>
Net Position	<u>413,031,303.49</u>	<u>401,772,302.54</u>
Total Liabilities and Net Position	<u>\$ 950,035,126.81</u>	<u>\$ 934,557,676.43</u>



State Legislative Budget Update

The General Assembly completed its work on the FY 24 budget. Next stop is the Governor's desk. Since most of the items in the completed budget were in the Governor's budget, we expect him to sign the bill.

The Governor is pro higher education, it's a part of his work force agenda. So, it's a very positive budget for Missouri State and all of Missouri higher education. We also have a tremendous local coalition of senate and house members – both Republican and Democrat - who not only work hard for Springfield, but also for higher education.

The DEI language that was attached by the House to most of the budget bills was eliminated by the Senate budget committee which is chaired by Senator Lincoln Hough. He stood firm on principle and guided the committee through a challenging process. He did masterful work in guiding the FY24 budget through the Senate and to the Governor's desk.

The DEI language was not reinstated during the budget conference process between the House and Senate.

Here are the final details of the budget as they apply to Missouri State:

- A 7% core increase for all public colleges and universities.
- An additional 2% core increase to be distributed to public universities through the performance funding formula under development.
- A \$2 million MoExcels grant for a construction education and training hub.
- An additional \$17.5 million for the Center for Transformational Education for Life, Physical, and Health Sciences.
- \$75,000 for reimbursement of tuition reductions for veterans

VII.A.

Missouri State University Springfield FY2024 Operating Fund Budget Review

5/18/2023

5% Raise Option

2/16/23 FFC

Spring Census

Updates

FY2023 Budget Update

Springfield Operating Fund

Tuition and Student Fees

Summer Tuition Shortfall

(503,362)

(503,362)

-

Fall Tuition Shortfall

(2,249,760)

(2,249,760)

-

Spring Tuition Shortfall

(1,700,905)

(1,851,234)

(150,329)

Student Fee

(80,000)

(68,000)

12,000

College Differential Fees

(227,779)

(129,047)

98,732

Scholarships Higher than Budget

(1,678,079)

(1,569,000)

109,079

Estimated Summer/Fall/Spring Revenue Budget Updates

(6,439,885)

(6,370,403)

Budget Updates

Increased Interest Income

2,898,000

2,898,000

-

Prepay MOSERS

806,183

806,183

-

Increased Property Insurance

(234,000)

(234,000)

-

Lower FY2023 Raise Costs

581,588

581,588

Increased Utilities

-

GA Waivers

(664,900)

(574,000)

90,900

Total Budget Updates

2,805,283

3,477,771

Anticipated Increase (Shortfall) Base FY2023 Budget

(3,634,602)

(2,892,632)

Academic Reductions To Fill The Shortfall

3,200,000

3,200,000

-

Adjusted Increase (Shortfall) Base FY2023 Budget

(434,602)

307,368

741,970

FY2024 Budget Draft

Adjusted Increase (Shortfall) Base FY2023 Budget

(434,602)

307,368

741,970

FY2023 Costs/Revenue Impact

State Appropriation Increase

6,507,682

7.00%

6,507,682

7.00%

-

Returning Hero's Funding

-

75,000

75,000

Loss of MOSERS Appropriation

(2,900,000)

(2,900,000)

-

Tuition Rate Increase (Net)

4,480,000

4.00%

5,320,000

4.50%

840,000

Online Student Fee Increase

279,000

279,000

College Differential Fees

417,613

417,613

-

Change Fall 2023 Credit Hours

Flat enrollment

-

Change Spring 2024 Credit Hours

Flat enrollment

-

Cooperative Engineering Program Allocation

125,000

125,000

-

Scholarships Budget Changes

Flat scholarships

-

Higher Interest Income

2,288,000

2,288,000

Based on 4.75% Fed Fund Rate

-

Net Revenue Items

10,918,295

12,112,295

Raise with Fringe Only Full Time Employees

(5,666,750)

4.00%

(7,072,665)

5.00%

(1,405,915)

Fringe Rate Increase for MOSERS/Health Care

(1,305,182)

(1,319,132)

(13,950)

Faculty Promotions Includes Fringe

(418,568)

(419,999)

(1,432)

Full Professorship Includes Fringe

(35,775)

(14,310)

21,465

Salary Range Adjustment

(13,293)

-

Employment Cost Index 4.7%

13,293

GA Stipends Increase

(178,320)

(222,900)

(44,580)

Graduate Fee Waivers

(246,000)

(289,215)

(43,215)

Compensation/Benefits

(7,863,888)

(9,338,221)

IT/Technology Expenses

(324,309)

(324,309)

-

Increased Utilities

(749,836)

(749,836)

-

Adm/Fin Services Budget Increases

(263,729)

(263,729)

-

Police Substation

(28,731)

(51,650)

(22,919)

Other

(250,000)

-

250,000

Other Expense Increases

(1,616,605)

(1,389,524)

New Procurement Position/Internal Audit Recommendations

(89,294)

(89,294)

-

Internal Audit Recommendation for OFAC Federal Compliance

(18,438)

(18,438)

Care Clinic

-

(25,000)

(25,000)

Equity/New Position Recruiters

(156,380)

(156,380)

-

DRC

(20,000)

(20,000)

-

Marketing and Communication

(112,500)

(112,500)

-

Rental of Facilities

(18,015)

(155,222)

(137,207)

Mercy Contract

(75,000)

(75,000)

-

Counseling Center

(54,928)

(54,928)

-

Independent Audit Contract

(22,790)

(22,790)

Recruiting/Admissions Support

(325,690)

(325,690)

-

Data Analytics

(150,000)

(150,000)

-

New Budget Items

(1,001,807)

(1,205,242)

FY2024 Costs/Revenue Impact

435,996

435,996

179,308

179,308

(256,687)

Net

1,394

486,676

485,283

One time/Potential Ongoing Costs

Potential One time cost increase for Auxiliary Support

(1,600,000)

?

Assumes 205 less UG students in FY2024

FTNIC enrollment 2,500 student, net revenue impact

(1,607,610)

(1,607,610)

Note: Reduced interest income for every 1% decline in Fed Funds Rate

(1,850,000)

COMPENSATION POOL = \$485,000 (\$169,000 (FACULTY) + \$169,000 (STAFF)) * FRINGE (43.1%)

FACULTY:

POSITION	IMPACTED INCUMBENTS	DRAFT PROPOSAL	EXPENSE (NO FRINGE)
COMPUTER SCIENCE FACULTY	5	GROWTH PROGRAM; PROGRAM INTENDED TO HAVE 50-60 STUDENTS; AT 200; (2) NEW NSF GRANTS	\$ 61,000
PROFESSOR	11	COMPRESSION; INTERNAL	\$ 59,814
ASSOCIATE PROFESSOR	4	COMPRESSION; INTERNAL	\$ 13,200
CLINICAL ASSOCIATE PROFESSOR	3	COMPRESSION; INTERNAL	\$ 17,000
CLINICAL ASSISTANT PROFESSOR	4	COMPRESSION; INTERNAL	\$ 12,000
INSTRUCTOR	3	COMPRESSION; INTERNAL	\$ 5,986
			\$ 169,000

STAFF:

POSITION	ANNUAL NUMBER OF VACANCIES	AVG DAYS TO FILLED	CURRENT INCUMBENTS	DRAFT PROPOSAL	EXPENSE (NO FRINGE)
ACADEMIC ADVISOR	14	84	46	INCREASE SALARY FOR ACADEMIC ADVISORS TO AT LEAST \$42,000; CAREER LADDER	\$ 100,000
ACCOUNTING TECHNICIAN / ACCOUNTING SPECIALIST	6	116	22	INCREASE SALARY FOR ACCTG TECH / SPECIALIST TO \$35,360 (\$17/HR.)	\$ 41,000
PROCUREMENT TECHNICIAN	0	0	2	INCREASE SALARY FOR PROCUREMENT TECH TO \$35,360 (\$17/HR.)	\$ 7,000
MAINTENANCE TECH	6	332	16	INCREASE SALARY FOR MAINT TECH TO \$39,520 (\$19/HR.)	\$ 5,000
HVAC	5	614	6	INCREASE SALARY FOR HVAC TO \$47,840 (\$23/HR.)	\$ 16,000
					\$ 169,000

ONE-TIME PAYMENT (FACULTY & STAFF):

TOTAL FACULTY & STAFF	DRAFT PROPOSAL	EXPENSE + FRINGE	NOTES
2,115	ONE-TIME PAYMENT (\$1,000)	\$ 2,411,946	(775) FACULTY; (1,340) STAFF; FT: 7/1/23 TO 12/1/23
2,115	ONE-TIME PAYMENT (\$1,500)	\$ 3,617,919	(775) FACULTY; (1,340) STAFF; FT: 7/1/23 TO 12/1/23

VII.B.

Missouri State University-West Plains FY2024 Operating Fund Budget Review

5/18/2023

FY2023 Budget Update		Notes
West Plains Operating Fund		
		Total collected vs
FY23 Tuition shortfall	(\$651,717)	budgeted as of 1/27/23 As of 5/03/2023
Higher Interest Income	43,976	Maturity 5/2023
Increased property insurance	(13,619)	
		Anticipated at 5% across
Increased utilities	(18,000)	FY23
Adjusted Increase/(Shortfall) FY23 Base Budget	(639,360)	
FY24 DRAFT budget		
Adjusted Increase/(Shortfall) FY23 Base Budget	(639,360)	
FY24 Appropriation Change (7%)	468,565	
Interest Income	80,000	
Loss of MOSERS appropriation	(131,979)	
Estimated Tuition Increase for FY24 (6%) or \$149 per credit hour	255,330	\$8/hr; assumes flat enrollment ; excludes differential increases in nursing tuition
Potential Savings from Select Frozen or Open Positions FY24	282,956	Numbers provided by Springfield
Savings from reduction in Chancellor supply budget	30,000	
Net Revenue Income	345,512	
New or Increased Expenditures		
Faculty Promotions Including Fringe	(12,219)	
Cost of new salary minimums	(3,279)	
Pay increase 5% FTE only	(381,624)	
Estimated MOSERS at 0.431% of payroll	(78,241)	
Civic Center Lease (if at MOU CPI increase)	(7,446)	
Increased utilities	(22,000)	
Banner Contractual Increases (anticipated 3% increase)	(2,990)	
Required Ongoing Expenditures	(507,799)	
Net	(\$162,287)	

VIII.A.

**MISSOURI STATE UNIVERSITY
OFFICE OF PROCUREMENT SERVICES**

FOR APPROVAL

**Exercise of contract renewal option for the purchase of goods and services estimated
> \$250,000**

Integrated Library System (ILS) University Libraries	\$369,397.00 (Estimated Three-Years)
---	---

Recommend approval to collectively exercise the three optional one-year renewals on Contract C7813-1 with EBSCO for the FOLIO Integrated Library System (ILS) platform for the period July 1, 2023 through June 30, 2026. The original contract is expiring June 30, 2023.

EBSCO is a leading provider for both public and nonpublic entities, and its customizable platform can be made specific to the University.

As a flexible open-source Library Services Platform solution, FOLIO provides acquisitions, cataloging, collection management, circulation, reporting functionality, and a robust Application Program Interface (API) to support library operations, resource access, and strategic objectives. FOLIO Services from EBSCO provides a managed, cloud-hosted instance of the FOLIO platform and its modules, maintained and supported by EBSCO.

EBSCO Discovery Service (EDS) provides an integrated discovery system, allowing university students, faculty, and staff a unified interface to discover both print and electronic resources, owned or subscribed, to which the library facilitates access.

Note: Funding to be from the Library Administration operational budget.

Extend contract for the purchase of goods and services > \$250,000

Medical/Dental Third-Party Administrative Services Agreement Administrative Services	\$400,000.00 (Estimate Annually)
---	---

Recommend approval to amend the Med-Pay, Incorporated contract that is expiring on December 31, 2024, to extend the agreement for an additional four years from January 1, 2025 through December 31, 2028.

ACTIVITY REPORT
PAGE TWO

Originally issued for three years from January 1, 2013 through December 31, 2015, Contract C5726-1 for Medical/Dental Third-Party Administrative Services included four one-year renewal options that on December 17, 2015 were collectively exercised through December 31, 2019. The agreement was extended on December 13, 2018 for an additional five years from January 1, 2020 through December 31, 2024.

Utilization of Med-Pay provides further rate stability to the University during the period of the amendments. The original contractual fee schedule was applied throughout the entirety of all past, present, and proposed term extensions, with the exception of the transparency fee of \$1.25 per employee per month, which was added to comply with certain transparency requirements imposed on group health plans by the federal Transparency in Coverage rules and the No Surprises Act.

A further consideration is that three agreements related to Missouri State University's self-funded Employee Medical Insurance Plan are set to expire on December 31, 2024.

Contracts in question are for Medical/Dental Third-Party Administrative Services, Self-Insured PPO Network Access, and Prescription Drug Plan Services. It is less than ideal administratively to have these three agreements expire at the same time.

Since Med-Pay is the University's current Medical/Dental Third-Party Administrative Services provider, its expertise is desired to evaluate agreements that will be solicited for the Self-Insured PPO Network Access and Prescription Drug Plan Services.

Note: Funding to be from ongoing operational budgets and employee contributions.

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

Internet Firewalls	\$560,000.00
Information Services	(Estimated)

Pursuant to University policy, which allows the University to participate in contract agreements established by other public entities, the University seeks approval to utilize OMNI Contract R210407 through World Wide Technologies. The purpose is to obtain two (2) Palo Alto firewalls, five (5) years of maintenance services, subscription services, and technical support for both.

February 7, 2023 through May 9, 2023

ACTIVITY REPORT
PAGE THREE

Missouri State University relies on a Next Generation Firewall to protect its network from numerous malicious attacks and probes initiated from the Internet. This device is also used to block and identify computers in the University System that are infected with malicious software until hardware can be cleaned.

In the situation where the University's primary Internet feed is no longer available, a second Internet feed will be utilized instead. The second Internet feed will need the same protections as the primary feed to maintain network security, thus a second firewall is required.

Due to improvements in firewall hardware, it is more cost effective to purchase two (2) new firewalls than to purchase a second firewall to match existing equipment. Purchase price includes a credit to accommodate the unused time that was purchased for the existing firewall.

Note: Funding to be from the Networking and Telecommunications FY23 operational budget.

Other purchases at the discretion of the Director of Procurement Services with approval from the Chief Financial Officer or President, with description of the rationale

Data Analytics and Dashboard Software	\$820,557.00
Information Services	(Estimated Five-Years)

Recommend approval of a five-year agreement with EAB for its Edify data analytics and dashboard software.

Edify is higher education's first Education Data Platform. It is the only solution of its kind that provides integration services, data warehousing, and a higher education-specific data model as part of a single, comprehensive platform with functionality and applications designed specifically to serve the data management needs of colleges and universities.

A unique approach to data governance and analytics results that is better suited for higher education data environments because Edify was developed specifically for educational use.

Note: Funding to be from ongoing operational budgets.

February 7, 2023 through May 9, 2023

ACTIVITY REPORT
PAGE FOUR

Other purchases at the discretion of the Director of Procurement Services with approval from the Chief Financial Officer or President, with description of the rationale

Learning Management System (LMS)	\$1,633,384.68
Office of the Provost	(Estimated Five-Years)

Recommend approval of a five-year agreement with D2L to provide its Brightspace Learning Management System (LMS). Implementation is to be completed by the fall 2024 semester.

As a key tool of the Transformation Plan and the Academic Affairs Continuous Agility Plan the Brightspace Learning Management System is to support ensuring that the University learning management system is updated and meets the needs of students, faculty, and staff.

Review of vendors was requested by the Office of the Provost in late November 2022. A committee planned and executed the process, including vendor inputs and visits, stakeholder input, final review, and recommendation. Guidelines included learning management system components, pedagogical evaluation, learning and system analytics, implementation and support, costs, campus feedback, and reference checks.

Note: Funding to be from Student Computer Usage Fees and the Office of the Provost.

IX.

BE IT RESOLVED by the Board of Governors for the 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...

- 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..."

VOTE:___AYE

___NAY