
The Honorable Julia Brncic

Dr. Mohammad Dehghani, Chancellor, Missouri University of Science and Technology
Ms. Kamrhan Farwell, Chief Marketing and Communications Officer
Ms. Marsha Fischer, Vice President for Human Resources ~~Chair~~ Human Resources Officer
Ms. Michelle M. Piranio, Chief Audit and Compliance Officer
Mr. Ryan D. Rapp, Executive Vice President for Finance and Operations, Chief Financial Officer and Treasurer
Dr. Kristin Sobolik, Chancellor for University of Missouri-St. Louis
Dr. Marshall Stewart, Vice Chancellor, Extension and Engagement
Mr. Christian Basi, Director of Media Relations
Media representatives

General Business

University of Missouri Board Chair's Report – presented by Chair Chatman (slides on file)

Chair Chatman recognized Curators' Distinguished Teaching Professor, Dr. Henry Pernicka for his excellent teaching in engineering. Chair Chatman also recognized the work of outstanding researchers from each university:

- x Dr. Ron Mittler, College of Agriculture, Food & Natural Resources, MU
- x Dr. Viviana Grieco, History, Latin America, Latinx Studies, UMKC
- x Dr. Jagannathan Sarangapani, Electrical and Computer Engineering, Missouri S&T
- x Dr. Bettina Casad, Psychology, UMSL

University of Missouri System President's Report – presented by President Choi (slides on file)

President Choi presented a report that included:

- x Recognized faculty for fellowships and awards; Stephen Karian, Ph.D., James Mobberley, Ph.D., Anthony Convertine, Ph.D., and Jerome Ellis Morris, Ph.D.
- x Student Success Compact Updates:
 - o Undergraduate and graduate admissions
 - o US News and World Report best graduate school rankings
 - o NSF graduate research fellowship program awardees

- o Federal and total R&E expenditures
- o Major grants and awards at each university
- x Philanthropy update for each university

Student Representative to the Board of Curators Report – presented by Remington Williams (slides on file)

Student Representative to the Board of Curators presented student highlights from each university.

Board of Curators Executive Committee and Standing Committees Appointments, 2022

It was recommended by Chair Chatman, moved by Curator Monneker and seconded by Curator Hoberock, that the following Board of Curators Executive Committee and Standing Committees appointments be approved for 2022:

Executive Committee
Darryl M. Chatman, Chair
Greg E. Hoberock
Jeff L. Layman

Academic, Student Affairs, Research and Economic Development Committee
Todd P. Graves, Chair
Greg E. Hoberock

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Greg E. Hoberock

Julia G. Brncic
Keith A. Holloway
Robin R. Wenneker

Health Affairs Committee
Robin R. Wenneker, Chair
Keith A. Holloway
Jeff L. Layman
Michael A. Williams
Ronald G. Ashworth (noncurator)
John R. Phillips (noncurator)

It was recommended by Chair Chatman, endorsed by President Choi, moved by Curator Williams and seconded by Curator Hoberock, that the proposed 2023 Board of Curators meeting calendar be approved as follows:

PROPOSED 2023 BOARD OF CURATORS MEETING CALENDAR

<u>DAY(S)</u>	<u>DATE(S)</u>	<u>LOCATION</u>
Thursday	February 9	UM – Columbia
Thursday	April 20	Missouri S&T
Thursday	June 29	Columbia, Missouri
Thursday	September 7	UM – Kansas City
Thursday	November 16	UM – St. Louis

The motion carried unanimously (8-0) by voice vote with no abstentions. Curator Graves was absent for the vote.

Review of Consent Agenda – No discussion.

Consent Agenda

It was endorsed by President Choi, moved by Curator Wenzel and seconded by Curator Williams that the following items be approved by consent agenda:

CONSENT AGENDA

Action

- A. Minutes, February 3, 2022 Board of Curators Meeting
- B.

Bd. Min. 9-27-02; Amended Bd. Min. 11-22-02; Revised 1-5-04; Amended Bd. Min. 9-9-04; Amended Bd. Min. 1-26-07; Amended Bd. Min. 2-6-09; Amended Bd. Min. 6-5-09;

price fluctuations. Exposures will be obtained by investing in the following:

- a. Bank deposits covered by FDIC insurance or otherwise collateralized by U.S. Government and U.S. Government Agency securities.
- b. Money market funds which are SEC 2a-7 compliant and have received the highest possible rating by at least two Nationally Recognized Statistical Rating Organizations.
- c. Commercial Paper which has received a rating of at least A1 / P1 / F1 by two of the Nationally Recognized Statistical Rating Organizations
- d. Repurchase Agreements collateralized by the U.S. Government and U.S. Government Agency securities.
- e. Yield Enhancement Strategies that seek returns higher than, or comparable to, traditional cash investments, while diversifying the risk inherent in traditional cash investments. To implement these strategies, liquid non-cashlike securities are often purchased in conjunction with a hedge instrument that substantially hedges away the non-cashlike attributes of the securities. Instruments that may be part of such transactions include: U.S. Treasury securities, sovereign bonds issued by G10 countries, other fixed income securities and precious metals. To hedge away the non-cashlike attributes, the following instruments may be used: futures contracts, asset/interest rate swaps, currency forwards, securities lending agreements, and repurchase agreements.
- f. Other short-term investment vehicles of similar quality, with an average duration of one year or less
- g. U.S. Treasury securities, U.S. Government Agency securities and U.S. Government guaranteed securities, including but not limited to: all direct obligations of the U.S. Government, Federal Farm Credit Banks, Federal Home Loan Banks, Federal National Mortgage Association, and Federal Home Loan Mortgage Corporation.

- h. Internal short-term loans at market interest rates to the University's Central Bank as a substitute for commercial paper which could otherwise be issued externally by the Central Bank under the University's Commercial Paper Notes program. Such short-loans must be approved by the Vice President for Finance.

2. Core Portfolio

The Core portfolio is expected to have moderate volatility with moderate returns, invested primarily in public debt securities and related investment vehicles. It will serve as a secondary source of liquidity, built utilizing excess operating funds not expected to be needed for purposes of funding the operational needs of the University under normal circumstances. This portfolio will be expected to generate higher returns than the Liquidity portfolio through the use of some combination of credit risk, interest rate risk, illiquidity risk and idiosyncratic (active) risk.

a. Public Debt

Specific types of debt include, but are not limited to, sovereign, corporate, inflation-linked, high yield, emerging market, commercial mortgage-backed securities, and residential mortgage-backed securities.

Exposure will be obtained primarily through physical securities, however, from time to time derivative instruments commonly accepted by other institutional investors such as futures, swaps, options, forward contracts, and reverse repurchase agreements may be utilized. Exposures may include long/short positions.

Legal account structures will primarily be in the form of separately managed accounts and institutional commingled funds, however, from time to time limited partnership agreements or other similar forms may also be utilized.

3. Strategic Portfolio

The Strategic portfolio will be built utilizing excess operating funds that should not be needed for liquidity purposes. As compared to the Core portfolio, the Strategic portfolio will have higher return expectations and a higher level of expected volatility. These are truly long-term funds and should be thought of similarly to retirement and endowment funds.

a. Risk Balanced

It is expected that this portfolio will be meaningfully balanced across traditional risk factors including equities, real interest rates, inflation (both actual and expected), commodities and credit. Additionally, non-traditional risk factors including value, momentum, carry, defensive and trend may be included. It is also expected that idiosyncratic (active) risk will be taken in this portfolio from time to time.

Exposure will be obtained through physical securities and/or conventional derivative instruments commonly accepted by other institutional investors such as, futures, swaps, options, forward contracts and reverse repurchase agreements.

Legal account structures will primarily be in the form of separately managed accounts, institutional commingled funds and limited partnership agreements.

b. Real Estate/Infrastructure

Specific types of fund investments may be structured as equity and/or debt and include categories broadly defined as core, value added, and opportunistic. In addition, investments may be made in real estate investment trusts and master limited partnerships from time to time.

Legal account structures will primarily be in the form of limited partnership agreements with average tenure of 21 years.

Separately managed accounts and institutional commingled funds may also be utilized from time to time.

c. Private Debt

Specific types of long-only and long/short strategies including, but are not limited to, distressed debt funds, distressed for control funds, whole loans and pools, levered loans and pools, and mortgage servicing rights.

Legal account structures will primarily be in the form of limited partnership agreements.

d. Venture Capital

Investments shall be consistent with the University's mission to

foster innovation in support of economic development. Maximum allocation shall be \$5 million.

Investments require unanimous approval by the Executive Vice President for Finance and Operations and the Chief Investment

risk, allowing the University to better manage through periods of market volatility.

F. Excluded

Disability and Death Benefit Plan Financial Management Policy noted in the attached documents (and as on file with the minutes of this meeting); and, acceptance of the changes to actuarial assumptions for the University's Retirement, Disability and Death Benefit Plan as recommended by Segal in the attached Report on Actuarial Valuation Assumptions Study (and as on file with the minutes of this meeting):

140.015 Investment Policy for Retirement, Disability and Death Benefit Plan

Bd. Min. 6 -26-12, Revised Bd. Min. 6 -14-13, Revised Bd. Min. 9-12-13, Revised 6-25-15, Revised 2 -4-16; Revised 4-14-16; Amended Bd. Min. 9-28-17; Amended Bd. Min. 4 -21-22.

- A. Introduction -- The University's Retirement, Disability and Death Benefit Plan ("Plan") was established to provide retirement income and other stipulated benefits to qualified employees in amounts and under the conditions described in the plan. A Trust was established in 1958 and is being funded to provide the financial security of those benefits.
- B. Responsibilities and Authorities – See CRR 140.010 “ Policy for Management and Oversight of Selected University Investment Pools.”
- C. Investment objectives -- The primary objective to be achieved in the active management of Trust assets is to provide for the full and timely payment of retirement, disability and death benefits to qualified employees. In order to fulfill this objective the University must maintain a prudent actuarially sound funding of the Plan's liabilities. This funding requirement is derived from three principal sources; the total investment return on Trust assets and the amount of University and employee contributions.

Trust assets should be managed in a manner that maximizes returns while attempting to minimize losses during adverse economic and market events, with an overall appetite for risk governed by the Plan's liability structure and the need to make promised benefit payments to members over time. This will be accomplished through a more 'risk -

“Allowable Investments ,” in the following asset classes:

Asset Class	Asset Class Target	AllowableQ q 252.
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G. Portable Alpha Program

Synthetic market exposures across asset

Range 3	9.9% or less	Take immediate action to replenish to Range 2 as quickly as possible with plan to replenish to Range 1 within 60 days, and subsequent plan to replenish to Range 1 Target within 12 months
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* Cash Margin is defined as Portable Alpha Program cash and cash equivalents divided by the total of synthetic market

1. Expected Investment Return / Liability Discount Rate Current governmental accounting standards utilize the same actuarial assumption for both the expected rate of return on the Plan's investments and the discount rate applied to the Plan's benefit liabilities. This creates tension when managing risk, particularly for closed plans. A higher discount rate results in a lower pension liability with lower required contributions, while the same higher expected investment return often results in a higher level of risk within the Plan's investment portfolio. A lower discount rate results in a higher pension liability with higher required contributions, while the same lower expected investment return often results in a lower level of risk within the Plan's investment portfolio.

With a pension plan closed to new participants, annual contributions going into the plan will decline over time, leaving a closed plan increasingly reliant on investment income and, ultimately, plan assets to fund the plan's liabilities. As such, reducing the risk and volatility of the plan's investments becomes increasingly important as the plan matures in closure. This represents the ultimate tradeoff in managing a pension plan under current governmental accounting standards, balancing an acceptable level of investment risk against the strain of pension contributions on operating budgets.

Regardless of the actuarial assumptions used by the Plan, the University remains responsible for the actual benefit payment obligations under the Plan. Any differences between what is assumed and what actually occurs will flow through to impact required Plan contributions, with corresponding impact to the University's operating budget. As an example, while a higher expected investment return may result in lower Plan contributions initially, if the Plan's realized investment returns are lower than what was expected, future contributions must necessarily increase to cover the shortfall. Given the time value of money and the longevity of the

Plan's liabilities, any underfunding of contributions in the near term will almost always lead to significantly higher required contributions over time.

Consistent with each of the objectives noted above, the following principle should govern the management of the Plan's actuarial expected investment return / liability discount rate:

- a. When the actuarially determined funded status of the Plan exceeds 95%, the Executive Vice President for Finance and Operations, in consultation with the Board Finance Committee, should work with the Plan's actuary to evaluate the feasibility of lowering the Plan's expected investment return / liability discount rate by an amount that brings the funded status of the Plan back down to 95%, to the extent this can be accomplished without causing an increase in contributions already being paid into the Plan. ~~As~~ As expected investment return / liability discount rate is lowered, the investment risk of the Plan's investments should be lowered concurrently.
 - b. At minimum, this practice should remain in place until the expected investment return / liability discount rate drops to a level equal to the FTSE Pension Index + 2%. The FTSE Pension Index is commonly used by corporate plan sponsors and actuaries to establish discount rates used to value private pension liabilities in compliance with SEC and FASB requirements. The University may substitute another standard liability index in accordance with any shifts in common practice of valuing pension liabilities.
2. Plan Contributions- The Actuarially Determined Contribution (ADC) for the Plan is equal to the normal cost payment plus an amortization payment on the unfunded actuarial accrued liability (if applicable). In determining the ADC, the University will follow standard actuarial practices, working in conjunction with the Plan's

any other factors) cause the actuarially determined funded status of the Plan to fall below 75%, the Executive Vice President for Finance and Operations should

MUHC: Capital Plan included in Finance Plan:
x MUHC Campus Consolidation & Inpatient Services Expansion

UMKC: Capital Plan included in Finance Plan:
x New Health Science Building
x School of Medicine, St Joseph's Facility
x Steam Heating Plant Renewal

Strategic Projects Development Plan:
x Olson Performing Arts Center Renovations and Additions
x UMKC Athletics Performance Center Additions & Renovations
x Spencer Chemistry & Biological Science Renovation Phase II
x New Student Housing
x 4747 Troost Renovation

S&T: Capital Plan included in Finance Plan:
x Missouri Protoplex – Phase One
x Arrival Court
x Subsurface Parking Garage
x Missouri Protoplex – Phase Two
x Welcome Center
x Engineering Research Lab Addition and Renovation
x Schrenk Hall Addition and Renovation - Phase III

Strategic Projects Development Plan:
x Innovation Campus Program Expansion
x University Center West
x McNutt Hall Addition

UMSL: Capital Plan included in Finance Plan:
x Optometry and Honors College Consolidation
x Music and Fine Arts to General Services Building Consolidation
x College of Education Consolidation
x Thomas Jefferson Library/Computer Laboratory Consolidation
x Welcome Center

Strategic Projects Development Plan

x Stadler Hall Renovation

be approved for further planning and development as described in the following materials (and as on file with the minutes of this meeting)

The motion carried unanimously (8-0) by voice vote with no abstentions.

Governance, Compensation and Human Resources Committee

Curator Williams provided time for discussion of committee business.

2021 Annual Benefits Report, UM – presented by Vice President Fischer (information on file for this information item)

Audit, Compliance and Ethics Committee

Curator Holloway provided time for discussion of committee business.

Internal Audit, Compliance and Ethics Quarterly Report, UM – presented by Chief Audit and Compliance Officer Piranio (information and slides on file)

The only other business to come before the committee was an action to move into executive session later in the afternoon, which passed unanimously by the committee

Academic, Student Affairs, Research and Economic Development Committee

Curator Graves provided time for discussion of committee business.

New Collected Rule and Regulation 600.090, Digital Accessibility Policy – presented by Amber Cheek (information and slides on file)

It was recommended and endorsed by President of the University of Missouri Mun Choi, recommended by the Academic, Student Affairs, Research & Economic Development Committee, moved by Curator Graves, and seconded by Curator Brncic, that the following action be approved:

that Section 600.090, Digital Accessibility Policy, be added to the Collected Rules and Regulations of the University of Missouri, as attached (and as on file with the minutes of this meeting).

600.090 Digital Accessibility Policy

Adopted by the Board 4-21-22.

A. Definitions

1. Digital Accessibility is the ability of a website, mobile application, or electronic document to be easily navigated and understood by a wide range of users, including those users who have visual, auditory, motor, or cognitive disabilities.
2. Assistive Technology is an adaptive device or software which assists persons

Health Affairs Committee Chair Report

Curator Wenneker provided an overview of committee business.

Executive Vice Chancellor Report – presented by Richard Barohn, MD (slides on file for this information item)

The minutes for the January 27, 2022 Health Affairs Committee meeting were approved at the April 14, 2022 committee meeting.

General Business

Missouri University of Science and Technology Campus Highlights – presented by Chancellor Dehghani (slides on file for this information only item)

- x Section 610.021(1), RSM relating to matters identified in that provision, which include legal actions, causes of action or litigation, and confidential or privileged communications with counsel; and
- x Section 610.021(2), RSMo, relating to matters identified in that provision, which include leasing, purchase, or sale of real estate; and
- x Section 610.021(3), RSM relating to matters identified in that provision, which include hiring, firing, disciplining, or promoting of particular employees; and
- x Section 610.021(12), RSMo, relating to matters identified in that provision, which include sealed bids and related documents and sealed proposals and related documents or documents related to a negotiated contract; and
- x Section 610.021 (13), RSMo, relating to matters identified in that provision, which include individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment; and
- x Section 610.021(17), RSMo relating to matters identified in that provision, which include confidential or privileged communications between a public governmental body and its auditor; and
- x Section 610.021(20), RSMo, relating to matters identified in that provision, which include records that identify the configuration of components or the operation of a computer, computer system, computer network, or telecommunication network, and would allow unauthorized access to or unlawful disruption of a computer system.

Roll call vote of the Board:

Curator Brncic voted yes.
Curator Chatman voted yes.
Curator Graves voted yes.
Curator Hoberock voted yes.
Curator Holloway voted yes.
Curator Layman voted yes.
Curator Wenneker voted yes.
Curator Williams voted yes.

The motion carried

The public session of the Board of Curators meeting recessed 6:00 P.M. on April 21, 2022.

Board of Curators Meeting – Executive Session

A meeting of the University of Missouri Board of Curators was convened in executive session at 2:05 P.M. on Thursday, April 21, 2022, in the Silver and Gold Conference Room of the Havener Center on the Missouri University of Science and Technology campus, Rolla, Missouri, pursuant to public notice given of said meeting. Curator Darryl M. Chatman, Chair of the Board of Curators, presided over the meeting.

Present

The Honorable Julia G. Brncic
The Honorable Darryl M. Chatman
The Honorable Todd P. Graves
The Honorable Greg E. Hoberock
The Honorable Keith A. Holloway
The Honorable Jeffrey L. Layman
The Honorable Robin R. Wenneker
The Honorable Michael A. Williams

Also Present

Dr. Mun Y. Choi, President, University of Missouri
Mr. Mark A. Menghini, General Counsel
Ms. Cindy Harmon, Secretary of the Board of Curators
Mr. Remington Williams, Student Representative to the Board of Curators
Ms. Kamrhan Farwell, Chief Marketing and Communications Officer
Ms. Marsha Fischer, Vice President for Human Resources and Chief Human Resources Officer
Mr. Ryan Rapp, Executive Vice President for Finance and Operations and CFO
Ms. Valerie Slayton, Senior Executive Assistant, Board of Curators Office

General Business

General Counsel's Report – presented by General Counsel Menghini

No action taken by the Board.

Audit, Compliance and Ethics Committee – Executive Session

2021 Information Security Report

No action taken by the Board.

Audit/Investigation Update - presented by Chief Audit and Compliance Officer Piranio

No action taken by the Board.

Academic, Student Affairs, Research and Economic Development Committee
– Executive Session

Curators' Distinguished Professor Emeritus, Dr. Jeremy Taylor, - presented by Steven Chaffin (information and slides on file)

It was recommended and endorsed by President of the University of Missouri Mun Choi, recommended by the Academic, Student Affairs and Research & Economic Development Committee moved by Curator Graves, and seconded by Curator Brncic, that the following action be approved:

that upon the recommendation of President Choi, the Provost, and the University of Missouri System Office of Academic Affairs, it is recommended that Professor Jeremy Taylor be named to the position University of Missouri Curators' Distinguished Professor Emeritus, effective 04/21/2022.

Roll call vote of the Board:

Curator Brncic voted yes.
Curator Chatman voted yes.
Curator Graves voted yes.
Curator Hoberock voted yes.
Curator Holloway voted yes.
Curator Layman voted yes.
Curator Wenneker voted yes.
Curator Williams voted yes.

The motion carried.

Curators' Distinguished Teaching Professor Emerita, Dr. Diana Ahmad, Missouri S&T - presented by Steven Chaffin (information and slides on file)

It was recommended and endorsed by President of the University of Missouri Mun Choi, recommended by the Academic, Student Affairs and Research & Economic Development Committee moved by Curator Graves, and seconded by Curator Layman, that the following action be approved:

that upon the recommendation of Chancellor Dehghani, the Provost, the University of Missouri System Office of Academic Affairs, it is recommended

It was moved by Curator Brncic and seconded by Curator Wenneke that the Board of Curators meeting and committee meetings, April 21, 2022, be adjourned.

Roll call vote of the Board:

Curator Brncic voted yes.
Curator Chatman voted yes.
Curator Graves voted yes.
Curator Hoberock voted yes.
Curator Holloway voted yes.
Curator Layman voted yes.
Curator Wenneke voted yes.
Curator Williams voted yes.

The motion carried.

There being no other business to come before the Board of Curators, the meeting was adjourned at 5:30 P.M. on Thursday, April 21, 2022.

Respectfully submitted,

Cindy S. Harmon
Secretary of the Board of Curators
University of Missouri System

Approved by the Board of Curators on June 23, 2022.