

GOVERNANCE, COMPENSATION AND HUMAN RESOURCES COMMITTEE

Keith A. Holloway, Chair

Robert D. Blitz

Julia G. Brncic

Robin R. Wenneker

I. Governance, Compensation and Human Resources Committee

The Governance, Compensation and Human Resources Committee ("Committee") will review and recommend policies to enhance quality and effectiveness of the Board as well as compensation, benefits and human resources functions of the University.

II. Governance

A. Scope

In carrying out its responsibilities regarding governance, the Committee has the central authority of ensuring that board members are prepared to exercise their fiduciary duties and assisting the Board to function effectively, efficiently and with integrity.

B. Executive Liaison

The General Counsel of the University, or some other person(s) designated by the President of the University with the concurrence of the Board Chair and the Committee Chair, shall serve as executive liaison to the Committee on governance matters and be responsible for transmitting Committee recommendations related to governance.

C. Responsibilities

In addition to the overall responsibilities of the Committee described above, and in carrying out its responsibilities regarding governance, the Committee shall review and make recommendations on the following matters:

1. ensuring that Board members are prepared to carry out their fiduciary duties to the University;
2. providing and monitoring a substantive orientation process for all new Board members and a continuous board education program for existing Board members;
3. overseeing, or determining with the Board Chair and President, the timing and process of periodic Board self-assessment;
4. establishing expectations and monitoring compliance of individual Board members;
5. ensuring that the Board adheres to its rules of conduct, including conflict-of-interest and disclosure policies, and that it otherwise maintains the highest levels of integrity in everything it does;
6. periodically reviewing the adequacy of the Board's bylaws and other Collected Rules and Regulations adopted by the Board that pertain to its internal operations (all recommendations for bylaws amendment shall first be considered by this Committee);
7. identifying best practices in institutional and Board governance;
8. monitoring and assessing external influences and relationships with affiliated entities;
9. assessing areas of expertise needed in future Board members; and
10. those additional matters customarily addressed by the governance committee of a governing board for an institution of higher education.

III. Compensation and Human Resources

1. **Scope**

In carrying out its responsibilities regarding compensation and human resources, the Committee reviews and makes recommendations to the Board of Curators on strategies and policies relating to compensation, benefits and other human resources functions and associated programs.

2. **Executive Liaison**

The Vice President and Chief Human Resources Officer of the University, or some other person(s) designated by the President of the University, with the concurrence of the Board Chair and the Committee Chair, shall serve as executive liaison to the Committee on human resources and compensation matters and be responsible for transmitting committee recommendations related to human resources and compensation.

3. **Responsibilities**

In addition to the overall responsibilities of the Committee described above and in carrying out its responsibilities regarding human resources and compensation, the charge of the Committee shall include reviewing and making recommendations to the Board on the following matters:

1. Performance and compensation of individuals reporting directly to the Board:
 1. President
 2. General Counsel
 3. Secretary of the Board of Curators
 4. Chief Audit and Compliance Officer, in conjunction with the Audit, Compliance and Ethics Committee
2. Pursuant to Section 320.020 of the Collected Rules and Regulations, appointment or change of appointment of the following shall be reported to and approved by the Board before the effective date:
 1. Vice Presidents
 2. Chancellors
3. Intercollegiate Athletics

Pursuant to Section 270.060 of the Collected Rules and Regulations, contracts for Directors of Intercollegiate Athletics and Head Coaches may not exceed five (5) years and shall not include buyout clauses calling for the individual to receive more than the balance of the annual base salary the individual would have earned under the remaining terms of the contract, unless approved by the UM Board of Curators upon the recommendation of the President.
4. Benefit, retirement and post retirement plans, including an annual benefits report, as further defined in Section 520.010, Benefit Programs, of the Collected Rules and Regulations.
5. Additional employee benefits including the Education Assistance Program for University Employees, CRR 230.070, and Layoff and Transition Assistance, CRR 350.051.
6. Labor Union Recognition and matters as further defined in Section 350.020, Labor Union Recognition, of the Collected Rules and Regulations.
7. Employment related policies including those related to employee absences, conduct and grievances.

8. Provide oversight over the University of Missouri System's diversity, equity and inclusion programs.
9. Additional matters customarily addressed by the compensation and human resources committee of a governing board for an institution of higher education.

Collected Rules and Regulations 10.090 and 320.040 Amendments

Executive Summary

CRR 10.090 Ethics and Conflict of Interest and CRR 320.040 Nepotism contain provisions regarding hiring of persons related to Curators. The attached documents contain proposed amendments to these rules to conform them to applicable Missouri statutory language in Section 172.310, RSMo. The amended rules would use the actual language from Missouri's statute, as the existing language does not track the statutory language. Further, the language of the two rules was not previously consistent – the proposed changes make the two rules consistent with each other and Missouri statute. In addition, the amended rules would make clear that no Curator, while serving on the Board, may participate in, advocate for, or influence in any way in the hiring or appointment of an individual as a University employee, if that individual is within four degrees of relation by blood or marriage to any current Curator.

No. 1

Recommended Action - Amendments to CRR 320.040 Nepotism and CRR 10.090 Ethics and Conflict of Interest

It was recommended by the Governance, Compensation and Human Resources Committee moved by Curator _____, and seconded by Curator _____, that the following action be approved:

Collected Rules and Regulations CRR 320.040 Nepotism and 10.090 Ethics and Conflict of Interest be amended as indicated in the attached documents:

Roll call vote of the Committee:	YES	NO
Curator Blitz		
Curator Brncic		
Curator Holloway		
Curator Wenneker		

The motion _____.

Roll call vote of the Board:	YES	NO
Curator Blitz		
Curator Brncic		
Curator Fry		
Curator Graves		
Curator Holloway		
Curator Layman		
Curator Siquefield		
Curator Wenneker		
Curator Williams		

The motion _____.

320.040 Nepotism

Bd. Min. 2-14-57, p. 10,425; Bd. Min. 6-5-63, p. 22,810, Amended Bd. Min. 7-25-97;
Revised 10-1-98, Amended 10-21-11; Amended 7-28-20.

- A. **Relatives of Curators Not to be Employed** – No person who is related by blood or marriage to any current member of the Board of Curators ~~within the fourth degree by consanguinity or affinity, shall become an employee of the University shall be appointed to any position in the university as officer, member of any faculty or employee~~ during the time such curator is a member of the Board of Curators. Further, no member of the Board of Curators, during the time such curator is a member of the Board of Curators, shall participate in, advocate for or influence in any way the hiring or appointment of any person as an employee at any level of the University or any affiliated entity at any level who is related by blood or marriage to any current member of the Board of Curators within the fourth degree by consanguinity or affinity. –No exceptions shall be made to this rule.
- B. **Employees Not to Hire or Appoint Relatives** -- No employee of the University shall hire or appoint an individual who is related by blood or marriage within the fourth degree by consanguinity or affinity to the employee making the decision to hire or appoint. No exceptions shall be made to this rule.
- C. **Restrictions on being Administrative Superior to Relatives**—Notwithstanding any other provision of University policy inconsistent herewith and even though the prohibitions found in Section 320.040A and Section 320.040B above have been complied with, no employee of the University shall be the Administrative Superior of an individual who is related by blood or marriage within the fourth degree by consanguinity or affinity to that employee.
- D. **No Other Restrictions on Employment of Relatives**—Other than the restrictions found in Section 320.040A, Section 320.040B and Section 320.040C above, the University imposes no restrictions on the employment of relatives who have been hired or appointed pursuant to normal University human resources and equal employment opportunity policies.
- E. **Definitions** -- For the purpose of interpreting and applying the provisions of Section 320.040, the following terms shall have the following meanings:

1. Relatives by Blood or Marriage

- a. **Relatives by Blood Within the Fourth Degree** -- A person is related by blood (consanguinity) as closely as the fourth degree to the following: children; grandchildren; great-grandchildren; great-great-grandchildren; parents; grandparents; great-grandparents; great-great-grandparents; brothers and sisters; nephews; ~~grand nephews~~; nieces; grand nieces; uncles; grand uncles; aunts; grand aunts; and first cousins.
- b. **Relatives by Marriage With the Fourth Degree** -- A person is related by marriage (affinity) as closely as the fourth degree to that person's spouse and to the spouse's following blood relatives: children; grandchildren; great-grandchildren; great-great-grandchildren; parents; grandparents; great-grandparents; great-great-grandparents; brothers and sisters; nephews; grand nephews;

nieces; grand nieces; uncles; grand uncles; aunts; grand aunts; and first cousins.

- c. **Other Persons Considered as Relatives** -- The half-blood shall be considered the same as the whole blood. Stepchildren, stepparents, etc., shall be considered the same as blood relatives of the person or the person's spouse as the case may be. An *in loco parentis* relationship shall be considered the same as a blood relationship to the person or the person's spouse as the case may be.
- 2. **Employees** -- The term "employees" shall include officers, academic staff members, and all other employees of the University.
- 3. **Administrative Superior** -- An "Administrative Superior" is any employee of the University who has responsibility for deciding whether to appoint, promote or grant tenure; who has the responsibility for recommending whether to appoint, promote or grant tenure; who has the responsibility for setting or approving the salary or deciding whether to increase the salary of another University employee; or who has the responsibility for recommending the salary, recommending approval of the salary or recommending whether to increase the salary of another University employee. The term Administrative Superior includes faculty and staff members responsible for making recommendations, whether such recommendation is made individually, is made as a member of a committee, or is made collectively with others. The term is not limited to upper levels of University administration, but includes a University employee at any level who has any of the responsibilities described in the first two sentences of Section 320.040E.3.
- 4. **Immediate Supervisor**—An "Immediate Supervisor" is an employee's direct supervisor.
- F. **Full Disclosure Required**-- In any circumstance in which an individual who is an Administrative Superior becomes aware of being in a position in which performance of regular duties with regard to a University employee would cause this nepotism policy to be violated, such individual has an obligation to fully disclose the circumstances to the individual's Immediate Supervisor and to cooperate with such Immediate Supervisor in being removed from any involvement in those activities prohibited by this policy and which are related to any person who is related by blood or marriage within the fourth degree by consanguinity or affinity to such Administrative Superior.
- G. **Consequences of Violations**--A violation of this policy, regardless of the manner in which it is brought to the attention of the University, may lead to disciplinary action as appropriate, up to and including termination of employment in the most serious circumstances, following appropriate processes for such discipline.

320.040 Nepotism

Bd. Min. 2-14-57, p. 10,425; Bd. Min. 6-5-63, p. 22,810, Amended Bd. Min. 7-25-97; Revised 10-1-98, Amended 10-21-11; Amended 7-28-20; Amended 11-16-23.

- A. **Relatives of Curators Not to be Employed** – No person who is related by blood or marriage to any current member of the Board of Curators shall be appointed to any position in the university as officer, member of any faculty or employee during the time such curator is a member of the Board of Curators. Further, no member of the Board of Curators, during the time such curator is a member of the Board of Curators, shall participate in, advocate for or influence in any way the hiring or appointment of any person as an employee at any level of the University or any affiliated entity who is related by blood or marriage to any current member of the Board of Curators within the fourth degree by consanguinity or affinity. No exceptions shall be made to this rule.
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- C. **Restrictions on being Administrative Superior to Relatives**—Notwithstanding any other provision of University policy inconsistent herewith and even though the prohibitions found in Section 320.040A and Section 320.040B above have been complied with, no employee of the University shall be the Administrative Superior of an individual who is related by blood or marriage within the fourth degree by consanguinity or affinity to that employee.
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- b. **Relatives by Marriage With the Fourth Degree** -- A person is related by marriage (affinity) as closely as the fourth degree to that person's spouse and to the spouse's following blood relatives: children; grandchildren; great-grandchildren; great-great-grandchildren; parents; grandparents; great-grandparents; great-great-grandparents; brothers and sisters; nephews; grand nephews;

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nieces; grand nieces; uncles; grand uncles; aunts; grand aunts; and first cousins.

- c. **Other Persons Considered as Relatives** -- The half-blood shall be considered the same as the whole blood. Stepchildren, stepparents, etc., shall be considered the same as blood relatives of the person or the person's spouse as the case may be. An *in loco parentis* relationship shall be considered the same as a blood relationship to the person or the person's spouse as the case may be.
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10.090 Ethics and Conflict of Interest

Board Minutes 7-21-06, Amended 2-6-09, Amended 1-27-11, 6-26-12; 7-28-20.

Each member of the University of Missouri Board of Curators (hereinafter "Board") has a fiduciary obligation and responsibility with respect to service on the Board, which is ultimately responsible and accountable for governing the University pursuant to Article IX, Section 9(a) of the Missouri Constitution of 1945 and applicable statutes. Each member of the Board is expected to serve the public trust and to exercise duties and responsibilities solely in the interest of the public, the University and the Board and not in the member's own interest, the interest of the member's spouse, parents, siblings or children or in the interest of any business with which any of the foregoing are associated.

To implement the foregoing general principles, the Board has adopted the following:

1. Prohibited Transactions

1. No member of the Board shall vote on, attempt to influence the vote of other members of the Board or attempt to influence the decision of the University with regard to any matter under consideration by the Board or by the University in which said action will result in a material financial gain or personal gain for said Board member, the member's spouse, parents, siblings or children or any business with which any of the foregoing are associated.
2. No member of the Board shall act or refrain from acting, in connection with duties and responsibilities as a member of the Board, by reason of the payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary value by said Board member, by the member's spouse, parent, siblings or children or any business with which any of the foregoing are associated.
3. No member of the Board shall use in any manner whatsoever or disclose to others confidential information obtained in connection with duties and responsibilities as a member of the Board with the intent to result in material financial gain or personal gain for said Board member, for the member's spouse, parents, siblings or children or any business with which any of the foregoing are associated.
4. Consistent with Section 320.115 of the Collected Rules and Regulations of the University of Missouri, no member of the Board shall be employed by the University, either full-time or part-time, during service as a member of the Board or for two (2) years after the cessation of such service. Further, no member of the Board shall enter into any contract to provide goods or services under contract with the University during service as a member of the Board or for two (2) years after the cessation of such service; provided, however, that such prohibition shall not apply if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

5. Consistent with the provisions of Article VII, Section 6 of the Missouri Constitution of 1945, Section 172.310, RSMo 2000 and Section 320.040 of the Collected Rules and Regulations of the University of Missouri, no person who is related by blood or marriage to any member of the Board shall, during said Board member's service as a member of the Board, be appointed to any position in the University as officer, member of any faculty or employee and no member of the Board of Curators, during the time such curator is a member of the Board of Curators, shall participate in, advocate for or influence in any way the hiring or appointment of any person as an employee at any level of the University or any affiliated entity who is related by blood or marriage to any current member of the Board of Curators within the fourth degree by consanguinity or affinity.

2. Full Disclosure

1. Each member of the Board shall complete and shall submit annually to the Secretary of the Board on or before August 15 of each year, the University of Missouri Board of Curators' Conflict of Interest Disclosure Form, for the purpose of disclosing to the Board and to the public said Board member's financial interests and the financial interests of the member's spouse, parents, siblings or children, including the identity of any business with which any of the foregoing are associated. Each member of the Board of Curators shall file with the Secretary of the Board of Curators a copy of the required filing which they make with the State of Missouri Ethics Commission entitled Personal Financial Disclosure Statement. Additionally, all current members of the Board, as of August 15, 2006, and in the future new Board members, upon initial appointment to the Board of Curators, shall file with the Secretary of the Board of Curators a listing containing the name of the member's spouse, parents, siblings and children together with their current place of employment and the name of any business in which the person has an ownership interest in excess of ten percent. A Board member shall promptly update this listing when warranted by a change in circumstances.
2. If a member of the Board reasonably believes that the member or another Board member has a conflict of interest, a potential conflict of interest or reasonably believes that the general public might perceive that a conflict of interest exists with regard to any matter that is under consideration by the Board, the member shall report such conflict of interest, potential conflict of interest or perceived conflict of interest to the Chair of the Board at the earliest opportunity and, if possible, prior to any discussion, deliberation or vote by the Board on that matter. Unless the member of the Board voluntarily agrees to abstain from all such discussions and voting on the matter, the Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that such member of the Board refrain from all such discussions and voting on the matter. If the Chair of the Board is the Board member whose financial or personal interest is at issue, the Vice Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that the Chair of the Board refrain from all such discussions and voting on the matter. In all cases the Board is the final authority on conflict of interest issues. The Board member whose financial or personal interest is the subject of any vote shall not be eligible to vote thereon.
3. If a member of the Board becomes aware that the University is about to engage in a permitted transaction, as defined below, with the Board member, the member's spouse, parents, siblings or children or with any business with which any of the foregoing are associated, the Board member shall inform the

other members of the Board at the earliest opportunity and, if possible, prior to the execution of the permitted transaction. The disclosure required in this paragraph shall be required whether or not the Board is expected to be involved in discussing or approving the permitted transaction.

3. **Prohibition Against Acceptance of Gifts**

Members of the Board of Curators of the University of Missouri shall avoid accepting gifts for personal use, directly or indirectly, from prohibited sources, except as permitted in Section 10.090 C.2. below.

1. For the purposes of this policy, the following definitions shall apply:
 1. **Gift** -- Gift shall mean any tangible or intangible item or items having a monetary value in excess of \$75.
 2. **Prohibited Source** -- Prohibited source shall mean any person or entity, public or private, outside the University, with interests, financial or otherwise, that may be substantially affected by the recommendations, decisions, performance or non-performance of the official duties of the Board member.
2. Exceptions -- The following shall not be considered a violation of this policy:
 1. Gifts that are available to the Board member on the same conditions as for the general public;
 2. Educational materials utilized in the performance of the Board member's official duties;
 3. Awards or honoraria administered by or through the University;
 4. Gifts from the Board member's relatives, by blood or marriage; and
 5. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be considered as lavish.

4. **Permitted Transactions**

1. Contingent upon compliance with the requirements of this Board Policy on Ethics and Conflict of Interest, it shall not be inappropriate for a Board member, the member's spouse, parents, siblings or children or for any business with which any of the foregoing are associated to enter into a contract with the University if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

5. **Definitions**

1. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "business with which any of the foregoing are associated" shall include the following:
2. Any sole proprietorship owned by the Board member, the Board member's spouse, parents, siblings or children;
3. Any partnership or joint venture in which the Board member, the Board member's spouse, parents, siblings or children is/are a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member, the Board member's spouse, parents, siblings or children is/are an officer or director or of which either the Board member, the Board member's spouse, parents, siblings or children, whether singularly or collectively, owns in excess of ten percent of the outstanding shares of any class of stock or partnership units; or
4. Any trust in which the Board member is a trustee or settlor or in which the Board member, the Board member's spouse, parents, siblings or children,

whether singularly or collectively, is a beneficiary or holder of a reversionary interest of ten percent or more of the corpus of the trust.

5. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "conflict of interest" shall mean any act, action or situation that could lead to a violation of any of the matters set forth above entitled "PROHIBITED TRANSACTIONS" and shall further include an existing or potential financial interest of the Board member, the member's spouse, parents, siblings or children, in any matter pending before the Board or under consideration by the University.
 6. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "spouse, parents, siblings or children," whether in the singular or the plural or the conjunctive or the disjunctive, shall mean any current spouse, regardless of residence or degree of support by the Board member; and shall mean any and all parents, stepparents, foster parents, siblings, stepsiblings, foster siblings, children, stepchildren or foster children residing in the Board member's household or who receive in excess of fifty percent of their support from the Board member.
 7. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "material financial gain" shall mean a financial gain of more than a nominal amount and which is distinguishable from the anticipated realizable financial gain of the public at large or of a special class of the public at large. For example, a curator will not be considered to have the potential for material financial gain by participating in a decision on whether or not there should be a change in tuition and/or fees at the University of Missouri for all similarly situated students even if such curator, his or her spouse, parents, siblings or children will be affected by such increase.
6. **Conflict of Interest Disclosure Form**
 1. [Conflict of Interest Disclosure Form](#) (PDF)
 7. **Family Disclosure Form**
 1. [Family Disclosure Form](#) (PDF)

10.090 Ethics and Conflict of Interest

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2. No member of the Board shall act or refrain from acting, in connection with duties and responsibilities as a member of the Board, by reason of the payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary value by said Board member, by the member's spouse, parent, siblings or children or any business with which any of the foregoing are associated.
3. No member of the Board shall use in any manner whatsoever or disclose to others confidential information obtained in connection with duties and responsibilities as a member of the Board with the intent to result in material financial gain or personal gain for said Board member, for the member's spouse, parents, siblings or children or any business with which any of the foregoing are associated.
4. Consistent with Section 320.115 of the Collected Rules and Regulations of the University of Missouri, no member of the Board shall be employed by the University, either full-time or part-time, during service as a member of the Board or for two (2) years after the cessation of such service. Further, no member of the Board shall enter into any contract to provide goods or services under contract with the University during service as a member of the Board or for two (2) years after the cessation of such service; provided, however, that such prohibition shall not apply if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

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2. If a member of the Board reasonably believes that the member or another Board member has a conflict of interest, a potential conflict of interest or reasonably believes that the general public might perceive that a conflict of interest exists with regard to any matter that is under consideration by the Board, the member shall report such conflict of interest, potential conflict of interest or perceived conflict of interest to the Chair of the Board at the earliest opportunity and, if possible, prior to any discussion, deliberation or vote by the Board on that matter. Unless the member of the Board voluntarily agrees to abstain from all such discussions and voting on the matter, the Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that such member of the Board refrain from all such discussions and voting on the matter. If the Chair of the Board is the Board member whose financial or personal interest is at issue, the Vice Chair of the Board shall determine whether an actual or perceived conflict of interest exists and, if so, shall request that the Chair of the Board refrain from all such discussions and voting on the matter. In all cases the Board is the final authority on conflict of interest issues. The Board member whose financial or personal interest is the subject of any vote shall not be eligible to vote thereon.
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1. For the purposes of this policy, the following definitions shall apply:
 1. **Gift** -- Gift shall mean any tangible or intangible item or items having a monetary value in excess of \$75.
 2. **Prohibited Source** -- Prohibited source shall mean any person or entity, public or private, outside the University, with interests, financial or otherwise, that may be substantially affected by the recommendations, decisions, performance or non-performance of the official duties of the Board member.
2. Exceptions -- The following shall not be considered a violation of this policy:
 1. Gifts that are available to the Board member on the same conditions as for the general public;
 2. Educational materials utilized in the performance of the Board member's official duties;
 3. Awards or honoraria administered by or through the University;
 4. Gifts from the Board member's relatives, by blood or marriage; and
 5. Any item of food, refreshment, entertainment or other benefit provided to the Board member while attending a meeting, conference or convention, as long as such item is provided on the same conditions as for other attendees and could not be considered as lavish.

D. Permitted Transactions

1. Contingent upon compliance with the requirements of this Board Policy on Ethics and Conflict of Interest, it shall not be inappropriate for a Board member, the member's spouse, parents, siblings or children or for any business with which any of the foregoing are associated to enter into a contract with the University if the goods or services are donated to the University or if the contract is entered into in conformity with the University's rules and regulations pertaining to acquisition of goods or services, the University's competitive bidding processes, if applicable, and after compliance with all applicable conflict of interest statutes and policies.

E. Definitions

1. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "business with which any of the foregoing are associated" shall include the following:
2. Any sole proprietorship owned by the Board member, the Board member's spouse, parents, siblings or children;
3. Any partnership or joint venture in which the Board member, the Board member's spouse, parents, siblings or children is/are a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the Board member, the Board member's spouse, parents, siblings or children is/are an officer or director or of which either the Board member, the Board member's spouse, parents, siblings or children, whether singularly or collectively, owns in excess of ten percent of the outstanding shares of any class of stock or partnership units; or
4. Any trust in which the Board member is a trustee or settlor or in which the Board member, the Board member's spouse, parents, siblings or children,

whether singularly or collectively, is a beneficiary or holder of a reversionary interest of ten percent or more of the corpus of the trust.

5. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "conflict of interest" shall mean any act, action or situation that could lead to a violation of any of the matters set forth above entitled "PROHIBITED TRANSACTIONS" and shall further include an existing or potential financial interest of the Board member, the member's spouse, parents, siblings or children, in any matter pending before the Board or under consideration by the University.
6. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "spouse, parents, siblings or children," whether in the singular or the plural or the conjunctive or the disjunctive, shall mean any current spouse, regardless of residence or degree of support by the Board member; and shall mean any and all parents, stepparents, foster parents, siblings, stepsiblings, foster siblings, children, stepchildren or foster children residing in the Board member's household or who receive in excess of fifty percent of their support from the Board member.
7. For purposes of interpreting and applying the provisions of this Board Policy on Ethics and Conflict of Interest, the phrase "material financial gain" shall mean a financial gain of more than a nominal amount and which is distinguishable from the anticipated realizable financial gain of the public at large or of a special class of the public at large. For example, a curator will not be considered to have the potential for material financial gain by participating in a decision on whether or not there should be a change in tuition and/or fees at the University of Missouri for all similarly situated students even if such curator, his or her spouse, parents, siblings or children will be affected by such increase.

F. Conflict of Interest Disclosure Form

1. [Conflict of Interest Disclosure Form](#) (PDF)

G. Family Disclosure Form

1. [Family Disclosure Form](#) (PDF)

Amendments to Retirement Plans to Comply with SECURE Act,
SECURE 2.0 Act, and to Operationalize Paid Time Off Plan

Executive Summary

Administration is proposing amendments to Collected Rules and Regulations 530.010 Retirement, Disability and Death Benefit Plan (RDD), Employee Retirement Investment Plan (ERIP), Supplemental Retirement Plan (SRP), 403(b) Tax Deferred Annuity Plan (403(b) Plan), and 457(b) Eligible Deferred Compensation Plan (457(b) Plan), for purposes of complying with the SECURE Act and the SECURE 2.0 Act. In addition, the University is proposing certain additional changes to the RDD, ERIP, SRP, and Retirement Benefit Restoration Plan (BRP) to clarify certain administrative practices and prepare these plans for the University's adoption of paid time off beginning in 2024.

Board materials include a side-by-side comparison of current and proposed language for each plan. Following is a summary of the proposed changes:

SECURE Act – IRS mandated operational effective date below, allowing for a future date to reflect changes in plan document amendments.

- Operationally effective January 1, 2020¹, the age at which participants in the ERIP, SRP, 403(b) Plan, and 457(b) Plan, must begin receiving required minimum distributions will be increased to age 72 and surviving spouses who are a participant's sole designated beneficiary will be permitted to delay the start of required minimum distributions to the date the participant would have obtained age 72, as required by the SECURE Act.
- Operationally effective January 1, 2022², the maximum period over which a participant's beneficiary may extend required minimum distributions from the ERIP, SRP, 403(b) Plan, and 457(b) Plan, is limited as required by the SECURE Act.

SECURE 2.0 Act - IRS mandated operational effective date below, allowing for a future date to reflect changes in plan document amendments.

- Operationally effective January 1, 2023³, the age at which participants in the RDD, ERIP, SRP, 403(b) Plan, and 457(b) Plan, must begin receiving required minimum distributions will be increased to age 73, and then age 75, in accordance with the SECURE 2.0 Act.
- Operationally effective October 1, 2023⁴, new deferred compensation agreements (or revisions or modifications of existing deferred compensation agreements) under the

¹ This effective date is mandated by the language of SECURE Act section 114(d).

² This effective date is mandated by the language of SECURE Act section 401(b)(4).

³ This effective date is mandated by SECURE 2.0 Act section 107(e).

⁴ Section 306 of SECURE 2.0 Act allows the amendment to become effective at any after enactment of SECURE 2.0 Act.

457(b) Plan will become effective as soon as administratively feasible (as opposed to the first day of the following month). This change results in administrative efficiencies consistent with the 403(b) Plan.

- Effective January 1, 2024⁵, the ERIP, SRP, 403(b) Plan, and 457(b) Plan, will be amended as follows: (i) the University will be able to distribute account balances in these plans that do not exceed \$7,000 to participants in a lump sum without the consent of the participant; and (ii) for purposes of receiving required minimum distributions from the ERIP, SRP, 403(b) Plan, or 457(b) Plan, a participant's surviving spouse may elect to be treated as the participant.
- Effective January 1, 2024⁶, the 403(b) Plan and the 457(b) Plan will be amended as follows: (i) participants will be permitted to self-certify that they qualify for a hardship distribution from the 403(b) Plan and distributions on account of unforeseeable emergency from the 457(b) Plan; and (ii) Roth accounts in the 403(b) Plan will become exempt from lifetime required minimum distributions.
- Effective January 1, 2024⁷, the 457(b) Plan will be amended to allow any participant who has obtained age 59 ½ or greater to take a distribution from the plan.
- Effective January 1, 2025⁸, the 403(b) Plan and the 457(b) Plan will be amended such that participants in such plans who have obtained ages 60, 61, 62, or 63, will be allowed to contribute additional catch-up contributions to such plans, up to the greater of \$10,000 or 150% of the regular catch-up contribution limit.
- Effective January 1, 2026⁹, the 403(b) Plan will be amended such that any catch-up contributions to such plan made by a participant who received wages from the University in the preceding calendar year of \$145,000, or greater, must be treated as Roth contributions.

Discretionary Changes related to the Adoption of Paid Time Off – Effective January 1, 2024

- The RDD will be amended such that paid time off which is not forfeited, parental and caregiver leave pay, and short-term disability pay, will be included in a member's salary for purposes of calculating benefits under the RDD.

⁵ With respect to clause (i), this is the earliest effective date permitted by SECURE 2.0 Act section 304(b). With respect to clause (ii), this is the effective date mandated by section 327(c) of SECURE 2.0 Act.

⁶ With respect to clause (i), under section 312(d) of SECURE 2.0 Act, this amendment could have been effective as early January 1, 2023. With respect to clause (ii), this is the effective date mandated by section 325(b) of the SECURE 2.0 Act.

⁷ Effective date chosen by the University.

⁸ This is the earliest allowed effective date under SECURE 2.0 Act section 109(d).

⁹ Originally the SECURE 2.0 Act mandated a January 1, 2024, effective date but the IRS delayed this effective date in Notice 2023-62.

- The ERIP and SRP will be amended to provide that paid time off which is not forfeited, parental and caregiver leave pay, and short-term disability pay, will be included in a participant's compensation for the purposes of each plan.

Other Discretionary Changes– No change in plan administration. Adding clarifying language for already applied interpretation.

- The RDD will be amended as follows: (i) language clarifying that student employees have not been eligible to become members in the plan; and (ii) language clarifying that legal separation and divorce by court decree have the same meaning under the plan.
- The Retirement Benefit Restoration Plan (BRP) will be amended to make non-substantive language changes to the BRP such as standardizing references to the University's other retirement plans, updating internal cross-references, and updating defined terms.

No. 2

- Recommended Action - Amendment to the Retirement, Disability and Death Benefit Plan (RDD), Employee Retirement Investment Plan (ERIP), Supplemental Retirement Plan (SRP), 403(b) Tax Deferred Annuity Plan (403(b) Plan), 457(b) Eligible Deferred Compensation Plan (457(b) Plan), and the Retirement Benefit Restoration Plan (BRP).

It was recommended by Vice President and Chief Human Resources Officer Marsha Fischer, endorsed by President Choi, recommended by the Governance, Compensation and Human Resources Committee, moved by Curator _____, and seconded by Curator _____, that the following action be approved:

that the Retirement, Disability and Death Benefit Plan (RDD) be amended as indicated in the attached document containing the proposed language changes, effective January 1, 2024 (unless otherwise noted);

that the Employee Retirement Investment Plan (ERIP) be amended as indicated in the attached document containing proposed language changes, effective January 1, 2024 (unless otherwise noted);

that the Supplemental Retirement Plan (SRP) be amended as indicated in the attached document containing proposed language changes, effective January 1, 2024 (unless otherwise noted);

that the 403(b) Tax Deferred Annuity Plan (403(b) Plan) be amended as indicated in the attached document containing proposed language changes, effective January 1, 2024 (unless otherwise noted);

that the 457(b) Eligible Deferred Compensation Plan (457(b) Plan) be amended as indicated in the attached document containing proposed language changes, effective January 1, 2024 (unless otherwise noted); and

that the Retirement Benefit Restoration Plan (BRP) be amended as indicated in the attached document containing proposed language changes, effective January 1, 2024.

Roll call vote of the Committee:

YES

NO

Curator Blitz

Curator Brncic

Curator Holloway

Curator Wenneker

The motion _____.

Roll call vote of the Board:

YES

NO

Curator Blitz

Curator Brncic

Curator Fry

Curator Graves

Curator Holloway

Curator Layman

Curator Sinquefield

Curator Wenneker

Curator Williams

The motion _____.

RECOMMENDATION TO AMEND BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☒ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Amendment to Program: **January 1, 2023**

Amendment Number: RET-64

Purpose of Recommendation:

To amend the Retirement, Disability & Death Benefit Plan (RDD):

- to add language clarifying that student employees have not been eligible to become Members of the RDD;
- to provide that paid time off which is not forfeited, parental and caregiver leave pay, and short-term disability pay, will be included in a member's salary for purposes of the RDD;
- to standardize the terms used in the RDD regarding marriage to reference legal separation or divorce as shown by decree;
- to increase the age at which members must begin receiving required minimum distributions to age 73 and then age 75, as required by the SECURE 2.0 Act.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to Retirement, Disability and Death Benefit Plan	
Section 530.010.B.1	
Current with Changes	Proposed
<p>1. General Rule -- Except as provided in this Section 530.010.B., any employee of the University described below, in any position paid out of the University's public funds for educational services who is employed on May 7, 1966, or thereafter, shall be a Member of the Plan on the date that such Member's duties began under such employment:</p> <p>a. Full-Time Employee; or</p> <p>b. Part-time employee on a Non-Academic Appointment, who is not exempt from overtime compensation, and who completes at least one thousand five hundred (1,500) hours of service in a Contract Year.</p> <p>Notwithstanding anything in this Plan to the contrary, the following employees are not considered Members and will not receive Service Credit for any such period of employment:</p> <p>a. a Resident hired on or after July 1, 1994;</p> <p>b. a “per diem employee”, as defined in Section 320.050 of the Collected Rules and Regulations, hired on or after October 17, 2003;</p>	<p>a. General Rule -- Except as provided in this Section 530.010.B., any employee of the University described below, in any position paid out of the University's public funds for educational services who is employed on May 7, 1966, or thereafter, shall be a Member of the Plan on the date that such Member's duties began under such employment:</p> <p>a. Full-Time Employee; or</p> <p>b. Part-time employee on a Non-Academic Appointment, who is not exempt from overtime compensation, and who completes at least one thousand five hundred (1,500) hours of service in a Contract Year.</p> <p>Notwithstanding anything in this Plan to the contrary, the following employees are not considered Members and will not receive Service Credit for any such period of employment:</p> <p>a. a Resident hired on or after July 1, 1994;</p> <p>b. a “per diem employee”, as defined in Section 320.050 of the Collected Rules and Regulations, hired on or after October 17, 2003;</p>

<p>c. "adjunct faculty", as defined in Section 310.035 of the Collected Rules and Regulations;</p> <p>d. a "subsidiary employee", as defined in Section 320.050 of the Collected Rules and Regulations;</p> <p>e. any individuals who are not treated as common law employees by the University, even if a court or administrative agency determines that such individuals are common law employees and not independent contractors; or</p> <p>f. a student employee; or</p> <p>g. Any individual hired or rehired by the University on or after October 1, 2019.</p> <p>In the event that a subsidiary employee is also employed by the University, only the employee's employment with the University will be considered for Plan purposes.</p>	<p>c. "adjunct faculty", as defined in Section 310.035 of the Collected Rules and Regulations;</p> <p>d. a "subsidiary employee", as defined in Section 320.050 of the Collected Rules and Regulations;</p> <p>e. any individuals who are not treated as common law employees by the University, even if a court or administrative agency determines that such individuals are common law employees and not independent contractors;</p> <p>f. a student employee; or</p> <p>g. Any individual hired or rehired by the University on or after October 1, 2019.</p> <p>In the event that a subsidiary employee is also employed by the University, only the employee's employment with the University will be considered for Plan purposes.</p>
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Amendment to Retirement, Disability and Death Benefit Plan	
Section 530.010.D.1	
Current with Changes	Proposed
<p>b. Compensation for services regularly rendered shall include, but not be limited to, payments for the following items made in accordance with established University policy:</p>	<p>b. Compensation for services regularly rendered shall include, but not be limited to, payments for the following items made in accordance with established University policy:</p>

<ol style="list-style-type: none"> 1) regular pay; 2) shift differential; 3) chancellor's housing allowance; 4) contract pay; 5) sick leave pay; 6) accrued paid time off used to supplement workers compensation payments from a third party for work incurred injury; 7) personal days; 8) vacation days; 9) summer session pay; 10) paid time off that is not forfeited, including cashed-in paid time off; 11) parental and caregiver leave pay with respect to leaves for which a Member receives Service Credit; 12) short-term disability pay. <p>d. Salary shall not include the following:</p> <ol style="list-style-type: none"> 1) overtime; 2) relocation incentive; 3) additional, extra, or incentive compensation; 4) prizes/awards, or bonuses; 5) tenure buyout; 6) benefit restoration plan; 7) automobile allowances (or furnished automobiles); 8) educational assistance; 9) in lieu of retirement; 10) moving expenses 11) patent royalties 	<ol style="list-style-type: none"> 1) regular pay; 2) shift differential; 3) chancellor's housing allowance; 4) contract pay; 5) sick leave pay; 6) accrued paid time off used to supplement workers compensation payments from a third party for work incurred injury; 7) personal days; 8) vacation days; 9) summer session pay; 10) paid time off, including cashed-in paid time off; 11) parental and caregiver leave pay with respect to leaves for which a Member receives Service Credit; 12) short-term disability pay. <p>d. Salary shall not include the following:</p> <ol style="list-style-type: none"> 1) overtime; 2) relocation incentive; 3) additional, extra, or incentive compensation; 4) prizes/awards, or bonuses; 5) tenure buyout; 6) benefit restoration plan; 7) automobile allowances (or furnished automobiles); 8) educational assistance; 9) in lieu of retirement; 10) moving expenses 11) patent royalties 12) tips; 13) transition assistance; 14) commissions (unless specifically authorized
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12) tips;			
13) transition assistance;			
14) commissions (unless specifically authorized by the Plan Administrator)		15)	by the Plan Administrator) special services, projects summer terms or intersessions except as provided for in accordance with
15) special services, projects summer terms or intersessions except as provided for in accordance with			Section 530.010.D.4;
16) in lieu of vacation other than in the context of a termination of employment;		16)	in lieu of vacation other than in the context of a termination of employment;
17) all settlement amounts except where the settlement agreement expressly provides that some or all of the amount shall be deemed salary for purposes of retirement benefit calculation; and		17)	all settlement amounts except where the settlement agreement expressly provides that some or all of the amount shall be deemed salary for purposes of retirement benefit calculation; and
18) any paid time off which is forfeited.		18)	any paid time off which is forfeited.

Amendment to Retirement, Disability and Death Benefit Plan	
Section 530.010.J.6.d	
Current with Changes	Proposed
d. In the event that a Qualified Member has not filed with the Plan Administrator a Designation of Beneficiary satisfying the requirements of subparagraph (c) and a death benefit in accordance with paragraph 4., 8(b), 10(b) or (c), 11 or 14 becomes payable on account of the death of such Qualified Member, the Member's	d. In the event that a Qualified Member has not filed with the Plan Administrator a Designation of Beneficiary satisfying the requirements of subparagraph (c) and a death benefit in accordance with paragraph 4., 8(b), 10(b) or (c), 11 or 14 becomes payable on account of the death of such Qualified Member, the Member's

<p>Eligible Surviving Spouse shall be deemed to have been designated as such Member's primary Beneficiary, unless there is no Eligible Surviving Spouse or such Spouse is legally separated or divorced from the Qualified Member by contract or decree at the time of the death of the Qualified Member. In which event, such Member's surviving lineal descendants shall be deemed contingent Beneficiaries, with the persons and shares so designated determined as if the death benefit had passed to such contingent Beneficiaries under the laws of descent and distribution of the State of Missouri, as in effect on the date of the death of the Qualified Member. If there are no persons entitled to receive the death benefit in accordance with the preceding sentence, then such benefit shall be paid to the estate of the deceased Qualified Member.</p>	<p>Eligible Surviving Spouse shall be deemed to have been designated as such Member's primary Beneficiary, unless there is no Eligible Surviving Spouse or such Spouse is legally separated or divorced from the Qualified Member by decree at the time of the death of the Qualified Member. In which event, such Member's surviving lineal descendants shall be deemed contingent Beneficiaries, with the persons and shares so designated determined as if the death benefit had passed to such contingent Beneficiaries under the laws of descent and distribution of the State of Missouri, as in effect on the date of the death of the Qualified Member. If there are no persons entitled to receive the death benefit in accordance with the preceding sentence, then such benefit shall be paid to the estate of the deceased Qualified Member.</p>
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Amendment to Retirement, Disability and Death Benefit Plan	
Section 530.010.K.22.a	
Current with Changes	Proposed
<p>22. Division of Benefits Orders</p> <p>a. Effective January 1, 2005, the University of Missouri Retirement, Disability and Death Benefit Plan will recognize a Division of Benefits Order issued by a court of competent jurisdiction dividing</p>	<p>22. Division of Benefits Orders</p> <p>a. Effective January 1, 2005, the University of Missouri Retirement, Disability and Death Benefit Plan will recognize a Division of Benefits Order issued by a court of competent jurisdiction dividing</p>

<p>the pension amount payable from the Plan between the parties to any action for dissolution of marriage (also referred to as a divorce). For a Division of Benefits Order to be recognized as valid by the Plan, it must:</p> <p>1) Be a final judgment, decree, order or approval of a property settlement which divides pension benefits pursuant to a dissolution of marriage action under state law (also referred to as a divorce), beginning January 1, 2005;</p>	<p>the pension amount payable from the Plan between the parties to any action for dissolution of marriage (also referred to as a divorce). For a Division of Benefits Order to be recognized as valid by the Plan, it must:</p> <p>1) Be a final judgment, decree, order or approval of a property settlement which divides pension benefits pursuant to a dissolution of marriage action under state law (also referred to as a divorce), beginning January 1, 2005;</p>
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Amendment to Retirement, Disability and Death Benefit Plan	
Section 530.010.L.6	
Current with Changes	Proposed
<p>6. Definitions</p> <p>a. Applicable Required Minimum Distribution (RMD) Age – With respect to a Member born on or before June 30, 1949,</p>	<p>6. Definitions</p> <p>a. Applicable Required Minimum Distribution (RMD) Age – With respect to a Member born on or before June 30, 1949,</p>

	<p>the Applicable RMD Age is 70 ½. With respect to a Member born after June 30, 1949 and before January 1, 1951, the Applicable RMD age is 72. With respect to a Member born on or after January 1, 1951 and before January 1, 1960, the Applicable RMD Age is 73. With respect to a Member born on or after January 1, 1960, the Applicable RMD Age is 75.</p>		<p>the Applicable RMD Age is 70 ½. With respect to a Member born after June 30, 1949 and before January 1, 1951, the Applicable RMD age is 72. With respect to a Member born on or after January 1, 1951 and before January 1, 1960, the Applicable RMD Age is 73. With respect to a Member born on or after January 1, 1960, the Applicable RMD Age is 75.</p>
b.	<p>Designated Beneficiary -- The individual who is designated as the Beneficiary under the plan in accordance with Section 401(a)(9) of the Code and the final regulations thereunder.</p>	b.	<p>Designated Beneficiary -- The individual who is designated as the Beneficiary under the plan in accordance with Section 401(a)(9) of the Code and the final regulations thereunder.</p>
c.	<p>Distribution Calendar Year -- A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Member's required beginning date. For distributions beginning after the Member's</p>	c.	<p>Distribution Calendar Year -- A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first Distribution Calendar Year is the calendar year immediately preceding the calendar year which contains the Member's required beginning date. For distributions beginning after the Member's</p>

	<p>death, the first distribution Calendar year is the calendar year in which distributions are required to begin pursuant to paragraph 5 above.</p>		<p>death, the first distribution Calendar year is the calendar year in which distributions are required to begin pursuant to paragraph 5 above.</p>
d.	<p>Life Expectancy -- The Life Expectancy (or joint and last survivor expectancy) calculated using the attained age of the Member (or Designated Beneficiary) as of the Member's (or Designated Beneficiary's) birthday in the applicable calendar year. The applicable calendar year shall be the first Distribution Calendar Year. If annuity payments commence before the required beginning date, the applicable calendar year is the year such payments commence. Life Expectancy and joint and last survivor expectancy are computed by use of the expected return multiples in Tables V and VI of Section 1.72-9 of the Income Tax Regulations.</p>	d.	<p>Life Expectancy -- The Life Expectancy (or joint and last survivor expectancy) calculated using the attained age of the Member (or Designated Beneficiary) as of the Member's (or Designated Beneficiary's) birthday in the applicable calendar year. The applicable calendar year shall be the first Distribution Calendar Year. If annuity payments commence before the required beginning date, the applicable calendar year is the year such payments commence. Life Expectancy and joint and last survivor expectancy are computed by use of the expected return multiples in Tables V and VI of Section 1.72-9 of the Income Tax Regulations.</p>
e.	<p>Required Beginning Date -- Effective as of January 1, 2020: with respect to a Member</p>	e.	<p>Required Beginning Date -- The Required Beginning Date is April 1 of the calendar</p>

<p>born on or before June 30, 1949, such a Member's Required Beginning Date is the first day of April of the calendar year following the calendar year in which the later of retirement or attainment of age seventy and one-half (70½) occurs; with respect to a Member born after June 30, 1949, such a Member's Required Beginning Date is the first day of April of the calendar year following the calendar year in which the later of retirement or attainment of age seventy-two (72) occurs. The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Member attains the Applicable RMD Age or the calendar year in which the Participant retires from the employ of the Employer.</p>	<p>year following the later of the calendar year in which the Member attains the Applicable RMD Age or the calendar year in which the Participant retires from the employ of the Employer.</p>
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RECOMMENDATION TO AMEND BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☒ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Amendment to Program: January 1, 2024 (unless otherwise noted)

Amendment Number: ERIP-7

Purpose of Recommendation:

To amend the Employee Retirement Investment Plan as follows:

- to provide that paid time off which is not forfeited, parental and caregiver leave pay, and short-term disability pay, will be included in compensation for purposes of the ERIP;
- to allow participant account balances of \$7,000 or less to be distributed without a participant's consent in a single lump sum, as permitted by SECURE 2.0;
- to permit a participant's surviving spouse to elect to be treated as the participant with respect to required minimum distributions from the ERIP, as required by SECURE 2.0;
- effective January 1, 2020, to increase the age at which a participant must begin receiving required minimum distributions to age 72 and allow surviving spouses who are a participant's sole designated beneficiaries to delay the start of required minimum distributions until the date the participant would have obtained age 72, as required by the Setting Every Community Up for Retirement Enhancement Act of 2019, enacted into law as part of the Further Consolidated Appropriations Act, 2020 (SECURE Act);
- effective January 1, 2023, to increase the age at which a participant must begin receiving required minimum distributions to age 73 and then age 75, as required by SECURE 2.0;
- effective January 1, 2022, to incorporate the changes to the provisions of the ERIP governing the period over which required minimum distributions for beneficiaries may be extended as mandated by the SECURE Act.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to the Employee Retirement Investment Plan	
Section 530.030.A.9	
Current with Changes	Proposed
<p>c. On or after January 1, 2020, Compensation for services regularly rendered. Compensation for services regularly rendered shall include, but not be limited to, payments for the following items made in accordance with established University policy:</p> <ol style="list-style-type: none"> 1) regular pay; 2) shift differential; 3) chancellor's housing allowance; 4) contract pay; 5) sick leave pay ; 6) accrued paid time off used to supplement workers compensation payments from a third party for work incurred injury; 7) personal days ; 8) vacation days ; 9) summer session pay; 10) overtime; 11) relocation incentive; 12) additional, extra, or incentive compensation; 13) moving expenses; 14) automobile allowances; 15) commissions (unless specifically excluded by the Total Rewards Advisory Committee);; 16) paid time off, including cashed-in paid time off; 17) parental and caregiver leave pay; 18) short-term disability pay. 	<p>c. On or after January 1, 2020, Compensation for services regularly rendered. Compensation for services regularly rendered shall include, but not be limited to, payments for the following items made in accordance with established University policy:</p> <ol style="list-style-type: none"> 1) regular pay; 2) shift differential; 3) chancellor's housing allowance; 4) contract pay; 5) sick leave pay ; 6) accrued paid time off used to supplement workers compensation payments from a third party for work incurred injury; 7) personal days ; 8) vacation days ; 9) summer session pay; 10) overtime; 11) relocation incentive; 12) additional, extra, or incentive compensation; 13) moving expenses; 14) automobile allowances; 15) commissions (unless specifically excluded by the Total Rewards Advisory Committee);; 16) paid time off, including cashed-in paid time off; 17) parental and caregiver leave pay; 18) short-term disability pay.

d.	On or after January 1, 2020, Compensation shall not include the following payments/amounts: 1) prizes/awards; 2) tenure buyout; 3) benefit restoration plan; 4) educational assistance; 5) in lieu of retirement; 6) patent royalties; 7) tips; 8) transition assistance; 9) special services, projects summer terms or intersession except as provided for in accordance with Section 530.030.A.9.a.; 10) in lieu of vacation other than in the context of a termination of employment; 11) all settlement amounts except where the settlement agreement expressly provides that some or all of the amount shall be deemed Compensation for purposes of retirement benefit calculation; 12) value of furnished/leased automobiles; 13) non-cash compensation-; 14) any paid time off which is forfeited.	d.	On or after January 1, 2020, Compensation shall not include the following payments/amounts: 1) prizes/awards; 2) tenure buyout; 3) benefit restoration plan; 4) educational assistance; 5) in lieu of retirement; 6) patent royalties; 7) tips; 8) transition assistance; 9) special services, projects summer terms or intersession except as provided for in accordance with Section 530.030.A.9.a.; 10) in lieu of vacation other than in the context of a termination of employment; 11) all settlement amounts except where the settlement agreement expressly provides that some or all of the amount shall be deemed Compensation for purposes of retirement benefit calculation; 12) value of furnished/leased automobiles; 13) non-cash compensation-; 14) any paid time off which is forfeited.
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Amendment to the Employee Retirement Investment Plan	
Section 530.030.G.2	
Current with Changes	Proposed
<p>4. Timing of Distribution</p> <p>The Plan Administrator shall notify the Participant of his/her right to receive a distribution of his/her Account Balance upon the occurrence of a distribution event described in Section 530.030.G.1.</p>	<p>2. Timing of Distributions</p> <p>The Plan Administrator shall notify the Participant of his/her right to receive a distribution of his/her Account Balance upon the occurrence of a distribution event described in Section 530.030.G.1.</p>

<p>If a Participant's Account Balance exceeds \$5,000 or for distributions occurring after December 31, 2023, \$7,000, the Participant's Account shall not be distributed without the Participant's consent, except as required by Section 530.030.I. The Participant may elect on a form provided by and filed with the Plan Administrator, (1) the distribution of his/her Account Balance as soon as administratively feasible following the date after the Participant becomes eligible for a distribution, or (2) to defer distribution of his/her Account Balance to a later date, but not later than his/her Required Beginning Date. The failure of a Participant to consent to a distribution shall be considered a deferral of such distribution.</p>	<p>If a Participant's Account Balance exceeds \$5,000 or for distributions occurring after December 31, 2023, \$7,000, the Participant's Account shall not be distributed without the Participant's consent, except as required by Section 530.030.I. The Participant may elect on a form provided by and filed with the Plan Administrator, (1) the distribution of his/her Account Balance as soon as administratively feasible following the date after the Participant becomes eligible for a distribution, or (2) to defer distribution of his/her Account Balance to a later date, but not later than his/her Required Beginning Date. The failure of a Participant to consent to a distribution shall be considered a deferral of such distribution.</p>
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Amendment to the Employee Retirement Investment Plan	
Section 530.030.G.4	
Current with Changes	Proposed
<p>4. Small Benefit Distribution</p> <p>If a Participant's vested Account does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, following a Severance from Employment, then such Participant's Account shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 530.030.G.4., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a Direct Rollover to an individual retirement plan designated by the Plan Administrator.</p>	<p>4. Small Benefit Distribution</p> <p>If a Participant's vested Account does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, following a Severance from Employment, then such Participant's Account shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 530.030.G.4., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a Direct Rollover to an individual retirement plan designated by the Plan Administrator.</p>

Amendment to the Employee Retirement Investment Plan	
Section 530.030.I.2.b.1)	
Current with Changes	Proposed
<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2 the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>	<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>

Amendment to the Employee Retirement Investment Plan	
Section 530.030.I.4.a.3)	
Current with Changes	Proposed
<p>3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on</p>	<p>3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on</p>

<p>or after the date distributions begin, the Participant's entire Account Balance will be distributed by the earliest of the periods described below:</p> <ul style="list-style-type: none"> a. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death. b. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the 	<p>or after the date distributions begin, the Participant's entire Account Balance will be distributed by the earliest of the periods described below:</p> <ul style="list-style-type: none"> a. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death. b. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the
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<p>Eligible Designated Beneficiary's death.</p> <p>c. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>d. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 530.030.I.4.a.1).</p>	<p>Eligible Designated Beneficiary's death.</p> <p>c. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>d. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 530.030.I.4.a.1).</p>
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Amendment to the Employee Retirement Investment Plan	
Section 530.030.I.4.b.1)	
Current with Changes	Proposed
<p>1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 530.030.I.4.a. If the surviving Spouse receiving distributions under this Section 530.030.I.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>	<p>1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 530.030.I.4.a. If the surviving Spouse receiving distributions under this Section 530.030.I.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>

Amendment to the Employee Retirement Investment Plan	
Section 530.030.I.5	
Current with Changes	Proposed
<p>5. Definitions. The following definitions apply for purposes of this Section 530.030.I:</p> <p>(a) <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>(b) <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 530.030.L.15. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.</p> <p>(c) <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the</p>	<p>5. Definitions. The following definitions apply for purposes of this Section 530.030.I:</p> <p>(a) <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>(b) <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 530.030.L.15. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, of the Treasury regulations.</p> <p>(c) <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the</p>

<p>Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 530.030.I.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>(d) <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority; 	<p>Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 530.030.I.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>(d) <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority;
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<p>3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>(e) <u>Life Expectancy</u>. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>(f) <u>Majority</u>. An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>(g) <u>Required Beginning Date</u>. The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age 70-1/2 or the calendar year in which the Participant retires from the employ of the University.</p>	<p>3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>(e) <u>Life Expectancy</u>. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>(f) <u>Majority</u>. An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>(g) <u>Required Beginning Date</u>. The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age or the calendar year in which the Participant retires from the employ of the University.</p>
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RECOMMENDATION TO AMEND BENEFIT PROGRAM

☒ Supplemental Retirement Plan ☐ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Amendment to Program: January 1, 2024 (unless otherwise noted)

Amendment Number: SRP-27

Purpose of Recommendation:

To amend the Supplemental Retirement Plan as follows:

- to provide that paid time off which is not forfeited, parental and caregiver leave pay, and short-term disability pay, will be included in compensation for purposes of the SRP;
- to allow participant account balances of \$7,000 or less to be distributed without a participant's consent in a single lump sum, as permitted by SECURE 2.0;
- effective January 1, 2020, to increase the age at which a participant must begin receiving required minimum distributions to age 72 and allow surviving spouses who are a participant's sole designated beneficiaries to delay the start of required minimum distributions until the date the participant would have obtained age 72, as required by the SECURE Act;
- effective January 1, 2023, to increase the age at which a participant must begin receiving required minimum distributions to age 73 and then age 75, as required by SECURE 2.0; (iv) to permit a participant's surviving spouse to elect to be treated as the participant with respect to required minimum distributions from the SRP, as required by SECURE 2.0;
- effective January 1, 2022, to incorporate the changes to the provisions of the SRP governing the period over which required minimum distributions for beneficiaries may be extended as mandated by the SECURE Act.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to the Supplemental Retirement Plan	
Section 570.010.C.3.d	
Current with Changes	Proposed
<p>d. <u>Compensation for purposes of this Section 570.010.C.3.</u> Notwithstanding the foregoing, a Participant's Compensation for each payroll period ending on or after January 1, 2020, under this Section 570.010.C.3 shall include but not be limited to, payments for the following items made in accordance with established University policy:</p> <ul style="list-style-type: none"> ○ regular pay; ○ shift differential; ○ chancellor's housing allowance; ○ contract pay; ○ sick leave pay; ○ paid time off for work incurred injury; ○ personal days; ○ vacation days; ○ summer session pay; ○ overtime; ○ relocation incentive; ○ additional, extra, or incentive compensation; ○ moving expenses; ○ automobile allowance; 	<p>d. <u>Compensation for purposes of this Section 570.010.C.3.</u> Notwithstanding the foregoing, a Participant's Compensation for each payroll period ending on or after January 1, 2020, under this Section 570.010.C.3 shall include but not be limited to, payments for the following items made in accordance with established University policy:</p> <ul style="list-style-type: none"> ○ regular pay; ○ shift differential; ○ chancellor's housing allowance; ○ contract pay; ○ sick leave pay; ○ paid time off for work incurred injury; ○ personal days; ○ vacation days; ○ summer session pay; ○ overtime; ○ relocation incentive; ○ additional, extra, or incentive compensation; ○ moving expenses; ○ automobile allowances; ○ commissions (unless specifically excluded by the Total Rewards Advisory Committee);

<ul style="list-style-type: none"> ○ commissions (unless specifically excluded by the Total Rewards Advisory Committee); ○ paid time off, including cashed-in paid time off; ○ parental and caregiver leave pay; ○ short-term disability pay. <p>However, Compensation shall not include the following payments/amounts:</p> <ul style="list-style-type: none"> ○ prizes/awards; ○ tenure buyout; ○ benefit restoration plan; ○ educational assistance; ○ in lieu of retirement; ○ patent royalties; ○ tips; ○ transition assistance; ○ special services, projects summer terms or intersessions except as provided for in accordance with Section 530.030.A.9.a.; ○ in lieu of vacation other than in the context of a termination of employment; ○ all settlement amounts except where the 	<ul style="list-style-type: none"> ○ paid time off, including cashed-in paid time off; ○ parental and caregiver leave pay; ○ short-term disability pay. <p>However, Compensation shall not include the following payments/amounts:</p> <ul style="list-style-type: none"> ○ prizes/awards; ○ tenure buyout; ○ benefit restoration plan; ○ educational assistance; ○ in lieu of retirement; ○ patent royalties; ○ tips; ○ transition assistance; ○ special services, projects summer terms or intersessions except as provided for in accordance with Section 530.030.A.9.a.; ○ in lieu of vacation other than in the context of a termination of employment; ○ all settlement amounts except where the settlement agreement expressly provides that some or all of the amount shall be deemed Compensation for purposes of retirement benefit calculation; ○ value of furnished/leased automobiles; ○ non-cash compensation;
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<ul style="list-style-type: none"> ○ settlement agreement expressly provides that some or all of the amount shall be deemed Compensation for purposes of retirement benefit calculation; ○ value of furnished/leased automobiles; ○ non-cash compensation; ○ any paid time off which is forfeited. 	<ul style="list-style-type: none"> ○ any paid time off which is forfeited
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Amendment to the Supplemental Retirement Plan	
Section 570.010.G.2	
Current with Changes	Proposed
<p>2. Timing of Distribution</p> <p>The Plan Administrator shall notify the Participant of his/her right to receive a distribution of his/her Account Balance upon the occurrence of a distribution event described in Section 570.010.G.1. If a Participant's Account Balance exceeds \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to Rollover Contributions) the Participant's Account shall not be distributed without the Participant's consent, except as required by Section 570.010.I. The Participant may elect, on a form provided by and filed with the Plan Administrator, (1) the distribution of his/her</p>	<p>2. Timing of Distributions</p> <p>The Plan Administrator shall notify the Participant of his/her right to receive a distribution of his/her Account Balance upon the occurrence of a distribution event described in Section 570.010.G.1. If a Participant's Account Balance exceeds \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to Rollover Contributions) the Participant's Account shall not be distributed without the Participant's consent, except as required by Section 570.010.I. The Participant may elect, on a form provided by and filed with the Plan Administrator, (1) the distribution of his/her</p>

Account Balance as soon as administratively feasible following the date after the Participant becomes eligible for a distribution, or (2) to defer distribution of his/her Account Balance to a later date, but not later than his/her Required Beginning Date. The failure of a Participant to consent to a distribution shall be considered a deferral of such distribution.	Account Balance as soon as administratively feasible following the date after the Participant becomes eligible for a distribution, or (2) to defer distribution of his/her Account Balance to a later date, but not later than his/her Required Beginning Date. The failure of a Participant to consent to a distribution shall be considered a deferral of such distribution.
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Amendment to the Supplemental Retirement Plan	
Section 570.010.G.4	
Current with Changes	Proposed
<p>4. Small Benefit Distribution</p> <p>If a Participant's vested Account does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to Rollover Contributions) following a Severance from Employment, then such Participant's Account shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 570.010.G.4., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a Direct Rollover to</p>	<p>4. Small Benefit Distribution</p> <p>If a Participant's vested Account does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to Rollover Contributions) following a Severance from Employment, then such Participant's Account shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 570.010.G.4., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a Direct Rollover to</p>

<p>an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account attributable to Rollover Contributions shall be considered in determining whether the Participant's Account is greater than \$1,000.</p>	<p>an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account attributable to Rollover Contributions shall be considered in determining whether the Participant's Account is greater than \$1,000.</p>
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Amendment to the Supplemental Retirement Plan	
Section 570.010.I.2.b.1)	
Current with Changes	Proposed
<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2 the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>	<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>

Amendment to the Supplemental Retirement Plan	
Section 570.010.I.4.a.3)	
Current with Changes	Proposed
<p>3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire</p>	<p>3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire</p>

<p>Account will be distributed by the earliest of the periods described below:</p> <ul style="list-style-type: none"> i. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death. ii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. 	<p>Account will be distributed by the earliest of the periods described below:</p> <ul style="list-style-type: none"> i. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death. ii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death.
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<p>iii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>iv. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 570.010.I.4.a.1).</p>	<p>iii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>iv. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 570.010.I.4.a.1).</p>
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Amendment to the Supplemental Retirement Plan	
Section 570.010.I.4.b.1)	
Current with Changes	Proposed
<p>1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 570.010.I.4.a.</p> <p>If the surviving Spouse receiving distributions under this Section 570.010.I.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>	<p>1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 570.010.I.4.a.</p> <p>If the surviving Spouse receiving distributions under this Section 570.010.I.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>

Amendment to the Supplemental Retirement Plan	
Section 570.010.I.5	
Current with Changes	Proposed
<p>5. Definitions. The following definitions apply for purposes of this Section 570.010.I:</p> <p>a. <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution Age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>b. <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 570.010.M.15. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.</p> <p>c. <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is</p>	<p>5. Definitions. The following definitions apply for purposes of this Section 570.010.I:</p> <p>a. <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution Age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>b. <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 570.010.M.15. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, of the Treasury regulations.</p> <p>c. <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is</p>

<p>the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 570.010.I.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>d. <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority; 3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III); 	<p>the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 570.010.I.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>d. <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority; 3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);
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<p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>e. <u>Life Expectancy</u>. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>f. <u>Majority</u>. An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>g. <u>Required Beginning Date</u>. The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the <u>Applicable Required Minimum Distribution Age 70-1/2</u> or the calendar year in which the Participant retires from the employ of the University.</p>	<p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>e. <u>Life Expectancy</u>. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>f. <u>Majority</u>. An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>g. <u>Required Beginning Date</u>. The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age or the calendar year in which the Participant retires from the employ of the University.</p>
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Amendment to the Supplemental Retirement Plan	
Section 570.010.J.7.c	
Current with Changes	Proposed
c. A Spouse waiver is not required if the value of the Participant's	c. A Spouse waiver is not required if the value of the Participant's

<p>Account as of the Valuation Date preceding the date of application for the loan was no more than \$5,000 or for applications submitted on or after January 1, 2024, \$7,000.</p>	<p>Account as of the Valuation Date preceding the date of application for the loan was no more than \$5,000 or for applications submitted on or after January 1, 2024, \$7,000.</p>
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RECOMMENDATION TO AMEND BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☐ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☒ Tax Deferred Annuity

Effective Date of Amendment to Program: January 1, 2024 (unless otherwise noted)

Amendment Number: 403(b) - 27

Purpose of Recommendation:

To amend the 403(b) Tax Deferred Annuity Plan as follows:

- to allow participant account balances of \$7,000 or less to be distributed without a participant's consent in a single lump sum, as permitted by SECURE 2.0;
- effective January 1, 2025, to allow participants aged 60 through 63 to make additional catch-up contributions to the 403(b) Plan, as permitted by SECURE 2.0;
- effective January 1, 2026, to require that catch-up contributions of any participant whose wages, as defined in section 3121(a) of the Internal Revenue Code, paid by the University during the preceding calendar year exceeded \$145,000 (as adjusted for cost-of-living changes) be designated Roth contributions to the 403(b) Plan, as required by SECURE 2.0;
- to allow participants to self-certify that they satisfy the conditions necessary to qualify for a hardship distribution from the 403(b) Plan, as permitted by SECURE 2.0;
- effective January 1, 2020, to increase the age at which a participant must begin receiving required minimum distributions to age 72 and allow surviving spouses who are a participant's sole designated beneficiaries to delay the start of required minimum distributions until the date the participant would have obtained age 72, as required by the SECURE Act;
- effective January 1, 2023, to increase the age at which a participant must begin receiving required minimum distributions to age 73 and then age 75, as required by SECURE 2.0;
- to permit a participant's surviving spouse to elect to be treated as the participant with respect to required minimum distributions from the 403(b) Plan, as required by SECURE 2.0;
- to exempt Roth accounts from the application of lifetime required minimum distributions, as required by SECURE 2.0;
- effective January 1, 2022, to incorporate the changes to the provisions of the 403(b) Plan governing the period over which required minimum distributions for beneficiaries may be extended as mandated by the SECURE Act.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.D.4	
Current with Changes	Proposed
<p>4. <u>No rollover treatment.</u> Notwithstanding any other Plan provision, a direct In-Plan Roth Rollover Contribution is not a rollover contribution for purposes of the Plan. Accordingly, the Plan will take into account, in determining whether a Participant's vested Account Balance exceeds \$5,000, or for distributions occurring after December 31, 2023, \$7,000, the amounts attributable to an In-Plan Roth Rollover Contributions.</p>	<p>4. <u>No rollover treatment.</u> Notwithstanding any other Plan provision, a direct In-Plan Roth Rollover Contribution is not a rollover contribution for purposes of the Plan. Accordingly, the Plan will take into account, in determining whether a Participant's vested Account Balance exceeds \$5,000, or for distributions occurring after December 31, 2023, \$7,000, the amounts attributable to an In-Plan Roth Rollover Contributions.</p>

Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.E.2	
Current with Changes	Proposed
<p>2. <u>Age 50 Catch-up Elective Deferral Contributions.</u> An Employee who is a Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up Elective Deferrals for the year. The maximum dollar amount of the age 50 catch-up Elective Deferrals for a year is determined under Code Section 414(v) and is adjusted for cost-of-living to the extent provided under Code Section 414(v). Effective as of January 1, 2025, a Participant who will attain age 60, 61, 62 or 63 by</p>	<p>2. <u>Age 50 Catch-up Elective Deferral Contributions.</u> An Employee who is a Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Elective Deferrals, up to the maximum age 50 catch-up Elective Deferrals for the year. The maximum dollar amount of the age 50 catch-up Elective Deferrals for a year is determined under Code Section 414(v) and is adjusted for cost-of-living to the extent provided under Code Section 414(v). Effective as of January 1, 2025, a Participant who will attain age 60, 61, 62 or 63 by</p>

<p>the end of the calendar year is permitted to make catch-up Elective Deferrals up to the limit permitted by Code Section 414(v)(2)(E), as may be adjusted for cost-of-living to the extent provided under Code Section 414(v). Effective as of January 1, 2026, a Participant who makes catch-up Elective Deferrals pursuant to this Section 590.010.E.2 and whose wages, as defined in Code Section 3121(a), for the preceding calendar year from the University or any Related Employer exceed \$145,000, as may be adjusted for cost-of-living to the extent provided under Code Section 414(v), shall have such catch-up contributions designated as Roth Elective Deferrals.</p>	<p>the end of the calendar year is permitted to make catch-up Elective Deferrals up to the limit permitted by Code Section 414(v)(2)(E), as may be adjusted for cost-of-living to the extent provided under Code Section 414(v). Effective as of January 1, 2026, a Participant who makes catch-up Elective Deferrals pursuant to this Section 590.010.E.2 and whose wages, as defined in Code Section 3121(a), for the preceding calendar year from the University or any Related Employer exceed \$145,000, as may be adjusted for cost-of-living to the extent provided under Code Section 414(v), shall have such catch-up contributions designated as Roth Elective Deferrals.</p>
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Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.H.2	
Current with Changes	Proposed
<p>2. <u>Small Account Balances.</u> The terms of the Individual Agreement will provide that if a Participant's vested Account Balance does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to rollover contributions under Section 590.010.I.1.) following a Severance from Employment, then such Participant's Account Balance shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In</p>	<p>2. <u>Small Account Balances.</u> The terms of the Individual Agreement will provide that if a Participant's vested Account Balance does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to rollover contributions under Section 590.010.I.1.) following a Severance from Employment, then such Participant's Account Balance shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In</p>

<p>the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 590.010.H.2., if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account Balance attributable to rollover contributions under Section 590.010.I.1. shall be considered in determining whether the Participant's Account Balance is greater than \$1,000. For Individual Agreements entered into before October 1, 2012, the foregoing provisions were permissible, but not required.</p>	<p>the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 590.010.H.2., if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the Plan Administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account Balance attributable to rollover contributions under Section 590.010.I.1. shall be considered in determining whether the Participant's Account Balance is greater than \$1,000. For Individual Agreements entered into before October 1, 2012, the foregoing provisions were permissible, but not required.</p>
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Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.H.4.a	
Current with Changes	Proposed
<p>(a) Hardship withdrawals shall be permitted under the Plan to the extent permitted by the Individual Agreements controlling the Account assets to be withdrawn to satisfy the hardship. For hardship withdrawals distributed on or after October 1, 2019, Elective Deferrals under the Plan shall no longer be suspended during the 6-month period beginning on the date the Participant receives such</p>	<p>(a) Hardship withdrawals shall be permitted under the Plan to the extent permitted by the Individual Agreements controlling the Account assets to be withdrawn to satisfy the hardship. For hardship withdrawals distributed on or after October 1, 2019, Elective Deferrals under the Plan shall no longer be suspended during the 6-month period beginning on the date the Participant receives such</p>

<p>hardship distribution. Effective as of January 1, 2024 in determining whether a hardship withdrawal is upon the financial hardship of a Participant, the Plan Administrator may rely on the Participant's written certification that the distribution is (i) on account of a financial need of a type which is deemed by the Secretary of the Treasury to be an immediate and heavy financial need, (ii) not in excess of the amount required to satisfy such financial need, and (iii) the Participant as not alternative means reasonably available to satisfy such financial need.</p>	<p>hardship distribution. Effective as of January 1, 2024, in determining whether a hardship withdrawal is upon the financial hardship of a Participant, the Plan Administrator may rely on the Participant's written certification that the distribution is (i) on account of a financial need of a type which is deemed by the Secretary of the Treasury to be an immediate and heavy financial need, (ii) not in excess of the amount required to satisfy such financial need, and (iii) the Participant as not alternative means reasonably available to satisfy such financial need.</p>
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Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.P.2.b.1	
Current with Changes	Proposed
<p>(1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2 the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be</p>	<p>(1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the</p>

<p>treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>	<p>Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>
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Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.P.3.c	
Current with Changes	Proposed
<p>(c) <u>Lifetime Required Minimum Distributions for Roth Elective Deferral Subaccount.</u> Notwithstanding the foregoing, effective for distribution calendar years beginning after December 31, 2023, the required minimum distribution rules of Code section 401(a)(9)(A) shall not apply to the Participant's Roth Elective Deferral subaccount, such that the Participant is not required to receive distributions from the Roth Elective Deferral subaccount during the Participant's lifetime.</p>	<p>(c) <u>Lifetime Required Minimum Distributions for Roth Elective Deferral Subaccount.</u> Notwithstanding the foregoing, effective for distribution calendar years beginning after December 31, 2023, the required minimum distribution rules of Code section 401(a)(9)(A) shall not apply to the Participant's Roth Elective Deferral subaccount, such that the Participant is not required to receive distributions from the Roth Elective Deferral subaccount during the Participant's lifetime.</p>

Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.P.4.a.3	
Current with Changes	Proposed
<p>(3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire Account will be distributed by the earliest of the periods described below:</p> <p>a. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.</p> <p>b. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated</p>	<p>(3) <u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire Account will be distributed by the earliest of the periods described below:</p> <p>a. If the distributee of the Participant's Account is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.</p> <p>b. If the distributee of the Participant's Account is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated</p>

<p>Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death.</p> <p>c. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>d. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life</p>	<p>Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death.</p> <p>c. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>d. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life</p>
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expectancy had been used to determine the distribution period in Section 590.010.P.4.a.1.	expectancy had been used to determine the distribution period in Section 590.010.P.4.a.1.
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Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.P.4.b.1	
Current with Changes	Proposed
<p>(1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 590.010.P.4.a.</p> <p>If the surviving Spouse receiving distributions under this Section 590.010.P.4.b.1 dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>	<p>(1) Participant Survived by Surviving Spouse as Sole Designated Beneficiary. If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 590.010.P.4.a.</p> <p>If the surviving Spouse receiving distributions under this Section 590.010.P.4.b.1 dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>

Amendment to the 403(b) Tax Deferred Annuity Plan	
Section 590.010.P.5	
Current with Changes	Proposed
<p>5. Definitions. The following definitions apply for purposes of this Section 590.010.P:</p> <p>(a) <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution Age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>(b) <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 590.010.A.6. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.</p> <p>(c) <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first</p>	<p>5. Definitions. The following definitions apply for purposes of this Section 590.010.P:</p> <p>(a) <u>Applicable Required Minimum Distribution Age.</u> With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 1/2. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution Age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>(b) <u>Designated Beneficiary.</u> The individual who is designated as the Beneficiary under Section 590.010.A.6. and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, of the Treasury regulations.</p> <p>(c) <u>Distribution calendar year.</u> A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first</p>

<p>distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 590.010.P.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>(d) <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ul style="list-style-type: none"> (1) The surviving Spouse of the Participant; (2) A child of the Participant who has not reached the age of Majority; 	<p>distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 590.010.P.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>(d) <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ul style="list-style-type: none"> (1) The surviving Spouse of the Participant; (2) A child of the Participant who has not reached the age of Majority;
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<p>(3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>(4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>(5) An individual not more than ten (10) years younger than the Participant; or</p> <p>(6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>(e) <u>Life Expectancy.</u> Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>(f) <u>Majority.</u> An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>(g) <u>Required Beginning Date.</u> The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age70-1/2 or the calendar year in which the Participant retires from the employ of the University.</p>	<p>(3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>(4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>(5) An individual not more than ten (10) years younger than the Participant; or</p> <p>(6) Certain trusts pursuant to Code §401(a)(9)(H)(iv) and (v).</p> <p>(e) <u>Life Expectancy.</u> Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p> <p>(f) <u>Majority.</u> An individual reaches the age of Majority on the individual's 21st birthday.</p> <p>(g) <u>Required Beginning Date.</u> The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age or the calendar year in which the Participant retires from the employ of the University.</p>
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RECOMMENDATION TO AMEND BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☒ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Amendment to Program: **January 1, 2024 (unless otherwise noted)**

Amendment Number: 457-17

Purpose of Recommendation:

To amend the 457(b) Eligible Deferred Compensation Plan as follows:

- effective October 1, 2023, to allow deferred compensation agreements (or modifications or revisions to deferred compensation agreements) to become effective as soon as administratively feasible, instead of only on the first day of the following month, as permitted by SECURE 2.0;
- effective January 1, 2025, to allow participants aged 60 through 63 to make additional catch-up contributions to the 457 (b) Plan, as permitted by SECURE 2.0;
- to give participants the right to take a distribution from the 457(b) Plan upon or after attaining age 59½, as permitted by SECURE 2.0;
- to allow participant account balances of \$7,000 or less to be distributed without a participant's consent in a single lump sum, as permitted by SECURE 2.0;
- effective January 1, 2020, to increase the age at which a participant must begin receiving required minimum distributions to age 72 and allow surviving spouses who are a participant's sole designated beneficiaries to delay the start of required minimum distributions until the date the participant would have obtained age 72, as required by the SECURE Act;
- effective January 1, 2023, to increase the age at which a participant must begin receiving required minimum distributions to age 73 and then age 75, as required by SECURE 2.0;
- to permit a participant's surviving spouse to elect to be treated as the participant with respect to required minimum distributions from the 457(b) Plan, as required by SECURE 2.0;
- effective January 1, 2022, to incorporate the changes to the provisions of the 457(b) Plan governing the period over which required minimum distributions for beneficiaries may be extended as mandated by the SECURE Act;
- to allow participants to self-certify that they satisfy the conditions necessary to qualify for a hardship distribution from the 403(b) Plan, as permitted by SECURE 2.0.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.C.1	
Current with Changes	Proposed
<p>C. DEFERRED COMPENSATION AND ROLLOVER CONTRIBUTIONS</p> <p>1. Elective Deferred Compensation Agreement</p> <p>a. <u>General</u>. Deferred Compensation shall be set forth as a whole percentage of a Participant's Compensation with respect to each payroll period, subject to the limitations and conditions of Section 580.010.C.2. A Deferred Compensation Agreement shall not be binding upon the Employer until accepted and approved by the Plan Administrator. Any Deferred Compensation Agreement (or modification or revision of an earlier Deferred Compensation Agreement) may not be made with respect to Compensation which is currently available on or before the date the Participant executed such Deferred Compensation Agreement or the date such Deferred Compensation Agreement first becomes effective, if later. Any Deferred Compensation Agreement (or modification or revision of an earlier Deferred Compensation Agreement) shall become effective as soon as is feasible following the receipt of such Deferred</p>	<p>C. DEFERRED COMPENSATION AND ROLLOVER CONTRIBUTIONS</p> <p>1. Elective Deferred Compensation Agreement</p> <p>a. <u>General</u>. Deferred Compensation shall be set forth as a whole percentage of a Participant's Compensation with respect to each payroll period, subject to the limitations and conditions of Section 580.010.C.2. A Deferred Compensation Agreement shall not be binding upon the Employer until accepted and approved by the Plan Administrator. Any Deferred Compensation Agreement (or modification or revision of an earlier Deferred Compensation Agreement) may not be made with respect to Compensation which is currently available on or before the date the Participant executed such Deferred Compensation Agreement or the date such Deferred Compensation Agreement first becomes effective, if later. Any Deferred Compensation Agreement (or modification or revision of an earlier Deferred Compensation Agreement) shall become effective as soon as is</p>

<p style="color: red;">Compensation Agreement by the Plan Administrator. Deferred Compensation may be made for any calendar month only if a Deferred Compensation Agreement providing for the Deferred Compensation has been entered into before the first day of the month in which Compensation is paid or made available. A new Participant may defer Compensation payable in the calendar month in which the Participant first becomes an Eligible Employee only if a Deferred Compensation Agreement is entered into on or before the first day on which the Participant performs services for the Employer.</p> <p>b. <u>Revisions to Deferred Compensation Agreement.</u></p> <ol style="list-style-type: none"> 1) Factual Entries. A Participant may change factual information (such as name, address, date of birth, etc.) by notifying the Plan Administrator at any time. 2) Elective Entries. A Participant may change the designated Deferred Compensation at any time by completing a revised Deferred Compensation Agreement and filing the revised Deferred Compensation Agreement with the Plan 	<p>feasible following the receipt of such Deferred Compensation Agreement by the Plan Administrator.</p> <p>b. <u>Revisions to Deferred Compensation Agreement.</u></p> <ol style="list-style-type: none"> 1) Factual Entries. A Participant may change factual information (such as name, address, date of birth, etc.) by notifying the Plan Administrator at any time. 2) Elective Entries. A Participant may change the designated Deferred Compensation at any time by completing a revised Deferred Compensation Agreement and filing the revised Deferred Compensation Agreement with the Plan Administrator. Effective as of October 1, 2023, Unless the revised Deferred Compensation Agreement specifies a later effective date, the revised Deferred Compensation Agreement shall be effective as soon as is feasible following the receipt of such revised Deferred Compensation
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<p>Administrator. Effective as of October 1, 2023, Unless the revised Deferred Compensation Agreement specifies a later effective date, the revised Deferred Compensation Agreement shall be effective as soon as is feasible following the receipt of such revised Deferred Compensation Agreement by the Plan Administrator of the first day of the next following month or as soon as administratively practicable if later.</p> <p>3) Incomplete Items; Expenses. Any item that is not completed in a revised Deferred Compensation Agreement shall have no effect on that item stated in the immediate prior Deferred Compensation Agreement. Expenses of the Plan Administrator arising in connection with any revision, may be charged against the Participant's Account.</p>	<p>Agreement by the Plan Administrator.</p> <p>3) Incomplete Items; Expenses. Any item that is not completed in a revised Deferred Compensation Agreement shall have no effect on that item stated in the immediate prior Deferred Compensation Agreement. Expenses of the Plan Administrator arising in connection with any revision, may be charged against the Participant's Account.</p> <p>c. <u>Cancellation and Reinstatement of Deferred Compensation Agreements.</u> A Deferred Compensation Agreement may be canceled or suspended by the Participant at any time by delivery by the Participant of notice to the Plan Administrator. A Participant who has canceled or suspended a Deferred Compensation Agreement may reinstate such Deferred Compensation Agreement by filing a revised Deferred Compensation Agreement with the Plan Administrator.</p>
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<p>c. <u>Cancellation and Reinstatement of Deferred Compensation Agreements</u>. A Deferred Compensation Agreement may be canceled or suspended by the Participant at any time by delivery by the Participant of notice to the Plan Administrator. A Participant who has canceled or suspended a Deferred Compensation Agreement may reinstate such Deferred Compensation Agreement by filing a revised Deferred Compensation Agreement with the Plan Administrator, but may not file such revised Deferred Compensation Agreement until the first day of the next payroll period following the cancellation or suspension.</p>	
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Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.C.2.b	
Current with Changes	Proposed
<p>b. <u>Catch-Up Contributions for Individuals Age 50 and Older</u>. A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Deferred Compensation, up to the maximum age 50 catch-up dollar amount specified under Code Section 414(v), as adjusted for cost-of-living under Code Section</p>	<p>b. <u>Catch-Up Contributions for Individuals Age 50 and Older</u>. A Participant who will attain age 50 or more by the end of the calendar year is permitted to elect an additional amount of Deferred Compensation, up to the maximum age 50 catch-up dollar amount specified under Code Section 414(v), as adjusted for cost-of-living under Code Section</p>

414(v). Effective as of January 1, 2025, a Participant who will attain age 60, 61, 62 or 63 by the end of the calendar year is permitted to elect an additional amount of Deferred Compensation, up to the limit permitted by Code Section 414(v)(2)(E), as may be adjusted for cost-of-living to the extent provided under Code Section 414(v).	414(v). Effective as of January 1, 2025, a Participant who will attain age 60, 61, 62 or 63 by the end of the calendar year is permitted to elect an additional amount of Deferred Compensation, up to the limit permitted by Code Section 414(v)(2)(E), as may be adjusted for cost-of-living to the extent provided under Code Section 414(v).
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Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.D.1	
Current with Changes	Proposed
<p>D. BENEFITS-AT SEVERANCE FROM EMPLOYMENT-DISTRIBUTIONS</p> <p>1. Eligibility To Receive Benefits</p> <p>The Participant shall be entitled to receive the benefits as defined in this Section 580.010.D. of the Plan only (i) upon or after Severance from Employment or (ii) effective as of January 1, 2024, upon or after the Participant attaining age 59½, if elected by the Participant.</p>	<p>D. BENEFIT-DISTRIBUTIONS</p> <p>1. Eligibility To Receive Benefits</p> <p>The Participant shall be entitled to receive the benefits as defined in this Section 580.010.D. of the Plan only (i) upon or after Severance from Employment or (ii) effective as of January 1, 2024, upon or after the Participant attaining age 59½, if elected by the Participant.</p>

Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.D.2	
Current with Changes	Proposed
<p>2. Benefits Upon Severance From Employment or Attainment of Age 59½</p> <p>Upon Severance from Employment or attainment of age 59½, a Participant shall receive a benefit from this Plan equal to his/her Account Balance as of the Valuation Date coinciding with the Benefit Commencement Date. Such payment shall be made in accordance with the Benefit Payment Option elected by the Participant.</p>	<p>2. Benefits Upon Severance From Employment or Attainment of Age 59½</p> <p>Upon Severance from Employment or attainment of age 59½, a Participant shall receive a benefit from this Plan equal to his/her Account Balance as of the Valuation Date coinciding with the Benefit Commencement Date. Such payment shall be made in accordance with the Benefit Payment Option elected by the Participant.</p>

Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.D.7	
Current with Changes	Lump Sum Payout
<p>7. Lump Sum Payout</p> <p>A Participant's vested Account that does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to rollover contributions under Section 580.010.C.3.) following a Severance from Employment, shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 580.010.D.7., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan</p>	<p>7. Lump Sum Payout</p> <p>A Participant's vested Account that does not exceed \$5,000, or for distributions occurring after December 31, 2023, \$7,000, (determined without regard to any amount attributable to rollover contributions under Section 580.010.C.3.) following a Severance from Employment, shall be distributed in a single lump sum as soon as administratively feasible without the consent of the Participant. In the event of a mandatory distribution greater than \$1,000 in accordance with the provisions of this Section 580.010.D.7., if the Participant does not elect to have such distribution paid directly to an Eligible Retirement Plan</p>

<p>specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan will pay the distribution in a Direct Rollover to an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account attributable to rollover contributions under Section 580.010.C.3. shall be considered in determining whether the Participant's Account is greater than \$1,000.</p>	<p>specified by the Participant in a Direct Rollover or to receive the distribution directly, then the Plan will pay the distribution in a Direct Rollover to an individual retirement plan designated by the Plan Administrator. The amount of the Participant's Account attributable to rollover contributions under Section 580.010.C.3. shall be considered in determining whether the Participant's Account is greater than \$1,000.</p>
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Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.F.2.b.1)	
Current with Changes	Proposed
<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½ the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>	<p>1) If the Participant's surviving Spouse is the Participant's sole designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the Applicable Required Minimum Distribution Age, if later. Notwithstanding the foregoing or anything in the Plan to the contrary, beginning January 1, 2024, if the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the surviving Spouse may elect to be treated as the Participant for purposes of minimum distributions under Code Section 401(a)(9). Such election shall be made at such time and in such a manner as required by the Plan Administrator.</p>

Amendment to the 457(b) Eligible Deferred Compensation Plan			
Section 580.010.F.4.a.3			
Current with Changes		Proposed	
3)	<p><u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire Account Balance will be distributed by the earliest of the periods described below:</p> <p>i. If the distributee of the Participant's Account Balance is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.</p> <p>ii. If the distributee of the Participant's Account Balance is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed</p>	3)	<p><u>Deadline to Distribute Participant's Account.</u> Notwithstanding the foregoing, if the Participant dies on or after January 1, 2022 and on or after the date distributions begin, the Participant's entire Account Balance will be distributed by the earliest of the periods described below:</p> <p>i. If the distributee of the Participant's Account Balance is a designated Beneficiary but not an Eligible Designated Beneficiary, distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.</p> <p>ii. If the distributee of the Participant's Account Balance is an Eligible Designated Beneficiary who dies before receiving the Participant's entire Account, distribution of the Participant's entire remaining Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death. If the Participant dies before January 1, 2022, but the Eligible Designated Beneficiary dies on or after January 1, 2022, then distribution of the Participant's entire remaining Account Balance will be completed</p>

<p>by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death.</p> <p>iii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>iv. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 580.030.F.4.a.1).</p>	<p>by December 31 of the calendar year containing the tenth anniversary of the Eligible Designated Beneficiary's death.</p> <p>iii. If the distributee of the Participant's Account is an Eligible Designated Beneficiary only because the Beneficiary is the child of the Participant who has not reached the age of Majority at the time of the Participant's death, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year containing the tenth anniversary of the date the Beneficiary reached the age of Majority.</p> <p>iv. If the distributee is an Eligible Designated Beneficiary who is older than the Participant, then distribution of the Participant's entire Account Balance will be completed by December 31 of the calendar year in which the Eligible Designated Beneficiary's life expectancy would be equal to or less than one (1), as if the Eligible Designated Beneficiary's life expectancy had been used to determine the distribution period in Section 580.030.F.4.a.1).</p>
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Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.F.4.b.1)	
Current with Changes	Proposed
<p>1) <u>Participant Survived by Surviving Spouse as Sole Designated Beneficiary.</u> If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 580.010.F.4.a. If the surviving Spouse receiving distributions under this Section 580.030.F.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>	<p>1) <u>Participant Survived by Surviving Spouse as Sole Designated Beneficiary.</u> If the Participant dies before the date distributions begin and the Participant's surviving Spouse is the Participant's sole designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 580.010.F.4.a. If the surviving Spouse receiving distributions under this Section 580.030.F.4.b.1) dies on or after January 1, 2022, before receiving distribution of the Participant's entire Account Balance, distribution of the Participant's entire remaining Account Balance will be completed by December 31st of the calendar year containing the tenth year anniversary of the surviving Spouse's death.</p>

Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.F.5	
Current with Changes	Proposed
<p>1. Definitions. The following definitions apply for purposes of this Section 580.010.F:</p> <p>a. Applicable Required Minimum Distribution Age. With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 ½. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>b. Designated Beneficiary. The individual who is designated as the Beneficiary under Section 580.010.E.2. of the Plan and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.</p> <p>c. Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the</p>	<p>1. Definitions. The following definitions apply for purposes of this Section 580.010.F:</p> <p>a. Applicable Required Minimum Distribution Age. With respect to a Participant born on or before June 30, 1949, the Applicable Required Minimum Distribution Age is 70 ½. With respect to a Participant born after June 30, 1949 and before January 1, 1951, the Applicable Required Minimum Distribution age is 72. With respect to a Participant born on or after January 1, 1951 and before January 1, 1960, the Applicable Required Minimum Distribution Age is 73. With respect to a Participant born on or after January 1, 1960, the Applicable Required Minimum Distribution Age is 75.</p> <p>b. Designated Beneficiary. The individual who is designated as the Beneficiary under Section 580.010.E.2. of the Plan and is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4 of the Treasury regulations.</p> <p>c. Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar</p>

<p>first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 580.010.F.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>d. <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority; 	<p>year is the calendar year immediately preceding the calendar year which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 580.010.F.2.b. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31 of that distribution calendar year.</p> <p>d. <u>Eligible Designated Beneficiary.</u> An Eligible Designated Beneficiary is a Participant's designated Beneficiary who, at the time of the Participant's death, is one of the following:</p> <ol style="list-style-type: none"> 1) The surviving Spouse of the Participant; 2) A child of the Participant who has not reached the age of Majority;
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<p>3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code Section 401(a)(9)(H)(iv) and (v).</p>	<p>3) Disabled, as defined in Code Section 401(a)(9)(E)(ii)(III);</p> <p>4) Chronically ill, as defined in Code Section 401(a)(9)(E)(ii)(IV);</p> <p>5) An individual not more than ten (10) years younger than the Participant; or</p> <p>6) Certain trusts pursuant to Code Section 401(a)(9)(H)(iv) and (v).</p>
<p>e. <u>Life Expectancy.</u> Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p>	<p>e. <u>Life Expectancy.</u> Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.</p>
<p>f. <u>Majority.</u> An individual reaches the age of Majority on the individual's 21st birthday.</p>	<p>f. <u>Majority.</u> An individual reaches the age of Majority on the individual's 21st birthday.</p>
<p>g. <u>Required Beginning Date.</u> The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the 70½ Applicable Required Minimum Distribution Age or the calendar year in which the Participant retires from the employ of the Employer.</p>	<p>g. <u>Required Beginning Date.</u> The Required Beginning Date is April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Required Minimum Distribution Age or the calendar year in which the Participant retires from the employ of the Employer.</p>

Amendment to the 457(b) Eligible Deferred Compensation Plan	
Section 580.010.G.1.a	
Current with Changes	Proposed
<p>a. <u>General.</u> A Participant may request a distribution of a portion of his/her Account as necessary to satisfy an immediate and heavy financial need in the event of an Unforeseeable Emergency. The Determination as to the existence of an Unforeseeable Emergency and the manner of withdrawal shall be made by the Plan Administrator in accordance with the Code and regulations thereunder. Effective as of January 1, 2024, the Plan Administrator may rely on a written certification by the Participant that the requested distribution is made when the Participant is faced with an Unforeseeable Emergency, not in excess of the amount required to satisfy the emergency need, and, notwithstanding Section 580.010.G.1.b, that the Participant has no alternative means reasonably available to satisfy such emergency need.</p>	<p>a. <u>General.</u> A Participant may request a distribution of a portion of his/her Account as necessary to satisfy an immediate and heavy financial need in the event of an Unforeseeable Emergency. The Determination as to the existence of an Unforeseeable Emergency and the manner of withdrawal shall be made by the Plan Administrator in accordance with the Code and regulations thereunder. Effective as of January 1, 2024, the Plan Administrator may rely on a written certification by the Participant that the requested distribution is made when the Participant is faced with an Unforeseeable Emergency, not in excess of the amount required to satisfy the emergency need, and, notwithstanding Section 580.010.G.1.b, that the Participant has no alternative means reasonably available to satisfy such emergency need.</p>

RECOMMENDATION TO AMEND BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☒ Retirement ☐ Medical ☐ Long Term Disability
☐ Life Insurance ☐ Dental ☐ AD&D ☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Amendment to Program: January 1, 2024

Amendment Number: BRP-1

Purpose of Recommendation:

To amend the Retirement Benefit Restoration Plan for non-substantive changes to update references to other retirement plans, internal cross-references and defined terms.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curators

Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010A	
Current with Changes	Proposed
<p>A. Definitions</p> <ol style="list-style-type: none"> 1. "Beneficiary" means an individual receiving survivor benefits from the system RDD Plan. 2. "Code" means the federal Internal Revenue Code of 1986, as amended. 3. "Employer" means The Curators of the University of Missouri. 4. "Member" means a retired individual receiving retirement benefits from the system RDD Plan. 5. "Participant" means an employee who is eligible to receive benefits under this plan under Section 2 B.01. 6. "Plan" means the plan established by this Act for the payment of retirement benefits as permitted under Code Section 415(m). 7. "Plan year" means the limitation year of the system RDD Plan under Code Section 415. 8. "System" "RDD Plan" means the University of Missouri Retirement, Disability and Death Benefit Plan. 9. "Trustee" means The Curators of the University of Missouri. 	<p>A. Definitions</p> <ol style="list-style-type: none"> 1. "Beneficiary" means an individual receiving survivor benefits from the RDD Plan. 2. "Code" means the federal Internal Revenue Code of 1986, as amended. 3. "Employer" means The Curators of the University of Missouri. 4. "Member" means a retired individual receiving retirement benefits from the RDD Plan. 5. "Participant" means an employee who is eligible to receive benefits under this plan under Section B.01. 6. "Plan" means the plan established by this Act for the payment of retirement benefits as permitted under Code Section 415(m). 7. "Plan year" means the limitation year of the RDD Plan under Code Section 415. 8. "RDD Plan" means the University of Missouri Retirement, Disability and Death Benefit Plan. 9. "Trustee" means The Curators of the University of Missouri.

Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010B	
Current with Changes	Proposed
<p>B. Participation</p> <ol style="list-style-type: none"> 1. All retired members and beneficiaries of the system RDD Plan whose retirement or survivor benefits from the system RDD Plan for a plan year have been limited by Code Section 415 are participants in this plan-Plan. 2. Participation in the plan this Plan is determined for each plan year. Participation in the plan this Plan will cease for any plan year in which the retirement benefit of a member of the system RDD Plan is not limited by Code Section 415. 	<p>B. Participation</p> <ol style="list-style-type: none"> 1. All retired members and beneficiaries of the RDD Plan whose retirement or survivor benefits from the RDD Plan for a plan year have been limited by Code Section 415 are participants in this Plan. 2. Participation in this Plan is determined for each plan year. Participation in this Plan will cease for any plan year in which the retirement benefit of a member of the RDD Plan is not limited by Code Section 415.

Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010C	
Current with Changes	Proposed
<p>C. Benefits</p> <ol style="list-style-type: none"> Benefit Amount A participant Participant in the plan this Plan shall receive a monthly benefit equal to the difference between the participant's Participant's monthly retirement benefit, otherwise payable from the system RDD Plan prior to any reduction or limitation because of Code Section 415, and the actual monthly retirement benefit, payable from the system RDD Plan as limited by Code Section 415. The monthly benefit shall be subject to a withholding of any applicable income or and employment taxes. Payment of Benefit Benefits under this plan Plan shall be paid only if the Participant or Beneficiary is receiving benefits from the system RDD Plan. Form of Benefit The form of the benefit paid to a Participant or Beneficiary from the plan this Plan shall be the same as otherwise selected by the Participant and payable under the system RDD Plan. 	<p>C. Benefits</p> <ol style="list-style-type: none"> Benefit Amount A Participant in this Plan shall receive a monthly benefit equal to the difference between the Participant's monthly retirement benefit, otherwise payable from the RDD Plan prior to any reduction or limitation because of Code Section 415, and the actual monthly retirement benefit, payable from the RDD Plan as limited by Code Section 415. The monthly benefit shall be subject to a withholding of any applicable income and employment taxes. Payment of Benefit Benefits under this Plan shall be paid only if the Participant or Beneficiary is receiving benefits from the RDD Plan. Form of Benefit The form of the benefit paid to a Participant or Beneficiary from this Plan shall be the same as otherwise selected by the Participant and payable under the RDD Plan.

Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010D	
Current with Changes	Proposed
<p>D. Contributions and Funding</p> <p>1. Contributions</p> <p>a. The trustee Trustee, upon the recommendation of the actuary, shall determine the required contributions to pay plan Plan benefits for each plan year. The required contribution for each plan year shall be the total amount of benefits, payable under Section 3 C to all participants Participants and their beneficiaries Beneficiaries, and such amount as determined by the trustee Trustee to pay the administrative expenses of the plan this Plan and the employer's Employer's share of any employment taxes on the benefits paid from the plan this Plan.</p> <p>b. The required contribution, as determined by the trustee Trustee, upon the recommendation of the actuary, shall be paid into the plan this Plan from an allocation of the employer contribution amounts paid under Section</p>	<p>D. Contributions and Funding</p> <p>1. Contributions</p> <p>a. The Trustee, upon the recommendation of the actuary, shall determine the required contributions to pay Plan benefits for each plan year. The required contribution for each plan year shall be the total amount of benefits, payable under Section C to all Participants and their Beneficiaries, and such amount as determined by the Trustee to pay the administrative expenses of this Plan and the Employer's share of any employment taxes on the benefits paid from this Plan.</p> <p>b. The required contribution, as determined by the Trustee, upon the recommendation of the actuary, shall be paid into this Plan from an allocation of the employer contribution amounts paid under Section 530.010.N. titled Funding of the Plan of the Collected Rules and Regulations</p>

<p>530.010.N. titled Funding of the Plan of the Collected Rules and Regulations of the University of Missouri.</p> <p>2. Excess Plan Fund Contributions to the plan this Plan shall be deposited in a separate fund established and administered by the System Plan Administrator of the RDD Plan. This fund is intended to be exempt from federal income tax under Code sections 115 and 415(m)(1).</p> <p>3. Funding Assets The benefit liabilities of the plan shall be funded on a plan year basis. The fund established under Section 4.03 D.02 shall not accumulate assets to pay benefits payable in future years. Any assets of the fund not used for paying benefits for a current plan year shall be used, as determined by the trustee, for the payment of the administrative expenses of the plan for the plan year, of for future plan years, or paid to the system RDD Plan as an additional employer contribution.</p> <p>4. Non-assignment of Benefits The benefits payable under the plan-this Plan may not be assigned or alienated by a partieipant Participant or Beneficiary except as otherwise permitted for benefits payable by the system RDD Plan.</p>	<p>of the University of Missouri.</p> <p>2. Excess Plan Fund Contributions to this Plan shall be deposited in a separate fund established and administered by the Plan Administrator of the RDD Plan. This fund is intended to be exempt from federal income tax under Code sections 115 and 415(m)(1).</p> <p>3. Funding Assets The benefit liabilities of the plan shall be funded on a plan year basis. The fund established under Section D.02 shall not accumulate assets to pay benefits payable in future years. Any assets of the fund not used for paying benefits for a current plan year shall be used, as determined by the trustee, for the payment of the administrative expenses of the plan for the plan year, of for future plan years, or paid to the RDD Plan as an additional employer contribution.</p> <p>4. Non-assignment of Benefits The benefits payable under this Plan may not be assigned or alienated by a Participant or Beneficiary except as otherwise permitted for benefits payable by the RDD Plan.</p>
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Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010E	
Current with Changes	Proposed
<p>E. Administration</p> <p>1. Plan Administration The plan This Plan shall be administered by the trustee Trustee. The trustee Trustee, with the same delegation as exists for the Retirement, Disability and Death Benefit Plan RDD Plan, shall have the same authority to administer the plan this Plan as exists for the system RDD Plan.</p> <p>2. Compliance Authority The trustee Trustee may make modifications to the benefits payable under the plan this Plan as may be necessary to maintain its qualified status under Code Section 415(m).</p>	<p>E. Administration</p> <p>1. Plan Administration This Plan shall be administered by the Trustee. The Trustee, with the same delegation as exists for the RDD Plan, shall have the same authority to administer this Plan as exists for the RDD Plan.</p> <p>2. Compliance Authority The Trustee may make modifications to the benefits payable under this Plan as may be necessary to maintain its qualified status under Code Section 415(m).</p>

Amendment to the Retirement Benefit Restoration Plan (BRP)	
Section 560.010F	
Current with Changes	Proposed
<p>F. Effective Dates</p> <p>1. Effective Dates The trustee Trustee shall pay benefits under the plan this Plan for all plan years beginning on or after September 1, 2000.</p>	<p>F. Effective Dates</p> <p>1. Effective Dates The Trustee shall pay benefits under this Plan for all plan years beginning on or after September 1, 2000.</p>

Approval of Plan Document for Previously Authorized Short-Term Disability Program

Executive Summary

In connection with the University's transition to a paid time off model, the University is providing documentation for the previously approved short-term disability program approved by the Board in September 2022, effective as of January 1, 2024. This approval by the Board will formalize eligibility criteria for the program, to be called the University of Missouri Short-Term Disability Plan.

Following is a summary of the proposed University of Missouri Short-Term Disability Plan effective January 1, 2024:

- All regular benefit-eligible administrative, service and support employees and certain non-regular employees, as approved by the Chancellor and President, will be eligible for coverage under the University of Missouri Short-Term Disability Plan.
- All eligible employees will be automatically enrolled in the employer-paid "base plan" component of the University of Missouri Short-Term Disability Plan. In the event an eligible employee experiences a serious health condition that results in the individual being unable to perform the essential functions of the individual's job, the eligible employee will be paid sixty percent (60%) of the eligible employee's weekly earnings for a period of up to twenty (20) weeks following a seven (7) day elimination period.
- All eligible employees will have the option to purchase additional short-term disability insurance coverage under the "buy-up" component of the University of Missouri Short-Term Disability Plan. Eligible employees may pay premiums on a pre-tax basis through the Flexible Benefits Plan to receive a benefit under the University of Missouri Short-Term Disability Plan equal to one hundred percent (100%) of the eligible employee's weekly earnings for a period of twenty (20) weeks following a seven (7) day elimination period.

Future management of the plan will proceed in accordance Collected Rules and Regulations Section 520.010 Benefit Programs, which generally delegates management of covered benefits to the President, while reserving to the Board approval of modification of eligibility and vesting requirements.

No. 3

- Recommended Action - Adoption of the University of Missouri Short-Term Disability Plan effective January 1, 2024.

It was recommended by Vice President and Chief Human Resources Officer Marsha Fischer, endorsed by President Choi, recommended by the Governance, Compensation and Human Resources Committee, moved by Curator _____, and seconded by Curator _____, that the following action be approved:

that the University of Missouri Short-Term Disability Plan be adopted in the same form as the attached plan document, effective January 1, 2024, with further management of the plan to be governed by Collected Rules and Regulations Section 520.010 Benefit Programs.

Roll call vote of the Committee: YES NO

Curator Blitz
Curator Brncic
Curator Holloway
Curator Wenneker

The motion _____.

Roll call vote of the Board: YES NO

Curator Blitz
Curator Brncic
Curator Fry
Curator Graves
Curator Holloway
Curator Layman
Curator Siquefield
Curator Wenneker
Curator Williams

The motion _____.

RECOMMENDATION TO ADOPT BENEFIT PROGRAM

☐ Supplemental Retirement Plan ☐ Retirement ☐ Medical ☐ Long Term Disability
☒ Short Term Disability ☐ Life Insurance ☐ Dental ☐ AD&D
☐ Flexible Benefits ☐ Tax Deferred Annuity

Effective Date of Adoption of Program: January 1, 2024

Amendment Number: N/A

Purpose of Recommendation:

To adopt the University of Missouri Short-Term Disability Plan which provides the following benefits to all regular benefit-eligible administrative, service and support employees and certain non-regular employees, as approved by the Chancellor and President:

- all eligible employees will be automatically enrolled in the employer-paid “base plan” component of the University of Missouri Short-Term Disability Plan. In the event an eligible employee experiences a serious health condition that results in the individual being unable to perform the essential functions of the individual’s job, the eligible employee will be paid sixty percent (60%) of the eligible employee’s weekly earnings for a period of up to twenty (20) weeks following a seven (7) day elimination period; and
- all eligible employees will have the option to purchase additional short-term disability insurance coverage under the “buy-up” component of the University of Missouri Short-Term Disability Plan. Eligible employees may pay premiums on a pre-tax basis through the Flexible Benefits Plan to receive a benefit under the University of Missouri Short-Term Disability Plan equal to one hundred percent (100%) of the eligible employee’s weekly earnings for a period of twenty (20) weeks following a seven (7) day elimination period.

Current Language (citation of specific section of Collected Rules and Regulations):

See attached.

Proposed Language (recommended citation):

See attached.

Cost, if Applicable:

Recommended for Approval:

Marsha Fischer
Chief Human Resources Officer

Date

Approval as to Legal Form:

Mark Menghini
Legal Counsel

Date

Final Approval:

Mun Choi
President

Date

Copy to General Counsel, Human Resources, Board of Curator

UNIVERSITY OF MISSOURI

Short-Term Disability SPD

Effective January 1, 2024



This SPD is designed to provide an overview of the University of Missouri System's Short-Term Disability Plan. While the University hopes to continue to offer participation in this Plan, it has the right to amend or terminate any benefit plan.

In addition to this SPD, the University plans to continue to use other methods of communication such as memos, meetings, newsletter articles or electronic media to help You stay informed. Also available is the benefits department website at <https://www.umsystem.edu/totalrewards/benefits>.

It's important for You to have a good understanding of all this Plan has to offer. Please review this SPD carefully. If You have questions, contact Your HR Generalist (umurl.us/CBR) or HR Service Center (umurl.us/HRSC).

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Introduction

The Short-Term Disability Plan is designed to protect Your financial security in the event of a qualified medical disability. All eligible employees are automatically enrolled in the Base Plan, with an option to purchase additional coverage through the Buy-Up Plan.

The Short-Term Disability Plan ("Plan") is sponsored by The Curators of the University of Missouri ("University"). The University is the Plan Administrator with the authority to control and manage the operation and administration of the Plan. The University has delegated certain administrative duties of the Plan to Metropolitan Life Insurance Company ("MetLife"). The Plan Administrator and other fiduciaries of the Plan have discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to benefits in accordance with the terms of the Plan. Any interpretation or determination pursuant to this discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary or capricious.

The Summary Plan Description (SPD) describes the benefits available to You under the Plan. **This SPD serves as both the Plan document and the SPD.** This SPD is designed to meet Your information needs. It supersedes any previous printed or electronic SPD for this Plan. However, if You are receiving benefits prior to the effective date of this Plan, then the terms of the prior Plan document will continue to govern those benefits. It is important that You carefully review this SPD to understand the Benefits which are available, as well as Your responsibilities to ensure that You receive all the Benefits to which You are eligible. The terms of this Plan may not be amended by oral statements made by the Plan Sponsor, the Claim Administrator, or any other person. In the event an oral statement conflicts with any term of the Plan, the Plan terms will control.

Definitions

As used in the Plan the terms listed below will have the meanings set forth below. When defined terms are used in the Plan, they will appear with initial capitalization. The plural use of a term defined in the singular will share the same meaning.

Actively at Work or Active Work means that You are performing all of the usual and customary duties of Your job on a Full-Time basis. This must be done at:

- the University's place of business;
- an alternate place approved by the University; or
- a place to which the University's business requires You to travel.

Any Disability under this Plan must have occurred on or after January 1, 2024.

You will be deemed to be Actively at Work during weekends or University approved vacations, holidays or business closures if You were Actively at Work on the last scheduled workday preceding such time off.

Appropriate Care and Treatment means medical care and treatment that is:

- given by a Physician whose medical training and clinical specialty are appropriate for treating Your Disability;
- consistent in type, frequency and duration of treatment with relevant guidelines of national medical research, health care coverage organizations and governmental agencies;
- consistent with a Physician's diagnosis of Your Disability; and
- intended to maximize Your medical and functional improvement.

Base Plan means the Short-Term Disability Plan option that is paid by the University and the Plan You are automatically enrolled in.

Basic Weekly Earnings means one fifty-second of Your annual base benefit rate (ABBR). Your ABBR includes total income before taxes.

The term does not include:

- pre-tax contributions to
 - qualified deferred compensation plan;
 - section 125 plan; or
 - flexible spending account
- income received from bonuses or incentive plans;
- overtime pay;
- shift differential;
- car;
- housing;
- moving allowances;
- employer contributions to a qualified deferred compensation plan;
- income received from part-time non-benefit eligible University employment; and
- any other extra compensation or income received from sources other than from the University.

Buy-Up Plan means the Short-Term Disability Plan option that gives You a higher level of coverage than the Base Plan. You pay the difference in the cost between the Base and Buy-Up Plan premium.

Claim Administrator means Metropolitan Life Insurance Company ("MetLife"), New York, New York, who provide certain claim administration services for the Plan.

Disabled or Disability means that, due to Sickness or as a direct result of accidental injury:

- You are receiving Appropriate Care and Treatment and complying with the requirements of such treatment; and
- You are unable to earn more than 80% of Your Basic Weekly Earnings at Your Own Occupation for any employer; and
- You are unable to perform each of the material duties of Your Own Occupation for any employer.

If Your occupation requires a license, the fact that You lose Your license for any reason will not, in itself, constitute Disability.

Disability Benefit Payment means the payment You receive for a Disability.

Elimination Period means seven (7) consecutive calendar days of continuous time off work due to the serious health condition for which benefits under this Plan are being requested. During the elimination period, You must use other available accrued paid leave.

Full-Time means Active Work of at least 30 hours per week (.75 Full-Time equivalent) on the University's regular work schedule for the eligible class of employees to which You belong.

Maximum Benefit Period means the maximum amount of time, during which benefits will be paid under the Plan. Your maximum period of payment is 20 weeks (excluding the Elimination Period) for any period of Disability.

Own Occupation means the occupation You routinely perform that provides the primary source of Your earned income. In determining Your Own Occupation, the Claim Administrator will look at Your occupation as it is normally performed instead of how it is performed for any specific employer or in any specific location.

Physician means:

- a person licensed to practice medicine in the jurisdiction where such services are performed; or

- any other person whose services, according to applicable law, must be treated as Physician's services for purposes of the group benefits. Each such person must be licensed in the jurisdiction where he performs the service and must act within the scope of that license.

The term does not include:

- You;
- Your spouse; or
- any member of Your immediate family including Your and/or Your spouse's:
 - parents;
 - children (natural, step or adopted);
 - siblings;
 - grandparents;
 - or grandchildren.

Proof means Written evidence satisfactory to the Claim Administrator that a person has satisfied the conditions and requirements for any benefit described in the Plan. When a claim is made for any benefit described in the Plan, Proof must be provided at the claimant's expense and must establish:

- the nature and extent of the loss or condition;
- the Plan's obligation to pay the claim; and
- the claimant's right to receive payment.

Retirement Plan means a defined benefit or defined contribution plan that provides benefits for your retirement and which is not funded wholly by your contributions. It does not include: (i) a profit-sharing plan; (ii) thrift, savings or stock ownership plans; (iii) a non-qualified deferred compensation plan; or (iv) an individual retirement account (IRA), a tax-sheltered annuity (TSA), Keogh Plan, 401(k) plan, 403(b) plan or 457 deferred compensation arrangement.

Sickness means illness, disease, or pregnancy, including complications of pregnancy.

Signed means any symbol or method executed or adopted by a person with the present intention to authenticate a record, which is on or transmitted by paper or electronic media which is acceptable to the Claim Administrator, and consistent with applicable law.

Plan means The Curators of the University of Missouri Short-Term Disability Plan.

University means The Curators of the University of Missouri

Written or **Writing** means a record which is on or transmitted by paper or electronic media which is acceptable to the Claim Administrator and consistent with applicable law.

You and **Your** mean an employee who is eligible for the benefits described in the Plan.

Am I eligible for coverage?

If You are a regular Full-Time benefit-eligible administrative, service and support employee, You are eligible for coverage. Additionally, certain non-regular academic employees, as approved by the Chancellor and President, will also be eligible for coverage.

When does coverage begin?

Coverage under this Plan begins on the later of i) the effective date of the Plan; or ii) when You are eligible for coverage, as provided above.

Disability Benefit Payments under this Plan will not be paid unless you have a qualifying medical disability that occurs on or after January 1, 2024.

New Hires (on or after January 1, 2024):

- Coverage begins on the later of Your date of hire or Your benefit eligibility date, if You are Actively at Work on that date. If You are not Actively at Work when You're hired or first become eligible for this Plan, then Your coverage will begin when You start Active Work at the University
- You will automatically be enrolled in the Base Plan (paid by University).
- You may elect the Buy-Up Plan at initial enrollment without completing a Statement of Health form provided You enroll within 31 days.
- If You change from part-time to Full-Time or from temporary to permanent status and become benefit eligible, You must enroll within 31 days of the date of Your change in status.

Annual Enrollment

- A Statement of Health form is required for electing the Buy-Up Plan option.
- Coverage elected or changed during the Annual Enrollment Change Period begins on January 1 of the following year, or upon approval by MetLife if after January 1.

Who pays for this coverage?

- If You choose the Base Plan, the University will pay the full cost of coverage.
- If You choose the Buy-Up Plan, the University will contribute an amount equal to that contributed for employees enrolled in the Base Plan. You pay only the difference in cost between the Buy-Up Plan and the Base Plan. Your contribution will be made on a before-tax basis, which lowers the current income taxes You pay. For more details about how the before-tax feature works for You, refer to Your Flexible Benefits Plan SPD.

How much coverage do I have?

The amount of Your coverage depends on Your Basic Weekly Earnings and whether You choose the Buy-Up Plan option.

After Your seven (7) day Elimination Period, You will be eligible to receive a weekly benefit depending on the level of coverage You have chosen. The following highlights the benefit features of each Plan option:

	Base Plan	Buy-Up Plan
Benefit amount	60% of Basic Weekly Earnings	100% of Basic Weekly Earnings,
Minimum weekly benefit	15% of Basic Weekly Earnings before reduction for other income, or \$25, whichever is greater	15% of Basic Weekly Earnings before reduction for other income, or \$25, whichever is greater
Maximum weekly benefit	No Max	No Max
Maximum Benefit Period	20 weeks	20 weeks

No matter which option You choose, Your weekly benefit will be integrated with income You may receive from certain other sources. For a list of these sources, see the answer to the question *What other income affects my Disability Benefit Payments* that appears later in this SPD. The total amount of income You can receive from the plan combined with all other sources depends on the plan option You chose when You enrolled. As explained later, when combined with other deductible sources of income the Base Plan allows You to receive up to 60% of Your Basic Weekly Earnings and the Buy-Up Plan allows You to receive up to 100% of Your Basic Weekly Earnings.

What happens if my Basic Weekly Earnings change?

The amount of Your coverage (and Your premium cost if You choose the Buy-Up Plan) will change when Your Basic Weekly Earnings changes.

May I change my choice of coverage?

You may increase Your coverage from the Base Plan to the Buy-Up Plan during the annual enrollment period by completing a Statement of Health form. Coverage goes into effect the first day of the month immediately following the approval date or January 1 of the following year, whichever is later.

You may decrease coverage from the Buy-Up Plan to the Base Plan only during the annual enrollment period.

Note: Changes in Your Disability Benefit Payments will only apply to Disabilities commencing on or after the date of the change.

When do I have to meet a new Elimination Period?

A new Elimination Period is required for each new serious health condition for which benefits under this Plan are being requested. If You return to Your Own Occupation on a Full-Time basis for forty (40) or more consecutive calendar days (known as the “successive period”), and You again become Disabled due to the same or related causes as Your previous Disability, Your current Disability will be treated as a new claim under the Plan. This means You must satisfy all the provisions of the Plan relating to a new claim for benefit, including satisfying a new Elimination Period.

If You return to Your Own Occupation on a Full-Time basis for less than forty (40) consecutive calendar days, and You again become Disabled due to the same or related causes as Your previous Disability, then Your current Disability will be treated as part of Your prior claim. This means You will not have to complete another Elimination Period.

When do I begin receiving Disability Benefit Payments?

Benefits begin the day after the Elimination Period is completed, provided the Claim Administrator determines You meet the definition of Disability.

Benefits under this Plan are available for continuous and intermittent time off, in increments of full days, provided a health care provider certifies the expected duration and schedule of such leave.

If You are approved for intermittent leave, You must continue to comply with the normal call-in procedures. Failure to do so may result in Your short-term disability benefits not being approved for payment.

How does Short-Term Disability coordinate with Parental Leave?

Short-Term Disability Benefit Payments will pay first, then Parental Leave benefits can be used, unless otherwise requested.

What other income affects my Disability Benefit Payments?

Your Disability Benefit Payments will be reduced if You are eligible for certain other income benefits including the following:

1. any income received for disability or retirement under a University's Retirement Plan, to the extent that it can be attributed to the employer's contributions, unless the income was being received prior to the disability;
2. any income received for disability under:
 - a group insurance policy to which the University has made a contribution, such as:
 - benefits for loss of time from work due to disability (e.g. Worker's Compensation); or
 - installment payments for permanent total disability;
 - a government compulsory benefit plan or program which provides payment for loss of time from Your job due to Your disability, whether such payment is made directly by the Plan or program, or through a third party;
 - a self-funded plan, or other arrangement if the University contributes toward it or makes payroll deductions for it;
 - any sick pay, vacation pay or other salary continuation* that the University pays to You;
 - occupational disease laws;
 - laws providing for maritime maintenance and cure.

*If you receive Holiday Pay, you will not receive Disability Benefit Payments for that day.

Reducing Your disability benefit by the estimated amount of Your government compulsory benefit plan or program

If there is a reasonable basis for You to apply for and receive benefits under a government compulsory plan or program (e.g., workers' compensation, unemployment, Social Security, Medicare, or certain mandatory state and local programs such as paid sick leave), the Plan expects You to apply for such benefits.

With respect to government compulsory benefit plans or programs, to apply means to pursue such benefits through all applicable levels of appeal provided under such benefit plans or programs. You must, within four (4) weeks following the date You become Disabled send the Claim Administrator Proof that You have applied for benefits under such plans or programs.

If You do not satisfy the above requirements, the Claim Administrator will reduce Your Disability Benefit Payments by the amount of such government compulsory benefit plan or program benefit that the Claim Administrator estimates You are eligible to receive, provided that the Claim Administrator has the reasonable means to make such an estimate. The Claim Administrator will start to do this with the first Disability Benefit Payment, coincident with the date You were eligible to receive such government compulsory benefit plan or program benefit.

Single Sum Payments

If You receive other income in the form of a single sum payment (e.g. lump-sum or settlement payment), You must, within 10 days after receipt of such payment, give Written Proof satisfactory to the Claim Administrator of:

- the amount of the single sum payment;
- the amount to be attributed to income replacement; and
- the time period for which the payment applies.

When the Claim Administrator receives such Proof, the Claim Administrator will adjust the amount of Your Disability Benefit Payments.

If the Claim Administrator does not receive the Written Proof described above, and the Claim Administrator knows the amount of the single sum payment, the Plan may reduce Your Disability Benefit Payments by an amount equal to such benefit until the single sum has been exhausted.

If the Claim Administrator adjusts the amount of Your Disability Benefit Payments due to a single sum payment, the amount of the adjustment will not result in a benefit amount less than the minimum amount, except in the case of an overpayment.

If You receive other income in the form of a single sum payment and the Claim Administrator does not receive the Written Proof described above within ten (10) days after You receive the single sum payment, the Claim Administrator will adjust the amount of Your Disability Benefit Payments by the amount of such payment.

How is my Disability Benefit Payment determined?

The amount of Your weekly Disability Benefit Payment depends on the Plan option You chose when You enrolled. Payment will be based on the number of days You are Disabled during each week.

Base Plan

To determine the amount of Your weekly benefit under the Base Plan:

1. Take 60% of Your Basic Weekly Earnings. This is Your gross disability payment.
2. Subtract any deductible sources of other income from Your gross disability payment.
3. The amount calculated in Item 2 above is Your weekly Disability Benefit Payment.

Buy-Up Plan

To determine the amount of Your weekly benefit under the Buy-Up Plan:

1. Take 100% of Your Basic Weekly Earnings. This is Your gross disability payment.
2. Subtract any deductible sources of other income from Your gross disability payment.
3. The amount calculated in Item 2 above is Your Disability Benefit Payment.

How long will my Disability Benefit Payments last?

The Maximum Benefit Period is a total of twenty (20) weeks.

When will my Disability Benefit Payments stop?

You will stop receiving Disability Benefit Payments and Your claim will end on the earliest of the following:

- the end of the Maximum Benefit Period;
- the date You are no longer Disabled under the terms of the Plan;
- the date You fail to submit Proof of continuing Disability;
- the date You voluntarily or involuntarily terminate employment;
- the date You retire;
- the date You are placed on a layoff leave of absence;
- the date You fail to have a medical exam requested by the Claim Administrator;
- the date You die.

How are overpayments for disability benefits recovered?

The Plan has the right to recover any amount that the Claim Administrator determines to be an overpayment.

An overpayment occurs if the Claim Administrator determines that:

- the total amount paid by the Plan on Your claim is more than the total of the benefits due to You under the Plan; or
- payment the Plan made should have been made by another group plan.

If such overpayment occurs, You have an obligation to reimburse the Plan. The Plan's rights and Your obligations in this regard are described in the reimbursement agreement that You are required to sign when You submit a claim for benefits under the Plan. This agreement:

- confirms that You will reimburse the Plan for all overpayments; and
- authorizes the Claim Administrator to obtain any information relating to sources of other income.

How the Plan recovers overpayments

The Plan may recover the overpayment from You by:

- stopping or reducing any future Disability Benefit Payments, including the minimum weekly benefit, payable to You or any other payee under the Disability sections of the Plan;
- deducting the overpayment through payroll;
- demanding an immediate refund of the overpayment from You; and
- taking legal action.

If the overpayment results from the Plan having made a payment to You that should have been made under another group plan, the Plan may recover such overpayment from one or more of the following:

- any other insurance company;
- any other organization; or
- any person to or for whom payment was made.

Lien and repayment

If You become Disabled, receive Disability benefits under the Plan and receive payment from a third party for loss of income with respect to the same loss of income for which You received benefits under the Plan (for example, a judgment, settlement, payment from Federal Social Security or payment pursuant to Workers' Compensation laws), to the extent permitted by law, You shall reimburse the Plan from the proceeds of such payment up to an amount equal to the benefits paid to You under the Plan for such Disability. The Plan's right to receive reimbursement from any such proceeds shall be a claim or lien against such proceeds and the Plan's right shall provide the Plan with a first priority claim or lien over any such proceeds up to the full amount of the benefits paid to You under the Plan for such Disability. You agree to take all action necessary to enable the Plan to exercise the Plan rights under this provision, including, without limitation:

- notifying the Claim Administrator as soon as possible of any payment You receive or are entitled to receive from a third party for loss of income with respect to the same loss of income for which You received benefits under the Plan;
- furnishing of documents and other information as requested by the Claim Administrator or any person working on the Claim Administrator's behalf; and
- holding in escrow, or causing Your legal representative to hold in escrow, any proceeds paid to You or any party by a third party for loss of income with respect to the same loss of income for which You received benefits under the Plan, up to an amount equal to the benefits paid to You under the Plan for such Disability, to be paid immediately to the Plan upon Your receipt of said proceeds.

You shall cooperate and You shall cause Your legal representative to cooperate with the Plan in any recovery efforts and You shall not interfere with the Plan's rights under this provision. The Plan's rights under this provision apply whether or not You have been or will be fully compensated by a third party for any Disability for which You received or are entitled to receive benefits under the Plan.

Are any disabilities excluded?

You will not receive benefits for any Disabilities caused by, contributed to by, or resulting from:

- war, whether declared or undeclared, or act of war, insurrection, rebellion or terrorist act;
- active participation in a riot.
- intentionally self-inflicted injury; or
- commission of or attempt to commit or taking part in a felony.

The Plan will not pay a benefit for any period of Disability during which You are incarcerated.

This Plan will not pay for any Disability caused or contributed to by elective treatment or procedures, such as:

- cosmetic surgery or treatment primarily to change appearance;
- reversal of sterilization;
- liposuction;
- visual correction surgery; and
in vitro fertilization; embryo transfer procedure; or artificial insemination.

When does coverage end?

Your coverage will end on the earliest of the following dates:

- The day immediately following the day Your employment terminates or You retire.
- The date You are no longer eligible for coverage.
- The contribution due date if You fail to make the required payment.
- The date the plan is discontinued.

During an authorized leave of absence without pay, You may continue Your coverage by paying the required monthly contributions in advance or through monthly billing.

How do I file a claim?

Claim Submission

Provide the University Leave Administration Team notice by completing the appropriate form found in myHR (myhr.umsystem.edu) or by calling 1-800-488-5288 or 573-882-2146. The Leave Administration Team will coordinate the claims submission process with the Claim Administrator. A claim may also be given to the Claim Administrator.

When You file an initial claim for Disability benefits described in this SPD, both the notice of claim and the required Proof should be sent to the Claim Administrator within 45 days of the end of the Elimination Period.

The following steps outline the process and actions required:

Step 1: The Claim Administrator will send an authorization form to You. You should sign the authorization form at Your earliest opportunity and return it to the Claim Administrator.

Step 2: The Claim Administrator will contact You and/or Your Physician to discuss medical information. The Claim Administrator may also contact the University to discuss Your specific job duties in detail.

Step 3: The Proof must be submitted to the Claim Administrator no later than 45 days after the end of the Elimination Period.

If notice of claim or Proof is not given within the time limits described in this section, the delay will not cause a claim to be denied or reduced if such notice and Proof are given as soon as is reasonably possible.

Items to be Submitted for a Short-Term Disability Claim

When submitting Proof on an initial or continuing claim for Disability Benefit Payments, the following items may be required:

- documentation which must include, but is not limited to, the following information:
 - the date Your Disability started;
 - the cause of Your Disability;
 - the prognosis of Your Disability;
 - the continuity of Your Disability; and
- Your application for:
 - Other income;
 - Social Security disability benefits; and

- Workers compensation benefits or benefits under a similar law.
- Written authorization for the Claim Administrator to obtain and release medical, employment and financial information and any other items the Claim Administrator may reasonably require to document Your Disability or to determine Your receipt of or eligibility for other income;
- any and all medical information, including but not limited to:
 - x-ray films; and
 - photocopies of medical records, including:
 - histories,
 - physical, mental or diagnostic examinations; and
 - treatment notes; and
- the names and addresses of all:
 - Physicians and medical practitioners who have provided You with diagnosis, treatment or consultation;
 - hospitals or other medical facilities which have provided You with diagnosis, treatment or consultation; and
 - pharmacies which have filled Your prescriptions within the past three years.

Initial Determination

After You submit a claim for disability benefits to the Claim Administrator, the Claim Administrator will review Your claim and notify You of its decision to approve or deny Your claim.

Such notification will be provided to You within a reasonable period, not to exceed 45 days from the date You submitted Your claim; except for situations requiring an extension of time because of matters beyond the control of the Plan, in which case the Claim Administrator may have up to two (2) additional extensions of 30 days each to provide You such notification. If the Claim Administrator needs an extension, it will notify You prior to the expiration of the initial 45-day period (or prior to the expiration of the first 30 day extension period if a second 30 day extension period is needed), state the reason why the extension is needed, and state when it will make its determination. If an extension is needed because You did not provide sufficient information or filed an incomplete claim, the time from the date of the Claim Administrator's notice requesting further information and an extension until the Claim Administrator receives the requested information does not count toward the time period the Claim Administrator is allowed to notify You as to its claim decision. You will have 45 days to provide the requested information from the date You receive the extension notice requesting further information from the Claim Administrator.

If the Claim Administrator denies Your claim in whole or in part, the notification of the claims decision will state the reason why Your claim was denied and reference the specific Plan provision(s) on which the denial is based. If the claim is denied because the Claim Administrator did not receive sufficient information, the claims decision will describe the additional information needed and explain why such information is needed.

What if my claim is denied?

If the Claim Administrator denies Your claim, You may appeal the decision. Upon Your Written request, the Claim Administrator will provide You free of charge with copies of documents, records and other information relevant to Your claim. You must submit Your appeal to the Claim Administrator at the address indicated on the claim form within 180 days of receiving the Claim Administrator's decision. Appeals must be in Writing and must include at least the following information:

- Name of Employee;

- Name of the Plan;
- Reference to the initial decision; and
- An explanation why You are appealing the initial determination.

As part of Your appeal, You may submit any Written comments, documents, records, or other information relating to Your claim.

After the Claim Administrator receives Your Written request appealing the initial determination, the Claim Administrator will conduct a full and fair review of Your claim. Deference will not be given to the initial denial, and the Claim Administrator's review will look at the claim anew. The review on appeal will take into account all comments, documents, records, and other information that You submit relating to Your claim without regard to whether such information was submitted or considered in the initial determination. The person who will review Your appeal will not be the same person as the person who made the initial decision to deny Your claim. In addition, the person who is reviewing the appeal will not be a subordinate of the person who made the initial decision to deny Your claim. If the initial denial is based in whole or in part on a medical judgment, the Claim Administrator will consult with a health care professional with appropriate training and experience in the field of medicine involved in the medical judgment. This health care professional will not have consulted on the initial determination and will not be a subordinate of any person who was consulted on the initial determination.

The Claim Administrator will notify You in Writing of its final decision within a reasonable period of time, but no later than 45 days after the Claim Administrator's receipt of Your Written request for review, except that under special circumstances the Claim Administrator may have up to an additional 45 days to provide Written notification of the final decision. If such an extension is required, the Claim Administrator will notify You prior to the expiration of the initial 45-day period, state the reason(s) why such an extension is needed, and state when it will make its determination. If an extension is needed because You did not provide sufficient information, the time period from the Claim Administrator's notice to You of the need for an extension to when the Claim Administrator receives the requested information does not count toward the time the Claim Administrator is allowed to notify You of its final decision. You will have 45 days to provide the requested information from the date You receive the notice from the Claim Administrator.

If the Claim Administrator denies the claim on appeal, the Claim Administrator will send You a Written decision that states the reason(s) why the claim You appealed is being denied and references any specific Plan provision(s) on which the denial is based. Upon Written request, the Claim Administrator will provide You free of charge with copies of documents, records and other information relevant to Your claim.

Within forty-five (45) days after you receive the notice of denial from the Claim Administrator, You may request a final review of your claim by the Plan Sponsor. Your request must be in writing and must state the reason or reasons You believe Your claim should not have been denied. You should also include with Your written request a copy of all documents, materials or other evidence which You believe supports Your claim for benefits. Your request should be addressed to the following:

Carol Wilson
 Director, Employee Benefits
 Office of Human Resources|
 University of Missouri System
 1105 Carrie Francke Drive, Suite 108, Columbia, MO 65211
 573.882.2406 | wilsoncaro@umsystem.edu

The Plan Sponsor will provide You with Written notice of its decision within sixty (60) days of the date Your request for review was received by the Plan Sponsor. This sixty (60) day time period may be extended for up to an additional forty-five (45) days at the discretion of the Plan Sponsor; You will be notified of any extension in Writing by the Plan Sponsor, explaining why an extension is necessary. If the Plan Sponsor's review has to be extended due to your failure to submit necessary information to decide Your claim, the time for the Plan Sponsor's decision may be tolled from the date on which the notification of the extension is sent to You

detailing the additional information that is needed, until the date the Plan Sponsor receives the additional information from You.

The Plan Sponsor's notice of its decision will include specific reasons for its decision and specific references to the provisions of the Plan on which its decision is based. The decision of the Plan Sponsor shall be final, conclusive and binding on all employees, participants and beneficiaries. The decision-maker for second-level appeals to the Plan Sponsor shall be the Vice President for Human Resources, Chief Human Resources Officer for UM System or designee.

Exhaustion of the claims and appeals procedures is mandatory for resolving every claim and dispute arising under this Plan. This means you must exhaust the available administrative remedies before you may bring an action in a court of law. Under this Plan, the plan participant or beneficiary must first seek two administrative reviews of an adverse claim decision. No such legal action may be brought more than three years after the date written proof of claim is required unless other timeframes apply under federal law.

The Claim Administrator and all persons determining or reviewing claims have full discretion to determine benefit claims under the Plan. Any interpretation, determination or other action of such persons shall be final, conclusive and binding on all persons having an interest under the Plan, shall be given deference in the event the determination is subject to judicial review, and shall be overturned by a court of law only if it is arbitrary or capricious.

Other Information

Contrary Representations

No employee, officer or agent of the University, Plan Administrator, or Claim Administrator has the authority to alter, vary, or modify the terms of this Plan except by an authorized written amendment to the Plan. No verbal representations contrary to the terms of the Plan and its written amendments are binding on the Plan, Plan Administrator, or University. The terms contained within this Plan document control.

Applicable Law

The Plan shall be governed by the laws of the State of Missouri.

No Funding

This Plan is considered an unfunded benefit plan. No individual shall acquire, by reason of this Plan, any right in or title to any assets, funds, or property of the University. No employee, officer or agent of the University guarantees payment of benefits under the Plan.

No Employment Guarantee

The establishment of this Plan and the granting of benefits under the Plan shall not give any employee or other person the right to continued employment with the University or limit the right of the University to dismiss or modify the terms of employment of a person.

Right to Amend or Terminate Plan

The University has the right, in its sole and absolute discretion, to amend, modify, or terminate, in whole or in part, any or all provisions of the Plan at any time and for any reason or no reason.

No. 4

Recommended Action – Resolution for Executive Session of the Board of Curators Governance, Compensation and Human Resources Committee Meeting, November 16, 2023

It was moved by Curator _____ and seconded by Curator _____, that there shall be an executive session with a closed record and closed vote of the Board of Curators Governance, Compensation and Human Resources Committee meeting November 16, 2023 for consideration of:

- **Section 610.021(1), RSMo**, relating to matters identified in that provision, which include legal actions, causes of action or litigation, and confidential or privileged communications with counsel; and
- **Section 610.021(3), RSMo**, relating to matters identified in that provision, which include hiring, firing, disciplining, or promoting of particular employees; and
- **Section 610.021(12), RSMo**, relating to matters identified in that provision, which include sealed bids and related documents and sealed proposals and related documents or documents related to a negotiated contract; and
- **Section 610.021 (13), RSMo**, relating to matters identified in that provision, which include individually identifiable personnel records, performance ratings, or records pertaining to employees or applicants for employment.

Roll call vote of the Committee: YES NO

Curator Blitz
Curator Brncic
Curator Holloway
Curator Wenneker

The motion _____.

November 16, 2023

HEALTH AFFAIRS COMMITTEE

Robin R. Wenneker, Chair
Julia G. Brncic
Robert W. Fry
Keith A. Holloway
Jeff L. Layman
Ronald G. Ashworth (non-curator)
Daniel P. Devers (non-curator)
Dr. James H. Whitaker (non-curator)
Philip Burger (non-curator)

The Health Affairs Committee (“Committee”) assists the Board of Curators in overseeing the clinical health care operations of the University and in coordinating those operations in furtherance of the University’s teaching, research, and clinical missions.

I. Scope

The Committee provides oversight for the University’s clinical health care operations in the areas of:

- Mission, vision, and strategy;
- Governance and operational oversight;
- Quality of care and patient safety;
- Regulatory compliance;
- Financial planning and performance; and
- Coordination of the clinical, teaching, and research missions.
- Specific projects that enable meaningful collaboration among UM universities.

II. Executive Liaison

The Executive Vice Chancellor for Health Affairs of the University of Missouri-Columbia or some other person(s) designated by the President of the University, with the concurrence of the Board Chair and the Committee Chair, shall be the executive liaison to the Committee and responsible for transmitting Committee recommendations.

III. Responsibilities

In addition to the overall responsibilities of the Committee described above and in carrying out its responsibilities regarding clinical health care operations, the charge of the Committee shall include:

- A. Reviewing and making recommendations to the Board regarding:
 1. actions that are appropriate or necessary to assist the Board in overseeing clinical health care operations or coordinating the teaching, research, and clinical missions;
 2. significant actions related to health care which should require advance notice or approval by the Committee or Board; and
 3. other matters referred to it by the Board and University officers.
- B. Requesting, receiving, and reviewing reports and other information from University officers and advisors regarding health care operations, coordination of the teaching, research, and clinical missions, and related matters, including meeting at least quarterly and receiving regular reports from appropriate

officers of University of Missouri Health Care, the MU School of Medicine, and the MU Health Chief Compliance Officer.

- C. Additional matters customarily addressed by the health affairs committee of a governing board for an institution of higher education.

IV. Committee Membership and Quorum Requirements

The Committee's membership may include non-Curator members in addition to Curator members. Subject to approval of the Board, the Board Chair shall determine the number of Curator and non-Curator members to appoint to the Committee and shall select individuals to serve as members of the Committee; provided that, the number of non-Curator members on the Committee shall not exceed the number of Curator members on the Committee, unless the Committee temporarily has more non-Curator members than Curator members because a Curator member of the Committee has resigned from the Board or the Committee. Non-Curator members may resign their Committee membership by providing written notice to the Board Chair. Non-Curator members of the Committee serve at the pleasure of the Board and may be removed by the Board Chair at any time, subject to approval of the Board.

A quorum for the transaction of any and all business of the Committee shall exist when:

1. Both a majority of all Curator members of the Committee and a majority of all members of the Committee are participating for Committee meetings which are held in conjunction with meetings of the Board; or
2. Both all Curator members of the Committee and a majority of all members of the Committee are participating for Committee meetings which are not held in conjunction with meetings of the Board; or
3. Both a majority of all Curator members of the Committee and a majority of all members of the Committee are participating for Committee meetings which are held solely for the purpose of reviewing and overseeing compliance matters.

EXECUTIVE VICE CHANCELLOR AND DEAN REPORT

Materials for this item will be posted prior to the meeting.

UNIVERSITY OF
MISSOURI-ST. LOUIS

CHANCELLOR'S REPORT

60 YEARS OF
TRANSFORMING
LIVES

KRISTIN SOBOLIK
CHANCELLOR
NOVEMBER 16, 2023



Insert Video

- <https://youtu.be/7vsINB4Jkzo>

The logo features a large red number '6' on the left. Inside the lower loop of the '6' is a white circle containing the text '1963' in gold and '2023' in red, separated by a horizontal line. To the right of the '6' is a circular emblem with a red background. Inside this circle is a stylized yellow and red flame or leaf design. Below the circular emblem, the text 'UNIVERSITY OF MISSOURI-ST. LOUIS' is written in a red, sans-serif font, following the curve of the emblem's base.

- Establish a public research university to serve the largest economic region of the state
- Build regional economic growth and development
- Expand educational access and opportunity
- Expand research and services to the region





Support and advocate for urban and metropolitan universities and their communities on **educational access** and **opportunity** and sustained **workforce development** and **economic growth**.



120+

INSTITUTIONAL MEMBERS

33%

MINORITY SERVING INSTITUTIONS

50+

METROPOLITAN AREAS COVERED

2.2M+

STUDENTS ENROLLED

Our Impact

Tier 1

NATIONAL RESEARCH UNIVERSITY

112,000

ALUMNI WORLDWIDE

94%

6-MONTH EMPLOYMENT RATE

\$13.4B

ANNUAL ECONOMIC IMPACT IN
MISSOURI



**ENROLLMENT AND
WORKFORCE**

**RESEARCH GROWTH AND
ECONOMIC DEVELOPMENT**

FINANCIAL SUSTAINABILITY

UMSL's growth is tied to the needs of the St. Louis region and Missouri.



ENROLLMENT AND WORKFORCE

UMSL's fundamental purpose is to educate and graduate students as they seek different and better lives and add to the regional, state and national economies through the workforce.

FALL 2023 ENROLLMENT

- **1,050+** new students from the St. Louis region and Missouri
- First Time College **+7.7%**



FTC FALL 24 vs 23

+63%
APPLICATIONS

1,757 vs 1,078

+81%
ADMITS

858 vs 473

DRIVING ENROLLMENT GROWTH

Enrollment Management has developed a full-service agency model focused on:

- Utilizing data analytics and market insights
- Financial aid planning, optimization and efficiency
- Revitalizing the campus visit experience
- Collaborating with Marketing and Communication



2018-2023 STUDENT SUCCESS OUTCOMES

- Combined 6-year graduation rate increased from **62% to 67%**
- Pell Grant eligible graduation rate increased from **59% to 65%**



STUDENT AND ALUMNI SUCCESS



Steven Harris, BSAcc 2000, serves as **managing partner** of **RubinBrown** – one of the nation's leading accounting and professional consulting firms.



UMSL Alum Warner Baxter, **executive chairman** of the board of directors of **Ameren Corporation**, retired this month after a 28-year career with the Fortune 500 company.



Accounting alum Kyle Jakubeck earned one of the **top 50 CPA exam scores** in the country out of 67,000.



UMSL education alumni were selected **Missouri Teachers of the Year** three years in a row: 2021-Darrion Cockrell, 2022-James Young, 2023-Christina Andrade.



Evelyn Bailey Moore, BSEE 2003, joined the **Boeing Company** in 2004 and now serves as **Vice President and Program Manager** of T-7 Programs.

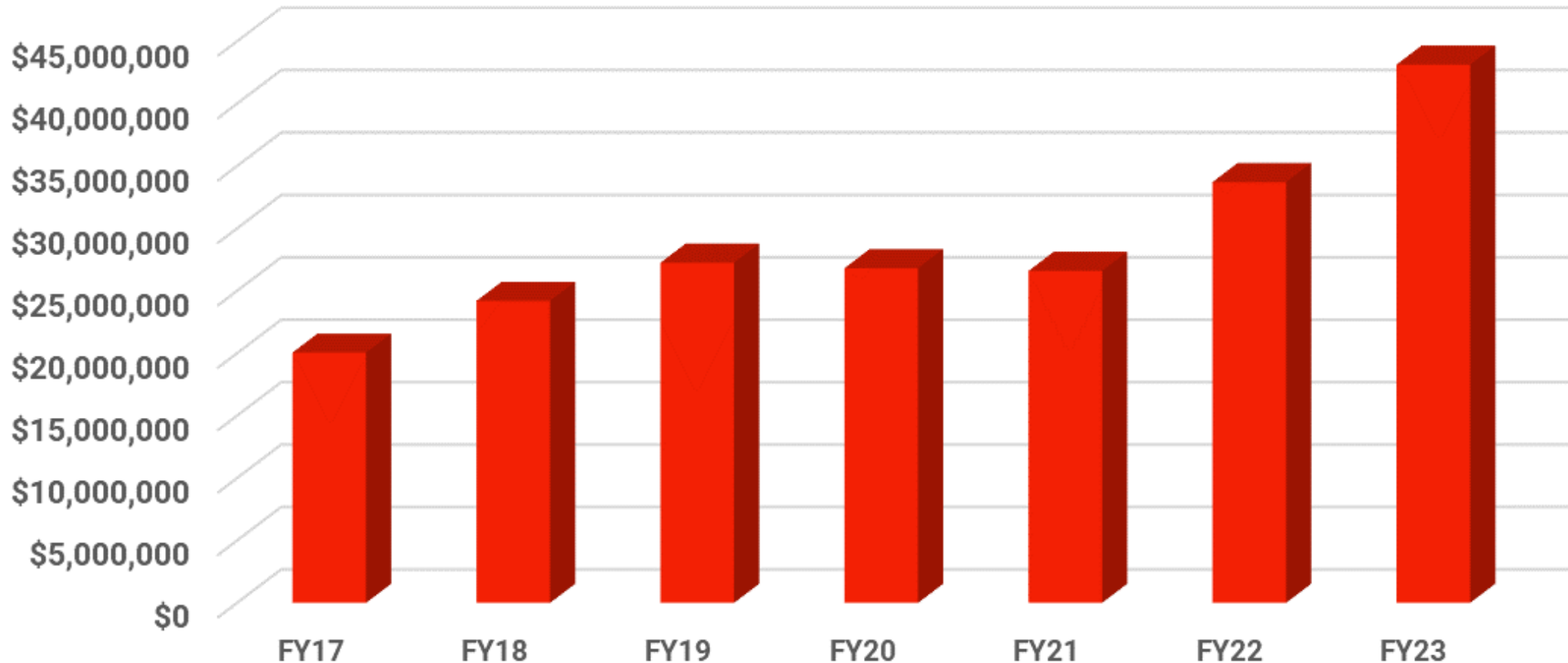


RESEARCH GROWTH AND ECONOMIC DEVELOPMENT

Key Areas of Growth:

- Neuroscience and Mental Health
- Controlled Environment Agriculture
- Geospatial
- Advanced Manufacturing
- Active Pharmaceutical Ingredients
- Engineering

RESEARCH AND SPONSORED ACTIVITY EXPENDITURES: +115% SINCE FY17





FACULTY DEVELOPMENT

- Early Career Research Network
- Early Career Research Symposium
- Associate-to-Full Program
- Mid-Career Research Investment Program

FACULTY: NEUROSCIENCE AND MENTAL HEALTH



Robert Paul, Professor of Behavioral Neuroscience, Director, Missouri Institute for Mental Health

\$22.1M from NIH including two recent R01 National Institute of Mental Health Awards



Mike Nichols, Professor of Chemistry and Biochemistry

\$1.5M from NIH ad NSF including an R15 Research Enhancement Award



Ryan Carpenter, Assistant Professor of Psychological Sciences

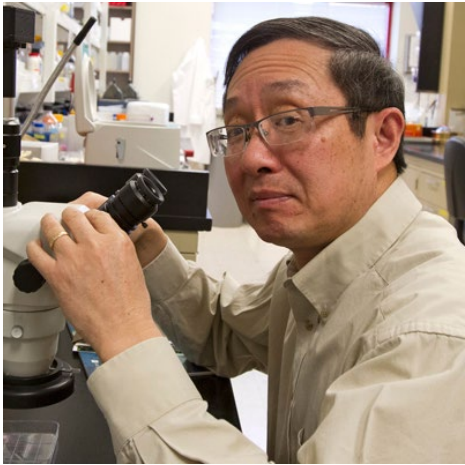
\$805K from NIH including a K23 Career Development Award



Devin Banks, Assistant Professor of Clinical Psychology

\$806K from NIH including a K08 Mentored Clinical Scientist Development Award

FACULTY: BIOLOGY AND PLANT SCIENCES



Xuemin (Sam) Wang, E.
Desmond Lee Endowed
Professor of Plant Sciences,
\$10.6M from NSF, NIH, NIFA



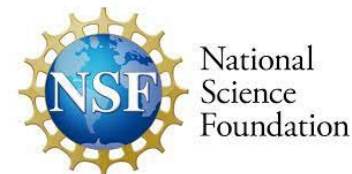
Lon Chubiz, Associate
Professor of Biology
\$1.2M from NIH and NSF
including an **NSF Faculty
Early Career Development
Award**



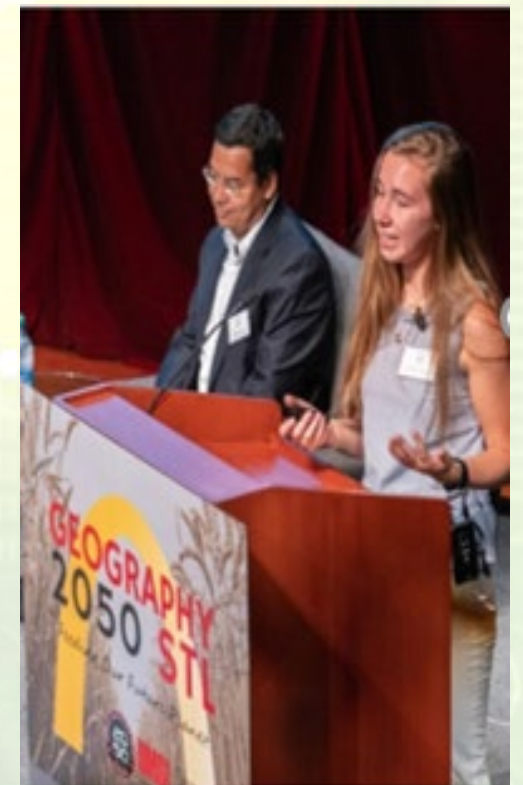
Aimee Dunlap, Associate
Professor of Biology
\$663K from NIFA



Nathan Muchhala,
Associate Professor of
Biology
\$731K from NSF



RESEARCH: CONTROLLED ENVIRONMENT AGRICULTURE





VADM Robert Sharp
Director
NGA



Dr. Kristin Sobolik
Chancellor
UMSL



WORKFORCE AND RESEARCH: GEOSPATIAL



RESEARCH: ACTIVE PHARMACEUTICAL INGREDIENTS



RESEARCH: ADVANCED MANUFACTURING

- AMICSTL: Regional effort secured \$25M Build Back Better Challenge Grant
- UMSL is co-leading research and development with SLU



WORKFORCE AND RESEARCH: COLLEGE OF ENGINEERING

Electrical
Civil
Mechanical



- ✓ State Approved Programs
- ✓ ABET Accredited
- ✓ Build Missouri's Engineering Workforce

State and Regional Benefits

2021 Market Analysis

Electrical 2,834 Jobs vs. 282 MO Grads
Civil 2,128 Jobs vs. 234 MO Grads
Mechanical 1,974 Jobs vs. 583 MO Grads

Select Partners Include

Greater St. Louis, Inc.
Regional Business Council
Missouri Chamber

Select Employer Support Includes

Ameren Boeing
AMICSTL Emerson
Bayer Hunter Engineering



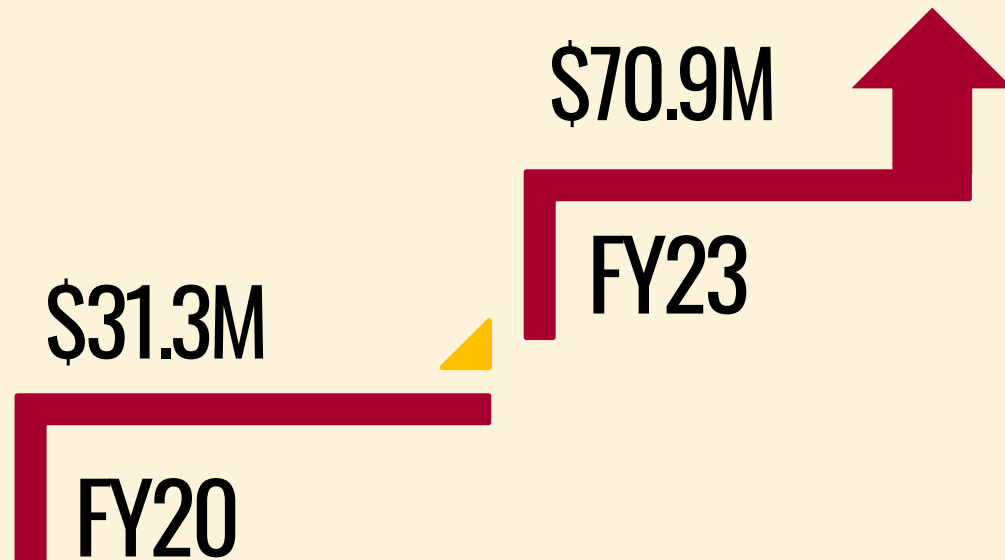


PLANNING, OPERATIONS AND STEWARDSHIP

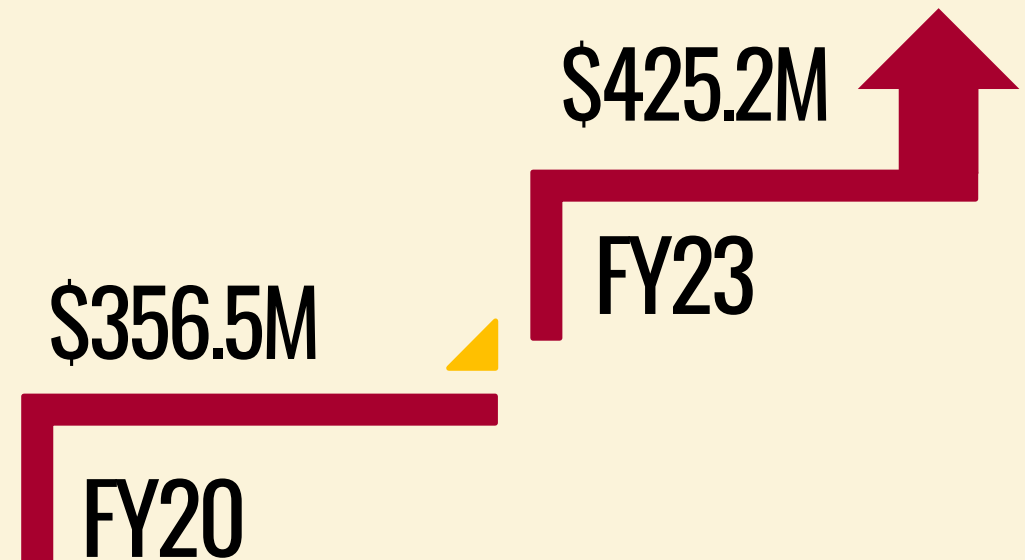
As a public asset, UMSL operates in a manner that supports optimal success in teaching, research, engagement and economic development.

FINANCIAL SUSTAINABILITY

Reserve Funds +125%



University Funds and Assets +20%



MANAGE RESOURCES

Deferred Maintenance Removal
since FY20: **\$34.8M**

Future Transform UMSL Deferred
Maintenance Removal: **\$165.3**

Overall Deferred Maintenance will
decline by 52% (\$200.1M)

350

ACRE CAMPUS

81

MAIN CAMPUS BUILDINGS

3.7M

SQUARE FEET

\$384M

DEFERRED MAINTENANCE



THANK YOU

University of Missouri Board of Curators

Fall Semester

FINANCE COMMITTEE

Todd P. Graves, Chair

Robert W. Fry

Jeff L. Layman

Robin R. Wenneker

The Finance Committee ("Committee") oversees the fiscal stability and long-term economic health of the University. The Committee will review and recommend policies to enhance quality and effectiveness of the finance functions of the University.

I. Scope

In carrying out its responsibilities, the Committee monitors the University's financial operations, fundraising performance, debt level, capital priorities and investment performance; requires the maintenance of accurate and complete financial records; and maintains open lines of communication with the Board about the University's financial condition.

II. Executive Liaison

The Vice President for Finance of the University or some other person(s) designated by the President of the University, with the concurrence of the Board Chair and the Committee Chair, shall be the executive liaison to the Committee and responsible for transmitting committee recommendations.

III. Responsibilities

In addition to the overall responsibilities of the Committee described above and in carrying out its responsibilities, the charge of the Committee shall include

- A. Reviewing and making recommendations to the Board on the following matters:
 - 1. University operating budget and financial plan;
 - 2. University capital budget and master facility plans;
 - 3. capital projects;
 - 4. tuition, fees and housing rates;
 - 5. state appropriation requests;
 - 6. pursuant to applicable Collected Rules and Regulations, contracts and reports;
 - 7. insurance brokers and self-insurance programs;
 - 8. pursuant to applicable Collected Rules and Regulations, real estate sales, purchases, leases, easements and right-of-way agreements;
 - 9. the issuance of debt;
 - 10. asset allocation guidelines and other policies related to the University's investment management function; and
 - 11. additional matters customarily addressed by the finance committee of a governing board for an institution of higher education.
- B. Providing governance oversight to:
 - 1. long-range financial planning strategies;
 - 2. fundraising and development strategies;
 - 3. total indebtedness and debt capacity of the University;
 - 4. the investment portfolio performance; and
 - 5. the financial condition of the pension fund.
- C. Reviewing periodic reports including:
 - 1. quarterly and year-end financial reports that measure the University's fiscal condition;
 - 2. annual purchasing reports on bids and equipment leases;

3. quarterly debt-management reports;
4. quarterly and year-end investment performance reports;
5. semi-annual reports on development and fundraising activities; and
6. other financial reports as requested by the Committee.

Fiscal Year 2023 Financial Status Report UM

At the November 16th Board of Curators Meeting, Executive Vice President Ryan Rapp will present the annual financial status report, reflecting on the University's performance for FY2023. The report will include an update on the University's overall financial position along with a breakdown of performance across business units.

EXECUTIVE SUMMARY

FY2023 continued growth in revenues in line with inflation and the operating margin remained above target for the consolidated enterprise. However, UMSL and MUHC missed their operating margin target for FY2023. Additionally, MUHC missed their targets for cash to debt as well as cash to operations although MUHC did have an improvement in their operating margin compared to FY2022. Operating expense grew at a faster rate than revenue at each university. The revenue growth was varied, with auxiliary operations such as housing, dining, and other business like operations seeing the largest increases. Due to inflationary pressures and tight labor markets, it is critical to focus on improved efficiencies, increased productivity and capturing new revenue opportunities.

The University's balance sheet remains strong and underpins the University's financial health. Despite cash to operations levels falling in FY2023, the University's cash to operations levels remain close to historical medians. Much of the decline in cash to operations occurred at MUHC as expenditure growth outpaced growth in cash consistent with financial underperformance experienced throughout the healthcare industry. The MUHC team is executing on a turnaround plan to replenish these balances. The University has the capacity to invest in strategic priorities. It is critical those priorities along with operating initiatives maintain the long-term health of the balance sheet.

Longer-term challenges in demographics and the demand for higher education remain, and each institution's ability to grow revenue in the future will be the limiting factor on their ability to invest and generate resources. Operating margins within the healthcare industry remain under pressure, as costs continue to rise, and healthcare growth dampens across the industry. As with the rest of the industry, MUHC recovery to more sustainable operating margins will be key in determining the health system's ability to invest in future capital.

As one-time funding from state and federal resources provide significant investments in the University's infrastructure, capital spending is expected to rise over the coming years. Each university will need to manage the spend within their resources, especially in the areas with matching requirements. Use of institutional reserves will be weighed against other resource options such as donations or debt as well as the expense needs of the institutions. Any spending of reserves will be accompanied by a plan to replenish those reserves.

November 16, 2023

Throughout this fall, each university and MUHC will complete a long-range financial plan to quantify investments necessary for their strategic plans. This will be presented to the Board at the February meeting together with the financial performance targets for each university and MUHC.

MANAGING EXPENSE GROWTH

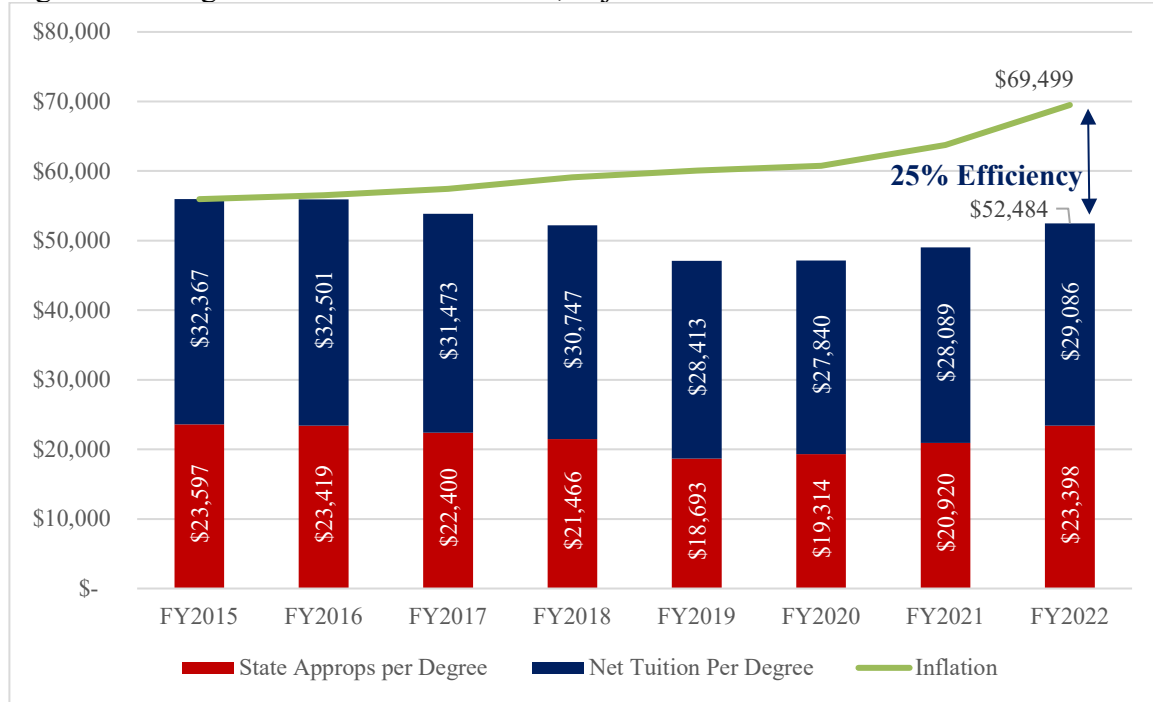
A recent Wall Street Journal article scrutinized flagship universities for excessive spending and raising tuition rather than cutting costs. The University of Missouri looks different on many of the metrics highlighted in the article.

The article noted spending rose 38% in the twenty-year period between 2002 and 2022 when adjusted for inflation. Over the same timeframe, MU experienced cost growth of 2% adjusted for inflation. MU grew enrollment by 32% within the twenty-year time span, thereby indicating that spending on academics and administration was below that of inflation when enrollment growth is considered. The article did not consider any impact of volume on costs.

Revenues during this time span also increased in both state support and tuition and fees at MU. Growth in state support, however, fell well behind inflation at just 24% while gross tuition grew 55% during the same period. When scholarships are included, net tuition stayed flat from 2002 to 2022 as the university issued more aid to students to offset increased costs to students and their families. As shown in figure 1, educational revenues remained low compared to inflation and produced a 25% efficiency to degrees issued across all universities.

November 16, 2023

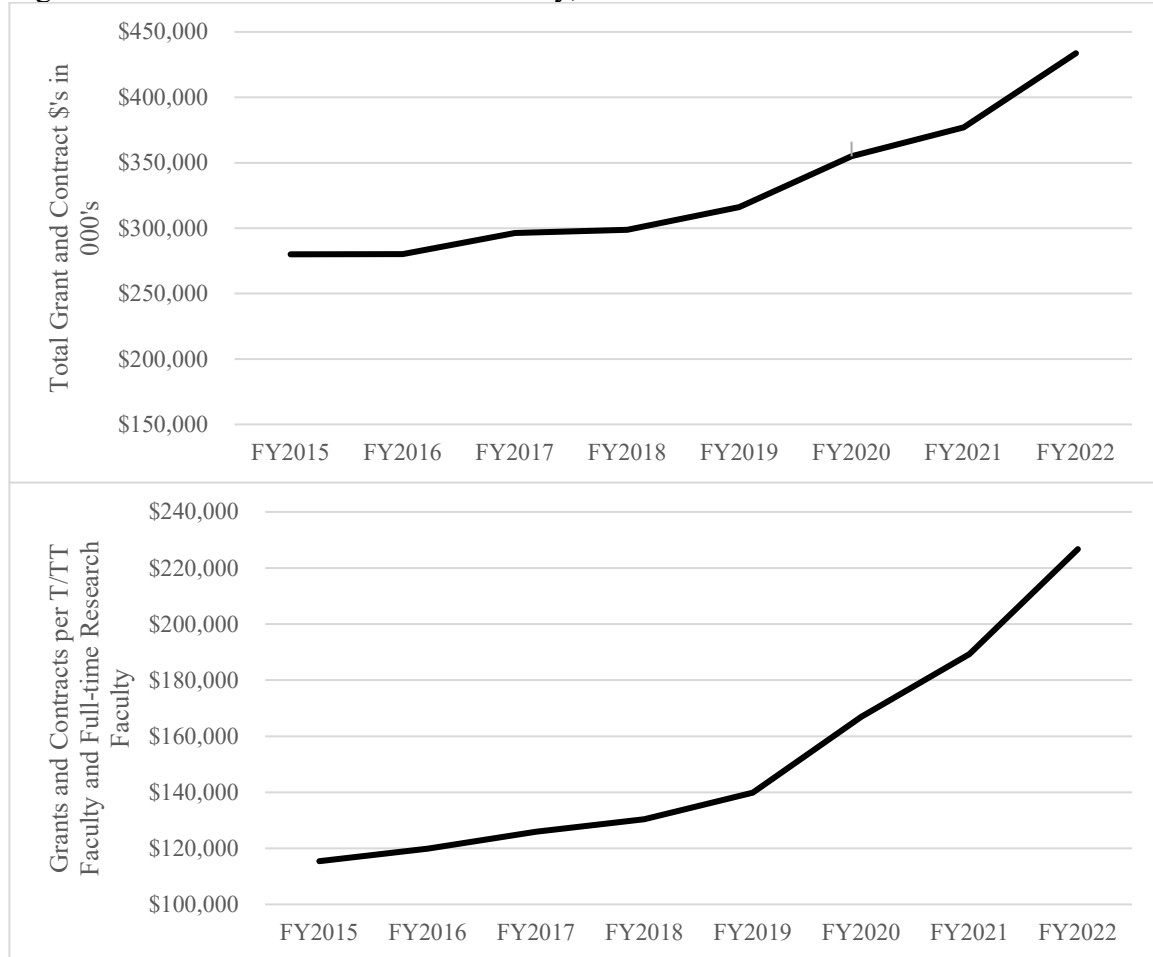
Figure 1: Change in Educational Revenues, adjusted for inflation.



MU's growth in spending aligns with the economy and the institution's priorities during the past two decades. Increases in spending included growth in instruction, academic support and student support which aligns closely to enrollment growth and inflation. The growth in enrollment supports the need to increase expenses.

Research expenses grew by 134% during the past 20 years, with the majority of the growth occurring since 2015. Most of the growth in research expenditures is offset by direct revenues paid by the sponsors who fund the research. The increase in research expenses occurred as a strategic priority of the University. In this process to increase the University's research profile, significant efficiencies were realized. Figure 2 demonstrates the increase in research revenue growth from FY2015 through FY2022 overall as compared to the revenue per tenure track faculty, illustrating that the growth in revenues was created by similar numbers of tenure and tenure track faculty members with increased productivity.

Figure 2: Grants and Contracts Productivity, Growth from FY2015-FY2022



While reports on academic financial performance have been published indicating that university boards are not informed on how funding is spent at their institution, the University’s credit rating agencies recognize UM for its strong financial governance. Specifically, Moody’s notes:

“Consistent operating surpluses and sound liquidity reflect prudent financial management and oversight. Closely integrated enrollment, financial and capital planning contribute to excellent financial policy and strategy.”

The University of Missouri follows industry best practices in financial governance. Each year, the Board approves the following action items:

1. Financial plan and financial performance targets (February Meeting)
2. Five-year capital plan (April Meeting)
3. Annual budget (June Meeting)

Throughout the year, the Board is provided with budget to actual performance updates on a quarterly basis, a mid-year update on the capital plan, and the Financial Status Report is provided at the November meeting.

RATING AGENCY INDUSTRY UPDATE

Both Moody's and Standard and Poor's (S&P) maintain a stable outlook for higher education. Substantial federal pandemic support and continued state support helped public institutions maintain solid operating performance during FY2022. The industry updates trail by a year, as they are issued in the summer following the previous annual business cycle.

Higher Education Industry Update

Public university operating performance improved in FY2022 as investments rebounded and federal funding mitigated pandemic impacts. Reduced pandemic relief is expected to weaken operating performance in FY2023. Decreases in relief coupled with continued inflationary pressures is expected to add stress to margins during FY2023.

Key trends highlighted by Moody's include:

- 1) Rebounds in auxiliary revenue and federal pandemic aid helped to support strong operating results.
- 2) Median tuition per student stabilized.
- 3) Favorable interest-rate environment caused debt levels to grow in fiscal year 2022.
- 4) Pension obligations remained a material credit risk across the industry.

Operating performance is likely to decline across the industry in FY2023 due to lower pandemic aid as well as the impacts on expenses from inflation and higher labor costs. Managing expense growth will be difficult in maintaining a strong operating margin, especially for smaller institutions with limited economies of scale. Moody's expects inflation to be a significant factor in FY2023, with expense growth expected to outpace revenue growth and narrow cash flow margins. To the extent that inflation remains higher for longer, margins are likely to thin further in FY2023 if universities are unable to undertake cost management initiatives.

November 16, 2023

S&P maintains a stable outlook for the higher education industry. Federal pandemic relief funding and a rebound of auxiliary revenues, helped to offset rising expenses and slowed net tuition revenue growth during FY2022. Colleges successfully adapted budgets to the pandemic and investment returns strengthened balance sheets through FY2021, which helped weather more volatile financial markets in FY2022. Key trends highlighted by S&P include:

- Enrollment declined across public institutions despite return to full on-campus operation.
- Increased competition in the marketplace impacted enrollment growth.
- Recoveries in auxiliary revenues, such as housing, dining and parking along with federal pandemic relief funding, offset rising expenses and yielded an operating surplus of 2.9% across the industry in FY2022.
- State appropriations increased by 10.2% per full-time enrollment across public institutions.

Healthcare Industry Update

Moody's notes that liquidity fell during FY2022, driven by investment losses, repayment of Medicare advance funds and operating losses. Many of the balance sheet improvements in the prior year were temporary measures, making the drop in liquidity in FY2022 expected. Even with the drop, the days cash on hand is similar to the levels experienced pre-pandemic. Operating margins dropped as labor challenges and high supply costs plagued hospitals across the industry. Capital spending began to approach pre-pandemic spending levels.

Overall, Moody's maintains a negative outlook for the healthcare industry. Moody's bases the negative outlook on the following factors:

- Declining cash flow margins.
- Capital spending increased 23%. The increase in spending represents a need to support high-end services.
- Liquidity will decline as temporary support measures from the pandemic expire and investment losses flow into cash reserves, eroding liquidity to pre-pandemic medians.

S&P maintains a negative outlook for the healthcare industry. Overall, healthcare is improving financially with future ratings reliant on operating recovery efforts. Wage inflation continues to pressure the industry without a corresponding increase in recurring revenue streams to fund the increases. The strength in liquidity noted during FY2021 fell to 2017 levels with days cash on hand declining back to pre-pandemic averages.

November 16, 2023

CONSOLIDATED PERFORMANCE ABOVE TARGET FOR FY2023

The University achieved a 3.9% operating margin in FY2023. The performance achieved was above the target of 2.5% as well as the budgeted margin of 2.7%. Throughout the pandemic, the University remained focused on managing recurring costs within recurring resources, and not building permanent cost for one-time revenue sources. The University maintained positive operating performance through the pandemic from this strategy and will return to normal operations despite the drop off in federal stimulus funding:

Figure 3: Operating Margin Adjusted for one-time impacts in FY2022 and FY2023

	FY2022 Operating Margin (%)	FY2022 Operating Margin (\$)	FY2023 Operating Margin (%)	FY2023 Operating Margin (\$)
Actual	5.2%	\$199 million	3.9%	\$162 million
Federal Stimulus Funding	(1.3%)	(\$50 million)		
Adjusted	3.9%	\$149 million	3.9%	\$162 million
Target	2.5%		2.5%	

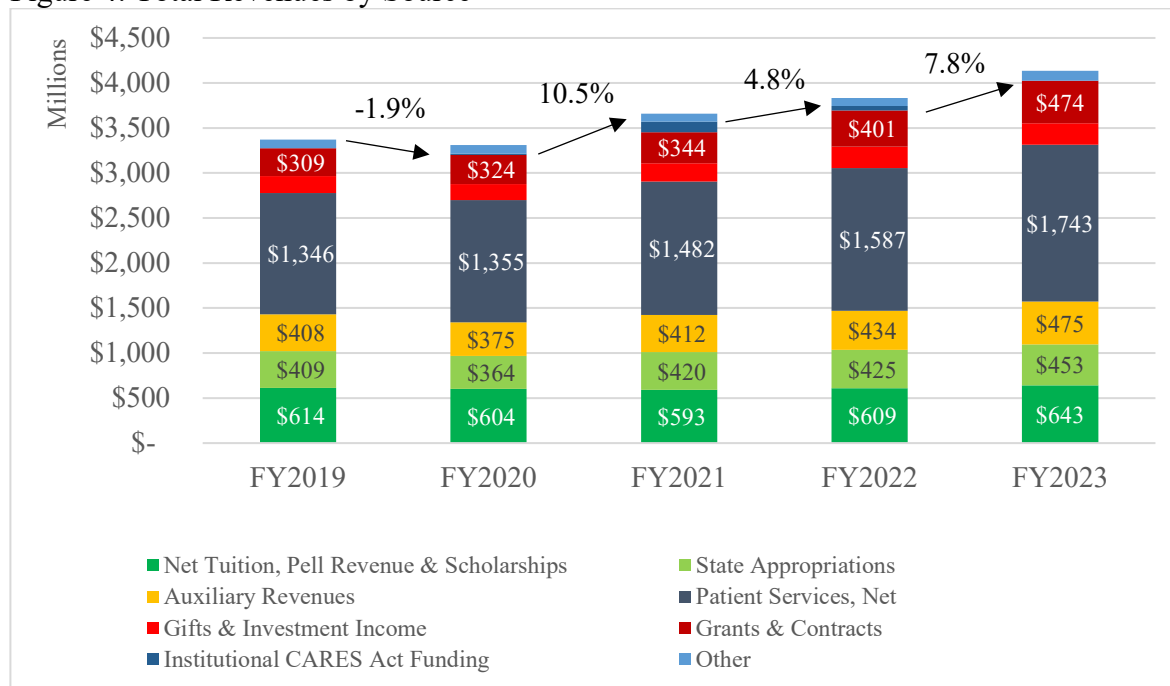
Note: FY2022 figures were adjusted for a change in methodology on spendable investment income as compared to previously reported amounts.

Figure 3 above demonstrates the impact of the temporary increases in revenue from non-recurring federal fiscal stimulus. In FY2023, federal stimulus funding for the pandemic expired and the University returned to an operating environment without the acute stress and stimulus from the pandemic. Moving into FY2024, challenges in enrollment at UMSL and rising costs, particularly at MUHC, will put pressure on maintaining a margin above targets. MUHC operations saw improvement in operating margins over FY2022 but continue to underperform both historical and target levels for operating margins and balance sheet metrics. Declines from historical performance at the academic institutions will place more pressure on healthcare operations to improve closer to historical levels.

Revenue grew by 5% driven by growth in grants and healthcare.

The relative diversity of operations and revenues provides a key strength for the University, as strength in one portion of the enterprise offsets weakness in another. Operating revenues grew by 7.8% from FY2022 to FY2023 (9.2% growth excluding the impact of non-recurring federal stimulus).

Figure 4: Total Revenues by Source



Note: Prior year figures were adjusted for a change in methodology on spendable investment income as compared to previously reported amounts.

Figure 4 demonstrates revenues by source over the past five years. FY2019 and FY2020 represented challenging years for the academic enterprise as shut-downs disrupted operations and the effects of enrollment declines took hold, and state support declined as the pandemic hit in FY2020. Following FY2020, the revenues began to grow within the academic units across most sources including the restoration of state support to pre-pandemic levels, auxiliary revenues as restrictions began to ease, as well as grants and contracts. The University's focus on improved research revenues led to a growth of 62% in grants and contracts over the five-year period. In FY2023, the University also saw strong growth in both net tuition and state support.

BALANCE SHEET REMAINS STRONG, BUT PRESSUED BY THINNING OPERATING MARGINS AND CAPITAL SPEND

While the income statement demonstrates performance over a period of time, the balance sheet provides a snapshot of the institution's financial condition at any moment in time. In higher education, the balance sheet is a key indicator of the financial condition and strong balance sheet positioning is a key component of credit quality. As a university's business cycle is multiple years long, significant assets are necessary to provide an appropriate operational buffer for universities.

Cash and Investments improve after FY2022 market losses following stability in financial markets

The key asset for any university is its liquid assets in the form of cash and investments, specifically those held outside of restricted endowments, referred to as spendable cash and investments. The University's spendable cash and investments increased by 1% or \$52 million from FY2022. This increase is attributed to positive operating and investment performance as of June 30th.

Figure 5: Annual Investment Returns for the General and Endowment Pool

	FY2019	FY2020	FY2021	FY2022	FY2023	Benchmark
General Pool	3.3%	0.2%	7.9%	-2.7%	3.2%	1.4%
Endowment Pool	5.7%	1.2%	29.7%	-0.7%	4.1%	4.4%

Figure 5 presents the annual returns for the University's investment pools. The General Pool represents the institution's spendable cash and investments, and the Endowment Pool represents funds which are permanently restricted. The investment performance from FY2021 was the best performance in the last decade. The outsize performance of FY2021 was followed by a loss for FY2022. The performance in FY2022 represents solid performance when compared to benchmarks, as the University is positioned to "lose less" in market downturns than peers. Financial markets stabilized in FY2023 and the General Pool outperformed benchmarks while the Endowment Pool came in just below benchmark. However, both pools had positive returns and helped to expand the University's cash and investment balance.

Figure 6: Trend in Cash and Investments

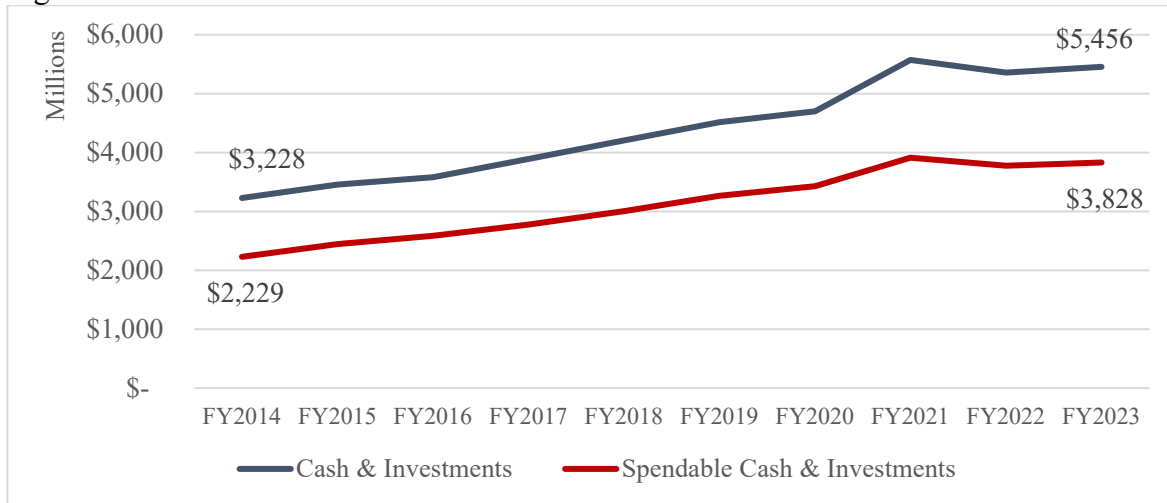


Figure 6 demonstrates the trend in both cash and investments and spendable cash and investments. Permanently endowed gifts represent the difference between total cash and investments and spendable cash and investments. Investment markets began to stabilize in FY2023 leading to returns of \$195 million. Due to the volatility in investment returns, the University uses various smoothing mechanisms for spending investment income in operating budgets. The University's investment objectives include generating a stable spending stream to support endowed commitments.

Capital Assets grow in FY2023

The other key asset on the balance sheet is capital assets and the related debt that funds those assets. Capital assets represent the long-term infrastructure of the institution and are recorded at historical cost and depreciated over their expected useful lives.

Figure 7: Capital Assets and Debt 10-year History

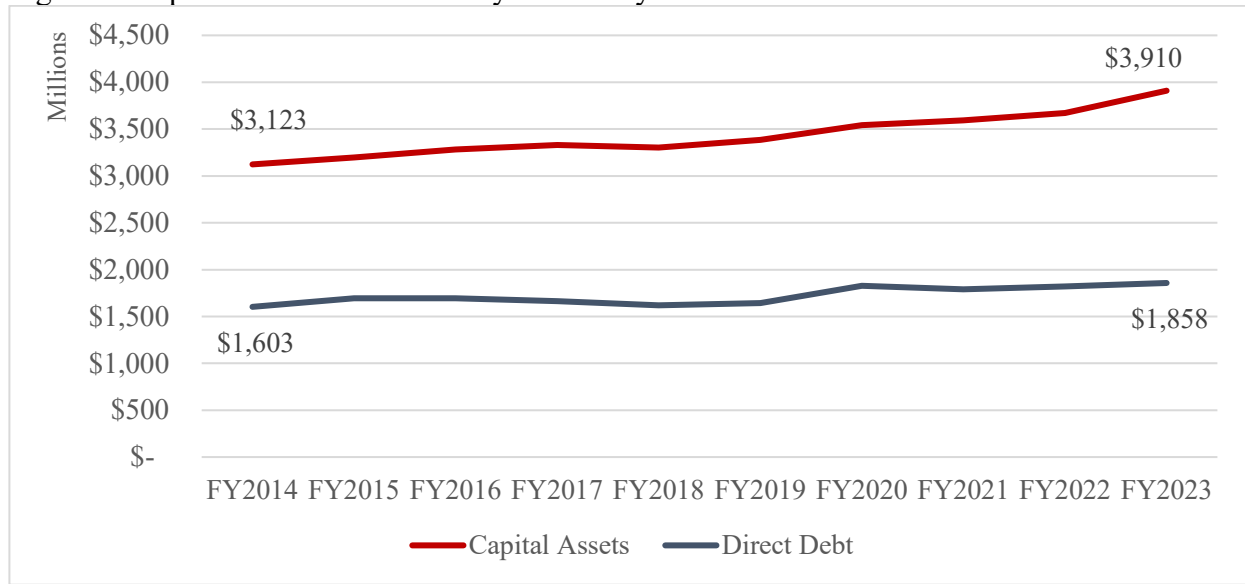


Figure 7 demonstrates capital assets continue to grow steadily. Capital spend is anticipated to increase as the four universities begin construction on the significant projects funded by state and federal sources. Future capital investments will match state and federal money with philanthropy and operating reserves generated during the pandemic. Capital investment beyond the identified governmental support and philanthropy will need to be funded by operating margins.

The largest liabilities for the University are benefit liabilities and externally issued debt. Figure 7 demonstrates the University’s debt growth over the past decade, which has moderated after a decade of significant growth. The University continues to monitor debt needs as a \$100 million bullet maturity approaches in FY2024. Future debt issuances will depend on the capital investments made within each University’s plan and available debt service streams. Sound financial planning dictates that any new debt issuance should be supported by a funding plan tied to a specific revenue stream.

New Accounting Standard

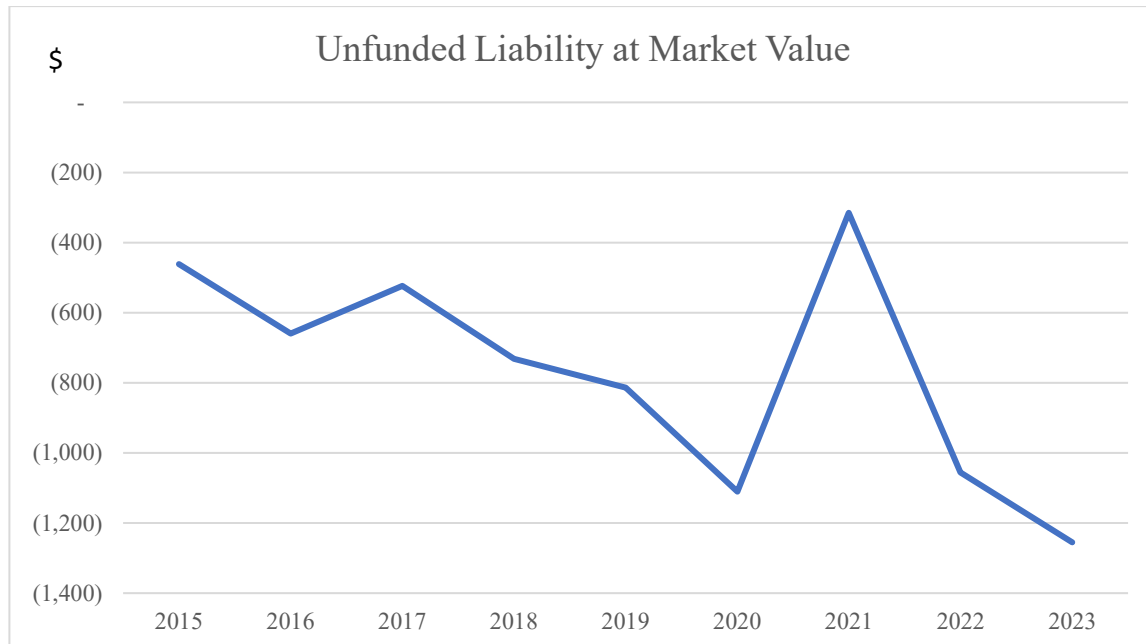
In FY2023, the University implemented Governmental Accounting Standards Board Statement No. 96, Subscription-Based Information Technology Arrangements. The new accounting standard required the University to recognize both an asset and obligation for cloud-based software subscriptions utilized by the University that is provided by a third party. These software subscription arrangements were previously reported as expenses in the financial statements when paid. The new software subscription accounting standard increased capital assets by \$61.7 million and added to liabilities by \$60.1 million, but both amounts are small when compared to \$3.9 billion in capital assets and \$1.9 billion in debt.

Benefit liabilities remain large and volatile

Prior to FY2021, Benefit-related liabilities were larger than debt outstanding on University's balance sheet. The two benefit liabilities are the University's Pension Plan and the University's Post-Employment Benefits Plan (OPEB). Liabilities on the University's balance sheet are presented net of related assets in the plan, with the Pension maintaining a significant asset base to make future plan payments. Figure 8 below presents the total benefit liability along with the fiduciary assets.

Figure 8: Benefit-related Liabilities and Assets, \$'s in millions

	Total Liability	Market Value Fiduciary Net Position	Net Liability (on balance sheet)	Funding Percentage
OPEB				
FY2020	\$407	\$39	\$368	10%
FY2021	\$253	\$39	\$214	16%
FY2022	\$200	\$40	\$160	20%
FY2023	\$191	\$42	\$149	22%
Pension				
FY2020	\$4,764	\$3,654	\$1,110	77%
FY2021	\$4,872	\$4,557	\$315	94%
FY2022	\$5,342	\$4,286	\$1,056	80%
FY2023	\$5,532	\$4,277	\$1,255	77%



The decrease in the net OPEB liability is a more permanent reduction due to continued changes implemented in retiree benefits. For FY2023, the University realized further savings by continuing to shift pre-65 retirees to the private market. For the pre-65 retire population, marketplace rates and subsidies provide higher quality insurance at a cheaper price than the University can offer internally. These retirees continue to shift onto the private marketplace and away from the University's plan, offloading risk to the market.

After a fall in the University's Net Pension Liability (assets in the pension trust minus the total pension liability) in FY2021, the Net Pension Liability was back above \$1 billion FY2022 and further increased in FY2023. In FY2023, investment income was \$156 million and was lower than the required earnings on the pension at the 7% discount rate or \$294 million. The \$138 million shortfall in FY2023 between actual and expected investment performance reduced the trust assets. For the financial statements, these variances move the net liability each year, but are smoothed into expense over five years.

The University's benefit liabilities remain large on a relative basis when compared to peers in the same credit rating band. Continuing to follow the principles outlined in the new collected rule and exploring liability reduction strategies are key next steps for management of the liability. The Optional Terminated Vested Buyout Program currently underway serves as another reduction opportunity. The buyout program offers former employees vested in the defined benefit plan an opportunity to receive an increased lump sum benefit during the one-time election window occurring in the fall of 2023. The rate of acceptance on the offers will determine the impact to the unfunded liability. Progress against the policy will be reported to the Board as a part of the annual benefits update in the spring.

Net position (equity) increases in all categories.

Governmental accounting standards require the University to show net position by restriction type. This provides additional information to financial statement users on the ability of the institution to direct the net resources available after debts are paid.

Figure 9: Net Position by Type

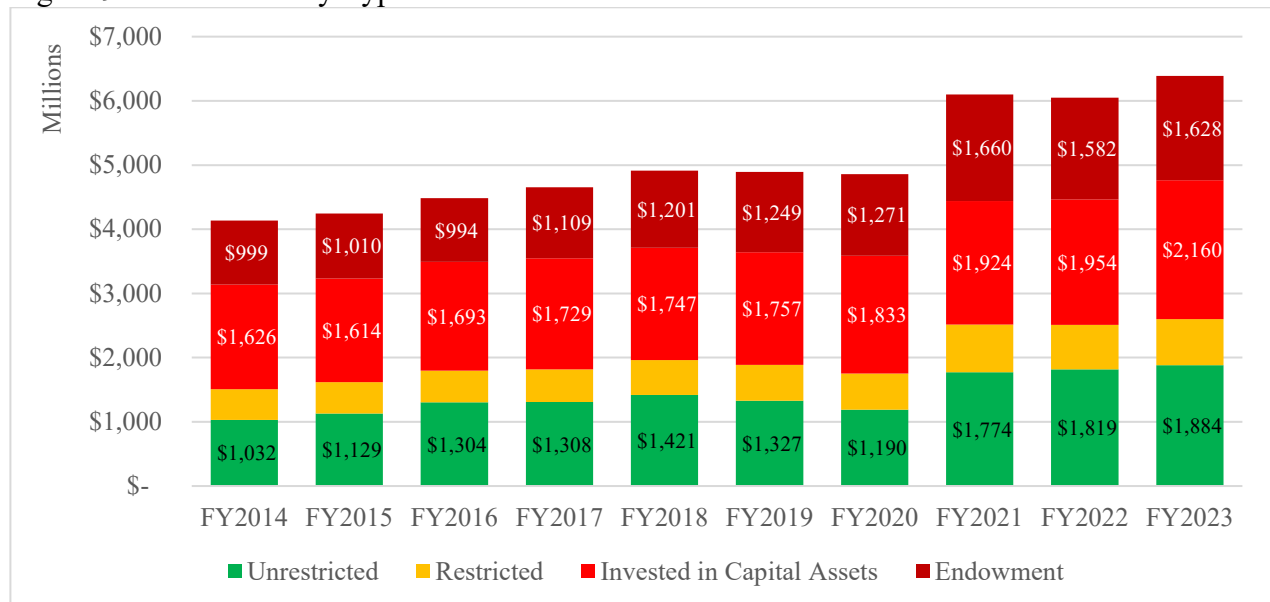


Figure 9 outlines the University's net position (equity) by restriction type. The categories demonstrate a significant portion of the University's net position is inaccessible for operating purposes, such as \$1.62 billion in the endowment and \$2.16 billion invested in capital assets such as building, land and equipment. The following factors attributed to the increase in the University's Net Position.

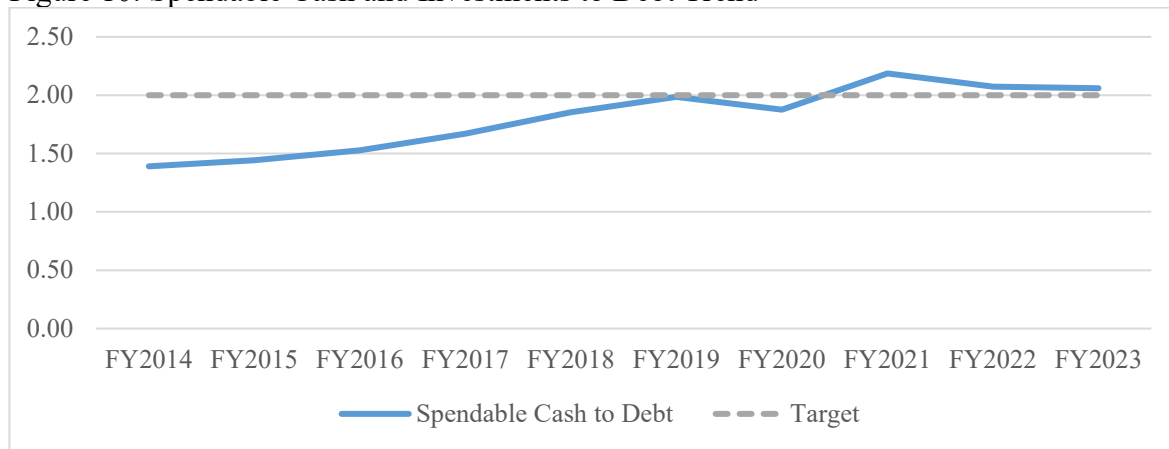
- **Unrestricted** – Increased by \$65 million on positive operating margins at the university. A growing expense base exceeding increases in cash and investments will place pressure on cash to operations into the future. The expenditure growth could also reduce unrestricted net position, which represents the portion of “equity” not subject to any spending restrictions and is a key measure of financial strength.
- **Restricted Expendable**– Increased by \$4 million largely due to increased gifts offset by a spend down of capital gifts during the year. This category of net position represents equity that is restricted for type of use, but not permanently restricted in an endowment or invested in a capital asset.
- **Invested in Capital Assets** – Increased by \$206 million, largely due to capital construction projects such as the Children's Hospital. This measure of equity represents the amount of equity tied up in capital assets, net of related debt obligations.
- **Endowment** – Increased by \$46 million due to the receipt of endowed gifts. This measure of net position is the current value of endowment corpus accounts, the portion of the endowment which is permanently restricted and cannot be spent.

November 16, 2023

Spendable Cash and Investments to Debt remains above target

Spendable Cash and Investments to Debt shows the relative size of liquid assets compared to the outstanding debt of the organization. This metric moves over a longer time horizon, declining when debt is issued and rebuilding as debt is repaid and cash grows with positive operating performance. Spendable cash and investments to debt represents one measure of debt capacity. In general, the university has debt capacity when looking at available wealth to outstanding debt. The larger limiting factor for many debt projects at the University is the available funding streams to repay the incremental debt service from a new project.

Figure 10: Spendable Cash and Investments to Debt Trend

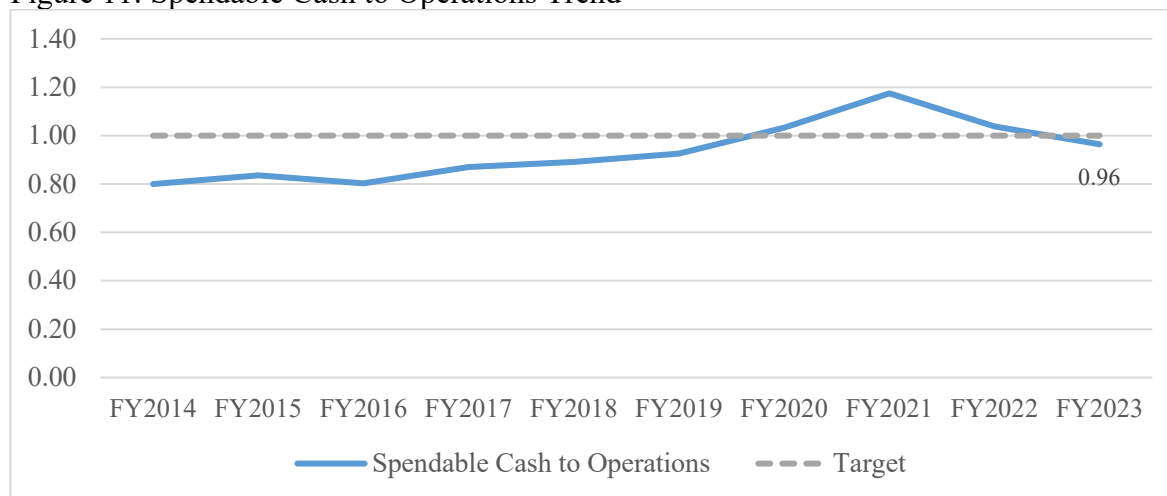


Spendable cash to debt decreased over prior year from 2.07 to 2.06 due to an increase in debt related to leases and subscription obligations. Spendable cash to debt of 2.06 is above the target and remains above the average of 1.5 from 2014-2017 when the University issued new debt to fund the building of capital assets. The financial planning process will quantify each unit's strategic plan and compared to each unit's financial capacity. The Board is provided with an update on debt capacity annually at the April meeting and prior to any external debt issue.

Spendable Cash to Operations falls below target for the first time since FY2019

Spendable Cash to Operations shows the relative size of cash balances to the operating expenses of the organization. This metric shows the organization's capacity to adapt to unexpected changes in revenue streams or unexpected increases in cost. The cash to operations measure fell in FY2023 due to and an increase in the expenditure base of 9% for the second year in a row. The decline is largely seen at MUHC with all other units achieving their respective targets.

Figure 11: Spendable Cash to Operations Trend



Spendable cash (reserves outside the endowment) provides the University with time to implement adapt to changes within its business cycle. The level of reserves is a key factor in the University’s credit rating. MUHC measures spendable cash needed for operations based on days cash on hand. This measure is a standard metric used for the healthcare industry while the academic units’ measure utilizes spendable cash to operations due to differences in the revenue cycle timelines.

FINANCIAL PERFORMANCE BY UNIT

The financial performance metrics in this section represent the key metrics the System utilizes to monitor financial performance amongst the different universities and MUHC. These metrics are used by Moody’s to determine the University’s credit rating and are presented to the Board as a part of the long-range financial plan.

The University and rating agencies evaluate financial performance with a focus on the longer-term. The University’s financial performance targets do not represent the floor but rather where an institution should be over a longer time horizon. Due to University’s long business cycle, operating margin should be evaluated over several years looking at trends rather than just looking at a single year.

Operating Margins remain above target overall

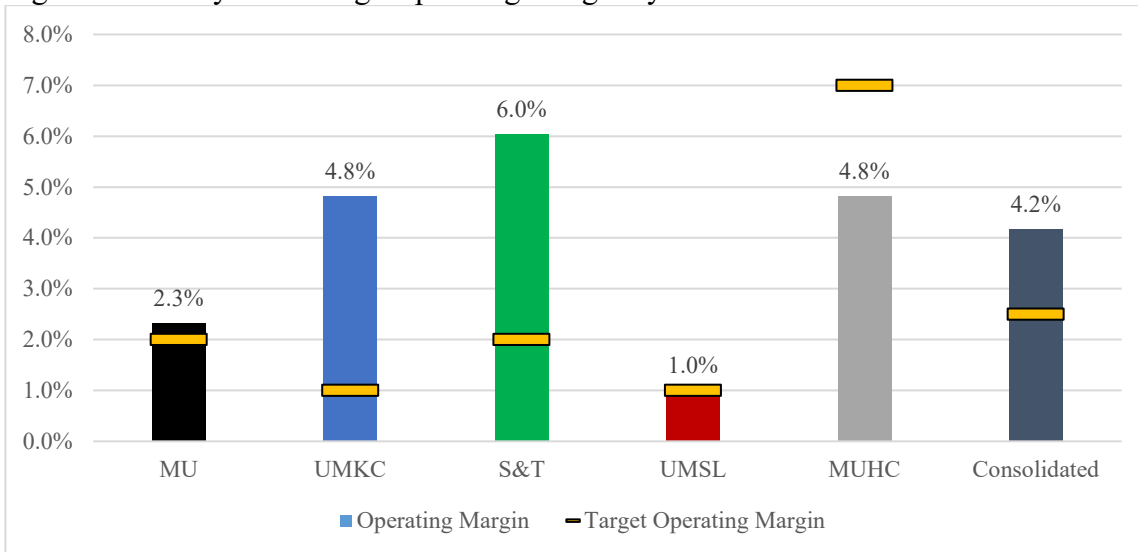
Operating Margin demonstrates management's ability to adjust expenditures within revenues received in an annual period. Operating margin generally shows management's ability to control financial performance within the annual planning cycle. A positive operating margin provides the University with resources to support operations and invest in future mission-based activities and capital.

Figure 12: FY2023 Operating Margin by Unit

	MU	UMKC	S&T	UMSL	MUHC	Consolidated
Actual	2.4%	8.3%	6.3%	-1.5%	3.3%	3.9%
Target	2.0%	1.0%	2.0%	1.0%	7.0%	2.5%

The overall operating margin for the University remained above target. However, both UMSL and MUHC fell below their FY2023 targets. Operating margins are set to fund each institution's growth, capital investment plans, and debt service. Operating margin targets can move downward if expected growth is lowered or if capital investment is lighter.

Figure 13: Five-year Average Operating Margin by Business Unit



Note: Prior year figures were adjusted for a change in methodology on spendable investment income as compared to previously reported amounts.

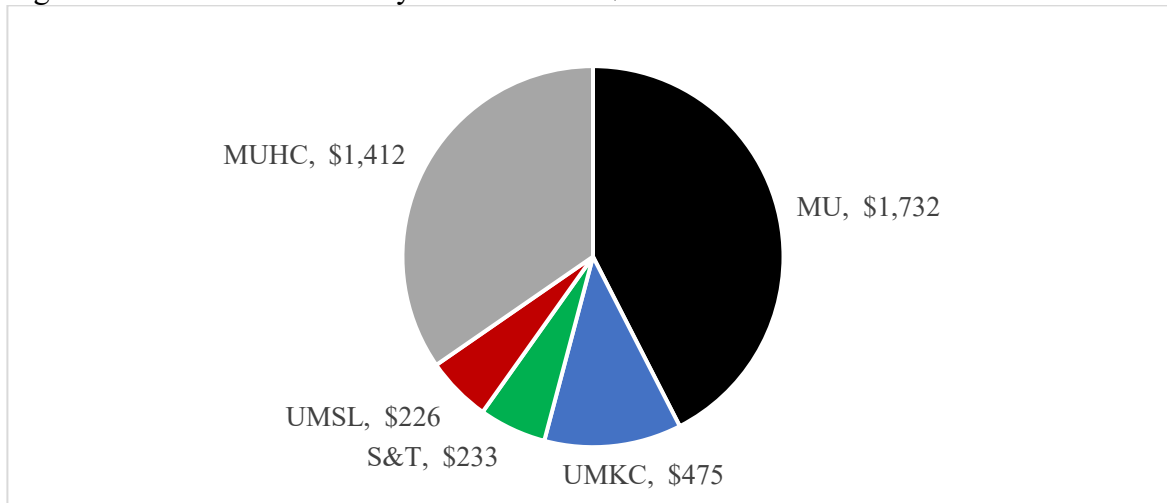
Figure 13 shows each unit's operating margin five-year average performance as compared to their target. A five-year average is used to demonstrate performance over roughly one business cycle for the University, as students take multiple years to complete their degrees. Taken together, MU and MUHC represent approximately three quarters of the total revenues for the University of Missouri System and drive the consolidated performance for the University System.

Highlights on operating margin from each business unit include:

- **MU** operating margin for FY2023 is 2.4%. MU's margin fell from the prior year due to expenses growing at a faster rate than revenues. However, MU grew revenues 10% or greater in several areas, including net tuition and fees, grants and contracts, patient medical services, and auxiliary enterprises. MU continues to manage recurring expenditures within available revenues.
- **MUHC** operating margin improved in FY2023 to 3.3% compared to the prior year margin. MUHC's margin fell below the target for another year and the five-year average of operating margin of 4.8% widens the gap to the 7% target necessary to fund MUHC's capital plan. Operating underperformance coupled with significant capital investments continue to negatively MUHC's cash position relative to its operating expense. MUHC's financial plan will address the timeline of expected financial performance improvement.
- **UMKC** operating margin for FY2023 is 8.3%. This margin was attained through a \$15 million increase in private gifts. The majority of the margin increase was related to a single gift, and excluding this gift UMKC would have had a 4.5% margin and remained above the 1.0% target. There was continued growth in grants and contracts and auxiliary enterprises revenue while recurring expenditure were managed within available revenues.
- **Missouri S&T** operating margin of 6.3% remained above S&T's target of 2.0%. Private gifts revenue growth accounted for the majority of revenue increases and expenditures remain within available revenues.
- **UMSL** operating margin fell to a negative 1.5%. Increases in grants and contracts revenues helped to offset expenditure growth however, revenues did not cover the rise in expenses in FY2023. The five-year operating margin of 1.0% did perform at target. UMSL continues to face declining enrollments and teaching revenues, placing pressure on its expenditure base.

November 16, 2023

Figure 14: FY2023 Revenue by Business Unit \$'s in millions



NOTE: Operating revenue growth has been adjusted for smoothing of investment income for the consolidated level, similar to the operating margin.

MU and MUHC generate over \$3.1 billion in revenues while the other three operating units combined generate less than \$1 billion. This scale on Figure 12 demonstrates MU and MUHC are the primary drivers of the University's consolidated financial performance, with small movements in their relative performance impacting the institution on a greater scale.

NEXT STEP: LONG-RANGE FINANCIAL PLANS

The University is currently completing the long-range financial planning process for each business unit. The key element of this process is to tie strategic plans and initiatives to financial and capital resources. The university's leadership team will utilize the financial planning process to quantify necessary investments to both improve academic excellence and revenue growth and balance those investments against available resources. A key focus of this year's plans is aligning targets to the industry after emerging from the pandemic. This long-term financial plan will serve as the basis for the FY2024 budget process.

As a part of the planning process, the University will evaluate whether adjustments to financial performance targets for any unit need to reflect environmental changes or strategic needs. Enterprise level targets will be approved by the Board with appropriate competitive market context as the University works to reset long-range financial plans, as codified in Collected Rule 140.025. The financial plan presented to the Board in February will align with the capital plan and will incorporate the units' key strategies with related funding.



Projected Performance - Key Financial Metrics

	Consolidated	MU	S&T	UMKC	UMSL	MU Healthcare
Operating Margin - Total Operating Revenues less Total Operating Expenses divided by Total Operating Revenues Demonstrates management's ability to manage expenditures within revenues. Target	↓ 3.9% ●	↓ 2.4% ●	↓ 6.3% ●	↓ 8.3% ●	↓ -1.5% ●	↑ 3.3% ●
Operating Revenue Growth - Change in Total Operating Revenues from prior year divided by Total Operating Revenues from prior year Demonstrates growth of operation. Core of long-term financial health.	↑ 7.8%	↑ 7.2%	↓ 3.7%	↑ 7.5%	↓ 1.0%	↑ 9.9%
Cash to Debt - Total Spendable Cash divided by Total Debt Outstanding Shows the relative size of debt burden against available liquid sources to fund debt. Target	↓ 2.06 ●	↑ 1.87 ●	↓ 1.77 ●	↑ 2.27 ●	↑ 1.54 ●	↓ 1.10 ●
Cash to Operations - Total Spendable Cash divided by Operating Expenses Shows the amount of cash available to weather unexpected disruptions in revenue or expense. Target	↓ 0.96 ●	↓ 0.80 ●	↓ 0.93 ●	↑ 0.89 ●	↓ 0.71 ●	↓ 157 ●
Debt Service Coverage - Total Operating Cash Flows divided by Total Debt Service Payments Due Shows the ability to generate cash flows to pay debt service when it becomes due on bonds and notes payable. Target		↓ 2.60 ●	↓ 4.10 ●	↓ 4.70 ●	↓ 1.90 ●	↑ 4.50 ●
		3.00	3.00	2.50	2.50	4.50

Arrows indicate trend over prior year performance, higher is better on all ratios. Dots indicate if projected metric is over /at target (green) or under target (red). All ratios from Moody's Higher Education Scorecard.

Summary of Current Ratings

Rating Agency	Rating	UM Outlook	Industry Outlook
Moody's	Aa1	Stable	Negative
Standard & Poor's	AA+	Stable	Stable

University of Missouri System - UNAUDITED
Statement of Net Position
For the Year Ended June 30, 2023 and June 30, 2022 *(in thousands)*

Line No.		FY 2022	FY 2023
	Assets		
	Current Assets		
1	Cash and Cash Equivalents	\$ 807,076	\$ 693,119
2	Short-Term Investments	20,382	512,254
3	Investment of Cash Collateral	4,477	787
4	Accounts Receivable, Net	402,635	447,919
5	Pledges Receivable, Net	29,999	45,521
6	Investment Settlements Receivable	56,506	10,600
7	Notes Receivable, Net	6,719	6,062
8	Lease Receivable, Net	2,018	2,124
9	Due (To) From Component Unit	(8,046)	(6,733)
10	Inventories	47,086	45,792
11	Prepaid Expenses and Other Current Assets	31,850	35,837
12	Total Current Assets	1,400,702	1,793,282
	Noncurrent Assets		
13	Pledges Receivable, Net	39,686	32,771
14	Notes Receivable, Net	35,314	31,774
15	Lease Receivable, Net	13,310	12,307
16	Other Assets	68	68
15	Long-Term Investments	4,531,604	4,251,112
17	Capital Assets, Net	3,670,094	3,909,607
18	Total Noncurrent Assets	8,290,076	8,237,639
19	Deferred Outflow of Resources	404,080	426,771
20	Total Assets and Deferred Outflow of Resources	\$ 10,094,858	\$ 10,457,692
	Liabilities		
	Current Liabilities		
25	Accounts Payable	183,761	156,403
26	Accrued Liabilities	190,883	211,865
27	Deferred Revenue Current	108,681	111,010
28	Investment Settlements Payable	86,060	14,907
30	Collateral Held for Securities Lending	4,477	787
31	Commercial Paper and Current Portion of Long-Term Debt	37,596	158,861
32	Long-Term Debt Subject to Remarketing Agreements	70,735	66,485
33	Total Current Liabilities	682,193	720,318

University of Missouri System - UNAUDITED
Statement of Net Position
For the Year Ended June 30, 2023 and June 30, 2022 (in thousands)

Line No.		FY 2022	FY 2023
	Liabilities, Continued		
	Noncurrent Liabilities		
34	Long-Term Debt	1,713,079	1,629,283
35	Deferred Revenue	13,719	13,471
36	Asset Retirement Obligation	62,433	62,433
37	Derivative Instrument Liability	16,248	8,454
38	Other Postemployment Benefits Liability	159,780	148,746
39	Net Pension Liability	1,055,765	1,254,814
40	Other Noncurrent Liabilities	94,780	91,442
41	Total Noncurrent Liabilities	3,115,804	3,208,643
41	Deferred Inflow of Resources	249,526	160,420
	Total Liabilities and Deferred		
42	Inflow of Resources	\$ 4,047,523	\$ 4,089,381
	Net Position		
43	Net Investment in Capital Assets	1,954,464	2,160,068
	Restricted		
	Nonexpendable -		
44	Endowment	1,582,260	1,628,024
	Expendable -		
45	Scholarship, Research, Instruction and Other	546,002	569,740
46	Loans	73,990	70,579
47	Capital Projects	71,702	56,165
48	Unrestricted	1,818,917	1,883,735
49	Total Net Position	6,047,335	6,368,311
	Total Liabilities, Deferred Inflow of		
50	Resources and Net Position	\$ 10,094,858	\$ 10,457,692

These financial statements exclude CRMC, which is presented as a blended component unit on the University's audited financial statements

University of Missouri System - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ 931,616	\$ 980,828	\$ 985,283
2	Less Scholarship Allowances	408,251	427,050	432,143
3	Net Tuition and Fees	523,365	553,778	553,140
4	Federal Pell Grants	53,033	57,100	55,221
5	Government Scholarship Funding	32,903	29,670	34,703
6	Federal Stimulus Funding	50,012	-	-
7	Grants and Contracts	400,813	420,245	473,576
8	Auxiliary Enterprises	434,062	440,562	475,267
9	Patient Medical Services Net	1,587,381	1,685,464	1,743,340
10	Other Operating Revenues	62,539	65,226	79,304
11	State Appropriations	424,949	455,235	453,422
12	Federal Appropriations	28,290	28,320	29,273
13	Private Gifts	80,261	84,375	121,200
14	Spendable Investment Income	157,447	112,502	115,211
15	Total Operating Revenues	3,835,055	3,932,477	4,133,657
	Operating Expenses			
16	Salaries and Wages	1,697,791	1,800,019	1,875,849
17	Benefits	472,764	546,194	518,058
18	Supplies, Services and Other Operating Expenses	1,153,566	1,178,436	1,243,803
19	Depreciation	240,173	231,891	262,261
20	Interest Expense	71,394	71,167	71,236
21	Total Operating Expenses	3,635,688	3,827,707	3,971,207
22	Net Operating Income	199,367	104,770	162,450
23	Net Operating Margin	5.2%	2.7%	3.9%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	(147,702)	214,075	194,705
25	Spendable Investment Income	(157,447)	(112,502)	(115,211)
26	Other Nonoperating Revenues (Expenses)	(1,133)	568	17,932
27	State Capital Appropriations	682	22,000	30,239
28	Capital Gifts and Grants	30,528	140,865	61,187
29	Private Gifts for Endowment Purposes	41,676	35,230	38,045
30	Pension and OPEB Impact on Income Statement	(16,329)	71,845	(68,390)
31	Mandatory Transfers	-	-	-
32	Non-Mandatory Transfers	-	-	-
33	Net Nonoperating Revenues (Expenses)	(249,725)	372,081	158,507
34	Increase in Net Position	(50,358)	476,851	320,957
35	Net Position, Beginning of Year	6,096,770	6,047,335	6,047,335
36	Cumulative Effect of Change in Accounting Principle	923	-	19
37	Net Position, Beginning of Year, Adjusted	6,097,693	6,047,335	6,047,354
38	Net Position, End of Period	\$ 6,047,335	\$ 6,524,186	\$ 6,368,311

University of Missouri System - Columbia - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ 492,275	\$ 519,067	\$ 528,876
2	Less Scholarship Allowances	226,108	236,360	236,975
3	Net Tuition and Fees	266,167	282,707	291,901
4	Federal Pell Grants	24,200	24,700	24,574
5	Government Scholarship Funding	18,764	17,000	19,828
6	CARES Act Funding	21,600	-	-
7	Grants and Contracts	257,053	279,840	299,810
8	Auxiliary Enterprises	313,310	313,616	347,804
9	Patient Medical Services Net	288,366	294,105	317,322
10	Other Operating Revenues	32,875	36,359	33,700
11	State Appropriations	225,457	244,462	242,650
12	Federal Appropriations	18,127	18,555	19,464
13	Private Gifts	39,396	38,000	54,294
14	Spendable Investment Income	109,923	78,386	80,357
15	Total Operating Revenues	1,615,238	1,627,730	1,731,704
	Operating Expenses			
16	Salaries and Wages	851,109	908,186	940,050
17	Benefits	241,473	266,967	260,707
18	Supplies, Services and Other Operating Expenses	295,893	301,937	348,082
19	Depreciation	102,427	102,000	109,132
20	Interest Expense	34,398	32,616	32,692
21	Total Operating Expenses	1,525,300	1,611,706	1,690,663
22	Net Operating Income	89,938	16,024	41,041
23	Net Operating Margin	5.6%	1.0%	2.4%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	39,673	137,946	74,354
25	Spendable Investment Income	(109,923)	(78,386)	(80,357)
26	Other Nonoperating Revenues (Expenses)	(607)	510	7,080
27	State Capital Appropriations	682	15,500	24,801
28	Capital Gifts and Grants	16,337	27,788	11,007
29	Private Gifts for Endowment Purposes	32,023	30,264	30,302
30	Mandatory Transfers	128	-	158
31	Non-Mandatory Transfers	39,864	35,518	55,157
32	Net Nonoperating Revenues (Expenses)	18,177	169,140	122,502
33	Increase in Net Position	108,115	185,164	163,543
34	Net Position, Beginning of Year	3,408,078	3,516,046	3,516,046
35	Cumulative Effect of Change in Accounting Principle	(147)	-	(110)
36	Net Position, Beginning of Year, Adjusted	3,407,931	3,516,046	3,515,936
37	Net Position, End of Period	\$ 3,516,046	\$ 3,701,210	\$ 3,679,479

University of Missouri System - Hospital - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ -	\$ -	\$ -
2	Less Scholarship Allowances	-	-	-
3	Net Tuition and Fees	-	-	-
4	Federal Pell Grants	-	-	-
5	Government Scholarship Funding	-	-	-
6	CARES Act Funding	-	-	-
7	Grants and Contracts	867	26	90
8	Auxiliary Enterprises	23,187	22,930	23,531
9	Patient Medical Services Net	1,259,147	1,350,797	1,386,260
10	Other Operating Revenues	166	(5)	764
11	State Appropriations	-	-	-
12	Federal Appropriations	-	-	-
13	Private Gifts	1,417	705	1,384
14	Spendable Investment Income	-	-	-
15	Total Operating Revenues	1,284,784	1,374,453	1,412,029
	Operating Expenses			
16	Salaries and Wages	410,203	425,038	468,230
17	Benefits	121,566	134,677	127,272
18	Supplies, Services and Other Operating Expenses	655,791	670,261	674,623
19	Depreciation	66,844	61,400	79,635
20	Interest Expense	12,010	14,220	15,984
21	Total Operating Expenses	1,266,414	1,305,596	1,365,744
22	Net Operating Income	18,371	68,857	46,285
23	Net Operating Margin	1.4%	5.0%	3.3%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	4,683	8,614	6,358
25	Spendable Investment Income	-	-	-
26	Other Nonoperating Revenues (Expenses)	8,086	-	4,641
27	State Capital Appropriations	-	-	-
28	Capital Gifts and Grants	724	6	587
29	Private Gifts for Endowment Purposes	264	15	-
30	Mandatory Transfers	-	-	-
31	Non-Mandatory Transfers	(46,850)	(33,638)	(35,131)
32	Net Nonoperating Revenues (Expenses)	(33,093)	(25,003)	(23,545)
33	Increase in Net Position	(14,722)	43,854	22,740
34	Net Position, Beginning of Year	\$ 1,015,574	\$ 1,000,351	1,000,351
35	Cumulative Effect of Change in Accounting Principle	(501)	-	78
36	Net Position, Beginning of Year, Adjusted	1,015,073	1,000,351	1,000,429
37	Net Position, End of Period	\$ 1,000,351	\$ 1,044,205	\$ 1,023,169

Note: Income Statement presentation is based on the current Moody's Higher Education methodology which includes interest expense as part of operating expenses. Numbers presented to Health Affairs show interest expense as non-operating.

University of Missouri System - Kansas City - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ 208,859	\$ 220,014	\$ 220,984
2	Less Scholarship Allowances	71,848	76,485	82,596
3	Net Tuition and Fees	137,011	143,529	138,388
4	Federal Pell Grants	12,659	12,600	13,528
5	Government Scholarship Funding	4,708	4,000	5,231
6	CARES Act Funding	10,577	-	-
7	Grants and Contracts	62,684	66,117	82,446
8	Auxiliary Enterprises	37,856	43,113	42,754
9	Patient Medical Services Net	39,843	40,511	39,738
10	Other Operating Revenues	21,075	20,619	21,192
11	State Appropriations	77,992	82,301	82,301
12	Federal Appropriations	-	-	-
13	Private Gifts	18,311	11,274	33,303
14	Spendable Investment Income	19,597	16,508	16,544
15	Total Operating Revenues	442,313	440,572	475,425
	Operating Expenses			
16	Salaries and Wages	201,566	211,021	216,977
17	Benefits	59,472	65,549	63,717
18	Supplies, Services and Other Operating Expenses	108,556	124,090	122,667
19	Depreciation	25,505	23,462	25,390
20	Interest Expense	7,549	7,100	7,184
21	Total Operating Expenses	402,647	431,222	435,935
22	Net Operating Income	39,665	9,350	39,490
23	Net Operating Margin	9.0%	2.1%	8.3%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	11,717	25,062	16,860
25	Spendable Investment Income	(19,597)	(16,508)	(16,544)
26	Other Nonoperating Revenues (Expenses)	(342)	-	6,716
27	State Capital Appropriations	-	1,500	1,394
28	Capital Gifts and Grants	5,816	46,500	14,155
29	Private Gifts for Endowment Purposes	2,173	900	287
30	Mandatory Transfers	30	-	26
31	Non-Mandatory Transfers	484	1,085	3,940
32	Net Nonoperating Revenues (Expenses)	282	58,539	26,834
33	Increase in Net Position	39,947	67,889	66,324
34	Net Position, Beginning of Year	633,310	673,178	673,178
35	Cumulative Effect of Change in Accounting Principle	(79)	-	-
36	Net Position, Beginning of Year, Adjusted	633,231	673,178	673,178
37	Net Position, End of Period	\$ 673,178	\$ 741,067	\$ 739,502

University of Missouri System - Missouri S&T - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ 119,995	\$ 124,421	\$ 126,007
2	Less Scholarship Allowances	63,974	69,713	70,802
3	Net Tuition and Fees	56,021	54,708	55,205
4	Federal Pell Grants	5,445	6,300	5,580
5	Government Scholarship Funding	5,670	5,000	5,946
6	CARES Act Funding	7,168	-	-
7	Grants and Contracts	44,203	41,575	45,749
8	Auxiliary Enterprises	23,098	22,866	24,474
9	Patient Medical Services Net	-	-	-
10	Other Operating Revenues	3,405	2,193	4,705
11	State Appropriations	53,026	55,942	55,942
12	Federal Appropriations	-	-	-
13	Private Gifts	8,208	22,355	21,099
14	Spendable Investment Income	18,477	11,674	14,269
15	Total Operating Revenues	224,720	222,613	232,969
	Operating Expenses			
16	Salaries and Wages	95,976	108,076	105,699
17	Benefits	29,336	34,674	31,976
18	Supplies, Services and Other Operating Expenses	45,052	46,241	51,944
19	Depreciation	23,901	24,337	23,588
20	Interest Expense	5,304	5,296	5,077
21	Total Operating Expenses	199,569	218,624	218,284
22	Net Operating Income	25,151	3,989	14,685
23	Net Operating Margin	11.2%	1.8%	6.3%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	7,601	13,988	12,859
25	Spendable Investment Income	(18,477)	(11,674)	(14,269)
26	Other Nonoperating Revenues (Expenses)	(6,796)	31	(68)
27	State Capital Appropriations	-	5,000	-
28	Capital Gifts and Grants	5,339	53,646	30,332
29	Private Gifts for Endowment Purposes	3,314	2,250	3,859
30	Mandatory Transfers	18	-	5
31	Non-Mandatory Transfers	(2,189)	1,854	4,023
32	Net Nonoperating Revenues (Expenses)	(11,191)	65,095	36,741
33	Increase in Net Position	13,960	69,084	51,426
34	Net Position, Beginning of Year	649,058	662,982	662,982
35	Cumulative Effect of Change in Accounting Principle	(36)	-	-
36	Net Position, Beginning of Year, Adjusted	649,022	662,982	662,982
37	Net Position, End of Period	\$ 662,982	\$ 732,066	\$ 714,408

University of Missouri System - St. Louis - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ 110,487	\$ 117,326	\$ 109,416
2	Less Scholarship Allowances	46,278	44,415	41,728
3	Net Tuition and Fees	64,209	72,911	67,688
4	Federal Pell Grants	10,729	13,500	11,539
5	Government Scholarship Funding	3,761	3,670	3,698
6	CARES Act Funding	10,667	-	-
7	Grants and Contracts	35,059	32,687	43,975
8	Auxiliary Enterprises	13,638	15,182	14,243
9	Patient Medical Services Net	25	51	20
10	Other Operating Revenues	1,758	2,209	1,803
11	State Appropriations	59,007	63,063	63,062
12	Federal Appropriations	-	-	-
13	Private Gifts	12,785	11,913	10,992
14	Spendable Investment Income	11,917	8,377	8,740
15	Total Operating Revenues	223,555	223,563	225,760
	Operating Expenses			
16	Salaries and Wages	97,797	104,414	103,137
17	Benefits	31,815	34,613	32,848
18	Supplies, Services and Other Operating Expenses	57,754	61,208	69,654
19	Depreciation	17,990	18,200	18,327
20	Interest Expense	5,368	5,086	5,118
21	Total Operating Expenses	210,724	223,521	229,084
22	Net Operating Income	12,831	42	(3,324)
23	Net Operating Margin	5.7%	0.0%	-1.5%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	6,379	9,777	8,059
25	Spendable Investment Income	(11,917)	(8,377)	(8,740)
26	Other Nonoperating Revenues (Expenses)	565	25	(110)
27	State Capital Appropriations and Grants	-	-	4,044
28	Capital Gifts and Grants	2,312	12,925	5,106
29	Private Gifts for Endowment Purposes	3,750	1,800	3,589
30	Mandatory Transfers	43	-	36
31	Non-Mandatory Transfers	(679)	1,090	3,281
32	Net Nonoperating Revenues (Expenses)	453	17,240	15,265
33	Increase in Net Position	13,283	17,282	11,941
34	Net Position, Beginning of Year	399,982	413,249	413,249
35	Cumulative Effect of Change in Accounting Principle	(17)	-	-
36	Net Position, Beginning of Year, Adjusted	399,965	413,249	413,249
37	Net Position, End of Period	\$ 413,249	\$ 430,531	\$ 425,190

University of Missouri System - System Administration - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ -	\$ -	\$ -
2	Less Scholarship Allowances	20	44	23
3	Net Tuition and Fees	(20)	(44)	(23)
4	Federal Pell Grants	-	-	-
5	Government Scholarship Funding	-	-	-
6	CARES Act Funding	-	-	-
7	Grants and Contracts	947	-	1,506
8	Auxiliary Enterprises	22,973	22,855	22,461
9	Patient Medical Services Net	-	-	-
10	Other Operating Revenues	3,453	3,979	13,993
11	State Appropriations	-	-	-
12	Federal Appropriations	-	-	-
13	Private Gifts	143	126	126
14	Spendable Investment Income	7,000	7,024	4,768
15	Total Operating Revenues	34,496	33,940	42,831
	Operating Expenses			
16	Salaries and Wages	39,802	43,284	41,407
17	Benefits	13,683	15,096	14,059
18	Supplies, Services and Other Operating Expenses	(26,491)	(27,039)	(31,751)
19	Depreciation	3,506	2,492	6,189
20	Interest Expense	106	-	363
21	Total Operating Expenses	30,606	33,833	30,267
22	Net Operating Income	3,890	107	12,564
23	Net Operating Margin	11.3%	0.3%	29.3%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	(5,139)	9,888	7,086
25	Spendable Investment Income	(7,000)	(7,024)	(4,768)
26	Other Nonoperating Revenues (Expenses)	(78)	2	(56)
27	State Capital Appropriations	-	-	-
28	Capital Gifts and Grants	-	-	-
29	Private Gifts for Endowment Purposes	50	-	6
30	Mandatory Transfers	-	-	-
31	Non-Mandatory Transfers	(7,489)	(3,977)	(19,427)
32	Net Nonoperating Revenues (Expenses)	(19,656)	(1,111)	(17,159)
33	Increase in Net Position	(15,766)	(1,004)	(4,595)
34	Net Position, Beginning of Year	237,410	223,347	223,347
35	Cumulative Effect of Change in Accounting Principle	1,703	-	51
36	Net Position, Beginning of Year, Adjusted	239,113	223,347	223,398
37	Net Position, End of Period	\$ 223,347	\$ 222,343	\$ 218,803

University of Missouri University-wide - UNAUDITED
Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP
For the Year Ending June 30, 2023 Compared to Year Ended June 30, 2022 (in thousands)

Line No.		Actuals FY 2022	Original Budget FY 2023	Actuals FY 2023
	Operating Revenues			
1	Tuition and Fees	\$ -	\$ -	\$ -
2	Less Scholarship Allowances	23	33	19
3	Net Tuition and Fees	(23)	(33)	(19)
4	Federal Pell Grants	-	-	-
5	Government Scholarship Funding	-	-	-
6	Institutional CARES Act Funding	-	-	-
7	Grants and Contracts	-	-	-
8	Auxiliary Enterprises	-	-	-
9	Patient Medical Services Net	-	-	-
10	Other Operating Revenues	(193)	(128)	3,147
11	State Appropriations	9,467	9,467	9,467
12	Federal Appropriations	10,163	9,765	9,809
13	Private Gifts	1	2	2
14	Spendable Investment Income	(9,467)	(9,467)	(9,467)
15	Total Operating Revenues	9,948	9,606	12,939
	Operating Expenses			
16	Salaries and Wages	1,338	-	349
17	Benefits	(24,581)	(5,382)	(12,521)
18	Supplies, Services and Other Operating Expenses	13,993	1,738	8,598
19	Depreciation	-	-	-
20	Interest Expense	6,659	6,849	4,818
21	Total Operating Expenses	(2,591)	3,205	1,244
22	Net Operating Income	12,539	6,401	11,695
23	Net Operating Margin	126.0%	66.6%	90.4%
	Nonoperating Revenues (Expenses)			
24	Investment Income (Losses), Net of Fees	(212,616)	8,800	69,129
25	Spendable Investment Income	9,467	9,467	9,467
26	Other Nonoperating Revenues (Expenses)	(1,961)	-	(271)
27	State Capital Appropriations	-	-	-
28	Capital Gifts and Grants	-	-	-
29	Private Gifts for Endowment Purposes	102	1	2
30	Pension and OPEB Impact on Income Statement	(16,329)	71,845	(68,390)
31	Mandatory Transfers	(220)	-	(240)
32	Non-Mandatory Transfers	13,840	(2,115)	(11,811)
33	Net Nonoperating Revenues (Expenses)	(207,717)	87,998	(2,114)
34	Increase in Net Position	(195,178)	94,399	9,581
35	Net Position, Beginning of Year	(246,642)	(441,820)	(441,820)
36	Cumulative Effect of Change in Accounting Principle	-	-	-
37	Net Position, Beginning of Year, Adjusted	(246,642)	(441,820)	(441,820)
38	Net Position, End of Period	\$ (441,820)	\$ (347,421)	\$ (432,239)

Fiscal Year 2023 Financial Status Report

November 16, 2023



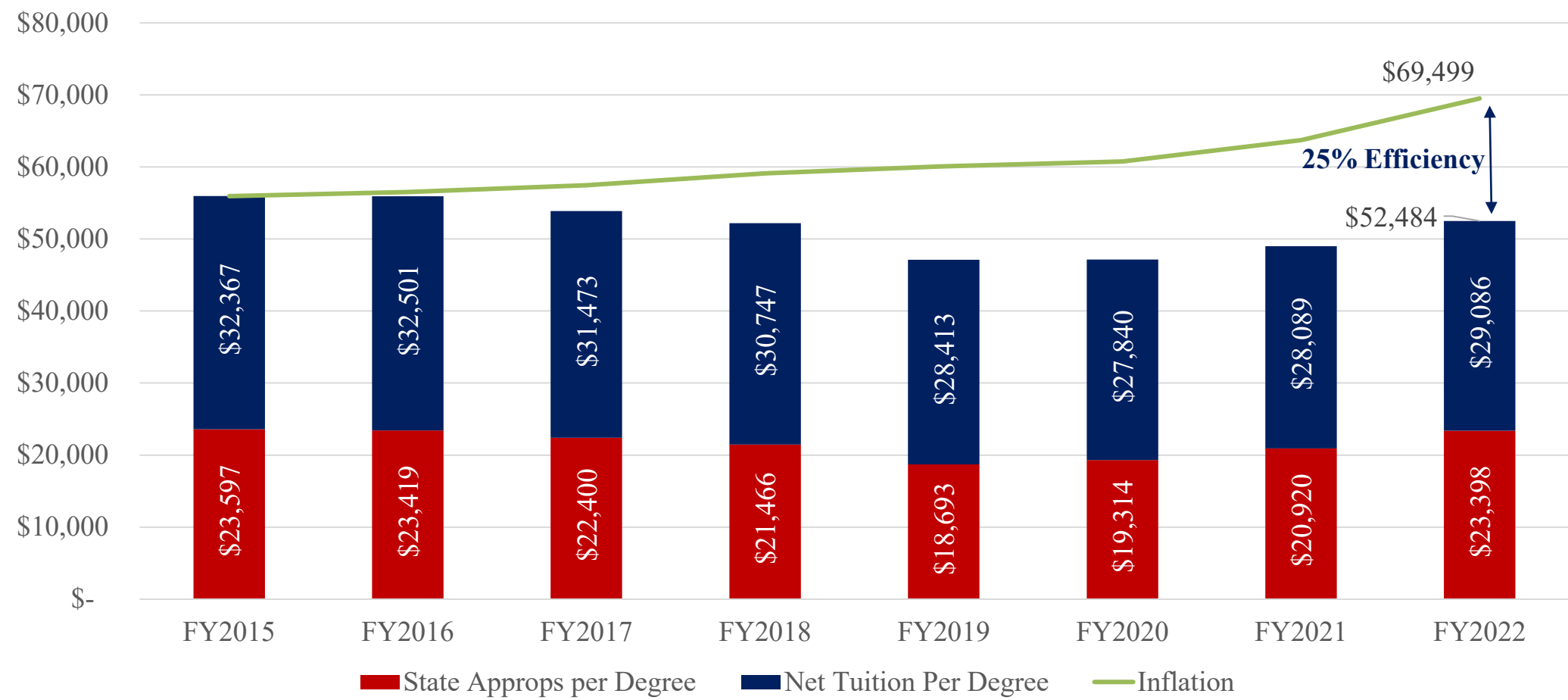
Key Points

- Consolidated financial performance in FY2023 continues to exceed targets, while unit level financial performance varies
- Impacts from inflation, placing pressure on operating margins
- Focused on maintaining enrollments and generating revenue growth at or above inflation for higher education
- Healthcare continues to focus on improving financial performance through managing rising labor costs and capital spending
- The University continues to remain committed to managing expenses within growth
- Current capital investments supported by record external funding

Financial Accountability Remains Key

- Board Approves financial performance targets as a part of the financial planning process - February
- University Leadership is responsible for:
 - Managing financial performance within target
 - Balancing financial resources with mission demands
 - Completing financial plans that tie together resources
- Consequences for falling below target include:
 - Lack of participation in strategic dividend investment
 - Capital project prohibition
 - Debt prohibition
 - Reserve Lockbox

Managing Expense Growth

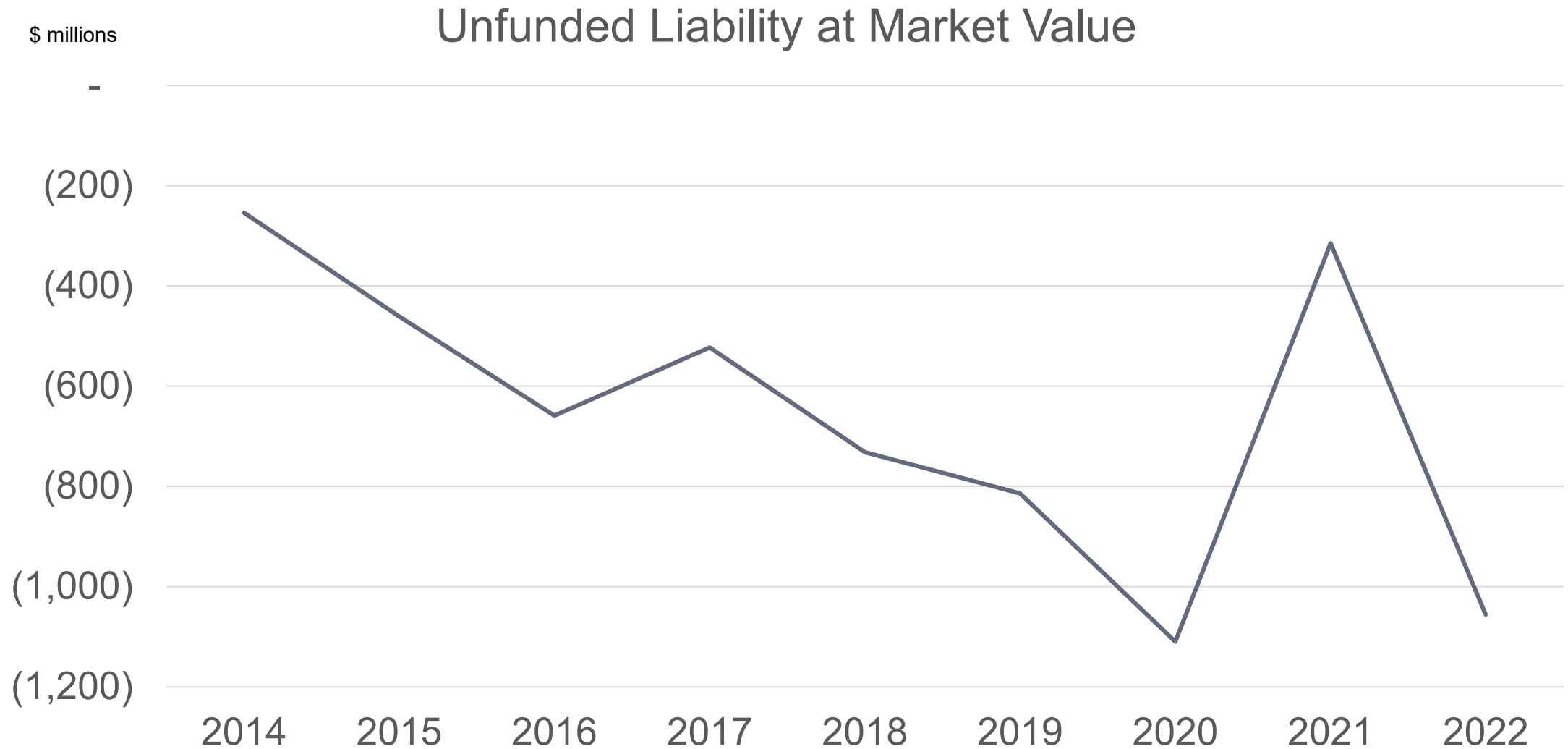


FY23 Performance Above Target

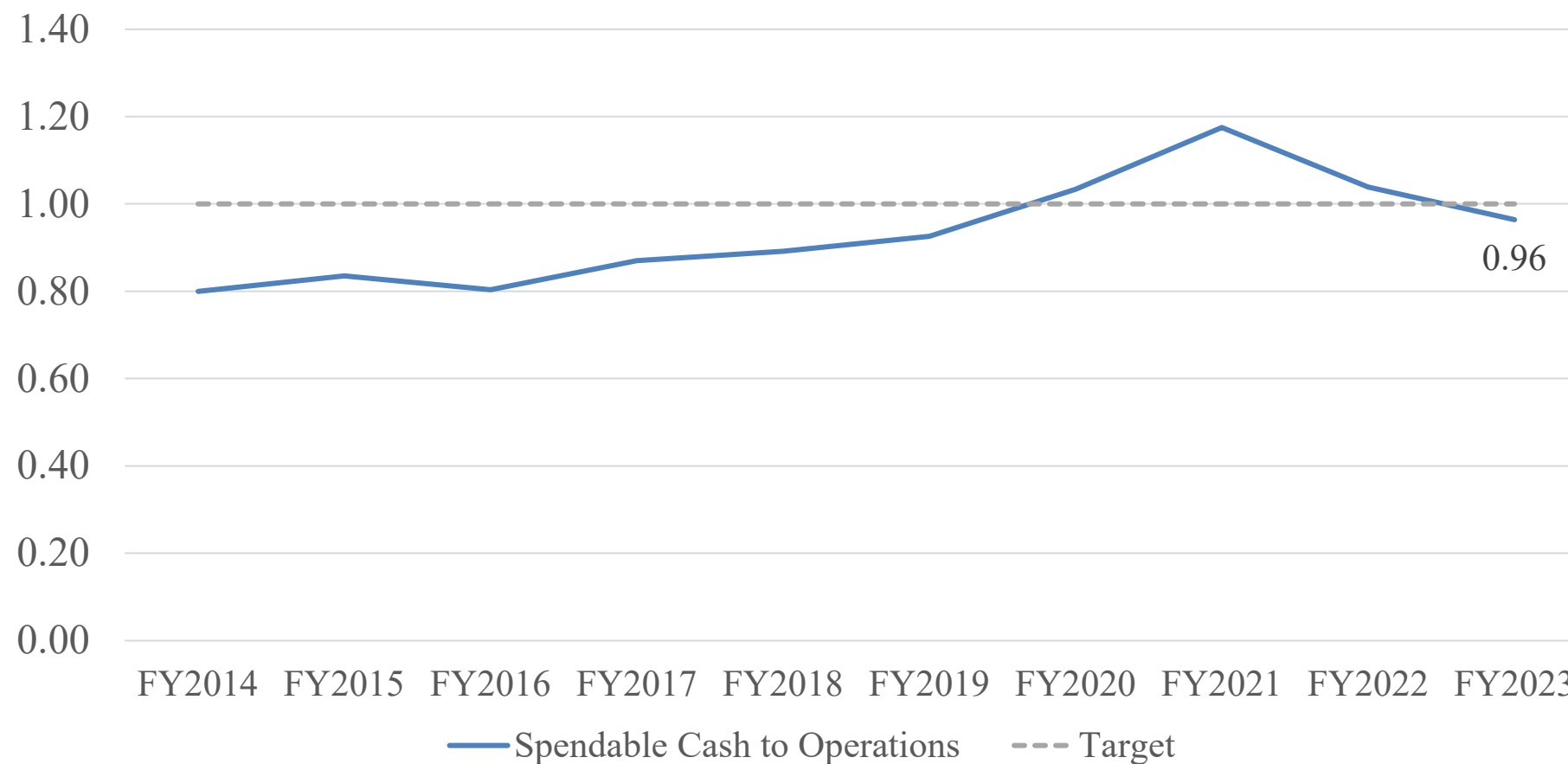
	Operating Margin (%)	Operating Margin (\$)
Actual	3.9%	\$162 million
Target	2.5%	

- Operating margin declined year over year, however expense management is essential for maintaining performance within revenue growth into the future
- Inflation peaked in FY22 with expenses pressures heightening in FY23

Pension Liability is Large and Volatile



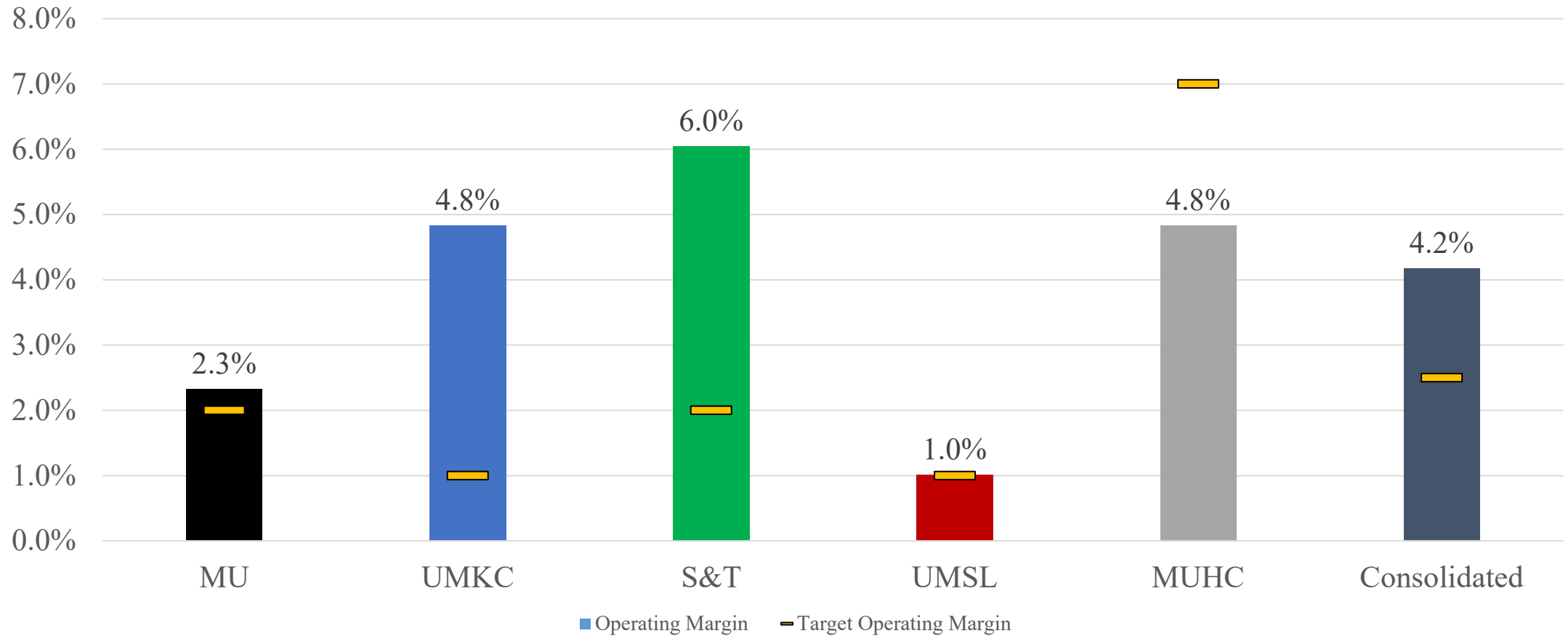
Cash to Operations Near Target



Operating Margin By Unit

	MU	UMKC	S&T	UMSL	MUHC	Consolidated
Actual Margin	2.4%	8.3%	6.3%	-1.5%	3.3%	3.9%
Target	2.0%	1.0%	2.0%	1.0%	7.0%	2.5%

Five-year Average Operating Margin By Unit



Next Steps

- Financial Plans in February
- Annual Benefit Report including Pension Valuation in Spring (Feb or April)
- Annual Budget Update in April
- Tuition and Fee Approval in Spring (May or June)
- Annual Budget Approval in June

Questions?

Financial Aid Report UM

At the November 16th Board of Curators meeting, Executive Vice President Ryan Rapp will provide an update on financial aid within the University of Missouri System. Financial aid serves as a key component of pricing and enrollment strategies. Over the past decade, public institutions have shifted aid strategies to operate more like private institutions with higher gross tuition coupled with more financial aid to meet the expectations of students and their families.

EXECUTIVE SUMMARY

College remains the second most expensive item purchased by many Americans, trailing only their house in total cost. A four-year degree at a public institution will run over \$100,000, with much of the cost residing outside of tuition paid by the student. Financing this cost is a mix of savings, loans, and financial aid. Over the past decade, financial aid spending at public higher education institutions continues to outpace inflation and provide a meaningful reduction in cost for students. Public institutions have begun to act more like private institutions, using higher prices with discounting to drive enrollment. Financial aid generally comes from one of three sources:

- 1) Federal Aid: primarily in the form of Pell grants.
- 2) State Aid which is driven by individual state policy.
- 3) Institutional Aid which is funded by donors or by institutional sources.

Institutional aid has become a key factor for public institutions in driving enrollment in a more competitive environment. Financial aid plays a key role in both attracting and retaining students through to graduation. Implementing the right aid strategy drives both quantity and quality of enrollment and seeks to optimize net tuition per student to institutional goals. New student loans continue to shrink in both number of students and absolute value after peaking in the early part of the decade. The institutions in the University of Missouri System perform well on debt metrics:

- 49% of students at MU graduate without any debt.
- MU's average debt at graduation is \$26,732 which is 10% below the national average.
- Loan default rates at UM institutions remain at or below the national averages.

The public continues to demand more transparency on the costs and outcomes of college. The higher education industry has been criticized for poor practices that do not provide good information in supporting student decision-making in college and degree choice. The University of Missouri remains focused on improving the transparency on both total cost and the aid provided to students across their careers, including:

- 1) Simplifying pricing through the implementation of differential tuition.
- 2) Participating in the College Cost Transparency Initiative to provide better disclosure to students in aid offer letters.
- 3) Continuing the focus on student retention, graduation, and career outcomes.

November 16, 2023

- 4) Building better processes to leverage donor funded scholarships to meet enrollment goals.

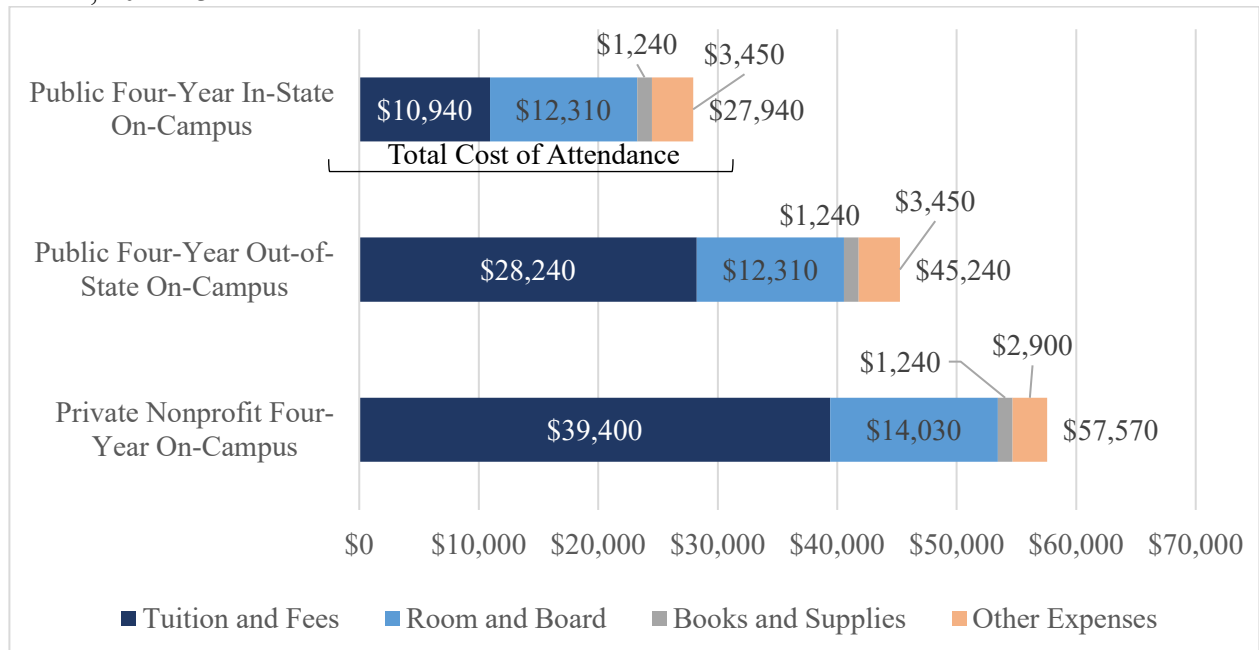
HIGHER EDUCATION COST

Attending college represents a significant investment in both time and money for students. Based on an annual survey conducted by the College Board, the average annual cost to attend a public university, including costs of living, exceeds \$27,000 for the 2022-2023 academic year. Across four-year public institutions, the cost before any aid is over \$100,000 for the average student during the course of their bachelor's degree. For many college graduates, the cost of their degree is only outpriced by their home as the most expensive purchase in their lifetime. Given the scope of the college purchase, it is important for institutions to adapt their pricing strategies to better meet the needs of students and tie those pricing strategies to successful outcomes for students.

The Cost of College: More than Just Tuition

The cost of college is about more than just tuition. Students dedicate a period in their lives to better themselves and they forego immediate earnings and incur living costs in addition to charges for academic coursework. The cost for a college degree varies significantly based upon the type of institution and its role within the marketplace for higher education. The cost outlined below is the total amount of charges before the application of any grant aid.

Figure 1: Average Estimated Full-time Undergraduate List Price (Enrollment-Weighted) by Sector, 2022-23



Source: College Board's *Trends in College Pricing*

Tuition and fees serve as the primary variable differentiating the total price for a higher education degree. In the United States, public higher education systems receive significant support from state government to subsidize cost of degrees and support their research and public

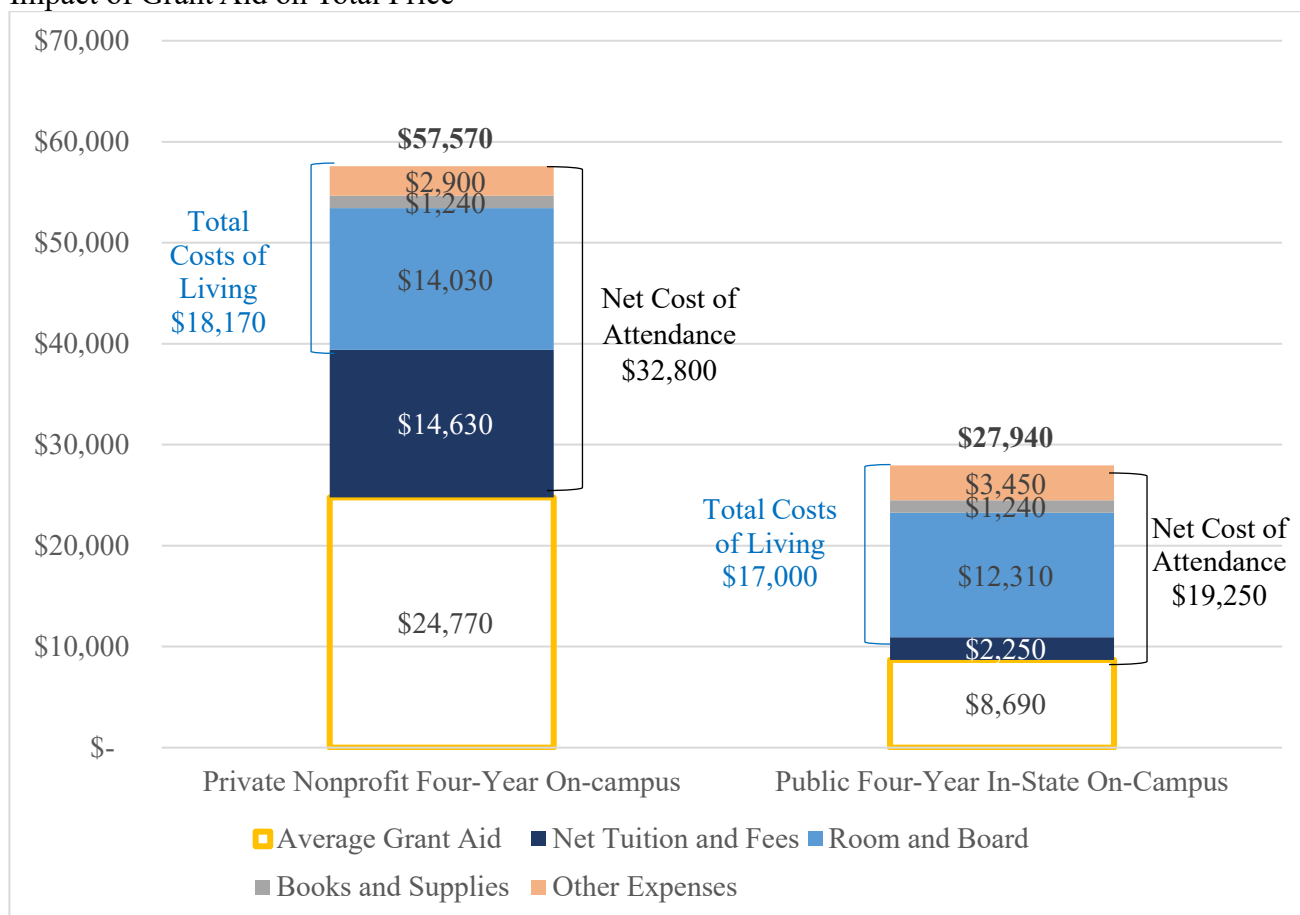
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service missions. Public institutions charge less than their private peers. As shown in Figure 1, public institutions charge over \$17,000 more for out of state students, which is still \$12,330 cheaper than what private institutions charge in gross tuition, on average. For in-state students at public institutions, the cost of attendance is driven more by costs of living rather than academic charges. While the focus for the cost of a public degree remains on tuition and academic charges, most of the cost for in-state students at public institutions is driven by the cost of living, supplies, and other expenses rather than academic charges.

Impact of Financial Aid for Students

Institutions utilize different grant aid programs (federal, state, and institutional funds) to provide students with cost relief. Grant aid (otherwise referred to as scholarships or grants) does not need to be repaid by students, whereas student loans require repayment. To the institution, the most helpful types of grant aid are those funded by federal programs, state programs, and private gifts. These forms of aid have revenue attached to offset aid cost. Grant aid funded by the institution's own funds is utilized to shape and align enrollments with overall mission, whether the aid is focused on need or merit. Grant aid is highly varied depending on the institution as reflected in Figure 2 below.

Figure 2: Average Estimated Full-time Undergraduate Net Cost of Attendance, 2022-23
Impact of Grant Aid on Total Price



Source: College Board's *Trends in College Pricing*

November 16, 2023

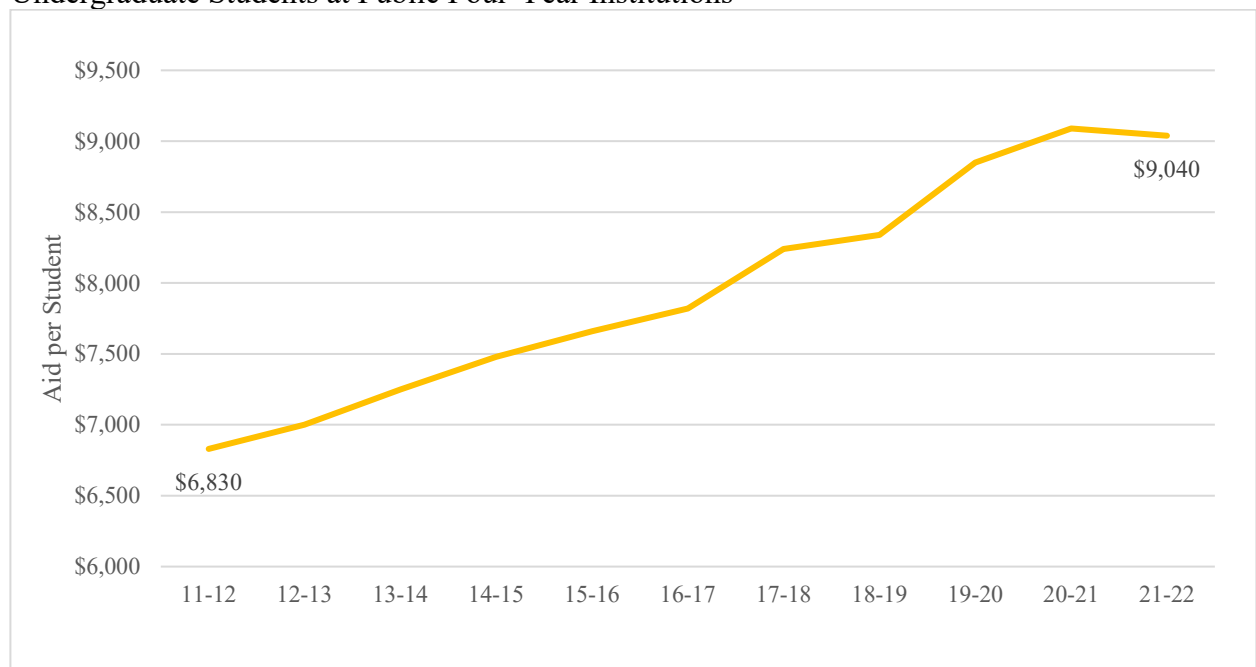
The net cost of attendance represents cost to the student after any grant aid but before any loans. Figure 2 demonstrates the impact of grant aid on the price paid by students. While private institutions provide significantly more grant aid in nominal dollars (\$24,770 vs. \$8,690), the net price of public institutions is still over \$13,500 cheaper for students. The total cost paid by the student is referred to as the net cost of attendance and encompasses all academic and costs of living less any grant aid. At public institutions, 78% of students receive some form of grant aid, meaning that few students pay full price. A higher overall price provides institutions with more flexibility to provide scholarships for merit or financial need.

Figure 2 also further demonstrates that after the application of grant aid, tuition and fees represent only 14% of cost for public in-state students prior to any loans or payments. The majority of the other 86% of costs are incurred outside of campus and do not represent revenues available to the core academic enterprise. Non-academic costs are the primary drivers of student cost at the undergraduate level, and this is why time to degree completion is so important for students. If students can finish degrees faster, they do not incur the costs of living expenses that drive up the total cost of the degree.

Trends in Grant Aid and How Funding Sources Have Shifted

Grant aid per student at four-year public institutions increased by 32% over the last decade when adjusted for inflation. Grant aid includes scholarships (funded by the institution or donors), federal grants (the largest being Pell), or state grants.

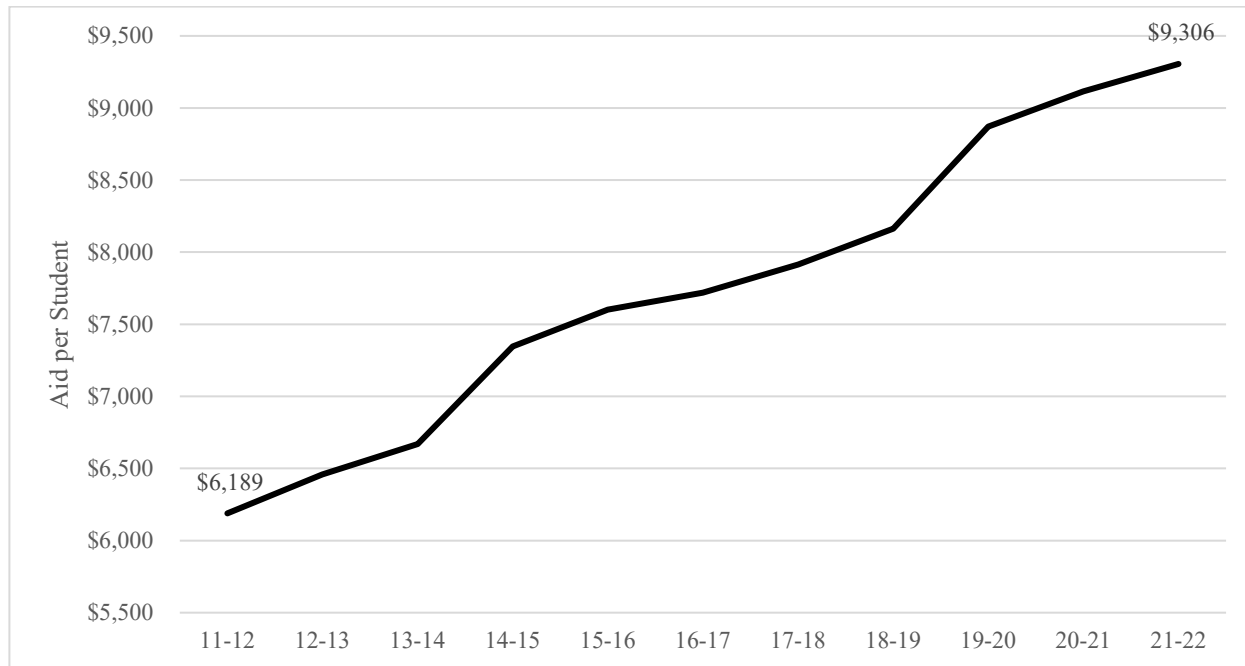
Figure 3: Trend in Grant Aid per Student in real dollars, First-Time Full-Time In-State Undergraduate Students at Public Four-Year Institutions



Source: College Board's *Trends in College Pricing and Student Aid*, Public Four-Year Institutions

The growth in grant aid explains the gap between the growth in published cost of attendance prices and the declining amounts actually paid by students in the form of net tuition and fees. While these published prices have been growing faster than inflation, grant aid per student at public institutions has been growing at an even faster rate, offsetting tuition rate increases.

Figure 4: Trend in Undergraduate Grant Aid per Student in 2022 Dollars at University of Missouri



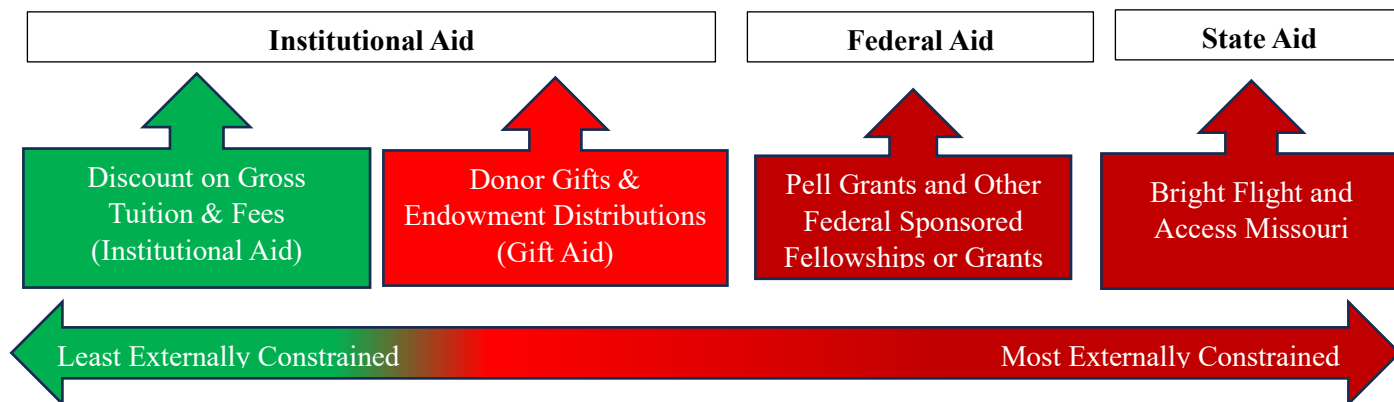
Source: DHE 14-1, Student Financial Aid Awarded

Figure 4 shows the trend in grant aid per student at the University over the last decade. The University's trend in aid per student has followed the national trend. Where the previous graphs focused on a subset of undergraduate population the Figure 4 represents total undergraduate grant aid per student for the University of Missouri System.

SOURCES OF FINANCIAL AID

Grant aid is funded from a variety of sources, including the federal government, state government, and the institutions themselves. Federal and state grant aid come with external funding, meaning the institution receives payment for the aid and has a revenue source to offset the aid. The "Color of Money" illustration in Figure 5, presents the different types of financial aid are available from various types of funding and work together to assist students in financing their college education. This graphic depicts the flow of different types of funding sources for financial aid, color coded similar to a stoplight to represent the level of spending restriction on the funding source.

Figure 5: Color of Money – Financial Aid

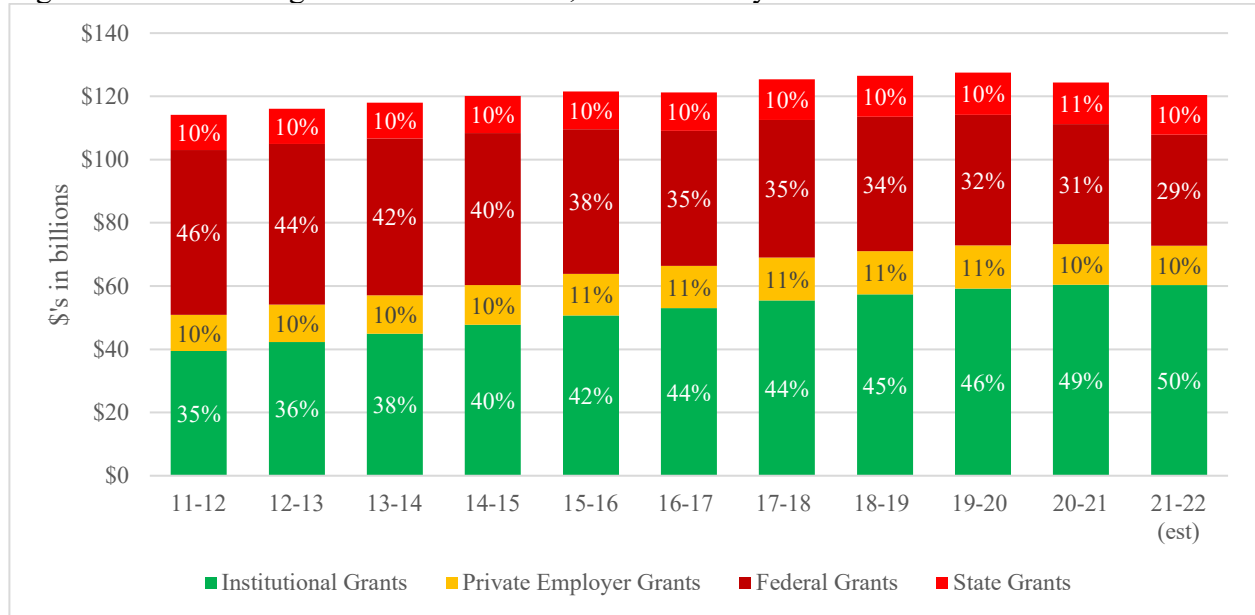


Federal aid primarily reflects Pell grants (71% of federal aid awarded) and federal work-study programs. Financial aid is applied to the student’s bill and the university is reimbursed from the Federal government.

Like Federal aid, **State aid** is applied to the student’s bill and are reimbursed by the State, if funds are available. Key state aid programs include Bright Flight, Access Missouri, and Veteran’s Survivors Grant Program. These state funded programs generally provide scholarships to state residents who attend schools within the state.

Institutional aid is grants or scholarships paid for with university dollars and include two categories; unrestricted aid which is from operations (**green**) where recipient and terms are determined by the university, or donor gift funds (**red**) where donors specify terms for recipients. The primary funding source for unrestricted institutional aid is tuition and fees. Unrestricted aid assists the universities in achieving strategic enrollment goals. To optimize aid awarded, the university’s philanthropy efforts align with strategic enrollment goals.

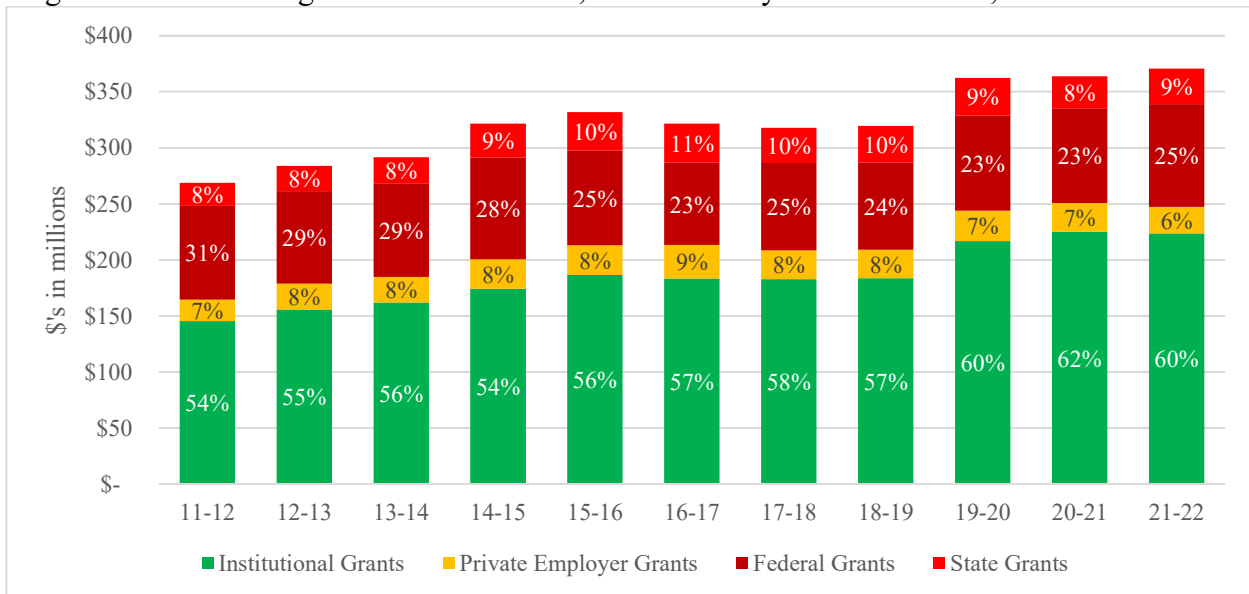
Figure 6: Total Undergraduate Grant Aid in, real dollars by Source of Grant



Source: College Board's *Trends in College Pricing and Student Aid*, Private and Public Institutions

Figure 6 represents the national trend of grant aid across all institutions adjusted for the impact of inflation. Since 2010, institutional aid has overtaken federal aid as the primary source of grant aid for college students. Institutions have been investing more in financial aid, using portions of price increases to increase discounting to shape their enrollments. Student enrollment patterns have also changed with students becoming more price sensitive. In 2010, one third of public higher education students received institutional aid. As of 2020, this number had moved to well above half of public higher education students.

Figure 7: Total Undergraduate Grant Aid in, real dollars by Source of Grant, UM Total



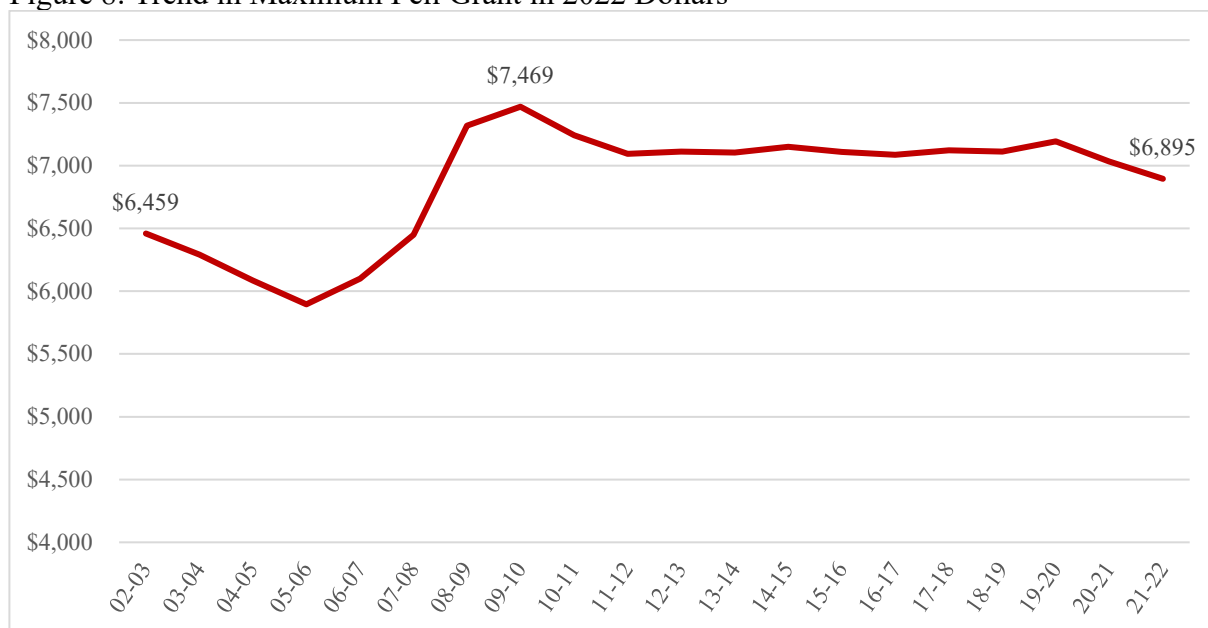
Source: DHE 14-1, Student Financial Aid Awarded

Figure 7 represents the trend of grant aid for UM adjusted for the impact of inflation. Like the national trend, the funding source allocation has shifted from federal to institutional. From 2019 to 2022, UM institutions leveraged institutional aid programs in an effort to stem enrollment losses. These programs have been key in UM outperforming the state average in enrollment, with UM only experiencing a 4% enrollment decline since 2018 whereas the state average has been a 17% enrollment loss.

Trends in Federal Aid

The primary federal grant aid is the Pell Grant. This is the single largest federal aid program and has been awarded to students since 1973. The amount of the Pell Grant depends on the student's level of income and financial need. Students may receive Pell Grants for the lesser of 12 terms or the receipt of their bachelor's or first professional degree. The maximum Pell grant has fallen in real dollars for the last decade.

Figure 8: Trend in Maximum Pell Grant in 2022 Dollars



Source: The Federal Pell Grant Program End of Year Reports; Federal Student Aid Data Center.

The maximum Pell grant awarded for 2022-23 was \$6,895. The maximum Pell amount lagged inflation since 2010-11. The growth from 2008-2010 was implemented in response to the financial crisis to encourage the workforce to attend college and improve workforce attainment. Increases in enrollment from these policies during the recession caused aid disbursements to increase. Since the peak in 2010-11 total Pell grants awarded dropped 42% to \$25.9 billion in 2021-22. Over this same time span, Pell grant recipients declined 35% to 6.1 million. Pell grant awards are capped out at 12 full-time semesters over an individual's lifetime.

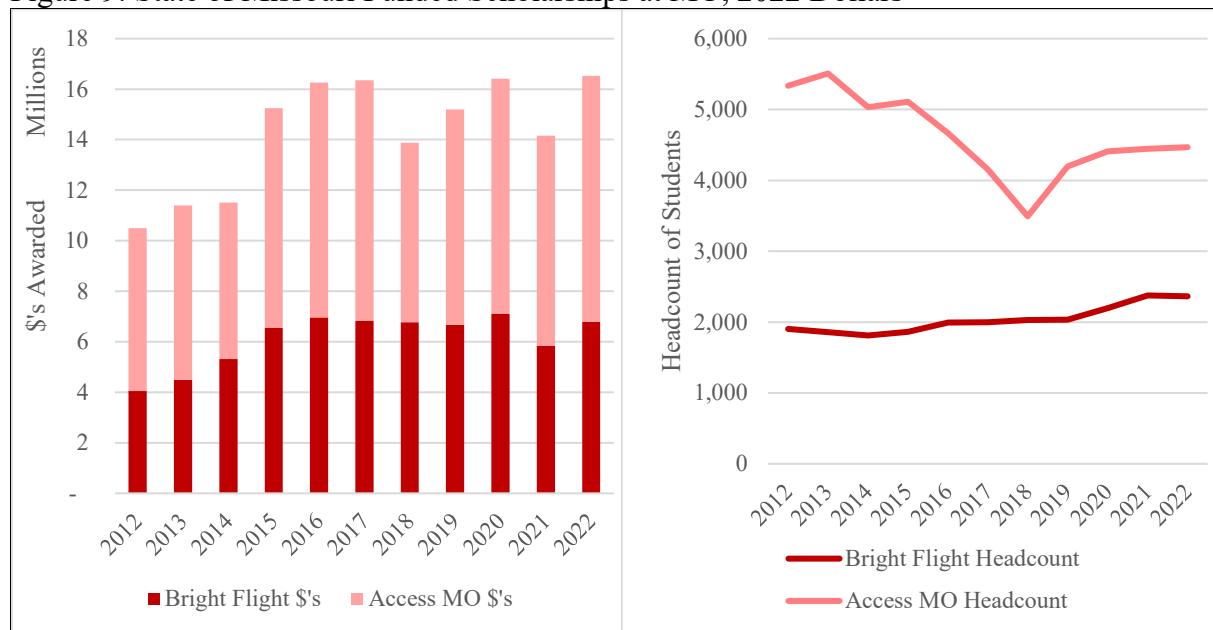
Pell eligibility will be changing in academic year 2024-25. As part of the FASFA Simplification Act, families who make less than 175% of the federal poverty level (225% for single parents) will automatically be eligible for the maximum Pell grant award. This will be a significant shift

in public policy and should simplify the process of applying for and receiving federal student aid.

Trends in State Aid

Students at the University of Missouri primarily receive two state funded scholarships: Bright Flight for merit and Access Missouri for need. The qualification criteria for Bright Flight is a 31 ACT score coupled with a 3.0 High School GPA. For Access Missouri, the qualification criteria is an expected family contribution (EFC) of \$12,000 or less. This amount is higher than the qualification criteria for a Pell Grant. Pell eligible students are eligible for Access Missouri. The amounts of the scholarships can change based on the availability of funding in the state budget. The scholarships are both only for high school Missouri residents attending college in Missouri.

Figure 9: State of Missouri Funded Scholarships at MU, 2022 Dollars

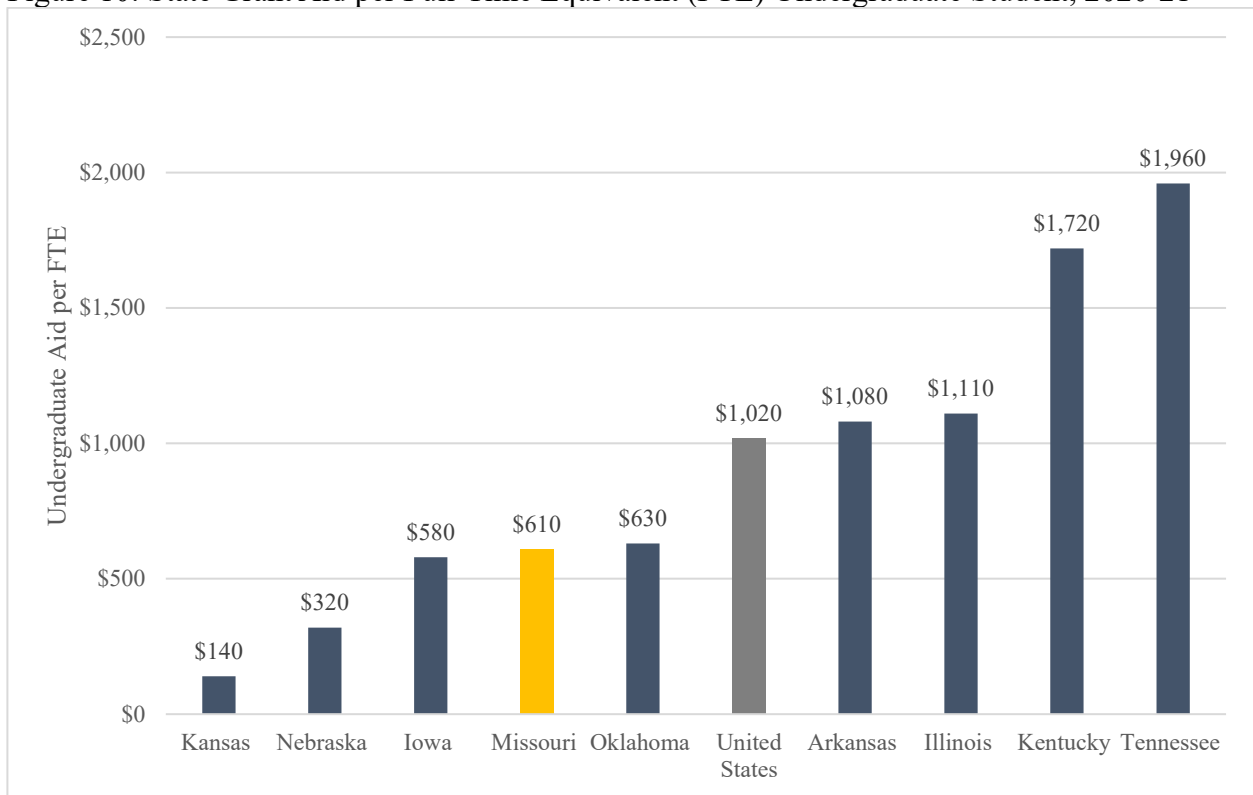


Source: MDHE Form 14 Filing for MU

Figure 9 shows the trend in receipts of state funding at MU over the past decade. Since 2016, the state aid received has been flat in real dollars. The number of recipients for the Access Missouri program has dropped since 2015, with some recovery after 2019. This follows a broader trend of college attendance dropping among the Pell-eligible populations in Missouri. Bright flight headcount remained relatively steady for the majority of the decade, with an uptick in 2021 and 2022 as enrollments among qualifying students increased.

The state scholarship programs are largely a function of state higher education policy and represent another form of support for higher education. This support is different than state appropriations in that it is provided to students as a reduction in price to stay in the state for their college education.

Figure 10: State Grant Aid per Full-Time Equivalent (FTE) Undergraduate Student, 2020-21



Source: College Board's *Trends in College Pricing and Student Aid*

Figure 10 presents state aid awarded per full-time equivalent undergraduate student for academic year 2020-21 for Missouri and surrounding states. This number represents the support provided by the state of Missouri to all students in Missouri. Missouri falls below the national average of \$1,020 and below the surrounding state average of \$942. States in the southeast tend to have higher state sponsored scholarship programs for students.

The variance in the numbers above are driven by the state scholarship program design and student qualifications for financial aid. Table 1 outlines the financial aid programs offered by state.

Table1: Financial Aid Scholarships for Missouri and Surrounding States

	Missouri	Tennessee	Kentucky	Illinois	Arkansas	Oklahoma
Merit	Bright Flight	Hope Scholarship	KEES	AIM HIGH Grant	Arkansas Challenge Scholarship	Regional University Baccalaureate Scholarship
	31 ACT / 2.5 GPA	21 ACT / 3.0 GPA	15-28 ACT / 2.5-4.0 GPA	2.5 GPA	19 ACT / 2.5 GPA	30 ACT
	\$3,000 per year >32 ACT \$1,000 per year 31 ACT	\$2,250 (fr,so) - \$2,850 (jr, sr) per year	\$125-\$1,000 per year	\$5,000 per year Up to \$20,000 for 4 years	Year 1 - \$1,000 Year 2&3 - \$4,000 per year Year 4- \$5,000	\$3,000 per year
Need	Access Missouri	Hope Access Grant	College Access Grant	MAP Grant	None	Oklahoma Tuition Aid Grant
	EFC < \$12,000	18 ACT / 2.75 GPA AGI < \$36,000	Pell Eligible	Financial Need		Pell Eligible
	\$1,500-\$2,850 per year	\$2,000 per year	\$2,500 per year	\$300-\$8,400 per year		\$2,000 - \$3,000 per year
Last \$ Access 2-yr institutions	A+ Scholarship	TN Promise Scholarship & TN Reconnect Grant	None	None	Arkansas Future Grant	Oklahoma's Promise

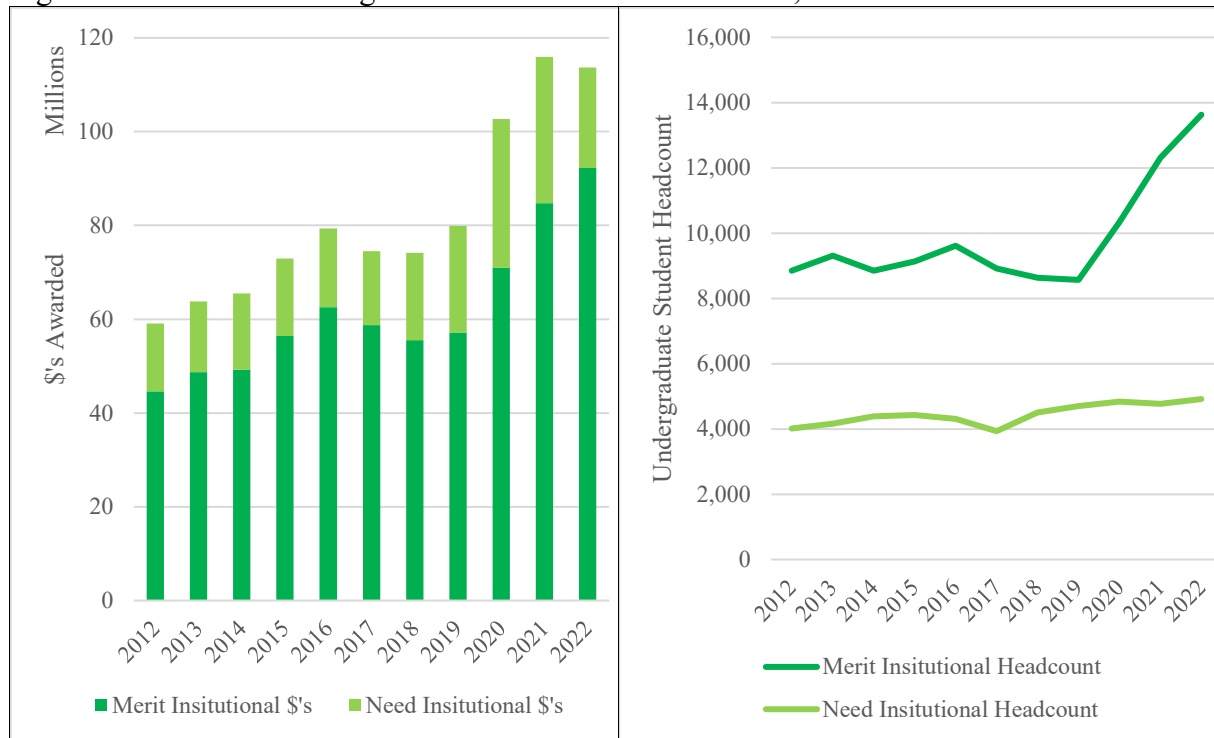
The comparison in Table 1 provides context for where state public policy drives the funding variances in Figure 11. Missouri's aid programs for merit are more stringent than surrounding states with more robust financial aid spending. For reference, only 6% of first-time college students score a 31 or above on the ACT (Missouri's merit qualification for Bright Flight). 50% of students score a 20 or above on the ACT and would qualify for some form of merit-based aid in Arkansas, Kentucky and Tennessee. 96% of MU's resident students would qualify for state-based merit aid in Arkansas and Kentucky. Currently, only 13% of MU's resident students qualify for Bright Flight. These programs help set student expectations for aid amongst students, and give institutions in states with richer programs another subsidy in the form of tuition support to attract and retain students.

By comparison to other states, Missouri's need-based program of Access Missouri is richer in qualification criteria than many of the surrounding states. The EFC of \$12,000 is about \$6,000 above the Pell threshold, providing a gap fill for students with need who are very close to the Pell cutoff. The majority of surrounding states restrict need-based aid to Pell Eligibility, with their programs serving as an add on to Pell. Missouri also maintains the A+ program, a last dollar access program for community colleges that supports free community college for students that meet certain criteria. These programs also exist in several surrounding states.

Trends in Institutional Aid

Institutional aid continues to grow across the country. Students have become more price sensitive in attending public colleges, and aid has become a larger part of their decision-making and therefore institutional enrollment strategies. Over half of students attending public colleges now receive some form of institutional aid, down from less than a third of students in 2011.

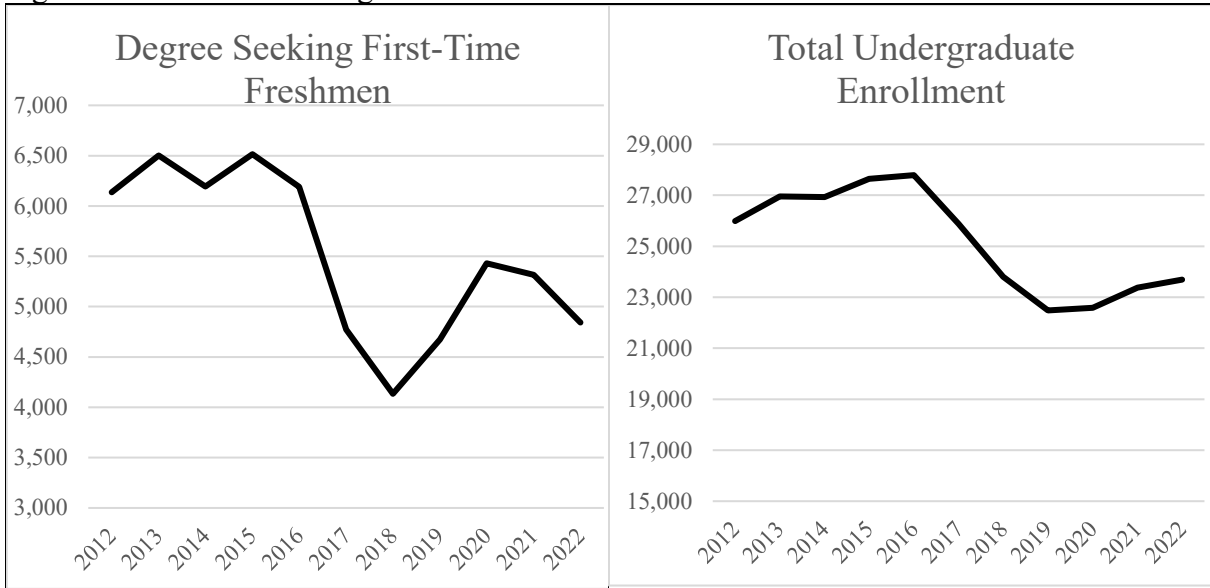
Figure 11: Trends in Undergraduate Institutional Aid for MU, in 2022 dollars



Source: MDHE Form 14 Filing for MU

Figure 11 demonstrates the trend in institutional aid spending at MU in real dollars and related trends in students receiving institutional aid. MU spends more on merit versus need programs. Students with financial need can qualify for merit awards. With increased competition across states and student's price sensitivity, discounting has become a key component of public institution's enrollment strategy. The increase in merit-based aid was a strategic decision at MU to recover enrollment from acute events dating to 2015. At this same time, the market for higher education has moved with students becoming more price sensitive and "shopping" for aid across multiple institutions. When layering in a lower level of state funded aid for merit, in comparison to surrounding states, institutional aid at MU had to step in to fill the gap and maintain enrollment.

Figure 12: First Time College and Total Enrollment Trend at MU



Source: UM System Institutional Research Table 1.21, Fall Enrollment

Figure 12 demonstrates the trend in enrollment at MU across the same fiscal years as the financial aid trends. Note the increase in aid in 2019 and 2020 directly related to increases in the first-time college cohort. The enrollment change was directly related to changes in recruiting and a new financial aid strategy meant to attract new students, funded primarily with institutional aid. These new strategies have helped not only stem enrollment losses, but also improved both the average ACT and class rank of the incoming freshmen class, as reflected in Table 2.

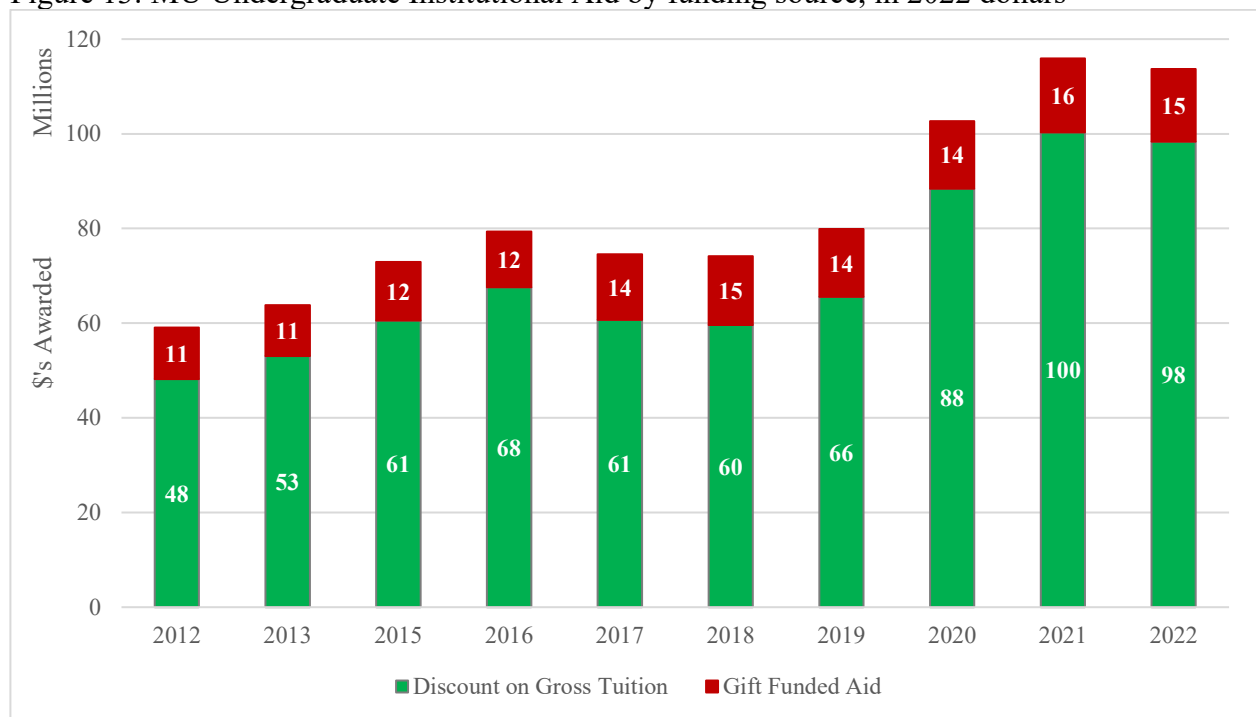
Table 2: Ability Descriptors of First-time Degree Seeking Freshmen at MU

	Fall 2012	Fall 2022
Missouri Resident's		
High School Class Rank top 10%	29%	36%
ACT 28 or above	31%	38%
Non-Residents		
High School Class Rank top 10%	20%	30%
ACT 28 or above	27%	47%

Source: UM System Institutional Research Table 1.12, Ability Descriptors of First-time Degree Seeking Freshman

Whereas all grant aid helps the student, not all grant aid is created equal from the institutional finance perspective. Figure 13 splits MU's institutional aid awarded by funding source. The institutional aid shown in green reflects the tuition discount, as funding source is tuition. To optimize aid award the University's philanthropy efforts generally align with their strategic enrollment. The philanthropy efforts of aid awarded is presented as the red bars.

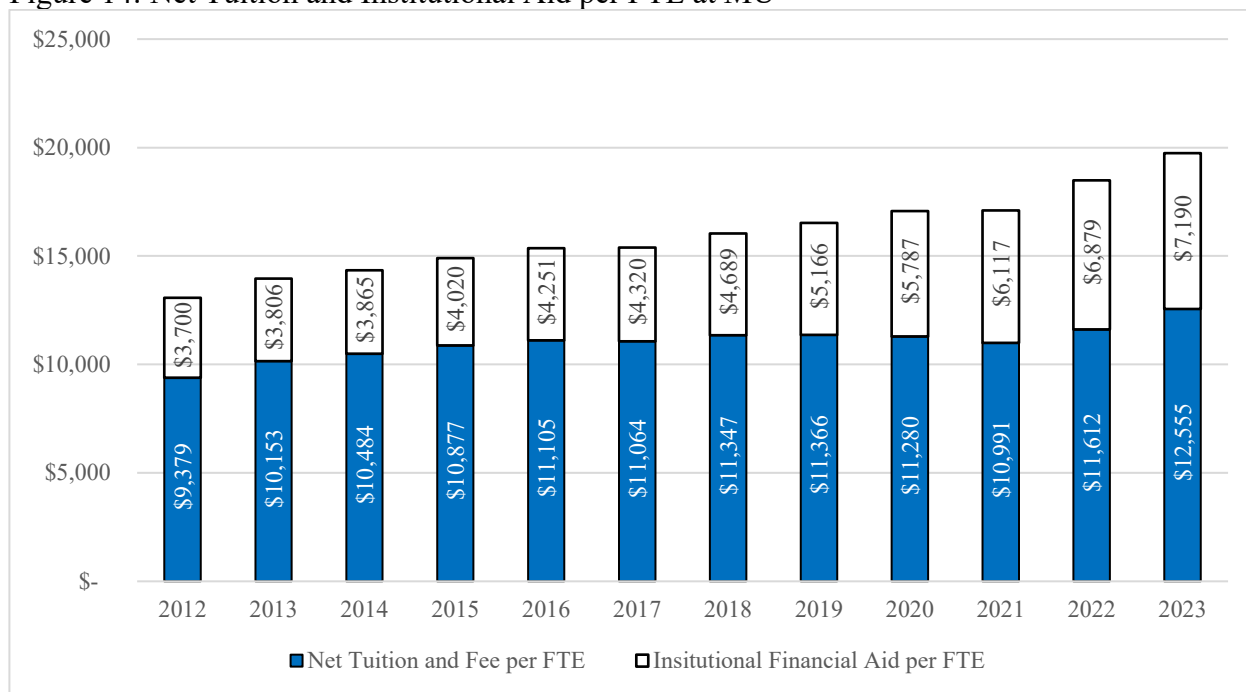
Figure 13: MU Undergraduate Institutional Aid by funding source, in 2022 dollars



Source: UM System General Ledger

Financial aid funded by gifts remains a relatively small part of each University's total institutional aid budget. Financial aid remains a focus of growth in philanthropy, and scholarships representing the single largest purpose of endowed accounts. Each University is currently working with departments and faculty to better utilize these donor-funded scholarships. In many cases, these scholarships are controlled within the colleges and applied after the students have already chosen an institution. The collaboration between the financial aid offices and departments and faculty will allow the University to manage these scholarship funds and ensure the funds are more consistently used.

Figure 14: Net Tuition and Institutional Aid per FTE at MU



Source: UM System General Ledger and Fall census enrollment. Includes Undergraduate and Graduate.

Figure 14 shows the trend of the institutional aid and net tuition per full-time equivalent student (FTE) at MU. Net tuition reflected in figure 14 excludes pell grants and state scholarships awarded as these grants and scholarships are funded by external sources. Since reaching a low point in FY2021 with the onset of the pandemic, net tuition per student has grown by 14%. Additional aid coupled with pricing changes has begun to grow resources per student. Since 2012, aid per student has grown by \$3,490. At the same time, net tuition per student by \$3,176. While this roughly represents a doubling of financial aid, the University also realized increases in net tuition per student while experiencing lower than market enrollment losses. This demonstrates the tradeoffs necessary in managing enrollment and the balance points that aid provides. Awarding institutional aid will continue to be a balance between optimizing net tuition, achieving enrollment strategic goals, and providing access to future students within the constraints of State aid policy.

TRENDS IN FINANCING EDUCATION

The net cost of attendance remaining after scholarships must be funded by students or their parents. In some cases, these students and their families have the resources to fund their own education. Other students may choose employment as an alternative means of funding their education. Student debt remains a reasonable means for students to access their education if that education leads to higher earnings and a better future. When done responsibly with better job prospects for their degree, students end up better off over time if they can leverage their additional earnings to repay their debts.

The national conversation surrounding the cost of education continues to focus on the cost and size of student debt. Much of the conversation focuses on the debt burden of large balances of

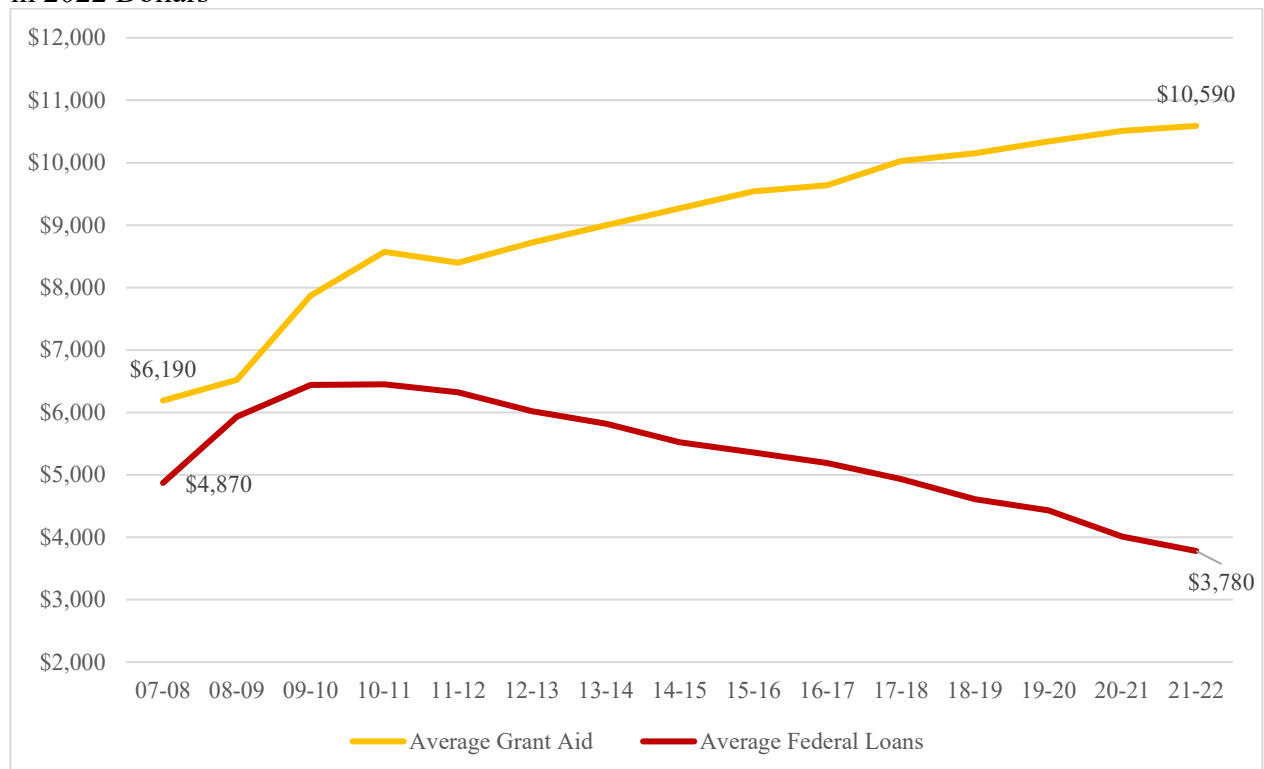
November 16, 2023

debt and their impact on students' lives. Stories tend to focus on individual students with high debt burdens and poor-earning prospects, painting the industry and system as inherently broken. The actual narrative told by the aggregate data paints a more nuanced and complex picture. Like anything, debt burden produces a range of outcomes for those who have it, and different factors drive those outcomes. In moving through this analysis, one must not forget that lack of access to financing (whether it be grant aid or debt) will prevent students who have the talent but not the financial means from attending a high-cost program.

Trends in Student Loans

Student loans as a share of total aid have been falling on the national scale since 2010. Fewer students are taking on student debt and the amount of loans in real dollars continues to fall. As of 2022, 93% of the student loans outstanding were issued by the federal government. The student loan marketplace is determined federal policy.

Figure 15: Average Aid/Federal Loan per Undergraduate Full-Time Equivalent (FTE) Student in 2022 Dollars

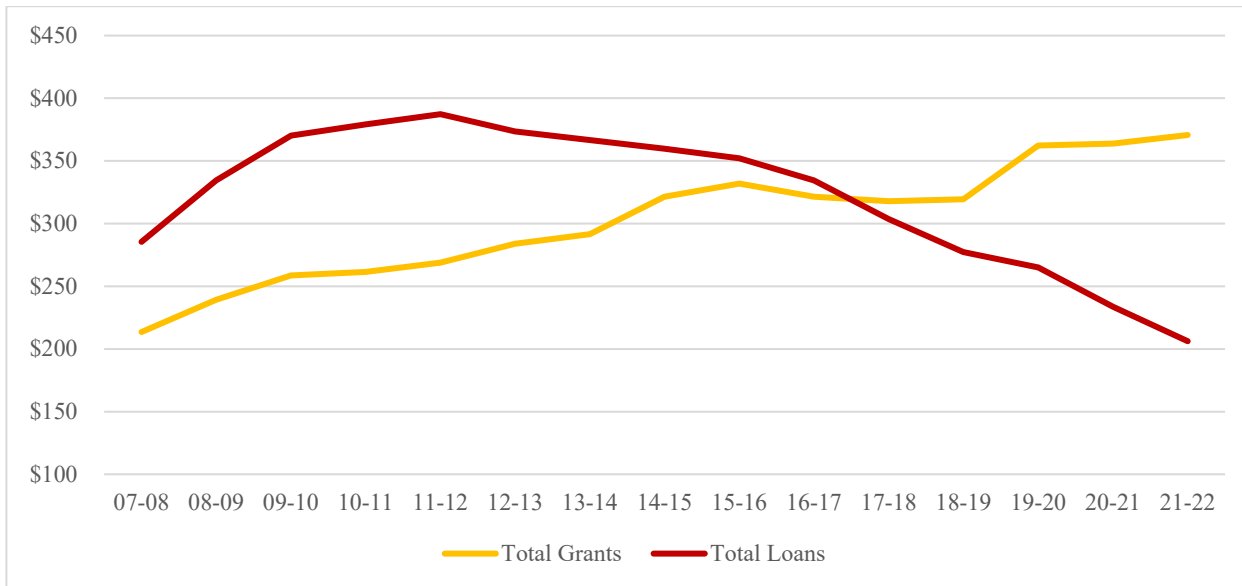


Source: College Board's *Trends in College Pricing and Student Aid*, Private and Public Institutions

Figure 15 shows the trend in average grant aid per student together with average loans per student per year, this data encompasses both public and private institutions. After rising significantly from 2007 to 2010, loan balances per student have been consistently falling from 2010 to 2021 after adjusting for the impact of inflation. Over the past decade, grant aid continues to outpace loans as the source of funding for higher education fees. The amount of

student loans issued continues a decline, even through the pandemic. Grant aid is replacing student loans on a national scale.

Figure 16: Total Grant Aid and Loans in 2022 dollars, \$'s *in millions* for the University of Missouri



Source: DHE 14-1, Student Financial Aid Awarded

Figure 16 presents the trend in aid and loans awarded across all institutions at the University of Missouri. Although the debt demand for students was higher than the aid awarded in 2007-08, the University has experienced the same national decline in debt. Much of the debt demand at the University is being replaced by institutional aid, like the national trend.

Much of the debt narrative is caught up in the deferment of loans during COVID and campaign promises to forgive previously incurred debt. However, there is little discussion of how the federal loan programs work or the key pieces of information behind the growth in federal student loan debt. The federal government limits the amount of federal loans students can take out up to \$31,000 for dependent students and \$57,500 for independent students for their undergraduate studies, effectively capping debt exposures for students. Loan caps also apply to each year that a student is in school. These loan caps have not been changed since 2010:

Table 3: Loan Caps for Undergraduates by Year

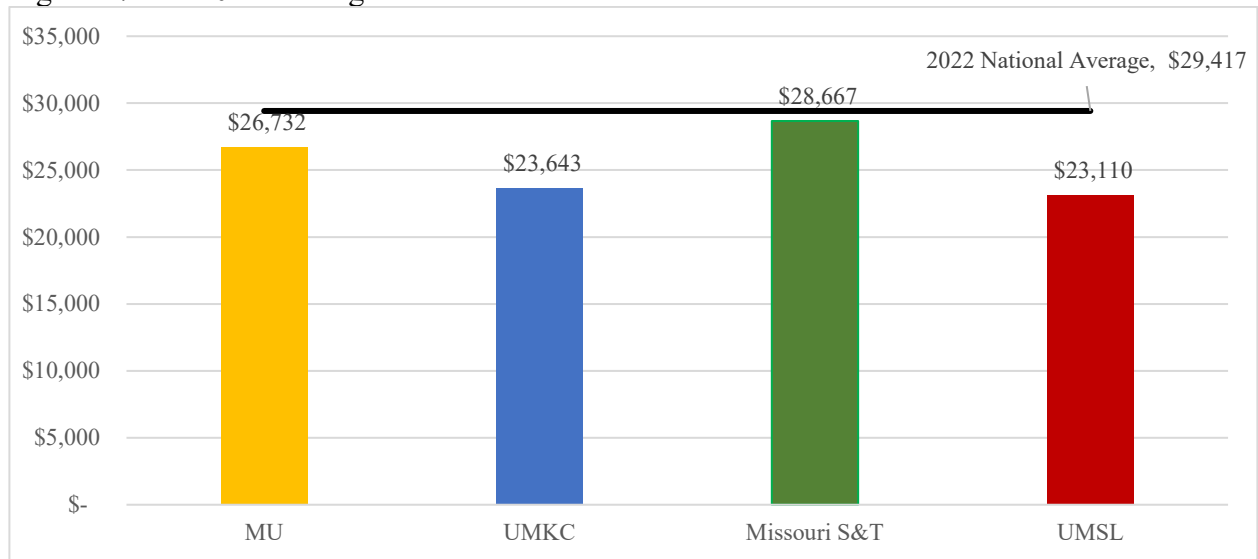
	Dependent Student	Independent Student
First Year	\$5,500	\$9,500
Second Year	\$6,500	\$10,500
Third Year	\$7,500	\$12,500
Fourth Year	\$7,500	\$12,500
Fifth Year	\$7,500 (\$4,000 remains if cap hit each year before)	\$12,500
Total Cap	\$31,000	\$57,500

Source: studentaid.gov, note these represent annual caps. Students can move funds across years, just cannot exceed the cap in any given year or the total cap across all years.

Student Debt for the University of Missouri

The University of Missouri System institutions generally perform at or better than national averages on debt metrics. In general, fewer students take out debt and the total debt outstanding for graduates is lower than national averages.

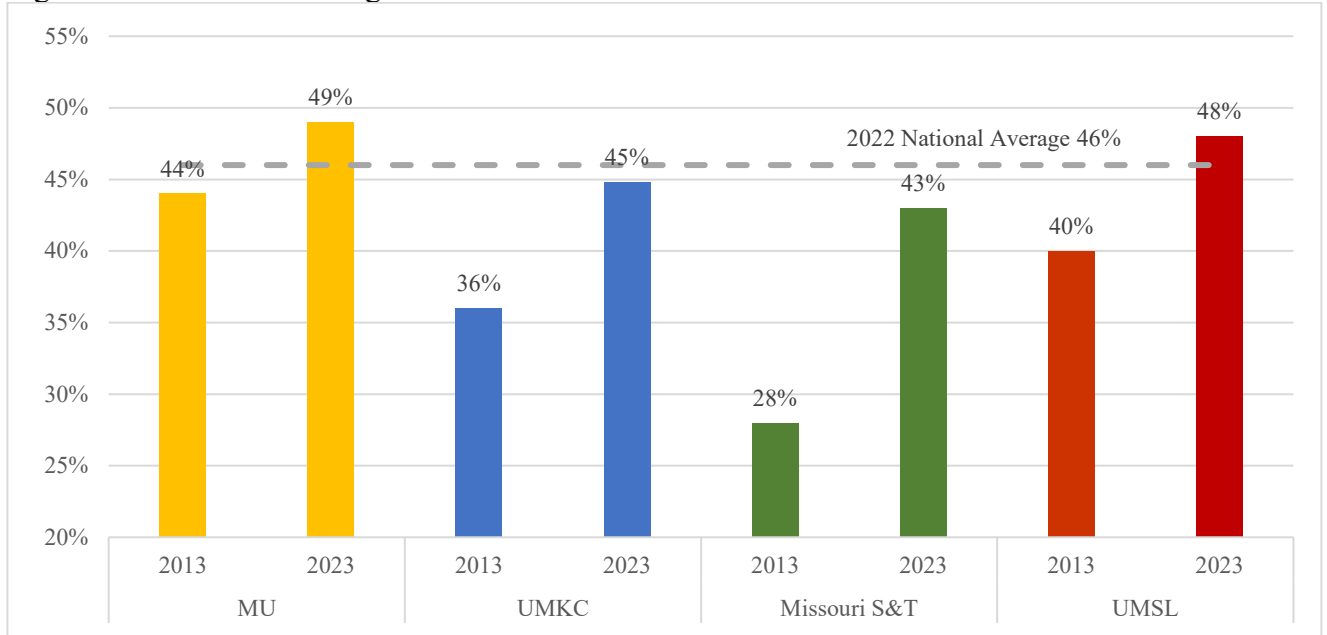
Figure 17: FY 2022 Undergraduate Debt at Graduation



Source: US News World Report

Figure 17 compares FY2022 debt at graduation for undergraduate students for University of Missouri compared to the national average. This average excludes the student population that graduates without any debt. All four institutions average undergraduate debt at graduation fall below the national average of \$29,417.

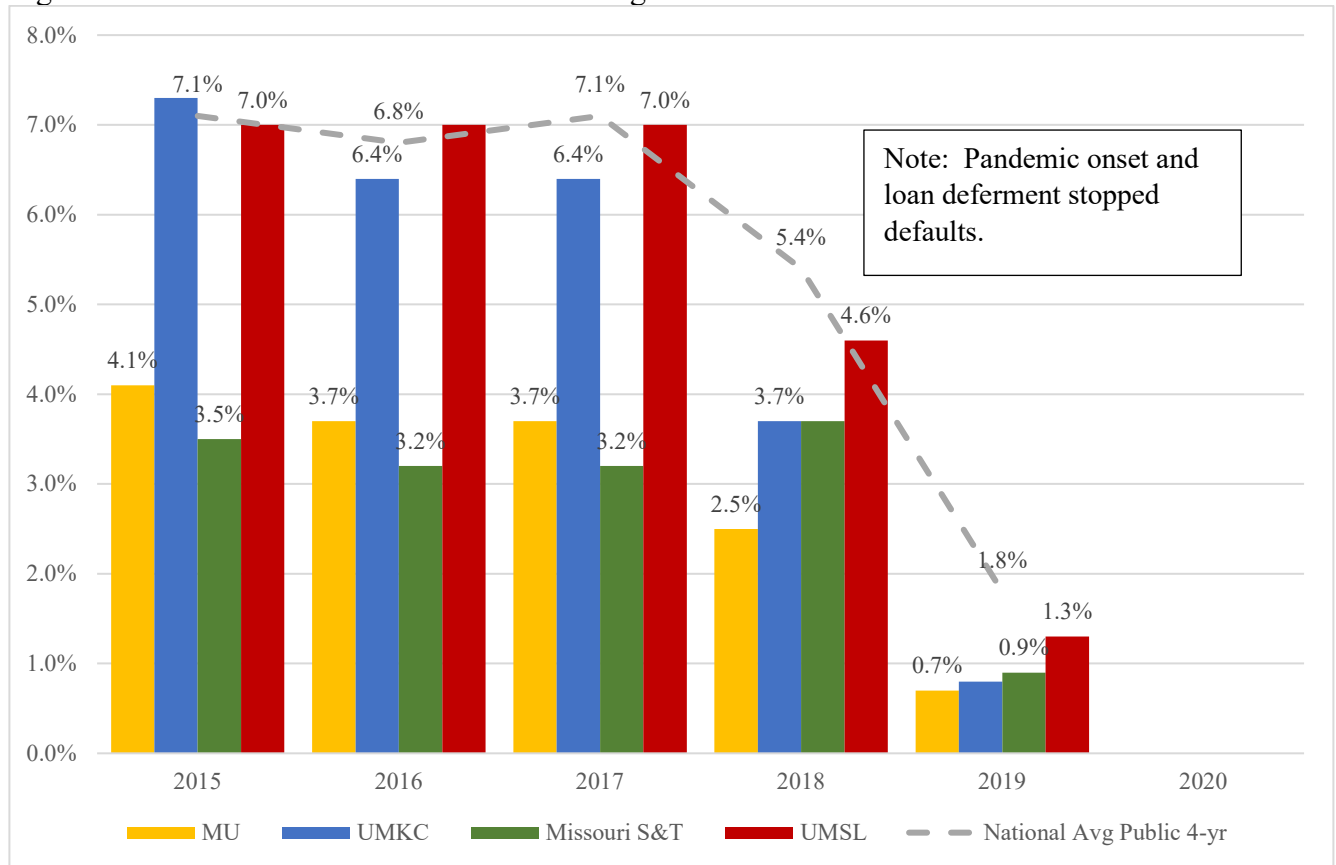
Figure 18: Percent of Undergraduate Students Who Graduated with No Debt



Source: Common Data Set (CDS) Reports, College Board Trends in Student Aid 2022, US News

It is important to remember not all students graduate with debt. Figure 18 illustrates the percent of undergraduate student population at University of Missouri that graduated without student loans. Nationally in FY 2022, 46% of undergraduate students at public four-year institutions graduated without student debt. This percentage continues to rise as students take out fewer loans.

Figure 19: Federal Default Rate for Bachelor Degrees



Source: Office of the U.S. Department of Education: Federal Student Aid National Avg for Public 4yr Institutions has not been published

Figure 19 illustrates the default rate on federal loans at University of Missouri compared to the national average over a six-year period. As with the national trend the default rate for student graduating from the University of Missouri has been decline. Each university performs at or well below the national average for student loan defaults.

UNIVERSITY ACTIONS TO ADDRESS AFFORDABILITY

The University of Missouri remains focused on delivering a high-quality, affordable education to Missourians. Affordability is not just about discounting the cost of the degree, it is also about pricing the degree appropriately and managing to an outcome worthy of the degree price. Throughout the process, students need to be provided with high quality information to support their decision making.

Actions taken by the University to improve pricing and affordability include:

Implemented Differential Tuition. For Fall 2023, the Universities consolidated 64 different supplemental fees into differential tuition rates. These rates allow students to better predict the cost of their education as they are charged a single rate for their chosen primary degree program. Previously, students were charged different fees based upon each course that they took. At MU

November 16, 2023

and S&T, the tuition implementation included the implementation of a plateau model that encourages full time students to take a full course load to graduate on time.

Participating in the College Cost Transparency (CCT) Initiative. The initiative seeks to improve how cost of college information is presented to prospective students. Student offer letters are not standardized, and many poor practices exist such as not clearly delineating between loans and scholarships. The University of Missouri was the first institution to participate in this initiative from Missouri. The initiative seeks to improve college cost transparency by improving clarity, accuracy, and student understanding of financial information and student offer letters.

Focusing on improving outcomes including retention, graduation, and career outcomes. The University remains focused on delivering value for students. Ultimately, that value is delivered by retaining and graduating students with degrees that lead to solid career outcomes. The students that realize a positive economic outcome from college are those that graduate.

Implementing better processes to award donor scholarships. Each University is currently working with departments and faculty to better utilize donor funded scholarships. In many cases, these scholarships are controlled within the colleges and applied after the students have already chosen an institution. Each institution is using software solutions to catalog known scholarships and the financial aid offices are collaborating with the colleges and awarding committees to identify scholarship recipients earlier in the recruiting process. The process of cataloging and managing these scholarship funds also ensures the funds are more consistently used, as it makes it easier to find students who meet the qualification criteria.

Financial Aid Report

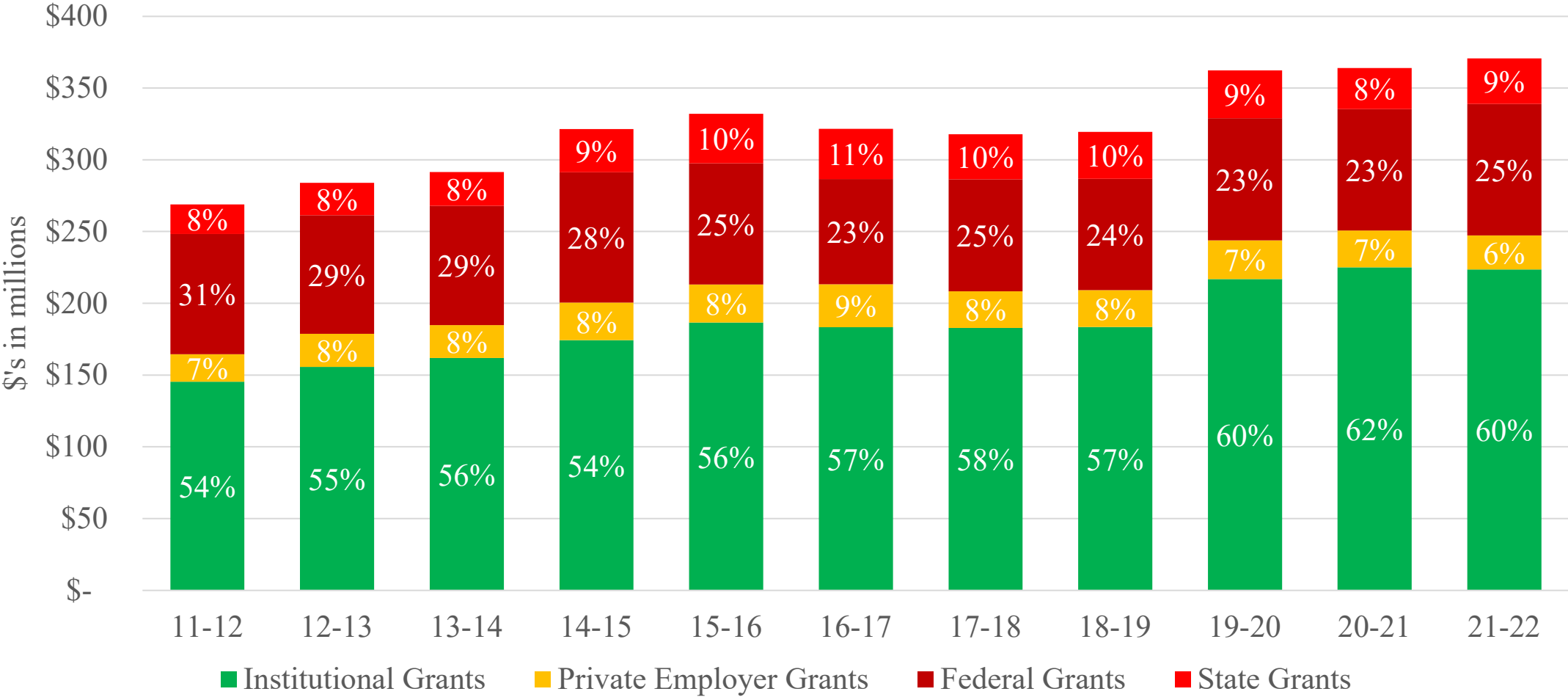
November 16, 2023



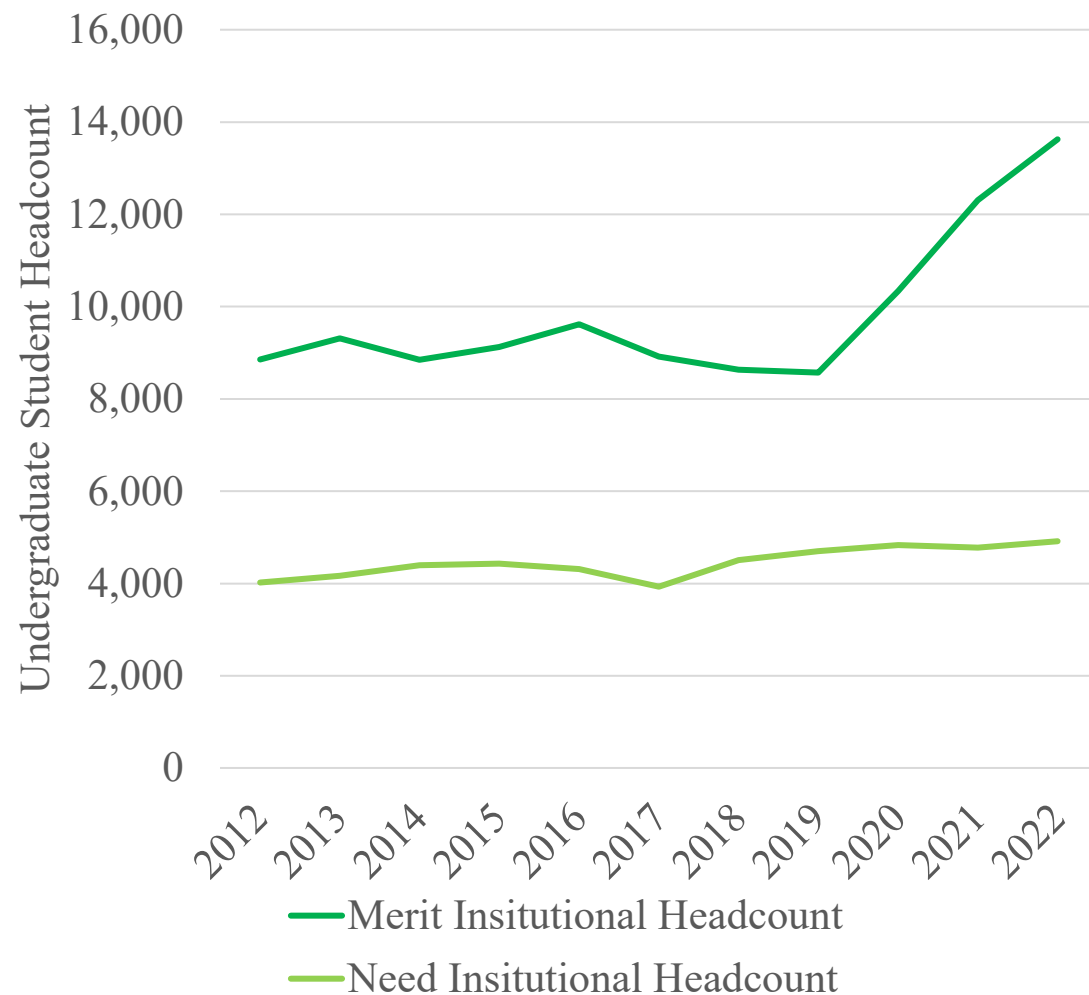
Summary

- Financial Aid primarily funded from three sources:
 - Federal
 - State
 - Institutional
- Aid continues to grow while new loans continue to shrink
- UM Institutions perform well on affordability as measured by % of students graduating without debt, average debt at graduation, and loan default rates.
- UM remains focused on improving cost and aid transparency for students and improving student college outcomes

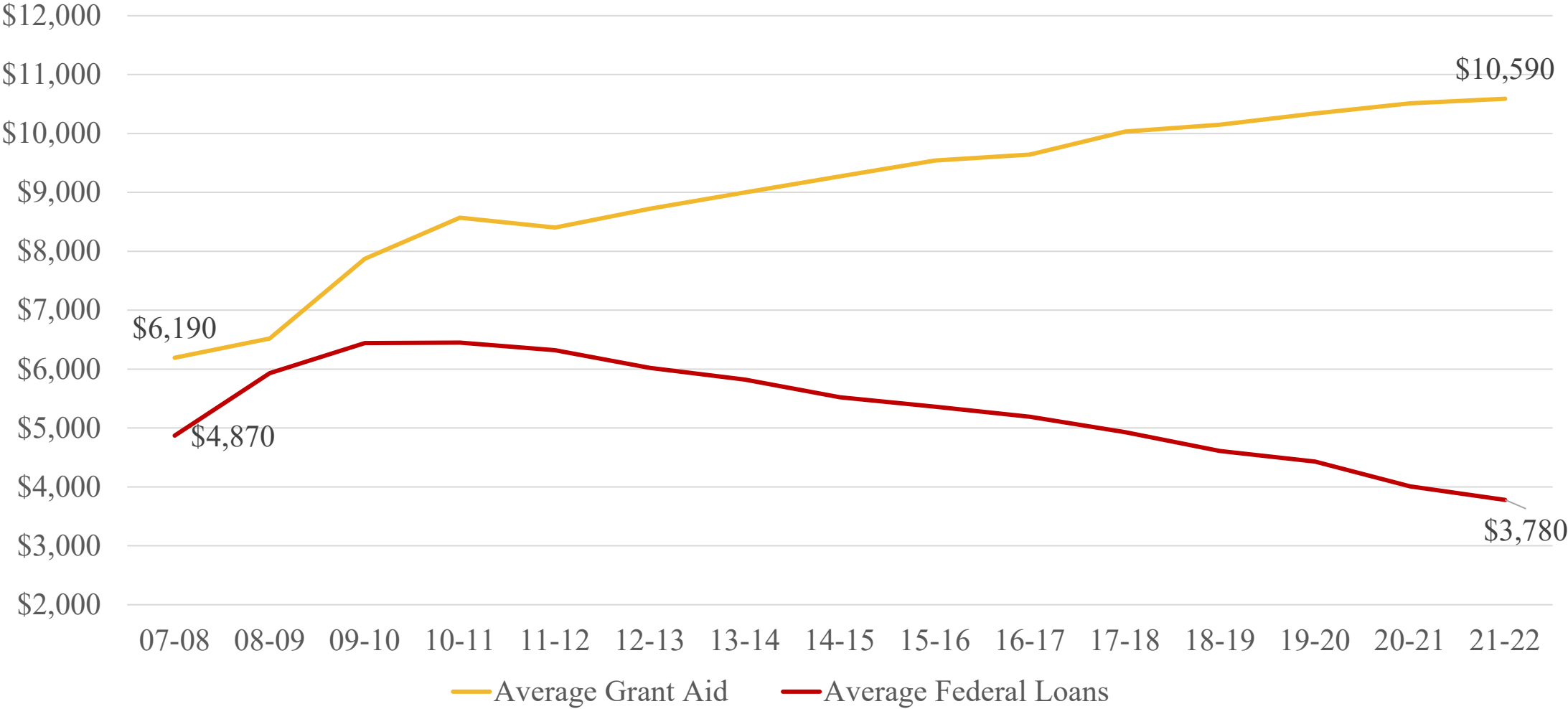
Similar to National Trends, Institutional Aid provides the majority of aid funding at UM



Institutional Aid has Supported Enrollment Growth at MU

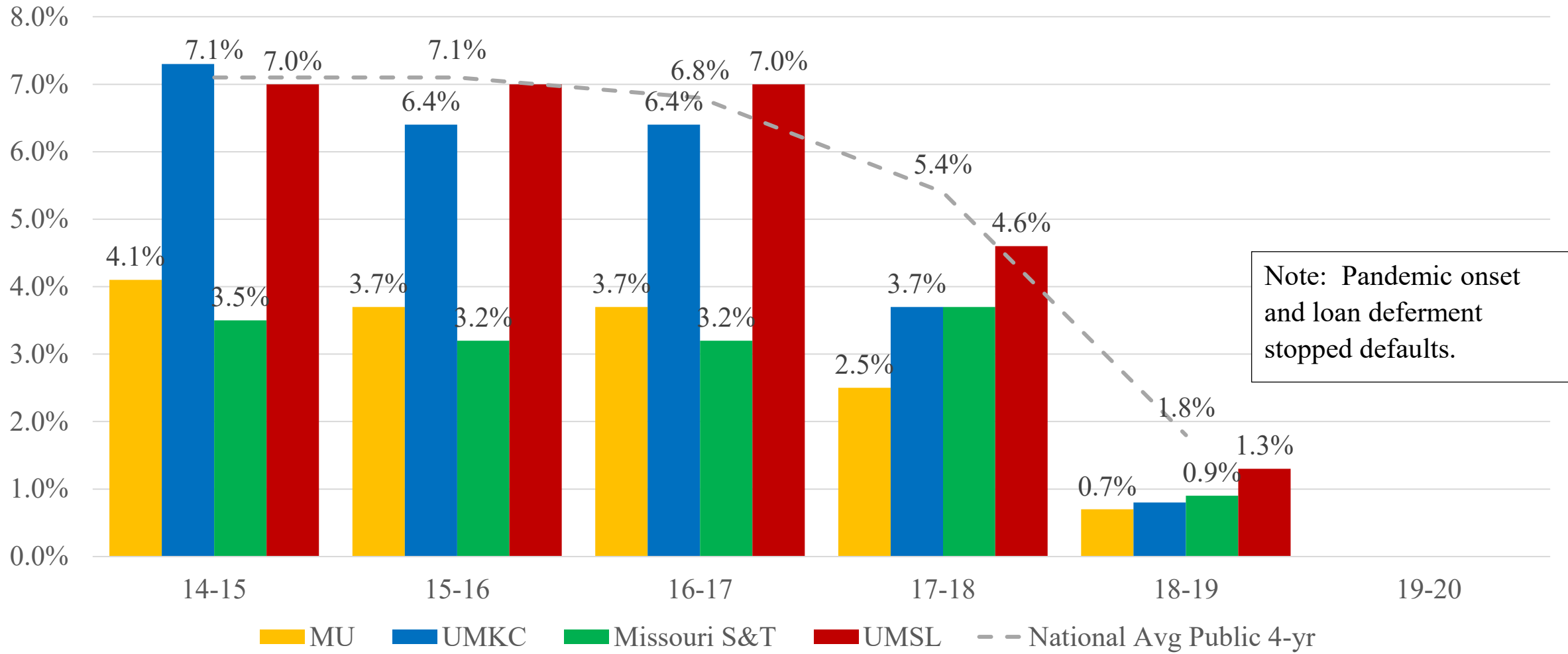


Loans decline while aid rises



National Average per student, \$2022

UM Performs well on Loan-related measures, including default rate



Actions to Address Affordability

- Implemented Differential Tuition to improve predictability.
- Participating in the College Transparency Initiative to provide students with better information on college cost.
- Focused on improving retention, graduation, and career outcomes for students.
- Improving processes and leveraging technology to award donor-funded scholarships.

Questions?

Project Information
Center for Energy Innovation
MU

At the November 16th Board of Curators Meeting, Dean Praveen Edara, Dean Cooper Drury, and Associate Dean Roseanna Zia will present for the Board information and programmatic plans for the Center for Energy Innovation. Based on Board feedback, this capital project may be presented to the Board for action at the February 2024 Board meeting.

The Center for Energy Innovation will be a four story, approximately 184,000 gross square feet building with wet and dry laboratory research space, support functions and services, office, and collaboration spaces. Approximately two floors will be shelled for future fit-out to accommodate growth. The facility will be sited North of Lafferre Hall on Sixth Street. This is the former site of Parker Hall, Noyes Hall, and Old Student Health Building, three buildings in poor condition recently demolished as part of MU's Strategic Space Reduction initiative.

In support of the Mizzou Forward initiatives in New Frontiers in Science, Engineering, and Technology, over the next 5 years the College of Engineering and the College of Arts and Science expects to recruit 35 new faculty and attract 780 new undergraduates, graduate students, and post doctorates to support its research and education mission. To support that initiative, additional state-of-the-art, interdisciplinary research space is needed to facilitate and support collaborative research initiatives with the overarching mission of creating a more efficient and prosperous world through innovations in energy, computing, and communication.

The materials included provide information on the completed programming study that encourages and supports collaborative, interdisciplinary research in engineering, and the applied sciences of math, computer science, statistics, physics, and chemistry.

Funding for the \$160,000,000 project is expected to be provided by a combination of state capital appropriations, university reserves and gifts.

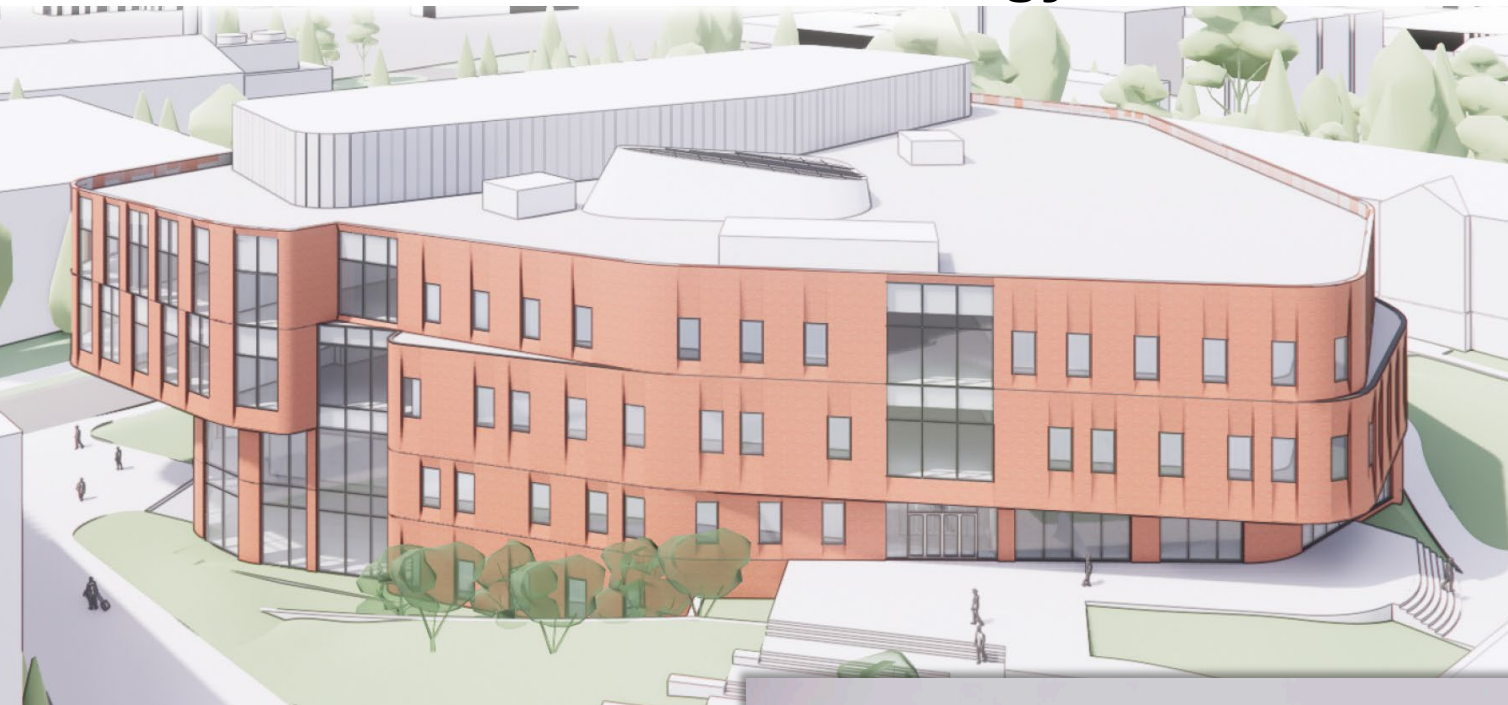
UNIVERSITY OF MISSOURI **CENTER FOR ENERGY INNOVATION**

November 16, 2023

PROJECT GOALS

- **Achieve breakthroughs in sustainability, resilience, and energy performance for Missouri and the World.**
- **Create a world-class energy research facility that inspires new discoveries through interdisciplinary engagement to improve the prosperity, security, and sustainability of humankind.**
- **Recruit and retain world-class faculty in engineering, chemistry, and physics.**
- **Strengthen MU's position in the Association of American Universities (AAU)**
- **Increase enrollment by inspiring future generations to join us in working toward a more sustainable future.**
- **Increase economic impact on Missouri.**

Center for Energy Innovation

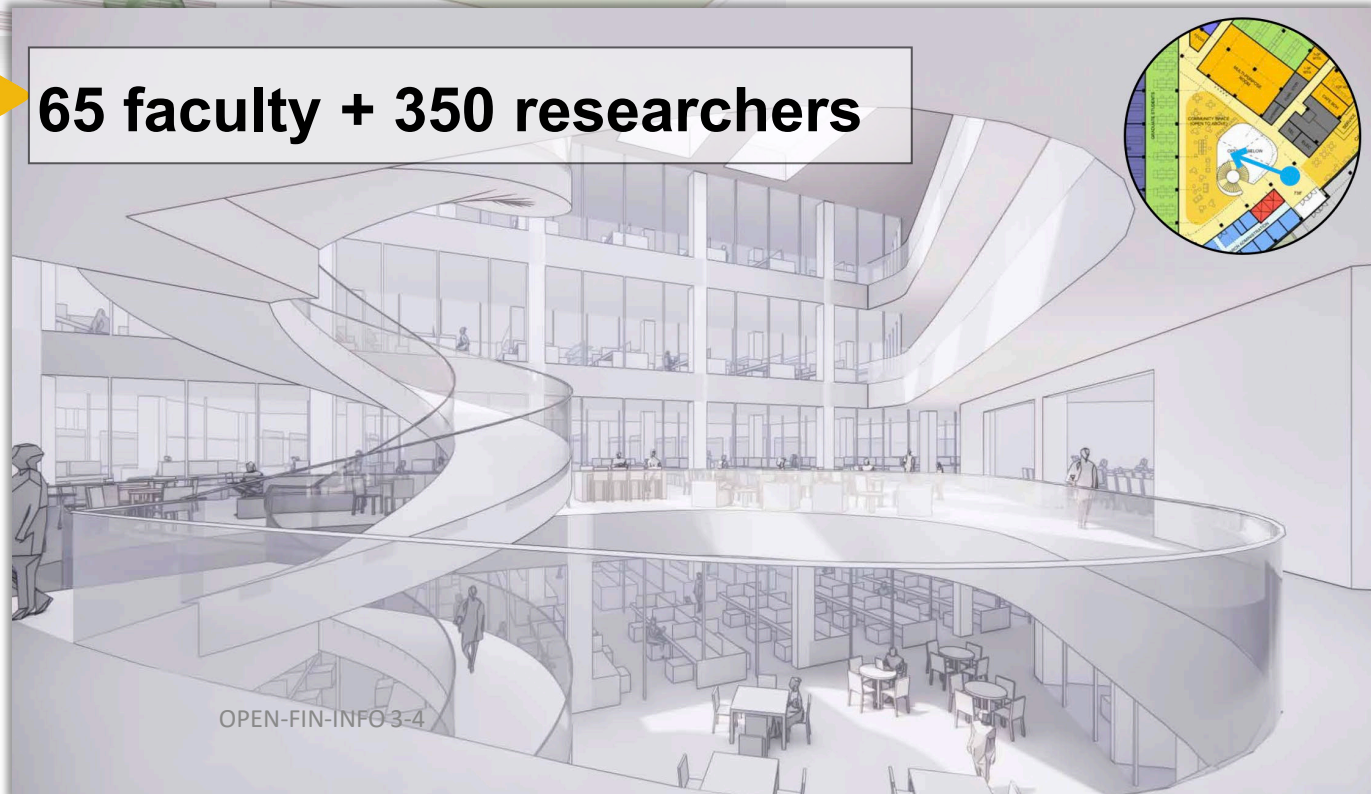
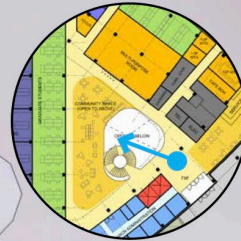


**180,000 ft²
R&D Center**

MIZZOU 
FORWARD

**35 new faculty through
MizzouForward**

65 faculty + 350 researchers



STRATEGIC FUNDING

MU Will be a DOE Energy Frontiers Research Center (EFRC), establishing National Prominence



Department of Energy (DOE)

- Energy Frontiers Research Center (EFRC) \$25M
- H2 EarthShot: Storage \$12M
- H2 EarthShot: Fuel Cells \$8M

National Science Foundation (NSF)

- Mid-scale Research Infrastructure-2 \$20-40M
- Advanced Computing Systems & Services \$10M
- Cyberinfrastructure Centers of Excellence; \$10M

Department of Defense (DOD)

- DOE's collaboration with DoD → ARPA-E

Center for Energy Innovation**Visionary New Engagement with Industry****Internships &
Co-Ops**

Ameren
Argus
Boeing
Black & Veatch
British Petroleum (BP)
Burns & McDonnell
Essent Clean Technologies
Flint Hills Resources
General Motors
Ford Motors
Honeywell International
NREL
Raytheon
Sinclair Oil
Spear Power Systems
Evergy/Spire

**Top Industry-Sponsored
Research Partners**

Ameren UE
EPRI
Boeing
Chevron
Fibertek
General Motors
Honeywell International
Leonardo DRS
Nano-Electromagnetics
Qinetiq LTD
Shell International
Tesla/Solar City
Thermavant
Universal Matter
Westinghouse
Evergy/Spire

**Industrial Research Co-
Investigators**

DOE
○ **EFRC**
○ **H2 EarthShot: Storage**
○ **H2 EarthShot: Fuel Cells**
NSF
○ **Mid-scale Research Infrastructure**
○ **Advanced Computing Systems &
Services**
○ **Cyberinfrastructure Centers of
Excellence**
DoD-DOE Joint Programs
○ **ARPA-H**

FACULTY RECRUITING

	AT MU NOW	WILL HIRE	TOTAL = 67	
NUCLEAR ENERGY	8	8	16	} CHEMISTS PHYSICISTS ENGINEERS AI / DATA
HYDROGEN + RENEWABLES	10	11	21	
ENERGY STORAGE	5	10	15	
GRID RESILIENCE + (CYBER)SECURITY	7	8	15	

IMPACTS:
GROUND-BREAKING RESEARCH
HISTORIC ENROLLMENT GROWTH
AAU EXPENDITURES AMPLIFIED

ENROLLMENT GROWTH IN ENGINEERING & SCIENCE

		Year 1	Year 5	Year 10
Engineering				
	Undergraduate	1,600	2,000	2,500
	Graduate	400	600	800
Chemistry				
	Undergraduate	125	175	250
	Graduate	100	150	200
Physics				
	Undergraduate	50	100	150
	Graduate	60	90	120

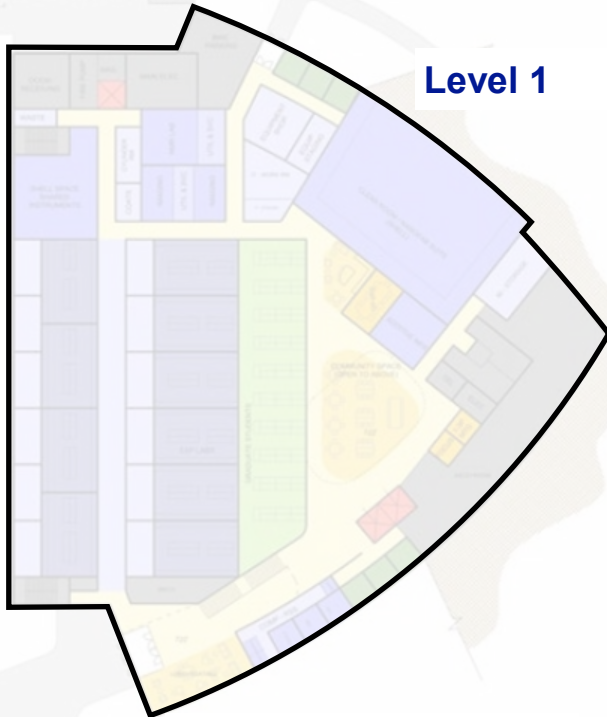


A Bold New Concept in Energy Innovation...

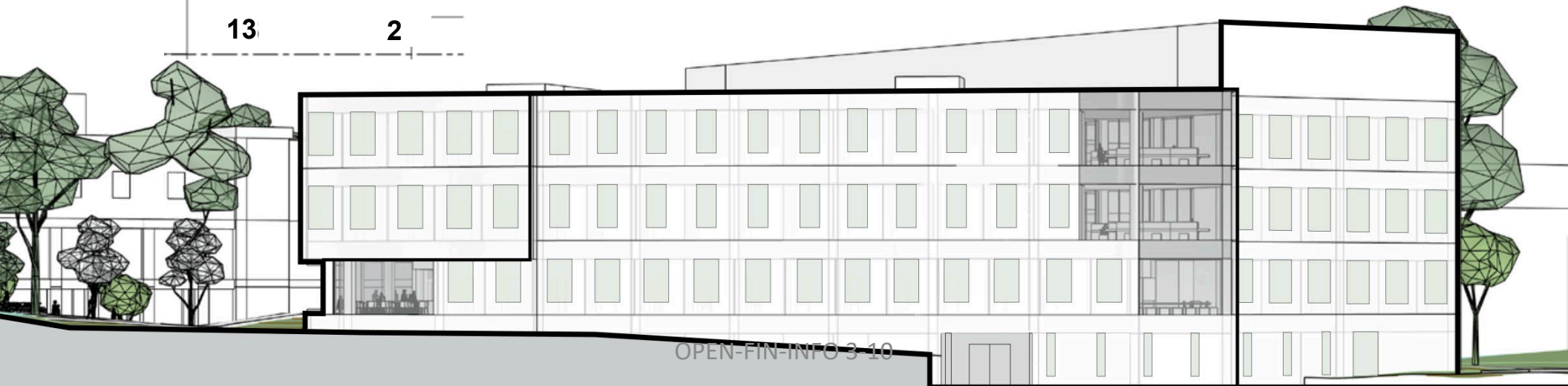
NUCLEAR ENERGY & NUCLEAR-ENGINEERED MATERIALS

Small Modular Reactors - Industry & Consumer Power
 Micro-Reactors - Naval, Air Force, & Army Mobile Power
 AI-Driven Autonomous Reactor Monitoring
 Nuclear-Engineered Materials
 Sustainable Aviation Fuels
 Regulatory & Public Policy
 Workforce Development

Level 1



Experimental Labs	Data/Policy Labs
13	2



NUCLEAR ENERGY

Small Modular Reactors:
Industrial & Residential Power

Micro-Reactors:
Remote & Transportable Power
Sustainable Aviation Fuel
Military Fuel

Non-Nuclear Twin on Level 1

Test all aspects of
SMR machine +
materials

Optimize H₂ & SAF
Production

Level 1

HYDROGEN + RENEWABLES

Electrolysis, Catalysis, Direct Technologies

Sustainable Aviation Fuels

Kerosene from H₂ - Mobile Military Power

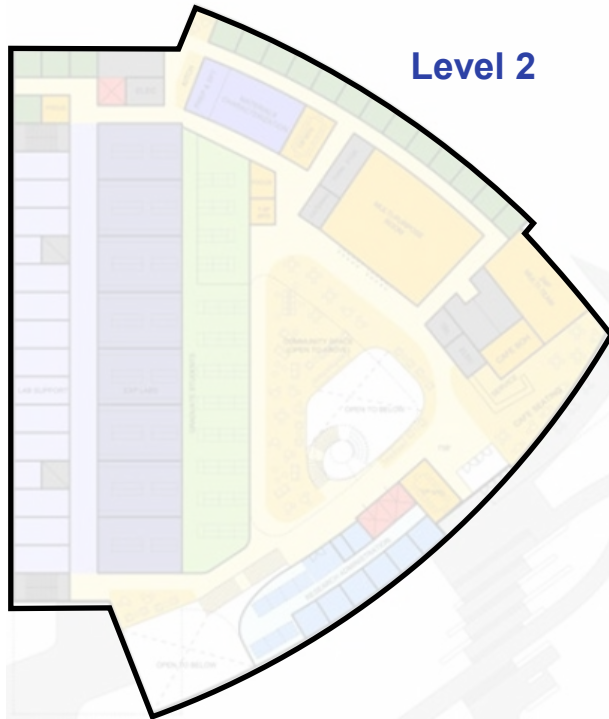
Ethanol & Biodiesel from Biomass

H₂ Storage Materials

Carbon Capture

Renewable Energy Policy

Level 2

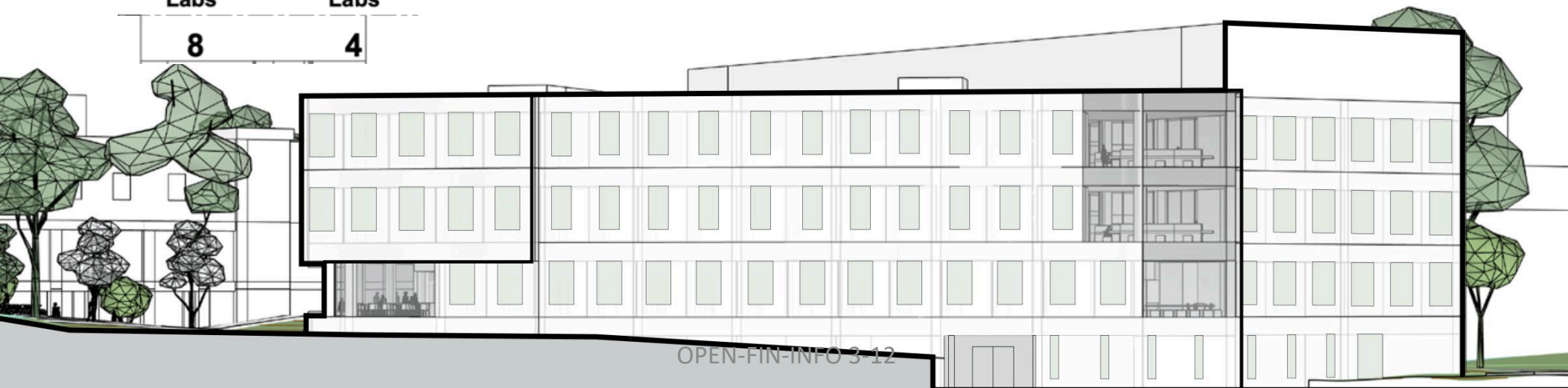


Experimental
Labs

Data/Policy
Labs

8

4



ENERGY STORAGE TECHNOLOGIES

Advanced Battery Technologies

Thermo-chemical Storage

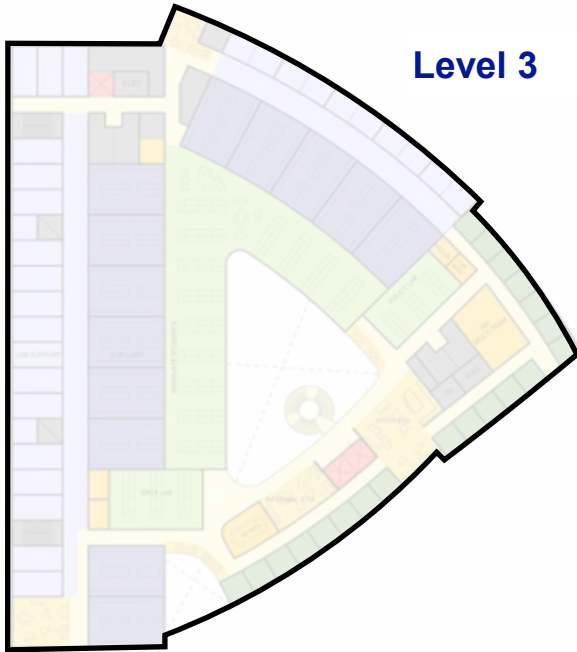
Wide Bandgap SemiConductors

AI-driven Autonomous Materials Design & Discovery

Global, National, & State Policy

Workforce Development: Microelectronics Fab Facilities

Level 3



Experimental Labs	Data/Policy Labs
13	6



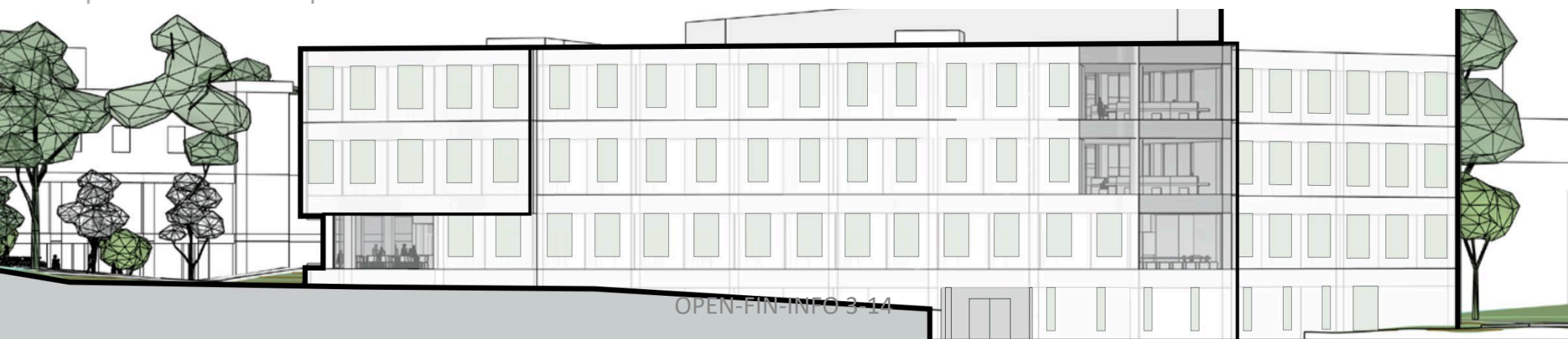
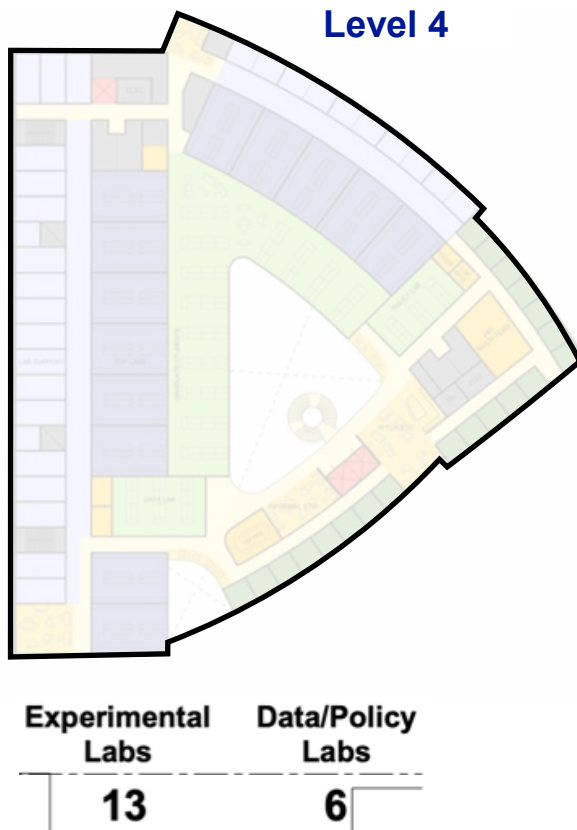
GRID SECURITY, RESILIENCE & INNOVATION

Grid Security:

- AI & Blockchain Security Algorithms
- Cyber-physical & Satellite Data Security
- Geo-Spatial Science - AI and Intelligence

Grid Innovation:

- AI-Driven Autonomous Grid Balancing
- Power Electronics
- Wide Bandgap Semiconductors
- Financial Risk Assessment Algorithms



ECONOMIC IMPACT

+ Training FUTURE GENERATIONS OF RESEARCHERS

Undergraduate Degrees

- MAE Emphasis: Advanced Materials; Nuclear Science
- EECS Emphasis: Cyber Security; Power Electronics; AI/Autonomous Systems
- Engineering Minors in: Nuclear Engineering; Radio-environmental Sciences
- Chemistry & Physics

Expanded undergraduate enrollment: research training + re-deployed classroom space

PhD Degrees

- Nuclear Science & Engineering
- Materials Science & Engineering
- ISE PhD Minors: Grid Technology & Innovation
- EECS PhD Minors: Cyber Security; Power Electronics; AI/Autonomous Systems
- MAE PhD Emphasis Areas in Energy Research
- Chemistry, Physics, Economics, & Public Policy

Engineering Technologist Degrees

- Nuclear Engineering Technology
- Microelectronics Engineering Technology
- Radio-chemical Engineering Technology

Technician Certifications (collaboration with other schools)

- Modular Reactor Construction Certificate
- Microelectronics Fab Facility Production Certificate

Thousands of young Missourians will be inspired by Energy Innovations



**BOYS & GIRLS CLUBS
OF AMERICA**



BUDGET & SCHEDULE

BUDGET

TOTAL PROJECT BUDGET	\$160,000,000
CONSTRUCTION COSTS	\$123,377,000
DESIGN & MANAGEMENT COSTS	\$14,741,000
OTHER COSTS	\$21,882,000

PHILANTHROPY

GOAL: \$60M

RAISED: \$6.3M

Proposals Being Considered by Donors: \$56M

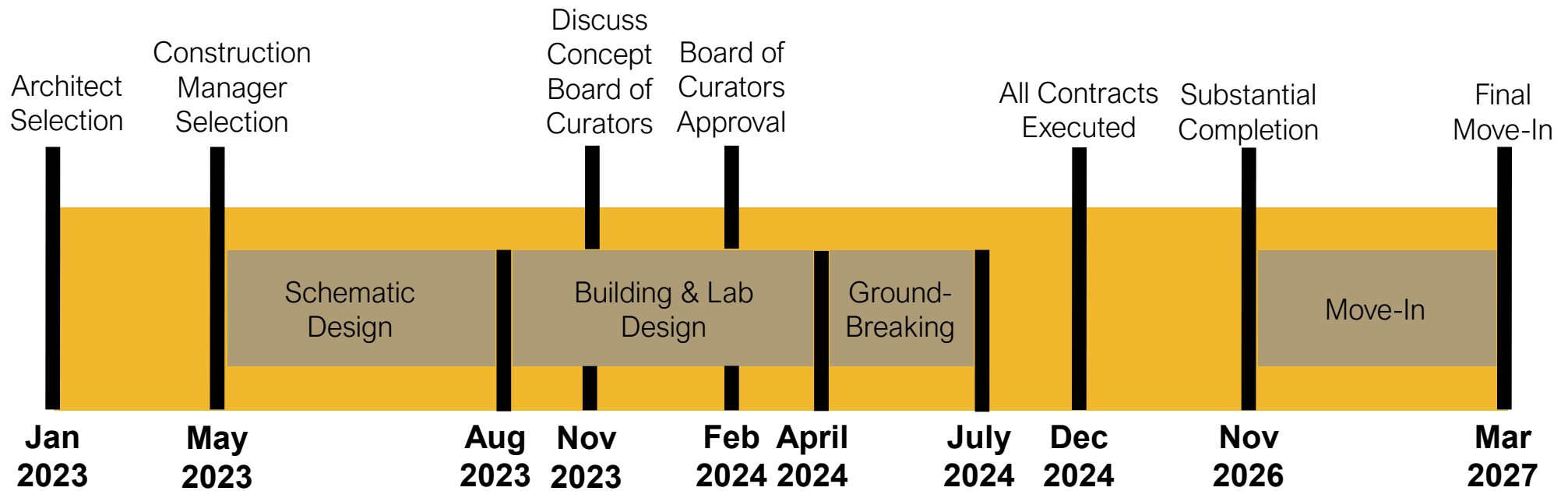
Top 5 Proposals Being Considered:

Donor A:	\$50M
Donor B:	\$2.5M
Donor C:	\$1.5M
Donor D:	\$1M
Donor E:	\$250K

Proposals Planned: \$65M

Total Proposals: \$121M

TIMELINE & MILESTONES



A BOLD VISION

We aim to enhance the prosperity of all Americans, which is increasingly reliant on a rapidly changing landscape in energy, environment, data, and AI.

**These advances will ensure our security as a nation
– energy security, physical security, and
cybersecurity.**

**We will accomplish these goals through
groundbreaking advances in energy innovations.**

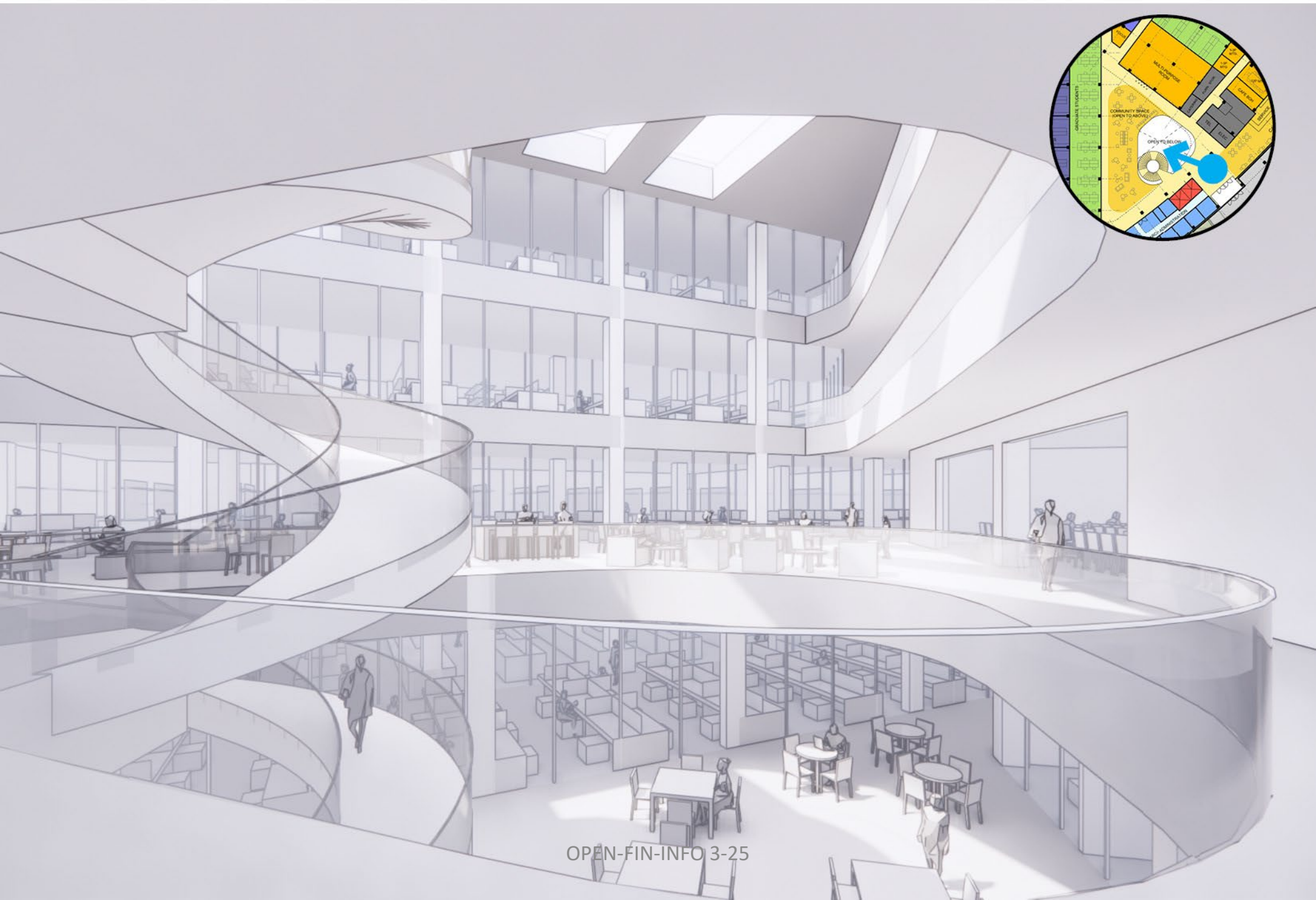
3D INTERIOR & EXTERIOR VIEWS

Center for Energy Innovation



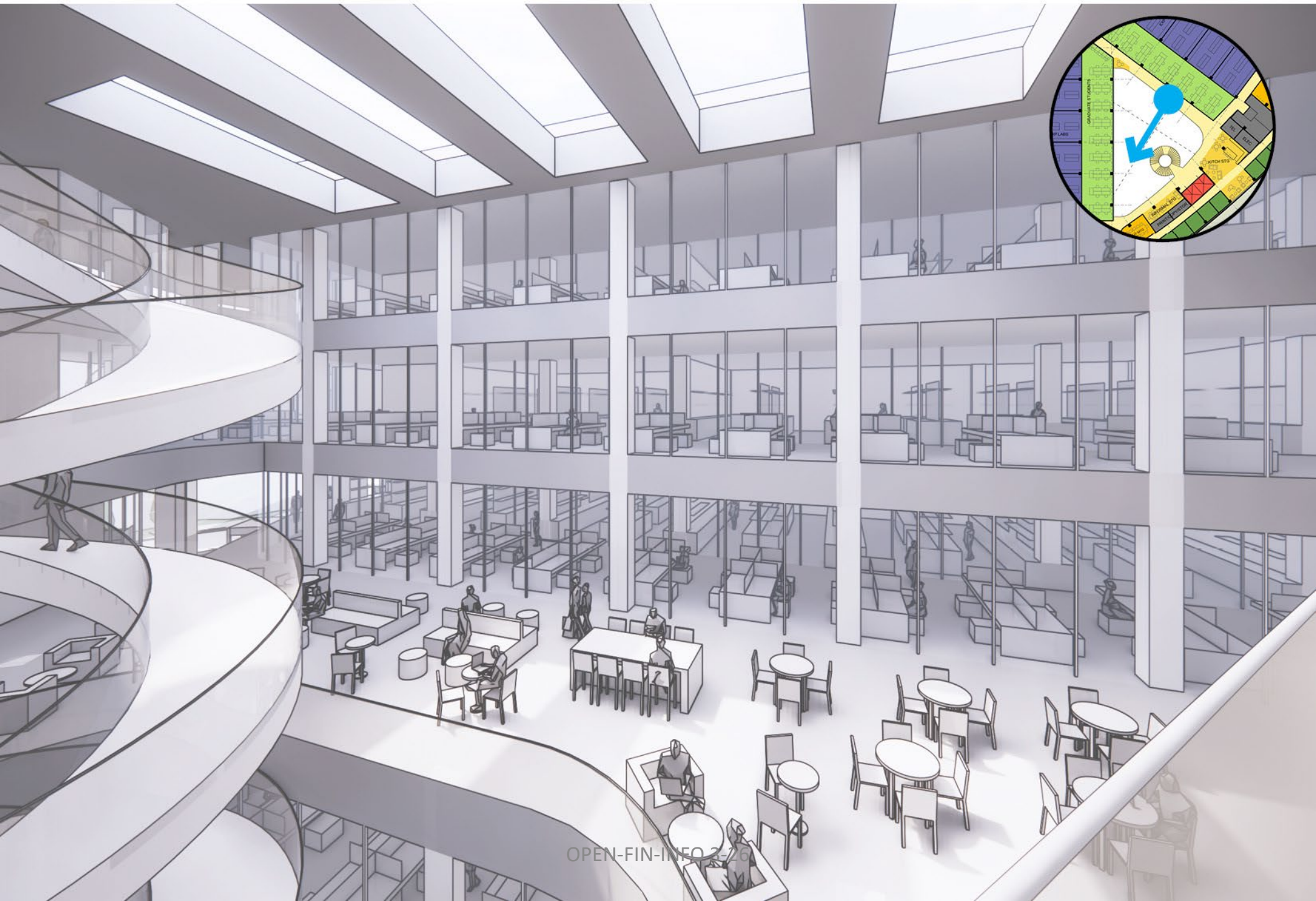
OPEN-FIN-INFO 3-24

LEVEL 2 | CENTRAL COMMUNITY SPACE



OPEN-FIN-INFO 3-25

LEVEL 3 | VIEW BETWEEN LAB BARS





OPEN-FIN-INFO 3-27

AERIAL VIEW FROM FRANCIS
QUADRANGLE

PROJECT PARTICIPANTS

UNIVERSITY OF MISSOURI

COLLEGE OF ENGINEERING

*Dean Noah Manning
 *Roseanna Zia
 *Aaron Saucier
 *Shelley Hilton
 *Syed Islam
 John Gahl
 Yangchuan Xing

Faculty Advisory Council

Caixia "Ellen" Wan
 Christopher O'Bryan
 Jim Noble
 Maryam Salehi
 Matt Maschmann
 Mattias Young
 Sean Patrick Goggins
 Shelia Grant
 Yao Zhai
 Yaw Adu-Gyamf

Graduate Students

COLLEGE OF ARTS + SCIENCE

*Dean Cooper Drury
 *Tim Glass
 *Kate Neckermann
 *Paul Miceli

Faculty Advisory Council

Baekkwan Park
 Christopher Wike
 Deepak Singh
 Julie Elman
 Michael Greenlief
 Suchi Guha
 Tommy Sewell

Graduate Students

ADDITIONAL STAKEHOLDERS

*Pam Eugster
 Brad Rackers
 Chuck Bouse
 Curtis Flatt
 Eric Bassett
 Glen Chamberlin
 Greg Neuner
 Jeff Evers
 Jude Wawrzyniak
 Larry Schilke
 Leanne Tippet Mosby
 Mike Benson

BOND LIFE SCIENCES CENTER

Cydney Smith
 Dean Bergstrom
 Walter Gassmann

NEXTGEN

Scott Rector

RESEARCH, INNOVATION & IMPACT

Tom Spencer

* *Steering Committee*

DESIGN TEAM

PGAV ARCHITECTS | PRIME ARCHITECT

Kathy Achelpohl
 Mike Schaad
 Tony Atchity

LMN ARCHITECTS | DESIGN ARCHITECT

Clint Cook
 Jennifer DuHamel
 Justin Schwartzhoff
 Katherine Nemetz
 Kjell Anderson
 Mark Tumiski
 Sam Miller
 Stephen Van Dyck

INTROBA | MEP

Jeff Coffelt
 Jeff Crawford
 Jim Partsch

SK DESIGN | CIVIL

Sassan Mahobian
 Tim Burfeind

WALTER P. MOORE | STRUCTURAL

Cliff Greenlief

CCS | COST ESTIMATING

Jeff Klima

GREENWOOD CONSULTING GROUP | SUSTAINABILITY

Sara Greenwood

CONSTRUCTION MANAGER

WHITING-TURNER | CM

Patrick Kantor

APPENDIX

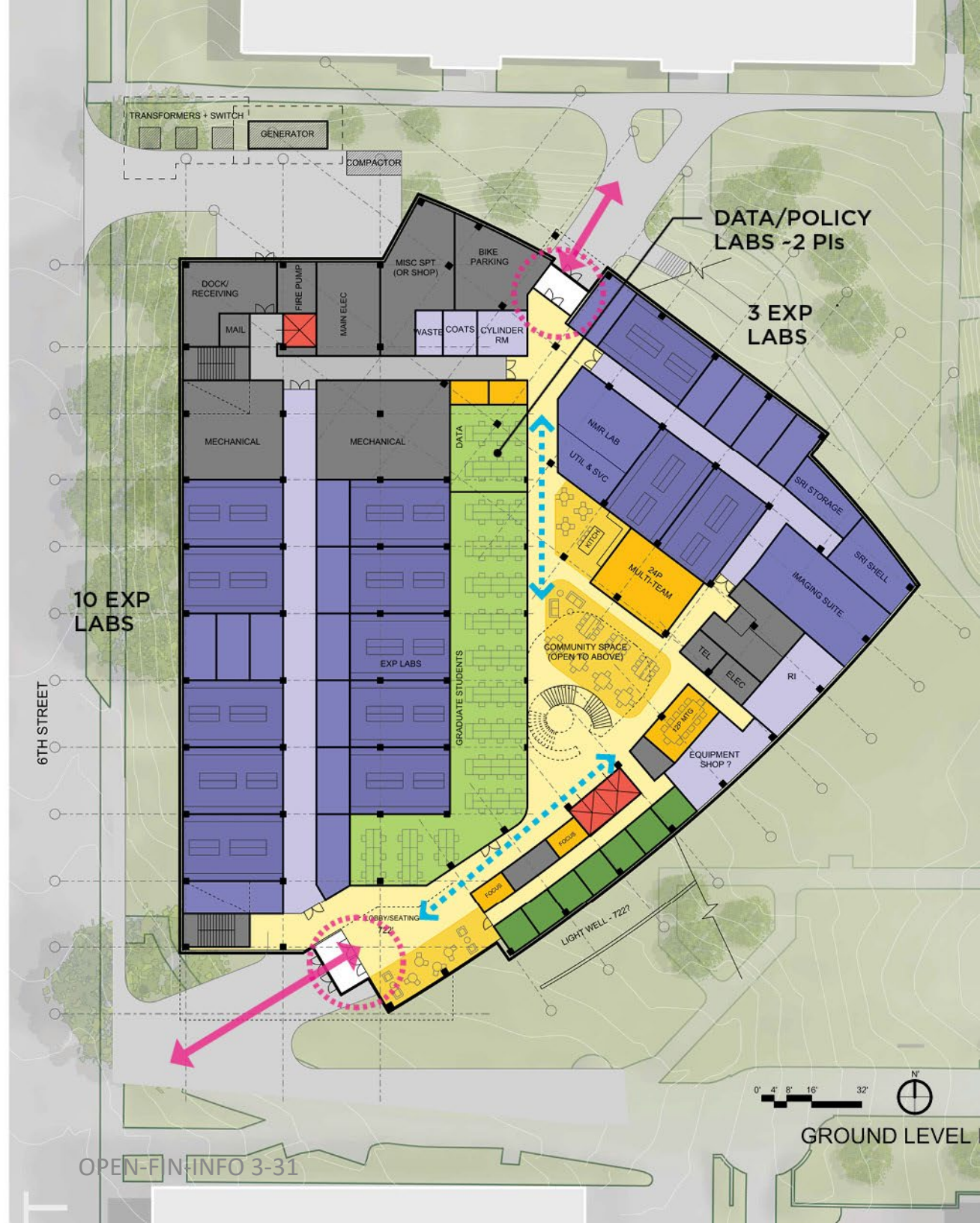
PLAN SUMMARY



GROUND LEVEL

Legend

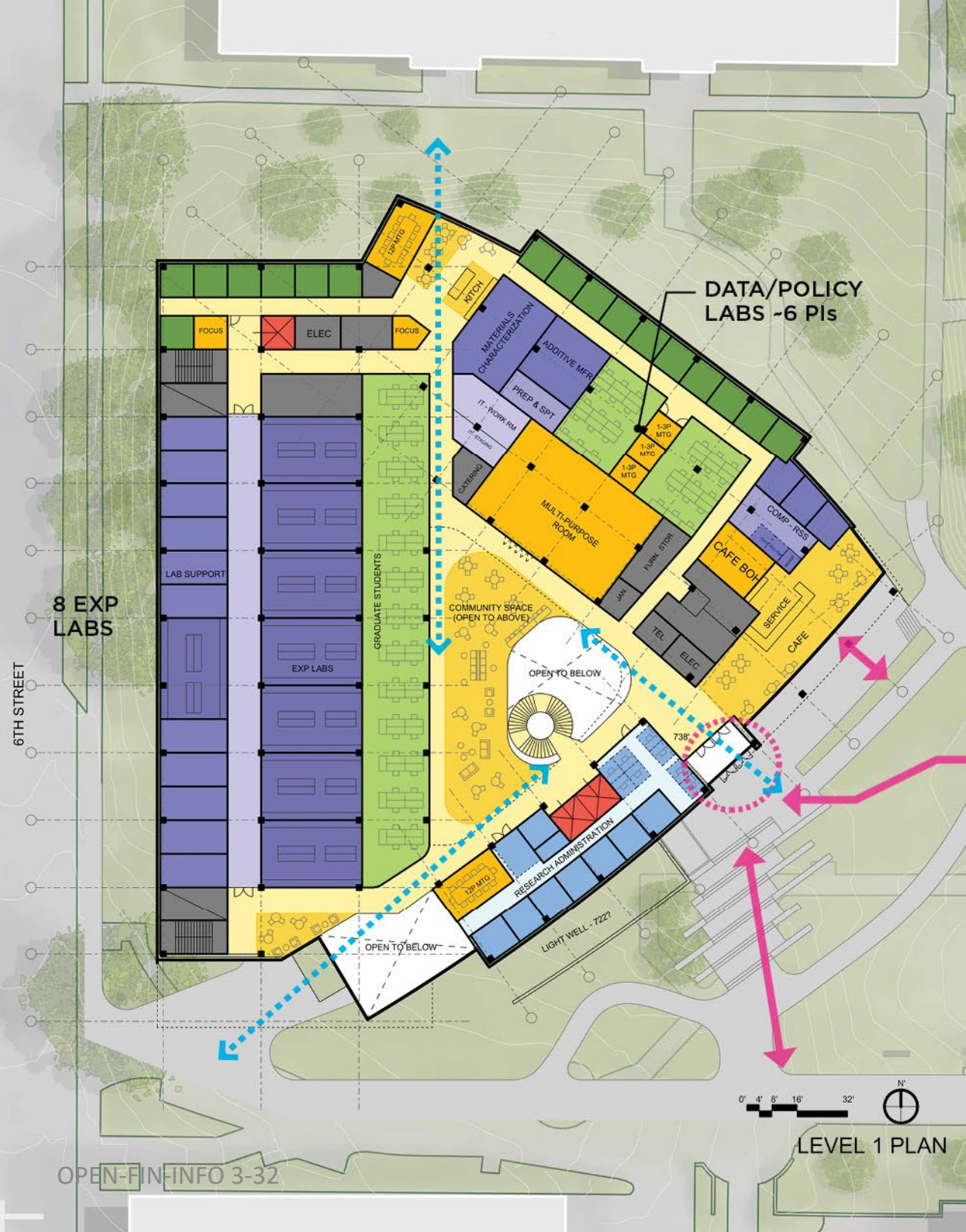
- Experimental Laboratories & Shared Laboratory Equipment
- Experimental Lab Support Space
- Data Labs & Student Workstations
- Meeting & Collaboration Space
- Private Offices (PI's and Flex)
- Building Administration
- Circulation
- Utility
- Elevators



LEVEL 1

Legend

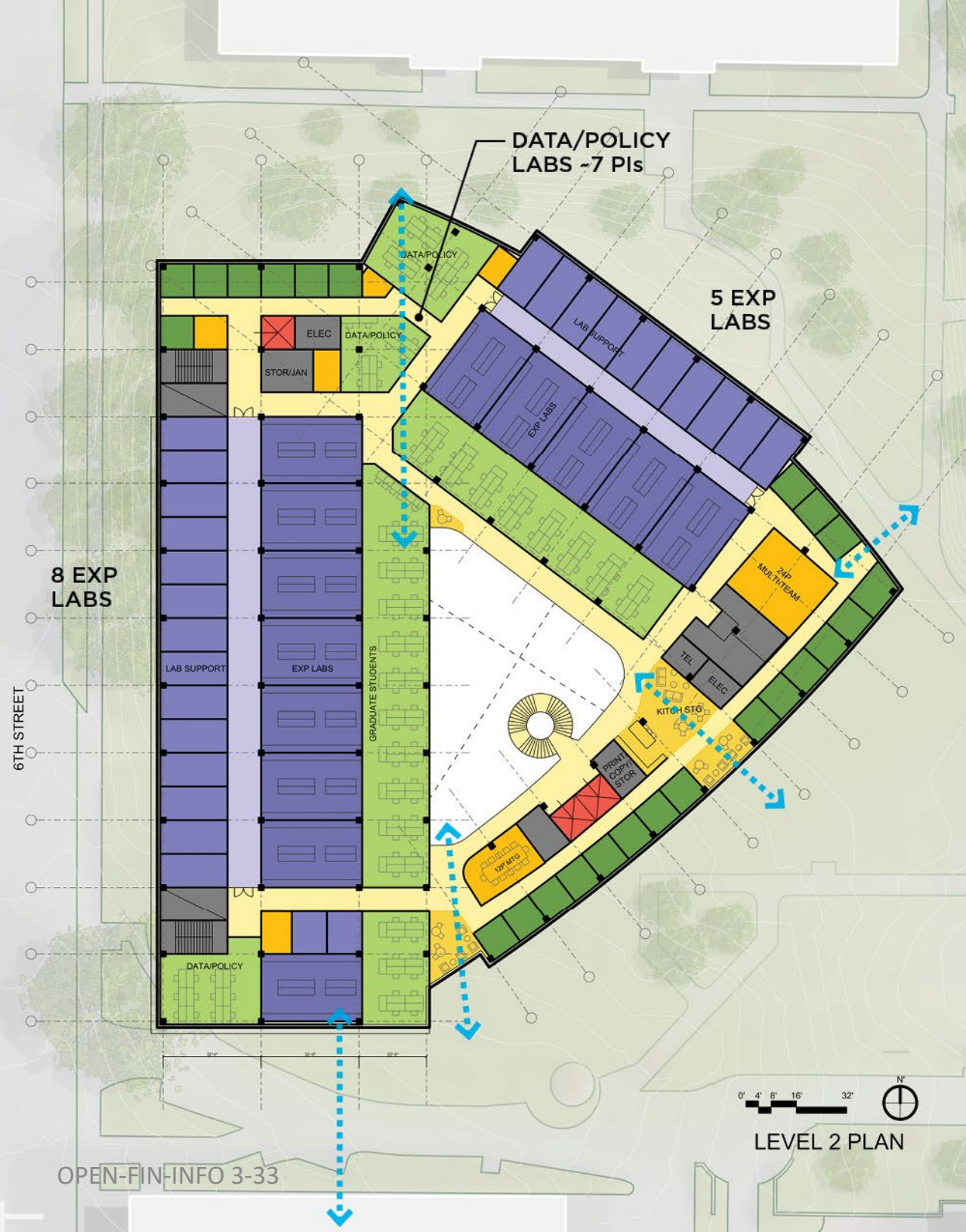
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- Building Administration
- Circulation
- Utility
- Elevators



LEVEL 2

Legend

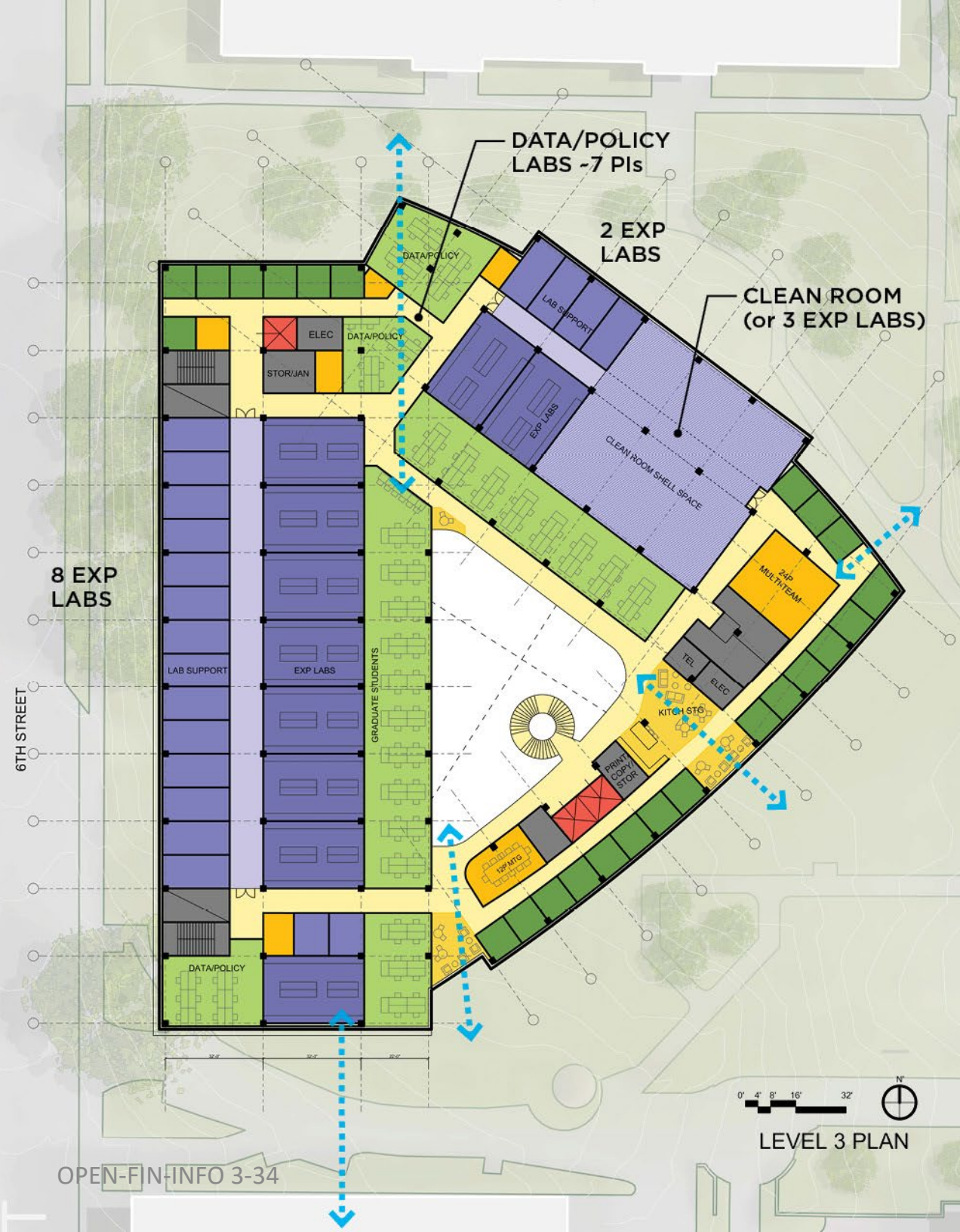
- Experimental Laboratories & Shared Laboratory Equipment
- Experimental Lab Support Space
- Data Labs & Student Workstations
- Meeting & Collaboration Space
- Private Offices (PI's and Flex)
- Building Administration
- Circulation
- Utility
- Elevators



LEVEL 3

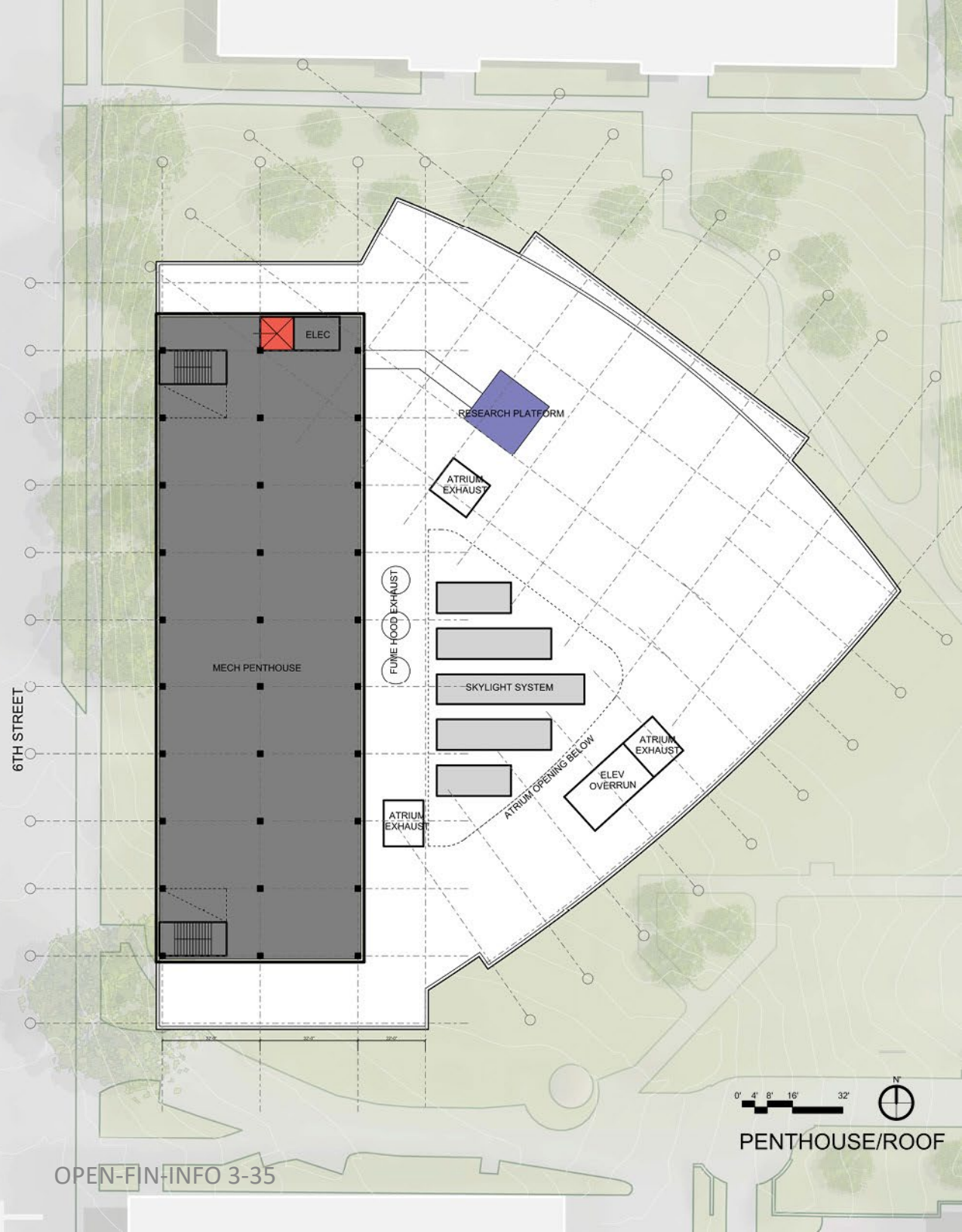
Legend

- Experimental Laboratories & Shared Laboratory Equipment
- Experimental Lab Support Space
- Data Labs & Student Workstations
- Meeting & Collaboration Space
- Private Offices (PI's and Flex)
- Building Administration
- Circulation
- Utility
- Elevators

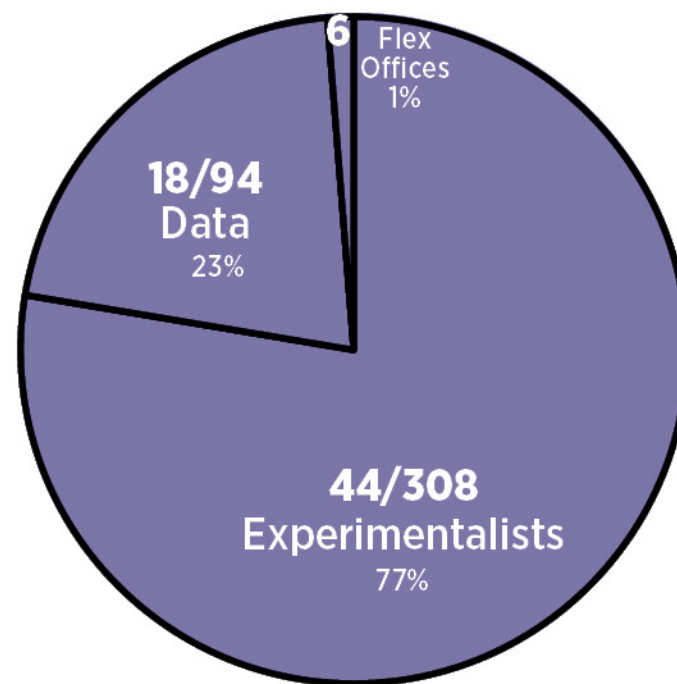
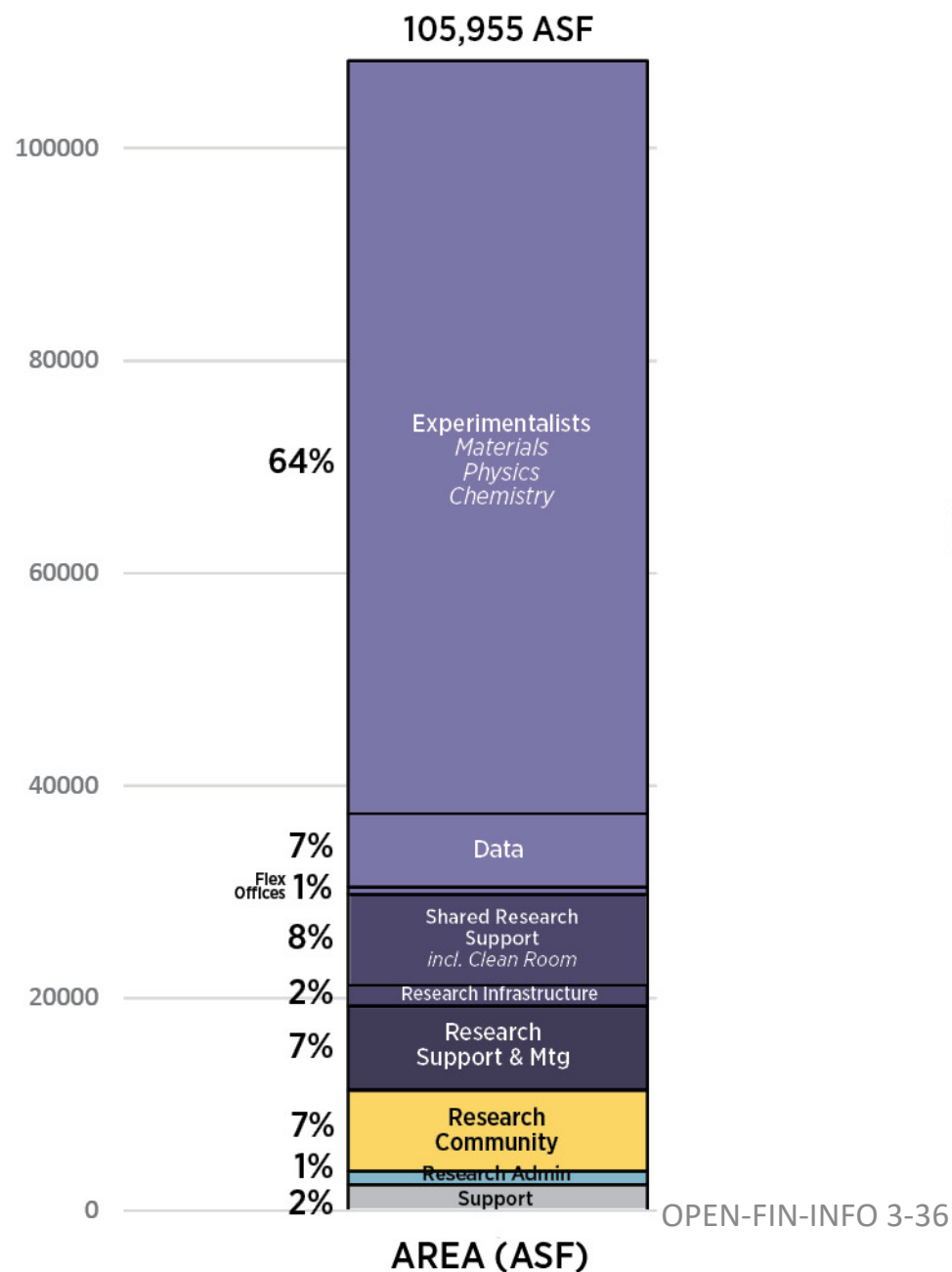


ROOF & PENTHOUSE

- 400 sf Research Deck per program
- 14,000 sf Mechanical Penthouse included in overall building GSF
- Skylight size and configuration in development



RESEARCHERS & SPACE TYPES



**62 PI's + 6 Flex Offices
406 Student Seats**

SPACE PROGRAM SUMMARY

RESEARCH WORK AREAS 76,160asf

Day 1 Build-out	30,870asf
Shelled Future Space	45,290asf

- **44 Experimental Labs = 67,760asf**
 - 44 Pls + 308 Grad/PD/UG/Staff
 - Labs + Lab Support = 47,520asf
 - Offices + Workstations + Support = 20,240asf
- **18 Data Labs = 7,710asf**
 - 18 PI Offices + 94 Grad/PD/UG/Staff
 - Offices + Workstations + Support = 7,710asf
- **6 Flex Offices (Expansion, Visitors) = 690 asf**

SHARED RESEARCH SUPPORT 8,565asf

Day 1 Build-out	3,525asf
Shelled Future Space	5,040asf

- **Materials Characterization Instrumentation:**
 - NMR - Nuclear Magnetic Resonance
 - Imaging (XPS + Future)
 - Characterization (Ellipsometer, PPMS, SPMS, XRD)
 - Additive Manufacturing (3D Printing)
 - Shell Space for Future Instrumentation
- **Clean Room + Staging:** E Beam Lithography, CVD
- **Shared Research Support Staff (1) & Storage**
- **Computational RSS (CRSS):** 4 Staff & Storage

RESEARCH INFRASTRUCTURE 1,980asf

Day 1 Build-out	1,980asf
-----------------	----------

- Lab Equipment Staging
- Lab Equipment Shop
- Cylinder Room
- Lab Waste Staging
- Lab Coat Room
- Storage
- Rooftop Research Deck

RESEARCH SUPPORT & MEETING 7,874asf

Day 1 Build-out	3,860asf
Shelled Future Space	4,014asf

- Kitchenette & Seating x 1 per floor
- Multi-Purpose Kitchenette Seating x 1 per floor
- Print/Copy Alcove x 2 per floor
- Focus Room (1-3p) x 1 per floor
- Team Meeting Room (12p) x 1 per floor + 1 addnl
- Multi-Team Meeting Room (24p) x 2 in building
- Open Conversation Areas (8p) x 2 per floor

RESEARCH COMMUNITY 7,624asf

Day 1 Build-out	7,624asf
-----------------	----------

- Multi-Purpose Flat Meeting Room (90p lecture)
 - Catering Staging Room, Prefunction Counter
- Cafe (Next Gen size) + Required Support
- Community & Casual Seating
 - Cafe seating
 - Dual-purpose circulation & research events
 - Mission-oriented exhibit niches
 - Donor recognition areas
- Storage

RESEARCH ADMINISTRATION 1,285asf

Day 1 Build-out	1,285asf
-----------------	----------

- Offices & Workstations
 - Director (1)
 - Coordinator (1)
 - Fiscal/Post-Award (1)
 - Post-Award (1)
 - Pre-Award (2)
 - Staff Support (1)
 - IT Support (2)
 - Specialized Research Equipment Support (2)
 - Workstudy Hoteling Station (2)
- Reception Seating
- Print/Copy/Storage

GENERAL BUILDING SUPPORT 2,467asf

Day 1 Build-out	2,467asf
-----------------	----------

- Occupant Support
 - Mother's Room x 2 in building
 - Religious/Meditation Room x 1
 - Bike Parking + Lockers
 - Restroom(s) with Shower
- General Building Storage
- Receiving
 - Receiving Loading Dock
 - Receiving Locked Storage
 - Mailroom
- IT
 - Support x 1 per floor
 - Work Room
 - Staging Room

THE RESEARCH ECOSYSTEM: CENTER FOR ENERGY INNOVATION

RESEARCH PORTFOLIO

FACULTY RECRUITING

STRATEGIC FUNDING

MizzouForward Hiring Area:
Energy & Sustainability Systems

Large-Scale Extramural
Center Funding

PRIORITY AREAS | Research Outcomes



**SUSTAINABLE
ENERGY
PRODUCTION**

Nuclear Power
Sustainable Aviation Fuels
Pink, White Hydrogen



**ENERGY
STORAGE &
CONVERSION
TECHNOLOGY**

Nuclear-Engineered Materials
Materials at Extremes
Autonomous Materials Design
& Discovery



**ENERGY
DISTRIBUTION
& GRID
TECHNOLOGY**

Wide Bandgap Semiconductors
Autonomous Grid Management



**CYBER-
PHYSICAL
SECURITY**

AI & Blockchain Technology
Autonomous Systems Monitoring
Quantum Algorithms



**ENERGY
POLICY**

Global, National
& State Energy Policy

**CURRENT
FACULTY** **MUST
RECRUIT**

DOE EFRC

DOE H2 EarthShot: Storage

DOE H2 EarthShot: Fuel Cells

NSF Mid-scale Research Infrastructure

**NSF Advanced Computing Systems &
Services: Rapid Evolution of Science &
Engineering Research**

**NSF Cyberinfrastructure Centers of
Excellence**

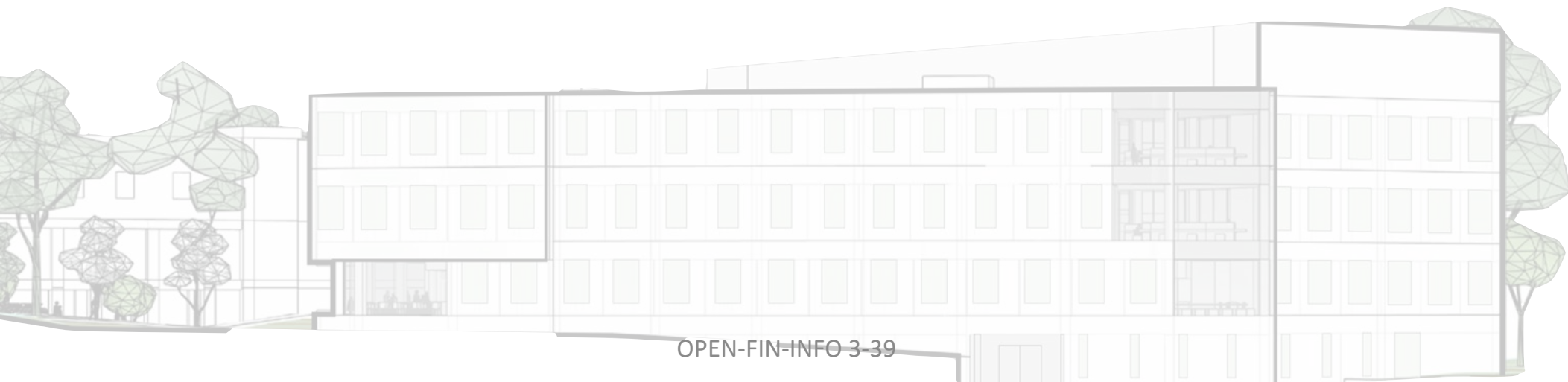
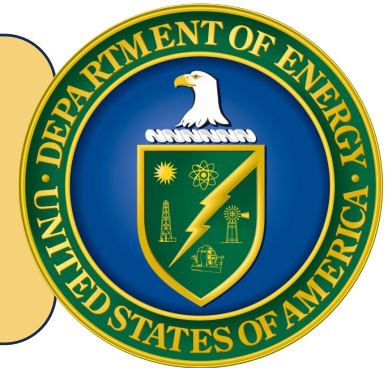
THE RESEARCH ECOSYSTEM: CENTER FOR ENERGY INNOVATION



**RESEARCH
PORTFOLIO**

**FACULTY
RECRUITING**

**STRATEGIC
FUNDING**



Annual Development & Fundraising Report
MU, S&T, UMKC and UMSL

At the November 16th Board of Curators Meeting, Jacke Lewis, Vice Chancellor for Advancement, MU, Victoria Verkamp, Vice Chancellor for Advancement, S&T, Amanda Davis, Chief Advancement Officer & President, UMKC Foundation and Lisa Capone, Vice Chancellor for Advancement, UMSL will present for the Board an update on development and fundraising activities at their respective universities.

The materials included provide information on trends in higher education advancement, strategic priorities and donor relations, ten-year fundraising results, types of giving, and giving purpose.

Mizzou Advancement Update



Strengthening Mizzou Advancement

Hired nationally-recognized consulting firm BWF; following their assessment, took the following recommended actions:

- Created a Principal Gifts department focusing on solicitation of \$5M+ prospects
- Made strategic hires across Advancement including Corporation & Foundation, MUHC and SOM
 - New hires have a wealth of experience from Dartmouth, Iowa, Iowa State, Michigan State, Ohio State, Purdue, WashU
- Modernized the Annual Giving program
- Centralized Donor Relations and Stewardship team
- Trained all fundraising staff and university leadership utilizing Plus Delta Partners, a nationally-recognized consulting firm

Mizzou's New Capital Campaign: Achieving Excellence Together!

The campaign for Mizzou is a \$2B comprehensive campaign that will address a number of grand challenges that require bold solutions.

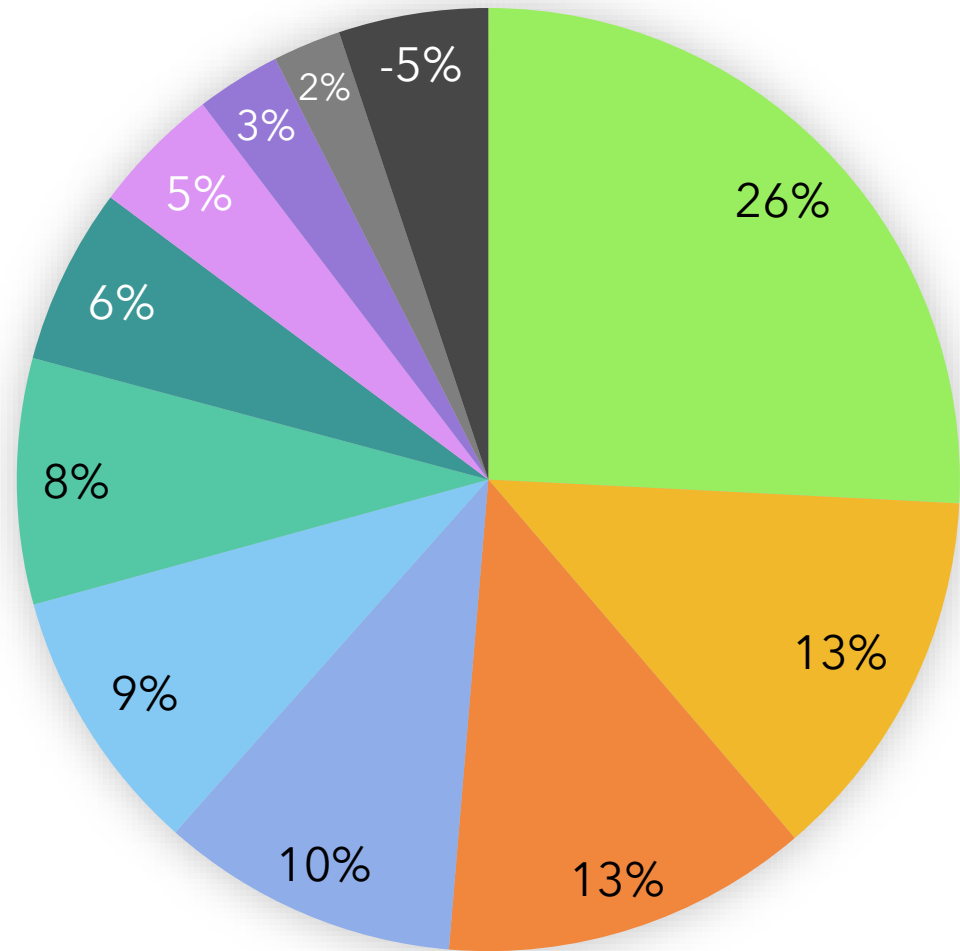
The new campaign will be aligned to the goals of MizzouForward.

Campaign Preparation:

- Campaign themes and priorities identified
- Campaign volunteer committee recruited
- Strategic investments made to grow the Advancement team
- Soft-launch of the campaign began this fall with events in key markets
- Salons with high-capacity donors hosted in key markets



National Trends in Giving

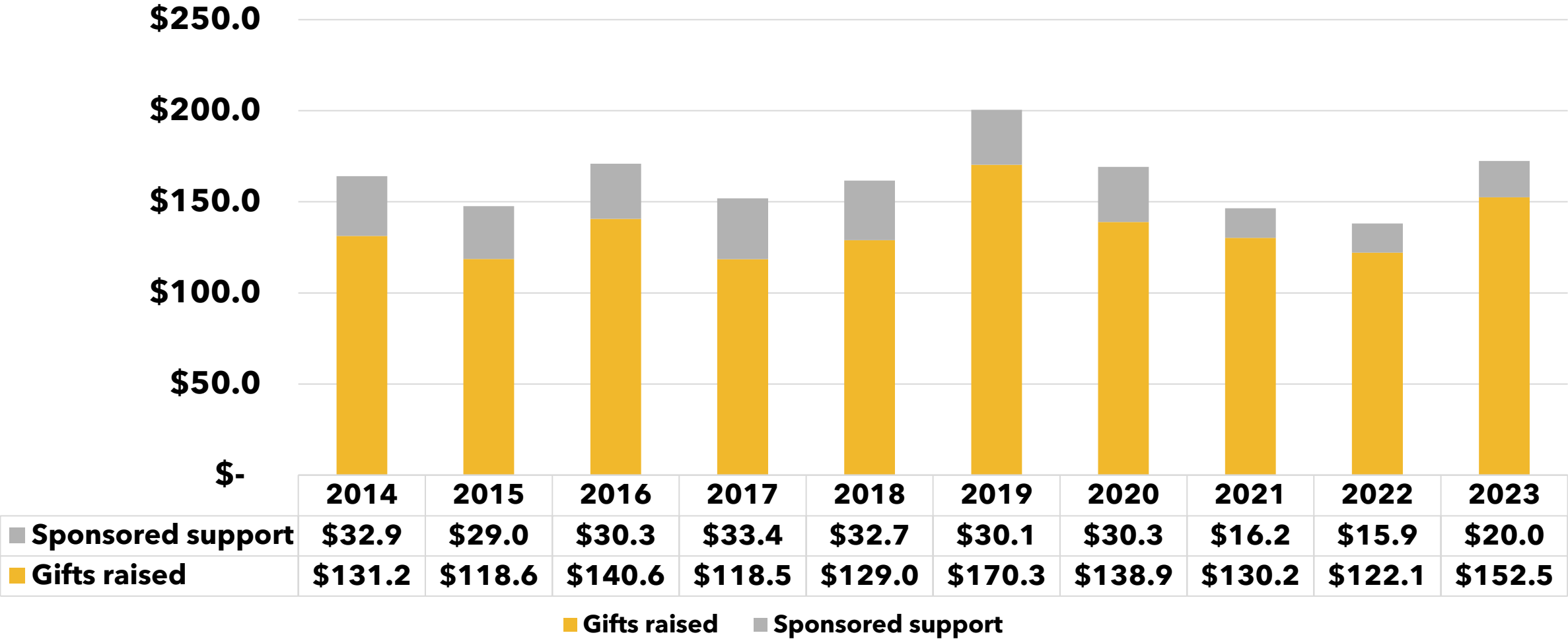


Recipient Category	Change in 2022
Religion	5.2%
Human Services	-0.6%
Education	-3.6%
Gifts to Foundations	10.1%
Health	5.1%
Public-Society Benefit	-8.4%
International Affairs	10.9%
Arts, Culture, Humanities	2.9%
Environment, Animals	-1.6%
Gifts to Individuals	
Unallocated	

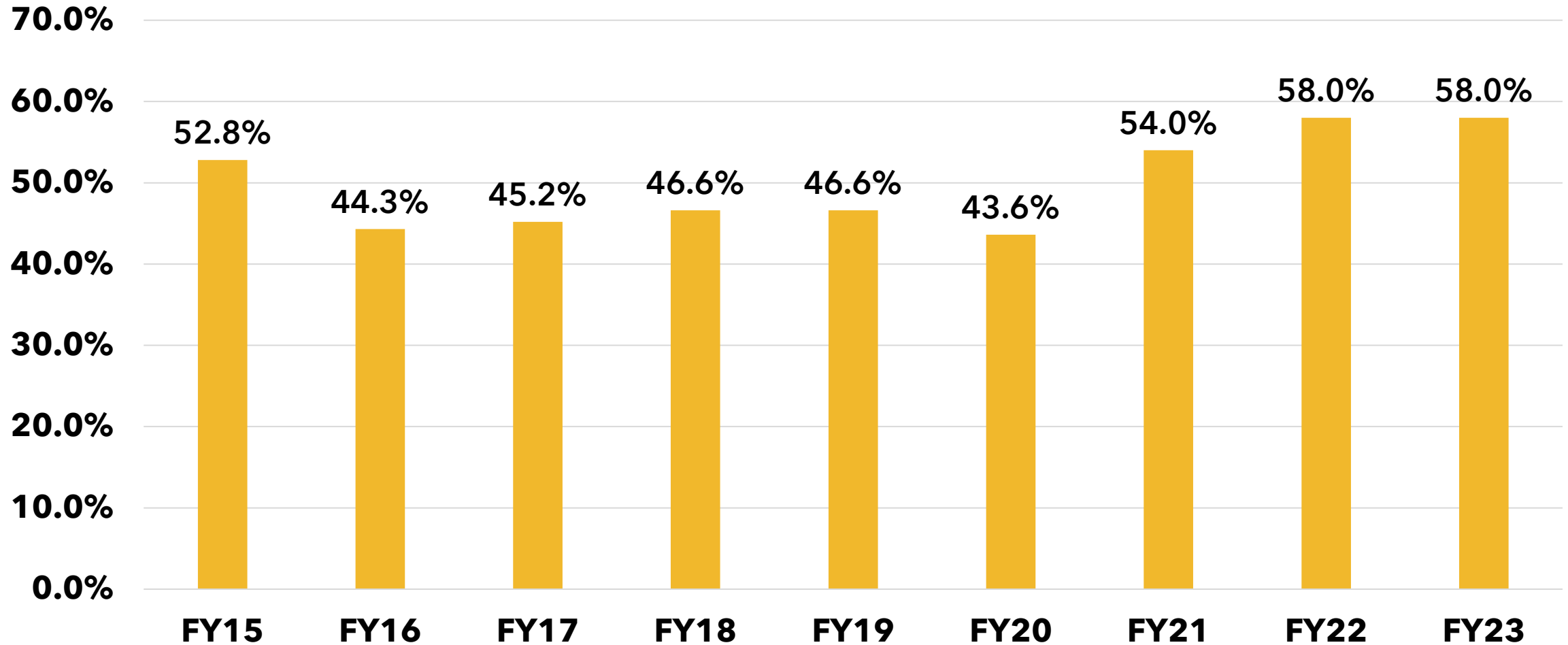
Source: Giving USA 2023.



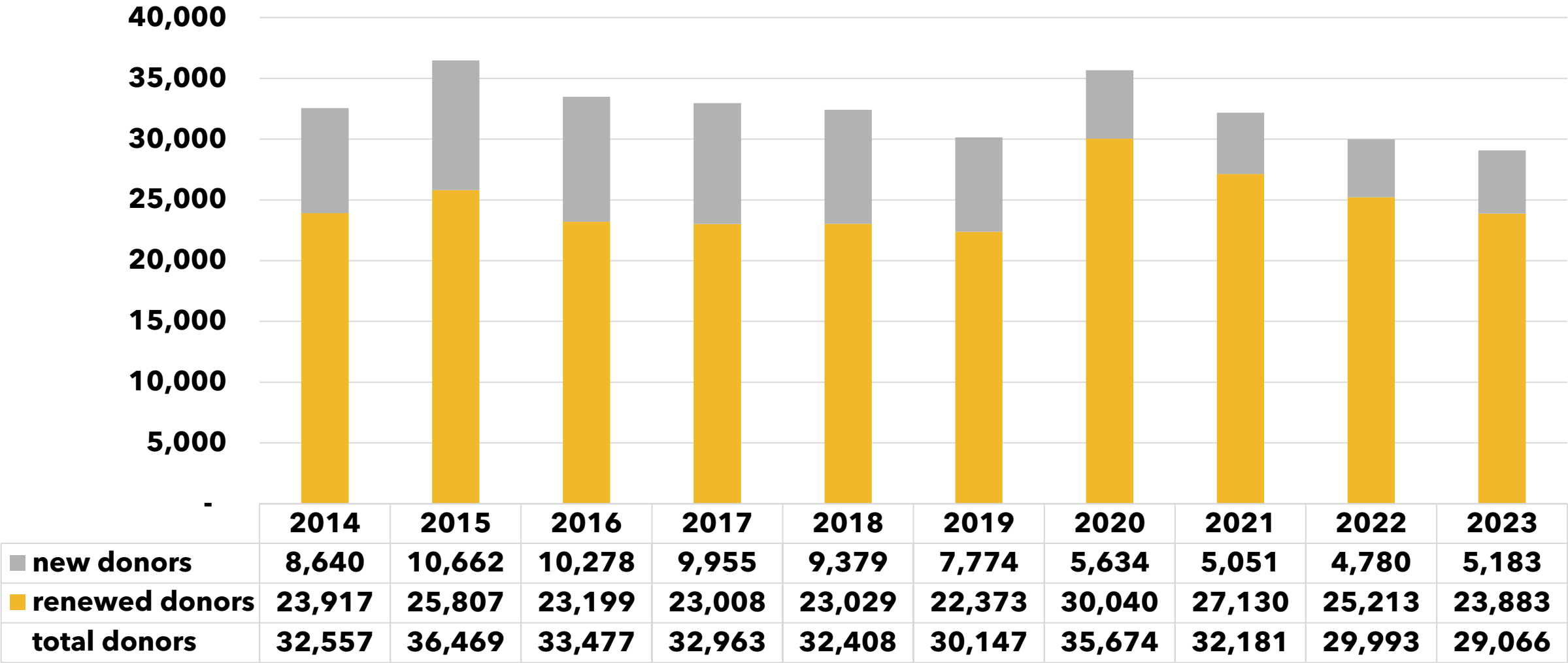
10 Year Productivity for Mizzou



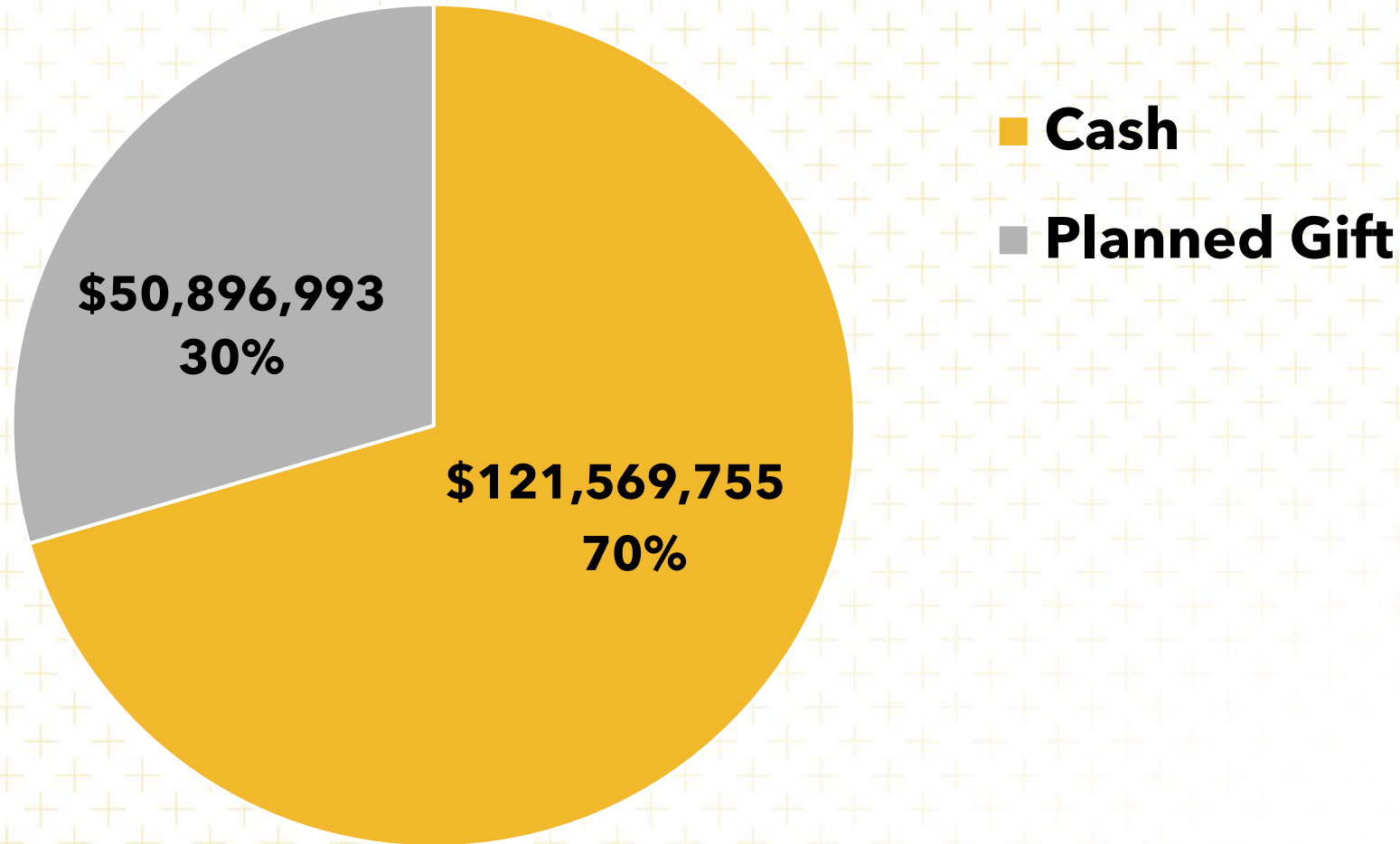
Donor Retention Rate for Mizzou FY23



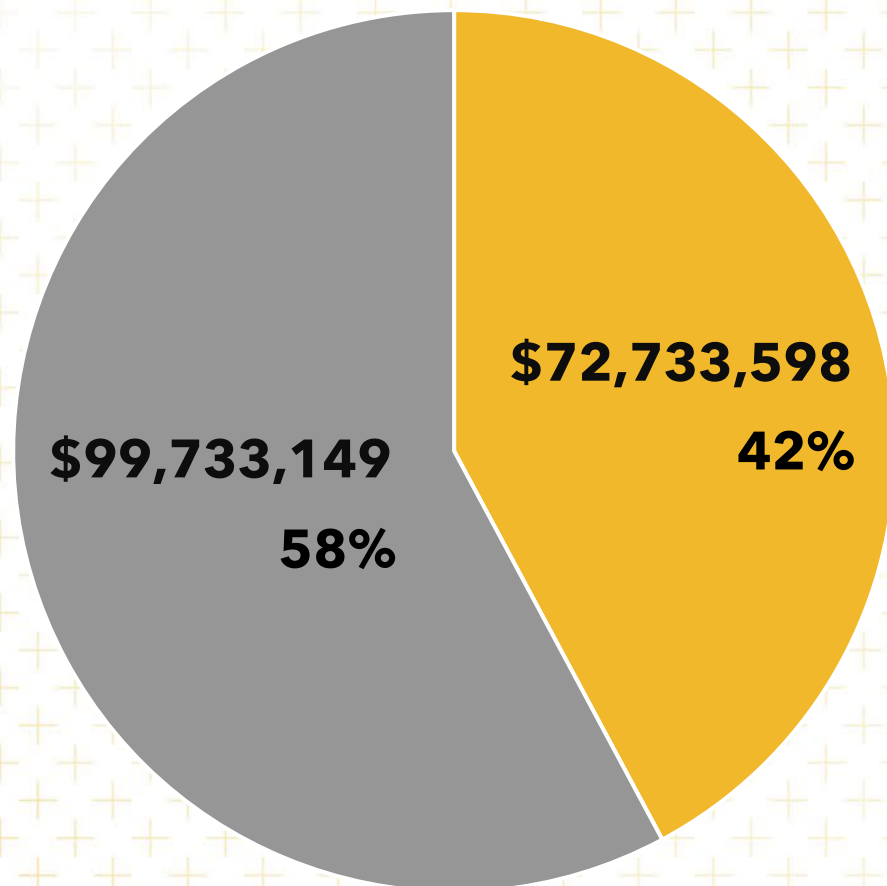
Donor Counts for Mizzou



Cash/Pledge and Planned Gifts for Mizzou FY23



Endowed and Non-Endowed Gifts for Mizzou FY23

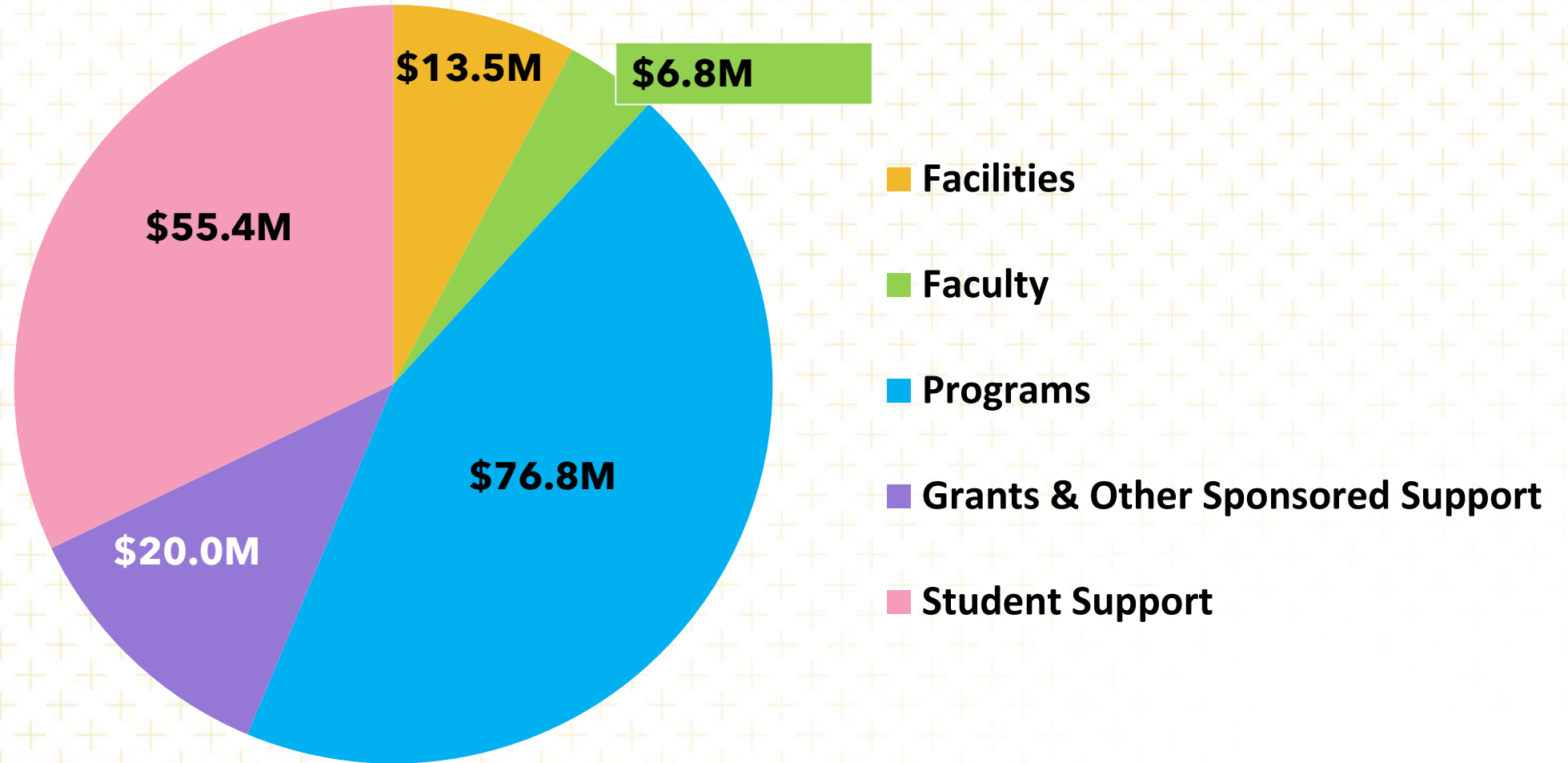


- Endowed
- Non endowed

Average donation non-endowed gift
\$1,330

Average donation annual gift (<50k)
\$481

Giving Purpose for Mizzou FY23



SEC Public Universities Ranking in FY22

11

National Public University Ranking	University	Endowment Value
#1	University of Texas at Austin	\$18.8B
#3	Texas A&M University	\$17.2B
#21	University of Oklahoma	\$2.4B
#24	University of Florida	\$2.3B
#28	University of Kentucky	\$2.0B
#32	University of Georgia	\$1.7B
#35	University of Arkansas	\$1.5B
#38	University of Missouri	\$1.4B
#46	University of Alabama	\$1.1B
#49	University of Tennessee	\$966M
#50	Auburn University	\$965M
#58	University of South Carolina	\$877M
#61	University of Mississippi	\$781M
#71	Mississippi State University	\$640M
#76	Louisiana State University	\$561M

Update on Development and Fundraising Activities, FY23

November 16, 2023
Board of Curators

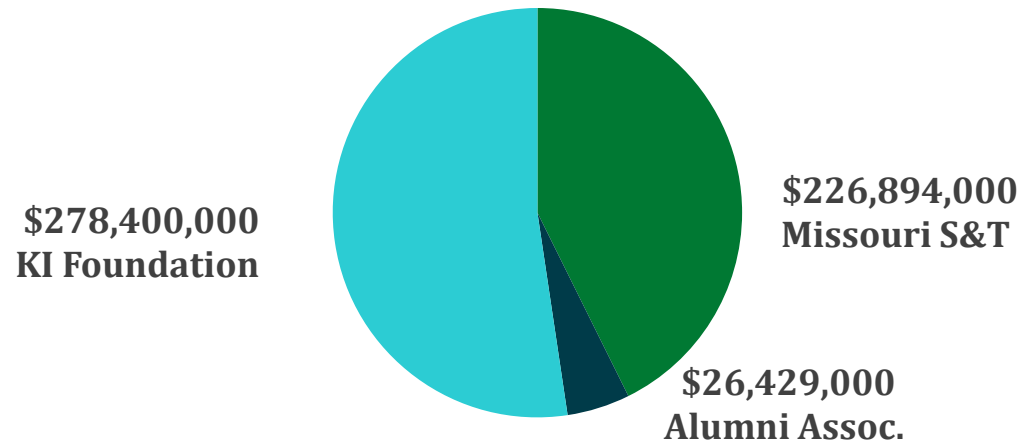


University Advancement

... Partnering with More than 70,000 Alumni

Endowment

- ▶ Over half a billion dollars in support
- ▶ \$531,723,000



- Missouri S&T/Curators of the University of Missouri
- Miner Alumni Association
- Kummer Institute Foundation

Fundraising Team

- ▶ 11 Major Gift Fundraisers
- ▶ 2 Annual Giving Team Members

Missouri S&T earns national recognition for fundraising, marketing, alumni relations

Posted by Peter Ehrhard
On March 2, 2021



Ambitious Objectives

... Elevating Missouri S&T

Strategic Priorities Shaping Our Next Campaign

- ▶ BioPlex – BioX
- ▶ Critical Minerals – Semiconductor Engineering
- ▶ ARC Jet – Hypersonics

Vital Investment in Student Success

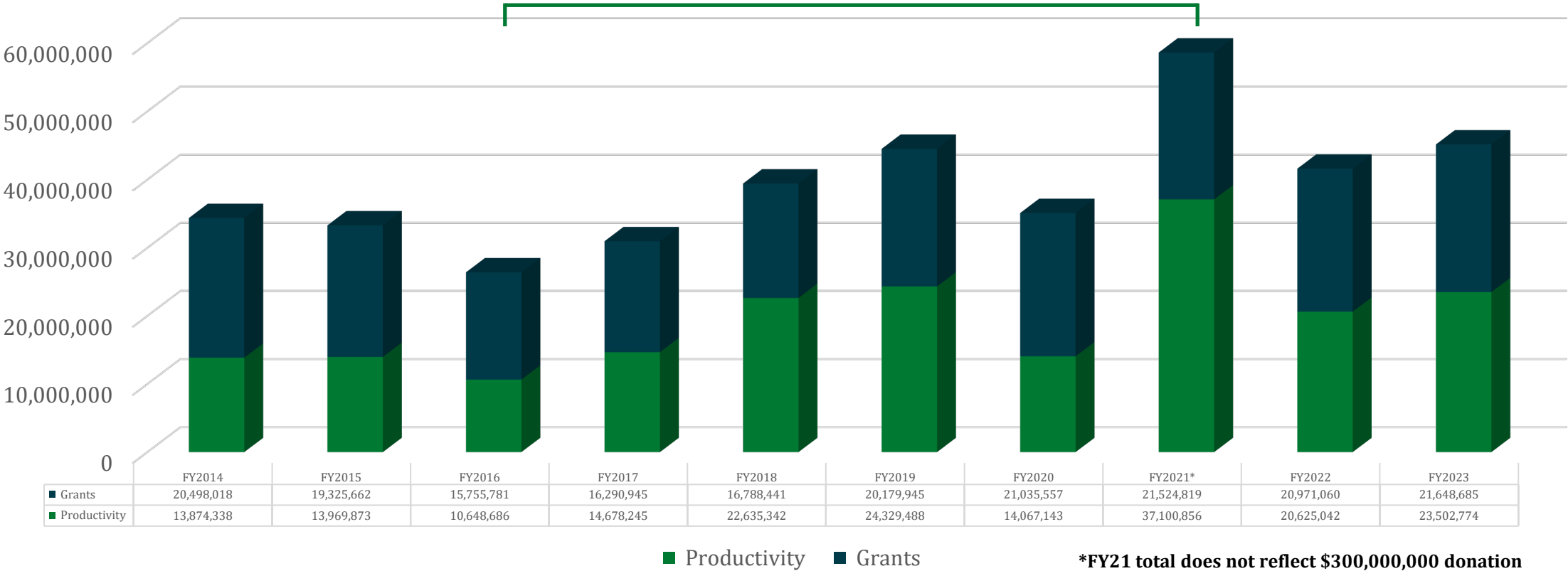
- ▶ Securing a \$1 billion endowment



Fundraising Productivity



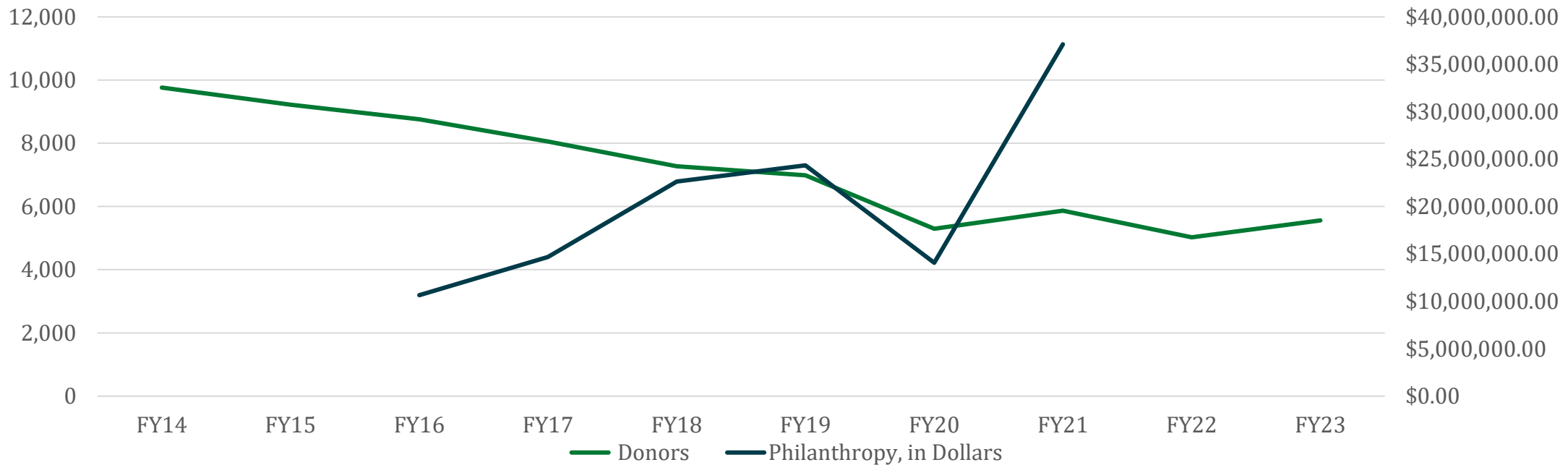
... Rolla Rising: A Record Campaign with \$423 Million in Philanthropic Gifts



Reimagining Engagement and Pipeline Development Strategies

... Following National Trends, Fewer Donors Yet Larger Campaigns

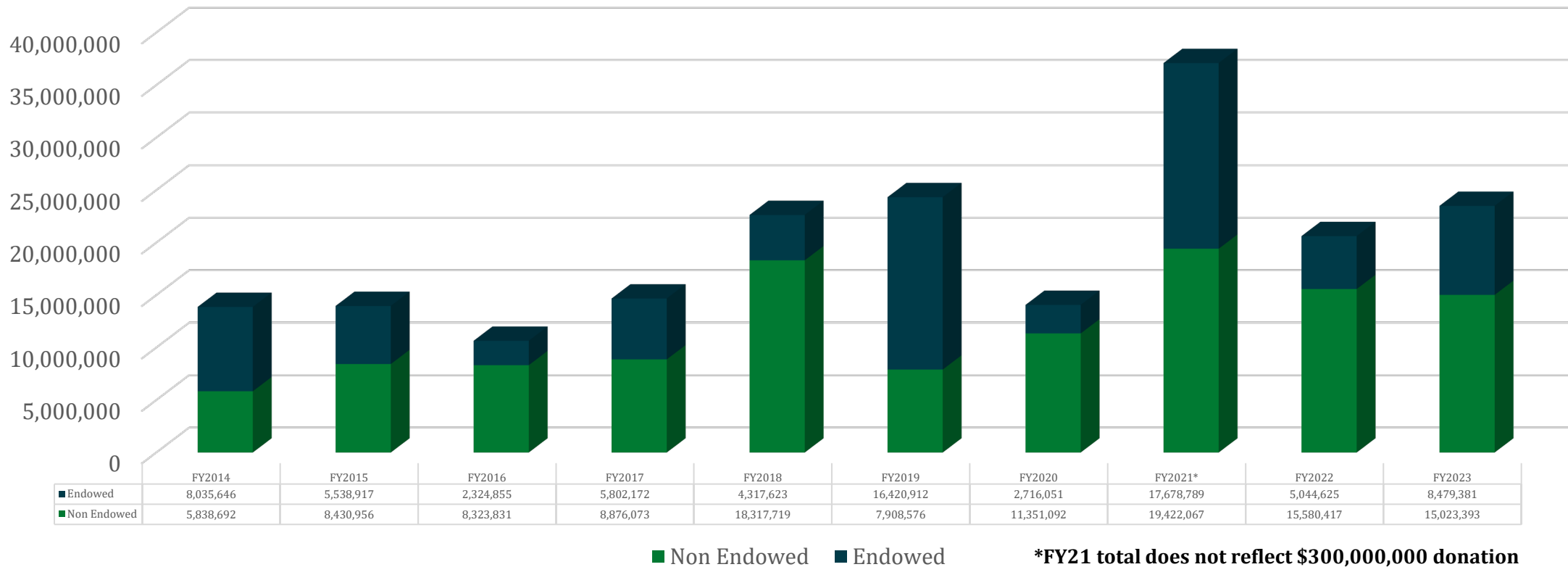
- ▶ 5,561 Donors
- ▶ 60% Retention Rate



A Look at Giving Types

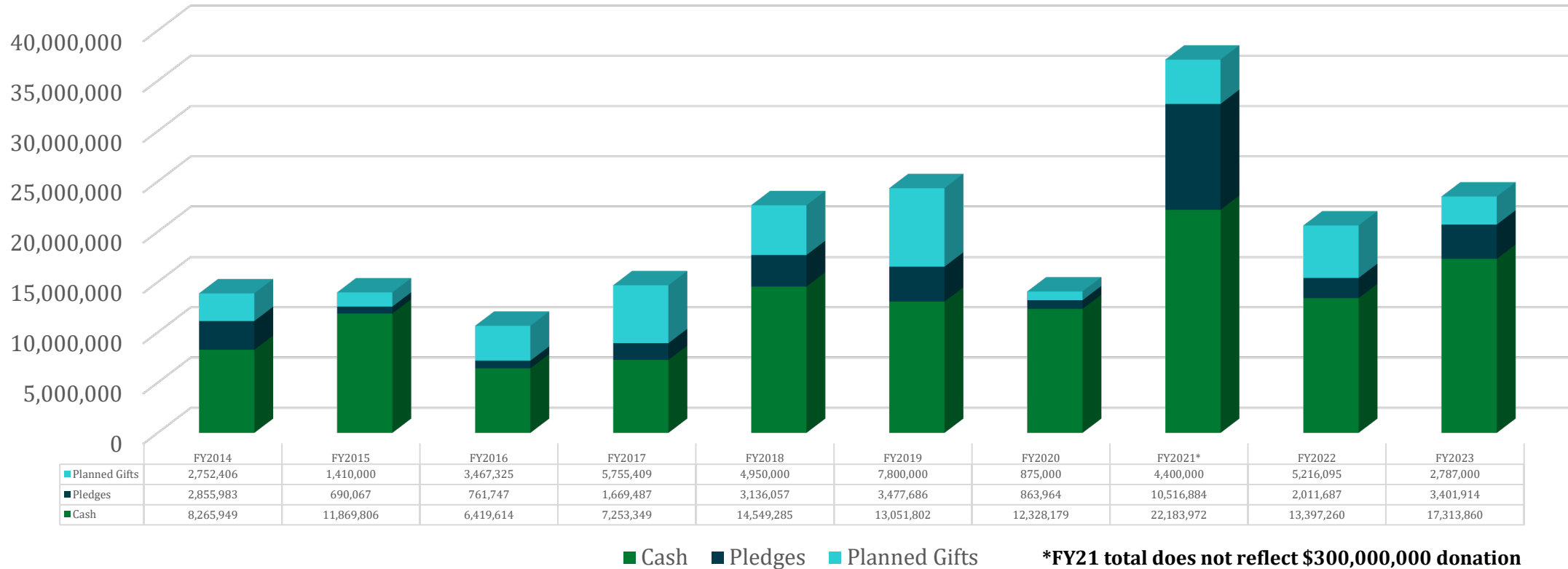
... Creating Immediate Impact and Planning for the Future

► **\$1,840: Average Gift, Non-Endowed**



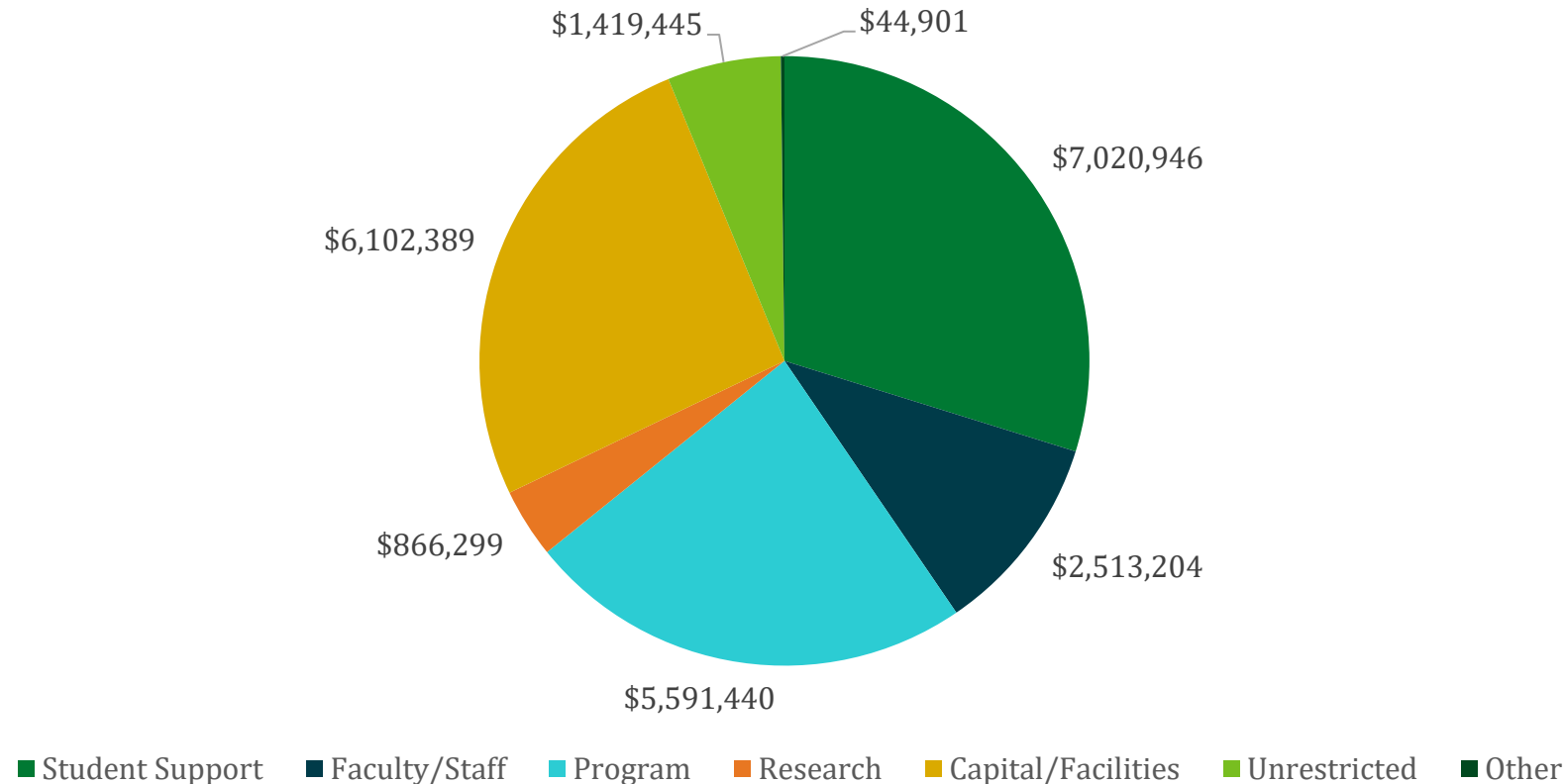
A Look at Giving Types

... Visionary Capital Projects Influence Cash Giving



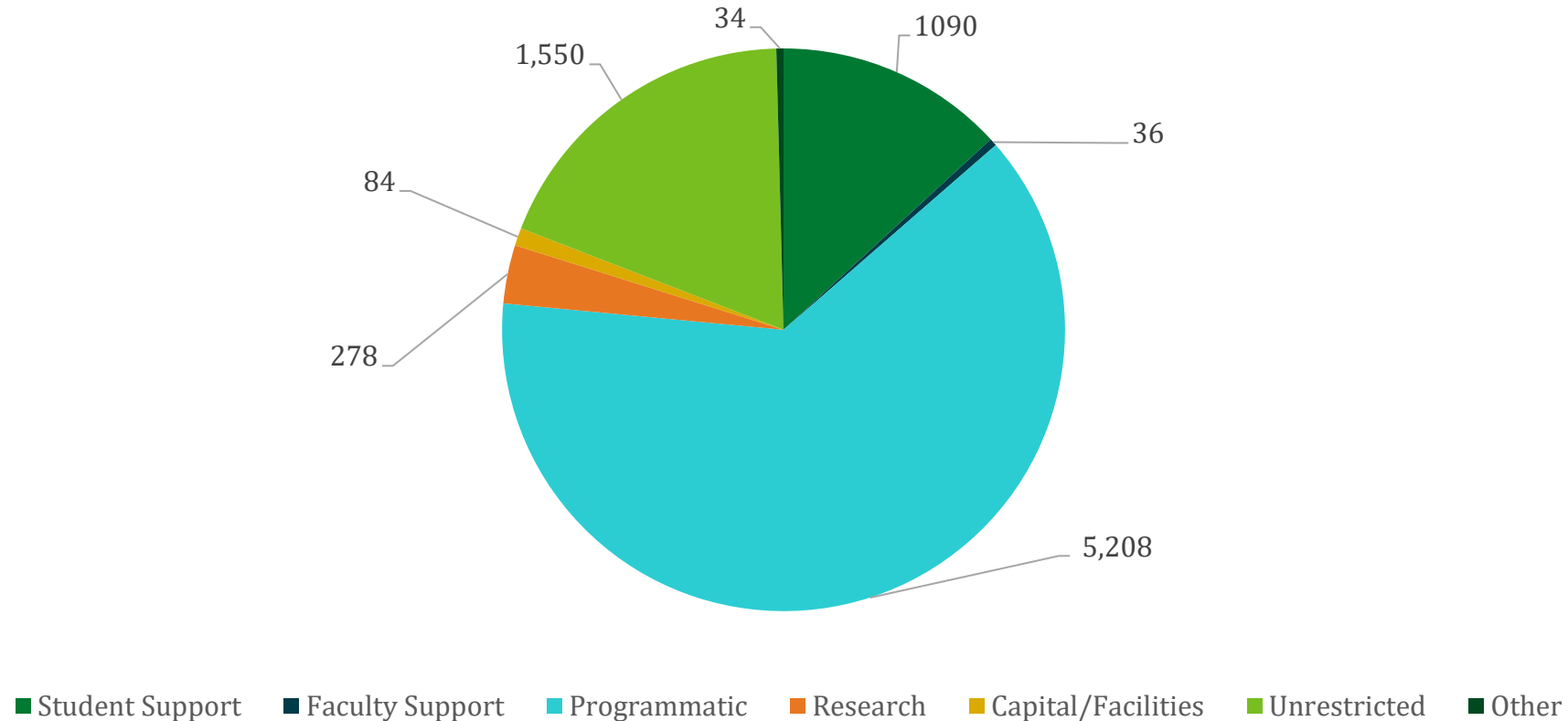
Co-Creating a Compelling Campus Vision

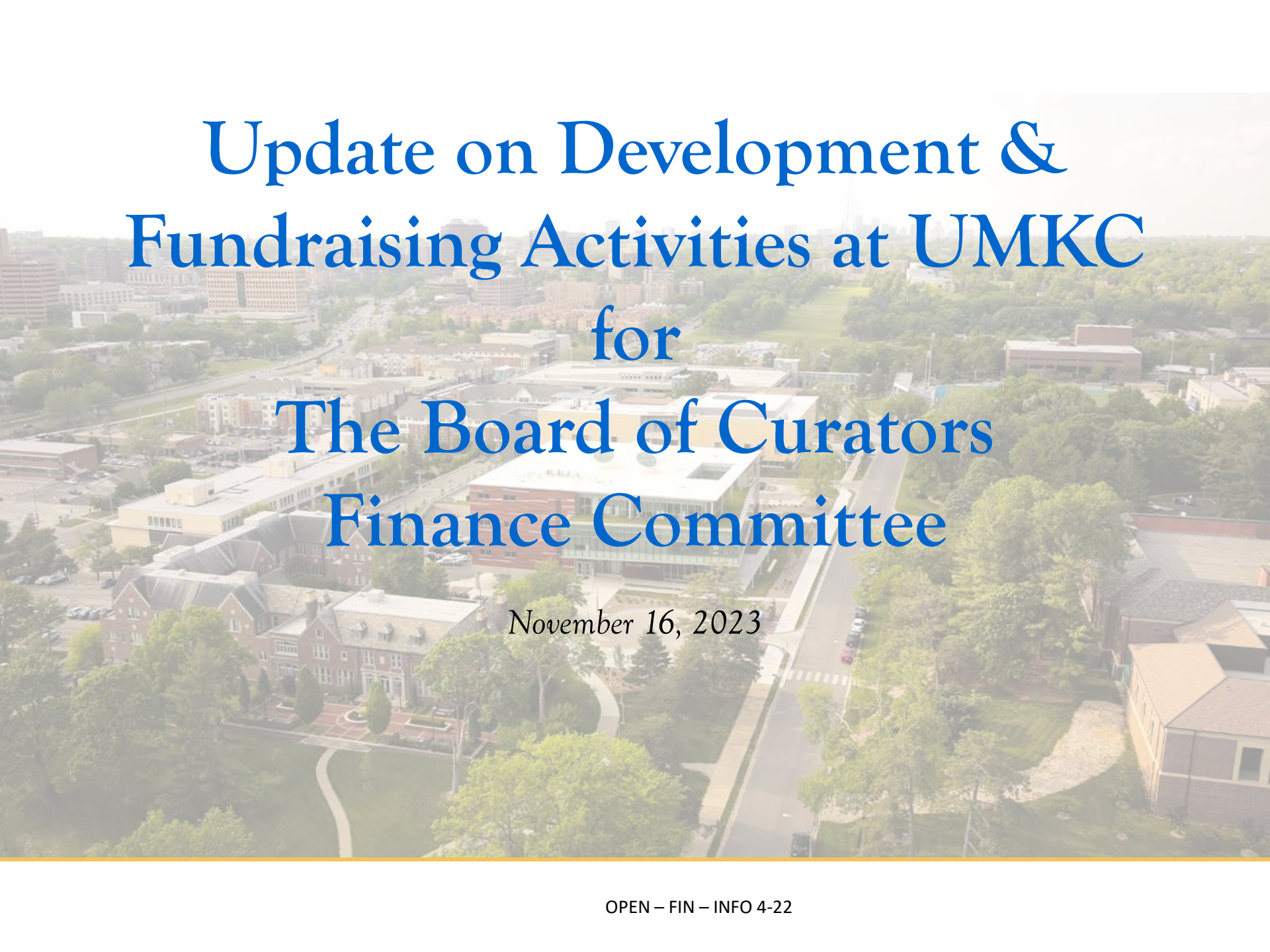
... With Widespread Impact



Donor-Centric Fundraising

... Number of Gifts Illustrate Diverse Solicitation Strategies



An aerial photograph of the University of Missouri-Kansas City (UMKC) campus. The image shows a mix of modern and traditional architecture, including a large, multi-story brick building with a flat roof and a smaller, more ornate building with a gabled roof. The campus is surrounded by green trees and a city skyline is visible in the background under a hazy sky.

Update on Development & Fundraising Activities at UMKC for The Board of Curators Finance Committee

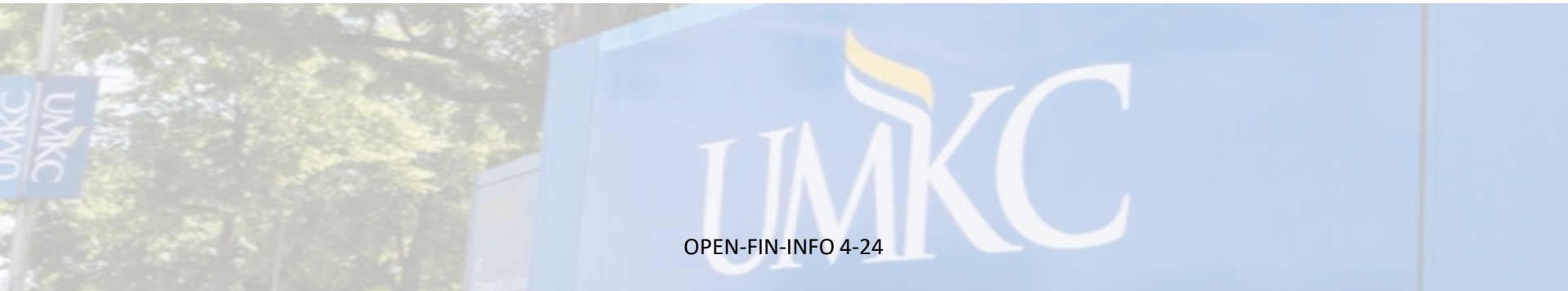
November 16, 2023

About Me

- I have been UMKC's Chief Advancement Officer & Foundation President just over one year.
- My education is entirely from the University of Missouri System (I have two BAs from Mizzou and an MPA from UMKC.)
- I have worked in nonprofit management and fundraising for twenty-four years and in higher education advancement for seventeen of those years.
- I have experience in all areas of advancement from alumni relations and annual giving to \$1B+ comprehensive campaigns and foundation management.
- My most recent role before coming back to UMKC was as the Associate VP for Campaigns & Principal Gifts at the University of Oklahoma.

About Our Team

- Rebuilding after leadership transitions and bringing Alumni Relations staff onto the team.
- Comprises around 35 professionals, providing services and raising funds for all areas of UMKC.
- Our goal is primarily to directly lead the execution of advancement activities, but we also view facilitation of fundraising and providing infrastructure as crucial—this enables us to have far more reach than we could alone.
- Our composition: Development, Alumni Relations, Advancement Services, Donor Relations/Stewardship, & Gift Processing/Finance.



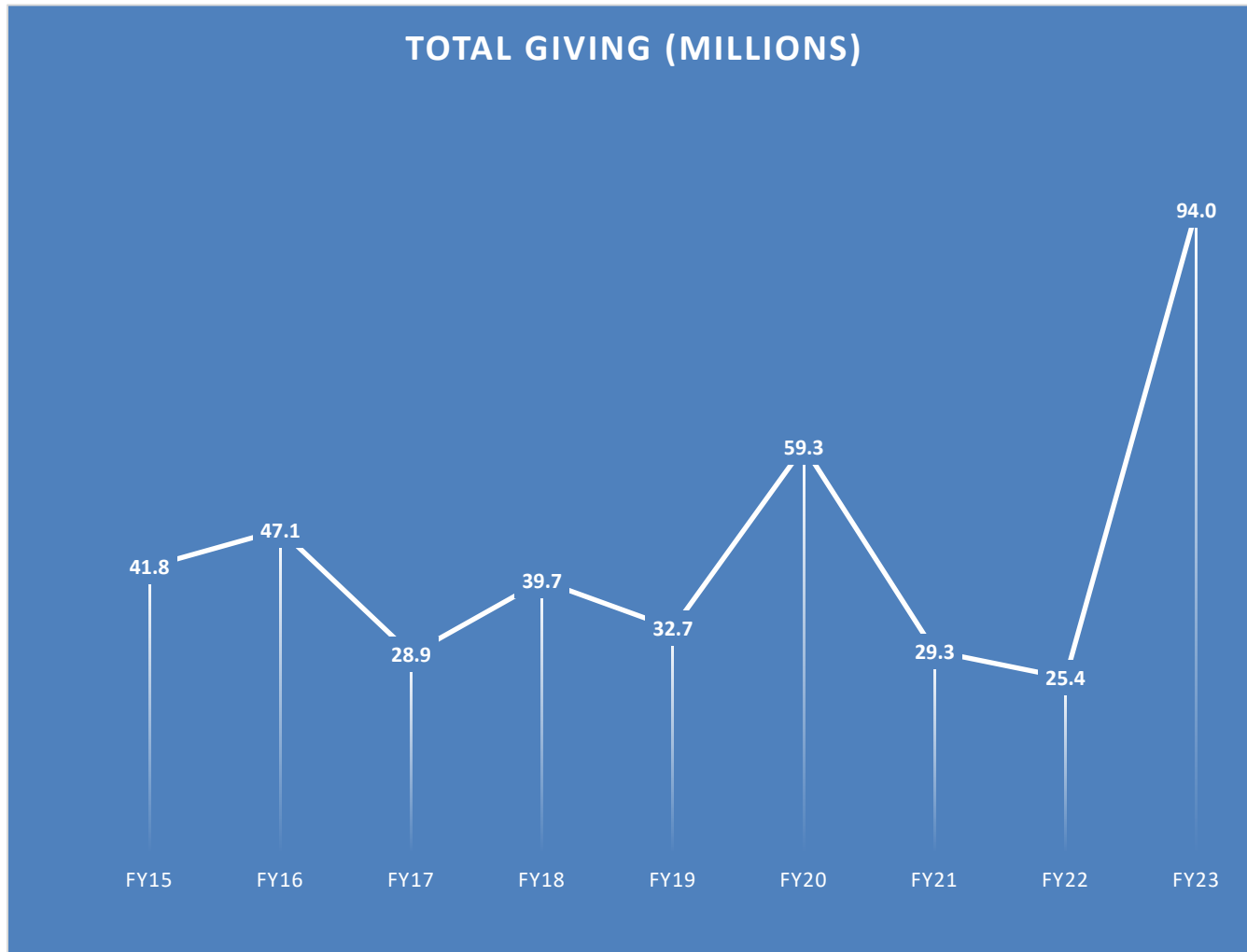
Trends in Higher Ed Advancement

- The industry is rethinking participation rate as a measure of success.
- An increasingly tight talent market puts pressure on advancement recruitment & retention systems.
- Strong advancement services are coming to the forefront as a crucial element in successful, efficient shops.
- Weaving together donor programming with alumni association programming into a cohesive experience is becoming the norm.
- Donor expectations are high, requiring sophisticated direct marketing at scale (data and tool dependent) AND carefully calibrated services and experiences for major/principal givers.
- Mid-level donor programs are becoming increasingly important—as institutions require increased support from philanthropy, deliberate mid-level pipeline development is necessary for future giving.

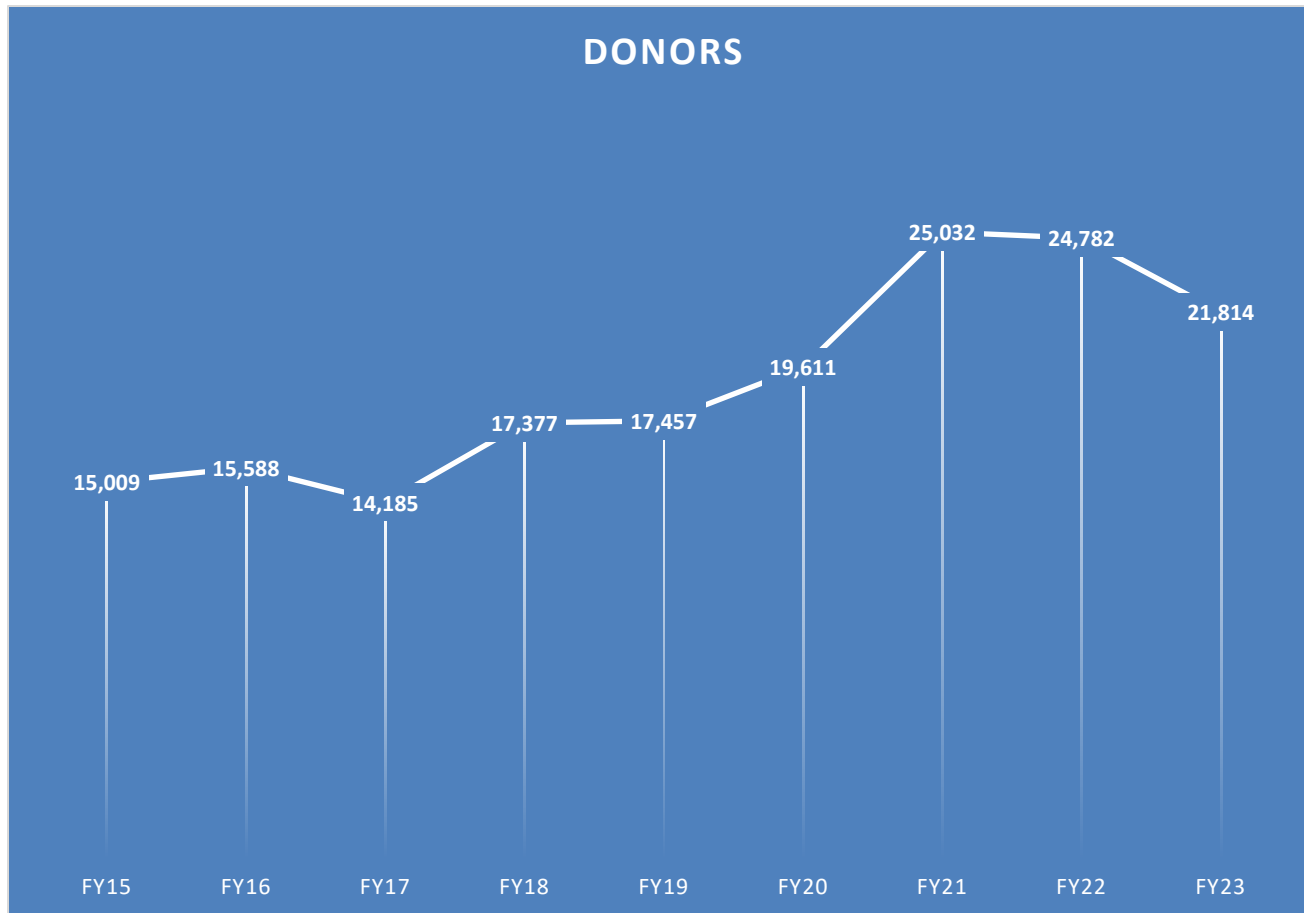
UMKC Advancement Strategic Priorities

- Preparing for Comprehensive Campaign Launch:
 - Create lead generation/management systems
 - Rebuild advancement infrastructure, particularly Advancement Services
 - Hire for adequate staffing in development based on identified opportunity set
- Current Giving Priorities:
 - HDI Building
 - Atterbury Student Success & Library Renovation
 - KCUR Building
 - Feasibility for Conservatory, Athletics Facility & more

UMKC Overall Giving



UMKC Overall Number of Donors



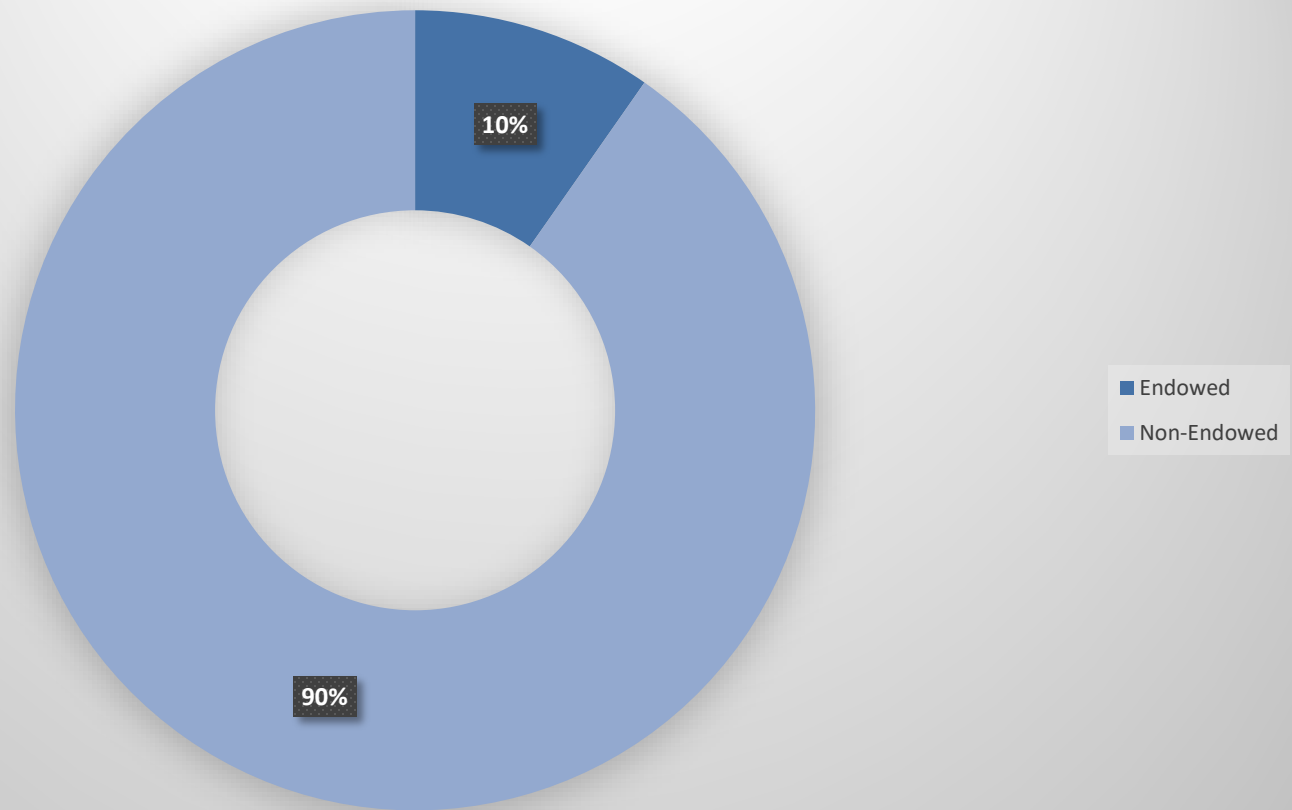
FY 23 Results: Gifts, Donors, & Retention

Average Annual Gift	\$73.00
Number of New Donors	2,300
Donor Retention Rate	67%

Note: UMKC defines annual gifts as renewable and repeatable commitments under \$25,000.

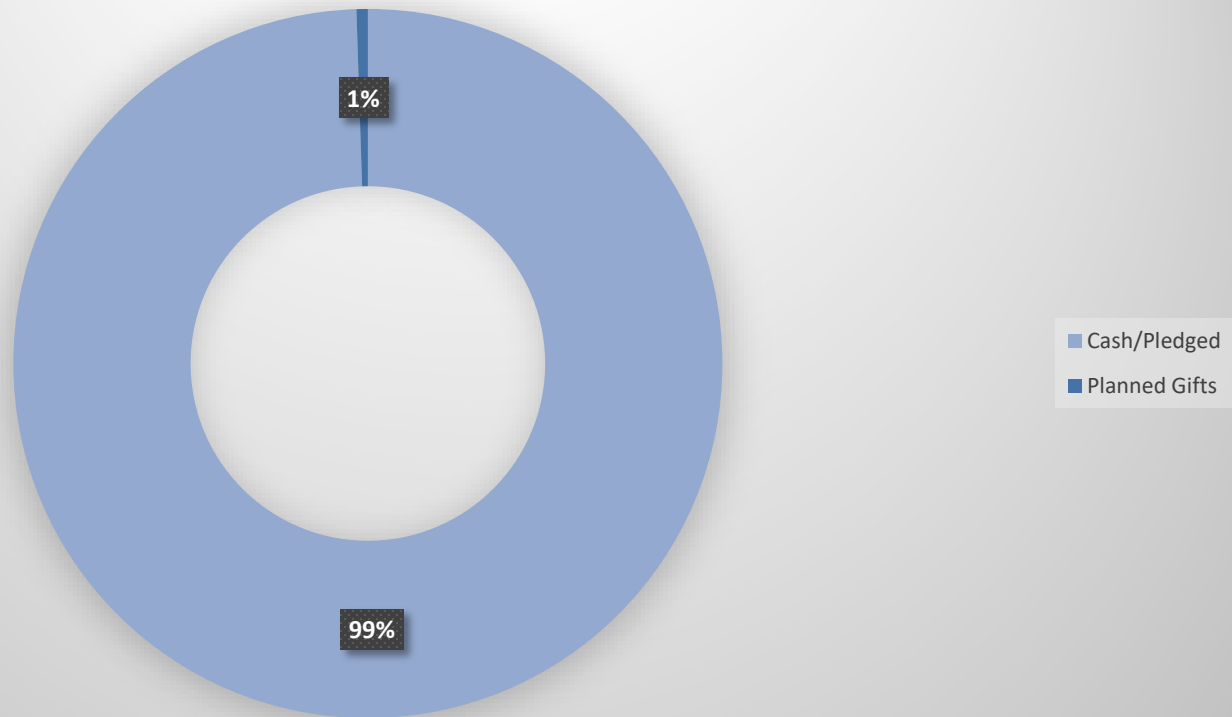
FY 23 Results: Endowed vs. Non-Endowed

Endowed vs. Non-Endowed Gifts



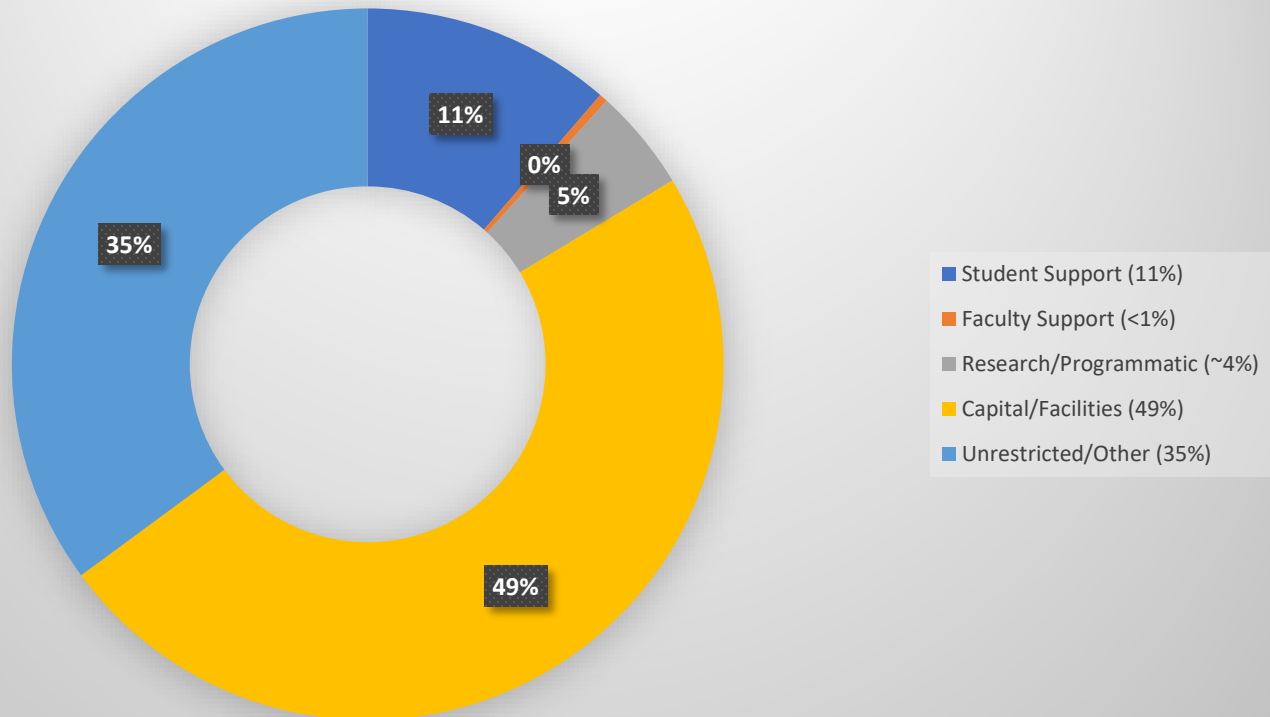
FY23 Results: Cash/Pledge vs. Planned

Cash/Pledged vs. Planned Gifts



FY23 Results: Gift Purpose

By Purpose



Thank You

Q & A



UNIVERSITY OF
MISSOURI-ST. LOUIS

ADVANCEMENT DIVISION

FUNDRAISING UPDATE

LISA CAPONE
VICE CHANCELLOR FOR
ADVANCEMENT
NOVEMBER 16, 2023



UMSL Advancement Introduction

- **115,000 Total Alumni**
 - Largest alumni network in the St. Louis region
 - Alumni contribute \$13.4 billion in overall economic impact to the state of Missouri annually
 - Serve high numbers of First Generation, Transfer, & Non-Traditional Students/Alumni
- **60th Anniversary Celebration & Programming in 2023/2024**



A new alma mater



Honoring Our Alumni

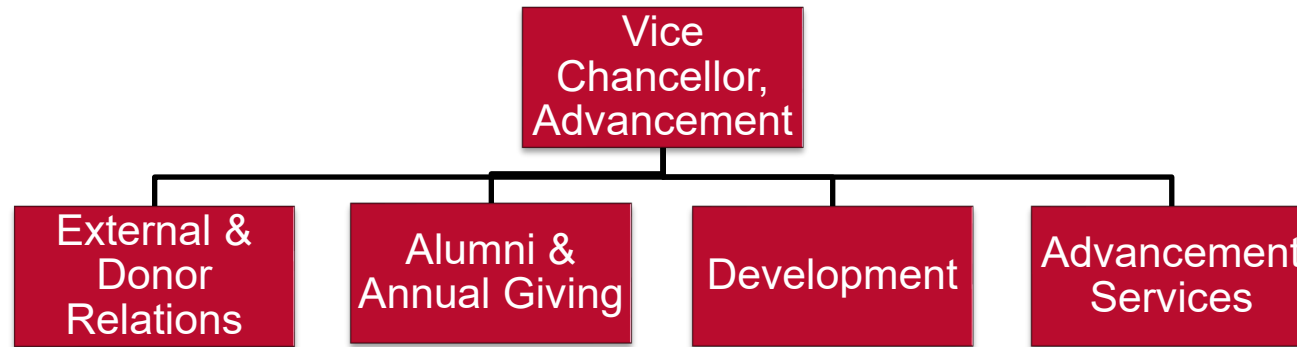


UMSL Red & Gold Day



UMSL Serves

UMSL Advancement Introduction



- **Advancement Staffing**
 - 35 Positions
 - 10 Major Gift Officers
 - 2 Annual & Leadership Annual Giving Officers
- **Last Comprehensive Campaign**
 - Gateway for Greatness (2005-2012): \$150 million

Giving USA 2022 Trends

- Giving by Individuals makes up 73%+ of philanthropy
 - 6.4% decline in individual giving 2021-2022
 - Education giving declined, after inflation, by 10.7%
 - Rise of donor-advised funds creates disruption
- Decreasing participation requires dependence on large major/mega gifts each year to grow fundraising totals

*"Inflation and a tough stock market presented hurdles for many donors in 2022, creating a challenging year for fundraisers. Organizations that focused on **consistent, personal engagement at scale** find themselves better able to convert relationship to gifts."*

*"It's not always just about the donation you're getting today. **When you stay with donors for the long term, you're building a pipeline** of good will. That can pay off for decades to come, **with major...and planned...gifts down the road.**"*

Sarah Myksin, senior vice president at RNL, senior consultant team lead

OPEN-INFO FIN INFO 4-37

64% \$319.04 billion

Giving by Individuals

↓ declined by 6.4% over 2021

21% \$105.21 billion

Giving by Foundations

↑ increased 2.5% over 2021

9% \$45.60 billion

Giving by Bequest

↑ increased 2.3% over 2021

6% \$21.08 billion

Giving by Corporations

↑ increased 3.4% over 2021

EAB Trends in Advancement and UMSL Strategy

- **High-ROI Advancement Teams**
 - Focus on Major Gift Volume, not just Mega Gifts
 - Gift Officers close 12+ proposals annually at \$25k+
 - Align Staffing Investments to Fundraising
 - 22% of overall staffing in Major Gift Officers (UMSL 27%)
 - Prioritize Gift Officer retention; Highest ROI after 24+ months
 - Build the Pipeline of Future via Leadership Annual Gifts
 - Ensure Strategic Support Staffing and Infrastructure
 - 2.5 Support FTEs per 10,000 alumni (UMSL 1.2)
- **Donor-Investor Imperative**
 - Largest gifts require built trust and demonstration of impact, with significant coordination and stewardship from campus leaders.

What Distinguishes **HIGH-ROI** Advancement Shops?

EAB's proprietary ROI benchmarking data, drawn from over 150 institutions, illuminates the path to growth by analyzing the investments, staffing levels, and fundraising strategies most closely tied to top performance.

STAFF RANGE	MGOs RANGE	FUNDRAISING PRODUCTION AVERAGE
20-34	3-5	\$13.2M

STAFF RANGE	MGOs RANGE	FUNDRAISING PRODUCTION AVERAGE
35-49	5-10	\$25.1M

Strategic Priorities

Key Initiatives & Projects

- Campaign planning and assessment
- Storytelling on impact of philanthropy
- Growing the Endowment for sustainability
- Alignment of Division to serve university priorities
 - Strategic Plan
 - Board/Volunteer activation and goal alignment
- Achievement of operational efficiencies and industry best practices
 - Establish metrics / KPIs
 - Establish efficient/best practice procedures
 - Elevate data use strategy and CRM operations
 - Emphasize staff specialization, cross-training, and professional development

OPEN-INFO FIN INFO 4-39

Challenges & Opportunities

- Staff recruiting, onboarding, and training
- Dean and Directors Advancement onboarding
- Historic lack of best practice implementation with data acquisition, management and use
- Need to rapidly scale and find automation
- Young institution, with emerging opportunities:
 - Planned Giving:
 - 20-30% of campaign production
 - Often the largest gifts to institution
 - Corporate Engagement:
 - Alumni rising to business C-suite
 - UMSL reputation with workforce development/integration continues to grow

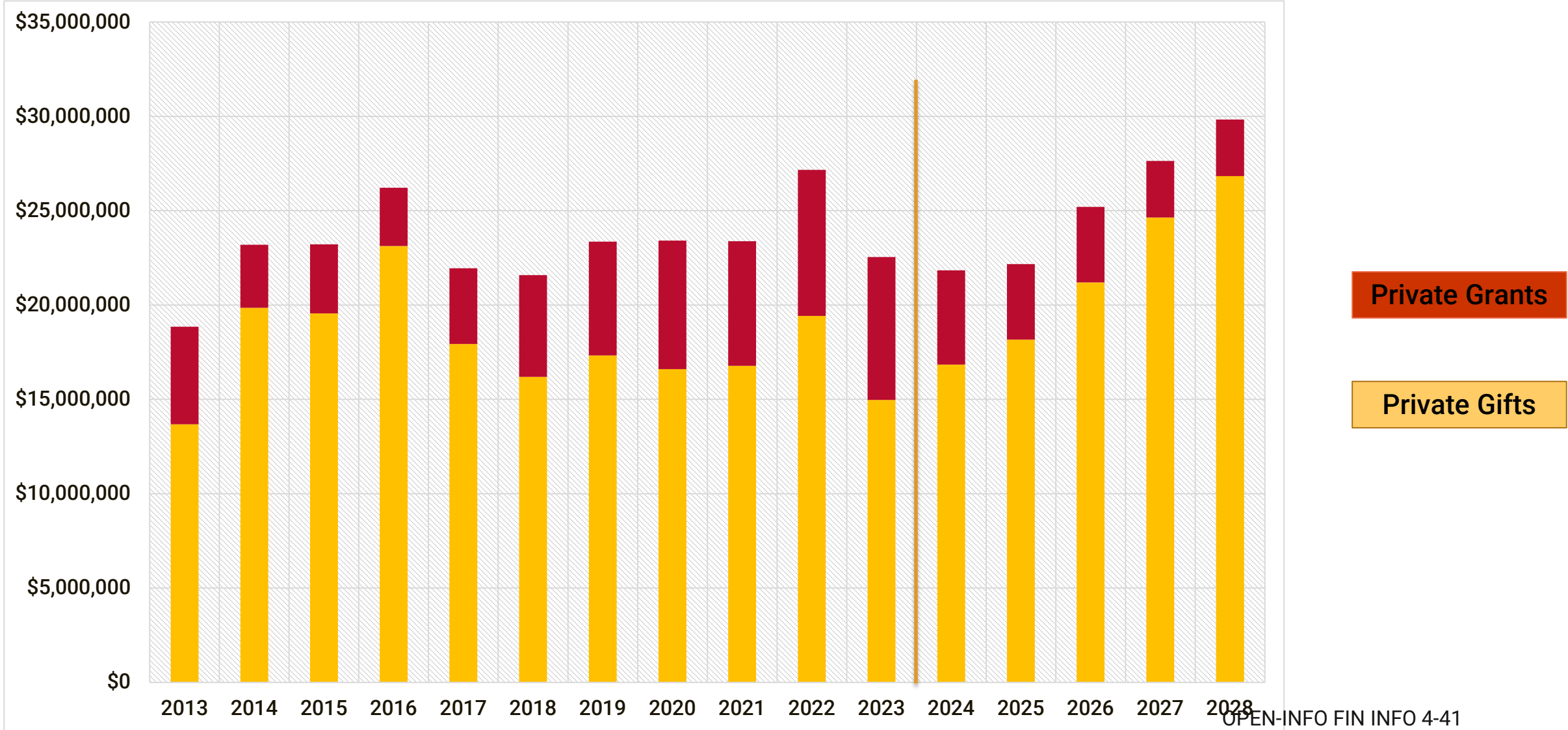
Strategic Priorities

Key Fundraising Priorities

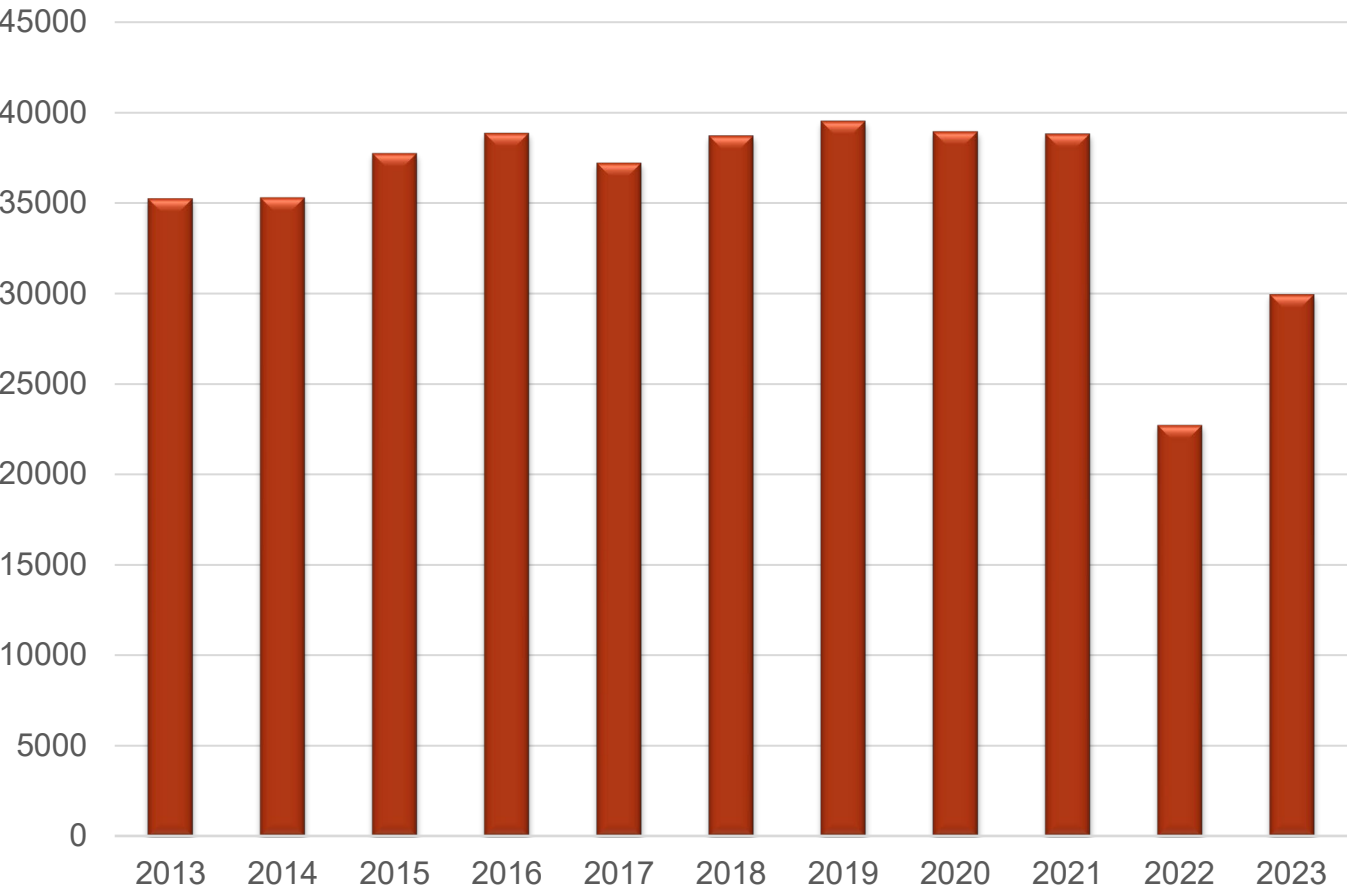
- Campus Transformation Capital Projects
 - 40% to goal (\$13.5M of \$33M)
- Scholarships, Student Access, and Retention
- Business & Workforce-Aligned Initiatives
- Faculty Teaching & Research Support



10-Year Fundraising



10-Year Number of Donors



FY23 Fundraising Data

Total Annual Gifts
(gifts less than \$30,000)

\$10,496,380

Number of New Donors

9,252

Donor Retention Rate

84%

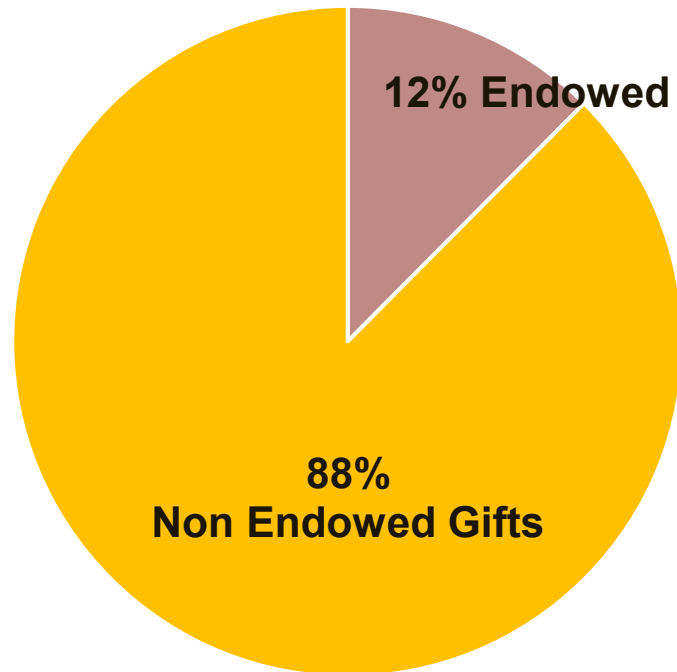
**UMSL Leadership
Participation Rate**

100%



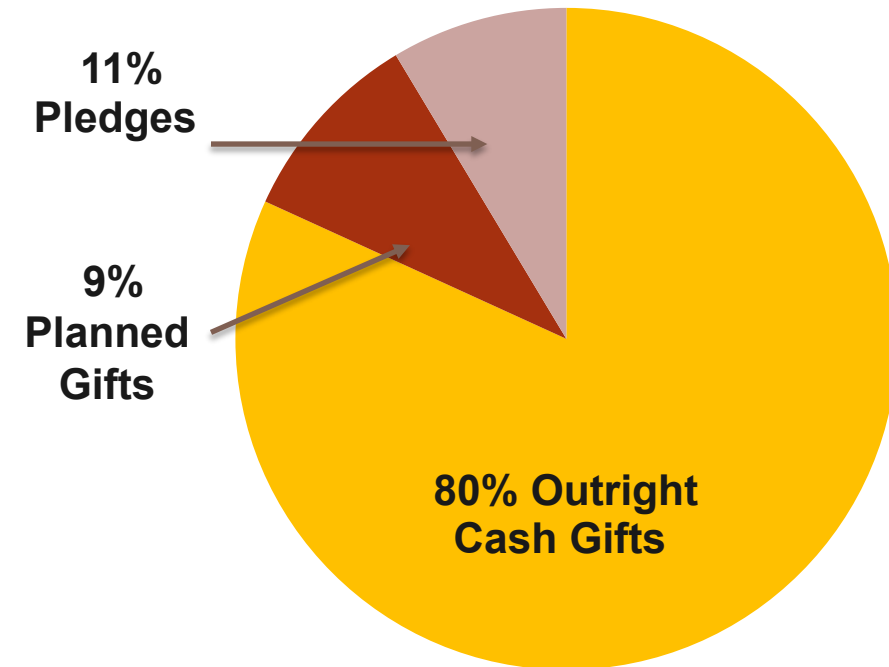
FY23 Types of Giving

Endowed Gifts vs. Non-Endowed Gifts



Growing endowed gifts allows for program sustainability in perpetuity.

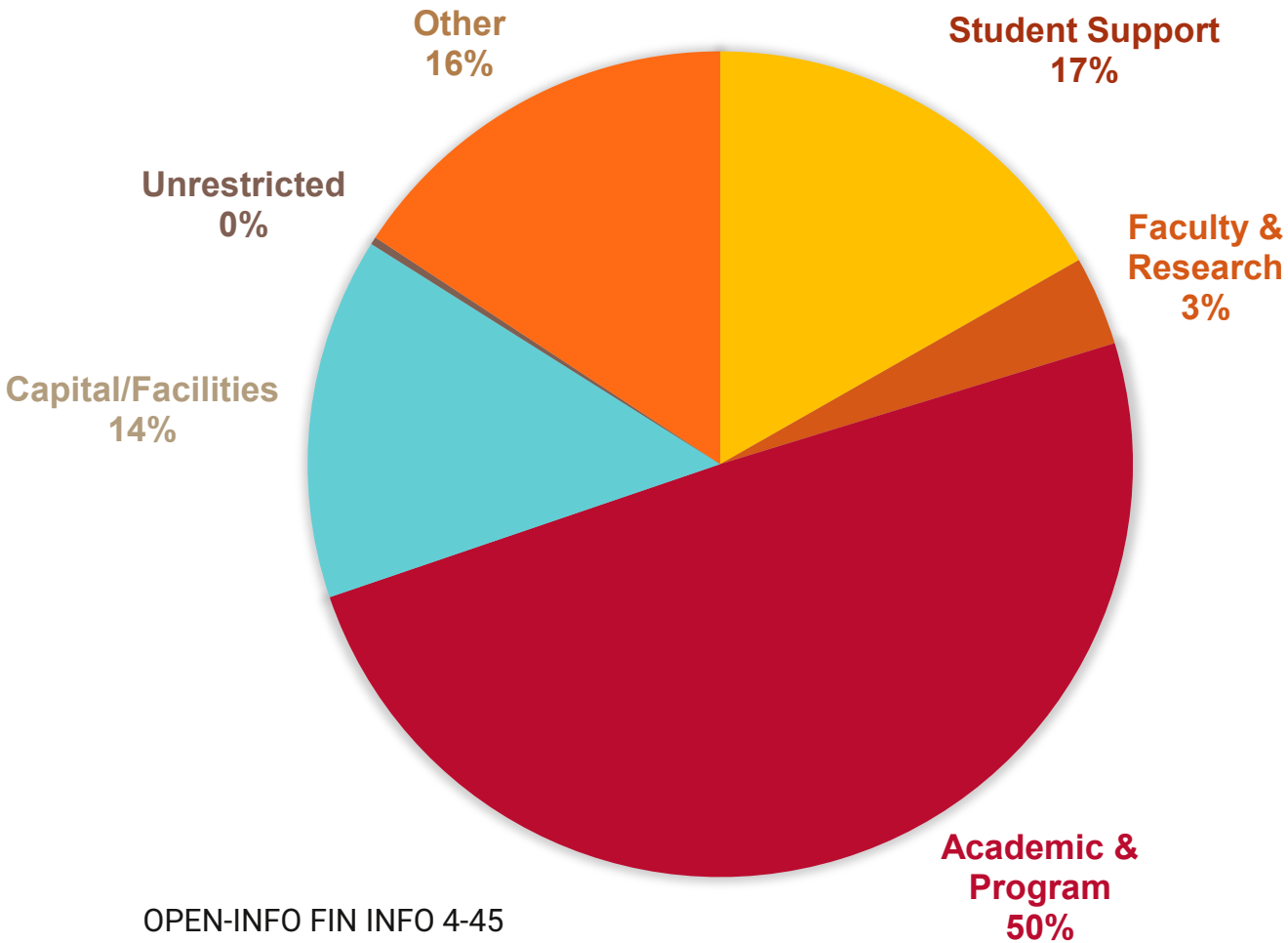
Near Term vs. Long Term Impact



Planned Gifts make up 20-30% of Fundraising in a Campaign and are often largest gifts to institution today and in the future.

FY23 Giving Purpose

Student Support	\$2,509,758
Faculty & Research	\$523,198
Academic & Program	\$7,410,204
Capital/Facilities	\$2,122,393
Unrestricted	\$44,604
Other	\$2,356,689





THANK YOU

University of Missouri Board of Curators

OPEN-INFO FIN INFO 4-46

Fall Semester

Fiscal Year 2025 Student Housing and Dining Rates UM

At the November 16, 2023 Board of Curators meeting, Executive Vice President Ryan Rapp will present the FY2025 Housing and Dining rate recommendations for approval. The rates would become effective for the Summer Session 2024.

Many housing and dining opportunities are available to University of Missouri System students. On-campus living has been provided at each university for many years and continues to provide valuable benefits:

- Improves student academic success
- Increases the likelihood of continuance and graduation
- Builds a sense of connection to other students from living in a community
- Provides better security and safety from campus police and security measures.

Room and board charges vary across the four universities. The table below shows current and recommended rates for the predominant room and board plan on each university. The rates are driven by various factors that impact housing and dining and university operations such as costs of operation including debt service, contractual arrangements with third-party vendors, and the relative attractiveness of each option for students. The rates were set to achieve a balance between maintaining financial sustainability of the housing and dining auxiliary and affordability for students.

Summary of Predominant Room and Board Plans for an Academic Year

	FY2024 ¹ \$	FY2025 \$	Increase/ Decrease (\$)	Percent Change
MU	\$11,105	\$11,558	\$453	4.1%
UMKC	11,908	12,384	476	4.0%
Missouri S&T	10,920	11,269	349	3.2%
UMSL	11,753	12,108	355	3.0%

Note 1: Predominant plans changed in FY 2025, FY 2024 rate is updated to reflect comparable room and board plans.

November 16, 2023

No. 1

Recommended Action - Fiscal Year 2025 Student Housing and Dining Rates, UM

It was recommended by the respective Chancellors, endorsed by President Choi, recommended by the Finance Committee, moved by Curator _____ and seconded by Curator _____, that the attached schedule of rates for the Residence Halls and Family Student Housing at MU, UMKC, Missouri S&T, and UMSL be approved effective beginning with the 2024 Summer Session.

Roll call vote Finance Committee	YES	NO
Curator Fry		
Curator Graves		
Curator Layman		
Curator Wenneker		

The motion _____.

Roll call vote Full Board:	YES	NO
Curator Blitz		
Curator Brncic		
Curator Fry		
Curator Graves		
Curator Holloway		
Curator Layman		
Curator Sinuefield		
Curator Wenneker		
Curator Williams		

The motion _____.

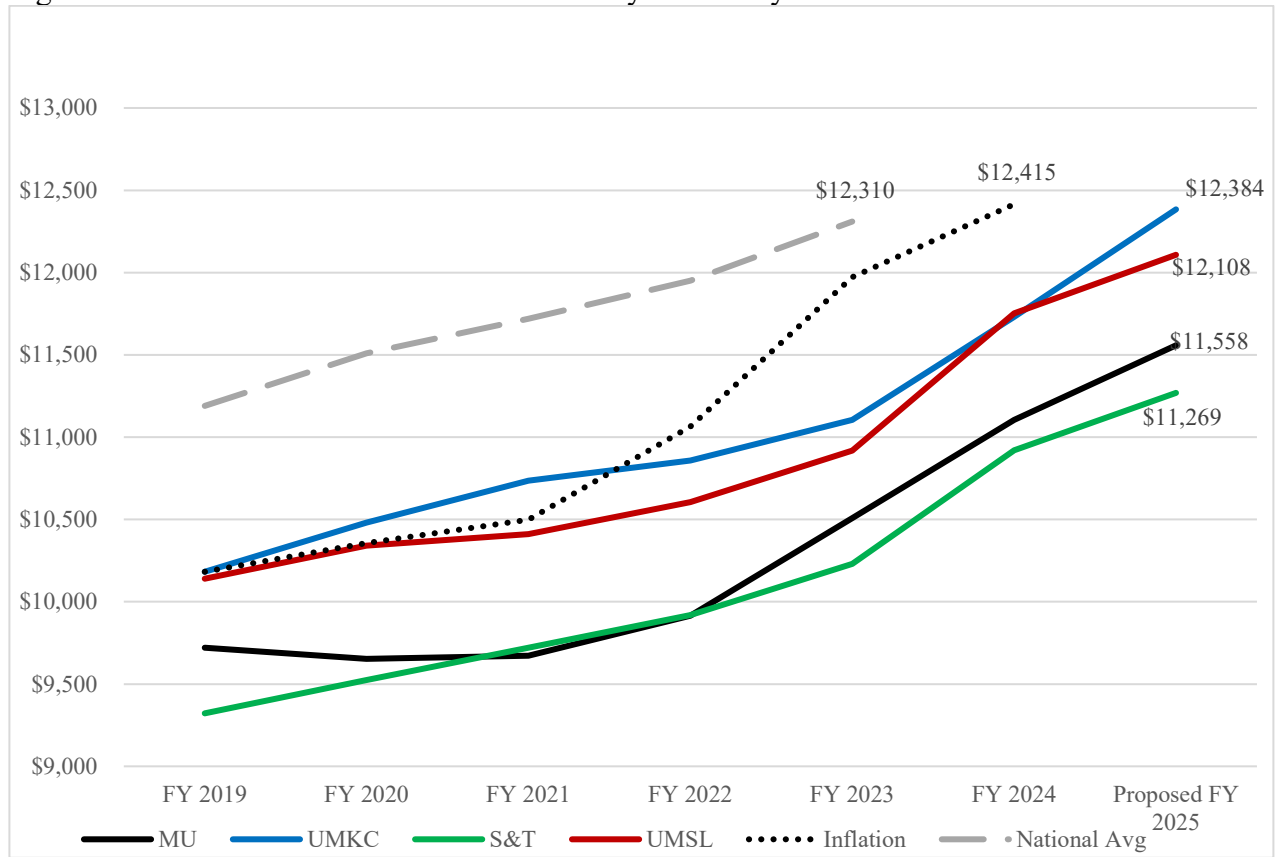
Fiscal Year 2025 Student Housing and Dining Rates UM

Attached are rate recommendations for residence halls (housing and dining) and family student housing for FY2025. The rates would become effective Summer Session 2024. These recommendations are being presented for approval.

Rate increases seek to balance affordability of housing and dining for students with the financial and capital commitments necessary to maintain the housing and dining facilities in a competitive market environment. The University's housing operations compose a quarter of the University's outstanding debt, the largest of any single line of business. Rates serve as the primary means to service the outstanding debt on the operations. Rate differentials between universities reflect the relative value differences of living and dining options students can choose.

Figure 1 presents the predominant room and board rates from FY2019 to proposed FY2025. MU dropped rates in FY2019 then proceeded to hold rates flat until FY2022. This was part of an intentional strategy to recover enrollment with lower housing costs. As enrollment and occupancy recovered to a more sustainable level, MU reset pricing to match the financial needs of the housing auxiliary. Even after the proposed increases for FY2024, the Universities' room and board rates remain below inflation and in line or below the national average rates for FY2023.

Figure 1: Predominant Room and Board Rates by University



Housing and Dining Financial Statements

Rates set for room and board are intended to support day to day operations, fund annual debt service, and to fund maintenance needs as residential facilities age. Each university provides evaluates financial performance with the rate submission to ensure that the housing and dining operations generate sufficient revenues to cover costs. The housing and dining auxiliaries remain an integral part of each campus, and their financial results contribute to each university's overall financial performance. Any underperformance by the housing auxiliary would ultimately need to be covered by other unrestricted sources of funding.

Table 1: FY2025 Projected Financial Indicators

Projected FY2025	MU	UMKC	Missouri S&T	UMSL	Total
Total Operating Revenues	\$88 million	\$16 million	\$22 million	\$5 million	\$131 million
Total Debt Outstanding	\$239 million	\$42 million	\$57 million	\$13 million	\$351 million
% of Total University Debt	37%	29%	56%	14%	24%
Debt Service Coverage	1.36	1.26	1.40	1.30	

Note: UMKC's Debt Service Coverage excludes debt service payments for Oak Place Apartments funded by general revenue sources, remaining balance of \$21 million is paid off in FY2025.

The housing auxiliaries should maintain sufficient margins to fund debt service (minimum of 1.0 on the above table). The housing auxiliary must generate sufficient revenues to fund maintenance needs. Capital investment and maintenance is imperative to preserve the value of the residential buildings through their expected lives. It is a best practice for residential life operations to plan for rates that generate sufficient funding to meet capital investment and maintenance needs.

Housing operations have leased space when necessary to deal with temporary excess demand. There are no leases in place for FY2024. If leases are necessary due to unexpected enrollment increases, rates for the leased space will fall within the approved range.

University of Missouri (MU)

The recommended predominant room and board plan will cost \$11,558 per academic year for FY2025 and consists of \$8,038 for the traditional double room and \$3,520 for the Zou Gold dining plan which offers dining anywhere on campus with an average of 12 meals per week.

Housing rates for FY2025 in university owned housing range from a high of \$12,495 per academic year for a single suite open over breaks to a low of \$7,205 for a traditional double room in Hatch Hall. In FY2025 MU will be offering a triple room rate ranging from \$6,995 per academic year to \$8,555. This housing option is introduced to continue to provide affordable rates for students while utilizing university owned facilities. In setting rates, MU segmented housing inventory into three different groups by demand profile: low-cost, mid-range, and premium housing options and structured pricing accordingly.

per academic year	FY2024 Rate	FY2025 Rate	Increase \$	Increase %
Mid-range traditional double room	\$7,715	\$8,100	\$385	5.0%
Premium traditional double room	\$8,555	\$8,810	\$255	3.0%
Single room, suites and high-demand halls	Low: \$10,610 High: \$11,795	Low: \$11,245 High: \$12,495	\$635- \$700	6.0% - 5.9%
Predominant Room – weighted average cost	\$7,755 ¹	\$8,038	\$283	3.6%

Note 1: Predominant room weighted average cost for FY2024 was updated to present a comparable year over year rate change.

FY2023 represented the final year of a multiyear agreement with The Rise to provide additional capacity. MU met housing demand for FY2024 by utilizing University owned properties. Should demand increase, and MU is unable to meet demand with owned housing stock, Residential Life would seek a contract with an external housing provider. A rate request for off-campus apartments has been included with the FY2024 proposal in case the University needs to engage the private market to meet higher enrollment.

MU proposes a 3% - 6% housing rate increase. This increase reflects inflationary cost pressures. MU benchmarked rates against off-campus housing options and believes these rates are comparable to off-campus housing options – particularly those in close proximity to campus. With enrollment increases, MU saw a return to occupancy levels exceeding 90% and expects this to continue even with the rate increases.

While developing the pricing strategy for FY2024 MU focused on three overarching goals:

- Providing safe, attractive, and well-maintained housing facilities
- Maintaining low-cost options for students who desire those options
- Providing long term financial stability through adequate funding of maintenance.

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The benefits of living on campus are proven across the nation and MU's data, which reflects students who live in MU's residence halls are more likely to stay enrolled and graduate in four years than their peers who do not.

As housing and dining operations account for 37% of MU's outstanding debt portfolio, it is imperative to continue maintaining the underlying assets leveraged by this debt. Levels of spending over the last four years were not adequate to maintain the buildings in the current state and maximize their useful life. The proposed rate increase will be used to fund ongoing maintenance and repair requirements for residential life facilities.

Dining plans will continue to offer flexibility and include low-cost options. Student can choose from three plans ranging from \$4,040 to a low of \$1,960 for a flexible dining plan option that works at all locations (including the Student Center). Students have options on the dining plan that include traditional all you care to eat locations and many a la carte residential and retail choices with hours ranging from 7:00 a.m. – 11:00 p.m. The dining plan anticipated to be selected most by students next year will be \$3,520, a flexible dining option, which is \$170, or 5% more expensive than the current year.

MU recognizes the cost to students and their families when students have to move out for breaks. Residential Life will continue to remain open for fall, winter and spring breaks. In addition, the popular "365 housing" option will continue for students who need housing year-round. Currently, many students are without housing the second half of May and first half of August, when apartment complexes are turning rooms over. Returning students who select 365 housing will be able to either stay in their room or move into a new room in May without any break in housing. These options also help students to stay on campus and complete summer school to stay on time to degree completion.

University of Missouri Kansas City (UMKC)

The predominant room and board plan at UMKC for FY 2025 will cost \$12,384 per year, an increase of \$476 or 4%. The major components of the predominant room and board include a double room at Johnson Hall or Oak Street Hall, and a dining plan which offers 15-meals per week, with \$125 flex that can be used at any campus dining location. UMKC students have four University-owned housing options available to them: Oak Street Hall, Johnson Hall, Hospital Hill Apartments and Rockhill Apartments.

UMKC is proposing a 4% housing rate increase. UMKC occupancy rates are trending positive in both the residence halls, currently at 90%, up from 82% in FY 2022, and Hospital Hill apartments, currently 86% up from 69% in FY2023. Residential Life management is working to improve financial performance by increasing occupancy, while also balancing affordability with the financial viability of the housing function.

Dining rates are proposed to increase by 4.0% to cover increases in the cost of plans provided by the contracted dining services provider. The rate increases match the cost of delivery for the dining plan offered by the vendor.

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University of Missouri Science & Technology (Missouri S&T)

The predominant room and board plan at Missouri S&T for FY 2025 will cost \$11,269 per academic year and consists of a double room and declining balance meal plan per semester. The increase in the predominant room and board plan at Missouri S&T is 3.2% or \$349 for the academic year.

The recommended rates are a balance between meeting the financial needs of the housing auxiliary and affordability for students. The rates were set with the objective of making minimal increases to rooms with the least demand and greater increases for rooms in more desirable halls. Room rates range from a high of \$10,900 per academic year (a 5.0% increase from prior year) for a single bedroom/apartment style room in University Commons, which is the newest facility, to \$6,335 per academic year (a 1.5% from prior year) for a triple room in Thomas Jefferson South.

Missouri S&T has five different meal plans available ranging from a high of \$4,100 for all access in Thomas Jefferson plus \$150 declining balance per year to a low of a \$2,520 declining balance for upperclassmen or \$3,750 declining balance for freshman per year. Missouri S&T is requesting an average 6.5% increase across the five options, this decision was based on contracted obligations from the third-party provider and demand for the meals plans offered.

Missouri S&T projects modest increase in freshman enrollment which will continue slowly increasing this occupancy rate. For FY 2025, Missouri S&T anticipates an 88.6% occupancy rate. The majority of the resident students are either first year or second year students, so these increases primarily reflect the anticipated growth in freshman classes for FY 2024 and FY 2025. The upper division students that do choose to live on-campus prefer a private accommodation. There is sufficient capacity to accommodate the projected demand for student housing through the five-year planning horizon.

University of Missouri St. Louis (UMSL)

The predominant room and board plan at UMSL for FY 2025 will cost \$12,108 per academic year. The predominant plan consists of a single room in Oak Hall and a 100-block meal plan plus \$350 declining balance dollars per semester. The increase in the predominant room and board plan at UMSL is 3.0% or \$355 for the academic year.

UMSL strives to maintain affordability for students, 44% of the current residential population are Pell eligible students which depend on their education, campus experiences and housing to be financially accessible. To maintain affordable housing rates for students, UMSL has proposed to increase housing rates by 3%.

UMSL's meal plans are contracted with a third-party food service provider which will necessitate an annual increase to account for food at home cost changes each year. Six meal plans are offered and range from a low of \$3,193 per academic year for a 80-meal block with a \$600 declining balance per semester to a high of \$5,356 for an all access plan with a \$100 declining balance per semester. The increases are based on the food away from home consumer price index which rose 6.5% over prior year.

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In line with the campus master plan, UMSL closed Mansion Hill Condominiums during Summer 2023. Deferred maintenance on Mansion Hill is currently \$18.3 million. With the consolidation to Oak Hall, UMSL can focus maintaining residential life facilities which support the current and expected student population.

Projected occupancy in Oak Hall for FY 2024 was 85% or 352 beds. Current occupancy to date is 366 beds or 88.4% occupancy. Occupancy in Oak Hall has improved over prior academic year with the closure of Mansion Hill. Subsequent growth within the residential community will be dependent on enrollment.

The table on the next page summarizes the room and board predominant plan for each campus as well as the range of plan options. Campus specific tables detailing contract rates for housing and dining options follow.

Summary of Housing Contracts, Effective Beginning with the 2024 Summer Session

MU				
Room and Board Plans				
Academic Year - 2 Semesters		FY2024	FY2025	Increase/ Decrease Percent Change
Room and Board - Predominant Plan		11,105	\$11,558	\$453 4.1%
Traditional double room (average)		7,755	8,038	283 3.6%
Zou Gold		3,350	3,520	170 5.1%
Range of Plan Options				
Housing Options	High	\$11,795	\$12,495	Single/Double suite open over breaks
Housing Options	Low	6,995	6,995	Triple (low cost)
Meal Plan Options	High	3,850	4,040	Tiger Plan Platinum
Meal Plan Options	Low	1,870	1,960	Zou Silver
UMKC				
Room and Board Plans				
Academic Year - 2 Semesters		FY2024	FY2025	Increase/ Decrease Percent Change
Room and Board - Predominant Plan		\$11,908	\$12,384	\$476 4.0%
Traditional Double A/C		7,824	8,137	313 4.0%
Meal Plan 1 - 15 meal - w/\$125 Flex/sem		4,084	4,247	163 4.0%
Range of Plan Options				
Housing Options	High	\$13,076	\$13,599	Single room apartment
Housing Options	Low	7,824	8,137	Double A/C
Meal Plan Options	High	4,294	4,466	140 block with \$300 flex/sem
Meal Plan Options	Low	4,062	4,224	180 Meal Block - \$175 flex/sem
S&T				
Room and Board Rates				
Academic Year - 2 Semesters		FY2024	FY2025	Increase/ Decrease Percent Change
Room and Board - Predominant Plan		\$10,920	\$11,269	\$349 3.2%
Renovated Double		7,720	7,835	115 1.5%
Silver 150 Meals plus \$330 DBD		3,200	3,434	234 7.3%
Range of Plan Options (1)				
Housing Options	High	\$10,380	\$10,900	Single University Commons
Housing Options	Low	6,240	6,335	Triple Room
Meal Plan Options	High	4,100	4,100	Platinum
Meal Plan Options	Low	2,200	2,520	Emerald (upperclassmen only)
UMSL				
Room and Board Plans				
Academic Year - 2 Semesters		FY2024	FY2025	Increase/ Decrease Percent Change
Room and Board - Predominant Plan		\$11,753	\$12,108	\$355 3.0%
Single Room		7,555	7,782	227 3.0%
100 Block Meals - DBD \$350/semester		4,199	4,326	127 3.0%
Range of Plan Options				
Housing Options	High	\$7,555	\$7,782	Oak Hall Single
Housing Options	Low	5,453	5,618	Double Room Dept and Student Leader
Meal Plan Options	High	5,200	5,356	All Access Plan -19 Meals per week with \$100 DBD
Meal Plan Options	Low	3,100	3,193	80 Block Plan ** DBD \$600/sem

(1) Meal plan costs are still under negotiation with third-party vendor but will not increase more than stated rate on following tables

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University of Missouri - Columbia, Proposed Changes in Housing & Dining Contract Rates for FY2025
Effective Beginning with the 2024 Summer Session

Room and Board Plans				
Academic Year - 2 Semesters	FY2024	FY2025	Increase/ Decrease	Percent Change
Predominant Plan				
Room and Board	\$ 11,105	\$ 11,558	\$ 453	4.1%
Traditional double room (average)	7,755	8,038	283	3.6%
Zou Gold	3,350	3,520	170	5.1%
Meal Plans Options				
Regular Academic Year (Two Semesters)				
Zou Platinum	\$ 3,850	\$ 4,040	\$ 190	4.9%
Zou Gold	3,350	3,520	170	5.1%
Zou Silver	1,870	1,960	90	4.8%
Summer Session				
Tiger Plan	\$935	\$980	\$45	4.8%
Housing Options				
Regular Academic Year (Two Semesters)				
Single Suite	\$ 11,795	\$ 12,495	\$ 700	5.9%
Single	10,610	11,245	635	6.0%
Single - Hatch and Schurz Hall	9,035	9,575	540	6.0%
Semi-Suite Double	10,065	10,365	300	3.0%
Double Suite	11,750	12,105	355	3.0%
Double (premium)	8,555	8,810	255	3.0%
Double (mid-range)	7,715	8,100	385	5.0%
Double (low cost)	6,995	7,205	210	3.0%
Triple (low cost)	-	6,995	N/A	N/A
Triple (mid-range)	-	8,555	N/A	N/A
Mizzou apartments (range)				
	FY2024		FY2025	
	low	premium	low	premium
	\$ 4,900	\$ 11,995	\$ 5,000	\$ 12,995
Summer Session				
	FY2024	FY2025	Increase/ Decrease	Percent Change
Single	\$ 1,982	\$ 2,100	\$ 118	6.0%
Double	1,420	1,477	57	4.0%
Family Student Housing (Per Month)				
	FY2024		FY2025	
	low	premium	low	premium
Tara Apartments (Range)	\$ 650	\$ 960	\$ 670	\$ 995

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University of Missouri - Kansas City, Proposed Changes in Housing & Dining Contract Rates for FY2025
Effective Beginning with the 2024 Summer Session

Room and Board Plans				
Academic Year - 2 Semesters	FY2024	FY2025	Increase/ Decrease	Percent Change
Predominant Plan				
Room and Board	\$ 11,908	\$ 12,384	\$ 476	4.0%
Double	7,824	8,137	313	4.0%
Meal Plan 1 - 15 meal - w/\$125 Flex/sem	4,084	4,247	163	4.0%
Meal Plans Defined				
15 meal - w/\$125 Flex/sem	\$ 4,084	\$ 4,247	\$ 163	4.0%
180 Block Meal w/ \$175 Flex/sem	4,062	4,224	162	4.0%
7 Meals/wk, 50 Block/sem, \$300 Flex/sem	4,294	4,466	172	4.0%
Housing Options - Regular Academic Year (Two Semesters)				
Johnson Hall				
Double	\$ 7,824	\$ 8,137	\$ 313	4.0%
Single Private Bath A/C	9,892	10,288	396	4.0%
Single Shared Bath A/C	9,674	10,061	387	4.0%
Oak Street				
Double	\$ 7,824	\$ 8,137	\$ 313	4.0%
Single Private Bath A/C	9,892	10,288	396	4.0%
Single Shared Bath A/C	9,674	10,061	387	4.0%
Triple & Single W/Common	10,120	10,525	405	4.0%
Hospital Hill Apts				
Quad Apts	\$ 10,390	\$ 10,806	\$ 416	4.0%
Double Apt	11,842	12,316	474	4.0%
Single Apt	13,076	13,599	523	4.0%
UMKC Homes Rockhill (3rd Party)				
Double Apt	\$ 11,344	\$ 11,798	\$ 454	4.0%
Summer Session (1)				
Johnson Hall - Room Only				
Double	\$ 2,831	\$ 2,945	\$ 114	4.0%
Single Private Bath	3,580	3,723	143	4.0%
Single Shared Bath	3,502	3,642	140	4.0%
Oak Street East - Room Only				
Double	\$ 2,831	\$ 2,945	\$ 114	4.0%
Single Private Bath A/C	3,580	3,723	143	4.0%
Single Shared Bath A/C	3,502	3,642	140	4.0%
Triple & Single W/Common	3,663	3,809	146	4.0%
Hospital Hill Apts				
Quad Apt	\$ 3,761	\$ 3,911	\$ 150	4.0%
Double Apt	4,286	4,458	172	4.0%
Single Apt	4,733	4,922	189	4.0%
UMKC Homes Rockhill (3rd Party)				
Double Apt	\$ 4,106	\$ 4,270	\$ 164	4.0%

(1) Summer Rate is for Full Summer (134 days) and based on the daily rate for Spring/Fall.

Missouri S&T, Proposed Changes in Housing & Dining Contract Rates for FY2025
Effective Beginning with the 2024 Summer Session

Room and Board Rates				Increase/	Percent
Academic Year - 2 Semesters		FY2024	FY2025	Decrease	Change
Predominant Plan¹					
Room and Board		\$ 10,920	\$ 11,269	\$ 349	3.2%
Thomas Jefferson North Renovated Double		7,720	7,835	115	1.5%
Silver 150 Meals plus \$330 DBD		3,200	3,434	234	7.3%
Meal Plans Defined²					
The FY2025 meal plans reflect a new structure as such comparable rates are not available. FY2024 meal plans ranged from \$2,200 to \$4,100. The overall average increase is 6.5% and the anticipated predominate plan increase is 7.5%,					
Platinum	All Access plus \$150 DBD		\$ 4,100	N/A	N/A
Gold	200 Meals plus \$200 DBD		3,978	N/A	N/A
Silver	150 Meals plus \$330 DBD		3,434	N/A	N/A
Bronze	Declining Balance Dollars		3,750	N/A	N/A
Emerald	Declining Balance Dollars (upperclassmen only)		2,520	N/A	N/A
Housing Options - Regular Academic Year (Two Semesters)					
Residential College Suites					
Double Suite		\$ 8,750	\$ 9,010	\$ 260	3.0%
Double Deluxe Suite		8,880	9,320	440	5.0%
Single Deluxe Suite		9,990	10,490	500	5.0%
Single Bed in Triple Room		9,680	10,160	480	5.0%
Thomas Jefferson North					
Double Room		\$ 7,720	\$ 7,835	\$ 115	1.5%
Single Room		8,890	9,070	180	2.0%
Thomas Jefferson South					
Double Room		\$ 7,820	\$ 7,940	\$ 120	1.5%
Single Room		8,890	9,070	180	2.0%
Triple Room		6,240	6,335	95	1.5%
Miner Village Apartments					
4 Bedroom Apartments		\$ 9,100	\$ 9,460	\$ 360	4.0%
2 Bedroom Apartments		9,660	10,140	480	5.0%
University Commons					
Double		\$ 8,930	\$ 9,200	\$ 270	3.0%
Single		10,380	10,900	520	5.0%
Rolla Suites					
Single Efficiency		\$ 9,070	\$ 9,520	\$ 450	5.0%
Summer Session					
Combined Room and Board Rates		FY2024	FY2025	Increase/Decrease	Percent Change
University Commons--rate includes 100 Miner Bucks					
Single		\$ 1,150	\$ 1,185	\$ 35	3.0%
Double		850	875	25	2.9%

(1) Missouri S&T predominant meal plan changed in FY 2025, FY 2024 rate is updated to reflect comparable meal

(2) Meal plan costs are still under negotiation with third-party vendor but will not increase more than stated rate on following tables

November 16, 2023

UMSL, Proposed Changes in Housing & Dining Contract Rates for FY2025
Effective Beginning with the 2024 Summer Session

Room and Board Plans					
Academic Year - 2 Semesters	FY2024	FY2025	Increase/ Decrease	Percent Change	
Predominant Plan					
Room and Board	\$ 11,753	\$ 12,108	\$ 355	3.0%	
Oak Single Room	7,555	7,782	227	3.0%	
100 Block Meals - \$350 declining balance/sem	4,199	4,326	127	3.0%	
Meal Plans Defined					
100 Block Meals - DBD \$350/sem	\$ 4,199	\$ 4,326	\$ 127	3.0%	
150 Block Meals - DBD \$250/sem	4,719	4,862	143	3.0%	
200 Block Meals - DBD \$150/sem	4,848	4,996	148	3.1%	
All Access Plan -19 Meals per week with \$100 DBD	5,200	5,356	156	3.0%	
All Declining Plan \$1,950(DBD)	3,900	3,900	-	0.0%	
80 Block Plan ** DBD \$600/sem	3,100	3,193	93	3.0%	
Housing Options - Regular Academic Year (Two Semesters)					
Oak Hall					
Double Room Dept and Student Leader	\$ 5,453	\$ 5,618	\$ 165	3.0%	
Single Room	7,555	7,782	227	3.0%	
Single Room Dept and Student Leader	6,799	7,004	205	3.0%	
Summer Session - Room Only					
	FY2024	FY2025	Increase/ Decrease	Percent Change	
Oak Hall Double Room - LL	\$ 1,355	\$ 1,396	\$ 41	3.0%	
Oak Hall Single Room	1,697	1,748	51.32	3.0%	

Fiscal Year 2025 Student Housing and Dining Rates

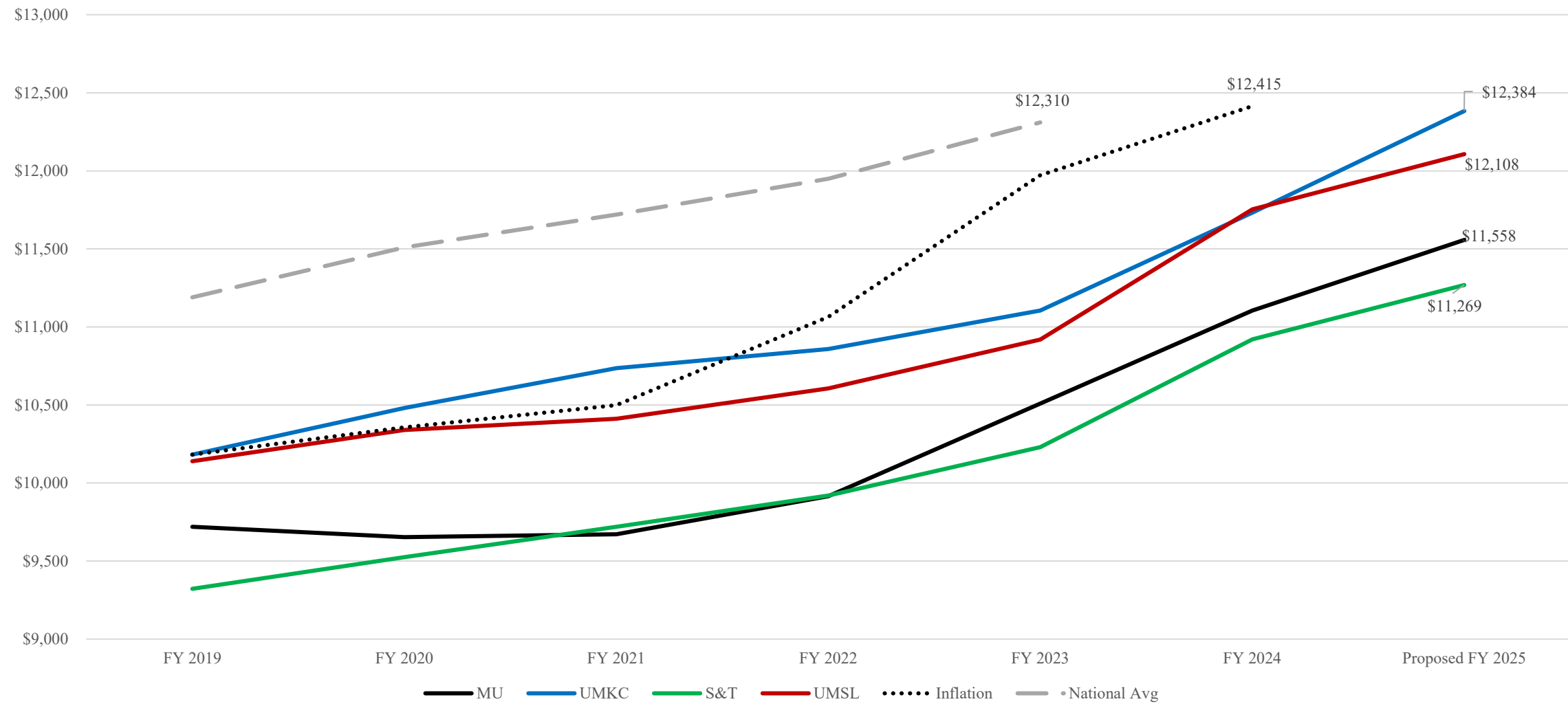
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FY2025 Housing & Dining Rates

- The rates were set to achieve a balance between affordability for students and funding financial and capital commitments necessary to support the operation.
- The rates are driven by:
 - Debt service
 - Investments in buildings & maintenance
 - Inflationary pressure on food, labor, and utility costs, and contractual arrangements with third-party vendors
 - Affordability for students

Room and Board Rate History



FY2024 Housing & Dining Rates

MU

Predominant Plan

\$11,558 4.1%

R - \$8,038 3.6%

B - \$3,520 5.1%

Range

R - High \$12,495

R - Low \$6,995

B - High \$4,040

B - Low \$1,960

UMKC

Predominant Plan

\$12,384 4.0%

R - \$8,137 4.0%

B - \$4,247 4.0%

Range

R - High \$13,599

R - Low \$8,137

B - High \$4,466

B - Low \$4,224

Missouri S&T

Predominant Plan

\$11,269 3.2%

R - \$7,835 1.5%

B - \$3,434 7.3%

Range

R - High \$10,900

R - Low \$6,335

B - High \$4,100

B - Low \$2,520

UMSL

Predominant Plan

\$12,108 3.0%

R - \$7,782 3.0%

B - \$4,326 3.0%

Range

R - High \$7,782

R - Low \$5,618

B - High \$5,356

B - Low \$3,193

R-Room B-Board

Questions?

Project Approval
Veterinary Medical Expansion
MU

University of Missouri – Columbia requests project approval for the Veterinary Medical Expansion project. The project budget of \$43,00,000, will be funded by a State Appropriation through the Missouri Department of Agriculture.

The existing Veterinary Medical Diagnostics Laboratory (VMDL) is a stand-alone facility situated in the veterinary medical complex in close proximity to the Veterinary Medicine Building and the Veterinary Health Center. Built in the mid-1970's, the current facility serves both MU and the State of Missouri and supports biomedical and translational research and training for veterinary students and residents. Phase One construction of the VMDL is nearing completion and will provide vital improvements while providing functions to enable the next phase of construction and renovation on the veterinary medical campus.

The Veterinary Health Center (VHC, also known as Clydesdale Hall) opened in 1992 with a class size of approximately 60 students for a total of about 120 students in the VHC at one time. Since then, the class size has doubled to approximately 120, for a total of 240 students. The number of veterinary specialties offered has also increased. Additional space is needed to accommodate this expansion. The VHC houses a veterinary teaching hospital and clinic that provides teaching, medical services, and research in support of the mission of the Department of Veterinary Medicine and Surgery at MU.

This project envisions demolishing the existing 1970's VMDL facility to accommodate a new addition to the Phase One building currently under construction. This addition will include space for the VMDL's Histopathology Core, Clinical Pathology Core, Toxicology Lab, and other support spaces. In addition, the project will develop, to the extent possible, new and renovated space to relieve some of the crowded conditions in the VHC. A study is currently in progress to develop a plan to accomplish this goal, including evaluating a connection between the VHC and VMDL facilities.

The recommended consultant team is Clark & Enersen, Inc., Kansas City, Missouri. The selection committee also interviewed BSA LifeStructures, Inc., St. Louis, Missouri.

The fee for basic architectural and engineering services has been determined by referencing the University of Missouri's "Architectural and Engineering Basic Services Fee Estimating Guidelines." The project is considered a Type V – New Construction (considerably more than average complexity), and the calculated basic services fee is \$1,768,000 based upon 6.8% of the estimated \$26,000,000 construction cost. Additional services to the basic design fee include preparation of up to three separate bid packages, furniture and equipment planning, AV planning, and an accelerated design schedule. A total of \$670,000 in additional services is anticipated for a total maximum fee of \$2,438,000.

The project is expected to be complete by Fall 2026. The project will be delivered as a Construction Manager at Risk Project.

November 16, 2023

No. 2

Recommended Action - Project Approval, Veterinary Medical Expansion, MU

It was recommended by President Choi and recommended by the Finance Committee, moved by Curator _____ and seconded by Curator _____, that the following action be approved:

The project approval for the Veterinary Medical Expansion, MU

Funding of the project budget is from:

State Appropriation	<u>\$43,000,000</u>
Total Funding	\$43,000,000

Roll call vote Finance Committee	YES	NO
----------------------------------	-----	----

Curator Fry

Curator Graves

Curator Layman

Curator Wenneker

The motion _____.

Roll call vote Full Board:	YES	NO
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Curator Blitz

Curator Brncic

Curator Fry

Curator Graves

Curator Holloway

Curator Layman

Curator Sinquefield

Curator Wenneker

Curator Williams

The motion _____.

Amendment of Endowment or Gift Agreements with Racial or Ethnic Award Criteria or Preferences

Executive Summary

In light of the U.S. Supreme Court's decision in Students for Fair Admissions, Inc. v. President and Fellows of Harvard College, 600 U.S. 181 (2023), and the directive from Missouri Attorney General Andrew Bailey to all Missouri institutions dated June 29, 2023, the University immediately discontinued the use of race or ethnicity criteria or preferences in awarding scholarships and other valuable program benefit awards.

The Board has reserved discretion to modify the terms of certain endowment and gift agreements for which awards have been suspended.

Passage of this Resolution would amend such agreements, to excise and remove all racial or ethnic criteria or preferences from such agreements, in order to resume the making of new awards under the remaining non-discriminatory criteria specified in those agreements.

No. 3

Recommended Action - Amendment of Endowment or Gift Agreements with Racial or Ethnic Award Criteria or Preferences

It was recommended by Executive Vice President, Ryan Rapp, endorsed by President Choi, moved by Curator _____ and seconded by Curator _____, that the following action be approved:

WHEREAS, In light of the U.S. Supreme Court's decision in Students for Fair Admissions, Inc. v. President and Fellows of Harvard College, 600 U.S. 181 (2023), and the directive from Missouri Attorney General Andrew Bailey to all Missouri institutions dated June 29, 2023, the University is required to discontinue immediately use of race or ethnicity criteria or preferences for scholarships and other valuable program benefit awards.

WHEREAS, In accordance with these authorities, the Office of General Counsel has determined that provisions or portions of provisions in any endowment or gift agreement of the University, regardless of form or funding source ("Endowment or Gift Agreement"), reciting any racial or ethnic criterion or preference in the scholarship or other valuable program benefit award process ("Racial Criteria") are unlawful, and has recommended to all Financial Aid and Advancement Offices that no future awards shall be made therefrom with use of such Racial Criteria.

WHEREAS, certain Endowment and Gift Agreements bear the following clause, or similar derivations of the following clause, which permits amendment of such Endowment and Gift Agreements by the Board of Curators ("Board Amendment Clause") :

Realizing that the human mind cannot predict the circumstances of the future, the Board of Curators is hereby authorized to change the terms and conditions for the handling of this fund, if, in its judgment, it becomes advisable to do so in order to better carry out the original purpose and intent of the fund.

NOW THEREFOR, be it Resolved by the Board of Curators as follows:

1. Findings. The Board of Curators, in its judgment, deems it advisable to amend the terms and conditions of all Endowment and Gift Agreements containing Racial Criteria.

November 16, 2023

2. Amendment of Endowment and Gift Agreements. For all Endowment and Gift Agreements which contain Racial Criteria, and which contain a Board Amendment Clause, all Racial Criteria are hereby deemed to be amended and removed, with all remaining portions of the applicable Endowment or Gift Agreement to remain in force and unaffected thereby, and to be administered in accordance with such remaining portions only for all future awards. A copy of this Board Action should be attached to each applicable Endowment or Gift Agreement.

3. Further Authority. The President, the Executive Vice President for Finance and Operations, Chief Financial Officer and Treasurer (EVP), and the General Counsel or their designees, as well as each officer or employee of the University charged with awarding or administering the amended Endowment and Gift Agreements are hereby authorized and directed to, take such further action and execute and deliver such other documents and instruments as may be necessary or desirable to carry out and comply with the intent of this Board Action, and to carry out, comply with and perform the duties of the University with respect to the amended Endowment and Gift Agreements.

4. Severability. The sections, paragraphs, sentences, clauses and phrases of this Board Action shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of the Board Action are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the University has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

5. Governing Law. This Board Action shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

6. Effective Date. This Board Action shall take effect and be in full force immediately after its adoption by the Board of Curators.

Roll call of the Committee:

YES

NO

Curator Fry
Curator Graves
Curator Layman
Curator Wenneker

The motion _____.

November 16, 2023

Roll call vote of the Board:

YES

NO

Curator Blitz

Curator Brncic

Curator Fry

Curator Graves

Curator Holloway

Curator Layman

Curator Siquefield

Curator Wenneker

Curator Williams

The motion _____.

No. 1

Recommended Action - Election of Board of Curators Chair, 2024

Upon the motion of Curator _____, Curator _____ was nominated to serve as Chair of the Board of Curators for the term January 1, 2024 through December 31, 2024. The nomination was seconded by Curator _____.

Roll call vote:	YES	NO
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Curator Blitz

Curator Brncic

Curator Fry

Curator Graves

Curator Holloway

Curator Layman

Curator Sinuefield

Curator Wenneker

Curator Williams

The motion _____.

November 16, 2023

No. 2

Recommended Action - Election of Board of Curators Vice Chair, 2024

Upon the motion of Curator _____, Curator _____ was nominated to serve as Vice Chair of the Board of Curators for the term January 1, 2024 through December 31, 2024. The nomination was seconded by Curator _____.

Roll call vote:	YES	NO
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Curator Blitz		
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Curator Brncic		
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Curator Fry		
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Curator Graves		
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Curator Holloway		
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Curator Layman		
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Curator Sinuefield		
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Curator Wenneker		
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Curator Williams		
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The motion _____.

November 16, 2023

GOOD AND WELFARE
OF THE BOARD

There are no materials for this information item.