

MISSISSIPPI  
BOARD OF TRUSTEES  
OF STATE  
INSTITUTIONS OF HIGHER LEARNING



FINAL BOARD BOOK  
January 22, 2015



# **FINAL BOARD BOOK OUTLINE**

## **IHL Board Meeting**

January 22, 2015 9:00 a.m.  
IHL Boardroom Universities Center  
3825 Ridgewood Road  
Jackson, MS 39211

## **CALL TO ORDER**

### **PRAYER**

Trustee Robin Robinson

## **INTRODUCTION OF GUESTS**

### **MINUTES**

December 18, 2014 Regular Board Meeting  
December 22, 2014 Emergency Special Called Meeting

## **CONSENT AGENDAS**

Trustee Aubrey Patterson

## **FINANCE**

1. UMMC – Approval to Enter into Purchasing Agreement with EOS Imaging, Inc. ....1

2. UMMC – Approval of Amendment of Master Agreement with Roche Diagnostics Corporation for Equipment Changes .....	2
3. UMMC - Approval of a New Product Schedule for the Grenada Facility Applicable to the Existing Master Agreement with Roche Diagnostic Corporation .....	4
4. UMMC - Approval to Amend the Master Agreement with Roche Diagnostics Corporation to Include the Grenada, MS Facility .....	7
5. UMMC - Approval of a New Product Schedule for the Main Campus Emergency Department Applicable to the Existing Master Agreement with Roche Diagnostic Corporation .....	8
6. UMMC - Approval of Second Amendment to a Lease Agreement with Specialty Hospital – Jackson, Inc. ....	10
7. UMMC - Approval of Amendment to Purchase Agreement with St. Jude .....	13
8. UMMC – Approval of Staffing Services Agreement with TEKsystems, Inc.....	17
9. UMMC - Approval of Subscription and Licensing Agreement with UpToDate®, Inc. ...	19
10. MSU – Mississippi Information Technology Services Agreement with Ellucian Company, L.P. ....	21

**REAL ESTATE**

Approval of Initiations of Projects/Appointments of Professionals

*Bureau of Building Projects*

1. MUW – GS 104-184 – Fant Library Renovation – Phase III, Design Professional – Burris/Wagnon Architects, P.A. ....	3
2. USM – GS 108-266 – USM Electrical Systems Upgrade, Design Professional – Watkins and O’Gwynn (Schultz & Wynne, P.A.) .....	4

*IHL Projects*

3. UM – IHL 207-397 – Vaught Hemingway Stadium – AV and Lighting Upgrades, Design Professional – To Be Determined Through Request for Qualification Process .....	5
4. UM – IHL 207-398 – John W. White Physical Plant Building West Wing Addition, Design Professional – Foil-Wyatt Architects .....	7
5. UM – IHL 207-399 – University Avenue Bridge Renovation, Design Professional – Buchart Horn, Inc./BASCO Associates .....	8
6. UM – IHL 207-400 – Kincannon Hall Renovation – Design Professional – To Be Determined Through Request for Qualifications.....	9
7. UMMC – IHL 209-551 – Main Pharmacy Renovations, Design Professional – The McCarty Company Design Group .....	10
8. USM – IHL 208-330 – Football Locker Room Renovation, Design Professional – AECOM .....	11

Approval of Budget Increase/Change of Scope/Change of Funding Source

*Bureau of Building Projects*

- 9. USM – GS 108-264 – Energy Reduction Retrofits, Design Professional – Watkins, and O’Gwynn (Schultz & Wynne, P.A.) .....13

**LEGAL**

- 1. UMMC – Approval to Renew its Contract with James Mingee D/B/A The Mark It Place as Outside Counsel.....1

**PERSONNEL**

- 1. Employment (JSU).....1

**REGULAR AGENDAS**

**FINANCE**

Trustee Alan Perry

- 1. SYSTEM – Approval of Amendment to Internal Audit Services Agreement with Carr, Riggs and Ingram, LLC .....1
- 2. SYSTEM – Approval of Escalations of *Ayers* Endowment Budget.....3
- 3. JSU – Approval to Initiate Bond Process for JSU Educational Building Corporation to Refund Variable and Fixed Rate Bond Obligations Not to Exceed \$62 Million and Approval of Professionals.....5
- 4. MSU – Approval of a Residency and Out-of-State Tuition Waiver Policy – Veteran and Military Student Update.....7
- 5. MSU – Approval to Initiate Bond Process for MSU Educational Building Corporation to Construct New Residence Halls for an Amount not to Exceed \$61,045,000 .....8
- 6. UM – Approval of a Residency and Out-of-State Tuition Waiver Policy - Veteran and Military Student Update.....9
- 7. UMMC – Approval of Service Agreement with Armstrong and Associates, Inc. ....11
- 8. UMMC – Approval of Amendment to Agreement with Hollis Cobb Associates, Inc. ....15
- 9. UMMC - Approval of Residency and Out-of-State Tuition Waiver Policy - Veteran and Military Student Update.....20

**LEGAL**  
Trustee Doug Rouse

- 1. UMMC – Approval to Settle Tort Claim Number 1841 .....1

**ADMINISTRATION/POLICY**

- 1. SYSTEM – Discussion of the Election of Vice President of the Board of Trustees for the Term Beginning May 8, 2015 .....1

**INFORMATION AGENDAS**

Commissioner Hank Bounds

**FINANCE**

- 1. UMMC – Name Change for Gambro Renal Products, Inc. to Baxter International Through Acquisition .....1

**REAL ESTATE**

- 1. SYSTEM – Real Estate Items Approved Subsequent to the November 20, 2014 Board Meeting
  - Alcorn State University .....2
  - Delta State University .....3
  - Jackson State University .....4
  - Mississippi University for Women .....5
  - University of Mississippi .....6
  - University of Mississippi Medical Center .....9
  - University of Southern Mississippi.....13

**LEGAL**

- 1. SYSTEM – Report of Payments to Outside Counsel .....1
- 2. SYSTEM – Approval to Hire Mayo Mallette as Outside Counsel .....5

**ADDITIONAL AGENDA ITEMS IF NECESSARY**

**OTHER BUSINESS/ANNOUNCEMENTS**

**EXECUTIVE SESSION IF DETERMINED NECESSARY**

**ADJOURNMENT**

MISSISSIPPI  
BOARD OF TRUSTEES  
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MINUTES FOR:

December 18, 2014 Regular Board Meeting  
December 22, 2014 Emergency Special Called Meeting

**MINUTES OF THE BOARD OF TRUSTEES OF  
STATE INSTITUTIONS OF HIGHER LEARNING  
December 18, 2014**

**BE IT REMEMBERED**, That the Mississippi Board of Trustees of State Institutions of Higher Learning of the State of Mississippi met in a regular session at the Board Office in Jackson, Mississippi, at 9:00 a.m., and pursuant to notice in writing mailed by certified letter with return receipt requested on November 26, 2013, to each and every member of said Board, said date being at least five days prior to this December 18, 2014 meeting. At the above-named place there were present the following members to wit: Mr. H. Ed Blakeslee, Mrs. Karen L. Cummins, Dr. Ford Dye, Mr. Shane Hooper, Mr. Bob Owens, Mr. Hal Parker, Mr. Aubrey B. Patterson, Mr. Alan Perry, Ms. Christine Pickering, Ms. Robin J. Robinson, Dr. Douglas Rouse, and Mr. C.D. Smith (by phone). The meeting was called to order and opened with prayer by Mr. Aubrey Patterson, President.

**APPROVAL OF THE MINUTES**

On motion by Trustee Blakeslee, seconded by Trustee Dye, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve the Minutes of the Board meeting held on November 20, 2014.

**CONSENT AGENDA**

On motion by Trustee Pickering, seconded by Trustee Hooper, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve the following Consent Agenda.

**FINANCE**

1. **MSU** – Approved the request to modify the purchase agreement with Cray, Inc. At the September 2013 Board meeting, MSU received approval to purchase the Cray CS300-LC Cluster Supercomputer system, related software and support services for a cost of \$1,578,239 (Phase I). In March 2014, the Board approved MSU's request to purchase expansion equipment and support services for the Cray CS300-LC Cluster Supercomputer system (Phase II). The current modification will replace Cray's Advanced Cluster Engine (ACE) management software suite with Bright Computing Cluster Manager Software suite. The software is used for integrating the hardware and software into the system. This is a one-time exchange of software components. There is no cost associated with this modification. The current agreement is funded by overhead recovery and other designated funds. The modification does not require review and/or approval by the Attorney General's Office.



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**REAL ESTATE**

2. **UM** – Approved the request to increase the budget for **IHL 207-384, Vaught-Hemingway Stadium – West Skybox Renovation**, from \$3,500,000 to \$4,800,000, an increase of \$1,300,000. The project is currently in the design phase. This is the second budget escalation request made for this project by the university. The budget increase is needed in order to allow for a more accurate cost estimate for the project based on the completion of construction documents. The scope of the project is mostly to the interior of the west stand known as the West Skyboxes at Vaught Hemingway Stadium. A major goal of the project is improving life-safety in the building. Some of the interior seat supports are wooden and the stand lacks a sprinkler system. Over twenty (20) years of use, the interiors have become worn, faded, and are due for renovation. The existing seats and the wooden structural supports will be removed from each of the forty-eight (48) suites, along with the exterior sliding windows, ceilings, and furniture. The university intends to replace these items in all 48 suites. The interior structural supports for the new seats will be non-combustible and an automatic sprinkler system will be added. The public areas will receive new paint and carpet. Funds are available from Self-Generated Intercollegiate Athletic Revenues (\$4,800,000).
3. **USM** – Approved the request to delete a house (Building #874) located at 3603 Morningside Drive in Hattiesburg from inventory. The house has been vacant for over 12 months and is in a state of disrepair. The approval letter has been received from the Mississippi Department of Archives and History. All legal documentation will be kept on file in the IHL Office of Real Estate and Facilities.
4. **USM** – Approved the request to delete Buildings #236, #237, and #238 (McMillan Properties) from inventory. The properties are referred to as the McMillan properties A, B, and C. The university purchased the properties in August of 2014. They have remained vacant since that time and are in poor condition and do not warrant a reinvestment to rehabilitate them. The lots will be cleared and utilized for future expansion. Property A (Building #236) is a house located at 204 North 35th Avenue. Property B (Building #237) is a house located at 206 North 35th Avenue. Property C (Building #238) is an efficiency apartment located at 208 North 35th Avenue. The approval letter has been received from the Mississippi Department of Archives and History. All legal documentation will be kept on file in the IHL Office of Real Estate and Facilities.
5. **USM** – Approved the request to delete Tower Modules B, E, and F from inventory. The modules consist of 3 trailers located at 2709 West 4th Street, next to the water tower in Hattiesburg. The modules are Buildings #127, #130, and #131 on inventory. These units are in a state of disrepair. Once the modules are demolished and removed from inventory the vacant lots will serve as future expansion for the university. The approval letter has been received from the Mississippi Department of Archives and History. All legal documentation will be kept on file in the IHL Office of Real Estate and Facilities.

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**LEGAL**

6. **ASU, JSU, MSU, MVSU, UM and USM** – Approved the request for Alcorn State University, Jackson State University, Mississippi State University, Mississippi Valley State University, University of Mississippi and University of Southern Mississippi to contract with Littler Mendelson, P.C., to represent them in a lawsuit filed against the NCAA and Division I member schools by Samantha Sackos, on her own behalf and on behalf of similarly situated persons, in the United States District Court for the Southern District of Indiana. The complaint alleges that the NCAA and Division I colleges and universities conspired to violate the Fair Labor Standards Act by failing to pay student athletes minimum wage under the FLSA. Littler Mendelson, P.C., was retained to represent the NCAA and the defendant Division I institutions that choose to participate in a joint defense. The NCAA has agreed to bear the attorneys’ fees, costs and expenses associated with Littler Mendelson’s representation of the NCAA and any jointly defended colleges and universities through the initial motions practice, including filing a motion to dismiss. Any defendant institutions wanting to continue with the joint representation thereafter will negotiate with the NCAA regarding defense cost sharing. The lead attorney at the Littler Mendelson firm will be Lee Schreter. The firm specializes in labor law matters and is located at 3344 Peachtree Road, NE, Suite 1500, Atlanta, GA 30326. The Attorney General has approved this request.

**7. PERSONNEL REPORT**

**EMPLOYMENT**

**Alcorn State University**

- Ivory Lyles; Interim Dean, School of Agriculture, Research, Extension and Applied Sciences; salary of \$140,000 per annum, pro rata; E&G and other funds; effective November 1, 2014

**CHANGE OF STATUS**

**Alcorn State University**

- Barry Bequette; from Dean and Professor, School of Agriculture, Research, Extension and Applied Sciences; salary of \$141,471 per annum, pro rata; E&G and other funds; to Interim Dean of Graduate Studies and Professor of Horticulture; salary of \$138,471 prorated; E&G and other funds; effective November 1, 2014

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**TENURE**

**Mississippi Valley State University**

- Dr. Tadesse Mengistu; Associate Professor of Economics, Department of Business (Nine month contract)

**SABBATICAL**

**Jackson State University**

- Jeton McClinton, Associate Professor of Educational Leadership, College of Education and Human Development, from salary of \$54,108 per annum, pro rata; E&G Funds; to no salary change; effective January 1, 2015 to May 5, 2015; professional development

**EMERITUS STATUS**

**University of Southern Mississippi**

- Charlotte Brunner; Professor Emeritus of Marine Science; effective December 1, 2014

**FINANCE AGENDA**

Presented by Trustee Alan Perry, Chair

On motion by Trustee Pickering, seconded by Trustee Hooper, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve agenda item #1 as submitted on the Finance Agenda. On motion by Trustee Blakeslee, seconded by Trustee Dye, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve agenda item #2. On motion by Trustee Parker, seconded by Trustee Blakeslee, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve agenda item #3. On motion by Trustee Perry, seconded by Trustee Rouse, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to move agenda items #4- #7 to the Executive Session agenda.

1. **System** – Approved the tuition rates for resident and non-resident students for Delta State University, Mississippi State University for Women and Mississippi Valley State University effective with the fall 2016 academic term. This information was first presented to the Board at the November 2014 meeting. **(See Exhibit 1.)**
2. **System** – Approved the three-year room and board rate increases at all institutions effective with the fall 2016 academic term. This information was presented to the Board at the November 2014 meeting. Retroactive approval was given for FY 2015 room rates at Delta State University at the November 2014 meeting. **(Exhibit 2.)**

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3. **JSU** – Approved the request to initiate the bond process to purchase real property adjacent to its main campus which includes a ten building apartment complex known as The Palisades from REDUS Mississippi, LLC for \$9,200,000, contingent upon funding through the JSU Educational Building Corporation (EBC). The Board also approved Butler Snow LLP as Bond Counsel and Morgan Stanley & Co., LLC as Lead Underwriter. Comer Capital Group is the financial advisor. JSU is currently leasing the Palisades apartment building to provide part of its student housing. The current one year lease term terminates on August 31, 2015. The balance of the \$10 million bond issue will be used for bond issue costs and improvements to the Palisades. The long-term bonds will be issued with maturities up to 30 years. JSU will issue up to a maximum of \$10 million par value in fixed rate bonds. Based on the Financial Advisor’s report dated November 25, 2014, the proposed debt amortization will have an average annual debt payment of \$540,000 at a true interest cost of 3.36%. Debt payments will be derived from operations of the residential housing facility. Bond counsel has been approved by the Attorney General’s Office.
4. **UMMC** – Request approval of an agreement with Power Wellness Management, LLC (Power Wellness) for the provision of management services at six (6) health/wellness facilities in the Jackson metro area as medically integrated health centers. The term of the contract is for five (5) years with a five (5) year renewal option. The monthly base management fee is \$12,000 (\$144,000 annually). The five year total for the initial term is \$720,000. If UMMC elects to renew for an additional five-year term, the total base management fees will be \$1,440,000 for the ten-year term. The contract also provides for an additional incentive fee which is calculated as 12% of the Monthly Net Operating Income (defined as Gross Revenues less Operating Expenses excluding management fees, debt service, depreciation, and capital replacements) depending on the success of the centers. UMMC has estimated that the incentive fees will total \$2,102,473 over a ten-year term. A breakdown of the costs is included in the bound *December 18, 2014 Board Working File*. The total costs will not exceed \$3,542,473. Funds are available from operations. Pending receipt from UMMC that Power Wellness Management has become authorized to do business in Mississippi, the Attorney General’s Office will approve this item. Board staff recommendation is pending. **(THIS ITEM WAS MOVED TO THE EXECUTIVE SESSION AGENDA.)**
5. **UMMC** – Request approval to enter into a purchase/sale and gift agreement with Courthouse, Inc. (Courthouse) and John L. Black, Jr. (JLB). This contract will allow UMMC to purchase four (4) racquet and fitness centers from Courthouse. All four (4) facilities are located in the greater Jackson area, as follows: Brandon, MS; Byram, MS; Flowood MS; and Jackson, MS (North Jackson area). A related item for the management of the facilities by Power Wellness Management, LLC is shown in item #4 above. Additionally, the Courthouse has two other locations (Madison and downtown Jackson); however, those operations are in leased space. Requests related to the leased space are shown in items #6 and #7 below. Acquiring the racquet and fitness centers is a first step toward building a medically integrated health and wellness program. A program such as this would provide an avenue for UMMC healthcare providers to

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include physical activity management as a vital part of our patients' transitional care management. Courthouse will provide the following, under the agreement:

- a. The real property, together with all improvements thereon and appurtenances thereto;
- b. The customer lists, equipment, accessories and any and all other personal properties located on or used in connection with the real property;
- c. All goodwill, names associated with the business, including but not limited to "The Courthouse", all bank accounts, contracts, warranties used in or necessary for the operation of the business, and all other intangible assets associated with the business;
- d. Cooperation regarding the name change on such bank accounts as are necessary for the operation of the business; and
- e. All funds, cash, assets, securities owned by the business, and prepaid membership dues shall be transferred to purchaser at the closing contemplated herein.

JLB will provide for the following, under the agreement:

- a. An initial cash gift in an amount not less than \$4,800,000 (for no value received and with donative intent) to supplement the out-of-pocket expense to be paid by UMMC for the purchase; and
- b. A donation to UMMC in the amount of \$500,000 each year for the next ten (10) years for a total donation of \$5,000,000.

UMMC will also assume two revenue contracts currently held by the Courthouse.

- a. Mississippi Cheerleading Academy, Inc. (Jack Cory Boyd) - UMMC will assume the revenue lease agreement that the Courthouse currently has with Mississippi Cheerleading Academy, Inc. and Jack Cory Boyd. The space leased is approximately 18,600 square feet at the Lakeland Drive location. The agreement is for a five-year term beginning August 1, 2014 and ending July 31, 2019. There is a five year automatic renewal provision unless either party provides written notice at least 90 days prior to the expiration of the initial term of the intent not to renew. The leased premises are used for operation of a cheerleading and gymnastics instruction program. Lease payments will be made to UMMC in the amount of \$6,425 per month (\$77,100 annually).
- b. Gracie South, LLC - UMMC will assume the revenue lease agreement that the Courthouse currently has with Gracie South, LLC. The space leased is approximately 1,600 square feet at the Northeast Jackson location. The agreement is a month-to-month agreement which commenced April 1, 2014 and can be terminated with 120 days' notice. The leased space is used for the operation of a martial arts instruction program. Lease payments will be made to UMMC in the amount of twenty-five percent (25%) of the monthly gross revenue from the operation of the business on the leased premises. The most recent monthly payment from the tenant to the Courthouse was in the amount of \$1,900. The annual total rental for the prior year was \$14,230.88.

The approximate term of the agreement is ten (10) years to begin on or about January 1, 2015, and continue through January 1, 2023. Closing will be by December 31, 2014. The purchase

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price to be paid out-of-pocket by UMMC for the four (4) facilities is \$4,500,000. The average appraised value of the four (4) properties is \$10,545,000, as of September 16, 2014. The Courthouse sales price is approximately \$9,259,786. The amount provided as an initial cash gift to UMMC is approximately \$4,800,000. UMMC's out-of-pocket expense is \$4,500,000. The agreement will be funded through general funds. The Attorney General's office has reviewed this contract and recommends this agreement for approval provided that the Board makes a finding upon the Minutes that the acquisition of The Courthouse facilities is needful or proper for the operation and mission of UMMC and is necessary or desirable for UMMC's educational purpose. **(THIS ITEM WAS MOVED TO THE EXECUTIVE SESSION AGENDA.)**

6. **UMMC** – Request approval of a lease amendment, assignment and consent agreement with Madison Station Properties, LLC for approximately 18,000 square feet of space for the current site of Madison Courthouse Fitness Center at 1022 Highway 51, Madison, Mississippi. As seen in item #5 above, UMMC proposes to acquire six Courthouse Fitness Center facilities. As part of the proposed acquisition approval of the lease for the Madison County location is needed. The current lease is with Madison Station Properties LLC from December 31, 2007 to December 31, 2017 in the amount of \$30,000 per month. The new term of the agreement will be for 2 years beginning January 1, 2015 through December 31, 2017. The total contract amount is \$30,000 per month for a total of \$720,000 over the two year period. Funds are available from operations. The Attorney General's Office has reviewed and approved this contract. **(THIS ITEM WAS MOVED TO THE EXECUTIVE SESSION AGENDA.)**
7. **UMMC** – Request preliminary approval of a lease with Hertz Jackson Three, LLC for approximately 10,000 square feet of space for the downtown Courthouse Fitness Center at 100 East Capitol Street, Jackson, Mississippi. This agreement includes prepayment of monthly rent throughout the life of the agreement. At this time, UMMC has not received confirmation from the landlord that the lease, in its current form, has been approved by Hertz Jackson Three, LLC for execution. Nevertheless, UMMC is submitting this for preliminary approval pending potential changes in the lease provisions, as part of the larger Courthouse project. The landlord has confirmed that the lease rate is firm and will not change. The term shall be a period of one (1) year commencing on January 1, 2015 and terminating on December 31, 2015. The contract amount is \$1,000 per month (\$12,000 annually) for a total cost for the one-year term of \$12,000. The contract requires UMMC to prepay monthly rent. Funds are available from operations. The Attorney General's Office recommends the lease agreement provided the terms are not modified by the parties prior to execution. Should the terms be revised, the lease agreement should be resubmitted for approval to the IHL Board or Commissioner. **(THIS ITEM WAS MOVED TO THE EXECUTIVE SESSION AGENDA.)**

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**LEGAL AGENDA**

Presented by Trustee Doug Rouse, Chair

On motion by Trustee Rouse, seconded by Trustee Pickering, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to move agenda item #1 to the executive Session Agenda.

1. **System** – Request approval to settle Tort Claim No. 65-2704-1. **(THIS ITEM WAS MOVED TO THE EXECUTIVE SESSION AGENDA.)**

**INFORMATION AGENDA**

Presented by Commissioner Hank M. Bounds

**FINANCE**

1. **JSU** – This is an information item regarding plans by Jackson State University (JSU) to present to the Board at the January 2015 meeting requests for (A) approval to initiate the bond process to refund all or a portion of the JSU Educational Building Corporation (EBC) Series 2006-A Campus Facilities Project Bonds (“2006 Bonds”), (B) approval to initiate the bond process to refund/remarket all or a portion of the JSU Educational Building Corporation Series 2007 Campus Facilities Project Bonds (“2007 Bonds”), (C) approval to initiate the bond process to partially refund the JSU Educational Building Corporation Series 2010-A-1 Revenue Bonds (“2010 Bonds”), (D) approval and acceptance of the project’s financial advisor’s report, (E) approval of the associated resolution, and (F) approval of the following professionals: Co-Bond Counsel –Baker, Donelson, PC & Bettie A. Mallet, PLLC (pending approval by the Attorney General’s Office) and Underwriters - Morgan Stanley & Co., LLC and Wells Fargo & Company. The final maturity of the fixed-rate refunding bonds will be no longer than 3/1/2031 (the final maturity of the 2006A Bonds). The SIFMA Index Bonds may be issued with a final maturity or mandatory tender date of up to 8 years from the time of issuance. JSU will issue up to a maximum of \$62 million par value of bonds. (A) The proposed refunding bonds will generate Net Present Value Savings of at least 3%. (B) The proposed refunding/remarketing of the 2007 Bonds will be at a variable-rate but with a fixed cost of no more than 125 basis points added to the variable-rate SIFMA index. (C) The proposed refunding bonds will generate Net Present Value Savings of at least 3%. Debt payments will be serviced by revenue from various sources. Following the Board’s approval of the project initiation, JSU shall return to the Board at a subsequent meeting and present a resolution for Board approval granting permission for issuing bonds or other forms of debt obligations for the specific project and for approval of the following documents: the lease, the ground lease, the preliminary official statement (if required for the type of debt issued), the trust indenture, the continuing disclosure agreement (if required for the type of debt to be issued) and the bond purchase agreement or dealer agreement, as applicable. The

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university will request in January 2015 that the Board waive the requirement that the financial advisor's report and the professionals be presented for Board approval at one meeting and that the bond resolution be presented for Board approval at a subsequent meeting. JSU plans to seek Board approval of all required approvals at the January 2015 meeting. JSU is presenting this item to the Board as information only for the December 2014 Board meeting.

2. **UMMC** – In November 2014, the Board of Trustees approved a Consignment and Purchase agreement between UMMC and Edwards Lifesciences, LLC, a sole source vendor. The agreements set pricing and consignment terms for transcatheter aortic valves and related accessories. At that time, the products were considered sole source per criteria set by the Mississippi Department of Finance and Administration. UMMC has since learned that Edwards recently contracted with Novation, UMMC's primary group purchasing organization (GPO), and that the products will now be available through GPO. UMMC has revised its information regarding the contractor selection process to reflect the fact that Edwards is now an approved vendor contracted with Novation.

**LEGAL**

3. **System** – The Board received a report of the payment of legal fees to outside counsel. (See **Exhibit 3.**)
4. **System** – Approval to request an opinion by the Attorney General regarding Educational Building Corporations' continuing disclosure obligations. (See **Exhibit 4.**)
5. **System** – Trustee Dr. Douglas Rouse, as Board Legal Committee Chair, has approved on behalf of the Board IHL's request to contract with Bradley, Arant, Boult and Cummings LLP as outside counsel to assist with contract procurement procedures and internal controls. The blended hourly rate for work performed by attorney Wayne Drinkwater or by one of his associates will be \$215 per hour. The total amount payable under the contract will not exceed \$32,250.00. The term of the contract will be or one year. IHL approval was granted contingent upon approval by the Attorney General's Office.

**ADMINISTRATION/POLICY**

6. **System** – The following items have been approved by the Commissioner on behalf of the Board and are available for inspection at the Board Office.
  - a. **MSU** - In accordance with Board Policy 707.01 Land, Property, and Service Contracts, "The Commissioner is authorized and empowered to approve non-oil, gas and mineral leases in an amount equal to or less than \$100,000." On December 1, 2014, the Commissioner approved the request by Mississippi State University on behalf of the Mississippi Agriculture and Forestry Experiment Station (MAFES) to enter into a lease agreement with BJ Farms, Inc. (Lessee). The agreement is for the lease of approximately 117 acres of land in Monroe County, MS. The land will be used for row crop production. The primary lease term will commence on or about January 1, 2015 and run through



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December 31, 2015. Upon mutual agreement of the parties, the lease may be renewed for an additional one year period. Lessor will pay \$6,115 for the one year term. The Executive Office legal staff have reviewed and approved the contract documents.

- b. **MSU** - In accordance with Board Policy 707.01 Land, Property, and Service Contracts, “The Commissioner is authorized and empowered to approve non-oil, gas and mineral leases in an amount equal to or less than \$100,000.” On December 5, 2014, the Commissioner approved the request from Mississippi State University on behalf of its Center for Safety and Health (“MSU”) to extend its multi-year lease with Houndstooth Commercial Properties, LLC (“Lessor”). This agreement is for approximately 2,400 square feet of space in Brandon, Mississippi to be used as administrative and/or consultation work by designated Occupational and Safety and Health consultants. As background, the Commissioner approved the original multi-year lease in January 2013 for a two (2) year term, February 1, 2013 through January 31, 2015 for a total cost of \$67,200. The MSU Center for Safety and Health is the U.S. Department of Labor, OSHA designated Consultation Program for Mississippi. The Center’s purpose is to provide assistance to the employers or managers of small and medium size high-hazard businesses in Mississippi by helping them become compliant with OSHA regulations. The new lease term will run for a two (2) year period, February 1, 2015 through January 31, 2017. The rent paid by MSU will increase by \$100 per month from the previous lease term. MSU will now pay \$2,900 per month for the lease of the space. The total cost for the lease term is \$69,600. In addition to rent costs, MSU will be responsible for utilities, telephone, and internet service. This agreement is funded by the 21(d) On-Site OSHA Consultation Grant Program. The Commissioner also approved the request to prepay the monthly rental fee of \$2,900 that is associated with this lease in accordance with Board Policy 707.03 Approval for Prepayment for Goods or Services which authorizes the Commissioner to approve prepayment of goods or services not yet received. The Assistant Commissioner for Legal Affairs and the Executive Office legal staff have reviewed and approved the contract documents.

**ANNOUNCEMENT**

- President Patterson announced the next meeting will be January 22, 2015 in Jackson.

**MINUTES OF THE BOARD OF TRUSTEES OF  
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**REPORT OF THE JOINT MEETING OF THE  
FINANCE AND REAL ESTATE COMMITTEES**

Thursday, November 20, 2014

Following the adjournment of the November Board meeting, the Finance and Real Estate Committees held a joint meeting met to discuss budget priorities, issues and accomplishments of the university as presented by Alcorn State University staff members. The following Finance Committee members attended the meeting: Mr. Alan Perry (Chair), and Dr. Doug Rouse. The following Finance Committee members were absent: Mr. Ed Blakeslee, Ms. Karen Cummins, Ms. Christy Pickering and Ms. Robin Robinson. (Note: Mr. Blakeslee attended the Academic Affairs Committee meeting.) The following Real Estate Committee members attended the meeting: Mr. C.D. Smith (Chair), Mr. Bob Owens and Mr. Hal Parker. The following Real Estate Committee members were absent: Ms. Karen Cummins and Ms. Christy Pickering.

**ACADEMIC AFFAIRS  
COMMITTEE REPORT**

Thursday, November 20, 2014

Following the adjournment of the November Board meeting, the Academic Affairs Committee met to discuss the academic priorities, challenges, and accomplishments of the university as presented by Alcorn State University staff members. The following Committee members attended the meeting: Dr. Ford Dye (Chair), Mr. Ed Blakeslee, and Mr. Shane Hooper. Committee members Ms. Robin Robinson and Mr. C.D. Smith were absent. (Note: Mr. C.D. Smith attended the joint meeting of the Finance and Real Estate Committees.)

**EXECUTIVE SESSION**

On motion by Trustee Perry, seconded by Trustee Hooper, with Trustee Dye absent and not voting and with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to close the meeting to determine whether or not is should declare an Executive Session. On motion by Trustee Perry, seconded by Trustee Hooper, with Trustee Smith absent and not voting, all Trustees legally present and participating voted unanimously **to go into Executive Session** for the reasons reported to the public and stated in these minutes, as follows:

Discussion of one state university litigation matter;

**MINUTES OF THE BOARD OF TRUSTEES OF  
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Discussion of three state university personnel matters;

Discussion of potential real estate transactions at one public university.

**During Executive Session, the following matters were discussed and/or voted upon:**

On motion by Trustee Perry, seconded by Trustee Rouse, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to approve the settlement of Tort Claim No. 65-2704-1 styled as *Delandus Henderson vs. JSU, et al.*, as recommended by counsel.

On motion by Trustee Pickering, seconded by Trustee Robinson, with Trustee Smith participating by phone, all Trustees legally present and participating voted unanimously to deny the request for a board review of the denial of tenure for Dr. Michael Wigginton, Jr. at the University of Mississippi.

The Board discussed the following items which were moved from the Regular Finance Agenda above. **No action was taken.**

5. **UMMC** – Request approval to enter into a purchase/sale and gift agreement with Courthouse, Inc. and John L. Black, Jr. This contract will allow UMMC to purchase four (4) racquet and fitness centers from Courthouse.
6. **UMMC** – Request approval of a lease amendment, assignment and consent agreement with Madison Station Properties, LLC for approximately 18,000 square feet of space for the current site of Madison Courthouse Fitness Center at 1022 Highway 51, Madison, Mississippi.
7. **UMMC** – Request preliminary approval of a lease with Hertz Jackson Three, LLC for approximately 10,000 square feet of space for the downtown Courthouse Fitness Center at 100 East Capitol Street, Jackson, Mississippi.

The Board discussed three personnel matters at two state universities. **No action was taken.**

**On motion by Trustee Perry, seconded by Trustee Hooper, with Trustees Cummins, Pickering, Robinson and Smith absent and not voting, all Trustees legally present and participating voted unanimously to return to Open Session.**

**MINUTES OF THE BOARD OF TRUSTEES OF  
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**ADJOURNMENT**

There being no further business to come before the Board, on motion by Trustee Rouse, seconded by Trustee Dye, with Trustees Cummins, Pickering, Robinson, and Smith absent and not voting, all Trustees legally present and participating voted unanimously to adjourn the meeting.

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President, Board of Trustees of State Institutions of Higher Learning

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Commissioner, Board of Trustees of State Institutions of Higher Learning

**MINUTES OF THE BOARD OF TRUSTEES OF  
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**EXHIBITS**

- Exhibit 1 Tuition rate increases for resident and non-resident students at Delta State University, Mississippi University for Women and Mississippi Valley State University effective with the fall 2016 academic term.
- Exhibit 2 Room and board rate increases for all institutions effective for fiscal years 2016 through 2018.
- Exhibit 3 Report of the payment of legal fees to outside counsel.
- Exhibit 4 Request for Attorney General Opinion regarding Educational Building Corporations' continuing disclosure obligations.

# EXHIBIT 1



## Resident Tuition Fiscal Year 2016

Institution	FY 2015	FY 2016		
		FY 2016	\$ Change	% Change
ASU	\$ 6,200	\$ 6,386	\$ 186	3.0%
DSU	6,012	6,012	\$ -	0.0%
JSU	6,602	6,866	\$ 264	4.0%
MSU (1)	7,040	7,392	\$ 352	5.0%
MUW (1)	5,540	5,681	\$ 141	2.5%
MVSU	5,916	5,916	\$ -	0.0%
UM (1)	6,996	7,344	\$ 348	5.0%
USM	6,980	7,224	\$ 244	3.5%
Average	\$ 6,411	\$ 6,603	\$ 192	3.0%

(1) An additional capital fee of \$100 is charged

December 18, 2014

# EXHIBIT 1



## Non-Resident Tuition Fiscal Year 2016

Institution	FY 2015	FY 2016		
		FY 2016	\$ Change	% Change
ASU (2)	\$ 15,433			
DSU				
JSU	16,174	16,821	\$ 647	4.0%
MSU (1)	18,378	20,032	\$ 1,654	9.0%
MUW (1)	15,260	15,747	\$ 487	3.2%
MVSU				
UM (1)	19,044	20,574	\$ 1,530	8.0%
USM	15,550	16,094	\$ 544	3.5%
Average	\$ 16,640	\$ 17,854	\$ 1,214	7.3%

- (1) An additional capital fee of \$100 is charged
- (2) ASU is requesting that all non-resident fees be waived.

December 18, 2014

# EXHIBIT 2



## Average Double-Occupancy Room Rates Fiscal Years 2016, 2017, & 2018

Inst.	FY 2015	FY 2016		FY 2017			FY 2018			
		FY 2016	\$ Change	% Change	FY 2017	\$ Change	% Change	FY 2018	\$ Change	% Change
ASU	\$ 5,265	\$ 5,475	\$ 210	4.0%	\$ 5,685	\$ 210	3.8%	\$ 5,922	\$ 237	4.2%
DSU*	3,938	4,114	\$ 176	4.5%	4,314	\$ 200	4.9%	4,414	\$ 100	2.3%
JSU	4,824	5,187	\$ 363	7.5%	5,337	\$ 150	2.9%	5,444	\$ 107	2.0%
MSU	5,429	5,646	\$ 217	4.0%	5,872	\$ 226	4.0%	6,107	\$ 235	4.0%
MUW	3,751	3,882	\$ 131	3.5%	4,018	\$ 136	3.5%	4,159	\$ 141	3.5%
MVSU	4,153	4,153	\$ -	0.0%	4,153	\$ -	0.0%	4,153	\$ -	0.0%
UM	4,936	5,203	\$ 267	5.4%	5,399	\$ 196	3.8%	5,561	\$ 162	3.0%
USM	4,959	4,985	\$ 26	0.5%	5,135	\$ 150	3.0%	5,289	\$ 154	3.0%
Average	\$ 4,657	\$ 4,831	\$ 174	3.7%	\$ 4,989	\$ 159	3.3%	\$ 5,131	\$ 142	2.8%

\* Retroactive rate approved

December 18, 2014



# EXHIBIT 2



## Average Annual Board Rates Fiscal Years 2016, 2017, & 2018

Inst.	FY 2015	FY 2016		FY 2017		FY 2018				
		FY 2016	\$ Change	% Change	FY 2017	\$ Change	% Change	FY 2018	\$ Change	% Change
ASU	\$ 2,748	\$ 2,858	\$ 110	4.0%	\$ 2,972	\$ 114	4.0%	\$ 3,091	\$ 119	4.0%
DSU	1,126	1,164	\$ 38	3.4%	1,210	\$ 46	4.0%	1,254	\$ 44	3.6%
JSU	3,051	3,173	\$ 122	4.0%	3,300	\$ 127	4.0%	3,432	\$ 132	4.0%
MSU	2,363	2,578	\$ 215	9.1%	2,733	\$ 155	6.0%	2,870	\$ 137	5.0%
MUW	2,718	2,800	\$ 82	3.0%	2,884	\$ 84	3.0%	2,971	\$ 87	3.0%
MVSU	3,241	3,241	\$ -	0.0%	3,241	\$ -	0.0%	3,241	\$ -	0.0%
UM	2,339	2,419	\$ 80	3.4%	2,564	\$ 145	6.0%	2,718	\$ 154	6.0%
USM	2,539	2,772	\$ 233	9.2%	2,945	\$ 173	6.2%	3,133	\$ 188	6.4%
Average	\$ 2,516	\$ 2,626	\$ 110	4.4%	\$ 2,731	\$ 106	4.0%	\$ 2,839	\$ 108	3.9%

# EXHIBIT 3

December 18, 2014

## SYSTEM - REPORT OF PAYMENTS TO OUTSIDE COUNSEL

### **Legal fees approved for payment to outside counsel in relation to litigation and other matters:**

Payment of legal fees for professional services rendered by Ware/Gasparian (statements dated 3/1/14, 6/1/14, 6/1/14, 10/1/14 and 10/1/14) from the funds of the University of Mississippi. (These statements, in the amounts of \$4,000.00, \$1,500.00, \$46.11, \$6,000.00 and \$1,500.00, respectively, represent services and expenses in connection with immigration/labor certifications.)

**TOTAL DUE.....\$ 13,046.11**

Payment of legal fees for professional services rendered by Butler, Snow, O'Mara, Stevens & Cannada (statement dated 10/20/14) from the funds of the University of Southern Mississippi. (This statement, in the amount of \$1,626.75, represents services and expenses in connection with legal advice and litigation matters.)

**TOTAL DUE.....\$ 1,626.75**

### **Legal fees approved for payment to outside counsel in relation to patent and other matters:**

Payment of legal fees for professional services rendered by Butler, Snow, O'Mara, Stevens & Cannada (statements dated 5/29/14, 9/30/14, 9/30/14, 10/13/14 and 10/13/14) from the funds of the University of Mississippi. (These statements represent services and expenses in connection with the following patents: "Animal Model of Anxiety and Depression" - \$168.00; "Complexes and Compounds for Light Emitting Applications" - \$336.00; "Cache Mapping Technology Matter" - \$2,568.00; "Cache Mapping Technology Matter" - \$432.00 and "Stuttering Inhibition Device Patent" - \$720.00, respectively.)

**TOTAL DUE.....\$ 4,224.00**

Payment of legal fees for professional services rendered by Hershkovitz & Associates (statements dated 9/30/14) from the funds of the University of Mississippi. (These statements represent services and expenses in connection with the following patents: "Compositions for Prevention/Prophylactic Treatment of Poison Ivy Dermatitis" - \$200.00 and "Compositions Containing Delta-9-THC-Amino Acid Esters" - \$11,200.00.)

**TOTAL DUE.....\$ 11,400.00**

Payment of legal fees for professional services rendered by Stites & Harbison (statements dated 9/19/14) from the funds of the University of Mississippi. (These statements represent services and expenses in connection with the following patents: "Indolizine-Based Donors as Organic Sensitizer Components for Dye-Sensitized Solar Cells" - \$92.42; "Stabilized Formulation of

# EXHIBIT 3

December 18, 2014

Triamcinolone Acetonide” - \$407.94 and “Methods for Detecting Vibration and Sound Signatures of Human Footsteps” - \$288.00.)

**TOTAL DUE.....\$ 788.36**

Payment of legal fees for professional services rendered by Butler, Snow, O’Mara, Stevens & Cannada (statement dated 10/20/14) from the funds of the University of Southern Mississippi. (This statement represents services and expenses in connection with the following patent: “Trademark Application for the Centennial Anniversary” - \$852.00.)

**TOTAL DUE.....\$ 852.00**

# EXHIBIT 4

December 18, 2014

## **SYSTEM – REQUEST FOR AN OPINION BY THE ATTORNEY GENERAL**

Pursuant to IHL Board Policy 1103, the IHL Board Legal Committee Chair granted permission to request an opinion by the Attorney General regarding EBC continuing disclosure requirements to the Securities and Exchange Commission, as reflected in the letter set out below. Board Policy 1103 requires that all such requests approved by the Legal Committee Chair be reported to the full Board as an information item at its next meeting.

Honorable Jim Hood  
Mississippi Attorney General  
Carroll Gartin Justice Building  
450 High Street  
Jackson, Mississippi 39201

Re: Advice Regarding Educational Building Corporations' Continuing Disclosure Obligations

Dear Attorney General Hood:

I write on behalf of our client, the Board of Trustees of State Institutions of Higher Learning (IHL), to request an advice letter regarding IHL's affiliated educational building corporations' obligations under federally-mandated continuing disclosure agreements.

The educational building corporations, which are authorized by Miss. Code Ann. § 37-101-61, are IHL's vehicles for issuing bonds for university capital projects. Under 15 U.S.C. § 78c(a)(29) (Section 3(a)(29) of the Exchange Act), such bonds are exempt from registration and disclosure requirements. The Securities and Exchange Commission, however, has promulgated Rule 15c2-12, which prohibits any underwriter from purchasing or selling such bonds unless the issuer has committed to providing continuing disclosure regarding the security and issuer, including information about its financial condition and operating data. Rule 15c2-12 also generally requires that any final official statement prepared in connection with a primary offering of such bonds contain a description of any instances in the previous five years in which the issuer failed to comply, in all material respects, with any previous commitment to provide such continuing disclosure. In other words, the SEC indirectly regulates state governmental institutions, such as IHL's educational building corporations, by requiring continuing disclosure agreements between underwriters and governmental issuers.

Earlier this year, the SEC instituted the Municipalities Continuing Disclosure Cooperation Initiative. Through this Initiative, the SEC announced that it believed many state government issuers were in violation of Rule 15c2-12 and had misrepresented their past compliance with their continuing disclosure obligations. The SEC instituted a self-reporting period for underwriters and for issuers who may have made materially inaccurate statements in a final official statement regarding prior compliance with continuing disclosure obligations. In exchange for self-reporting, the SEC is willing to settle any potential enforcement actions arising out of the inaccurate disclosures on terms favorable to the underwriters and issuers. For underwriters, the period for self-reporting ended on September 10, 2014; for issuers, that period ends on December 1, 2014.

# EXHIBIT 4

December 18, 2014

An underwriter reported two educational building corporations for failing to meet the deadlines provided in each educational building corporation's continuing disclosure agreement for submitting annual financial information to SEC-designated private repositories. The continuing disclosure agreements in both instances provided that the Issuer (the educational building corporation) would "not later than the Submission Date, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement." "Submission Date" is a defined term meaning "the date on which the Annual Report is submitted to the Repositories pursuant to Section 3 of this Disclosure Agreement, which shall be a date not later than 12 months after the end of [the educational building corporation's] fiscal year."

Both educational building corporations designated Dissemination Agents for submitting the disclosures to the repositories. Both Dissemination Agents avow that they submitted the required disclosures on the Submission Date. The Repositories, however, reported to the underwriter that the disclosures were not received until after the Submission Date. The issue of whether the educational building corporations violated their duties under the continuing disclosure agreements turns on the interpretation of the contractual language regarding the deadline for disclosures. In sum, the question is whether the Submission Date is the date the Dissemination Agent sent the disclosures or the date the Repositories received the disclosures.

These continuing disclosure agreements are merely contracts between the underwriter and the educational building corporations, and the proper interpretation of a contract is a question of state law. See *Massengil v. Guardian Management Co.*, 19 F.3d 196 (5th Cir. 1994). Under Mississippi law, contracts are interpreted according to the plain meaning of the contract language. See *I.P. Timberlands Operating Co.*, 762 So. 2d 96, 104 (Miss. 1998). Miss. Code Ann § 1-3-65 embodies the general principle of contraction that words and phrases are used according to their common and ordinary acceptance and meaning. "Submit" is defined as "to give (a document, proposal, piece of writing, etc.) to someone so that it can be considered or approved." <http://www.merriam-webster.com/dictionary/submit>. Had the parties intended to make the Submission Date the date of receipt, they could have easily stated so. Because they did not, the Submission Date should be considered the date the disclosures were sent.

Mississippi's administrative laws support this interpretation. Under Miss. Admin. Code § 1-14-6.19(14), Investment Advisors are required to keep records of the dates each written statement and each amendment or revision is *sent* to any client or prospective client, not the date the records are *received*. See also Miss. Admin. Code § 1-14-6.19(22)(h) and 23(f). Likewise, the Mississippi Development Authority calculates the submission dates for loan closing documents from the date the documents are *sent*. Miss. Admin. Code §§ 6-1:4:6; 6-1:7.4. In the litigation context, the Mississippi Rules of Civil Procedure recognize that service of a pleading is "complete upon mailing." Miss. R. Civ. P. 5(b)(1). Accordingly, interpreting the Submission Date as the date of sending is the most reasonable interpretation, because only this interpretation acknowledges that the issuer has no control over when the Repositories record information as received. The issuer can only control when the required disclosures are sent. Here, the educational building corporations met their continuing disclosure obligations by sending the required information by the Submission Date.

# EXHIBIT 4

December 18, 2014

The SEC has stated that “The Commission ordinarily does not make determinations regarding state law issues but, when required to do so because state law necessarily informs its findings under the Exchange Act, it relies on the conclusions of experts or other authorities....” *Standard Inv. Chartered, Inc. v. National Ass'n of Securities Dealers, Inc.*, 560 F.3d 118, 122 - 123 (2d Cir. 2009). Accordingly, the Board of Trustees of State Institutions of Higher Learning asks that the Attorney General render an advice letter confirming that “Submission Date” as used in the relevant continuing disclosure agreements means the date on which the required disclosures were required to be sent, not the date on which the required disclosures were received by the Repositories.

Sincerely,

JONES WALKER LLP

Keith Parsons

cc Dr. Hank Bounds

**MINUTES OF THE BOARD OF TRUSTEES OF  
STATE INSTITUTIONS OF HIGHER LEARNING  
December 22, 2014**

**BE IT REMEMBERED**, That the Mississippi Board of Trustees of State Institutions of Higher Learning of the State of Mississippi met in an emergency teleconference meeting held at the Board Office in Jackson, Mississippi, at 1:30 p.m. At the above-named place there were present the following members to wit: Mr. H. Ed Blakeslee (by phone), Mrs. Karen L. Cummins (by phone), Mr. Shane Hooper (by phone), Mr. Bob Owens (by phone), Mr. Hal Parker (by phone), Mr. Aubrey B. Patterson (by phone), Mr. Alan Perry (by phone), Ms. Christine Pickering (by phone), Dr. Douglas Rouse (by phone), and Mr. C.D. Smith (by phone). Dr. Ford Dye and Mrs. Robin Robinson were absent. The meeting was called to order by Mr. Aubrey Patterson, President.

**In accordance with Miss. Code Ann., §25-41-1, as amended, all votes taken during this teleconference meeting were recorded by name in a roll-call. The teleconference meeting was held to discuss potential real estate transactions at one public university.**

**EXECUTIVE SESSION**

On motion by Trustee Perry, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously to close the meeting to determine whether or not is should declare an Executive Session. On motion by Trustee Cummins, seconded by Trustee Hooper, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously **to go into Executive Session** for the reasons reported to the public and stated in these minutes, as follows:

Discussion of a prospective real estate purchase and the related real estate leases at one public university.

**During Executive Session, the following matters were discussed.**

The Board discussed a prospective real estate purchase and the related real estate leases at one public university. **No action was taken.**

**On motion by Trustee Blakeslee, seconded by Trustee Hooper, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously to return to Open Session.**

On motion by Trustee Rouse, seconded by Trustee Cummins, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously to approve an agreement with Power Wellness Management, LLC (Power Wellness) for the provision of management services at six (6) health/wellness facilities in the Jackson metro area as medically integrated health

**MINUTES OF THE BOARD OF TRUSTEES OF  
STATE INSTITUTIONS OF HIGHER LEARNING  
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centers provided that the agreement is amended to include UMMC's authority to approve Power Wellness employee hires, which will provide services to UMMC, with salaries over \$100,000. The term of the contract is for five (5) years with a five (5) year renewal option. The monthly base management fee is \$12,000 (\$144,000 annually). The five year total for the initial term is \$720,000. If UMMC elects to renew for an additional five-year term, the total base management fees will be \$1,440,000 for the ten-year term. The contract also provides for an additional incentive fee which is calculated as 12% of the Monthly Net Operating Income (defined as Gross Revenues less Operating Expenses excluding management fees, debt service, depreciation, and capital replacements) depending on the success of the centers. UMMC has estimated that the incentive fees will total \$2,102,473 over a ten-year term. A breakdown of the costs is included in the *December 22, 2014 Board Working File*. The total costs will not exceed \$3,542,473. Funds are available from operations. Pending receipt from UMMC that Power Wellness Management has become authorized to do business in Mississippi, the Attorney General's Office will approve this item. Board staff recommendation is pending.

On motion by Trustee Pickering, seconded by Trustee Cummins, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously to approve the following three items:

1. **UMMC** – Approved the request to enter into a purchase/sale and gift agreement with Courthouse, Inc. (Courthouse) and John L. Black, Jr. (JLB). This contract will allow UMMC to purchase four (4) racquet and fitness centers from Courthouse. All four (4) facilities are located in the greater Jackson area, as follows: Brandon, MS; Byram, MS; Flowood MS; and Jackson, MS (North Jackson area). A related item for the management of the facilities by Power Wellness Management, LLC is shown above. Additionally, the Courthouse has two other locations (Madison and downtown Jackson); however, those operations are in leased space. Requests related to the leased space are shown below. Acquiring the racquet and fitness centers is a first step toward building a medically integrated health and wellness program. A program such as this would provide an avenue for UMMC healthcare providers to include physical activity management as a vital part of our patients' transitional care management. Courthouse will provide the following, under the agreement:
  - a. The real property, together with all improvements thereon and appurtenances thereto;
  - b. The customer lists, equipment, accessories and any and all other personal properties located on or used in connection with the real property;
  - c. All goodwill, names associated with the business, including but not limited to "The Courthouse", all bank accounts, contracts, warranties used in or necessary for the operation of the business, and all other intangible assets associated with the business;
  - d. Cooperation regarding the name change on such bank accounts as are necessary for the operation of the business; and
  - e. All funds, cash, assets, securities owned by the business, and prepaid membership dues shall be transferred to purchaser at the closing contemplated herein.



**MINUTES OF THE BOARD OF TRUSTEES OF  
STATE INSTITUTIONS OF HIGHER LEARNING  
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JLB will provide for the following, under the agreement:

- a. An initial cash gift in an amount not less than \$4,800,000 (for no value received and with donative intent) to supplement the out-of-pocket expense to be paid by UMMC for the purchase; and
- b. A donation to UMMC in the amount of \$500,000 each year for the next ten (10) years for a total donation of \$5,000,000.

UMMC will also assume two revenue contracts currently held by the Courthouse.

- a. Mississippi Cheerleading Academy, Inc. (Jack Cory Boyd) - UMMC will assume the revenue lease agreement that the Courthouse currently has with Mississippi Cheerleading Academy, Inc. and Jack Cory Boyd. The space leased is approximately 18,600 square feet at the Lakeland Drive location. The agreement is for a five-year term beginning August 1, 2014 and ending July 31, 2019. There is a five year automatic renewal provision unless either party provides written notice at least 90 days prior to the expiration of the initial term of the intent not to renew. The leased premises are used for operation of a cheerleading and gymnastics instruction program. Lease payments will be made to UMMC in the amount of \$6,425 per month (\$77,100 annually).
- b. Gracie South, LLC - UMMC will assume the revenue lease agreement that the Courthouse currently has with Gracie South, LLC. The space leased is approximately 1,600 square feet at the Northeast Jackson location. The agreement is a month-to-month agreement which commenced April 1, 2014 and can be terminated with 120 days' notice. The leased space is used for the operation of a martial arts instruction program. Lease payments will be made to UMMC in the amount of twenty-five percent (25%) of the monthly gross revenue from the operation of the business on the leased premises. The most recent monthly payment from the tenant to the Courthouse was in the amount of \$1,900. The annual total rental for the prior year was \$14,230.88.

The approximate term of the agreement is ten (10) years to begin on or about January 1, 2015, and continue through January 1, 2023. Closing will be by December 31, 2014. The purchase price to be paid out-of-pocket by UMMC for the four (4) facilities is \$4,500,000. The average appraised value of the four (4) properties is \$10,545,000, as of September 16, 2014. The Courthouse sales price is approximately \$9,259,786. The amount provided as an initial cash gift to UMMC is approximately \$4,800,000. UMMC's out-of-pocket expense is \$4,500,000. The agreement will be funded through general funds.

2. **UMMC** – Approved a lease amendment, assignment and consent agreement with Madison Station Properties, LLC for approximately 18,000 square feet of space for the current site of Madison Courthouse Fitness Center at 1022 Highway 51, Madison, Mississippi. UMMC proposes to acquire six Courthouse Fitness Center facilities. As part of the proposed acquisition, approval of the lease for the Madison County location is needed. The current lease is with Madison Station Properties LLC from December 31, 2007 to December 31, 2017 in the amount of \$30,000 per month. The new term of the agreement will be for 2 years beginning January 1,

**MINUTES OF THE BOARD OF TRUSTEES OF  
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2015 through December 31, 2017. The total contract amount is \$30,000 per month for a total of \$720,000 over the two year period. Funds are available from operations.

3. **UMMC** – Granted approval of a lease with Hertz Jackson Three, LLC for approximately 10,000 square feet of space for the downtown Courthouse Fitness Center at 100 East Capitol Street, Jackson, Mississippi. This agreement includes prepayment of monthly rent throughout the life of the agreement. At this time, UMMC has not received confirmation from the landlord that the lease, in its current form, has been approved by Hertz Jackson Three, LLC for execution. Nevertheless, UMMC is submitting this for preliminary approval pending potential changes in the lease provisions, as part of the larger Courthouse project. The landlord has confirmed that the lease rate is firm and will not change. The term shall be a period of one (1) year commencing on January 1, 2015 and terminating on December 31, 2015. The contract amount is \$1,000 per month (\$12,000 annually) for a total cost for the one-year term of \$12,000. The contract requires UMMC to prepay monthly rent. Funds are available from operations.

**ADJOURNMENT**

There being no further business to come before the Board, on motion by Trustee Hooper, seconded by Trustee Pickering, with Trustees Dye and Robinson absent and not voting, all Trustees legally present and participating voted unanimously to adjourn the meeting.

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President, Board of Trustees of State Institutions of Higher Learning

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Commissioner, Board of Trustees of State Institutions of Higher Learning

# CONSENT AGENDAS

**BOARD OF TRUSTEES OF STATE INSTITUTIONS OF HIGHER LEARNING**  
**CONSENT AGENDA**  
**FINANCE**  
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**1. UMMC-REQUEST FOR APPROVAL TO ENTER INTO PURCHASING AGREEMENT WITH EOS IMAGING, INC.**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) requests approval to enter into an agreement with **EOS Imaging, Inc.** for the purchase of body imaging equipment and related support services. In addition, UMMC requests permission to make a prepayment of 10% of the total cost of the system.

**Contractor's Legal Name:** EOS Imaging, Inc. (EOS)

**History of Contract:** This is a new agreement.

**Specific Type of Contract:** Sales Agreement

**Purpose:** The purpose of this agreement is for the purchase of the EOS 2D/3D Acquisition System which includes equipment, related software and accessories, product installation and training, and three (3) years of support and maintenance services.

The EOS system will be used by UMMC's Radiology Department in performing full body spine scans and/or full body scans. The system also allows 3D modeling of the spine which aids in diagnosis, surgical planning and follow-up treatment.

**Scope of Work:** Under the agreement, EOS will provide equipment and software, software installation; software maintenance and support; and, training in the use of the product.

**Term of Contract:** The term of the contract will be approximately four (4) years. After the EOS system is ordered and installed, EOS provides a one (1) year warranty. UMMC is purchasing a three (3) year service contract to begin upon expiration of the warranty. Therefore, from the date of installation, which UMMC anticipates to be on or about April 1, 2015, the agreement will extend four (4) years, or March 31, 2019.

**Termination Options:** The agreement may be terminated for the following:

- UMMC may terminate the agreement and cancel the order for the equipment at any time prior to the shipment of the equipment but must make a payment to EOS of a 25% restocking fee,
- at any time upon ceasing use, UMMC may terminate the equipment software license,
- reduction of funds, and
- a failure by EOS to comply with the federal E-Verify Program.

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**Contract Amount:** The total cost for the system and related service is \$792,984 and includes an estimated cost for the as-needed purchase of optional “refresh” training.

**Funding Source of Contract:** The agreement will be funded by Children’s Endowment funds.

**Contractor Selection Process:** Sole source. EOS is the sole manufacturer of this type of imaging equipment.

**Staff Recommendation:** : **Based on Board Policy 707.01, *Land, Property and Service Contracts*, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approval by the Attorney General’s Office is contingent upon EOS Imaging, Inc. obtaining a Certificate of Authority to Transact Business from the Mississippi Secretary of State and receipt of verification of DFA sole source certification. Board staff approval is contingent upon receipt by the Attorney General’s Office of verification of DFA sole source certification and registration with the Secretary of State’s Office.**

**2. UMMC-REQUEST FOR APPROVAL OF AMENDMENT OF MASTER AGREEMENT WITH ROCHE DIAGNOSTICS CORPORATION**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) is requesting an amendment of the existing Schedule 12231 between UMMC and **Roche Diagnostics Corporation**. This amendment to Schedule 12231 will delete the Cobas 6000 c501/e601 analyzer from the schedule listing as well as move locations of one of the Cobas c501 analyzers.

**Contractor’s Legal Name: Roche Diagnostics Corp**

**History of Contract:** In 2010, the UMMC hospital clinical laboratory, entered into a reagent rental agreement for the provision of two (2) additional chemistry instruments, which were placed at UMMC clinical labs located off the main campus, and for the provision of an upgrade to the current software utilized on the chemistry instruments obtained through the 2007 reagent rental agreement. This agreement was approved by the Board at its May 20, 2010, meeting. The agreement was for four (4) years from June 4, 2010, through June 3, 2014, at total cost of \$700,968.

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On October 18, 2012, UMMC was approved by the Board to enter into a Master Agreement under which UMMC may negotiate future Statements of Work or Product and/or Product Schedules with Roche attached to the Master Agreement. In addition, the board approved UMMC to enter into Schedule 12231 for the lease of laboratory equipment, the purchase of equipment maintenance and the purchase of associated supplies for chemistry and immunoassay testing, which superseded the 2010 agreement. The primary purpose of the new agreement was to modify the financing arrangements for currently leased laboratory equipment, chemical reagents, and related supplies that were currently purchased under a rental reagent agreement with Roche. The term of the Schedule is for five years effective upon the commencement date, which is, the date of first use of the last piece of equipment listed in the schedule. The total estimated cost of the schedule is of \$12,363,215.55.

**Specific type of contract:** This is an amendment to Product Schedule 12231 which is an attachment to the Master Agreement.

**Purpose:** The purpose of this amendment is to delete the Cobas 6000 c501/e601 analyzer series on Schedule 12231, and to change the location of one Cobas c501 analyzer on Schedule 12231.

**Scope of Work:** Under the amended agreement, Roche provides the following:

- Ten (10) chemistry/immunoassay instruments,;
- Two (2) Modular Pre-Analytic instruments;
- Needed reagents and consumables;
- Software;
- Service/Maintenance of instruments; and
- Service/Maintenance of software.

UMMC will continue to:

- Pay a monthly lease payment on instruments;
- Pay monthly for services/maintenance on both instruments and software;
- Commit to the purchase of certain chemical reagents, at a set pricing, as needed to perform testing; and
- Pay set pricing for those chemical reagents that will be needed but, for which we are not making a minimum commitment.

**Term of contract:** The term of the contract remains at sixty (60) months, beginning May 22, 2013 and ending May 21, 2018.

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**Termination Options:** The agreement may be terminated for the following:

- Default by either party under the Master Agreement;
- For a breach by Roche of any representations and warranties to UMMC as specified in the Standard Terms and Conditions Addendum;
- An inability to agree to renegotiated contract terms in the event a change in law occurs that materially restricts or prohibits the rights of either party or otherwise makes it desirable for the parties to renegotiate the agreement;
- Reduction of funds; or
- Failure by Roche to comply with the federal E-Verify program

**Contract Amount:** The estimated cost over the five (5) year term of the contract is \$11,908,680.55. The breakdown for each year is as follows:

Total Expenditures per Year	
Lease	\$681,736.11
Reagents/ Consumables	\$1,700,000.00
TOTAL	\$11,908,680.55

**Funding Source for Contract:** The agreement will be funded by patient revenues.

**Contractor Selection Process:** Roche is a vendor contracted with Novation, UMMC's primary group purchasing organization (GPO) pursuant to Miss. Code Ann. § 31-7-13(m)(x); however, to ensure that we receive a pricing tier that benefits UMMC, it was necessary to sign an agreement directly with Roche.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**3. UMMC-REQUEST FOR APPROVAL OF A NEW PRODUCT SCHEDULE FOR THE GRENADA FACILITY APPLICABLE TO THE EXISTING MASTER AGREEMENT WITH ROCHE DIAGNOSTIC CORPORATION**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) request approval to enter Product Schedule with **Roche Diagnostic Corporation (Roche)** for the lease of clinical laboratory equipment and purchase of associated chemical reagents to be placed at its Grenada Facility.

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**Contractor's Legal Name: Roche Diagnostic Corporation**

**History of Contract:** On October 12, 2012, UMMC was approved by the IHL to enter into a Master Agreement under which UMMC has the ability to negotiate additional Statements of Work or Product and/or Product Schedules with Roche which incorporate the terms of the Master Agreement. In addition, the board approved UMMC to enter into a Product Schedule (Schedule No. 12231) for the lease of laboratory equipment, service, and the purchase of reagents and associated supplies for chemistry and immunoassay testing. This schedule became effective upon signature of Roche on December 28, 2012. The commencement date of the schedule began upon use of the equipment May 22, 2013, with the schedule continuing for a term of 60 months. UMMC has requested an amendment to the Master Agreement and Schedule No. 12231 at the same time as this request. The amendment to the Master Agreement adds UMMC's Grenada Facility to the list of covered facilities. The amendment to Schedule No. 12231 deletes one of the chemistry/immunoassay instruments, the cobas 6000 c501/e601 listed under serial numbers 0937-25 and 2196-07) which is to be placed at its Grenada facility upon approval of this request.

**Specific type of contract:** This is a new product schedule for the lease of clinical laboratory equipment and the purchase of associated reagent and consumables.

**Purpose:** The Product Schedule being presented through this agenda item will allow UMMC to place clinical laboratory equipment at its Grenada facility as the current chemistry and immunoassay testing equipment is outdated and needs to be replaced. Under this Product Schedule, the UMMC Grenada clinical laboratory will lease the chemistry instruments from Roche and will purchase reagents to conduct both chemistry and immunoassay testing.

**Scope of Work:** Under this proposed SOW Roche will provide the following:

- Three (3) chemistry/immunoassay instruments;
- Needed reagents and consumables;
- Service/Maintenance of instruments; and
- Training

UMMC will:

- Pay a monthly lease payment on instruments;
- Pay monthly for services/maintenance on both instruments and software;
- Commit to the purchase of certain chemical reagents, at a set pricing, as needed to perform testing; and
- Pay set pricing for those chemical reagents that will be needed but, for which we are not making a minimum commitment.



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**Term of contract:** The term of the schedule is five (5) years from the commencement date. The estimated start date of the schedule is February 2, 2015 with the commencement date of the schedule to begin upon first use of the last piece of equipment listed on the product schedule.

**Termination Options:** The agreement may be terminated for the following:

- Default by either party under the Master Agreement;
- For a breach by Roche of any representations and warranties to UMMC as specified in the Standard Terms and Conditions Addendum;
- An inability to agree to renegotiated contract terms in the event a change in law occurs that materially restricts or prohibits the rights of either party or otherwise makes it desirable for the parties to renegotiate the agreement;
- Reduction of funds; or
- Failure by Roche to comply with the federal E-Verify program

**Contract Amount:** The estimated cost over the five (5) year term of the contract is \$2,077,687.79. The breakdown for each year is as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Lease	\$ 73,356.60	\$ 73,356.60	\$ 73,356.60	\$73,356.60	\$73,356.60	\$ 366,783.00
Service	\$ 28,032.00	\$ 54,192.00	\$ 54,192.00	\$54,192.00	\$54,192.00	\$ 244,800.00
Reagent/ Consumables*	\$221,797.53	\$252,849.19	\$288,248.07	\$328,602.80	\$374,607.20	\$1,466,104.79
<b>Total</b>	<b>\$ 323,186.13</b>	<b>\$380,397.79</b>	<b>\$415,796.67</b>	<b>\$456,151.40</b>	<b>\$502,155.80</b>	<b>\$2,077,687.79</b>

\*UMMC compound the reagent/consumables column each year beginning in year two (2) by fourteen percent (14%) to account for patient volume and any potential CPI increases in the cost of reagents and consumables.

**Funding Source for Contract:** The funding source for this agreement will be hospital patient care revenue. In regards to hospital funding, the expense will be categorized to contractual operating expense. Please see attached budget projections.

**Contractor Selection Process:** Roche is a vendor contracted with Novation, UMMC's primary group purchasing organization (GPO); however, to ensure that we receive a pricing tier that benefits UMMC, it was necessary to sign an agreement directly with Roche.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total*

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*expenditure of more than \$250,000. The agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**4. UMMC-REQUEST FOR APPROVAL TO AMEND THE MASTER AGREEMENT WITH ROCHE DIAGNOSTICS CORPORATION**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) is requesting an amendment of the existing master agreement between UMMC and **Roche Diagnostics Corporation (Roche)** to replace the existing Attachment A with a new Attachment A adding UMMC's Grenada facility to the list of facilities.

**Contractor's Legal Name: Roche Diagnostics Corporation**

**History of Contract:** On October 18, 2012, UMMC was approved by the Board to enter into a Master Agreement with general terms and conditions to be applied to any subsequent Statements of Work or Product and/or Product Schedules with Roche attached to the Master Agreement.

**Specific type of contract:** This is an amendment to the Master Agreement.

**Purpose:** The purpose of this amendment is to add UMMC's Grenada Facilities to the listing of facilities found under Attachment A of the Master Agreement.

**Scope of Work:** Under the Master Agreement amendment Roche add UMMC's Grenada Facilities to the listing of facilities found under Attachment A.

**Term of contract:** The Master Agreement was effective December 28, 2012 and will remain in effect until each schedule is terminated.

**Termination Options:** The agreement may be terminated for the following:

- Default by either party under the Master Agreement;
- For a breach by Roche of any representations and warranties to UMMC as specified in the Standard Terms and Conditions Addendum;
- An inability to agree to renegotiated contract terms in the event a change in law occurs that materially restricts or prohibits the rights of either party or otherwise makes it desirable for the parties to renegotiate the agreement;
- Reduction of funds; or
- Failure by Roche to comply with the federal E-Verify program

**Contract Amount:** There is no cost associated with this amendment.

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**Funding Source for Contract:** Not applicable.

**Contractor Selection Process:** Roche is a vendor contracted with Novation, UMMC's primary group purchasing organization (GPO) pursuant to Miss. Code Ann. § 31-7-13(m)(x); however, to ensure that we receive a pricing tier that benefits UMMC, it was necessary to sign an agreement directly with Roche.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**5. UMMC-REQUEST FOR APPROVAL OF A NEW PRODUCT SCHEDULE FOR THE MAIN CAMPUS EMERGENCY DEPARTMENT APPLICABLE TO THE EXISTING MASTER AGREEMENT WITH ROCHE DIAGNOSTIC CORPORATION**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) request approval to enter Product Schedule with **Roche Diagnostic Corporation (Roche)** for the lease of clinical laboratory equipment and purchase of associated chemical reagents to be placed in the Emergency Department at its main campus facility.

**Contractor's Legal Name:** **Roche Diagnostic Corporation**

**History of Contract:** On October 12, 2012, UMMC was approved by the IHL to enter into a Master Agreement under which UMMC has the ability to negotiate additional Statements of Work or Product and/or Product Schedules with Roche which incorporate the terms of the Master Agreement.

**Specific type of contract:** This is a new product schedule for the lease of clinical laboratory equipment and the purchase of associated reagent and consumables.

**Purpose:** The purpose of this product schedule is to allow for the placement of clinical laboratory equipment and the purchase of reagents/consumables associated with the equipment. This equipment will allow the clinical laboratory to add a chemistry/immunoassay instrument that will provide for increases in cardiac enzyme testing which will allow the laboratory to maintain the turnaround time of test results for these enzymes.

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**Scope of Work:** Under this proposed SOW Roche will provide the following:

- Needed reagents and consumables; and
- Service/Maintenance of instruments.

UMMC will:

- Pay a monthly lease payment on instruments;
- Pay monthly for services/maintenance on both instruments and software;
- Commit to the purchase of certain chemical reagents, at a set pricing, as needed to perform testing; and
- Pay set pricing for those chemical reagents that will be needed but, for which we are not making a minimum commitment.

**Term of contract:** The term of the schedule is five (5) years from the commencement date. The estimated start date of the schedule is February 2, 2015 with the commencement date of the schedule to begin upon first use of the last piece of equipment listed on the product schedule.

**Termination Options:** The agreement may be terminated for the following:

- Default by either party under the Master Agreement;
- For a breach by Roche of any representations and warranties to UMMC as specified in the Standard Terms and Conditions Addendum;
- An inability to agree to renegotiated contract terms in the event a change in law occurs that materially restricts or prohibits the rights of either party or otherwise makes it desirable for the parties to renegotiate the agreement;
- Reduction of funds; or
- Failure by Roche to comply with the federal E-Verify program.

**Contract Amount:** The estimated cost over the five (5) year term of the contract is \$639,236.13. The breakdown for each year is as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Lease	\$17,325.00	\$17,325.00	\$17,325.00	\$17,325.00	\$17,325.00	\$86,625.00
Service	\$0.00	\$9,948.00	\$9,948.00	\$9,948.00	\$9,948.00	\$39,792.00
Reagents and Consumables	\$77,581.10	\$88,442.45	\$100,824.39	\$114,939.81	\$131,031.38	\$512,819.13
Total	\$94,906.10	\$115,715.45	\$128,097.39	\$142,212.81	\$158,304.38	\$639,236.13

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\*UMMC compound the reagent/consumables column each year beginning in year two (2) by fourteen percent (14%) to account for patient volume and any potential CPI increases in the cost of reagents and consumables.

**Funding Source for Contract:** The funding source for this agreement will be hospital patient care revenue. In regards to hospital funding, the expense will be categorized to contractual operating expense. Please see attached budget projections.

**Contractor Selection Process:** Roche is a vendor contracted with Novation, UMMC's primary group purchasing organization (GPO); however, to ensure that we receive a pricing tier that benefits UMMC, it was necessary to sign an agreement directly with Roche.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**6. UMMC-REQUEST FOR APPROVAL OF SECOND AMENDMENT TO A LEASE AGREEMENT WITH SELECT SPECIALTY HOSPITAL-JACKSON, INC.**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) requests approval of a second amendment to an existing lease agreement with **Select Specialty Hospital – Jackson, Inc.** to lease 6,021 square feet of additional space on floor 1 (Suite 110) of the premises located at 5903 Ridgewood Road, Jackson, Mississippi. The amendment will allow UMMC to continue its mission to be the preferred provider of children's healthcare in the State of Mississippi by improving access to patients seeking outpatient infusion and injection services.

**Contractor's Legal Name:** **Select Specialty Hospital – Jackson, Inc. (SSH)**

**History of Contract:** Through multiple agreements, UMMC has leased clinical and office space from SSH with Board approval since March 2008 to house UMMC's Sleep Disorder Clinic, GI Clinic and Heart Diagnostic Clinic.

UMMC is currently in a lease agreement with SSH upon Board approval at its August 15, 2013 meeting. The existing lease agreement was effective September 1, 2013, and will expire August 31, 2022. The cost of the original lease agreement was \$6,796,863.62. The Board approved the first amendment to the lease agreement on

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October 16, 2014, to add space for a Children's Development Clinic (Suite 100). The amended total cost of the lease agreement currently is \$7,709,810.24.

**Specific Type of Contract:** Second Amendment to Lease Agreement

**Purpose:** The purpose of the amendment to the lease is to secure additional clinic space in order to provide a full range of outpatient infusion and injection services for a larger number of patients. This amendment will allow UMMC to continue its mission to be the preferred provider of children's healthcare in the State of Mississippi by improving access to patients who do not require hospitalization but need treatments on either a regular or infrequent basis.

**Scope of Work:** Under the lease, SSH provides:

- Utilities, including heating, air conditioning, electricity, gas, sewer, and water;
- Maintenance services, including plumbing, water pipes, heating, cooling, and ventilation systems, elevator equipment, sprinkler systems, and electrical and lighting fixtures;
- Payment for any and all real property taxes;
- Janitorial services and waste disposal;
- Medical gas or oxygen in the event UMMC elects to use it;
- Security services;
- Parking spaces in UMMC's pro rata share of available spaces at the building; and
- A restrictive covenant that prohibits SSH from leasing space to any cardiologist, cardiology group, urologist, urology group, or other like entity unless UMMC consents.

UMMC will be responsible for:

- Using the leased premises for UMMC's Child Development Clinic, Sleep Disorder Clinic, and University Heart and Urology medical offices;
- Preserving and maintaining the leased premises in clean and good condition; Ensuring any physician providing medical services in the premises shall be a Mississippi licensed physician and participates in the Medicare Program;
- Payment for the use of any medical gases, which UMMC currently does not utilize; and
- Payment of the fixed monthly rent.

**Term of Contract:** The existing lease agreement was effective September 1, 2013, and will expire August 31, 2022. The second lease amendment will be effective April 1, 2015, and will end coterminous with the existing lease agreement.

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**Termination Options:** The options for termination include:

- After the third anniversary of the effective date, either party may terminate the Lease by giving 120 days' written notice;
- SSH may terminate the Lease in the event UMMC engages in a prohibited use and fails to cure such violation within 30 days following written notice;
- If the premises is destroyed by fire, the elements, or any material injury to the premises which renders the premises untenable for at least 90 days, the Lease may be terminated by either party;
- If the entire building or premises are taken by right of eminent domain or conveyed in lieu thereof, the Lease shall terminate as of the date of such condemnation;
- Upon default, including nonpayment of rent, failure by UMMC or SSH to observe and perform any material provision of the lease, and bankruptcy, and failure to cure the default within 30 days, the Lease may be terminated; and
- In the event that changes occur in government regulations or third party reimbursement policies which reduce the amounts receivable by SSH for the operation of a hospital in the building due to UMMC's lease of space, the Lease may be terminated upon 90 days' written notice.

**Contract Amount:** The second amendment for the outpatient infusion clinic space for Suite 110 is at the Hospital Suites rate, or \$34.00 per square foot, plus annual increases up to CPI. The cost of the original lease agreement plus the first amendment was \$7,709,810.24. The second amendment will cost approximately \$1,751,998.26, for a total cost of the amended lease agreement to be approximately \$9,461,808.50.

The breakdown of costs is as follows:

	<b>Original Lease Annual Costs*</b>	<b>First Amendment Base Annual Costs*</b>	<b>Second Amendment Additional Rent*</b>	<b>TOTAL ANNUAL COST</b>
Per Square Foot		\$17.50	\$34.00	
Year 1 (9/1/2013 - 8/31/2014)	\$669,041.50		\$0.00	\$669,041.50
Year 2 (9/1/2014 - 8/31/2015) **	\$689,112.75	\$104,382.62	\$87,856.43	\$881,351.80
Year 3 (9/1/2015 - 8/31/2016)	\$709,786.13	\$112,664.84	\$217,181.08	\$1,039,632.05
Year 4 (9/1/2016 - 8/31/2017)	\$731,079.71	\$115,551.63	\$223,696.52	\$1,070,327.86

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Year 5 (9/1/2017 - 8/31/2018)	\$753,012.10	\$118,525.02	\$230,407.41	\$1,101,944.53
Year 6 (9/1/2018 - 8/31/2019)	\$775,602.47	\$121,587.62	\$237,319.63	\$1,134,509.72
Year 7 (9/1/2019 - 8/31/2020)	\$798,870.54	\$113,783.05	\$244,439.22	\$1,157,092.81
Year 8 (9/1/2020 - 8/31/2021)	\$822,836.66	\$111,552.63	\$251,772.40	\$1,186,161.69
Year 9 (9/1/2021 - 8/31/2022)	\$847,521.76	\$114,899.21	\$259,325.57	\$1,221,746.54
<b>TOTAL</b>	<b>\$6,796,863.62</b>	<b>\$912,946.62</b>	<b>\$1,751,998.26</b>	<b>\$9,461,808.50</b>

*\*Rates include annual increase of 3.0% for increases up to current CPI beginning in Year 2. The Second Amendment base cost starts at \$35.02, which is \$34.00 plus 3% increase.*

*\*\*Year 2 includes five (5) months of amendment costs for additional rent (April 2015 – August 2015).*

**Funding Source of Contract:** The agreement will be funded by patient revenues.

**Contractor Selection Process:** Select Specialty Hospital is the existing landlord.

**Staff Recommendation:** Based on Board Policy 707.01, *Personal Property and Service Contracts*, Board approval is required prior to execution of leases in an amount greater than \$100,000. However, Board approval is required prior to execution of all oil, gas and mineral leases, regardless of amount. The agreement has been reviewed and approved by the Attorney General’s Office. Board staff recommends approval of this item.

**7. UMMC-REQUEST FOR APPROVAL OF AMENDMENT TO PURCHASE AGREEMENT WITH ST. JUDE**

**Agenda Item Request:** The University of Mississippi Medical Center (“UMMC”) requests approval to amend the Structural Heart Products Purchase Agreement with **St. Jude Medical S. C., Inc. (“St. Jude”)** to extend the agreement for one (1) year and increase the total authorized spend. The agreement provides for the purchase of structural heart products used in the pediatric and adult cardiac catheterization laboratories. UMMC also requests retroactive approval of \$10,949.00 spent to date, plus spend from the date of this request through January 22, 2015.



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**Contractor's Legal Name: St. Jude Medical S.C., Inc.**

**History of Contract:** On May 16, 2013, the IHL Board of Trustees approved a two-year purchase agreement with St. Jude for the purchase of structural heart products used in UMMC's pediatric and adult cardiac catheterization laboratories. The agreement had a term of two (2) years, effective May 31, 2013, through May 30, 2015, for a total cost of approximately \$465,356, dependent upon patient volume. The pricing included in the agreement locked in St. Jude's 2012 published rates, which were being increased in 2013. At this time, UMMC requests approval to amend the agreement to extend it for one (1) year and increase the total authorized spend. Over the term of the agreement, UMMC has seen a large increase in patient volume for the procedures that use the products covered by the agreement. While UMMC originally anticipated 10% growth during the term, actual growth has been closer to 50%. In late August 2014, UMMC received notification from its Lawson purchase order system that it had reached 75% of the total IHL-approved spend on the agreement. The Children's Hospital immediately began working with St. Jude to determine a sufficient amount that it should expect to spend during the remainder of the original term, as well as an amendment to extend the agreement for another year, locking in the original 2012 pricing. After negotiations, St. Jude agreed to extend the agreement through April 30, 2016, with the original pricing. However, by this time, UMMC had overspent the approved amount for the original agreement. To date, UMMC has spent \$476,305.00 under the agreement.

**Specific Type of Contract:** Products Purchase Agreement

**Purpose:** The purpose of this agreement is to purchase structural heart products at a locked-in rate. The structural heart products are used to correct congenital heart anomalies in pediatric and adult patients. In layman's terms, the structural heart product, or occluder, is used to fix a hole in a patient's heart, a common congenital anomaly.

**Scope of Work:** Under the agreement, St. Jude agrees to:

- Provide Amplatzer structural heart occluders and related products at firm pricing;
- Exchange a product for an item of the same family if the product purchased is determined to be the wrong size to occlude the defect;
- Exchange a product if a purchased product has not been used and is within six (6) months of expiration; and
- Accept returned products if they are unopened and UMMC has notified St. Jude of the return.

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UMMC will purchase a minimum of ninety percent (90%) of the structural heart products needed for its patients. Should UMMC find it necessary to return any unused products to St. Jude, prior to returning the products, UMMC agrees to request prior authorization and obtain a Returned Goods Authorization number from St. Jude.

**Term of Contract:** The original contract's term was for two (2) years, effective May 31, 2013, through May 30, 2015. The amendment will extend the agreement through April 30, 2016. The total term of the amended contract is approximately three (3) years, or May 31, 2013, through April 30, 2106.

**Termination Options:** Termination options include the following:

- By either party at any time upon a thirty (30) day written notice;
- By the non-breaching party if the other party breaches confidentiality of the agreement's terms;
- In the event of any reduction in available funds to UMMC, the contract may be terminated without penalty to UMMC;
- By UMMC in the event of any delay in shipment of goods in excess of 30 days for which St. Jude is responsible; and
- Failure by St. Jude to comply with the federal E-Verify Program.

**Contract Amount:** The total cost of the amended agreement is estimated to be \$1,276,305.00 for the approximately three (3) year term. The original estimated cost was based on purchases prior to the start of the agreement, plus a ten percent (10%) increase each year to cover potential increases in patient volume and additional products that may become available during the term of the agreement. The total cost of the original two (2) year agreement was approximately \$465,356. While UMMC originally anticipated 10% growth during the term, actual growth has been closer to 50%. In late August 2014, UMMC received notification from its Lawson purchase order system that it had reached 75% of the total IHL-approved spend on the agreement. The Children's Hospital immediately began working with St. Jude to determine a sufficient amount that it should expect to spend during the remainder of the original term, as well as an amendment to extend the agreement for another year, locking in the original 2012 pricing. After negotiations, St. Jude agreed to extend the agreement through April 30, 2016, with the original pricing. However, by this time, UMMC had overspent the approved amount for the original agreement. To date, UMMC has spent \$476,305.00 under the agreement.

For the remainder of the contract, UMMC anticipates spending \$800,000. During the first 18 months of the agreement, the average monthly spend was approximately

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\$26,500. Allowing for additional physician and patient growth and potential new products, UMMC has calculated a monthly spend of \$40,000 for the remainder of the amended contract.

	Annual Costs
Year 1 and Partial Year 2 5/31/13 - 11/30/14	\$476,305.00*
Remainder of Contract 12/1/14 - 4/30/16	\$800,000.00**
Total	\$1,276,305.00

\*Actual spend through the date of UMMC’s request.

\*\*Calculated as \$40,000 per month, which will allow for additional physician and patient growth, as well as potential new products.

**Funding Source for Contract:** The current agreement will be funded by hospital patient revenue.

**Contractor Selection Process:** St. Jude Medical S.C., Inc. is the sole source of the structural heart products covered under this purchase agreement. The St. Jude products allow interventional cardiologists the ability to be patient-specific in regards to selecting the appropriate size device, as well as use the products to fix a wide variety of congenital heart anomalies, such as defects in the atrial, ventricular, and ductus arteriosus of the heart. Additionally, the Amplatzer products are the only devices that center themselves during the procedure, which more likely results in success. Other companies that offer occluders do not offer the full line for all types of heart anomalies, and their products do not share the ability to be patient-specific and self-center. Thus, there are no comparative or competitive products available on the market.

**Staff Recommendation:** *Staff Recommendation: Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approval by the Attorney General’s Office is contingent upon receipt by the Attorney General’s Office of verification of DFA sole source certification. Board staff approval is contingent upon receipt by the Attorney General’s Office of verification of DFA sole source certification.*

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**8. UMMC-REQUEST FOR APPROVAL OF STAFFING SERVICES AGREEMENT WITH TEKsystems, INC.**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) would like to request approval to pursue a standard staffing services agreement with **TEKsystems, Inc. (TEKsystems)** for information technology (IT) staff augmentation.

**Contractor's Legal Name: TEKsystems, Inc.**

**History of Contract:** This is a new agreement with TEKsystems, to provide IT staff to UMMC's Department of Information Systems (DIS) to lend support necessary in areas where we currently lack adequate IT staffing.

The agreement contains two clauses that address non-solicitation. The first clause, which can be found within the body of the agreement, provides a means in which an individual who is contracted with TEKsystems can become an UMMC DIS employee, if UMMC has an open position into which UMMC would like to hire the contracted employee. The clause reads specifically as follows:

- Section 9.Restrictive Covenant - Conversion TEKsystems is not an employment agency. Its services are provided at great expense to TEKsystems. In consideration thereof, during the term of this Agreement if at any time the Client wishes to hire any Contract Employee provided by TEKsystems, Client may request that TEKsystems release the Contract Employee from his/her employment contract with TEKsystems to allow Client to employ or engage the services of Contract Employee, either directly or indirectly. The terms of this transition, including timeframe and compensation to TEKsystems shall be mutually agreed upon by the Parties.

The second clause can be found in UMMC's Standard Terms and Conditions Addendum (STCA), which is incorporated into the agreement. The intent of the clause is to deter TEKsystems from actively soliciting UMMC IT employees away from UMMC. The clause reads specifically as follows:

- Section 6 Non-solicitation Vendor agrees that, during the term of this agreement and for a period of one year after termination, it will not solicit the employment of any employee or contractor of UMMC without such other party's prior written consent thereto (other than through general solicitations not targeted at such persons).

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These two clauses were included as the IT world is extremely competitive when dealing with qualified IT professionals, especially in the field of Healthcare. The non-solicitation language contained in the agreement and STCA protects the interest of both UMMC and the company. The language contained in Section 9 of the agreement does not prevent UMMC from hiring one of TekSystems employees rather the language allows us to negotiate the means of hire, similar to that of a placement agreement. UMMC did try to negotiate the contract so this section was deleted in its entirety but the company refused. However, UMMC was able to negotiate the language down to what is currently in the agreement. The company stated the cost they incur in recruiting and vetting qualified individuals was the reason why they would not delete the section in its entirety and stated that they would not contract with UMMC if we have to have this completely stricken from the agreement.

As for Section 6 of the STCA, UMMC expends money and time in training IT staff on our systems. It is a benefit to UMMC to have the non-solicitation language in the agreement so that any IT companies it works with does not, for a lack of a better word, poach its employees after we invest the time and money in training them.

**Specific Type of Contract:** This is a new staffing services agreement.

**Purpose:** The staffing services will provide DIS with a pool of IT professionals, which they can utilize to supplement staffing in areas that are under staffed. These IT professionals will assist with various IT initiatives, such as, infrastructure planning and project management services. The services would be utilized on an as needed basis rather than a strict timeline.

**Scope of Work:** This agreement will provide professional IT staff augmenting UMMC's current staff.

**Term of Contract:** This agreement is for a term of three (3) years beginning on February 2, 2015 through February 1, 2018.

**Termination Options:** This Agreement may be terminated by the following:

- Either party upon thirty (30) days prior written notice;
- Lack of available funding to UMMC;
- Failure of TEKsystems to comply with E-Verify;
- In the event of a force majeure event which would render the affected party unable to perform;
- In the event of a change in law resulting in an adverse consequence;

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- UMMC may terminate the agreement and the underlying business relationship in the event that TEKsystems, acting as a business associate, as defined by the Health Insurance Accountability and Portability Act (HIPAA), improperly uses or discloses protected health information in breach of the business associate agreement (BAA); and
- UMMC may terminate if it makes the determination that a material condition of performance by TEKsystems, acting as a business associate, as defined by the HIPAA, has changed or the business associate has breached a material term of BAA.

**Contract Amount:** The total estimated cost of this agreement is \$3,000,000.00. The estimated cost breakdown is below.

Description	Cost
Staffing	\$2,000,000.00
Travel	\$1,000,000.00
Total	\$3,000,000.00

**Funding Source for Contract:** This agreement will be funded through patient revenue.

**Contractor Selection Process:** TEKSystems is an approved vendor contracted with Novation, UMMC's primary group purchasing organization (GPO) pursuant to Miss. Code Ann. § 31-7-13(m)(x).

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property, and Service Contracts, Board approval is required prior to execution of contracts for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. This agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**9. UMMC-REQUEST FOR APPROVAL OF SUBSCRIPTION AND LICENSING AGREEMENT WITH UPTODATE, INC.**

**Agenda Item Request:** The University of Mississippi Medical Center (UMMC) requests approval to enter into a library database subscription and license agreement with **UpToDate, Inc.** for the purchase of access to its Anywhere database. An annual prepayment is required, but same is permitted by Board Policy 707.03(6).

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**Contractor's Legal Name:** UpToDate®, Inc.

**History of Contract:** This is a new agreement.

**Specific Type of Contract:** Subscription Agreement

**Purpose:** This agreement allows UMMC access to the UpToDate® database which contains updated evidence-based clinical data which will aid in clinical decision making acted on at the point of care. It combines an advanced publishing platform with the rigor of a sophisticated editorial process managed by a faculty of accomplished physician authors and renowned leaders in their specialties. This new license will allow clinicians to access the resource from both on and off campus.

**Scope of Work:** UpToDate® will grant a license that allows authorized users to access clinical data through its advanced publishing platform.

**Term of Contract:** The term of the agreement is four (4) years, beginning March 1, 2015 and ending on February 28, 2019.

**Termination Options:** UMMC may terminate the agreement for cause by giving a sixty day written notice with an additional thirty day Cure Period to remedy. UpToDate® may terminate upon default by the other party within thirty days of written notice. Either party may terminate upon thirty days written notice. UMMC can terminate the agreement in the event of any reduction in available funds.

**Contract Amount:** The estimated total cost of the four-year agreement is \$1,160,819.40.

The agreement will be paid according to the following step-up schedule:

Year 1, \$180,000

Year 2, \$209,000

Year 3, \$237,000

Year 4, \$266,938

\*Contingency 30%, \$267,881.40

The agreement will be evaluated at the end of each year for any change in operating statistics, on which the price is based. The cost of subscription will only increase if the operating statistics increase or decrease by more than 10% or if UMMC adds additional clinical facilities to the network.

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The statistics on which the price is based are:

Institution	Inpatient Admissions	Clinicians	3rd and 4th Year Students	Residents
Grenada Lake Medical Center	2,842	33	-	-
UMMC	27,748	116	268	397
Designated Off-Site Locations	-	266	-	-
	30,590	415	268	397

\*UMMC has built in a contingency allotment equal to 30% of each year’s subscription cost, which will cover any potential increases in faculty, students, and residents.

The following are considered Designated Sites:

- Holmes County Hospital & Clinics
- Jackson Heart Study
- Jackson Medical Mall
- The Blair E. Batson Hospital for Children
- The Cancer Institute
- The Wallace Conerly Critical Care Hospital
- University Medical Pavilion
- Winfred L. Wiser Hospital for Women and Infants

**Funding Source of Contract:** The agreement will be funded by general funds.

**Contractor Selection Process:** This vendor is considered to be sole source as the information represented in its database is unique and contains distinct information not available from other subscription providers.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property, and Service Contracts, Board approval is required prior to execution of contracts for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. This agreement has been reviewed and approved by the Attorney General’s Office. Board staff recommends approval of this item.*



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**10. MSU-MISSISSIPPI INFORMATION TECHNOLOGY SERVICES  
AGREEMENT WITH ELLUCIAN COMPANY L.P.**

The following document represents the approval of MS-ITS for the provision of software licenses and related support services for Mississippi State University (MSU). The Attorney General's staff assigned to the MS-ITS reviewed this amendment prior to its execution. The amendment to the Master Agreement for Ellucian Recruiter software and services is between Ellucian Company, L.P. and MS-ITS behalf of MSU.

See next page.

Effective Date 12/22/2014

Expiration Date 06/30/2017

Date Printed 12/23/2014

Procurement Type COMPETITIVE PROCUREMENT

CP-1 Acquisition Approval Form
Dept. of Information Technology Services
3771 Eastwood Dr.
Jackson, MS 39211
(601) 432-8000

CP-1 20150246
Contract IT20150112

Acquisition Method: PURCHASE

This document is your authorization from ITS to purchase the following products and/or services from the vendor listed, at or below the prices itemized. If no vendor is listed, proceed according to ITS exemption instructions or instructions included on the Planned Purchase Approval Letter accompanying this CP-1. This procurement is contingent upon availability of funds and will not become final until the vendor has received your purchase order. Keep this form with your financial records as an audit trail of ITS procurement approval.

For additional information regarding the ITS Procurement Process and CP-1 Approval Documents, refer to the ITS Procurement Handbook, located at http://www.its.state.ms.us/its/procman.nsf. The following sections of the Procurement Handbook include information specifically related to CP-1 approvals: 009-025, 013-040, and 013-080.

If you need additional assistance regarding this CP-1, please contact the ITS Procurement Help Desk at 601-432-8166 or e-mail isshep@its.ms.gov.

Table with 2 columns: Vendor Information (MS State University) and Order/Payment Information (PLACE ORDER TO: ELLUCIAN COMPANY L.P., MAKE PAYMENT TO: ELLUCIAN COMPANY L.P.).

Table with 3 columns: MAX ANNUAL % INCREASE (0.00), CP1 LIFECYCLE LIMIT (328,338.35), NUMBER OF PAYMENTS (1).

This software will replace the Banner Relationships Management software. This procurement approval falls within the ITS Director Approval threshold for IHLs, as outlined in 018-030 of the ITS Procurement Handbook. Amendment #1 to the Master Supplement has been executed.

APPROVED ITS DATE: 12/23/2014

Handwritten signature: Craig Deje

PRODUCTS AND SERVICES PURCHASE DETAILS

Table with 4 columns: QTY, PRODUCTS, EACH NET, EXTENDED NET. Rows include Software (\$91,080.00), Annual License for Target E-mails, eCRM Recruiter, Professional Services Hours, and Annual Software Maintenance for Years 1, 2, and 3.

TOTAL MAXIMUM 328,338.35

COMMODITY CODES - 61902000000, 61921000000

DISTRIBUTION TO

Meredith Jackson - EMAIL meredith@its.msstate.edu

ISS MAGIC - EMAIL issmagic@its.ms.gov

Table with 4 columns: PRNO (TAW00-41643-1), ATHY (DIRECTOR APRV), REPLACEMENT (NEW), RFP No(s) (2911).

Effective Date 12/22/2014  
Expiration Date 06/30/2017  
Date Printed 12/23/2014  
Procurement Type COMPETITIVE PROCUREMENT

CP-1 Acquisition Approval Form  
Dept. of Information Technology Services  
3771 Eastwood Dr.  
Jackson, MS 39211  
(601) 432-8000

CP-1 **20150246**  
Contract **IT20150112**  
Acquisition Method: PURCHASE

**CP-1 LIFECYCLE REPORT**

Product/Services  
Banner Recruiter Software, Services, and Maintenance through June 30, 2017

Payment frequency MAXIMUM  
Max Annual % Increase 0.00

	YEAR	PERIOD	PAYMENT AMOUNT	# PMTS	TOTAL FOR YEAR
Total	1	12/22/2014	328,338.35	1	328,338.35

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**Note:** Project numbers beginning with the prefix "GS" designate projects that the Bureau of Building provides management oversight for and are funded partially or wholly with state Bureau of Building bond revenues. Project numbers beginning with the prefix "IHL" designate projects that are funded from university self-generated sources including but not limited to donations, fees, and grants.

**Board Policy §902, Initiation of Construction Projects**

*The Board must approve the initiation of a project for the construction of new facilities, repairs and renovations to existing facilities and requests for a capital outlay with a total project budget exceeding \$1,000,000 regardless of how the projects are financed. It is the intent of the Board that its appropriate staff under the direction of the Commissioner shall be involved in all phases of building projects requiring approval by the Board. All construction, repairs, and renovation projects with a total budget of \$1,000,000 or less may be approved by the Institutional Executive Officer. However, all projects utilizing any state bond funds, including Ayers funds, must be initiated with STAFF approval from the Office of Real Estate and Facilities. No further approvals are required by IHL staff for projects of \$1,000,000 or less unless the budget changes. All budget changes for these projects must be reported to the Office of Real Estate and Facilities.*

**Board Policy §904(A), Board Approval**

*When funding has been secured from whatever source, each institution shall bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects. This request shall include a detailed description of the work to be accomplished, the total budget, the funding source and the design professional recommended to the Board for approval.*

*After the Board has granted approval of both the initiation of a project and the appointment of a design professional, no further Board action or approval is required for the completion of the project if the following conditions are met:*

- 1. The detailed description of the work to be accomplished, as specifically approved by the Board within the project initiation, has not changed.*
- 2. The total project budget has not increased beyond the amount specifically approved by the Board as part of the project initiation;*
- 3. The funding source has not changed from that specifically approved by the Board as part of the project initiation; and*
- 4. The design professional previously approved by the Board has not changed.*

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*If the above four conditions have been met, the Board's Real Estate and Facilities staff, through the Commissioner, shall have the authority to approve any and all necessary documents related to the completion of the subject construction project, including the approval of construction documents, the advertisement and receipt of bids, the approval of a bid, the award of a contract and any change orders.*

*Prior to the commencement of construction, the Board must approve the exterior design of the major buildings that have aesthetic impact on the overall campus, regardless of the cost of the project. This requirement applies to all buildings and facilities on an institution's property even if the land is leased to an institution's affiliated entity or a private developer.*

**Board Policy §905(A), Real Estate Management**

*Prior Board approval is required for the execution of all leases, easements, oil and mineral leases, and timber sales. Board approval prior to the execution of a contract for the sale of real property is required for all land sales, regardless of the sale price. Prior Board approval is required for the execution of all leases, easements, oil and mineral leases, and timber sales. Request for approval of land contracts shall include property descriptions, terms of purchase, lease, or sale and intended use of the property. An institution acquiring or disposing of real property shall receive two independent appraisals. The purchase price of property to be acquired shall not exceed the average of the two appraisals. The sale price of real property shall be no less than the average of the two appraisals.*

**Board Policy §905(B), Real Estate Management**

*Prior to Board consideration of the purchase or acceptance of real estate from any source, a Phase I or more detail Environmental Report shall be completed by qualified personnel and submitted to the Board's Real Estate and Facilities Office. In the event hazardous substances are confirmed as having existed in the past or as presently existing, the Board reserves the right to cancel the transaction without liability, or to permit the other party or parties to remove the hazardous substances at its or their expense in a manner sufficient to receive a "no further action" letter from the State's Department of Environmental Quality.*

**Board Policy §917, Naming Buildings and Facilities**

*Board approval must be obtained prior to naming or re-naming any institutional building or facility. Board approval must also be obtained prior to naming or renaming any building or facility built on university property leased to a university affiliated entity, a private developer or any other individual or entity.*

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**Board Policy §919, Pre-requisites for Building Modification or Demolition**

*Prior to scheduling a building on an institution's property for restoration, improvement, construction, repair, renovation, rehabilitation, demolition or similar work, the institution shall secure an inspection and approval from the Mississippi Department of Environmental Quality and a permit or written permission from the Mississippi Department of Archives and History authorizing the requested building action. After obtaining approval from these two agencies, a request for the building modification or demolition shall be submitted to the Board for approval. The request to the Board must include documentation evidencing approval by the Department of Environmental Quality and the Department of Archives and History.*

**APPROVAL OF INITIATIONS OF PROJECTS/APPOINTMENTS OF PROFESSIONALS**

**BUREAU OF BUILDING PROJECTS**

**1. MUW – GS 104-184 – Fant Library Renovation – Phase III**

**Project Request:** Mississippi University for Women requests approval to initiate a project, Fant Library Renovation – Phase III, and to appoint Burris/Wagnon Architects, P.A. as the design professional.

**Proposed Design Professional:** Burris/Wagnon Architects, P.A.

**Purpose:** The university is seeking to initiate the project and appoint Burris/Wagnon Architects as the design professional. This is phase III of the Fant Library Renovation and includes the completion of the interior of the original building and new addition and installation of the new Automate Storage and Retrieval System.

**History of the Project:** The initiation of the pre-plan of Fant Library was approved by the Board on October, 18, 2007. Burris/Wagnon was approved as the design professional on the project. Phase I of the project begin on September 3, 2012 and renovated the exterior of the existing building along with the construction of the shell of the new addition. Work included in this phase project scope involves site utilities, fire protection, temporary HVAC, temporary lighting, sitework, courtyards, drainage, and associated work to make the building accessible. Phase II of the project encompassed significant renovation (20,000 GSF) of the existing interior and finishing portions of the first floor new addition. It also included new HVAC installation and electrical upgrades.

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Mississippi University for Women is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** 1969

**Date of Last Renovation:** 2014 (Phase II)

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 4,432,043.00
Architectural and Engineering Fees:	270,355.00
Miscellaneous Project Costs:	36,000.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>161,602.00</u>
<b>Total Project Budget</b>	<b>\$ 4,900,000.00</b>

**Proposed Funding Source(s):** HB 787, Laws of 2014 (\$4,900,000)

**Staff Recommendation:** Board staff recommends approval of this item.

**2. USM – GS 108-266 – USM Electrical Systems Upgrade**

**Project Request:** The University of Southern Mississippi requests approval to initiate a project, USM Electrical Systems Upgrade, and to appoint Watkins and O’Gwynn as the design professional.

**Proposed Design Professional:** Watkins and O’Gwynn (Schultz & Wynne, P.A.)

**General Contractor:** Fountain Construction Company

**Purpose:** The project was established to upgrade the university’s aging electrical distribution circuits from old, antiquated 4160 primary voltage to 12,740 volts. The project included transformer replacement, cable conductor replacement, and some conductor re-routing to move transformers outside buildings.

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**History of the Project:** The University of Southern Mississippi is seeking to initiate the project with the Board and to retain Watkins and O’Gwynn as design professional on the project. The project was initiated with the Board staff on June 28, 2010 as a project with a budget of \$750,000. Since the project budget was below \$1,000,000 it did not require Board approval. The project budget has since increased to over the \$1,000,000 threshold and thus requires Board approval.

The University of Southern Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** N/A

**Date of Last Renovation:** N/A

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,003,734.00
Architectural and Engineering Fees:	80,156.64
Miscellaneous Project Costs:	1,771.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>44,273.00</u>
<b>Total Project Budget</b>	<b>\$ 1,129,935.00</b>

**Proposed Funding Source(s):** SB 3100, Laws of 2011 (\$1,129,935)

**Staff Recommendation:** Board staff recommends approval of this item.

**IHL PROJECTS**

**3. UM – IHL 207-397 – Vaught Hemingway Stadium – AV and Lighting Upgrades**

**Project Request:** The University of Mississippi requests approval to initiate a project, Vaught Hemingway Stadium –AV and Lighting Upgrades, and to appoint a design professional using the “Request for Qualification” (RFQ) process.



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**Proposed Design Professional: TBD through RFQ Process**

**Purpose:** The project will consist of relocating the existing video boards in Vaught Hemingway Stadium to the South side and providing new video boards on the North side of the stadium. The project will also include renovation of the existing audio and lighting systems within the stadium. The intention of this request is to initiate the project and to release a “Request for Qualifications” (RFQ) to select a design professional. The design professional will assist the university in determining the final project scope and budget as well as produce design/construction documents for the scope determined. The University of Mississippi will submit a subsequent Board item to confirm the design professional after the selection process and additionally will seek to increase the budget as required to reflect the established scope of work.

The University of Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** 1937

**Date of Last Renovation:** 2000 (South End Zone Expansion)

**Proposed Project Budget:**

	<u>Estimated</u>
Construction Cost:	\$ 0.00
Architectural and Engineering Fees:	500,000.00
Miscellaneous Project Costs:	0.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>0.00</u>
<b>Total Project Budget</b>	<b>\$ 500,000.00</b>

**Proposed Funding Source(s):** Self-generated Intercollegiate Athletic revenues (\$500,000)

**Staff Recommendation:** Board staff recommends approval of this item.

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**4. UM – IHL 207-398 – John W. White Physical Plant Building West Wing Addition**

**Project Request:** The University of Mississippi requests approval to initiate a project, John W. White Physical Plant Building West Wing Addition, and to appoint Foil-Wyatt Architects as the design professional.

**Proposed Design Professional: Foil-Wyatt Architects**

**Purpose:** The University of Mississippi is seeking to initiate the project and appoint Foil-Wyatt as the design professional for the project. The demands for new building structures and infrastructure on campus are continuing to increase in efforts to serve the university's academic mission. The Department of Facilities Planning is in need of additional staff and facilities to house the staff. The University of Mississippi intends to construct a  $\pm 5,000$  square foot building addition to the existing Physical Plant Administration Building. The addition will include additional office and departmental spaces for the Department of Facilities Planning.

The University of Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** 2004

**Date of Last Renovation:** First Major Renovation

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,200,000.00
Architectural and Engineering Fees:	95,500.00
Misc. Project Costs:	65,000.00
Furniture & Equipment Costs:	150,000.00
Contingency:	<u>220,000.00</u>
<b>Total Project Budget</b>	<b>\$ 1,730,500.00</b>

**Proposed Funding Source(s):** Internal R&R (\$1,730,500)

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**Staff Recommendation:** Board staff recommends approval of this item.

**5. UM – IHL 207-399 – University Avenue Bridge Renovation**

**Project Request:** The University of Mississippi requests approval to initiate a project, University Avenue Bridge Renovation, and to appoint Buchart Horn, Inc. / BASCO Associates as the design professional.

**Proposed Design Professional:** Buchart Horn, Inc. / BASCO Associates

**Purpose:** The University of Mississippi is seeking to initiate the project and appoint Buchart Horn Inc. / BASCO Associates as the design professional for the project. The bridge was built in 1939 by MDOT. In 1965 its ownership was transferred to the University and regular maintenance has been conducted ever since. In 2013 steel heat blast plates had to be removed from the bottom of the bridge due to their excessive corrosion and the danger they posed for cars and pedestrians passing below the bridge. The plates were not structural, but their advanced corrosion caused concern and the load rating on the bridge was reduced. This reduction in rating necessitated the rerouting of construction materials to other campus entrances and has impacted the University's ability to accommodate project schedules.

This project will remove the bridge deck, strip and recoat the existing beams, and create a new monolithic deck, which will increase the load rating to accommodate all traffic. The existing foundations, columns, and beams will be used because they are all in good condition. The University of Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** 1939

**Date of Last Renovation:** N/A

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**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,350,000.00
Architectural and Engineering Fees:	106,365.00
Misc. Project Costs:	65,200.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>228,435.00</u>
<b>Total Project Budget</b>	<b>\$ 1,750,000.00</b>

**Proposed Funding Source(s):** Internal Self-Generated R&R Funds (\$1,750,000)

**Staff Recommendation:** Board staff recommends approval of this item.

**6. UM – IHL 207-400 – Kincannon Hall Renovation**

**Project Request:** The University of Mississippi requests approval to initiate a project, Kincannon Hall Renovation, and to appoint a design professional using the “Request for Qualification” (RFQ) process.

**Proposed Design Professional: TBD through RFQ Process**

**Purpose:** The project consists of a complete renovation of Kincannon Hall. Kincannon Hall currently houses 549 students. Minor renovations of the Lobby were made in 2013. Kincannon Hall is in need of a complete renovation in order to continue to serve the University for Student Housing. The intention of this request is to initiate the project and to release a “Request for Qualifications” (RFQ) to select a design professional. The design professional will assist the university in determining the final project scope and budget as well as produce design/construction documents for the scope determined. The University of Mississippi will submit a subsequent Board item to confirm the design professional after the selection process and additionally will seek to increase the budget as required to reflect the established scope of work.

The University of Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

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**Date of Original Construction:** 1963

**Date of Last Renovation:** 2013 (First Floor Modifications)

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,613,585.00
Architectural and Engineering Fees:	125,000.00
Miscellaneous Project Costs:	0.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>260,870.00</u>
<b>Total Project Budget</b>	<b>\$ 2,000,000.00</b>

**Proposed Funding Source(s):** Student Housing Auxiliary R&R Reserves (\$2,000,000)

**Staff Recommendation:** Board staff recommends approval of this item.

**7. UMMC – IHL 209-551 – Main Pharmacy Renovations**

**Project Request:** The University of Mississippi Medical Center requests approval to initiate a project, Main Pharmacy Renovations, and to appoint The McCarty Company Design Group as the design professional.

**Proposed Design Professional:** The McCarty Company Design Group

**Purpose:** The project will involve the renovation and expansion of the current Hospital Pharmacy to meet all State Board of Pharmacy and USP (United States Pharmacopeia) 797 standards to allow the Pharmacy to compound intervenes and sterile products. The Pharmacy is located in the basement of the main Hospital and must stay active during construction. The project will also include the expansion and relocation of a portion of the Pharmacy Administration area which includes offices, conference space and open work areas. The approximate total project area is 10,000 square feet.

The University of Mississippi Medical Center is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

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**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** 1955

**Date of Last Renovation:** 1992

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 2,122,297.00
Architectural and Engineering Fees:	165,000.00
Miscellaneous Project Costs:	192,656.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>368,545.00</u>
<b>Total Project Budget</b>	<b>\$ 2,848,518.00</b>

**Proposed Funding Source(s):** UMMC SSA-Building Improvements Fund  
(\$2,848,518)

**Staff Recommendation:** Board staff recommends approval of this item.

**8. USM – IHL 208-330 – Football Locker Room Renovation**

**Project Request:** The University of Southern Mississippi requests approval to initiate a project, Football Locker Room Renovation and to appoint AECOM as the design professional.

**Proposed Design Professional:** AECOM

**Purpose:** The project will facilitate a much needed renovation to the current football locker room. The project will completely gut the interior spaces of the locker room, the lounge, the wet areas, and the hallways leading to the locker rooms. A new prominent entrance off of the main hallway will be designed to create an entrance statement and represent the commitment to the program. The locker room will be reconfigured in its layout along with new custom carpet, ceiling treatment with integrated branding, and will include new custom lockers that reflect the blue collar nature of the program but with a modern flash that is appealing. The locker room will be organized in a way that maximizes the number of lockers for the team but also integrates a lounge in to the large open area within the locker room. This open area will double as both an area for congregation on an everyday basis, but will serve as a potential area to address the team either pre-game or post-game. The open area will

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also open up to a new entrance to the team meeting room creating a contiguous team space when necessary. The goals of the project are to create a functional locker room that has a wow factor, while providing recognition for past and current players and creating a home away from home for the players.

The University of Southern Mississippi is seeking to initiate the project and appoint the design professional in accordance with Board Policy §904(A), Board Approval, that requires each institution to bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects.

**Project Initiation Date:** January 22, 2015

**Date of Original Construction:** N/A

**Date of Last Renovation:** First Major Renovation

**Proposed Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,500,000.00
Architectural and Engineering Fees:	90,000.00
Miscellaneous Project Costs:	0.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>150,000.00</u>
<b>Total Project Budget</b>	<b>\$ 1,740,000.00</b>

**Proposed Funding Source(s):** USM Athletic Foundation (\$1,740,000)

**Staff Recommendation:** Board staff recommends approval of this item.

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**APPROVAL OF BUDGET INCREASES AND/OR CHANGES OF SCOPE/FUNDING SOURCE(S)**

**BUREAU OF BUILDING PROJECTS**

**9. USM – GS 108-264 – Energy Reduction Retrofits**

**Project Request:** The University of Southern Mississippi requests approval to revise the funding source for the Energy Reduction Retrofits project. The revision will include the addition of \$60,000 in HB 1641, Laws of 2008 funds, and the reduction of \$60,000 in HB 246, Laws of 2007 funds. The project budget will remain the same.

**Project Phase:** Construction Phase

**Design Professional:** Watkins and O’Gwynn (Schultz & Wynne, P.A.)

**General Contractor:** Johnson Controls Inc.

**Purpose/Justification:** The project is currently in the construction phase. The project was initiated with the Board on January 21, 2010. The project was established to upgrade the university’s HVAC controls system that was out of date and was not efficient to service the modern needs of the campus. The update of the IT infrastructure needs to be a part of the work to complete the upgrade.

The university increased the budget in September of 2014 to the current budget of \$2,260,000 but listed in error HB 246, Laws of 2007 as the funding source for the increased project budget of \$60,000. The funding source for the increase should have been identified as HB 1641, Laws of 2008. USM is seeking to amend the funding sources of the project to reflect the correct funding sources in the project.

The University of Southern Mississippi is acting in accordance with Board Policy §904(A), Board Approval, that requires each institution to submit all project changes of scope, funding source and budget increases to the Board for approval.

**Project Initiation Date:** January 21, 2010



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**Project Budget:**

	<i>Estimated</i>
Construction Cost:	\$ 1,749,068.00
Architectural and Engineering Fees:	142,791.31
Miscellaneous Project Costs:	63,392.00
Furniture & Equipment Costs:	0.00
Contingency:	<u>304,748.69</u>
<b>Total Project Budget</b>	<b>\$ 2,260,000.00</b>

**Proposed Funding Source(s):** HB 1722, Laws of 2009 (\$2,000,000); HB 246, Laws of 2007 (\$200,000); HB 1641, Laws of 2008 (\$60,000)

**Staff Recommendation:** Board staff recommends approval of this item.

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**1. UMMC – REQUEST FOR APPROVAL TO RENEW ITS CONTRACT WITH JAMES MINGEE D/B/A THE MARK IT PLACE AS OUTSIDE COUNSEL**

The University of Mississippi Medical Center requests approval to renew its contract with James Mingee d/b/a The Mark It Place, of counsel to the firm Scott, Sullivan, Streetman & Fox, and with C. Paige Herring of the firm to provide legal services as trademark and copyright counsel and Austin Bonderer to provide related intellectual property representation. The term of the renewal is February 1, 2015 through January 31, 2016. The agreement provides for outside counsel work not to exceed \$30,000 at \$145 per hour or \$1200 per trademark prosecution and \$200 per hour for intellectual property representation. The Attorney General has approved this request.

**STAFF RECOMMENDATION: Board staff recommends approval of this item.**

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**APPROVAL OF PERSONNEL ACTION REQUESTS**

**1. Employment**

**JSU**

Charles N. Smith; Associate Provost for Student Affairs, Division of Academic and Student Affairs; salary of \$139,000 per annum, pro rata; E&G funds; effective January 5, 2015

# REGULAR AGENDAS

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**1. SYSTEM - REQUESTS FOR APPROVAL OF AMENDMENT TO INTERNAL AUDIT SERVICES AGREEMENT**

**Agenda Item Request:** The Mississippi Institutions of Higher Learning (IHL) System requests approval to amend its current contact with **Carr, Riggs and Ingram, LLC** for internal audit management consulting services.

**Contractor's Legal Name:** Carr, Riggs and Ingram, LLC (CRI)

**History of Contract:** This is amendment #1 to a current contract. At the August 2012 meeting, the Board authorized the Finance Committee to select a firm to assist the internal audit function for the IHL System. After reviewing the vendor responses, the IHL Board approved at the October 2012 meeting a three (3) year agreement with CRI to provide these services. The original agreement runs from 11/1/2012 through 10/31/2015. The goal of this contract is to improve the efficiency and effectiveness of management, control, and governance processes.

**Specific type of contract:** Service contract

**Purpose:** The purpose of the contract is to amend the internal audit management services contract for the IHL system. The intention of this amendment is to increase the expenditure authority of the current agreement to account for "ad-hoc" services performed by CRI during the past two (2) years that were applied against the approved original contract limit. Without this increase, the contract's expenditure authority will be fully exhausted before the agreements closure date of 10/31/2015.

**Scope of Work:** CRI will continue to perform necessary management consulting procedures on a day-to-day basis at any or all of the institutions governed by the Board of Trustees in accordance with all generally accepted auditing standards. The following objective will be achieved through the management consulting agreement:

- Increased efficiency through the identification of significant risks and internal control weaknesses;
- Recommendation for improvements to the internal controls and procedures to improve efficiencies and mitigate any significant risks or weaknesses identified;
- Identification that significant financial, managerial, and operational information is accurate, reliable, and timely;
- Better assurance that employees' actions are compliance with policies, standards, procedures, and applicable laws and regulations;

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- Assurances that resources are acquired and used in a reasonably economical and efficient manner;
- Better assurances that significant legislative or regulatory issues are recognized and addressed appropriately

Other than the increase in expenditure authority, no other terms from the originally approved contract will be altered.

**Term of contract:** This amendment will begin upon full execution by both parties (expected to be no later than February 1, 2015) and will end on October 31, 2015. However, the Commissioner has been given authority under the original Board approval to extend the contract for the completion of any examinations in-progress at that time.

**Termination Options:** Agreement may be terminated at any time prior to expiration as follows:

- Termination for convenience – 15 days written notice, or
- Termination for material breach – 10 days after written notice and non-curing of breach.

**Contract Amount:** The amendment will add \$150,000 to the original agreement. The original agreement was equal to \$841,650 for the three-year period (i.e., \$790,550 for professional fees plus \$51,100 for out-of-pocket travel related expenses). This amendment will bring that not to exceed total to \$991,650. This figure includes funds for travel and out-of-pocket costs. Contract payments will be awarded on a cost reimbursement basis.

**Funding Source for Contract:** The institutions will be billed for the services using earmarked funds by the legislature for such efficiencies.

**Contractor Selection Process:** In the fall of 2012, the IHL Executive Office issued a Request for Proposals (RFP) number 13-002 in order to gain competitive pricing. Seven (7) proposals were received. The proposals were reviewed by finance staff at the Executive Office and the System Internal Auditor. Additionally, Chairman Patterson and Trustee Pickering reviewed the proposals.

Two main drivers were utilized in the evaluation process – price and higher education experience. Carr, Riggs and Ingram, LLC.'s proposal was ranked the highest on both cost and higher education experience.

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Following are the proposal rankings for the top three proposers and the corresponding costs for the three-year period:

1. Carr, Riggs and Ingram, LLC - \$841,650
2. Cherry, Bekaert & Holland, LLP - \$2,307,000
3. Horne, LLP - \$2,424,750

**Staff Recommendation:** Based on Board Policy 707.01, *Land, Property and Service Contracts*, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The amendment has been reviewed and approved by the Attorney General’s Office. Board staff recommends approval of this item.

**2. SYSTEM - REQUESTS FOR APPROVAL OF ESCALATION OF AYERS ENDOWMENT BUDGETS**

**Agenda Item Request:** Alcorn State University (ASU), Jackson State University (JSU) and Mississippi Valley State University (MVSU) request a budget escalation within their *Ayers* Endowment Diversity Program budget. These escalations are needed to cover increased costs associated with program operating costs. The original budgets were approved at the June 2014 Board meeting. At that time, estimates of available funding were used to build the budget for these programs. Actual funding is now known and the institutions have requested to revise their budgets to equal actual sources as shown.

**Alcorn State University**

Object of Expenditure	Current Budget FY 2015	Budget Revision	Revised Budget FY 2015
Salaries, Wages & Fringe Benefits			\$ -
Travel			-
Contractual Services			-
Commodities			-
Capital Outlay:			-
Equipment			-
Library Resources			-
Student Aid	128,549	83,021	211,570
Total	\$ 128,549	\$ 83,021	\$ 211,570

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**Jackson State University**

<b>Object of Expenditure</b>	<b>Current Budget FY 2015</b>	<b>Budget Revision</b>	<b>Revised Budget FY 2015</b>
Salaries, Wages & Fringe Benefits	\$ 122,226		\$ 122,226
Travel			-
Contractual Services			-
Commodities			-
Capital Outlay:			-
Equipment			-
Library Resources			-
Student Aid	366,189	118,129	484,318
Total	\$ 488,415	\$ 118,129	\$ 606,544

**Mississippi Valley State University**

<b>Object of Expenditure</b>	<b>Current Budget FY 2015</b>	<b>Budget Revision</b>	<b>Revised Budget FY 2015</b>
Salaries, Wages & Fringe Benefits	\$ 64,196		\$ 64,196
Travel	2,751	5,000	7,751
Contractual Services	15,952	26,074	42,026
Commodities	8,628	3,500	12,128
Capital Outlay:			-
Equipment	1,240		1,240
Library Resources			-
Student Aid	227,135	70,065	297,200
Total	\$ 319,902	\$ 104,639	\$ 424,541

**Funding Source for Budget Escalation:** All funds budgeted within these programs were generated from annual interest earnings of the *Ayers* Public and Private Endowment investments.

**Staff Recommendation:** *Based on Board Policy 701.06, Budget Escalations and Revisions, all escalations of the several institutions and separately budgeted units must be submitted through the Commissioner to the Board of Trustees for approval prior to implementation. Board Staff recommends approval of this item.*



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**3. JSU- REQUEST FOR APPROVAL TO INITIATE BOND PROCESS FOR JSU EDUCATIONAL BUILDING CORPORATION TO REFUND VARIABLE AND FIXED RATE BOND OBLIGATIONS NOT TO EXCEED \$62 MILLION AND APPROVAL OF PROFESSIONALS**

**Agenda Item Request:** Jackson State University (JSU) requests approval to (A) initiate the bond process to refund all or a portion of the JSU Educational Building Corporation (EBC) Series 2006-A Campus Facilities Project Bonds (“2006 Bonds”), (B) initiate the bond process to refund/remarket all or a portion of the JSU Educational Building Corporation Series 2007 Campus Facilities Project Bonds (“2007 Bonds”), and (C) approval and acceptance of the project’s financial advisor’s report, and (D) approval of the following professionals:

Bond Counsel - Butler Snow LLP (Alveno N. Castilla and Michael Russ)  
Co-Bond Counsel - Bettie A. Mallet, PLLC  
Lead Underwriter - Morgan Stanley & Co., LLC  
Co-Underwriters - Wells Fargo & Company and Raymond James Financial, Inc.

Financial Advisor - Comer Capital Group, LLC

**History:**

(A) JSU EBC issued its Campus Facilities Project Series 2006-A Bonds in December 2006. The 2006 Bonds had an original par amount of \$12,000,000 with fixed rate coupons from 3.50%-4.25% and matured in March 1, 2031. The approximate annual average debt payment of the 2006 Bonds is \$800,000.

(B) JSU EBC issued its Campus Facility Project Series 2007-A Bonds in December 2007. The 2007 Bonds are fixed-rate bonds and had an original par amount of \$48,165,000 with mandatory tender date of March 1, 2015. If the bonds are not remarketed or refunded on or by March, 1, 2015, the rate on the bonds increases from 5% to 8%. In 2009, JSU EBC entered into a forward starting swap that has an effective date of March 1, 2015. Under the swap agreement, JSU EBC will pay 5% and receive the SIFMA Index. The amortization of the swap agreement matches the notional amortization of the 2007 Bonds.

**Purpose:**

(A) JSU EBC has an opportunity to refund \$8,950,000 in outstanding principal of its 2006-A Bonds and achieve a Net Present Value Savings of approximately \$500,000 or 5%, based on current market conditions. The refunding bonds will mature on or about the same date as the current 2006 Bonds (March 1, 2031).

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(B). The JSU EBC needs to either remarket and/or refinance the 2007 Bonds and/or terminate the forward swap associated with the 2007 Bonds on or by March 1, 2015, in order to avoid an interest rate increase from 5% to 8% on the bonds. The overall cost of capital associated with the 2007 Bonds will be approximately 13%, given the commencement of cash flows associated with the forward swap agreement.

**Specific Type of Contract:** (A) Long Term bonds (B) SIFMA Index Bonds

**Scope of Work:** The bond issues include funds for refunding/remarketing of the 2006 and 2007 Bonds. Comer Capital Group is the financial advisor and the Underwriters are Morgan Stanley & Co., LLC, Wells Fargo & Company, and Raymond James Financial, Inc. Bond Counsel is Alveno Castillo, Michael Russ, and Bettie Mallet. Bond Counsel fees are \$1.40 per one thousand dollars of bonds issued.

**Term of Contract:** The final maturity of the fixed-rate refunding bonds will be no longer than 3/1/2031 (the final maturity of the 2006A Bonds). The SIFMA Index Bonds may be issued with a final maturity or mandatory tender date of up to 8 years from the time of issuance.

**Contract Amount:** JSU will issue up a maximum of \$62 million par value of bonds. (A) The proposed refunding bonds will generate Net Present Value Savings of at least 3%. (B) The proposed refunding/remarketing of the 2007 Bonds will be at a variable-rate but with a fixed cost of no more than 125 basis points added to the variable-rate SIFMA index. (C) The proposed refunding bonds will generate Net Present Value Savings of at least 3%.

**Funding Source for Contract:** Debt payments will be serviced by revenue from various sources.

**Staff Recommendation:** *Based on Board Policy 906 – The institution shall submit the report of the financial advisor(s) and the request for a project initiation to the Board for approval. The request must state the institution’s intent, justify the need for the project and give an estimate of the total construction budget. The request must also include naming the design professionals, bond counsel and senior underwriter(s) selected by the board of the educational building corporation. The Attorney General’s Office recommendation for Bond counsel is pending. Board staff recommends approval pending approval of Bond Counsel.*

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**4. MSU- REQUEST FOR APPROVAL OF A RESIDENCY AND OUT-OF-STATE TUITION WAIVER POLICY – *Veteran and Military Student Update***

**Purpose:** The purpose of this Policy is to authorize and define the criteria for granting waivers of out-of-state tuition to Mississippi State University students. More specifically, this policy is implemented to include out-of-state tuition waivers as authorized, effective July 1, 2015, through the amendment to Miss. Code Ann. § 37-103-25 (3).

**Authority and Effective Date:** This Policy reflects, and shall be construed in conformity with, the Policies and Bylaws of the Board of Trustees of State Institutions of Higher Learning and with Mississippi statutory law, including Miss. Code Ann. § 37-103-25, as amended. This Policy shall be effective upon approval by IHL and MSU, with individual waivers becoming applicable as of the date approved by the MSU President, unless a later time is indicated below.

**Changes to MSU Out-of-State Waivers:** The following out-of-state waivers are authorized, on a case-by-case basis, in addition to those in existence by virtue of prior statutory law and IHL Board Policy. All waivers are contingent upon the student's submission to MSU of timely (before the start of the applicable semester) and adequate proof of having met the applicable criteria. To be eligible for out-of-state tuition waivers, applicants must meet admissions requirements for the initial award and maintain satisfactory academic progress for continued eligibility.

Military Personnel, Spouses, Dependents, and Survivors

MSU will waive out-of-state tuition for all individuals covered by Section 702 of the Veterans Access, Choice and Accountability Act of 2014 (Choice Act). Additionally, MSU may provide a full or partial waiver of out-of-state tuition for all present and former members of the U.S. Armed Forces who are engaged in or were honorably discharged from service, including members of the National Guard and Reserve, current spouses and dependent children of military personnel without regard to the active duty location, and survivors of members of the U.S. Armed Forces who died while on active duty that are not covered by the Choice Act.

**Financial Impact:** MSU estimates the university collects approximately \$153,000 annually in non-resident revenue from the 27 current students that would be impacted by these new waivers. MSU expects to enroll the additional 21 new non-resident students needed to offset the loss in non-resident revenue.

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**Staff Recommendation: Board staff recommends approval of this item.**

**5. MSU - REQUEST FOR APPROVAL TO INITIATE BOND PROCESS FOR MSU EDUCATIONAL BUILDING CORPORATION TO CONSTRUCT NEW RESIDENCE HALLS FOR AN AMOUNT NOT TO EXCEED \$61,045,000**

Mississippi State University (MSU) requests that the Board review the financial advisor's report provided by First Southwest related to the New Residence Halls North construction project to be funded by \$58 million of long-term fixed rate bonds issued by the MSU Educational Building Corporation (MSUEBC).

Jones Walker, LLP was approved as **Bond Counsel** at the August 2014 meeting.

Following are the other professionals:

**Underwriters** – Morgan Stanley & Company, LLC and Raymond James & Associates, Inc.

**Financial Advisor** – First Southwest

**History:** The New Residence Halls North project was initiated with IHL in May 2014.

**Purpose:** The purpose of the project is to construct two new residence halls on the north side of campus. The residence halls will consist of 245,363 sq. ft. and provide 752 beds. The project will also include an additional 7,522 sq. ft. facility to house the Sonny Montgomery Center for America's Veterans which will be a stand-alone facility on the residence hall site.

Mississippi State University will also demolish Evans Hall, constructed in 1965, as part of this project to allow for the site of the new residence halls and the Sonny Montgomery Center for America's Veterans. The demolition of Evans Hall will be contained within the project scope and budget. Based on the goal of MSU's enrollment of 22,000, and after looking at peer institutions and their historical demand for on-campus housing, MSU estimates the university will need on-campus housing for approximately 5,000 students. Currently, MSU provides housing for approximately 4,480 students. Should MSU decide to renovate Rice Hall in the future, that would reduce its current occupancy by a minimum of 100 beds. Should MSU demolish Rice Hall instead of renovating it, the university would lose approximately 500 beds. Given the above, the new 752-bed project would bring MSU to around 5,000 beds. Some of the remaining older residence hall such as Hull, Herbert, McKee, Sessums and Critz will need to be addressed in the next 5-10 years.

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Based on actual demand in future years, decisions will need to be made to either demolish or renovate these older residence halls. These decisions could lead to further loss of bed count.

**Specific Type of Contract:** Long-term bonds

**Scope of Work:** The bond issue includes funds for construction of two new residence halls and the demolition of Evans Hall. First Southwest is the financial advisor. Bond Counsel is Jones, Walker, LLP, and the Underwriters are Morgan Stanley & Company LLC and Raymond James & Associates, Inc.

**Term of Contract:** Long-term bonds will be issued with maturities up to 30 years.

**Contract Amount:** MSU is expecting to issue up to a maximum of \$61,045,000 par value in fixed rate bonds. Proceeds from the bond issue will support the project fund (\$58 million), capitalized interest, cost of issuance and the underwriter's discount. Based on the Financial Advisor's report dated November 28, 2014, the proposed debt amortization will have will have an average annual debt payment of \$3,822,967 at an expected true interest cost of 4.66 percent.

**Funding Source for Contract:** EBC debt payments for residence halls will be serviced from student housing fees associated with the project. The MSU Foundation will provide funding to construct the Sonny Montgomery Center for America's Veterans.

**Staff Recommendation:** *Based on Board Policy 906 – The institution shall submit the report of the financial advisor(s) and the request for a project initiation to the Board for approval. The request must state the institution's intent, justify the need for the project and give an estimate of the total construction budget. The request must also include naming the design professionals, bond counsel and senior underwriter(s) selected by the board of the educational building corporation. Bond Counsel was approved by the Board in August 2014 and has also been approved by the Attorney General's Office. Board staff recommends approval of this item.*

**6. UM - REQUEST FOR APPROVAL OF A RESIDENCY AND OUT-OF-STATE TUITION WAIVER POLICY – Veteran and Military Student Update**

**Purpose:** The University of Mississippi (UM) is requesting approval to modify the existing policy for granting waivers of out-of-state tuition to University of Mississippi students. The modifications are limited to the out-of-state waivers authorized for military and veteran students.

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**Authority and Effective Date:** This policy reflects, and shall be construed in conformity with, the Policies and Bylaws of the Board of Trustees of State Institutions of Higher Learning and with Mississippi statutory law, including Miss. Code Ann. § 37-103-25, as amended. This policy shall be effective upon approval by IHL and UM with individual waivers becoming applicable as of the date indicated below.

**Proposed Out-of-State Waiver Policy:** The following list of proposed out-of-state waivers will be authorized in addition to those with prior IHL approval (Academic Achievement and STEM programs), as well as those currently in existence by virtue of prior statutory law and IHL Board Policy.

- a. Military/Veterans – Students <sup>1</sup> who have been engaged in and honorably discharged from active duty in the United States Army, Navy, Air Force, Marines, or Coast Guard would receive a waiver of their non-resident surcharge.
- b. Veteran Family Members <sup>2</sup> – Students enrolled in an educational program after July 1, 2015 who receive Chapter 33 (Post 9/11 GI Benefits) and Chapter 30 (Montgomery GI Benefits) through the service member transferring the benefits will receive a waiver of their non-resident surcharge. The veteran must have been discharged or released from at least 90 days of active service less than three years before the date of enrollment in the applicable course.

All waivers are contingent upon the student's submission of timely and adequate proof of having met the applicable criteria, and awarding of any such waiver will be determined on a case-by-case basis.

**Financial Impact:** UM estimates that the change to the out-of-state waiver will increase scholarship costs for FY2016 approximately \$57,000 current students that would be impacted by these new waivers.

**Staff Recommendation:** Board staff recommends approval of this item.

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<sup>1</sup> Previous policy language limited the waiver to undergraduate students only.

<sup>2</sup> These new changes are recommended in order to comply with the Veterans Access, Choice, and Accountability Act of 2014.

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**7. UMMC- REQUEST FOR APPROVAL OF SERVICE AGREEMENT WITH ARMSTRONG AND ASSOCIATES, INC.**

**Agenda Item Request:** The University of Mississippi Medical Center requests approval to enter into a service agreement with **Armstrong and Associates, Inc.** to collect bad debt for both hospital and physician services for its main campus and Holmes County locations.

**Contractor's Legal Name: Armstrong and Associates, Inc. (Armstrong)**

**History of Contract:** On May 19, 2011, the IHL Board approved UMMC to enter into an agreement with two (2) bad debt collectors, Hollis Cobb and The CBE Group, Inc. (CBE). Both agreements were for the collection of accounts receivable primary bad debt for UMMC. UMMC's original strategy was to have two bad debt vendors contracted at the same time to drive performance. Hollis Cobb and CBE were awarded the UMMC contracts for bad debt collection services per RFP#1132 in 2011. The contracts were for a term of two (2) years with two (2) options for a one (1) year renewal, for a maximum life of the contract not to exceed four (4) years. The total approved cost for each agreement was \$5,068,800.

In February, 2013, CBE submitted a notice of termination to UMMC effective sixty (60) days after February 12, 2013. The accounts that were in CBE's possession were transferred to Hospital Billing Collections Services (HBCS), a vendor through Novation, UMMC's primary group purchasing organization (GPO). UMMC utilized the services of HBCS without an agreement and paid \$55,977.56 to HBCS in collection fees. Any accounts that are uncollected that were once worked by HBCS due to the CBE's termination have since transferred back to UMMC. Also, UMMC began working on specifications to issue a new Request for Proposal (RFP) to obtain another bad debt collection vendor so that it could continue its original business strategy of utilizing two bad debt vendors. Since February 2013, any new accounts that would have been placed with CBE were placed with Hollis Cobb.

**Specific Type of Contract:** This is a new service agreement for the collection of bad debt.

**Purpose:** This is an agreement for bad debt collection services. This agreement allows for the management and collection of accounts that meet the criteria for "bad debt" and have been determined uncollectable by standard institutional billing practices. By contracting

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with Armstrong, UMMC is able to assign aged accounts to a professional service for debt collection and aged balance management as a best practice method to improve patient revenue. This agreement will allow UMMC to engage a second bad debt collection agency to actively work its bad debt accounts.

**Scope of Work:** Armstrong will provide the following:

- A. Upon receipt of the Collection Information, Armstrong shall use its best efforts to secure recovery on such Delinquent Accounts referred by UMMC in a timely manner, including but not limited to the following: (i) contacting Consumers via phone or written correspondence; (ii) reviewing Collection Information; (iii) locating and identifying the Consumer, and (iv) such other efforts available under federal and state law Armstrong deems necessary or desirable to secure recoveries on the UMMC's Delinquent Accounts. However, any legal action taken in relation to the Delinquent Accounts must first be approved in writing by UMMC, including but not limited to, use of an attorney, enrollment of judgments, and any other proceeding whereby the court system is accessed. UMMC agrees to respond to Armstrong within ninety (90) days of request for legal action and provide all necessary documentation for legal action, if legal action is approved by UMMC.
- B. Furnish to UMMC written reports accounting for all collections made in the preceding reporting period.
- C. Provide UMMC with a monthly collection analysis report in turnover month.
- D. Armstrong may not sell, transfer or subrogate any account turned over to them by UMMC without the express written consent of UMMC.
- E. Armstrong and all of its agents and employees shall abide by the provision of the Federal Fair Debt Collection Practices Act (15 U.S.C. s1692, et seq.) and applicable state laws.
- F. Armstrong will coordinate with UMMC to provide an onsite representative to handle administrative duties as assigned for the working and processing of accounts place with Armstrong.
- G. Armstrong must not engage subcontractors to work UUMC accounts without the prior written consent of UMMC.
- H. Armstrong will review all accounts to identify any potential third party payment source, focusing primarily on Mississippi (MS) Medicaid.
- I. Armstrong will pursue any billing and collection processes identified by third party payment sources, including potential billing of all governmental, commercial and private payers.



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- J. Armstrong shall be responsible for sending and receiving data extracts (including, but not limited to: automated notes, payments, and adjustments) to UMMC on a weekly basis in a predefined format compatible with UMMC's Epic software billing system.
- K. Armstrong shall record all collection calls (both inbound and outbound) and make available to UMMC to review upon request. Armstrong shall archive all collection calls for a period of no less than ninety (90) days.
- L. Armstrong shall skip-trace and updated account information in UMMC's host patient accounting system with correct and/or updated patient contact or demographic information. Armstrong shall provide the updated information directly to UMMC's system. UMMC will provide access to Armstrong to allow for creation of weekly file containing applicable information.

UMMC will provide the following:

- A. UMMC agrees that all accounts turned over to Armstrong for collection processing have balances that reflect legitimate, enforceable obligations of the debtor. No account will be turned over to Armstrong that has been discharged in bankruptcy or included in a presently pending bankruptcy.
- B. All necessary information for collection which may include copies of :
  - Debtor account record denoting debtor and guarantor information.
  - Detailed listing of billing, payment and collection activity.
  - Any other data pertinent to the account to include emergency contact, employment information, and any other document signed by patient or guarantor.
- C. A systematic method of accounting and reporting of cash receipts received in the UMMC's Business Office on accounts held by Armstrong so that said accounts can be credited and Armstrong compensated accordingly. Payments shall be reported timely so that Armstrong may cease collection activity.
  - It is understood and agreed that UMMC retains the right to discontinue Armstrong's pursuit of any account upon notification to Armstrong by an authorized representative of UMMC.

**Term of Contract:** The initial term of this agreement is for two (2) years with the option of two (2) one (1) year renewals for a total term of four (4) years, beginning February 1, 2015. UMMC request the authority to contract for up to four (4) years with the total possible term being February 1, 2015 through January 31, 2019.

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**Termination Options:** This agreement may be terminated as follows:

- Either party may terminate provided thirty (30) day notice is given to the other party;
- Failure of Armstrong to comply with E-Verify requirements;
- In the event of a reduction of funds available to UMMC;
- In the event of a force majeure event which would render the affected party unable to perform;
- In the event of a change in law resulting in an adverse consequence;
- UMMC may terminate the agreement and the underlying business relationship in the event that Armstrong, acting as business associate, as defined by the Health insurance Accountability and Portability Act (HIPAA), improperly uses or discloses protected action in breach of the Business Associate Agreement (BAA); and
- UMMC may terminate if it makes the determination that a material condition of performance by Armstrong, acting as a business associate, as defined by the HIPAA, has changed or the business associate has breached a material term of BAA.

**Contract Amount:** The estimated total cost of this agreement is \$5,051,478.58 with a breakdown provided below.

	<i>Estimated Amount Collected*</i>	<i>Collection Fee</i>	<i>Estimated Collection Cost</i>
Year One	\$ 9,360,000.00	12.9%	\$ 1,207,440.00
Year Two*	\$ 9,640,800.00	12.9%	\$ 1,243,663.20
Year Three*	\$ 9,930,024.00	12.9%	\$ 1,280,973.10
Year Four*	\$ 10,227,924.72	12.9%	\$ 1,319,402.29
Estimated Total Cost	\$ 39,158,748.72	12.9%	\$ 5,051,478.58

\*UMMC estimates \$120,000,000 in accounts will be placed for collection within the first year which is based on historical amounts of bad debt accounts. The annual projected placement was then multiplied by eight percent (8%) for a rate of return to achieve the annual gross collections. UMMC estimates that 97.5% of gross collections amount will be realized through account placement under this agreement to give the estimated amount collected. The estimated amount collected is then multiplied by 12.9%, which is the

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collection fee, to derive the cost of collections. For years two (2), three (3) and four (4), UMMC used a multiplier of three percent (3%) compounded annually to estimate the amount collected to account for potential increases in account volumes.

**Funding Source of Contract:** This agreement will be funded by hospital patient revenues.

**Contractor Selection Process:** UMMC issued RFP#1153, Debt Collection Services on February 10, 2014 with proposal due March 11, 2014. UMMC received twenty-nine (29) proposals in response to the request. UMMC reviewed all 29 proposals and narrowed down the proposals to five (5) vendors, listed in order of cost from lowest to highest: ROI, Armstrong and Associates, SSI, AmSher and Professional Recovery Consultants.

The UMMC consensus group ultimately selected the second lowest bidder, due to their demonstrated experience with other academic medical centers, their technical knowledge of our billing system and reasonable cost.

The lowest bidder was not selected by the consensus group because, the bidder did not have sufficient technical knowledge of our electronic billing systems, which was needed in order to appropriately format reports for UMMC to transfer into our billing system and they showed little to no experience with academic medical centers of like size.

**Staff Recommendation:** *Based on Board Policy 707.01, Land, Property and Service Contracts, Board approval is required prior to execution of the contract for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. The agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.*

**8. UMMC- REQUEST FOR APPROVAL TO AMENDMENT TO AGREEMENT WITH HOLLIS COBB ASSOCIATES, INC.**

**Agenda Item Request:** The University of Mississippi (UMMC) is requesting approval to amend the current agreement with **Hollis Cobb Associates, Inc. (Hollis Cobb)** to extend the term of the agreement and to add the placement of physician accounts. In addition, UMMC is requesting approval for an increase in funding associated with extending the term and adding additional placements of physician accounts. Additionally, UMMC is

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seeking approval for an estimated \$756,373.00 to account for the amount overspent at the time of this request.

**Contractor's Legal Name: Hollis Cobb Associates, Inc.**

**History of Contract:** On May 19, 2011, the IHL Board approved UMMC to enter into an agreement with two (2) bad debt collectors, Hollis Cobb and The CBE Group, Inc. (CBE). Both agreements were for the collection of accounts receivable primary bad debt for UMMC. UMMC's original strategy was to have two bad debt vendors contracted at the same time to drive performance. Hollis Cobb and CBE and were awarded the UMMC contracts for bad debt collection services per RFP#1132 in 2011. The contracts were for a term of two (2) years with two (2) options for a one (1) year renewal, for a maximum life of the contract not to exceed four (4) years. The total approved cost for each agreement was \$5,068,800.

In February, 2013, CBE submitted a notice of termination to UMMC effective sixty (60) days after February 12, 2013. The accounts that were in CBE's possession were transferred to Hospital Billing Collection Services (HBCS), a vendor through Novation, UMMC's primary group purchasing organization (GPO). UMMC utilized the services of HBCS without an agreement and paid \$55,977.56 to HBCS in collection fees. Any accounts that are uncollected that were once worked by HBCS due to the CBE termination have since transferred back to UMMC. Also, UMMC began working on specifications to issue a new Request for Proposal (RFP) to obtain another bad debt collection vendor so that it could continue its original business strategy of utilizing two bad debt vendors. A separate agenda item for the vendor selected pursuant to the RFP has been submitted for Board consideration. Since February 2013, any new accounts that would have been placed with CBE were placed with Hollis Cobb.

**Specific Type of Contract:** Amendment

**Purpose:** This is an amendment to extend the current bad debt collection services agreement, which allows for the management and collection of accounts that meet the criteria for "bad debt" and have been determined uncollectable by standard institutional billing practices. By contracting with Hollis Cobb, UMMC is able to assign aged accounts to a professional service for debt collection and aged balance management as a best practice method to improve patient revenue.

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**Scope of Work:** Hollis Cobb will provide the following:

- will review all accounts to identify potential third party payment sources and follow up with billing and collection processes if any are identified. This includes the potential of billing all governmental, commercial and private payors;
- will follow all applicable processes to notify the patient of their payment responsibility;
- will send automated notes and account updates back to UMMC's patient accounting system no later than on a weekly basis;
- will provide reports including, but not limited to, a summary detailing data for placements, payments, adjustments, payment source, aging, cash collection as a percentage of charge, productivity of collectors based on accounts per collector, accounts worked per day, contacts per day, calls per day, and cash collections by individual collector;
- will record all inbound and outbound collection calls and will make available all recordings to UMMC for review as deemed necessary;
- will perform skip tracing on all accounts with bad contact information and will update the contact information with UMMC;
- will complete a monthly score card to UMMC;
- will perform all calls/contact with patients in a professional manner as to comply with the work standards consistent with that of UMMC;
- will provide on-site representation/staff as required for meetings, claim submissions, EOB review, and any other duties necessary for working/processing the accounts placed with vendor; and will provide residual working of the accounts placed upon the end of the agreement for a term of one (1) year.

**Term of Contract:** This amendment will extend the term of the agreement and additional two (2) years. The total term of the agreement will be six (6) years beginning June 1, 2011, and ending May 31, 2017.

**Termination Options:** The agreement may be terminated as follows:

- By either party at any time provided thirty (30) days written notice;
- In the event of any reduction in available funds to UMMC, the contract may be terminated without penalty to UMMC;
- UMMC may terminate the agreement and the underlying business relationship in the event that Hollis Cobb, acting as a business associate, as defined by the Health

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Insurance Accountability and Portability Act (HIPAA), improperly uses or discloses protected health information in breach of the business associate agreement (BAA); and UMMC may terminate if it makes the determination that a material condition of performance by Hollis Cobb, acting as a business associate, as defined by the HIPAA, has changed or the business associate has breached a material term of BAA.

**Contract Amount:** The total estimated cost of the agreement including this amendment is \$14,002,171.05, with a breakdown provided below.

<b>Prior Years Cost</b>			
Amount Paid prior to Amendment			\$5,825,173.00
<b>Hospital Accounts</b>			
	<i>Estimated Amount Collected*</i>	<i>Collection Fee</i>	<i>Estimated Collection Cost</i>
Current Placements	\$23,796,348.14	16.00%	\$3,807,415.70
2015	\$9,360,000.00	16.00%	\$1,243,663.20
2016	\$9,640,800.00	16.00%	\$1,280,973.10
2017	\$4,137,510.00	16.00%	\$1,319,402.29
Estimated Total for Hospital Accounts	\$39,158,748.72	16.00%	\$5,051,478.58
<b>Physician Accounts</b>			
	<i>Estimated Amount Collected*</i>	<i>Collection Fee</i>	<i>Estimated Collection Cost</i>
Current Placements	\$7,180,285.98	21.00%	\$1,507,860.06
2015	\$3,116,104.47	21.00%	\$654,381.94
2016	\$3,209,587.60	21.00%	\$674,013.40
2017	\$1,377,448.01	21.00%	\$289,264.08

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Estimated Total Cost for Physician Accounts	\$14,883,426.06	21.00%	\$3,125,519.47
<b>Total Estimated Cost</b>			\$14,002,171.05

\*Hospital Accounts: The estimated amount collected for the current placement was achieved by multiplying the current volume of bad debt with the vendor by eight (8%), which is the current rate of return, to achieve the gross amount collected. This amount was then multiplied by 97.5%, which is the amount that will be collected by first placement. For 2015, UMMC used an estimated \$120,000,000 in accounts being placed for collection which is based on historical amounts of bad debt accounts. The annual projected placement was then multiplied by eight percent (8%) for a rate of return to achieve the annual gross collections. UMMC estimates that 97.5% of gross collections amount will be realized through first placement under this agreement to give the estimated amount collected.

\*Physician Accounts: The estimated amount collected for the current placement was achieved by multiplying the current amount of bad debt placed by eight percent (8%), which is the estimated rate of return on bad debt, to give you gross amount collected. The gross amount collected was then multiplied by 97.5%, which is the estimated return for first placement, to achieve the estimated amount collected.

**Funding Source for Contract:** This agreement will be funded through hospital patient revenues.

**Contractor Selection Process:** The contractor selection process was performed through University of Mississippi Medical Center RFP # 1132 of August 4, 2010.

**Staff Recommendation:** Based on Board Policy 707.01, *Land, Property, and Service Contracts*, Board approval is required prior to execution of contracts for all other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000. This agreement has been reviewed and approved by the Attorney General's Office. Board staff recommends approval of this item.

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**9. UMMC- REQUEST FOR APPROVAL OF A RESIDENCY AND OUT-OF-STATE TUITION WAIVER POLICY – *Veteran and Military Student Update***

**Purpose:** The University of Mississippi Medical Center (UMMC) is requesting approval of a proposed policy granting waivers of out-of-state tuition to UMMC military and veteran students in compliance with Section 702 of the Veterans Access, Choice and Accountability Act of 2014.

**Authority and Effective Date:** This policy reflects, and shall be construed in conformity with, the Policies and Bylaws of the Board of Trustees of State Institutions of Higher Learning and with Mississippi statutory law, including Miss. Code Ann. § 37-103-25, as amended. This policy shall be effective upon approval by IHL and UMMC with individual waivers becoming applicable as of the date indicated below.

**Proposed Out-of-State Waiver Policy:** UMMC will ensure that all “covered individuals” receive an out-of-state tuition waiver. “Covered individual” is defined in the Choice Act as;

- A Veteran who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within three years of discharge from a period of active duty service of 90 days or more.
- A spouse or child using transferred benefits who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within 3 years of the transferor’s discharged from a period of active duty service of 90 days or more.
- A spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the school within three years of the Service member’s death in the line of duty following a period of active duty service of 90 days or more.

All waivers are contingent upon the student’s submission of timely and adequate proof of having met the applicable criteria, and awarding of any such waiver will be determined on a case-by-case basis.

**Financial Impact:** UM estimates that the change to the out-of-state waiver will increase scholarship costs for FY2016 approximately \$57,000 current students that would be impacted by these new waivers.



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**Staff Recommendation: Board staff recommends approval of this item.**

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**1. UMMC - APPROVAL TO SETTLE TORT CLAIM**

The University of Mississippi Medical Center is seeking Board approval for settlement for Tort Claim number 1841.

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1. **SYSTEM – DISCUSSION OF THE ELECTION OF VICE PRESIDENT OF THE BOARD OF TRUSTEES FOR THE TERM BEGINNING MAY 8, 2015**

On January 16, 2014 the Board elected Trustee Aubrey Patterson to serve as the Board President until May 7, 2015 and set the term of the subsequent president for one year. Thus, Vice President Alan Perry will automatically succeed to the office of Board President on May 8, 2015 for a term of one year.

Pursuant to Board Policy 301.02 Election of Officers, a new Vice President of the Board will need to be elected to take office on May 8, 2015. Applicable Board policies regarding the terms of officers and the election of officers are shown below:

**301.01 OFFICERS OF THE BOARD**

**A. PRESIDENT:**

There shall be a president elected by the Board from its membership. It is expected that each member of a class of Trustees shall be elected to serve as President, unless a Trustee elects not to serve. A class of Trustees shall consist of those Trustees who take office on the same date, or those whose terms as trustees end on the same date. Each member of the class of Trustees that took office as of May 2004 shall serve eleven months as president, unless he/she elects not to serve. The first Trustee elected as President from the class of Trustees that took office in 2004 shall begin his/her presidential term on May 1, 2011. Each member of the class of Trustees that took office as of May 2008 shall serve ten months as president, unless he/she elects not to serve. Each member of the class of Trustees that shall take office as of May 2012, as well as the members of all subsequent classes, shall serve nine months as president, unless he/she elects not to serve. If a member of a class of Trustees elects not to serve, another member of the class may serve more than one term, if elected. The president of the Board shall preside at all meetings of the Board; he or she shall be an ex officio member of all standing and special committees; he or she shall, with the Commissioner, execute such instruments and contracts as may be ordered by the Board; he or she shall perform such duties as usually pertain to this office and such other duties as may be assigned by the Board; and he or she shall be governed in his action by the usual parliamentary procedure. When the presiding officer has voted and the result is a tie, he cannot vote again to break the tie. The president of the Board may not immediately succeed himself/herself as president after having served a full term.

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**B. VICE PRESIDENT:**

There shall be a vice president elected by the Board from its membership. A vice president shall serve until completion of the term of the president that the vice president will succeed. The vice president shall preside at meetings of the Board in the absence or disability of the president.

The vice president of the Board shall automatically succeed to the office of president after having served a term as vice president.

The vice president shall become president upon the resignation, removal, death or incapacity of the president.

**301.02 ELECTION OF OFFICERS**

The Board of Trustees shall elect its officers at the meeting of the Board held three months before new officers are to take office, unless no meeting is held during that month. However, the Board may vote, if it so chooses, to hold the election of officers at another meeting of the Board.

# **INFORMATION AGENDAS**

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1. **UMMC- NAME CHANGE FOR GAMBRO RENAL PRODUCTS, INC. TO BAXTER INTERNATIONAL THROUGH ACQUISITION**

In June 2014, the Board of Trustees approved a Purchase agreement between UMMC and Gambro Renal Products, Inc. The agreement was for the purchase of solutions for use in Continuous Renal Replacement Therapy which is a type of low dosage hemodialysis that is provided on a continual basis over an extended period of time in an ICU setting. After the Board approved the contract, Gambro sent notice to UMMC that it had been acquired by Baxter International Inc. and that product ordering, delivery, payment, etc. would now be handled by Baxter. UMMC has submitted this information regarding the contractor's legal name to reflect the fact that Gambro Renal Products, Inc. was acquired by Baxter International, Inc.

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**SYSTEM: REAL ESTATE ITEMS APPROVED SUBSEQUENT TO THE  
November 20, 2014 BOARD MEETING SUBMISSION DEADLINE**

**NOTE: THE FOLLOWING ITEMS WERE APPROVED BY THE BOARD'S REAL ESTATE AND FACILITIES STAFF ACCORDING TO BOARD POLICY §904 (A) BOARD APPROVAL WHICH STATES:**

**Board Policy §904(A), Board Approval**

*When funding has been secured from whatever source, each institution shall bring all new projects to the Board for the approval of the project initiation and the appointment of a design professional, as required in Board Policy §902, Initiation of Construction Projects. This request shall include a detailed description of the work to be accomplished, the total budget, the funding source and the design professional recommended to the Board for approval.*

*After the Board has granted approval of both the initiation of a project and the appointment of a design professional, no further Board action or approval is required for the completion of the project if the following conditions are met:*

- 1. The detailed description of the work to be accomplished, as specifically approved by the Board within the project initiation, has not changed.*
- 2. The total project budget has not increased beyond the amount specifically approved by the Board as part of the project initiation;*
- 3. The funding source has not changed from that specifically approved by the Board as part of the project initiation; and*
- 4. The design professional previously approved by the Board has not changed.*

*If the above four conditions have been met, the Board's Real Estate and Facilities staff, through the Commissioner, shall have the authority to approve any and all necessary documents related to the completion of the subject construction project, including the approval of construction documents, the advertisement and receipt of bids, the approval of a bid, the award of a contract and any change orders.*

**Change Order Approval Note: No change orders approved by Board staff, as reflected within any of the following informational agenda items, increase the Board approved total project budget. The total project budget as approved by the Board provides for a contingency fund, which allows for an increase in the construction budget of between five and ten percent. Any increase in the total project budget caused by a change order, would require Board approval and could not be approved by Board staff until the budget increase is approved by the Board.**

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**A L C O R N   S T A T E   U N I V E R S I T Y**

**1. ASU– GS 101-292 – Bowles Hall Renovation (Re-bid)**

**Approval Request #1: Change Order #4**

Board staff approved Change Order #4 in the amount of \$18,504.08 and seventy-five (75) additional days to the contract of Flagstar Construction. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, October 28, 2014

Change Order Summary: Change Order #4 is necessary to: install ACT ceilings in electrical rooms and IT room; add 2 footings under the column supports outside one door; add a curtain track & support system; add rough-in for three additional security cameras and a television outlet; change the shade band width at one of the board rooms; and add additional days for work as indicated herein.

Total Project Change Orders and Amount: Four (4) change orders for a total amount of \$45,867.72.

Project Initiation Date: August 18, 2011

Design Professional: Burris/Wagnon Architects, P.A.

General Contractor: Flagstar Construction

Project Budget: \$8,200,000.00

**2. ASU– GS 101-294 – Utility Infrastructure (Fire Suppression)**

**Approval Request #1: Change Order #2**

Board staff approved Change Order #2 in the amount of \$26,496.48 and one hundred six (106) additional days to the contract of Sullivan Enterprises, Inc. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, October 28, 2014

Change Order Summary: Change Order #2 is necessary to: remove two storefront windows & install new aluminum windows; repair & repaint the canopy over the building entry; replace the existing double entry doors into the basement mechanical room; remove eight existing supply air diffusers & related duct penetrations in some of



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the stairways; replace the AHU disconnect with auxiliary contacts for connection of the duct smoke detector shutdown; and add additional days for work as indicated herein.

Total Project Change Orders and Amount: Two (2) change orders for a total amount of \$46,731.94.

Project Initiation Date: March 21, 2013

Design Professional: Atherton Consulting Engineers, Inc.

General Contractor: Sullivan Enterprises, Inc.

Project Budget: \$1,292,079.00

## **DELTA STATE UNIVERSITY**

### **3. DSU– GS 102-237 – Caylor White Walters Phase III Rebid (GC002)**

#### **Approval Request #1: Change Order #1**

Board staff approved Change Order #1 in the amount of \$118,995.08 and three hundred twenty-eight (328) additional days to the contract of Merit Construction, Inc. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, November 10, 2014

Change Order Summary: Change Order #1 is necessary to: provide electrical connections to the x-ray equipment; float the existing slab elevation to meet the new elevations; add mixing valves to eyewash stations; add automatic transfer switch; add ground fault receptacles; route water lines to the Phase 1 toilets; reroute existing conduit and revise electrical plugmold; add exit signs; reroute plumbing and sprinkler piping; provide a new exit doorway for a secondary exit at the planetarium; offset fire riser as it was too close to a wall; provide additional variable air volume boxes for phase II construction: add additional days for work as indicated herein.

Total Project Change Orders and Amount: One (1) change order for a total amount of \$118,995.08.

Project Initiation Date: August 19, 2010

Design Professional: Architecture South, P.A.

General Contractor: Merit Construction, Inc.

Project Budget: \$8,221,162.87

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**4. DSU– GS 102-255 – Central Mechanical Plant Phase II**

**Approval Request #1: Schematic Design Documents**

Board staff did NOT approve the Schematic Design Documents as submitted by ERG.

**Approval Request #2: Design Development Documents**

Board staff did NOT approve the Design Development Documents as submitted by ERG.

Approval Status & Date: NOT APPROVED, October 30, 2014

**Approval Request #3: Contract Documents**

Board staff approved Contract Documents as submitted by ERG, design professional.

**Approval Request #4: Advertise & Receive Bids**

Board staff approved the request to advertise and receive bids.

Approval Status & Date: APPROVED, October 30, 2014

Project Initiation Date: August 15, 2013

Design Professional: ERG

General Contractor: TBD

Project Budget: \$2,000,000.00

**JACKSON STATE UNIVERSITY**

**5. JSU– GS 103-275 – Administration Tower Exterior Waterproofing**

**Approval Request #1: Change Order #2**

Board staff approved Change Order #2 in the amount of \$28,402.80 and zero (0) additional days to the contract of Coleman Hammons Construction Company, Inc. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, November 10, 2014

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Change Order Summary: Change Order #2 is necessary to: provide material, labor, supervision, overhead, and profit to construct the all-glass entrance at Lobby 900.

Total Project Change Orders and Amount: Two (2) change orders for a total amount of \$97,162.80.

Project Initiation Date: April 18, 2013

Design Professional: Burris/Wagnon Architects, P.A.

General Contractor: Coleman Hammons Construction Company, Inc.

Project Budget: \$2,804,452.00

**6. JSU– GS 103-278 – School of Engineering Phase II**

**Approval Request #1: Design Development Documents**

Board staff approved the Design Development Documents as submitted by Cooke Douglass Farr Lemons Architects & Engineers.

Approval Status and Date: APPROVED, November 6, 2014

Project Initiation Date: February 21, 2013

Design Professional: Cooke Douglass Farr Lemons Architects & Engineers

General Contractor: TBA

Project Budget: \$1,963,643.41

**MISSISSIPPI UNIVERSITY FOR WOMEN**

**7. MUW– GS 104-182 – Fant Library Renovation – PH II**

**Approval Request #1: Change Order #3**

Board staff approved Change Order #3 in the amount of \$24,956.39 and zero (0) additional days to the contract of Amason & Associates, Inc. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, October 21, 2014

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Change Order Summary: Change Order #3 is necessary to: relocate tunnel access & trench for fiber optics cable to optimize the library space; reconcile credit for installation of hollow metal frames & glazing at the cell phone booth that was requested to be removed from the project; add foot valves and reconfigure pumps at the cooling tower; revise the circuitry to heat pump condensing units; relocate the existing site lighting conduits to allow the gas meter to be relocated.

Total Project Change Orders and Amount: Three (3) change orders for a total amount of \$38,532.17.

Project Initiation Date: October 21, 2010  
Design Professional: Burris/Wagnon Architects, P.A.  
General Contractor: Amason & Associates, Inc.  
Project Budget: \$5,400,000.00

## UNIVERSITY OF MISSISSIPPI

### 8. UM- IHL 207-370 – Turner Center Basement Renovation

#### **Approval Request #1: Change Order #2**

Board staff approved Change Order #2 in the amount of \$12,852.10 and thirty-five (35) additional days to the contract of D. Carroll Construction, LLC.

Approval Status & Date: APPROVED, October 17, 2014

Change Order Summary: Change Order #2 is necessary to: add an electrical closet with associated hardware; to add power, data & breakers for vending machines; add locking mechanism on the bathroom door; add air distribution grille; paint unistrut; extend the privacy walls; add solid surface cap and epoxy base; add additional site fencing and exit hardware; and to add additional days for work as indicated herein.

Total Project Change Orders and Amount: Two (2) change orders for a total amount of \$60,694.41.

Project Initiation Date: March 21, 2013  
Design Professional: The McCarty Company - Design Group, P.A.  
General Contractor: D. Carroll Construction, LLC  
Project Budget: \$1,500,000.00

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**9. UM– IHL 207-375 – Student Housing Phase II**

**Approval Request #1: Contract Documents**

Board staff approved Contract Documents as submitted by The McCarty Company - Design Group, P.A., design professional.

**Approval Request #2: Advertise & Receive Bids**

Board staff approved request to advertise and receive bids.

Approval Status & Date: APPROVED, November 3, 2014

Project Initiation Date: November 21, 2013

Design Professional: The McCarty Company – Design Group, P.A.

General Contractor: TBD

Project Budget: \$40,000,000.00

**10. UM – IHL 207-384 – Vaught-Hemingway Stadium – West Skybox Renovation**

**Approval Request #1: Schematic Design Documents**

Board staff approved the Schematic Design Documents as submitted by Cooke Douglass Farr Lemons Architects & Engineers, P.A.

**Approval Request #2: Waiver of Design Development Documents**

Board staff approved the Waiver of Design Development Documents as submitted by Cooke Douglass Farr Lemons Architects & Engineers, P.A.

Approval Status & Date: APPROVED, October 27, 2014

**Approval Request #3: Contract Documents**

Board staff approved Contract Documents as submitted by Cooke Douglass Farr Lemons Architects & Engineers, P.A., design professional.

**Approval Request #4: Advertise & Receive Bids**

Board staff approved request to advertise and receive bids.

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Approval Status & Date: APPROVED, November 11, 2014

Project Initiation Date: August 21, 2014

Design Professional: Cooke Douglass Farr Lemons Architects & Engineers, P.A.

General Contractor: TBD

Project Budget: \$3,500,000.00

**11. UM– IHL 207-390 – Vaught-Hemingway Stadium - South End Zone**

**Approval Request #1: (INTERIM): Budget Increase**

In accordance with Board Policy §904 (B) Board Approval, *Interim Chair Approval* was granted by Mr. C. D. Smith, Chair of the Real Estate and Facilities Committee on October 30, 2014 to approve the Budget Increase from \$14,422,273.00 to \$14,922,273.00 for a total increase of \$500,000.00.

Interim Approval Status & Date: APPROVED, October 30, 2014

**Approval Request #2: Contract Documents**

Board staff approved Contract Documents as submitted by AECOM, design professional.

**Approval Request #3: Advertise & Receive Bids**

Board staff approved request to advertise and receive bids.

Approval Status & Date: APPROVED, November 6, 2014

Project Initiation Date: August 21, 2014

Design Professional: AECOM

General Contractor: TBD

Project Budget: \$14,422,273.00

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**UNIVERSITY OF MISSISSIPPI MEDICAL CENTER**

**12. UMMC – GS 109-195 Adult Emergency Department Renovations (AED)**

**Approval Request #1: Change Order #11**

Board staff approved Change Order #11 in the amount of \$140,983.00 and one hundred fifty (150) additional days to the contract of Flagstar Construction Company, Inc. Approval is requested from the Bureau of Building, Grounds, and Real Property Management.

Approval Status & Date: APPROVED, October 21, 2014

Change Order Summary: Change Order #11 is necessary to: make adjustments to the partition layout in order to install the new work (due to latent conditions discovered during demolition); reroute existing heating water, domestic water, medical gas, steam, and sanitary lines; add additional days for work as indicated herein.

Total Project Change Orders and Amount: Eleven (11) change orders for a total amount of \$1,205,953.98.

Project Initiation Date: November 14, 2007

Design Professional: Dale/Morris Architects, PLLC

General Contractor: Flagstar Construction Company, Inc.

Project Budget: \$11,755,000.00

**13. UMMC – IHL 109-210 School of Medicine**

**Approval Request #1 (INTERIM): Budget Increase**

In accordance with Board Policy §904 (B) Board Approval, *Interim Chair Approval* was granted by Mr. C. D. Smith, Chair of the Real Estate and Facilities Committee on October 30, 2014 to approve the budget increase from \$35,500,000.00 to \$66,000,000.00, an increase of \$30,500,000.00.

Interim Approval Status & Date: APPROVED, October 30, 2014

**Approval Request #2: Contract Documents**

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Board staff approved Contract Documents as submitted by Cooke Douglass Farr Lemons + Eley Guild Hardy - A Joint Venture, design professionals.

**Approval Request #3: Advertise & Receive Bids**

Board staff approved request to advertise and receive bids.

Approval Status & Date: APPROVED, October 31, 2014

Project Initiation Date: June 16, 2011

Design Professional: Cooke Douglass Farr Lemons + Eley Guild Hardy – A Joint Venture

General Contractor: TBD

Project Budget: \$66,000,000.00

**14. UMMC – IHL 209-532 Cardiovascular Renovations**

**Approval Request #1: Change Order #17R1**

Board staff approved Change Order #17R1 in the credit amount of \$423,345.09 and zero (0) additional days to the contract of Fountain Construction Company, Inc.

Approval Status & Date: APPROVED, October 21, 2014

Change Order Summary: Change Order #17R1 is necessary to: add credit for web-based building management system, including signage, hardware, card access controls, CATV, pneumatic tube system & owner's contingency; provided swing stage and scaffolding; add employees to assist the testing agencies in exploration of the envelope; add Code Blue outside of the elevators on all four levels for emergency conditions.

Total Project Change Orders and Amount: Seventeen (17) change orders for a total amount of \$401,701.75.

Project Initiation Date: February 18, 2010

Design Professional: Cooke Douglass Farr Lemons Architects & Engineers, P.A.

General Contractor: Fountain Construction Company, Inc.

Project Budget: \$20,182,526.00



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**15. UMMC– IHL 209-534C Contract III - Parking/Roadways (Garage C /Package B)**

**Approval Request #1: Award of Construction Contract**

Board staff approved the Award of Contract in the amount of \$4,758,858.96 to the apparent low bidder, Hemphill Construction Company, Inc.

Approval Status & Date: APPROVED, October 28, 2014

Project Initiation Date: April 14, 2010

Design Professional: Cooke Douglass Farr Lemons, Architects & Engineers, P.A.

General Contractor: Hemphill Construction Company, Inc.

Project Budget: \$13,750,000.00

**16. UMMC– IHL 209-537 Garage C & Roadway Revisions (Package A)**

**Approval Request #1: Award of Construction Contract**

Board staff approved the Award of Contract in the amount of \$17,896,000.00 to the apparent low bidder, Roy Anderson Corporation.

Approval Status & Date: APPROVED, October 28, 2014

Project Initiation Date: August 19, 2010

Design Professional: Timothy Haas & Associates, Inc.

General Contractor: Roy Anderson Corporation

Project Budget: \$20,000,000.00

**17. UMMC– IHL 209-544A Translational Research Center – Contract I-Site Work/Equipment Procurement**

**Approval Request #1: Change Order #2**

Board staff approved Change Order #2 in the amount of \$790,201.00 and fifty-six (56) additional days to the contract of Evan Johnson & Sons Construction, Inc.

Approval Status & Date: APPROVED, November 6, 2014

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Change Order Summary: Change Order #2 is necessary to: add the basement slab with all associated plumbing & dock work; to reroute & connect the fire alarm service from the alumni house to the credit union; relocate the existing construction fence on the west side; repair the damaged storm sewer pipe & adjust the new gas line; add additional days for work as indicated herein.

Total Project Change Orders and Amount: Two (2) change orders for a total **amount** of \$845,909.00.

Project Initiation Date: January 20, 2011

Design Professional: Foil Wyatt Architects and Planners, PLLC

General Contractor: Evan Johnson & Sons Construction, Inc.

Project Budget: \$43,032,000.00

**18. UMMC– IHL 209-548 School of Medicine-Utilities**

**Approval Request #1: Change Order #6**

Board staff approved Change Order #6 in the credit amount of \$38,255.00 and twelve (12) additional days to the contract of Fountain Construction Company, Inc.

Approval Status & Date: APPROVED, November 11, 2014

Change Order Summary: Change Order #6 is necessary to: add the fabrication & installation of a custom pull box to be attached to the existing medium voltage pad mount switch; remove & replace approximately 170 ft. of existing 12 in. fire main; to deduct for various additions & deductions from the scope of site work; add additional days for work as indicated herein.

Total Project Change Orders and Amount: Six (6) change orders for a total amount of \$83,532.00.

Project Initiation Date: August 15, 2013

Design Professional: Cooke Douglass Farr Lemons + Eley Guild Hardy – A Joint Venture

General Contractor: Fountain Construction Company, Inc.

Project Budget: \$10,000,000.00

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**19. UMMC– IHL 209-550 Wisser Women’s Urgent Care Renovations**

**Approval Request #1: Contract Documents**

Board staff approved Contract Documents as submitted by The McCarty Company - Design Group, P.A., design professional.

**Approval Request #2: Advertise & Receive Bids**

Board staff approved request to advertise and receive bids.

Approval Status & Date: APPROVED, October 28, 2014

Project Initiation Date: January 16, 2014

Design Professional: The McCarty Company – Design Group, P.A.

General Contractor: TBD

Project Budget: \$1,682,000.00

**UNIVERSITY OF SOUTHERN MISSISSIPPI**

**20. USM– GS 108-267 College of Business Building**

**Approval Request #1: Change Order #16**

Board staff approved Change Order #16 in the amount of \$151,461.26 and twenty (20) additional days to the contract of Hanco Corporation.

Approval Status & Date: APPROVED, October 21, 2014

Change Order Summary: Change Order #16 is necessary to: add work related to LED & screen revisions; accommodate changes in the audio/visual electrical scope; insulate the exterior condenser water lines; add 2 light fixtures; add additional days for work as indicated herein.

**Approval Request #2: Change Order #17**

Board staff approved Change Order #17 in the amount of \$32,321.89 and zero (0) additional days to the contract of Hanco Corporation.

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Approval Status & Date: APPROVED, October 22, 2014

Change Order Summary: Change Order #17 is necessary to: modify & add exterior aluminum lettering; change the brick entrance pavers to a three color blend pattern; add a dishwasher connection; add terminations to the security camera cables; add acoustical panels.

Total Project Change Orders and Amount: Seventeen (17) change orders for a total amount of \$1,294,599.56.

Project Initiation Date: March 2, 2005

Design Professional: Eley Guild hardy Architects, P.A./Studio South Architects, PLLC – A Joint Venture

General Contractor: Hanco Corporation

Project Budget: \$34,000,000.00

**21. USM – IHL 208-297 Dorm Replacement Phase II - Century Park South**

**Approval Request #1: Change Order #3**

Board staff approved Change Order #3 in the credit amount of \$66,077.00 and zero (0) additional days to the contract of Harrell Contracting Group.

Approval Status & Date: APPROVED, November 14, 2014

Change Order Summary: Change Order #3 is necessary to: deduct for eliminating 2 bores & taps at 4<sup>th</sup> street; purchase & install extra Aquaflash waterproofing & backstop at fascia of curtain walls; add temporary electrical work required for removal of the existing generator; add hydrated lime at the east road; deduct for changes in ceiling materials; add required CMU & tooling; add access control devices on doors in 3 buildings; add structural stud framing; increase the breaker size and revise the quad receptacles; relocate access doors in buildings B & C; change access control locks on 3 lobby office doors; add a retaining wall, inlet & piping to control the storm water at the existing mechanical room door in the central plant; add civil work to relocate east/west ends of Spirit Park bike path; add new drywall & framing at the Lucky Day stair; reroute the ductwork in the Lucky Day multipurpose room; run electrical conduit to all floors in 3 buildings for cable TV; revise Spirit Park walk and bike path; revise the walls at the dryers to accommodate fresh air chase; provide emergency power to existing elevator; add GPR services at proposed duct bank relocation; install catch basin & piping; add electrical revisions to provide power & disconnect for a floor mounted FCU

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in lieu of a ceiling mounted one; add hand rails for the cooling tower catwalk; add wire mesh in sidewalks; add back-filling of subsoils and duct bank removal; add credit associated with FCU & shower backing, add cost for insurance premium for the Frank Day statue one day setting; add costs for revising and rerouting of landscape irrigation piping; relocate outlets and a thermostat; remove an in-place traffic island; restriping for additional ADA parking spaces and a new ADA curb ramp; add civil work to set border pavers in the cement along Spirit Park walk; add framing & drywall for drapery pocket in building A; revise sod & mulch along black and gold; add 3 emergency phones in the fifth floor stairwells in 3 buildings; provide & install temporary & permanent CO2 detectors; add wireless access point at building C; change receptacles in building C; replace B4 operator damaged by students; reconcile allowance for HVAC DDC controls.

Total Project Change Orders and Amount: Three (3) change orders for a total amount of \$242,268.00.

Project Initiation Date: April 15, 2010

Design Professional: The McCarty Company – Design Group, P.A.

General Contractor: Harrell Contracting Group

Project Budget: \$55,600,000.00

**22. USM– IHL 208-313 Fine Arts Complex Tornado Repairs & Renovations – PH II**

**Approval Request #1: Change Order #3**

Board staff approved Change Order #3 in the amount of \$64,528.09 and sixty (60) additional days to the contract of BW Sullivan Building Contractor, Inc.

Approval Status & Date: APPROVED, October 30, 2014

Change Order Summary: Change Order #3 is necessary to: replace the existing lighting system with a new dimmable lighting system, add new VCT flooring in several small offices, add 4 new data drops; add additional days for work as indicated herein.

Total Project Change Orders and Amount: Three (3) change orders for a total amount of \$234,635.44.

Project Initiation Date: June 4, 2013

Design Professional: Allred Architectural Group

General Contractor: BW Sullivan Building Contractor, Inc.

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Project Budget: \$5,402,303.84

**23. USM – IHL 208-328 Walker Science Building Mechanical Repairs**

**Approval Request #1 (INTERIM): Initiation and Appointment of Design Professional**

In accordance with Board Policy §904 (B) Board Approval, *Interim Chair Approval* was granted by Mr. C. D. Smith, Chair of the Real Estate and Facilities Committee on October 22, 2014 to approve the initiation of the Walker Science Building Mechanical Repairs project and the appointment of the design professional.

Interim Approval Status & Date: APPROVED, October 22, 2014

Project Initiation Date: October 22, 2014

Design Professional: Corbett Legge and Associates

General Contractor: TBD

Project Budget: \$1,191,365.00

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**1. SYSTEM - REPORT OF PAYMENTS TO OUTSIDE COUNSEL**

**Legal fees approved for payment to outside counsel in relation to litigation and other matters:**

Payment of legal fees for professional services rendered by Evans Petree (statements dated 10/7/14 and 11/4/14) from the funds of the University of Mississippi. (These statements, in the amounts of \$885.00 and \$1,106.25, respectively, represent services and expenses in connection with legal advice and litigation matters.)

**TOTAL DUE.....\$ 1,991.25**

Payment of legal fees for professional services rendered by Ware/Gasparian (statements dated 6/1/14, 6/26/14, 10/1/14, 10/1/14, 10/1/14, 11/1/14, 11/1/14, 11/1/14, 11/1/14, 11/1/14 and 11/1/14) from the funds of the University of Mississippi. (These statements, in the amounts of \$2,500.00, \$2,500.00, \$2,000.00, \$3,000.00, \$2,000.00, \$5.75, \$71.00, \$54.76, \$2,500.00, \$2,500.00 and \$5.75, respectively, represent services and expenses in connection with immigration/labor certifications.)

**TOTAL DUE.....\$ 17,137.26**

Payment of legal fees for professional services rendered by Bryan/Nelson (statement dated 11/5/14) from the funds of the University of Southern Mississippi. (This statement, in the amount of \$1,537.00, represents services and expenses in connection with legal advice.)

**TOTAL DUE.....\$ 1,537.00**

Payment of legal fees for professional services rendered by Butler, Snow, O'Mara, Stevens & Cannada (statements dated 11/12/14) from the funds of the University of Southern Mississippi. (These statements, in the amounts of \$19,270.36 and \$6,276.41, represent services and expenses in connection with legal advice and litigation matters.)

**TOTAL DUE.....\$ 25,546.77**

Payment of legal fees for professional services rendered by Mayo Mallette (statements dated 11/7/14 and 12/8/14) from the funds of the University of Southern Mississippi. (These statements, in the amounts of \$297.00 and \$247.50, respectively, represent services and expenses in connection with legal advice.)

**TOTAL DUE.....\$ 544.50**





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Ligands” - \$736.25; “Improving Rice Nutrition and Taste via Disruption of Grain Starch Crystalline, Fortification Treatment and Recrystallization” - \$47.50; “Occidiofungin, a Unique Antifungal Glycopeptide Produced by a Strain of Burkholderia Contaminants” - \$546.25; “Phenoxyalkyl Pyridium Oxime Therapeutics for the Treatment of Organophosphate Poisoning Patent Application” - \$308.75; “Using Biochar, a Byproduct from Thermal Chemical Conversion of Biomass, as Container Substrate for Plant Growth” - \$712.50; “Change Analysis” - \$1,448.75; “Methods for Viral and Bacterial Antigenic Drift Detection” - \$302.50; “Error-prone PCR (epPCR) Reverse Genetics Generating Influenza Library for Phenotype Selection” - \$302.50; “Neshoba Crape Myrtle Trademark Registration” - \$821.25; “Sequoyah Crape Myrtle Trademark Registration Application” - \$678.75; “Pascagoula Crape Myrtle Trademark Registration Application” - \$868.75; “Shumaka Crape Myrtle Trademark Registration Application” - \$940.00; “Tishomingo Crape Myrtle Trademark Registration Application” - \$845.00; “Phenoxyalkyl Pyridium Oxime Therapeutics for Treatment of Organophosphate Poisoning” - \$1,892.50; “Method for Obtaining Unit Transmission in Nanodevice Electron Propagation” - \$213.75; “Phenoxyalkyl Pyridium Oxime Therapeutics for Treatment of Organophosphate Poisoning” - \$1,258.75; “Method for Delivering Nebulized Medicine” - \$130.00; “Utilization of Oleaginous Microorganisms as a Nutritional Supplement for Animals” - \$65.00 and “Method for Repeatedly Trapping of Individual Airborne Absorbing Particles” - \$473.75, respectively.)

**TOTAL DUE.....\$ 34,623.75**

Payment of legal fees for professional services rendered by Stites & Harbison (statements dated 8/15/14, 8/15/14, 10/17/14, 10/17/14, 10/17/14, 10/17/14, 11/14/14, 11/14/14, 11/14/14 and 11/14/14) from the funds of Mississippi State University. (These statements represent services and expenses in connection with the following patents: “Methods for Synthesizing Graphene from a Lignin Source” - \$28.50; “Enhancers of Paraoxanase 1 (PON1) Activity toward Degrading Organophosphates” - \$472.50; “Process and Catalysts for Converting Biomass/Municipal Solid Wastes (MSW) Derived Nitrogen-Rich Syngas to Liquid Hydrocarbon Mixtures” - \$361.00; “Extruder Device” - \$446.50; “Methods of Synthesizing Graphene from a Lignin Source” - \$196.50; “Noval Catalysts and Process for Liquid Hydrocarbon Fuel Production” - \$823.50; “Noval Catalysts and Process for Liquid Hydrocarbon Fuel Production” - \$908.48; “Noval Catalysts and Process for Liquid Hydrocarbon Fuel Production” - \$1,724.00; “Extruder Device” - \$359.00 and “Process and Catalysts for Converting Biomass/Municipal Solid Wastes (MSW) Derived Nitrogen-Rich Syngas to Liquid Hydrocarbon Mixtures” - \$325.00, respectively.)

**TOTAL DUE.....\$ 5,644.98**

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Payment of legal fees for professional services rendered by Armstrong Teasdale (statements dated 11/14/14) from the funds of the University of Mississippi. (These statements represent services and expenses in connection with the following patents: “Multi-Beam Differential Laser Interferometric Vibration Sensor” - \$350.00 and “Multi-Beam Differential Laser Interferometric Vibration Sensor” - \$15.12.)

**TOTAL DUE.....\$ 365.12**

Payment of legal fees for professional services rendered by Butler, Snow, O’Mara, Stevens & Cannada (statement dated 10/24/14) from the funds of the University of Mississippi. (This statement represents services and expenses in connection with the following patent: “Animal Model of Anxiety and Depression” - \$3,912.00.)

**TOTAL DUE.....\$ 3,912.00**

Payment of legal fees for professional services rendered by Stites & Harbison (statements dated 10/16/14) from the funds of the University of Mississippi. (These statements represent services and expenses in connection with the following patents: “Highly Purified Amphotericin-B” - \$721.00; “Highly Purified Amphotericin-B” - \$1,100.00; “Highly Purified Amphotericin-B” - \$209.00; “Highly Purified Amphotericin-B” - \$637.00; “Highly Purified Amphotericin-B” - \$614.00; “Highly Purified Amphotericin-B” - \$606.00; “Stabilized Formulation of Triamcinolone Acetonide” - \$250.00 and “Miscellaneous IP Matters” - \$28.50.)

**TOTAL DUE.....\$ 4,165.50**

Payment of legal fees for professional services rendered by Butler, Snow, O’Mara, Stevens & Cannada (statement dated 11/13/14) from the funds of the University of Southern Mississippi. (This statement represents services and expenses in connection with the following patent: “Trademark Application for the Centennial Anniversary” - \$120.00.)

**TOTAL DUE.....\$ 120.00**

Payment of legal fees for professional services rendered by Larry Schemmel (statements dated 10/23/14, 10/23/14, 10/23/14, 10/23/14, 10/23/14, 10/23/14, 10/23/14, 10/30/14, 10/30/14, 10/30/14, 10/30/14, 10/30/14, 10/30/14, 10/30/14, 10/30/14 and 10/30/14) from the funds of the University of Southern Mississippi. (These statements represent services and expenses in connection with the following patents: “Compositions for Protection of Skin against Thermal Insult.” - \$2,012.50; “SportEvac Trademark” - \$380.00; “Preparation of Transition Metal Nanoparticles and Surfaces” - \$900.00; “Method of Attaching Drug Compounds to Non-Reactive Polymer Surfaces” - \$400.00; “Auto-Positioning Ultrasonic Transducer System” - \$440.00; “The Abbey Program/British Studies Program/The Compass Program-Trademark/Copyright” - \$2,398.75; “USM/FFC IP Matter” - \$166.25; “USM/FFC IP Matter” - \$427.50; “The Abbey Program/British Studies Program/The Compass Program-

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Trademark/Copyright” - \$1,971.25; “Southern Miss to the Top Trademark/Service Mark Registration Applications” - \$950.00; “Compositions for Protection of Skin against Thermal Insult.” - \$308.75; “Application for Registration of D.E.E.P. Comprehension Service Mark” - \$71.25; “SportEvac Trademark” - \$498.75; “Chain Transfer Agents for RAFT Polymerization in Aqueous Media” - \$900.00; Chain Transfer Agents for RAFT Polymerization in Aqueous Media” - \$900.00 and “SESA Service Mark Logo” - \$213.75, respectively.)

**TOTAL DUE.....\$ 12,938.75**

**2. SYSTEM – APPROVAL TO HIRE MAYO MALLETTE AS OUTSIDE COUNSEL**

Trustee Dr. Douglas Rouse, as Board Legal Committee Chair, has approved on behalf of the Board the hiring of attorneys Cal Mayo and Matt Burris of the Mayo Mallette law firm as outside counsel for the purpose of assisting with contract monitoring and procurement procedures, internal controls and related matters. The term of the contract will be one year. The hourly rate will be \$215 for Cal Mayo and \$160 for Matt Burris with a maximum amount payable under the contract of \$32,250.00.