

VI.B.

**RECOMMENDED ACTION – Approval of Proposal to Establish the Missouri State University International Leadership and Training Center and related Memorandum of Agreement with Springfield Area Chamber of Commerce**

The following resolution was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**WHEREAS** Missouri State University desires to deliver international leadership and professional development training by establishing the Missouri State University International Leadership and Training Center (“ILTC”) as more thoroughly outlined in the proposal attached as Exhibit 1; and

**WHEREAS** the Springfield Area Chamber of Commerce has unique international relationships and competencies not otherwise available in southwest Missouri that can enhance the University’s efforts to establish the ILTC and accomplish the ILTC’s first year objectives without the University immediately hiring a director to establish and commence operations of the ILTC; and

**WHEREAS** the Springfield Area Chamber of Commerce has agreed to provide services necessary to establish the ILTC in accordance with the terms and conditions set forth in the Memorandum of Agreement attached as Exhibit 2.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Governors of Missouri State University that the attached Proposal to Establish the Missouri State University International Leadership and Training Center be approved.

**BE IT FURTHER RESOLVED** that the attached Memorandum of Agreement with the Springfield Area Chamber of Commerce be approved and executed by the Vice President for Research and Economic Development and International Programs.

**VOTE:**      **AYE** \_\_\_\_\_

**NAY** \_\_\_\_\_

**COMMENTS:** The Agreement retains the Springfield Area Chamber of Commerce to provide services related to the ILTC for a one-year term starting on July 1, 2013. The parties estimate that such services will require the Chamber to invest approximately 1,000 working hours. In exchange, the University will pay the Chamber \$58,000, payable in two \$29,000 payments. The Chamber has represented that Brad Bodenhausen, Executive Vice President at the Chamber, will provide all (or nearly all) of the services. If the ILTC performs as anticipated, the University expects to hire a fulltime director to start on or about July 1, 2014. Accordingly, the University does not anticipate renewing the Agreement with the Chamber. By fiscal year 2015, the University expects the ILTC to be self-sustaining with the potential for significant growth.

**Proposal to Establish the**

**Missouri State University**

**International Leadership and Training Center**

Submitted By:

Jim Baker and Steve Robinette  
May 7, 2013

## Background

Missouri State University and the Springfield Area Chamber of Commerce have worked together in the pursuit of international business development since 2004. Both organizations share the goal to expand and deepen international connections with other universities, businesses, professional associations and individuals. MSU initiatives such as the Executive MBA program for Chinese professionals have increased the Springfield business community's exposure to cultural understanding and business opportunities in China. Likewise, the Springfield campus of MSU has proven to be a good location to host young professionals from China and introduce them to U.S. business practices and culture.

This proposal seeks to build on existing strengths of the partnership to create the **Missouri State University International Leadership and Training Center**:

- Missouri State University's statewide mission in public affairs, which entails a campus-wide commitment to foster expertise and responsibility in ethical leadership, cultural competence and community engagement.
- The university's English Language Institute, which offers instruction to provide English language learners with skills for academic and career success.
- The University's Foreign Language Institute, which responds to market demand for quality, broad-based language education, including a special focus on less commonly taught languages.
- The university's Management Development Institute, which provides quality education to individuals and corporate clients in order to enhance careers, build leadership capabilities and foster workforce development.
- The university's active and growing array of International Programs, including partnerships with more than 30 universities in 12 countries around the world.

Combining the experience of these existing areas of strength, Missouri State University has an opportunity to fill a gap in the delivery of international leadership and professional development training that is currently not being provided in the State of Missouri.

## Need

Emerging economies are fueled by many factors including foreign direct investment, and the implementation of reforms and policies resulting in a movement from closed to more open markets. The term *emerging market economy* was coined in 1981 by Antoine Van Agtmael of the International Finance Corporation of the World Bank. Generally speaking, emerging market economies (with approximately 80% of the global population and 20% of the world's economies) are characterized as transitioning from a closed economy to an open market economy. "Emerging economy" in this sense refers to an economy that is ready to "emerge" onto the global scene. The need for leadership development, professional development, workforce training and language training in these emerging economies is enormous. The Missouri State University International Leadership and Training Center has been positioned to respond to the immense market in human resource development created by the emerging economies.

## **Mission**

The mission of the Missouri State University International Leadership and Training Center is to provide high quality non-credit language training coupled with international leadership and professional development programs customized to meet the needs of client organizations. The mission of the proposed Center is consistent with the university's public affairs mission, particularly the focus on cultural competence, ethical leadership and community engagement.

## **Personnel**

Mr. Steve Robinette will oversee initial operations of the Center. Any future staff additions will be paid through revenues generated by the Center.

## **Reporting**

Center personnel will report to the Associate Vice President for International Programs who in turn reports to the Vice President for Research and Economic Development and International Programs.

## **Budget**

Start-up funds for the Missouri State University International Leadership and Training Center will be provided by the Vice President for Research and Economic Development and International Programs. Program goals and budgets for the first three years are provided below.

### **Year 1: July 1, 2013 – June 30, 2014**

#### Program Goals

- Host customized training program in biotechnology for Qingdao University
- Provide two additional short-term/customized programs for partner universities or organizations
- Develop and offer pilot program of International Business Leadership (supply chain management/logistics module)
- Develop and present one workshop (consider possibility of coordinating timing to coincide with annual Public Affairs Conference; 2014 theme is "Global Perspectives")

#### Program Budget

- Projected gross revenue           \$195,000
- Program delivery expense       168,000
- Net program revenue               27,000

#### Salary/Travel Budget

- Consulting Fees                   58,000
- Coordinator salary (1/2)       15,000
- Travel expense                   10,000

## **Year 2: July 1, 2014 – June 30, 2015**

### Program Goals

- Host five short-term/customized programs for partner universities or organizations
- Host one longer-term customized training program for partner university (Qingdao model)
- Continue to offer International Business Leadership program (supply chain management/logistics module)
- Provide pilot program of International Public Sector Leadership (economic development – Ningxia model)
- Develop and offer pilot program of “Entrepreneurship/Innovation in the U.S. Midwest”
- Develop business model for internship placements for international students

### Program Budget

- Projected gross revenue \$350,000
- Program delivery expense 289,000
- Net program revenue 61,000

### Salary/Travel Budget

- Director salary 87,000
- Coordinator salary (1/2) 15,000
- Travel expense 12,000

## **Year 3: July 1, 2015 – June 30, 2016**

### Program Goals

- Host seven short-term/customized programs for partner universities or organizations
- Offer two sessions of International Business Leadership training program
- Offer two sessions of International Public Sector Leadership training program
- Host two longer-term customized training programs for partner universities (Qingdao model)
- Continue to offer “Entrepreneurship/Innovation in the U.S. Midwest” program
- Expand international internship placement program

### Program Budget

- Projected gross revenue \$560,000
- Program delivery expense 434,000
- Net program revenue 126,000

### Salary/Travel Budget

- Director salary 96,000
- Coordinator salary (1/2) 15,000
- Travel expense 15,000

After year two, the Center will be self-supporting and will be sustained through externally generated revenues.

## **Requirements for University Space/Equipment**

The Center will be housed on the fifth floor of the Jim D. Morris Center. Sufficient office, classroom and training space is available. No additional university space will be required. Initial funding for furnishings and equipment necessary to operate the Center will be provided by the Vice President for Research and Economic Development and International Programs. On-going operations (equipment replacement, etc.) will be paid for through revenues generated by the Center.

## **Major Center Activities**

The Missouri State University International Leadership and Training Center will be defined by its flexibility and the ability to respond to emerging market needs. The first major task will be to develop a marketing plan for the Center. The second task will be to develop initial training packages that are responsive to identified marketing needs.

Based on initial research and firsthand observation, the best starting point for marketing and outreach will likely be Latin America. Existing university and chamber relationships in Brazil, Chile, Colombia, Panama and Mexico open one potential pipeline to reach interested young professionals. To be successful, multiple pipelines must be developed including:

- Global corporations based in the U.S. (particularly those in or near Missouri and cities with direct airline connections to Springfield – such as Chicago, Dallas, Denver and Atlanta)
- Global corporations based in the target countries of our marketing outreach
- MSU's partner universities (with an initial focus on those in South America)
- Professional associations in the target countries of our marketing outreach
- Organizations with a mission of and funding for professional and cultural exchange, such as Partners of the Americas, the U.S. State Department, Rotary International, People to People International and Sister Cities International.

A sampling of initial training and development programs developed through the Center are provided below. Of course, these offerings will be modified as market needs become more clearly focused in Latin America as well as in other markets such as China, India and Vietnam.

The Center will offer two eight-week, non-credit international leadership and professional development programs designed for early- and mid-career professionals seeking to improve their English skills, gain knowledge of global business practices and develop a more extensive professional network in the United States.

## Certificate Programs

### **Intensive English Language Training with a Business Focus**

Morning sessions will follow the core ELI training process:

- Active listening / comprehension / speaking
- Business writing fundamentals
- Effective professional presentations

Afternoon sessions will progress through these topics and be delivered via a combination of classroom instruction, seminar/workshop settings, business visits and cultural interaction:

- Cross-cultural understanding for international business
- Best practices for business management (strategy and implementation)
- Successful project management
- Becoming a more effective leader

In order to achieve certification, each student will complete and deliver an end-of-session presentation that highlights how the skills they learned and the experience they gained in Missouri will apply to their future career success.

### **Intensive English Language Training with a Public Administration Focus**

Morning sessions will follow the core ELI training process:

- Active listening / comprehension / speaking
- Business writing fundamentals
- Effective professional presentations

Afternoon sessions will progress through these topics and be delivered primarily via classroom instruction, with weekly visits to interact with public administrators throughout Missouri:

- Cross-cultural understanding for international success
- Introduction to public personnel management
- Project management in the public sector
- Leadership and organizational behavior in the public sector

In order to achieve certification, each student will complete and deliver an end-of-session presentation that highlights how the skills they learned and the experience they gained in Missouri will apply to their future career success.

## Short-term and Customized Non-Credit Programs

**Short-term programs** – include hosting of study tours and visiting delegations, organization of topic-specific workshops for visiting international groups, and basic language and cultural immersion for senior executives (with a particular market focus on China).

**Customized programs** – The Missouri State University International Leadership and Training Center can design a professional development program tailored to meet the specific needs of partner universities, businesses, professional associations or government organizations.

Key benefits and selling points of these programs include:

Students in the programs will receive:

Sharpened professional English skills

Exposure to best practices in management and leadership

Opportunities to meet with successful U.S. business executives and public officials

Networking with professional peers from around the world

Improved understanding of American people, business, culture and education

Missouri State University will receive:

Modest initial revenue, with potential for significant growth

Increased visibility of public affairs mission

Enhanced reputation for innovative international programs

Businesses and public officials in Missouri will receive:

Exposure to potential international partners

Opportunities to gain global business and public affairs insights

Increased cultural diversity in community and state

## **Summary**

Missouri State University has a unique opportunity to increase its role in international development and training in response to the rapidly expanding market for human resource development in countries with emerging economies. The Missouri State University International Leadership and Training Center will support implementation of Missouri State University's public affairs mission and will also promote and market the "MSU Brand" on a global basis.

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“Agreement”) is by and between the Board of Governors of Missouri State University (“University”) and the Springfield Area Chamber of Commerce (“Chamber”).

WHEREAS, the University desires to establish the Missouri State University International Leadership and Training Center (“ILTC”) which will offer non-credit courses, programs, and training to international businesses, governmental entities, non-governmental organizations, and individuals; and

WHEREAS, the Chamber has unique international relationships and competencies not otherwise available in southwest Missouri that can enhance the University’s efforts to achieve its stated first year ILTC goals on or before July 1, 2014; and

WHEREAS, the University and the Chamber desire to establish a relationship whereby the University retains the Chamber as an independent contractor to provide services related to the ILTC, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants, terms, and conditions contained in this Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. Term and Termination.** This Agreement will take effect on July 1, 2013 (“Effective Date”) and continue through June 30, 2014. Either party may terminate this Agreement, with or without cause, by providing the other party with written notice of termination at least 30 days prior to the effective date of termination. Upon termination, the parties’ obligations to pay money, provide services, and otherwise perform as set forth herein shall cease; provided, however, that the Chamber shall return to the University any unearned portion (to be determined on a pro rata basis) of funds paid by the University to the Chamber under this Agreement on or before the effective date of termination.

**2. University’s Obligations.**

**a.** The University will pay the Chamber \$29,000 on or about July 1, 2013 and a second payment of \$29,000 on or about January 1, 2014 in exchange for the obligations undertaken by the Chamber pursuant to this Agreement.

**b.** The University will advance and/or reimburse travel expenses incurred by the Chamber and/or individual Chamber employees in performing the Chamber’s obligations under this Agreement. The University will not advance and/or reimburse overhead expenses and other operating expenses of the Chamber; and the University will advance and/or reimburse only travel expenses that the University ordinarily advances and/or reimburses for University employees. The specific limitations and parameters of expense advances and reimbursements will be governed by Op8.22 Travel Regulations ([http://www.missouristate.edu/policy/Op8\\_22\\_Travel\\_Regulations.htm](http://www.missouristate.edu/policy/Op8_22_Travel_Regulations.htm)) and all other applicable University policies and procedures.

c. The University will provide the Chamber with appropriate on-campus office space, equipment, supplies, and services for one individual to perform the Chamber's obligations set forth in this Agreement. The University will have sole discretion to determine what office space, equipment, supplies, and services are appropriate.

### **3. Chamber's Obligations.**

a. The Chamber agrees to provide the following services to the University. The parties anticipate that the Chamber will provide approximately 1,000 working hours during the term of the Agreement to the University in fulfilling these obligations:

- i. Conduct research on the feasibility and market potential for University to offer expanded international professional development training programs, focusing particularly on the development and delivery of customized training;
- ii. Coordinate appropriate University personnel to develop a deliverable template for the establishment of such programs;
- iii. Develop and execute a marketing plan for the programs;
- iv. Recruit the initial training class for a pilot program to begin as early as Spring 2014;
- v. Coordinate delivery of the pilot program, evaluate results, adjust as needed, and begin to recruit successive cohorts;
- vi. Identify and establish relationships with potential ILTC clients;
- vii. Market the ILTC to potential clients;
- viii. Introduce appropriate University personnel to potential ILTC clients to enable the University to provide courses, programs, and training to such potential clients by and through the ILTC; and
- ix. Provide related services as requested by the University.

b. The Chamber represents and agrees that the ILTC and all brands, trademarks, trade names, documents, materials, client leads, relationships, trade secrets, and intellectual property related to the ILTC is and will remain the property of the University, and the Chamber agrees to take appropriate steps to safeguard such property and to comply with the University's directions and instructions related to safeguarding such property.

c. The Chamber will do business in its own name and will not trade upon the name or credit of the University or the ILTC. The Chamber will not represent itself to be the University or the ILTC, and the Chamber agrees not to transact business in the name of the University and/or the ILTC. Because the ILTC is a University program, all contracts and agreements related to the ILTC and its operations will bind the University only if, as, and when such contracts or agreements are properly authorized or ratified by the University; and the Chamber agrees that it will not independently enter into any contracts or agreements related to the ILTC and/or its operations. All procurements, contracts, expenses, disbursements, and other activities related to the ILTC and/or its operations must comply with applicable University policies, procedures, and protocols such as G1.02 Conflict of Interest and Financial Disclosure Policy ([http://www.missouristate.edu/policy/G1\\_02\\_ConflictOfInterest.htm](http://www.missouristate.edu/policy/G1_02_ConflictOfInterest.htm)), G1.13 Fiscal Responsibility Policy ([http://www.missouristate.edu/policy/G1\\_13\\_FiscalResponsibility.htm](http://www.missouristate.edu/policy/G1_13_FiscalResponsibility.htm)), G1.18 Contract Authorization Policy

([http://www.missouristate.edu/policy/G1\\_18\\_ContractAuthorization.htm](http://www.missouristate.edu/policy/G1_18_ContractAuthorization.htm)), Op8.05 Delegations of Contracting Authority Memorandum  
([http://www.missouristate.edu/policy/Op8\\_05\\_DelegationofContractingAuthority.htm](http://www.missouristate.edu/policy/Op8_05_DelegationofContractingAuthority.htm)), Op8.11 Awards, Gifts, and Prizes  
([http://www.missouristate.edu/policy/Op8\\_11\\_AwardsGiftsandPrizes.htm](http://www.missouristate.edu/policy/Op8_11_AwardsGiftsandPrizes.htm)), Op8.15 Procurement Card Policy ([http://www.missouristate.edu/policy/Op8\\_15\\_ProcurementCardPolicy.htm](http://www.missouristate.edu/policy/Op8_15_ProcurementCardPolicy.htm)), Op8.16 Procurement Procedures ([http://www.missouristate.edu/policy/Op8\\_16\\_ProcurementProcedures.htm](http://www.missouristate.edu/policy/Op8_16_ProcurementProcedures.htm)), and Op8.24 Signature Policy ([http://www.missouristate.edu/policy/Op8\\_24\\_UniversitySignaturePolicy.htm](http://www.missouristate.edu/policy/Op8_24_UniversitySignaturePolicy.htm)).

**d.** The Chamber will not, and is not authorized to, represent to anyone at any time that it has the authority to make decisions related to the ILTC or other University programs. The Chamber understands and agrees that the University retains sole discretion to make all decisions related to the ILTC and other University programs.

**e.** The Chamber will take all necessary steps to ensure that its employees and agents comply with the obligations, terms, and conditions set forth in this Agreement.

#### **4. Miscellaneous.**

**a.** This Agreement shall be construed in accordance with the Memorandum of Understanding between the Springfield Area Chamber of Commerce, the Springfield Business Development Corporation, and Missouri State University executed in May 2013 (“MOU”). To the extent the terms of this Agreement contradict the terms of the MOU, this Agreement will control.

**b.** Each party will comply with all applicable laws, regulations, and policies. Such applicable laws include but are not limited to the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. § 78dd-1, *et seq.* (prohibits certain payments to foreign officials) and the Family Educational Rights and Privacy Act (“FERPA”), 20 U.S.C. § 1232g (prohibits disclosure of student educational records). The Chamber agrees to participate in such legal, compliance, and/or best practices training and/or monitoring as the University in its discretion requires to ensure the Chamber’s compliance with all applicable laws (including but not limited to the FCPA and FERPA), regulations, policies, and ethical or professional standards, or for any other reason.

**c.** If, as a result of an act of force majeure, including without limitation, an act of nature, war, riot, labor dispute, strike, threat thereof, intervention of a government agency or instrumentality, or other occurrence beyond the reasonable control of either party, a party is hindered in performing its obligations hereunder or is thereby rendered unable to perform its obligation hereunder, then, in such event, such party shall have the right, upon notifying the other of the occurrence of force majeure as herein defined, to suspend performance until the event of force majeure has passed.

**d.** This Agreement shall be governed by and construed in accordance with the laws of the United States of America, State of Missouri. All disputes, controversies, or claims between the parties will be adjudicated in the state or federal courts located in Greene County, Missouri.

**e.** The parties are independent contractors of one another. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employment relationship between the parties. Neither party is authorized or empowered to act as agent for the other for any purpose and shall not on behalf of the other enter into any contract, warranty, or representation as to any matter.

**f.** The parties shall not discriminate against any person on the basis of race, sex, age, religion, national origin, color, disability/handicap, or marital status in the performance of this Agreement.

**g.** Neither party shall assign this Agreement or assign or delegate any of its obligations under this Agreement to any third party without the other party's prior written consent.

**h.** This Agreement constitutes the entire agreement among the parties with respect to the subject matter contemplated herein. No amendment, change, waiver, or discharge hereof shall be valid unless it is in writing and executed by the party against whom such amendment, change, waiver, or discharge is sought to be enforced.

**i.** If any provision of this Agreement is determined to be invalid, illegal or unenforceable under any applicable statute or rule of law, it is to that extent to be deemed omitted, and the balance of the Agreement shall remain enforceable. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties shall endeavor to amend such provision so that the intention thereof can be carried out to the extent legally possible.

**j.** This Agreement may be executed in separate counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

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**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement intending to be legally bound hereby.

**THE BOARD OF GOVERNORS OF MISSOURI STATE UNIVERSITY**

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Dr. James P. Baker  
Vice President for Research and Economic  
Development and International Programs

Date

**SPRINGFIELD AREA CHAMBER OF COMMERCE**

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Jim Anderson  
President

Date