

UNIVERSITY BUDGET COMMITTEE

MINUTES OF JANUARY 7, 2008 MEETING

I. Time, Location and Attendance:

- 10::00AM, Dean's Conference Room at UMKC School of Medicine
- UBC members present: Curt Crespino, Betty Drees, Lawrence Dreyfus, Gary Ebersole, Laura Gayle Green, Tony Luppino, Paris Saunders, Lanny Solomon and Karen Vorst.
- Others present: Rick Anderson, Lori Laster, John Morrissey and Karen Wilkerson

II. Preliminary Administrative Matters:

- The minutes of the December 13, 2007 meeting were presented and approved with one modification. The modification was to reflect discussion of certain expense items currently in the budget of the College of Arts & Science and the Committee's recommendation that such list be studied to determine whether such items were misplaced and should be moved to Appendix 5 overhead assessments in the new budget model being recommended by the Committee.
- The Committee noted that Lori Laster is leaving her position in the Provost's Office for another position at UMKC, and thanked her for her consistently superb work and valuable contributions in support of the UBC since its inception.

III. Primary Issues to Complete Budget Model Recommendation

Interim Provost Drees reported that she and the Chancellor would be having in January one by one meetings regarding the new budget with the Deans of each School/College, with the first of those scheduled for January 11. UBC Secretary Tony Luppino led the Committee through a list of what he felt were the primary open issues to be discussed and resolved before the Committee could make its revised new budget model recommendation to the Chancellor. The resulting Committee decisions were as follows:

Tuition:

- Adopt the Chancellor's suggestion that, in cross-unit instruction situations, the instructing unit will be allocated 80% of the tuition computed at the *undergraduate* rate even when the student is paying tuition at a higher graduate or professional rate. The Committee acknowledged that in such latter situations this would result in the "home unit" getting more than

20% of the actual tuition being charged, but understood that the Chancellor felt strongly about this point, and reasoned that it might operate as an incentive for home units to avoid the temptation to try to replicate “in house” courses that are for good reason taught in other units (a concern identified by many faculty who provided input to the UBC in response to proposed budget model drafts).

- Leave the handling of scholarships netted against tuition as is provided in the UBC’s March 26 budget model recommendation.
- Do not at this point modify the UBC’s March 26 budget model recommendation to implement special rules for Summer School tuition or related expenses, except for revision of the definition of “home unit” so that units to which visiting students were administratively assigned would not share in tuition for instruction by other units to such visiting students (a definitional modification that would apply throughout the regular academic years as well, but would most significantly impact Summer School tuition). However, the Committee did endorse gathering and studying data to compare, for purposes of future deliberations on possible budget model modifications, the current proposal with a system in which the Schools/College might (i) pay a flat (CE-like) overhead charge (of 8% of Summer School tuition); and (ii) then have their Summer SCH excluded from both the Appendix 4 apportionment of the bulk of the State Appropriation and the Appendix 5 computation of general overhead assessments on the Schools/College.

State Appropriation and Overhead Assessments:

- After discussing (a) a report from the small working group on its discussions with the Chancellor regarding concerns about the Appendix 4 “weighting factors” expressed in writings by the Deans of the School of Biological Sciences, the Conservatory and the School of Law, and a resulting schedule the small working group asked Karen Wilkerson to prepare comparing various blends of the three different approaches to the weighting factors discussed in the late October presentation made by the Chancellor, (b) a report from the small working group on its consideration of a memo from the Dean of the School of Education regarding the inclusion of employees from its Department of Secondary Grants in the Appendix 5 computation of general overhead assessments; and (c) a report from Dean Vorst on the above-mentioned list of approximately \$700,000 of items currently in the A & S budget that might properly be relocated to general overhead assessment (a copy of which list is attached hereto as Appendix A), the Committee reached the following decisions:
 - Exclude the School of Education Department of Education employees from the Appendix 5 computation of the general

overhead assessments, so long as the School of Education continues to pay an Institutional Offset charge on associated revenues.

- Offer the Chancellor a revised new budget model recommendation that asks him to pick between two alternatives regarding the weighting factors. In one alternative, the Chancellor's Texas-based weights would be used and 50% of the Law School's operating expenses of the Law Library (so, about \$900,000) would be moved from its expense budget to the Appendix 5 general overhead assessments (i.e., added to the Miller Nichols Libraries assessments). In the other alternative a 50/50 blend of the Chancellor's Texas-based weights and the COPHE approach would be used, and the approximately \$700,000 of item listed on Appendix A to these minutes would be moved out of the A & S expense budget and into the Appendix 5 general overhead assessments (to be charged to the Schools/College in the ratio of Total Current Funds Expenditures).
- The UBC will recommend that during the process of review of the operation of the new budget model, care will be taken to make sure the attribution of student fees and the allocation of the State Appropriation are not in effect covering associated costs twice instead of just once.

IV. Procedural Matters Going Forward:

- The small working group committed to draft and to circulate to the whole UBC as soon as possible revised drafts of the new budget model text and its appendices reflecting the decisions summarized above, so that the UBC can deliver its revised recommendation to the Chancellor before Friday January 11.
- The next UBC meeting will be scheduled for early February, with the hope that the Chancellor can attend that session and report on the meetings with Deans and the transition plans associated with implementing the new budget model over 3 to 4 years, starting with FY09. The Committee also expressed its desire to have an early winter joint meeting with the Support Costs Review Committee, again hoping the Chancellor could also intend that important session.

Appendix A

**Expenses Paid by College for University-wide Programs/Departments/Functions
FY 07-08**

BkMk Press	78,210	
New Letters	258,085	
Honors Program	32,000	
SPARK	3,000	
Truman Center	50,000	
Debate	109,750	
UNews	5,383	
Writing Center	115,250	
WEPT	30,500	
Sum	682,178	College only