



RESPONSE TO FISCAL CHALLENGES

UPDATE

JANUARY 2017

Landscape of Change

- Federal and State
- Board of Curators
- System

Financial challenges

- State cuts are significant
- Uncertain state fiscal picture
- Competition
- Affordability
- FY17 Performance

State cuts as of 1/16/17

UMKC/MSU Pharmacy Program		(808,331)
UMKC/MSSU Dental Program		(404,166)
UMKC Neighborhood Initiative		(215,556)
Core Cut		<u>(5,823,873)</u>
TOTAL CUT TO OPERATING FUNDS		(7,251,926)
UMKC Free Enterprise Center		(3,300,000)
TOTAL		<u>(10,551,926)</u>

What we know

- Need to plan for the cuts and create a long term plan for financial sustainability
- Problem can't be solved solely by cost cutting and increasing tuition
- Must focus on value
- Ultimately find the unique UMKC solution

UM Plan and Approach

Identify a path to sustained excellence:
“Develop a sustainable long-term financial plan that will position the University to enhance its status as the state primary public University”

Draft Guiding Principles for Governance

- Will be established by committee and approved by President
- Committee to include key stakeholders (including faculty and staff)
- Establishes the framework through which the project initiatives will be viewed

Committee's charge will be to identify guiding principles to follow in addressing the initiatives and projects related to the plan's pillars

Key Pillars

- Leverage scale and efficiencies
- Improve resource allocation and utilization
- Revenue enhancement model
- Academic review (Market, Mission and Margin)

UMKC Centric Responses

1. Can't wait for the System Plan
2. Do all we can now!
3. Already have several initiatives underway
 - RPK Academic Portfolio Review
 - Tuition and Pricing Study
 - Hiring committee
 - Committees for Institutional Effectiveness
 - Moving towards administrative reviews

UMKC Centric Responses

Solicit ideas and feedback

- Chancellor's suggestion box
- Campus meetings

Financial Reviews

Hiring retreat for academic units

Financial Reviews

1. Forecast – 6+6 projections (due February 8)
2. Update forecast with the goal of improved performance
 - Update the compensation forecast
 - Validate baseline financials (all funds and all line items)
 - Identify plans to maximize revenues
 - Identify plans to manage expenses
3. Review meetings start February 22

Brainstorm

What can we do to build engagement?

How can we collaborate?

How can we best position ourselves for success?