

Faculty Senate Budget Committee

Minutes of the April 2nd, 2018 Meeting, Gilham Park Room, Administrative Center

Members Present: Mark L. Johnson (Chair), Eduardo Abreu, Kelli Cox (ex officio), Mike Wacker (for Paul Cuddy), Tony Luppino, Erik Olsen, Linda Mitchell (Chair, Faculty Senate), Roger Pick, Buddy Pennington, Leigh Salzsieder, Steve Stoner, Sully Read, Melanie Simmer-Beck, Ronald Tice, Jennifer Waddell

Members Excused: Sharon Lindenbaum (ex officio), Deep Medhi, Provost Barbara Bichelmeyer (ex officio), Gerald Wyckoff (Past-Chair, Faculty Senate),.

Dr. Johnson called the meeting to order at 2:01 PM.

1. Approval of Previous Meeting Minutes: Dr. Johnson asked if there were any corrections/additions to the minutes of the March 21st, 2018 meeting. None were made. Sully Read moved to accept as submitted, Tony Luppino seconded. The minutes were approved with Roger Pick abstaining (not present at March meeting).

2. RIM Update and Sample Budget Calculation

Mark began with a brief update on the budget numbers he had received in response to an inquiry from an FSBC member. He reported from an email received from Sharon Lindenbaum the current budget estimate is \$136 to \$138 M. *He incorrectly assumed that this included the estimated \$66.6M from the governor's proposed budget. This error was later corrected in an email to the committee and are entered into the minutes post-meeting. The estimated numbers are currently:*

\$136-\$138M estimated for net tuition

\$66.6M State Allocation

\$4.8 F&A of which 50% is returned to various Units for distribution.

Sully asked if the Units being reorganized would be able to see the budgets for the departments being moved? Linda stated that the move would not take place in the FY19 budget period as the time required for approvals to make such a move would not occur until the start of FY20. Sully indicated that the faculty in SBS felt it is important to know this as it might affect their vote to approve or not approve such a move/merger.

Mark began the discussion of the RIM model by asking how many members had seen the sample calculations provided by Sharon at various meetings? Everyone on the FSBC had seen the calculations previously. Mark briefly walked through the summary of how average tuition was going to be calculated and that in FY19 the Strategic Fund would be a 0.5% off-the-top before distribution to the Units. He noted that there is still some tweaking of the model, but hopefully this would all be finalized within a couple of weeks.

Linda began a general discussion of the RIM by noting that there needs to be a means of directly supporting the Libraries, as this is not currently part of the model. Erik asked if the Librarians provide teaching shouldn't they be considered an Academic Unit? Buddy commented that the Library does not get F&A from research, even though they support the research mission. Linda noted that the cost of Interlibrary Loans are escalating as the collections are reduced and this is a free service. In some cases funded investigators are running up several thousand dollars of ILLs. Erik commented that perhaps this is a classification issue that needs to be changed? Mark suggested that perhaps a policy should be developed whereby faculty get 3 free ILLs per year and above that they must pay for ILLs. Sully asked if this could/should be used to raise the Indirect Rates for grants and a percentage used to directly support the Libraries. Mark noted the significant difference between NIH type grants that have a 55% Indirect Rate and the UMKC average across all grants which is around 17%. Changing the rate would be great, but many grants don't recover Indirects or only small amounts that are fixed.

Linda noted that the Libraries support not only research and also provide some teaching, so it seems reasonable to use SCH to support the Libraries to some extent. Roger commented that there seems to be a general problem with Support Units not being able to cover costs. Tony noted the past process of UBC/FSBC reviewing of budgets and asked how is subvention being supported in the new RIM. He expressed some concern that this may not be transparent.

Buddy asked now the calculation for support of Support Units is being made? Leigh responded they the RIM team does not have this worked out at present.

Sully asked how are Graduate Student Stipends figured in the model? Leigh responded that he didn't think stipends were included. *(Leigh later confirmed in an email that graduate student rate calculations do not include stipends)*

Sully asked about the 80% rate being used? This is for students from another Unit taking a class in your Unit, your Unit gets 80% of the SCH, the other 20% stays in the home Unit.

In the interest of time, Mark asked the FSBC members to provide additional comments in writing and he would include them in the minutes (attached).

3. APR Feedback, and

4. FSBC APR "White Paper"

Mark began the conversation by noting that the FSBC at a prior meeting had passed a motion that as one outcome from the APR the committee would create a "White Paper" that would provide context specific to the data gathered for each Unit, how the data was being used in each Unit (hopefully it is being used) to guide decisions about program offerings and efficiency improvements, what additional data Units needed. The goal being to allow interpretation of data for each Unit in the context of how the data should be interpreted and if best practices in one Unit could be identified that might be of benefit to other Units. Linda added that this should be an opportunity for us to determine how this data can be used to facilitate change.

Steve Stoner said that in Pharmacy, initially they had a lot of data clean-up, but then it was used to downsize the number of adjunct a bit and resulted in several adjustments for future budget reporting.

Mark made the comment that with regard to the recent lay-offs it was not clear how those decisions were made and whether the APR provided data in support of those decisions. It would be important to make note of how hiring decisions may have been altered by the APR in the Unit reports. Linda commented that it would be useful to know how many NTT positions were eliminated or being planned for non-renewal. Erik asked what Units had positions eliminated? Mark replied that the SOD had 4 staff positions eliminated. Roger indicated that 6 were eliminated in the Bloch School. The other 7 were not known by anyone on the FSBC. Tony indicated that Law has had retirements and those positions were not going to be filled.

Mark then asked that each member of the FSBC begin working on a Chapter for the "White Paper" with the specifics of how the APR data was used in their Unit (see above).

5. Draft FSBC Calendar

Mark reviewed the draft calendar (attached) and noted that this was aligned with the UBC Calendar and that this linkage between the two Budget Committees was intentional, so that the FSBC could provide the required feedback and comment as outlined in the new Budget Roles and Responsibilities document.

Sully asked if we would be seeing the Auxiliary Budget; e.g. Athletics? Mark indicated that all budgets would be subject to FSBC review under the new system.

6. Other Business

Sully stated that SBS faculty had been told by their Dean that there would be no raises this year. Mark noted that the Deans were asked to build in a 2% merit Raise Pool, but this was intended as an across the board raise, but for salary adjustments, retention and/or merit raises.

Erik asked how are budget cuts (State) being absorbed? Are we seeing all Units including Administration, etc.? Mark indicated that under the Roles and Responsibilities the FSBC should be seeing all budgets. Tony stated that the FSBC needs to see all budgets, in part as a means to reduce anxiety levels amongst faculty and staff.

Linda indicated that this is a problem with students having holds placed on their accounts due to tiny balances remaining from unpaid parking fees, etc. Kelli indicated that last year they made the Administrative decision to wipe all accounts with <\$250 balances and that this should happen again this year, the amount to be determined so students could register, etc. Linda suggested that maybe we could set up an "Angel Fund" to cover this.

There being no other business, the meeting was adjourned at 3:05 pm.

Respectfully submitted,



Mark L. Johnson, Ph.D.
Chair, FSBC

Attachment: Comments from Tony Luppino
Proposed FSBC Calendar

TL Suggestions for portions of FSBC 5-2-2018 Minutes:

Regarding General Revenues Allocation to Central Admin/Support:

Tony Luppino renewed his request for a current projection of the dollar amount of the portion of General Revenues (net tuition and State Appropriation combined) that would be allocated to the Central administrative and support units/functions for FY 2019. This request and Vice Chancellor Lindenbaum's agreement to provide such information were reflected in the minutes of the March 21 FSBC meeting. Tony noted that while it is certainly understandable that budget numbers are still being refined, it seemed that now that we are in May there must be some projection on this, and we understood there would be opportunities for faculty representatives to review and comment on the proposed allocation. He further noted that knowing the amount of the allocation from General Revenues to Central admin/support is clearly relevant to knowing the amount of the pool, if any, available for "subventions" to close gaps between the net tuition allocations and ultimately approved expense budgets of academic units that have such gaps. Ensuing discussion among committee members confirmed the reality that if that General Revenues allocation to Central admin/support—whether or not called a "tax"—is larger than the State Appropriation it would seem the only way to provide subventions would be to reallocate net tuition from some academic units to other academic units, and Tony suggested that transparency and shared understanding would be well served by all stakeholders seeing the relevant numbers.

Later in the meeting, there was discussion of the fact that many faculty members across UMKC have asked if the Central admin/support units/functions are experiencing cuts of similar magnitude as those being experienced by academic units. Tony suggested that, again, sharing the numbers would help address that question/concern. He noted that he believed there have in the past been some years when the Central admin/support units in fact absorbed more cuts (proportionately) than academic units, and others when that was not the case, and that it seemed to make sense to just get the figures circulated to avoid unfounded speculation and the morale problems that can cause. He suggested that it would go a long way in terms of transparency to share with faculty how much of the General Revenues was allocated to Central admin/support units in FY 2016, FY 2017, and FY 2018, and, again, how much is currently projected for that in FY 2019.

Regarding FSBC "White Paper":

Mark Johnson urged committee members to get with the budget committees in their respective units to follow up on the FSBC's commitment from an earlier meeting to produce a White Paper related to the RPK/Academic Portfolio Review data. He suggested that it would be helpful to have unit reports in the White Paper on (1) how the RPK data has been used to facilitate unit planning/budget management, and (2) any unit-level requests for more access to relevant data to help with (1). Tony Luppino noted that a third aspect of the White Paper discussed in the prior FSBC meeting was to provide context for data circulated in the RPK-led Academic Portfolio review—he noted, for example, that faculty had discussed that data showing low enrollment in particular courses, sections, or programs might signal a problem to be addressed or might have an explanation of circumstances that make a given instance of low enrollment acceptable on a cost/benefit basis consistent with UMKC objectives. Mark and other committee members agreed that the context-providing opportunity was an intended aspect of the White Paper, so should be considered element (3) of the White Paper.

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2018-2019 Academic Year Calendar for the Faculty Senate Budget Committee

Month/Date/Time	Agenda Items
August	New Members Seated, FSBC Orientation, State Updates, Preliminary FY18 year-end financial statement review, FSBC White Paper drafting on APR
September	State Updates, Review of Budget Rules and Responsibilities, Review of RIM, FSBC White Paper drafting on APR
October	State Updates, Q1 FY19 report review, Budget planning updates, APR Data Annual Update, FSBC White Paper final
November	State Updates, ORS Annual Research Report (including Financials), Administrative Services Annual Update
December	State Updates, Financial forecast (operating fund 4+8)
January	State Updates, RIM high level projection, Budget Planning updates
February	State Updates, Q2 FY19 report review, FSBC report, Financial forecast (operating fund 6+6)
March	State Updates, RIM preliminary projection
April	State Updates, Finance Budget Review
May	State Updates, Q3 FY19 report review, Finance Budget Review
June	State Updates, RIM final, Finance Budget Review