

## Minutes of the University Budget Committee Meeting

8/23/2018, Brookside Room, Administrative Center

Members Present: Mauli Agrawal, Barbara Bichelmeyer (joined by phone), Kelli Cox, Stephen Dilks, Sheri Gormley, Viviana Grieco, Ronald Hemmings Jr., Carol Hintz, Mark L. Johnson, Brian Klaas, Ali Korkmaz, Sharon Lindenbaum, Michele Maher, Sandra Miles, Bonnie Postlethwaite, Leigh Salzsieder, Kevin Truman, Karen Wilkerson.

Members Absent (excused): David Fulks / Jaelon Brooks

UBC Secretary Mark Johnson called the meeting to order at 8:01 AM.

### Agenda Items (see attached Agenda)

Approval of Minutes of the May 3, 2018 meeting: Secretary Mark Johnson asked if there were any edits to the May 3, 2018 meeting minutes? None were submitted. Bonnie Postlethwaite moved approval of the Minutes as submitted. Kevin Truman seconded. The minutes as revised were unanimously approved.

New Members Welcomed: Chancellor Agrawal welcomed the committee members and introductions of all committee members were made around the table. He then made a few opening comments before starting the meeting agenda. In particular, he commented on his sense of the campus and the new optimism regarding the finances that he has perceived from his numerous conversations with faculty and staff to date. He also noted several other positive things he sees developing:

- A noticeable change in attitude across the campus to a “can do” perspective
- The need to focus on what we do best. He cited an example of what occurred in institutions in the SE during the recession during which time many universities had to cut a lot of faculty and staff positions, but by focusing on what they do best, they have emerged as some of the top institutions in the country.
- He noted that enrollment has slipped a bit and this needs to be a “top priority” going forward. For every 120 students we lose, that translates to a ~\$1M reduction in tuition related revenue. We have experienced ~3% reduction in retention and we need to work on this and figure out how we can do better.
- We need to make changes in how and what programs we invest in going forward. We need more purposeful and targeted investment strategies that have high potential for sustainable returns.
- Academic Portfolio Review needs to be a regular process.
- We then asked the committee members to think about what the UBC can do to help make the new RIM successful and what things would the UBC like to monitor?

### State Updates

Chancellor Agrawal indicated that while initial estimates suggested the State might have a revenue surplus, the latest work is that revenues may fall slightly short of budget projections. Sharon Lindenbaum affirmed this noting that recent conversations have had a hint of concern about State revenues. Chancellor Agrawal stated that all this serves to point out is that we need to take our own fate into our own hands and manage our own revenue flow.

Chancellor Agrawal indicated that the Conservatory RFI has been developed and would be announced soon. Given the very political nature of this project, they are moving cautiously. Right now people seem to be excited, but we are at a start-over point and reaching out for support from donors, the state and others.

Sharon Lindenbaum indicated that FY20 budget requests were sent out in July. Previously we would get a Core Allocation plus Special Programs funding. Two of those Special Programs have been rolled into Core funding now. The Joplin School of Dentistry project is dead right now. Support of the second phase of SBS renovations (to complete the entire project) was submitted, but we are not sure if funds will be available. Stephen Dilks commented that it was good to hear that the SBS renovation project completion was given priority.

### Discussion Items

Stephen Dilks asked a question about the status of NTT contracts and that they not yet been issued in CAS; there are serious concerns about the negative impact on morale of the NTT faculty that this was having. Sharon commented that Merit Pay was just approved and NTT contracts were tied up in that so letters should be coming asap. Chancellor Agrawal agreed that we have to do a better job to prevent this from happening in the future.

### UBC Orientation – 5 things the UBC needs to review

Chancellor Agrawal returned to his questions posed in his Welcome remarks and asked what 5 things (or more) does the UBC need to monitor and know in order to advise on the RIM?

- Mark Johnson began by stating that summary numbers such as the total GRA, allocations to Units, how much of the budget is supporting central administration, year-end (or quarter by quarter) budget expenses vs budgets with variances by all Units will be necessary. Sharon Lindenbaum affirmed that this was all built into the RIM and would be provided.
- Barb asked what members thoughts were with respect to the training session on the RIM that was recently held?
  - Michelle Maher asked if we could do this training again
  - Stephen Dilks indicated that he enjoyed the session, but it needs to be simplified and providing good examples to clarify how the model is working would be beneficial.
  - Barb Bichelmeyer agreed with Stephen's comment and indicated that the next training with Deans and the Enrollment Management System will be in September.
  - Kevin Truman indicated that the SCE faculty now better understand how RIM works and ties into enrollment and retention and what those numbers mean in terms of the budget.
  - Viviana Grieco noted a comment made by Mark Johnson during the training session and stated that we need to have some flexibility in the budget to account for unforeseen matters that will arise. Sharon Lindenbaum indicated that everyone at the System and Curators level is saying no deficit spending.
  - Barb Bichelmeyer noted that the Deans had done yeomen's work this past year in terms of identifying what we do that is core, what we can stop and what we need to do in order to grow. The job of the Deans and Chairs is to prioritize what we need to do.
  - Chancellor Agrawal reiterated one of his priorities that research needs to be supported better than it has been in the past.

- Viviana Grieco indicated that faculty need to know that they can ask questions and have those questions answered.
- Sharon Lindenbaum asked what messaging needs to go out to the Deans and the Units? (aka, similar to the messaging that Kevin Truman has given his faculty)
- Chancellor Agrawal stated that we need to have all the Units working together and delivering the same messaging.
- Kevin Truman asked how are the subvention numbers being calculated and what happens to beginning balances (deficits or surpluses)? Chancellor Agrawal and Sharon Lindenbaum both stated that this is being worked on. Kevin Truman stated that this is important to know because if we have a negative balance, then we are only paying down the debt and not using newly generated surpluses to grow programs.

Preliminary FY18 year-end financial report - given the shortage of time as several members had to leave for another meeting this was tabled until the September meeting.

FSBC Report – Mark Johnson indicated the committee had not yet met, but would be meeting before the next UBC meeting in September.

There being no further business the meeting was adjourned at 8:50 AM.

Respectfully submitted,



Mark L. Johnson, Ph.D.  
Secretary  
University Budget Committee

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**2018-2019 Academic Year Calendar for the University Budget Committee**

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