

Minutes of the University Budget Committee Meeting

4/17/2017, Gilham Park Room, Administrative Center

Members Present: Barbara Bichelmeyer, Kelli Cox, Curt Crespino, Diane Filion, Sheri Gormley, Carol Hintz, Mark L. Johnson, Ali Korkmaz, Russell Melchert, Roger Pick, Bonnie Postlethwaite, Kevin Sansberry, Susan Sykes Berry, Ted White, Karen Wilkerson, Gerald Wyckoff.

Members Absent (excused): Sharon Lindenbaum, Leo Morton

The meeting was called to order at 4:00 PM by Provost Bichelmeyer. She noted that Chancellor Morton and Vice Chancellor Lindenbaum were at the Trustees meeting.

Agenda Items (see attachment)

Approval of Minutes of February meeting: No edits to the February Meeting minutes were brought forward. Jerry Wyckoff moved approval of the Minutes of the February meeting submitted by Secretary Mark Johnson. Diane Filion seconded. The minutes were unanimously approved.

State Updates: Curt Crespino summarized the current status of the Legislative Budget process:

Budget Update

The Senate Appropriations Committee revealed plans to reduce the UM System's core funding cut for FY18 from 9.02% passed by the House to 6.58%.

Downtown Arts Campus

The House Concurrent Resolution 19 was read in the Senate and assigned to the Senate Rules Committee. Community supporters testified at the public hearing stressing the economic impact that the Downtown Arts Campus would have on the state. The bill passed out of Senate committee **by a 5-1 vote!**

Next step

HCR19 will go to the Senate floor for consideration. It needs a simple vote on the Senate floor to pass.

Debriefing of Admin council Meeting with UM System Reps

Provost Bichelmeyer summarized the meeting. Ryan Rapp from System and Rick Baniak from UMSL made presentations.

Ryan indicated that the State of Missouri is considering where its priorities are/should be and where higher education fits into those priorities. In terms of addressing revenues items being reviewed include: 1) State support for higher education, 2) increases in tuition (tuition costs) and 3) enrollment growth. Ryan indicated that we should be anticipating a

decrease in State funding for higher education institutions of 3-5% per year for the next 3 years.

Rick provided some background on how UMSL dealt with its issues a few years ago and its FY17 deficit of \$17M. Important considerations in their strategies included:

- 1) Budget replacement
- 2) Differential financial management
- 3) Relationships between admin and academic units
- 4) Maintaining open lines of communication across campus

Comments and questions:

Jerry Wyckoff asked if the 3-5% per yr for 3 years is different than the 8-12% cuts indicated by President Choi.

Provost Bichelmeyer stated that the difference is a long-term view (Rapp comment) versus a short-term view (Choi letter). We need to begin to think about a different way of doing what we do; solving budget issues for one time versus making changes that support our priorities for the long-term.

Mark Johnson asked; what is the minimum level of State funding where we cease to be a public University and become a private institution?

Provost Bichelmeyer responded that the new normal is lower levels of State support, but wasn't sure what the new lower level bottom would be and so we need to plan on lower levels proactively.

Jerry Wyckoff noted that cuts to the Core funding have gone beyond the cost of administration.

Provost Bichelmeyer commented that we need to work on all 5 components of revenue streams and generate new resources in all of these to sustain our mission.

Curt Crespino noted that at present we are in the midst of a perfect storm with all of the uncertainty at the Federal and State levels and new leadership which makes for a big unknown as to what the future holds.

Update on Planning Response for State Cuts

1) Provost Bichelmeyer summarized progress on the UMKC response to State cuts and the letter from President Choi asking for budget reductions. The Academic Portfolio Review initial analysis is nearing completion. The rpkGROUP will present the financial data on May 17th. She noted that where there are redundancies in Units and Administration services that be better managed this could be a source of significant cost savings.

2) The Academic Experience Initiative planning is proceeding. Eight areas have been identified that will be focused on by ad hoc teams that are being put together. The Mission

and Goals of UMKC are not going to change, but how we deliver the same service more effectively needs to be determined.

Discussion

Mark Johnson suggested that the Faculty Senate Budget Committee could take a look at the issues of potential redundancies and determine what might be shared centrally. The key will be to insure that any services that are centralized this shift will not compromise the level of service currently being delivered at the Unit level.

Provost Bichelmeyer indicated that one potential example is in the area of student recruitment, both undergraduate and graduate students, where it may be more efficient and effective to recruit.

Susan Sykes Berry stated that currently there is a lot of separation between Hospital Hill and the Volker campus and that adding the new Downtown Arts campus adds to the physical distention of UMKC. We need to be mindful of the physical distances and how this may impact centralizing some services.

Roger Pick offered that Web enablement might be a possible solution to some of the physical distance concerns.

Russ Melchert reminded the committee that they have the Springfield satellite program and by using technology such as Skype that the program is working very well.

Jerry Wyckoff agreed, but noted that appropriate technology does not currently exist in every classroom.

Ted White expressed his concerns about research and as budget cuts hit that if we don't continue to provide a strong research environment, we will continue toward the path of becoming more like a community college than a research University.

Provost Bichelmeyer agreed and noted several conversations with President Choi and others about invigorating research and what are our needs for equipment and services to support research.

Debriefing on Academic Portfolio Review

Provost Bichelmeyer asked what comments or feedback committee members had with respect to the rpkGROUP presentation on the student data numbers presented at the April 6th meetings.

Ted White noted that he had a sense from a lot of faculty that this is going to drive decisions as to what is being cut or what will stay.

Jerry Wyckoff had the same sense and worried that this may/would silo Units even more. A lot of faculty are fearful that programs will be cut. It is essential that we have the right

conversations now because a lot of unfounded rumors and misinformation is spreading throughout the campus.

Roger Pick stated that we need to be precise and move forward so that we know the “new rules” and until we know what needs to happen, we proceed deliberately, but openly.

Russ Melchert expressed the need to have this data as a starter for having difficult conversations about what the costs of various programs truly are that are central to our mission and need to be subsidized.

Provost Bichelmeyer agreed and added that we also need to determine; what is the right amount of subsidy for these core programs.

Jerry Wyckoff raised the question of whether we need to have more frequent UBC Meetings. Provost Bichelmeyer indicated that we may need to do this as data comes in and plans need to be developed.

There being no further business the meeting was adjourned at 5:05 PM.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mark L. Johnson, Ph.D.".

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