I. Time, Location and Attendance:

- 8:00 AM, Provost’s Conference Room in Administrative Center

- UBC members present: Gail Hackett (Chair), Curt Crespino, Betty Drees, Lawrence Dreyfus, Gary Ebersole, Tony Luppino, Lanny Solomon, and Karen Vorst. Absent: Laura Gayle Green, Mel Tyler.

- Others present: Margaret Brommelsiek, Larry Bunce, John Morrissey, Paris Saunders and Karen Wilkerson.

II. Preliminary Matters

- The UBC approved the minutes of its October 5, 2009 meeting in the form last circulated by UBC Secretary Tony Luppino.

III. Update from Chancellor Morton

- Chancellor Morton updated the Committee on State of Missouri and UM System developments affecting UMKC budgeting, including the need to brace for the possibility of a cut in the State Appropriation in FYE 2011. He advocated a rigorous ongoing analysis of our “run rate” to continue to seek to identify sensible expense reduction measures, as well as attention to revenue-raising initiatives, possibly including targeting a level of increased net tuition for the academic units to endeavor to attain.

- The following points were made in the ensuing discussion:

  o It makes sense to renew the Committee’s efforts to study the various types of unfunded scholarships/waivers and determine if there are some significant savings to be realized there, but care must be taken to avoid reductions in tuition discounts that would hamper growth in enrollment and retention or otherwise conflict with strategic objectives or alliances.

  o Setting a net revenue increase target of, say, $10 million over the next few years is a desirable approach that should be brought to the Deans to determine how each academic unit might contribute to that pursuit.
We should continue to plan for an unfunded salary increases initiative. The System has recently been discussing the possibility of a 4% increase mandate.

IV. Four-Year Projections

- Provost Hackett reminded the Committee of the urgent need to get multi-year GRA projections to the Deans.

- After some extensive discussion, it was decided that:
  
  - Karen Wilkerson and Tony Luppino will collaborate on 4-year projections of GRA apportionment under the budget model for presentation to the Committee for discussion of the possibility of fully implementing the model in FYE 2011, but with tailored, temporary transition reallocations (but not loans) from positive to negative variance schools (determined on a unit by unit basis, taking into account all relevant facts and circumstances).
  
  - Those four-year projections are to be run, alternatively, on the assumption of a flat State Appropriation ($84 million) and an approximately 5% reduction in the State Appropriation.
  
  - When presented to the Deans, they will be accompanied by appropriate disclaimers about uncertainty regarding the ultimate level of State Appropriation and the extent of unfunded salary increases mandates, and a call for collaborative, team approaches to addressing the existing financial pressures.
  
  - The allocation of the Institutional Offset to the University Incentives and Reserves Fund contemplated in the budget model should be implemented without any offset for the previously discussed “Campuswide Reserve” so that the Provost will be able to, with Committee input, utilize that source of funding for strategic initiatives.

V. Summer School

- Karen Wilkerson circulated a schedule showing preliminary analysis of the Summer School enrollment incentive bonus mechanism results.
Committee members asked a few questions and it was agreed that the Finance Office would add analysis of (1) comparison of the net tuition change from Summer 2008 to Summer 2009; and (2) tracking of the 50% of the net profit pot that would go to uses other than bonus payment to the academic unit. The results of this additional study will be presented at a future UBC meeting.

It was agreed that if we proceed with the plan to fully implement the budget model for 2011 there will be no need for a special Summer School model for Summer 2010.

VI. Additional Staffing

The Committee supported the recommendation offered by Tony Luppino and Lanny Solomon that Becky Sandring be engaged as a part-time consultant to the Support Costs Review Committee on benchmarking analysis and to the Finance Office and the UBC on budget-related “what if?” modeling, and that a new person be hired by the Finance Office to work under Karen Wilkerson’s supervision and be trained to spend an appropriate amount of his/her time on “what if” modeling.

VII. Administrative Matters

The next UBC meeting is scheduled for 10:00AM-11:30AM on Thursday, November 5, in the Provost’s Conference Room.