UNIVERSITY BUDGET COMMITTEE

MINUTES OF JANUARY 14, 2010 MEETING

I. Time, Location and Attendance:

• 10:00AM, Provost’s Conference Room at Administrative Center

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

• Others present: Chancellor Leo Morton, Margaret Brommelsiek, Larry Bunce, John Morrissey and Karen Wilkerson.

II. Preliminary Administrative Matters:

• The minutes of the December 3, 2009 meeting of the Committee, in the form last circulated prior to and presented at the meeting, were approved.

III. Chancellor’s Report on State/System Level Budget-Related Developments

• Latest estimate of FYE 2011 State Appropriation to UMKC is about the same as used in our last UBC projections (perhaps a few hundred thousand dollars better more than last projection).

• State budget picture for following fiscal year (FYE 2012) looks pretty bad. Our planning must take into account very real possibility of a FYE 2012 cut in our State Appropriation that is much more significant than the approximately 5.2% currently predicted for FYE 2011, and is not likely to be reversed anytime soon.

• The paths we have been pursuing (increasing enrollment and retention and managing costs efficiently) are thus critical to our success in overcoming the current financial challenges.

• Current System thinking is to not mandate salary increases for FYE 2011 in view of the financial pressures we are facing.

• Chancellor Morton asked the Committee for its initial reaction to the possibility of making one-time additional compensation payments to UMKC faculty and staff if targeted benchmarks of net operating revenue are achieved.
The Committee expressed support for the concept, and recommended that the Chancellor continue to explore the viability of such an approach in detail.

IV. Update on Engagement of Consultant

- Karen Wilkerson reported on Rick Anderson’s negotiations with Becky Sandring regarding an engagement to provide part-time consulting services to the Committee and its Support Costs Review Subcommittee (“SCRC”).

- The Committee recommended going forward with that engagement of Ms. Sandring, with the initial focus of her work to be assisting the SCRC in its analysis and presentation of data relating to costs of principal support functions at several comparator universities.

V. Preparation for UBC/Deans Retreat

- The Committee briefly discussed preparations for the February 11-12 Retreat with the Deans Council and determined that: (a) the instructions already delivered to the Deans regarding their presentations at the Retreat are appropriate and sufficient; and (b) the Finance Office should continue to invite Deans to ask questions about their units’ shares of the General Overhead Assessment or any other budget-related matters of interest to them as they prepare for the Retreat, meeting with them individually on an as needed basis. Laura Gayle Green and Lanny Solomon agreed to act as a small working group with Karen Wilkerson and John Morrissey in cataloguing and exploring issues regarding the sharing of the General Overhead Assessment and reporting their related observations or recommendations to the Committee.

VI. Proposed Finalization of Summer 2009 Enrollment Incentives Payments

- Tony Luppino summarized the background and principal elements of a proposal he and Karen Wilkerson developed to have payments made to three (perhaps four) schools to resolve the Summer 2009 Enrollment Incentives Plan matter. He explained that the proposal was designed to be reasonably consistent with the Committee’s May 7, 2009 recommendation while addressing some significant problems that arose in prior attempts to implement that plan. Details of the proposal had been described in detail in a memorandum he and Karen Wilkerson had written and circulated to the Committee members on January 13.

- Dean Vorst questioned the approach suggested as applied to A & S, and the ensuing discussion revealed some areas of current disagreement. The
Committee agreed that (a) the need to follow through on the Summer 2009 incentives plan is a one-time proposition (as full implementation of the budget model starting with FYE 2011 will render special summer payment unnecessary); and (b) all Committee members should take more time to review the January 13 memorandum, and the proposal should be reconsidered at a future Committee meeting.

VII. Tuition Discounts and Stipends for Graduate Students and Graduate Teaching Assistants

- Following up on recent discussions with the Finance Office, Lanny Solomon suggested that the Committee study on a cost/benefit basis current practices regarding the granting of tuition discounts (especially nonresident waivers) to UMKC graduate students.

- Tony Luppino reported that the Faculty Senate Budget Committee suggests that the Committee study the financial arrangements with graduate teaching assistants on a cost/benefit basis, taking into account the volume of courses and students taught by GTAs in the various UMKC academic units.

- The Committee recommended that the Provost’s Office have Enrollment Management and Graduate Studies prepare reports on these matters and present them to the Committee at a future meeting.

VIII. Targeted Obligations List

- As the meeting was concluding there was brief discussion of updating the Targeted Obligations List to identify highest priority items for FYE 2011 budgeting. No specific recommendations were made in this regard, but it was agreed that as we move forward with the coordination of UMKC’s budgeting with its strategic planning, and as the magnitude of nondiscretionary items (such as increases in utility costs) becomes clearer, the Committee will revisit the prioritization of items on the list.

IX. Administrative Matters Going Forward

- The next Committee meetings will be in joint sessions with the Deans Council at the February 11 and 12, 2010 Retreat.