UNIVERSITY BUDGET COMMITTEE

MINUTES OF JANUARY 6, 2011 MEETING

I. Time, Location and Attendance:

- 3:30PM, Brookside Room at Administrative Center

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

- Others present: Chancellor Leo Morton, Margaret Brommelsiek, Larry Bunce, Andry Joswara, John Morrissey, Bob Simmons, and Karen Wilkerson.

II. Preliminary Administrative Matters:

- The minutes of the December 2, 2010 meeting of the Committee were approved in the form last circulated prior to the meeting.

III. Report from Chancellor

- Chancellor Morton reported that the one-time gain sharing plan previously discussed as a possibility for the end of FY 2011 is no longer a measure that projections show UMKC could afford. He explained that while enrollment and retention initiatives are taking hold and tuition revenue looks good, expenses are running higher than hoped. Steam-line repair accounts for one significant increase in expenses. Another is a significant projected increase in overall payroll, despite the “soft hiring freeze.” The details of the projected increase in compensation are under study.

- Provost Hackett noted that we can and should still explore possibly getting leave from the System to implement a higher than 2% average salary increase for the UMKC workforce.

IV. Special Considerations Re: Conservatory and SBS

- The Committee discussed the fact that the two units that would be most at financial peril by full implementation of the Budget Model without adjustment are the Conservatory and the School of Biological Sciences.
The Chancellor and Provost noted that while it is important that the Committee address both situations, there was particular pressure to deal with the Conservatory’s budget soon because of the magnitude of the cut it would bear under full implementation of the Budget Model without adjustment, and because of its upcoming re-accreditation process.

The Committee agreed to address both situations, starting with a special meeting devoted entirely to developing a good understanding of the Conservatory’s revenues, expenses and overall circumstances and indentifying ways to appropriately address its GRA. The discussions included suggestions on materials to be compiled for review by Committee members in advance of the special meeting, which was set for January 26.

V. Issue Re: Courses on Responsible Conduct of Research

Karen Wilkerson described an issue relating to appropriate attribution among the School of Graduate Studies, the School of Medicine, and perhaps other units of tuition revenues and expenses from instruction related to responsible conduct of research.

After some discussion it was decided that more work had to be done on determining the current facts related to the issue presented, but that it seemed that, following the Budget Model principles of making sure appropriate tuition payment is being made to the instructing unit incurring the instructional expense, a collaborative discussion among Karen Wilkerson, Dean Drees and leaders of other affected units should result in a satisfactory resolution of this issue.

VI. Charging of Cost of White Recital Hall

The Committee discussed Dean Witte’s suggestion that the allocation of costs of White Recital Hall may be placing an undue financial burden on the Conservatory.

The Committee recommended that the White Recital Hall costs issue be addressed as part of the overall analysis of the Conservatory’s situation at the upcoming special meeting.

VII. Process and Timetable for Recommendations Re: FY 2012 Budgeting and Planning for Net Tuition and Fees

The Committee then turned to identifying other issues to be addressed before the process of applying the Budget Model and setting the FY 2012 GRA can be completed. In addition to determining the extent to which special
adjustments may be in order to address the Conservatory and SBS situations, the following “to do” list was recommended:

- Chancellor Morton, Provost Hackett and Karen Wilkerson should collaborate on a proposal for the FY 2012 General Overhead Assessment and present it to the Committee for review and comment.

- The small working group that has been examining the apportionment of undergraduate tuition discounts among various units in situations where “home unit” is an arguable or difficult proposition, or poor fit, should complete its work and make a proposal to the Committee for review and comment.

- Karen Wilkerson should compile the most recent SCH information for use in an initial run of the Budget Model.

- With respect to longer-term planning, Provost Hackett recommended, and the Committee agreed, that in addition to growing enrollment in on-campus classes, the already ongoing study of initiatives in on-line education should be continued in earnest and related budgeting considerations discussed with the Committee.

VIII. Administrative Matters Going Forward

- The next two meetings of the Committee will be the January 26, 2011 special meeting regarding the Conservatory and the February 17, 2011 regularly scheduled meeting.