I. Time, Location and Attendance:

- 9:00AM, Plaza Room at Administrative Center
- UBC members present: Betty Drees (by phone), Lawrence Dreyfus, Gary Ebersole, Provost Gail Hackett (Chair), Maureen Hannoun, Carol Hintz, Tony Luppino, Michael Plamann, and Mel Tyler. Absent: Kevin Truman and Lanny Solomon.
- Others present: Chancellor Leo Morton, Larry Bunce, Andry Joswara Sharon Lindenbaum, John Morrissey, and Karen Wilkerson.

II. Preliminary Administrative Matters:

- The revised minutes of the February 9, 2012 meeting, as well as the minutes of the February 16, 2012 meeting, were approved in the forms last circulated prior to the meeting.

III. Report on State/System Developments and Context for UMKC Budgeting

- Chancellor Morton and Provost Hackett reported briefly on State and System developments since the February 16 Committee meeting. Those reports included:
  - All System campuses are now set to go with a 3% tuition rate increase for undergraduates; professional schools still have flexibility to be somewhat higher. From a UMKC perspective this means we are still at our previously proposed levels of tuition for FY 2013.
  - The recently announced $4.3 million of additional funding for Missouri Higher Education is a good development, but given the numbers of institutions involved, does not significantly alter our budget planning assumptions.

IV. Salary Policy Discussions

- After a summary by Tony Luppino and Gary Ebersole of the recently gathered faculty input on policies for salary increases for FY 2013 (full copies of which had been provided to the Committee), the Committee engaged in extensive discussion of the many considerations implicated by this subject.
• The Committee ultimately recommended exploring an approach whereby (1) each unit would be instructed to implement a merit-based salary increase plan at the unit-level, using the same percentage pool (perhaps 1% or 2% of unit salaries); and (2) an increase of more than 5% for any individual would be subject to central approval (an approach that has been taken in the past, with assistance from HR). Vice Chancellor Lindenbaum and Budget Director Karen Wilkerson were asked to study relevant unit-level budgeting information and then make a recommendation the UBC might pass on to the Chancellor as to the size of the increases percentage pool. It was agreed that every academic unit should be positioned to have the requisite pool for increases.

V. Preliminary Report on General Overhead Assessment

• The Committee discussed the importance of determining the General Overhead Assessment as a key element in running the Budget Model (as it typically represents the second largest expense—after payroll—of each academic unit). It was suggested that an estimate of the Assessment be presented to the Committee as soon as reasonably possible, and that it include, in addition to other relevant considerations, analysis of potential savings from unfilled positions and reductions in consulting and professional fees (with academic units encouraged to undertake similar analyses within their units). It was agreed that an update on the estimate of the General Overhead Assessment would be made at the next Committee meeting (during the week of March 12).

• During this discussion the Committee recommended and the Chancellor agreed that the practice of having the first year of automatic salary increases for faculty promotions funded by the Provost’s office should be curtailed. Thus, for FY 2013 and subsequent years the “promotion bumps” will be paid by the applicable academic units as unit-level expenses starting in the first year (instead of starting in the second year) of promotion.

VI. Budget Implications of SBS/SOM Partnership

• Deans Drees and Dreyfus reported that the discussion process is proceeding well and many potentially valuable programmatic opportunities have been identified. A question was asked as to whether the plans under discussion might result in significant changes to the SCH weighting factors that control the apportionment of the bulk of the State Appropriation under the Budget Model. In response, Dean Drees indicated that while some new (relatively modest) revenue generation potential has been identified, as have some avenues for cost sharing, the proposals to date are not of a nature that would appear to drive changes to weighting factors. It was also noted that the discussions remain consistent with the goal of increasing SBS enrollment.
VII. Administrative Matters Going Forward

- A Committee meeting will be scheduled for the week of March 12, and the meeting previously scheduled for the following week canceled (in view of a General Officers’ meeting).