UNIVERSITY BUDGET COMMITTEE  
MINUTES OF NOVEMBER 5, 2012 MEETING

I.  Time, Location and Attendance:

   • 10:00AM, Plaza Room at Administrative Center

   • UBC members present: Provost Gail Hackett (Chair), Dave Donnelly, Gary Ebersole, Carol Hintz, Lyla Lindholm, Tony Luppino, Michael Plamann, Marsha Pyle, Kevin Truman, and Wayne Vaught. Absent: Maureen Hannoun and Mel Tyler.

   • Others present: Chancellor Leo Morton, Sharon Lindenbaum, John Morrissey, and Karen Wilkerson.

II. Preliminary Administrative Matters:

   • The minutes of the August 14, 2012 meeting were approved in the form last circulated before the meeting.

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

   • Chancellor Morton reported that:

     o There is still no resolution of the question of how much, if any, of the up to approximately $5 million difference between the level of State Appropriation assumed in the April 30, 2012 GRA apportionment for FY 2013 (7.8% cut from prior year) and the amount corresponding to the 1% cut announced by the Governor but subject to holdback possibility.

     o There is no new information regarding the extent or mechanics of the possible holdback off the top of the FY 2014 State Appropriation to the System that President Wolfe had indicated he is contemplating to fund strategic priorities. Our UMKC strategic planning is proceeding and there is no reason to believe we would need to alter it to demonstrate the appropriateness of our strategic plan,

     o There is no new System guidance on salary policy for us to take into account as we approach FY 2014 budgeting.

     o It is possible that guidance on one or more of those matters may be provided at the upcoming General Officers’ meeting.

   • Provost Hackett, Committee member and UMKC Faculty Senate Chair Gary Ebersole, and other Committee members noted the importance of exploring salary policy in the context of recruiting and retaining faculty and staff.
IV. Review of Current Fund Balances/Reserves Policy

- UBC Secretary Luppino provided background on the Current Fund Balances/Reserves Policy contained in the UMKC Budget Model as the Committee approached its review of such policy (having reviewed the other major components of the Budget Model earlier this year). Ensuing Committee discussion yielded the following:

  o The Committee saw no need to alter the Current Funds/Reserves Policy as set forth in the Budget Model.

  o Several Committee members noted however, that we now have a long enough track record of substantial phase-in of the Budget Model that major reductions or additions to fund balances over the last five years suggest that we should explore the extent, if any, to which such major impacts might indicate a need to review and possibly recalibrate the SCH weighting factors for some academic units used in the apportionment of the bulk of the State Appropriation under the Budget Model,

  o At the same time, the Chancellor noted that any such review should be in the context of a comprehensive look at all sources of revenues and obligations of units. Committee members agreed that such review should include two types of reports used a few years ago by the Committee: (i) a report on the latest year-end fund balances that categorize portions of fund balances in a manner tracking the Budget Model’s Current Fund Balance/Reserves policy; and (ii) a per academic unit report that shows all sources of revenue, not just GRA.

V. Report on Faculty Senate Budget Committee Session Re: Financial Aspects of General Education Initiative

- UBC Secretary Luppino, who also serves as Chair of the UMKC Faculty Senate Budget Committee (FSBC), reported on the special session the FSBC had in September with Professors Stephen Dilks and Jerry Wyckoff to help identify and suggest planning for financial issues implicated by the ongoing General Education initiative. He provided minutes of that meeting and generally described the key issues identified regarding tuition sharing and scholarship attribution in instances of interdisciplinary courses and cross-unit instruction; compensation for course design and teaching; and compensation for administration of the Gen Ed Program.

- Provost Hackett indicated that the discussion at the FSBC meeting may have led to some mistaken impressions that decisions were made at the meeting. FSBC Chair Luppino assured her and the rest of the Committee that the FSBC would not of course presume to be the body to make any such
decisions and that its meeting was merely to help identify questions and faculty perspectives to be addressed in ongoing planning, and no firm recommendations were made as to ultimate decisions. He noted that a similar meeting was scheduled for November 29 with Vice Chancellor Lawrence Dreyfus to gather information about the current study the Vice Chancellor is conducting on “Recovery F & A”, a subject on which many FSBC members have raised questions, and he invited the Provost and others to attend that FSBC meeting to participate in that discussion.