

UNIVERSITY ASSEMBLY BUDGET AND PLANNING COMMITTEE REPORT
April 26, 2011

The University Assembly Budget and Planning Committee met February 22, February 28, April 7, and April 15. The primary agenda item for all four meetings was the Fiscal Year 2012 (FY 2012) budget. At the February 22 meeting, the Committee was briefed on the most likely revenue scenario for FY 2012. At the February 28 meeting, the Committee discussed proposed reductions in non-academic units. At the April 7 session, the Committee discussed proposed reductions in the academic units. At the April 15 meeting, the Committee voted to recommend to the University Assembly that it endorse the administration's proposed FY 2012 budget.

Revenues and Overall Reductions

The FY 2012 budget is built on the following major assumptions:

- (1) A 7% reduction in state appropriations**
- (2) A 5% increase in tuition**
- (3) A 2% merit salary pool**
- (4) A 5% increase in staff benefit costs (health and retirement)**
- (5) An enrollment increase of 4,000 credit hours**
- (6) Postponing the 5th year of the five-year funding plan for library acquisitions**
- (7) Anticipated cost increases for operational items such as utilities**

Under these assumptions, the FY 2011 budget must be reduced by \$3,000,000. Approximately \$1,000,000 from this total disappears forever. The remaining \$2,000,000 will fund the 2% merit salary increases.

Reductions: Non-Academic Units

The proposed reductions from the non-academic units total \$673,000. Personnel reductions include salaries and benefits. The major items are:

- (1) Eliminate obsolete "data center" in ITS (5 FTEs plus one student): \$209,000**
- (2) Shift cost for MyView from general operating budget to student IT fees: \$146,000**
- (3) Reduce custodial and grounds services (4 FTEs): \$200,000**
- (4) Eliminate two positions in University Advancement: \$95,000**
- (5) Eliminate one position in Chancellor's Office: \$33,000**

Reductions: Academic Units

The proposed reductions from the academic units total \$2,317,000. Personnel reductions include salaries and benefits. The major items are:

- (1) Eliminate five open tenure track faculty positions: \$578,900
- (2) Eliminate 5.4 open non tenure track faculty positions: \$376,100
- (3) Shift some Continuing Education costs from general operating budget to earned income: \$234,000
- (4) Eliminate two positions in student affairs: \$213,000
- (5) Shift some research equipment functions from general operating budget to grants: \$96,400
- (6) Use technology to assume functions of three Library staff: \$87,000
- (7) Other (none over \$75,000): \$731,600

The biggest contributor to the “other” category is replacing retiring/resigning faculty and staff with individuals having lower salaries.

According to Provost Cope, the five eliminated faculty tenure track positions “represent less than 18% of both the number of positions and the dollars in open positions.”

FY 2013 Budget

Because of the rebound in the economy, it is anticipated that the FY 2013 (July 1, 2012 - June 30, 2013) budget will be less onerous although some reductions still might be necessary. The Chancellor reported that he was hopeful that he will be able to authorize searches for some of the open tenure track faculty positions over the next several months so that they could be filled effective with the 2012-2013 academic year.

FY 2012 Contingency

Slightly before the Committee’s April 15 meeting, the Missouri Senate Appropriations Committee voted to have the state appropriation reduction be 4.8%, lower than the 7.0% recommended by the Governor and passed by the House of Representatives. If this change survives the entire appropriations process, the reduction in state appropriations for UMSL would be approximately \$1,000,000.

If this occurs, the Chancellor proposed that these funds not be used to eliminate any of the proposed reductions but instead be directed toward one or both of the following purposes: (1) provide a reserve if one or more of the assumptions (e.g., 4,000 credit hour increase) is not achieved; and/or (2) accelerate the filling of open tenure track faculty positions.

The Committee voted to endorse this approach and recommends that the University Assembly endorse it.

Other Business

At the February 22 meeting, the Committee continued its review of the audit of the Office of Research Administration including the IT Enterprises initiative. Since the audit is not yet complete, the Committee postponed making any recommendations until next academic year. It plans to return to this item then.

The Committee will have one more meeting scheduled for May 2 from 3:30 pm to 5:00 pm in JC Penney 222. The major agenda item will be an update on the campus investment in the Office of University Advancement.

Respectfully submitted,

**E. Terrence Jones
Chair**