Steve Lehmkuhle reported that the Governor seems positive about increased funding for higher education this year, particularly if universities can hold tuition costs flat. He also mentioned that there are predictions that the current increases in student enrollments will end over the next few years and that there will be a drop in college enrollments nationwide beginning around 2010-2012. He also said that the Board of Curators is concerned about the process by which courses are approved and they want to know whether faculty can teach any course they want. The December meeting of the Board of Curators will include discussion about international programs and about the Spelling Commission report.

The non-tenure track faculty document is now part of the collected rules and is on the web site as Executive Guideline 310.035. The next step is implementation of the recommendations of this Executive Guideline by all the campuses.

President Floyd discussed the need for performance measures that will be communicated to the Governor. These will include 1) retention rates and graduation rates, 2) enrollments of underserved students, 3) enrollments of transfer students, and 4) student satisfaction. Each institution will have a base and a target for these performance measures and the measures can also be institution and mission specific.

Nikki Krawitz reported on serious problems in university compliance with Office of Management and Budget circular A21 that governs the spending of federal funds. Last year the annual unified A133 audit, which covers all the campuses, did not go well. There were major problems with effort verification reports, with documentation on the draw down on grants, the monitoring of subcontracts, the documentation on property purchased with federal funds, and with the monitoring of reports to federal agencies. There were two day-long meetings at Columbia on the post-award problems in November to address these problems. In addition, the System office is hiring an Assistant Controller for Post Awards to work with the Research Offices on each campus to help solve this problem. Individual faculty, chairs, and deans can help by responding to requests for reports from the Research Office, particularly the effort verification reports, which were a major concern in the A133 audit.

Bill Cooper, the Chief Procurement Officer for the System gave a very thorough presentation on e-procurement. This is a new system for procurement that will go into effect in about a year. The major vendors with which the university does business will have all their products with prices available on a web site that will allow consumers to view and compare products easily, buy them online using an online shopping cart and charge them directly to the appropriate account. While it is anticipated that the majority of purchases will be made using e-procurement because it will be convenient and easy, there is no plan to eliminate the Procard. The projections are that when the system is fully mature there will be savings in the range of $5-19 million annually.