

**UNIVERSITY ASSEMBLY BUDGET AND PLANNING COMMITTEE REPORT**  
**May 8, 2007**

The University Assembly Budget and Planning Committee met May 3. The agenda items were the proposed FY2008 budget, the updated five year budget (FY2008-FY2012), and the administration's suggested process for preparing the next action plan (FY2008-FY2012).

Additional rate funding which had been received in FY2006 and FY2007 but, to date, has been used on a cost basis totals \$2,655,000. Of this, \$2,090,000 will be allocated as rate effective FY2008: \$960,000 for additional positions (95% faculty) on-campus; \$523,000 for staff increases (3 faculty, 2 staff) and other expenses for UM-St. Louis operations at the St. Louis Community College's new campus in Wildwood; \$194,000 for the Center for Ethics in Public Life; \$180,000 for University Advancement; \$170,000 for staff expenses (director, policing) for the Business, Technology, and Research Park; and \$63,000 for Student Services (international admissions adviser). The remaining \$565,000 will be used on a cost basis in FY2008 for PeopleSoft expenses.

The administration estimates that additional revenues from fees and state appropriations for FY2008 will be \$3,572,000. The major rate allocations from these revenues are a 3.0% salary raise pool plus the benefits on the increases (\$2,631,000), scholarships (\$300,000), increased utility charges (\$254,000), and library acquisitions (\$240,000). The Budget and Planning Committee approved these allocations.

In the five-year budget, the added revenues from fee increases have been reduced to correspond to the lower Action Plan enrollment targets approved at the Committee's April 20 meeting. This lower revenue increase is largely although not completely offset by adjusting projected staff benefits expense increases for each of the next five fiscal years from approximately \$2,000,000 annually to zero, based on favorable investment returns in the UM retirement portfolio. With these changes, the expected revenues (fees and state appropriations) would support a 3.0% salary raise pool annually and a 3.0% E&E increase annually. Over the next five years, it would also allow adding cumulatively \$1,200,000 for library acquisitions and \$4,619,000 for scholarships (i.e., the campus library acquisition budget would be \$1,200,000 higher in FY2012 than FY2007 and the campus general operating budget for scholarships would be \$4,619,000 higher in FY2012 than in FY2007).

The Committee discussed the administration's proposed process for developing the FY2008-FY2012 Plan and found it acceptable.

Respectfully submitted,

E. Terrence Jones  
Chair