

**University of Central Missouri**  
**Board of Governors**  
**February 9, 2017**  
**Work Session**

The University of Central Missouri (UCM) Board of Governors convened in Work Session on Thursday, February 9, 2017, at 1:00 p.m. in University Union 237A on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Gus Wetzel II. Attending the meeting were Governors John Collier, Weldon Brady, Mary Long, Mary Dandurand, and Mathew Martinez. Governors Marvin E. Wright and Walter Hicklin participated in the meeting via conference call. Also present was University President Charles Ambrose and Assistant Secretary to the Board Monica Huffman.

**Call to Order**

Dr. Wetzel called the meeting to order and determined that a quorum was present to conduct business. He asked President Ambrose to provide an update on the University budget.

**State of the University Budget Update** – Agenda Item No. 2

President Ambrose stated that following a recent announcement from Missouri's Governor that nearly \$56 million will be withheld from four-year higher education institutions, UCM began working to address fiscal challenges that could be made more difficult by additional cuts anticipated for FY 18. The recent withhold takes the University back to where it was in a post-recession period of 2010-2011. It was during this time that the University determined it must become less reliant on state funding and more so on net revenue.

President Ambrose summarized some of the core elements and fundamental principles that followed the 2010-2011 post recession period including the 2025 Agenda proposed by the Lumina Foundation. The 2025 Agenda called for 60% of all Americans to obtain degrees, certificates or other high-quality postsecondary credentials by 2025 in order to meet the nation's growing need for talent. UCM quickly set about to support this initiative opening the doors to access, decreasing inefficiencies, increasing collaborative initiatives, and establishing a good funding model that would help keep the cost of higher education affordable for students while at the same time help move the University forward. President Ambrose stated there are no indications the attainment goal, access, or affordability are a priority under the new administration, and in fact, the Governor has stated not every American necessarily needs a college degree.

President Ambrose noted recently, the Governor held Purdue University up as the "Model of Education." This model holds tuition flat and charges the same rate of tuition for all students including out of state and international students. He recently responded to Governor Greitens with a letter and shared many of the things UCM has done to address fiscal challenges through the years. With regard to the FY 18 budget, many Missouri campuses believe they exhausted all internal resources in 2010-2011 and there are no other places from within their institutions to reallocate dollars to help address budget shortfalls. Although it will not be easy, President Ambrose said UCM will work hard to identify increased efficiencies to help it through the current and anticipated withhold for FY 18. Additionally, UCM will rely more heavily on an enrollment and tuition driven model.

President Ambrose said the University has a collective responsibility to establish a sustainable budget model and will make every effort to do so. He reviewed elements of the Strategic Resource Allocation Model (SRAM) and noted that many of the tools used in implementing the SRAM will be reinstated. Additionally, a greater focus will be placed on identifying new sources of revenue. This will include an

aggressive outreach into the Kansas City market through extended campus and UCM - Lee's Summit; working with the Foundation to facilitate increased donorship and giving; and identifying additional efficiencies.

President Ambrose shared some known FY 18 budget challenges related to international student enrollment and MOSERS. With post election changes to the Administration, international students are experiencing greater difficulty in obtaining visas, which impacts UCM's international student enrollment. Also, the new State Treasurer has indicated a significant increase to MOSERS due to underfunding that will result in a \$2 million liability for UCM's FY 18 budget. Despite the challenges ahead, UCM remains committed to its students *Learning to a Greater Degree* and to its positioning platform that offers all the *Reasons to Believe*, both of which will serve as a roadmap for future decisionmaking.

As an aside, President Ambrose mentioned that he and other staff have engaged with international students on a number of occasions over the past couple of weeks. Students and their families are concerned about immigration laws and international travel. Dr. Godard noted that the University is continuing to actively recruit students internationally, but students are fearful. He and the International office are working in unison with General Counsel's Office to provide weekly up-to-date information on immigration law and travel.

In relation to the budget, Provost Curtis stated that every unit is taking an in depth look to identify any and all efficiencies that could be offered to help reset the FY 18 budget. Related to this, the Missouri Department of Higher Education has called for an academic review. This will not result in any automatic or immediate savings, but in the long-term will be sustainable. President Ambrose shared that he has implemented an immediate 90-day hold on all open positions that should result in an approximate savings of \$500,000. He is pleased that the University planned for and included in past budgets the estimated first-year lease payment of \$2.6 million (includes operating expenses) for the Missouri Innovation Campus. President Ambrose also shared that the University will look at those positions filled by individuals who are retirement eligible. He added that this may be the appropriate time to assess university enrollment and where we want to be with regard to size. Mr. Brady asked if a review has been made of enrollment rates and current admission standards. Dr. Godard answered that both are being reviewed and discussed current admission standards.

In closing, President Ambrose stated that he will continue to keep the Board apprised of the work being done to address the budget challenges.

**Request for Closed Session – February 9, 2017** – Agenda Item No. 3

*Dr. Long moved pursuant to the Missouri Revised Statutes, Section 610.021, that the UCM Board of Governors meet in closed meeting, with closed record and closed vote, for the purpose of considering real estate matters, legal actions, and personnel matters. The motion was seconded by Ms. Collier and carried with the following roll call vote:*

<i>John Collier</i>	<i>aye</i>	<i>Weldon Brady</i>	<i>aye</i>
<i>Mary Dandurand</i>	<i>aye</i>	<i>Walter Hicklin</i>	<i>aye</i>
<i>Marvin E. Wright</i>	<i>aye</i>	<i>Gus Wetzel</i>	<i>aye</i>
<i>Mary Long</i>	<i>aye</i>		

The meeting concluded at 2:00 p.m.