

University of Central Missouri
Board of Governors
Work Session
April 27, 2023

The University of Central Missouri (UCM) Board of Governors convened in Work Session on April 27, 2023, at 10:20 a.m. in Union 237B on UCM's main campus in Warrensburg, Missouri. Presiding over the meeting was Board President Kenneth Weymuth. Others participating in the meeting from Union 237B were Governors Stephen Abney, Gus Wetzel II, and John Collier, as well as University President Roger Best; General Counsel Lindsay Chapman; and Assistant Board Secretary Monica Huffman. Governor Marvin E. Wright participated in the meeting via conference call. Governor Mary Dandurand was unable to participate in the meeting and was excused. Also present were Vice President for Finance & Operations Bill Hawley; and Lamar Johnson Collaborative representatives Andrew Kilmer and Joe Keal.

Call to Order - Agenda Item No. 1

Mr. Weymuth called the meeting to order and determined a quorum was present to conduct business.

FY 2024 Operating Budget – Agenda Item No. 2

Mr. Hawley introduced two members of his staff, Sondra Savage-Moore and Kristi Harms, who worked with Mr. Hawley to prepare the proposed FY 2024 Operating Budget. He referred the Board to Tab 9 of the meeting materials containing the proposed budget. He explained the budget process noting it was a collaborative effort that involved several areas across campus.

Mr. Hawley reviewed the proposed budget (Exhibit 1 of the briefing paper) in detail and said it will require no reserve spending for FY 2024 operations. He also reviewed projected and proposed changes to the FY 2024 budget in comparison with FY 2023 allocations (Exhibit 2 of the briefing paper). Missouri Governor Mike Parson included a 7% increase for the State's colleges and universities in the FY 2024 budget recommendation, which was approved by the Missouri House. For UCM, this represents approximately \$63 million in appropriations, net of the three percent Governor's withholding. Tuition revenue, based on forecasted credit hours and tuition rate changes, is expected to increase by \$2.2 million versus the FY 2023 forecast. These increases reflect the FY 2023 and projected FY 2024 increase in enrollment and approved rate changes.

The budget plan also includes:

- More than \$5.3 million in changes to compensation and benefits costs as well as investments in new positions across campus with a reset of the campus minimum wage for all full-time employees to \$14.00 per hour from the current \$13.00 per hour;
- More than \$1.1 million in additional investment in maintenance, repair, capital projects and facilities enhancements through the general fund;
- A reset of the student worker minimum wage to \$12.75 per hour;
- A \$430,000 allocation to account for increased international student recruitment fees;

- Approximately \$713,000 in expected contractual and property insurance increases;
- More than \$131,000 allocated for strategic and other initiatives;
- \$300,000 for additional utilities expenses; and
- Other internal reallocations to facilitate strategic initiatives.

Mr. Abney noted from the Statement of Revenues and Expenses the University well exceeded the budget for utilities in FY 2023. Ms. Moore noted this was due to rising costs of utilities and said additional funds have been allocated in the FY 2024 budget for this item. Mr. Abney also noted the increased expenditure for International Student Recruitment Fees in the proposed FY 2024 Budget and asked if we are expecting more international students next year. Mr. Hawley responded yes, an increase in international enrollment is anticipated next year, which means there will likely be an increase to the fees we pay to international recruiters for their services.

President Best said one of the priorities the Board expressed when he became president in 2018 was to add funds for maintenance and repairs or capital projects in an effort to improve the University's infrastructure. He noted the amount budgeted for Maintenance, Repair, Capital Projects & Facility Enhancements in the FY 2024 Budget includes an *additional* \$1,178,000. We continue to make progress and with the additional funds hope to further reduce the list of deferred maintenance items.

The Board will be asked in Plenary Session to approve the FY 2024 Operating Budget, contingent upon the final budget reconciliation in June.

UCM Master Plan – Agenda Item No. 3

Mr. Hawley introduced Mr. Andrew Kilmer and Mr. Joe Keal of Lamar Johnson Collaborative who UCM hired to prepare its Master Plan. Mr. Kilmer reviewed the process and approach used to develop the Master Plan, and Mr. Keal provided an overview of the process used to engage the campus including surveys, interviews, and virtual and open house workshops. They then presented the Master Plan in detail and discussed a list of priority projects.

Following the presentation, Mr. Abney commented the entire board was interviewed. He asked if there were similarities in what they viewed to be most important. Mr. Keal responded there were two items of importance that were consistent among Board members --- housing and deferred maintenance. Dr. Wetzel asked how parking near residence halls would be incorporated into the plan. Mr. Keal said there are efficiencies that could be made with current parking. The goal is to maintain the existing number of parking spaces. Also, off-street accessible parking would be included as part of street improvements. Mr. Abney asked if Lamar Johnson considered 1) how higher education is changing or will change; and 2) the potential for enrollment growth when developing the plan. Mr. Kilmer responded yes, both items were considered, particularly with regard to space utilization. Also, regarding enrollment growth, they looked at both the main campus and the Missouri Innovation Campus.

President Best expressed appreciation for the deep level of engagement the firm had in developing the plan. From his perspective they did a great job helping us to see some of our challenges and helping us to think about ways in which to address those concerns. He noted there is much work to be done to move the campus in the direction of the Master Plan which is intended to ensue over a 20-to-30-year period of time.

The Board will be asked to accept the Master Plan in Plenary Session.

Adjournment – Agenda Item No. 4

There being no further business to discuss, *Mr. Collier moved for the meeting to adjourn. The motion was seconded by Mr. Abney and carried unanimously.* The meeting concluded at 11:25 a.m.