

Meeting called to order at 10:04 am by K. Baranovic, Chair

Attendance

K. Baranovic	L. Michel	S. Pepple	M. Kearney
J. Woolf	A. Thompson	J. Smith	N. Chandler
L. Miller	H. Weathers	T. Craven	H. Sumner
D. Hopkins	S. Gohn	I. Justis	T. Williams
B. Lockhart	H. Lynn	A. Birk	M. H. Talbut
W. Atkins	L. Perry	B. Lewis	
A. McFerron	L. Stinson	K. Skinner	
K. Krodinger	A. Davis	S. Howard	
A. Eller	E. Cieslewicz	L. Seabaugh	
M. Harper	B. DeArman	S. Sachs	

Reports

- Chair, Chair Elect, and Secretary-Treasurer reports were tabled until the July meeting to allow for increased time for guest speaker, Dr. Brad Sheriff.

Old Business

- PSC Breakfast Debrief was tabled until the July meeting.

New Business

- Kris Baranovic called the meeting to order and introduced our guest speaker for today's meeting, Dr. Brad Sheriff. Dr. Sheriff was asked to the meeting to allow for a Q and A regarding the financial health of the University and to allow PSC meeting attendees an opportunity to learn and ask questions related to the University Budget.
- Dr. Sheriff began by providing an overview of the University Budget in the following:
 - Three Sources of Revenue**--State of MO, Tuition & Fees, and Sales/Service of Non-Academic Departments
 - Uses of Funds**--Personnel (largest), Operating Expenses, Debt Services, MOSERS (\$.23 on each dollar earned of employees), Benefits
 - Three Operating Funds**--Education & General Funds, Auxiliary Budget, and Designated Funds

K. Baranovic then served as moderator and opened the floor to questions. These questions and Dr. Sheriff's summary of answer for each are as follows:

1. What is the overall health of each of these budgets, particularly the Auxiliary and Designated funds and their ability to self-manage?
 - *The Auxiliary and Designated Funds do ok and are fairly consistent in how much and often they need to access the safety net dollars provided from the Ed & Gen. Funds. However, the long-range plan of covering their costs is a concern with the projected change in enrollment, etc.*

2. Can you discuss the status on the 12.5% budget cuts?

- The across-the-board cuts were the easiest to conduct, but the least strategic. What we know now is the need was underestimated and many departments, mine included, after 3 years are not meeting these cuts. Salary increases were anticipated at 1%, merit was not anticipated. New revenue was projected, but a lack of actual dollar amounts and strategy for use has not materialized. Coupled with all this are rising operational costs, for example, property insurance increases have been in amounts sometimes 50% higher than previous years. This was not budgeted for.

3. Can you describe your vision for the University from a financial perspective?

- Increase the focus on Sustainability. For example, currently we have no debt capacity. Savings accounts normally sit at 10% historically. In this scenario, we could function for 36 calendar days on those savings. Most recommendations from financial professionals are 90 days to function on a "rainy day fund" and we just don't have that. Also, there is a tremendous amount of need for deferred maintenance costs, yet a plan has not been formulated to tackle this.

4. Can you discuss how you are working on transparency concerns with the budget among employee groups?

- Making efforts to attend groups, such as PSC to have discussions of this nature. Has also been to Faculty Senate. Desire to enhance transparency across campus. One method is changing the structure and process for Budget Review Committee. Desires to move it from a 25–30-member committee to 12 and cross representation on campus by members, meet all year vs. 2 months of year (March-April), and members are appointed for 3 year term. Desires these shifts in efforts to provide education and continuity throughout the year and members to go out and talk about what they are hearing and doing among staff.

5. Is there an opportunity to provide a dashboard or make public quarterly budget reports?

- This information is published and available after Board Meetings. K. Baranovic ensured we could make this fact known via PSC communications.

6. Are there any radical ideas to cover the financial crisis we are in, and do we have the leadership to move forward on these?

- Many ideas for tackling this are in discussion, many tied to the University Strategic Plan. For example, some include adopting a centralized scheduling of classroom space and formation of a remote work policy. Both of these are critical for recruitment and retention of staff and faculty, allow us to get out of buildings that are in highest need of maintenance (ex. Brandt and Pacific), utilization of best spaces on campus for classes or events, and allow for increased conversations on how the University Foundation could assist with Endowment funds. If anyone has ideas, I am open to these from anyone and can be reached at bsheriff@semo.edu.

7. Can you provide a comparison of how we are doing both to other institutions in Missouri and to private sector in terms of recruitment/retention of staff?

- Private sector is a place that will always outpace us in higher education in terms of salaries. Institutions which are successful in recruiting and retaining staff have typically two things: more margin in their operating budget and remote work opportunities.

8. In line with the remote work idea, where are we on this and options?

- It is on the table most definitely. Alissa Davis currently has a committee together researching this and offering ideas. Currently both hybrid and fully remote options are being examined. The biggest cultural shift will need to be how supervisors manage their teams and what this looks like across units.

9. Do special projects have an approval process or are they automatically put into the pipeline for serious consideration?

- There is a vetting process (used examples of the Cricket Team possibility and Virtual Reality coming to campus). Likely there would be a refinement of how to gauge and seek input on special projects moving forward.

10. Are we going to sweep budgets this year like last year?

- In short, no. Carryforward sweep will be more strategic this year. Financial managers will make requests for carryover post-deficit coverage, up to 10% of base operating budgets.

11. Does the Budget Office do trainings for those who want to better understand the budgets?

- I would love to offer this. Currently on limited staff. Opportunities like this help. There could be the possibility to have Benefits Review Committee members offer this as well.

12. Is the Honor's House coming down or not?

- Currently, we are looking at options to sell. Historically, any sale of University property had to go through the State legislature. However, as of this year there was a statewide implementation that allows the Board of Governors to sell property without an act of the legislature.

13. Are there any other ideas on property sales for the University?

We will see how this sale goes and then look at the potential for more property sales in the future.

K. Baranovic asked for any final questions.

Dr. Sheriff concluded by indicating the budget will be approved Friday, June 24th for 22-23. On behalf the PSC and attendees, Dr. Sheriff was thanked for his time and the opportunity to learn more from him on this important topic.

Committee Reports

- Tabled until July meeting due to time constraints.

Council Member Department Announcements

- Tabled until July meeting due to time constraints.

With no further items, K. Baranovic adjourned the meeting at 11:32 am.

Meeting information

Next Meeting: July 20 Heritage Room/Zoom

Future Meetings: Sept 21, Oct. 19

Zoom Information:

Link: <https://semo.zoom.us/j/94588401163>

Meeting ID: 734 539 0751