



University of Missouri–St. Louis

Thomas F. George
Chancellor / Professor of Chemistry and Physics
401 Woods Hall
One University Boulevard
St. Louis, MO 63121, USA
1-314-516-5252
1-314-516-5378 (fax)
tfgeorge@umsl.edu
<http://www.umsl.edu/chancellor>

Date: May 30, 2017
To: UM President Mun Choi
From: UMSL Chancellor Thomas F. George
Subject: FY18 Budget Planning Target Summary
Reference: UM System Budget Planning Target Summary e-mail sent by Ryan Rapp, dated May 25, 2017

Total Revenue Shortfalls & Cost Increases

We have verified revenue shortfalls and cost increases shown in the Reference mentioned above. Many of our unavoidable cost increases as well as strategic investments are spread through the analysis. For instance, we developed each of our business cases for investment based on the net of revenue generated less the expenses associated with generating the revenue. We did not go back and segregate revenue and expense into separate sections of the worksheet. As another example, unavoidable increases to utility expense, custodial effort, etc., were built into the facilities budget and not called out separately here.

We have a challenge of \$17.1M to overcome. This is partially offset by the additional revenue generated by the tuition and fee increase of \$2.4M and a \$1M allowance for the effect of the in-state tuition into Illinois. The net of these impacts yields the \$13.7M that you show on your spreadsheet.

1. Strategic Investments

(I) Strategic Investment in Academic Programs of Excellence and Research & Creative Works

(a) Arts & Sciences – Computer Science – The College of Arts and Sciences is investing strategically in the Department of Mathematics & Computer Science. The hiring of a tenure-track (TT) faculty will support both the research and teaching in this fast-growing department, which will add a new degree program in Computing Technology in 2018. We anticipate that the projected income from the TT Computer Science position will be a deficit of \$60,560 for FY18 but will provide a profit of \$3,880 beginning in FY19.

(b) Arts & Sciences – Communications and Public Relations - Two full time NTT faculty in the Department of Communication & Media will support growth of this popular major. A new faculty member in public relations will teach core courses in that growing field that have been taught for several years by adjuncts. She will provide career advising to students,

manage outreach to the professional community (which has benefits in terms of career and internship opportunities for students) and will develop a Public Relations Society of America Chapter on campus, which will provide career and networking benefits for our students. This hire opens opportunities for growth in a dynamic area that we have not been able to offer. The second faculty member has extensive international teaching experience in addition to a solid communication background. She will revise the core intercultural communications course, teach core and elective courses, and coordinate multi-section courses. In addition, she will be heavily involved in student recruitment and retention efforts in the Department of Communication & Media. Having a full time to teach these courses provides a much better experience for our students. The projected income from the NTT positions in Communication & Media is \$118,760 for FY18 and is projected to continue to provide that level of income in FY19.

(c) Arts & Sciences – Biology and Anthropology – The hiring of a Des Lee Endowed Professor in Plant Sciences will support research and teaching and will strengthen our relationship with our community partner, the Missouri Botanical Garden. Replacing vacant positions in Anthropology and Biology will support teaching in critical areas of student demand including Biological Anthropology and Biotechnology. It is anticipated that these positions will not only strengthen growing programs in the college but will also lead to increased revenue from tuition.

(d) Business – Online – After a 69% increase in online SCH's last year after a \$50,000 marketing investment, the campus invested \$100,000 in a marketing campaign to promote business online. Our objective is 100 additional online students. With the conversion of a few general education courses to an online format, CoBA will offer a fully online business degree. 28% of all business courses are now offered online. The target market for the marketing campaign is adult learners and students who live more than an hour away from campus. Our recruiter has been supplementing the marketing effort by visiting nearly all community colleges in outstate Missouri and throughout Illinois.

(e) Business – Doctorate in Business Administration – The newly approved Doctorate in Business Administration (DBA) has begun to be marketed, with the first cohort beginning in December 2017. The business case projected 8 DBA students in the first cohort, as well as the hiring of an Academic Director and a full-time Program Coordinator. Instead, we have received 19 applications to date with 5 more pending. By June 15 we should have 13 nonrefundable deposits in hand, and expect to achieve 15 in the first cohort. In addition, for the first year of the program, two CoBA faculty have divided the Academic Director duties, with the Program Coordinator duties being taken on by the current Graduate Business Programs Director.

Due to aggressive recruiting, we also expect a larger IMBA (international students) class than in FY17. Twenty students will graduate in August. We expect 25 new IMBA students in the next cohort.

(f) Social Work – Enrollment has been limited due to faculty-student ratio requirements of the accrediting Council on Social Work Education. In response, the school is decreasing reliance on adjuncts, and has hired an additional NTT and student advisor. This hiring, along with an incremental marketing campaign, should expand enrollment in FY18 with an additional 21 students in the fall and 5 additional students in the spring. The first-year return

on this investment is expected to be \$95,000 and strengthens the school relative to accreditation.

(g) Education – Teach-in-12 Graduate Program – Teach-in-12 is a bold accelerated pathway to Missouri teacher certification, intentionally attracting graduate-level students, most of whom are career changers. Faculty and staff investments totaling \$270,000 have included: two academic advisors to provide specialist, individualized recruiting and concierge level advising necessary for this population and program; and three NTT faculty (literacy, science, social science specializations) to strengthen and redesign curriculum, address teaching needs of greater proportion of graduate students, and ensure students continue to finish additional optional master’s degrees potentially generating revenue from five additional courses. Graduate tuition and fees for FY18 are estimated at \$367,000, resulting in a net return in FY18 of \$97,000. Preliminary enrollments and advising traffic support these estimates. Sustainability of this transformational program is likely because of existing teacher shortages.

(h) Nursing – Pre-Licensure Program – The nursing pre-licensure program is being expanded by 8 additional students a year. This expansion requires the addition of one NTT faculty FTE. The first year was funded through the State of Missouri Nursing Education Incentive Program. The FTE will require an investment of \$85,000 (salary and benefits). In FY18, the additional students will increase tuition and fee revenue by \$121,000, resulting in a net increase of \$36,000. Beginning in FY19, the net revenue will increase to \$157,000 annually, because we will have 8 additional students in year one of the program and 8 in year two.

(i) Business – UMSL Accelerate – With seed funding of \$600K from Express Scripts, a multi-disciplinary program in entrepreneurship and innovation was established in order to accomplish three goals: educate our students in these much in-demand skills, innovate in our offerings, and collaborate with the business community. Under the leadership of the College of Business Administration working with each of the academic deans, 5 initial courses have grown to a certificate program flexible enough to accommodate each of UMSL’s colleges. A mentorship program and an entrepreneurship club have been established, and we continue to work with the UM System’s Entrepreneurship Scholars Internship Program. Following a \$50K supplementary gift from Civic Progress (the top 25 corporations in St. Louis), we established Gateway Accelerate, which will bring immigrant prospects to move their businesses to St. Louis. And in March we announced a \$1M grant to establish Ameren Accelerate, a collaboration with the other UM System campuses, UMSL Accelerate, and Capital Innovators in St. Louis, to explore the future of energy with the Missouri-Illinois electric utility Ameren. A small team of successful entrepreneurs is running UMSL Accelerate, growing student credit hours and involvement, involving faculty of Business, Education, other colleges, and other UM System campuses, seeking more corporate partners, and supervising the Ameren Accelerator initiative.

(II) Excellence in Teaching, Learning, and Student Outcomes/Success

(a) Associate Provost for Student Success – To facilitate our focus in student retention and success and increased graduation rates, we will consolidate reporting and oversight of retention efforts on campus through the Associate Provost for Student Success, a new position, with oversight of academic advising, first-year programming, coordinating design

of curricular programs, and facilitating reform of relevant university policies and procedures. This reporting structure will allow for ease of resource reallocation and student retention efforts into areas of growth and excellence as needed.

(b) Early Childhood Science Curriculum – National Offering – An endowed professor with a national reputation in science education has designed a tailored sequence of online courses updating early childhood STEM educators with the major shift in early childhood science teaching. While meeting a national need, this initiative is testing the market to see if similar niche course sequences from our excellent existing group of endowed professors is a potential new revenue stream.

(III) Revenue Enhancement

(a) Expansion of resident undergraduate tuition rate to Illinois- Beginning with the Fall 2017 semester, undergraduate Illinois students throughout the state will be charged resident rates to attend UMSL. This is an expansion from the 22 Illinois counties that currently are provided this rate. This will make UMSL competitive with many other universities and colleges which have already provided deep discounts to this set of students. It is estimated that UMSL will break even from the loss of non-resident tuition with about 25 new students. We are planning for 100 new students in FY2018. Based on the historical growth rates experienced in the current Metro Rate program, this number is expected to grow through time.

(IV) Other Strategic Campus Initiatives

(a) Merit-based pay increases to faculty and staff – The 2018 financial plan provides \$2.5M in merit-based pay increases for faculty and staff. Pay raises have been limited for the last five years. Through the elimination of the FY17 deficit and the development of a balanced budget plan in FY18, UMSL is demonstrating that we have improved the financial performance of the university. This required effort from all corners of the campus. We value the faculty and staff, and wish to work as a team to continue to strengthen academic and financial performance, and continue to improve the student experience. Since we cannot do that with a team that feels unappreciated or undercompensated, we consider this and future investments in our team to be prudent and necessary.

2. Short-Term Cuts and Revenue Enhancements

(I) Academic Program Review/Restructure

All academic programs are undergoing review for enrollment trends, student credit hour generation, efficiency, research productivity, and ranking to ascertain areas of excellence and growth. We will invest in these areas through faculty hires and operational resources with focus on programmatic areas for cluster hiring (as done recently in cyber security) and possible interdisciplinary appointments. TT faculty will be added into programs of high research productivity and growth, and NTT faculty will be hired into programs of undergraduate enrollment growth.

(a) Arts & Sciences – Elimination of Art History Major – The College of Arts and Sciences is eliminating the major in Art History. Over the last five years the number of graduates in Art History has declined from 16 to 5 and there are currently only 8 majors. Savings from this restructuring will come over the next 3-4 years as the current majors

complete their degrees resulting in fewer courses required for the Art History major and a decrease in the faculty that teach those courses. We anticipate the loss of one NTT and two TT faculty members as we phase out the program.

(b) Arts & Sciences – Closure of Office of Academic Innovation – The Office of Academic Innovation supported credit and non-credit courses in the College of Arts and Sciences that were formerly under the Office of Professional and Continuing Studies, which was eliminated in 2014. When UMSL restructured credit courses so that they would be administered directly by departments, there was then no need for the administrative function of the Office of Academic Innovation. Retirements by the people in the two positions in that unit resulted in the closing of the unit.

(c) Arts & Sciences - Closure of two Chemistry Service Centers – The Department of Chemistry had four facilities that primarily support research by faculty and graduate students in the department. These include the High-Field NMR Facility, the Mass Spectrometer Facility, the X-Ray Diffraction Laboratory, and the Microscope Imaging and Spectroscopy Technology Laboratory. Each facility houses specialized equipment and has had support staff. These facilities charge fees for their services; however, the income does not fund the operations. For FY 18, the staff support positions for the Mass Spectrometer Facility and the Microscope Imaging and Spectroscopy Technology Laboratory were eliminated. This decision was made in consultation with the chair of chemistry and with the faculty who use these instruments. They have been working together on a plan to use faculty, postdocs, and graduate students to allow continued use of the instruments in these two facilities. This restructuring resulted in the loss of two staff positions; one person retired and the other was laid off.

(d) Nursing – RN-BSN Program – The College of Nursing offers the RN-BSN program in several formats including traditional classroom on campus and off campus, online, and hybrid to meet the needs of working RN's. A review of enrollments in individual sections has resulted in the elimination of sections of a course through consolidation of offerings. All courses will continue to be offered each semester in an online or hybrid format. This is resulting in a decrease in adjunct salary with the elimination of sections.

(e) Center for Ethics in Public Life – Closure of CEPL, re-envisioned as a community partnership – The director of the Center for Ethics in Public Life (CEPL) took a position with FOCUS St. Louis and proposed the Public Ethics Partnership (PEP) between UMSL and FOCUS St. Louis that would continue the foundational work of the center in areas of public and governmental ethics through an annual conference, leadership workshops, and panel discussions. Savings for FY18 include the director salary and operational expenses, minus \$25,000/annually for 3 years for PEP operations.

(II) Administrative Streamlining & Restructuring

(a) Consolidation of Budgeting, Planning, Accounting, Contracts, HR and Facilities into shared service centers – Currently, support services related to budgeting and financial planning, accounting, and contracts/ business services have separate support organizations in each college or with primary staff-related budgets holders. This results in variance in process and tools, and does not provide a standard set of job practices and requirements. As a result, training is difficult, processing even routine transactions is not as efficient as desired, and lack of standards increases compliance risk. Financial officers in the colleges and budget

areas do not report to the Chief Financial Officer and create an environment that makes alignment to goals and independent financial analysis difficult. Human Resources transactions could be more efficiently performed with scale, and routine contractual issues and standardization of contracts is more likely when review is performed centrally. In the current environment the majority of accounting transactions are performed with review or knowledge of the accounting organization. Consolidation of these organizations is expected to reduce finance costs by 30% by the completion of 2019.

(b) **IT mission enhancement and realignment** – To increase the efficiency and effectiveness of Information Technology related expenditures and to contribute to the efficiency of other organizations, the IT mission is being modified to not only develop and maintain the IT architecture, software and maintenance, but to increase participation as a business partner to all organizations of the university. This will pay dividends in development of standard tools as processes are redesigned and an overall reduction in transaction costs. Benefits are expected not only to contribute to the contraction of expense, but will also contribute to the generation of revenue as student-related interactions with the campus become simplified, and information is more effectively communicated to both the internal and external community.

(c) **Enrollment Management reporting realignment** – To facilitate our focus on student recruitment, we will streamline and consolidate our Enrollment Management (EM) reporting structure to report directly to the Provost rather than through Student Affairs to the Provost. This restructuring will enhance EM support, streamline and consolidate our processes, and incentivize student recruitment and EM as a crucial component of the overall academic enterprise in which all university stakeholders will engage.

(III) Revenue Enhancements

(a) **Advancement – Focus on scholarship fundraising** – This year, Advancement has added a campaign to increase scholarship funding to the university by a target of \$1M. This will allow UMSL to continue to recruit the students needed to grow enrollment and simultaneously relieve pressure on the institutional support budget, both of which will help the financial performance of the university.

(b) **Space Management** – FY 2018 will include budget to more effectively utilize space. This will be accomplished through the relocation of groups into a smaller footprint, and better use of existing facilities. This will allow the campus to decommission older buildings, reduce utility and maintenance costs, and allow for more efficient use of support labor and custodians. In addition, UMSL is capitalizing on unused, highly marketable space in areas where synergy between UMSL and outside organizations exist, such as the lease of building space in the Optometry building to SSM Health.

3. Long-Term Plans and Initiatives

(a) **Growth in enrollment** – After declines of 7.2% in FY17 and conservative planning for an additional 5% in FY18, we are expecting a 3% increase in FY19. In addition to improving demographics on transfer students, UMSL has developed specific initiatives related to brand, marketing, recruiting, and scholarships. We have expanded enrollment in our summer 2017 program and have implemented in-state tuition for all Illinois residents, along with targeted marketing in selected cities. We are expanding our evening

and online offering of courses and degrees. This aggressive approach is expected to expand our student base.

- (b) **Expansion of coursework and degrees offered in Evening/Online** – We have continued to increase our high quality online offerings, with significant support from the Center for Teaching and Learning and their *Online in Nine* and *DIY with a Guide* programs, resulting in growth to of our courses offered online. We are increasing the number of whole programs offered online and in the evening – including the Business degree. Consolidation of courses into cohesive programs will continue as we expand offerings in the evening and online.
- (c) **Tuition growth at CPI** – Continuing trends in state funding and enrollment do not suggest that the cost of education will grow by an amount less than the consumer price index. Generally, the cost of labor, public utilities, contracted services, and materials will continue to rise at this level. Any less of an increase in tuition and fees would drive the University to a worsened financial condition. This is not consistent with the standards and required actions of offering strong academic programs and maintaining a robust research environment.
- (d) **Fee structure analysis for high demand and high cost programs** – We believe that the most equitable treatment of our students is to distribute costs related to higher cost programs to the students that will receive the benefit from being educated in that program. That is consistent with our recent increases to the Joint Engineering program with Washington University and the Nursing, Business and Social Work programs.

While not all-inclusive, the above examples illustrate that UMSL has taken a balanced approach of increased revenue initiatives, expenditure reductions, and utilizing investments to solve our revenue, funding and enrollment challenges. In addition, benefits that will accrue from continuing restructure and consolidation will contribute to a balanced budget in Fiscal Years 2017, 2018, and 2019.

Please do not hesitate to contact me for additional information or clarification.

Tom

Investing in Sustainable Excellence

Campus Budget Adjustment Proposal
May 30, 2017

UMSL

UM System Guiding Principles

- Challenge the status quo and long-held traditions that are impediments to change
- Make strategic decisions based on performance measures of excellence
- Protect programs of excellence for faculty research and creative works, student outcomes, community engagement and financial aid
- Be transparent, collaborative and accountable in making important decisions that affect the institution with input from faculty, students and staff

UMSL Guiding Principles

- Protect core excellence of academic and non-academic operations
- Invest in areas of growth and excellence
- Focus on instruction, recruitment and retention of students, and research and scholarly activities
- Consider the financial impact of decisions on student access and success

FY18 Budget Plan

Overview

- UMSL enters FY2018 in better financial shape than expected because of successful implementation of a sustainable budget plan adopted last fiscal year.
 - Many realized savings and opportunities from FY17 will carry over into FY18
- UMSL will balance its FY2018 budget through a combination of enrollment growth and scholarship initiatives, efficiency measures, and nominal tuition/fee increases
- Budget Recovery Initiatives:
 - Increases to Revenue: \$ 5.2 M
 - Decreases in FY18 Expenses: \$ 2.4 M
 - Continuation of FY17 Savings: \$ 3.4 M
 - Restructure/Consolidation \$ 3.9 M
- New FY18 expense reductions equate to 2.5% of total Operating Expense

FY18 Budget Plan

Revenue

- Generate revenue through increase in tuition and fees
 - Tuition and fees: CPI resident undergraduate, 4% non-resident undergraduate, 5% graduate
 - Supplemental fees increased relative to market and cost for high-cost programs
- Shift in fundraising to reflect short-term needs; increase in gifted scholarships
- Increased use of micro-grants to improve retention and graduation
- Implementation of Dean's Initiatives (Market, Brand, Recruiting, Enrollment)
 - Targeted marketing campaigns of 2017 are affecting 2018 enrollment
 - Acceleration of Summer Enrollment and Holiday/Spring Break marketing – Summer up 7%
- Investment in Faculty, Advising, Marketing in programs with growth potential
 - Business On-line, Education Teach in 12, Social Work enrollment expecting expansion
- In-state tuition offering into Illinois expected to increase non-resident enrollment
- Expansion of evening course and degree offerings to increase capture of adult market

FY18 Budget Plan

Expenses

- Elimination of budgeted, unused faculty, staff, and administration lines previously reserved in budgets for future use
- Reduction of graduate teaching assistants for programs not strategically aligned
- Opportunities realized for faculty and staff lines that will remain budgeted, but unused for FY18
 - Faculty, administration searches in process that will not be filled by July 1
 - Staff and Administration positions that will not filled by July 1
- Positions that will be filled but at a lower level or salary
- Attrition positions that will not be replaced
- Reduction of departmental discretionary expenses
- Analyze and reset work load parameters on Endowed Professorships

FY18 Budget Plan

Restructure/Consolidation

- Consolidation of Budgets and Planning, Accounting, Contracts and HR into service centers
- Realignment of Fiscal Officers
- Facilities staffing and structure
- IT mission transformation to deliver IT process efficiencies in partnership with academic and administrative departments while sustaining excellence in infrastructure and support services
- Realignment of Continuing Education into General Academic offering
- Realignment of Enrollment Management and Advising to improve retention

FY18 Budget Plan

Academic Excellence

- Hire additional faculty in growing or high-demand programs (computer science, communication, business, nursing, education)
- Protect core courses by consolidating low-enrollment elective sections
 - Targeting about 3% out of about 6,000 sections for elimination
 - Short-term impact of adjunct reduction; program evaluations continue in longer term
- Adjust academic program mix to focus on excellence and impact
 - Early actions from ongoing program review include eliminations of:
 - Major: Art History
 - Minors: Public Affairs Journalism, Urban Affairs
 - Certificates: Evolutionary Studies, History and Philosophy of Science and Technology
- Launch of UMSL Accelerate with Ameren provides grant income and brand strength
- First year of operation of DBA – Expected cohort of 15 (vs 8 in business plan)

FY18 Budget Plan

Investments

- Expansion of evening courses and degrees to address adult working market
- Retention and Enrollment Management
 - Reorganization, consolidation, and oversight through Academic Affairs
- Continuation or expansion of investment into growing, high demand fields
 - Information Systems, Teacher Education, Cybersecurity, Nursing, Entrepreneurship, Computer Science, Communications, and Business
- Faculty hiring into academic areas of excellence, research and growth
- Expansion of marketing and recruiting where return is expected to be positive
- Continued investment into development and fundraising



FY18 Budget and Assumptions

- Balanced Budget for FY18 requires \$3.6M improvement over FY17 budget prior current growth areas including:

<u>Issue:</u>	<u>FY18 Potential Impact:</u>
• Declining enrollment trend	\$ (5.0M)
• State funding cut	\$ (5.6M)
• Increase to Labor and Compensation	\$ (2.5M)
• Unreimbursed Gen Revenue	\$ (4.0M)
• CPI adjustment on tuition and fees	<u>\$ 2.4M</u>
	\$ (14.7)
• Productivity Challenge /University Enrollment Initiatives	\$ 5.7 M
• Increased enrollment in Illinois due to In-State tuition offering	\$ 1.0 M
• Gifted Scholarships / Use of institutional funds	\$ 1.0 M
• Continuing Education Consolidation	\$ 1.8 M
• Expansion of evening offerings and degrees	\$ 0.1 M
• Finance and Administration Support Restructure	\$ 1.6 M
• Optimization of class offerings and schedules	\$ 0.2 M
• Decrease in Programs	\$ - M
• Ameren Accelerate	\$ 0.1 M
• Realized Opportunities	<u>\$ 3.4 M</u>
	\$14.9

Productivity Challenge – All Budgets

<u>Revenue</u>	<u>FY18</u>
Tuition increase	\$ 1,303,000
Fees:	\$ 1,549,000
• Scholarships/Retention:	(\$ 50,000)
• Revenue Generation	<u>\$ 265,000</u>
Subtotal	\$ 3,067,000
<u>Expenses</u>	
• Salary & Labor Savings	
• Tenure/Tenure Track	\$ 18,000
• Non-Tenure Track	(\$ 55,000)
• Adjunct	\$ 1,067,000
• Staff	\$ 456,000
• Graduate Teaching Assistants	\$ 396,000
• Operating Expenses	<u>\$ 360,000</u>
Subtotal	\$ 2,242,000
<u>Program Restructure</u>	
• College of Arts & Sciences	\$ 196,000
• College of Nursing	\$ 18,000
• Student Affairs	\$ 19,000
• Academic Affairs	<u>\$ 157,000</u>
Subtotal	\$ 390,000
<u>Investments</u>	
• College of Arts & Sciences	\$ 30,000
• School of Social Work	\$ 95,000
• College of Nursing	\$ 36,000
• College of Education	\$ 97,000
• Student Affairs	(\$ 84,000)
• Academic Affairs	(\$ 200,000)
Subtotal	<u>(\$ 26,000)</u>
TOTAL Productivity Improvement	\$ 5,673,000
Transferred Opportunities: (Salary Savings due to Leaves, Hiring Gaps, Hiring Salary Savings, Course Buyouts, Grant Buyouts)	\$ 3,359,000

Productivity Challenge – College of Arts & Sciences

<u>Revenue</u>	<u>FY18</u>
• Tuition increase of \$2/hour for ACP program (40K hours); enrollment increases Expectation of 20+ full-time new students resulting from new scholarship	\$ 80,000
• Student Credit Hours projected flat for both Undergrad and Grad	-
• Fees:	\$ 113,000
• Scholarships/Retention: MicroGrants	<u>(\$ 50,000)</u>
Subtotal	\$ 143,000
<u>Expenses</u>	
• Salary & Labor Savings	
• Tenure/Tenure Track	\$ 378,000
• Non-Tenure Track	\$ 109,000
• Adjunct	\$ 950,000
• Staff	\$ 0
• Graduate Teaching Assistants	\$ 300,000
• Operating Expenses	<u>\$ 400,000</u>
Subtotal	\$ 2,137,000
<u>Program Restructure</u>	
• Art History major is being eliminated	\$ 0
• Closure of Office of Academic Innovation0	\$ 115,000
• Closure of Chemistry Service Centers (2)	<u>\$ 81,000</u>
Subtotal	\$ 196,000
<u>Investments</u>	
• Computer Sciences Additional Instructors	<u>(\$ 61,000)</u>
• Communication (\$258,000 revenue less \$139,000 expenses)	\$ 119,000
• CAST	<u>(\$ 28,000)</u>
Subtotal	<u>\$ 30,000</u>
TOTAL Productivity Improvement	\$ 2,506,000
Transferred Opportunities: (Salary Savings due to Leaves, Hiring Gaps, Hiring Salary Savings, Course Buyouts, Grant Buyouts)	\$ 1,600,000
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)	\$ 25,000

Productivity Challenge – School of Social Work

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 0	
• Fees:	\$ 46,000	
• Scholarships/Retention:	<u>(\$ 0)</u>	
Subtotal		\$ 46,000
<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	(\$ 6,000)	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 0	
• Graduate Teaching Assistants	\$ 12,000	
• Operating Expenses	<u>\$ 1,000</u>	
Subtotal		\$ 7,000
<u>Program Restructure</u>		
•	<u>\$ 0</u>	
Subtotal		\$ 0
<u>Investments</u>		
• Social Work (\$175,000 revenue less \$80,000 expenses)	<u>\$ 95,000</u>	
Subtotal		\$ 95,000
TOTAL Productivity Improvement		\$ 148,000
Transferred Opportunities:	\$ 0	
Restructure Savings:	\$ 0	

Productivity Challenge – College of Education

Revenue

- Supplemental fee Increase

Subtotal

FY18

\$ 139,000

\$ 139,000

Expenses

- Salary & Labor Savings
 - Tenure/Tenure Track
 - Non-Tenure Track
 - Adjunct
 - Staff
- Graduate Assistants
- Operating Expenses

Subtotal

(\$ 408,000)

\$ 54,000

\$ 102,000

\$ 173,000

\$ 70,000

\$ 57,000

\$ 48,000

Program Restructure

-

\$ 0

Investments

- Teach in 12 (\$367,000 revenue less \$270,000 expense)

Subtotal

\$ 97,000

\$ 97,000

TOTAL College of Education Productivity Improvement

\$ 284,000

Transferred Opportunities: (Salary Savings due to Leaves, Hiring Gaps, Hiring Salary Savings, Course Buyouts, Grant Buyouts)

\$ 502,000

Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)

Productivity Challenge – College of Nursing

<u>Revenue</u>	<u>FY18</u>
• RN-BSN Online Program credit hours are flat	\$ 0
• Supplemental Fees Increase Increased DNP fees but lower enrollment in DNP and PT/Evening/Weekend Pre-licensure Programs; Phasing out MSN program	\$ 22,000
	<u>(\$ 0)</u>
Subtotal	\$ 22,000
<u>Expenses</u>	
• Salary & Labor Savings	
• Tenure/Tenure Track	<u>(\$ 20,000)</u>
• Non-Tenure Track	\$ 81,000
• Adjunct	\$ 0
• Staff	\$ 0
• Graduate Teaching Assistants	\$ 0
• Operating Expenses	<u>\$ 0</u>
Subtotal	\$ 61,000
<u>Program Restructure</u>	
• RN-BSN Program 3 Section Reduction * 6,000	<u>\$ 18,000</u>
Subtotal	\$ 18,000
<u>Investments</u>	
• Pre-Licensure Program (\$121,000 revenue less \$85,000 expenses)	<u>\$ 36,000</u>
Subtotal	\$ 36,000
TOTAL Productivity Improvement	\$ 137,000
Transferred Opportunities: (Grant Buyouts)	\$ 335,000
Restructure Savings:	\$ 0

Productivity Challenge – University Advancement

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 0	
• Fees:	\$ 0	
• Scholarships/Retention:	<u>(\$ 0)</u>	
Subtotal		\$ 0
<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	\$ 0	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 98,000	
• Graduate Teaching Assistants	\$ 0	
• Operating Expenses	<u>\$ 0</u>	
Subtotal		\$ 98,000
<u>Program Restructure</u>		
•	<u>\$ 0</u>	
Subtotal		\$ 0
<u>Investments</u>		
•	<u>(\$ 0)</u>	
Subtotal		(\$ 0)
TOTAL Productivity Improvement		\$ 98,000
Transferred Opportunities:		\$ 0
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)		\$ 59,000

Productivity Challenge – Student Affairs

<u>Revenue</u>	<u>FY18</u>
• Scholarships Allowance and supplemental fees	<u>\$ 711,000</u>
Subtotal	\$ 711,000
<u>Program Restructure</u>	
• Programming Changes	<u>\$ 19,000</u>
Subtotal	\$ 19,000
<u>Investments</u>	
• Athletic Department	<u>(\$ 60,000)</u>
• New Student Program (\$110,000 revenue less \$57,000 expenses)	\$ 53,000
• Student Involvement and Engagement	<u>(\$ 77,000)</u>
Subtotal	<u>(\$ 84,000)</u>
TOTAL Productivity Improvement	\$ 646,000
Transferred Opportunities: (Scholarship for Athletics not used during first quarter of the year)	\$ 173,000
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)	\$ 0

Productivity Challenge – Vice Chancellor of Academic Affairs

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 0	
• Fees:	\$ 0	
• Scholarships/Retention:	<u>(\$ 0)</u>	
Subtotal		\$ 0
<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	\$ 200,000	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 167,000	
• Graduate Teaching Assistants	\$ 0	
• Operating Expenses	<u>(\$ 75,000)</u>	
Subtotal		\$ 292,000
<u>Program Restructure</u>		
• Close Center for Ethics in Public Life	<u>\$ 157,000</u>	
Subtotal		\$ 157,000
<u>Investments</u>		
• Vice Provost for Student Success	<u>(\$ 125,000)</u>	
• Communication	<u>(\$ 75,000)</u>	
Subtotal		(\$ 200,000)
TOTAL Productivity Improvement		\$ 249,000
Transferred Opportunities: (Carry forward from Center for Ethics in Public Life)		\$ 625,000
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)		\$ 0

Productivity Challenge – Libraries

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 0	
• Fees:	\$ 0	
• Scholarships/Retention:	<u>(\$ 0)</u>	
Subtotal		\$ 0
<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	\$ 0	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 124,000	
• Graduate Teaching Assistants	\$ 0	
• Operating Expenses	<u>\$ 0</u>	
Subtotal		\$ 124,000
<u>Program Restructure</u>		
Subtotal	<u>\$ 0</u>	\$ 0
<u>Investments</u>		
Subtotal	<u>(\$ 0)</u>	<u>(\$ 0)</u>
TOTAL Productivity Improvement		\$ 124,000
Transferred Opportunities: (Part time position, not approved, postpone hiring)		\$ 13,000
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)		\$ 0

Productivity Challenge – International Studies and Programs

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 0	
• Fees:	\$ 0	
• Scholarships/Retention:	<u>(\$ 0)</u>	
Subtotal		\$ 0
<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	\$ 0	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 64,000	
• Graduate Teaching Assistants	\$ 0	
• Operating Expenses	<u>(\$ 54,000)</u>	
Subtotal		\$ 10,000
<u>Program Restructure</u>		
	<u>\$ 0</u>	
Subtotal		\$ 0
<u>Investments</u>		
	<u>(\$ 0)</u>	
Subtotal		<u>(\$ 0)</u>
TOTAL Productivity Improvement		\$ 10,000
Transferred Opportunities: (Part time position, not approved, postpone hiring)		\$ 0
Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)		\$ 0

Productivity Challenge – Information Technology Service

Revenue

- Revenue Generation
- Subtotal

FY18

\$ 105,000
\$ 105,000

Expenses

- Salary & Labor Savings
 - Tenure/Tenure Track
 - Non-Tenure Track
 - Adjunct
 - Staff
 - Graduate Teaching Assistants
 - Operating Expenses
- Subtotal

\$ 0
\$ 0
\$ 0
\$ 23,000
\$ 0
\$ 219,000
\$ 242,000

Program Restructure

Subtotal

\$ 0
\$ 0

Investments

Subtotal

(\$ 0)
(\$ 0)

TOTAL Productivity Improvement

\$ 347,000

Transferred Opportunities: (Part time position, not approved, postpone hiring)

\$ 111,000

Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts)

\$ 45,000

Productivity Challenge – College of Business Administration

<u>Revenue</u>	<u>FY18</u>
• Tuition increase (PMBA, IMBA, DBA)	\$ 1,033,000
• Fees:	\$ 518,000
• Miscellaneous Income: Bootcamps and Digital Marketing	<u>\$ 160,000</u>
Subtotal	\$ 1,711,000

<u>Expenses</u>	
• Salary & Labor Savings	
• Tenure/Tenure Track	(\$ 126,000)
• Non-Tenure Track	(\$ 299,000)
• Adjunct	\$ 15,000
• Staff	(\$ 193,000)
• Graduate Teaching Assistants	\$ 14,000
• Operating Expenses	<u>(\$ 188,000)</u>
Subtotal	(\$ 777,000)

<u>Program Restructure</u>	
•	\$ 0
•	\$ 0
•	<u>\$ 0</u>
Subtotal	\$ 0

<u>Investments</u>	
•	(\$ 0)
•	\$ 0
•	(\$ 0)
Subtotal	<u>\$ 0</u>

TOTAL Productivity Improvement \$ 934,000

Transferred Opportunities: (Salary Savings due to Leaves, Hiring Gaps, Hiring Salary Savings, Course Buyouts, Grant Buyouts) \$ 0

Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts) \$ 0

Productivity Challenge – College of Optometry

<u>Revenue</u>	<u>FY18</u>	
• Tuition increase	\$ 110,000	
• Fees:	\$ 0	
• Miscellaneous Income:	<u>\$ 80,000</u>	
Subtotal		\$ 190,000

<u>Expenses</u>		
• Salary & Labor Savings		
• Tenure/Tenure Track	\$ 0	
• Non-Tenure Track	\$ 0	
• Adjunct	\$ 0	
• Staff	\$ 0	
• Graduate Teaching Assistants	\$ 0	
• Operating Expenses	<u>\$ 0</u>	
Subtotal		\$ 0

<u>Program Restructure</u>		
•	\$ 0	
•	\$ 0	
•	<u>\$ 0</u>	
Subtotal		\$ 0

<u>Investments</u>		
•	\$ 0	
•	\$ 0	
•	<u>\$ 0</u>	
Subtotal		\$ 0

TOTAL Productivity Improvement **\$ 190,000**

Transferred Opportunities: (Salary Savings due to Leaves, Hiring Gaps, Hiring Salary Savings, Course Buyouts, Grant Buyouts) **\$ 0**

Restructure Savings: (Staff Consolidation in HR, IT, Accounting, Budgeting, Contracts) **\$ 0**

Support Restructure/Consolidation – Finance/Administration

- UMSL has utilized staff reductions to offset budget challenges in previous years. Total headcount for staff (non-union and union) is down 5.6% since June 2014.
- Savings from reductions in FY17 will continue into FY18
- Additional savings will be realized in FY18 due to streamlining of processes, improvement in tools, upgrades in skills and consolidation of staff that perform functions in the areas of:
 - Human Resources
 - Information Technology
 - Accounting
 - Budgeting
 - Contracts
 - Facilities and Maintenance
- FY18 Commitment of \$1.6 M savings (includes previous initiatives that carry forward)

Advanced Evening Offering

- Dean's initiative was developed in Fall 2017 to enhance summer program and grow enrollment
 - New standards implemented for business case evaluation
 - Initial enrollment date accelerated by months to encourage early student action
 - Marketing campaigns added over holiday and spring break to catch students
 - Result: Summer enrollment up by 7%
- Now will focus on Evening and Online Offering
 - Courses and degrees offered in evening have diminished
 - Expansion of evening and online courses and degrees will enable capture of adult market
 - Alternate eight-week schedule being evaluated
 - Limited roll-out in fall; growing in spring

Scholarships

- University Advancement has launched a campaign to raise \$1M in scholarships for the FY18 academic year
 - Tuition practice will be revised to not 'stack' additional gifts on scholarships already provided by the University
 - Will ensure that additional gifts provide intended financial support
- Scholarships are being awarded on a trial basis which discount tuition to in-state
 - Provides information of interest in sample regions
 - Begins to build UMSL brand awareness in remote markets

Academic Program Review

- Academic program reviews in work to evaluate on ‘standards of excellence’, research quality, and economic feasibility
- Program evaluations and resultant actions will provide limited benefit to FY18
 - Will require time for shared governance
 - Phasing out programs will follow student declining enrollment as program ends
 - Investments to enhance programs will not be immediate – search and start-up
- Short-term impact will be provided by FY18 reduction of 75 class sections
 - Elimination of low volume courses in elective areas, or combinations of sections of same class
 - Will be realized through decrease in adjuncts; protects permanent faculty
 - Maintains high quality instruction and offerings for students