



University Budget Committee

March 17, 2021

3:00 – 5:00 PM

UH 004/Zoom

In Attendance: Paul Lasiter, Stacey Eve, Hillary Stowell, Cindy Johnson, Kinsey Anderson, Gordy Pace, Sarah Swager, Tom Gallagher, Ethan Hanley, Christina Barsky, Nicholas Ververis, Neil Carson, Tony Crawford, Scott Whittenburg, Kristin Person, Katie Dalessio, Dawn Ressel, Mariah McIntosh

Guests in Attendance: Jason Sloat, Corey Cardoza, Zach Rossmiller, Terri Phillips

- 1. Jason Sloat – Risk Management Insurance Policy:** Jason walked the committee through UM's insurance policy. UM is covered under the same policy as every other state agency, meaning, when one agency makes an insurance claim, it impacts all the other state agencies as well. We are going to see a large increase in our price for FY22 and FY23 due to a large claim made by MSU Bozeman last year. The impacts of that claim were not felt until now due to the nature of the cost model. The typical increase UM would experience in insurance is largely dependent on what is happening around the country, but Jason had never seen anything above 10% in a "normal" year.
- 2. Terri Phillips – HR Cost Escalations:** Terri walked the committee through cost escalations experiences by Human Resources. There are 11 different unions represented on campus. Cost escalations are negotiated between the Commissioner's office & unions. Human Resources at UM has no control over the cost escalations each year. It is important to note; these cost increases are not necessarily funded by OCHE. Members from UM are involved in contract negotiations, but the result is mostly something that was already agreed to by the legislator. Good news, workers compensation is decreasing due to less claims. As a note, students receive increases through minimum wage adjustments and graduate student pay is part of

their scholarship. One final note, on average, benefits are 35% on every salary dollar spent.

- 3. Zach Rossmiller & Corey Cardoza – IT Cost Escalations:** Corey & Zach walked the committee through cost escalations IT experiences each year. There are many different types of increases IT experiences due to the wide variety of contracts. These include; flat increase, inflation, FTE, user based, storage, and consumption-based (cloud model). Corey then walked the committee through examples of each of these cost increases. The big takeaway is some of these can be predicted based on UM data and some are more difficult to forecast. Either way, many of them are going unfunded. Zach then discussed some of the recent hardware investments made. The social sciences data center that connects many universities and colleges across the state was in dire shape and thanks to investment in IT they were able to build a brand-new data center that will help protect data. Other networking and hardware issues have come up because previously IT had been forced to choose covering the cost of the software contracts over addressing hardware needs. Thanks to COVID funding IT has the opportunity to continue to address many of these hardware concerns.

- 4. Budget Model Update:** Paul has been working with deans on the budget model. He showed the per credit hour amount we are collecting from students here at UM which is \$236. This has decreased over time due to tuition freezes and waiver. Missoula College has seen an increased per credit hour price recently. Paul will continue to keep the committee updated as the work with the Deans evolves.