MEMORANDUM

Date: April 3, 2014

TO: Chancellor's Staff
    Provost's Staff
    Deans/Library Director
    Department Chairs/Directors
    Directors

FROM: R. Bowen Loftin, Chancellor

RE: Expenditure Reductions

As you know, we have been taking very deliberate actions for many years to carefully examine all of our expenditures and obligations. Additional instructions were provided by President Forsee and Chancellor Deaton in 2009 to institute numerous specific cost savings actions in response to growing financial pressures. I thank you for your diligence and your hard work in securing the university’s finances during one of the most difficult financial periods in our history.

We are embarking on a new day, and I ask you to, not only maintain, but also heighten your awareness of the importance of making wise financial decisions in a new way. We are in the early years of a five-year strategic operating plan. It calls for difficult decisions and for significant reallocations to be made toward key priorities to best position our university for the future. Going forward, I expect financial decisions to focus on making the right investments to move your division toward meeting MU’s strategic priorities.

With this in mind we are simplifying and streamlining some administrative processes with the knowledge that your decisions will be made in light of what I noted above and with the conviction that you will stay within your budget and not incur obligations that you cannot afford to fulfill.

Effective April 7, 2014, the approval processes outlined in “Expenditure Reduction” letters dated January 14, 2009 and September 24, 2009 are suspended. For mid-year increases related to benefits-eligible staff, we will continue to require the approval of the appropriate Chancellor’s Direct Reports required in the 2013-14 Salary and Wage Guidelines. We will no longer require campus-level approval for posting administrative, service and support staff positions; the
Provost’s Office will approve the posting of all benefits-eligible academic positions, including those academic positions previously requiring Chancellor’s approval.

In terms of the other categories of expense outside of salary and wages, you are reminded of the following expectations pertaining to them as described in existing policies:

- Reimbursement for travel is available when there is a benefit to the University for doing so and prior approval is received from the employee’s administrative superior. Consult BPPM 4:010 Travel Expenses (http://bppm.missouri.edu/chapter4/4_010.html) for expectations related to reimbursement of travel expenses.
- As described in the Finance Section of the BPPM 2:001-2:280 (http://bppm.missouri.edu/chapter2/2_001.html) we are all expected to be wise stewards of University resources, with primary responsibility resting with the deans, directors and department chairs. As such, it is expected that expenditures (e.g., business meals, marketing, publishing, professional services and consulting, technology, dues, celebration events, etc.) include documentation clearly describing how it benefits the University and/or supports furtherance of the University’s strategic operating plan.

As we move forward I expect no less diligence in your decision processes than in the past. However, we are confident that this new focus will allow you to devote more of your attention to the substantive aspects of your financial decision making process.