

Meeting Minutes



University Council

Budget and Finance

Tuesday, January 29, 2013

3:00 – 4:30 p.m.

BH – McCollester Conference Room

Meeting called by David J. Cummins

Attendees: David Cummins, Amy Gilliland, Joan Kaye, Jeanette Carson, Matthew Lee, Ken Linderman, Ali Hajjafar, Mary Beth Clemons, Dominick Donofrio,

Absentees: George Haritos, Michael Dzordzormenyoh, William Bediako

1) Election of Chair/ Co-Convener

Amy Gilliland nominated Ali Hajjafar for Chair/Co-Convener.

Ali accepted the nomination, there were no other nominations. There was a motion from Amy Gilliland to elect Ali Hajjafar. The committee vote was unanimous in favor of Ali Hajjafar.

2) Approval of Minutes

Approval December 19, 2012 minutes with 1 edit/correction: minutes to reflect Matthew Lee was absent at the 12/19/12 meeting

3) Budget Update/Status of Planning for FY14

D. Cummins report to Board of Trustees Finance Committee: Early predictions Spring 2013 enrollment will be 4.5% below Spring 2012 resulting in a \$10 million tuition fee shortfall for FY 13. FY 13 revenues are off by as much as \$11 million. FY 13 fringe benefits [i.e.: UA Healthcare Insurance] and a couple of other cost areas are under budget.

4) Purchase of Books on UA Student Accounts

University Council Steering Committee received an Issue Brief from Student Government. Requesting U.C. look into whether students would be allowed to add the cost of their textbooks to their student accounts. This issue brief is tabled until Budget & Finance Committee members have opportunity to review the document

5) New Business

Matt Lee asked the committee;

- 1) Annual graduate assistant budget is consistently delayed which results in prospective GA's accepting offers from other universities. Matt Lee asked if this committee could request of the university administration to make the GA budgets available earlier than in previous years. 2) Matt Lee feels this committee should have some level of involvement in university mid-range budget planning, which is consistent with the committee's bylaws and 3) active involvement in discussions about what impact future faculty/staff retirements will have on the university.

Meeting adjourned at 4:30pm

Additional Instructions:

Future scheduled meetings are: 2/19, 2/26, 2:30-4:00pm Buchtel Hall McCollester Room

Tentatively hold the following dates if additional meetings are required: 3/5, 3/12, 3/19, 3/26, 4/2, 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30 –

Time 2:30-4:00pm - Buchtel Hall McCollester Room

Minutes submitted by Jeanette Carson

Meeting Minutes for 02/19/13

UC Budget & Finance Committee
Buchtel Hall McColleston Room 2:30-4:00 pm

In Attendance: David Cummins, Amy Gilliland, Joan Kaye, Jeanette Carson
Matthew Lee, Ken Linderman, Ali Hajjafar, George Haritos

Absent with notice: Mary Beth Clemons, Dominick Donofrio

Absent without notice: Michael Dzordzormenyoh, William Bediako

1. Approval of agenda:
Motion made by Ken Linderman to approve the February 19, 2013 agenda, seconded by Joan Kaye
2. Approval of minutes of Jan. 29
Motion made by Ken Linderman to approve the January 29, 2013 meeting minutes, seconded by Matthew Lee
3. Follow up on FY 14 Budget/ Status of Planning.
David Cummins reported:
 - Budget Instructions were presented to Deans and Vice Presidents regarding Auxiliary Budgets, Course Fees, Miscellaneous Fees & Department Sales
 - The state is expected to impose a 2% cap on tuition increases. If the Board of Trustees approves a 2% tuition increase for Fall 2013 it would result in a nearly \$4 million increase to the university.
 - Working groups are being established in preparation for the 2014 budget process: These groups will be asked to work on special initiatives that have been identified whereby costs can be reduced and efficiencies can be increased-
 - Open Budget Forums are expected to be held the second week in March for the university community
4. Purchases of Books on UA Student Accounts
The committee decided to table this issue for a brief discussion until Co-Chair David Cummins has the opportunity to investigate what similar universities are doing in the way of students purchasing text books on their student accounts. He will report findings at a future scheduled meeting
5. Review of UC Bylaw
Ali Hajjafar asked Jeanette Carson to read aloud the revised UC Bylaws duties and responsibilities for The University Council Standing Committee: Budget and Finance. There were no changes made by committee members to this document.
6. New Business: No new business was presented

The meeting was adjourned at 4:00pm

Additional Instructions:

Next meeting is 2/26 at 2:30-4:00pm in Buchtel Hall McColleston Room

Tentatively put on hold the following dates if additional meetings are required: 3/5, 3/12, 3/19, 3/26, 4/2, 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30 - 2:30-4:00pm - Buchtel Hall McColleston Room

Minutes submitted by Jeanette Carson

Meeting Minutes for 02/26/13
UC Budget & Finance Committee
Buchtel Hall McCollester Room 2:30-4:00 pm

In Attendance:

Jeanette Carson, Mary Beth Clemons, David Cummins, Dominic Donofrio, Amy Gilliland, Ali Hajjafar, George Haritos, Joan Kaye, Matthew Lee, Ken Lindeman

Absent without notice: Michael Dzordzormenyoh, William Bediako

1. Approval of agenda

Committee members were asked one day in advance of the meeting if they wanted to include an agenda item. The agenda was provided via email to the committee members the day of the meeting

2. Approval of minutes for February 19, 2013

Motion made by Domenic Donofrio to approve the February 19, 2013 meeting minutes, seconded by Ken Lindeman

3. Follow up on FY 14 Budget/ Status of Planning

David Cummins shared a PowerPoint titled "Planning the FY14 Budget Starting Point and Early Projections"

The PowerPoint generated conversation that lasted the duration of the meeting. Conversations centered on how the university could reduce expenditures, increase enrollment numbers and generate additional revenue. As part of our discussions the following budget items need to be understood better and should be a part of our mid-range planning

- Why UA is \$36 million short on tuition and subsidy revenue, given the FTE students that we have relative to the average of all other Ohio public universities. David Cummins mentioned this figure is calculated from IPEDS data
- There is concern regarding the budget stabilization fund being too low and the deferred maintenance issue.
- Before UA makes further cuts to departments that have a low cost per SCH, we should ensure that we are making the most efficient use of funds on the academic and non-academic side.

Action Items: Answers to both questions to be shared at the 03/5/13 meeting.

Matthew Lee raised the question about whether the funds set aside for the Achieving Distinction program will generate net revenue.

Domenic Donofrio asked... What is the percentage of instruction and academic costs verses the university's entire budget?

The meeting was adjourned at 4:00pm

Next meeting is 3/5 at 2:30-4:00pm in Buchtel Hall McCollester Room

Tentatively put on hold the following dates if additional meetings are required: 3/19, 3/26, 4/2, 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30 - 2:30-4:00pm - Buchtel Hall McCollester Room

Meeting Minutes for 03/05/13

UC Budget & Finance Committee

March 5th-2:30-4:00 pm- McCollester Room

In Attendance:

Jeanette Carson, Mary Beth Clemons, David Cummins, Dominic Donofrio, Amy Gilliland, Ali Hajjafar, Joan Kaye, Matthew Lee, Ken Lindeman

Absent without notice:

William Bediako, Michael Dzordzormenyoh, George Haritos

1. Approval of February 26 minutes:

Motion made by Ken Lindeman, seconded by Matthew Lee. Minutes approved and uploaded to UC SharePoint Site

2. Follow up on FY 14 Budget/ Status of Planning;

David Cummins presented PowerPoint illustrating comparison data of UA and the other public universities in Ohio. Data was based on IPEDS Data Feedback Report 2012. Comparison data included but not limited to: Revenue from tuition and fees per FTE, Revenue from state appropriations per FTE, instruction, research, public services, academic support, student service, and institutional support expenses per FTE. The PowerPoint slides and supporting data is available on the SharePoint site.

Three committee members had to excuse themselves before 3:30pm due to HLC scheduled meetings. Open budget forums are scheduled on Tuesday, 3/12 and Wednesday 3/13 where more of the IPEDS data comparisons will be share to the campus community.

Meeting adjourned at 3:30pm

**Next meeting is 3/19 at 2:30-4:00pm in Buchtel Hall McCollester Room
Tentatively put on hold the following dates if additional meetings are
required: 3/26, 4/2, 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4,
6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30**

Meeting Time 2:30-4:00pm

Location: Buchtel Hall McCollester Room

Minutes submitted by Jeanette Carson

Budget & Finance Committee [BFC]
Meeting Minutes for March 19th-2:30-4:00 pm- McColleston Room

In Attendance:

Jeanette Carson, Mary Beth Clemons, David Cummins, Amy Gilliland, Ali Hajjafar, George Haritos, Joan Kaye, Matthew Lee, Ken Lindeman

Absent with notice: Dominic Donofrio,

Absent without notice: William Bediako, Michael Dzordzormenyoh

1. Approval of March 19th Agenda:

Motion made by Ken Lindeman, seconded Joan Kaye

2. Approval of March 5th minutes:

Motion made by Ken Lindeman, seconded by Joan Kaye
Minutes were approved and uploaded to UC SharePoint Site

3. University Council request:

The committee received an email from UC Steering Committee Co-Chair, Tim Lillie and Secretary, Nancy Roadruck.

This is the request:

“The Steering Committee of the University Council is referring the following questions to your committee for review and recommendations about execution. Please submit your response to the Steering Committee.

How can the UC ensure that the university policy by which the budget is created is done in consultation with the UC Budget and Finance Committee and is recommended by the UC?

How should policy provide for how the UC Budget and Finance Committee informs decision-making regarding budget issues?”

BFC response to the UC request: The University Council Bylaws endorsed by University Council dated February 12, 2013 states this committee’s role is to study, monitor and make recommendations regarding the university budget. Before answering the UC Steering committee request, the BFC feels it needs to study and understand each unit’s 5 year budget in order to make recommendations and inform our respective constituency

Identify where dramatic budget changes occurred in an academic or administrative unit during that period. Determine if the cause for the dramatic budget change was

a justifiable increase. At which point BFC would submit to UC recommendations that could minimize and potentially eliminate future deficits. Until BFC has the opportunity to study a period of budget years, it cannot make effective policy recommendations.

David Cummins and Amy Gilliland will provide a 5-year budget history prior to the March 26th meeting. The BFC will have the opportunity analyze, identify what were the causes that contributed to the deficit and make recommendations how to address the deficit in FY14 and beyond.

4. University Council Resolutions;

Since meeting time had expired this agenda item was tabled until the next scheduled meeting on March 26th.

Action Items:

- 1) Ali Hajjafar will provide a written response to UC Steering Committee request once BFC has had an opportunity to review and approved the response.
- 2) David Cummins and Amy Gilliland will provide this committee with a 5-year budget history unit by unit before the March 26th scheduled meeting

Meeting adjourned at 4:05pm

Next meeting is March 26th at 2:30-4:00pm in Buchtel Hall McColleston Room

Tentatively put on hold the following dates if additional meetings are required: 4/2, 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30
Time: 2:30-4:00pm

Location: Buchtel Hall McColleston Room

Minutes respectfully submitted by Jeanette Carson

Budget & Finance Committee [BFC]

Meeting Minutes for March 26th-2:30-4:00 pm- Buchtel Hall -McCollester Room

In Attendance: Jeanette Carson, Mary Beth Clemons, David Cummins, Amy Gilliland, Ali Hajjafar, , Joan Kaye, Matthew Lee, Ken Lindeman

Absent with notice: Dominic Donofrio, George Haritos

Absent without notice: William Bediako, Michael Dzordzormenyoh

1. Approval of March 19th minutes:

Motion made by Ken Lindeman, seconded by Matthew Lee

2. Options to Balance FY14

CFO Cummins provided a spreadsheet outlining options to balance FY14. The goal is to identify either savings or revenue generation of \$26.7 million. These and other options for generating revenue and cost savings in FY14 will be discussed by the Vice Presidents the week of April 1.

Options include:

2% tuition increase=\$3.8 million of increased revenue

Student technology fee charging structure changes: currently sophomores, juniors, and seniors are charge a technology fee. By adjusted and charged incoming freshman, sophomores, and juniors = \$1 million increase

Revisit Central Obligations costs by refinancing facility fees income for the Student Union and Student Recreation Center = \$1 million savings

Evaluate last two years of historic under spending within Central Obligations = \$1 million savings

Operation systems review within academic support = \$2 million savings

Evaluating Procurement Initiatives i.e. reduce the mileage reimbursement amount to \$0.46 mile, centralizing travel reservations using a private travel agency = \$ 1 million savings

Evaluate opportunities to reassign personnel to Tech Fee, Plant Fund, Sales & Services = \$1 million savings

Based on employee attrition and projected retirements = \$2 million in savings

Forgo next round of “Achieving Distinction” = \$2 million savings

Closing open searches due to Spending vs. SCH = \$ 2 million savings

Reduce spending on part-time faculty = \$1 million in savings

Reduce Plant Fund Transfers = \$ 2 million

3. Analysis of the 5 year budget history data

The meeting time expired... this agenda item was tabled for the scheduled next meeting

Meeting adjourned at 4:25pm

Next meeting is April 2, 2013 at 2:30-4:00pm in Buchtel Hall McColleston Room

Future meeting dates: 4/9, 4/16, 4/23, 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30

Time: 2:30-4:00pm

Location: Buchtel Hall McColleston Room

Minutes respectfully submitted by Jeanette Carson

Budget & Finance Committee [BFC]

Meeting Minutes for April 16, 2013 -2:30-4:00 pm- Buchtel Hall -McColleston Room

In Attendance: Jeanette Carson, Mary Beth Clemons, David Cummins, Amy Gilliland, Ali Hajjafar, Joan Kaye, Matthew Lee, Ken Lindeman, Graham Kelly, George Haritos

Absent with notice: Dominic Donofrio

Absent without notice: William Bediako, Michael Dzordzormenyoh

1. Approval of agenda

Motion made by Ken Lindeman, seconded by Joan Kaye

2. Approval of April 2, 2013 minutes:

Motion made by Ken Lindeman, seconded by Matthew Lee

3. Report of BFC to UC

Approval of procedures submitted to UC Steering on April 9, 2013

Motion made by Matthew Lee, seconded by Ken Lindeman

4. Budget Cuts

The committee discussed the April 16, 2013 email from Provost Sherman and CFO Cummins “Actions to increase effectiveness, efficiency and student academic success”

The email included...

Focus on savings and efficiencies: Administrators and Deans are leading several initiatives designed to increase efficiency, enhance effectiveness, and boost productivity in a variety of operations throughout the campus.

Budget targets for each academic and non-academic unit have been provided, along with assistance in the budget planning process. See a list of these initiatives, team members and some of their targeted activities

<http://www.uakron.edu/budget/committees.dot>

Focus on productivity and work schedules: Launching a new program that offers eligible employees an opportunity to voluntarily reduce their work schedules these permanent reductions will create permanent salary savings to help support the balanced budget initiative. Details and eligibility...

<http://www.uakron.edu/hr/hr-policies/voluntary-reduction-in-work-schedule.dot>

The proposed cuts are expected to be presented to Board of Trustees Finance Committee at the April 29th meeting. CFO Cummins reminded the committee the \$26 million deficit for FY14 assumes flat enrollment. Co-Chair Ali Hajjafar asked CFO Cummins to share with this committee the proposed cuts for FY14 for review before they are approved by the Board of Trustees.

5. Time table for development of FY15

David will share his FY15 budget timeline document in two weeks so this committee can identify more explicitly when to have data presented based on FY13 and make recommendations for FY15 budget.

6. Analysis of 5 year data

This agenda item was tabled till next meeting so the committee can continue to review the 5-year data

7. Old Business

No old business was discussed

8. New Business

Matthew Lee requested data comparing what percentage of the entire UA operating budget is spent on full time faculty salaries. IPEDS data may provide the answer to this question. How does UA rank to comparable universities both in state and out of state with respect to the percentage of operating budget allocated to full time faculty salaries? Also gather the same data of universities UA has aspiration of modeling. Matthew Lee feels this data will be helpful with mid-range planning and recommendations by this committee.

Meeting adjourned at 3:55 pm

Next meeting is April 23, 2013 at 2:30-4:00pm in Buchtel Hall McCollester Room

Future meeting dates: 4/30, 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30

Time: 2:30-4:00pm

Location: Buchtel Hall McCollester Room

Minutes respectfully submitted by Jeanette Carson

Budget & Finance Committee [BFC]

Meeting Minutes for April 23, 2013 -2:30-4:00 pm- Buchtel Hall -McCollester Room

In Attendance: Jeanette Carson, Mary Beth Clemons, David Cummins, Dominic Donofrio, Amy Gilliland, Ali Hajjafar, Joan Kaye, Graham Kelly, Matthew Lee, Ken Lindeman

Absent with notice: George Haritos

Absent without notice: William Bediako, Michael Dzordzormenyoh

1. **Approval of agenda**

Motion made by Ken Lindeman and seconded by Matthew Lee

Motion made by Ken Lindeman, seconded by Joan Kaye

2. **Approval of April 16, 2013 Minutes:**

Motion made by Ken Lindeman, seconded by Matthew Lee

3. **BFC Report to UC Steering Committee on April 9, 2013**

On March 19th UC Steering Committee asked BFC to respond to the following questions:

The Steering Committee of the University Council is referring the following questions to your committee for review and recommendations about execution. Please submit your response to the Steering Committee.

1. *How can the UC ensure that the university policy by which the budget is created is done in consultation with the UC Budget and Finance Committee and is recommended by the UC?*
2. *How should policy provide for how the UC Budget and Finance Committee inform decision-making regarding budget issues?*

The following motion was passed at the University Council Meeting on March 12, 2013.

In light of the budget situation presented by the CFO and the Administration, University Council asks the UC Budget committee:

- *To review the suggestions on the budget sent or presented to the President*
- *To identify the specific options available for reducing the budget deficits and the tradeoffs involved*

- *To provide a detailed interim report on their work at the next UC meeting*
- *To develop policy recommendations in regards to the budget for the University for University Council to discuss, vote on and pass on to the president*

University Council also requests that to carry out this work at appropriate speed

- *The budget committee meets on a weekly basis*
- *The budget office provides any extra data that the budget committee requests on an expedited basis.*

This is the BFC response to the questions posed on March 19, 2013 by UC Steering Committee by BFC Co-Chair Ali Hajjafar at the April 9, 2013 UC meeting:

As stated in the proposed bylaws, the University Council Budget and Finance Committee realizes that it is the committee's role to study, monitor and make recommendations regarding the University budget before its final form is presented to the Board of Trustees.

The committee has decided that in order to fulfill these responsibilities, each year, the CFO will provide to the committee:

1. *The past five years spending history of each academic and administrative unit.*
2. *Updates on the progress in developing recommendations for revenue enhancements as well as budget reductions or increases, including;*
 - a. *Feedback from the Effectiveness and Efficiency Initiatives groups*
 - b. *Deliberations with the Vice Presidents, Council of Deans and the Board of Trustees.*
3. *An eventual draft of the suggested budget for the following year.*

The committee's responsibilities include but are not limited to studying the consistency of the draft with spending history data, identifying where dramatic changes have occurred, and considering whether the causes of the dramatic increases or decreases are justifiable. The committee may need to interview the budget representatives of some units. Also, the committee will study the feasibility of the budget with respect to the revenue and determine the expected surplus or deficit caused by the suggested budget.

After a complete review, the UC Budget and Finance Committee will submit to UC its recommendations.

At the present time with the complete support of the CFO and his office, the UC Budget and Finance Committee have received each unit's past five year spending data. Although we might not have much more time to review FY14 budget development, we expect to give some recommendations that could

minimize and potentially eliminate the FY14 deficit. Also we expect to be better prepared to develop recommendations for FY15.

3. Budget Cuts

CFO David Cummins stated the VP's have submitted their budget cuts on the operating side and compensation side of their unit or college's proposed FY14 Budget. The BFC committee requested David Cummins share those proposed cuts to BFC for review before they are submitted to the Board of Trustees for approval.

4. University Council Issue Brief: Cost per Student FTE and SCH (IB54)

The complete Issue Brief will be available on UC SharePoint upon approval of meeting minutes.

Amy Gilliland will forward request data from the Delaware Study regarding enrollment costs and revenues to David Witt.

Meeting adjourned at 4:00 pm

Next meeting is April 30, 2013 at 2:30-4:00pm in Buchtel Hall McCollester Room

Future meeting dates: 5/7, 5/14, 5/21, 5/28, 6/4, 6/11, 6/18, 6/25, 7/2, 7/9, 7/16, 7/23, 7/30

Time: 2:30-4:00pm

Location: Buchtel Hall McCollester Room

Minutes respectfully submitted by Jeanette Carson

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Review timeline and identify what steps need more definition along with what role this group should be involved.	All	
Provide suggestions from comment boxes.	Sedlock / Gilliland	
Provide summary of Effectiveness and Efficiency Initiatives along with list of continuing initiatives.	Cummins	

DISCUSSION	

CONCLUSIONS	

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

Budget and Finance

MINUTES

SEPTEMBER 3, 2013 2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Gilliland, Amy; Hajjafar, Ali; Lee, Matthew; Sedlock, Steve; Kelly, Graham; Kerr, Nate; Haritos, George; Anderson, Turner; Kaye, Joan

Agenda topics

2:30 – 2:35 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR

DISCUSSION	Minutes were approved and agenda was accepted. Meeting adjourned at 3:57 p.m.
	Next meeting is scheduled for Tuesday, September 17 th in Buchtel Hall McCollester Conference room.

2:35 – 2:45 FULL UC MEETING DAVID J. CUMMINS

DISCUSSION	David Cummins advised that no subcommittee reports were given at the August 13 th full University Council meeting. The group discussed by-laws, coordinating committee, and meeting schedules.
	Spray requested data on the results of the 13 Effectiveness and Efficiency Initiatives groups indicating the results, suggestions/cuts of those groups in order to report back to SEAC.

2:45 – 3:15 UPDATE ON ENROLLMENT/CUTS DAVID J. CUMMINS

DISCUSSION	Cummins indicated that credit hours were down 7% and head count was down 6.5%. Cummins discussed the Contingency Planning Committee budget meetings with the VPs/Deans and indicated that the VP side was closer to target than the Dean side. Follow-up meetings with the Deans will occur with Gilliland and Hunt.	
	The Committee discussed the colleges' growth or lack of growth in some instances and the need for more growth within the professional colleges.	
QUESTIONS	Is the BOT okay with balancing the budget over two years as long as a plan is in place?	
	How many freshman did we have last year compared to this year?	
	How many students weren't admitted due to ACT scores below 17?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

3:15 – 3:57 METHODS OF IMPROVEMENT FOR RETENTION ALI HAJJAFAR

DISCUSSION	The Committee identified retention as a big problem for the University (down 4% last year and down 7% this year). Sedlock reported on the hiring of Royall & Company which will help with the recruiting/admissions process for next fall. Royall & Company will help the University increase its
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	applications by 30 – 40%. No separate application will be required for honors admissions and projected financial aid packages will be processed three to four months sooner.	
	The Committee discussed the need for analysis to be conducted on the University's retention efforts realizing that this may take a few years to see the effect of some of the new processes/initiatives being implemented.	
	The Committee discussed the University's need to become more rigorous in projecting future enrollment in order for this committee to make mid-range recommendations. Some areas discussed were revenue vs. return, RCM model, FY15 budget, lessons learned from enrollment patterns.	
QUESTIONS	Has anyone replaced Bill Kraus and are his models being used?	
	What can this Committee do to help Cummins prepare for his discussions with the BOT?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

3:50 – 4:00

MISCELLANEOUS/OTHER

ALI HAJJAFAR

DISCUSSION	Until budgets are determined, the Associate Provost for On-line Offerings search has been placed on hold until October due to lack of funding. Lead candidates have been informed.	
	Application and confirmation fees went up \$5 each to help support the hiring of Royall & Company.	
	An update on CRC as related to online learning and the process surrounding changes in mode of delivery were discussed.	
QUESTIONS		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

Budget and Finance

MINUTES

OCTOBER 15, 2013

2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Kaye, Joan; Lee, Matthew; Sedlock, Steve; Kelly, Graham; Kerr, Nate; Spray, Laura; Gilliland, Amy; Haritos, George; Anderson, Turner

Agenda topics

2:30 – 2:35

APPROVAL OF MINUTES/AGENDA

ALI HAJJAFAR

DISCUSSION	Minutes were approved and agenda was accepted. Meeting adjourned at 4:00 p.m.
	Next meeting is scheduled for Tuesday, October 29 th in Buchtel Hall McColleston Conference room.

2:35 – 3:25

FY14 BUDGET UPDATE

DAVID CUMMINS

DISCUSSION	Key points in the PowerPoint presentation for the October 16 th Board of Trustees meeting were discussed.	
	First round adjustments included revenue enhancements of \$4.5 million and reductions of \$25.5 million.	
	The revised budget proposal reduced revenue projections by \$15 million to reflect a 6% enrollment decline. Contingency planning set an additional 8% budget reduction and expenditures were reduced \$15 million including the elimination of the enrollment reserve.	
	FY14 total academic unit reductions are \$12.2 million or 8.8% which include \$9.3 in compensation and \$2.9 in operating.	
	FY14 total academic support reductions are close to target (\$12.8 million or 14.1%) with \$7.7 million in compensation and \$5.1 million in operating.	
	FY14 total adjustments include \$4.5 million revenue enhancements, \$25 million unit reductions, and \$12.3 million central reductions. To date, no draw on central reserves planned.	
	For the third straight year, expenses have been above revenue. FY15 won't start with as high a deficit, but all is cumulative. 150 positions are coming off the books within the next two years (120 vacated and 30 eliminated). With the hiring of Royall & Company an additional 30,000 names were purchased. As a result of a larger pool and new initiatives, the number of applications submitted has nearly doubled from last year. Still waiting on the acceptance rates.	
QUESTIONS	Are there savings from the 150 positions? If so, how much? Is there a hiring freeze?	
	When do enrollment projects for next fall begin? What part of the academic year did Bill Kraus give statistical data/predict incoming enrollment as he was always within ½%? Should he be replaced? Does Rex Ramsier need help?	
	How do we know which new initiatives worked? Are there any metrics in place to measure the effectiveness/results?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

3:25 – 4:00

**EFFICIENCY AND EFFECTIVENESS
INITIATIVES**

DAVID CUMMINS

DISCUSSION	Operations Systems Review/Consolidation of Administrative Functions identified \$7 million in cuts. The group is reviewing ITS, HR, and Fiscal functions to identify areas that could be consolidated to increase efficiency if centralized. This will occur in FY15.	
	Academic Program Review set a goal of \$6 million in reductions, reviewed faculty load for fall 2013, and reduced summer faculty allocations by \$1 million.	
	Pension Reform conducted a preliminary analysis. With the reform of the retirement systems, the University is anticipating significant increases in faculty retirements.	
	Reorganization of Maintenance Functions evaluated the existing maintenance functions separate from PFOC on campus to identify possible savings from consolidation, best practices to follow, and how service levels would be impacted.	
	Differential Tuition conducted a preliminary analysis to determine criteria for identifying programs developed, process for use of funds generated and incentives to programs recommended to decide if different rates should be charged for different programs.	
	Overhead Charges Review group reviewed overhead charges for auxiliaries to reevaluate chargebacks. Recommended changes will generate \$300,000.	
	Procurement group researched ways to improve travel controls (rental cars vs. mileage vs. University owned vehicles) along with a centralized travel hub to manage expenses. The group also transitioned the University to a cost per copy program and is recommending the better use of the P-card to make processing easier and gain more rebates.	
	Scholarship Administration is implementing recommendations from Scannel & Kurz with the goal of increasing yield on scholarship funds rather than reduction in scholarships. The tuition remission program is also being reviewed.	
QUESTIONS	Where does the UA endowment come into play?	
	Do we become private vs. public?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Bring updated FY15 timeline to next meeting.	David Cummins	

Budget and Finance

MINUTES

NOVEMBER 26, 2013 2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Sedlock, Steve; Kelly, Graham; Gilliland, Amy; Haritos, George; Kaye, Joan

Agenda topics

2:30 – 2:35 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR

DISCUSSION	Minutes were approved and agenda was accepted. Meeting adjourned at 3:40 p.m.
	Next meeting is scheduled for Tuesday, November 26 th in Buchtel Hall McCollester Conference room.

2:35 – 3:40 FY15 BUDGET DEVELOPMENT ALI HAJJAFAR

DISCUSSION	The University is getting positive results from Royall & Company. The University is currently looking at SSI and its impact for next year while working through the FY14 budget and how it will transition into the FY15 budget. Revenue is still falling; therefore, another round of reductions will occur in FY15.	
	The Committee made inquiry into whether or not it would receive a new set of the past five year budget data for their review in order to help make future budget recommendations.	
	The Committee recognized that in order for it to work on the FY15 budget, it would need a list of priorities or recommended changes for the upcoming year. Metrics are needed, data needs to be analyzed, and perhaps interviews with colleges and units should be held to identify the priorities of the institution.	
	The Committee discussed the idea of working on projects such as the RCM model, tuition plateau, guaranteed tuition rate, etc. The committee also discussed receiving a list of to-dos along with reviewing the by-laws and the issue brief from University Council.	
QUESTIONS	What did the Committee get out of the data last year? Is it beneficial to do it again this year? Who sets priorities for next year?	
	What is expected of this Committee? What does University Council expect from this Committee? To what extent does this Committee want to be involved in operational decisions? Have the conversations in and of themselves been beneficial?	
	How is new money/savings allocated/distributed to faculty/new programs?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE