

University Budget Council Minutes – April 14, 2009

Members Present: Colin Blakely (Art/AA), Byron Bond (CE), Jason Broge (B&F), Polly Buchanan (COT), Howard Bunsis (AAUP), Jim Carroll (P&A), David Clifford (Faculty Council), John Donegan (PP), Raouf Hanna (ECON), Mark Higbee (Faculty Council), LaVern Higgens (COB), Brian Kulpa, (DSAEM), Sheilah Larnhart (Advancement), John Lumm (B&F), Mike Malach (Athletics), Todd Ohmer (B&F), Gaie Rubenfeld (NUR), Rebecca Sipe (CAS/English), Adam Slingwen (Stud. Govt.), Phil Smith (Faculty Council), Wade Tournquist (CAS)

Reminder: All handouts should be sent electronically to Ken Adkins to get posted on the UBC web site. (kadkins5@emich.edu)

- I. Mike Malach – Game Guarantees issue
 - a. Done every year to supplement Athletics budget
 - b. H. Bunsis stated that such guarantees should just be put into the Athletic budget and not be designated for specific athletic expenses.
 - c. Comments were made about how athletics is run differently... with game guarantees used just for athletic needs.
 - d. Fairness is needed in the way things are funded; all units have needs and support for athletics was noted.
 - e. Is a perception of secrecy by faculty is that athletics gets special... under the table money.
- II. Overall Policy is needed regarding needs and how they are funded... that should be consistent whether an academic or other unit such as athletics.
- III. Jim Carroll shared slides (posted on web site)
 - a. He summarized what other schools have done in playing bowl games; CMU details were shared

Recommended Procedure: Game Guarantees be put into the General fund along with relevant expenses. Moved and passed: 20 Yes, 0 No 2 Abstained
(This would mean previous policy proposal would not be needed.)

- b. Allowing units who generate revenue to keep the funds was discussed (i.e., Theater productions, sport camps, game guarantees).
 - i. The amount of money received is one issue; \$2m vs. \$20,000 for example.
 - c. General fund and Auxiliary budgets are presented to the Board for approval.
 - i. Designated funds don't have to submit budgets for approval.
 - d. Putting athletics into Auxiliaries was suggested for future discussion and for a future recommendation.

- IV. John – Budget details shared on 2 handouts with all Personnel Costs over the last three years.
- One handout was ALL personnel costs paid by the University by account code over the last three years.
 - Second handout was General Fund (only) personnel costs paid by the University by account code over the last three years.
 - H. Bunsis objected to the 2 year % column, indicating that we should look at the percentage increase from last year to this year.
 - 2009 actual and 2010 budget columns will be added and shared later.
 - There have been changes over the years in what has been included under General vs. Auxiliary vs. Designated funds so comparing years is difficult. That is why there are two different handouts.
 - More details will be coming on these personnel expenses.
 - No update on funds coming from state; likely to get same amount again this year supplemented with stimulus money hopefully.
- V. Pricing Sub- Committee – Colin presented an amended student fee proposal which would be revenue neutral but would be much easier for students and parents to understand and accept. Major changes would be: FTIACs would have one fee that combines three (Fast Track, Orientation and records initiation), and Transfer students would have one fee that combined two (orientation and records initiation).

In an effort to begin to simplify the fee structure currently utilized by the university, the Pricing subcommittee recommends the following:

Proposal #1: Beginning Fall 2009, all one-time fees charged to incoming students should be consolidated into one on the tuition bill as follows:

<u>Student</u>	<u>Current</u>	<u>Proposed</u>
FTIAC	Fast Track: \$ 29 Orientation: \$215 Records Initiation: <u>\$ 88</u> Total \$332	\$300
Transfer	Orientation: \$ 18 Records Initiation: <u>\$ 88</u> Total: \$ 106	\$150
Grad/SB/Post Bach	Records Initiation: \$ 88	\$100
SB/PB/GR with EMU History	Charged as above	No fee

Based on 08-09 budget figures, this proposal would be revenue neutral.

Proposal – passed unanimously.

Proposal #2: The current graduation fee (\$95) should be rolled in to next summer's tuition increase. The revenue from this fee during '07-08 was \$461,929 representing a tuition increase of \$0.92/sch (0.4%).

VI. How to Balance 2010 budget – General Discussion

- a. Jim C. suggested not adding the contingency entry in the budget in any tuition increase this year. Instead use the contingency amount to operate this next year, and find ways during the year to save the 1% that could go into the reserves.
 - i. Are reserves and contingency funds redundant?
- b. Prefer not to raise tuition. EMU is 5th least expensive in Michigan.
- c. How would that decision (no tuition increase) affect enrollment? Not known.
- d. Need to raise \$6-8m more money next year to cover budget.
- e. Was suggest not putting any more money into financial aid; hold that amount in the budget the same next year which is still more than many other schools.
- f. Our higher tuition rates are sending students to community colleges because it's cheaper and they can transfer courses here (primarily Gen Ed courses).
 - i. Often the same adjunct teaches the class at both schools!
 - ii. Need cheaper rates for our lower level/Gen Ed classes in order to be competitive.
- g. Low or no tuition increase would be good publicity for EMU this year.
- h. Need to put "Education First" in our recommendation for next year's budget.

VII. Next Meeting (Thurs. April 23... due to Tues BOD meeting)

- a. Develop set of recommendations for the Board. (Note: BOD retreat April 29).

Submitted by:

Scribe: Polly Buchanan

Assistant Scribe: Todd Ohmer