

University Budget Council Minutes – April 23, 2009

Members Present: Colin Blakely (Art/AA), Betty Beard (NUR), Byron Bond (CE), Michael Bretting (COE), Jason Broge (B&F), Polly Buchanan (COT), Jim Carroll (P&A), David Clifford (Faculty Council), Mark Higbee (Faculty Council), LaVern Higgens (COB), Brian Kulpa, (DSAEM), Sheilah Larnhart (Advancement), John Lumm (B&F), Mike Malach (Athletics), Todd Ohmer (B&F), Mahmud Rahman (Fac Council), Chris Shell (R&R), Rebecca Sipe (CAS/English), Wade Tournquist (CAS)

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

1. Approved minutes of April 14, 2009.
2. John Lumm – Lots of Handouts...
 1. For BOD – SCH Forecast Trends
 - a. 514,000 SCH base for FY10 budget
 - i. This is 1000 more than the actual of 513,000 this year
 - b. Debt Service over next 40 years
 - i. Includes \$100m for MJ and other capital projects
 - ii. Concern about ability to borrow in the future.
 - iii. We are heavy on debt compared to others when also considering our low reserves.
 - iv. We have \$11m annually in EMU budget for capital projects.
 - c. Budget Summary by Account Code grid (FY09)
 - i. Reorganization of some units will show in future comparisons.
 - d. Summary of Resolutions Approved by UBC (by Todd Ohmer)
 - i. Game Guarantees (put in General Fund)
 - ii. One Time fees proposal (Begins Fall 09)
 - iii. Graduation fee (ended and rolled into tuition increase)
 - iv. Program Fees generated go back to programs
 - v. Scheduling Patterns (wording clarified)
 - vi. Revenue Sharing -
 - vii. Others topics for discussion
 1. Financial Aid increases are usually followed by increasing tuition.
 - a. Need to determine a procedural relationship for the future between financial aid and increasing tuition.

MOTION: Recommend no increase in 2010-11 financial aid funding until UBC has studied the issue with a subcommittee , making a recommendation no later than Oct. 2009.

Vote: Yes- 16 , No- 1, Abstain-1

Committee Members: Jim Carroll, Mark Higbee, Chris Shell, +B&F rep

- i. Need to maximize our financial aid awards.
- ii. Impact of current economic situation in Michigan was noted.
- iii. Loss of Gen Ed SCH is also affecting the situation; is cheaper to take those courses at community colleges.
- iv. Timing of assembling needed information was discussed.

Motion – If 2009-10 tuition is not increased at the level utilized in building the financial aid budget, any realized savings in tuition-sensitive scholarship awards should be returned to the general fund and not be spent on other financial aid awards.

Vote: Yes = 15, No=3, Abstain =0

- b. If we don't increase tuition now, it will improve positive public perceptions of EMU.
- 2. How to address \$8m shortfall in FY10 budget.
 - a. Need to discuss this and make recommendations.
 - 3. It was noted that fewer sections are being offered that has been the cause of lower SCH.
 - 4. Cost of running the Pharmacy is yet to be discussed.
- viii. Need to give input on budget problems expected in FY10.
 - ix. Next year's state appropriation will be straight-line probably due to federal stimulus money Michigan received. This stimulus money may be available for 2 years.