

University Budget Council - UBC Meeting Minutes – May 19th, 2009

Members Present: Colin Blakely (Art/AA), Byron Bond (CE), Michael Bretting (COE), 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), LaVerne Higgins (COB), Josh Lelonek (SB VP), John Lumm (B&F), Mike Malach (Athletics), Susan Moeller (AAUP), Bob Neely (AA), Todd Ohmer (B&F), Regina Royan (SB Pres), 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)

- I. Minutes from 5.12.09 Meeting were approved
- II. FY10 Budget updates & implications – John Lumm
 - a. Shared updated Student Credit Hour Forecast
 - b. Nothing more from State of Michigan on EMU budget support.
 - i. Impact of stimulus dollars still unclear on our budget.
- III. Chris Shell shared official W09 enrollment report
 - a. Discussion on numbers of students who can register... and have not.
 - i. Comments from Becky Sipe and Chris Shell on this issue.
 - ii. “Register now, pay later” needs to be advertized more to students.
 - iii. Contacting procrastinators will occur shortly.
- IV. Discussion and recommendations surrounding – Create a budget that minimizes the negative impact on the delivery of academic programming and student expenses by keeping tuition increase at or near zero percent.
- V. Discussion – Purpose to identify cost savings in the \$1-3M range, to go along with 510,000 SCH, and a tuition increase of 2.0 – 2.8%. Thus, we need to find \$2-3M in cuts to make this happen.

Listing of potential items for budget cut consideration for FY10.

- a. Motion: Cut \$700,000 from the proposed President’s Discretionary/Strategic Growth Fund based on rebasing practice.
Motion Passed.
- b. Motion: Travel - Cut \$300,000 (approximately 10%) from campus wide / all divisions Travel Budgets.
Motion Passed.

- c. Discussion about increasing the projection for investment income revenue. The FY10's projection is based on a current average balance of approximately \$80-100M @ roughly 3%. Projecting any more investment income takes on added risk, especially in these current economic conditions. No motion.
- d. Motion: Suspend faculty computer refresh for one year. Conditions and complications if done were discussed.

Motion Failed.

- e. Motion: Reduce anticipated "General Fund surplus" amount by \$600,000 (from anticipated \$1.3m) and put this amount (\$600K) toward the FY10 budget shortfall. This reduction was discussed and may influence institution's rating level so need to be careful.

Motion Passed.

- f. Motion: To reduce the number of administrative positions across campus by 10-20 (out of 225 across all divisions). There was a committee that studied this issue not too long ago, but President Martin did not want to implement their recommendations. Concern was expressed that functions accomplished by APs need to be reviewed before positions are cut. Many faculty are on release to do administrative jobs... but are counted in faculty budget; this isn't a true reflection of administrative expenses. The need for a formal administrative evaluation process was noted; some ineffective administrators may not have been retained if this had been done. How AP cuts or operational/organizational reconfiguration might occur is unclear... and it would take time to determine and implement.

Motion Failed.

- g. Motion: Institute a one-year AP salary freeze for those administrators making in excess of \$100,000.

Motion Failed.

- h. Motion: General Fund budget to be built on 512,000 SCH instead of 510,000. With regard to the motion to build the FY10 budget on 512,000 SCHs, achieving this SCH level is everyone's responsibility, not just admissions and enrollment services. This would generate an additional \$700,000.

Motion Passed.

If all the "Passed Motions" were implemented this would identify \$2.3M of additional revenue / or reduced expenses, leaving a budget gap of \$3.8M. The \$3.8M translates into a tuition increase of 2.14% (assuming all the budget numbers are accurate.)

- VI. Suggested listing of additional items that the UBC needs to “study” next year.
- a. Cost of new Gen Ed vs. old Gen Ed – Suggest this be done out of the Provost’s office.
 - b. Suggested savings associated with large contracts items, such as copiers (leased vs. purchased across campus), phone system, etc.
 - c. Study how 10-20 AP positions can be cut across campus.
 - d. Work Load analysis be done for all groups (AP, CS and PT positions) to determine possible cuts, to also include a study of faculty releases for administrative duties.

Following are the proposed dates for the FY09 UBC Meetings Scheduled for – 2nd and 4th Tuesdays at 11:00 a.m. in 205 Welch.

May 26th

June 9th and 23rd