

**Strategic Planning and Budget Study Committee**

Minutes of the Meeting of October 14, 2015

Bibb Graves Board Room

The Strategic Planning and Budget Study Committee (SPBS) met on October 14, 2015 in the Bibb Graves Board Room. The following members were present: Dr. Miranda Bowie, Dr. Dan Hendricks, Dr. Donna Lefort, Mr. Caleb Lewis, Mr. Mark Linder, Dr. David McCullough, Ms. Audrey Mitchell, Dr. Quinn Pearson (Proxy for Dr. Sandra Loew) Mr. David Shields, Dr. Brian Thompson, Dr. John Thornell, Mr. Evan Thornton, and Dr. Molly Vaughn. Dr. David Brommer, committee chair, presided over the quorum.

**Call to Order**

Dr. Brommer called the meeting to order at 3:30 p.m.

**Approval of Agenda and Minutes**

The agenda and the minutes from the September 10th meeting were approved by consensus.

**Old Business**

**New Business**

- a. Follow Up on 2015-2016 Budget Requests – Dr. Brommer noted that thirty-eight letters were sent out to those whose budget requests were approved and to those whose requests were not approved. If these departments had any questions, they were asked to please contact Mr. Carter. The memos were kept within the prioritization that was pre-determined. Mr. Carter added that the budget for FY2016 had been loaded and there had been minimal calls with questions.
- b. Remarks by Mr. Carter – Mr. Carter noted that FY2016 is a unique year and added that we are one of the few states which have a September 30<sup>th</sup> fiscal year end. Enrollment was up which translates to new revenue. The actual budget increased from \$75 million to \$82 million and tuition increased as well which accounted for some of this. The rest we hope to recoup via headcount. About forty different line items were increased in the budget while only four line items decreased. The decreases were very well communicated. Due to new housing we are up about \$2.5 million in auxiliary funds. All of this points to a turn around. If this continues, FY2017 will see a much healthier financial situation. Dr. Thornell asked if the cuts from last fall were permanent cuts. Mr. Carter replied that they were permanent, but there may be one or two areas where this could change if we continue to recover financially. Dr. Thornell stated that he was not sure that faculty was aware that the faculty development line item was a permanent cut. Mr. Carter added that this is the decision of the VPs. Dr. Brommer asked if the SVRI related positions were put on hold or if they would be terminated if things don't turn around. Mr. Carter noted that we agreed to fund this for a years' worth of rehire cost to bring the position back for that one year. Twenty-five people came back as retirees. They are maxed out at \$24K. This amount is set by law. The law has since changed to allow for \$30K. When these contracts expire, it is completely up to the department if they want to allow the individual to come back at the new rate. Regarding the transition, we spoke to the deans about when they thought there positions might need to be rehired. These lines were left in the budget so that the funds are there when the time comes so that no one is penalized. Mr. Linder asked if a department wanted to rehire one of these individuals when the contract ends, would it then fall on that department to find the funding to bring them back. Mr. Carter stated that this is correct. The university is funding this for only one year. Mr. Thornton noted that the departments still have the funds in their respective budgets from where the individuals vacated the positions. Mr. Carter stated that any one new would

come in under the new pension plan so it will be much cheaper and they would come in at the bottom of the salary range.

This discussion was followed by brief comments related to retention and its impact on the budget and SVRI.

- c. Process for Executive Level/University Budget Requests- Dr. Brommer stated that in the past year, there was a need for an increase to the budget to bring employees to midpoint. This was not brought through the SPBS Committee. Mr. Carter explained that a study was completed with an average per our peer institutions for each position's salary. This is where the salary increases were pulled from. The goal is to match the average. Every year, because of inflation, the average increases. The short fall was about \$290K and was a permanent increase to the budget. This will be revisited at a later date for natural inflation. Dr. Brommer asked what process was in place for these things that come outside of what SPBS does. Do they provide us the information and how does it relate to the goals of the institution? Mr. Carter noted that there will be expenses that get included in the budget that do not come through this process. These come through the president and they're his decision. This time he approved \$20K for student research support and also the progression to midpoint. We are trying to eliminate one-off requests that were occurring and direct everyone through this formal process. Dr. Thornell added that the committee is not set up structurally to receive requests that affect the entire campus. It might be best if there is a designated individual who could perhaps handle this. Dr. Thompson stated that the move to midpoint had been a long time coming and again, this was the prerogative of the president. After further discussion, Dr. Brommer noted that transparency should always be the most important objective here.
- d. Dr. McCullough's Scholarship Request – Dr. Brommer noted that the request was never received from Dr. Thornell's office. Mr. Carter added that the budget was increased last year, but the new request is not related to the original request. Dr. Brommer added that the request must come from the dean's office to Dr. Thornell and then to the committee. This process has not flowed through in its entirety as of yet to be reviewed.

### **Adjourn**

The meeting adjourned at 4:30 PM.