Strategic Planning and Budget Study Committee

March 9, 2011

Bibb Graves Board Room

The Strategic Planning and Budget Study Committee (SPBS) meeting was called to order at 3:30 pm by Chair Kristy Van Rensselaer. The following committee members were present: Mr. Ben Baker, Dr. Kerry Gatlin, Ms. Martha Hickman, Dr. Bill Huddleston, Mr. John Ledgewood, Dr. David Muse, Mr. David Shields, Dr. Steve Smith, and Dr. John Thornell Absentees were: Ms. Peggy Hoekenga, Mr. Mark Linder, Dr. Andrew Luna, Dr. Alan Medders and Dr. Brenda Webb. Other attendees were: Ms. Donna Tipps, Ms. Molly Vaughn representing Dr. Andrew Luna, and Dr. Brian Thompson representing Dr. Brenda Webb.

Dr. Gatlin made a motion to approve the agenda. Dr. Huddleston seconded the motion. The motion passed unanimously.

The February 9 minutes were tabled with tentative approval. Dr. Van Rensselaer will send information concerning the minutes at a later date to the committee.

New Business

Dr. Calhoun expressed his appreciation to the committee for the invitation to present a software request for Continuing Studies before the committee. He considers continuing studies a value to the University. Ms. Lavonne Gatlin distributed information packets concerning their request to the committee. Ms. Gatlin gave a brief history for the committee. In 1997, PeoplewareProTM registration software was purchased. There have been no upgrades since 2006 due to a company merge and phase out of PeoplewareProTM. Software support ends December 2011. Only 2003 Microsoft Office can be used with the old software. After exploring software packages including Banner, the decision was made to use Augusoft-Lumens software. It was noted that Continuing Education has to be PCI compliant (Payment Card Industry Data Security Standard). There is a one-time cost for the license fee of $30,000 and an annual subscription fee of $10,000. Continuing Education is requesting that the University pay the $30,000 initial license fee and the 10,000 annual subscription fee. The annual fee would be paid back to the University after summer registration revenue is received and paid annually out of Continuing Education budget. Ms. Gatlin noted the proposed 2011 timeline for the software implementation. 1) sign contract in March, 2) March-July implementation process, and 3) July-August registration site and website ready for use. After the presentation, the committee had discussion concerning this request. It was noted that Continuing Education is auxiliary and that auxiliaries are suppose to be self-supporting. The committee discussed that Continuing Education did not receive technology upgrades when the University moved to Banner. After an in-depth discussion, Ms. Hickman made a motion to approve funding of $40,000 at this time. After initial $10,000 is repaid, the $30,000 license fee will be revisited for full or partial payment at a later date. Dr. Muse seconded the motion. The motion passed unanimously with Dr. Gatlin abstaining. Chair Van Rensselaer will notify the President of the decision of the committee and copy Ms. Gatlin.

Dr. Thornell presented an information item for the committee concerning a faculty position for the Human Environmental Sciences (HES)/Sociology Departments. He informed the committee that the University would be moving forward with a job posting for a new faculty member. HES would be the home base for the new faculty member, and the faculty member would also assist the Sociology Department. Funding would come from an existing vacant position. He noted that this would maintain the Family and Consumer Science major and keep the University from losing the program for certifying teachers in this area.

The committee then turned its attention to the adjunct budget and how it impacts summer school profit. A handout, “UNA Summer School Revenue and Expenditures As of 2/2/2011” was distributed by Ms. Donna Tipps. Adjuncts who teach in the summer of FY 2011 will have an estimated total salary and benefits of approximately $1,629,030.38. The amount budgeted is $1,040,122.40 which leaves an overage of $588,898.38 of which $200,000 is charged to stimulus funds leaving a deficit of $388,398.38. The deficit has been charged to the summer school
“profit.” Dr. Thornell had met with the Deans on Tuesday to discuss the pressure on the summer budget. Dr. Thornell indicated that the problem has to be addressed and cannot be addressed as a one-time problem. He noted possible solutions of: 1) increasing the budget over time (possibly 5 years) and 2) taking funds from somewhere other than the summer school budget. After discussion, Dr. Gatlin made a motion to phase in a reasonable amount of $300,000 ($60,000 per year) for five years. This amount will be reviewed annually. Dr. Huddleston seconded the motion. The motion passed unanimously.

Ms. Tipps distributed an email concerning proration from President Cale that was sent to the campus community March 2. The email noted that there was an additional 3% cut by the State (approximately $753,000) which would be handled centrally. There will be no budget reductions. There were roll-over funds of approximately $1.4 million. One-half of which went to proration, and the other half was restored back to appropriate cost centers. This was an information item for the committee.

Old Business

Ms. Tipps distributed three handouts for the committee to review concerning academic scholarships update and tuition discounting. No formal motion will be made today. The first handout, an article entitled “Tuition Discounts Rise at Public Colleges—and Could Prove Costly” by Rachel Louise Ensign, *THE CHRONICLE* *of Higher Education,* expressed concern that tuition discount rates (scholarships) are rising and earning less of a payoff. The second handout was a chart entitled “Tuition Discounting Analysis – Fiscal Years 2008-2012 (Projected) for UNA. The current discount rate for FY 2011 is 15.5%. Dr. Thornell expressed that the discount tuition rate can be used effectively. He noted that Leadership Scholarship applicants had dropped by 138 students by raising the ACT score and that the University lost money by raising standards. He noted that if done creatively, tuition discounting would attract students who wouldn’t come here otherwise. The third handout explained tuition discounting. These were information items for the committee, and the issue will be revisited in April.

The meeting adjourned at 5:05 pm.

Respectfully submitted,

Debbie Westmoreland