

**BUDGET PLANNING COUNCIL**  
**MINUTES**  
**May 25, 2007**

**Present:** Bill Decatur, Kathy Krendl, Rich Carpinelli, Joe McLaughlin, Morgan Vis, Phyllis Bernt, David Thomas, Morgan Allen, Dominic Barbato, Gail Houlette, Wendy Merb-Brown, Aimee Howley, Greg Shepherd, and Dennis Irwin.

**Absent:** Darrell Winefordner, Gary Neiman, Dawn Copeland

**Guests:** Tim Vonville, Elizabeth Boyle, Patrick Heery

(Agenda not available at the time of the meeting; therefore, the minutes will not correspond to the agenda posted on the web)

**1. Ohio University Budget Update**

- Result of tuition increase coupled with decrease in state investment = \$2.5M
- Additional funds (as identified by the Budget Office) =
  - Transfer adjustment = \$1M
  - Healthcare = \$1M
    - Past practice has been to use one-time money to buy down base budget increase

**2. Adjusting Budget Planning based on House Version (and updated estimates)**

House Version Impact will create a marginal change:

- Fee cap/SSI cap = **\$2.5M**
- Healthcare = **\$1M** (perhaps \$2M) favorable experience due to the retirements and young, healthy staff; result--lowered our inflator
- Internal Transfer for Adjustment = **\$1M** (in the model)
- Suggestion to use Healthcare excess this year to create healthcare reserve (amount needs to be determined)
- Enrollment = **\$1M** (deficit) University is down by 125 in housing deposits and will not meet the original 4050 target; therefore, a suggestion was made to lower the target by 100
- Result of above \$2.5 (fee/SSI cap) \$1 M (healthcare) + \$1M (internal transfer adjustment) minus \$1M (enrollment) = favorable \$3.5M
- Healthcare FY07 Base Covered with one-time funds = < \$1.0>  
Total = + \$2.5M
- 3-9's are approximately double the amount actually funded

### **Suggestions for \$2.5M**

- Apply the surplus toward cuts that departments would incur making the \$5M deficit only \$2.5M; vote taken with a unanimous consent for the preceding action
- General Fund money has little impact on General Fee?
- Governor seems to be agreeing with Senate 0/0 version--1% first year, 3% second year regarding “efficiency” portion
- CFO’s suggestion to the Board of Regents is to keep the plan simple so that they can relay the information to their respective university communities

### **3. General Fee Committee Recommendations**

#### **Patrick Heery – General Fee Presentation (See handouts)**

- General Fee research process began Fall Quarter 2006 by examining procedures, priorities, and applications for funding
- Request for 3-5% cut, as well as any new funding
- Forums for students to explain departmental funding
- Presented recommendations to Student Senate where vote to approve was 16 to 6
- Recommendations have not currently been presented to VP Smith
- 2 models distributed – 0% and 3% to split the fee out
- Committee voted that Judiciaries and Career Services might not be applicable to the General Fee
- Salary and inflation “burdens” are to be shared across-the-board
- Largest cut recommendations were made to Athletics due to the lack of sharing input and lack of fiscal management/responsibility
- Students recommend that Fine Arts, SAC (Student Activities Council), and Counseling and Psychological Services, etc are worth funding also
- The committee suggests that the new initiatives will improve student retention and the quality of life for students; this opinion represents the vast consensus of students with some reservation from Student Senate
- CATCAB, Disabilities, and Transportation Services did not share information; however, it was noted that they received no cuts
- General Fee Committee results should route to: Student Senate, VP Smith, BPC, and President McDavis (although that route was not followed since VP Smith has not seen the report to date)
- Most units did not present data to account for salary and benefits increases; therefore, the committee decided that units would absorb those costs (example: \$175,000 for Student Affairs)
- 31% of General Fee went to Athletics last year; the committee recommendation revised that amount to 30.8% - note: very slight percentage change although the dollar figure is disturbing because of the current deficit already defined within the Athletic budget. The

possible effect of the newly recommended cuts could move OHIO downward from Division I

- The “undetermined effect” of the committee recommendations/cuts should not deter change as suggested by the committee
- Discussion occurred regarding the perception created if the BPC committee does not accept the changes as recommended by the Student General Fee Committee and the effect it would have on future committee work
- Morgan Allen noted that Student Senate only voted on the 0% scenario

#### **4. Discussion/Follow-up**

- The BPC Committee is uncomfortable with taking action that would result in an Athletics division change, or other major changes being decided by this committee that might require a ‘policy shift’ until further information is acquired from the Athletic Director; therefore, Kirby Hocutt will be invited to visit a specially scheduled BPC meeting on Friday, June 1 from 10-12.
- Suggestion that students using programs should incur the costs
- This General Fee exercise defined what students want as opposed to Alumni, etc (Arts vs. Athletics)
- Suggestion to fund Athletics differently and decide the “role” of Athletics within the university
- Need to study much more thoroughly the General Fee distribution, cuts, and the impact
- Need to manage expectations regarding the result this study generates
- Need to connect College curriculum with programs (HHS & Athletics and Fine Arts/Performances)
- Decision to not institute suggestions from the General Fee Committee needs to be communicated correctly – important that “trust” for committee work is validated for future purposes
- Need for a model to explain what is involved in ‘running the university’ and what is “value added?”
- The General Fee and BPC committee/s have been a “learning experience” this past year to be refined in the upcoming year. Rankings regarding BPC committee recommendations are available.

#### **Special Meeting Called**

- Friday, June 1 from 10-12 in Baker 237
- Kirby Hocutt to attend and present on \$1 - \$1.2M cut and effect