

BUDGET PLANNING COUNCIL
October 24, 2008

In Attendance: David Thomas, Jeff Fulk, Peter Wickman, Brenda Noftz, Joe McLaughlin, Ann Tickamyer, Kathy Krendl, Betty Sindelar, Michael Adeyanju, Sergio Lopez,

Absent: Dennis Irwin, Chuck McWeeney, Bill Decatur, Kent Smith, Hugh Sherman

Staff: Rebecca Vazquez-Skillings, Diane Lucas, Katie Quaranta, John Day, Dawn Weiser, Elizabeth Warren, John Demmler, Marjorie Mora

Guests: Rebecca Watts, Steve Flaherty

OPENING NOTE: The Post once again appeared at the meeting and was not allowed to stay since BPC is not part of the governance structure of the university but rather a recommending committee which is not subject to the sunshine law.

- I. Method/Criteria to Prioritize Investments – follow-up on last week’s discussion
 - a. Proposal from last BPC meeting that regular joint VOSC / BPC meetings be considered was discussed with VOSC – here is the process envisioned after discussion with VOSC
 - i. VOSC will provide prioritized investments to BPC to factor into the reduction scenarios
 - ii. VOSC plans to recommend decisions on new initiatives and the conversion of OTO to base initiatives in April
 - iii. VOSC recommendations will come to BPC for coordination with budget planning and BPC recommendation will move to Deans / VPs
 - iv. Deans and VPs will meet to discuss the VOSC recommendations and the BPC budget scenarios including reduction targets to reach some decisions
 - v. Not much need to have joint meeting with VOSC / BPC at this point
 - vi. Timing of knowing state funding situation will also be late this year
 - b. Contingency planning vs FY10 planning
 - i. Contingency planning for FY09 is moving forward and is a volatile exercise
 1. adjustments will OTO for FY09 and projected PU vacancies is a tool being used to aid in the planning to develop target reductions
 2. numbers will evolve all year and rationale will be discussed in future BPC meetings
- II. Supplemental Fees
 - a. 3 Categories – Student, General, Internal fees
 - b. Committee Work
 - i. Committee Charge
 1. Provide charges to committee
 2. Will talk about student fees as well as internal fees to departments
 3. Ensure that rational fees and calculation methodologies are being employed
 - ii. Student Fee Committee
 1. Academic Course Related, Broad Based, User Fees, Charges and Fines
 - iii. General Fee

1. student general fee group will provide recommendations to BPC based on their priorities and the reality of the budget scenarios taking into account reduction targets
- iv. Internal Fee Committee
 1. resurrect past efforts; focus on inventory of various fees and rates that exist; first effort will be to provide a complete, on-line inventory
 2. have subcommittee consider calculation methodologies; are there issues of cost shifting that might exist
 3. there is currently no monitoring mechanism for internal charges and a process needs to be instituted so fees aren't imposed that aren't 'recognized'; may also provide a mechanism for understanding various services offered and the priority / value of those services being provided in-house
- c. Clarification of Rates and Fees not subject to BPC Approval
 - i. Types
 1. Market based sales and services - don't necessarily need to dig into the validity of market pricing but could be advantageous to have a comprehensive listing of those types of fees; where there is a captive audience (students) for a market service we would want to consider
 2. Miscellaneous optional fees where target audience is not necessarily a student
 3. Fines – parking, library, damaged equipment (consider if the impact is primarily internal v. external; BPC has interest in internally assessed fees)
 4. Non-credit tuition for training designed to meet “customer” needs
 - ii. Bursar has started to make a matrix of fees to be updated as fee inventories are built. The matrix will identify the category of fee and the party responsible for approval (BPC, Provost or Board of Trustees).
 - iii. What types of fees do we want / not want to have reviewed?
 1. Parking services is an example of an area which imposes service fees or fines - we don't want those types of fees imposed without a process
 2. If it is a fee that pertains to an internal audience or if other policies restrict internal customers from going outside, we should look at the fee and the information should be publicly available
 3. Offices within the university should consider services offered to students and whether those services are part of their mission – example discussed during the meeting was the provision of tax services by COB students to international students through ISFS office
- d. Development of Guidance for Each Committee – for discussion
 - i. Establishment of new fees
 1. Departments have typically absorbed costs in the past where budget money has now dried up resulting in new student fees
 - a. We don't want to offload operating costs to students
 - b. Buying in bulk to save students money – may not be able to continue doing if budget money is drying up. Consider options.

- ii. Increases in existing fees
 - e. Identify BPC reps to each fee committee
 - i. General Fee
 - 1. Michael Adeyanju is already on this committee
 - ii. Student Fee
 - 1. Ann Tickamyer as rep from chairs/directors; Shawn Ostermann served prior year
 - iii. Internal Fee
 - 1. Betty Sindelar
 - 2. Need one more BPC rep.- **OPEN ITEM FOR NEXT MEETING**
- III. FY2009 Contingency Planning, Continued
 - a. Establishing Planning Unit Budget Reduction Targets – Rebecca shared a spreadsheet BPA will use to derive PU reduction targets for Athens General Fund which showed the historical exemption items used in establishing adjusted base budgets
 - i. there was discussion that BPC is represented publicly as a body that considers the entire university budget but we continually focus on Athens General Fund mainly...should BPC consider regional and COM budgets more rigorously...what is the BPC responsibility...**Kathy will discuss increasing membership to include UORC and COM representation**
 - ii. The spreadsheet template shared drives ‘reduction targets’ for units based on the historical methodology for allowing exemptions. The template provides a starting point for discussions about items to be exempted from or subject to reductions. The template does not reflect reduction decisions.
 - b. In order to get some targets out to planning units
 - i. Vacancy savings will be analyzed by planning unit but the plan is currently to leave savings in units – methodology might be to base FY09 OTO reduction targets on a units ‘ability to pay’ based on projected vacancy savings
 - ii. BPA trying to determine what real vacancies are – September 19 -> now; what assumptions can be made about those savings - \$ to cover hiring costs, etc. – will be PU / BUM involvement in this process
 - iii. Template driven reduction targets discussed above may be adjusted up / down based on the ‘ability to pay’ seen from the vacancy analysis
 - c. The presentation of the template generated a lot of BPC discussion – the tool will be shared with the Deans/VPs at their next meeting
- IV. FY 2010 Budget Planning
 - a. Discussion of Assumptions – Rebecca provided a FY 2010 “live” scenario spreadsheet and John Demmler adjusted variables in the spreadsheet to present their impact on the ‘projected’ FY 2010 bottom line. Various variable iterations were displayed.
 - i. There has been discussion at IUC about a ‘best approach’ presentation for Higher Ed. These discussions continue.
 - b. Determination of Scenarios to Use for Budget Development
 - i. Finalize Reduction Scenarios
 - 1. Nursing enrollment projections are not in the scenarios yet – Rebecca holding off until Mike Williford provides final ‘new’ admits

