Budgetary Affairs Committee
Meeting Minutes
September 14, 2010

**Attending:** Rachel Applegate (Chair), Reed Smith (Co-chair), Dawn Rhodes (Vice Chancellor for Finance and Administration), Trudy Banta (Senior Advisor to the Chancellor for Academic Planning and Evaluation), Michael Wheeler, Tom Fisher, Tony Kaleth, Marianne Wokeck, Kathy Wills, Robert Hickey, Mathew Palakal, Steve Randall, Henry Pitt, Lisa McGuire, Keith Morran, Andrew Winship, Sarah Koskie, Richard Gregory, Joyce Mac Kinnon.

The meeting was brought to order by Rachel Applegate. Introductions were made around the table and Rachel announced that no secretary has been determined for the committee. Volunteers are encouraged.

Dawn Rhodes presented a budgetary update. There is a positive year-end budget balance for all units (except one). The fund balance is $98 million for the campus and increased by $7 million in the past year.

Hotel and food services are under a 5-year turnaround plans and their performance is on target.

Salaries for appointed faculty and staff, as well as bi-weekly employees are eligible for a raise. The average raise for this pool for each unit is mandated to be 3% with (1) no across-the-board raises, (2) exceptions required for raises above 6% or below 1.25%, and at least 20% receiving 4% or more. Adjunct faculty raises must be outside of the above pool. The raises must be merit-based and there is an extremely short turnaround. The raises will be effective November 1 and not applied retroactively.

The Resource Planning Committee (RPC) is working on (1) a revision of assessment process with new, more accurate drivers, (2) the Chancellor’s reallocation fund, and (3) the distribution mechanism for appropriations. There will be a report on drivers at the next BAC meeting. Three points that the RPC is keeping in mind are: (1) the process for identifying and assessing drivers in the new assessment model must be transparent even if the drivers themselves are complicated, (2) the impact of the School of Medicine must be considered, and (3) the Chancellor’s reallocation fund needs new sources of money. This report is to be submitted to the Chancellor by December 1.

Trudy Banta discussed planning activities and the budget hearings. First, she noted that follow-up from the budget hearings has not been good in the past, but this past year, they have attempted, based upon the cluster conversations that took place this year, that some important ideas were identified and are being worked on. Examples of some of the actions that administration is taking as a result of the cluster conversations are:

1. Administration is working to improve the student housing situation.
2. Administration is making certain that our campus does not lose its competitive advantage in adult learning.
3. There is a “new directions” initiative aimed at improving the quality of instruction and in supporting the infrastructure for teaching.

4. The office of the Vice Chancellor for Research is initiating a campus-wide grant-writing service to facilitate grant writing and to offer support primarily to those units that do not have sufficient grant-writing infrastructure internally.

Comments from the committee in response to Trudy’s discussion included (1) a feeling that responses to the budget hearings needs to have more faculty involvement vis a vis the administration than has been the case in the past. Rachel advised the committee that, in this spirit, the BAC would have more meetings this spring after the hearings than we have historically held – so that we can provide more faculty input. There was general consensus that the cluster approach to the budget hearings was successful. Several members suggested that it would be helpful, at the Spring budget hearings, if a professional note-taker could be employed. Rachel said that this year the unit reports will be due within four or five days after the cluster hearing. Budget hearings will be scheduled soon.

Finally, Trudy discussed the Chancellor’s Roadmap initiative. The purpose is to provide more clarity from the Chancellor’s office regarding priorities.

Rachel then discussed the agenda for the next meeting (October 5, 2010). We will discuss the budget hearing process. Members are asked to review prior reports so that they can intelligently discuss desired changes in the reporting. We will have a report on the work from the RPC. Members are asked to discuss with their unit BACs any issues to be brought to the campus BAC or any concerns that the units might have.

The meeting was called to an end.