

PBAC Minutes 06.08.2021

Present: Joel Klucking, Patrick Stanton, Gregg Heinselman, Greg Lyman, Elvin Delgado, Gail Mackin, Josh Hibbard, Adrian Naranjo, Michael Pease, Madeline Koval, Jill Hernandez, Heidi Henschell-Pellet, Emilie Hobart (for Jonathon Henderson), Vene' Skyles, Tim Englund, Han Donker

Invited Guests: Lacy Lampkins, John Logwood, Lisa Plesha

Meeting was called to order at 3:01 p.m. Han moved to approve the minutes from May 25, 2021; Elvin seconded the motion. Minutes from May 25, 2021 were approved as written.

Recommendations to President

a. BASC funding requests

PBAC agreed with all items sent forward from BASC. Joel added two new columns to the spreadsheet to indicate which requests were approved, and listed the requests ranked order. Items #2, 3, and 4 were ASL requests and were removed from the list because this process is for non-ASL requests. The ASL requests are still under consideration, but they are reviewed through a different process. The classroom equipment repair/new equipment request was first-ranked and was approved at \$50K, but there is already money in that fund. The computer replacement program was approved at \$20K, . This is not creating a new fund but centralizing existing budgets to be more streamlined. Requests for a Safety Officer, an Industrial Hygienist, and a Financial Literacy position, were funded each funded at 0.75 of the position for the first year and will be fully funded in following years. The ISS EAS position was also funded at 0.75, while the Events Coordinator position was funded at 0.5. The Title IX position is already in place. The CATPLAN Finance Manager position was not approved; neither was the Managed Care service. Funds were requested for the establishment of a Project Management Office, but that request was not approved. University Advancement requested funding for four positions: two related to the Capital campaign, and two that had been eliminated in March 2020. Funding for the positions related to the Capital campaign was not approved, while funding was approved for the other two positions that were previously eliminated. However, this funding will not be available for a while. The Faculty Senate 0.5 position was not approved, and neither was the planning position in the President's office.

b. Tuition Waiver Budget Subcommittee request

The Tuition Waiver Budget Subcommittee request will be discussed with the new president.

c. The Space & Equipment Budget Subcommittee recommendation to move the CAH dean's office was approved.

BASC Process Feedback

Discussion continued from the previous PBAC meeting. If the BASC process will only involve doing a survey, then there may not be the need for a subcommittee that meets on a regular basis. Budget requests could be submitted and a survey put together, and then PBAC could review. However, the subcommittee is part of RCM, so we will need to identify a new process if a move to a new budget model occurs at some point in the future.

S&A Request

Lacy Lampkins presented a request from the S&A Committee. The request is for \$20K to create a student legal services program. This is a pilot program, and it will be assessed after it is underway.

Han moved to approve the S&A request; Gregg seconded the motion. Motion was approved with 11 yes votes, 0 no votes, and 0 abstentions

Budget 149 Fund Presentation

John Logwood discussed the Fund 149 budget, which is the State General Budget. Numbers shown are relative to current year, along with the FY22 projection. Larger pieces of the FY22 budget include BASC allocations of \$1.36M, in addition to COLAS, which are still under discussion and entered as placeholders. With an expense budget of \$134M, and revenue projections of \$134M coming in from state and tuition funding sources, we should break even.

The institutional overhead budget grew from about \$46M in expenses allocations to \$50M. Most of this growth is because there have been no furloughs this year. Other large growth is related to an expected savings of \$3M in the FY21 budget, with the savings being spread over the university. In FY22, that amount has been reduced to about \$1M and encompasses things such as salary savings and goods & services savings. ASL and Academic Support areas had experienced an increase from \$16M to \$16.6M, due to more expenses in the upcoming year, and no furloughs. Advising has been moved out of Student Success and into the Colleges, so that is no longer an expense in ASL, but in the Colleges. Total support costs have grown from \$62M to \$67M.

An increase from \$61.5M to \$67M is expected for the Colleges in the upcoming year. Fewer students are expected this year, and that was included in projections as part of the college budget subcommittees. Instructional costs are nearly fully funded from the 149 Funds. Over the past few years, including this year, instructional costs have not been fully funded by state tuition dollars and funds have been moved from the 148 funds, usually at an amount of around \$1M - \$2M. This year that amount is only \$150K.

The 149 Fund Budget will be combined with 148 Local General Fund Budget, in addition to the Enterprise, S&A, and Non-Operating Fund budgets and voted together at the next PBAC meeting. The next BOT meeting will happen at end of July.

Admin Fee Reform

Joel presented a proposed change to the Admin Fee. The changes have been revised following a previous PBAC meeting. The fee was implemented around 2012 or 2013 around the non-state funded portions of the university. It was originally a calculation of 27.7% of wages and benefits, but some functions would avoid it by moving staff into different fund groups. The colleges were eventually excluded from the fee around 2016. The Admin fee makes up half of the \$4M which is critical to the State Budget. Half of that comes from flat funded areas and half from student funded areas (bookstore, dining). The other half is a calculation of \$27.75, which is the Admin fee, but some areas aren't paying into it at all.

The proposed changes are, in general, fairer and more equitable, and set a floor of 5% of revenue stream and a ceiling of 15% in order to ensure that everyone pays at least some percentage of the fee. The rate will be calculated based on projected revenues for FY22. For FY23, calculation will be based on actual revenues and self-support fund. Details between current and rates for FY22 and FY23 will be shared with VPs.

Han moved to send the proposed Admin Fee changes forward to the president; Gregg seconded the motion. Motion approved with 10 yes votes, 1 no, and 1 abstention.

Meeting adjourned at 3:54 p.m.