

Minutes
December 1st, 2021

Called to order:

Deanna called the meeting to order at 5:32 p.m.

Attendance

Björn Pellmyr, Geoffrey Odoch, Stephanie Mora, Naif Binkassim, Rehan Rashid, Deanna Corsilles, Joseph Bryant, Lacy Lampkins, Haley Rinehart, Sean Dahlin.

Absent: Andrea Gaeta, Phuong Nguyen, and Judith Brewer

Guests: Gregory Heinselman and Madeline Koval

Agenda:

MOTION: Björn made a motion to approve the agenda. Geoffrey seconded. Motion carried. 7-0-0

Minutes:

MOTION: Naif made a motion to approve the minutes. Rehan seconded. Motion carried. 6-0-1

Reports:

- a) Chair: None
- b) Advisors: Lacy- None
Joseph- All annual reports for the last fiscal year came in today and were due by 5pm. There should be about 55 of that were submitted and we will get that posted on the website shortly. Reminder that this is the last meeting of the quarter and will resume January 5th, 2022.
- c) ASCWU: None

Other Business:

Frequent communications, from S&A base funded areas, to Lacy and Joseph regarding annual reports.

Public Comment

None

New Business:

None

Old Business:

Joseph: Deliberation on the recommendation to reduce overall S&A annual base allocations and expenses for FY22 by 5% and for FY23 through FY25 by 10% with individual program adjustments being determined by divisional leadership. S&A Fee Committee will evaluate base funding allocations and expenses annually for remainder of quadrennium to determine if additional adjustments are needed.

Gregg Schlanger: Are all base funded units cut 5% equally across the board?

Joseph: No, it is not across the board, in fact, they may already be absorbed into the areas, based on salary, savings, and other pieces. We would be putting the 5% in for the remainder of this year, but the remainders of the years would be 10%. However, where that would fit would be determined at the divisional leadership, not straight across the board. Some areas may be able to absorb more of a reduction than other areas, but that will be determined at the VP level.

Gregg: Will the base funding units have a chance to present?

Lacy: That will be the responsibility of the Provost and CFO. CFO and Provost will reach out with a plan, according to general budgeting piece, handled at the VP level. Results of the VP decision will be made public.

Madeline Koval: Would the 5% reduction in base funding effect funding this academic year?

Lacy: Yes, the 5% would have an impact from now until June 30th and then after that it would be a 10% reduction each year.

Gregg Heinselman: Given the current modeling and projections in enrollment. It could be better, or it could be worse, however, let's hope for the better side of that.

Joseph: The S&A committee is to review annually because it will go up to administration and the board of trustees. In an ideal world, if enrollment grows beyond what we have now reduction will be less and will be closer to the original allocation. This will be reviewed each academic year, for the next three years.

Gregg Schlanger: How much is in the reserve?

Lacy: Reserve of 6 million, and so we are projected to burn up as much of the reserve as we possibly can with this recommendation. We could go higher than this percentage, but we can't go lower. This is the line of trying to be able to provide the same type of service for our students, while also reducing the financial impact on the rest of the areas.

Gregg Schlanger: What is the reserve we need to maintain?

Lacy: That is 500 and that 6 million is including the 500,000.

Gregg Heinselman: Debt service ratio that has to be maintained, given the board of trustees mandate.

Björn: Once we approve or do not approve this it goes to the divisional leadership, do we know who the divisional leadership is? Who presents it to the divisional leadership, and does it ever come back to the S&A committee for any kind of decision?

Lacy: If approved, that approval will go up to the CFO at this time and it will get routed up to the board of trustees. It is the board of trustees responsibility to find time for the presentation. We will share the full recommendation (including the minutes) with Joel, and he will review it. If

there is no vote or S&A does not approve the recommendation, the information will still be sent there.

Joseph: Whatever the motion is that we do today will go up to Joel as the CFO and the VP to review. If they are in agreement, which is where the current recommendation is then it goes to the board of trustees. If they don't agree with the motion, then that gets sent back to the S&A committee with what they are proposing. The S&A committee can either agree with what is being proposed or say we disagree, then it would go through the dispute resolution process. Within this process the board of trustees will appoint us members to serve on the dispute resolution process. Once it goes through the entire process, the dispute resolution members will provide a recommendation directly to the board of trustees, who make the final decision. There will not be any push back on the recommendation as it is in alignment with the work that has been done beforehand. Regarding how this may impact individual programs, that is separate from the motion, and if the motion is approved it goes to the divisional leadership. Joel as the CFO, the Provost, and Gregg as the Dean of Students, are the ones involved in how they make decisions for their areas. Then S&A would be shared what the outcomes are.

Lacy: It does have to very public, and you are always welcome to join in on the board of trustees meetings. They meet quarterly, and I will let you know the date and time once we have that information. I encourage everybody to attend as it is public, and it is good to hear the conversations that board members are having regarding the financial pieces.

Björn: It is troubling to me that S&A allocates these things but doesn't have a whole lot of agencies in modulating them in case of a deficit. With that aside, is it possible to attach commentary or recommendations with our motion saying what we believe should go into each area?

Joseph: With the situation we are currently in, the divisional leadership has more ability to determine which area will absorb more or less of a reduction; because they know which pieces to specifically adjust. They will not go in and completely cut a program, they will determine what services have been met and what services still need to be provided.

Lacy: There are positions on campus that are required to perform certain operational pieces. Cutting across the board evenly would actually end up impacting certain operations to not be able to perform at the level they are required to be at. With this proposal, it allows individuals that responsible for that performance in those areas to be able to weigh in on what they can and cannot absorb. I would say this the best proposal to ensure that not every single program is hurt financially.

Joseph: Within the university we are looking we're looking at budget adjustments across other funds. So, the divisional leadership is not just looking at S&A, but also the state and others within it. If a unit is already facing reduction in these funds, that comes into account when we are trying to figure out how much of an adjustment is estimated.

MOTION: Rehan made a motion to reduce overall S&A annual base allocations and expenses for FY22 by 5% and for FY23 through FY25 by 10% with individual program adjustments being determined by divisional leadership. Naif seconded. Motion carried. 5-0-2

Public Comment

Joey: Good luck with finals and have a safe break. See you all next year.

Adjournment:

MOTION: Geoffrey made a motion to adjourn. Björn seconded. Motion carried. Meeting adjourned at 5:59 p.m. 7-0-0

Schedule for Next Meeting:

The next meeting is scheduled for Wednesday, January 5th, 2022, online starting at 5:30p.m.