

# University Resources Commission

Monday, February 11, 2019

3:00 p.m. – 4:00 p.m.

Modular Building 108

**Attendees** William Spindle, Marissa Lyssy, Deanna Reynolds, Claire Nolasco, John Smith, Pablo Calafiore, Joseph Simpson, Edwin Blanton, Anthony Medina, Margie Vasquez, Chris Leach, Lloyd Butler, Jane Mims, Nora Ortiz

**Absent** Mike O'Brien, Brandon Oliver, Dennis Elam, Nancy Larson, Brian Brantley, Denis Cano, Sharon Otholt

## Summary

A PowerPoint presentation was delivered that captured tables, graphs, and information presented to the Commission.

- I. FY 2019 Forecast Tuition and Fee Revenue Shortfall
  - a. On slide 3, budget and forecast for FY 2019 Fall is exactly the same as the budget was adjusted afterward to match. Typically, the spring semester experiences a decrease of 4-7% in headcount, which reflects what was recorded, based on the census date, for the FY 2019 Spring headcount.
  - b. Variance in headcounts and revenues are due to differences in tuition between undergraduate vs graduate, resident vs out-of-state, and students admitted that are eligible for Hazelwood Act tuition benefit.
  - c. Projections for alternate revenue streams are not reflected. In the future, these projections will be included in financial projections.
  - d. Revenues not allocated are used to cover the revenue shortfall. Additional deficits have been covered using budget savings elsewhere.
  - e. Enrollment forecast come from the Office of Enrollment Management and are based on the projected impacts of enrollment and strategic plan initiatives. These numbers have been reviewed and approved by Cabinet.
  
- II. FY 2020-2021 Legislative Projection
  - a. Incremental Financial Projection-HB1 reflects an incremental change from year to year. Figures are based on projected expense needs of departments and their budget requests. Figures do not include anticipated pay increases and are being refined as more information is received. Largest projected FY 2020 savings is due to bringing Banner operations in-house. *Recurring Expenses Previously Funded with Reserves* will, going forward, be identified as recurring or one-time revenue expenses and will be moved to other areas in the budget.

- b. Incremental Financial Projection-SB1 does not reflect space and capital projects. The available recurring revenue reflects a 10% decrease in downward expansion and 10% decrease in transitional funds (based on what was previously received).
- c. Figures will be revised as bills make their way through both chambers and enrollment numbers are posted.

III. Administrative Efficiency Ratio

- a. Information provided for general knowledge. Top three expenses—instruction, student services, and scholarships and fellowships—directly support the University mission.
- b. Institutional support includes: Business Affairs, technologies not associated with academics, Office of the President, University Advancement, and offices related to the enterprise activities of the institution.
- c. Administrative efficiency is within the System recommendation of 10-12% of budget. This allows the university to maintain an appropriate level of service while controlling costs. Within Institutional Support and O&M (Operations & Maintenance) of Plant, there are not a lot of discretionary dollars.
- d. Comparisons to other institutions can be made using IPEDS.

IV. Review of Budget Calendar

- a. Calendar (slide 9) has been revised since the last URC meeting.
- b. Currently, budgets go up the chain of command and Provost submits the budget for all of Academic Affairs.

V. Miscellaneous

- a. URC meeting scheduled March 11<sup>th</sup> will be rescheduled to the following Monday (March 18) after Spring Break.
- b. Budget workbooks will be provided and previous agendas and minutes will be included as part of the budget workbooks.