

Budget Council Minutes
Tuesday, August 28, 2012
3:30 - 4:30 pm
President's Conference Room

Terry Leist
Jeff Jacobsen
Kiah Abbey
Don Mathre
Jim Luebbers

Doralyn Rossmann
Jim Rimpau
Anne Camper
Joel Schumacher
Kathy Attebury

Sue Leigland
Chris Fastnow
Wendy Stock
Tracy Ellig

I. Call to Order

II. Approval of Minutes

The minutes were approved with no corrections.

III. Current Business

1. Budget Council Overview

Budget Council discussed revising their mission statement and suggested verbiage including advisory to the President, supporting the University's strategic plan, resource allocation, and campus communication, possibly incorporating selected areas of responsibility; example "consider potential impacts of budget decisions on the units, employees and students". Doralyn Rossmann and Chris Fastnow will draft the new mission statement and will distribute to the Council for discussion at a future meeting.

Sue Leigland's question regarding an attendance policy led to discussion of developing a task force to create by-laws for the Council. Anne Camper offered to send Research Council by-laws to the group, and Kiah Abbey will research other examples of bylaws.

In discussing Budget Council membership, the following changes were proposed:

- Kiah Abbey moved to include the Planning Council representative (or designee) as a voting member and Jeff Jacobsen seconded. This motion passed.
- Don Mathre stated keeping the Retired Faculty representative as a non-voting member was appropriate. The Council accepted his recommendation.
- Faculty Senate has Doralyn Rossmann on a one year appointment expiring in 2013. Budget Council will adjust its membership term accordingly.
- Kiah Abbey will pursue finding a graduate student representative for the vacancy.

Discussion followed on what number would constitute a quorum for the current 14 voting member positions. Chris Fastnow moved to require 50% attendance of the eligible voting member to constitute a quorum. Kiah Abbey seconded it and the motion passed.

2. Linking Budgets to the Strategic Plan

Research articles pertaining to linking budgets to the strategic plan were distributed for review. Chris Fastnow will email a link for the draft strategic plan to the group.

3. Strategic Investment Proposal Process

Kathy Attebury and Megan Bergstedt met with Jake Dolan to discuss process automation and, if ready, will arrange for a demo presentation at the next meeting. Communication plans for this year's process will also be reviewed.

In discussing a change in the timeline, one suggestion was made to review requests by Christmas. Now the campus is aware of the process so it should be easier. Forms need to be more user friendly, using the front page as a possible link to the strategic plan, for a clearer message to campus.

Anne Camper inquired if the Council will ask people to resubmit proposal requests that did not receive funding last year. Sue Leigland felt they should be encouraged to do so because information and formats will have changed.

Wendy Stock inquired about the Macro amounts of \$1.4M at the bottom of page 1 and \$1.0 for strategic investment and what will be available for funding. Kathy Attebury clarified the amount available is \$2.0M, \$1.0M base and \$1.0M one time only. The \$1.4M is not available until tuition numbers are final, possibly by the end of September. Wendy proposed allocating 50% of available funds off the top to Academic Affairs.

4. FY13 Budget

In discussing OCHE requirements of 70% allocation to instruction, academic support and student services programs, the FY13 budget allows 68% of the new money to be allocated to instruction and 99% in the instruction, academic support and student services programs.

In FY12, plant funds of \$3.0M distributed were for classroom renovation and ADA access but were not reported as instruction or academic support due to the way OCHE expenditures are recorded.

Kathy Attebury explained the details behind the macro estimates, such as funding temporary modulars and the Office of Student Success strategic investment proposal from reserves. In an FY12 decision, academic development officers' costs have been moved to institutional funding, rather than departmental.

5. Budget Council Goals for FY13

President Cruzado thanked the committee for the excellent advisory support from the Budget Council. The strategic plan is nearly finished and the Council will help her align funding to support the strategic plan. During the last investment proposal process, 20 initiatives were identified by Budget Council and approved by the President for funding. She feels that Open MSU and the strategic plan will need sufficient resources invested in order to be successful.

MSU's solid reserve balances reflect a healthy institution but have produced many inquiries on why we hold reserves, particularly from the legislature.

President Cruzado has identified \$5M in high priority initiatives ([see "Advancing MSU email from President Cruzado to campus"](#)) and has asked for Budget Council guidance for submission to OCHE, so at the September Board of Regents meeting, MSU can ask for the authority to spend down reserves by \$5M. MSU currently has \$12M in reserves, which would leave a \$7M balance.

Kiah Abbey asked for clarification on who will benefit from the \$1.1M financial assistance initiative. Montana residents will be the primary recipients, with portions allocated to need-based, Premier scholarships, and MSU Honors scholarships. Kiah expressed frustration with MT residents transferring to MSU and how difficult obtaining financial assistance is.

The Council is to inform Terry Leist on how to proceed on the President's request for spending \$5M in reserves. Doralyn Rossmann isn't sure she can explain requested specifics and suggested conveying that some of these funded projects were from the submission of investment proposal requests. Terry will email a spreadsheet to the Council for review of specifics, marking the strategic investment proposals initially submitted.

The Council proceeded with general discussions on the initiatives and it was agreed for the Council to have one week to review the President's memo and voice any feedback.

Wendy Stock suggested holding summer Budget Council meetings in the future so the Council can be more proactive on business discussions.

Next meeting: September 25, 2012 at 1:00 p.m.