I. Call to Order
The meeting was called to order by Vice President and Chair, Terry Leist.

II. Approval of Minutes from January 17 meeting
The minutes from the January meeting were approved.

III. Information/Announcements/Updates
- Legislative Update
  Kathy Attebury reported that HB2 (state appropriation) goes to the Full Appropriations Committee next – no action yet
  HB13 (pay plan) – no discussion yet
- FY14 Budget Process
  The process will be dependent on the legislative actions and once appropriations are made will determine how the University moves forward. MSU will receive one lump allocation which will be allocated to the other MSU campuses.

  The Budget Office is currently preparing several scenarios in anticipation of the budget process. Once the final numbers are known, the Budget Office will kick-off the budgeting process. Although it is a waiting game until appropriations are final, efforts will be made to time the budgeting process so as not to conflict with other fiscal year end activities.

  Performance based funding: funding models are currently being researched and consultants are exploring this on all campuses. Legislators have expressed an interest in a performance based funding model. A lump allocation would be given to OCHE and they would then use a performance based funding model to determine the allocation of that pool.
IV. Current Business

Strategic Investment Proposals: Final Recommendation

Budget Council has devoted significant time to reviewing the proposals submitted for funding consideration through the strategic investment proposal process. The recommended list of proposals has been divided into one-time and base funding requests. Special attention was paid to balancing the investment of new monies into academic vs. administrative proposals.

Chair Terry Leist will submit the list of proposals, grouped by “highly recommended” and “all others”, along with a memo from Budget Council, to the President for her consideration. It will likely be after Spring Break before final funding decisions are made by the President. A motion to proceed in this manner received unanimous approval by the Council.

Next year will be the second year for assessment of base-funded proposals from the previous year. If the two-year assessment is not satisfactory, there will be an opportunity to make adjustments in the third year and possibly allocate funds to other areas.

Strategic Investment Proposals: Process

Comments and suggestions about this year’s process included:

- The electronic process was a great improvement
- The Budget Council will solicit feedback on the process to determine whether changes made this year were satisfactory and if any new changes are warranted.
- Align reviewers more closely with their areas of expertise for the first review, while avoiding a conflict of interest.
- The rankings by the deans and department heads were very useful information in the process.
- Deadlines for the initial approvals will need to be set in the future to enable the final reviewer adequate time for their work.
- Highly ranked proposals that didn’t get invited to participate in hearings may have been at a disadvantage and will likely be included next year.
- It was recommended that people have access to prior year funded proposals to guide them when writing their requests. It may help to produce stronger proposals.

The meeting was adjourned.