

**Budget Council Minutes**  
**Tuesday, January 25, 2011**  
**3:30 – 5:00 pm**  
**President's Conference Room, 10 Montana Hall**

*Members: Anne Camper, Sue Leigland, Sheron McIlhattan, Martha Potvin, Craig Roloff, Doralyn Rossmann, David Singel, Wendy Stock, Craig West, Jeanne Wilkinson, Allen Yarnell, Dan Moshavi, Jim Rimpau,*

*Support: Kathy Attebury, Jim Luebbers, Chris Fastnow, Joe Fedock, Terry Leist, Heidi Gagnon*

- I. Call to Order
- II. Approval of Minutes of January 14, 2011

A motion was made to approve the minutes for the January 14, 2011 meeting. With no discussion, it passed unanimously.

- III. University Wide Information/Announcements

- IV. Topics for Discussion:

- o Permanent Membership Guidelines
  - As developed by Gagnon at request of Steering Committee

Suggestions made included:

- Stagger appointments in a way so that all members aren't new at the same time.
- Student appointments should be designated by the ASMSU President. The ASMSU President will be given the option of changing the student representatives annually.
- Should we set term limits for members? For the community member?
- How do we decide the schedule for staggering appointments?
- Representatives for the Deans and Department Heads should rotate on alternating years.
- The current group should remain on the Council through the implementation of its regular calendar and processes before we impose the actual terms.
- Elections should be held in May with an official start of business scheduled for September 1.
- Terms should be September 1 through August 31 and last for 2 years.
- Term limits of 2 (2-year) terms

Heidi will edit the membership list to reflect the changes and will bring it to next meeting for another review.

- o MUS Budget Presentations for Education Subcommittee – January 17-19, 2011  
The session seemed to go well although the size of the MUS campuses' current reserve funds was questioned.

Budget reductions in FY2010 and FY2011 – the University could only have up to 2.5% cuts imposed due to the maintenance of effort agreement (to keep Federal Stimulus funding). This meant that the agencies had to absorb larger reductions to meet the Governor’s proposed target overall.

The Educational Subcommittee meets on January 26. It is likely that they will table any action until they receive the next revenue update report.

o Other Items/Issues

A copy of the notes from the Strategic Finance Workshop, presented by AGB, was distributed to the committee, as well as a document “Cornell University Operating Budget Principles and Guidelines”.

The Council hasn’t decided yet on what items will be brought to the Council, how they should be presented or what those decisions/recommendations will be based on. Jeanne Wilkinson reported that the initial Budget work group struggled with these questions too.

Considerable discussion followed on this topic.

There appear to be two parallel processes: items that are on a regular schedule and off-calendar topics (i.e., faculty salaries).

Items that were suggested for the Budget Council to be involved with include:

- Enrollment model and the impact it has on the institution’s budget
- Staff and faculty salaries (raises)
- Graduate student stipends
- Tuition waivers
- New proposals

The committee began a discussion about appropriate cycles for new proposals. When would new proposals come to the BC? What type of proposal? What would the process be? What would this Council decide?

With new core themes for accreditation, the Council should decide if something is a Core priority. Defining core themes and priorities should help to give the Council some definition as to where they should look for funding purposes. It might become necessary for the Budget Council to look at the redistribution of funds for high priority needs.

It was suggested that the Budget Council look at high functional levels. If the Council starts looking down into the funding levels at college level, we risk interfering with what should really go to Provost/Vice Presidents. Wendy Stock suggested that things like salaries need to go to the Budget Council level because that would require large funding commitments. Reallocation models within departments should be within the Provost’s purview so that the Budget Council isn’t getting involved in the minutia. Reallocation among divisions, however, should be the responsibility of the Budget Council.

David Singel suggested that we follow the Cornell University model - Prioritize resources, prioritize budget needs, align resources (redistribute resources as determined necessary).

The institution should place a high priority on high performance and low priority on lack of performance. What would you use to measure performance of departments? Program reviews typically have an academic connotation and are hard to use to review all departments.

Martha Potvin suggested that we consider this question: “Are you base funded correctly in the first place?” We should use the Delaware data to determine that and then resource reallocation can be implemented if deemed appropriate.

Craig Roloff reported that we are waiting to hear back from President Cruzado on decisions on the documents (Budget Council Calendar and Steering Committee proposal) submitted to her. We need to propose to the President a thoughtful plan on what we would like to see the role of Budget Council to be before we can proceed.

Jim Rimpau shared how Washington State University prepared their budgets when he was there. They would prepare a 97-105% budget. This would allow them to sweep about 3% of the funds to be used to reallocate to higher priorities. It gave them the opportunity each year to invest in the highest priorities. Our campus doesn't have much to cut because our personal services are the majority of our budget. We need to do more of what gets us to our target, and less of what doesn't.

The Council agreed that we are struggling with “Where do we start?” Craig Roloff suggested that the Council members look at the Cornell article for our next meeting. The Council should also think about these questions:

- What would be a reasonable thing to suggest to the President?
- What would be reasonable to expect to accomplish – both time-wise and politically?

Martha offered to prepare some faculty salary data and use it as a test case. Use it as a “request” so that we can see how the Council might work through it. What type of recommendations might we consider? Our objective would be to try to develop a process that we would apply to the budget itself. Regardless of what core theme we develop, Martha feels it is important and our accreditation report agrees that we need to attract and retain faculty to deliver the academic programs on our campus.

The Planning Council already has on their list to determine the list of peer institutions. This needs to be done first before data can be collected so that you can ensure that the comparisons are appropriate.

Two things were identified that we could begin to work on:

- Develop data to show equity and market
- What do we have to develop a comparative picture of budgets?

Next step:

- Work with Terry Leist on equity and market studies.
- Jim Rimpau, Laura Humberger, Kathy Attebury and Chris Fastnow to develop some comparator analyses at the program level.

Jeanne Wilkinson suggested that as tasks for the Steering Committee are identified they should be put on a list so they don't get lost.

Next Meeting: February 22, 2011