UNIVERSITY PLANNING BUDGET AND ANALYSIS COMMITTEE (UPBAC)
December 17, 2008

PARTICIPANTS

Members Present:
David Dooley        Shelley McKamey        Tamara Miller        Elizabeth Nichols
Susan Agre-Kippenhan Carl Fox        Craig Roloff        Shannon Taylor
Wes Lynch           Marvin Lansverk        Jeff Jacobsen        Jeff Butler
Paula Lutz          Dan Moshavi        Larry Baker        Jim Rimpau
Allen Yarnell       Sue Leigland        Cathy Conover        Sara France
Robert Marley       Tom McCoy

Members Absent:
Shane Colvin        Connie Talbott

Others present:
Terry Leist         Joseph Fedock        Kathy Attebury        Doug Steele
Chris Fastnow       Greg Young        Bob Lashaway        Jeff Adams

E-Waste presentation – Bob Lashaway
  • E-waste is a significant issue costing approximately $70,000/year
  • Proposal to provide central funding by initiating a 2.5% e-waste charge on computer purchases
    o Previous presentation to President’s Executive Council
    o Proposal includes disposal of secure data
    o Primarily for computer disposal at this time
  • Motion made and seconded to approve 2.5% e-waste charge on computer purchases
    o Vote: unanimous in favor

Tuition Waiver Report – Joseph Fedock
  • Tuition waivers not fee waivers
  • Reviewed handout
    o 35% increase in budgeted fee waivers from FY06 to FY09, impacted by increase in tuition rates
    o Significant percentage increases in all categories
    o 15% increase in GTA/GRAs fee waivers
  • UPBAC has not previously looked at the fee waiver budget
    o Should UPBAC be part of this from a strategic viewpoint?
    o All changes in tuition waiver budget were reviewed by UPBAC
      - Proposals for tuition discounting
      - Look at other aspects of tuition waiver process?

Retirements FY05-FY08 – Kathy Attebury
  • Reviewed handout
    o Use of retirement reserve when benefits pool inadequate
- TRS payments are hard to budget given the guessing factor
  - Retirement notifications to Human Resources come in late April or May

Remarks by President Gamble

- Thanked UPBAC members for participation in important budgeting process
- Looking for big picture perspective from UPBAC
- Uncertain about the Board of Regents position on budget for next biennium
- Current economic situation makes enrollments projections and budgeting very difficult
  - Scholarship accounts may not have adequate resources
  - MSU Foundation working on solutions
- Anticipating minimal or no wage increase; but increase in state medical contribution
- No intention of establishing freeze on hiring
  - Need to look critically at any new hires
  - Need to manage vacant lines carefully

Graduate Fee Waivers – Carl Fox

- Headcount enrollments are up and have met goals established in university vision document
- Need to be more strategic and competitive with waivers
- Required to comply with federal regulations regarding enrollment standards
- Focus of attention is tuition revenue shortfall
- Increase in GTA category from GRA category
  - GTAs: full waiver both resident and non-resident
  - GRAs: resident tuition paid by grant (in most cases)
  - International graduate students get full tuition waivers
    - Necessary in order to be competitive
  - Why did the number of GTAs increased so dramatically?
  - Lack of incentive for departments to look at GTA positions critically – no quota
  - Need to address FY09 issue and how it will affect future years
- Proposal to deal with $700,000 deficit?
  - Commitments have been made to students for FY09
  - Unanticipated consequences to change in fee waiver policy
  - Limited options for FY09
- For FY10 implement change in tuition waiver policy
  - Change policy for international students
  - Multiple options for FY10
    - Provost and Deans need to discuss and decide on this quickly
    - Redefine GTA appointment vs. changing fee waiver policy
- Options for dealing with tuition shortfall:
  - Distribute tuition shortfall as other tuition shortfalls have been distributed - across the board
  - Colleges that created difficulty will shoulder the associated costs
    - Letters and Science, Agriculture and Engineering would be most affected
    - Consequences to these colleges need to be acknowledged
    - Provost Dooley reminded the committee of its charge to make the best decision for the University as a whole
- Motion made to request additional data regarding where shortfall occurred
  - Lutz, Marley, Jacobsen, Fox, Rimpau and Fastnow charged with reporting back to UPBAC
Bring back to UPBAC recommendations for dealing with FY09 tuition shortfall
Bring back to UPBAC a revenue neutral position for future fiscal years
- Motion seconded
  - Vote: unanimous in favor

**Benefits Pool**
- Roloff reviewed issues surrounding decentralization of benefits pool
  - Shortfall of $270,000 will be distributed regardless of whether benefits are decentralized
  - Decentralization will allow units to more efficiently maximize their resources
  - Concern expressed regarding accuracy of data from Human Resources
  - Significant work has been underway to make the conversion effective January 1, 2009
  - Possible to delay or phase-in decentralization?
- Motion made and seconded to delay decentralization until FY 10
  - Vote: 5 in favor; 10 opposed; 3 abstentions
- Motion made and seconded to move forward with January 1, 2009 implementation of decentralization
  - Friendly amendment made and accepted to change effective date to February 1, 2009
  - Motion passed unanimously

**FY09 Macro analysis**
- Motion made and seconded to accept macro analysis as written
- Vote: unanimous in favor