UNIVERSITY PLANNING BUDGET AND ANALYSIS COMMITTEE (UPBAC)
May 5, 2009

PARTICIPANTS

Members Present:
David Dooley
Sue Leigland
Jeff Butler
Marvin Lansverk
Tamara Miller
Shannon Taylor
Tom McCoy
Carl Fox
Jim Rimpau
Wes Lynch
Robert Marley

Allen Yarnell
Craig Roloff
Elizabeth Nichols
Jeff Jacobsen
Paula Lutz

Kevin Thane
Shelley McKamey
Dan Moshavi
Larry Baker
Susan Agre-Kippenhan

Members Absent:
Rolf Groseth
Connie Carmack
Cathy Conover
Theresa Snyder

Others present:
Terry Leist
Joseph Fedock
Kathy Attebury
Doug Steele
Chris Fastnow
Jeff Adams
Megan Bergstedt
Terry Dysart

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- Finalize Disposition of FY09 FYE Funds
  - E-mail vote results: one time return of reversions
  - Will remain as base reductions

- FY10 Enrollment Update
  - Housing deposits up over last year
    - 101 non-residents
    - 33 residents
  - If numbers hold, possibility of large freshman class
  - Total enrollment may remain static

- FY10 and FY 11 Budget Issues Pending with OCHE and BOR
  - High level of uncertainty regarding BOR funding decisions to be made in May
  - May 13 BOR Budget Committee meeting may provide an early indicator
  - Tuition increases remain unknown
    - Governor is pressing for a tuition freeze
  - Stimulus funds from HB2 are one-time only
    - Serious implications for FY 12 and FY13
  - HB2: global 2% reduction
    - $7.2 million reduction to MUS
    - $5 million reduction to campuses
    - Potential MSU deficit of $1.5 million

- Review of FY10 and FY11 Budget Scenarios
  - Favorable scenario
    - Assumes reasonable increase in resident and non-resident tuition
- Double digit tuition increases expected nationally
- Modest increase of 2.5 or 5% for MSU would put us in a very favorable position in relation to our peers
- We spend less per student at a research institution than any other institution in the nation
  o Apports cuts to other campuses equitably
  o Revenue gap of $630,000 in FY10

- Unfavorable scenario
  o Two universities assume larger share of reduction rather than impose it on small campuses
  o Resident tuition freeze
  o Larger tuition increase for non-residents
    - Discussion regarding need to remain competitive in the market
  o It will be important to increase resident student enrollment to prevent reverting dollars to UM

- Discussion of Budget Development Concepts
  - Unpack macroanalysis for more detailed look at all items
  - Principles or concepts for future considerations
    o Items to be considered “untouchable”? Salaries?
    o Mandated reductions in staffing levels?
    o Hiring freeze?
    o What about reserves: retirement reserves, enrollment reserves, parking etc.?
    o Mandated one-day unpaid leave for all employees?
    o Close University during semester and spring breaks?
  - Do as much data analysis and information generation between now and May BOR meeting
  - Do not overreact or send negative messages to students and parents
  - Discussion of effectiveness of UPBAC process