

**PROFESSIONAL COUNCIL MEETING
MONTANA STATE UNIVERSITY
WEDNESDAY December 10, 2008
SUB 236
1:30 PM – 2:30 PM**

Members Present: Nancy Blake, Sheryl Dettmann, Patty Inskip, Nancy Filbin, Betsy Pitts, Carolyn Plumb, Matt Rognlie, Stacey Scott, Julie Tatarka, John Ford for Jeff Butler

Other Present: Craig Roloff, VP of Administration and Finance; Bill Clinton, professional rep on Space Management Committee; Leslie Schmidt, professional rep on the Debt Planning and Management Committee; Chris Bauer, professional rep on the Personnel Board

The meeting was called to order at 1:30 PM by Chair Sheryl Dettmann. A quorum was present.

Announcements – Chair Dettmann

- President Gamble will be able to meet with PC in the spring at 1:15 pm on February 25, 2009.
- Mountain Pine Bark Beetle – John Ford and his committee will decide what trees to cut down that are diseased on campus. The felled trees will be chipped and used as compost. The Campus Sustainability Committee will research why the trees became diseased and craft a philosophy of recovery.

Craig Roloff – VP of Administration and Finance

- The Administration & Finance Division (“AFD”) provides administrative, financial and facilities services to the campus in support of the primary missions of the institution. Inevitably, all services work towards student success, which is tantamount on the MSU campus.
- The total budget this year is about \$400 M; \$100M is for research, \$120M is in the general and education operations of the institution; \$40M in auxiliaries; \$40M in financial aid; \$20M is for finance and administrative operations. Half of that is the state funding, or general operations funding, for administrative services, HR, facilities services; the other half is for other funds designated in auxiliaries, motor pool, shops operations, parking operations, etc.
- About 300 employees are under the AFD; half being in the state operation; the other half falling under soft money.
- There are six major responsibilities in AFD:
 - Employee Relations - Represents the university in all union and non-union classified employee relations.
 - Human Resources – Compensation (recruitment, classification, administration of pay plan); Management of HR database, processing of all forms and transactions necessary for payroll, as well as provision of funds to all vendors including, but not limited to retirement, contractors, health insurance, IRS.
 - Planning & Information Systems – This division was created as a dynamic for the teaching/planning process. VP Roloff plans a retreat in early spring and includes all directors and their key associates. They report progress and update new strategic plans within their divisions.
 - University Services – This is the most diverse division which includes budget and IT services, campus mail, maintenance and operations, police, safety & risk management, facilities planning & management and architectural services.
 - University Budget – This division provides oversight of the university’s annual budget development process; the monitoring of revenues and expenditures. This division also works with the COHE and legislature for the development of the proposal to be presented to the governor for management of the actual distribution of our legislative appropriations.
- Financial Services – This division helps departments develop reports, it manages budgets and MSU’s bond portfolio. MSU sells bonds to finance new buildings on campus. Recently, we sold \$25M worth of bonds to build the Black Box Theatre and renovate the fitness center and student union building. Additionally, another \$25M bond was sold to finance the new chemistry building.
- Recently, the legislative analyst projected that revenues would be \$50M less than the governor’s budget, which was issued November 15, 2008. The University of Tennessee is struggling with a budget cut of \$75M; Arizona has cuts totaling \$70M. Montana has always been a state where the full effect of recession and recovery has lagged behind the rest of the nation. These fluxes are not as severe as they are in many other places across the nation and could be attributed to our lack of industrialization.
- MSU continues to focus on the freshmen class and retention of students.
- A PC member asked what role they could play to assist the VP of Administration & Finance. VP Roloff encouraged more communication with PC members about the clarified vision of the university, how they feel they are doing in pursuing that vision, and any other topics of interest.
- The Budget Committee is awaiting a proposal for one-time funding from the chair of the Streamline Bus Subcommittee.
- The permanent position hiring for the Assistant Vice President of Human Resources has not been finalized.

Space Management Committee – Bill Clinton

- The committee just finished working on Romney Gym men’s and women’s locker room spaces. HHD has now taken over the women’s locker room and architecture is currently working on the men’s locker room.
- Architecture asked the committee to review Cheever Hall and utilization of space.
- There is no information about the renovation of Hamilton Hall and how that space is to be utilized once it is finished. Bill Clinton will research and bring his findings back to PC.
- The pool in Romney will be filled in.
- It is believed that Gaines Hall renovation will take place one floor at a time.

Debt Planning & Management –Leslie Schmidt

- The committee analyzes building plans and looks long term at the mission and scope of the institution in terms of space needs and building. It coordinates with the state and reviews the financial well-being of the institution before taking on any more debt.
- When reviewing projects, the committee concerns include:
 - Increase costs of building. For example, MSU can service bonds for a \$20M building, but by the time it is ready to build, the cost has risen to \$30M.
 - Building commitments are very long term.

- Operations and maintenance of a building can become costly over time. With respect to the chemistry building, fixed costs versus variable costs are monitored closely and with data collected, will provide base information with which to compare future costs. MSU has a consultant that is monitoring campus utility usage.
- Bond restructuring.
- Members on the committee may be viewed at this web site: <http://www.montana.edu/opa/coms/debt.html>
- The types of projects the committee has been involved in include:
 - Black Box Theatre
 - Chemistry Building
 - Gaines renovation (funded by the state)
 - Student Fitness Center (funded by student fees)
- The committee does not meet frequently. The last meeting was in April 2008.
- Progress of the Animal Bioscience
 - Part of the building is federally funded; the other half is from MSU. There is no loan out on this building and all funds must be in place before groundbreaking begins.
- Status of grant funding – Expenditures, for the past three years with the mandate of eliminating earmarks, have dropped. This year, year-to-date, we are \$1M ahead of last fiscal year, and it appears to be flattening out. The end of our cost/return has not kept up, and we are behind. MSU does not see many grants coming in, and we are waiting what the new US president will do. Nationwide, the overall success rate has dropped; it is about 17%-18%. A couple of years ago it was 28%-30%. Montana seems to get the same amount of money no matter what the economic climate has been. Some proposals are being awarded in larger increments and when that happens, our administrative responsibility increases. NIH and NSF funding has dropped significantly. People are looking more towards private funding.

Personnel Board – Chris Bauer

- The Personnel Board has not met once in the past year and a half. This is of concern since the human resource department recently underwent a significant structural change.

The meeting adjourned at 2:30 PM, as there was no other business.

Signature

Sheryl Dettmann
Chair, Professional Council

Signature

Gale Gough
Secretary, Professional Council