

.....UNIVERSITY PLANNING BUDGET AND ANALYSIS COMMITTEE
(UPBAC)
September 28, 2004

PARTICIPANTS

Members present:

David Dooley	Craig Roloff	Jerry Bancroft	Shelley McKamey
Bruce McLeod	Jim Rimpau	Robert Marley	Jeanne Wagner
Sue Leigland	Allen Yarnell	Warren Jones	Rolf Groseth
Elizabeth Nichols	Jim Mitchell	Richard Semenik	Richard Howard
Sara Jayne Steen	Blake Rasmussen	Tom McCoy	Shannon Taylor
Bruce Morton			

Members absent:

Jeff Jacobsen Greg Weisenstein

Others present:

Greg Young	Joe Fedock	Clyde Carroll	Chris Fastnow
Kathy Attebury	Ben Sharp	Jeff Adams	Tom Stump
Don Kress			

- FY05 Enrollment and Revenue Update
 - Fall 04 enrollment is below the number that the FY05 budget was based on
 - Freshman class in over 2100 students and a new enrollment record
 - Retention rate from freshman to sophomore has improved
 - Reduction in junior and senior class
 - 72 additional graduates in spring 2004
 - Royall Fast App program very successful
 - Quality of students has increased
 - Market share of Montana students has increased
 - No major trends in this reduction
 - Tuition revenue shortfall of approximately \$682,555 from budgeted amount
- Discussion of FY05 Budget
 - Fixed costs have absorbed all additional revenues and more
 - \$3.5million in increased fixed costs - this is more than the tuition increase
 - OCHE being asked to lobby for funding for fixed costs increases
 - \$2.5 million transferred from FY05 to FY05 to balance budget
 - Is \$370,000 for enrollment growth necessary?
 - Must still provides classes and services for increased freshman class
 - Consideration of three critical academic budget amendments
 - CORE 2.0 - \$250,000
 - Bozeman Upper Division Nursing - \$90,000
 - Student teacher stipends - \$32,000
 - Motion made to accept Provost's proposal to include funding for these three budget amendments in the FY05 budget
 - Motion seconded

- Discussion
- Vote: unanimous in favor of motion
- \$1 million shortfall in FY05 budget
- Two shortfall proposals presented to committee
 - Proposal #1
 - Distribute shortfall to each executive based on percentage of budget
 - Proposal #2
 - Transfer from compensated absences reserve (repaid in FY06) - \$250,000
 - One-time transfer from Auxiliaries - \$250,00
 - Each executive to assume percentage share of balance of shortfall
- Discussion of proposal
 - Anticipate that budget shortfall is an FY05 issue
 - FY06 should be substantially better
 - Want to avoid inflicting long term damage to fix a one year problem
 - Transfers would be made at fiscal year end
 - Transfer the actual amount needed
- Motion made to accept proposal #2
 - Motion seconded
 - Friendly amendment
 - Implement executive distribution immediately
 - Implement the transfers in priority of auxiliaries first and compensated absences second, both on an as needed basis
 - These are one time (not base) adjustments
 - Friendly amendment accepted
 - Vote: unanimous in favor
- Next UBPAC meeting - October 12