

Minutes for University Budget Committee Meeting
Provost's Conference Room
February 18, 2013 – 10:30 am

Attending:

Karen Karmiol, Chair

Ed Gibson, Secretary

Jacob Goldberg

James Hale

Mary Maher, Assistant VP for Human Resources (ex officio)

Harry Schuckel, Senior VP for Administration and Finance (ex officio)

J. C. Weiss

Absent:

Jamaal Vetose

Joe Wood, Provost & Senior VP for Academic Affairs (ex officio) (1st day returned to campus)

I. Minutes of the January 30 meeting already had been approved (electronically) and posted on the Governance Steering Council website.

II. Updates on shared governance provided:

- Staff Senate member(s) provided an update on the Staff Senate. Organizational activities of the Senate continue. A standard process had been followed for nominations to establish representatives to the Governance Steering Council (GSC) committees. The committees have yet to be formalized as to future committee member selections, structure, length of terms, and the like.
- Faculty Senate member(s) provided an update on the University Faculty Senate. The new constitution for the Senate had recently received the necessary votes for approval. Bylaws are still in work. It was suggested that the Staff Senate might benefit from using the University Faculty Senate's work on bylaws as a template, so that structures of the two bodies could be harmonized.
- Student Government Association member(s) indicated there were no activities by the Student Government Association relevant to the Committee's work.

III. May 2008 University Council Budget Committee Report and Recommendation discussed:

- Members agreed that the report was well laid out and served as a useful guide for this committee's work.
- The Senior VP Administration & Finance (SVP A&F) indicated that the report dealt at the level where conversations about budgetary priorities could be most helpful.

IV. Update on FY2014 budget process given:

- The SVP A&F indicated that the timeline for the budget call would probably be issued later in the week. The deans and Executive Committee members are in the process of making final comments on and potential changes to the process.
- Additionally, it was indicated that the timing changes this year are due to new procedural steps that link the divisional processes with the University budget process. When the budget call is issued, it will be published on the Budget Office website. The call also will be transmitted via email to accountable individuals within the divisions. Informational packages are already going out, irrespective of the budget call schedule.

V. Availability of financial results discussed:

- It was indicated that the FY12 actual financial results could not be located on the Budget Office website.
- The SVP A&F responded that his understanding was that the full-year FY12 actuals and first two quarters of FY13 actuals had been posted for approximately two weeks. A brief review of the web site was conducted at the end of the meeting to locate the FY12 and partial FY13 actuals. The FY12 actuals are currently (2/22/2013) available as part of 4-year trend analysis (FY09-FY12) at: <http://www.ubalt.edu/about-ub/offices-and-services/budget/UB%20FY2009%20to%20FY2012%20Unrestricted%20Revenues%20and%20Expenditures%20October%202%202012.pdf>
1st quarter FY13 actuals are available at: <http://www.ubalt.edu/about-ub/offices-and-services/budget/downloads/FY2012%20FY2013%20NACUBO%20Unrestricted%20YTD%20First%20Quarter.pdf>
2nd quarter FY13 actuals are available at: <http://www.ubalt.edu/about-ub/offices-and-services/budget/downloads/FY2012%20FY2013%20Unrestricted%20Budgets%20YTD%20Second%20Quarter.pdf>
- The committee inquired about the availability of prior-year budget calls.
- The SVP A&F responded that the submission of budget calls produced quite voluminous documentation. He committed to providing the Budget Office summaries of budget requests (“wish lists”), which were captured as single-line descriptions. He indicated that FY13 requests were anomalous, because all of the available new funding was applied toward additional faculty positions.

VI. President’s University Budget Task Force (PUBTF) report received:

- It was confirmed with committee members that they had received the PUBTF’s report, including the appendices.
- Given its length, committee members were still in the process of reviewing the report.
- In response to a question about the detailed analysis of expenditures being limited to FY09 and FY10, it was clarified that this analysis was done by PUBTF members Tom Darling and Dan Gerlowski, who did not use expenditure data beyond FY10.
- Another question concerned an issue of classifying instructional expenditures that the PUBTF examined, which questioned whether the Schaefer Center and Jacob France

Institute were appropriately included by the University in the “Instruction” category (PUBTF Report, p. 3). The SVP A&F responded that the aim of the PUBTF was to achieve a pristine model of instructional expenditure. For the University’s reporting, however, the Schaefer Center’s spending (unrestricted portion), as part of the College of Public Affairs, had to be classified within the program of instruction.

- The committee expressed appreciation for the efforts of the Task Force in compiling such an evidently thorough and comprehensive document.
- The committee decided to defer detailed discussion of the report until its March 11 meeting.

VII. Governor’s Budget Book distributed:

- UB’s portion of the Governor’s *FY 2014 Proposed Operating Budget Detail, Volume 3* (Governor’s Budget, v3), which includes the “Public Education” section and “University System of Maryland” (USM) sub-section was distributed to committee members and is available at:
dbm.maryland.gov/agencies/operbudget/Documents/2014/Proposed/unsysmd.pdf
- This document prompted a number of questions: for example, the student/faculty ratio falling significantly from FY11 to FY12, but being projected to rise from FY13 to FY14 (Governor’s Budget, v3, p. 206).
- The SVP A&F emphasized that data in the Governor’s Budget reflected filtering by the USM based on the State’s rules, for which the Budget Office could not take ownership. It was recommended the USM audited financial statements as the best source for summary financial information, entailing 12 years of balance sheets and income statements, the latest of which is available at:
www.fincsvc.umaryland.edu/images/FS2012.pdf
- Faculty members responded that questions from colleagues in the college senates may well reference totals from the Governor’s Budget, since this is publicly available. For example, the full-time teaching faculty headcount (Governor’s Budget, v3, p. 206) appears to grow by a single position, from 181 to 182, between the FY11 actual and the FY14 projection. The concern was raised of decisions potentially being based on problematic data or of mistaken impressions being provided by data not harmonized with University planning.
- The SVP A&F explained that data in the Governor’s Budget reflected a snapshot from mid-October 2012, when UB made its response, and followed the State’s and USM’s procedures for how the information had to be developed. He stated that it was better not to call attention to ourselves and concluded that data from multiple sources are always difficult to compare. To illustrate, the definitions that the Governor’s Budget used did not include positions that were authorized but unfilled.
- The subsequent discussion focused on the budget’s role as an expression of priorities. The concern was raised that the President’s commitment to add 40 full-time faculty positions (PUBTF Report, p. 4) is not apparent from reading the Governor’s Budget. The committee was advised against insisting on an external document as the source for faculty headcount, given that UB’s Office of Institutional Research is the official source for instructional positions.

VIII. Office of Administration and Finance’s “Developing Institutional Priorities” discussed:

- The list described as “Developing Institutional Priorities” had been emailed following the previous meeting. The SVP A&F described the priorities in his email as
“helpful in the development of a set of University Budget Committee priorities. By maintaining focus on institutional and long-term priorities, I believe that the University Budget Committee can contribute significantly to the development of annual operating budgets and also help shape the long-term resource commitments that the University will make”
(Schuckel, 2/7/2013).
- The list contained State-mandated and USM-mandated priorities, which were italicized, and remaining priorities, provided without any ranking.
- The committee discussed the critical importance of advertising and marketing (among the priorities contained in “Developing Institutional Priorities”) for reaching parents and potential employers, two groups crucial in influencing students’ college decisions.

IX. The next meeting will be held on Monday, March 11th from 10:30a – 12p in LAP 112 (Provost’s Conference Room) to review and discuss the PUBTF final report.

X. The meeting adjourned at 11:32 am.