

Minutes for University Budget Committee Meeting
Thumel Business Center, Room 133
October 1, 2013 – 9:30 am

Attending:

James Hale, Chair

Ed Gibson, Secretary

Jill Green

Jamaal Vetose

J. C. Weiss

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

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

Karen Karmioli, for Joe Wood, Provost & Senior VP for Academic Affairs (ex officio)

Absent:

Dominique Brown

- I. Minutes of the July 16 meeting already had been approved (electronically) and posted on the Governance Steering Council (GSC) website.**
- II. James Hale was elected as chair. After discussing the rotation of secretarial duties, the committee decided to continue with a formally selected secretary. Ed Gibson was elected as secretary.**
- III. Meeting scheduled discussed.**
 - The committee established monthly meetings as a baseline, leaving open the potential for more frequent meetings when the activity of the budgetary process demanded. The difficulty, given members' commitments and dynamic schedules, of establishing a set day and time for meetings led to the suggestion of a scheduling function (Doodle poll) as the means of picking the meeting date well in advance.
- IV. Updates on shared governance provided:**
 - The University Faculty Senate (UFS) will be meeting next on October 2. The Merrick School of Business faculty meetings have been focused on the MBA relaunch and the discussion of potentially dramatic curricular changes, such as 1.5 credit classes, which could be offered in successive 8-week blocks, possibly resulting in 16-week semesters.
 - The committee was informed that the Student Government Association (SGA) meets weekly. There have not been any specific developments concerning budgetary issues.
- V. Information posted on budget-related websites addressed:**
 - The A&F representative indicated that results for the 2013 fiscal year had been posted and included views by division, by function (NACUBO), and by object. They can be found on the Budget Office website: <http://www.ubalt.edu/about-ub/offices-and->

[services/budget/downloads/NACUBO%20Trends%20FY2009%20to%20FY2013%20Unrestricted%20As%20of%20September%2020%202013.pdf](#)

- The committee suggested a short presentation at a future meeting about the location of important budgetary and financial information, to bring new members up to speed.

VI. Process for committee's work on the FY15 budget considered:

- The committee determined that both base budgets and supplemental expenditures should be the subject of analysis in preparation for its work on the FY15 budget.
- Members emphasized that a holistic rather than a "balkanized" view of the budget would be required. The committee's role in supporting shared governance groups should take into account elements of the strategic plan. The committee learned that a revised version of the strategic plan would soon be released, probably in advance of the next meeting.
 - o The composition of the base budget should be analyzed based on major components in the view of several members. The point was made that the NACUBO format, in particular the categories of Instruction, Student Services, Academic Support, and Institutional Support account for the preponderance of expenditures.
 - The A&F representative noted that NACUBO categories constituted one view of historical spending, complemented by breakouts by division and object. Historical spending is classified by these categories for FY09-FY13.
 - o The analysis of supplemental expenditures should include both an analysis of the impact of supplemental spending decisions on base budget composition over time and the examination of the degree to which supplemental spending decisions are a factor in the overall budget—to respond to the GSC's inquiry into supplemental expenditures (below).

VII. Work plan for committee discussed:

- Per GSC's guidance the committee began formulation of a work plan.
 - o The criticality of allowing time to work through the shared governance bodies, including the GSC, senates, and SGA, was emphasized, after the committee's experience on the FY14 budget, when liaison with these groups was irregular.
 - The schedule for input on the FY15 budget model to the University System of Maryland (USM) dictated the initial submission this month.
 - The committee noted that the SVP, A&F had stated at the last meeting that the period immediately after the Winter break would provide the last opportunity to register the priorities of the various constituencies.
 - The University Faculty Senate (UFS) meeting scheduled for January 15, 2014 represented the last meeting for consideration of input for that stage of the budget process.
 - Promoting discussion of budgetary issues and eliciting input from the various college senates prior to the January 2014 UFS meeting would have to occur in December. College senates have four or less meetings

prior to January and none in January. For example, the last MSB Faculty Senate meeting for this semester is scheduled for December 4, 2013.

- The chair took responsibility for drafting a work plan, to be circulated among committee members via email prior to the next meeting, with concurrence by the committee.

VIII. FY2014 supplemental funding decisions discussed:

- The committee discussed requests from the GSC for information on the FY2014 supplemental funding decisions:
 - The first request was for “the committee’s assessment of whether or not each approved expenditure authorized during the supplemental budget process directly enhances student success. For each approved item, please indicate if it directly enhances student success or if it contributes to other, necessary University expenditures” (“University Budget Committee Charges 082013” [attachment], Gerlowski to Karmiol, August 2, 2013).
 - The committee noted President Bogomolny’s message of June 25, stating the 2014 supplemental funding decisions “include investments in student success; faculty growth; academic innovation; campus safety (additional police personnel); [and] increased merit salary.”
 - In view of that statement and the impracticality of assessing the effects of future expenditures, the committee felt that no useful information could be brought to bear on the supplemental spending decisions.
 - The GSC’s second request was for the committee to determine “of the total (presumed increase) in total expenditures for the University in any given year, what percentage of the increase do supplemental budget items represent” (ibid.).
 - The committee determined that its 5-year analysis of budgetary trends would include a review of the supplemental expenditures process, with particular attention to the proportion of supplemental expenditures as a percentage of total spending, as requested. The A&F representative will determine whether the committee needs to make a formal request for additional information (beyond what is publicly posted).
 - The committee discussed portions of the FY14 supplementals that were still centrally held. During the last meeting the items that were identified as being centrally held included the explicit \$600,000 reserve, \$700,000 allocated for new faculty lines, and \$200,000 held within the President’s Office, targeted for continuing education and career/professional development. In addition to this total of \$1.5 million that was thought to be centrally held, the University’s one percent contribution to the merit increase, which had been estimated at \$163,000 (Aughenbaugh to Karmiol, May 20, 2013), has not been confirmed.
 - According to the Provosts’ representative, only two new faculty positions, one each in the College of Public Affairs and the College of Arts and Sciences, continue to be held by the Provost’s Office.
 - The committee requested of the A&F representative to learn which funding is still centrally held, in order to gain a clearer picture of the financial situation.

IX. Response to GSC on procedures and membership discussed:

- There was a discussion on several structural issues raised by an inquiry from that the GSC posed to its subsidiary committees.
 - On the question of additional membership, the sense of the committee was that additional membership would be helpful. The request was to be relayed by the chair to the GSC for its consideration and for forwarding, if deemed advisable, to the senates and SGA.
 - The committee was informed that the SGA president had already proposed that a third member, the SGA Treasurer, should represent students, possibly serving in an ex officio capacity.
 - On the role of ex officio members, the committee revisited the discussion of this issue during the previous (July 16) meeting, at which all of the ex officio members expressed their understanding that ex officio members serve to guide and inform committee deliberations and not to cast votes on matters.
 - On the role of designees, given the importance of the ex officio members' (or their designees') role in providing information to and receiving inquiries from other committee members, the committee deemed attendance by designated replacements for the ex officio members as appropriate and helpful. However, it was noted that the designees may sometimes lack the authority to provide definitive answers.
 - On the question of the committee's quorum requirements, the existence of a quorum requirement was affirmed, established at the first meeting in January 2013. The committee expressed the preference to continue using this formula, with the GSC's approval, requiring the presence of four voting members, at least while the committee's structure remained the same. It was noted that the existing formula for a quorum had enabled the committee to meet seven times in AY2012-2013.
 - On the voting procedures for a larger group of voting members—one option for which was voting by constituency: i.e., one vote each for staff, faculty, and students—the committee decided to revisit voting procedures after the new members join.

X. The next meeting date will be determined through a “Doodle poll” of members’ availability for potential meeting dates during the last week of October.

XI. The meeting adjourned at 10:45 am.