**Strategic Planning & Budget Advisory Committee (SPBAC)**

**March 24, 2015 Meeting Notes**

**In Attendance:** Michael Ciri (co-chair), Rick Caulfield (co-chair), John Pugh (Chancellor), Karen Schmitt, Deb Lo,
Vickie Williams, Pete Traxler, Elise Tomlinson, Kevin Krein, Maren Haavig, Barbara Hyde, Julie Vigil, Barbara Hegel, Dayna Mackey, Keith Gerken, Wendy Miles, Jill Hansen, Denise Blankenship, Brad Ewing, Maria Moya

**CHANCELLOR’S REMARKS**

The Chancellor reported that the legislature is still in session and deliberating over the FY16 operating and capital budgets. (The House passed their version of the operating budget; the Senate Finance is currently considering the budget and is expected to close it out this week.) In addition to base funding, the legislature is considering whether to appropriate funds to pay for state employee labor contract increases. Currently, the university is anticipating a
$25 million reduction to its operating budget, plus an additional $9 million in costs for faculty contracts and staff salary increases which, translates into a $34 million total budget reduction for FY16. He added that UAS is assigned 8% of the total UA budget, which according to the current budget scenario, would result in a $2.7 million reduction in FY16.

The Chancellor added that the university is looking at ways for Statewide System Offices to absorb more than their traditional share of the anticipated budget reductions, so the three universities can take smaller reductions. The university president has formed a task force to review Statewide and make budget cutting recommendations. Maren Haavig and Michael Ciri will serve as UAS representatives on this committee.

The Chancellor also reported that the House Finance Capital Budget committee will likely only include funds for Department of Transportation projects; although, there’s still hope that funds for deferred maintenance will be added.

**PRESENTATION FROM SPBAC COMMITTEE CO-CHAIRS**

RCaulfield reminded the committee that its goal is to review UAS’ mission, core themes, and strategic priorities and to make recommendations to the UAS Executive Cabinet about budget priorities. He noted the meeting packet included a document titled, *UAS Academic Program Priorities & Program Review Process* which emerged from recent testimony before legislative committees. This reflects our current priorities. With reduced budgets, our challenge is how to retain the focus on our mission: quality student learning. We will have reduced state general funds, but how can we maintain what is special and distinctive about UAS programs?

MCiri added that the committee meeting packet also includes documents titled, *UAS Academic Program Reviews* and
*UAS Administration, Instructional Support, & Facility Reviews*, which demonstrate that UAS is walking the talk about using program reviews for strategic decision-making. These documents show how UAS has been looking broadly across its services, over the years, and making measured changes based upon thoughtful processes and careful consideration.

**UPDATE FROM METRICS SUBCOMMITTEE**

BEwing reported that the SPBAC Metric Subcommittee met recently and expects to have proposed revisions to UAS’ performance metrics to the full committee at its next meeting.

**CONCEPTUAL BUDGET REDUCTIONS PRESENTATIONS FROM EXECUTIVE TEAM**

MCiri noted documents titled, *FY15 Juneau Campus Adjusted GF Distribution* and *UAS Reduction Planning Data* were included in the meeting packet. These documents depict how UAS distributes its general funds (GF) and how the 10% GF reduction scenario impacts will likely translate at the campus and school levels.

The Executive Team members then gave brief presentations on their units’ conceptual 10% general fund FY16 budget reductions exercise:

* MCiri reported that 10% of Administrative Services’ current general fund would amount to approximately $500,000. He then reviewed his unit’s proposed conceptual 10% GF reductions which were summarized in the document titled, *[Office of the Vice Chancellor]* *Conceptual GF Reductions: FY16 (and Beyond)*.
* MCiri also reported that the Vice Chancellor for Student Services and Enrollment Management was not available to attend today’s meeting and he asked MCiri to explain that the conceptual 10% GF reductions to Student Services would be primarily absorbed from personal services adjustments.
* JPugh explained that the Chancellor’s Office 10% GF reductions would likely result in reduced funding for community sponsorships, cross-campus activities, and employee summer contract reductions, and possibly, reductions in marketing.
* RCaulfield reported that 10% of Academic Affairs’ current general fund would amount to approximately $1,500,000. He then reviewed his unit’s proposed 10% GF conceptual reductions which were summarized in the document titled, *Academic Affairs* *Conceptual GF Reductions: FY15 & FY16*.

MCiri stressed that these budget reduction scenarios are not actual budgets, but an exercise intended to assist with developing strategies and facilitate planning to avoid across-the-board reductions. He also stressed that these are only conceptual ideas, purposefully lacking specificity at the individual position level, so as to maintain flexibility and employee morale, as the university waits for the legislature to finalize its FY16 budget appropriations.

The Chancellor added that, even though UAS has been preparing for anticipated reductions to general fund budgets,
it needs to continue to stay focused on increasing revenues through improved student recruitment and retention.

**UPCOMING BUDGET MILESTONES**

* **March 27th** (anticipated): Senate Finance closes out its version of the FY16 budget
* **By April 3rd** (anticipated): FY16 employee benefits rates will be set
* **April 19th**: Legislature adjourns
* **May 6th**: SPBAC will meet to present the budget adjustments each unit anticipates it will take for FY16
* **By May 29th** (anticipated): FY16 unit budget books distributed to units
* **By June 12th** (anticipated): FY16 unit budget books due to UAS Budget Office

**NEXT MEETING:**

* Wednesday, May 6, 2015 2:00-4:00pm